

**ESTIMATED REVENUE EFFECTS OF THE REVENUE PROVISIONS CONTAINED IN H.R. 833,
THE "BANKRUPTCY REFORM ACT OF 2000,"
AS PASSED BY THE SENATE**

Fiscal Years 2000 - 2010

[Millions of Dollars]

Provision	Effective	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2000-05	2000-10
XIII. Tax Relief Provisions														
A. Small Business Tax Relief Provisions														
1. Increase section 179 expensing to \$30,000	tyba 12/31/00	---	-359	-616	-350	-187	-176	-160	-168	-188	-197	-202	-1,689	-2,605
2. Accelerate repeal of the FUTA surtax [1]	lpo/a 1/1/01	---	-991	-1,397	-1,416	420	1,732	174	-21	1,078	420	---	-1,652	---
3. Accelerate 100% self-employed health insurance deduction	tyba 12/31/99	-259	-1,065	-1,093	-697	---	---	---	---	---	---	---	-3,114	-3,114
4. Permanent extension of the Work Opportunity Tax Credit	wpoifibwa 12/31/01	---	---	-115	-307	-425	-475	-497	-505	-511	-516	-521	-1,322	-3,871
5. Allow small businesses an increased deduction for meals and entertainment expenses	tyba 12/31/00	---	-160	-471	-825	-1,226	-1,678	-2,186	-2,483	-2,594	-2,711	-2,836	-4,360	-17,170
Total of Small Business Tax Relief Provisions		-259	-2,575	-3,692	-3,595	-1,418	-597	-2,669	-3,177	-2,215	-3,004	-3,559	-12,137	-26,760
B. Deduction for Health and Long-Term Care Insurance Costs of Individuals Not Participating in Employer-Subsidized Health Plans:														
1. Provide an above-the-line deduction for health insurance expenses - 25% in 2002 through 2004, 35% in 2005, 65% in 2006, and 100% thereafter	tyba 12/31/01	---	---	-501	-1,702	-1,807	-2,163	-3,695	-6,939	-9,914	-10,475	-11,087	-6,174	-48,284
2. Provide an above-the-line deduction for long-term care insurance expenses - 25% in 2002 through 2004, 35% in 2005, 65% in 2006, and 100% thereafter	tyba 12/31/01	---	---	-49	-333	-369	-423	-686	-1,333	-2,055	-2,174	-2,295	-1,174	-9,716
Total of Health and Long-Term Care Insurance Provisions		---	---	-550	-2,035	-2,176	-2,586	-4,381	-8,272	-11,969	-12,649	-13,382	-7,348	-58,000
C. Pension Tax Relief Provisions														
I. Provisions for Expanding Coverage														
1. Increase contribution and benefit limits:														
a. Increase limitation on exclusion for elective deferrals to \$11,000 in 2001, \$12,000 in 2002, \$13,000 in 2003, \$14,000 in 2004, \$15,000 in 2005; index in \$500 increments thereafter [2]														
	yba 12/31/00	---	-131	-317	-468	-578	-664	-723	-774	-825	-877	-928	-2,158	-6,286
b. Increase limitation on SIMPLE elective contributions to \$7,000 in 2001, \$8,000 in 2002, \$9,000 in 2003, \$10,000 in 2004; index in \$500 increments thereafter [2]														
	yba 12/31/00	---	-5	-14	-22	-27	-29	-29	-30	-32	-33	-35	-96	-255
c. Increase defined benefit dollar limit to \$160,000														
	yba 12/31/00	---	-18	-31	-40	-45	-48	-50	-53	-55	-57	-59	-182	-454

