

**ESTIMATED BUDGET, GENERAL FUND, AND TRUST FUND EFFECTS OF THE TAX PROVISIONS
 CONTAINED IN THE SENATE AMENDMENT TO H.R. 2881,
 THE "FAA REAUTHORIZATION ACT OF 2007," [1]
 FOR CONSIDERATION ON THE SENATE FLOOR**

Fiscal Years 2008 - 2018

[Millions of Dollars]

| Provision | Effective | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2008-12 | 2008-13 | 2008-17 | 2008-18 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|-------------------------------------------------------------------------------|------|------|------|------|------|------|------|------|------|------|---------|---------|---------|---------|
| I. Airport and Airway Trust Fund Provisions and Related Taxes | | | | | | | | | | | | | | | | |
| A. Revenue Effects | | | | | | | | | | | | | | | | |
| 1. Extension of Airport and Airway Trust Fund Tax and Expenditure Provisions (sunset 9/30/11)..... | 7/1/08 | ----- <i>No Revenue Effect</i> ----- | | | | | | | | | | | | | | |
| a. General Fund..... | --- | ----- <i>No Effect</i> ----- | | | | | | | | | | | | | | |
| b. Airport and Airway Trust Fund..... | --- | ----- <i>No Effect</i> ----- | | | | | | | | | | | | | | |
| 2. Increase the 21.8 cents per gallon tax on non-commercial aviation-grade kerosene (jet fuel) to 35.9 cents per gallon, including floor stocks..... | [2] | --- | 126 | 180 | 186 | 192 | 196 | 201 | 205 | 210 | 214 | 219 | 684 | 881 | 1,710 | 1,929 |
| a. General Fund..... | --- | --- | -42 | -60 | -62 | -64 | -65 | -67 | -68 | -70 | -71 | -73 | -228 | -294 | -569 | -643 |
| b. Airport and Airway Trust Fund..... | --- | --- | 168 | 240 | 248 | 255 | 262 | 268 | 274 | 279 | 285 | 291 | 911 | 1,174 | 2,279 | 2,572 |
| c. Leaking Underground Storage Tank ("LUST") Trust Fund..... | --- | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] |
| 3. Air traffic control system modernization sub-account..... | DOE | ----- <i>Estimate to be Provided by the Congressional Budget Office</i> ----- | | | | | | | | | | | | | | |
| a. General Fund..... | --- | ----- <i>Estimate to be Provided by the Congressional Budget Office</i> ----- | | | | | | | | | | | | | | |
| b. Airport and Airway Trust Fund..... | --- | ----- <i>Estimate to be Provided by the Congressional Budget Office</i> ----- | | | | | | | | | | | | | | |
| 4. For fractional ownership arrangements - repeal the ad valorem tax, repeal the segment tax, and increase fuel tax from 4.3 cents per gallon to 50.0 cents per gallon (35.9 cents per gallon basic rate and 14.1 cents per gallon surcharge) | fsoua 12/31/08 & ttpa 12/31/08 | --- | 17 | 27 | 35 | 43 | 50 | 57 | 61 | 73 | 85 | 96 | 122 | 172 | 448 | 544 |
| a. General Fund..... | --- | --- | -6 | -9 | -12 | -14 | -17 | -19 | -21 | -25 | -29 | -32 | -41 | -56 | -152 | -182 |
| b. Airport and Airway Trust Fund..... | --- | --- | 23 | 36 | 48 | 57 | 67 | 75 | 82 | 97 | 113 | 129 | 164 | 230 | 598 | 725 |
| 5. Repeal section 4281 (relating to the exemption for small aircraft operating on nonestablished lines) for all except sightseeing aircraft..... | ttpa 12/31/08 | --- | 4 | 7 | 7 | 7 | 8 | 8 | 9 | 9 | 9 | 10 | 25 | 33 | 68 | 78 |
| a. General Fund..... | --- | --- | -1 | -2 | -2 | -2 | -3 | -3 | -3 | -3 | -3 | -3 | -7 | -10 | -22 | -25 |
| b. Airport and Airway Trust Fund..... | --- | --- | 5 | 9 | 9 | 9 | 11 | 11 | 12 | 12 | 12 | 13 | 32 | 43 | 90 | 103 |

