

JOINT COMMITTEE ON TAXATION
March 15, 2010
JCX-7-10 R

**ESTIMATED BUDGET EFFECTS OF THE REVENUE PROVISIONS CONTAINED IN
THE PRESIDENT'S FISCAL YEAR 2011 BUDGET PROPOSAL [1]**

Fiscal Years 2010 - 2020

[Millions of Dollars]

Provision	Effective	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2010-15	2010-20
I. Index to Inflation the 2009 Parameters of the AMT as Enacted in the American Recovery and Reinvestment Act.....														
	tyba 12/31/09	-6,306	-65,897	-31,860	-36,442	-40,907	-45,689	-52,260	-60,432	-69,787	-81,038	-93,014	-227,101	-583,633
II. Make Permanent and Modify Certain Tax Cuts Enacted in 2001 and 2003														
A. Permanently Extend Capital Gains and Dividends 0%/15% Rates; Add a 20% Rate for Taxpayers Otherwise in the 36% and 39.6% Brackets														
	tyba 12/31/10	-132	-5,046	-16,291	-19,673	-21,868	-24,628	-26,779	-28,731	-30,345	-31,764	-33,049	-87,637	-238,306
B. Permanently Increase the Maximum Amount and Phaseout Threshold Under Section 179 that are Scheduled to Expire After 2010														
	tyba 12/31/10	---	-2,789	-5,110	-4,479	-3,871	-2,948	-2,018	-1,330	-1,009	-989	-1,150	-19,197	-25,693
C. Reductions in Individual Income Tax Rates														
1. Retain 10% bracket [2]														
	tyba 12/31/10	---	-40,215	-59,531	-62,389	-65,062	-67,311	-69,480	-71,900	-74,239	-76,803	-79,348	-294,509	-666,279
2. Retain the 25% income tax bracket, and retain and expand the 28% income tax bracket														
	tyba 12/31/10	---	-26,676	-40,952	-45,046	-49,176	-52,739	-55,617	-58,255	-60,506	-62,909	-65,600	-214,588	-517,476
D. Extend the \$1,000 Child Tax Credit, Refundability, and AMT rules [2]														
	tyba 12/31/10	---	-5,775	-38,708	-38,927	-39,011	-38,998	-39,135	-39,406	-39,591	-39,855	-40,043	-161,420	-359,450
E. Marriage Penalty Relief [2]														
	tyba 12/31/10	---	-18,181	-31,817	-33,885	-35,703	-37,200	-38,309	-39,391	-40,573	-41,594	-42,928	-156,786	-359,583
F. Education Incentives [3]														
	generally 1/1/11	---	-783	-1,576	-1,631	-1,721	-1,819	-1,966	-2,061	-2,165	-2,279	-2,397	-7,532	-18,400
G. Make Permanent the Estate, Gift, and Generation-Skipping Transfer Taxes; Extend 2009 Law; Gift Tax Lifetime Exclusion to Remain at \$1 Million														
	dda & gma 12/31/09	34	5,114	-18,056	-21,293	-24,677	-28,045	-29,929	-31,511	-33,165	-34,964	-36,805	-86,922	-253,296
H. Other Incentives for Families and Children [2] [4]														
	tyba 12/31/10	---	-195	-786	-906	-946	-970	-989	-1,001	-1,015	-1,025	-1,037	-3,802	-8,869
I. Repeal Overall Limitation on Itemized Deduction and the Personal Exemption Phaseout for Certain Taxpayers														
	tyba 12/31/10	---	-638	-1,358	-1,525	-1,694	-1,850	-1,974	-2,086	-2,183	-2,276	-2,381	-7,064	-17,965
Total of Make Permanent and Modify Certain Tax Cuts Enacted in 2001 and 2003.....		-98	-95,184	-214,185	-229,754	-243,729	-256,508	-266,196	-275,672	-284,791	-294,458	-304,738	-1,039,457	-2,465,317
III. Temporary Recovery Measures														
A. Extend the Making Work Pay Tax Credit [2].....														
	tyba 12/31/10	---	-28,788	-32,987	---	---	---	---	---	---	---	---	-61,775	-61,775

