

ESTIMATED REVENUE EFFECTS OF THE "FINANCIAL FREEDOM ACT OF 1999,"
 SCHEDULED FOR MARKUP BY THE COMMITTEE ON WAYS AND MEANS BEGINNING ON JULY 13, 1999

Fiscal Years 1999 - 2009

[Millions of Dollars]

Provision	Effective	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	1999-04	1999-09
I. Family Tax Relief Provisions														
A. 10% Across-the-Board Income Tax Rate Cut - reduce regular income tax and AMT rates by: 2.5% for 2001 through 2004, 5.0% for 2005 through 2007, 7.5% in 2008, and 10% in 2009 and thereafter	tyba 12/31/00	---	---	-13,167	-19,360	-20,156	-21,131	-40,369	-50,237	-52,821	-76,361	-111,551	-73,814	-405,153
B. Marriage Penalty Relief														
1. Adjust the standard deduction for married couples filing joint returns to twice that of a single taxpayer; phase-in ratably over 3 years beginning in 2001	tyba 12/31/00	---	---	-1,266	-3,125	-5,153	-5,854	-5,713	-5,838	-5,976	-6,003	-5,599	-15,398	-44,527
2. Adjust student loan interest deduction income limits for married couples filing joint returns to twice that of a single taxpayer; repeal 60-month rule (for everyone) beginning in 2001	tyba 12/31/99	---	-36	-149	-173	-199	-231	-237	-239	-247	-253	-254	-787	-2,017
3. Increase the Roth IRA conversion income limit for married couples filing joint returns to \$160,000 beginning in 2000	tyba 12/31/99	---	205	536	370	89	-183	-374	-675	-547	-326	-90	1,018	-994
C. Repeal the Individual Minimum Tax - make permanent the present-law provision to allow nonrefundable personal credits fully, effective for 1999 and thereafter; repeal 90% limit on foreign tax credits effective for taxable years beginning after 12/31/01; phaseout the individual AMT by paying the following percent of AMT liability: 80% in 2003, 70% in 2004, 60% in 2005, 50% in 2006 and 2007; repeal in 2008; unused AMT credit carryovers as of repeal may be used to offset 90% of regular tax (repeal eliminates AMT marriage penalty)	tyba 12/31/98 & tyba 12/31/02	---	-980	-989	-1,348	-2,458	-4,158	-6,007	-8,388	-11,016	-18,798	-27,406	-9,933	-81,548
Total of Family Tax Relief Provisions		---	-811	-15,035	-23,636	-27,877	-31,557	-52,700	-65,377	-70,607	-101,741	-144,900	-98,914	-534,239
II. Savings and Investment Tax Relief Provisions														
1. Exclusion of interest and dividend income (\$200 joint returns)/\$100 (all others) for 2001 and 2002; \$400 (joint returns)/\$200 (all others) for 2003 and thereafter; apply to all interest and dividends (other than tax-exempt interest, capital gain dividends, cooperative patronage dividends, and ESOP dividends)	tyba 12/31/00	---	---	-353	-1,771	-2,083	-3,245	-3,315	-3,335	-3,428	-3,424	-3,064	-7,452	-24,018

