

ESTIMATED REVENUE EFFECTS OF THE CHAIRMAN'S AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 4520,
THE "AMERICAN JOBS CREATION ACT OF 2004,"
SCHEDULED FOR MARKUP BY THE COMMITTEE ON WAYS & MEANS ON JUNE 14, 2004

Fiscal Years 2004 - 2014

[Millions of Dollars]

Provision	Effective	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2004-09	2004-14
I. Provisions Relating to Trade Compliance and Reduction in Corporate Income Tax Rates														
A. Repeal of Exclusion for Extraterritorial Income	ta 12/31/04 [1]	---	461	1,436	3,636	5,505	5,765	6,000	6,282	6,566	6,841	7,127	16,803	49,619
B. Reduction in Corporate Income Tax Rates														
1. Corporate tax rate reductions for manufacturing and other specified income, including maximum 34% rate for 2005 and 2006, and 32% for 2007 and thereafter [2]	tyba 12/31/04	---	-1,658	-2,410	-4,130	-6,747	-7,332	-7,409	-7,907	-8,200	-8,714	-9,128	-22,277	-63,635
2. 33% corporate income tax rate applies to taxable income over \$75,000 and under \$1 million in 2005 through 2007; 32% corporate income tax rate applies to taxable income over \$75,000 and under: \$1 million in 2008 through 2010, \$5 million in 2011 and 2012, and \$20 million in 2013 and thereafter for non-manufacturing income [2]	tyba 12/31/04	---	-448	-723	-788	-1,025	-1,103	-1,100	-1,685	-1,899	-2,815	-3,281	-4,088	-14,869
Total of Provisions Relating to Trade Compliance and Reduction in Corporate Income Tax Rates		---	-1,645	-1,697	-1,282	-2,267	-2,670	-2,509	-3,310	-3,533	-4,688	-5,282	-9,562	-28,885
II. Provisions Relating to Job Creation Tax Incentives for Manufacturers, Small Business, and Farmers														
A. Two-Year Extension of Increased Expensing for Small Business - increase section 179 expensing from \$25,000 to \$100,000 and increase the phaseout threshold amount from \$200,000 to \$400,000; include software in section 179 property; and extend indexing of both the deduction limit and the phaseout threshold (sunset after 2007)	tyba 12/31/05	---	---	-3,814	-6,636	-488	3,786	2,416	1,665	1,116	609	249	-7,152	-1,095
B. Depreciation														
1. 15-year straight-line cost recovery for qualified leasehold improvements (sunset after 2005)	ppisa DOE	-12	-76	-169	-207	-202	-193	-176	-170	-178	-175	-162	-859	-1,720
2. 15-year straight-line cost recovery for qualified restaurant improvements (sunset after 2005)	ppisa DOE	-51	-218	-35	-42	-42	-42	-42	-42	-42	-42	-42	-430	-640
3. Extended placed in service date for bonus depreciation for certain aircraft (excluding aircraft used in the transportation industry)	ppisa 9/10/01 [3]	---	-1,265	-175	576	346	271	194	54	---	---	---	-247	---
4. Special placed in service rule for bonus depreciation for certain property subject to syndication.....	sa 6/4/04	-3	-24	8	6	4	4	4	2	1	---	---	-5	---
C. S Corporation Reform and Simplification														
1. Treat members of family as one shareholder (3 generations without limit) (includes interaction with line 2 below)	generally tyba 12/31/04	---	-1	-3	-5	-6	-7	-8	-8	-8	-8	-8	-23	-63
2. Increase in number of eligible shareholders to 100	tyba 12/31/04	---	-18	-43	-56	-66	-74	-79	-82	-83	-84	-84	-257	-668

