

Provision	Effective	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	1996-00	2001-05	1996-05
8. S corporations permitted to hold S or C subsidiaries.....	tyba 12/31/96	---	-5	-9	-11	-13	-15	-17	-20	-23	-26	-38	-101	-139
9. Treatment of distributions during loss years.....	tyba 12/31/96	---	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	-1
10. Treatment of S corporations as shareholders in C corporations.....	tyba 12/31/96	---	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[4]	[5]	[6]
11. Elimination of certain earnings and profits of S corporations.....	tyba 12/31/96	---	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[4]	[5]	[6]
12. Treatment of certain losses carried over under at-risk rules.....	tyba 12/31/96	---	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[4]	[5]	[6]
13. Adjustments to basis of inherited S stock.....	dda DOE	---	[7]	[7]	[7]	[7]	[7]	[7]	[7]	[7]	[7]	[7]	[7]	[7]
14. Treatment of certain real estate held by an S corporation.....	tyba 12/31/96	---	-1	-1	-2	-2	-2	-2	-2	-2	-2	-6	-10	-16
15. Transition rule for elections after termination.....	tyba 12/31/96	---	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[4]	[5]	[6]
16. Treat financial institutions that do not use the reserve method as eligible corporations.....	tyba 12/31/96	---	-1	-3	-5	-6	-8	-10	-12	-14	-15	-15	-59	-74
17. Interaction of subchapter S changes.....	---	---	-3	-26	-32	-37	-38	-39	-40	-40	-40	-98	-197	-295
Subtotal of Provisions Relating to S Corporations.....		---	-32	-70	-83	-95	-102	-110	-119	-128	-136	-280	-595	-879
II. Pension Simplification Provisions														
A. Simplified Distribution Rules														
1. Repeal of 5-year income averaging for lump-sum distributions.....	tyba 12/31/99	---	74	77	108	78	70	44	17	15	---	337	145	482
2. Repeal of \$5,000 exclusion of employees' death benefits.....	dda DOE	---	28	49	52	54	55	55	56	57	57	183	280	463
3. Simplified method for taxing annuity distributions under certain employer plans.....	asda 90 da DOE	---	22	28	28	29	29	29	30	30	31	107	149	256
4. Minimum required distributions.....	yba 12/31/96	---	-1	-4	-4	-4	-4	-4	-4	-4	-4	-13	-20	-33
B. Increased Access to Retirement Savings Plans -														
1. Establish SIMPLE pension plan as modified, but repeal salary reduction SEPs.....	yba 12/31/96	---	-50	-76	-79	-81	-84	-87	-91	-94	-97	-285	-453	-735
2. Tax-exempt organizations eligible under section 401(k).....	yba 12/31/96	---	-8	-22	-24	-25	-26	-28	-29	-30	-31	-79	-144	-223
3. Increase availability of spousal IRAs.....	yba 12/31/96	---	-57	-168	-184	-195	-206	-219	-233	-248	-264	-604	-1,170	-1,774
C. Nondiscrimination Provisions														
1. Simplified definition of highly compensated employees [8].....	yba 12/31/96	---	[9]	[9]	----- Considered in Other Provisions -----									
2. Repeal of family aggregation rules [8].....	yba 12/31/96	---	[10]	[10]	----- Considered in Other Provisions -----									
3. Modification of additional participation requirements.....	yba 12/31/96	----- Negligible Revenue Effect -----												
4. Safe-harbor nondiscrimination rules for qualified cash or deferred arrangements and matching contributions [11].....	yba 12/31/98	---	---	---	-39	-155	-160	-164	-169	-174	-179	-195	-847	-1,042
5. Definition of compensation for section 415 purposes.....	yba 12/31/97	---	---	-1	-1	-2	-2	-2	-2	-2	-3	-4	-11	-15
D. Miscellaneous Provisions														
1. Plans covering self-employed individuals.....	yba 12/31/96	----- Negligible Revenue Effect -----												
2. Elimination of special vesting rule for multiemployer plans.....	yba 12/31/96	---	[2]	-1	-1	-1	-1	-1	-1	-1	-1	-3	-5	-8
3. Distributions under rural cooperative plans.....	DOE	----- Negligible Revenue Effect -----												
4. Treatment of governmental plans under section 415.....	yba 12/31/94	----- Negligible Revenue Effect -----												
5. Uniform retirement age [8].....	yba 12/31/96	---	[10]	[10]	----- Considered in Other Provisions -----									

