

ESTIMATED REVENUE EFFECTS AN AMENDMENT IN THE FORM OF A SUBSTITUTE TO THE CHAIRMAN'S MARK
SCHEDULED FOR MARKUP IN THE COMMITTEE ON WAYS AND MEANS
ON SEPTEMBER 18, 1995

Fiscal Years 1996 - 2002

[Millions of Dollars]

Item	Effective	1996	1997	1998	1999	2000	2001	2002	1996-00	1996-02
I. EXPIRING PROVISIONS										
A. Provisions Extended Through 12/31/97:										
1. Work opportunity tax credit [1].....	1/1/96	-64	-173	-176	-93	-36	-12	-2	-542	-556
2. Employer-provided educational assistance (for undergraduate education after 12/31/95).....	1/1/95	-731	-500	-307	---	---	---	---	-1,538	-1,538
3. R&D credit with modifications.....	7/1/95	-1149	-1,389	-1,013	-518	-343	-176	-40	-4,412	-4,628
4. Contributions of appreciated stock to private foundations.....	1/1/95	-47	-108	-20	-7	---	---	---	-182	-182
5. Orphan drug tax credit.....	1/1/95	-33	-20	-7	---	---	---	---	-60	-60
B. Permanent Extension of FUTA exemption for alien agricultural workers [2].....	1/1/95	-5	-3	-3	-3	-3	-3	-3	-17	-23
C. Commercial Aviation Fuel: extend 4.3 cents/gallon exemption through 9/30/97.....	10/1/95	-417	-439	-6	---	---	---	---	-863	-863
D. Extend all Airport and Airway Trust Fund excise taxes through 9/30/96 [3].....	1/1/96	----- No Revenue Effect -----								
Total for Expiring Provisions.....		-2,446	-2,632	-1,532	-621	-382	-191	-45	-7,614	-7,850

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II. Pension Simplification										
1. Simplified distribution rules:										
a. Sunset of 5-year income averaging for lump-sum distributions.....	tyba 12/31/95	4	13	23	36	44	46	48	119	213
b. Repeal of \$5,000 exclusion of employees' death benefits.....	tyba 12/31/95	16	46	49	52	54	55	55	218	328
c. Simplified method for taxing annuity distributions under certain employer plans.....	asda 12/31/95	[5]	2	4	4	6	6	6	16	28
d. Minimum required distributions....	yba 12/31/95	-1	-4	-4	-4	-4	-4	-4	-17	-25
2. Modifications of simplified employee pensions (SEPs).....	yba 12/31/95	-12	-35	-36	-37	-38	-39	-40	-159	-238
3. State and local governments and tax-exempt organizations that do not maintain section 457 plans eligible under section 401(k).....	pyba 12/31/96	---	-37	-89	-95	-98	-102	-105	-319	-526
4. Simplified definition of highly compensated employees.....	yba 12/31/95	----- <i>Considered in Other Provisions</i> -----								
5. Repeal of family aggregation rules....	yba 12/31/95	----- <i>Considered in Other Provisions</i> -----								
6. Modification of additional participation requirements.....	yba 12/31/95	----- <i>Negligible Revenue Effect</i> -----								
7. Safe-harbor nondiscrimination rules for qualified cash or deferred arrangements, matching contributions, and salary reduction SEPs.....	yba 12/31/95	-52	-149	-154	-160	-165	-171	-177	-680	-1,028
8. Treatment of leased employees.....	yba 12/31/95	----- <i>Negligible Revenue Effect</i> -----								
9. Plans covering self-employed individuals.....	yba 12/31/95	----- <i>Negligible Revenue Effect</i> -----								
10. Elimination of special vesting rule for multiemployer plans.....	pybo/a 1/1/96	[5]	-1	-1	-1	-1	-1	-1	-4	-6
11. Distributions under rural cooperative plans.....	da 12/31/95	----- <i>Negligible Revenue Effect</i> -----								
12. Treatment of governmental plans under section 415.....	tybo/a DOE	----- <i>Negligible Revenue Effect</i> -----								
13. Uniform retirement age.....	yba 12/31/95	----- <i>Considered in Other Provisions</i> -----								
14. Uniform penalty provision to apply to certain pension reporting requirements.....	1/1/96	----- <i>No Revenue Effect</i> -----								

