

[JOINT COMMITTEE PRINT]

**SCHEDULE OF PRESENT
FEDERAL EXCISE TAXES
(AS OF JANUARY 1, 1999)**

PREPARED BY THE STAFF
OF THE
JOINT COMMITTEE ON TAXATION



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INTRODUCTION

This pamphlet,¹ prepared by the staff of the Joint Committee on Taxation, provides a listing of present Federal excise taxes and tax rates as of January 1, 1999. The pamphlet also provides data on Federal excise tax receipts for fiscal years 1998–2003 and information on balances in certain Federal Trust Funds. This pamphlet is intended to provide summary information on Federal excise taxes for the Congress and the public.

Part I of the pamphlet lists the excise taxes dedicated to Trust Funds (transportation trust funds, environmental trust funds or designated funds, and health-related trust funds). Part II lists the General Fund excise taxes. The listing in Parts I and II includes the pertinent sections of the Internal Revenue Code and any scheduled changes in tax rates or expiration dates. Part II presents data on Federal excise tax receipts for fiscal years 1998–2003, and provides information on balances in certain Federal Trust Funds financed by excise taxes. Appendix A lists excise tax rates on certain chemicals for the Hazardous Substance Superfund under prior law, and Appendix B lists the taxable substances subject to the Superfund excise tax on certain imported chemical substances under prior law.

¹This pamphlet may be cited as follows: *Schedule of Present Federal Excise Taxes (as of January 1, 1999)* (JCS–2–99), March 29, 1999.

SCHEDULE OF PRESENT FEDERAL EXCISE TAXES

(AS OF JANUARY 1, 1999)

I. EXCISE TAXES DEDICATED TO TRUST FUNDS

Tax (and Code section)	Tax rates
A. Excise Taxes Dedicated to Transportation Trust Funds	
1. Highway Trust Fund excise taxes¹	
a. Highway motor fuels taxes ^{2,3,4}	
Gasoline (sec. 4081)	18.3 cents per gallon.
Diesel fuel and kerosene (secs. 4041(a) and 4081)	24.3 cents per gallon. ⁵
Special motor fuels (secs. 4041(a)(2) and 4041(m))	18.3 cents per gallon generally. ⁶

¹With the exception of 4.3 cents per gallon of the highway motor fuels tax rates, the Highway Trust Fund taxes are scheduled to expire after September 30, 2005.

²With the exception of liquefied petroleum gas (propane) and compressed natural gas, highway motor fuels are subject to an additional 0.1-cent-per-gallon rate to fund the Leaking Underground Storage Tank Trust Fund (through March 31, 2005). (See I.B.1., below.)

³Gasoline and diesel fuel that is blended with ethanol or methanol derived from renewable sources receives a rate reduction of 5.4 cents per gallon (6.0 cents per gallon for methanol), with volume being determined by reference to the blended fuel. The 5.4-cents-per-gallon and 6-cents-per-gallon rate reductions are based on a blend of 90 percent gasoline or diesel fuel and 10 percent alcohol. Reductions in tax rates are allowed, at proportionally reduced amounts, for 92.3 percent/7.7 percent and 94.3 percent/5.7 percent blends. "Neat" alcohol fuels comprised of at least 85 percent ethanol or renewable source methanol receive the same reduced rates.

Alcohol used in each of these fuels also is eligible for an income tax credit of 54 cents per gallon (ethanol) or 60 cents per gallon (methanol). The credit is reduced by any excise tax benefits claimed on the alcohol.

⁴A portion of the Highway motor fuels tax rates on fuel that is blended with ethanol (e.g., "gasohol") and renewable source methanol is retained in the General Fund. (See secs. 9503(b)(4) and (b)(5).)

⁵Fuel used in privately operated, scheduled intercity buses is subject to a net Highway Trust Fund rate of 7.3 cents per gallon. This fuel also is subject to the 0.1-cent-per-gallon Leaking Underground Storage Tank Fund rate.

⁶The actual rate for certain of these fuels is determined on an energy equivalent basis, as follows:

- Liquefied petroleum gas (propane): 13.6 cents per gallon
- Liquefied natural gas: 11.9 cents per gallon
- Methanol derived from petroleum or natural gas: 9.15 cents per gallon
- Compressed natural gas: 48.54 cents per MCF.

Tax (and Code section)	Tax rates
b. Retail sales tax on tractors, heavy trucks (over 33,000 lbs.), and trailers (over 26,000 lbs.) (sec. 4051) ⁷	12 percent of retail price.
c. Manufacturers tax on tires for heavy vehicles (sec. 4071)	40 lbs. or less—no tax. 40–70 lbs.—15 cents/pound over 40 lbs. 70–90 lbs.—\$4.50, plus 30 cents/lb. over 70 lbs. Over 90 lbs.—\$10.50, plus 50 cents/lb. over 90 lbs.
d. Annual heavy vehicle use tax (sec. 4481) ⁸ ...	Under 55,000 pounds—No tax. 55,000–75,000 pounds—\$100 plus \$22 per 1,000 pounds over 55,000. Over 75,000 pounds—\$550.

⁷Weight is determined on “gross vehicle weight,” which is the fully loaded, certified weight.

⁸Annual tax: the taxable period is July 1–June 30. Tax liability is incurred as of the first month the vehicle is used during the taxable period (prorated). Weight is determined on a “taxable gross weight” basis, which is the customary fully loaded weight.

The use tax is reduced by 25 percent for vehicles (1) used exclusively in transporting harvested forest products to and from the forested site and which are required to be registered for that purpose, or (2) registered in Canada or Mexico.

There is an exemption for vehicles used fewer than 5,000 miles on public highways during the taxable period (7,500 miles for farm vehicles) and for certain local transit buses.

Tax (and Code section)	Tax rates
2. Airport and Airway Trust Fund excise taxes⁹	
a. Domestic air passenger excise tax (sec. 4261(a) and (b))	8 percent of fare <i>plus</i> \$2 per domestic flight segment (through September 30, 1999). ¹⁰
b. International air passenger excise tax (sec. 4261 (c))	\$12.20 per arrival and \$12.20 per departure. ¹¹

⁹All aviation excise taxes except 4.3 cents per gallon of the taxes on aviation fuels are scheduled to expire after September 30, 2007. The 4.3-cents-per-gallon fuels tax rates are permanent.

¹⁰The *ad valorem* portion of the rate is scheduled to decline to 7.5 percent, effective for transportation beginning after September 30, 1999.

The flight segment portion of the rate will increase to \$2.25 per flight segment (October 1, 1999–December 31, 1999), to \$2.50 (January 1, 2000–December 31, 2000), to \$2.75 (January 1, 2001–December 31, 2001), and to \$3 (January 1, 2002–December 31, 2002). Beginning on January 1, 2003, the \$3 flight segment rate will be indexed annually for inflation.

Special rules apply to domestic air transportation between Alaska or Hawaii and the 48 contiguous States and between Alaska and Hawaii. These rules apply a pro-rated *ad valorem* rate to miles flown over the contiguous 48 states and within Alaska or Hawaii, the flight segment rate, and a \$6.10 rate for the international portion of the flight. As enacted in 1997, the international portion rate was \$6. This amount is indexed annually for inflation, beginning on January 1, 1999.

Flight segments to or from qualified rural airports are subject to a 7.5-percent *ad valorem* rate (i.e., the rate is not phased in), and no flight segment rate is imposed.

¹¹As enacted in 1997, the rate was \$12 per arrival or departure. This amount is indexed annually for inflation, beginning on January 1, 1999.

Tax (and Code section)	Tax rates
c. Air cargo transportation excise tax	
Domestic transportation	6.25 percent of the amount charged. ¹²
International transportation	No tax.
d. Aviation fuels excise taxes	
Commercial aviation fuels	4.3 cents per gallon. ¹³
Noncommercial aviation: ¹⁴	
Aviation gasoline	19.3 cents per gallon.
Aviation jet fuel	21.8 cents per gallon.
3. Inland Waterways Trust Fund excise tax	
Tax on diesel fuel and other liquid fuels used by commercial cargo vessels on specified inland or intra-coastal waterways (sec. 4042)	20 cents per gallon. ¹⁵

¹²Tax does not apply to amounts attributable to "accessorial ground services."

¹³Commercial aviation fuel is subject to an additional 0.1-cent-per-gallon rate through March 31, 2005, to fund the Leaking Underground Storage Tank Trust Fund.

¹⁴Noncommercial aviation fuels are subject to an additional 0.1-cent-per-gallon rate through March 31, 2005, to fund the Leaking Underground Storage Tank Trust Fund.

¹⁵Fuels used by vessels on the inland waterways system also are subject to a permanent 4.3-cents-per-gallon General Fund rate and a 0.1-cent-per-gallon Leaking Underground Storage Tank Trust Fund rate (through March 31, 2005).

Tax (and Code section)	Tax rates
4. Harbor Maintenance Trust Fund excise tax	
Tax on use of harbors (ports) (sec. 4461)	0.125 percent of value of commercial cargo loaded or unloaded at U.S. ports; exceptions for cargo donated for overseas use and for cargo shipped between U.S. mainland and Alaska (except for crude oil), Hawaii, and/or U.S. possessions, as well as cargo shipped between Alaska, Hawaii, and/or U.S. possessions. ¹⁶

¹⁶The U.S. Supreme Court has ruled that the harbor maintenance excise tax is unconstitutional as applied to exported cargo. See *U.S. v. U.S. Shoe Corp.*, 523 U.S. 360, (1998). In a subsequent decision, the U.S. Court of International Trade held the tax also to be unconstitutional as applied to passengers departing the United States. See *Princess Cruises, Inc. v. U.S.*, Slip Op. 98-113 (Ct. Int'l. Trade, Aug. 5, 1998), amending 15 F.Supp. 2d 801 (June 9, 1998).