Provision	Effective	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	1996-00	2001-05	1996-05
6. Contributions on behalf of disabled employees.....	yba 12/31/96	----- Negligible Revenue Effect -----												
7. Treatment of deferred compensation plans of State and local governments and tax-exempt organizations.....	tyba 12/31/96	---	[2]	-1	-1	-1	-2	-2	-2	-2	-2	-3	-10	-13
8. Require section 457 plan assets to be held in trust.....	DOE	---	-7	-21	-24	-25	-25	-26	-27	-28	-29	-77	-135	-212
9. Correction of GATT interest and mortality rate provisions in the Retirement Protection Act.....	[12]	---	-4	-4	-4	---	---	---	---	---	---	-12	---	-12
10. Multiple salary reduction agreements permitted under section 403(b).....	tyba 12/31/95	----- Negligible Revenue Effect -----												
11. Application of elective deferral limit to section 403(b) plans.....	tyba 12/31/95	----- Negligible Revenue Effect -----												
12. Treatment of Indian tribal governments under section 403(b).....	cpbo/a 12/31/96	----- Negligible Revenue Effect -----												
13. Repeal of combined plan limit.....	lyba 12/31/99	---	---	---	---	-72	-195	-201	-207	-213	-219	-72	-1,035	-1,107
14. 3-year waiver of excess distribution tax.....	1/1/97	---	42	44	47	32	---	---	---	---	---	165	---	165
15. Increase section 4975 excise tax on prohibited transactions from 5% to 10%.....	ptoa DOE	---	2	4	4	4	4	4	4	4	4	14	20	34
16. Modify notice required of right to qualified joint and survivor annuity.....	pyba 12/31/96	----- Negligible Revenue Effect -----												
17. Treatment of leased employees.....	yba 12/31/96	----- Negligible Revenue Effect -----												
18. Uniform penalty provision to apply to certain pension reporting requirements.....	1/1/97	----- No Revenue Effect -----												
19. Clarify that SECA does not apply to certain parsonage allowance income.....	ybb/a 12/31/94	----- Negligible Revenue Effect -----												
20. Direct IRS to develop model forms for qualified domestic relations orders ("QDRO") and spousal consent provisions.....	DOE	----- Negligible Revenue Effect -----												
21. Date of adoption of plan amendments.....	DOE	----- No Revenue Effect -----												
Subtotal of Pension Simplification Provisions.....		---	36	-101	-122	-364	-547	-602	-658	-690	-737	-541	-3,236	-3,774
III. Extension of Certain Expiring Provisions														
1. Extend the work opportunity tax credit, with modifications through 6/30/97 [13].....	7/1/96	---	-126	-160	-93	-37	-14	-3	---	---	---	-416	-17	-433
2. Employer-provided educational assistance; sunset after 12/31/96.....	1/1/95	-136	-740	---	---	---	---	---	---	---	---	-876	---	-876
3. R&E credit, with modifications through 6/30/97.....	7/1/96	-202	-745	-469	-232	-165	-89	-20	---	---	---	-1,813	-109	-1,922
4. Orphan drug tax credit through 6/30/97 with section 39 benefits.....	7/1/96	-6	-18	-1	-1	-1	-1	[2]	[2]	[2]	[2]	-26	-2	-28
5. Contribution of appreciated stock to private foundations through 6/30/97.....	7/1/96	-14	-86	-11	-4	---	---	---	---	---	---	-115	---	115
6. Extend section 29 binding contract date to 6 months after date of enactment and placed-in service date to 1/1/98 for biomass and coal.....	DOE	---	-8	-32	-51	-51	-40	-35	-36	-37	-38	-142	-187	-329
7. Suspend excise tax on motorboat diesel through 6/30/97.....	7/1/96	-8	-26	---	---	---	---	---	---	---	---	-34	---	34
Subtotal of Certain Expiring Provisions.....		-366	-1,749	-673	-381	-254	-144	-58	-36	-37	-38	-3,422	-315	-3,737