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15. Contributions on behalf of disabled employees.....	yba 12/31/95	----- Negligible Revenue Effect -----								
16. Treatment of deferred compensation plans of State and local governments and tax-exempt organizations.....	tyba 12/31/95	[4]	-1	-1	-1	-1	-2	2	-4	-8
17. Correction of GATT interest and mortality rate provisions in the Retirement Protection Act.....	eaii GATT	-4	-4	-4	-4	---	---	---	-16	-16
18. Require individual ownership of section 457 plan assets.....	1/1/96	-8	-22	-23	-24	-25	-25	-26	-101	-153
19. Multiple salary reduction agreements permitted under section 403(b).....	tyba 12/31/95	----- Negligible Revenue Effect -----								
20. Repeal of combined plan limit (section 415(e)).....	lyba 12/31/96	---	-66	-178	-184	-189	-195	-201	-617	-1,012
21. Modify notice required of right to qualified joint and survivor annuity....	pyba 12/31/95	----- Negligible Revenue Effect -----								
22. Date for adoption of plan amendments.....	DOE	----- No Revenue Effect -----								
III. Partnership Simplification Provisions										
1. Simplified reporting to partners and audit procedures for large partnerships.....	tyba 12/31/95	7	8	9	9	9	10	10	42	62
2. Due date for furnishing information to partners of large partnerships.....	tyba 12/31/95	----- No Revenue Effect -----								
3. Returns required on magnetic media for partnerships with 100 partners or more.....	tyba 12/31/95	----- Negligible Revenue Effect -----								
4. UBIT reporting exception for certain IRA income.....	tyba 12/31/95	----- No Revenue Effect -----								
5. Other partnership audit rules.....	---	[4]	[4]	[4]	[4]	[4]	[4]	[4]	-1	-1
IV. Foreign Tax Simplification										
A. Modification of Passive Foreign Investment Company Provisions to Eliminate Overlap with Subpart F and to Allow Mark-to-Market Election.....										
	tyba 12/31/95	-7	-18	-20	-21	-22	-24	-25	-88	-137
B. Modifications to Provisions Affecting Controlled Foreign Corporations.....										
	---	-1	-2	-2	-3	-3	-3	-3	-11	-17

Item	Effective	1996	1997	1998	1999	2000	2001	2002	1996-00	1996-02
C. Other Foreign Provisions										
1. Exchange rate used in translating foreign taxes.....	---	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]
2. Election to use simplified foreign tax credit limitation for alternative minimum tax.....	tyba 12/31/95	[4]	[4]	[4]	[4]	[4]	[4]	[4]	-1	-1
3. Treatment of inbound and outbound transfers.....	---	-1	-2	-2	-2	-2	-2	-2	-9	-13
4. Application of uniform capitalization rules to foreign persons.....	tyba 12/31/95	-31	-87	-26	-15	-17	-19	-21	-176	-216
5. Modification of reporting threshold for stock ownership of a foreign corporation.....	reoa 12/31/95	[4]	[4]	[4]	-1	-1	-2	-2	-2	-6
6. Prizes and awards received by a nonresident alien relating to amateur sports competitions held in the United States.....	DOE	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]
7. Conform estate and income tax treatments of certain short-term OID obligations held by a nonresident alien.....	DOE	----- <i>Negligible Revenue Effect</i> -----								
8. Repeal of excess passive assets provision (section 956A).....	tyba 9/30/95	-17	-26	-29	-35	-41	-45	-51	-148	-244
V. Other Income Tax Simplification Provisions										
A. Subchapter S Corporations										
1. Increase number of eligible shareholders.....	tyba 12/31/95	-7	-12	-14	-16	-20	-22	-25	-69	-116
2. Permit certain trusts to hold stock in S corporations.....	tyba 12/31/95	-1	-2	-2	-2	-2	-2	-2	-9	-13
3. Extend holding period for certain trusts.....	tyba 12/31/95	[6]	[6]	[6]	[6]	[6]	[6]	[6]	[6]	[6]
4. Financial institutions permitted to hold safe-harbor debt.....	tyba 12/31/95	[4]	[4]	[4]	[4]	[4]	[4]	[4]	-1	-1
5. Authority to validate certain invalid elections.....	tyba 12/31/82	[4]	[4]	[4]	[4]	[4]	[4]	[4]	-1	-1
6. Allow interim closing of the books.....	tyba 12/31/95	----- <i>Negligible Revenue Effect</i> -----								

