## JOINT COMMITTEE ON TAXATION November 11, 2017 JCX-54-17

# ESTIMATED REVENUE EFFECTS OF H.R. 1, THE "TAX CUTS AND JOBS ACT," AS ORDERED REPORTED BY THE COMMITTEE ON WAYS AND MEANS ON NOVEMBER 9, 2017

### Fiscal Years 2018 - 2027

[Billions of Dollars]

Provision	Effective	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2018-22	2018-27
I. Tax Reform for Individuals													
<ul> <li>A. Simplification and Reform of Rates, Standard Deduction, and Exemptions</li> </ul>													
1. 12%, 25%, 35%, and 39.6% income tax rates with phaseout of 12% income tax bracket for taxpayers with													
taxable income above \$1 million (\$1.2 million for joint													
filers) [1][2]	tyba 12/31/17	-67.6	-96.4	-100.4	-104.2	-108.5	-113.1	-117.3	-122.1	-127.3	-132.4	-477.1	-1,089.4
<ol> <li>Modify standard deduction to \$24,400 for married taxpayers filing jointly; \$12,200 for single individuals, and</li> </ol>													
\$18,300 for HoH (index for inflation for years beginning													
after 2019) [2]	tyba 12/31/17	-60.7	-85.2	-86.6	-89.6	-92.5	-94.9	-97.9	-101.3	-104.9	-107.9	-414.5	-921.4
3. Repeal of deduction for personal exemptions [2]	tyba 12/31/17	96.2	141.4	145.8	150.8	156.4	162.2	168.1	174.1	180.3	186.7	690.6	1,562.1
4. Alternative inflation measure [2]	tyba 12/31/17	0.7	2.1	5.5	8.2	10.6	12.9	16.8	20.2	23.3	27.8	27.2	128.2
5. 25% pass-through tax rate with lower rate for small													
passthrough entities [3]	tyba 12/31/17	-30.4	-51.6	-56.1	-58.8	-61.4	-61.1	-62.5	-67.1	-71.5	-76.0	-258.4	-596.6
B. Simplification and Reform of Family and Individual Tax													
Credits													
1. New personal credits and modification of child tax credit:													
a. \$1,600 child credit not indexed; refundable up to													
\$1,000 indexed up to nearest \$100 base year 2017;													
\$300 non-refundable personal credit for all other													
individuals receiving present-law personal and dependent													
exemptions (not indexed, sunsets 12/31/22) [2]	tyba 12/31/17	-30.4	-63.3	-63.3	-63.0	-62.5	-43.7	-26.2	-25.9	-25.8	-26.6	-282.5	-430.7
b. Increase in phaseout threshold of child credit and													
application of phaseout to personal credits													
(\$115,000/\$230,000, indexed) [2]	tyba 12/31/17	-14.0	-22.6	-24.3	-26.1	-27.9	-20.5	-16.9	-17.9	-19.0	-20.1	-114.9	-209.3
2. Repeal of nonrefundable personal credits:													
a. Repeal of elderly and disabled credit	tyba 12/31/17	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]

