

ESTIMATED BUDGET EFFECTS OF THE CONFERENCE AGREEMENT FOR H.R. 4520,
THE "AMERICAN JOBS CREATION ACT OF 2004"

Fiscal Years 2005 - 2014

[Millions of Dollars]

Provision	Effective	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2005-09	2005-14
I. Provisions Relating to Repeal of Exclusion for Extraterritorial Income													
1. Repeal of exclusion for extraterritorial income [1]	ta 12/31/04	354	1,317	3,528	5,475	5,737	5,985	6,275	6,562	6,840	7,126	16,411	49,199
2. Deduction relating to income attributable to United States production activities	tyba 12/31/04	-2,054	-3,052	-4,396	-6,241	-6,722	-8,841	-10,741	-11,122	-11,525	-11,815	-22,465	-76,509
Total of Provisions Relating to Repeal of Exclusion for Extraterritorial Income		-1,700	-1,735	-868	-766	-985	-2,856	-4,466	-4,560	-4,685	-4,689	-6,054	-27,310
II. Business Tax Incentives													
A. Small Business Expensing - 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	-65	-147	-185	-181	-174	-158	-151	-159	-156	-149	-751	-1,523
2. 15-year straight-line cost recovery for qualified restaurant improvements (sunset after 2005)	ppisa DOE	-141	-33	-40	-40	-40	-40	-40	-40	-40	-40	-294	-494
C. Community Revitalization													
1. Modification of targeted areas and low-income communities designated for new markets tax credit	DMA DOE	----- <i>No Revenue Effect</i> -----											
2. Expansion of designated renewal community area based on 2000 census data	[2]	-35	-10	-10	-9	-9	[3]	8	9	9	8	-71	-37
3. Modification of income requirement for census tracts within high migration rural counties	[4]	----- <i>No Revenue Effect</i> -----											
D. S Corporation Reform and Simplification													
1. Treat members of family as one shareholder (6 generations; multiple families per S corporation) (includes interaction with line 2. below)	generally tyba 12/31/04	-1	-4	-6	-8	-9	-9	-10	-10	-10	-10	-27	-76
2. Increase in number of eligible shareholders to 100	tyba 12/31/04	-18	-43	-56	-66	-74	-79	-82	-83	-84	-84	-257	-669
3. Expansion of bank S corporation eligible shareholders to include IRAs	DOE	-23	-34	-36	-37	-39	-41	-43	-45	-47	-49	-170	-394
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

Provision	Effective	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2005-09	2005-14
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	-7
7. Exclusion of investment securities income from passive income test for bank S corporations	tyba 12/31/04	----- Negligible Revenue Effect -----											
8. Relief from inadvertently invalid qualified subchapter S subsidiary elections and terminations	ematma 12/31/2004	-2	-1	-1	-1	-1	-1	-1	-1	-1	-1	-7	-14
9. Information returns for qualified subchapter S subsidiaries	tyba 12/31/04	----- No Revenue Effect -----											
10. Repayment of loan for qualifying employer securities held by an ESOP	dma 12/31/97	-1	[5]	[5]	[5]	[5]	[5]	[5]	-1	-1	-1	-3	-5
E. Other Business Incentives													
1. Repeal of 4.3-cent General Fund excise taxes on railroad diesel fuel and inland waterway fuel (reduce excise taxes by 1 cent/gallon from 1/1/05 through 6/30/05, 2 cents/gallon from 7/1/05 through 12/31/06, and 4.3 cents/gallon thereafter)	1/1/05	-33	-74	-139	-170	-174	-179	-184	-189	-193	-198	-591	-1,532
2. Modification of application of the income forecast method of accounting	ppisa DOE	-182	-139	-81	-32	-24	-24	-28	-31	-35	-39	-458	-615
3. Improvements related to real estate investment trusts	tyba 12/31/00 & tyba DOE	----- Negligible Revenue Effect -----											
4. Special rules for certain film and television production (sunset taxable years beginning after 12/31/08)	pca DOE	-82	-99	-94	-60	-1	62	93	81	40	18	-336	-42
5. Provide a 50% tax credit for certain expenditures for maintaining railroad tracks	epoid tyba 12/31/04 & tybb 1/1/08	-63	-121	-109	-88	-59	-38	-21	-4	[5]	[5]	-439	-501
6. Suspension of the occupational taxes relating to distilled spirits, wine, and beer (sunset 6/30/08)	7/1/05	-66	-78	-78	-12	---	---	---	---	---	---	-234	-234
7. Modification of unrelated business income limitation on investment in certain debt-financed properties of SBICs	[6]	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-3	-9
8. Tonnage tax election for income from international shipping	tyba DOE	-2	-4	-5	-6	-6	-6	-6	-7	-7	-8	-23	-57
F. Exclusion of Incentive Stock Options and Employee Stock Purchase Plan Stock Options From Wages	saptoea DOE	----- No Revenue Effect -----											
Total of Business Tax Incentives		-717	-4,605	-7,480	-1,203	3,171	1,898	1,196	631	79	-309	-10,830	-7,329
III. Provisions Relating to Tax Relief for Agriculture and Small Manufacturers													
A. Volumetric Ethanol Excise Tax Credit													
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 12/31/04	----- No Revenue Effect -----											
2. Provide that all alcohol fuels excise tax credits and payments are paid from the General Fund [7]:													
a. Revenue effects	fsoua 12/31/04	---	---	---	---	---	---	1,131	1,559	1,586	1,614	---	5,890
b. Outlay effects [8] [9]	fsoua 12/31/04	---	---	---	---	---	---	-19	-32	-54	-66	---	-171

