

- Committee on Ways and Means -  
ESTIMATED REVENUE EFFECTS OF H.R. 8,  
THE "JOB PROTECTION AND RECESSION PREVENTION ACT OF 2012"

Fiscal Years 2013 - 2022

[Millions of Dollars]

Provision	Effective	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2013-17	2013-22
<b>Temporary Extension of Certain Tax Cuts Enacted in 2001 and 2003</b>													
A. Temporary Extension of 2001 Tax Relief													
1. Individual income tax rate relief:													
a. Retain 10% income tax bracket (sunset 12/31/13) [1].....	tyba 12/31/12	-30,723	-13,167	[2]	---	---	---	---	---	---	---	-43,890	-43,890
b. Retain the 25% and the 28% income tax brackets (sunset 12/31/13).....	tyba 12/31/12	-12,731	-5,456	[2]	---	---	---	---	---	---	---	-18,187	-18,187
c. Retain the 33% and the 35% income tax brackets (sunset 12/31/13).....	tyba 12/31/12	-22,350	-9,579	[2]	---	---	---	---	---	---	---	-31,929	-31,929
d. Repeal overall limitation on itemized deduction and the personal exemption phaseout (sunset 12/31/13).....	tyba 12/31/12	-5,664	-5,228	[2]	---	---	---	---	---	---	---	-10,892	-10,892
2. Retain the child tax credit at \$1,000; refundable up to greater of 15% of earned income in excess of \$10,000 (indexed from 2001) or the taxpayer's social security tax liability to the extent that it exceeds the taxpayer's earned income credit; allow credit against the AMT; repeal AMT offset of refundable credits (sunset 12/31/13) [1].....	tyba 12/31/12	-4,117	-31,515	---	---	---	---	---	---	---	---	-35,632	-35,632
3. Marriage penalty relief:													
a. Standard deduction and 15% rate bracket set at 2 times single for married filing jointly (sunset 12/31/13) [1].....	tyba 12/31/12	-4,279	-1,834	[2]	---	---	---	---	---	---	---	-6,113	-6,113
b. EIC modification and simplification - increase in joint returns beginning and ending income level for phaseout by \$3,000 indexed after 2008; simplify definition of earned income; use AGI instead of modified AGI; simplify definition of qualifying child and tie-breaker rules; and allow math error procedure with Federal Case registry data beginning in 2004 (sunset 12/31/13) [1].....	tyba 12/31/12	-31	-3,095	---	---	---	---	---	---	---	---	-3,126	-3,126

Provision	Effective	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2013-17	2013-22
4. Education Tax Relief:													
a. Coverdell Education Savings Accounts ("ESAs") - increase the annual contribution limit to \$2,000; allow ESA contributions for special needs beneficiaries above the age of 18; allow corporations and other entities to contribute to ESAs; allow contributions until April 15 of the following year; allow a taxpayer to exclude ESA distributions from gross income and claim the HOPE or Lifetime Learning credits as long as they are not used for the same expenses; repeal excise tax on contributions made to ESA when contribution made by anyone on behalf of same beneficiary to QTP; modify phaseout range for married taxpayers; allow tax-free expenditures for elementary and secondary school expenses; expand the definition of qualified expenses to include certain computers and related items (sunset 12/31/13).....	tyba 12/31/12	-9	-3	---	---	---	---	---	---	---	---	-12	-12
b. Employer provided educational assistance - extend the exclusion for undergraduate courses and graduate level courses (sunset 12/31/13) [3].....	cba 12/31/12	-230	-919	---	---	---	---	---	---	---	---	-1,148	-1,148
c. Student loan interest deduction - eliminate the 60-month rule and the disallowance for voluntary payments; increase phaseout ranges to \$50,000-\$65,000 single/ \$100,000-\$130,000 joint, indexed for inflation (sunset 12/31/13).....	ipa 12/31/12	-89	-797	---	---	---	---	---	---	---	---	-886	-886
d. Eliminate the tax on awards under the National Health Service Corps Scholarship program and F. Edward Hebert Armed Forces Health Professions Scholarship and Financial Assistance Program (sunset 12/31/13).....	tyba 12/31/12	-32	-95	---	---	---	---	---	---	---	---	-127	-127
e. Increase arbitrage rebate exception for governmental bonds used to finance qualified school construction from \$10 million to \$15 million (sunset 12/31/13).....	bia 12/31/12	[2]	-1	-1	-1	-1	-1	-1	-1	-1	-1	-5	-12
f. Issuance of tax-exempt private activity bonds for qualified education facilities with annual State volume caps the greater of \$10 per resident or \$5 million (sunset 12/31/13).....	bia 12/31/12	[2]	-2	-3	-3	-3	-3	-3	-3	-3	-3	-11	-27
5. Dependent care tax credit - increase the credit rate to 35%, increase the eligible expenses to \$3,000 for one child and \$6,000 for two or more children (not indexed), and increase the start of the phase-out to \$15,000 of AGI (sunset 12/31/13) [1].....	tyba 12/31/12	-62	-187	---	---	---	---	---	---	---	---	-249	-249