Provision	Effective	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2018-22	2018-27
b. Repeal of credit for new qualified plug-in electric													
vehicles	vaa 12/31/17	[4]	0.1	[4]	[4]	[5]	[5]	[5]	[5]	[5]	[5]	0.2	0.2
c. Termination of credit for interest on certain home													
mortgages	tyea 12/31/17					Estima	ite Include	ed in Item	II.H.1				
3. Refundable credit program integrity:													
a. Require valid Social Security number of at least one													
taxpayer to claim refundable portion of child credit [2]	tyba 12/31/17		2.8	2.7	2.6	2.5	2.5	2.2	2.1	2.1	2.1	10.6	21.7
b. Denial of both refundable and non-refundable child													
tax credit for failure of the child to have an SSN													
(child still receives \$300 nonrefundable credit) [2]	tyba 12/31/17	0.4	1.6	1.6	1.6	1.6	2.3	2.8	2.8	2.9	3.0	6.6	20.4
c. Require valid Social Security number for student for													
purposes of the AOTC [2]	tyba 12/31/17	[4]	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.3	0.8
d. Individuals prohibited from engaging in employment in	. 1 10/01/17	F 43	0.1	0.1	0.1	0.1	0.1	0.1	F 43	F.43	F 43	0.4	0.6
United States not eligible for EITC [2]	tyba 12/31/17	[4]	0.1	0.1	0.1	0.1	0.1	0.1	[4]	[4]	[4]	0.4	0.6
4. Procedures to reduce improper claims of earned income	torre DOE					37.	.1: .:1.1 . D	E	r				
credit	tyea DOE												
<ul><li>5. Certain income disallowed for purposes of the EITC</li><li>C. Simplification of Education Incentives</li></ul>	tyea DOE						No Kevei	пие Ејјест					
American opportunity tax credit [2][6]	tribo 12/21/17	0.3	1.7	1.7	1.8	1.8	1.9	1.9	2.0	2.1	2.1	7.3	17.3
Consolidation of education savings rules and allow	tyba 12/31/17	0.3	1.7	1.7	1.0	1.0	1.9	1.9	2.0	2.1	2.1	7.3	17.3
rollovers from 529 accounts to ABLE accounts	tyba 12/31/17	[5]	[5]	[5]	[5]	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.6
3. Reforms to discharge of certain student loan indebtedness	tyba 12/31/17 tyba 12/31/17	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	-0.0
Repeal of other provisions relating to	tyba &	[5]	[2]	[2]	[5]	[2]	[2]	[2]	[2]	[3]	[2]	[2]	0.1
education [2][7]	apoia 12/31/17	0.8	4.6	4.8	4.9	5.0	5.2	5.3	5.5	5.6	5.8	20.1	47.5
5. Rollovers between qualified tuition programs and	<b>прози 12</b> /01/17	0.0			,	2.0	2.2	0.0	0.0	0.0	2.0	20.1	.,
qualified ABLE programs	da 12/31/17					Estime	ate Includ	led in Item	I.C.5				
D. Simplification and Reform of Deductions													
Repeal of itemized deductions except mortgage interest,													
investment interest, charitable contributions, up to													
\$10,000 in real property taxes, and certain miscellaneous													
expenses [2][8][9]	tyba 12/31/17	56.9	102.8	107.8	115.6	123.6	132.1	141.1	150.5	160.3	170.6	506.6	1,261.3
2. Repeal of overall limitation on itemized deductions	tyba 12/31/17					Estimo	ate Includ	ed in Item	I.D.1				
3. Repeal of deduction for taxes not paid or accrued in a													
trade or business	tyba 12/31/17					Estimo	ate Includ	ed in Item	I.D.1				
4. Repeal of deduction for personal casualty and theft losses	tyba 12/31/17 &												
(except in the case of casualty losses sustained as a result	lao/a 8/23/17,												
of hurricanes Harvey/Irma/Maria)	•					Estimo							
5. Limitation on wagering losses	tyba 12/31/17	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	0.1	0.1
6. Repeal of deduction for tax preparation expenses	tyba 12/31/17												
7. Repeal the deduction for medical expenses	tyba 12/31/17					Estimo	ate Includ	ed in Item	I.D.1				

Provision	Effective	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2018-22	2018-27
8. Repeal of deduction for alimony payments and													
corresponding inclusion in gross income	. dosaeia 12/31/17	0.1	0.2	0.4	0.5	0.7	0.9	1.0	1.3	1.5	1.8	1.8	8.3
9. Repeal of deduction for moving expenses (other than													
members of the Armed Forces)	tyba 12/31/17	0.6	0.8	0.9	0.9	1.0	1.0	1.1	1.1	1.2	1.2	4.2	9.
10. Termination of deduction and exclusions for contributions	•												
to medical savings accounts	tyba 12/31/17 -					Ne	gligible R	evenue Eff	ect				
11. Denial of deduction for expenses attributable to the trade	•												
or business of being an employee	tyba 12/31/17 -					Estim	ate Includ	ed in Item	I.D.1				
12. Denial of deduction for educator expenses	. tyba 12/31/17	[4]	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.3	0.3	0.9	2.
E. Simplification and Reform of Exclusions and Taxable Compensation													
1. Limitation on exclusion for employer-provided													
housing [10]	tyba 12/31/17	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4
2. Modify exclusion of gain from sale of a principal													
residence	saea 12/31/17	0.2	1.7	2.1	2.2	2.3	2.5	2.6	2.8	3.0	3.1	8.4	22.
3. Repeal of exclusion for employee achievement													
awards, etc. [11]	tyba 12/31/17	0.2	0.3	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.5	1.7	3.
4. Exclusion for dependent care assistance programs (sunset													
12/31/22) [12]	tyba 12/31/17						0.5	0.7	0.7	0.7	0.7		3.
5. Repeal of exclusion for qualified moving expense													
reimbursement [13]	•	0.4	0.6	0.6	0.6	0.6	0.6	0.7	0.7	0.7	0.7	2.8	6.
6. Repeal of exclusion for adoption assistance programs	tyba 12/31/17	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4
F. Simplification and Reform of Savings, Pensions, Retirement													
1. Repeal of special rule permitting recharacterization of													
IRA contributions	tyba 12/31/17	[4]	[4]	[4]	[4]	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.
2. Reduction in minimum age for allowable in-service													
distributions		1.0	1.3	1.3	1.3	1.3	1.3	1.4	1.4	1.4	1.4	6.2	13.
3. Modification of rules governing hardship distributions	pyba 12/31/17 -					Ne	gligible R	evenue Eff	ect				
4. Modification of rules relating to hardship withdrawals													
from cash or deferred arrangements		0.1	0.1	0.2	0.2	0.1	0.1	0.1	[4]	-0.1	-0.1	0.7	0.
5. Extended rollover period for certain plan loan offsets	. tyba 12/31/17 -					Ne	gligible R	evenue Eff	ect				
6. Modification of nondiscrimination rules for certain								0					
employer-sponsored plans	generally DOE -					Ne	gligible R	evenue Eff	ect				
G. Double Estate, Gift, and GST Tax Exemption Amount;													
After 2024 Repeal Estate and GST Taxes and Reduce	11 0 40/04/15	1.0	0.5	0.2	0.6	10.1	11.2	12.0	150	24.5	20.0	20.0	
Gift Tax Rate to 35%	_	-1.3	-8.5	-9.3	-9.6	-10.1	-11.2	-13.0	-15.0	-34.6	-38.0	-38.8	-150.
H. Repeal of Alternative Minimum Tax on Individuals	. tyba 12/31/17	-6.0	-72.8	-64.1	-67.6	-71.3	-74.7	-78.5	-82.7	-86.7	-90.9	-281.9	-695.
Total of Tax Reform for Individuals		-52.5	-137.9	-127.9	-126.9	-125.8	-92.4	-65.7	-66.1	-84.0	-84.2	-571.2	-9

