

COMPARISON OF ESTIMATED BUDGET EFFECTS OF H.R. 1836 [1]
 AS PASSED BY THE HOUSE AND THE SENATE

Fiscal Years 2001 - 2011

[Millions of Dollars]

Provision	Effective	H.R. 1836, as Passed by the House								H.R. 1836, as Passed by the Senate							
		2001	2002	2003	2004	2005	2006	2001-06	2001-11	2001	2002	2003	2004	2005	2006	2001-06	2001-11
Marginal Rate Reduction Provisions																	
1. Create new 10% bracket for the first \$6,000 of taxable income for singles, first \$10,000 for heads of households, and first \$12,000 for married couples; no indexing bracket for inflation until 2007; (H) rate set at 12% in 2001 and 2002, 11% in 2003 through 2005, and 10% in 2006; (S) sunset 9/30/11	tyba 12/31/00	-5,642	-35,726	-29,955	-32,448	-32,349	-37,852	-173,972	-383,175	-9,359	-59,158	-40,223	-40,336	-40,201	-40,203	-229,480	-431,123
2. Reduce the various income tax rates (H) (39.6% rate reduced to 38% in 2002, 37% in 2003, 36% in 2004, 35% in 2005 and 33% in 2006; 36% rate reduced to 35% in 2002 and 2003, 34% in 2004 and 2005, and 33% in 2006; 31% rate reduced to 30% in 2002, 29% in 2003, 28% in 2004, 27% in 2005, and 25% in 2006; and 28% rate reduced to 27% in 2002 and 2003, 26% in 2004 and 2005, and 25% in 2006); repeal the AMT offset to refundable tax credits; (S) (39.6% rate reduced to 38.6% in 2002 through 2004, 37.6% in 2005 through 2006, and 36% in 2007 and thereafter; 36% rate reduced to 35% in 2002 through 2004, and 34% in 2005 through 2006, and 33% in 2007 and thereafter; 31% rate reduced to 30% in 2002 through 2004, and 29% in 2005 through 2006, and 28% in 2007 and thereafter; 28% rate reduced to 27% in 2002 through 2004, and 26% in 2005 through 2006, and 25% in 2007 and thereafter); sunset 9/30/11	tyba 12/31/01	---	-13,405	-24,395	-38,350	-48,538	-65,125	-189,813	-575,070	---	-11,718	-17,237	-17,754	-29,956	-35,888	-112,553	-382,680
3. Increase starting point of "Pease" cutback on itemized deductions to the personal exemption phaseout level; sunset 9/30/11	tyba 12/31/08	----- No Provision -----								---	---	---	---	---	---	---	-2,151
4. Repeal the phaseout of personal exemptions; sunset 9/30/11	tyba 12/31/08	----- No Provision -----								---	---	---	---	---	---	---	-8,074
Total of Marginal Rate Reductions Provisions		-5,642	-49,131	-54,350	-70,798	-80,887	-102,977	-363,785	-958,245	-9,359	-70,876	-57,460	-58,090	-70,157	-76,091	-342,033	-824,028
Increase the Child Tax Credit From \$500 to \$600 in 2001 through 2003, \$700 in 2004 through 2006, \$800 in 2007 through 2009, \$900 in 2010, and \$1,000 in 2011 and Thereafter; Make Refundable up to Greater of 15% of Earned Income in Excess of \$10,000 or Present Law; Refundable Child Credit Does Not Count for Eligibility for Means-Tested Program [6]; Allow Credit Permanently Against the AMT; Repeal AMT Offset of Refundable Credits; Sunset 9/30/11	DOE & tyba 12/31/00	----- No Provision -----								-583	-10,438	-11,071	-12,711	-17,187	-18,278	-70,268	-193,032
Marriage Penalty Relief Provisions (Sunset 9/30/11)																	
1. Standard deduction set at 2 times single for married filing jointly, phased in over 5 years beginning in 2005	tyba 12/31/04	----- No Provision -----								---	---	---	---	-687	-2,190	-2,877	-18,004

