ESTIMATED REVENUE EFFECTS OF THE CHAIRMAN'S MODIFICATION TO THE "CARE ACT OF 2003," SCHEDULED FOR MARKUP BY THE COMMITTEE ON FINANCE ON FEBRUARY 5, 2003

Fiscal Years 2003 - 2013

[Millions of Dollars]

Provision	Effective	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2003-08	2003-13
I. Charitable Giving Incentive Provisions														
Provide charitable contribution deduction for														
non-itemizers with cash contributions in excess of														
\$250 for individuals and \$500 for joint returns; cap														
on deduction of \$250 for individuals and \$500 for	tyba 12/31/02 &													
joint returns	tybb 1/1/05	-204	-1,368	-1,218									-2,790	-2,790
Tax-free distributions from IRAs for charitable														
purposes - taxpayer must have attained age 70-1/2														
for contributions made directly to a charitable														
organization and age 59-1/2 for contributions to a	DOE &		4=0	0.40	0=0	0.50		004	0.47	0.50	4=0		4 000	
split-interest entity	tyba 12/31/03	-48	-156	-248	-270	-258	-244	-231	-247	-352	-450	-471	-1,223	-2,974
3. Extend present-law section 170(e)(3) deduction for														
food inventory to all businesses and provide special														
basis rule for certain taxpayers; modify the														
enhanced deduction for charitable contributions of														
donations of food inventory to equal the lesser of	DOE	50	454	470	405	400	004	000	047	005	004	0.40	005	0.004
the item's fair market value or twice basis	cma DOE	-59	-154	-173	-185	-193	-201	-209	-217	-225	-234	-246	-965	-2,094
4. Enhanced charitable deduction for contributions of	DOE	0	47	40	04	00	0.5	00	04	00	0.7	44	440	000
book inventories, with special fair market value rule	cma DOE	-8	-17	-19	-21	-23	-25	-28	-31	-33	-37	-41	-113	-283
Expand charitable contribution allowed for scientific property used for research and for computer														
technology and equipment; and temporary														
extension of enhanced deduction for qualified	generally													
computer contributions (through 12/31/05)	tyba 12/31/02	1	-67	-133	-147	-65	-1	1	-1	-1	-1	-1	-414	-420
Encourage contributions of capital gain real property	tyba 12/31/02	-1	-01	-133	-147	-03	-1	-1	-1	-1	-1	-1	-414	-420
made for conservation purposes	cma DOE	-3	-5	-9	-13	-16	-23	-32	-41	-51	-62	-75	-70	-332
7. 25% capital gain exclusion for sales or exchanges	ona DOL	-3	-3	-3	-10	-10	-20	-52		-51	-02	-13	-10	-332
of land or interest in land or water to eligible entities														
for conservation purposes	soeoa DOE	-7	-56	-60	-67	-70	-74	-78	-82	-86	-91	-95	-334	-766
Exclusion for government payments under Partners	00000 202		00	00	01				02	00	0.	00	001	, 00
for Fish and Wildlife Program	pra DOE	-1	-2	-2	-3	-3	-3	-3	-3	-3	-3	-3	-12	-26
Adjustment to basis of S corporation stock for	p.a.202	•	_	_	ŭ	ŭ		· ·	ŭ	•	ŭ	Ū		
certain charitable contributions	cma DOE	-8	-22	-30	-33	-37	-41	-45	-50	-55	-62	-68	-172	-453
10. Enhanced deduction for charitable contributions of		Ū	- -											
literary, musical, artistic, and scholarly														
compositions	cma DOE	-2	-4	-4	-5	-5	-6	-6	-6	-7	-7	-7	-26	-59
11. Certain mileage reimbursements to charitable														
volunteers excluded from gross income	tyba DOE	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	-1	-3
Total of Charitable Giving Incentive Provisions	•	-341	-1,851	-1,896	-744	-670	-618	-633	-678	-813	-947	-1,007	-6,120	-10,200
Total of Gharitable Giving incentive Frovisions		-J -1 I	-1,001	-1,030	-/	-010	-010	-055	-070	-013	-341	-1,007	-0,120	-10,200

