

**ESTIMATED REVENUE EFFECTS OF THE CHAIRMAN'S MODIFICATION TO THE PROVISIONS CONTAINED IN
S. 1321, THE "TELEPHONE EXCISE TAX REPEAL ACT OF 2005," AND
S. 832, THE "TAXPAYER PROTECTION AND ASSISTANCE ACT OF 2005,"
SCHEDULED FOR MARKUP BY THE COMMITTEE ON FINANCE ON JUNE 28, 2006**

Fiscal Years 2007 - 2016

[Millions of Dollars]

Provision	Effective	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2007-11	2007-16
I. Provisions Included in the Chairman's Mark, as Modified													
A. Repeal Excise Tax on Communications Services	[1]	-721	-717	-713	-710	-706	-702	-698	-694	-690	-685	-3,566	-7,036
B. Taxpayer Protection and Assistance Provisions													
1. Low-income taxpayer clinics [2].....	gma DOE	----- No Revenue Effect -----											
2. Clarification of enrolled agent credentials.....	DOE	----- No Revenue Effect -----											
3. Regulation of tax return preparers [2].....	DOE	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]
4. Contract authority for examinations of preparers	DOE	----- No Revenue Effect -----											
5. Regulation of refund anticipation loan facilitators [2].....	1ya DOE	----- Negligible Revenue Effect -----											
6. Taxpayer access to financial institutions [2].....	DOE	----- No Revenue Effect -----											
7. Expanded use of Tax Court practice fees for pro se taxpayers.....	DOE	----- No Revenue Effect -----											
Total of Provisions Included in the Chairman's Mark, as Modified.....		-721	-717	-713	-710	-706	-702	-698	-694	-690	-685	-3,566	-7,036
II. Improvements in Tax Administration and Taxpayer Safeguards													
A. Waiver of user fee for installment agreements using automated withdrawals [2].....	aeio/a 180da DOE	----- No Revenue Effect -----											
B. Termination of installment agreements	foo/a DOE	----- Negligible Revenue Effect -----											
C. Individuals held harmless on improper levy on individual retirement plan	lartia 12/31/05	----- Negligible Revenue Effect -----											
D. Office of Chief Counsel Review of offers-in-compromise.....	oicsopo/a DOE	----- No Revenue Effect -----											
E. Elimination of restriction on offsetting refunds from former residents.....	DOE	----- No Revenue Effect -----											
F. Revisions relating to termination of employment of IRS employees for misconduct.....	DOE	----- Negligible Revenue Effect -----											
G. Amend collection due process procedures for employment tax liabilities.....	lio/a 1/1/07	56	47	26	18	17	17	20	23	26	29	164	278
H. Extend time limit for contesting IRS levy to 2 years.....	[4]	----- Negligible Revenue Effect -----											
I. Permit the IRS to require increased electronic filing of returns prepared by paid return preparers.....	DOE	----- No Revenue Effect -----											
J. Require IRS to develop direct electronic filing [2]:													
1. Treasury to prevent FreeFile partners from marketing non-tax services.....	DOE	----- No Revenue Effect -----											