Provision	Effective	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2000-05	2000-10
d. Lower early retirement age to 62; lower normal retirement age to 65	yba 12/31/00	---	-3	-4	-4	-4	-5	-5	-5	-5	-5	-5	-21	-45
e. Increase annual addition limitation for defined contribution plans to \$40,000 [2]	yba 12/31/00	---	-6	-12	-14	-15	-16	-17	-19	-20	-21	-23	-63	-163
f. Increase qualified plan compensation limit to \$200,000 [2]	yba 12/31/00	---	-43	-74	-84	-91	-99	-107	-115	-122	-131	-139	-391	-1,004
g. Increase limits on deferrals under deferred compensation plans of State and local governments and tax-exempt organizations to \$11,000 in 2001, \$12,000 in 2002, \$13,000 in 2003, \$14,000 in 2004, \$15,000 in 2005; index in \$500 increments thereafter [2]	yba 12/31/00	---	-53	-93	-108	-119	-129	-139	-147	-156	-165	-173	-501	-1,281
2. Plan loans for subchapter S owners, partners, and sole proprietors	yba 12/31/00	---	-18	-30	-33	-35	-37	-39	-42	-44	-47	-49	-153	-374
3. Modification of top-heavy rules	pyba 12/31/00	---	-4	-9	-11	-12	-14	-16	-17	-19	-21	-23	-50	-146
4. Elective deferrals not taken into account for purposes of deduction limits	yba 12/31/00	---	-40	-75	-87	-94	-101	-108	-115	-122	-129	-135	-396	-1,004
5. Repeal of coordination requirements for deferred compensation plans of State and local governments and tax-exempt organizations	yba 12/31/00	---	-16	-22	-22	-22	-22	-23	-24	-25	-26	-27	-104	-228
6. Elimination of user fee for certain requests regarding employer pension plans; waiver applies only for request made during first 5 plan years [1]	rma 12/31/00	---	-9	-5	-5	-5	-5	-5	-6	-6	-6	-6	-29	-58
7. Definition of compensation for purposes of deduction limits [2]	yba 12/31/00	---	-1	-2	-3	-3	-3	-3	-3	-3	-3	-3	-12	-28
8. Option to treat elective deferrals as after-tax contributions	tyba 12/31/00	---	50	100	131	144	89	-2	-104	-218	-345	-485	514	-640
Subtotal of Provisions for Expanding Coverage		---	-297	-588	-770	-906	-1,083	-1,266	-1,454	-1,652	-1,866	-2,090	-3,642	-11,966
II. Provisions for Enhancing Fairness for Women														
1. Additional catch-up contributions for individuals age 50 and above - increase in maximum contribution limits for pension plans by 10% annually beginning in 2001, not to exceed 50%	yba 12/31/00	---	-74	-152	-131	-99	-86	-86	-88	-91	-93	-95	-542	-994
2. Equitable treatment for contributions of employees to defined contribution plans [2]	yba 12/31/00	---	-51	-78	-84	-91	-97	-104	-111	-118	-124	-131	-401	-989
3. Faster vesting of certain employer matching contributions	pyba 12/31/00	----- Negligible Revenue Effect -----												
4. Simplify and update the minimum distribution rules by modifying post-death distribution rules, reducing (to 10%) the excise tax on failures to make minimum distributions, and directing the Treasury to simplify and finalize regulations relating to the minimum distribution rules	yba 12/31/00	---	-118	-212	-239	-268	-297	-330	-366	-402	-441	-484	-1,135	-3,157
5. Clarification of tax treatment of division of section 457 plan benefits upon divorce	tdapma 12/31/00	----- Negligible Revenue Effect -----												
6. Modification of safe harbor relief for hardship withdrawals from 401(k) plans	yba 12/31/00	----- Negligible Revenue Effect -----												
Subtotal of Provisions for Enhancing Fairness for Women		---	-243	-442	-454	-458	-480	-520	-565	-611	-658	-710	-2,078	-5,140
III. Provisions for Increasing Portability for Participants														
1. Rollovers allowed among governmental section 457 plans, section 403(b) plans, and qualified plans	dma 12/31/00	---	26	-5	-5	-5	-5	-5	-5	-6	-6	-6	6	-22