Provision	Effective	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2005-09	2005-14
3. Repeal reduced-rate sales of gasoline for blending with alcohol and reduced-rate sales of alcohol fuel blends	fsoua 12/31/04	16	23	23	23	23	23	23	22	22	22	109	220
4. Provide outlay payments (in lieu of excise tax credits and refunds) to producers of alcohol fuel mixtures:													
a. Revenue effects	fsoua 12/31/04	77	114	116	117	119	121	38	---	---	---	543	702
b. Outlay effects [8] [10]	fsoua 12/31/04	-77	-114	-116	-117	-119	-121	-38	---	---	---	-543	-702
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)	fsoua 9/30/04	----- <i>No Revenue Effect</i> -----											
6. Provide excise tax credits for biodiesel used to produce a qualified fuel mixture [11] (\$1.00/gallon for agribiodiesel and \$0.50/gallon for biodiesel) and provide that the excise tax credits are paid from the General Fund (sunset 12/31/06):													
a. Revenue effects	fsoua 12/31/04	-33	-57	-16	---	---	---	---	---	---	---	-107	-107
b. Outlay effects [8] [9]	fsoua 12/31/04	30	32	2	---	---	---	---	---	---	---	64	64
7. Provide outlay payments (in lieu of excise tax credits and refunds) to producers of biodiesel fuel mixtures:													
a. Revenue effects	fsoua 12/31/04	----- <i>Negligible Revenue Effect</i> -----											
b. Outlay effects [8] [10]	fsoua 12/31/04	----- <i>Negligible Outlay Effect</i> -----											
8. Extension of section 40 alcohol fuels income tax credit (sunset 12/31/10)	DOE	---	---	---	-2	-6	-8	-8	-6	-3	---	-8	-34
9. Biodiesel income tax credit - provide income tax credits for biodiesel fuel and biodiesel used to produce a qualified fuel mixture (\$1.00/gallon for agribiodiesel and \$0.50/gallon for biodiesel) (sunset 12/31/06)	fpasoua 12/31/04	----- <i>Estimate Included in Item 6. Above</i> -----											
10. Information reporting for persons claiming ethanol and biodiesel tax benefits	1/1/05	----- <i>Negligible Revenue Effect</i> -----											
B. Agricultural Incentives													
1. Special rules for livestock sold on account of weather-related conditions	trda 12/31/02	-18	-7	-4	-3	-3	-3	4	6	2	[3]	-35	-27
2. Payment of dividends on stock of cooperatives without reducing patronage dividends	di tyba DOE	[5]	[5]	-1	-1	-1	-1	-2	-2	-3	-4	-3	-15
3. Allow small ethanol producer cooperatives to pass the small producer credit through to cooperative members	tyea DOE	-8	-8	-9	-10	-11	-12	-10	-6	-3	---	-47	-77
4. Extend income averaging to fishermen and provide that income averaging for farmers and fishermen will not increase AMT liability	tyba 12/31/03	-3	-3	-4	-5	-6	-7	-7	-8	-9	-10	-20	-61
5. Capital gains treatment to apply to outright sales of timber by landowner	sota 12/31/04	----- <i>Negligible Revenue Effect</i> -----											
6. Modify cooperative marketing to include value-added processing involving animals	tyba DOE	-1	-2	-4	-5	-6	-7	-9	-10	-11	-12	-19	-68
7. Extend declaratory judgment relief to farm cooperatives	pfa DOE	----- <i>Estimate Included in Line Above</i> -----											