Provision	Effective	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2018-22	2018-27
II. Business Tax Reform													
A. Repeal of Alternative Minimum Tax on Corporations [2]	tyba 12/31/17	-6.8	-6.9	-6.6	-6.8	-7	-1.3	-1.3	-1.3	-1.2	-1.1	-34.0	-40.3
B. Reduction in Corporate Tax Rate to 20%	tyba 12/31/17	-107.8	-135.2	-141.8	-142.3	-143.2	-147	-151.5	-155.7	-161.9	-169.7	-670.3	-1,456.0
C. Cost Recovery - Provide Section 168(k) Expensing for	paa 9/27/17 apisasd												
Qualified Investments (sunset 12/31/22) [14]	& sppoga 9/27/17	-24.8	-22.9	-16	-11.3	-9.2	8.2	20.7	14.4	10.0	6.0	-84.3	-25.0
D. Small Business Reforms													
1. Increase Section 179 expensing to \$5 million with a													
phaseout beginning at \$20 million (sunset 12/31/22) and													
expand to include qualified energy efficient heating and													
air-conditioning property	[15]	-7.0	-13.5	-11.4	-9.5	-8.6	5.2	15.4	9.7	5.7	2.6	-50.0	-11.4
2. Small business accounting method reform and													
simplification	[16]	-7.5	-7.4	-3.3	-2.0	-1.6	-1.5	-1.6	-1.6	-1.7	-1.8	-21.8	-30.0
3. Small business exception from limitation on deduction of													
business interest	tyba 12/31/17 ·					Estima	te Include	ed in Item	II.E.1				
4. Modify treatment of S corporation conversions into C													
corporations	DOE	-0.5	-0.5	-0.6	-0.6	-0.6	-0.6	-0.6	-0.7	-0.7	-0.7	-2.8	-6.1
E. Reform of Business Related Exclusions, Deductions, etc.													
1. Limit net interest deductions to 30% of adjusted taxable													
income, carryforward of denied deduction	tyba 12/31/17	8.0	17.0	18.9	18.8	17.8	17.6	17.3	17.7	18.8	19.8	80.4	171.7
2. Modification of net operating loss deduction	tyba 12/31/17	6.2	9.7	11.2	15.4	23.7	30.6	28.7	19.3	9.1	2.4	66.1	156.0
3. Repeal like-kind exchanges except for real property	generally eca 12/31/17	0.6	1.0	1.3	1.8	2.3	2.9	3.7	4.5	5.6	6.7	7.0	30.5
4. Revision of treatment of contributions to capital	cmateia DOE	1.0	1.1	1.0	0.9	0.8	0.7	0.6	0.5	0.5	0.4	4.8	7.4
5. Repeal of deduction for local lobbying expenses	apoia 12/31/17	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.4	0.8
6. Repeal of deduction for income attributable to domestic													
production activities	tyba 12/31/17	4.2	8.8	9.3	9.6	9.8	9.9	10.3	10.7	11.2	11.6	41.6	95.2
7. Entertainment, etc., expenses:													
a. Entertainment [17]	apoia 12/31/17	1.5	2.0	2.0	2.0	2.1	2.1	2.2	2.2	2.4	2.5	9.6	21.0
b. Repeal of deduction for employer-provided qualified													
transportation and parking	apoia 12/31/17	0.7	0.9	1.0	1.0	1.1	1.1	1.1	1.2	1.3	1.3	4.7	10.8
c. Repeal of deduction for employer-provided gyms	apoia 12/31/17	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.9	2.0
8. UBTI increased by amount of certain fringe benefit													
expenses for which deduction is disallowed	apoia 12/31/17 -					- Estimate	Included	in Items II	E.7.bc.				
9. Limitation on deduction for FDIC premiums	tyba 12/31/17	0.5	1.4	1.4	1.4	1.4	1.5	1.5	1.5	1.6	1.6	6.1	13.7
10. Repeal of rollover of publicly traded securities gain													
into specialized small business investment companies	sa 12/31/17	0.1	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	1.1	1.7
11. Certain self-created property not treated as a capital asset	Da 12/31/17	[5]	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.5
12. Repeal of special rule for sale or exchange of patents	Da 12/31/17	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	0.1	0.3
13. Repeal of technical termination of partnerships	ptyba 12/31/17	0.1	0.2	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.7	1.7