Provision	Effective	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	1999-04	1999-09
2. Reduce individual capital gains rates from 20%/10% to 15%/7.5% (same assets and 1-year holding period as under present law); reduce recapture rate from 25% to 20%; 28% rate remains as under present law; repeal mark-to-market and 18%/8% rates for 5-year holding period	giiia 6/30/99 [1]	---	-731	-3,784	-5,804	-5,773	-5,828	-5,884	-5,978	-5,948	-5,953	-5,962	-21,920	-51,645
3. Reduce tax on capital gains of designated settlement funds to individual capital gains rates under the bill	tyba 12/31/99	---	-12	-59	-67	-75	-85	-96	-110	-123	-137	-153	-298	-917
4. Suspend 5-year holding period requirement relating to gain on sale of principal residence for members of the uniformed services and the foreign service serving outside the area in which the residence is located	sa DOE	---	-5	-12	-13	-13	-14	-14	-15	-15	-16	-16	-57	-133
5. Suspend 5-year holding period requirement (for a maximum of 5 years) relating to gain on sale of principal residence by employee who is sent out of the United States by an employer	sa DOE	---	-18	-26	-28	-29	-30	-31	-32	-33	-34	-35	-131	-296
6. Modify treatment of worthless securities of certain financial institutions	sbwi tyba 12/31/99	---	-8	-12	-12	-11	-11	-10	-10	-10	-10	-10	-58	-108
7. Clarify the tax treatment of income and losses from derivatives	DOE	---	[2]	1	1	1	1	1	1	1	1	1	4	9
Total of Savings and Investment Tax Relief Provisions		---	-774	-4,245	-7,694	-7,983	-9,212	-9,349	-9,479	-9,556	-9,573	-9,239	-29,912	-77,108
III. Business Investment and Job Creation Provisions														
1. Reduce tax on capital gains of corporations by 1% per year until maximum rate is 25%; apply same rate for all gains includible in income in the taxable year	tyba 12/31/99	---	-53	-200	-416	-710	-1,092	-1,570	-2,158	-2,864	-3,700	-4,681	-2,471	-17,444
2. Corporate AMT: repeal 90% limit on foreign tax credits, effective for taxable years beginning after 12/31/01; allow AMT credit carryovers to offset current year's minimum tax liability: 20% in 2003, 30% in 2004, 40% in 2005, 50% in 2006 and 2007; repeal in 2008; unused AMT credit carryovers after repeal may be used to offset 90% of regular tax	tyba 12/31/01	---	---	---	-138	-1,121	-2,024	-1,916	-1,517	-1,121	-2,037	-2,644	-3,283	-12,519
Total of Business Investment and Job Creation Provisions		---	-53	-200	-554	-1,831	-3,116	-3,486	-3,675	-3,985	-5,737	-7,325	-5,754	-29,963
IV. Education Tax Relief Provisions														
1. Education Savings Accounts (formerly "Education IRAs") - Increase the annual contribution limit to \$2,000; expand the definition of qualified education expenses to include elementary and secondary education expenses (and after-school programs); allow ESAs to be used for special needs beneficiaries; allow corporations and other entities to contribute to ESAs; allow contributions until April 15 of following year; and allow taxpayer to exclude ESA distribution from gross income and claim HOPE or Lifetime Learning credit as long as they are not used for same expenses	tyba 12/31/00	---	---	-46	-152	-230	-311	-394	-475	-566	-651	-726	-739	-3,552

Provision	Effective	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	1999-04	1999-09
2. Qualified Tuition Plans - Permit private institutions to establish tax-deferred prepaid tuition plans beginning in 2001; allow tax-free distributions from State plans beginning 2001 and tax-free distributions from private plans in 2004; permit one tax-free rollover every 12 months for benefit of same beneficiary; and allow taxpayer to exclude plan distributions from income and claim HOPE or Lifetime Learning credit as long as not used for same expenses	tyba 12/31/00	---	---	-11	-37	-56	-82	-114	-146	-181	-211	-239	-186	-1,078
3. Exclude from tax awards under the following programs: National Health Corps Scholarship program, beginning in 1994; F. Edward Hebert Armed Forces Health Professions Scholarship program, beginning in 1994; National Institutes of Health Undergraduate Scholarship Program, beginning in 1994; and similar State-sponsored scholarship programs, beginning in 2000	tyba 12/31/93 & tyba 12/31/99	---	-3	-3	-3	-3	-3	-4	-4	-4	-4	-5	-16	-36
4. Increase the school construction small issuer arbitrage rebate exception from \$10 million to \$15 million	cya 1999	---	[3]	-2	-4	-5	-13	-14	-14	-15	-16	-17	-25	-102
5. Provide new 4-year expenditure schedule for bonds for public school construction under the arbitrage rebate rules	bia 12/31/99	---	-13	-120	-236	-274	-292	-307	-310	-305	-300	-293	-935	-2,450
Total of Education Tax Relief Provisions.....		---	-16	-182	-432	-568	-701	-833	-949	-1,071	-1,182	-1,280	-1,901	-7,218
V. Health Care Tax Relief Provisions														
1. Provide an above-the-line deduction for health insurance expenses for which the taxpayer pays at least 50% of the premium, phased in as follows: 25% in 2001, 40% in 2002, 50% in 2003 through 2006, 75% in 2007, and 100% in 2008 and thereafter; for purposes of the 50% payment rule, all health plans of a single employer are combined; health insurance deduction does not apply to any month in which the taxpayer is enrolled in Medicare, Medicaid, Champus, VA, Indian Health Service, Children's Health Insurance or Federal Employees Health Benefits (non-COBRA) programs	tyba 12/31/00	---	---	-416	-1,567	-2,447	-3,035	-3,241	-3,460	-4,379	-6,834	-8,848	-7,466	-34,228
2. Provide an above-the-line deduction for long-term care insurance expenses for which the taxpayer pays at least 50% of the premium, phased in as follows 25% in 2001, 40% in 2002, 50% in 2003 through 2006, 75% in 2007, and 100% in 2008 and thereafter	tyba 12/31/00	---	---	-40	-306	-555	-745	-801	-857	-991	-1,573	-2,146	-1,646	-8,014
3. Allow long-term care insurance to be offered as part of cafeteria plans [4]	tyba 12/31/00	---	---	-99	-133	-137	-151	-173	-197	-218	-228	-247	-519	-1,582