Provision	Effective	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2000-05	2000-10	
2. Rollovers of IRAs to workplace retirement plans	dma 12/31/00	----- Negligible Revenue Effect -----													
3. Rollovers of after-tax retirement plan contributions	dma 12/31/00	----- Negligible Revenue Effect -----													
4. Waiver of 60-day rule	dma 12/31/00	----- Negligible Revenue Effect -----													
5. Treatment of forms of qualified plan distributions	yba 12/31/00	----- Negligible Revenue Effect -----													
6. Rationalization of restrictions on distributions	da 12/31/00	----- Negligible Revenue Effect -----													
7. Purchase of service credit in governmental defined benefit plans	ta 12/31/00	----- Negligible Revenue Effect -----													
8. Employers may disregard rollovers for cash-out amounts	da 12/31/00	----- Negligible Revenue Effect -----													
9. Minimum distribution and inclusion requirements for section 457 plans	dma 12/31/00	----- Considered in Other Provisions -----													
Subtotal of Provisions for Increasing Portability for Participants		--	26	-5	-5	-5	-5	-5	-5	-6	-6	-6	6	-22	
IV. Provisions for Strengthening Pension Security and Enforcement															
1. Phase-in repeal of 150% of current liability funding limit; extend maximum deduction rule	yba 12/31/00	--	-3	-14	-20	-36	-36	-38	-38	-39	-41	-42	-109	-307	
2. Excise tax relief for sound pension funding	yba 12/31/00	--	-2	-3	-3	-3	-3	-3	-3	-3	-3	-3	-14	-29	
3. Notice of significant reduction in plan benefit accruals	pateo/a DOE	----- Negligible Revenue Effect -----													
4. Investment of employee contributions in 401(k) plans	aiii TRA'97	----- Negligible Revenue Effect -----													
5. Repeal 100% of compensation limit for multiemployer plans	yba 12/31/00	--	-2	-4	-4	-4	-4	-4	-5	-5	-5	-5	-19	-42	
Subtotal of Provisions for Strengthening Pension Security and Enforcement		--	-7	-21	-27	-43	-43	-45	-46	-47	-49	-50	-142	-378	
V. Provisions for Reducing Regulatory Burdens															
1. Modification of timing of plan valuations	pyba 12/31/00	----- Negligible Revenue Effect -----													
2. ESOP dividends may be reinvested without loss of dividend deduction	tyba 12/31/00	--	-19	-44	-56	-61	-63	-66	-69	-71	-74	-77	-243	-600	
3. Repeal transition rule relating to certain highly compensated employees	pyba 12/31/99	-1	-2	-3	-3	-3	-3	-4	-4	-4	-4	-4	-16	-35	
4. Employees of tax-exempt entities [3]	DOE	----- Negligible Revenue Effect -----													
5. Treatment of employer-provided retirement advice	yba 12/31/00	----- Negligible Revenue Effect -----													
6. Pension plan reporting simplification [3]	1/1/01	----- Negligible Revenue Effect -----													
7. Improvement to Employee Plans Compliance Resolution System [3]	DOE	----- Negligible Revenue Effect -----													
8. Clarification of exclusion for employer-provided transit passes	tyba 12/31/99	-4	-8	-10	-13	-14	-15	-15	-16	-16	-16	-16	-64	-143	
9. Repeal of multiple use test	yba 12/31/00	----- Considered in Other Provisions -----													
10. Flexibility in nondiscrimination and line of business rules [3]	DOE	----- Negligible Revenue Effect -----													
11. Extension to international organization of moratorium on application of certain nondiscrimination rules applicable to State and local government plans	yba 12/31/00	----- Negligible Revenue Effect -----													
Subtotal of Provisions for Reducing Regulatory Burdens		-5	-29	-57	-72	-78	-81	-85	-89	-91	-94	-97	-323	-778	
VI. Provisions relating to plan amendments	DOE	----- No Revenue Effect -----													
Total of Pension Tax Relief Provisions		-5	-550	-1,113	-1,328	-1,490	-1,692	-1,921	-2,159	-2,407	-2,673	-2,953	-6,179	-18,284	

Provision	Effective	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2000-05	2000-10
D. Revenue Offset Provisions														
1. Repeal installment method for most accrual basis taxpayers; adjust pledge rules	---	----- <i>Previously Enacted</i> -----												
2. Modify estimated tax rules for closely-owned REIT dividends	---	----- <i>Previously Enacted</i> -----												
Total of Revenue Offset Provisions		----- <i>Previously Enacted</i> -----												
NET TOTAL		-264	-3,125	-5,355	-6,958	-5,084	-4,875	-8,971	-13,608	-16,591	-18,326	-19,894	-25,664	-103,044

Joint Committee on Taxation

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

Legend for "Effective" column:

aiii TRA'97 = as if included in the Taxpayer Relief Act of 1997
da = distributions after
dma = distributions made after
DOE = date of enactment
lpo/a = labor performed on or after
pateo/a = plan amendments taking effect on or after
pyba = plan years beginning after

rma = requests made after
ta = transfers after
tdapma = transfers, distributions, and payments made after
tyba = taxable years beginning after
wpoifibwa = wages paid or incurred for individuals beginning work after
yba = years beginning after

- [1] Estimate provided by the Congressional Budget Office.
- [2] Provision includes interaction with other provisions in Provisions for Expanding Coverage.
- [3] Directs the Secretary of the Treasury to modify rules through regulations.