Provision	Effective	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2018-22	2018-27
14. Recharacterization of certain gains on property held for													
fewer than 3 years in the case of partnership profits													
interest held in connection with performance of investment													
services	tyba 12/31/17	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.7	1.2
15. Amortization of research and experimental													
expenditures	apoii tyba 12/31/22						23.2	31.5	24.9	18.1	10.9		108.6
16. Uniform treatment of expenses in contingency fee cases	eacpoii tyba DOE	[4]	0.1	0.1	0.1	0.1	[4]	[4]	[4]	[4]	[4]	0.4	0.5
F. Reform of Business Credits													
1. Repeal of credit for clinical testing expenses for certain													
drugs for rare diseases or conditions	apoii tyba 12/31/17	1.2	2.8	3.4	4.1	4.9	5.8	6.7	7.5	8.4	9.2	16.4	54.0
2. Repeal of employer-provided child care credit	tyba 12/31/17	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	0.1	0.2
3. Repeal of rehabilitation credit	[18]	[4]	0.4	0.8	1.0	1.1	1.1	1.2	1.2	1.3	1.4	3.2	9.3
4. Repeal of work opportunity tax credit	•	0.4	1.1	0.9	0.4	0.4	0.3	0.1	0.1			3.2	3.6
5. Repeal of deduction for certain unused business credits	tyba 12/31/17 -						0 0	evenue Eff					
6. Termination of new markets tax credit	cyba 12/31/17		[4]	[4]	0.1	0.2	0.2	0.3	0.3	0.3	0.3	0.3	1.7
7. Repeal of credit for expenditures to provide access to													
disabled individuals	tyba 12/31/17	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	0.1	0.3
8. Modification of credit for portion of employer Social													
Security taxes paid with respect to employee tips [19]	tyba 12/31/17	0.3	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	1.9	3.9
G. Energy Credits													
1. Modifications to credit for electricity produced from													
certain renewable resources	tyea DOE			0.8	1.6	1.7	1.9	1.9	1.8	1.6	1	4.1	12.3
2. Modification of the section 48 energy investment tax													
credit	pa 12/31/16 & DOE	-0.2	-0.2	-0.2	-0.2	-0.2	-0.1	[5]	[5]	[5]	[4]	-1.0	-1.2
3. Extension and phaseout of residential energy efficient													
property	ppisa 12/31/16	-0.1	-0.3	-0.3	-0.3	-0.2	[5]	[5]				-1.1	-1.1
4. Repeal of enhanced oil recovery credit	tyba 12/31/17	0.1	[4]	[4]	[4]	[4]	[4]					0.2	0.2
5. Repeal of credit for producing oil and gas from marginal													
wells	tyba 12/31/17						No Rever	ue Effect -					
6. Modifications of credit for production from advanced	DOE &												
nuclear power facilities	tyba DOE	[5]	[5]	[5]	[5]	[5]	[5]	-0.1	-0.1	-0.2	-0.2	[5]	-0.4
H. Bond Reforms													
1. Termination of private activity bonds	bia 12/31/17	0.4	1.1	1.8	2.5	3.4	4.2	5.1	5.9	6.8	7.7	9.2	38.9
2. Repeal of advance refunding bonds	ar bia 12/31/17	0.3	1	1.4	1.8	2	2.1	2.1	2.2	2.2	2.2	6.5	17.3
3. Repeal of tax credit bonds [2]	bia 12/31/17	[4]	[4]	[4]	[4]	[4]	0.1	0.1	0.1	0.1	0.1	0.1	0.5
4. No tax exempt bonds for professional stadiums	bia 11/2/17	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	0.1	0.2
I. Insurance													
1. Net operating losses of life insurance companies	lai tyba 12/31/17					Estim	ate Includ	ed in Item	II.D.1				
Repeal of small life insurance company deduction	tyba 12/31/17	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	0.1	0.2
3. Impose 8% surtax on life insurance company income	tyba 12/31/17	1.5	2.1	2.2	2.3	2.3	2.4	2.4	2.5	2.6	2.7	10.4	23.0