Provision	Effective	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	1999-04	1999-09
4. Expand Medical Savings Accounts (MSAs): make the program permanent and repeal the 750,000 cap on taxpayer participation; allow any employer to offer MSAs to its employees; lower the minimum deductible to \$1,000 for individual coverage (\$2,000 for family coverage); allow MSA contributions equal to 100% of the deductible under the policy; allow both employer and employee contributions; allow MSAs to be part of a cafeteria plan	tyba 12/31/00	---	---	-109	-326	-370	-414	-458	-502	-546	-590	-634	-1,217	-3,947
5. Provide an additional dependency deduction to caretakers of elderly family members	tyba 12/31/99	---	-180	-276	-275	-283	-304	-324	-350	-394	-418	-428	-1,317	-3,231
6. Increase the time period for measuring eligible expenses qualifying for the orphan drug tax credit	eia 12/31/99	---	-5	-8	-9	-10	-10	-11	-12	-13	-14	-15	-42	-107
7. Include the Streptococcus Pneumoniae vaccine in the Federal vaccine insurance program; study of program	[5]	---	4	7	9	10	10	10	10	10	10	11	39	91
Total of Health Care Tax Relief Provisions		---	-181	-941	-2,607	-3,792	-4,649	-4,998	-5,368	-6,531	-9,647	-12,307	-12,168	-51,018
VI. Death Tax Relief Provisions														
1. Phase in repeal of estate, gift, and generation-skipping transfer taxes: beginning in 2001, convert the unified credit into a true exemption, repeal the 5% "bubble" (which phases out the lower rates and part of the unified credit), and repeal rates in excess of 50%; in 2002 through 2004, reduce all rates by 1 percentage point a year; in 2005 through 2008, reduce all rates by 2 percentage points a year but do not go below the lowest and highest income tax rates under the bill's broad-based income tax relief; for 2002 through 2008, proportionately reduce State tax credit rates; beginning in 2009, repeal all of these taxes; beginning in 2009, carryover basis applies to nonspouse transfers by gift or by death after 12/31/08; estates with total assets of fair market value of \$2 million or less and spouse transfers continue to receive step up in basis	dda & gma 12/31/00	---	---	---	-5,140	-6,142	-6,964	-7,901	-9,567	-11,266	-13,039	-15,238	-18,246	-75,257
2. Simplification of generation-skipping transfer tax rules	generally DOE	---	-3	-5	-7	-10	-10	-10	-10	-10	-10	-10	-35	-85
Total of Death Tax Relief Provisions		---	-3	-5	-5,147	-6,152	-6,974	-7,911	-9,577	-11,276	-13,049	-15,248	-18,281	-75,342
VII. Distressed Communities and Industries Provisions														
1. Designate 20 Renewal Communities; provide various incentives (zero capital gains tax on certain 5-year investments; special deduction for real estate revitalization expenditures; special expensing for certain business property; work opportunity tax credit; Brownfield remediation expenses; family development accounts) beginning 1/1/01 and ending 12/31/07 [6]	DOE	---	---	-130	-256	-293	-296	-308	-335	-426	-109	-18	-975	-2,172