Provision	Effective	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2010-15	2010-20
B. Temporary Recovery Measures														
1. Economic Recovery Payments for 2010 [2].....	tyba 12/31/09	-14,216	-167	-29	---	---	---	---	---	---	---	---	-14,412	-14,412
2. Interaction of Economic Recovery Payments with the Making Work Pay Tax Credit [2].....	tyba 12/31/09	240	1,683	---	---	---	---	---	---	---	---	---	1,923	1,923
3. Provide \$250 Refundable Credit for Federal, State and Local Government Retirees Not Eligible for Social Security Benefits [2].....	tyba 12/31/09	-33	-228	---	---	---	---	---	---	---	---	---	-261	-261
C. Extend COBRA Health Insurance Premium Assistance (extend 12-month COBRA subsidy eligibility period to December 31, 2010) [2] [5].....														
	DOE	-3,238	-3,709	-919	---	---	---	---	---	---	---	---	-7,866	-7,866
D. Provide Additional Tax Credits for Investment in Qualified Property Used in a Qualified Advanced Energy Manufacturing Project.....														
	DOE	---	-460	-818	-989	-1,011	-654	-23	166	103	58	23	-3,932	-3,604
E. Extend Temporary Increase in Expensing for Small Businesses.....														
	tyba 12/31/09	-556	-368	305	192	140	108	68	39	19	9	8	-178	-35
F. Extend Temporary Bonus Depreciation for Certain Property.....														
	ppisa 12/31/09	-26,889	-14,871	10,880	7,347	5,793	4,557	2,932	1,787	1,013	693	665	-13,183	-6,093
G. Extend Option for Cash Assistance to States in Lieu of Housing Tax Credits [2].....														
	DOE	-404	-3,900	281	435	504	521	523	523	523	523	482	-2,563	11
Total of Temporary Recovery Measures.....		-45,096	-50,808	-23,287	6,985	5,426	4,532	3,500	2,515	1,658	1,283	1,178	-102,247	-92,112
IV. Tax Cuts for Families and Individuals														
A. Expand the Earned Income Credit ("EIC") [2].....	tyba 12/31/10	---	-35	-3,547	-3,500	-3,418	-3,347	-3,340	-3,396	-3,477	-3,562	-3,665	-13,847	-31,287
B. Expand the Child and Dependent Care Tax Credit [2].....	tyba 12/31/10	---	-338	-1,369	-1,429	-1,442	-1,446	-1,445	-1,440	-1,439	-1,434	-1,431	-6,024	-13,214
C. Provide for Automatic Enrollment in IRAs and Double the Tax Credit for Small Employer Plan Startup Costs [2].....														
	1/1/12	---	---	-601	-2,431	-2,541	-2,651	-2,796	-2,932	-3,100	-3,332	-3,485	-8,223	-23,868
D. Expand Saver's Credit [2].....	tyba 12/31/10	---	-422	-3,361	-3,183	-3,030	-2,897	-2,919	-2,852	-2,828	-3,025	-2,972	-12,893	-27,489
E. Extend American Opportunity Tax Credit [2].....	tyba 12/31/10	---	-1,147	-5,707	-5,691	-6,072	-6,122	-6,213	-6,414	-6,777	-6,759	-7,218	-24,738	-58,119
Total of Tax Cuts for Families and Individuals.....		---	-1,942	-14,585	-16,234	-16,503	-16,463	-16,713	-17,034	-17,621	-18,112	-18,771	-65,725	-153,977
V. Tax Cuts for Businesses														
A. Eliminate Capital Gains Taxation on Investments in Small Business Stock.....														
	saa 2/17/09	2	10	18	40	-248	-589	-967	-1,294	-1,495	-1,640	-1,760	-767	-7,924
B. Make the R&E Credit Permanent.....														
	epoia 12/31/09	-2,195	-3,789	-4,475	-5,193	-5,893	-6,554	-7,189	-7,825	-8,469	-9,129	-9,805	-28,099	-70,516
C. Remove Cell Phones from Listed Property.....														
	tyea DOE	-80	-183	-243	-322	-374	-393	-412	-433	-455	-477	-501	-1,595	-3,873
Total of Tax Cuts for Businesses.....		-2,273	-3,962	-4,700	-5,475	-6,515	-7,536	-8,568	-9,552	-10,419	-11,246	-12,066	-30,461	-82,313

Provision	Effective	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2010-15	2010-20
VI. Continue Certain Expiring Provisions Through Calendar Year 2011														
A. Extend Certain Expiring Provisions Through 2011														
1. Deduction for State and local general sales taxes (sunset 12/31/11).....	tyba 12/31/09	-124	-2,791	-2,534	-284	---	---	---	---	---	---	---	-5,733	-5,733
2. Additional standard deduction for State and local real property taxes (sunset 12/31/11).....	tyba 12/31/09	-115	-2,551	-2,067	---	---	---	---	---	---	---	---	-4,733	-4,733
3. Deduction for qualified tuition and related expenses (sunset 12/31/11).....	tyba 12/31/09	-30	-682	-450	---	---	---	---	---	---	---	---	-1,163	-1,163
4. Above-the-line deduction for up to \$250 for teacher classroom expenses (sunset 12/31/11).....	tyba 12/31/09	-10	-225	-156	---	---	---	---	---	---	---	---	-391	-391
5. Exception under Subpart F for active financing income (sunset 12/31/11).....	tyba 12/31/09	-925	-4,275	-2,601	---	---	---	---	---	---	---	---	-7,801	-7,801
6. Look-through treatment of payments between related CFCs under foreign personal holding company income rules (sunset 12/31/11).....	tyba 12/31/09	-127	-687	-441	---	---	---	---	---	---	---	---	-1,255	-1,255
7. 15-year straight-line cost recovery for qualified leasehold improvements, qualified restaurant buildings and improvements, and qualified retail improvements (sunset 12/31/11).....	ppisa 12/31/09	-117	-2,093	-2,295	-638	-632	-616	-606	-602	-582	-549	-491	-6,390	-9,219
8. 7-year recovery period for motorsports entertainment complexes (sunset 12/31/11).....	ppisa 12/31/09	-11	-29	-29	-17	-9	-7	-8	-3	7	12	12	-101	-81
9. 50% tax credit for certain expenditures for maintaining railroad tracks (sunset 12/31/11).....	tyba 12/31/09	-66	-165	-99	[6]	[6]	---	---	---	---	---	---	-331	-331
10. Special expensing rules for certain qualified film and television productions (sunset 12/31/11).....	pca 12/31/09	-93	-281	-76	46	38	32	26	19	12	9	8	-334	-260
11. Expensing of "Brownfields" environmental remediation costs (sunset 12/31/11).....	epoia 12/31/09	-62	-431	-105	39	45	46	41	36	31	26	24	-469	-311
12. Mine rescue team training credit (sunset 12/31/11).....	tyba 12/31/09	-1	-1	-1	[6]	[6]	[6]	[6]	[6]	[6]	---	---	-3	-3
13. Election to expense advanced mine safety equipment (sunset 12/31/11).....	ppisa 12/31/09	-9	-2	3	2	2	1	1	1	1	[7]	---	-3	0
14. Employer wage credit for activated military reservists (sunset 12/31/11).....	pma 12/31/09	-1	-4	-4	-1	[6]	[6]	[6]	[6]	[6]	[6]	[6]	-11	-11
15. 5-year recovery period for farming business machinery and equipment (sunset 12/31/11).....	ppisa 12/31/09	-56	-232	-321	-250	-253	-167	231	563	394	91	---	-1,279	---
16. Treatment of certain dividends of regulated investment companies ("RICs") (sunset 12/31/11)...	tyba 12/31/09	-12	-85	-73	---	---	---	---	---	---	---	---	-170	-170
17. Estate tax look-through for certain RIC stock held by nonresidents (sunset 12/31/11).....	dda 12/31/09	[6]	-4	-8	---	---	---	---	---	---	---	---	-12	-12

