

**ESTIMATED BUDGET EFFECTS OF H.R. 4738,
AS PASSED BY THE HOUSE OF REPRESENTATIVES ON OCTOBER 12, 1998**

Fiscal Years 1999 - 2007

[Millions of Dollars]

Provision	Effective	1999	2000	2001	2002	2003	2004	2005	2006	2007	1999-02	2003-07	1999-07
I. Extension of Expiring Provisions													
A. Extend the R&E Credit (through 12/31/99).....	7/1/98	-1,526	-866	-409	-296	-170	-39	---	---	---	-3,097	-209	-3,306
B. Extend Work Opportunity Tax Credit (through 12/31/99)...	wpoifibwa 6/30/98	-245	-227	-126	-50	-18	-3	---	---	---	-648	-21	-669
C. Extend Contributions of Appreciated Stock to Private Foundations (permanent); Public Inspection of Private Foundation Annual Returns.....	7/1/98 [1]	-23	-56	-71	-83	-91	-95	-100	-104	-109	-233	-499	-732
D. 1-Year Modified Extension of Exemption from Subpart F for Active Financing Income (as in H.R. 4579).....	tybi 1999	-117	-378	---	---	---	---	---	---	---	-495	---	-495
E. Extend the Generalized System of Preferences (through 12/31/99) [2].....	7/1/98	-393	-84	---	---	---	---	---	---	---	-477	---	-477
F. Permanent Extension of Income Averaging for Farmers...	tyba 12/31/00	---	---	-2	-21	-22	-22	-23	-24	-24	-23	-115	-138
G. Extension of Tax Information Reporting for Income Contingent Student Loan Program [2].....	10/1/98	----- Negligible Budget Effect -----											
Subtotal of Extension of Expiring Provisions.....		-2,304	-1,611	-608	-450	-301	-159	-123	-128	-133	-4,973	-844	-5,817
II. Other Provisions													
A. Treasury Study on Depreciation (due 3/31/00).....	---	---	---	---	---	---	---	---	---	---	---	---	---
B. Production Flexibility Contract Payments to Farmers Not Included in Income Prior to Receipt.....	tyea 12/31/95	----- Negligible Revenue Effect -----											
C. Self-Employed Health Insurance Deduction - 100% in 2003 and thereafter.....	tyba 12/31/02	---	---	---	---	-206	-637	-680	-602	-257	---	-2,382	-2,382
D. Increase Private Activity Bond Volume Cap to the Greater of \$55 Per Capita or \$165 Million Starting in 2003; Phased In Ratably to the Greater of \$75 Million Per Capita or \$225 Million in 2007.....	1/1/03	---	---	---	---	-11	-44	-111	-177	-252	---	-595	-595
E. Prior Year Estimated Tax Safe Harbor for Individuals With AGI over \$150,000 (106% in 2000 and 2001).....	tyba 12/31/99	---	525	---	-525	---	---	---	---	---	---	---	---
F. State Election to Exempt Student Employees From Social Security [2].....	spa 6/30/00	---	-5	-47	-49	-51	-52	-54	-56	-58	-101	-271	-372
Subtotal of Other Provisions.....		---	520	-47	-574	-268	-733	-845	-835	-567	-101	-3,248	-3,349
III. Revenue Offset Provisions													
A. Change the Treatment of Certain Deductible Liquidating Distributions of RICs and REITs.....	dma 5/21/98	2,425	1,109	723	640	672	705	741	778	817	4,897	3,713	8,610
B. Add Vaccines Against Rotavirus Gastroenteritis to the List of Taxable Vaccines (\$0.75 per dose).....	vpa DOE	1	2	3	4	5	6	6	6	7	11	31	42
C. Clarify and Expand Math Error Procedures.....	tyea DOE	12	25	26	27	28	29	30	31	32	90	150	240

Provision	Effective	1999	2000	2001	2002	2003	2004	2005	2006	2007	1999-02	2003-07	1999-07
D. Restrict Special Net Operating Loss Carryback Rules for Specified Liability Losses.....	NOLgi tyea DOE	14	21	29	39	42	40	40	40	42	103	204	308
Subtotal of Revenue Offset Provisions.....		2,452	1,157	781	710	747	780	817	855	898	5,101	4,098	9,200
IV. Tax Technical Corrections Provisions.....----- <i>No Revenue Effect</i> -----													
NET TOTAL		148	66	126	-314	178	-112	-151	-108	198	27	6	34

Joint Committee on Taxation

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

Legend for "Effective" column:

dma = distributions made after
 DOE = date of enactment
 NOLgi = net operating losses generated in
 spa = services performed after
 tyba = taxable years beginning after

tybi = taxable years beginning in
 tyea = taxable years ending after
 vpa = vaccines purchased after
 wpoifibwa = wages paid or incurred for individuals beginning work after

[1] The additional public inspection provisions apply to requests made after the later of the date which is 60 days after the date on which the Treasury Department publishes regulations or 12/31/98.

[2] Estimate provided by the Congressional Budget Office.