Tax (and Code section)	Tax rates
B. Excise Taxes Dedicated to Environmental Trust Funds or Designated Funds	
1. Leaking Underground Storage Tank Trust Fund excise taxes^{17,18}	
Gasoline (sec. 4081(a)(2)(B))	0.1 cent per gallon (including commercial and noncommercial aviation use).
Other motor fuels (secs. 4041(d), 4081(a)(2)(B), and 4091(b)(2))	0.1 cent per gallon (including fuels used in motor vehicles, motorboats, trains, or aviation, but excluding liquefied petroleum gas and compressed natural gas).
“Qualified” methanol and ethanol fuels (sec. 4041(b)(2))	0.05 cent per gallon.
Fuels used in inland waterways (sec. 4042)	0.1 cent per gallon.
2. Aquatic Resources Trust Fund excise taxes¹⁹	
a. Boating Safety Account excise taxes	

¹⁷This tax is scheduled to expire after March 31, 2005. The tax is administered as an “add-on” rate to other motor fuels taxes.

¹⁸Fuels that are blended with ethanol and renewable source methanol (e.g., “gasohol”) receive a similar Leaking Underground Storage Tank Trust Fund tax reduction to that provided for under the Highway Trust Fund motor fuels excise taxes. (See footnote 3, above.)

¹⁹Motorboat fuels are subject to the full 18.4-cents-per-gallon rate that is imposed on gasoline and special motor fuels generally. 0.1 cent per gallon of the excess rate over that shown below is dedicated to the Leaking Underground Storage Tank Trust Fund; the balance is retained in the General Fund.

Tax (and Code section)	Tax rates
Gasoline and special motor fuels used in non-commercial motorboats (secs. 4081 and 4041(a)(2))	11.5 cents per gallon (through Sept. 30, 2001); 13 cents per gallon (from Oct. 1, 2001 through Sept. 30, 2003; and 13.5 cents per gallon (from Oct. 1, 2003 through Sept. 30, 2005). Transfers to account may not exceed \$70 million per year, subject to a maximum \$70 million unobligated account balance.
b. Sport Fish Restoration Account excise taxes ²⁰	
Gasoline and special motor fuels used in non-commercial motorboats (secs. 4081 and 4041(a)(2))	Excess of 11.5 cents per gallon (through Sept. 30, 2001), 13 cents per gallon (Oct. 1, 2001 through Sept. 30, 2003), and 13.5 cents per gallon Oct. 1, 2003 through Sept. 30, 2005) over the sum of the amounts transferred to the Boating Safety Account and \$1 million per year of motorboat fuels taxes transferred to the Land and Water Conservation Fund.

²⁰In addition to the tax revenue sources listed, the Sport Fish Restoration Account receives revenues from import duties on fishing tackle and on yachts and pleasure craft.

Tax (and Code section)	Tax rates
Gasoline used in small-engine outdoor power equipment (nonbusiness use) (secs. 4081 and 9503(c)(5)	11.5 cents per gallon (through Sept. 30, 2001); 13 cents per gallon (Oct. 1, 2001 through Sept. 30, 2003), and 13.5 cents (Oct. 1, 2003 through Sept. 30, 2005). ²¹
Sport fishing equipment (sec. 4161(a)	10 percent of manufacturer's price; except 3 percent for electric outboard motors and certain fish finders (tax on fish finders limited to \$30 per item).

²¹These revenues are to be used to carry out purposes of the Coastal Wetlands Planning, Protection and Restoration Act (as in effect on the date of enactment of the Transportation Equity Act for the 21st Century) (sec. 9504(b)(2)(B)).

Tax (and Code section)	Tax rates
3. Federal Aid to Wildlife Program excise taxes²²	
a. Bows and arrows excise taxes	
Bows having a draw weight of 10 lbs. or more (sec. 4161(b))	11 percent of manufacturer's price.
Shafts, points, nocks, and vanes for arrows 18" or more in length (or suitable for use with a taxable bow, if shorter) (sec. 4161(b))	12.4 percent of manufacturer's price.
b. "Regular" firearms and ammunition excise taxes (sec. 4181) ²³	
Pistols and revolvers	10 percent of manufacturer's price.
Firearms other than pistols and revolvers	11 percent of manufacturer's price.
Ammunition (shells and cartridges) ...	11 percent of manufacturer's price.

²²Revenues from these taxes (secs. 4161(b) and 4181) are appropriated, in the fiscal year following receipt, to the Federal Aid to Wildlife Program for support of State wildlife programs.

²³The section 4181 taxes do not apply if tax is paid under section 5811. (See II.B.6., below.) The taxes also do not apply to these articles when purchased by the Department of Defense with appropriated funds. Annual Federal licensing fees also are imposed on manufacturers, importers, and dealers in regular firearms under the Gun Control Act of 1968 (18 U.S.C. sec. 923).

Tax (and Code section)	Tax rates
4. Environmental trust funds financed with revenues from expired excise taxes	
a. Hazardous Substance Superfund excise taxes ^{24,25}	
<i>Prior law rates</i>	
Crude oil tax (sec. 4611(c)(2)(A))	9.7 cents per barrel for domestic crude oil and imported petroleum products.
Tax on feedstock chemicals (sec. 4661)	Tax ranged from \$0.22 to \$4.87 per ton generally. (See Appendix A for specific tax rates for chemicals under prior law.)
Tax on certain imported substances (sec. 4671) ²⁶	Generally taxed at the rates applicable to taxable chemicals under sec. 4661 used as materials in the manufacture of the imported substance. If importer did not furnish adequate information to Treasury to determine tax rate, the rate was 5 percent of the value of such imported substance on which a tax is imposed under sec. 4611 or sec. 4661. (See Appendix B for list of taxable substances under prior law.)

²⁴The Superfund also received revenues from the environmental income tax on corporations (sec. 59A), equal to 0.12 of the modified alternative minimum taxable income of the corporation in excess of \$2,000,000. This tax applied generally to taxable years beginning after December 31, 1986, and before January 1, 1996.

²⁵The Superfund excise taxes (and the corporate environmental income tax) expired after December 31, 1995.

²⁶The Secretary of the Treasury was required to add any substance to the list if the Secretary determined that taxable chemicals constituted more than 50 percent of the weight or value of the materials used to produce such substance (determined on the basis of the predominant method of production); the Secretary could remove only those substances which met neither test (sec. 4672). (See Appendix B for items initially listed in section 4672 and those additional items listed by the Secretary of the Treasury under prior law.)

Tax (and Code section)	Tax rates
<ul style="list-style-type: none"> b. Oil Spill Liability Trust Fund excise tax <ul style="list-style-type: none"> Crude oil (sec. 4611(c)(2)(B))²⁷ ... 	5 cents per barrel.
C. Excise Taxes Dedicated to Health-Related Trust Funds	
1. Black Lung Disability Trust Fund excise taxes	
<ul style="list-style-type: none"> a. Coal excise tax (sec. 4121)²⁸ 	\$1.10 per ton for coal from underground mines and 55 cents per ton for coal from surface mines (but no more than 4.4 percent of the coal's selling price). ²⁹
<ul style="list-style-type: none"> b. Excise taxes on black lung benefit trusts. <ul style="list-style-type: none"> Self-dealing (sec. 4951) 	<p><i>Initial taxes.</i>—10 percent on the self-dealer on the amount of self-dealing; 2½-percent tax on trustee.</p> <p><i>Additional taxes.</i>—If not corrected, a tax of 100 percent is imposed on self dealer; 50-percent tax on trustee.</p>

²⁷Tax expired after December 31, 1994 (i.e., on January 1, 1995).

²⁸A U.S. district court has ruled that the coal tax is unconstitutional as applied to exports. See *Ranger Fuel Corp. v. U.S.* (No. 3:98 cv 370 (E.D. Va., Dec. 28, 1998)). The Department of Justice notified the Congress on March 10, 1999, that it will not appeal this decision.

²⁹Tax does not apply to lignite. On the earlier of January 1, 2014, or any January 1 after 1981 on which there is no balance of repayable advances to the Trust Fund and no unpaid interest on such advance, the tax rates are scheduled to return to pre-1982 rates (i.e., 50 cents/ton for underground mines and 25 cents/ton for surface mines, limited to 2 percent of the price).

Tax (and Code section)	Tax rates
Taxable expenditures (sec. 4952)	<p><i>Initial taxes.</i>—10-percent tax on the trust on the amount of the taxable expenditure; 2.5-percent tax on trustee.</p> <p><i>Additional taxes.</i>—If not corrected, a tax of 100 percent is imposed on the fund; 50-percent tax on trustee.</p>
Excess contributions to benefit trust (sec. 4953)	5-percent tax on the contributor on excess contributions to the trust.

2. Vaccine Injury Compensation Trust Fund excise tax

Excise tax on vaccines containing:
 diphtheria toxoid;
 tetanus toxoid; pertussis bacteria, extracted or partial cell bacteria, or specific pertussis antigens; polio virus; any vaccine against—
 measles,
 mumps,
 rubella,
 hepatitis B,
 chicken pox,
 rotavirus
 gastroenteritis;
 any HIB vaccine
 (secs. 4131, 4132)

All at 75 cents per dose.^{30, 31}

³⁰Combinations of vaccines are taxed at the sum of the combined rates for each taxable vaccine.

³¹The Vaccine Injury Compensation Trust Fund receives “net revenues” from this excise tax rather than gross receipts. Net revenues equal approximately 75 percent of gross receipts and reflect a reduction for the income tax effects of imposing the excise tax. The other Trust Funds discussed in this pamphlet are funded with gross receipts from the dedicated excise taxes. (See III.A., below.)