Provision	Effective	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2004-09	2004-14
3. Expansion of bank S corporation eligible shareholders to include IRAs	DOE	-4	-29	-34	-36	-37	-39	-41	-43	-45	-47	-49	-179	-403
4. Disregard unexercised powers of appointment in determining potential current beneficiaries of ESBT	tyba 12/31/04	----- <i>Negligible Revenue Effect</i> -----												
5. Transfer of suspended losses incident to divorce	tyba 12/31/04	---	-1	-2	-2	-2	-3	-3	-3	-3	-3	-3	-11	-25
6. Use of passive activity loss by subchapter S trust income beneficiaries	tma 12/31/04	---	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-4	-8
7. Exclusion of investment securities income from passive income test for bank S corporations	tyba 12/31/04	----- <i>Negligible Revenue Effect</i> -----												
8. Treatment of bank director shares	tyba 12/31/04	---	-5	-11	-13	-15	-16	-17	-17	-18	-18	-18	-60	-148
9. Relief from inadvertently invalid qualified subchapter S subsidiary elections and terminations	tyba 12/31/04	---	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-7	-14
10. Information returns for qualified subchapter S subsidiaries	tyba 12/31/04	----- <i>No Revenue Effect</i> -----												
11. Repayment of loan for qualifying employer securities	dma 12/31/04	---	[4]	[4]	[4]	[4]	[4]	[4]	[4]	-1	-1	-1	-2	-5
D. Alternative Minimum Tax Relief														
1. Repeal the 90% limitation on the use of foreign tax credits against the AMT	tyba 12/31/04	---	-265	-395	-376	-361	-348	-338	-329	-323	-319	-317	-1,745	-3,371
2. Expansion of exemption from alternative minimum tax for small corporations to \$20 million	tyba 12/31/05	---	---	-99	-127	-108	-101	-96	-91	-88	-85	-83	-434	-878
3. Coordinate farmer income averaging and the AMT.....	tyba 12/31/03	[4]	-2	-2	-3	-4	-5	-6	-7	-7	-8	-9	-17	-54
E. Restructuring of Incentives for Alcohol Fuels, Etc.														
1. Provide excise tax credit (in lieu of reduced tax rate on gasoline) to certain blenders of alcohol fuel mixtures (sunset 12/31/10)	fsoua 9/30/04	----- <i>No Revenue Effect</i> -----												
2. Provide that all alcohol fuels excise tax credits and payments are paid from the General Fund [5].....	tra 9/30/04 & apa 9/30/04	---	---	---	---	---	---	---	1,131	1,559	1,586	1,614	---	5,890
3. Repeal reduced-rate sales of gasoline for blending with alcohol and reduced-rate sales of alcohol fuel blends	fsoua 9/30/04	---	22	23	23	23	22	22	22	21	21	21	113	220
4. Provide outlay payments (in lieu of excise tax credits and refunds) to producers of alcohol fuel mixtures:														
a. Outlay effects [6] [7]	fsoua 9/30/04	---	-105	-114	-116	-117	-119	-121	-38	---	---	---	-571	-730
b. Revenue effects.....	fsoua 9/30/04	---	105	114	116	117	119	121	38	---	---	---	571	730
5. Transfer full amount of alcohol fuel excise taxes to the Highway Trust Fund (i.e., repeal 2.5/2.8 cents transfer to General Fund).....	tia 9/30/03	----- <i>No Revenue Effect</i> -----												
6. Transfer full amount of motorboat fuel taxes and certain small engine fuel taxes to the Aquatic Resources Trust Fund	tia 9/30/03	----- <i>No Revenue Effect</i> -----												
F. Exclusion of Incentive Stock Options and Employee Stock Purchase Plan Stock Options From Wages	saptoea DOE	----- <i>No Revenue Effect</i> -----												
G. Incentives to Reinvest Foreign Earnings in the United States.....	[8]	2,805	161	-2,385	-1,307	-858	-569	-392	-311	-274	-200	-142	-2,153	-3,472
H. Other Incentive Provisions														
1. Special rules for livestock sold on account of weather-related conditions - Increase reinvestment period from 2 to 4 years for involuntary conversion of livestock due to drought, flood, or other weather-related conditions	trda 12/31/02	---	-18	-7	-4	-3	-3	-3	4	6	2	[9]	-35	-27
2. Payment of dividends on stock of cooperatives without reducing patronage dividends	dmi tyba DOE	---	[4]	[4]	-1	-1	-1	-1	-2	-2	-3	-4	-3	-15
3. Capital gains treatment to apply to outright sales of timber by landowner	sota 12/31/04	----- <i>Negligible Revenue Effect</i> -----												