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		2001	2002	2003	2004	2005	2006	2001-06	2001-11	2001	2002	2003	2004	2005	2006	2001-06	2001-11
2. 15% rate bracket set at 2 times single for married filing jointly, phased in over 5 years beginning in 2005	tyba 12/31/04	----- No Provision -----								---	---	---	---	-1,850	-5,802	-7,652	-31,743
3. EIC Modification and Simplification - \$3,000 increase in joint returns beginning and ending income level for phaseout beginning in 2002 and indexed thereafter; simplify definition of earned income; use AGI instead of modified AGI; conform definition of qualifying child and tie-breaker rules to those in JCT simplification study; and allow math error procedure with Federal Case registry data beginning in 2004 [2]	tyba 12/31/01	----- No Provision -----								---	-21	-2,088	-2,571	-2,567	-2,565	-9,812	-22,456
Total of Marriage Penalty Relief Provisions (Sunset 9/30/11)		---	---	---	---	---	---	---	---	---	-21	-2,088	-2,571	-5,104	-10,557	-20,341	-72,203
Education Provisions (Sunset 9/30/11)																	
1. Education IRAs - increase the annual contribution limit to \$2,000; allow education IRA contributions for special needs beneficiaries above the age of 18; allow corporations and other entities to contribute to education IRAs; allow contributions until April 15 of the following year; allow a taxpayer to exclude Ed IRA distributions from gross income and claim the HOPE or Lifetime Learning credits as long as they are not used for the same expenses; repeal excise tax on contributions made to education IRA when contribution made by anyone on behalf of same beneficiary to QTP; modify phaseout range for married taxpayers; allow tax-free expenditures for elementary and secondary school expenses	tyba 12/31/01	----- No Provision -----								---	-203	-365	-460	-560	-666	-2,253	-7,351
2. Qualified Tuition Plans - tax-free distributions from State plans; allow private institutions to offer prepaid tuition plans, tax-deferred in 2002, with tax-free distributions beginning in 2004; allow a taxpayer to exclude QTP distributions from gross income and claim the HOPE or Lifetime Learning credits as long as they are not used for the same expenses; expand definition of family member to include cousins; allow tax-free distributions for actual living expenses	tyba 12/31/01	----- No Provision -----								---	-24	-53	-81	-111	-141	-410	-1,553
3. Employer Provided Assistance - permanently extend the exclusion for undergraduate courses and graduate level courses	cba 12/31/01	----- No Provision -----								---	-519	-720	-760	-804	-852	-3,656	-8,725
4. Student loan interest - eliminate the 60-month rule; increase phaseout ranges to \$50,000-\$65,000 single/\$100,000-\$130,000 joint; indexed for inflation after 2002	ipa 12/31/01	----- No Provision -----								---	-170	-245	-262	-277	-289	-1,243	-2,937
5. Eliminate the tax on awards under the National Health Corps Scholarship program and F. Edward Hebert Armed Forces Health Professions Scholarship program	tyba 12/31/01	----- No Provision -----								---	-1	-1	-1	-1	-1	-5	-9
6. Increase arbitrage rebate exception for governmental bonds used to finance qualified school construction from \$10 million to \$15 million	bia 12/31/01	----- No Provision -----								---	[3]	-3	-5	-6	-11	-25	-110
7. Issuance of tax-exempt private activity bonds for qualified education facilities with annual State volume caps the greater of \$10 per resident or \$5 million	bia 12/31/01	----- No Provision -----								---	-5	-19	-38	-61	-88	-212	-1,163
8. Above-the-line deduction for qualified higher education expenses in 2002 through 2005	tyba 12/31/01	----- No Provision -----								---	-1,535	-2,063	-3,054	-3,408	-852	-10,912	-10,912

