JOINT COMMITTEE ON TAXATION July 21, 2015 JCX-104-15

ESTIMATED REVENUE EFFECTS OF THE CHAIRMAN'S MODIFICATION TO THE CHAIRMAN'S MARK OF A BILL TO EXTEND CERTAIN EXPIRED PROVISIONS SCHEDULED FOR MARKUP BY THE COMMITTEE ON FINANCE ON JULY 21, 2015

Fiscal Years 2016 - 2025

[Millions of Dollars]

Provision	Effective	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2016-20	2016-25
I. Extension of Certain Expiring Provisions													
A. Individual Tax Extenders													
1. Modification of above-the-line deduction of up to \$250 for													
teacher classroom expenses (sunset 12/31/16)	tyba 12/31/14	-269	-188									-457	-457
2. Discharge of indebtedness on principal residence excluded													
from gross income of individuals (sunset 12/31/16)	doia 12/31/14	-3,341	-1,781									-5,122	-5,122
3. Parity for exclusion from income for employer-provided													
mass transit and parking benefits; treat bicycle-sharing													
programs as transportation fringes (sunset 12/31/16) [1]	ma 12/31/14	-154	-34									-188	-188
4. Mortgage insurance premiums treated as qualified residence													
interest (sunset 12/31/16)	apoaa 12/31/14	-1,314	-1,004									-2,318	-2,318
5. Deduction for State and local general sales taxes (sunset													
12/31/16)	tyba 12/31/14	-3,489	-2,967	-240								-6,696	-6,696
6. Contributions of capital gain real property made for													
conservation purposes (sunset 12/31/16)	cmi tyba 12/31/14	-75	-53	-12	-2	-6	-18	-25	-21	-18	-49	-147	-280
7. Above-the-line deduction for qualified tuition and related													
expenses (sunset 12/31/16)	tyba 12/31/14	-360	-248									-608	-608
8. Tax-free distributions from IRAs to certain public charities													
for individuals age 70-1/2 or older, not to exceed \$100,000													
per taxpayer per year (sunset 12/31/16)	dmi tyba 12/31/14	-846	-488	-54	-58	-61	-64	-67	-71	-74	-77	-1,506	-1,860
B. Business Tax Extenders	•												
1. Modification of the research credit	apoia 12/31/14 &												
(sunset 12/31/16)	1	-8,473	-3,653	-2,218	-1,968	-1,718	-1,467	-1,217	-1,046	-684	-180	-18,029	-22,623
2. Modification of temporary minimum LIHTC rate for	ý												
non-Federally subsidized new buildings (9%) and existing													
buildings (4%) (sunset 12/31/16)	1/1/15	[2]	[2]	-1	-3	-2	[2]					-5	-5
3. Military housing allowance exclusion for determining area			C J										
median gross income (sunset 12/31/16)	ido/a 1/1/15	-1	-2	-4	-5	-6	-6	-5	-5	-4	-4	-18	-42
4. Indian employment tax credit (sunset 12/31/16)	tyba 12/31/14	-74	-40	-11	-1							-126	-126
5. Modification of the new markets tax credit (sunset $12/31/16$).	cyba 12/31/14	-6	-32	-104	-197	-256	-292	-323	-333	-311	-224	-594	-2,076
		-			- , ,								,