Provision	Effective	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2003-08	2003-13
II. Provisions to Improve Oversight of Tax-Exempt														
Organizations														
Disclosure of written determinations	wdia DOE						- Negligible	e Revenu	e Effect -					
2. Disclosure of name under which an organization							. 5 5							
does business and its Internet Web site	rfa 12/31/03						- Nealiaible	e Revenu	e Effect -					
Modification to private foundation reporting of capital														
transactions	rfa 12/31/03						- Nealiaible	e Revenu	e Fffect -					
4. Disclosure that Form 990 is publicly available	pomiora DOE						- Nealiaible	e Revenu	e Fffect -					
5. Disclosure to State officials of certain tax information	F													
related to certain section 501(c) organizations	DOE						- Nealiaible	e Revenu	e Fffect -					
6. Expansion of penalties to preparers of Form 990	dpa DOE						- Nealiaible	Revenu	e Effect -					
7. Notification requirement for exempt entities not	apa 202						. reg.ig	, , , , , , , , , , , , , , , , , , , ,	0 =001					
currently required to file	fapba 12/31/03						- Nealiaible	Revenu	e Effect -					
Suspension of tax-exempt status of terrorist	1appa 12/01/00						rvegngible	riovona	o Liioot					
organizations	[2]						- Nealiaible	Revenu	e Effect -					
	[-]						rvegngible	riovona	o Liioot					
Total of Provisions to Improve Oversight of Tax-								_						
Exempt Organizations							Negligible	Revenu	ie Effect -					
III. Other Charitable and Exempt Organization														
Provisions														
1. Modify tax on unrelated business taxable income of														
charitable remainder trusts	tyba 12/31/02		-4	-4	-5	-5	-5	-5	-6	-6	-6	-7	-23	-53
2. Modify tax treatment of certain payments to	,													
controlling exempt organizations	proaa 12/31/00	-32	-12	-13	-13	-14	-15	-16	-17	-18	-20	-21	-99	-191
Simplification of lobbying expenditure limitation	tyba 12/31/02	-1	-1	-1	-1	-1	-1	-2	-2	-2	-2	-3	-7	-15
Expedited review process for certain tax-exemption	.,													
applications	afa 12/31/03						- Nealiaible	e Revenu	e Effect -					
Clarification of definition of church tax inquiry	DOE													
6. Extension of declaratory judgment procedures to														
non-501(c)(3) tax-exempt organizations	dma 12/31/02						- Nealiaible	Revenu	e Effect -					
7. Definition of convention or association of churches	DOE						- Nealiaible	Revenu	e Effect -					
8. Provide that certain payments by charitable	202						riogngiore	, , , , , , , , , , , , , , , , , , , ,	0 2//000					
organizations made by reason of the death, injury,														
wounding, or illness of military personnel incurred														
as a result of the war on terrorism and astronauts	pma DOE &													
killed in the line of duty (no sunset) are deemed	pmb 9/11/04;													
consistent with exempt purposes	[3]						- Nealiaible	Revenu	e Effect -					
Increase percentage limits for certain	[O]						rvegngibie	riovona	o Liioot					
employer-related scholarship programs under														
Revenue Procedure 76-47 to 35% of eligible														
applicants or 20% of eligible students	gma DOE		-6	-9	-11	-12	-14	-15	-17	-19	-22	-25	-52	-150
10. Treatment of certain hospital organizations as	gilla DOL		-0	-3	-11	-12	-14	-10	-17	-13	-22	-20	-52	-130
qualified organizations for purposes of determining														
acquisition indebtedness	iia 12/31/03		-8	-16	-18	-19	-20	-20	-21	-22	-23	-23	-80	-189
11. Charitable contribution deduction for certain	11a 12/31/U3		-0	-10	-10	-19	-20	-20	-21	-22	-23	-23	-00	-109
expenses in support of Native Alaska subsistence	cma 12/31/03		[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	-1	4
whaling	Ullia 12/31/03		[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	-1	-4

