

**ESTIMATED REVENUE EFFECTS OF TAX AND PENSION PROVISIONS OF H.R. 3108,
THE "PENSION STABILITY ACT," [1]
AS PASSED BY THE SENATE ON JANUARY 28, 2004**

Fiscal Years 2004 - 2013

[Millions of Dollars]

Provision	Effective	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2004-08	2004-13
1. Temporary replacement of interest rate used for purposes of pension funding and PBGC variable rate premiums for 2004 and 2005; employers may elect whether to use temporary replacement interest rate in applying deduction limits [2]	pyba 12/31/03	3,299	5,563	1,247	-1,261	-1,004	-2,216	-2,737	-1,888	-1,160	-828	7,845	-985
2. Partially waive deficit reduction contributions for 2 years for plans of certain employers not subject to the deficit reduction contributions rules in 2000; additional required contribution would generally be the greater of: (1) a percentage of the otherwise applicable additional contribution (20% for first year, 40% for second year), or (2) the amount of the excess, if any, of (i) the expected increase in current liability due to current year accruals, over (ii) the regular funding contribution for the year; applies to passenger airline, steel and iron ore industries, a certain tax-exempt organization, and employers who apply for relief and receive approval from the Secretary of the Treasury (sunset plan years beginning after 12/27/05) [2] [3]	pyba 12/27/03	292	445	-18	-474	-368	-111	-121	-126	-75	-38	-124	-594
3. Multiemployer plan funding notices [4]	pyba 12/31/04	----- No Revenue Effect -----											
4. Amortization hiatus for net experience losses in multiemployer plans (sunset plan years beginning after 6/30/06)	pyba 6/30/02	4	10	12	9	5	2	[5]	[5]	[5]	[5]	40	42
5. 2-year extension of transition rule to pension funding requirements	pyba 12/31/03	2	6	2	-3	-2	-2	-2	-1	-1	[6]	5	-1
6. Procedures applicable to disputes involving pension plan withdrawal liability [7]	[8]	----- Negligible Revenue Effect -----											
7. Sense of the Senate.....	DOE	----- No Revenue Effect -----											
8. Allow employers to transfer excess defined benefit plan assets to a special account for health benefits of retirees (sunset 12/31/13).....	DOE	---	---	18	38	40	40	40	40	40	40	97	298

Provision	Effective	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2004-08	2004-13
9. Limit 501(c)(15) to organizations with annual gross receipts not to exceed \$600,000 and with premiums greater than 50% of gross receipts; modify definition of insurance company for P&C companies for exemption and investment income election purposes.....	tyba 12/31/03	54	120	134	136	138	140	143	147	152	158	582	1,323
NET TOTAL		3,651	6,144	1,395	-1,555	-1,191	-2,147	-2,677	-1,828	-1,044	-668	8,445	83

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding.

Legend for "Effective" column:

DOE = date of enactment

pyba = plan years beginning after

tyba = taxable years beginning after

- [1] Section 12 of HR 3108 as passed by the Senate repeals Section 105 of the Miscellaneous Appropriations and Offsets Act, 2004. The budget effects of this provision are not included in this table.
- [2] Estimate does not include the effects on PBGC variable rate premiums which are the responsibility of the Congressional Budget Office.
- [3] Provision includes interaction with item 1.
- [4] Provision provides penalty assessable by the Department of Labor for failure to provide notice.
- [5] Negligible revenue effect.
- [6] Loss of less than 500,000.
- [7] Estimate does not include the effects on PBGC which are the responsibility of the Congressional Budget Office.
- [8] Provision applies to any employer that receives a notification under Section 4219(b)(1) of ERISA after October 31, 2003.