Item	Effective	1996	1997	1998	1999	2000	2001	2002	1996-00	1996-02
7. Expand post-termination period and amend subchapter S audit procedures.....	tyba 12/31/95	[4]	[4]	[4]	[4]	[4]	[4]	[4]	-1	-1
8. S corporations permitted to hold S or C subsidiaries.....	tyba 12/31/95	-3	-7	-9	-11	-13	-15	-17	-43	-75
9. Treatment of distributions during loss years.....	tyba 12/31/95	[4]	[4]	[4]	[4]	[4]	[4]	[4]	-1	-1
10. Treatment of S corporations as shareholders in C corporations.....	tyba 12/31/95	[6]	[6]	[6]	[6]	[6]	[6]	[6]	[6]	[6]
11. Elimination of certain earnings and profits of S corporations.....	tyba 12/31/95	[6]	[6]	[6]	[6]	[6]	[6]	[6]	[6]	[6]
12. Treatment of certain losses carried over under at-risk rules.....	tyba 12/31/95	[6]	[6]	[6]	[6]	[6]	[6]	[6]	[6]	[6]
13. Adjustments to basis of inherited S stock.....	dda DOE	[7]	[7]	[7]	[7]	[7]	[7]	[7]	[7]	[7]
14. Treatment of certain real estate held by an S corporation.....	tyba 12/31/95	[4]	-1	-1	-2	-2	-2	-2	-6	-10
15. Transition rule for elections after termination.....	tyba 12/31/95	[6]	[6]	[6]	[6]	[6]	[6]	[6]	[6]	[6]
16. Interaction of subchapter S changes.....	---	-3	-10	-26	-32	-37	-38	-39	-108	-185
B. Accounting Provisions										
1. Modifications to look-back method for long-term contracts.....	cc/tyea/E	-2	-3	-3	-3	-4	-4	-4	-15	-23
2. Allow traders to adopt mark-to-market accounting for securities.....	DOE	----- Negligible Revenue Effect -----								
3. Modification of Treasury ruling requirement for nuclear decommissioning funds.....	tyba DOE	-4	-4	-5	-5	-5	-5	-5	-23	-33
4. Provide that a taxpayer may elect to include in income crop insurance proceeds and disaster payments in the year of the disaster or in the following year.....	pra 12/31/95	7	-1	-1	-1	-1	-1	-1	3	1
5. Fiscal year election for partnerships and S corporations.....	tyba 12/31/96	---	-100	-200	-25	-10	-10	-10	-335	-355

Item	Effective	1996	1997	1998	1999	2000	2001	2002	1996-00	1996-02
C. Regulated Investment Companies (RICs) and Real Estate Investment Trusts (REITs)										
1. Repeal of 30% gross income limitation for RICs.....										
	tyba DOE	-9	-17	-20	-24	-28	-32	-35	-98	-164
2. Modification of rules for real estate investment trusts (REITs):										
a. Repeal 30% gross income test....										
	tyba DOE	-4	-6	-7	-8	-9	-10	-11	-34	-55
b. Intermediate sanctions.....										
	tyba DOE	[8]	[8]	[8]	[8]	[8]	[8]	[8]	[9]	[9]
c. Phantom income exclusion from 95% distribution rule.....										
	tyba DOE	[8]	[8]	[8]	[8]	[8]	[8]	[8]	[9]	[9]
d. Other provisions.....										
	tyba DOE	----- <i>Negligible Revenue Effect</i> -----								
D. Tax-Exempt Bond Provisions										
1. Repeal of \$100,000 limitation on unspent proceeds under 1-year exception from rebate.....										
	bia DOE	-2	-3	-4	-4	-5	-8	-10	-18	-36
2. Exception from rebate for earnings on bona fide debt service fund under construction bond rules.....										
	bia DOE	-1	-2	-2	-3	-3	-4	-8	-11	-23
3. Repeal of debt service-based limitation on investment in certain non-purpose investments.....										
	bia DOE	----- <i>Negligible Revenue Effect</i> -----								
4. Repeal of expired provisions affecting student loan bonds.....										
	DOE	----- <i>No Revenue Effect</i> -----								
E. Insurance Provisions										
1. Treatment of certain insurance contracts on retired lives.....										
	tyba 12/31/95	6	-4	5	4	4	12	-7	16	21
2. Treatment of modified guaranteed contracts.....										
	tyba 12/31/95	-1	2	4	1	2	1	-1	8	8
3. Treatment of certain small property and casualty insurance companies under the alternative minimum tax....										
	tyba 12/31/95	-1	-2	-2	-2	-3	-3	-3	-11	-16
F. Other Provisions										
1. Closing of partnership taxable year with respect to deceased partner.....										
	tyba 12/31/95	[4]	[4]	[4]	[4]	[4]	[4]	[4]	-1	-1
2. Modifications to the FICA tip credit...										
	ea11 OBRA	----- <i>Negligible Revenue Effect</i> -----								
3. Conform due date for first quarter estimated tax by private foundations.....										
	1/1/96	----- <i>Negligible Revenue Effect</i> -----								

