

JOINT COMMITTEE ON TAXATION

April 24, 2008

JCX-34-08

ESTIMATED REVENUE EFFECTS OF H.R. 5720,  
THE "HOUSING ASSISTANCE TAX ACT OF 2008,"  
AS REPORTED BY THE COMMITTEE ON WAYS AND MEANS

Fiscal Years 2008 - 2018

[Millions of Dollars]

Provision	Effective	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2008-13	2008-18
<b>I. Benefits for Multi-Family Low-Income Housing</b>														
A. Low-Income Housing Tax Credit														
1. Temporary increase in volume cap for low-income housing tax credit (\$0.20 per capita in each of 2008 and 2009).....	amfcya 2007	-1	-34	-74	-109	-119	-119	-119	-119	-119	-119	-119	-456	-1,051
2. Determination of credit rate.....	bpisa DOE	[1]	[1]	-1	-1	-1	-1	-1	-1	-1	-1	-1	-4	-9
3. Modifications to definition of eligible basis.....	bpisa DOE	[1]	-3	-4	-6	-8	-9	-11	-13	-15	-17	-18	-32	-104
4. Other simplification and reform of low-income housing tax credit.....	bpisa DOE	[1]	-2	-3	-5	-6	-8	-9	-10	-10	-11	-12	-24	-73
B. Modifications to Tax-Exempt Housing Bond Rules														
1. Volume cap exception for certain refundings of qualified residential projects.....	rolra DOE	[1]	-1	-4	-8	-14	-25	-41	-63	-89	-116	-147	-52	-509
2. Coordination of certain rules applicable to low-income housing credit and qualified residential rental project exempt facility bonds....	biob/a DOE	[1]	[1]	[1]	-1	-1	-1	-1	-1	-1	-2	-2	-3	-10
C. Reforms Related to the Low-Income Housing Credit and Tax-Exempt Housing Bonds														
1. Hold harmless for reductions in area median gross income.....	pbacy 2006	-1	-2	-3	-4	-5	-7	-8	-9	-10	-12	-12	-22	-73
2. Exception from the annual recertification requirement for projects which are entirely low-income use.....	yea DOE	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	-1
<b>Total of Benefits for Multi-Family Low-Income Housing .....</b>		<b>-2</b>	<b>-42</b>	<b>-89</b>	<b>-134</b>	<b>-154</b>	<b>-170</b>	<b>-190</b>	<b>-216</b>	<b>-245</b>	<b>-278</b>	<b>-311</b>	<b>-593</b>	<b>-1,830</b>

Provision	Effective	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2008-13	2008-18
<b>II. Benefits for Single Family Housing</b>														
A. Refundable First-Time Homebuyer Credit (\$7,500).....	po/a 4/9/08	-629	-7862	-2585	1147	1421	1261	1101	941	721	354	138	-7,247	-3,991
B. Additional Standard Deduction for State and Local Property Taxes (cap at \$350 (\$700 for joint returns)) (sunset 1/1/09).....	tyba 12/31/07	-58	-1,111	---	---	---	---	---	---	---	---	---	-1,169	-1,169
<b>Total of Benefits for Single Family Housing .....</b>		<b>-687</b>	<b>-8,973</b>	<b>-2,585</b>	<b>1,147</b>	<b>1,421</b>	<b>1,261</b>	<b>1,101</b>	<b>941</b>	<b>721</b>	<b>354</b>	<b>138</b>	<b>-8,416</b>	<b>-5,160</b>
<b>III. General Housing Provisions</b>														
A. Modifications to Qualified Private Activity Bond Rules for Housing (\$10 billion volume cap increase).....	bia DOE	-22	-90	-146	-154	-153	-148	-141	-135	-129	-125	-125	-712	-1,368
B. Repeal of Alternative Minimum Tax Limitations on Tax-Exempt Housing Bonds, Low-Income Housing Credit, and Rehabilitation Credit [2].....	[3]	-68	-137	-206	-207	-206	-203	-203	-204	-206	-208	-210	-1,026	-2,057
C. Bonds Guaranteed by Federal Home Loan Banks Eligible for Treatment as Tax-Exempt Bonds [4].....	[5]	[1]	49	-81	-13	-21	-15	-9	-9	-9	-9	-9	-81	-126
D. Modification of Rules Pertaining to FIRPTA Nonforeign Affidavits .....	doUSrpa DOE	[1]	-1	-2	-2	-2	-2	-2	-2	-2	-2	-3	-9	-20
E. Modify Rehabilitation Credit Tax-Exempt Use Safe Harbor .....	ea 12/31/07	-10	-16	-22	-23	-24	-25	-26	-27	-29	-30	-31	-121	-265
<b>Total of General Housing Provisions .....</b>		<b>-100</b>	<b>-195</b>	<b>-457</b>	<b>-399</b>	<b>-406</b>	<b>-393</b>	<b>-381</b>	<b>-377</b>	<b>-375</b>	<b>-374</b>	<b>-378</b>	<b>-1,949</b>	<b>-3,836</b>
<b>IV. Real Estate Investment Trust ("REIT") Modifications</b>														
A. Foreign Currency and Other Qualified Activities.....	[6]	[1]	[1]	[1]	-1	-1	-2	-2	-3	-3	-3	-4	-5	-20
B. Conforming Taxable REIT Subsidiary Asset Test.....	tyba DOE	[1]	-1	-2	-4	-7	-9	-11	-13	-14	-16	-17	-23	-93
C. Holding Period Under Safe Harbor.....	sma DOE	4	36	19	6	2	[1]	-1	-2	-3	-3	-5	67	53
D. Determining Value of Sales Under Safe Harbor...	sma DOE	[1]	-1	-3	-6	-8	-11	-13	-16	-18	-19	-21	-28	-115
E. Conformity for Health Care Facilities.....	tyba DOE	[1]	-1	-3	-7	-10	-14	-17	-19	-22	-24	-26	-35	-144
<b>Total of Real Estate Investment Trust Modifications [7].....</b>		<b>4</b>	<b>39</b>	<b>14</b>	<b>-12</b>	<b>-25</b>	<b>-35</b>	<b>-44</b>	<b>-54</b>	<b>-61</b>	<b>-67</b>	<b>-72</b>	<b>-16</b>	<b>-314</b>