II. GENERAL FUND EXCISE TAXES

Tax (and Code section)	Tax rates
A. Major General Fund Excise Taxes	
1. Alcohol excise taxes	
a. Alcoholic beverage taxes	
Distilled spirits (sec. 5001)	\$13.50 per proof gallon.
Wine (sec. 5041): ³²	
Not more than 14 percent alcohol	\$1.07 per wine gallon.
More than 14 but not more than 21 per- cent alcohol	\$1.57 per wine gallon.
More than 21 but not more than 24 per- cent alco- hol ³³	\$3.15 per wine gallon.
Artificially car- bonated wines	\$3.30 per wine gallon.
Champagne and other sparkling wines	\$3.40 per wine gallon.
Hard apple cider ³⁴	\$0.226 per wine gallon. ³⁵
Beer (sec. 5051)	\$18 per barrel (31 gallons) gen- erally. ³⁶

³²Domestic wineries having aggregate annual production not exceeding 250,000 gallons are entitled to a tax credit equal to 90 cents per gallon (the amount of the wine tax increase enacted in the 1990 Act) on the first 100,000 gallons of wine (other than champagne and other sparkling wines) removed in a calendar year. The credit is reduced by 1 percent for each 1,000 gallons produced in excess of 150,000 gallons.

³³Wines containing more than 24 percent alcohol are taxed as distilled spirits.

³⁴Hard apple cider is defined as apple cider otherwise classified as a still wine, the alcohol content of which is at least ½ of 1 percent but less than 7 percent by volume.

³⁵"Small" domestic wineries, defined as under the general small winery exception, receive a credit of 5.6 cents per gallon of cider produced. Production of hard cider and other wines eligible for the small winery credit is aggregated in applying the per-winery volume limits of the credit. (This credit produces the same effective tax rate on apple cider produced by small wineries as is imposed on other still wines having an alcohol content of not more than 14 percent).

³⁶\$18 per barrel equals approximately 58 cents per gallon. The tax is \$7 per barrel (approximately 22.6 cents per gallon) on the first 60,000 barrels removed each year by domestic brewers producing less than 2,000,000 barrels of beer during the calendar year.

Tax (and Code section)	Tax rates
b. Alcohol occupational taxes ³⁷	
Producers: ³⁸	
Distilled spirits and wines (sec. 5081)	\$1,000 per year, per premise.
Brewers (sec. 5091)	\$1,000 per year, per premise.
Wholesale dealers (sec. 5111): Liquors, wines, or beer	\$500 per year.
Retail dealers (sec. 5121): Liquors, wines, or beer	\$250 per year.
Nonbeverage use of distilled spirits (sec. 5131)	\$500 per year.
Industrial use of distilled spirits (sec. 5276)	\$250 per year.

2. Tobacco excise taxes

a. Excise taxes on tobacco products^{38a}

	1999	2000 and 2001	2002 and thereafter
Cigarettes (sec. 5701(b)):			
Small cigarettes (weighing no more than 3 lbs. per thousand)	\$12/ 1000 ³⁹	\$17/ 1000 ⁴⁰	\$19.50/ 1000. ⁴¹
Large cigarettes (weighing more than 3 lbs. per thousand) ⁴²	\$25.20/ 1000	\$35.70/ 1000	\$40.95/ 1000.

³⁷ July 1–June 30 is the taxable year for these occupational taxes.

³⁸ Tax is \$500 per year per premise for businesses with gross receipts of less than \$500,000 in the preceding taxable year. Certain small alcohol fuel producers are exempt from the tax. (See secs. 5081(c) and 5181(c)(4).)

^{38a} On January 1, 2000 and January 1, 2002, a one-time “floor stocks” tax, equal to the increase in the tax rates, will be imposed on tobacco products held for sale beyond the point in the product distribution chain where the tax is imposed.

³⁹ Rate equals 24 cents per pack of 20 cigarettes.

⁴⁰ Rate equals 34 cents per pack of 20 cigarettes.

⁴¹ Rate equals 39 cents per pack of 20 cigarettes.

⁴² Large cigarettes (measuring more than 6½ inches in length) are taxed at the rate prescribed for small cigarettes, counting each 2¾ inches (or fraction thereof) as one cigarette.

Tax (and Code section)	Tax rates		
	1999	2000 and 2001	2002 and thereafter
Cigars (sec. 5701(a)):			
Small cigars (weighing no more than 3 lbs. per thousand)	\$1.125/ 1000	\$1.594/ 1000	\$1.828/ 1000.
Large cigars (weighing more than 3 lbs. per thousand)	12.75% of mfr. sales price, but not over \$30/ 1000	18.063% of mfr. sales price, but not over \$42.50/ 1000	20.719% of mfr. sales price, but not over \$48.75/ 1000.
Snuff, chewing tobacco, pipe tobacco, and "roll- your-own" tobacco:			
Snuff (sec. 5701(e)(1))	36¢/lb.	51¢/lb.	58.5¢/lb.
Chewing tobacco (sec. 5701(e)(2))	12¢/lb.	17¢/lb.	19.5¢/lb.
Pipe tobacco (sec. 5701(f))	67.5¢/lb.	95.67¢/lb.	\$1.0969/lb.
"Roll-your-own" tobacco (sec. 5701(g))	no tax	95.67¢/lb.	\$1.0969/lb.
Cigarette papers and tubes:			
Cigarette papers (sec. 5701(c)) ⁴³	0.75¢/pkg. of more than 25 pa- pers ⁴⁴	1.06¢/pkg. of 50 papers or part thereof	1.22¢/pk. of papers or part there- of.
Cigarette tubes (sec. 5701(d)) ⁴⁵	1.5¢/50 tubes or part thereof	2.13¢/50 tubes or part there- of	2.44¢/50 tubes or part there- of.

⁴³ Cigarette papers measuring more than 6½ inches in length are taxed at the rate prescribed, counting each 2¾ inches (or fraction thereof) as one cigarette paper.

⁴⁴ Tax does not apply to a book or set of cigarette papers containing 25 or fewer papers.

⁴⁵ Cigarette tubes measuring more than 6½ inches in length are taxed at the rate prescribed, counting each 2¾ inches (or fraction thereof) as one cigarette tube.

Tax (and Code section)	Tax rates
b. Tobacco products occupational tax Manufacturers or exporters of taxable tobacco products (including cigarette papers and tubes) (sec. 5731)	\$1,000 per year, per premise. ⁴⁶
3. Communications (telephone) excise tax	
Local and toll (long-distance) telephone and telewriter services (sec. 4251)	3 percent of amount paid.
B. Other General Fund Excise Taxes	
1. Excise taxes on rail diesel fuel, inland waterways fuel, and motorboat and small engine gasoline and special motor fuels⁴⁷	
Rail diesel fuel (sec. 4041(a))	4.3 cents per gallon. ⁴⁸
Inland waterways fuel (sec. 4042(b)(2)(C))	4.3 cents per gallon. ⁴⁹
Motorboat and small engine gasoline and special fuels (secs. 4081 and 4041(a)(2))	1999–2001: 6.8 cents per gallon 2002–2003: 5.3 cents per gallon 2004 and thereafter: 4.8 cents per gallon. ⁵⁰

⁴⁶Tax is \$500 per year, per premise for businesses with gross receipts of less than \$500,000 in the preceding taxable year.

⁴⁷A portion of the highway motor fuels tax on gasoline and diesel fuel that is blended with ethanol or renewable source methanol also is retained in the General Fund. This portion equals 3.1 cents per gallon for a 90 percent gasoline/10 percent ethanol blend (e.g., "gasohol"). The amount varies with the portion of alcohol and other motor fuel in the mixture. (See secs. 9503(b)(4) and (b)(5).)

⁴⁸Rail diesel fuel also is subject to a 0.1-cent-per-gallon rate for the Leaking Underground Storage Tank Trust Fund. (See I.B.1., above.)

⁴⁹Inland Waterways fuel also is subject to separate rates to finance the Inland Waterways Trust Fund and the Leaking Underground Storage Tank Trust Fund. (See I.A.3. and I.B.1., above.)

⁵⁰Rates shown represent the excess of 18.4 cents per gallon over the amounts transferred to the Aquatic Resources Trust Fund, the Land and Water Conservation Fund and the Leaking Underground Storage Tank Trust Fund. Years are Federal fiscal years.

Tax (and Code section)	Tax rates
2. Gas guzzler excise tax (sec. 4064)	
Fuel economy rating (in miles per gallon):	<i>Per vehicle</i>
At least 22.5	no tax
At least 21.5 but less than 22.5	\$1,000
At least 20.5 but less than 21.5	1,300
At least 19.5 but less than 20.5	1,700
At least 18.5 but less than 19.5	2,100
At least 17.5 but less than 18.5	2,600
At least 16.5 but less than 17.5	3,000
At least 15.5 but less than 16.5	3,700
At least 14.5 but less than 15.5	4,500
At least 13.5 but less than 14.5	5,400
At least 12.5 but less than 13.5	6,400
Less than 12.5	7,700

Tax (and Code section)	Tax rates
3. Luxury excise tax on passenger vehicles (sec. 4001)⁵¹	
1999	6 percent of retail price in excess of \$36,000. ⁵²
2000	5 percent of retail price in excess of indexed threshold.
2001	4 percent of retail price in excess of indexed threshold.
2002	3 percent of retail price in excess of indexed threshold.
2003 and thereafter	no tax.
4. Excise tax on ship passengers' international departures (sec. 4471)	
	\$3 per passenger on a covered voyage. ⁵³

⁵¹The tax generally applies only for the first retail sale of the item. Special rules apply in computing the tax on imported items, leases of items, and parts and accessories for passenger vehicles. In addition, passenger vehicles sold to the Federal Government or a State or local government for use exclusively in police, fire fighting, or similar activities, generally are exempt from tax.

⁵²The \$36,000 tax threshold amount represents the 1993-enacted base threshold of \$30,000, as indexed for inflation in \$2,000 (rounded) increments.

⁵³A "covered voyage" includes travel on (1) a commercial passenger vessel which extends over one or more nights, or (2) a commercial vessel transporting passengers engaged in gambling aboard the vessel beyond the territorial waters of the U.S. (i.e., more than 3 miles from shore) during which the passengers embark or disembark the vessel in the U.S. The tax does not apply to a voyage on any vessel owned or operated by the United States or a State or any agency or political subdivision, nor does it apply to a voyage of less than 12 hours between two U.S. ports. A passenger vessel is any vessel having a berth or stateroom accommodations for more than 16 passengers.

