

**ESTIMATED REVENUE EFFECTS OF THE REVENUE PROVISIONS CONTAINED IN H.R. 3962,  
THE "AFFORDABLE HEALTH CARE FOR AMERICA ACT,"  
SCHEDULED FOR CONSIDERATION BY THE HOUSE OF REPRESENTATIVES**

**Fiscal Years 2010 - 2019**

*[Billions of Dollars]*

| Provision  | Effective         | 2010   | 2011       | 2012       | 2013       | 2014       | 2015       | 2016       | 2017       | 2018       | 2019       | 2010-14    | 2010-19     |
|--|-------------------|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|-------------|
| <b>I. Reform Proposals</b>   |                   |  |            |            |            |            |            |            |            |            |            |            |             |
| A. Tax on Individual Without Acceptable Health Care Coverage.....  | tyba 12/31/12     | ----- Estimate Provided by the Congressional Budget Office and the Joint Committee on Taxation [1] ----- |            |            |            |            |            |            |            |            |            |            |             |
| B. Election to Satisfy Health Coverage Participation Requirements.....   | pba 12/31/12      | ----- Estimate Provided by the Congressional Budget Office and the Joint Committee on Taxation [1] ----- |            |            |            |            |            |            |            |            |            |            |             |
| C. Health Care Contributions of Nonelecting Employers.....   | pba 12/31/12      | ----- Estimate Provided by the Congressional Budget Office and the Joint Committee on Taxation [1] ----- |            |            |            |            |            |            |            |            |            |            |             |
| D. Credit for Small Business Employee Health Coverage Expenses.....  | tyba 12/31/12     | ----- Estimate Provided by the Congressional Budget Office and the Joint Committee on Taxation [1] ----- |            |            |            |            |            |            |            |            |            |            |             |
| E. Disclosures to Carry Out Health Insurance Exchange Subsidies.....   | DOE               | ----- Estimate Provided by the Congressional Budget Office and the Joint Committee on Taxation [1] ----- |            |            |            |            |            |            |            |            |            |            |             |
| F. Conform the Definition of Medical Expenses for Employer-Provided Health Coverage, Including Health Flexible Spending Arrangements and Health Reimbursement Arrangements, Health Savings Accounts, and Archer MSAs to the Definition for the Itemized Deduction [2]..... | eia 12/31/10      | ---  | 0.4        | 0.6        | 0.6        | 0.6        | 0.6        | 0.6        | 0.6        | 0.6        | 0.6        | 2.1        | 5.0         |
| G. Limit Health Flexible Spending Arrangements in Cafeteria Plans to \$2,500, Indexed to CPI-U.....  | tyba 12/31/12     | ---  | ---        | ---        | 1.5        | 2.1        | 2.1        | 2.0        | 1.9        | 1.9        | 1.8        | 3.6        | 13.3        |
| H. Increase the Penalty for Nonqualified Distributions from Health Savings Accounts to 20%.....  | dmd tyba 12/31/10 | ---  | [3]        | [3]        | 0.1        | 0.1        | 0.1        | 0.2        | 0.2        | 0.3        | 0.3        | 0.2        | 1.3         |
| I. Eliminate Deduction for Expenses Allocable to Medicare Part D Subsidy [4].....  | tyba 12/31/12     | ---  | ---        | ---        | 0.3        | 0.4        | 0.4        | 0.3        | 0.3        | 0.3        | 0.2        | 0.7        | 2.2         |
| J. Exclusion from Gross Income for Indian Tribe Health Benefits.....   | hbacpa DOE        | ---  | ---        | [5]        | [5]        | [5]        | [5]        | [5]        | [5]        | [5]        | [5]        | [5]        | [5]         |
| <b>Total of Reform Proposals.....</b>  |                   | ---  | <b>0.4</b> | <b>0.6</b> | <b>2.5</b> | <b>3.2</b> | <b>3.2</b> | <b>3.1</b> | <b>3.0</b> | <b>3.1</b> | <b>2.9</b> | <b>6.6</b> | <b>21.8</b> |

