

**COMPARISON OF THE ESTIMATED TRUST FUND AND GENERAL FUND EFFECTS OF CERTAIN TAX PROVISIONS CONTAINED IN
H.R. 3550, THE "TRANSPORTATION EQUITY ACT: A LEGACY FOR USERS," AS PASSED BY THE HOUSE OF REPRESENTATIVES, AND
H.R. 3550, THE "SAFE, ACCOUNTABLE, FLEXIBLE, AND EFFICIENT TRANSPORTATION EQUITY ACT OF 2004," AS AMENDED BY THE SENATE**

Fiscal Years 2004 - 2013

[Millions of Dollars]

Provision	Effective	H.R. 3550, as Passed by the House							H.R. 3550, as Amended by the Senate						
		2004	2005	2006	2007	2008	2004-08	2004-13	2004	2005	2006	2007	2008	2004-08	2004-13
Credit the Highway Trust Fund With Interest on Unexpended Balances [1]	1/1/04	----- No Provision -----							--- Estimate Will Be Provided by the Congressional Budget Office ---						
Apportionments Based on 4 Years (Rather Than 2 Years) of Excise Tax Receipts [1]	DOE	----- No Provision -----							--- Estimate Will Be Provided by the Congressional Budget Office ---						
Transfer the Full Amount of Alcohol Fuel Excise Taxes to the Highway Trust Fund (i.e., eliminate General Fund retention of 2.5/2.8 cents per gallon of the taxes imposed on alcohol fuels) [1] [2]															
Highway Account.....	{H} tia 9/30/03 {S} fsoua 9/30/03	901	928	947	964	982	4,722	9,908	901	928	947	964	982	4,722	9,908
General Fund.....	{H} tia 9/30/03 {S} fsoua 9/30/03	-901	-928	-947	-964	-982	-4,722	-9,908	-901	-928	-947	-964	-982	-4,722	-9,908
Transfer the Full Amount of Motorboat Fuel Taxes and Certain Small Engine Fuel Taxes to the Aquatic Resources Trust Fund [1] [2]															
Aquatic Resources Trust Fund.....	{H} tia 9/30/03 {S} 10/1/04	110	114	118	120	123	586	1,242	---	114	118	120	123	476	1,131
General Fund.....	{H} tia 9/30/03 {S} 10/1/04	-110	-114	-118	-120	-123	-586	-1,242	---	-114	-118	-120	-123	-476	-1,131
Provide That all Alcohol Fuels Excise Tax Credits and Outlay Payments are Paid From the General Fund [1] [3]															
Highway Account.....	{H} tra 9/30/04 {S} fsoua 9/30/04	---	1,811	1,847	1,880	1,915	7,452	17,556	---	1,811	1,847	1,880	1,915	7,452	17,556
General Fund.....	{H} tra 9/30/04 {S} fsoua 9/30/04	---	-1,811	-1,847	-1,880	-1,915	-7,452	-17,556	---	-1,811	-1,847	-1,880	-1,915	-7,452	-17,556
Expiration of Alcohol Fuels Excise Tax Credits and Outlay Payments After December 31, 2010 [4]															
General Fund.....	fsoua 12/31/10	---	---	---	---	---	---	4,276	---	---	---	---	---	---	4,276
Fuel Fraud Provisions [5]															
Highway Account.....	[6]	2	136	165	165	166	633	1,453	2	223	248	250	251	973	2,232
Mass Transit Account.....	[6]	[7]	30	35	35	35	137	313	[7]	54	59	60	60	234	537
Airport and Airway Trust Fund.....	[6]	---	394	421	424	425	1,663	3,757	---	395	425	429	432	1,682	3,846
LUST Trust Fund.....	[6]	[7]	3	3	3	3	11	25	[7]	3	3	3	3	13	30
Transfers from Airport and Airway Trust Fund to Highway Trust Fund [8]															
Highway Account.....	10/1/04	----- No Provision -----							---	352	378	382	385	1,497	3,423
Mass Transit Account.....	10/1/04	----- No Provision -----							---	43	47	47	48	185	423
Airport and Airway Trust Fund.....	10/1/04	----- No Provision -----							---	-395	-425	-429	-432	-1,682	-3,846