Tax (and Code section)	Tax rates	
5. Tax on ozone-depleting chemicals (sec. 4681)		
	<i>Year</i>	<i>Base tax amount (per pound)⁵⁵</i>
The tax is determined as the product of a base tax amount and the specific chemical's ⁵⁴ "ozone depleting factor"		
	1999 ⁵⁶	\$7.15
	<i>Chemical</i>	<i>Ozone depleting factor</i>
	CFC-11	1.0
	CFC-12	1.0
	CFC-13	1.0
	CFC-111	1.0
	CFC-112	1.0
	CFC-113	0.8
	CFC-114	1.0
	CFC-115	0.6
	CFC-211	1.0
	CFC-212	1.0
	CFC-213	1.0
	CFC-214	1.0
	CFC-215	1.0
	CFC-216	1.0
	CFC-217	1.0
	Halon-1211	3.0
	Halon-1301	10.0
	Halon-2402	6.0
	Carbon tetrachloride	1.1
	Methyl Chloroform	0.1

⁵⁴ Ozone-depleting chemicals which are diverted or recovered in the United States as part of a recycling process (and not as part of the original manufacturing or production process) and certain exported chemicals are exempt from tax.

⁵⁵ For chemicals used as propellants in metered-dose inhalers, no tax is imposed.

⁵⁶ For years after 1999, the base tax amount is increased by \$0.45 per pound, per year.

Tax (and Code section)	Tax rates
6. Excise taxes on “non-regular” firearms⁵⁷	
Occupational taxes (sec. 5801): ⁵⁸	
Importers and manufacturers	\$1,000 per year, per premise. ⁵⁹
Dealers	\$500 per year, per premise.
Transfer taxes (sec. 5811):	
Generally	\$200 per transfer.
Certain concealable weapons (sec. 5845(e))	
	\$5 per transfer.
Making tax (sec. 5821)	
	\$200 per transfer.
7. Wagering excise taxes	
Certain wagers ⁶⁰ (sec. 4401)	2 percent of amount of wager, except that tax is 0.25 percent in States where wagering is authorized by State law.
Occupational tax (sec. 4411)	\$500 per year on person engaged or employed in business of accepting wagers (taxable period is July 1–June 30), except that tax is \$50 per year in States where wagering is authorized by State law.

⁵⁷The term “non-regular” firearm includes machine guns, destructive devices” (e.g., explosive devices such as bombs, grenades, small rockets, and mines, etc.), sawed-off shotguns or rifles, silencers, and certain concealable weapons.

⁵⁸July 1–June 30 is the taxable year for the occupational taxes. There are also annual Federal licensing fees for manufacturers, importers and dealers in destructive devices or ammunition for destructive devices (See 18 U.S.C. sec. 923).

⁵⁹Tax is \$500 per year, per premise for a business with gross receipts of less than \$500,000 for a preceding taxable year.

⁶⁰The tax applies to any wager with respect to a sports event or a contest placed with a person engaged in the business of accepting such wagers, any wager placed in a wagering pool with respect to sports event or a contest (if such pool is conducted for profit), and certain lottery-type wagers (including numbers games and similar types of wagering). No tax is imposed on parimutuel wagering licensed under State law, coin-operated wagers, State-conducted lotteries, games where the wagers are placed and winners are determined and prizes are distributed all in the presence of all persons placing wagers in the game, or drawings by tax-exempt organizations where no part of the proceeds inures to the benefit of any private shareholder or individual.

Tax (and Code section)	Tax rates
8. Excise tax on private foundation net investment income	
a. Domestic foundations (sec. 4940) ⁶¹	
Generally	2 percent of net investment income.
Tax where charitable payout increases by equivalent amount	1 percent of net investment income.
b. Foreign foundations (sec. 4948)	
	4 percent of gross investment income from sources within U.S.
9. Excise tax on foreign insurance policies (sec. 4371)	
	(a) <i>Casualty insurance and indemnity bonds.</i> —4 cents per dollar of premium paid.
	(b) <i>Life insurance, sickness and accident policies, and annuity contracts.</i> —1 cent per dollar of premium paid.
	(c) <i>Reinsurance.</i> —1 cent per dollar of premium paid for reinsurance under (a) or (b). ⁶²

C. Miscellaneous Regulatory Excise Taxes

1. Excise tax on lobbying expenditures

Public charities making an election under sec. 501(h) (sec. 4911)	25 percent of excess lobbying expenditures.
Charitable organizations disqualified from tax-exempt status because of lobbying expenditures (sec. 4912)	5 percent of lobbying expenditures on the organization; 5 percent of lobbying expenditures on the organization manager.

⁶¹ Certain operating foundations having public involvement and not governed or run by disqualified persons are exempt from the 2-percent tax.

⁶² The U.S. Supreme Court has ruled that the foreign insurance excise tax is unconstitutional as applied to insurance on exports. See *U.S. v. International Business Machines*, 517 U.S. 843 (1996).

Tax (and Code section)	Tax rates
2. Excise tax on certain private foundation activities	
Self-dealing (sec. 4941)	<p><i>Initial tax.</i>—5 percent of the amount of self-dealing on the self-dealer; 2½-percent tax on the foundation manager (up to \$10,000).</p> <p><i>Additional tax.</i>—If the self-dealing is not corrected within the correction period, there is a tax of 200 percent of the amount of self-dealing on the self-dealer; 50-percent tax on the foundation manager (up to \$10,000).</p>
Failure to distribute income (sec. 4942)	<p><i>Initial tax.</i>—15-percent tax on the foundation on the amount remaining undistributed at the beginning of the second (or succeeding) taxable year.</p> <p><i>Additional tax.</i>—If not corrected, there is an additional tax of 100 percent of the amount not distributed at the end of the correction period.</p>
Excess business holdings (sec. 4943)	<p><i>Initial tax.</i>—5-percent tax on the foundation on the value of the excess holdings.</p> <p><i>Additional tax.</i>—If not corrected, there is an additional tax of 200 percent of the excess holdings at the end of a specified period.</p>
Investments which jeopardize charitable purpose (sec. 4944)	<p><i>Initial taxes.</i>—5-percent tax of the amount of such investment on the foundation; 5-percent tax on the foundation manager (up to \$5,000).</p>

Tax (and Code section)	Tax rates
Taxable expenditures (sec. 4945)	<p><i>Additional taxes.</i>—25-percent tax on foundation if the investment is not removed from jeopardy within the correction period; 5-percent tax on the foundation manager (up to \$10,000).</p> <p><i>Initial taxes.</i>—10-percent tax of the amount of the taxable expenditure on the foundation; 2½-percent tax on the foundation manager (up to \$5,000).</p> <p><i>Additional taxes.</i>—If not corrected, there is a tax of 100 percent of the taxable expenditure on the foundation; and a tax of 50 percent on the foundation manager (up to \$10,000).</p>
3. Excise tax on political expenditures of section 501(c)(3) organizations (sec. 4955)	<p><i>Initial taxes.</i>—Tax of 10 percent of the political expenditure on the organization; 2½-percent tax on the organization manager (up to \$5,000).</p> <p><i>Additional taxes.</i>—If not corrected, a tax of 100 percent of the political expenditure is imposed on the organization; 50-percent tax on the organization manager (up to \$10,000).</p>
4. Excise tax on excess benefit transactions of certain section 501(c)(3) and 501(c)(4) organizations (sec. 4958)⁶³	<p><i>Initial tax.</i>—Tax of 25 percent of the amount of the excess benefit on a disqualified person who is the beneficiary of the transaction; 10-percent tax on the organization manager (up to \$10,000).</p>

⁶³Private foundations are not subject to the section 4958 excise tax on excess benefit transactions.

Tax (and Code section)	Tax rates
	<i>Additional taxes.</i> —If not corrected, a tax of 200 percent of the excess benefit is imposed on the disqualified person.
5. Excise taxes relating to employee pension and benefit plans	
Failure to meet minimum funding standards (sec. 4971)	<i>Initial tax.</i> —Tax of 10 percent (5 percent in the case of a multiemployer plan) of accumulated funding deficiency is imposed on employer. <i>Additional tax.</i> —If not corrected, a tax of 100 percent of the deficiency is imposed on employer.
Nondeductible contributions to qualified employer plan (sec. 4972)	Tax of 10 percent on nondeductible contributions under the plan is imposed on the employer.
Excess contributions to IRAs, etc. (sec. 4973)	Tax of 6 percent of excess contributions to the plan is imposed on individual making the contributions.
Certain accumulation in IRAs, etc. (sec. 4974)	Tax on payee equal to 50 percent of the amount by which the minimum required to be distributed during the year exceeds the amount actually distributed during the year.
Prohibited transactions (sec. 4975)	<i>Initial tax.</i> —Tax of 15 percent of the amount involved in the prohibited transaction is imposed on the disqualified person engaging in the transaction. <i>Additional tax.</i> —If not corrected, a tax of 100 percent of the amount involved is imposed on the disqualified person.

Tax (and Code section)	Tax rates
Disqualified welfare benefits (sec. 4976)	Tax of 100 percent of the disqualified benefit amount is imposed on the employer.
Excess fringe benefits provided by an employer (sec. 4977)	Tax of 30 percent of the "excess fringe benefits" is imposed on the employer.
Dispositions of section 1042 securities by employee stock ownership plans and worker-owned cooperatives (sec. 4978)	Tax of 10 percent of the amount realized on disposition is imposed on the employer or worker-owned cooperative.
Dispositions of section 133 securities by employee stock ownership plans (sec. 4978B)	Tax of 10 percent of the amount realized on the disposition is imposed on the employer.
Excess contributions under a cash or deferred arrangement (sec. 4949)	Tax of 10 percent of the sum of excess contributions under a cash or deferred arrangement and any excess aggregate contributions under the plan for the plan year is imposed on the employer.
Prohibited allocations of qualified securities by employee stock ownership plans and worker-owned cooperatives (sec. 4979A)	Tax of 50 percent of amount involved in a prohibited allocation is imposed on the employer or worker-owned cooperative.