Provision	Effective	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2004-09	2004-14
4. Distributions from publicly traded partnerships treated as qualifying income for regulated investment company	tyba DOE	---	-1	-2	-3	-5	-5	-6	-6	-7	-7	-7	-16	-49
5. Improvements related to real estate investment trusts.....	tyba 12/31/00 & tyba DOE	----- <i>Negligible Revenue Effect</i> -----												
6. Treatment of certain dividends of regulated investment companies	[10]	---	-7	-59	-61	-63	-65	-66	-68	-70	-73	-75	-255	-607
7. Taxation of certain settlement funds	tyba 12/31/04	---	-3	-6	-6	-7	-7	-7	-7	-8	-8	-9	-29	-68
8. Expand human clinical trials expenses qualifying for the orphan drug tax credit	eia DOE	-4	-12	-17	-18	-18	-19	-20	-21	-22	-23	-24	-88	-198
9. Simplification of excise tax imposed on bows and arrows [11]	asbmpoia 12/31/04	---	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-4	-9
10. Repeal excise tax on fishing tackle boxes [12]	asbmpoia 12/31/04	---	-2	-3	-3	-3	-4	-4	-4	-4	-4	-4	-16	-35
11. Repeal excise tax on sonar devices suitable for finding fish [13]	asbmpoia 12/31/04	---	[4]	[4]	[4]	[4]	[4]	[4]	[4]	-1	-1	-1	-2	-4
12. Income tax credit for cost of carrying tax-paid distilled spirits in wholesale inventories (\$12 per gallon).....	tyba 12/31/04	---	-13	-19	-19	-20	-20	-20	-20	-21	-21	-21	-91	-194
13. Suspension of the occupational taxes relating to distilled spirits, wine, and beer (sunset 6/30/07)	DOE	-66	-78	-78	-12	---	---	---	---	---	---	---	-234	-234
14. Modification of unrelated business income limitation on investment in certain debt-financed properties of SBICs.....	fa DOE	[4]	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-4	-10
15. Tonnage tax election for income from international shipping.....	tyba DOE	[14]	-3	-5	-6	-7	-7	-7	-7	-8	-9	-9	-28	-68
16. Charitable contribution deduction for certain expenses in support of Native Alaska subsistence whaling	cma 12/31/04	---	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	[4]	-1	-4
Total of Provisions Relating to Job Creation Tax Incentives for Manufacturers, Small Business, and Farmers		2,665	-1,862	-7,336	-8,342	-1,949	2,550	1,300	1,635	1,486	1,075	808	-14,278	-7,977
III. Provisions Relating to Tax Reform and Simplification for United States Businesses														
1. Interest expense allocation rules	tyba 12/31/08	---	---	---	---	---	-908	-2,487	-2,586	-2,689	-2,797	-2,909	-908	-14,376
2. Recaracterize overall domestic loss	lf tyba 12/31/06	---	---	---	-57	-680	-713	-756	-793	-829	-862	-895	-1,450	-5,585
3. Reduction to 2 foreign tax credit baskets [15]	tyba 12/31/06	---	---	---	-615	-900	-927	-1,002	-1,039	-1,078	-1,119	-1,161	-2,442	-7,841
4. Apply look-through rules for dividends from noncontrolled section 902 corporations	tyba 12/31/02	-585	-77	-51	-23	-6	-1	[14]	[14]	[14]	[14]	[14]	-743	-743
5. Attribution of stock ownership through partnerships in determining section 902 and 960 credits	tyba DOE	[14]	-1	-3	-3	-3	-3	-3	-3	-3	-3	-3	-13	-28
6. Foreign tax credit treatment of deemed payments under section 367(d)	ataro/a 8/5/97	-22	-4	-5	-5	-5	-5	-5	-5	-5	-5	-5	-46	-71
7. United States property not to include certain assets of controlled foreign corporations	[16]	---	-3	-20	-21	-22	-23	-24	-25	-27	-29	-31	-89	-225
8. Election not to use average exchange rate for foreign tax paid other than in functional currency	tyba 12/31/04	----- <i>Negligible Revenue Effect</i> -----												
9. Eliminate secondary withholding tax with respect to dividends paid by certain foreign corporations	pma 12/31/04	---	-2	-3	-3	-3	-3	-3	-3	-3	-3	-3	-14	-29
10. Provide equal treatment for interest paid by foreign partnerships and foreign corporations doing business in the U.S.	tyba 12/31/03	-1	-2	-2	-2	-2	-2	-2	-2	-3	-3	-3	-11	-24
11. Look-through treatment of payments between related CFCs under foreign personal holding company income rules	[16]	---	-77	-217	-234	-255	-262	-291	-312	-336	-360	-385	-1,045	-2,729