Provision	Effective	H.R. 3550, as Passed by the House							H.R. 3550, as Amended by the Senate							
		2004	2005	2006	2007	2008	2004-08	2004-13	2004	2005	2006	2007	2008	2004-08	2004-13	
Modifications of Tax on Use of Highway Vehicles																
Highway Account.....	tpba DOE	141	161	165	168	171	807	1,696	191	159	163	166	169	847	1,723	
Exemption From Certain Excise Taxes for Mobile Machinery Vehicles																
Highway Account.....	{H} DOE [9] {S} [10]	---	89	111	111	111	423	979	---	93	124	124	124	464	1,082	
Mass Transit Account.....	{H} DOE [9] {S} [10]	---	12	15	15	15	56	131	---	12	16	16	16	62	144	
LUST Trust Fund.....	{H} DOE [9] {S} [10]	---	[7]	1	1	1	2	5	---	[7]	1	1	1	2	5	
Dedication of Gas Guzzler Tax to Highway Trust Fund [11]																
Highway Account.....	DOE	----- No Provision -----							38	75	74	74	74	335	697	
General Fund.....	DOE	----- No Provision -----							-38	-75	-74	-74	-74	-335	-697	
Repeal of Section 9503(c)(2) Transfers From Trust Funds to General Fund [1]																
Highway Account.....	4/1/04	----- No Provision -----							614	1,262	1,299	1,326	1,357	5,857	13,093	
Mass Transit Account.....	4/1/04	----- No Provision -----							82	169	174	178	182	784	1,753	
LUST Trust Fund.....	4/1/04	----- No Provision -----							4	7	7	8	8	33	75	
General Fund.....	4/1/04	----- No Provision -----							-700	-1,438	-1,480	-1,511	-1,546	-6,675	-14,921	
Interaction of 9503(c)(2) Repeal and Ethanol Provisions [12]																
Highway Account.....	fsoua 9/30/04	----- No Provision -----							---	-42	-43	-43	-43	-171	-395	
TOTAL TRUST FUND EFFECTS																
Highway Account		1,044	3,125	3,235	3,289	3,344	14,037	31,592	1,745	4,860	5,036	5,122	5,212	21,975	49,319	
Mass Transit Account		[7]	42	50	50	50	193	444	83	279	296	301	306	1,265	2,858	
Airport and Airway Trust Fund [8]		---	394	421	424	425	1663	3757	---	---	---	---	---	---	---	
LUST Trust Fund		[7]	3	3	3	3	13	29	4	10	11	11	11	47	105	
Aquatic Resources Trust Fund		110	114	118	120	123	586	1,242	---	114	118	120	123	476	1,131	
General Fund		-1,011	-2,853	-2,912	-2,964	-3,020	-12,760	-24,430	-1,639	-4,366	-4,466	-4,549	-4,640	-19,660	-39,937	

Joint Committee on Taxation

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

Legend: {H} = H.R. 3550, as Passed by the House of Representatives
 {S} = H.R. 3550, as Amended by the Senate

Legend for "Effective" column:

DOE = date of enactment
 fsoua = fuel sold or used after

tia = taxes incurred after
 tpba = taxable periods beginning after

tra = taxes received after

[1] Estimates provided by the Congressional Budget Office ("CBO").

[2] The application of the budget law for constructing the CBO baseline in the case of expiring excise taxes dedicated to trust funds provides that such taxes are assumed to be permanently extended.

[3] The bills repeal the lower rate of tax on alcohol fuels and creates an excise tax credit that is to be paid from the General Fund. Estimates were provided by CBO under the assumption that both the tax rate and excise tax credit are permanent.

[4] The bills provide that the excise tax credit expires after 2010. If these bills were enacted, CBO's subsequent baseline would not assume extension of the excise tax credit beyond its expiration because the requirement to assume extension of excise taxes dedicated to trust funds does not apply to excise tax credits paid from the General Fund. For purposes of this revenue estimate, therefore, it is assumed that the excise tax credit would expire as scheduled. This treatment generates changes in revenues beyond 2010.

[5] Includes the trust fund effects of the provision repealing reduced-rate sales of gasoline for blending with ethanol. Excludes the trust fund effects of the exemption from certain excise taxes for mobile machinery vehicles and the modifications to the tax on highway vehicles, which are included elsewhere in this table.

Footnotes for JCX-40-04 continued:

[6] The fuels fraud provisions in the House and Senate bills are generally effective after September 30, 2004.

[7] Gain of less than \$500,000.

[8] The estimates in the table are based on the Joint Committee on Taxation staff estimates of the revenues that would be received by the Airport and Airway Trust Fund for jet fuel used in highway vehicles. The Senate bill provides that "the Secretary shall pay annually from the Airport and Airway Trust Fund into the Highway Trust Fund an amount (as determined by him) equivalent to amounts received in the Airport and Airway Trust Fund which are attributable to fuel that is used primarily for highway transportation purposes." The Senate bill does not provide any guidance to the Treasury with regard to the methodology that should be used to estimate the amounts received by the Airport and Airway Trust Fund that are attributable to jet fuel used in highway transportation. The Treasury may employ a high standard of proof in estimating the amounts of jet fuel used in highway vehicles, under the expectation that the estimating methodology will be audited.

[9] As to fuels taxes, effective for taxable years beginning after the date of enactment.

[10] Generally effective after the date of enactment, except for fuel taxes, effective for taxable years beginning after the date of enactment.

[11] The bill would repeal the gas guzzler tax on limousines, which would reduce the receipts generated by the tax. These lines show the trust fund effects of dedicating the reduced amount to the Highway Account.

[12] This line adjusts for the double-counting of certain alcohol fuels excise tax refunds elsewhere in this table.