Item	Effective	1996	1997	1998	1999	2000	2001	2002	1996-00	1996-02
VI. Estate, Gift, and Trust Tax Provisions										
A. Estate and Trusts Income Tax Provisions										
1. Certain revocable trusts treated as part of estate.....	DOE	[6]	[6]	[6]	[6]	[6]	[6]	[6]	[10]	[10]
2. Distributions during first 65 days of taxable year of estate.....	DOE	----- <i>Negligible Revenue Effect</i> -----								
3. Separate share rules available to estates.....	DOE	----- <i>Negligible Revenue Effect</i> -----								
4. Executor of estate and beneficiaries treated as related persons for disallowance of losses.....	DOE	----- <i>Negligible Revenue Effect</i> -----								
5. Limitation on taxable year of estates.....	DOE	----- <i>Negligible Revenue Effect</i> -----								
6. Repeal of throwback rules applicable to domestic trusts.....	DOE	-8	-9	-10	-10	-10	-10	-10	-47	-67
7. Simplified taxation of earnings of pre-need funeral trusts.....	DOE	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[11]	[11]
B. Estate and Gift Tax Provisions										
1. Clarification of waiver of certain rights of recovery.....	DOE	----- <i>Negligible Revenue Effect</i> -----								
2. Adjustments for gifts within 3 years of decedent's death.....	DOE	---	-6	-6	-7	-7	-7	-7	-26	-40
3. Clarification of qualified terminable interest rules.....	DOE	----- <i>Negligible Revenue Effect</i> -----								
4. Transitional rule under section 2056A.....	DOE	----- <i>Negligible Revenue Effect</i> -----								
5. Opportunity to correct certain failures under section 2032A.....	DOE	----- <i>Negligible Revenue Effect</i> -----								
6. Unified credit of decedent increased by unified credit of spouse used on split gift included in decedent's gross estate.....	DOE	---	-9	-9	-10	-10	-11	-11	-38	-60
7. Reformation of defective bequests to spouse of decedent.....	DOE	---	-11	-11	-12	-13	-13	-14	-47	-74
8. Gifts may not be revalued for estate tax purposes after expiration of statute of limitations.....	ga DOE	---	-15	-16	-16	-18	-21	-26	-65	-112
9. Clarifications relating to disclaimers.....	DOE	---	-2	-2	-2	-2	-3	-3	-8	-14