Provision	Effective	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2010-15	2010-20
18. Extend the treatment of RICs as "qualified investment entities" under section 897 ("FIRPTA") (sunset 12/31/11).....	1/1/10	-8	-27	-23	---	---	---	---	---	---	---	---	-58	-58
19. Contributions of capital gain real property made for qualified conservation purposes (sunset 12/31/11).....	cmi tyba 12/31/09	-13	-65	-62	-22	-17	-14	-12	-10	-8	-8	-7	-193	-238
20. Enhanced charitable deduction for contributions of food inventory (sunset 12/31/11).....	cma 12/31/09	-33	-80	-36	---	---	---	---	---	---	---	---	-149	-149
21. Enhanced charitable deduction for contributions of book inventory (sunset 12/31/11).....	cma 12/31/09	-12	-30	-18	---	---	---	---	---	---	---	---	-60	-60
22. Enhanced charitable deduction for qualified computer contributions (sunset 12/31/11).....	cmi tyba 12/31/09	-90	-208	-97	---	---	---	---	---	---	---	---	-395	-395
23. Tax-free distributions from IRAs to certain public charities from age 70 1/2 or older, not to exceed \$100,000 per taxpayer per year (sunset 12/31/11)....	dmi tyba 12/31/09	-167	-350	-197	-29	-30	-31	-32	-34	-35	-36	-38	-804	-979
24. Modify tax treatment of certain payments under existing arrangements to controlling exempt organizations (sunset 12/31/11).....	proaa 12/31/09	-17	-22	-5	---	---	---	---	---	---	---	---	-44	-44
25. Exclusion of gain or loss on sale or exchange of certain Brownfield sites from unrelated business taxable income (sunset 12/31/11).....	paa 12/31/09	1	3	-1	-19	-38	-24	-7	-7	-7	-7	-7	-78	-115
26. Basis adjustment to stock of S corporations making charitable contributions of property (sunset 12/31/11).....	cmi tyba 12/31/09	-10	-28	-21	-5	-3	-3	-3	-3	-3	-3	-3	-70	-85
27. Indian employment tax credit (sunset 12/31/11).....	tyba 12/31/09	-6	-53	-33	-9	-1	---	---	---	---	---	---	-102	-102
28. Accelerated depreciation for business property on Indian reservations (sunset 12/31/11).....	ppisa 12/31/09	-36	-375	-274	-61	68	136	153	106	42	-2	-11	-542	-254
29. Deduction allowable with respect to income attributable to domestic production activities in Puerto Rico (sunset 12/31/11).....	tyba 12/31/09	-84	-192	-109	---	---	---	---	---	---	---	---	-385	-385
30. Increase in limit on cover over of rum excise tax revenues (from \$10.50 to \$13.25 per proof gallon) to Puerto Rico and the Virgin Islands (sunset 12/31/11) [2] [8].....	dsbiUSa 12/31/09	-122	-113	-27	---	---	---	---	---	---	---	---	-262	-262
31. Economic development credit for American Samoa (sunset 12/31/11).....	tyba 12/31/09	-6	-19	-13	---	---	---	---	---	---	---	---	-38	-38
32. Empowerment zone tax incentives (sunset 12/31/10).....	pa 12/31/09	-204	-218	-71	-61	-1	6	2	---	1	3	4	-550	-539
33. Renewal community tax incentives (sunset 12/31/10).....	pa 12/31/09	-259	-366	-118	-74	-54	-70	-98	-92	-60	-47	-39	-941	-1,278
34. Tax incentives for investment in the District of Columbia (sunset 12/31/11).....	pa 12/31/09	-41	-109	-3	-6	-2	---	-27	-11	-2	-17	-15	-160	-232

Provision	Effective	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2010-15	2010-20
35. Tax incentives for New York Liberty Zone:														
a. Bonus depreciation for nonresidential real property and residential rental property (sunset 12/31/11).....	ppisa 12/31/09	-33	-44	-9	2	2	2	2	2	2	2	2	-79	-68
b. Liberty Zone bonds (sunset 12/31/11).....	bia 12/31/09	-2	-8	-12	-12	-12	-12	-12	-12	-12	-12	-12	-58	-118
36. Tax incentives for the Gulf Opportunity ("GO") Zone:														
a. Work opportunity tax credit with respect to certain individuals affected by Hurricane Katrina for employers inside the disaster area (sunset 8/27/10).....	iha 8/28/09	-6	-1	[6]	[6]	[6]	[6]	---	---	---	---	---	-7	-7
b. Extend the higher credit rate for GO Zone rehabilitation (sunset 12/31/11).....	apoaia 12/3/109	-25	-45	-20	1	2	3	3	3	3	3	3	-82	-67
37. Individual casualty losses attributable to Federally declared disasters deductible without regard to AGI; \$500 floor applicable to all casualty losses (sunset 12/31/11).....	[9]	-273	-946	-328	---	---	---	---	---	---	---	---	-1,547	-1,547
38. Expensing of qualified disaster expenses (sunset 12/31/11).....	doa 12/31/09	-15	-42	-18	1	2	2	1	1	1	1	1	-70	-65
39. Relax certain mortgage revenue bond requirements following Federally declared disasters (sunset 12/31/11) [10].....	bia 12/31/09	-1	-2	-3	-4	-4	-4	-4	-4	-4	-4	-4	-18	-38
40. Additional depreciation allowance for qualified disaster assistance property (sunset 12/31/11).....	doa 12/31/09	-54	-262	-524	-640	-616	-527	-374	-122	59	84	93	-2,623	-2,883
41. Increased expensing for qualified disaster assistance property under section 179 (sunset 12/31/11).....	doa 12/31/09	----- Estimate Included in Item VI.40. -----												
42. Incentives for biodiesel and renewable diesel:														
a. Biodiesel (sunset 12/31/11).....	fsoua 12/31/09	-624	-1,028	-295	---	---	---	---	---	---	---	---	-1,947	-1,947
b. Renewable diesel (sunset 12/31/11).....	fsoua 12/31/09	-10	-15	-5	---	---	---	---	---	---	---	---	-30	-30
43. Alternative motor vehicle credit for heavy hybrids (sunset 12/31/11).....	ppa 12/31/09	-2	-10	-9	-2	-1	-1	[7]	[7]	---	---	---	-25	-24
44. Alternative fuel credit for natural gas, and liquefied petroleum gas (except for forklift use of LPG) (sunset 12/31/11).....	fsoua 12/31/09	-68	-89	-22	---	---	---	---	---	---	---	---	-179	-179
45. Special rule for sales or dispositions to implement FERC or State electric restructuring policy for qualified electric utilities (sunset 12/31/11).....	da 12/31/09	-221	-320	-43	100	100	100	100	100	68	18	---	-285	---
46. Alternative motor vehicle credit for advanced lean burn technology motor vehicles and qualified hybrid motor vehicles that are passenger automobiles or light trucks (sunset 12/31/11).....	tyba 12/31/10	---	-20	-25	-4	-3	-2	[7]	[7]	---	---	---	-54	-54