Provision	Effective	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	1999-04	1999-09	
2. Provide that Federal farm production payments are taxable in the year of receipt (override constructive receipt if farmer has an election to take the payments in an earlier year)	DOE	----- Negligible Revenue Effect -----													
3. Allow 5-year carryback of oil and gas net operating losses	lii tyba 12/31/98	---	-46	-28	-24	-21	-20	-20	-21	-21	-22	-23	-139	-246	
4. Increase maximum reforestation expenses qualifying for amortization and credit from \$10,000 to \$25,000	epoii tyba 12/31/98	-4	-11	-13	-16	-18	-21	-23	-25	-25	-25	-26	-82	-206	
5. Allow steel manufacturers to use alternative minimum tax credit carryovers to reduce 90% of AMT liability	tyba 12/31/98	-18	-83	-36	-22	-13	-7	-4	-2	-1	[3]	[3]	-181	-187	
Total of Distressed Communities and Industries Provisions		-22	-140	-207	-318	-345	-344	-355	-383	-473	-156	-67	-1,377	-2,811	
VIII. Small Business Tax Relief Provisions															
1. Accelerate 100% self-employed health insurance deduction	tyba 12/31/99	---	-245	-1,007	-1,040	-657	---	---	---	---	---	---	-2,949	-2,949	
2. Increase section 179 expensing to \$30,000	tyba 12/31/99	---	-790	-880	-189	-95	2	-31	-90	-142	-157	-160	-1,954	-2,533	
3. Accelerate repeal of the FUTA surtax	yba 12/31/04	---	---	---	---	---	---	-1,029	-421	-21	1,058	413	---	---	
4. Restore 80% business meals deduction (excluding entertainment expenses) - increase 5 percentage points a year	tyba 12/31/04	---	---	---	---	---	---	-293	-899	-1,594	-2,376	-3,247	---	-8,409	
Total of Small Business Tax Relief Provisions		---	-1,035	-1,887	-1,229	-752	2	-1,353	-1,410	-1,757	-1,475	-2,994	-4,903	-13,891	
IX. International Competitiveness Provisions															
1. Allocate interest deduction on worldwide basis (including controlled foreign corporations)	tyba 12/31/01	---	---	---	-850	-2,722	-2,927	-3,146	-3,383	-3,636	-3,909	-4,202	-6,499	-24,775	
2. Accelerate look-through treatment for dividends of 10/50 companies and for separate basket excess credit carryovers	tyba 12/31/01	---	---	---	-116	-451	-172	-63	-32	-22	-17	-12	-739	-885	
3. Exception from subpart F treatment for certain pipeline transportation and electricity transmission income	tyba 12/31/01	---	---	---	-3	-10	-13	-15	-17	-20	-23	-25	-26	-126	
4. Recharacterize overall domestic loss	tyba 12/31/04	---	---	---	---	---	---	-206	-444	-471	-494	-529	---	-2,144	
5. Repeal FSC 50% limitation for military property	tyba 12/31/01	---	---	---	-45	-108	-121	-136	-153	-173	-194	-215	-274	-1,145	
6. Treatment of regulated investment companies	mf tyba 12/31/04	---	---	---	---	---	---	-82	-153	-162	-171	-182	---	-750	
7. Repeal special foreign tax credit rules for foreign oil and gas income	tyba 12/31/04	---	---	---	---	---	---	-351	-922	-1,024	-1,136	-1,259	---	-4,692	
8. Treasury study on treating the European Union as one country for purposes of same-country exceptions under subpart F	DOE	----- No Revenue Effect -----													
9. Authorize the President to waive the denial of the foreign tax credit under certain circumstances	DOE	----- No Revenue Effect -----													
10. Prohibit disclosure of advance pricing agreements (APAs) and related information; require the IRS to submit to Congress an annual report of such agreements; APA user fee	DOE	----- Negligible Revenue Effect -----													
11. Increase the section 911 exclusion by \$3,000 per year starting in 2003 until it reaches \$95,000; index for inflation in 2008, for inflation occurring after 2006	1/1/2003	---	---	---	---	-24	-48	-80	-107	-131	-155	-184	-72	-729	
Total of International Competitiveness Provisions		---	---	---	-1,014	-3,315	-3,281	-4,079	-5,211	-5,639	-6,099	-6,608	-7,610	-35,246	