Tax (and Code section)	Tax rates
Reversion of qualified plan assets to employer (sec. 4980)	Generally, tax of 20 percent of the amount of employer reversion from a qualified plan is imposed on the employer; a 50-percent tax is imposed if employer does not maintain a qualified replacement plan or provide certain pro-rata benefit increases.
Violations of health care continuation (sec. 4980B)	Tax of \$100 per day per failure to comply with the health care continuation rules, up to a specified maximum.
Failure to meet group health plan requirements (sec. 4980D)	Tax of \$100 per day per failure to comply with group health plan requirements (as specified in secs. 9801–9803, 9811–9812, and 9831–9833), up to a specified maximum.
Failure of employer to make comparable medical savings account contributions (sec. 4780E)	Tax on an employer that fails to make available comparable contributions to employee's medical savings accounts, equal to 35 percent of the employer's medical savings account contributions.
6. Excise tax on issuers of qualified long-term care insurance contracts (sec. 4980C)	Tax of \$100 per insured, per day on failure to meet requirements with respect to qualified long-term care insurance contracts.

Tax (and Code section)	Tax rates
7. Excise taxes on real estate investment trusts and regulated investment companies	
Real estate investment trusts (sec. 4981)	Tax of 4 percent of the excess of required distribution for calendar year over the distributed amount (i.e., on the undistributed income).
Regulated investment companies (sec. 4982)	Tax of 4 percent of the excess of required distribution for calendar year over the distributed amount (i.e., on the undistributed income).
8. Excise tax on issuer of "registration-required obligations" not in registered form (sec. 4701)	Tax of 1 percent of the principal amount of the "registration-required obligation" (defined in sec. 163(f)) multiplied by the number of years (or portions) of the obligation.
9. Excise tax on "golden parachute" payments (sec. 4999)	Tax on the recipient of 20 percent of the "excess payment" (defined in sec. 280G(b)).
10. Excise tax on large group health plans (sec. 5000)	Tax of 25 percent of expenses of a "nonconforming large group health plan" (defined under sec. 1862(b)(4)(A)(i) of the Social Security Act).

Tax (and Code section)	Tax rates
11. Excise tax on "greenmail" (sec. 5881)	Tax of 50 percent of the "greenmail" (any consideration transferred by a corporation to acquire its stock if (1) such stock has been held by the shareholder for less than 2 years, (2) the shareholder (or any related person or person acting in concert) made or threatened a public tender offer for stock during this period, and (3) such acquisition is pursuant to an offer which was not made on the same terms to all shareholders).

III. INFORMATION ON FEDERAL EXCISE TAX RECEIPTS AND SELECTED TRUST FUND BALANCES

A. Background

Part III contains background information on Federal excise tax receipts and projected expenditures from any Trust Funds to which those receipts are dedicated. Interpretation of this information requires an understanding of several provisions of the Budget Enforcement Act of 1990 and related legislation (collectively referred to as the "1990 Budget Act") and of various budget scorekeeping rules implementing that legislation.

Assumption that dedicated excise taxes are permanent

The 1990 Budget Act provides that excise taxes which are dedicated to Trust Funds are assumed to be permanent for budget scorekeeping purposes.⁶⁴ This means that revenues from the excise taxes automatically are included each year in the Congressional Budget Office ("CBO") and Office of Management and Budget ("OMB") forecast of Government receipts (the "revenue baseline") as if there were no scheduled expiration. This occurs even if the taxes are scheduled to expire before the end of the baseline period. The CBO issues this annual baseline as part of its overall economic forecast each February; the forecast is used in developing the Congressional Budget Resolution. Revenue estimates for all legislation considered by the Congress are determined relative to that forecast (and the Budget Resolution).⁶⁵

As a result of their inclusion in the revenue baseline on a permanent basis, extensions (without modifications) of Trust Fund excise taxes are *not* scored as raising revenues when the extensions are enacted *before their actual expiration and adoption of a new revenue baseline*. On the other hand, increases in those excise taxes are scored as raising revenue. Similarly, reductions in dedicated excise taxes (even as part of an extension of the underlying taxes) are scored as losing revenue. Legislation to reimpose an *expired* excise tax that is dedicated to a Trust Fund is scored as increasing revenues if the tax reimposition is enacted after adoption of a new revenue baseline excluding receipts from the tax.

The information in the excise tax receipts and Trust Fund balance tables in III. B and III. C, below, is presented consistent with the provisions of the 1990 Budget Act. Thus, revenues for all

⁶⁴Direct, or mandatory, spending likewise is considered to be permanent for budget scorekeeping purposes. On the other hand, while estimates of discretionary spending are included in the budget baseline, that spending is not considered to be permanent for budget scorekeeping purposes. Thus, the entire amount of discretionary spending provided for in annual appropriations bills is scored. As described below, most spending from the Federal Trust Funds which are the subject of this pamphlet is classified as discretionary.

⁶⁵The CBO typically issues an update of its February forecast in August; however, because the Budget Resolution is based on the February baseline, revenue estimates generally are determined by reference to the February baseline throughout the year.

currently imposed Trust Fund excise taxes are assumed to continue throughout the periods reflected, notwithstanding any scheduled expiration of the underlying excise taxes. For example, the highway excise taxes (other than 4.3 cents per gallon of the motor fuels rates) statutorily are scheduled to expire after September 30, 2005; however, Tables 1 and 2 of III. C (providing Highway Trust Fund balances) assume imposition of these taxes through September 30, 2009. On the other hand, no revenues are shown from certain expired excise taxes, e.g., the previously imposed excise taxes dedicated to the Hazardous Substance Superfund and the Oil Spill Liability Trust Fund.

Gross receipts versus net revenues

In general, the relevant provisions of the Code transfer “gross receipts” to Trust Funds financed with proceeds of dedicated excise taxes, rather than the “net revenues” to the Federal Government produced by those taxes. Net revenues from the excise tax on certain vaccines are transferred to the Vaccine Injury Compensation Trust Fund (“Vaccine Trust Fund”). The concept of net revenues reflects budget scorekeeping conventions that discount excise tax revenues by the amount that income tax receipts are expected to decrease as a result of monies being removed from the private economy for payment of excise taxes.⁶⁶ Net revenues equal approximately 75 percent of gross receipts.

The 1990 Budget Act divides non-defense Federal Government spending into two major categories: direct spending and discretionary spending. Direct spending is spending for which no appropriation is required (e.g., entitlements such as Social Security old age benefits). Discretionary spending may occur only when funds are appropriated. Subject to special rules enacted by the Transportation Equity Act for the 21st Century intended to guarantee minimum levels of Highway Trust Fund spending, all discretionary spending programs must compete for a fixed pool of dollars under aggregate annual caps imposed on Federal discretionary spending. Thus, amounts in excess of the net revenues to the Federal Government (i.e., gross receipts) from the excise taxes may be deposited in the Trust Funds without creating a budgetary shortfall.⁶⁷

The excise tax receipts shown in the tables in this part represent gross receipts to the Federal Government (and to any relevant Trust Fund) except in the case of the Vaccine Trust Fund excise tax where net revenues are reflected (under sec. 9510).

Differences between available balances and cash balances

Some Trust Fund programs involve capital projects. Financing for these projects may involve contracts providing for cash disbursements that will continue for a period of several years. Pending actual disbursement, the funds continue to be reflected in the cash balance of the Trust Funds where they are held on deposit. However, the funds are not “available” to finance additional

⁶⁶ See Joint Committee on Taxation, *Discussion of Revenue Estimation Methodology and Process* (JCS-14-92), August 13, 1992.

⁶⁷ See Joint Committee on Taxation, *Present Law and Background Information on Federal Transportation Excise Taxes and Trust Fund Expenditure Programs* (JCS-10-96), November 14, 1996, pp. 41-46.

projects. Rather, they are classified as a part of the Trust Funds “obligated balance.” An example of such capital expenditures are funds financing the Federal Government’s share of highway construction projects undertaken jointly with States or local governments when the Federal Government currently is bound contractually to pay the amounts when the construction is completed. For Federal Trust Funds, the CBO baseline reports cash balances, and in relevant cases, “available balances.” The Trust Fund tables in this part reflect Trust Fund cash balances.

B. Estimated Federal Excise Tax Receipts, Fiscal Years 1998-2003¹

[In billions of dollars]

Item	1998	1999	2000	2001	2002	2003	1998- 2003
I. Excise Taxes Dedicated to Transportation Trust Funds							
A. Highway Trust Fund Excise Taxes							
1. Gasoline	21.2	21.7	22.0	22.3	22.7	23.2	133.1
2. Diesel fuel and kerosene	7.4	7.7	7.8	8.0	8.2	8.5	47.6
3. Other highway motor fuels	1.4	1.4	1.5	1.5	1.5	1.6	8.9
4. Retail sales tax on tractors and heavy trucks and trailers	1.9	2.0	2.0	2.0	2.1	2.1	12.1
5. Manufacturers tax on tires for heavy vehicles	0.4	0.4	0.4	0.4	0.4	0.4	2.3
6. Annual heavy vehicle use tax	0.8	0.8	0.8	0.8	0.8	0.8	4.9
7. Refund (mostly fuels taxes)	-1.1	-1.1	-1.1	-1.2	-1.2	-1.2	-6.9
8. Deposit rule modification	-3.8	3.8
Total Highway Trust Fund Excise Taxes ..	28.2	36.7	33.3	33.9	34.6	35.4	202.1
B. Airport and Airway Trust Fund Excise Taxes							
1. Domestic air passenger excise tax	5.7	6.5	6.6	6.9	7.5	7.9	41.1
2. International air passenger excise tax	0.8	1.2	1.3	1.4	1.5	1.6	8.0
3. Air cargo transportation tax	0.3	0.4	0.5	0.5	0.5	0.6	2.8
4. Noncommercial aviation fuels excise taxes	0.2	0.2	0.2	0.2	0.2	0.2	1.3
5. Commercial aviation fuels excise taxes	0.5	0.6	0.6	0.6	0.7	0.7	3.7
Total Airport and Airway Trust Fund Excise Taxes	7.5	9.0	9.2	9.7	10.4	11.0	56.9