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		2001	2002	2003	2004	2005	2006	2001-06	2001-11	2001	2002	2003	2004	2005	2006	2001-06	2001-11	
9. \$500 credit for interest paid on higher education loans in 2009 through 2011	tyba 12/31/08	----- No Provision -----									---	---	---	---	---	---	---	-758
10. Ease rollover limitations on qualified tuition programs	DOE	----- No Provision -----									----- Negligible Revenue Effect -----							
11. Expand the definition of qualified elementary and secondary expenses to include the purchase of a computer, peripherals, software, and internet access for academic and educational use by a K-12 student	tyba 12/31/01	----- No Provision -----									---	[3]	[3]	-1	-1	-1	-3	-11
12. Permit exclusion from gross income for employer provided contributions to Education IRAs	tyba 12/31/01	----- No Provision -----									---	-94	-136	-159	-176	-190	-755	-1,928
13. Clarify coordination of various education-related exclusions with the deduction for higher education expenses	DOE	----- No Provision -----									----- Negligible Revenue Effect -----							
Total of Education Provisions (Sunset 9/30/11)		---	---	---	---	---	---	---	---	---	---	-2,551	-3,605	-4,821	-5,405	-3,091	-19,474	-35,457
Estate and Gift Provisions (Sunset 9/30/11)																		
1. Phase In Repeal of Estate and Generation-Skipping Transfer Taxes - beginning in 2002, repeal the 5% "bubble" (which phases out the lower rates) and repeal rates in excess of 50%; in 2003, repeal rates in excess of 49%, in 2004 in excess of 48%, in 2005 in excess of 47%, in 2006 in excess of 46%, and in 2007 through 2010 in excess of 45%; reduce State tax credit rates by 50% in 2002, 55% in 2003, 56% in 2004, and repeal in 2005; increase the unified credit to \$1 million in 2002 and 2003, \$2 million in 2004, \$3 million in 2005 through 2008, \$3.5 million in 2009, and \$4 million in 2010 (lifetime gift exclusion remains at \$1 million); repeal section 2057 in 2004; repeal estate and generation-skipping transfer taxes in 2011; retain gift tax in 2011 and thereafter with \$1 million lifetime gift exclusion at 40% gift tax rate; carryover basis applies to transfers at death after 12/31/10 of assets fully owned by decedents, except: (1) \$1.3 million of additional basis and certain loss carryforwards of the decedent are allowed to be added to carryover basis, and (2) an additional \$3 million of basis is allowed to be added to carryover basis of assets going to surviving spouse; certain reporting requirements on bequests	dda & gma 12/31/01	----- No Provision -----									---	---	-3,245	-3,407	-11,943	-13,873	-32,468	-132,776
2. Expand Availability of Estate Tax Exclusion for Conservation Easements - repeal the 25-mile and 10-mile limits, and clarify the date for determining easement compliance	dda 12/31/00	----- No Provision -----									---	-3	-19	-28	-29	-30	-109	-292
3. Modifications to Generation-Skipping Transfer Tax Rules -																		
a. Deemed allocation of the generation-skipping transfer tax exemption to lifetime transfers to trusts that are not direct skips	ta 12/31/00	----- No Provision -----									---	-1	-3	-4	-4	-4	-16	-36
b. Retroactive allocation of the generation-skipping tax exemption	generally 12/31/00	----- No Provision -----									---	-1	-4	-6	-6	-6	-23	-53
c. Severing of trusts holding property having an inclusion ratio of greater than zero	---	----- No Provision -----									----- Included in Item 3.b. -----							
d. Modification of certain valuation rules	---	----- No Provision -----									----- Included in Item 3.b. -----							
e. Relief from late elections	---	----- No Provision -----									----- Included in Item 3.b. -----							
f. Substantial compliance	---	----- No Provision -----									----- Included in Item 3.b. -----							

