

ESTIMATED REVENUE EFFECTS OF THE CHAIRMAN'S AMENDMENT IN THE NATURE OF A SUBSTITUTE FOR H.R. 1528,  
 THE "TAXPAYER PROTECTION AND IRS ACCOUNTABILITY ACT OF 2003"  
 SCHEDULED FOR MARKUP BY THE COMMITTEE ON WAYS AND MEANS ON APRIL 3, 2003

Fiscal Years 2003 - 2013

[Millions of Dollars]

Provision	Effective	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2003-08	2003-13
<b>I. Penalty and Interest Reform Provisions</b>														
1. Failure to pay estimated tax; increase safe harbor to \$1,600.....	etpm tyba 12/31/03	---	---	-64	-66	-68	-70	-72	-74	-77	-79	-81	-268	-651
2. Exclusion from gross income for interest on overpayments of income tax by individuals .....	iri cyba DOE	---	---	1,034	-103	-106	-109	-112	-116	-120	-125	-129	716	115
3. Abatement of interest .....	iao/a DOE	---	-1	-1	-1	-2	-2	-2	-3	-3	-3	-3	-7	-21
4. Deposits to stop the running of interest on potential underpayments .....	dma DOE	13	144	-5	-6	-6	-6	-6	-7	-7	-7	-7	134	101
5. Expansion of interest netting for individuals .....	iaa 12/31/03	---	[1]	-1	-1	-2	-2	-2	-3	-3	-3	-3	-6	-20
6. Waiver of certain penalties for first-time unintentional minor errors .....	after 12/31/03	---	-11	-16	-16	-16	-17	-17	-18	-19	-19	-20	-76	-169
7. Frivolous tax returns and submissions .....	[2]	1	3	3	3	3	3	3	3	3	3	3	16	31
8. Clarification of application of Federal tax deposit penalty .....	DOE	[1]	-5	-5	-5	-5	-5	-6	-6	-6	-6	-7	-27	-56
<b>Total of Penalty and Interest Reform Provisions .....</b>		<b>14</b>	<b>130</b>	<b>945</b>	<b>-195</b>	<b>-202</b>	<b>-208</b>	<b>-214</b>	<b>-224</b>	<b>-232</b>	<b>-239</b>	<b>-247</b>	<b>482</b>	<b>-670</b>
<b>II. Fairness of Collection Procedure Provisions</b>														
1. Authorize IRS to enter into installment agreements that provide for partial payment .....	iaeio/a DOE	8	40	14	5	[3]	[3]	[3]	[3]	[3]	[3]	[3]	61	63
2. Extend time limit for contesting IRS levy .....	DOE	---	-1	-2	-3	-3	-3	-3	-4	-4	-4	-4	-12	-31
3. Individuals held harmless on Improper Levy on individual retirement plan.....	arttta 12/31/03	----- Negligible Revenue Effect -----												
4. Place threshold on tolling of statute of limitations during review by Taxpayer Advocate Service .....	DOE	----- Negligible Revenue Effect -----												
5. Study of liens and levies .....	1ya DOE	----- No Revenue Effect -----												
<b>Total of Fairness of Collection Procedure Provisions .....</b>		<b>8</b>	<b>39</b>	<b>12</b>	<b>2</b>	<b>-3</b>	<b>-3</b>	<b>-3</b>	<b>-4</b>	<b>-4</b>	<b>-4</b>	<b>-4</b>	<b>49</b>	<b>32</b>
<b>III. Tax Administration Reform Provisions</b>														
1. Revisions relating to termination of employment of IRS employees for misconduct.....	DOE	----- Negligible Revenue Effect -----												
2. Confirmation of tax court authority to apply equitable recoupment .....	[4]	----- No Revenue Effect -----												
3. Jurisdiction of Tax Court over collection due process cases.....	afa DOE	----- Negligible Revenue Effect -----												
4. Office of Chief Counsel Review of offers-in-compromise .....	oicsopo/a DOE	----- No Revenue Effect -----												
5. Extend the due date for electronically filed returns by 15 days (sunset 12/31/07) .....	tyba 12/31/02	----- No Revenue Effect -----												
6. Access of National Taxpayer Advocate to independent legal counsel.....	DOE	----- No Revenue Effect -----												