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4. Adjustment for change in computing reserves	tyba 12/31/17	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.5	1.2
5. Repeal of special rule for distributions to shareholders													
from pre-1984 policyholders surplus account	tyba 12/31/17	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]
6. Modification of proration rules for property and casualty													
insurance companies	tyba 12/31/17	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.9	2.1
7. Modification of discounting rules for property and													
casualty insurance companies	tyba 12/31/17	0.3	1.8	1.8	1.8	1.8	1.8	1.8	1.4	0.5	0.2	7.5	13.2
8. Repeal of special estimated tax payments	tyba 12/31/17	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]
J. Compensation													
1. Modification of limitation on excessive employee													
remuneration	tyba 12/31/17	0.1	1.1	1.1	1.1	1.1	1.0	1.0	1.0	0.9	0.8	4.5	9.3
2. 20% excise tax on excess tax-exempt organization													
executive compensation	tyba 12/31/17	0.3	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.3	1.7	3.6
3. Treatment of qualified equity grants	[20]	-0.2	-0.3	-0.2	-0.2	-0.1	-0.1	[5]	[5]	-0.1	-0.1	-1.0	-1.2
Total of Business Tax Reform		-126.5	-131.6	-118.0	-103.5	-90.8	-24.7	2.5	-26.9	-54.9	-80.3	-570.5	-754.2
III. Taxation of Foreign Income and Foreign Persons													
A. Establishment of Participation Exemption System for													
Taxation of Foreign Income													
1. Deduction for foreign-source portion of dividends													
received by domestic corporations from specified													
10-percent owned foreign corporations	[21]	-14.5	-24.4	-19.2	-19.5	-19.8	-19.6	-20.9	-22	-22.2	-23.1	-97.4	-205.1
2. Application of participation exemption to investment in													
United States property	[22]	-0.1	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-1.0	-2.0
3. Limitation on losses with respect to specified													
10-percent owned foreign corporations	dma 12/31/17	0.1	0.2	0.5	0.8	1.1	1.4	1.6	1.5	1.7	2.2	2.8	11.1
4. Treatment of deferred foreign income upon transition													
to participation exemption system of taxation and													
deemed repatriation at two-tier rate (14-percent rate													
for liquid assets, 7-percent rate for illiquid assets)	[23]	79.2	53.6	26.7	26.0	26.4	26.6	26.9	27.2	9.0	-8.2	212.0	293.4
B. Modifications Related to Foreign Tax Credit System													
1. Repeal of section 902 indirect foreign tax credits;													
determination of section 960 credit on current year basis	tyba 12/31/17 -					Estima	te Include	d in Item I	II.A.4				
2. Source of income from sales of inventory determined													
solely on basis of production activities	tyba 12/31/17	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.3	0.5
C. Modification of Subpart F Provisions													
1. Repeal of inclusion based on withdrawal of previously	5003												
excluded subpart F income from qualified investment	[22]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]
2. Repeal of foreign base company oil related income as	F223	0.1	0.2	0.2	0.2	0.4	0.4	0.4	0.5	0.5	0.6	1 4	2.0
subpart F income	[22]	-0.1	-0.3	-0.3	-0.3	-0.4	-0.4	-0.4	-0.5	-0.5	-0.6	-1.4	-3.9