Item	Effective	1996	1997	1998	1999	2000	2001	2002	1996-00	1996-02
10. Clarify relationship between community property rights and retirement benefits.....	DOE	---	-3	-4	-4	-4	-4	-4	-15	-23
11. Treatment under qualified domestic trust rules of forms of ownership which are not trusts.....	DOE	----- <i>Negligible Revenue Effect</i> -----								
12. Authority to waive requirement of U.S. trustee for qualified domestic trusts.....	DOE	----- <i>No Revenue Effect</i> -----								
C. Generation-Skipping Tax Provisions										
1. Severing of trusts holding property having an inclusion ratio of greater than zero.....	DOE	---	-5	-6	-6	-6	-6	-7	-23	-36
2. Clarification of who is transferor where subsequent gift by reason of power of appointment.....	DOE	----- <i>Negligible Revenue Effect</i> -----								
3. Taxable termination not to include direct skips.....	DOE	----- <i>Negligible Revenue Effect</i> -----								
4. Modification of generation-skipping transfer tax for transfers to individuals with deceased parents.....	DOE	-3	-4	-4	-4	-4	-4	-4	-19	-27
VII. Excise Tax Simplification										
A. Distilled Spirits, Wines, and Beer										
1. Credit or refund for imported bottled distilled spirits returned to bonded premises.....	fcq DOE+180 days	----- <i>Negligible Revenue Effect</i> -----								
2. Authority to cancel or credit export bonds without submission of records.....	fcq DOE+180 days	----- <i>No Revenue Effect</i> -----								
3. Repeal of required maintenance of records on premises of distilled spirits plant.....	fcq DOE+180 days	----- <i>No Revenue Effect</i> -----								
4. Fermented material from any brewery may be received at a distilled spirits plant.....	fcq DOE+180 days	----- <i>Negligible Revenue Effect</i> -----								
5. Repeal of requirement for wholesale dealers in liquors to post sign.....	DOE	----- <i>No Revenue Effect</i> -----								
6. Refund of tax on wine returned to bond not limited to unmerchantable wine.....	fcq DOE+180 days	----- <i>Negligible Revenue Effect</i> -----								

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4. Withholding of Puerto Rico income taxes from the salaries of employees of the U.S.....	tyba 1995	----- No Revenue Effect -----								
B. Tax Court Procedures										
1. Overpayment determinations of Tax Court.....	DOE	----- No Revenue Effect -----								
2. Awarding of administrative costs and attorneys fees.....	DOE	----- No Revenue Effect -----								
3. Redetermination of interest pursuant to motion.....	DOE	----- No Revenue Effect -----								
4. Application of net worth requirement for awards of litigation costs.....	DOE	----- No Revenue Effect -----								
C. Authority for Certain Cooperative Agreements										
1. Cooperative agreements with State tax authorities.....	DOE	----- No Revenue Effect -----								
Total of Tax Simplification Provisions.....		-157	-646	-865	-717	-733	-769	-839	-3,129	-4,735

IV. TAXPAYER BILL OF RIGHTS 2

1. Establishment of position of Taxpayer Advocate.....	DOE	----- No Revenue Effect -----								
2. Expansion of authority to issue Taxpayer Assistance Orders.....	DOE	----- No Revenue Effect -----								
3. Notification of reasons for termination of installment agreements.....	6ma DOE	----- No Revenue Effect -----								
4. Administrative review of termination of installment agreements.....	1/1/96	----- No Revenue Effect -----								
5. Expansion of authority to abate interest.....	DOE	[12]	[12]	[12]	[12]	[12]	[12]	[12]	[6]	[6]
6. Review of IRS failure to abate interest.....	DOE	[12]	[12]	[12]	[12]	[12]	[12]	[12]	[6]	[6]
7. Extension of interest-free period for payment of tax.....	6/30/96	-2	-7	-8	-8	-8	-9	-9	-33	-51
8. Studies of joint return-related issues.....	DOE	----- No Revenue Effect -----								