| Provision | Effective | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2008-12 | 2008-13 | 2008-17 | 2008-18 |
|----------------------------------------------------------------------------------------------------------------------|-----------------|---------------------------------------|------|------|------|------|------|------|------|------|------|------|---------|---------|---------|---------|
| 6. Transparency in Passenger Tax Disclosures..... | ttpa 12/31/08 | ----- Negligible Revenue Effect ----- | | | | | | | | | | | | | | |
| a. General Fund..... | --- | ----- Negligible Revenue Effect ----- | | | | | | | | | | | | | | |
| b. Airport and Airway Trust Fund..... | --- | ----- No Effect ----- | | | | | | | | | | | | | | |
| 7. Modification of pension funding rules of certain eligible plans [4]..... | [5] | [6] | [6] | [6] | [6] | [6] | [3] | [3] | [3] | [3] | [3] | [3] | [6] | [6] | [3] | [3] |
| a. General Fund..... | --- | [6] | [6] | [6] | [6] | [6] | [3] | [3] | [3] | [3] | [3] | [3] | [6] | [6] | [3] | [3] |
| b. Airport and Airway Trust Fund..... | --- | ----- No Effect ----- | | | | | | | | | | | | | | |
| Total of Revenue Effects | | [6] | 147 | 214 | 228 | 242 | 254 | 266 | 275 | 292 | 308 | 325 | 831 | 1,086 | 2,226 | 2,551 |
| B. General Fund and Trust Fund Effects | | | | | | | | | | | | | | | | |
| 1. General Fund..... | DOE | [6] | -49 | -71 | -76 | -80 | -85 | -89 | -92 | -98 | -103 | -108 | -276 | -360 | -743 | -850 |
| 2. Airport and Airway Trust Fund..... | DOE | --- | 196 | 285 | 305 | 321 | 340 | 354 | 368 | 388 | 410 | 433 | 1,107 | 1,447 | 2,967 | 3,400 |
| 3. Leaking Underground Storage Tank Trust Fund.. | DOE | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] |
| Total of General Fund and Trust Fund Effects | | [6] | 147 | 214 | 228 | 242 | 254 | 266 | 275 | 292 | 308 | 325 | 831 | 1,086 | 2,226 | 2,551 |
| II. Increased Funding for the Highway Trust Fund | | | | | | | | | | | | | | | | |
| A. Revenue Effects | | | | | | | | | | | | | | | | |
| 1. Replenish emergency spending from the Highway Trust Fund [7]..... | DOE | ----- No Revenue Effect ----- | | | | | | | | | | | | | | |
| a. General Fund..... | --- | -3,400 | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | -3,400 | -3,400 | -3,400 | -3,400 |
| b. Highway Trust Fund..... | --- | 3,400 | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | 3,400 | 3,400 | 3,400 | 3,400 |
| 2. Suspension of 85% of transfers from Highway Trust Fund for certain repayments and credits for six months [7]..... | DOE | ----- No Revenue Effect ----- | | | | | | | | | | | | | | |
| a. General Fund..... | --- | -316 | -319 | --- | --- | --- | --- | --- | --- | --- | --- | --- | -635 | -635 | -635 | -635 |
| b. Highway Trust Fund..... | --- | 316 | 319 | --- | --- | --- | --- | --- | --- | --- | --- | --- | 635 | 635 | 635 | 635 |
| 3. Impose excise tax on certain removals of taxable fuel from foreign trade zones..... | 1/1/09 | --- | 8 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 14 | 16 | 24 | 26 |
| a. General Fund..... | --- | --- | -3 | -1 | -1 | -1 | -1 | -1 | -1 | -1 | -1 | -1 | -6 | -5 | -11 | -9 |
| b. Highway Trust Fund..... | --- | --- | 11 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 20 | 21 | 35 | 35 |
| 4. Clarification of penalty for sale of fuel failing to meet EPA regulations..... | DOE | --- | [8] | [8] | [8] | [8] | [8] | [8] | [8] | [8] | [8] | [8] | [8] | [8] | [8] | [8] |
| a. General Fund..... | --- | --- | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] |
| b. Highway Trust Fund..... | --- | --- | [8] | [8] | [8] | [8] | [8] | [8] | [8] | [8] | [8] | [8] | [8] | [8] | [8] | [8] |
| 5. Treatment of qualified alcohol fuel mixtures and qualified biodiesel fuel mixtures as taxable fuel.. | freosa 12/31/08 | --- | 15 | 6 | 7 | 8 | 4 | 3 | 3 | 3 | 3 | 3 | 36 | 40 | 52 | 55 |
| a. General Fund..... | --- | --- | -5 | -2 | -2 | -3 | -1 | -1 | -1 | -1 | -1 | -1 | -12 | -13 | -17 | -18 |
| b. Highway Trust Fund..... | --- | --- | 20 | 8 | 9 | 11 | 5 | 4 | 4 | 4 | 4 | 4 | 48 | 53 | 69 | 73 |
| 6. Calculation of volume of alcohol for fuel credits (denaturants limited to 2%)..... | fsoua 12/31/08 | --- | 47 | 70 | 21 | --- | --- | --- | --- | --- | --- | --- | 138 | 138 | 138 | 138 |
| a. General Fund..... | --- | --- | -16 | -23 | -7 | --- | --- | --- | --- | --- | --- | --- | -46 | -46 | -46 | -46 |
| b. Highway Trust Fund..... | --- | --- | 63 | 93 | 28 | --- | --- | --- | --- | --- | --- | --- | 184 | 184 | 184 | 184 |