Provision	Effective	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2005-09	2005-14
8. Certain expenses of rural letter carriers	tyba 12/31/03	-2	-3	-3	-3	-3	-3	-4	-4	-4	-4	-15	-33
9. Treatment of certain income of electric cooperatives (sunset 12/31/06)	tyba DOE	-10	-19	-8	---	---	---	---	---	---	---	-38	-38
10. Exclude from gross income and employment taxes payments made to individuals under NHSC Loan Repayment Program and certain State loan repayment programs	tyba 12/31/03	-2	-2	-2	-4	-5	-6	-8	-11	-14	-18	-15	-72
11. Modified safe-harbor rules for timber REITs	tyba DOE	[5]	[5]	-1	-1	-2	-2	-3	-4	-5	-5	-4	-23
12. Deduction of the first \$10,000 of qualified reforestation costs	epoia DOE	-55	-37	-25	-11	-1	2	8	13	20	22	-129	-64
C. Incentive for Small Manufacturers													
1. Net income 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
2. Simplification of excise tax imposed on bows and arrows:													
a. Revenue effects	asbmpoi 30da DOE	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-4	-9
b. Outlay effects [8]	asbmpoi 30da DOE	1	1	1	1	1	1	1	1	1	1	3	8
3. Reduce excise tax on fishing tackle boxes to 3 percent:													
a. Revenue effects	asbmpoia 12/31/04	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-5	-11
b. Outlay effects [8]	asbmpoia 12/31/04	[12]	1	1	1	1	1	1	1	1	1	4	10
4. Repeal excise tax on sonar devices suitable for finding fish:													
a. Revenue effects	asbmpoia 12/31/04	[5]	[5]	[5]	[5]	[5]	[5]	-1	-1	-1	-1	-2	-4
b. Outlay effects [8]	asbmpoia 12/31/04	[12]	[12]	[12]	[12]	[12]	[12]	[12]	[12]	[12]	1	1	3
5. Charitable contribution deduction for certain expenses in support of Native Alaska subsistence whaling	cma 12/31/04	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	-1	-4
6. Extended placed in service date for bonus depreciation for certain aircraft (excluding aircraft used in the transportation industry)	ppisa 9/10/01 [13]	-1,265	-175	576	346	271	194	54	---	---	---	-247	---
7. Special placed in service rule for bonus depreciation for certain property subject to syndication	sa 6/4/04	-27	8	6	4	4	4	2	1	---	---	-5	---
8. Expensing of capital costs incurred for production in complying with Environmental Protection Agency sulfur regulations for small refiners	epoia 12/31/02	-16	-8	-12	-28	-53	-21	3	4	5	6	-117	-119
9. Credit for small refiners for production for diesel fuel in compliance with Environmental Protection Agency sulfur regulations for small refiners	epoia 12/31/02	----- Estimate Included in Line Above -----											
10. Modification to small issue bonds - increase capital expenditure limit from \$10 million to \$20 million (maximum bond limit remains at \$10 million)	bia 9/30/09	---	---	---	---	---	-6	-14	-22	-30	-38	---	-110
11. Oil and gas from marginal wells	pi tyba 12/31/04	----- No Revenue Effect -----											
Total of Provisions Relating to Tax Relief for Agriculture and Small Manufacturers		-1,396	-260	515	295	196	141	1,134	1,492	1,491	1,500	-656	5,099

