Joint Committee on Taxation
November 14, 2005
JCX-76-05

DESCRIPTION OF THE CHAIRMAN'S AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 4297, A BILL TO PROVIDE FOR RECONCILIATION PURSUANT TO SECTION 201(b) OF THE CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2006, SCHEDULED FOR MARKUP IN THE COMMITTEE ON WAYS AND MEANS ON NOVEMBER 15, 2005

The Chairman's Amendment in the Nature of a Substitute makes the following modifications to H.R. 4297:

1. Addition of short title

The Chairman's Amendment adds a short title to the bill, the "Tax Relief Extension Reconciliation Act of 2005."

2. Deletion of provision relating to the deduction of State and local general sales taxes

The Chairman's Amendment deletes the provision of H.R. 4297 relating to the deduction of State and local general sales taxes.

3. Deletion of provision relating to the research credit

The Chairman's Amendment deletes the provision of H.R. 4297 relating to the research credit.

4. Deletion of provision relating to the above-the-line deduction for higher education expenses

The Chairman's Amendment deletes the provision of H.R. 4297 relating to the above-the-line deduction for higher education expenses.

5. Deletion of provision relating to the above-the-line deduction for certain expenses of elementary and secondary school teachers

The Chairman's Amendment deletes the provision of H.R. 4297 relating to the above-the-line deduction for certain expenses of elementary and secondary school teachers.

6. Deletion of provision relating to Qualified Zone Academy Bonds

The Chairman's Amendment deletes the provision of H.R. 4297 relating to Qualified Zone Academy Bonds.

7. Deletion of provision relating to authority for undercover operations

The Chairman's Amendment deletes the provision of H.R. 4297 relating to authority for undercover operations.

8. Modification of provision relating to the work opportunity tax credit and the welfare-to-work tax credit

The Chairman's Amendment deletes the provision of H.R. 4297 combining and extending the work opportunity tax credit and the welfare-to-work tax credit. The Chairman's Amendment extends the present-law welfare-to-work credit for one year. The Chairman's Amendment also extends the present-law work opportunity tax credit for one year and increases the age limit for food stamp recipients from 25 to 35.

9. Deletion of provision relating to the credit for elective deferrals and IRA contributions (the "saver's credit")

The Chairman's Amendment deletes the provision of H.R. 4297 relating to the credit for elective deferrals and IRA contributions (the "saver's credit").

10. Deletion of provision relating to the extension of increased expensing for small business

The Chairman's Amendment deletes the provision of H.R. 4297 relating to the extension of increased expensing for small business.