



JOINT COMMITTEE ON TAXATION

March 24, 2015

JCX-62-15

DESCRIPTION OF AN AMENDMENT IN THE NATURE OF A SUBSTITUTE TO THE PROVISIONS OF H.R. 1295, A BILL TO IMPROVE THE PROCESS FOR MAKING DETERMINATIONS WITH RESPECT TO WHETHER ORGANIZATIONS ARE EXEMPT FROM TAXATION UNDER SECTION 501(C)(4) OF THE CODE

The Chairman's amendment in the nature of a substitute modifies H.R. 1295. First, the amendment provides that the bill may be cited by the short title, the "IRS Bureaucracy Reduction and Judicial Review Act." Second, section 1(c) of the bill is modified to provide that, in addition to adding a new section 6652(c)(4) to the Code and redesignating existing sections 6652(c)(4) and (c)(5) as sections 6652(c)(5) and (6), respectively, existing section 6652(c)(6) will be redesignated as section 6652(c)(7) (see section 2(c) of the amendment). Finally, section 2(a) of the bill is modified by replacing "such Code" with "the Internal Revenue Code of 1986" (see section 3(a) of the amendment).

The following presents the estimated Federal fiscal year budget effects of the Chairman's amendment.

Fiscal Years
[Millions of Dollars]

<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>2023</u>	<u>2024</u>	<u>2025</u>	<u>2015-20</u>	<u>2015-25</u>
[1]	[1]	[1]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	1

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

[1] Estimate includes an increase in user fees of \$15 million and an increase in outlay of \$15 million from 2015-2025 (user fee and outlay estimate provided by the Congressional Budget Office).

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

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