B. Estimated Federal Excise Tax Receipts, Fiscal Years 1998-2003¹—Continued

[In billions of dollars]

Item	1998	1999	2000	2001	2002	2003	1998- 2003
C. Inland Waterways Trust Fund Excise Tax	0.1	0.1	0.1	0.1	0.1	0.1	0.7
D. Harbor Maintenance Trust Fund Excise Tax ²	-0.1	0.5	0.6	0.7	0.7	0.8	3.1
II. Excise Taxes Dedicated to Environmental Trust Funds or Designated Funds							
A. Leaking Underground Storage Tank Trust Fund Excise Tax	0.2	0.2	0.2	0.2	0.2	0.2	1.1
B. Aquatic Resources Trust Fund Excise Taxes							
1. Motorboat gasoline and special motor fuels	0.2	0.2	0.2	0.2	0.3	0.3	1.5
2. Fishing equipment excise tax	0.1	0.1	0.1	0.1	0.1	0.1	0.6
C. Federal Aid to Wildlife Program Excise Taxes							
1. Bows and arrows excise taxes	(3)	(3)	(3)	(3)	(3)	(3)	0.1
2. "Regular" firearms and ammunition excise taxes	0.1	0.1	0.1	0.1	0.1	0.1	0.8
III. Excise Taxes Dedicated to Health-Related Trust Funds							
A. Black Lung Disability Trust Fund Excise Taxes							
1. Coal excise tax ⁴	0.6	0.6	0.7	0.7	0.7	0.7	4.0
2. Excise taxes on black lung benefit trusts	(3)	(3)	(3)	(3)	(3)	(3)	0.1
B. Vaccine Injury Compensation Trust Fund Excise Tax ⁵	0.1	0.1	0.1	0.1	0.1	0.1	0.8
IV. Major General Fund Excise Taxes							
A. Alcohol Excise Taxes							
1. Distilled spirits	3.6	3.6	3.5	3.5	3.5	3.5	21.2

B. Estimated Federal Excise Tax Receipts, Fiscal Years 1998-2003 ¹—Continued

[In billions of dollars]

Item	1998	1999	2000	2001	2002	2003	1998- 2003
J. Excise Tax on Private Foundation Net Investment Income	0.5	0.5	0.5	0.5	0.5	0.5	2.9
K. Excise Tax on Foreign Insurance Policies	0.1	0.1	0.1	0.1	0.1	0.1	0.8

Note.—Details may not add to totals due to rounding.

¹ Baseline estimates provided by the Congressional Budget Office. With the exception of the vaccine excise tax, all estimates represent gross excise tax receipts (i.e., do not reflect the income tax offset that is taken into account in revenue estimates for excise tax changes).

² Projected revenue reflects the U.S. Supreme Court decision in U.S. v. U.S. Shoe Corp. that the tax is unconstitutional as applied to exports.

³ Gain of less than \$50 million.

⁴ Projected baseline revenue does not reflect the U.S. District Court decision in Ranger Fuel Corp. v. U.S. that the coal excise tax is unconstitutional as applied to exports.

⁵ The table shows net revenues from the tax (gross revenues reduced by the income tax offset) because only net revenues are dedicated to the Vaccine Injury Compensation Trust Fund (under sec. 9510).

Source: Congressional Budget Office.

C. Information on Balances in Selected Federal Trust Funds

The following tables (Tables 1–11) provide data for fiscal years 1998–2009 on certain Federal Trust Funds financed by dedicated excise taxes. These tables show the amount of gross tax revenue to the Trust Funds, any interest to the Trust Funds, new budget authority, outlays, and end-of-year cash balance. The Trust Fund information is provided by the Congressional Budget Office (“CBO”), based on the March 1999 CBO baseline projections for 1999–2009. The 1998 amounts are actual figures provided by CBO.

Tables 1–11 provide data on the following Federal Trust Funds:

- Table 1.—Highway Account of the Highway Trust Funds;
- Table 2.—Mass Transit Account of the Highway Trust Fund;
- Table 3.—Airport and Airway Trust Fund;
- Table 4.—Inland Waterways Trust Fund;
- Table 5.—Harbor Maintenance Trust Fund;
- Table 6.—Leaking Underground Storage Tank Trust Fund;
- Table 7.—Aquatic Resources Trust Fund;
- Table 8.—Hazardous Substance Superfund
- Table 9.—Oil Spill Liability Trust Fund;
- Table 10.—Black Lung Disability Trust Fund; and
- Table 11.—Vaccine Injury Compensation Trust Fund.

Table 1.—Revenues and Outlays for the Highway Account of the Highway Trust Fund, Fiscal Years 1998–2009

[In millions of dollars]

Year	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Tax Revenue	23,135	31,600	28,737	29,262	29,855	30,500	31,152	31,828	32,493	33,157	33,821	34,485
Interest ¹	1,165	0	0	0	0	0	0	0	0	0	0	0
Total Revenue	24,364	31,600	28,737	29,262	29,855	30,500	31,152	31,828	32,493	33,157	33,821	34,485
New Budget Authority	24,657	29,769	31,874	31,039	31,609	32,171	32,813	32,816	32,818	32,821	32,824	32,827
Outlays	20,350	23,920	26,531	27,991	28,333	28,849	29,962	29,356	29,918	30,504	31,121	31,758
End-of-Year Balance	8,459	16,139	18,345	19,616	21,138	22,789	24,979	27,452	30,026	32,679	35,379	38,105

¹ As provided in P.L. 105–178, “The Transportation Equity Act for the 21st Century,” no interest is credited to either the Highway Account or the Mass Transit Account of the Highway Trust Fund after September 30, 1998.

Source: Congressional Budget Office (“CBO”). Data for 1998 report actual tax revenues transferred to the Trust Fund as tabulated by the CBO using IRS data. The data for 1998 also report actual New Budget Authority and Outlays. Some of the outlays from the Trust Fund represent payments over one or more years on contracts related to capital projects. As a consequence, the reported “end-of-year balance” does not represent an unobligated balance available for appropriation. Tax revenues credited to the Trust Fund represent the gross receipts from taxes dedicated to the Trust Fund, net of any refunds of tax paid out during the fiscal year. Because excise taxes give rise to income and payroll tax offsets, the gross receipts from an excise tax do not represent the net revenues from the excise tax for unified budget reporting purposes. The net revenues to the Federal Government will be less than the “tax revenue” reported in the table. In addition, under present-law budget rules for the purpose of determining baseline receipts, excise taxes dedicated to trust funds are assumed to be permanent regardless of statutory expiration dates. The information reported for fiscal years 1999 through 2009 are CBO projections based on the March 1999 CBO baseline including projected inflation.

Table 2.—Revenues and Outlays for the Mass Transit Account of the Highway Trust Fund, Fiscal Years 1998–2009

[In millions of dollars]

Year	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Tax Revenue	3,487	5,095	4,576	4,659	4,754	4,855	4,960	5,066	5,173	5,280	5,387	5,494
Interest ¹	839	0	0	0	0	0	0	0	0	0	0	0
Total Revenue	4,326	5,095	4,576	4,659	4,754	4,855	4,960	5,066	5,173	5,280	5,387	5,494
New Budget Authority	4,260	4,213	4,574	4,930	5,289	5,647	5,647	5,647	5,647	5,647	5,647	5,647
Outlays	4,133	6,126	5,719	5,267	4,938	4,719	4,716	4,816	4,918	5,022	5,128	5,236
End-of-Year Balance	10,050	9,019	7,876	7,268	7,084	7,220	7,464	7,713	7,969	8,227	8,486	8,744

¹ As provided in P.L. 105–178, “The Transportation Equity Act for the 21st Century,” no interest is credited to either the Highway Account or the Mass Transit Account of the Highway Trust Fund after September 30, 1998.

Source: Congressional Budget Office (“CBO”). Data for 1998 report actual tax revenues transferred to the Trust Fund as tabulated by the CBO using IRS data. The data for 1998 also report actual New Budget Authority and Outlays. Some of the outlays from the Trust Fund represent payments over one or more years on contracts related to capital projects. As a consequence, the reported “end-of-year balance” does not represent an unobligated balance available for appropriation. Tax revenues credited to the Trust Fund represent the gross receipts from taxes dedicated to the Trust Fund, net of any refunds of tax paid out during the fiscal year. Because excise taxes give rise to income and payroll tax offsets, the gross receipts from an excise tax do not represent the net revenues from the excise tax for unified budget reporting purposes. The net revenues to the Federal Government will be less than the “tax revenue” reported in the table. In addition, under present-law budget rules for the purpose of determining baseline receipts, excise taxes dedicated to trust funds are assumed to be permanent regardless of statutory expiration dates. The information reported for fiscal years 1999 through 2009 are CBO projections based on the March 1999 CBO baseline including projected inflation.

Table 3.—Revenues and Outlays for the Airport and Airway Trust Fund, Fiscal Years 1998–2009
 [In millions of dollars]

Year	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Tax Revenue	8,111	10,158	9,245	9,679	10,415	11,015	11,670	12,361	13,104	13,850	14,634	15,467
Interest	543	666	799	902	1,024	1,195	1,398	1,610	1,887	2,208	2,623	3,056
Total Revenue	8,654	10,824	10,044	10,581	11,439	12,210	13,068	13,971	14,991	16,058	17,257	18,523
New Budget Authority	5,641	8,668	8,910	9,119	9,332	9,544	9,760	9,985	10,218	10,463	10,715	10,980
Outlays	5,872	7,947	8,266	8,605	8,844	9,122	9,390	9,655	9,933	10,220	10,519	10,829
End-of-Year Balance	9,140	12,017	13,796	15,773	18,367	21,456	25,134	29,450	34,507	40,346	47,083	54,777

Source: Congressional Budget Office (“CBO”). Data for 1998 report actual tax revenues transferred to the Trust Fund as tabulated by the CBO using IRS data. The data for 1998 also report actual New Budget Authority and Outlays. Some of the outlays from the Trust Fund represent payments over one or more years on contracts related to capital projects. As a consequence, the reported “end-of-year balance” does not represent an unobligated balance available for appropriation. Tax revenues credited to the Trust Fund represent the gross receipts from taxes dedicated to the Trust Fund, net of any refunds of tax paid out during the fiscal year. Because excise taxes give rise to income and payroll tax offsets, the gross receipts from an excise tax do not represent the net revenues from the excise tax for unified budget reporting purposes. The net revenues to the Federal Government will be less than the “tax revenue” reported in the table. In addition, under present-law budget rules for the purpose of determining baseline receipts, excise taxes dedicated to trust funds are assumed to be permanent regardless of statutory expiration dates. The information reported for fiscal years 1999 through 2009 are CBO projections based on the March 1999 CBO baseline including projected inflation.