Provision	Effective	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2018-22	2018-27
A L V I BAVII	Directive	2010										2010-22	2010-27
3. Inflation adjustment of de minimis exception for foreign													
base company income	[22]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	-0.2	-0.4
4. Look-thru rule for related controlled foreign corporations													
made permanent	[24]			-0.8	-1.2	-1.3	-1.4	-1.5	-1.7	-1.8	-2.0	-3.3	-11.8
5. Modification of stock attribution rules for determining													
status as a controlled foreign corporation	[22] -					Estima	te Include	d in Item L	II.A.1				
6. Elimination of requirement that corporation must be													
controlled for 30 days before subpart F inclusions apply	[22]	[4]	0.1	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	0.2	0.4
D. Prevention of Base Erosion													
1. Current year inclusion by United States shareholders with	5001		7.0			<i>-</i> <b>-</b>		6.0	<b>7.</b> 1	7.0	7.0	22.7	
foreign high returns.	[22]	4.4	7.9	6.9	6.8	6.7	6.6	6.8	7.1	7.3	7.0	32.7	67.5
2. Limitation on deduction of interest by domestic													
corporations which are members of an international financial reporting group	tubo 12/21/17	1.6	3.1	3.0	3.1	3.2	3.6	3.9	4.1	4.2	4.3	14.1	34.2
3. Excise tax on outbound related-party payments;	tyba 12/31/17	1.0	3.1	3.0	3.1	3.2	3.0	3.9	4.1	4.2	4.3	14.1	34.2
ECI election	apoaa 12/31/18		2.0	7.6	11.5	11.7	11.8	11.9	12.3	12.6	13.1	32.8	94.5
E. Provisions Related to the Possessions of the United States	ароаа 12/31/10		2.0	7.0	11.5	11.7	11.0	11.7	12.3	12.0	13.1	32.0	74.5
Extension of deduction allowable with respect to income													
attributable to domestic production activities in Puerto													
Rico (sunset 12/31/17)	tyba 12/31/16	-0.1										-0.1	-0.1
2. Extension of temporary increase in limit on cover over	,												
of rum excise taxes (from \$10.50 to \$13.25 per proof													
gallon) to Puerto Rico and the Virgin Islands (sunset													
12/31/22) [2][25]	dsbitUSa 12/31/16	-0.3	-0.1	-0.1	-0.1	-0.1	[5]					-0.8	-0.9
3. Extension of American Samoa economic development													
credit (sunset 12/31/22)	tyba 12/31/16	[5]	[5]	[5]	[5]	[5]	[5]					-0.1	-0.1
F. Other International Reforms													
1. Restriction on insurance business exception to passive													
foreign investment company rules	tyba 12/31/17	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.5	1.1
Total of Taxation of Foreign Income and Foreign Persons		70.4	42.1	24.3	27.1	27.5	28.6	28.3	28.1	10.4	-7.2	191.1	278.4
IV. Exempt Organizations													
A. Unrelated Business Income Tax													
Clarification of unrelated business income tax treatment of													
State and local retirement plans	tyba 12/31/17	0.1	0.3	0.2	0.1	0.1	0.1	0.1	[4]	[4]	[4]	0.9	1.1
2. Exclusion of research income limited to publicly available	•												
research	tyba 12/31/17	[4]	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.3	0.7
B. Excise Taxes													
1. Simplification of excise tax on private foundation													
investment income	tyba 12/31/17	[4]	[4]	[4]	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.5

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Provision	Effective	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2018-22	2018-27
2. Require art museum to provide public access to qualify as													·
a private operating foundation	tyba 12/31/17	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]
3. Excise tax based on investment income of private colleges													
and universities	tyba 12/31/17	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.3	0.3	0.3	1.2	2.5
4. Exception to private foundation excess business holdings													
rules for philanthropic business holdings	tyba 12/31/17	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]
C. Requirements for Organizations Exempt From Tax													
1. Modifications to prohibition on political campaign activity			0.0	^ <b>~</b>		0.4	0.4	0.4					
for tax-exempt organizations	tyea DOE		-0.2	-0.5	-0.4	-0.4	-0.4	-0.1				-1.5	-2.1
2. Modified reporting requirements for donor advised funds	CC + 1 10/21/17						M. D	E.CC .					
sponsoring organizations	rff tyba 12/31/17 -						· No Reven	ue Effect -					
Total of Exempt Organizations		0.3	0.4	[4]	0.1	0.2	0.2	0.5	0.5	0.5	0.5	1.1	2.7
NET TOTAL	•••••	-108.4	-227.0	-221.7	-203.3	-188.9	-88.3	-34.4	-64.4	-128.0	-171.1	-949.6	-1,436.8

Joint Committee on Taxation

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NOTE: Details may not add to totals due to rounding. The date of enactment is generally assumed to be December 1, 2017.

#### Legend for "Effective" column:

apisasd = and placed in service after such date
apoaa = amounts paid or accrued after
apoia = amounts paid or incurred after
apoii = amounts paid or incurred in
apoitiwbwftea = amounts paid or incurred to individuals
who begin work for the employer after
ar = advance refunding
bia = bonds issued after
cmateia = contributions made and transactions
entered into after

ar = advance refunding
bia = bonds issued after
cmateia = contributions made and transactions
entered into after
cyba = calendar years beginning after
da = distributions after

Da = dispositions after
dda = decedents dying after
DOE = date of enactment
dosaeia = divorce or separation agreement entered
into after
dsbitUSa = distilled spirits brought into the United States after
eacpoii = expenses and costs paid or incurred in
eca = exchanges completed after
gma = gifts made after
lai = losses arising in
lao/a = losses arising on or after
pa = periods after

paa = property acquired after
pyba = plan years beginning after
ptyba = partnership taxable years
beginning after
rff = returns filed for
sa = sales after
saea = sales and exchanges after
sppoga = specified plants planted or
grafted after
tyba = taxable years beginning after

#### **Footnotes for JCX-54-17:**

[1] The parameters for the beginning of the 35% and 39.6% rate bracket and the phaseout of the 12-percent bracket use 2018 as the base year. The standard deduction amount uses 2019 as the base year. Other indexed parameters are adjusted for inflation from their 2017 values using the chained CPI-U as the inflation measure to determine 2018 values.