| Provision   | Effective      | 2010                                 | 2011        | 2012        | 2013        | 2014        | 2015        | 2016        | 2017        | 2018        | 2019        | 2010-14      | 2010-19      |
|---|----------------|--------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|
| <b>II. Other Revenue Provisions</b>   |                |                                      |             |             |             |             |             |             |             |             |             |              |              |
| A. Impose a 5.4% Surtax on AGI in Excess of \$500,000 (\$1,000,000 for joint returns); Not Indexed for Inflation.....   | tyba 12/31/10  | ---                                  | 30.9        | 31.7        | 45.0        | 49.3        | 53.2        | 56.9        | 60.6        | 64.4        | 68.4        | 156.9        | 460.5        |
| B. Impose a 2.5% Ad Valorem Excise Tax on First Taxable Sale of Medical Devices.....  | somda 12/31/12 | ---                                  | ---         | ---         | 1.9         | 2.7         | 2.8         | 3.0         | 3.1         | 3.2         | 3.3         | 4.6          | 20.0         |
| C. Require information Reporting on Payments to Corporations.....   | pma 12/31/11   | ---                                  | ---         | 0.4         | 3.3         | 2.0         | 2.1         | 2.2         | 2.3         | 2.4         | 2.5         | 5.6          | 17.1         |
| D. Repeal Implementation of Worldwide Interest Allocation [6].....  | tyba 12/31/10  | ---                                  | ---         | ---         | ---         | ---         | [3]         | 0.1         | 0.1         | 1.9         | 3.8         | ---          | 6.0          |
| E. Limit Treaty Benefits for Certain Deductible Payments.....   | pma DOE        | 0.5                                  | 0.7         | 0.7         | 0.7         | 0.7         | 0.7         | 0.8         | 0.9         | 0.9         | 0.9         | 3.3          | 7.5          |
| F. Codify Economic Substance Doctrine and Impose Penalties for Underpayments.....   | teia DOE       | 0.1                                  | 0.4         | 0.5         | 0.6         | 0.6         | 0.7         | 0.7         | 0.7         | 0.7         | 0.7         | 2.3          | 5.7          |
| G. Extend Certain Health Benefits Applicable to Spouses and Dependents to Eligible Designated Beneficiaries.....  | tyba 12/31/09  | -0.2                                 | -0.3        | -0.3        | -0.4        | -0.4        | -0.4        | -0.4        | -0.5        | -0.5        | -0.6        | -1.6         | -4.0         |
| H. Exclusion of Unprocessed Fuels from the Cellulosic Biofuel Producer Credit.....  | fsoua DOE      | [3]                                  | 6.8         | 6.6         | 5.5         | 3.0         | 1.5         | 0.4         | ---         | ---         | ---         | 21.9         | 23.9         |
| <b>Total of Other Revenue Provisions .....</b>  |                | <b>0.4</b>                           | <b>38.5</b> | <b>39.6</b> | <b>56.6</b> | <b>57.9</b> | <b>60.6</b> | <b>63.7</b> | <b>67.2</b> | <b>73.0</b> | <b>79.0</b> | <b>193.0</b> | <b>536.7</b> |
| <b>III. Revenue-Related Provisions</b>  |                |                                      |             |             |             |             |             |             |             |             |             |              |              |
| A. Disclosures to Facilitate Identification of Individuals Likely to be Ineligible for Low-Income Subsidies Under the Medicare Prescription Drug Program to Assist Social Security Administration's Outreach to Eligible Individuals [7]..... | [8]            | ----- <i>No Revenue Effect</i> ----- |             |             |             |             |             |             |             |             |             |              |              |
| B. Impose Fee on Insured and Self-Insured Health Plans; Comparative Effectiveness Research Trust Fund.....  | [9]            | ---                                  | ---         | ---         | 0.3         | 0.3         | 0.3         | 0.3         | 0.3         | 0.3         | 0.3         | 0.6          | 2.0          |
| <b>Total of Revenue-Related Provisions .....</b>  |                | <b>---</b>                           | <b>---</b>  | <b>---</b>  | <b>0.3</b>  | <b>0.3</b>  | <b>0.3</b>  | <b>0.3</b>  | <b>0.3</b>  | <b>0.3</b>  | <b>0.3</b>  | <b>0.6</b>   | <b>2.0</b>   |
| <b>NET TOTAL .....</b>  |                | <b>0.4</b>                           | <b>38.9</b> | <b>40.2</b> | <b>59.4</b> | <b>61.4</b> | <b>64.1</b> | <b>67.1</b> | <b>70.5</b> | <b>76.4</b> | <b>82.2</b> | <b>200.2</b> | <b>560.5</b> |

Joint Committee on Taxation

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

**Legend and Footnotes for JCX-53-09:**

Legend for "Effective" column:

DOE = date of enactment

dmd = disbursements made during

eia = expenses incurred after

fsoua = fuel sold or used after

hbacpa = health benefits and coverage provided after

pba = periods beginning after

pma = payments made after

somda = sales of medical devices after

teia = transactions entered into after

tyba = taxable years beginning after

[1] Estimate included in *Preliminary Analysis of H.R. 3962, the "Affordable Health Care for America Act,"* October 29, 2009, from the Congressional Budget Office to the Honorable Charles B. Rangel, Chairman, Committee on Ways and Means.

[2] Estimate includes interaction effect with FSA cap.

[3] Gain of less than \$50 million.

[4] Estimate includes interaction with other proposals.

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

[6] Estimate has been updated to reflect enactment of H.R. 3548, the "Worker, Homeownership, and Business Assistance Act of 2009," signed into law by the President on November 6, 2009.

[7] Any change in Medicare Part D outlays associated with this provision would be reflected in the Congressional Budget Office estimate of Title II—Medicare Beneficiary Improvements, Subtitle A.

[8] Effective for disclosures made after the date which is 12 months after the date of enactment.

[9] Effective with respect to policies and plans for portion of policies or plan years beginning on or after October 1, 2012.