Provision	Effective	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2013-17	2013-22
6. Adoption credit - increase the expense limit and the exclusion to \$10,000 for both non-special needs and special needs adoptions, make the credit independent of expenses for special needs adoptions, extend the credit and the exclusion, increase the phase-out start point to \$150,000, index for inflation the expenses limit and the phase-out start point for both the credit and the exclusion, and allow the credit to apply to the AMT (sunset 12/31/13) [1].....	tyba 12/31/12	-154	-359	---	---	---	---	---	---	---	---	-513	-513
7. Employer-provided child care credit of 25% for childcare expenditures and 10% for child care resource (sunset 12/31/13).....	tyba 12/31/12	-14	-9	---	---	---	---	---	---	---	---	-23	-23
8. Allow electing Alaska Native Settlement Trusts to tax income to the Trust not the beneficiaries (sunset 12/31/13)..	tyba 12/31/12	-2	-2	---	---	---	---	---	---	---	---	-4	-4
<b>B. Temporary Extension of 2003 Tax Relief</b>													
1. Tax capital gains with a 0%/15% rate structure (sunset 12/31/13).....	tyba 12/31/12	-14,172	16,506	-12,458	---	---	---	---	---	---	---	-10,123	-10,123
2. Tax dividends with a 0%/15% rate structure (sunset 12/31/13).....	tyba 12/31/12	-5,406	-10,324	---	---	---	---	---	---	---	---	-15,731	-15,731
<b>Total of Temporary Extension of Certain Tax Cuts Enacted in 2001 and 2003.....</b>		<b>-100,064</b>	<b>-66,067</b>	<b>-12,462</b>	<b>-4</b>	<b>-4</b>	<b>-4</b>	<b>-4</b>	<b>-4</b>	<b>-4</b>	<b>-4</b>	<b>-178,602</b>	<b>-178,625</b>
<b>Temporary Extension of Estate and Gift Tax Provisions of the Tax Relief Act (sunset 12/31/13).....</b>	<b>dda &amp; gma 12/31/12</b>	<b>-3,606</b>	<b>-23,474</b>	<b>-2,594</b>	<b>-813</b>	<b>-717</b>	<b>-128</b>	<b>21</b>	<b>30</b>	<b>35</b>	<b>41</b>	<b>-31,205</b>	<b>-31,207</b>
<b>Section 179 Expensing Amounts and Threshold Limits (\$127,000/\$510,000) (sunset 12/31/13).....</b>	<b>tyba 12/31/12</b>	<b>-2,109</b>	<b>-1,459</b>	<b>1,043</b>	<b>646</b>	<b>471</b>	<b>364</b>	<b>222</b>	<b>125</b>	<b>72</b>	<b>45</b>	<b>-1,408</b>	<b>-581</b>
<b>Increase AMT Exemption Amount to \$50,600 (\$78,750) in 2012 and \$51,150 (\$79,850) in 2013 and Allow Personal Credits Against AMT (sunset 12/31/13).....</b>	<b>tyba 12/31/11</b>	<b>-122,248</b>	<b>-78,444</b>	<b>7,958</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>-192,734</b>	<b>-192,734</b>
<b>NET TOTAL .....</b>		<b>-228,027</b>	<b>-169,444</b>	<b>-6,055</b>	<b>-171</b>	<b>-250</b>	<b>232</b>	<b>239</b>	<b>151</b>	<b>103</b>	<b>82</b>	<b>-403,949</b>	<b>-403,147</b>

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding. The date of enactment is assumed to be October 1, 2012. Revenue provisions as submitted in statutory draft Camp\_059.

[Legend and Footnotes for JCX-64-12 appear on the following page]

**Legend and Footnotes for JCX-64-12:**

Legend for "Effective" column:

bia = bonds issued after

cba = courses beginning after

dda = decedents dying after

gma = gifts made after

ipa = interest paid after

tyba = taxable years beginning after

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2013-17</u>	<u>2013-22</u>
[1] Estimate includes the following outlay effects:												
Retain 10% bracket.....	---	1,682	---	---	---	---	---	---	---	---	1,682	1,682
Retain the child tax credit at \$1,000; refundable; AMT rules.....	---	15,048	---	---	---	---	---	---	---	---	15,048	15,048
Marriage penalty - standard deduction and 15% rate.....	---	159	---	---	---	---	---	---	---	---	159	159
EIC modification and simplification (\$3,000).....	---	2,541	---	---	---	---	---	---	---	---	2,541	2,541
Dependent care tax credit.....	---	43	---	---	---	---	---	---	---	---	43	43
Adoption credit.....	---	88	---	---	---	---	---	---	---	---	88	88
[2] Loss of less than \$500,000.												
[3] Estimates includes the following budget effects:												
Total Revenue Effects.....	-230	-919	---	---	---	---	---	---	---	---	-1,148	-1,149
On-budget effects.....	-153	-613	---	---	---	---	---	---	---	---	-766	-766
Off-budget effects.....	-77	-306	---	---	---	---	---	---	---	---	-383	-383