Item	Effective	1996	1997	1998	1999	2000	2001	2002	1996-00	1996-02
9. Joint return may be made after separate returns without full payment of tax.....	DOE	[12]	[12]	[12]	[12]	[12]	[12]	[12]	[6]	[6]
10. Disclosure of collection activities.....	DOE	----- No Revenue Effect -----								
11. Withdraw notice of lien.....	1/1/96	----- No Revenue Effect -----								
12. Return levied property.....	1/1/96	----- No Revenue Effect -----								
13. Increase levy exemption.....	1/1/96	[12]	[12]	[12]	[12]	[12]	[12]	[12]	[6]	[6]
14. Offers-in-compromise.....	DOE	[12]	[12]	[12]	[12]	[12]	[12]	[12]	[6]	[6]
15. Civil damages for fraudulent filing of information return.....	DOE	----- No Revenue Effect -----								
16. Requirement to conduct reasonable investigation.....	DOE	-3	-6	-6	-6	-7	-8	-8	-28	-44
17. United States must establish that position in proceeding was substantially justified.....	DOE	-2	-2	-2	-3	-3	-3	-3	-12	-18
18. Increased limit on attorney fees.....	DOE	-1	-1	-1	-1	-1	-1	-1	-5	-7
19. Failure to agree to extension not taken into account.....	DOE	----- No Revenue Effect -----								
20. Award of litigation costs permitted in declaratory judgment proceedings.....	DOE	[12]	[12]	[12]	[12]	[12]	[12]	[12]	[6]	[6]
21. Increase in limit on recovery of civil damages.....	DOE	-3	-3	-3	-3	-3	-3	-3	-15	-21
22. Court discretion to reduce award for litigation costs.....	DOE	-1	-1	-1	-1	-1	-1	-1	-5	-7
23. Preliminary notice requirement.....	6/30/96	----- No Revenue Effect -----								
24. Disclosure of certain information where more than one person liable for penalty.....	DOE	----- No Revenue Effect -----								
25. Right of contribution where more than one person liable for penalty.....	DOE	----- No Revenue Effect -----								
26. Volunteer board members of tax-exempt organizations exempt from penalty.....	DOE	----- No Revenue Effect -----								
27. Enrolled agents included as third-party recordkeepers.....	DOE	[12]	[12]	[12]	[12]	[12]	[12]	[12]	[6]	[6]
28. Safeguards relating to designated summonses.....	DOE	[12]	[12]	[12]	[12]	[12]	[12]	[12]	[6]	[6]
29. Report on designated summonses...	DOE	----- No Revenue Effect -----								

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30. Relief from retroactive application of Treasury Department regulations.....	DOE	---	-1	-4	-4	-4	-5	-5	-13	-23
31. Report on pilot program for appeal of enforcement actions.....	DOE	----- <i>No Revenue Effect</i> -----								
32. Phone number of person providing payee statements.....	1/1/97	----- <i>No Revenue Effect</i> -----								
33. Required notice of certain payments.....	DOE	----- <i>No Revenue Effect</i> -----								
34. Unauthorized enticement of information disclosure.....	DOE	----- <i>No Revenue Effect</i> -----								
35. Annual reminders to taxpayers with delinquent accounts.....	1/1/96	[7]	[7]	[7]	[7]	[7]	[7]	[7]	[11]	[11]
36. 5-year extension of authority for undercover operations	DOE	[7]	[7]	[7]	[7]	[7]	[7]	[7]	[11]	[11]
37. Disclosure of Form 8300 information.....	DOE	----- <i>No Revenue Effect</i> -----								
38. Disclosure of returns and return information to designee of taxpayer..	DOE	----- <i>No Revenue Effect</i> -----								
39. Study of netting of interest on overpayments and liabilities.....	DOE	----- <i>No Revenue Effect</i> -----								
40. Provide tax credit for Taxpayer Compliance Measurement Program for individual taxpayers.....	tyba 12/31/94	---	-74	-74	-74	---	---	---	-222	-222
Total of Taxpayer Bill of Rights 2.....		-12	-95	-99	-100	-27	-30	-30	-333	-393

V. ADDITIONAL TECHNICAL CORRECTIONS.....

1996	1997	1998	1999	2000	2001	2002	1996-00	1996-02
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VI. INFORMATION SHARING PROVISIONS (outlay reductions) (2).....

1996	1997	1998	1999	2000	2001	2002	1996-00	1996-02
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VII. CORPORATE AND OTHER REFORMS										
1. Reform the tax treatment of certain corporate stock redemptions.....	5/4/95	-576	-481	-295	-57	238	505	643	-1,171	-23
2. Require corporate tax shelter reporting.....	atsotppa DOE	[11]	[11]	[11]	[11]	[11]	[11]	[11]	[13]	[13]
3. Disallow interest deduction for corporate-owned life insurance policy loans.....	ipoaa 12/31/95	192	517	802	1,094	1,354	1,506	1,550	3,959	7,016
4. Phase-out preferential tax deferral for certain large farm corporations required to use accrual accounting...	[14]	26	37	38	39	40	41	42	179	261
5. Phased-in repeal of section 936.....	tyba 12/31/95	31	92	258	447	586	737	951	1,414	3,102
6. Corporate accounting - reform of income forecast method	ppisa 9/13/95	34	73	31	14	15	17	20	167	204
7. Phase-out of tax credits for wind energy and "closed loop" biomass.....	tyea 9/13/95	---	9	19	28	34	35	37	90	162
8. Modify basis adjustment rules under section 1033.....	ica 9/13/95	2	4	7	11	16	23	31	40	94
9. Corporate pension reversions.....	1/1/95	2,843	3,121	2,532	1,474	533	[15]	[15]	10,503	10,463
10. Ethanol: Reduce blenders' tax subsidy from \$0.54 to \$0.51 per gallon to remove implicit subsidy for carbon dioxide; limit blenders' tax subsidy to plants in service before 9/14/95, not to exceed average production during the three year period ending 8/31/95 (exempting small producers); include excise tax compliance measures; reverse IRS regulations on ETBE as qualified alcohol fuel, and raise small producer credit from \$0.10 to \$0.13 per gallon.....	1/1/96	128	183	174	178	186	411	522	851	1,784
11. Remove business exclusion for energy subsidies provided by public utilities.....	ara 9/13/95	54	96	100	104	107	109	111	461	679