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		2001	2002	2003	2004	2005	2006	2001-06	2001-11	2001	2002	2003	2004	2005	2006	2001-06	2001-11
4. Expand Availability of Installment Payment Relief Under Section 6166 to:																	
a. Qualified lending and finance business interests	dda 12/31/01	----- No Provision -----								---	---	-103	-84	-64	-43	-295	-413
b. Certain holding company stock	dda 12/31/01	----- No Provision -----								---	---	-171	-140	-107	-72	-491	-688
5. Waiver of statute of limitations for refunds of recapture of estate tax under section 2032A	DOE	----- No Provision -----								---	-100	-25	---	---	---	-125	-125
Total of Estate and Gift Provisions (Sunset 9/30/11)		---	---	---	---	---	---	---	---	---	-105	-3,570	-3,669	-12,153	-14,028	-33,527	-134,383
Pension and IRA Provisions (Generally Sunset 9/30/11)																	
Individual Retirement Arrangement Provisions																	
1. Modification of IRA Contribution Limits - increase the maximum contribution limit for traditional and Roth IRAs to: \$2,500 in 2002 through 2005, \$3,000 in 2006 and 2007, \$3,500 in 2008 and 2009, \$4,000 in 2010, \$5,000 in 2011	tyba 12/31/01	----- No Provision -----								---	-191	-441	-549	-662	-992	-2,835	-13,928
2. IRA Catch-Up Contributions - increase maximum contribution limits for traditional and Roth IRAs for individuals age 50 and above by \$500 in 2002, \$1,000 in 2006, \$1,500 in 2010, and \$2,000 in 2011	tyba 12/31/01	----- No Provision -----								---	-73	-161	-186	-212	-301	-934	-2,908
3. Deemed IRAs under employee plans	pyba 12/31/02	----- No Provision -----								----- Negligible Revenue Effect -----							
4. Allow tax-free withdrawals from IRAs for charitable purposes	tyba 12/31/09	----- No Provision -----								---	---	---	---	---	---	---	-826
Total of Individual Retirement Arrangement Provisions		---	---	---	---	---	---	---	---	---	-264	-602	-735	-874	-1,293	-3,769	-17,662
Provisions for Expanding Coverage																	
1. Increase contribution and benefit limits:																	
a. Increase limitation on exclusion for elective deferrals to: \$11,000 in 2002 and increase by \$500 each year thereafter until \$15,000 in 2010; index thereafter [4] [5]	yba 12/31/01	----- No Provision -----								---	---	---	-116	-175	-194	-485	-2,754
b. Increase limitation on SIMPLE elective contributions to: \$7,000 in 2002 and 2003, \$8,000 in 2004 and 2005, \$9,000 in 2006 and 2007, and \$10,000 in 2008; index thereafter [4] [5]	yba 12/31/01	----- No Provision -----								---	-10	-15	-25	-30	-39	-119	-406
c. Increase defined benefit dollar limit to: \$150,000 in 2002 through 2004, \$160,000 in 2005, and index thereafter	yba 12/31/01	----- No Provision -----								---	-14	-25	-8	-20	-8	-75	-185
d. Lower early retirement age to 62; lower normal retirement age to 65	yba 12/31/01	----- No Provision -----								---	-3	-4	-4	-5	-5	-21	-47
e. Increase indexing on annual addition limitation for defined contribution plans in \$1,000 increments [4]	yba 12/31/01	----- No Provision -----								---	-4	-9	-12	-13	-6	-43	-105
f. Increase qualified plan compensation limit to \$180,000 in 2002, \$190,000 in 2003, \$200,000 in 2004 and 2005; index in \$5,000 increments thereafter [4]	yba 12/31/01	----- No Provision -----								---	---	-38	-57	-62	-46	-203	-439
g. Increase limits on deferrals under deferred compensation plans of State and local governments and tax-exempt organizations to: \$9,000 in 2002 and increase by \$500 each year thereafter until \$11,000 in 2006, then \$12,000 in 2007, \$13,000 in 2008, \$14,000 in 2009, and \$15,000 in 2010; index thereafter [4] [5]	yba 12/31/01	----- No Provision -----								---	-9	-16	-23	-27	-38	-112	-617
2. Plan loans for S corporation owners, partners, and sole proprietors	yba 12/31/01	----- No Provision -----								---	-21	-32	-34	-36	-39	-162	-395
3. Modification of top-heavy rules	yba 12/31/01	----- No Provision -----								---	-3	-6	-7	-8	-9	-32	-95
4. Elective deferrals not taken into account for purposes of deduction limits (25% in 2002 through 2010, and 100% in 2011 and thereafter	yba 12/31/01	----- No Provision -----								---	-20	-37	-43	-46	-50	-195	-561