Provision	Effective	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2004-09	2004-14
12. Look-through treatment under subpart F for sales of partnership interests	[16]	---	-39	-91	-96	-101	-106	-111	-116	-122	-129	-137	-433	-1,048
13. Repeal of rules applicable to foreign personal holding companies and foreign investment companies, personal holding company rules as they apply to foreign corporations, and include in subpart F personal service contract income, as defined under the foreign personal holding company rules	[16]	---	-25	-65	-73	-81	-91	-102	-114	-128	-143	-162	-335	-984
14. Determination of foreign personal holding company income with respect to transactions in commodities	teia 12/31/04	---	-4	-10	-10	-10	-10	-11	-11	-11	-11	-12	-44	-100
15. Modify treatment of aircraft leasing and shipping income [17]	[16]	---	-33	-172	-98	-75	-76	-88	-98	-108	-118	-129	-454	-995
16. Modification of exceptions under subpart F for active financing income	[16]	----- Negligible Revenue Effect -----												
17. Interaction.....	---	---	4	240	315	375	607	635	667	701	737	775	1,541	5,056
Total of Provisions Relating to Tax Reform and Simplification for United States Businesses		-608	-263	-399	-925	-1,768	-2,523	-4,250	-4,440	-4,641	-4,845	-5,060	-6,486	-29,722
IV. Extension of Certain Expiring Provisions														
1. Treatment of nonrefundable personal credits under the individual alternative minimum tax (sunset 12/31/05) [18]	tyba 12/31/03	---	-577	-1,242	---	---	---	---	---	---	---	---	-1,819	-1,819
2. Tax credit for research and experimentation expenses (sunset 12/31/05).....	epoia 6/30/04	-464	-3,016	-1,986	-936	-678	-390	-90	---	---	---	---	-7,470	-7,560
3. Tax credit for electricity production from wind, and closed-loop biomass -- facilities placed in service date (sunset 12/31/05).....	fpisa 12/31/03	-6	-34	-69	-89	-101	-116	-127	-132	-136	-138	-115	-414	-1,062
4. Indian employment tax credit (sunset 12/31/05).....	1/1/05	---	-25	-34	-10	---	---	---	---	---	---	---	-68	-68
5. Work opportunity tax credit (sunset 12/31/05)	wpoifibwa 12/31/03	-77	-201	-181	-81	-39	-23	-9	-1	---	---	---	-603	-614
6. Welfare-to-work tax credit (sunset 12/31/05)	wpoifibwa 12/31/03	-8	-27	-39	-28	-14	-7	-4	-1	[4]	---	---	-122	-127
7. Above-the-line deduction for teacher classroom expenses capped at \$250 annually (sunset 12/31/05)	tyba 12/31/03	-42	-303	-74	---	---	---	---	---	---	---	---	-419	-419
8. Accelerated depreciation for business property on Indian reservation (sunset 12/31/05).....	1/1/05	2	-150	-266	-101	19	70	111	90	48	5	-10	-426	-183
9. Enhanced deduction for corporate contributions of computer equipment to public libraries and elementary and secondary schools (sunset tyba 12/31/05)	tyba 12/31/03	-66	-132	-62	---	---	---	---	---	---	---	---	-260	-260
10. Expensing of "Brownfields" environmental remediation costs (sunset 12/31/05)	epoia 12/31/03	-146	-263	-93	32	38	39	34	30	26	22	20	-394	-261
11. Availability of medical savings accounts (sunset 12/31/05).....	1/1/04	----- Negligible Revenue Effect -----												
12. Suspension of 100 percent-of-net-income limitation on percentage depletion for oil and gas from marginal wells (sunset 12/31/05).....	tyba 12/31/03	-31	-47	-16	---	---	---	---	---	---	---	---	-94	-94
13. Qualified zone academy bonds (sunset 12/31/05)	oia DOE	[4]	-3	-10	-20	-27	-28	-28	-28	-28	-28	-28	-89	-231
14. Tax incentives for investment in the District of Columbia (sunset 12/31/05)	generally DOE & oia 12/31/03	-74	-87	-56	-18	-12	-17	-62	-74	-42	-42	-37	-264	-522
15. Extend authority to issue new New York Liberty Zone bonds (sunset 12/31/09) [19].....	1/1/05	---	-3	-17	-33	-46	-57	-64	-65	-65	-65	-65	-156	-480
16. Disclosures relating to terrorist activities (sunset 12/31/05): a. Extension of authority to make disclosures regarding terrorist activities	dmo/a DOE	----- No Revenue Effect -----												