Provision	Effective	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2008-13	2008-18
<b>V. Revenue Provisions</b>														
A. Broker Reporting of Customer's Basis in Securities Transactions.....	generally 1/1/10 [8]	---	---	---	34	214	465	794	1,286	1,611	1,737	1,840	713	7,980
B. Delay for One Year Implementation of Worldwide Interest Allocation and Apply 22% Limitation on the First Year of Worldwide Interest Allocation.....	DOE	---	1,029	1,774	375	---	---	---	---	---	---	---	3,178	3,178
C. Modify Timing for Corporate Estimated Tax Payment [9].....	DOE	---	---	---	---	-9,934	17,296	-7,362	---	---	---	---	7,362	---
<b>Total of Revenue Provisions .....</b>		<b>---</b>	<b>1,029</b>	<b>1,774</b>	<b>409</b>	<b>-9,720</b>	<b>17,761</b>	<b>-6,568</b>	<b>1,286</b>	<b>1,611</b>	<b>1,737</b>	<b>1,840</b>	<b>11,253</b>	<b>11,158</b>
<b>NET TOTAL .....</b>		<b>-785</b>	<b>-8,142</b>	<b>-1,343</b>	<b>1,011</b>	<b>-8,884</b>	<b>18,424</b>	<b>-6,082</b>	<b>1,580</b>	<b>1,651</b>	<b>1,372</b>	<b>1,217</b>	<b>279</b>	<b>18</b>

Joint Committee on Taxation  
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NOTE: Details may not add to totals due to rounding. Date of enactment is assumed to be June 1, 2008.

Legend for "Effective" column:

amfcya = allocations made for calendar years after

bia = bonds issued after

biob/a = bonds issued on, before or after

bpisa = buildings placed in service after

DOE = date of enactment

doUSRpia = dispositions of U.S. real property interests after

ea = expenditures after

pbacy = plans beginning after calendar year

po/a = purchases on or after

rolra = repayments of loans received after

sma = sales made after

tyba = taxable years beginning after

yea = years ending after

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

[2] Estimate includes interaction with item III.F.

[3] Effective date applies to low income housing credits attributable to buildings placed in service after December 31, 2007, to prehistoric rehabilitation expenditures after 12/31/07 and bonds issued after date of enactment.

[4] The estimate includes effects estimated by the Congressional Budget Office of revenues and outlays related to the Affordable Housing Program of the Federal Home Loan Banks and outlays of the Department of the Treasury for interest on bonds issued by the Resolution Funding Corporation.

[5] Effective for guarantees made in connection with bonds issued after date of the enactment and before December 31, 2010 (or a renewal or extension of a guarantee so made).

[6] Generally effective for taxable years beginning after the date of enactment. Under section 201(a), effective for gains and items of income recognized after the date of enactment. Under section 201(c), effective for transactions entered into after the date of enactment. Section 201(d) applies after the date of enactment. Under section 203(a), effective for gains recognized after the date of enactment. Under section 203(b), effective for gains and deductions recognized after the date of enactment.

[7] The revenue estimates for each provision and for Title IV. are measured against present law. The sum of provision estimates for each year do not add to the total for the year because of interactions among the provisions.

[8] The effective date for mutual funds is January 1, 2011.

[9] Reduce to 100 percent the required corporate estimated tax payments factor for corporations with assets of at least \$1 billion for payments due in July, August, and September 2012; increase by 13 percentage points such payments due in July, August, and September 2013.