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		2001	2002	2003	2004	2005	2006	2001-06	2001-11	2001	2002	2003	2004	2005	2006	2001-06	2001-11
5. Repeal of coordination requirements for deferred compensation plans of State and local governments and tax-exempt organizations [4]	yba 12/31/01	----- No Provision -----								---	-16	-28	-28	-27	-26	-126	-258
6. Elimination of user fee for certain requests regarding small employer pension plans with at least one non-highly compensated employee [6]	rma 12/31/01	----- No Provision -----								---	-5	-8	---	---	---	-13	-13
7. Definition of compensation for purposes of deduction limits [4]	yba 12/31/01	----- No Provision -----								---	-1	-3	-3	-3	-3	-14	-33
8. Increase stock bonus and profit sharing plan deduction limit from 15% to 25% [4]	tyba 12/31/01	----- No Provision -----								---	-25	-47	-55	-60	-64	-252	-602
9. Option to treat elective deferrals as after-tax Roth contributions	yba 12/31/03	----- No Provision -----								---	---	---	148	190	152	490	62
10. Nonrefundable credit to certain individuals for elective deferrals and IRA contributions (sunset 12/31/06)	tyba 12/31/01	----- No Provision -----								---	-1,036	-2,096	-1,963	-1,856	-1,746	-8,698	-9,987
11. Small business (20 or fewer employees) tax credit for new qualified retirement plan contributions - first 3 years of the plan	cpoi tyba 12/31/02	----- No Provision -----								---	---	-70	-185	-297	-351	-904	-2,822
12. Small business (100 or fewer employees) tax credit for new retirement plan expenses - first 3 years of the plan	[7]	----- No Provision -----								---	-3	-12	-21	-29	-29	-94	-225
13. Treatment of nonresident aliens engaged in international transportation services	tyba 12/31/01	----- No Provision -----								---	-2	-7	-7	-7	-8	-31	-71
Total of Provisions for Expanding Coverage		---	---	---	---	---	---	---	---	---	-1,172	-2,453	-2,443	-2,511	-2,509	-11,089	-19,553
Provisions for Enhancing Fairness for Women																	
1. Additional catch-up contributions for individuals age 50 and above - increase the otherwise applicable contribution limit by \$500 in 2002 through 2004, \$1,000 in 2005 and 2006, \$2,000 in 2007, \$3,000 in 2008, \$4,000 in 2009, and \$7,500 in 2010 and thereafter (nondiscrimination rules would not apply) [4]	tyba 12/31/01	----- No Provision -----								---	-62	-88	-87	-124	-120	-481	-1,075
2. Equitable treatment for contributions of employees to defined contribution plans (raise the 25% of compensation limit to 50% in 2002 through 2010, and 100% in 2011 and thereafter) [4]	yba 12/31/01	----- No Provision -----								---	-22	-41	-47	-51	-54	-214	-537
3. Faster vesting of certain employer matching contributions	cf pyba 12/31/01	----- No Provision -----								----- Negligible Revenue Effect -----							
4. Simplify and update the minimum distribution rules by modifying post-death distribution rules	yba 12/31/01	----- No Provision -----								---	[3]	-1	-1	-2	-2	-6	-18
5. Clarification of tax treatment of division of section 457 plan benefits upon divorce	tdapma 12/31/01	----- No Provision -----								----- Negligible Revenue Effect -----							
6. Modification of safe harbor relief for hardship withdrawals from 401(k) plans	yba 12/31/01	----- No Provision -----								----- Negligible Revenue Effect -----							
7. Waiver of tax on nondeductible contributions for domestic or similar workers	tyba 12/31/01	----- No Provision -----								---	[3]	[3]	-1	-2	-4	-8	-57
Total of Provisions for Enhancing Fairness for Women		---	---	---	---	---	---	---	---	---	-84	-130	-136	-179	-180	-709	-1,687
Provisions for Increasing Portability for Participants																	
1. Rollovers allowed among governmental section 457 plans, section 403(b) plans, and qualified plans	da 12/31/01	----- No Provision -----								---	27	-4	-4	-5	-5	10	-21
2. Rollovers of IRAs to workplace retirement plans	da 12/31/01	----- No Provision -----								----- Negligible Revenue Effect -----							
3. Rollovers of after-tax retirement plan contributions	dma 12/31/01	----- No Provision -----								----- Negligible Revenue Effect -----							
4. Waiver of 60-day rule	da 12/31/01	----- No Provision -----								----- Negligible Revenue Effect -----							
5. Treatment of forms of qualified plan distributions	yba 12/31/01	----- No Provision -----								----- Negligible Revenue Effect -----							
6. Rationalization of restrictions on distributions	da 12/31/01	----- No Provision -----								----- Negligible Revenue Effect -----							
7. Purchase of service credit in governmental defined benefit plans	ta 12/31/01	----- No Provision -----								----- Negligible Revenue Effect -----							