Provision	Effective	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2005-09	2005-14
IV. 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. Recharacterize overall domestic loss	lf tyba 12/31/06	---	---	-57	-680	-713	-756	-793	-829	-862	-895	-1,450	-5,585
3. Apply look-through rules for dividends from noncontrolled section 902 corporations	tyba 12/31/02	-662	-51	-23	-6	-1	[14]	[14]	[14]	[14]	[14]	-743	-743
4. Base differences and reduction to 2 foreign tax credit baskets	[15]	-8	-13	-615	-900	-927	-1,002	-1,039	-1,078	-1,119	-1,161	-2,463	-7,862
5. Attribution of stock ownership through partnerships in determining section 902 and 960 credits	tyba DOE	-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	-26	-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. Translation of foreign taxes	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	-3	-2	-2	-2	-2	-2	-2	-3	-3	-3	-11	-24
11. Treatment of certain dividends of regulated investment companies (sunset after 3 years)	[17]	-7	-59	-63	-57	---	---	---	---	---	---	-186	-186
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 [18]	[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]	----- <i>Negligible Revenue Effect</i> -----											
17. 10-year foreign tax credit carryforward; 1-year foreign tax credit carryback	[19]	-349	-271	-338	-500	-668	-779	-857	-942	-1,036	-1,191	-2,126	-6,931
18. Modify FIRPTA rules for REITs	tyba DOE	-2	-7	-10	-12	-14	-15	-17	-19	-21	-23	-45	-140
19. Exclusion of certain horse-racing and dog-racing gambling winnings from the income of nonresident alien individuals	wma DOE	-1	-3	-3	-3	-3	-3	-3	-3	-3	-3	-12	-27
20. Reduce withholding tax applicable to dividends paid to Puerto Rico companies to 10%	Dpa DOE	-5	-7	-8	-9	-10	-10	-11	-12	-13	-14	-39	-99
21. 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
22. Incentives to reinvest foreign earnings in the United States	[20]	2,788	-2,119	-1,267	-838	-553	-379	-300	-264	-192	-137	-1,989	-3,261

Provision	Effective	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2005-09	2005-14
23. Delay in effective date of final regulations governing exclusion of income from international operation of ships or aircraft	[21]	-24	-4	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	-28	-28
24. Study of earnings stripping provisions		----- <i>No Revenue Effect</i> -----											
25. Interaction	---	3	192	248	253	410	429	450	473	497	523	1,106	3,478
Total of Tax Reform and Simplification for United States Businesses		1,332	-3,108	-2,823	-3,415	-4,054	-5,689	-5,862	-6,096	-6,309	-6,612	-12,067	-42,635
V. Deduction of State and Local General Sales Taxes (sunset 12/31/05)	tyba 12/31/03	-3,080	-1,915	---	---	---	---	---	---	---	---	-4,995	-4,995
VI. Fair and Equitable Tobacco Reform Provisions [22]													
A. Revenue effects	DOE	1,098	1,089	964	964	964	964	964	964	964	1,205	5,079	10,140
B. Outlay effects [8]	DOE	-1,464	-964	-964	-964	-964	-964	-964	-964	-964	-964	-5,320	-10,140
Total of Fair and Equitable Tobacco Reform Provisions		-366	125	---	---	---	---	---	---	---	241	-241	---
VII. Miscellaneous Provisions													
1. Qualified green building and sustainable design project bonds (\$2 billion authority)	bia 12/31/04 & bib 10/1/09	-3	-9	-15	-22	-27	-31	-31	-31	-31	-31	-76	-231
2. Exclusion of gain or loss on sale or exchange of certain Brownfield sites from unrelated business taxable income	PAa 12/31/04 & PAb 1/1/10	1	1	1	-6	-18	-28	-38	-49	-34	-15	-21	-185
3. Civil rights tax relief	josoa DOE	-5	-21	-29	-31	-34	-36	-38	-42	-44	-47	-120	-327
4. 7-year recovery period for certain track facilities	ppisa DOE & before 2008	-13	-19	-26	-23	-14	-9	-6	-3	3	9	-95	-101
5. Permit life insurance companies tax-free distributions from policyholder surplus accounts	tyba 12/31/04 & tybb 1/1/07	-78	-54	-51	-48	-48	-48	-49	-51	-52	-54	-279	-533
6. Treat certain Alaska pipeline property as 7-year property	generally ppisa 12/31/13	---	---	---	---	---	---	---	---	---	-150	---	-150
7. Extension of enhanced oil recovery credit to Alaska gas processing facilities	cpoi tyba 12/31/04	---	---	---	-32	-91	-101	-61	-23	1	11	-123	-295
8. Method of accounting for naval shipbuilders	ceia DOE	-26	-52	-99	-62	-42	-57	-35	-32	-38	-52	-281	-495
9. Modify minimum cost requirement for transfer of excess defined benefit assets	tyea DOE	----- <i>Negligible Revenue Effect</i> -----											
10. Extension and expansion of credit for electricity produced from certain renewable resources - expand section 45 credit to include closed-loop biomass, open-loop biomass, geothermal solar, small irrigation, municipal solid waste, and refined coal to list of qualified energy resources	ppisa DOE	-218	-279	-322	-366	-375	-261	-177	-135	-94	-49	-1,560	-2,278
11. Allow the section 40 and section 45 credits to be taken against the AMT	tyea DOE	-10	-5	-4	-3	-2	-2	2	6	1	-3	-25	-21
12. Inclusion of primary and secondary medical strategies for children and adults with sickle cell disease as medical assistance under the Medicaid program:													
a. Revenue effects	DOE	----- <i>No Revenue Effect</i> -----											
b. Outlay effects [8] [23]	DOE	-2	-6	-8	-10	-11	-14	-16	-18	-20	-21	-37	-126