Provision	Effective	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2010-15	2010-20
47. Credit for construction of energy efficient new homes (sunset 12/31/11).....	ppisa 12/31/09	-24	-43	-25	-12	-11	-9	-8	-5	[7]	[7]	---	-124	-137
48. Period of incurring qualified expenditures for purposes of credit for production of low sulfur diesel fuel for small refiners in compliance with Environmental Protection Agency sulfur regulations for small refiners (sunset 12/31/11).....	epoia 12/31/09	-11	-7	-1	-1	-1	[7]	[7]	[7]	[7]	[7]	[7]	-21	-21
49. Alternative fuel vehicle refueling property (non-hydrogen refueling property) (sunset 12/31/11).....	tyba 12/31/10	---	-12	-10	-3	-2	-1	[7]	1	1	1	1	-28	-24
50. Credit for certain nonbusiness energy property (sunset 12/31/11).....	tyba 12/31/10	---	-251	-1,005	---	---	---	---	---	---	---	---	-1,256	-1,256
51. Alternative motor vehicle credit for qualified alternative fuel vehicles (sunset 12/31/11).....	tyba 12/31/10	---	-12	-10	-1	-2	-2	-1	[6]	---	---	---	-28	-30
52. Alternative fuel refueling property - increase in credit rate and credit cap (sunset 12/31/11).....	tyba 12/31/10	----- Estimate Included in Item VI.A.49. -----												
53. Enhanced credit for health insurance costs of eligible individuals (sunset 12/31/11) [2].....	tyba 12/31/10	---	-84	-44	---	---	---	---	---	---	---	---	-128	-128
54. Reduction in corporate rate for qualified timber gain (sunset 12/31/11).....	5/23/09	-136	-104	-50	-30	-29	-28	-27	-11	-2	-2	-1	-375	-417
55. Incentives for alcohol fuels:														
a. Alcohol fuels income tax credit (sunset 12/31/11).....	1/1/11	---	-3,558	-1,311	---	---	---	---	---	---	---	---	-4,869	-4,869
b. Alcohol fuel mixture excise tax credit (including 10 epg small ethanol producer credit) (sunset 12/31/11).....	1/1/11	----- Estimate Included in Item VI.A.55.a. -----												
56. Work opportunity tax credit targeted group status for unemployed veterans and disconnected youth (sunset 12/31/11).....	iwbwa 12/31/10 & [11]	---	-34	-57	-26	-9	-5	-2	[6]	---	---	---	-130	-133
57. Qualified zone academy bonds - allocations of bond authority (sunset 12/31/11).....	oia 12/31/10	---	-2	-12	-40	-71	-82	-81	-79	-75	-72	-71	-207	-585
58. School construction bonds - allocation of bond authority (sunset 12/31/11).....	oia 12/31/10	---	-16	-82	-201	-334	-459	-559	-603	-598	-579	-566	-1,092	-3,997
59. Modification of AMT limitations on tax exempt bonds (sunset 12/31/11).....	oia 12/31/10	---	-13	-25	-25	-25	-25	-24	-24	-22	-21	-20	-113	-224
60. Exclusion from income for benefits provided to volunteer firefighters and emergency medical responders (sunset 12/31/11).....	tyba 12/31/10	---	-21	-76	---	---	---	---	---	---	---	---	-97	-97
61. Parity for exclusion for employer-provided mass transit and parking benefits (sunset 12/31/11).....	mbo/a 12/31/10	---	-95	-32	---	---	---	---	---	---	---	---	-127	-127
62. Qualified mortgage bonds for refinancing of subprime loans (sunset 12/31/11).....	bia 12/31/10	---	-8	-30	-48	-48	-46	-44	-42	-40	-38	-36	-180	-380