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b. Technical correction regarding disclosure of taxpayer identity to law enforcement officials investigating terrorist activities	[20]	----- No Revenue Effect -----												
17. Disclosure of tax return information to carry out administration of income contingent repayment of student loans (sunset 12/31/05) [6]	1/1/05	----- No Revenue Effect -----												
18. 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 12/31/05).....	abiUSa 12/31/03	-33	-118	-18	---	---	---	---	---	---	---	---	-169	-169
19. Joint Committee on Taxation annual report and annual joint hearing on IRS strategic plans	1/1/04	----- No Revenue Effect -----												
20. Parity in the application of certain limits to mental health benefits (sunset 12/31/05) [21]	generally bfsfa DOE	---	-4	-43	-10	---	---	---	---	---	---	---	-57	-57
21. Extension of combined employment tax reporting demonstration project (sunset 12/31/05).....	do/a DOE	----- No Revenue Effect -----												
22. Clean-fuel vehicles:														
a. Extension of deduction for clean-fuel vehicles.....	ppisa 12/31/03	-32	-87	-16	25	16	12	7	2	---	---	---	-81	-72
b. Extension of electric vehicle credit.....	ppisa 12/31/03	-2	-3	-1	[9]	[9]	[9]	[9]	[9]	[9]	---	---	-5	-5
Total of Extension of Certain Expiring Provisions		-979	-5,080	-4,223	-1,269	-844	-517	-232	-179	-197	-246	-235	-12,910	-14,003
V. Deduction of State and Local General Sales Taxes (sunset 12/31/05)	tyba 12/31/03	---	-2,208	-1,373	---	---	---	---	---	---	---	---	-3,581	-3,581
VI. Revenue Provisions														
A. Provisions to Reduce Tax Avoidance Through Individual and Corporate Expatriation														
1. Tax treatment of expatriated entities	tyea 3/4/03	18	28	24	28	30	32	37	43	48	52	57	160	397
2. 15% excise tax on stock compensation of insiders in expatriated corporations	[22]	11	7	7	7	7	7	8	8	8	8	8	46	86
3. Reinsurance of United States risks in foreign jurisdictions	rra DOE	[23]	[23]	[23]	[23]	[23]	[23]	[23]	[23]	[23]	[23]	[23]	2	5
4. Revision of tax rules for individuals who expatriate	iwea 6/3/04	7	16	21	24	28	32	37	43	49	56	64	128	377
5. Reporting of taxable mergers and acquisitions	aa DOE	1	2	3	3	3	3	3	3	3	3	3	15	30
6. Studies	DOE	----- No Revenue Effect -----												
B. Tax Shelter Provisions														
1. Provisions relating to reportable transactions and tax shelters (sections 611, 612, 613, 614, 615, 616, 617, and 618).....	various dates after DOE [24]	10	76	119	120	124	131	139	150	164	179	195	580	1,407
2. Modifications to the substantial understatement penalty for nonreportable transactions	tyba DOE	---	---	7	15	23	26	30	34	38	38	38	71	249
3. Modification of actions to enjoin certain conduct related to tax shelters and reportable transactions	da DOE	----- Negligible Revenue Effect -----												
4. Impose a civil penalty (of up to \$5,000) on failure to report interest in foreign financial accounts	voa DOE	---	---	[23]	[23]	[23]	[23]	[23]	[23]	[23]	[23]	[23]	1	3
5. Regulation of individuals practicing before the Department of Treasury	ata DOE	----- No Revenue Effect -----												
6. Treatment of stripped interest in bond and preferred stock funds	pada DOE	1	13	11	8	5	3	[23]	[23]	[23]	[23]	[23]	41	41
7. Minimum holding period for foreign tax credit on withholding tax on income other than dividends	apoamt 30da DOE	[23]	3	3	3	3	4	4	4	4	5	5	16	38
8. Disallowance of certain partnership loss transfers with partner level loss limits for transfer of interest in electing investment partnerships.....	ctada DOE	2	32	56	62	61	55	47	43	44	44	45	268	492