Provision	Effective	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2003-08	2003-13
7. Payment of motor fuel excise tax refunds by direct deposit.....	DOE	----- Negligible Revenue Effect -----												
8. Family business tax simplification.....	tyba 12/31/02	----- Negligible Revenue Effect -----												
9. Consumer options under the refundable credit health insurance costs of TAA and PBGC recipients [5].....	mba DOE & before 1/1/06	-4	-40	-45	-11	---	---	---	---	---	---	---	-100	-100
10. Suspension of tax-exempt status of terrorist organizations.....	[6]	----- Negligible Revenue Effect -----												
<b>Total of Tax Administration Reform Provisions .....</b>		<b>-4</b>	<b>-40</b>	<b>-45</b>	<b>-11</b>	<b>[7]</b>	<b>[7]</b>	<b>[7]</b>	<b>[7]</b>	<b>[7]</b>	<b>[7]</b>	<b>[7]</b>	<b>-100</b>	<b>-100</b>
<b>IV. Confidentiality and Disclosure Provisions</b>														
1. Collection activities with respect to a joint return disclosable based on oral request .....	rma DOE	----- No Revenue Effect -----												
2. Taxpayer representatives not subject to examination on sole basis of representation of taxpayers.....	180da DOE	----- No Revenue Effect -----												
3. Disclosure in judicial or administrative tax proceedings of return and return information of persons who are not party to such proceedings .....	pca DOE	----- No Revenue Effect -----												
4. Prohibition of disclosure of taxpayer identification information with respect to disclosure of accepted offers-in-compromise .....	Dma DOE	----- No Revenue Effect -----												
5. Compliance by contractors with confidentiality safeguards .....	Dma 12/31/03	----- No Revenue Effect -----												
6. Higher standards for requests for and consents to disclosure .....	racma 3ma DOE	----- No Revenue Effect -----												
7. Notice to taxpayer concerning administrative determination of browsing; annual report .....	DOE & cyea DOE	----- No Revenue Effect -----												
8. Expanded disclosure in emergency circumstances.....	DOE	----- No Revenue Effect -----												
9. Disclosure of taxpayer identity for tax refund purposes .....	DOE	----- No Revenue Effect -----												
10. Disclosure to State officials relating to section 501(c)(3) organizations.....	DOE	----- No Revenue Effect -----												
11. Enhanced confidentiality of taxpayer communications with the Office of the Taxpayer Advocate.....	DOE	----- Negligible Revenue Effect -----												
<b>Total of Confidentiality and Disclosure Provisions .....</b>		<b>[7]</b>	<b>[7]</b>	<b>[7]</b>	<b>[7]</b>	<b>[7]</b>	<b>[7]</b>	<b>[7]</b>	<b>[7]</b>	<b>[7]</b>	<b>[7]</b>	<b>[7]</b>	<b>[7]</b>	<b>[7]</b>
<b>V. Miscellaneous Provisions</b>														
1. Clarification of definition of church tax inquiry .....	DOE	----- No Revenue Effect -----												
2. Expansion of declaratory judgment procedures to non-501(c)(3) tax-exempt organizations .....	[8]	----- Negligible Revenue Effect -----												
3. Employee misconduct report to include summary of complaints by category .....	rpea DOE	----- No Revenue Effect -----												
4. Annual report on awards of costs and certain fees in administrative and court proceedings .....	[9]	----- No Revenue Effect -----												
5. Annual report on abatement of penalties .....	[10]	----- No Revenue Effect -----												
6. Better means of communicating with taxpayers .....	[11]	----- No Revenue Effect -----												
7. Information regarding statute of limitations .....	[12]	----- No Revenue Effect -----												
8. Amendment to treasury auction reforms [13] .....	mha DOE	----- No Revenue Effect -----												
9. Enrolled agents .....	DOE	----- No Revenue Effect -----												