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63. Expansion of availability of industrial development bonds to facilities manufacturing intangible property (sunset 12/31/11).....	oia 12/31/10	---	-3	-13	-20	-20	-19	-19	-19	-18	-18	-18	-75	-167
64. Volume cap increase and set-aside for private activity bonds for housing (sunset 12/31/11).....	oia 12/31/10	---	-5	-20	-32	-32	-32	-32	-32	-32	-32	-32	-121	-281
65. Bonds guaranteed by Federal Home Loan banks eligible for treatment as tax-exempt bonds (sunset 12/31/11).....	bia 12/31/10	---	-13	-15	-15	-15	-15	-15	-15	-15	-15	-15	-73	-148
66. Premiums for mortgage insurance deductible as interest that is qualified residences interest (sunset 12/31/11).....	apoa 12/31/10	---	-87	-260	---	---	---	---	---	---	---	---	-347	-347
67. Five-year amortization of music and music copyrights (sunset 12/31/11).....	ppisi tyba 12/31/10	---	-2	-3	1	1	[7]	[7]	[7]	[7]	[7]	[7]	-3	-3
68. Natural gas distribution lines treated as 15-year property (sunset 12/31/11).....	ppisa 12/31/10	---	-13	-33	-36	-30	-24	-19	-18	-22	-25	-26	-137	-247
69. Modification of small issuer exception to tax-exempt interest allocation rules for financial institutions (sunset 12/31/11).....	bia 12/31/10	---	-80	-242	-330	-345	-340	-335	-330	-325	-320	-315	-1,337	-2,962
70. De minimus safe harbor exception for tax-exempt interest allocation rules for financial institutions (included above) (sunset 12/31/11).....	bia 12/31/10	----- Estimate Included in Item VI.A.69. -----												
71. Alaska Native Settlement Trusts (sunset 12/31/11)..	[12]	---	-2	-2	---	---	---	---	---	---	---	---	-4	-4
72. Reduce the S corporation built-in gains holding period from 10 to 7 years (sunset 12/31/11).....	tyba 12/31/10	---	-52	-61	-9	---	---	---	---	---	---	---	-122	-122
73. Authority to issue Recovery Zone economic development bonds and facility bonds (sunset 12/31/11) [2].....	oia 12/31/10	---	-70	-154	-161	-155	-153	-148	-148	-148	-148	-148	-693	-1,433
B. Extend Certain Trade Provisions														
1. Andean Trade Preferences (sunset 12/31/11) [8].....	1/1/11	---	-67	-22	---	---	---	---	---	---	---	---	-89	-89
2. Caribbean Basin Initiative (sunset 12/31/11) [8].....	10/1/10	---	-46	-11	---	---	---	---	---	---	---	---	-57	-57
3. Generalized System of Preferences (sunset 12/31/11) [8].....	1/1/11	---	-454	-151	---	---	---	---	---	---	---	---	-605	-605
4. Temporary Alcohol Fuels Tariff (sunset 12/31/11) [8].....	1/1/11	---	24	8	---	---	---	---	---	---	---	---	32	32
Total of Continue Certain Expiring Provisions Through Calendar Year 2011.....		-4,371	-24,752	-17,428	-2,936	-2,544	-2,390	-1,937	-1,393	-1,388	-1,706	-1,726	-54,422	-62,572
VII. Other Revenue Changes and Loophole Closers														
A. Reform Treatment of Financial Institutions and Products														
1. Impose a financial crisis responsibility fee [13].....	7/1/10	---	8,000	8,000	9,000	9,000	9,000	9,000	9,000	9,000	10,000	10,000	43,000	90,000

Provision	Effective	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2010-15	2010-20
2. Require accrual of income on forward sale of corporate stock.....	fceia 12/31/11	---	---	1	4	7	10	13	16	19	22	25	22	117
3. Require ordinary treatment of income from day-to-day dealer activities for certain dealers of equity options and commodities.....	fceio/a 12/31/11	24	143	212	221	235	247	258	269	280	291	302	1,082	2,481
4. Modify the definition of “control” for purposes of section 249.....	DOE	2	6	7	7	8	8	8	9	9	10	10	38	84
B. Reinstate Superfund Taxes														
1. Reinstate Superfund excise taxes (sunset 12/31/20).	pa 12/31/10	---	490	656	657	656	654	654	655	654	655	657	3,114	6,389
2. Reinstate Superfund environmental income tax (sunset 12/31/20).....	tyba 12/31/10	---	719	1,230	1,285	1,321	1,328	1,329	1,346	1,373	1,412	1,459	5,884	12,803
C. Make the Unemployment Insurance Surtax Permanent [8].....	7/1/11	---	86	1,035	1,409	1,445	1,469	1,485	1,499	1,512	1,525	1,538	5,444	13,003
D. Repeal LIFO Method of Accounting for Inventories.....	tyba 12/31/11	---	---	4,171	7,440	7,846	8,099	8,566	9,208	9,576	9,988	10,418	27,556	75,312
E. Repeal Gain Limitation for Dividends Received in Reorganization Exchanges.....	tyba 12/31/10	---	10	50	50	50	50	50	50	50	50	50	210	460
F. Reform U.S. International Tax System														
1. Defer deduction of interest expense related to deferred income.....	tyba 12/31/10	---	1,864	3,572	3,588	3,947	4,341	4,775	3,877	2,889	3,178	3,496	17,312	35,527
2. Foreign tax credit reform - determine the foreign tax credit on a pooling basis.....	tyba 12/31/10	---	2,470	5,187	4,310	4,575	4,804	5,044	5,296	5,556	5,839	6,131	21,346	49,212
3. Foreign tax credit reform - prevent splitting of foreign income and foreign taxes.....	tyba 12/31/10	---	503	1,107	1,096	1,063	1,031	1,000	970	941	913	885	4,799	9,507
4. Tax currently excess returns associated with transfers of intangibles offshore.....	tyba 12/31/10	---	422	907	948	991	1,035	1,082	1,131	1,182	1,235	1,290	4,304	10,223
5. Limit shifting of income through intangible property transfers.....	tyba 12/31/10	---	24	50	50	50	50	50	50	50	50	50	224	474
6. Disallow the deduction for excess non-taxed reinsurance premiums paid to affiliates.....	tyba 12/31/10	---	37	89	111	139	174	217	272	340	424	530	550	2,333
7. Limit earnings stripping by expatriated entities.....	tyba 12/31/10	---	69	145	152	160	168	176	185	194	204	214	694	1,667
8. Repeal 80/20 company rules.....	tyba 12/31/10	---	50	100	100	100	100	100	100	100	100	100	450	950
9. Prevent the avoidance of dividend withholding taxes.....	pma 2010	5	72	120	126	132	139	146	153	161	169	177	594	1,400
10. Modify the tax rules for dual capacity taxpayers.....	tyba 12/31/10	---	312	749	779	810	842	876	911	947	985	1,025	3,492	8,236
11. Combat under-reporting of income through use of accounts and entities in in offshore jurisdictions.....	various	87	326	474	509	749	783	818	855	893	933	975	2,928	7,402
G. Reform Treatment of Insurance Companies and Products														
1. Modify rules that apply to sales of life insurance contracts.....	[14]	---	35	60	64	67	71	74	77	80	83	87	297	698