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9. No reduction of basis under section 734 in stock held by partnership in corporate partner	Da DOE	12	16	24	29	33	35	33	32	33	34	36	148	317
10. Repeal of special rules for FASITs	after 12/31/04	---	[23]	[23]	[23]	[23]	[23]	[23]	[23]	[23]	[23]	[23]	2	5
11. Limitation on transfer of built-in losses on REMIC residuals	ta DOE	---	1	2	4	6	8	10	13	16	19	22	21	101
12. Clarification of banking business for purposes of determining investment of earnings in United States property	DOE	---	20	17	17	18	19	20	21	22	23	25	91	202
13. Increase the net-written-premium threshold permitting certain small insurance companies to be taxed on investment income to \$1.89 million and index for inflation	tyba 12/31/03	-4	-9	-9	-9	-10	-10	-11	-11	-11	-11	-12	-52	-107
14. Deny deduction for interest paid to the IRS on underpayments involving certain tax motivated transactions	tyba DOE	---	---	1	1	3	4	4	4	4	4	4	9	29
15. Clarification of rules for payment of estimated tax for certain deemed asset sales	toa DOE	14	51	18	7	3	3	3	4	4	5	5	96	117
16. Exclusion of like-kind exchange property from nonrecognition treatment on the sale or exchange of a principal residence	sopra DOE	[23]	11	13	15	17	19	21	23	25	27	29	75	200
17. Prevent mismatching of deductions and income inclusions in transactions with related foreign persons	pao/a DOE	5	40	82	80	33	35	37	39	41	43	45	275	480
18. Exclusion from gross income for interest on overpayments of income tax by individuals	iri cyba DOE	---	1,054	-105	-108	-111	-114	-118	-123	-127	-132	-137	616	-21
19. Deposits made to suspend the running of interest on potential underpayments	Dma DOE	27	123	-6	-6	-6	-6	-6	-7	-7	-7	-7	127	93
20. Authorize IRS to enter into installment agreements that provide for partial payment.....	iaei/a DOE	24	33	10	[9]	[9]	[9]	[9]	[9]	[9]	[9]	[9]	67	67
21. Affirmation of consolidated return regulation authority	[25]	----- Negligible Revenue Effect -----												
22. Reform the tax treatment for leasing transactions with tax-indifferent parties	[26]	109	450	842	1,202	1,578	1,915	2,181	2,424	2,682	2,969	3,281	6,096	19,633
C. Reduction of Fuel Tax Evasion														
1. Exemption From Certain Excise Taxes for Mobile Machinery Vehicles	DOE [27]	---	76	95	95	95	95	95	95	95	95	95	456	931
2. Taxation of Aviation-Grade Kerosene.....	[28]	---	395	423	426	427	427	425	421	417	413	412	2,098	4,186
3. Dye Injection Equipment, Security Standards, and Related Penalties.....	[29]	---	20	45	45	45	45	45	45	45	45	44	201	426
4. Authority to Inspect On-Site Records.....	DOE	----- Negligible Revenue Effect -----												
5. Registration and Reporting Requirements														
a. Registration of pipeline or vessel operators required for exemption of bulk transfers to registered terminals or refineries [30].....	10/1/04	---	115	123	124	124	124	124	124	123	122	122	610	1,226
b. Display of registration and penalty for failure to display.....	[31]	----- Revenue Effects Included in Line C.1. Above -----												
c. Penalties for failure to register and failure to report.....	pia 9/30/04	---	2	2	2	2	2	2	2	2	2	2	10	20
6. Collection From Customs Bonds Where Importer Not Registered.....	fea 9/30/04	2	7	8	8	8	8	8	8	8	8	8	40	78
7. Modifications to Heavy Vehicle Use Tax.....	tpba DOE	106	121	124	126	128	131	131	133	135	137	139	736	1,411
8. Modification of Ultimate Vendor Refund Claims With Respect to Farming.....	fsfua DOE	----- Negligible Revenue Effect -----												
9. Dedication of Revenue From Certain Penalties to the Highway Trust Fund.....	paa 10/1/04	----- No Revenue Effect -----												
10. Taxable Fuel Refunds for Certain Ultimate Vendors.....	10/1/04	----- Negligible Revenue Effect -----												

Provision	Effective	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2004-09	2004-14
11. Two-Party Exchanges.....	DOE	----- Negligible Revenue Effect -----												
12. Simplify the Heavy Truck Tire Tax [32].....	[33]	----- Negligible Revenue Effect -----												
D. Treatment of Nonqualified Deferred Compensation Plans	db doi	---	119	102	34	16	16	15	112	148	136	121	286	818
E. Other Revenue Provisions														
1. Permit private sector debt collection companies to collect tax debts [34]	DOE	---	---	59	150	137	121	111	111	111	111	111	467	1,022
2. Modify charitable contribution rules for donations of patents and other intellectual property.....	cma 6/3/04	33	274	318	330	342	356	369	384	399	414	434	1,653	3,653
3. Require increased reporting for noncash charitable contributions.....	cma 6/3/04	[9]	9	9	10	10	10	10	10	11	11	11	49	102
4. Require Qualified Appraisals for Charitable Contributions of Vehicles.....	cma 6/3/04	1	52	58	60	62	64	66	68	70	72	74	297	647
5. Extension of amortization of intangibles to acquisitions of sports franchises	aoa DOE	5	52	88	71	37	22	21	19	22	24	26	275	387
6. Increase continuous levy for certain Federal payments.....	DOE	---	8	14	16	19	19	20	21	22	23	24	76	185
7. Modification of straddle rules.....	peo/a DOE	7	21	24	27	31	34	36	38	39	40	41	144	338
8. Add Hepatitis A to the list of taxable vaccines [35]	[36]	4	9	9	9	9	9	9	9	9	9	9	49	94
9. Addition of vaccines against Influenza to the list of taxable vaccines [35].....	[37]	10	52	54	56	58	59	59	60	61	62	63	288	593
10. Extension of IRS user fees (through 9/30/14)	DOE	---	25	33	35	38	39	41	43	45	47	50	170	396
11. Extend Customs User Fees:														
a. Passenger and conveyance processing fee (through 9/30/14) [6].....	DOE	---	105	331	348	365	383	402	423	444	466	489	1,532	3,756
b. Merchandise processing fee (through 9/30/14) [6]	DOE	---	679	1,234	1,308	1,386	1,470	1,558	1,651	1,750	1,855	1,967	6,077	14,858
12. Safe harbor for section 508(c)(1)(A) organizations.....	AOA DOE	---	[4]	[4]	[4]	-1	-2	[4]	-1	-1	-2	-1	-3	-8
Total of Revenue Provisions		405	4,108	4,292	4,782	5,186	5,633	6,027	6,523	6,995	7,449	7,947	24,411	59,360
VII. Market Reforms for Tobacco Growers [6].....	DOE	---	-1,927	-1,927	-1,927	-1,927	-1,892	---	---	---	---	---	-9,600	-9,600
VIII. Trade Provisions														
1. Temporary suspension of customs duty on certain ceiling fans (sunset 12/31/06) [38].....	15da DOE	-4	-19	-5	---	---	---	---	---	---	---	---	-28	-28
2. Temporary suspension of customs duty on certain steam generators (sunset 12/31/08) and certain reactor vessel heads used in nuclear facilities (sunset 12/31/08) [38].....	15da DOE & DOE	[4]	-1	-1	-3	-3	-1	---	---	---	---	---	-8	-8
Total of Trade Provisions		-4	-20	-6	-3	-3	-1	---	---	---	---	---	-36	-36
NET TOTAL		1,479	-8,897	-12,669	-8,966	-3,572	580	336	229	110	-1,254	-1,822	-32,042	-34,443