Provision	Effective	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	1999-04	1999-09
X. Tax-Exempt Organization Provisions														
1. Provide a tax exemption for organizations created by a State to provide property and casualty insurance coverage for property for which such coverage is otherwise unavailable	tyba 12/31/99	---	-2	-4	-4	-4	-5	-5	-6	-7	-8	-8	-18	-53
2. Modify special provision for a permanent university fund	tyba 12/31/99	---	[3]	-1	-1	[3]	[3]	[2]	[3]	-1	[3]	[3]	-2	-3
3. Deny deduction and impose excise tax with respect to charitable split-dollar life insurance arrangements	[7]	----- Negligible Revenue Effect -----												
4. Authorize the Secretary of the Treasury to grant waivers from section 4941 prohibitions	DOE	----- Negligible Revenue Effect -----												
5. Extend declaratory judgement remedy to certain organizations seeking determinations of tax-exempt status	DOE	----- Negligible Revenue Effect -----												
6. Modify section 512(b)(13) to exempt income received by a tax-exempt organization from certain subsidiaries when fair market value pricing is used, excess of fair market value subject to UBIT and 20% penalty tax, and extension of transition relief for certain binding contracts	DOE & proaa 12/31/99	---	-7	-9	-11	-11	-11	-11	-12	-12	-12	-13	-49	-110
Total of Tax-Exempt Organization Provisions		---	-9	-14	-16	-15	-16	-16	-18	-20	-20	-21	-69	-166
XI. Real Estate Tax Relief Provisions														
1. Real estate investment provisions:														
a. Impose 10% vote or value test	tyba 12/31/00	---	---	2	8	8	8	9	9	9	10	10	26	73
b. Treatment of income and services provided by taxable REIT subsidiaries	tyba 12/31/00	---	---	60	158	53	23	-9	-45	-84	-127	-173	294	-145
c. Special foreclosure rule for health care REITs	tyba 12/31/00	----- Negligible Revenue Effect -----												
d. Conformity with RIC 90% distribution rules	tyba 12/31/00	---	---	1	1	1	1	1	1	1	1	1	3	5
e. Clarification of definition of independent operators for REITs	tyba 12/31/00	----- Negligible Revenue Effect -----												
f. Modification of earnings and profits rules	da 12/31/00	---	---	-6	-3	-3	-3	-4	-4	-4	-4	-4	-16	-35
2. Modify at-risk rules for publicly traded securities	diia 12/31/99	---	[3]	-2	-4	-5	-6	-8	-10	-12	-14	-16	-19	-78
3. Amend section 110 to eliminate 15-year limitation	apa 12/31/99	---	-8	-16	-22	-28	-34	-40	-42	-43	-44	-46	-108	-323
4. Amend section 118 to clarify the tax treatment of certain construction allowances or contributions received by retail operators	apa 12/31/99	---	-1	-2	-6	-10	-14	-18	-22	-27	-31	-36	-32	-166
Total of Real Estate Tax Relief Provisions		---	-9	37	132	16	-25	-69	-113	-160	-209	-264	148	-669
XII. Pension Reform Provisions														
A. Provisions for Expanding Coverage														
1. Increase contribution and benefit limits:														
a. Increase defined benefit dollar limit to \$160,000	yba 12/31/00	---	---	-18	-31	-40	-45	-48	-50	-53	-55	-57	-134	-396
b. Lower early retirement age to 62; lower normal retirement age to 65	yba 12/31/00	---	---	-3	-4	-4	-4	-5	-5	-5	-5	-5	-16	-40
c. Increase annual addition limitation for defined contribution plans to \$40,000 [8]	yba 12/31/00	---	---	-6	-11	-13	-14	-15	-16	-16	-17	-18	-44	-125
d. Increase qualified plan compensation limit to \$200,000 [8]	yba 12/31/00	---	---	-40	-69	-78	-83	-89	-95	-101	-107	-113	-270	-776

Provision	Effective	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	1999-04	1999-09	
e. Increase limitation on exclusion for elective deferrals to \$11,000 in 2001, \$12,000 in 2002, \$13,000 in 2003, \$14,000 in 2004, \$15,000 in 2005; index in \$500 increments thereafter [8]	yba 12/31/00	---	---	-127	-307	-454	-559	-630	-680	-726	-757	-781	-1,448	-5,021	
f. Increase limits on deferrals under deferred compensation plans of State-local governments and tax-exempt organizations to \$11,000 in 2001, \$12,000 in 2002, \$13,000 in 2003, \$14,000 in 2004, \$15,000 in 2005; index in \$500 increments thereafter (twice the dollar limit in 3 years before retirement) [8]	yba 12/31/00	---	---	-51	-90	-104	-115	-123	-130	-138	-143	-146	-360	-1,039	
g. Increase limitation on SIMPLE elective contributions to \$7,000 in 2001, \$8,000 in 2002, \$9,000 in 2003, \$10,000 in 2004; index in \$500 increments thereafter [8]	yba 12/31/00	---	---	-5	-14	-22	-27	-29	-29	-30	-32	-33	-67	-220	
2. Plan loans for subchapter S owners, partners, and sole proprietors	yba 12/31/00	---	---	-20	-30	-32	-35	-37	-39	-41	-44	-46	-117	-325	
3. Modification of top-heavy rules	yba 12/31/00	---	---	-3	-7	-9	-10	-11	-13	-14	-15	-17	-29	-99	
4. Elective deferrals not taken into account for purposes of deduction limits	yba 12/31/00	---	---	-38	-71	-81	-85	-89	-93	-97	-101	-104	-275	-759	
5. Reduce PBGC premium for new plans of small employers; additional PBGC premium relief for plans with 25 or fewer employees [9]	pea 12/31/00	---	---	---	[10]	[10]	[10]	[10]	[10]	[10]	[10]	[10]	-15	-40	
6. Phase-in of additional PBGC premium for new plans [9]	pea 12/31/00	---	---	---	-1	-1	-1	-2	-2	-2	-2	-2	-4	-12	
7. Repeal of coordination requirements for deferred compensation plans of State and local governments and tax-exempt organizations	yba 12/31/00	---	---	-16	-22	-22	-22	-22	-23	-24	-25	-26	-82	-202	
8. Elimination of user fee for determination requests regarding small employer pension plans [9]	rma 12/31/00	---	---	-17	-8	-8	-9	-9	-9	-9	---	---	-42	-69	
9. Definition of compensation for purposes of deduction limits [8]	yba 12/31/00	---	---	-1	-2	-3	-3	-3	-3	-3	-3	-3	-9	-24	
10. Option to treat elective deferrals as after-tax contributions	tyba 12/31/00	---	---	50	100	131	144	89	-2	-104	-218	-345	426	-155	
11. Increase minimum benefit under defined benefit plans from \$10,000 to \$40,000 in \$10,000 increments, and repeal limitation relating to defined contribution plans	yba 12/31/00	---	---	-2	-5	-7	-7	-7	-8	-8	-8	-8	-22	-61	
Subtotal of Provisions for Expanding Coverage		---	---	-297	-575	-750	-878	-1,033	-1,200	-1,374	-1,535	-1,707	-2,508	-9,363	
B. Provisions for Enhancing Fairness for Women															
1. Additional salary reduction catch-up contributions	yba 12/31/00	---	---	-60	-122	-109	-77	-65	-64	-66	-66	-66	-368	-694	
2. Equitable treatment for contributions of employees to defined contribution plans [8]	yba 12/31/00	---	---	-50	-75	-81	-87	-92	-97	-103	-107	-110	-294	-804	
3. Faster vesting of certain employer matching contributions	pyba 12/31/00	----- Negligible Revenue Effect -----													
4. Simplify and update the minimum distribution rules by modifying post-death distribution rules, reducing (to 10%) the excise tax on failures to make minimum distributions, and directing the Treasury to simplify and finalize regulations relating to the minimum distribution rules	yba 12/31/00	---	---	-118	-212	-239	-268	-297	-330	-366	-402	-441	-837	-2,673	