Provision	Effective	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2010-15	2010-20
2. Modify dividends-received deduction for life insurance company separate accounts.....	tyba 12/31/10	---	165	267	289	308	322	335	352	371	395	413	1,351	3,217
3. Expand pro rata interest expense disallowance for corporate-owed life insurance ("COLI").....	ceia 12/31/10	---	143	336	495	627	738	833	916	990	1,058	1,123	2,339	7,259
4. Permit partial annuitization of a nonqualified annuity contract.....	paa 12/31/10	---	5	20	37	56	77	99	124	149	179	210	195	956
H. Eliminate Fossil Fuel Preferences														
1. Eliminate oil and gas preferences:														
a. Repeal enhanced oil recovery credit.....	tyba 12/31/10	----- <i>No Revenue Effect</i> -----												
b. Repeal credit for oil and gas produced from marginal wells.....	tyba 12/31/10	----- <i>No Revenue Effect</i> -----												
c. Repeal expensing of intangible drilling costs.....	epoia 12/31/10	---	1,655	2,359	2,025	1,653	1,271	888	501	236	167	170	8,963	10,924
d. Repeal deduction for tertiary injectants.....	epoia 12/31/10	---	4	7	8	8	7	5	5	5	4	4	34	57
e. Repeal exemption to passive loss limitation for working interests in oil and natural gas properties.....	tyba 12/31/10	---	8	25	24	24	24	23	23	22	22	22	105	217
f. Repeal percentage depletion for oil and natural gas wells.....	tyba 12/31/10	---	562	886	931	964	984	1,000	1,025	1,060	1,101	1,139	4,328	9,653
g. Repeal domestic manufacturing deduction for oil and gas production.....	tyba 12/31/10	---	708	1,277	1,341	1,408	1,478	1,552	1,630	1,711	1,797	1,887	6,212	14,789
h. Increase geological and geophysical amortization period for independent producers to seven years.....	epoia 12/31/10	---	42	165	221	163	107	88	69	50	50	49	698	1,003
2. Eliminate coal preferences:														
a. Repeal expensing of exploration and development costs.....	epoia 12/31/10	---	28	47	44	42	41	41	39	38	34	31	202	385
b. Repeal percentage depletion for hard mineral fossil fuels.....	tyba 12/31/10	---	45	79	91	95	99	101	105	111	114	115	409	955
c. Repeal capital gains treatment for royalties.....	tyba 12/31/10	---	16	33	59	63	66	69	72	76	82	89	238	626
d. Repeal domestic manufacturing deduction for coal and other hard mineral fossil fuels.....	tyba 12/31/10	---	88	176	186	197	209	222	235	249	264	280	856	2,106
I. Tax Carried (Profits) Interests as Ordinary Income..	tyba 12/31/10	574	2,070	3,020	2,798	2,395	2,150	2,306	2,969	3,435	3,480	3,399	13,007	28,596
J. Modify the Cellulosic Biofuel Producer Credit.....	DOE	---	4,255	5,605	4,919	2,757	1,378	394	---	---	---	---	18,914	19,308
K. Eliminate the Advanced Earned Income Tax Credit [2].....														
	tyba 12/31/09	163	117	99	102	102	103	105	107	110	112	114	686	1,234
L. Deny Deduction for Punitive Damages.....	dpoia 12/31/11	---	---	24	33	34	35	36	37	38	39	40	125	315
M. Repeal Lower-of-Cost-or-Market Inventory Accounting Method.....														
	tyba 12mf DOE	---	27	583	1,352	1,550	1,709	1,110	596	295	355	412	5,221	7,989
N. Reduce the Tax Gap and Make Reforms														
1. Expand information reporting:														
a. Require information reporting on payments to corporations.....	pma 12/31/10	---	46	454	297	327	333	354	370	385	400	420	1,458	3,387

Provision	Effective	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2010-15	2010-20
b. Require information reporting for rental property expense payments.....	tyba 12/31/10	---	[15]	227	239	251	261	275	285	299	314	325	978	2,476
c. Require information reporting for private separate accounts of life insurance companies....	tyba 12/31/10	[6]	[6]	[6]	[6]	[6]	[6]	[6]	[6]	[6]	[6]	[6]	[6]	[6]
d. Require a certified Taxpayer Identification Number from contractors and allow certain withholding.....	pma 12/31/10	---	5	44	32	35	37	39	42	44	46	49	153	373
e. Require increased information reporting for certain government payments for property and services.....	pma 12/31/10	---	77	157	89	18	18	19	20	21	22	23	359	463
f. Increase information return penalties.....	rrtbfa 12/31/11	---	---	31	42	42	43	43	43	44	45	47	157	379
2. Improve compliance by businesses:														
a. Require greater electronic filing of returns.....	tyea 12/31/10	----- <i>No Revenue Effect</i> -----												
b. Implement standards clarifying when employee leasing companies can be held liable for their clients' Federal employment taxes.....	[16]	----- <i>Negligible Revenue Effect</i> -----												
c. Increase certainty with respect to worker classification.....	DOE	---	200	367	536	705	838	874	864	857	851	841	2,645	6,933
3. Strengthen tax administration:														
a. Codify "economic substance" doctrine, impose penalties, and deny interest deductions.....	teia DOE	34	434	551	639	741	761	773	791	813	836	860	3,161	7,234
b. Allow assessment of criminal restitution as tax...	12/31/11	---	---	1	1	1	1	1	1	1	1	1	3	8
c. Revise offer-in-compromise application rules.....	DOE	-5	-5	[17]	[17]	[17]	[17]	[17]	[17]	[17]	[17]	[17]	-10	-10
d. Expand IRS access to information in the National Directory of New Hires for tax administration purposes.....	DOE	----- <i>No Revenue Effect</i> -----												
e. Make repeated willful failure to file a tax return a felony.....	rrtbfa 12/31/10	----- <i>Negligible Revenue Effect</i> -----												
f. Facilitate tax compliance with local jurisdictions.....	dma DOE	----- <i>Negligible Revenue Effect</i> -----												
g. Extension of statute of limitations where State adjustment affects Federal tax liability.....	rrtbfa 12/31/10	[7]	[7]	[7]	[7]	[7]	[7]	[7]	[7]	[7]	[7]	[7]	1	2
h. Improve investigative disclosure statute.....	dma DOE	----- <i>Negligible Revenue Effect</i> -----												
4. Expand penalties:														
a. Clarify that bad check penalty applies to electronic checks and other payment forms.....	rrtbfa 12/31/10	---	4	4	4	5	5	5	5	5	5	5	22	47
b. Impose a penalty on failure to comply with electronic filing requirements.....	rrtbfa 12/31/11	----- <i>No Revenue Effect</i> -----												
O. Reform Estate and Gift Tax Rules														
1. Require consistent valuation for transfer and income tax purposes.....	DOE	3	36	89	96	102	107	111	115	120	124	128	433	1,031
2. Modify rules on valuation discounts.....	[18]	----- <i>Proposal Requires Additional Specification</i> -----												