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14. Clarification of rules for payment of estimated tax for certain deemed asset sales	toa DOE	55	28	7	3	3	3	4	4	5	5	96	117
15. Exclusion of like-kind exchange property from nonrecognition treatment on the sale or exchange of a principal residence	soea DOE	11	13	15	17	19	21	23	25	27	29	75	200
16. Prevent mismatching of deductions and income inclusions in transactions with related foreign persons	pao/a DOE	40	82	80	33	35	37	39	41	43	45	270	475
17. Deposits made to suspend the running of interest on potential underpayments	Dma DOE	150	-6	-6	-6	-6	-6	-7	-7	-7	-7	127	93
18. Authorize IRS to enter into installment agreements that provide for partial payment	iaeio/a DOE	52	10	5	[12]	[12]	[12]	[12]	[12]	[12]	[12]	67	67
19. Affirmation of consolidated return regulation authority	[26]	----- Negligible Revenue Effect -----											
20. Expanded disallowance of deduction for interest on convertible debt	diia 10/4/04	94	90	94	96	98	101	103	106	109	113	472	1,004
21. Reform the tax treatment for leasing transactions with tax-indifferent parties with additional coverage of Indian and intangible assets and assets subject to a fixed purchase price option with an exception for aircraft and vessels	[27]	589	934	1,416	1,955	2,474	2,923	3,352	3,805	4,293	4,819	7,368	26,560
C. Reduction of Fuel Tax Evasion													
1. Exemption from certain excise taxes for mobile machinery vehicles	[28]	76	95	95	95	95	95	95	95	95	95	456	931
2. Modified definition of off-highway vehicle	[28]	----- Negligible Revenue Effect -----											
3. Aviation jet fuel - move point of taxation of aviation fuel to the rack; provide that certain refueler trucks are treated as terminals	[29]	297	429	433	436	439	439	437	435	434	432	2,034	4,211
4. Dye fuel mechanically, security standards, and related penalties	[30]	--	42	46	47	47	47	47	47	47	47	181	417
5. Elimination of administrative review for taxable use of dyed fuel	Paa DOE	----- Negligible Revenue Effect -----											
6. Extension of penalty on untaxed chemically altered fuel mixtures	DOE	----- Negligible Revenue Effect -----											
7. Termination of dyed diesel use by intercity buses	fsa 12/31/04	----- Negligible Revenue Effect -----											
8. Authority to inspect on-site records	DOE	----- Negligible Revenue Effect -----											
9. Assessable penalty for refusal of entry	1/1/05	----- Negligible Revenue Effect -----											
10. Registration of all pipeline or vessel operators required for exemption of bulk transfers; Secretary must publish list of registered persons [31]	3/1/05	56	125	127	128	129	129	130	129	129	129	564	1,211
11. Display of registration and penalty for failure to display	1/1/05 & pia 12/31/04	----- Revenue Effects Included in Line 10. -----											
12. Penalties for failure to register and failure to report	pia 12/31/04	1	2	2	2	2	2	2	2	2	2	10	20
13. Registration of persons within foreign trade zones	1/1/05	----- Revenue Effects Included in Line 10. -----											
14. Certain reports filed electronically	1/1/06	----- Revenue Effects Included in Line 10. -----											
15. Taxable fuel refunds for certain ultimate vendors	1/1/05	----- Negligible Revenue Effect -----											
16. Two-party exchanges	DOE	----- Negligible Revenue Effect -----											
17. Modifications to heavy vehicle use tax	tpba DOE	121	124	126	128	131	131	133	135	137	139	630	1,305