Item	Effective	1996	1997	1998	1999	2000	2001	2002	1996-00	1996-02
12. Modify the exception to the related party rule of section 1033 for individuals to only provide an exception for de minimis amounts (\$100,000).....	ica 9/13/95	1	2	4	7	10	13	15	24	52
13. Disallow rollover under section 1034 to extent of previously claimed depreciation for home office or other depreciable use of residence.....	tyea 12/31/95	1	3	4	5	6	8	9	19	35
14. Tax gambling income of Indian tribes.....	1/1/96	28	50	52	52	53	54	56	235	345
15. Allow conversion of scholarship funding corporation to taxable corporation.....	DOE	3	4	6	8	10	10	9	30	48
16. Apply look-through rule for purposes of characterizing certain subpart F insurance income as UBIT.....	gira 12/31/95	7	23	24	27	30	32	34	111	177
17. Modify exclusion of damages received on account of personal injury or sickness:										
a. Treat all punitive damages as taxable.....	ama 12/31/95	3	4	6	7	7	7	8	27	42
b. Include in income damage recoveries for non-physical injuries.....	ama 12/31/95	31	47	49	52	54	57	60	233	350
18. Require tax reporting for payments to attorneys.....	1/1/96	[11]	[11]	[11]	[11]	[11]	[11]	[11]	[13]	[13]
19. Expatriation tax proposal.....	2/6/95	64	97	146	199	254	289	304	760	1,353
20. Provide that rollover of gain on sale of a principal residence cannot be elected unless the replacement property purchased is located within the United States (limit to resident aliens who terminate residence within 2 years).....	sea 9/13/95	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]
21. Sunset the low-income housing tax credit after 12/31/97	DOE	-24	-29	64	333	674	1,046	1,431	1,018	3,494
22. Repeal tax credit for contributions to special Community Development Corporations.....	DOE	1	1	2	2	2	2	2	8	12

Item	Effective	1996	1997	1998	1999	2000	2001	2002	1996-00	1996-02
23. Repeal advance refunds of diesel fuel tax for diesel cars and light trucks.....	1/1/96	8	19	19	19	19	19	19	84	122
24. Apply failure to pay penalty to substitute returns.....	DOE	1	3	29	30	32	33	35	95	163
25. Repeal section 280A(g) (clarify that there is no basis adjustment required if depreciation is not claimed).....	tyba 12/31/95	11	22	23	23	24	26	27	103	155
26. Intermediate sanctions for certain tax-exempt organizations.....	9/13/95	4	4	4	5	5	5	6	22	33
27. Repeal exemption for withholding on gambling winnings from bingo and keno, where proceeds exceed \$5,000.....	1/1/96	20	6	6	6	6	7	7	45	58
Total for Corporate and Other Reforms.....		2,893	3,907	4,104	4,107	4,295	4,992	5,929	19,307	30,181

VIII. EITC REFORMS

1. Modify AGI for the EITC to include nontaxable Social Security benefits and nontaxable distributions of IRAs, pension, and annuities:										
a. Revenue.....	tyba 12/31/95	10	201	215	219	199	246	268	843	1,357
b. Outlay reductions.....	tyba 12/31/95	57	1,152	1,225	1,284	1,388	1,412	1,415	5,107	7,934
2. Restrict EITC eligibility to individuals with qualifying children:										
a. Revenue.....	tyba 12/31/95	4	89	93	97	100	107	112	382	601
b. Outlay reductions.....	tyba 12/31/95	27	535	557	583	610	631	658	2,313	3,602
3. Increase the EITC phaseout rate to 18 percent for individuals with one qualifying child and 23 percent for individuals with two or more qualifying children:										
a. Revenue.....	tyba 12/31/95	30	604	637	667	698	743	783	2,636	4,162
b. Outlay reductions.....	tyba 12/31/95	33	659	692	723	765	805	846	2,874	4,523