Provision	Effective	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2007-11	2007-16
J. Double certain penalties, fines, and interest on underpayments related to certain offshore financial arrangements	oyo/a DOE	1	1	1	1	1	1	1	1	1	1	5	10
K. Increase in penalty for bad checks and money orders.....	comora DOE	[3]	2	2	2	2	2	2	2	2	2	8	18
L. Penalties relating to appraisers and substantial and gross overstatement of valuations of property:													
1. Substantial and gross overstatements of valuations of property.....	rfa DOE	2	2	2	2	2	2	3	4	4	5	10	28
2. Penalty on appraisers whose appraisals result in substantial or gross valuation misstatements.....	rfa DOE	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	1	3
M. Increase the amount of certain penalty excise taxes imposed on public charities, social welfare organizations, and private foundations.....	tyba DOE	6	7	6	6	7	7	7	7	8	8	31	69
N. Increase the amount of penalty excise taxes for excess lobbying and political campaign activity of section 501(c)(3) organizations.....	tyba DOE	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	1	2
O. Penalty on erroneous refund claims.....	DOE	----- Presently Unavailable -----											
Total of Reform of Penalties and Interest		-223	-181	-184	-185	-403	-414	-424	-437	-453	-469	-1,174	-3,367
IV. Confidentiality and Disclosure													
A. Disclosure to State officials of certain tax information related to certain section 501(c) organizations	DOE	----- Negligible Revenue Effect -----											
B. Collection activities with respect to a joint return disclosable based on oral request	rama DOE	----- No Revenue Effect -----											
C. Prohibition of disclosure of taxpayer identification number with respect to disclosure of accepted offers-in-compromise	dma DOE	----- No Revenue Effect -----											
D. Compliance by contractors with confidentiality safeguards.....	dma DOE	----- No Revenue Effect -----											
E. Higher standards for requests for and consents to disclosure.....	[10]	----- No Revenue Effect -----											
F. Civil damages for unauthorized disclosure or inspection.....	180da DOE	----- No Revenue Effect -----											
G. Expanded disclosure in emergency circumstances.....	DOE	----- No Revenue Effect -----											
H. Disclosure of taxpayer identity for tax refund purposes.....	DOE	----- No Revenue Effect -----											
I. Treatment of public records.....	boaa DOE	----- No Revenue Effect -----											
J. Taxpayer identification number matching.....	DOE	----- No Revenue Effect -----											
K. Form 8300 disclosures.....	DOE	----- No Revenue Effect -----											
L. Expand definition of tax return preparer for purposes of sections 6713 and 7216.....	rpa DOE	----- No Revenue Effect -----											
M. Restrict the use and disclosure of taxpayer information by return preparers for nontax purposes and offshore disclosures.....	uada DOE	----- No Revenue Effect -----											
Total of Confidentiality and Disclosure		----- No Revenue Effect -----											
V. United States Tax Court Modernization.....	various	----- Negligible Revenue Effect -----											

Provision	Effective	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2007-11	2007-16
VI. Miscellaneous Provisions													
A. Expensing of broadband internet access expenditures (sunset after 12/31/10).....	eia 6/30/06	-120	-118	-154	-220	53	124	98	79	65	61	-559	-132
B. Modification of refunds for kerosene used in aviation for tax-exempt users of jet fuel.....	[11]	[8]	[8]	[8]	[8]	[8]	[8]	[8]	[8]	[8]	[8]	[8]	[8]
C. Declaration by signer of corporate tax return that processes and procedures have been established to ensure that such return complies with the Internal Revenue Code of 1986.....	rfa DOE	----- No Revenue Effect -----											
D. Treatment of professional employer organizations as employers.....	1/1/08	---	-2	-2	-3	-4	-4	-4	-5	-5	-6	-11	-35
E. Require IRS to promote estimated tax payments through EFTPS.....	DOE	----- No Revenue Effect -----											
F. Study of report on use of voluntary withholding agreements.....	DOE	----- No Revenue Effect -----											
G. Offset of tax refunds against State court debts.....	DOE	----- No Revenue Effect -----											
H. Enhancing Tax Court security.....	DOE	----- No Revenue Effect -----											
I. Authorization of appropriations to combat the tax gap.....	DOE	----- No Revenue Effect -----											
J. Annual tax gap study.....	DOE	----- No Revenue Effect -----											
K. Authorization of appropriations for tax law enforcement relating to the hiring and continued employment of undocumented workers.....	DOE	----- No Revenue Effect -----											
L. Repeal dollar limit on contributions to qualified funeral trusts.....	cma 12/31/06	[3]	1	1	1	1	1	1	1	1	1	3	6
M. Administrative relief for late inter vivos QTIP elections.....	DOE [12]	[8]	[8]	[8]	[8]	[8]	[8]	[8]	[8]	[8]	[8]	-1	-2
N. Exempt organization provisions:													
1. Disclosure of written determinations	wdia DOE	----- Negligible Revenue Effect -----											
2. Disclosure of internet web site and name under which an organization does business.....	rfa 12/31/06	----- Negligible Revenue Effect -----											
3. Modification to private foundation reporting of capital transactions	rfa 12/31/06	----- Negligible Revenue Effect -----											
4. Disclosure that Form 990 is publicly available	ptomira DOE	----- No Revenue Effect -----											
5. Expedited review process for certain tax-exemption applications	afa 12/31/06	----- Negligible Revenue Effect -----											
6. Extension of declaratory judgment procedures to non-501(c)(3) tax-exempt organizations	[6]	----- Negligible Revenue Effect -----											
7. Definition of convention or association of churches	DOE	----- Negligible Revenue Effect -----											
O. Include wireless telecommunications equipment in the definition of qualified technological equipment for purposes of determining the depreciation treatment for such equipment (sunset after 12/31/10) [13].....	ppisa DOE	-80	-124	-148	-155	-124	-33	51	92	129	144	-630	-247
P. Simplification through elimination of inoperative provisions.....	DOE	----- No Revenue Effect -----											
Total of Miscellaneous Provisions		-200	-243	-303	-377	-74	88	146	167	190	200	-1,198	-410
VII. Revenue Offset Provisions													
A. Clarification of economic substance doctrine and related penalty provisions.....	teia DOE & ta DOE in tyea DOE	402	1,127	1,270	1,427	1,631	1,877	2,154	2,445	2,643	2,722	5,857	17,698

