

JOINT COMMITTEE ON TAXATION
October 31, 2007
JCX-104-07

**ESTIMATED BUDGET EFFECTS OF THE CHAIRMAN'S AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 3997,
THE "HEROES EARNINGS ASSISTANCE AND RELIEF TAX ACT OF 2007,"
SCHEDULED FOR MARKUP BY THE COMMITTEE ON WAYS AND MEANS ON NOVEMBER 1, 2007**

Fiscal Years 2008 - 2017

[Millions of Dollars]

Provision	Effective	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2008-12	2008-17
I. Benefits for Military and Volunteer Firefighters													
1. Permanently extend the election to include combat pay as earned income	tyba 12/31/07	---	-19	-11	-9	-7	-8	-7	-8	-6	-6	-47	-83
2. Permanently extend the benefit to permit the use of qualified mortgage bonds to finance residences for veterans without regard to the first-time homebuyer requirements.....	bia 12/31/07	-3	-15	-32	-51	-70	-89	-110	-130	-152	-174	-171	-826
3. Increase the veterans mortgage bond volume limitation for certain states and modify the definition of a qualified veteran.....	bia 12/31/07	-1	-6	-14	-21	-27	-33	-40	-46	-52	-58	-69	-297
4. Survivor and disability payments with respect to qualified military service.....	dodoo/a 1/1/07	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	-1	-2
5. Treatment of differential military pay as wages.....	rpa 12/31/07 & yba 12/31/07	1	-2	-2	-1	-1	-1	-1	-1	-1	-1	-4	-8
6. Exclusion from income for benefits provided to volunteer fire fighters and emergency medical responders.....	tyba DOE	-20	-79	-85	-92	-101	-108	-115	-123	-131	-139	-377	-994
7. Special period of limitation when uniformed services retired pay is reduced as a result of award of disability compensation.....	cfcorfa DOE	-2	-1	-1	-1	-1	-1	-1	-1	-1	-1	-5	-10
8. Permanently extend treatment of distributions to guardsmen called to active duty.....	12/31/07	[1]	[1]	[1]	-1	-1	-1	-1	-1	-1	-1	1	-6

Provision	Effective	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2008-12	2008-17
9. Permanent extension of disclosure authority to the Department of Veterans Affairs [2].....	10/01/08	---	5	9	13	16	19	22	25	27	28	43	164
10. Contributions of military death gratuities to Roth IRAs or educational savings accounts.....	[3]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	-1	-4
11. Suspension of 5-year period during service with the Peace Corps.....	tyba 12/31/07	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	-1
Total of Benefits for Military and Volunteer Firefighters.....		-25	-117	-136	-163	-192	-222	-253	-285	-317	-352	-631	-2,067
II. Improvements in Supplemental Security Income													
1. Ensure equitable treatment of military families under SSI [4].....	DOE	-2	-2	-2	-3	-2	-3	-3	-3	-3	-3	-11	-26
2. Remove penalties for blind veterans under SSI [4].....	DOE	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	-1	-3
3. Exclusion of benefits for Americorps volunteers under SSI.....	---	----- <i>Estimate to Be Provided By Congressional Budget Office</i> -----											
Total of Improvements in Supplemental Security Income		-2	-2	-2	-3	-2	-3	-3	-3	-3	-3	-12	-29
III. Provisions that Raise Revenue													
1. Increase in penalty for failure to file partnership returns.....	rfa DOE	29	60	62	65	67	69	72	74	77	79	283	654
2. Penalty for failure to file S corporation returns.....	rfa DOE	35	90	93	96	99	103	106	110	114	118	413	964
3. Increase in information return penalties.....	irrtbfo/a 1/1/08	---	---	12	35	36	37	38	39	41	42	83	280
4. Increase the minimum penalty for failure to file from \$100 to \$225.....	rtrtba 12/31/07	8	30	31	31	32	32	32	33	33	34	132	296
Total of Provisions that Raise Revenue		72	180	198	227	234	241	248	256	265	273	911	2,194
NET TOTAL		45	61	60	61	40	16	-8	-32	-55	-82	268	98

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding. Date of enactment assumed to be December 1, 2007.

[Legend and Footnotes for JCX-104-07 appear on the following page]

Legend and Footnotes for JCX-104-07:

Legend for "Effective" column:

bia = bonds issued after

cfcforfa = claims for credit or refund filed after

dodoo/a = deaths or disabilities occurring on or after

DOE = date of enactment

irrtbfo/a = information returns required to
be filed on or after

rfa = returns filed after

rpa = remuneration paid after

rrtbfa = returns required to be filed after

tyba = taxable years beginning after

yba = years beginning after

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

[2] Estimate provided by the Congressional Budget Office.

[3] Generally effective with respect to deaths from injuries occurring on or after the date of enactment and deaths from injuries occurring on or after October 7, 2001, and before the date of enactment if such contribution is made not later than one year after the date of enactment.

[4] Outlay effects provided by the Congressional Budget Office. Negative numbers indicate an increase in outlays.