Provision	Effective	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2005-09	2005-14
18. Dedication of revenue from certain penalties to the Highway Trust Fund	Pao/a DOE	----- No Revenue Effect -----											
19. Simplify the heavy truck tire tax [32]	[33]	----- Negligible Revenue Effect -----											
20. Taxation of transmix and diesel fuel blendstocks	frsoua 12/31/04	74	107	108	108	108	108	108	108	107	106	505	1,043
21. Treasury study on fuel compliance	DOE	----- No Revenue Effect -----											
D. Other Revenue Provisions													
1. Permit private sector debt collection companies to collect tax debts:													
a. Revenue effects	DOE	---	78	200	182	161	147	147	147	147	147	621	1,356
b. Outlay effects [8]	DOE	---	-19	-50	-45	-40	-37	-37	-37	-37	-37	-154	-339
2. Modify charitable contribution rules for donations of patents and other intellectual property; provide for additional charitable deductions in future years based on income attributable to the contributed property													
cma 6/3/04		307	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	10	10	10	10	10	11	11	11	49	102
4. Provide that deduction for charitable contribution of vehicles generally equals the sales price													
cma 12/31/04		30	251	253	256	258	261	263	266	269	272	1,048	2,379
5. Treatment of nonqualified deferred compensation plans													
ada 12/31/04		158	135	44	21	20	18	144	189	172	151	377	1,051
6. Extension of amortization of intangibles to acquisitions of sports franchises													
aoa DOE		52	88	71	37	22	21	19	22	24	26	270	382
7. Increase continuous levy for certain Federal payments													
DOE		8	14	16	19	19	20	21	22	23	24	76	185
8. Modification of straddle rules													
peo/a DOE		21	24	27	31	34	36	38	39	40	41	137	331
9. Addition of vaccines against Hepatitis A to the list of taxable vaccines:													
a. Revenue effects	[34]	7	9	9	9	9	9	9	9	9	9	43	88
b. Outlay effects [8]	[34]	-6	-7	-7	-7	-7	-7	-7	-7	-8	-8	-34	-72
10. Addition of vaccines against Influenza to the list of taxable vaccines:													
a. Revenue effects	[35]	55	62	65	67	68	69	69	70	71	72	317	669
b. Outlay effects [8]	[35]	-29	-33	-34	-35	-36	-37	-37	-37	-38	-39	-167	-355
11. Extension of IRS user fees through 9/30/14 [24]													
ra DOE		25	33	35	38	39	41	43	45	47	50	170	396
12. Extension of Customs User Fees [24]:													
a. Extend passenger and conveyance processing fee through 9/30/14	DOE	105	331	348	365	383	402	423	444	466	489	1,532	3,756
b. Extend merchandise processing fee through through 9/30/14	DOE	679	1,234	1,308	1,386	1,470	1,558	1,651	1,750	1,855	1,967	6,077	14,858
13. Prohibition on nonrecognition of gain through complete liquidation of holding company													
doo/a DOE		13	15	17	19	21	23	25	27	29	31	85	220
14. Effectively connected income to include economic equivalents of certain categories of foreign-source income													
tyba DOE		5	7	8	9	10	10	10	10	11	11	39	91
15. Recapture of overall foreign losses on sale of controlled foreign corporation stock													
DA DOE		3	7	8	9	9	9	10	10	10	10	36	85