Table 4.—Revenues and Outlays for the Inland Waterways Trust Fund, Fiscal Years 1998–2009
 [In millions of dollars]

Year	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Tax Revenue	91	106	108	110	113	116	119	122	125	128	131	134
Interest	15	18	22	25	29	32	36	40	44	49	54	59
Total Revenue	106	124	130	135	142	148	155	162	169	177	185	193
New Budget Authority	79	73	74	76	78	79	81	83	84	86	88	90
Outlays	76	69	74	76	78	79	81	83	84	86	88	90
End-of-Year Balance	327	378	434	493	557	626	700	779	864	955	1,052	1,155

Source: Congressional Budget Office (“CBO”). Data for 1998 report actual tax revenues transferred to the Trust Fund as tabulated by the CBO using IRS data. The data for 1998 also report actual New Budget Authority and Outlays. Tax revenues credited to the Trust Fund represent the gross receipts from taxes dedicated to the Trust Fund, net of any refunds of tax paid out during the fiscal year. In addition, under present-law budget rules for the purpose of determining baseline receipts, excise taxes dedicated to trust funds are assumed to be permanent regardless of statutory expiration dates. Tax revenues credited to the Trust Fund represent the gross receipts from taxes dedicated to the Trust Fund, net of any refunds of tax paid out during the fiscal year. The net revenues to the Federal Government will be less than the “tax revenue” reported in the table. The information reported for fiscal years 1999 through 2009 are CBO projections based on the March 1999 CBO baseline including projected inflation.

Table 5.—Revenues and Outlays for the Harbor Maintenance Trust Fund, Fiscal Years 1998–2009
 [In millions of dollars]

Year	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Tax Revenue ¹	622	511	606	651	700	752	809	869	935	1,005	1,080	1,161
Interest	66	89	129	174	220	271	329	392	463	541	627	723
Total Revenue	688	600	735	825	920	1,023	1,138	1,261	1,398	1,546	1,707	1,884
Outlays ²	511	18	18	18	19	19	19	19	20	20	20	21
End-of-Year Balance	1,283	1,865	2,582	3,389	4,290	5,294	6,413	7,655	9,033	10,559	12,246	14,109

¹ Projected revenues reflect the effect of the U.S. Supreme Court decision in *U.S. v. U.S. Shoe Corp.* See footnote 15 in Part I, above.

² Appropriations for harbor maintenance expenditures for fiscal year 1999 are for approximately the same level as fiscal year 1998 outlays. However, most of the resulting outlays are expected to be paid from the General Fund. These projections report only those outlays that CBO estimates will come from the Trust Fund in fiscal year 1999 and subsequent years.

Source: Congressional Budget Office (“CBO”). Data for 1998 report actual tax revenues transferred to the Trust Fund as tabulated by the CBO using IRS data. The data for 1998 also report actual Outlays. Tax revenues credited to the Trust Fund represent the gross receipts from taxes dedicated to the Trust Fund, net of any refunds of tax paid out during the fiscal year. Because excise taxes give rise to income and payroll tax offsets, the gross receipts from an excise tax do not represent the net revenues from the excises tax for unified budget reporting purposes. The net revenues to the Federal Government will be less than the “tax revenue” reported in the table. The information reported for fiscal years 1999 through 2009 are CBO projections based on the March 1999 CBO baseline including projected inflation.

Table 6.—Revenues and Outlays for the Leaking Underground Storage Tank Trust Fund, Fiscal Years 1998–2009

[In millions of dollars]

Year	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Tax Revenue	136	212	180	183	187	190	194	197	200	203	206	209
Interest	67	65	73	81	90	99	104	113	123	134	145	156
Total Revenue	203	277	253	264	277	289	298	310	323	337	351	365
Outlays	62	61	68	74	75	77	79	81	83	84	86	86
End-of-Year Balance	1,255	1,471	1,655	1,845	2,047	2,259	2,478	2,707	2,947	3,200	3,465	3,744

Source: Congressional Budget Office (“CBO”). Data for 1998 report actual tax revenues transferred to the Trust Fund as tabulated by the CBO using IRS data. The data for 1998 also report actual outlays. Some of the outlays from the Trust Fund represent payments over one or more years on contracts related to capital projects. As a consequence, the reported “end-of-year balance” does not represent an unobligated balance available for appropriation. Tax revenues credited to the Trust Fund represent the gross receipts from taxes dedicated to the Trust Fund, net of any refunds of tax paid out during the fiscal year. Because excise taxes give rise to income and payroll tax offsets, the gross receipts from an excise tax do not represent the net revenues from the excise tax for unified budget reporting purposes. The net revenues to the Federal Government will be less than the “tax revenue” reported in the table. In addition, under present-law budget rules for the purpose of determining baseline receipts, excise taxes dedicated to trust funds are assumed to be permanent regardless of statutory expiration dates. The information reported fiscal years 1999 through 2009 are CBO projections based on the March 1999 CBO baseline including projected inflation.

Table 7.—Revenues and Outlays for the Aquatic Resources Trust Fund, Fiscal Years 1998–2009
 [In millions of dollars]

Year	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Tax Revenue	290	361	328	340	377	381	398	404	410	418	424	430
Interest ¹	53	36	38	37	36	36	37	38	39	40	41	42
Total Revenue ²	403	435	404	417	454	460	481	490	498	509	519	529
New Budget Authority ³	412	372	435	404	417	454	460	481	490	498	509	519
Outlays ³	313	359	394	430	462	450	455	459	475	486	497	507
End-of-Year Balance ⁴	945	1,022	1,033	1,020	1,012	1,022	1,048	1,080	1,103	1,127	1,149	1,171

¹ Does not include \$4 million annually of interest income credited to the Boat Safety Account. These earnings do not create budget authority under present-law, but could be appropriated from the Trust Fund. Also see note 4 below.

² Total revenue includes certain customs duties.

³ The figures reported for Budget Authority and Outlays include amounts for the Coast Guard's boat safety programs and to the U.S. Army Corps of Engineers for coastal wetlands projects.

⁴ Reported figures do not include the approximately \$70 million balance in Boat Safety account balances.

Source: Congressional Budget Office ("CBO"). Data for 1998 report actual tax revenues transferred to the Trust Fund as tabulated by the CBO using IRS data. The data for 1998 also report actual New Budget Authority and Outlays. Tax revenues credited to the Trust Fund represent the gross receipts from taxes dedicated to the Trust Fund, net of any refunds of tax paid out during the fiscal year. Because excise taxes give rise to income and payroll tax offsets, the gross receipts from an excise tax do not represent the net revenues from the excise tax for unified budget reporting purposes. The net revenues to the Federal Government will be less than the "tax revenue" reported in the table. In addition, under present-law budget rules for the purpose of determining baseline receipts, excise taxes dedicated to trust funds are assumed to be permanent regardless of statutory expiration dates. The information reported for fiscal years 1999 through 2009 are CBO projections based on the March 1999 CBO baseline including projected inflation.

Table 8.—Revenues and Outlays for the Hazardous Substance Superfund, Fiscal Years 1998–2009
 [In millions of dollars]

Year	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Tax Revenue ¹	0	0	0	0	0	0	0	0	0	0	0	0
Interest	210	220	190	180	190	190	190	200	200	210	210	220
Total Revenue ^{2,3}	780	850	820	1,240	1,600	1,580	1,660	1,720	1,750	1,740	1,830	1,870
Outlays ³	1,430	1,440	1,460	1,470	1,490	1,520	1,550	1,580	1,610	1,650	1,690	1,730
End-of-Year Balance ⁴	5,120	4,530	3,900	3,670	3,780	3,840	3,960	4,100	4,230	4,320	4,470	4,620

¹The Superfund taxes expired December 31, 1995.

²Includes recoveries and General Fund appropriations.

³The CBO baseline projection assumes that the program will operate at baseline levels using General Fund appropriations as necessary. Hence, General Fund appropriations grow in nominal dollars to fund projected nominal dollar expenditures.

⁴The reported end-of-year balance does not represent Trust Fund monies available for appropriation. As noted above, this CBO projection assumes on-going General Fund appropriations. In addition, projected outlays include outlays for obligations incurred in prior years. In the absence of the assumed General Fund appropriations, the CBO projects that the amount in the Trust Fund available for appropriation would fall to zero in fiscal year 2001.

Source: Congressional Budget Office (“CBO”). The data for 1998 report actual outlays and interest credited to the Trust Fund. Some of the outlays from the Trust Fund represent payments over one or more years on contracts related to capital projects. As a consequence, the reported “end-of-year balance” does not represent an unobligated balance available for appropriation. The information reported for fiscal years 1999 through 2009 are CBO projections based on the March 1999 CBO baseline including projected inflation.

Table 9.—Revenues and Outlays for the Oil Spill Liability Trust Fund, Fiscal Years 1998–2009

[In millions of dollars]

Year	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Tax Revenue ¹	0	0	0	0	0	0	0	0	0	0	0	0
Interest	64	52	53	52	49	47	44	41	37	34	33	26
Total Revenue ²	76	69	69	68	66	63	60	57	54	50	47	42
Outlays	114	110	111	113	113	115	116	118	119	120	123	124
End-of-Year Balance	1,084	1,043	1,001	956	908	856	801	740	675	605	529	448

¹The Oil Spill Liability Trust Fund excise tax expired December 31, 1994.