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		2001	2002	2003	2004	2005	2006	2001-06	2001-11	2001	2002	2003	2004	2005	2006	2001-06	2001-11
8. Employers may disregard rollovers for cash-out amounts	da 12/31/01	----- No Provision -----								----- Negligible Revenue Effect -----							
9. Minimum distribution and inclusion requirements for section 457 plans; modification of transition rules for existing 457 plans	da 12/31/01 and tyea DOE	----- No Provision -----								----- Considered in Other Provisions -----							
Total of Provisions for Increasing Portability for Participants		---	---	---	---	---	---	---	---	---	27	-4	-4	-5	-5	10	-21
Provisions for Strengthening Pension Security and Enforcement																	
1. Phase-in repeal of 160% of current liability funding limit; extend maximum deduction rule	pyba 12/31/01	----- No Provision -----								----- Negligible Revenue Effect -----							
2. Excise tax relief for sound pension funding	yba 12/31/01	----- No Provision -----								----- Negligible Revenue Effect -----							
3. Notice of significant reduction in plan benefit accruals	pateo/a DOE	----- No Provision -----								----- Negligible Revenue Effect -----							
4. Repeal 100% of compensation limit for multiemployer plans	yba 12/31/01	----- No Provision -----								----- Negligible Revenue Effect -----							
5. Modification of section 415 aggregation rules for multiemployer plans	tyba 12/31/01	----- No Provision -----								----- Negligible Revenue Effect -----							
6. Investment of employee contributions in 401(k) plans	aiii TRA'97	----- No Provision -----								----- Negligible Revenue Effect -----							
7. Prohibited allocations of stock in an ESOP S corporation	[8]	----- No Provision -----								----- Negligible Revenue Effect -----							
8. Automatic rollovers of certain mandatory distributions	dma 12/31/01	----- No Provision -----								----- Negligible Revenue Effect -----							
9. Clarification of treatment of contributions to multiemployer plans	yea DOE	----- No Provision -----								----- Negligible Revenue Effect -----							
Total of Provisions for Strengthening Pension Security and Enforcement		---	---	---	---	---	---	---	---	---	-6	-28	-64	-97	-106	-300	-788
Provisions for Reducing Regulatory Burdens																	
1. Modification of timing of plan valuations	pyba 12/31/01	----- No Provision -----								----- Negligible Revenue Effect -----							
2. ESOP dividends may be reinvested without loss of dividend deduction (25% in 2002 through 2004, 50% in 2005 through 2007, 75% in 2008 through 2010, and 100% in 2011 and thereafter)	tyba 12/31/01	----- No Provision -----								----- Negligible Revenue Effect -----							
3. Repeal transition rule relating to certain highly compensated employees	pyba 12/31/01	----- No Provision -----								----- Negligible Revenue Effect -----							
4. Employees of tax-exempt entities [9]	DOE	----- No Provision -----								----- Negligible Revenue Effect -----							
5. Treatment of employer-provided retirement advice	yba 12/31/01	----- No Provision -----								----- Negligible Revenue Effect -----							
6. Pension plan reporting simplification [9]	1/1/02	----- No Provision -----								----- Negligible Revenue Effect -----							
7. Improvement to Employee Plans Compliance Resolution System [9]	DOE	----- No Provision -----								----- Negligible Revenue Effect -----							
8. Repeal of multiple use test	yba 12/31/01	----- No Provision -----								----- Considered in Other Provisions -----							
9. Flexibility in nondiscrimination, coverage, and line of business rules [9]	DOE	----- No Provision -----								----- Negligible Revenue Effect -----							
10. Extension to all governmental plans of moratorium on application of certain nondiscrimination rules applicable to State and local government plans	yba 12/31/01	----- No Provision -----								----- Negligible Revenue Effect -----							
Total of Provisions for Reducing Regulatory Burdens		---	---	---	---	---	---	---	---	---	-7	-15	-18	-27	-36	-103	-386
ERISA Provisions																	
1. Missing plan participants [6]	[10]	----- No Provision -----								----- Negligible Revenue Effect -----							
2. Reduce PBGC premium for new plans of small employers [6]	pea 12/31/01	----- No Provision -----								----- Negligible Revenue Effect -----							
3. Phase-in of additional PBGC premium for new plans; include additional variable premium relief for small employers [6]	pea 12/31/01	----- No Provision -----								----- Negligible Revenue Effect -----							