Provision	Effective	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2005-09	2005-14
16. Recognize cancellation of indebtedness income realized on satisfaction of debt with partnership interest	coio/a DOE	4	4	4	4	5	5	5	5	6	6	21	48
17. Deny installment sale treatment for all readily tradable debt	soo/a DOE	51	57	8	11	12	13	15	17	18	19	139	221
18. Modify treatment of transfers to creditors in divisive reorganizations	to/a DOE	8	9	10	10	10	11	11	12	12	12	47	105
19. Clarify definition of nonqualified preferred stock	ta 5/14/03	5	8	8	8	8	8	8	7	7	7	37	74
20. Modification of definition of controlled group of corporations	tyba DOE	3	5	4	3	2	2	2	1	1	1	17	24
21. Establish specific class lives for utility grading costs	ppisa DOE	13	31	53	72	85	96	106	115	118	118	253	806
22. Provide consistent amortization periods for intangibles	[36]	-152	362	500	521	447	402	345	285	214	161	1,678	3,085
23. Freeze of provision regarding suspension of interest where Secretary fails to contact taxpayer; remove listed and reportable avoidance transactions from interest and penalty suspension	tyba 12/31/03 & iaa 10/3/04	---	23	176	187	188	190	192	195	196	198	574	1,545
24. Increase in withholding from supplemental wage payments in excess of \$1 million	pma 12/31/04	111	43	5	[12]	[12]	[12]	4	7	8	8	159	186
25. Capital gain treatment on sale of stock acquired from exercise of statutory stock options to comply with conflict-of-interest requirements	sa DOE	1	1	1	1	1	1	1	1	1	1	4	10
26. Application of basis rules to nonresident aliens	doo/a DOE	14	16	18	21	23	25	27	30	32	35	92	241
27. Limit deduction for certain entertainment expenses (including company-provided aircraft) for covered employees [37]	eia DOE	172	201	209	217	225	234	244	255	264	272	1,023	2,292
28. Modify residence test in U.S. possessions	generally tyea DOE	3	8	12	16	25	35	41	49	58	63	64	310
29. Dispositions of transmission property to implement FERC restructuring policy (with reinvestment obligation (applies to sales or dispositions completed prior to 1/1/07))	ta DOE	-3,147	-1,823	172	939	955	964	970	845	507	15	-2,905	395
30. Expansion of limitation on depreciation of certain passenger automobiles	ppisa DOE	137	136	99	-50	-98	-74	-39	-23	-13	-2	223	71
Total of Revenue Provisions		611	4,135	6,987	8,257	8,845	9,482	10,255	10,838	11,158	11,388	28,835	81,966
NET TOTAL		-5,690	-7,828	-4,230	2,562	6,510	2,389	1,808	1,927	1,426	1,117	-8,678	1

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding. Date of enactment is assumed to be October 15, 2004.

[Legend and Footnotes for JCX-69-04 appear on the following page]

Legend and Footnotes for JCX-69-04:

Legend for "Effective" column:

aa = acquisitions after
 ada = amounts deferred after
 aoa = acquisitions occurring after
 apoamt = amounts paid or accrued more than
 asbmpoia = articles sold by the manufacturer, producer,
 or importer after
 ata = actions taken after
 ataro/a = amounts treated as received on or after
 bi = bonds issued
 bia = bonds issued after
 bib = bonds issued before
 ceia = contracts entered into after
 cma = contributions made after
 coio/a = cancellations of indebtedness on or after
 cpoi = costs paid or incurred in
 ctada = contributions, transfers, and distributions after
 da = day after
 Da = distributions after
 DA = dispositions after
 di = distributions in
 diia = debt instrument issued after
 dma = distributions made after
 Dma = deposits made after
 DMA = designations made after
 do/a = disclosures on or after
 DOE = date of enactment

doo/a = distributions occurring on or after
 Dpa = dividends paid after
 eia = expenses incurred after
 ematma = elections made and terminations made after
 epoia = expenditures paid or incurred after
 epoid = expenditures paid or incurred during
 fpasoua = fuel produced, and sold or used, after
 frsoua = fuel removed, sold or used after
 fsa = fuel sold after
 fsoua = fuel sold or used after
 iaa = interest accrued after
 iaio/a = installment agreements entered into on or after
 iwea = individuals who expatriate after
 josoa = judgments or settlements occurring after
 lf = losses for
 pa = production after
 Paa = penalties assessed after
 PAa = property acquired after
 PAb = property acquired before
 pada = purchases and dispositions after
 pao/a = payments accrued on or after
 Pao/a = penalties assessed on or after
 pca = productions commencing after
 peo/a = positions established on or after
 pfa = pleadings filed after
 pi = production in