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding. Date of enactment is assumed to be July 1, 2004.

[Legend and Footnotes for JCX-43-04 appear on the following page]

Legend and Footnotes for JCX-43-04:

Legend for "Effective" column:

aa = acquisitions after	dmi = deferrals made in	pma = payments made after
abiUSa = articles brought into the United States after	dmo/a = disclosures made on or after	ppisa = property placed in service after
aoa = acquisitions occurring after	DOE = date of enactment	rra = risk reinsured after
AOA = acts occurring after	doi = date of introduction	sa = sales after
apa = amounts paid after	eia = expenses incurred after	saptoa = stock acquired pursuant to options exercised after
apoamt = amounts paid or accrued more than	epoia = expenditures paid or incurred after	sopra = sales of principal residences after
asbmpoia = articles sold by the manufacturer, producer, or importer after	fa = formed after	sota = sales of timber after
ata = actions taken after	fpisa = facilities placed in service after	ta = transactions after
ataro/a = amounts treated as received on or after	fea = fuel entered after	teia = transactions entered into after
bfsfa = benefits for services furnished after	fsnua = fuels sold for nontaxable use after	tia = taxes imposed after
cma = contributions made after	fsoua = fuel sold or used after	tma = transfers made after
ctada = contributions, transfers, and distributions after	iaeio/a = installment agreements entered into on or after	toa = transactions occurring after
cyba = calendar years beginning after	iri = interest received in	tpba = taxable periods beginning after
da = day after	iwea = individuals who expatriate after	tra = taxes received after
Da = distributions after	lf = losses for	trda = tax returns due after
db = deferrals beginning	oia = obligations issued after	tyba = taxable years beginning after
dma = distributions made after	paa = penalties assessed after	tyea = taxable years ending after
Dma = deposits made after	pada = purchases and dispositions after	voa = violations occurring after
dmi = distributions made in	pao/a = payments accrued on or after	wpoifibwa = wages paid or incurred for individuals beginning work after
do/a = disclosures on or after	peo/a = positions established on or after	15da = 15 days after
	pia = penalties imposed after	

[1] Includes general transition relief in H.R. 4520, and binding contract rule from H.R. 2896, as reported by the Committee on Ways and Means.

[2] Overlap between the two rate reduction proposals (items B.1. and B.2.) is reflected in B.1.

[3] Provision is effective as if included in the amendments made by section 101 of the Job Creation and Worker Assistance Act of 2002.

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

[5] The bill provides that the excise tax credit expires after December 31, 2010. If this bill is enacted, the Congressional Budget Office's subsequent baseline would not assume extension of the excise tax credit beyond its expiration because the requirement to assume extension of excise taxes dedicated to trust funds does not apply to excise tax credits paid from the General Fund. For purposes of this revenue estimate, therefore, it is assumed that the excise tax credit would expire as scheduled. This treatment generates changes in revenues after December 31, 2010.

[6] Estimate provided by the Congressional Budget Office. Negative numbers indicate an increase in outlays.

[7] The outlay payments for ethanol expire after December 31, 2010.