² Includes fines, penalties, and recoveries.

Source: Congressional Budget Office (“CBO”). The data for 1998 report actual outlays and interest credited to the Trust Fund. Some of the outlays from the Trust Fund represent payments over one or more years on contracts related to capital projects. As a consequence, the reported “end-of-year balance” does not represent an unobligated balance available for appropriation. The information reported for fiscal years 1999 through 2009 are CBO projections based on the March 1999 CBO baseline including projected inflation.

Table 10.—Revenues and Outlays for the Black Lung Disability Trust Fund, Fiscal Years 1998–2009
 [In millions of dollars]

Year	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Tax Revenue ¹ ...	636	651	661	671	681	691	701	712	723	733	744	756
Interest ²	-495	-509	-534	-551	-568	-585	-601	-617	-633	-648	-663	-678
Total Revenue ...	141	142	127	120	113	106	100	95	90	85	81	78
Benefit Pay- ments	453	436	420	404	389	375	361	347	334	322	310	299
End-of-Year Balance ²	-5,838	-6,195	-6,537	-6,870	-7,197	-7,517	-7,831	-8,138	-8,439	-8,734	-9,022	-9,307

¹ Projected revenues do not reflect the District Court decision in *Ranger Fuel Corp. v. U.S.* relating to the unconstitutionality of the coal excise tax on exports. (See footnote 28 in Part I, above.)

² The Black Lung Trust Fund is in deficit because, in the past, benefit payments exceeded tax receipts credited to the Trust Fund. Under present-law, the Trust Fund owes interest on past borrowings. Hence "interest" is entered in the table as a negative number (an expense).

Source: Congressional Budget Office ("CBO"). Data for 1998 report actual tax revenues transferred to the Trust Fund as tabulated by the CBO using IRS data. The data for 1998 also report actual outlays. Tax revenues credited to the Trust Fund represent the gross receipts from taxes dedicated to the Trust Fund, net of any refunds of tax paid out during the fiscal year. Because excise taxes give rise to income and payroll tax offsets, the gross receipts from an excise tax do not represent the net revenues from the excise tax for unified budget reporting purposes. The net revenues to the Federal Government will be less than the "tax revenue" reported in the table. The information reported for fiscal years 1999 through 2009 are CBO projections based on the March 1999 CBO baseline including projected inflation.

Table 11.—Revenues and Outlays for the Vaccine Injury Compensation Trust Fund, Fiscal Years 1998–2009

[In millions of dollars]

Year	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Tax Revenue	97	98	98	98	98	100	101	102	103	104	104	104
Interest	16	65	73	80	86	92	99	105	112	120	128	136
Total Revenue	113	162	170	178	184	192	199	207	214	223	231	240
Outlays	64	71	71	71	74	74	74	75	75	75	76	76
End-of-the-Year Balance	1,285	1,376	1,476	1,583	1,693	1,811	1,936	2,068	2,207	2,354	2,509	2,673

Source: Congressional Budget Office (“CBO”). Data for 1998 report actual tax revenues to the Trust Fund as tabulated by the CBO using IRS data. The data for 1998 also report actual outlays. Unlike the case with the other Trust Funds, the “tax revenues” credited to the Vaccine Injury Compensation Trust Fund are net of an estimate of the income and payroll tax offset. Hence, the “tax revenues” reported in the table generally correspond to the net revenues to the Federal Government attributable to the excise tax on taxable vaccines. The information reported for fiscal years 1999 through 2009 are CBO projections based on the March 1999 CBO baseline including projected inflation.

APPENDICES

**Appendix A.—Excise Tax Rates on Certain Chemical for the
Hazardous Substance Superfund Under Prior Law¹**

Feedstock chemical (sec. 4661)	Tax per ton
Acetylene	\$4.87
Benzene	4.87
Butane	4.87
Butylene	4.87
Butadiene	4.87
Ethylene	4.87
Methane	3.44
Naphthalene	4.87
Propylene	4.87
Toluene	4.87
Xylene	4.87
Ammonia	2.64
Antimony	4.45
Antimony trioxide	3.75
Arsenic	4.45
Arsenic trioxide	3.41
Barium sulfide	2.30
Bromine	4.45
Cadmium	4.45
Chlorine	2.70
Chromium	4.45
Chromite	1.52
Potassium dichromate	1.69
Sodium dichromate	1.87
Cobalt	4.45
Cupric sulfate	1.87
Cupric oxide	3.59
Cuprous oxide	3.97
Hydrochloric acid	0.29
Hydrogen fluoride	4.23
Lead oxide	4.14
Mercury	4.45
Nickel	4.45
Phosphorus	4.45
Stannous chloride	2.85
Stannic chloride	2.12
Zinc chloride	2.22
Zinc sulfate	1.90
Potassium hydroxide	0.22
Sodium hydroxide	0.28
Sulfuric acid	0.26
Nitric acid	0.24

¹The tax on feedstock chemicals expired after December 31, 1995.

Appendix B.—List of Taxable Substances Subject to the Excise Tax on Certain Imported (Chemical) Substances Under Prior Law¹ (Secs. 4671–4672)

Taxable substance	Taxable substance
<i>Initial Items Listed²</i>	
Cumene	Ethylbenzene
Styrene	Methylene chloride
Ammonium nitrate	Polypropylene
Nickel oxide	Propylene glycol
Isopropyl alcohol	Formaldehyde
Ethylene glycol	Acetone
Vinyl chloride	Acrylonitrile
Polyethylene resins, total	Methanol
Polybutadiene	Propylene oxide
Styrene-butadiene, latex	Polypropylene resins
Styrene-butadiene, snpf	Ethylene oxide
Synthetic rubber, not containing fillers	Ethylene dichloride
Urea	Cyclohexane
Ferronickel	Maleic anhydride
Ferrochromium nov 3 pct	Phthalic anhydride
Ferrochrome ov 3 pct. carbon	Ethyl methyl ketone
Unwrought nickel	Chloroform
Nickel waste and scrap	Carbon tetrachloride
Wrought nickel rods and wire	Chromic acid
Nickel powders	Hydrogen peroxide
Phenolic resins	Polystyrene homopolymer resins
Polyvinylchloride resins	Melamine
Polystyrene resins and copolymers	Acrylic and metha-crylic acid resins
Ethyl alcohol for nonbeverage use	Vinyl resins
Isophthalic acid	Vinyl resins, NSPF

¹ This tax expired after December 31, 1995.

² See section 4672(a)(3).

Appendix B.—List of Taxable Substances Subject to the Excise Tax on Certain Imported (Chemical) Substances Under Prior Law¹ (Secs. 4671–4672)—Continued

Taxable substance	Taxable substance
<i>Additional Items Listed³</i>	
1,3-butylene glycol	Formic acid
1,4-butanediol	Glycerine
1,5,9-cyclododecatriene	Hexabromocyclododecane
2,2,4-trimethyl-1,3-pentanediol diisobutyrate	Hexamethylene diamine
2,2,4-trimethyl-1,3-pentanediol monoisobutyrate	Isobutyl acetate
2-ethyl hexanol	Isopropyl acetate
2-ethylhexyl acrylate	Linear alpha olefins
Acetic acid	Methyl acrylate
Acetylene black	Methyl chloroform
Adipic acid	Methyl methacrylate
Adiponitrile	Methyl isobutyl ketone
Allyl chloride	Monochlorobenzene
Alpha-methylstyrene	Monoethanolamine
Aniline	Monoisopropanolamine
Benzaldehyde	Normal butyl acetate
Benzoic acid	Nylon 6/6
Bisphenol-A	Normal propyl acetate
Butanol	Ortho-Dichlorobenzene
Butyl acrylate	Ortho-Nitrochlorobenzene
Butyl benzyl phthalate	Para-Dichlorobenzene
Chlorinated polyethylene	Para-Nitrochlorobenzene
Cyclododecanol	Para-Nitrophenol
Decarbromodiphenyl oxide	Paraformaldehyde
Di-2-ethyl hexyl phthalate	Para-Dichlorobenzene
Diethanolamine	Pentaerythritol
Diglycidyl ether of bisphenol-A	Perchloroethylene
Diisopropanolamine	Phenol
Dimethyl terephthalate	Phosphorous pentasulfide
Dimethyl 1-2,6-naphthalene dicarboxylate	Phosphorous trichloride
Di-n-hexyl adipate	Poly (69/31 ethylene/cyclohexylenedimethylene terephthalate)
Diphenyl oxide	Poly (97.5/3.5 ethylene/cyclohexylenedimethylene terephthalate)
Diphenylamine	Poly (98.5/1.5 ethylene/cyclohexylenedimethylene terephthalate)
Epichlorohydrin	Poly 1,4 butyleneterephthalate
Ethyl acetate	Polyalphaolefins
Ethyl acrylate	Polybutene
Ethyl chloride	Polybutylene
Ethylene dibromide	
Ethylenebistetraabromophthalimide	

Appendix B.—List of Taxable Substances Subject to the Excise Tax on Certain Imported (Chemical) Substances Under Prior Law¹ (Secs. 4671–4672)—Continued—Continued

Taxable substance	Taxable substance
Polybutylene/ethylene	Tetrahydrofuran
Polycarbonate	Texanol benzyl phthalate
Polyethylene terephthalate pellets	Toluene diisocyanate
Propanol	Toluenediamine
Sodium nitriolotriacetate monohydrate	Trichloroethylene
Terephthalic acid	Triethanolamine
Tetrabromobisphenol-A	Triisopropanolamine
Tetrachlorophthalic anhydride	Trimethylolpropane
	Vinyl acetate

³Items listed after enactment of the tax on imported chemical substances. The Secretary of the Treasury was required to add any substance to the list (for IRS Form 6627), if the Secretary determined that taxable chemicals constituted more than 50 percent of the weight or value of the materials used to produce such substance (determined on the basis of the predominant method of production); the Secretary may remove only those substances which meet neither test.