Provision	Effective	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2010-15	2010-20
3. Require a minimum 10-year term for grantor retained annuity trusts ("GRATs").....	tca DOE	---	3	11	121	260	381	507	621	743	857	945	775	4,448
Total of Other Revenue Changes and Loophole Closers.....		887	26,376	44,866	48,957	48,284	47,986	47,929	47,890	48,085	50,820	52,561	217,356	464,639
VIII. Upper-Income Tax Provisions														
A. Limit the Tax Rate at Which Itemized Deductions														
Reduce Tax Liability to 28%.....	tyba 12/31/10	---	7,279	22,254	23,794	26,395	29,032	31,457	33,756	36,063	38,450	40,779	108,754	289,260
Total of Upper-Income Tax Provisions.....		---	7,279	22,254	23,794	26,395	29,032	31,457	33,756	36,063	38,450	40,779	108,754	289,260
IX. Trade Provisions														
A. Afghan-Pakistan Reconstruction Opportunity														
Zone [8].....	1/1/11	---	---	-1	-2	-4	-7	-11	-15	-20	-24	-29	-14	-113
B. Implement Free Trade Agreement with Panama [8].	1/1/11	---	---	-1	-1	-1	-1	-1	-1	-1	-1	-1	-4	-9
C. Implement Free Trade Agreement with														
Columbia [8].....	1/1/11	---	---	-96	-108	-113	-117	-121	-126	-133	-143	-155	-434	-1,112
D. Implement Free Trade Agreement with Korea [8]....	1/1/11	---	---	-472	-561	-615	-665	-703	-742	-800	-880	-976	-2,313	-6,414
Total of Trade Provisions.....		---	---	-570	-672	-733	-790	-836	-884	-954	-1,048	-1,161	-2,765	-7,648
X. User Fees - Support Capital Investment in the														
Inland Waterways [8].....	10/1/11	---	---	197	196	232	209	193	165	165	166	167	834	1,690
XI. Other Initiatives														
A. Extend and Modify the New Markets Tax Credit....	DOE	-1	-13	-66	-195	-369	-466	-528	-574	-581	-515	-367	-1,110	-3,674
B. Reform and Extend Build America Bonds [2].....	bia 12/31/10	---	-50	-239	-399	-564	-734	-909	-1,089	-1,275	-1,466	-1,664	-1,986	-8,389
C. Restructure Assistance to New York City -														
Provide Tax incentives for Transportation														
Infrastructure [2].....	1/1/11	---	-200	-200	-200	-200	-200	-200	-200	-200	-200	-200	-1,000	-2,000
D. Implement Unemployment Insurance Integrity														
Legislation [2][8].....	DOE	---	---	395	277	76	34	18	24	28	39	47	783	939
E. Levy Payments to Federal Contractors with														
Delinquent Tax Debt														
1. Authorize post-levy due process.....	lia 12/31/10	---	39	37	37	38	39	40	40	41	42	43	189	395
2. Increase levy authority to 100% for vendor														
payments.....	pma DOE	3	13	13	13	14	14	14	15	15	15	15	70	144

Provision	Effective	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2010-15	2010-20
F. Allow Offset of Federal Income Tax Refunds to Collect Delinquent State Income Taxes for Out-of-State Residents.....	DOE	----- No Revenue Effect -----												
Total of Other Initiatives.....		2	-211	-60	-467	-1,005	-1,313	-1,565	-1,784	-1,972	-2,085	-2,126	-3,054	-12,585
NET TOTAL		-57,255	-209,101	-239,359	-212,048	-231,599	-248,929	-264,995	-282,425	-300,962	-318,974	-338,917	-1,198,288	-2,704,569

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding. The date of enactment is generally assumed to be July 1, 2010.

Legend for "Effective" column:

apoa = amounts paid or accrued after
 apoia = amounts paid or incurred after
 bia = bonds issued after
 ceia = contracts entered into after
 cma = contributions made after
 cmi = contributions made in
 da = dispositions after
 dda = decedents dying after
 dma = disclosures made after
 dmi = distributions made in
 doa = disasters occurring after
 DOE = date of enactment
 dpoia = damages paid or incurred after
 dsbiUSa = distilled spirits brought into the United States after

epoia = expenses paid or incurred after
 epoi = expenses paid or incurred in
 fceio/a = forward contracts entered into on or after
 fsoua = fuel sold or used after
 gma = gifts made after
 iwbwa = individuals who begin work after
 iha = individuals hired after
 lia = levies issued after
 mbo/a = months beginning on or after
 oia = obligations issued after
 pa = periods after
 paa = property acquired after
 pca = productions commencing after
 pma = payments made after

ppa = property purchased after
 ppisa = property placed in service after
 ppisi = property placed in service in
 proaa = payments received or accrued after
 rrtbfa = returns required to be filed after
 rrtbfea = returns required to be filed electronically after
 saa = securities acquired after
 tca = trusts created after
 teia = transactions entered into after
 tyba = taxable years beginning after
 tyea = taxable years ending after
 12mf = twelve months from

[Footnotes for JCX-7-10 R appear on the following page]

Footnotes for JCX-7-10 R:

[1] To the extent the proposals are not fully specified, estimates will be updated as new information becomes available and policy intent is clarified.

