

COMPARISON OF THE ESTIMATED BUDGET EFFECTS OF H.R. 1307,
 THE "ARMED FORCES TAX FAIRNESS ACT OF 2003,"
 AS PASSED BY THE HOUSE OF REPRESENTATIVES AND THE SENATE

Fiscal Years 2003 - 2013

[Millions of Dollars]

Provision	Effective	H.R. 1307, as Passed by the House of Representatives								H.R. 1307, as Passed by the Senate							
		2003	2004	2005	2006	2007	2008	2003-08	2003-13	2003	2004	2005	2006	2007	2008	2003-08	2003-13
Improving Tax Equity for Military Personnel																	
1. Increase death gratuity exclusion to present levels of death gratuity; {S} but provide for automatic increase in exclusion as death gratuities increase.....	doa 9/10/01	-1	-1	-1	-1	-1	-1	-6	-10	-1	-1	-1	-1	-1	-1	-6	-10
2. Exclusion of gain on sale of a principal residence by a member of the uniformed services [1] {H} 5-year suspension, 150 miles, and 180 days; {S} 10-year suspension, 50 miles, and 90 days.....	soea 5/6/97	-64	-13	-14	-14	-15	-15	-136	-221	-66	-14	-14	-15	-15	-16	-139	-227
3. Exclusion for amounts received under Department of Defense Homeowners Assistance Program	pma DOE	[2]	-2	-2	-2	-2	-2	-11	-22	[2]	-2	-2	-2	-2	-2	-11	-22
4. Expansion of combat zone filing rules to contingency operations	[3]	-9	[2]	[2]	[2]	[2]	-1	-11	-14	-9	[2]	[2]	[2]	[2]	-1	-11	-14
5. Above-the-line deduction {H} up to \$1,500, without per diem limit {S} not subject to \$1,500 cap, for overnight travel expenses of National Guard and reserve members traveling more than 100 miles from home.....	apoi tyba 12/31/02	-10	-52	-52	-53	-53	-54	-275	-551	-15	-75	-77	-78	-80	-82	-407	-851
6. Modification of membership requirement for exemption from tax for certain veterans' organizations	tyba DOE	-1	-1	-1	-1	-2	-2	-8	-17	-1	-1	-1	-1	-2	-2	-8	-17
7. Clarification of treatment of certain dependent care assistance programs provided to members of the uniformed services of the United States	tyba 12/31/02	----- No Revenue Effect -----								----- No Revenue Effect -----							
8. Treatment of service academy appointments as scholarships for purposes of qualified tuition programs and Coverdell Education Savings Accounts.....	tyba 12/31/02	[2]	[2]	[2]	[2]	[2]	[2]	-1	-2	[2]	[2]	[2]	[2]	[2]	[2]	-1	-2
9. Suspension of tax-exempt status of designated terrorist organizations.....	[4]	----- No Provision [5] -----								----- Negligible Revenue Effect -----							
10. Extend the Benefits Available Under the "Victims of Terrorism Tax Relief Act of 2001" (including an exclusion from income tax, an exclusion for death benefits, and estate tax relief) to Astronauts who Lose Their Lives in the Line of Duty (including the individuals who lost their lives in the space shuttle Columbia disaster)	[6]	----- No Provision [7] -----								[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]
Total of Improving Tax Equity for Military Personnel		-85	-69	-70	-71	-73	-75	-448	-837	-92	-93	-95	-97	-100	-104	-583	-1,143
Other Provisions																	
1. Impose Mark-to-Market on Individuals Who Expatriate	[8]	----- No Provision -----								3	98	84	80	74	71	410	700
2. Extension of IRS User Fees (through 9/30/13) [9]	rma DOE	----- No Provision -----								---	33	34	35	36	38	176	386
3. Authorize IRS to Enter into Installment Agreements that Provide for Partial Payment	iaei/a DOE	----- No Provision -----								11	30	14	5	[10]	[10]	61	63

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		2003	2004	2005	2006	2007	2008	2003-08	2003-13	2003	2004	2005	2006	2007	2008	2003-08	2003-13	
4. No impact on Social Security Trust Funds	DOE	----- <i>No Revenue Effect</i> -----									----- <i>No Provision</i> -----							
Total of Other Provisions		----- <i>No Revenue Effect</i> -----									14	161	132	120	110	109	647	1,149
NET TOTAL		-85	-69	-70	-71	-73	-75	-448	-837		-78	68	37	23	10	5	64	6

Joint Committee on Taxation

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

Legend: {H} = H.R. 1307, as Passed by the House of Representatives on March 20, 2003.

{S} = H.R. 1307, as Passed by the Senate on March 27, 2003.

Legend for "Effective" column:

apoi = amounts paid or incurred in
 doa = deaths occurring after
 DOE = date of enactment

iaeio/a = installment agreements entered into on or after
 pma = payments made after
 rma = requests made after

soea = sales or exchanges after
 tyba = taxable years beginning after

- [1] H.R. 1308, as passed by the House of Representatives, provides relief identical to members of the Foreign Service as the provision in the Senate amendment.
- [2] Loss of less than \$500,000.
- [3] The provision applies to any period for performing an act that has not expired before the date of enactment.
- [4] Effective for organizations that are designated or identified as a terrorist organization before, on, or after the date of enactment.
- [5] No provision, however, H.R. 1308, as passed by the House of Representatives, provides relief identical to the provision in the Senate amendment.
- [6] Generally effective for qualified individuals whose lives are lost in the line of duty after December 31, 2002.
- [7] No provision, however, H.R. 1308, as passed by the House of Representatives, provides relief similar to the provision in the Senate amendment.
- [8] Generally effective for U.S. citizens who relinquish citizenship or long-term residents who terminate their residency on or after February 5, 2003.
- [9] Estimate provided by Congressional Budget Office.
- [10] Gain of less than \$500,000.