Provision	Effective	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2003-08	2003-13
10. Allow the Financial Management Service to retain transaction fees from levied amounts [13] .....	DOE	----- No Revenue Effect -----												
11. Extension of IRS user fees (through 9/30/13) [13].....	DOE	---	33	34	35	36	38	39	41	42	44	45	176	386
<b>Total of Miscellaneous Provisions</b> .....		<b>[7]</b>	<b>33</b>	<b>34</b>	<b>35</b>	<b>36</b>	<b>38</b>	<b>39</b>	<b>41</b>	<b>42</b>	<b>44</b>	<b>45</b>	<b>176</b>	<b>386</b>
<b>VI. Low-Income Taxpayer Clinics [13]</b> .....	<b>DOE</b>	----- No Revenue Effect -----												
<b>VII. Federal-State Unemployment Assistance Agreements [13] [14]</b> .....	<b>5/25/03</b>	----- No Revenue Effect -----												
<b>NET TOTAL</b> .....		<b>18</b>	<b>162</b>	<b>946</b>	<b>-169</b>	<b>-169</b>	<b>-173</b>	<b>-178</b>	<b>-187</b>	<b>-194</b>	<b>-199</b>	<b>-206</b>	<b>607</b>	<b>-352</b>

Joint Committee on Taxation

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

Legend for "Effective" column:

afa = appeals filed after  
 arttta = amounts returned to the taxpayer after  
 cyba = calendar years beginning after  
 cyea = calendar years ending after  
 DOE = date of enactment  
 dma = distributions made after  
 Dma = disclosures made after  
 etpm = estimated tax payments made

iaa - interest accrued after  
 iaeio/a = installment agreements entered into on or after  
 iao/a = interest accruing on or after  
 iri = interest received in  
 mba = months beginning after  
 mha = meetings held after  
 pca = proceedings commenced after

racma = requests and consents made after  
 rma = requests made after  
 rpea = reporting periods ending after  
 tyba = taxable years beginning after  
 3ma = three months after  
 1ya = one year after  
 180da = 180 days after

- [1] Loss of less than \$500,000.
- [2] Provision effective for submissions made and issues raised after the date on which the Secretary first prescribes the required lists.
- [3] Gain of less than \$500,000.
- [4] The proposal would be effective for any action or proceeding in the Tax Court with respect to which a decision has not become final as of the date of enactment.
- [5] Estimate includes total outlays of \$43 million in fiscal years 2003 through 2013.
- [6] Effective for organizations that are designated or identified as a terrorist organization before, on, or after the date of enactment.
- [7] Negligible revenue effect.
- [8] The extension of the declaratory judgment procedures to organizations other than section 501(c)(3) organizations would be effective for pleadings with respect to determinations made after the date of enactment.
- [9] The first annual report would be required for fiscal year 2004. The reports must be published no later than three months following the close of the fiscal year.
- [10] The first annual report would be required for fiscal year 2004. The reports must be provided to the Congress no later than six months following the close of the fiscal year.
- [11] The report must be issued no later than 18 months after the date of enactment.
- [12] The revisions to Publication 1 would be required to be made as soon as practicable, but not later than 180 days after the date of enactment. The revisions to the Form 1040 instructional packages would be required to be made for instructions for taxable years beginning after December 31, 2002.
- [13] Estimate provided by Congressional Budget Office.
- [14] Although Congressional Budget Office estimates that this provision would result in increased outlays for TEUC of \$20 million in 2003, these costs were already reflected in Congressional Budget Office's original scoring of P.L. 108-1, and are in the March 2003 Congressional Budget Office baseline. Congressional Budget Office estimates that there would be no cost relative to those already reflected in baseline.