Legend and Footnotes for JCX-42-95 R:

Legend for "Effective" column: s/a = sales after

sea = sales and exchanges after

DOE = date of enactment

tyba = taxable years beginning after

r/a = remuneration after

asda = annuity starting date after

yba = years beginning after

pyba = plan years beginning after

fcq DOE+180 days = beginning of first calendar
quarter that starts at least 180 days after date of
enactment

ppisa DOE = property placed in service after date of enactment

cc/tyea/E = contracts completed in taxable years ending
after date of enactment

gira = gross income received after

eaii GATT = effective as if included in GATT

tyea = taxable years ending after

reoa = reportable events that occur after

pybo/a = plan years beginning on or after

lyba = limitation years beginning after

da = distributions after

tybo/a = taxable years beginning on or after

bia = bonds issued after

pra = payments received after

ama = awards made after

6ma DOE = 6 months after date of enactment

tyea DOE = taxable years ending after date of enactment

ga DOE = gifts after date of enactment

dda DOE = decedents dying after date of enactment

ara = amounts received after

ipoaa = interest paid or accrued after

ica = involuntary conversion after

atsotppa DOE = any tax shelter offered to potential participants after
date of enactment

eaii OBRA = effective as if included in the Omnibus Budget
Reconciliation Act of 1993

[1] Credit rate at 35% on first \$6,000 of income and AFDC included.

[2] Estimates provided by the Congressional Budget Office (CBO).

[3] Section 257(b)(2)(c) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended by the Budget Enforcement Act of 1990, indicates that "excise taxes dedicated to a trust fund, if expiring, are assumed to be extended at current rates". Since the revenues from these taxes are dedicated to the Airport and Airway Trust Fund, an extension of the taxes is scored as having no revenue effect.

[4] Loss of less than \$500,000.

[5] Gain of less than \$500,000.

[6] Loss of less than \$5 million.

[7] Gain of less than \$1 million.

[8] Gain of less than \$50,000.

[9] Gain of less than \$250,000.

[10] Loss of less than \$25 million.

[11] Gain of less than \$5 million.

[12] Loss of less than \$1 million.

[13] Gain of less than \$25 million.

[14] No new suspense accounts could be established in taxable years ending after 9/13/95. The income in existing suspense accounts would be recognized in equal installments over a 20-years period beginning with the first taxable year beginning after 9/13/95.

[15] Loss of less \$50 million.

[16] Due to interaction between the provisions, items do not sum to total package.

Item	Effective	1996	1997	1998	1999	2000	2001	2002	1996-00	1996-02
4. Require Social Security numbers for primary and secondary taxpayers, and treat omission of a correct Social Security number and underpayment of SECA as a math error:										
a. Revenue.....	tyba 12/31/95	1	28	29	29	30	30	31	117	178
b. Outlay reductions.....	tyba 12/31/95	10	224	232	236	242	245	251	945	1,441
Total of EITC Revenue [16].....		39	781	824	857	895	950	1,071	3,397	5,423
Total of EITC Outlay [16].....		131	2,636	2,779	2,897	3,045	3,159	3,197	11,489	17,845

IX. EXTENSION OF DEBT CEILING.....	---	---	---	---	---	---	---	---	---	---
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GRAND TOTAL OF REVENUE EFFECTS.....	200	1,118	2,199	3,258	3,742	4,631	5,749	10,507	20,847
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GRAND TOTAL OF OUTLAY EFFECTS.....	131	2,636	2,779	2,904	3,062	3,186	3,234	11,513	17,933
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Joint Committee on Taxation

NOTES: Details may not add to totals due to rounding.
 For revenue estimation purposes, the date of enactment of this bill is assumed to be October 1, 1995.

[Legend and Footnotes for JCX-42-95 R appear on the following page]