	Provision	Effective	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2003-08	2003-13
	 12. Provide an equal enhanced deduction for qualified corporate contributions of inventory to public schools as currently allowed for contributions to private schools; computer technology and equipment are not eligible property 13. Matching grants to low-income taxpayer clinics for return preparation. 	cma 12/31/03 DOE		-17	-28	-31	-34	-38 No I	-41 Revenue	-46 Effect	-50	-55	-59	-148	-399
	Total of Other Charitable and Exempt Organization Provisions		33	-48	-71	-79	-85	-93	-99	-109	-117	-128	-138	-410	-1,001
IV.	Restoration of Social Services Block Grant Funding (outlays) [4]	[5]	-238	-946	-278	23	16	27	20					-1,395	-1,375
V.	Individual Development Accounts - provide a tax credit to eligible entities with respect to the first 300,000 individual development accounts established for low-income workers	tyea 12/31/04 & tybb 1/1/12			-24	-44	-39	-61	-76	-90	-104	-48	[1]	-169	-487
VI.	Authorization of Appropriations	No Revenue Effect													
VII.	Revenue Raising Proposals A. Provisions to Curtail Tax Shelters 1. Clarification of the economic substance doctrine and related penalty provisions	ta 2/15/04 various dates	-258	552	1,119	1,042	927	965	1,079	1,213	1,395	1,607	1,848	4,347	11,490
	shelters	after DOE [6]	35	92	115	119	120	124	131	139	150	164	179	604	1,366
	penalty [7]4. Actions to enjoin conduct with respect to tax	ta DOE			4	11	19	23	26	30	34	38	38	57	223
	shelters 5. Understatement of taxpayer's liability by income tax return preparer	DOE dpa DOE													
	6. Impose a civil penalty (of up to \$5,000) on failure to report interest in foreign financial accounts 7. Frivolous tax submissions	DOE [9]	[8] 1	[8] 3	[8] 3	[8] 3	[8] 3	[8]	[8]	[8] 3	[8] 3	[8] 3	[8] 3	1 16	3 31
	Regulation of individuals practicing before the Department of Treasury	ata DOE						No F	Revenue E	ffect					
	9. Amend Code section 6501 to provide for 6-year statute of limitations for undisclosed listed transactions	tyba DOE				1	1	1	1	1	1	1	1	3	8
	deficiency interest paid to the IRS on underpayments involving tax motivated transactions	tyba DOE				1	1	3	4	4	4	4	4	5	25
	Additional \$300 million tax law enforcement authorization for the IRS [4]	DOE						No F	Revenue E	ffect					

Provision	Effective	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2003-08	2003-13
B. Other Provisions Affirmation of consolidated return regulation authority	[10]						- Negligibi	le Revenu	ıe Effect -					
Total of Revenue Raising Proposals		222	647	1,241	1,177	1,071	1,119	1,244	1,390	1,587	1,817	2,073	5,033	13,146
NET TOTAL		834	-2,198	-1,028	333	293	374	456	513	553	694	928	-3,061	83

Joint Committee on Taxation

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

Legend for "Effective" column:

afa = applications filed after

ata = actions taken after

bia = bonds issued after

cma = contributions made after

dma = determinations made after

DOE = date of enactment

dpa = documents prepared after

fapba = for annual periods beginning after

gma = grants made after

iia = indebtedness incurred after

pma = payments made after

pmb = payments made before

pra = payments received after

pomiora = publications or materials

issued or revised after

proaa = payments received or accrued after

rfa = returns filed after

soeoa = sales or exchanges occurring after

ta = transactions after

tyba = taxable years beginning after

tybb = taxable years beginning before

tyea = taxable years ending after

wdia = written determinations issued after

- [1] Loss of less than \$500,000.
- [2] Effective for organizations that are designated or identified as a terrorist organization prior to, on, or after the date of enactment.
- [3] Effective for astronauts killed in the line of duty and payments made since January 1, 2003.
- [4] Estimate provided by the Congressional Budget Office.
- [5] Effective for amounts made available for fiscal year 2003 and for amounts made available each fiscal year thereafter. The proposal requiring annual reports would be with respect to fiscal year 2002 and each fiscal year thereafter.
- [6] Effective dates for provisions relating to reportable transactions and tax shelters: the penalty for failure to disclose reportable transactions is effective for returns and statements the due date of which is after the date of enactment; the modification to the accuracy-related penalty for listed or reportable transactions is effective for taxable years ending after the date of enactment; the tax shelter exception to confidentiality privileges is effective for communications made on or after the date of enactment; the material advisor disclosure provision applies to transactions with respect to which material aid, assistance or advise is provided after the date of enactment, and the penalty on promoters of tax shelters is effective for activities after the date of enactment.
- [7] Failure or substantial delay of forthcoming regulations for section 6011 of the Internal Revenue Code and other administrative actions to be taken by the Treasury Department or the Internal Revenue Service would reduce the estimated revenue effects of these provisions.
- [8] Gain of less than \$1 million.
- [9] Effective for submissions made and issues raised after the first list is prescribed under section 6702(c).
- [10] Effective for all taxable years, whether beginning before, with, or after the date of enactment.