

**ESTIMATED REVENUE EFFECTS OF A CHAIRMAN'S AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 6,
THE "MARRIAGE PENALTY AND FAMILY TAX RELIEF ACT OF 2001,"
SCHEDULED FOR MARKUP BY THE COMMITTEE ON WAYS AND MEANS ON MARCH 22, 2001**

Fiscal Years 2001 - 2011

[Billions of Dollars]

| Provision | Effective | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2001-06 | 2001-11 |
|--|----------------------------------|-------------------------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|
| 1. Standard deduction set at 2 times single for married filing jointly | tyba 12/31/01 | --- | -4.0 | -6.0 | -6.2 | -6.1 | -6.3 | -6.3 | -6.3 | -6.3 | -6.4 | -6.5 | -28.6 | -60.3 |
| 2. 15% rate bracket set at 2 times single for married filing jointly beginning in 2004; 6-year phasein, repeal AMT offset of refundable credits; increase in AMT exemption amount (\$1,000 in 2005, and \$500 in 2006 and every other year thereafter) | tyba 12/31/01 & tyba 12/31/04 | --- | -0.1 | -0.3 | -3.2 | -7.9 | -13.1 | -17.4 | -22.0 | -26.3 | -28.6 | -31.3 | -24.5 | -150.1 |
| 3. Increase the earned income limit for purposes of the EIC for married filing joint returns by 10%; simplified computation of earned income | tyba 12/31/01 | --- | [1] | -1.4 | -1.5 | -1.5 | -1.5 | -1.5 | -1.4 | -1.4 | -1.4 | -1.3 | -5.9 | -12.9 |
| 4. Increase the child tax credit to \$600 in 2001 and 2002, \$700 in 2003, \$800 in 2004, \$900 in 2005, and \$1,000 in 2006; apply large family refundability rule to all families; allow credits fully against the AMT | tyba 12/31/00 | [1] | -5.8 | -6.4 | -10.6 | -15.1 | -19.5 | -23.1 | -23.6 | -23.8 | -23.9 | -24.1 | -57.4 | -175.9 |
| 5. Transfer to Social Security and Medicare Trust Funds..... | DOE | ----- No Revenue Effect ----- | | | | | | | | | | | | |
| NET TOTAL [2] | | [1] | -9.9 | -14.1 | -21.5 | -30.6 | -40.4 | -48.3 | -53.3 | -57.8 | -60.3 | -63.2 | -116.4 | -399.2 |

Joint Committee on Taxation

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

Legend for "Effective" column:

DOE = date of enactment

tyba = taxable years beginning after

[1] Loss of less than \$50 million.

[2] Estimate includes the following effects on fiscal year outlays

| | <u>2001</u> | <u>2002</u> | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> | <u>2001-06</u> | <u>2001-11</u> |
|-----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|----------------|----------------|
| [3] Less than \$50 million. | [3] | 1.5 | 3.0 | 3.7 | 4.4 | 5.1 | 5.8 | 5.7 | 5.4 | 5.3 | 5.1 | 17.7 | 44.9 |