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4. Authorization for PBGC to pay interest on premium overpayment refunds [6]	iafpbnet DOE	----- No Provision -----								---	-3	-3	-3	-3	-3	-15	-30
5. Rules for substantial owner benefits in terminated plans [6]	noitta 12/31/01	----- No Provision -----								---	[3]	[3]	[3]	[3]	[3]	-2	-3
Total of ERISA Provisions		---	---	---	---	---	---	---	---	---	-3	-13	-13	-13	-13	-54	-118
Miscellaneous Provision - Allow electing Alaska Native Settlement Trusts to tax income to the Trust not the beneficiaries [11]	[12]	----- No Provision -----								---	-4	-4	-3	-3	-3	-17	-35
Total of Pension and IRA Provisions (Generally Sunset 9/30/11)		---	---	---	---	---	---	---	---	---	-1,513	-3,249	-3,416	-3,709	-4,145	-16,031	-40,250
AMT Relief - Increase Exemption by \$2,000 (Single) and \$4,000 (Joint) in 2001 through 2006; Sunset 12/31/06	tyba 12/31/00	----- No Provision -----								-157	-2,170	-3,161	-4,120	-6,687	-10,513	-26,808	-34,096
Modification to Corporate Estimated Tax Requirements; Special Estimated Tax Rules for Certain 2001, 2004, and 2011 Corporate Estimated Tax Payments	DOE	----- No Provision -----								-23,045	23,045	---	-6,606	6,606	---	---	52,026
Expansion of Authority to Postpone Certain Tax Deadlines Due to Disaster (Sunset 9/30/11)	doa DOE	----- No Provision -----								---	[3]	[13]	[13]	[13]	[13]	[13]	[14]
Miscellaneous Provisions (Generally Sunset 9/30/11)																	
1. Adoption credit - increase the expense limit and the exclusion to \$10,000 for both non-special needs and special needs adoptions, make the credit independent of expenses for special needs adoptions, permanently extend the credit and the exclusion, increase the phase-out start point to \$150,000, index for inflation the expenses limit and the phase-out start point for both the credit and the exclusion, and allow the credit to apply to the AMT	tyba 12/31/01	----- No Provision -----								---	-51	-191	-252	-293	-325	-1,112	-3,135
2. Extend the present-law treatment of survivor annuities with respect to public safety officers killed in the line of duty to payments with respect to individuals dying on or before 12/31/96	bpi tyba 12/31/00	----- No Provision -----								-1	-7	-5	-5	-5	-4	-27	-46
3. Increase the self-employed health insurance deduction to 100% of health insurance expenses; extend deduction to non-participants in employer health plans	tyba 12/31/01	----- No Provision -----								---	-214	-641	[3]	[3]	[3]	-855	-855
4. \$500 above-the-line tax deduction for qualified professional development expenses of eligible teachers; sunset 12/31/05	tyba 12/31/01	----- No Provision -----								---	-120	-164	-168	-176	-43	-669	-669
5. \$250 nonrefundable tax credit for 50% of qualified education expenses or activities of eligible teachers; sunset 12/31/05	tyba 12/31/01	----- No Provision -----								---	-582	-781	-788	-796	-199	-3,147	-3,147
6. Exempt certain State or local political organizations from section 527 and 6012(a) reporting requirements	7/1/00	----- No Provision -----								[3]	-1	[3]	[3]	[3]	[3]	-2	-3
7. Provide an employer-provided child care credit of 25% for child care expenditures and 10% for child care resource and referral expenditures	tyba 12/31/01	----- No Provision -----								---	-48	-108	-129	-142	-156	-584	-1,525
8. Exclude from gross income certain payments made to Holocaust survivors or their heirs	aro/a 1/1/00	----- No Provision -----								---	---	-3	-3	-3	-3	-14	-31
9. Permanent extension of the R&E credit and an increase in the AIRC rates	epoia 6/30/04	----- No Provision -----								---	---	---	-608	-3,931	-5,117	-9,656	-47,841

Provision	Effective	H.R. 1836, as Passed by the House								H.R. 1836, as Passed by the Senate							
		2001	2002	2003	2004	2005	2006	2001-06	2001-11	2001	2002	2003	2004	2005	2006	2001-06	2001-11
10. Provide a tax credit for qualified vaccine research expenses	tyea DOE	----- No Provision -----								---	-75	-106	-137	-160	-171	-649	-1,547
11. Accelerate 20% wage credit for round II empowerment zones	[15]	----- No Provision -----								-10	-59	[3]	---	---	---	-69	-69
12. Charitable contributions of artistic works or books	cma DOE	----- No Provision -----								[3]	-3	-3	-4	-4	-5	-19	-50
13. Enhanced deduction for donations of book inventory to qualified schools, libraries, and literacy programs	cma DOE	----- No Provision -----								[3]	-9	-17	-19	-21	-23	-90	-246
14. Dependent care tax credit proposal - increase the credit rate to 40%, increase the eligible expenses to \$3,000 for one child and \$6,000 for two or more children (not indexed), and increase the start of the phase-out to \$20,000 of AGI	tyba 12/31/02	----- No Provision -----								---	---	-566	-730	-703	-665	-2,664	-5,413
15. Modify the treatment of bonds issued to acquire renewable resources on land subject to a conservation easement; sunset 12/31/04	oia 1/1/02	----- No Provision -----								---	-2	-9	-22	-33	-36	-102	-263
16. Exception from UBIT on debt-financed property for certain hospital support organizations	iiia 12/31/03	----- No Provision -----								---	---	---	-13	-25	-27	-64	-246
17. Above-the-line deduction for work expenses incurred by police, fire, and rescue personnel in the line of duty; sunset 12/31/06	tyba 12/31/01	----- No Provision -----								---	-58	-99	-104	-109	-172	-542	-612
18. Tax-exempt bond authority for treatment facilities reducing arsenic levels in drinking water	bia DOE	----- No Provision -----								[3]	[3]	[3]	[3]	[3]	[3]	-1	-3
19. Disclosure of tax information to facilitate combined employment tax reporting	DOE	----- No Provision -----								----- No Revenue Effect -----							
Total of Miscellaneous Provisions (Generally Sunset 9/30/11)		---	---	---	---	---	---	---	---	-11	-1,229	-2,693	-2,982	-6,401	-6,946	-20,266	-65,701
Transfer to Social Security and Medicare Trust Funds	tyba 12/31/00	----- No Revenue Effect -----								----- No Provision -----							
NET TOTAL [16] [17]		-5,642	-49,131	-54,350	-70,798	-80,887	-102,977	-363,785	-958,245	-33,155	-65,858	-86,897	-98,986	-120,197	-143,649	-548,749	-1,347,127