| Provision | Effective | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2008-12 | 2008-13 | 2008-17 | 2008-18 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|--------------------------------------|-------|------|------|------|------|------|------|------|------|------|---------|---------|---------|---------|
| 7. Bulk transfer exception not to apply to finished gasoline..... | freosa 12/31/08 | --- | 612 | 17 | 20 | 17 | 16 | 15 | 16 | 17 | 18 | 18 | 666 | 682 | 748 | 766 |
| a. General Fund..... | --- | --- | -204 | -6 | -7 | -6 | -5 | -5 | -5 | -6 | -6 | -6 | -223 | -227 | -250 | -255 |
| b. Highway Trust Fund..... | --- | --- | 816 | 23 | 27 | 23 | 21 | 20 | 21 | 23 | 24 | 24 | 889 | 909 | 998 | 1,021 |
| 8. Increase excise tax rate to \$0.10 for the Oil Spill Liability Trust Fund (sunset 9/30/18)..... | [9] | --- | 258 | 262 | 265 | 269 | 270 | 272 | 273 | 274 | 275 | 276 | 1,054 | 1,325 | 2,418 | 2,697 |
| a. General Fund..... | --- | --- | -86 | -87 | -88 | -90 | -90 | -91 | -91 | -91 | -92 | -92 | -351 | -442 | -806 | -899 |
| b. Oil Spill Liability Trust Fund..... | --- | --- | 345 | 350 | 354 | 358 | 360 | 363 | 365 | 366 | 367 | 369 | 1,407 | 1,767 | 3,228 | 3,596 |
| 9. Tax treatment of certain inversion transactions..... | [10] | 13 | 92 | 100 | 108 | 116 | 126 | 136 | 146 | 155 | 163 | 172 | 429 | 555 | 1,155 | 1,327 |
| a. General Fund..... | --- | 13 | 92 | 100 | 108 | 116 | 126 | 136 | 146 | 155 | 163 | 172 | 429 | 555 | 1,155 | 1,327 |
| b. Highway Trust Fund..... | --- | ----- <i>No Effect</i> ----- | | | | | | | | | | | | | | |
| 10. Deny deduction for punitive damages..... | dpoio/a DOE | 2 | 34 | 30 | 31 | 32 | 33 | 34 | 35 | 36 | 37 | 38 | 129 | 162 | 304 | 341 |
| a. General Fund..... | --- | 2 | 34 | 30 | 31 | 32 | 33 | 34 | 35 | 36 | 37 | 38 | 129 | 162 | 304 | 341 |
| b. Highway Trust Fund..... | --- | ----- <i>No Effect</i> ----- | | | | | | | | | | | | | | |
| 11. Motor Fuel Tax Enforcement Advisory Commission..... | DOE | ----- <i>No Revenue Effect</i> ----- | | | | | | | | | | | | | | |
| a. General Fund..... | --- | ----- <i>No Revenue Effect</i> ----- | | | | | | | | | | | | | | |
| b. Highway Trust Fund..... | --- | ----- <i>No Effect</i> ----- | | | | | | | | | | | | | | |
| 12. Conform Highway Trust Fund provisions in the Code to include P.L. 110-56..... | DOE | ----- <i>No Revenue Effect</i> ----- | | | | | | | | | | | | | | |
| a. General Fund..... | --- | ----- <i>No Revenue Effect</i> ----- | | | | | | | | | | | | | | |
| b. Highway Trust Fund..... | --- | ----- <i>No Effect</i> ----- | | | | | | | | | | | | | | |
| Total of Revenue Effects | | 15 | 1,066 | 487 | 454 | 444 | 451 | 462 | 475 | 487 | 498 | 509 | 2,466 | 2,918 | 4,839 | 5,350 |
| B. General Fund and Trust Fund Effects | | | | | | | | | | | | | | | | |
| 1. General Fund..... | DOE | -3,701 | -507 | 11 | 34 | 48 | 62 | 72 | 83 | 92 | 100 | 110 | -4,115 | -4,051 | -3,706 | -3,594 |
| 2. Highway Trust Fund..... | DOE | 3,716 | 1,229 | 127 | 67 | 37 | 29 | 27 | 28 | 30 | 31 | 31 | 5,176 | 5,202 | 5,321 | 5,348 |
| 3. Oil Spill Liability Trust Fund..... | DOE | --- | 345 | 350 | 354 | 358 | 360 | 363 | 365 | 366 | 367 | 369 | 1,407 | 1,767 | 3,228 | 3,596 |
| Total of General Fund and Trust Fund Effects | | 15 | 1,066 | 487 | 454 | 444 | 451 | 462 | 475 | 487 | 498 | 509 | 2,466 | 2,918 | 4,839 | 5,350 |
| III. Additional Infrastructure Modifications and Revenue Provisions | | | | | | | | | | | | | | | | |
| A. Revenue Effects | | | | | | | | | | | | | | | | |
| 1. New York Liberty Zone restructuring; tax credit cap \$169 million per year (sunset existing provisions date of enactment, credit starts 1/1/09) [11]..... | DOE & pba 12/31/08 | 5 | -140 | 8 | -339 | -170 | -170 | -170 | -170 | -170 | -170 | -170 | -636 | -806 | -1,486 | -1,657 |
| 2. Permit governmental 457(b) plans to adopt accounts that accept elective deferrals that receive Roth treatment..... | tyba 12/31/08 | --- | 15 | 37 | 68 | 121 | 151 | 158 | 160 | 161 | 161 | 160 | 241 | 392 | 1,032 | 1,192 |
| 3. Increase information return penalties..... | irrtbfo/a 1/1/09 | --- | --- | 11 | 53 | 53 | 53 | 54 | 55 | 55 | 56 | 56 | 117 | 170 | 390 | 446 |

