

**ESTIMATED TRUST FUND AND GENERAL FUND EFFECTS OF CERTAIN TAX PROVISIONS CONTAINED IN H.R. 3971,  
THE "HIGHWAY REAUTHORIZATION TAX ACT OF 2004,"  
SCHEDULED FOR MARKUP BY THE COMMITTEE ON WAYS AND MEANS ON MARCH 17, 2004**

Fiscal Years 2004 - 2013

[Millions of Dollars]

Provision	Effective	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2004-08	2004-13
Provide That all Alcohol Fuels Excise Tax Credits and Outlay Payments are Paid From the General Fund [1] [2]													
Highway Account.....	tra 9/30/04	---	1,811	1,847	1,880	1,915	1,950	1,985	2,020	2,055	2,092	7,452	17,556
General Fund.....	tra 9/30/04	---	-1,811	-1,847	-1,880	-1,915	-1,950	-1,985	-2,020	-2,055	-2,092	-7,452	-17,556
Transfer the Full Amount of Alcohol Fuel Excise Taxes to the Highway Trust Fund (i.e. repeal 2.5/2.8 cents transfer to General Fund) [1] [3]													
Highway Account.....	tia 9/30/03	901	928	947	964	982	1,001	1,019	1,037	1,055	1,074	4,722	9,908
General Fund.....	tia 9/30/03	-901	-928	-947	-964	-982	-1,001	-1,019	-1,037	-1,055	-1,074	-4,722	-9,908
Transfer the Full Amount of Motorboat Fuel Taxes and Certain Small Engine Fuel Taxes to the Aquatic Resources Trust Fund [1]													
Aquatic Resources Trust Fund.....	tia 9/30/13	110	114	118	120	123	126	129	131	134	137	586	1,242
General Fund.....	tia 9/30/13	-110	-114	-118	-120	-123	-126	-129	-131	-134	-137	-586	-1,242
Expiration of Alcohol Fuels Excise Tax Credits after September 30, 2007 [4]													
General Fund.....	fsoua 9/30/07	---	---	---	---	1,148	1,480	1,506	1,532	1,559	1,586	1,148	8,811
Fuel Fraud Provisions [5]													
Highway Account.....	[6]	2	136	165	165	166	166	165	164	163	162	633	1,453
Mass Transit Account.....	[6]	[7]	30	35	35	35	36	35	35	35	35	137	313
Airport and Airway Trust Fund.....	[6]	---	394	421	424	425	425	423	419	415	411	1,663	3,757
LUST Trust Fund.....	[6]	[7]	3	3	3	3	3	3	3	3	3	11	25
Exemption From Certain Excise Taxes for Mobile Machinery Vehicles													
Highway Account.....	DOE [8]	---	100	132	132	132	132	132	132	132	132	497	1,159
Mass Transit Account.....	DOE [8]	---	13	18	18	18	18	18	18	18	18	66	155
LUST Trust Fund.....	DOE [8]	---	[7]	1	1	1	1	1	1	1	1	2	5
Modifications of Tax on Use of Highway Vehicles													
Highway Account.....	tpba DOE	141	161	165	168	171	175	175	177	180	183	807	1,696

Provision	Effective	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2004-08	2004-13
<b>TOTAL TRUST FUND EFFECTS</b>													
Highway Account .....		1,044	3,136	3,256	3,310	3,365	3,424	3,477	3,531	3,586	3,643	14,111	31,771
Mass Transit Account .....		[7]	44	53	53	53	53	53	53	53	53	203	468
Airport and Airway Trust Fund .....		---	394	421	424	425	425	423	419	415	411	1,663	3,757
Aquatic Resources Trust Fund .....		110	114	118	120	123	126	129	131	134	137	586	1,242
LUST Trust Fund .....		[7]	3	3	3	3	3	3	3	3	3	13	30
General Fund .....		-1,011	-2,853	-2,911	-2,964	-1,871	-1,597	-1,627	-1,656	-1,686	-1,717	-11,611	-19,894

Joint Committee on Taxation

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

Legend for "Effective" column:

DOE = date of enactment

fsoua = fuel sold or used after

tia = taxes incurred after

tpba = taxable periods beginning after

tra = taxes received after

- [1] Estimates provided by the Congressional Budget Office ("CBO").
- [2] The bill repeals the lower rate of tax on alcohol fuels and creates an excise tax credit that is to be paid from the General Fund. Estimates were provided by CBO under the assumption that both the tax rate and excise tax credit are permanent.
- [3] The application of the budget law for constructing the CBO baseline in the case of expiring excise taxes dedicated to trust funds provides that such taxes are assumed to be permanently extended. Under present law, the taxes on motor fuels dedicated to the Highway Trust Fund that expire in 2005 are assumed to be permanently extended in CBO's baseline.
- [4] The bill provides that the excise tax credit expires after September 30, 2007. If this bill is enacted, CBO's subsequent baseline would not assume extension of the excise tax credit beyond its expiration because the requirement to assume extension of excise taxes dedicated to trust funds does not apply to excise tax credits paid from the General Fund. For purposes of this revenue estimate, therefore, it is assumed that the excise tax credit would expire as scheduled. This treatment generates changes in revenues after September 30, 2007.
- [5] Includes the trust fund effects of the provision repealing reduced-rate sales of gasoline for blending with ethanol. Excludes the trust fund effects of the exemption from certain excise taxes for mobile machinery vehicles and the modifications to the tax on highway vehicles, which are included elsewhere in this table.
- [6] The fuels fraud provisions are generally effective for fuel sold or used after September 30, 2004.
- [7] Gain of less than \$500,000.
- [8] As to fuels taxes, effective for taxable years beginning after the date of enactment.