Provision	Effective	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2007-11	2007-16
B. Tax treatment of certain inverted corporate entities.....	tyba 2005	137	86	92	99	107	115	123	133	143	153	521	1,188
Total of Revenue Offset Provisions		539	1,213	1,362	1,526	1,738	1,992	2,277	2,578	2,786	2,875	6,378	18,886
NET TOTAL		-554	119	199	294	604	1,024	1,378	1,710	1,949	2,048	664	8,773

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding. Date of enactment assumed to be October 1, 2006

Legend for "Effective" column:

aeio/a = agreements entered into on or after
 afa = applications filed after
 aoa = actions occurring after
 boaa = before, on, and after
 cma = contributions made after
 comora = checks or money orders received after
 dma = disclosures made after
 DOE = date of enactment
 eia = expenditures incurred after
 etpmf = estimated tax payments made for
 fapba = for annual periods beginning after

foo/a = failures occurring on or after
 gma = grants made after
 iaa = interest accrued after
 lartia = levied amounts returned to individuals after
 lio/a = levies issued on or after
 oicsopo/a = offers in compromise submitted or pending on or after
 oyo/a = open years on or after
 pomiora = publications or materials issued or revised after
 rarma = requests and reports made after

rfa = returns filed after
 rpa = returns prepared after
 tyba = taxable years beginning after
 ta = transactions after
 teia = transactions entered into after
 uada = use and disclosures after
 uaoataoa = underpayments and overpayments attributable to actions occurring after
 wdia = written determinations issued after
 180da = 180 days after
 1ya = 1 year after

- [1] Effective for bills first rendered more than 90 days after the date of enactment.
- [2] Estimates of outlays and spending authority to be provided by Congressional Budget Office.
- [3] Gain of less than \$500,000.
- [4] Effective with respect to levies made after the date of enactment and levies made on or before the date of enactment provided that the 9-month period has not expired as of the date of enactment.
- [5] The provision combining the reports is effective for reports in 2007 and thereafter. The provision authorizing reports on significant issues affected taxpayer rights is effective on the date of enactment.
- [6] Effective for pleadings filed with respect to determinations (or requests for determinations) made after December 13, 2006.
- [7] Effective for support received, before, on, or after the date of enactment and for the determination of the status of any organization with respect to any taxable year beginning after the date of enactment.
- [8] Loss of less than \$500,000.
- [9] Effective for submissions made and issues raised after the first list is prescribed under section 6702(c).
- [10] Provision applies to requests and consents made three months after the date of enactment.
- [11] Generally effective for kerosene sold after September 30, 2005. The special rule applicable to kerosene purchased prior to October 1, 2005 and used in aviation on a farm for farming purposes is effective on the date of enactment.
- [12] Provision applies to requests for relief that relate to transfers made before, on, or after the date of enactment.
- [13] Estimate is preliminary pending clarification of the definition of "commercial mobile radio service."