Provision	Effective	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	1999-04	1999-09
5. Clarification of tax treatment of division of section 457 plan benefits upon divorce	tdapma 12/31/00													
Subtotal of Provisions for Enhancing Fairness for Women		---	---	-228	-409	-429	-432	-454	-491	-535	-575	-617	-1,499	-4,171
C. Provisions for Increasing Portability for Participants														
1. Rollovers allowed among governmental section 457 plans, section 403(b) plans, and qualified plans	dma 12/31/00	---	---	-7	-11	-12	-12	-12	-13	-13	-13	-14	-41	-106
2. Rollovers of IRAs to workplace retirement plans	dma 12/31/00													
3. Rollovers of after-tax retirement plan contributions	dma 12/31/00													
4. Expand rollover opportunities for surviving spouses by providing that the surviving spouse may make a rollover into an employer plan, not just an IRA	dma 12/31/00													
5. Waiver of 60-day rule	dma 12/31/00													
6. Treatment of forms of qualified plan distributions	yba 12/31/00													
7. Rationalization of restrictions on distributions	da 12/31/00													
8. Purchase of service credit in governmental defined benefit plans	ta 12/31/00													
9. Employers may disregard rollovers for cash-out amounts	da 12/31/00													
Subtotal of Provisions for Increasing Portability for Participants		---	---	-7	-11	-12	-12	-12	-13	-13	-13	-14	-41	-106
D. Provisions for Strengthening Pension Security and Enforcement														
1. Phase-in repeal of 150% of current liability funding limit; extend maximum deduction rule	yba 12/31/00	---	---	-7	-21	-33	-36	-36	-38	-38	-39	-41	-98	-290
2. Missing plan participants	[11]													
3. Excise tax relief for sound pension funding	yba 12/31/00	---	---	-2	-3	-3	-3	-3	-3	-3	-3	-3	-11	-26
4. Notice of significant reduction in plan benefit accruals	pateo/a DOE													
Subtotal of Provisions for Strengthening Pension Security and Enforcement		---	---	-9	-24	-36	-39	-39	-41	-41	-42	-44	-109	-316
E. Provisions for Reducing Regulatory Burdens														
1. Repeal of multiple use test	yba 12/31/00													
2. Flexibility in nondiscrimination and line of business rules [12]	DOE													
3. Modification of timing of plan valuations	pyba 12/31/00													
4. Rules for substantial owner benefits in terminated plans [9]	noitta 12/31/00													
5. ESOP dividends may be reinvested without loss of dividend deduction	tyba 12/31/00	---	---	-19	-44	-56	-61	-63	-66	-69	-71	-74	-180	-523
6. Notice and consent period regarding distributions	yba 12/31/00													
7. Repeal transition rule relating to certain highly compensated employees	pyba 12/31/00	---	---	-2	-3	-3	-3	-3	-3	-4	-4	-4	-10	-28
8. Employees of tax-exempt entities [12]	DOE													
9. Treatment of employer-provided retirement advice	yba 12/31/00													
10. Provisions relating to plan amendments	DOE													
11. Pension plan reporting simplification [12]	DOE													
12. Model pension plans for small businesses [12]	DOE													
13. Intermediate sanctions [12]	DOE													
Subtotal of Provisions for Reducing Regulatory Burdens		---	---	-21	-47	-59	-64	-66	-69	-73	-75	-78	-190	-551
Total of Pension Reform Provisions		---	---	-562	-1,066	-1,286	-1,425	-1,604	-1,814	-2,036	-2,240	-2,460	-4,347	-14,507