[2] Estimate includes the following outlay effects:	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2018-22	2018-27
12%, 25%, 35%, and 39.6% income tax rates		-1.6	-1.6	-1.6	-1.6	-1.6	-1.7	-1.7	-1.7	-1.7	-6.3	-14.7
Modify standard deduction		10.6	10.7	11.1	11.3	11.5	11.6	11.7	11.9	12.1	43.8	102.6
Repeal of deduction for personal exemptions	-11.7	-17.3	-17.8	-18.0	-18.4	-18.7	-18.9	-19.2	-19.4	-19.6	-83.2	-179.2
Alternative inflation measure		-0.3	-0.6	-1.3	-1.6	-2.1	-2.5	-3.1	-3.6	-4.0	-3.9	-19.2
New personal credits and modification of child credit		16.8	17.1	17.1	17.0	18.5	12.0	11.9	11.9	12.9	68.0	135.3
Increase in phaseout threshold of child credit and application of phaseout												
to personal credits		[26]	[26]	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.3	0.7
Require valid Social Security number of at least one taxpayer to claim												
refundable portion of child credit		-2.8	-2.7	-2.6	-2.5	-2.5	-2.2	-2.1	-2.1	-2.1	-10.6	-21.7
Denial of both refundable and non-refundable child tax credit for failure of the												
child to have an SSN (child still receives \$300 nonrefundable credit)		-1.0	-1.0	-0.9	-0.9	-0.9	-1.0	-1.0	-1.0	-1.0	-3.8	-8.9
Require valid Social Security number for student for purposes of the AOTC		-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.2	-0.6
Individuals prohibited from engaging in employment in United States not												
eligible for EITC	[27]	-0.1	-0.1	-0.1	-0.1	[27]	[27]	[27]	[27]	[27]	-0.3	-0.5
American opportunity tax credit		[26]	[26]	[26]	[26]	[26]	[26]	[27]	[27]	[27]	0.2	0.2
Repeal of other provisions relating to education		-0.2	-0.2	-0.2	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	-0.9	-2.4
Repeal of itemized deductions except mortgage interest, investment												
interest, charitable contributions, up to \$10,000 in real property taxes, and												
certain miscellaneous expenses		-0.4	-0.3	-0.4	-0.4	-0.4	-0.4	-0.5	-0.5	-0.5	-1.5	-3.8
Repeal of alternative minimum tax on corporations	2.2	2.3	1.7	1.9	1.9						10.2	10.2
Repeal of tax credit bonds	[27]	[27]	[27]	[27]	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.5
Extension of temporary increase in limit on cover over of rum excise taxes												
(from \$10.50 to \$13.25 per proof gallon) to Puerto Rico and the Virgin Islands												
(sunset 12/31/22) [25]	0.3	0.1	0.1	0.1	0.1	[26]					0.8	0.9
[3] Estimate includes the following budget effects:	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2018-22	2018-27
Total Revenue Effect	-1.8	-2.7	-2.5	-2.1	-1.6	2.1	3.6	2.4	1.7	1.2	-10.8	0.1
On-budget effects	-0.4	-0.6	-0.5	-0.4	-0.3	0.4	0.8	0.5	0.3	0.2	-2.2	[6]
Off-budget effects	-1.5	-2.1	-1.9	-1.7	-1.3	1.7	2.8	1.9	1.3	0.9	-8.6	0.1

<sup>[4]</sup> Gain of less than \$50 million.

<sup>[5]</sup> Loss of less than \$50 million.

<sup>[6]</sup> Estimate includes repeal of Lifetime Learning Credit, Hope Credit, and tuition deduction.

#### Footnotes for JCX-54-17 continued:

[7] Estimate includes the following budget effects:	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2018-22	2018-27
Total Revenue Effect	0.8	4.6	4.8	4.9	5.0	5.2	5.3	5.5	5.6	5.8	20.1	47.5
On-budget effects	0.6	3.6	3.8	3.8	4.0	4.1	4.2	4.4	4.4	4.6	15.8	37.5
Off-budget effects	0.1	1.0	1.0	1.0	1.1	1.1	1.1	1.1	1.2	1.2	4.3	9.9

- [8] Estimate includes \$-2.8 billion in net revenue loss from the from the following modifications to the charitable deduction rules: (1) increasing the percentage limit for cash contributions to public charities; (2) allowing the charitable standard mileage rate to be adjusted for inflation; (3) denying a deduction for payments for stadium seating rights; and (4) repealing existing authority for an alternative substantiation procedure under section 170(f)(8)(D).
- [9] Mortgage interest deduction is modified by lowering the limit on acquisition indebtedness to \$500,000 for a principal residence acquired after the date of enactment and repealing the deductibility of interest on second homes and home equity loans.