| Provision | Effective | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2008-12 | 2008-13 | 2008-17 | 2008-18 |
|------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|---------------|--------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|---------------|---------------|---------------|---------------|
| 4. Exempt from the Harbor Maintenance Tax non-bulk cargo loaded or unloaded at U.S. ports in the Great Lakes Saint Lawrence Seaway System..... | DOE | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] |
| a. General Fund..... | --- | [8] | [8] | [8] | [8] | [8] | [8] | [8] | [8] | [8] | [8] | [8] | [8] | [8] | [8] | [8] |
| b. Harbor Maintenance Trust Fund..... | --- | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] |
| 5. Railroad tax credit bonds (\$2.7 billion allocation)..... | bia 12/31/08 & bio/b 12/31/13 | --- | -3 | -8 | -39 | -88 | -130 | -145 | -141 | -130 | -119 | -108 | -138 | -268 | -803 | -911 |
| 6. Repeal suspension of certain interest and penalties where IRS fails to contact taxpayer..... | [12] | --- | 4 | 13 | 13 | 13 | 13 | 13 | 13 | 13 | 14 | 14 | 43 | 57 | 109 | 124 |
| 7. Denial of deduction for certain fines, penalties, and other amounts..... | generally apoio/a DOE | --- | 57 | 26 | 18 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 116 | 131 | 191 | 203 |
| 8. Impose mark-to-market and 10-year income inclusion rule on individuals who expatriate..... | [13] | 12 | 81 | 76 | 74 | 72 | 75 | 77 | 78 | 79 | 80 | 81 | 315 | 390 | 704 | 785 |
| Total of Revenue Effects | | 17 | 14 | 163 | -152 | 16 | 7 | 2 | 10 | 23 | 37 | 48 | 58 | 66 | 137 | 182 |
| B. General Fund and Trust Fund Effects | | | | | | | | | | | | | | | | |
| 1. General Fund..... | DOE | [8] | [8] | [8] | [8] | [8] | [8] | [8] | [8] | [8] | [8] | [8] | [8] | [8] | [8] | [8] |
| 2. Harbor Maintenance Trust Fund..... | DOE | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] |
| Total of General Fund and Trust Fund Effects | | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] |
| NET TOTAL OF REVENUE EFFECTS | | 32 | 1,227 | 864 | 530 | 702 | 712 | 730 | 760 | 802 | 843 | 882 | 3,355 | 4,070 | 7,202 | 8,083 |
| General Fund | | -3,701 | -556 | -60 | -42 | -32 | -23 | -17 | -9 | -6 | -3 | 2 | -4,391 | -4,411 | -4,449 | -4,444 |
| Airport and Airway Trust Fund | | --- | 196 | 285 | 305 | 321 | 340 | 354 | 368 | 388 | 410 | 433 | 1,107 | 1,447 | 2,967 | 3,400 |
| Leaking Underground Storage Tank Trust Fund | | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] |
| Highway Trust Fund | | 3,716 | 1,229 | 127 | 67 | 37 | 29 | 27 | 28 | 30 | 31 | 31 | 5,176 | 5,202 | 5,321 | 5,348 |
| Oil Spill Liability Trust Fund | | --- | 345 | 350 | 354 | 358 | 360 | 363 | 365 | 366 | 367 | 369 | 1,407 | 1,767 | 3,228 | 3,596 |
| Harbor Maintenance Trust Fund | | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] | [3] |
| NET TOTAL OF GENERAL FUND AND TRUST FUND EFFECTS ... | | 15 | 1,214 | 702 | 684 | 684 | 706 | 727 | 752 | 778 | 805 | 835 | 3,299 | 4,005 | 7,067 | 7,900 |