Joint Committee on Taxation

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

Legend for "Effective" column:

- aiii TRA'97 = as if included in the Taxpayer Relief Act of 1997
- aro/a = amounts received on or after
- bia = bonds issued after
- bpi = benefits paid in
- cba = courses beginning after
- cf = contributions for
- cma = contributions made after
- cpoii = contributions paid or incurred in
- bia = bonds issued after
- da = distributions after
- dda = decedents dying after

- doa = disasters occurring after
- dma = distributions made after
- DOE = date of enactment
- epoia = expenses paid or incurred after
- gma = gifts made after
- iafpbnet = interest accruing for periods beginning not earlier than
- iiia = indebtedness incurred after
- ipa = interest paid after
- noitta = notice of intent to terminate after
- oia = obligations issued after

- pateo/a = plan amendments taking effect on or after
- pea = plans established after
- pyba = plan years beginning after
- rma = requests made after
- ta = transfers after
- tdapma = transfers, distributions, and payments made after
- tyba = taxable years beginning after
- tyea = taxable years ending after
- yba = years beginning after
- yea = years ending after

[1] The estimates presented in this table include the effects of certain behavioral responses to the tax proposals, including shifts between nontaxable and taxable sources of income, and changes in the timing of realization of some sources of income. While the estimates do not include the effects of these proposals on economic growth, the proposals are likely to result in modest increases in growth of the economy during the 10-year budget estimating period. The largest component of the proposals, the marginal rate cuts, will provide incentives for more work, investment, and savings.

[2] Estimate assumes that any constitutional challenge based on the use of Federal Case registry data would not be successful.

[3] Loss of less than \$500,000.

[4] Provision includes interaction with other provisions in Provisions for Expanding Coverage.

[5] Provision includes interaction with the Individual Retirement Arrangement Provisions.

[6] Estimate provided by the Congressional Budget Office.

[7] Effective for costs paid or incurred in taxable years beginning after December 31, 2001, with respect to qualified employer plans established after such date.

Footnotes for JCX-49-01 continued:

- [8] Generally effective with respect to years beginning after December 31, 2002. In the case of an ESOP established after July 11, 2000, or an ESOP established on or before such date if the employer maintaining the plan was not an S corporation on such date, the proposal would be effective with respect to plan years ending after July 11, 2000.
- [9] Directs the Secretary of the Treasury to modify rules through regulations.
- [10] Effective for distributions from terminating plans that occur after the PBGC has adopted final regulations implementing provision.
- [11] Special Federal income tax rules would apply if the Trust makes an election for its first taxable year ending after the date of enactment.
- [12] Effective for taxable years of electing Settlement Trusts ending after the date of enactment, and to contributions made to such trust made after the date of enactment.
- [13] Loss of less than \$1 million.
- [14] Loss of less than \$5 million.
- [15] Effective the earlier of the date of enactment or July 1, 2001.

	H.R. 1836, as Passed by the House								H.R. 1836, as Passed by the Senate							
	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2001-06</u>	<u>2001-11</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2001-06</u>	<u>2001-11</u>
[16] Includes the following effect on fiscal year outlays (millions)	---	654	673	932	962	968	4,189	10,506	---	7,272	8,777	9,432	10,944	11,028	47,453	109,153
[17] Taxpayers affected by the AMT: Present Law (millions of taxpayers)	<u>1.5</u>	<u>3.5</u>	<u>4.3</u>	<u>5.6</u>	<u>7.1</u>	<u>8.7</u>			<u>1.5</u>	<u>3.5</u>	<u>4.3</u>	<u>5.6</u>	<u>7.1</u>	<u>8.7</u>		
Taxpayers affected by the AMT: Proposal (millions of taxpayers)	1.9	5.3	7.6	11.1	13.6	18.8			1.3	2.7	3.3	4.2	7.7	10.6		