Provision	Effective	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	1996-00	2001-05	1996-05
IV. Revenue Offsets														
1. Possessions tax credit: Wage credit companies - 6 years of present law, thereafter subject to income cap and, after 10 years, wage credit percentage lowered to 40%; Income companies - 2 years of present law followed by 8 years subject to income cap; QPSII - repealed later of taxable years beginning after 12/31/95 or earnings after 6/30/96.....	tyba 12/31/95	190	595	540	530	475	500	685	1,075	1,295	1,555	2,330	5,110	7,440
2. Repeal 50% interest income exclusion for financial institution loans to ESOPs [14].....	lma DOE	10	64	105	144	182	220	256	292	327	360	505	1,455	1,960
3. Provide that punitive damages are not excludable from income.....	ara 6/30/96	---	5	7	7	7	8	8	8	8	8	26	40	66
4. Provide for flow through treatment for Financial Asset Securitization Investment Trusts (FASITs).....	DOE	---	36	18	9	3	-2	-7	-12	-17	-22	66	-60	6
5. Phase out and extend luxury automobile excise tax through 12/31/02.....	sma 6/30/96	-10	-58	-105	-132	124	183	140	32	---	---	-180	355	175
6. Modify two county tax-exempt bond rule for local furnishers of electricity or gas; prohibit new local furnishers.....	DOE	---	[15]	5	5	5	9	13	17	25	33	15	98	112
7. Eliminate interest allocation exception for certain nonfinancial corporations.....	tyba 12/31/95	35	99	107	123	141	163	187	201	215	228	505	994	1,499
8. Reinstate Airport and Airway Trust Fund excise taxes through 12/31/96, with exemption for fixed-wing emergency medical aircraft.....	tp7data DOE	393	1,530	---	---	---	---	---	---	---	---	1,923	---	1,923
9. Tax-free treatment of contributions in aid of construction for water utilities; change depreciation for water utilities.....	[16]	---	-21	-9	-3	11	24	35	45	55	64	-22	223	201
10. Revision of expatriation tax rules.....	2/6/95	15	37	63	97	139	181	216	247	275	298	351	1,217	1,568
Subtotal of Revenue Offsets.....		633	2,287	731	780	1,087	1,286	1,533	1,905	2,183	2,524	5,519	9,432	14,950
V. Technical Corrections.....		14	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	14	[3]	14
NET TOTAL		256	409	-374	-160	-59	-378	-286	-54	225	577	84	80	161

Joint Committee on Taxation

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

Legend for "Effective" column: ara = amounts received after
 asda = annuity starting date after
 bia = bonds issued after
 cpbo/a = contracts purchased before, on, or after
 dda = decedents dying after
 DDA = disasters declared after
 DOE = date of enactment
 lida = leasehold improvements disposed of after
 lma = loans made after
 lyba = limitation years beginning after
 ppiso/a/b = property placed in service on, after, or before

ptoa = prohibited transactions occurring after
 pyba = plan years beginning after
 rpa = remuneration paid after
 sma = sales made after
 spa = services performed after
 tyba = taxable years beginning after
 tp7data DOE = tickets purchased 7 days after date of enactment for travel 7 days after date of enactment
 yba = years beginning after
 ybbo/a = years beginning before, on, or after
 90 da DOE = 90 days after date of enactment

Footnotes for JCX-27-96:

- [1] Effective as if included in the Omnibus Reconciliation Act of 1993.
- [2] Loss of less than \$500,000.
- [3] Loss of less than \$5 million.
- [4] Loss of less than \$15 million.
- [5] Loss of less than \$20 million.
- [6] Loss of less than \$30 million.
- [7] Gain of less than \$1 million.
- [8] Revenue effect after 1/1/99 included in the revenue estimate for the safe harbor provision due to interactions between this provision and Item III.C.4.
- [9] Loss of less than \$10 million.
- [10] Negligible revenue effect.
- [11] This provision considers interaction effects of SIMPLE retirement plan provisions (Items III.C.1, III.C.2, and III.D.5)
- [12] Effective as if included in the General Agreement on Tariffs and Trade of 1994.
- [13] Credit rate at 35% on first \$6,000 of income; eligible workers expanded to include welfare cash recipients, veteran foodstamp recipients, and 18 - 24 year olds living in a household receiving foodstamps for a period of at least 3 months on the date of hire; 375 hour work requirement.
- [14] The repeal would not apply to loans made pursuant to a binding contract entered into before 6/10/96.
- [15] Gain of less than \$500,000.
- [16] Effective for amounts received after 6/12/96 and property placed in service after 6/12/96 with the exception of certain property subject to a binding contract before 6/10/96.