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding. Date of enactment is assumed to be June 1, 2008.

Changes to revenues credited to the Highway Account of the Highway Trust Fund would affect the calculation of Revenue Aligned Budget Authority ("RABA"), a type of Contract Authority, a mandatory form of budget authority.

[Legend and Footnotes for JCX-36-08 appear on the following page]

Legend and Footnotes for JCX-36-08:

Legend for "Effective" column:

apoio/a = amounts paid or incurred on or after

bia = bonds issued after

bio/b = bonds issued on or before

DOE = date of enactment

dpoio/a = damages paid or incurred on or after

freosa = fuel removed, entered, or sold after

fsoua = fuel sold or used after

pba = periods beginning after

ttpa = taxable transportation provided after

tyba = taxable years beginning after

- [1] The estimates do not include potential effects on direct spending that would be estimated by the Congressional Budget Office.
- [2] The provision is generally effective for fuel removed, entered, or sold after December 31, 2008. The floor stocks tax provision is effective January 1, 2009.
- [3] Loss of less than \$500,000.
- [4] The revenue estimate does not reflect any potential effects on PBGC premiums. Any effects on PBGC premiums will be provided by the Congressional Budget Office.
- [5] Effective as if included in section 402 of the "Pension Protection Act of 2006."
- [6] Negligible revenue effect.
- [7] Estimate provided by the Congressional Budget Office and should be considered preliminary.
- [8] Gain of less than \$500,000.
- [9] Effective for the first quarter that begins more than 60 days after the date of enactment.
- [10] Effective for taxable years beginning after the date of enactment, with respect to certain transactions substantially completed after March 20, 2002.
- [11] Estimate includes an increase in outlays of \$1,690 million for fiscal years 2008 through 2018.
- [12] Effective for IRS notices issued to taxpayers after November 25, 2007.
- [13] Generally effective for expatriations on or after the date of enactment. The tax on covered gifts and bequests is effective for gifts and bequests received on or after the date of enactment.