[10] Estimate includes the following budget effects:	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2018-22</u>	<u>2018-27</u>
Total Revenue Effect	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]
On-budget effects	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]
Off-budget effects	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]
[11] Estimate includes the following budget effects:	2018	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2018-22</u>	<u>2018-27</u>
Total Revenue Effect	0.2	0.3	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.5	1.7	3.8
On-budget effects	0.2	0.2	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.3	1.1	2.4
Off-budget effects	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.6	1.4
[12] Estimate includes the following budget effects:	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2018-22	2018-27
[12] Estimate metades are following staget effects.												
Total Revenue Effect						0.5	0.7	0.7	0.7	0.7		3.4
5 5	-					0.5 0.1	0.7 0.3	0.7	0.7 0.3	0.7		3.4 1.2
Total Revenue Effect												3.4 1.2 2.2
Total Revenue Effect On-budget effects			  2020			0.1	0.3	0.3	0.3	0.3		3.4 1.2 2.2 2018-27
Total Revenue Effect						0.1 0.4	0.3 0.4	0.3 0.4	0.3 0.4	0.3 0.4		1.2 2.2
Total Revenue Effect	  2018	  2019	  2020	  2021	  <u>2022</u>	0.1 0.4 <u>2023</u>	0.3 0.4 <u>2024</u>	0.3 0.4 <u>2025</u>	0.3 0.4 <u>2026</u>	0.3 0.4 <u>2027</u>	  2018-22	1.2 2.2 <u>2018-27</u>

- [14] Estimate includes interaction with the increased and expanded section 179 expensing in II.D.1.
- [15] The increases in the thresholds are effective for taxable years beginning after December 31, 2017, and before January 1, 2023, and the thresholds are indexed for inflation for taxable years beginning after December 31, 2018. The expansion to include qualified energy efficient heating and air-conditioning property is effective for property acquired and placed in service after November 2, 2017.
- [16] The increase in the threshold, and the creation or expansion of a small business threshold where applicable, is effective for taxable years beginning after December 31, 2017, and the threshold is indexed for inflation for taxable years beginning after December 31, 2018. The increase in the section 460(e)(1)(B) threshold is effective for contracts entered into after December 31, 2017, in taxable years ending after such date.

[17] Estimate includes the following budget effects:	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	2023	2024	<u>2025</u>	<u>2026</u>	<u>2027</u>	2018-22	2018-27
Total Revenue Effect	1.5	2.0	2.0	2.0	2.1	2.1	2.2	2.2	2.4	2.5	9.6	21.0
On-budget effects	1.2	1.6	1.6	1.7	1.7	1.7	1.8	1.8	2.0	2.1	7.8	17.1
Off-budget effects	0.3	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	1.8	3.9

#### Footnotes for JCX-54-17 continued:

[18] Generally effective for amounts paid or incurred after December 31, 2017, with a transition rule providing that for buildings owned or leased at all times after December 31, 2017, the 24-month period for making qualified rehabilitation expenditures begins no later than 180 days after the date of enactment, and the repeal is effective for such expenditures paid or incurred after the end of the taxable year in which such 24-month period ends.

[19] Estimate includes the following budget effects:	<u>2018</u>	<u>2019</u>	<u>2020</u>	2021	<u>2022</u>	2023	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	2018-22	2018-27
Total Revenue Effect	0.3	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	1.9	3.9
On-budget effects	0.2	0.3	0.3	0.4	0.4	0.4	0.4	0.4	0.3	0.3	1.6	3.4
Off-budget effects	[4]	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.5

- [20] Effective for options exercised or restricted stock units settled after December 31, 2017. The penalty for failure to provide a notice is effective for failures after December 31, 2017.
- [21] The amendments made by this section shall apply to distributions made after (and, in the case of the amendments made by subsection (d), deductions with respect to taxable years ending after) December 31, 2017.
- [22] Effective for taxable years of foreign corporations beginning after December 31, 2017, and to taxable years of United States shareholders in which or with which such taxable years of foreign corporations end.
- [23] Effective for the last taxable year of foreign corporations beginning before January 1, 2018, and to taxable years of the United States shareholders in which or with which such taxable years of foreign corporations end.
- [24] Effective for taxable years of foreign corporations beginning after December 31, 2019, and to taxable years of United States shareholders in which or with which such taxable years of foreign corporations end.
- [25] Estimate provided by the Congressional Budget Office.
- [26] Increase in outlays of less than \$50 million.
- [27] Decrease in outlays of less than \$50 million.