[8] Effective for the first taxable year beginning on or after date of enactment, or for the last taxable year beginning before date of enactment, at the taxpayer's election.

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

[10] Effective for dividends with respect to taxable years of regulated investment companies beginning after December 31, 2004.

[11] Proposal will result in a 10-year decrease in outlays of approximately \$9 million from the Federal Wildlife Restoration Fund.

[12] Proposal will result in a 10-year decrease in outlays of approximately \$38 million from the Aquatic Resources Trust Fund.

[13] Proposal will result in a 10-year decrease in outlays of approximately \$4 million from the Aquatic Resources Trust Fund.

[14] Loss of less than \$1 million.

[15] Pre-effective date excess credits carried forward to new basket that would apply under new system.

[16] Effective for taxable years of foreign corporations beginning after December 31, 2004, and for taxable years of U.S. shareholders with or within which such taxable years of such foreign corporations end.

[17] Estimate accounts for interaction with reduction to 2 foreign tax credit baskets.

[18] The "Economic Growth and Tax Relief Reconciliation Act of 2001" provides that the child tax credit and adoption tax credit are allowed for purposes of the alternative minimum tax for 2002 through 2010.

[19] The New York City Liberty Zone is defined as all business addresses located on or south of Canal Street, East Broadway (east of its intersection with Canal Street), or Grand Street (east of its intersection with East Broadway) in the Borough of Manhattan, New York, NY.

[20] Effective as if included in section 201 of the Victims of Terrorism Tax Relief Act of 2001.

[21] This provision will have a negligible effect on penalty excise tax receipts. However it will have an indirect effect on income tax receipts through increases in employer-contributions for health insurance and corresponding decreases in cash wages. The table shows this indirect revenue effect, which was estimated by the Congressional Budget Office.

[22] Generally effective March 4, 2003.

Footnotes for JCX-43-04 continued:

- [23] Gain of less than \$1 million.
- [24] Effective dates for provisions relating to reportable transactions and tax shelters: the penalty for failure to disclose reportable transactions is effective for returns and statements the due date of which is after the date of enactment; the modification to the accuracy-related penalty for listed or reportable transactions is effective for taxable years ending after the date of enactment; the tax shelter exception to confidentiality privileges is effective for communications made on or after the date of enactment; the statute of limitations for unreported listed transactions applies to all taxable years for which the statute of limitations under section 6501 has not run as of the date of enactment; the disclosure of reportable transactions by material advisors is effective for transactions with respect to which material aid, assistance or advice is provided after the date of enactment; the investor list penalty is effective for returns the due date for which is after the date of enactment; the modification of penalty for failure to maintain investor lists is effective for requests made after the date of enactment; and the penalty on promoters of tax shelters is effective for activities after the date of enactment.
- [25] Effective for all taxable years, whether beginning before, on, or after the date of enactment.
- [26] Effective for leases entered into on or after March 12, 2004 with exception for pending transportation leases with FTA.
- [27] As to fuel taxes, effective for taxable years beginning after the date of enactment.
- [28] Effective for aviation fuel removed, entered into the United States, or sold after September 30, 2004.
- [29] Effective 180 days after the date on which the Secretary issues the regulations, which are required no later than 180 days after the date of enactment.
- [30] Bulk transfers to unregistered parties would be taxed at the time of the transfer. The Secretary would be required to publish a list of certain registered persons beginning on July 1, 2004.
- [31] The display of registration provision is effective on October 1, 2004, and the penalty provision is effective for penalties imposed after September 30, 2004.
- [32] The revenue neutral tax rate on each ten pounds of tire capacity above 3,500 pounds is 9.4 cents on tires in general and 4.7 cents for biasply tires. Estimate does not include potential outlay effects, which are the responsibility of the Congressional Budget Office.
- [33] Effective for sales in calendar years beginning more than 30 days after the date of enactment.
- [34] Estimate is net of payments to private debt collection agents.
- | | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2004-09</u> | <u>2004-14</u> |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|----------------|----------------|
| Increases in outlays resulting from fees paid to private debt collection agents | --- | --- | 19 | 50 | 45 | 40 | 37 | 37 | 37 | 37 | 37 | 154 | 339 |
- [35] Estimate does not include potential outlay effects, which are the responsibility of the Congressional Budget Office.
- [36] Effective for vaccines sold and used beginning on the first day of the first month beginning more than four weeks after the date of enactment.
- [37] Effective for vaccines sold and used on or after the later of the first day of the first month beginning more than four weeks after the date of enactment, or the date on which the Secretary of Health and Human Services lists the vaccine in the Vaccine Injury Compensation Trust Fund.
- [38] Estimate is subject to review by the Congressional Budget Office.