Provision	Effective	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	1999-04	1999-09
XIII. Miscellaneous Provisions														
1. Tax exclusion for certain foster care payments	tyba 12/31/99	---	-6	-14	-21	-29	-37	-44	-52	-61	-70	-80	-106	-414
2. Tax exclusion for mileage reimbursements by public charities not in excess of standard business mileage rate	tyba 12/31/99	---	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	-1	-2
3. Repeal 0.1 cent per gallon LUST tax on railroads (10/1/99); consolidate Superfund and LUST trust funds; repeal 4.3-cents-per-gallon tax on railroad fuel and inland waterway fuel currently paid into the General Fund (10/1/03)	10/1/99 & 10/1/03	---	-2	-2	-2	-2	-117	-125	-128	-131	-134	-137	-125	-780
4. Repeal 10% excise tax on fishing tackle boxes [13]	30da DOE	---	-3	-3	-3	-3	-3	-3	-3	-3	-3	-3	-15	-30
5. Equalize the tax treatment of "clean fuel" vehicle and oversized electric vehicles	1/1/2000	---	[3]	[3]	[3]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[3]	[2]
6. Nuclear decommissioning costs: one-time transfer of non-qualified funds, with amortization over remaining useful life beginning in 2002; modify section 468A to eliminate cost of service requirement in determining nuclear decommissioning costs and clarify treatment of funds transfers	[14]	---	-24	-51	-89	-126	-128	-130	-131	-132	-132	-132	-418	-1,075
7. Accelerate increase private activity bond volume cap	cya 1999	---	-22	-89	-186	-277	-345	-384	-398	-387	-360	-331	-919	-2,779
8. Repeal 5-year limitations relating to life insurance companies filing a consolidated tax return with an affiliated group of nonlife insurance companies	tyba 12/31/04	---	---	---	---	---	---	-102	-206	-210	-214	-217	---	-949
9. Allow income from publicly traded partnerships to be qualifying income for regulated investment companies	mf tyba 12/31/00	---	---	-4	-9	-13	-17	-20	-23	-25	-28	-30	-43	-170
10. Exempt from tax distributions from Alaska Native Corporations to Alaska Native Settlement Trusts; income earned by the trust treated as under present law; distribution of principal to beneficiaries taxed as ordinary income	da 12/31/99	---	[3]	-1	-2	-2	-2	-2	-2	-1	-1	-1	-7	-13
11. Increase the Joint Committee on Taxation refund review threshold from \$1 million to \$2 million	DOE	----- Negligible Revenue Effect -----												
12. Tax Court provisions [9]	DOE	----- Negligible Revenue Effect -----												
13. Modification to Form W-2 to report employer's share of Social Security and Medicare taxes	cya 1999	----- No Revenue Effect -----												
Total of Miscellaneous Provisions		---	-57	-164	-312	-452	-649	-810	-943	-950	-942	-931	-1,634	-6,212
XIV. Extension of Expired and Expiring Provisions														
1. Research credit, and increase in AIC rates by 1 percentage point (through 6/30/04)	tyba 6/30/99	---	-1,657	-1,853	-2,226	-2,537	-2,238	-1,340	-707	-433	-127	---	-10,510	-13,115
2. Exemption from Subpart F for active financing income (through 12/31/04)	tybi 2000	---	-187	-827	-992	-1,190	-1,369	-1,156	---	---	---	---	-4,565	-5,721
3. Suspension of 100% net income limitation for marginal properties (through 12/31/04)	tyba 12/31/99	---	-23	-35	-36	-36	-37	-13	---	---	---	---	-167	-180
4. Work opportunity tax credit (through 6/30/01)	wpoifibwa 6/30/99	---	-229	-269	-207	-99	-37	-11	-2	---	---	---	-842	-854
5. Welfare-to-work tax credit (through 6/30/01)	wpoifibwa 6/30/99	---	-49	-67	-58	-31	-13	-4	-1	---	---	---	-218	-223
Total of Extension of Expired and Expiring Provisions		---	-2,145	-3,051	-3,519	-3,893	-3,694	-2,524	-710	-433	-127	---	-16,302	-20,093