[2] Estimate includes the following outlay effects:	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2010-15	2010-20
Retain 10% bracket	---	---	1,258	1,342	1,441	1,582	1,677	1,742	1,846	1,923	2,035	5,623	14,846
Child credit	---	---	26,597	26,557	26,409	26,143	26,189	26,540	26,739	27,158	27,404	105,706	239,736
Marriage penalty.....	---	---	2,038	2,023	1,996	1,993	2,016	2,053	2,100	2,156	2,198	8,050	18,573
EIC part of marriage penalty.....	---	---	3,718	3,785	3,808	3,817	3,869	3,954	4,049	4,165	4,269	15,128	35,434
Other incentives for families and children.....	---	---	79	294	318	324	325	326	324	323	321	1,015	2,634
Extend Making Work Pay tax credit	---	---	19,996	---	---	---	---	---	---	---	---	19,996	19,996
Economic Recovery Payments for 2010.....	14,216	167	29	---	---	---	---	---	---	---	---	14,412	14,412
Interaction of economic recovery payments with the													
Making Work Pay tax credit	---	-768	---	---	---	---	---	---	---	---	---	-768	-768
Provide \$250 refundable credit for Federal, State and local													
government retirees not eligible for Social Security benefits	---	98	---	---	---	---	---	---	---	---	---	98	98
Extend COBRA Health Insurance Premium Assistance.....	97	260	460	---	---	---	---	---	---	---	---	816	816
Extend option for cash assistance to States in lieu of housing													
tax credits.....	444	4,001	---	---	---	---	---	---	---	---	---	4,445	4,445
Expanded earned income credit.....	---	---	3,255	3,214	3,132	3,064	3,057	3,110	3,182	3,262	3,353	12,665	28,629
Expanded child and dependent care tax credit.....	---	---	105	425	448	457	467	477	487	498	510	1,435	3,873
Require certain employers to establish automatic enrollment													
in IRAs	---	---	---	1,135	1,170	1,197	1,253	1,307	1,357	1,481	1,546	3,502	10,446
Expanded Saver's credit	---	---	1,274	1,204	1,152	1,098	1,114	1,115	1,102	1,194	1,182	4,728	10,435
Extend American Opportunity tax credit.....	---	---	2,086	1,963	1,996	1,915	1,866	1,841	1,921	1,895	1,984	7,960	17,467
Increase in limit on cover over of rum excise tax revenues.....	122	113	27	---	---	---	---	---	---	---	---	262	262
Enhanced credit for health insurance costs of eligible individuals.....	---	66	35	---	---	---	---	---	---	---	---	101	101
Recovery zone bonds	---	74	148	148	148	148	148	148	148	148	148	666	1,406
Eliminate the advanced earned income credit.....	-90	-98	-98	-100	-101	-102	-103	-105	-107	-109	-111	-588	-1,124
Reform and Extend Build America Bonds	---	522	2,504	4,186	5,919	7,704	9,542	11,435	13,385	15,394	17,463	20,835	88,054
Restructure Assistance to New York City - Provide Tax													
incentives for Transportation infrastructure.....	---	200	200	200	200	200	200	200	200	200	200	1,000	2,000
Implement unemployment insurance integrity legislation.....	---	---	-395	-334	-197	-200	-203	-205	-208	-210	-212	-1,126	-2,164
Total Outlay Effects	14,789	4,635	63,316	46,042	47,839	49,340	51,417	53,938	56,525	59,478	62,290	225,961	509,607

[3] The provision that permanently extends the exclusion for undergraduate courses and graduate level courses is included in the Education

Incentives line and includes the following effects:

Total Revenue Effects.....	-706	-964	-992	-1,023	-1,053	-1,085	-1,117	-1,151	-1,185	-1,221	-4,738	-10,497
On-budget effects.....	-460	-653	-671	-692	-713	-734	-756	-779	-802	-826	-3,189	-7,086
Off-budget effects.....	-246	-311	-321	-331	-340	-351	-361	-372	-383	-395	-1,549	-3,411

[4] Estimate includes extension of the adoption tax credit, employer-provided child care tax credit, and dependent care tax credit.

[5] Estimate has been updated to reflect enactment of H.R. 4691. Estimate does not include effects of interaction with unemployment insurance.

Footnotes for JCX-7-10 R continued:

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

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

[8] Estimate provided by the Congressional Budget Office.

[9] Effective for disasters occurring after December 31, 2009 and taxable years beginning after December 31, 2009 for the \$500 limitation provision.

[10] Extends provisions in sections 143(k)(11) and 143(k)(13) of the Internal Revenue Code.

[11] Effective for any unemployed veteran hired within five years (but not less than two months) of the date of discharge.

[12] Not effective for taxable years of electing Settlement Trusts beginning after December 31, 2011, or for contributions to such trusts made after December 31, 2011.

[13] The estimate shown here is provided by the Department of the Treasury. A final estimate will be provided after necessary data specifications and model development, specific to this proposal, have been completed.

[14] Effective after assignments of interest in life insurance policies and payment of death benefits for taxable years beginning after.

[15] Negligible revenue gain.

[16] Effective for employment tax returns required to be filed with respect to wages paid after December 31, 2010.

[17] Negligible revenue effect.

[18] Effective for transfers after the date of enactment of property subject to restrictions created after October 8, 1990 (the effective date of section 2704).