pia = penalties imposed after
 pma = payments made after
 ppisa = property placed in service after
 ra = requests after
 rra = risk reinsured after
 sa = sales after
 saptoea = stock acquired pursuant to options
 exercised after
 soo/a = sales occurring on or after
 soea = sales or exchanges after
 sota = sales of timber after
 ta = transactions after
 teia = transactions entered into after
 tma = transfers made after
 toa = transactions occurring after
 to/a = transactions on or after
 tpba = taxable periods beginning after
 trda = tax returns due after
 tyba = taxable years beginning after
 tybb = taxable years beginning before
 tyea = taxable years ending after
 voa = violations occurring after
 wma = wagers made after
 15da = 15 days after
 30da = 30 days after

- [1] Includes estimate for general transition and transition for binding contracts, if in effect on September 17, 2003, and for renewals of binding contracts if original contract was in effect on September 17, 2003.
- [2] Effective as if included in the amendment made by section 101 of the "Community Renewal Tax Relief Act of 2000."
- [3] Gain of less than \$1 million.
- [4] Effective as if included in the amendment made by section 121(a) of the "Community Renewal Tax Relief Act of 2000."
- [5] Loss of less than \$500,000.
- [6] Effective for debt incurred after date of enactment by SBICs licensed after date of enactment.
- [7] 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.
- [8] Estimate provided by the Congressional Budget Office. Negative numbers indicate an increase in outlays. Positive numbers indicate a decrease in outlays.
- [9] The outlay effects of this provision are the result of indirect effects on outlays for certain farm programs.
- [10] The outlay payments for ethanol expire after December 31, 2010.
- [11] Tax credits would be provided for on-road and off-road uses of biodiesel.
- [12] Gain of less than \$500,000.
- [13] Provision is effective as if included in the amendments made by section 101 of the Job Creation and Worker Assistance Act of 2002.

[Footnotes for JCX-69-04 are continued on the following page]

Footnotes for JCX-69-04 continued:

- [14] Loss of less than \$1 million.
- [15] Base difference change effective in taxable years beginning after 2004, for taxes paid or incurred after 2004. Basket change in taxable years beginning after 2006. 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] Effective for dividends with respect to taxable years of regulated investment companies beginning after December 31, 2004.
- [18] Estimate accounts for interaction with reduction to 2 foreign tax credit baskets.
- [19] Effective for excess foreign taxes that may be carried forward to any taxable year ending after the date of enactment. Carryback period effective for credits arising in taxable years beginning after the date of enactment.
- [20] 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.
- [21] Effective for taxable years of a foreign corporation seeking qualified foreign corporation status beginning after September 24, 2004.
- [22] Estimate is preliminary and subject to change pending final legislation.
- [23] The bill includes additional spending (not shown in the table) that is subject to appropriation.
- [24] Estimate provided by the Congressional Budget Office.
- [25] 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.
- [26] Effective for all taxable years, whether beginning before, on, or after the date of enactment.
- [27] Effective for leases entered into on or after March 12, 2004 with exception for pending transportation leases with FTA.
- [28] Generally effective after the date of enactment, except for fuel taxes, effective for taxable years beginning after the date of enactment.
- [29] Effective for aviation-grade kerosene removed, entered into the United States, or sold after December 31, 2004.
- [30] 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.
- [31] 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 by January 1, 2005.
- [32] The revenue neutral tax rate on each ten pounds of tire capacity above 3,500 pounds is 9.45 cents on tires in general and 4.725 cents for biasply tires.
- [33] Effective for sales in calendar years beginning more than 30 days after the date of enactment.
- [34] 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.
- [35] 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.
- [36] Generally effective for start-up and organizational expenditures incurred after the date of enactment.
- [37] Applies to individuals subject to section 16 of the Securities and Exchange Act of 1934 for private and public companies.