Provision	Effective	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	1999-04	1999-09
XV. Revenue Offset Provisions														
1. Information reporting on cancellation of indebtedness by non-bank financial institutions	coda 12/31/99	---	---	7	7	7	7	7	7	7	7	7	28	63
2. Extension of IRS user fees (through 9/30/07) [9]	9/30/2003	---	---	---	---	---	50	53	56	59	---	---	50	218
3. Impose limitation on pre-funding of certain employee benefits	pma/a 6/9/99	22	93	141	147	149	140	129	118	105	90	74	693	1,209
4. Increase to 15% (from 10%) optional withholding rate for nonperiodic payments from deferred compensation plans	dma 12/31/99	---	51	1	1	1	1	1	1	1	1	1	54	58
5. Modify treatment of closely-held REITs, with incubator REIT exception	tyea 7/12/99	---	2	5	5	5	6	6	6	6	7	7	23	55
6. Prevent the conversion of ordinary income or short-term capital gains into income eligible for long-term capital gain rates	teio/a 7/12/99	---	15	45	47	49	51	54	58	62	66	70	207	517
7. Allow employers to transfer excess defined benefit plan assets to a special account for health benefits of retirees (through 9/30/09)	tmi tyba 12/31/00	---	---	19	38	39	40	41	42	42	43	44	136	348
8. Repeal installment method for most accrual basis taxpayers; adjust pledge rules	iseio/a DOE	---	477	677	406	257	72	8	21	35	48	62	1,889	2,063
Total of Revenue Offset Provisions		22	638	895	651	507	367	299	309	317	262	265	3,080	4,531
XVI. Tax Technical Correction Provisions														
<i>- No Revenue Effect -</i>														
NET TOTAL		---	-4,595	-25,561	-46,761	-57,738	-65,274	-89,788	-104,718	-114,177	-151,935	-203,379	-199,944	-863,952

ADDENDUM: TAX CUT TARGET (Updated as a Result of the July 1, 1999, Congressional Budget Office Revision)	---	-5,000	-29,000	-68,000	-45,000	-54,000	-70,000	-116,000	-141,000	-155,000	-182,000	-200,000	-864,000
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Joint Committee on Taxation

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

[Legend and Footnotes for JCX-43-99 appear on the following page]

Legend and Footnotes for JCX-43-99:

Legend for "Effective" column:

apa = amounts paid after
bia = bonds issued after
coda = cancellation of indebtedness after
cya = calendar years after
da = distributions after
dda = decedents dying after
diia = debt instruments issued after
dma = distributions made after
DOE = date of enactment
eia = expenses incurred after
epoii = expenses paid or incurred in
giiia = gains includible in income after
gma = gifts made after
iseio/a = installment sales entered into on or after
lil = losses incurred in
mf = mutual funds
noitta = notice of intent to terminate after
pateo/a = plan amendments taking effect on or after

pea = plans established after
pmo/a = payments made on or after
proaa = payments received or accrued after
pyba = plan years beginning after
rma = requests made after
sa = sales after
sbwi = stock becoming worthless in
ta = transfers after
tdapma = transfers, distributions, and payments made after
teio/a = transactions entered into on or after
tmi = transfers made in
tyba = taxable years beginning after
tybi = taxable years beginning in
tyea = taxable years ending after
wpoifibwa = wages paid or incurred for individuals beginning work after
yba = years beginning after
30da = 30 days after

- [1] Estimate assumes that effective date includes prior installment sales.
- [2] Gain of less than \$500,000.
- [3] Loss of less than \$500,000.
- [4] Estimate assumes concurrent enactment of the above-the-line deduction for health and long-term care insurance (item 1. under Health Care Tax Relief Provisions).
- [5] Effective for vaccine purchases the date after the date on which the Centers for Disease Control make final recommendation for routine administration of conjugated Streptococcus Pneumonia vaccines to children.
- [6] Estimate does not include outlay effects of renewal community provision.
- [7] Effective for transfers made after 2/8/99 and for premiums paid after the date of enactment.
- [8] Proposal includes interaction with other provisions in Provisions for Expanding Coverage.
- [9] Estimate provided by the Congressional Budget Office.
- [10] Loss of less than \$5 million.
- [11] Effective for distributions from terminating plans that occur after the PBGC has adopted final regulations implementing provision.
- [12] Directs the Secretary of the Treasury to modify rules through regulations.
- [13] The Congressional Budget Office estimates that this provision would reduce outlays by \$11 million from 1999 through 2004 and by \$32 million from 1999 through 2009.
- [14] Generally effective for taxable years beginning after 12/31/99. The provision relating to transfers of non-qualified funds is effective for taxable years beginning after 12/31/01.