Page	2
1 uge	~

Provision	Effective	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2016-20	2016-25
6. Modification of railroad track maintenance credit (sunset													
12/31/16)	epoii tyba 12/31/14	-292	-141	[2]								-433	-433
7. Mine rescue team training credit (sunset 12/31/16)	tyba 12/31/14	-2	-1	[2]	[2]	[2]	[2]					-4	-4
8. Modification of employer wage credit for activated military	10/01/14	5 4	110	70	10							250	250
reservists (sunset 12/31/16)	pma 12/31/14	-54	-113	-79	-12							-258	-258
9. Modification of work opportunity tax credit (sunset	iwbwftea 12/31/14	-1.431	-906	-356	-153	-109	-96	-47	-33	-15	-2	-2,954	-3,14
12/31/16) 10. Modification of qualified zone academy bonds (sunset	Iwbwitea 12/51/14	-1,431	-900	-330	-135	-109	-90	-47	-33	-15	-2	-2,934	-3,14
12/31/16)	oia 12/31/14	-1	-6	-16	-29	-36	-36	-35	-34	-33	-32	-89	-25
11. Classification of certain race horses as 3-year property	010 12/01/14	-1	-0	-10	-2)	-30	-50	-55	-34	-55	-52	-07	-25
(sunset 12/31/16)	ppisa 12/31/14	-95	-72	-14	26	39	44	39	22	6		-116	-:
12. 15-year straight-line cost recovery for qualified leasehold	pp13u 12/31/14)5	12	14	20	57		57	22	0		110	
improvements, qualified restaurant buildings and													
improvements, and qualified retail improvements (sunset													
12/31/16) [3]	ppisa 12/31/14	-350	-495	-562	-553	-533	-509	-504	-502	-486	-434	-2,493	-4,928
13. 7-year recovery period for motorsports entertainment	11											,	<i>y</i> -
complexes (sunset 12/31/16) [4]	ppisa 12/31/14	-20	-24	-20	-13	-9	-8	-6	-2	3	5	-86	-95
14. Modification of accelerated depreciation for business													
property on an Indian reservation (sunset 12/31/16)	ppisa 12/31/14	-199	-133	-32	29	62	70	47	17	-4	-8	-273	-151
15. Bonus depreciation:													
a. Additional first-year depreciation for 50% of basis	ppisa												
of qualified property (sunset 12/31/16) [5]	12/31/14 ityeasd	-90,449	3,162	30,862	19,994	14,563	9,619	5,115	2,427	1,057	608	-21,868	-3,042
 Election to accelerate AMT credit in lieu of bonus depreciation (sunset 12/31/16) 	ppisa 12/31/14 ityeasd	-107	-66	-54	-63	-68	-63	-51	-32	-15	-7	-360	-529
16. Enhanced charitable deduction for contributions of food	12/51/14 Rycasa	-107	-00	-54	-05	-00	-05	-51	-52	-15	- /	-500	-52,
inventory (sunset 12/31/16)	cma 12/31/14	-156	-106									-262	-262
17. Modification to increased expensing limitations and treatment		150	100									202	201
of certain real property as section 179 property (sunset													
12/31/16)	tyba 12/31/14	-22,740	-1,291	7,592	4,806	3,477	2,346	1,270	615	284	165	-8,156	-3,476
18. Election to expense mine safety equipment (sunset		,	, -		,	-,	,	,				-,	- ,
12/31/16)	ppisa 12/31/14	-24	1	6	5	4	3	3	1	[6]		-8	
19. Special expensing rules for certain film and television													
productions and live theatrical productions (sunset 12/31/16)	pca 12/31/14	-428	-63	138	105	60	43	36	30	26	26	-189	-28
20. Deduction allowable with respect to income attributable	-												
to domestic production activities in Puerto Rico (sunset													
12/31/16)	tyba 12/31/14	-154	-80									-234	-23-
21. Modification of tax treatment of certain payments under existing arrangements to controlling exempt organizations													
(sunset 12/31/16)	proaa 12/31/14	-30	-4									-34	-3
22. Treatment of certain dividends of RICs (sunset 12/31/16)	[7]	-176	-32									-208	-208
23. Treatment of RICs as "qualified investment entities"	L'J	170	52									200	200
under section 897 (FIRPTA) (sunset 12/31/16)	1/1/15	-86	-16									-102	-102

Page	3

Provision	Effective	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2016-20	2016-25
24. Exception under subpart F for active financing income (sunset 12/31/16)	[8]	-9,975	-3,475									-13,450	-13,450
25. Look-through treatment of payments between related CFCs under foreign personal holding company income rules (sunset													
12/31/16) 26. Exclusion of 100 percent of gain on certain small business	[8]	-2,296	-428									-2,724	-2,724
stock (sunset 12/31/16) 27. Basis adjustment to stock of S corporations making	saa 12/31/14	17	13			-232	-1,563	-1,403				-202	-3,167
charitable contributions of property (sunset 12/31/16)	cmi tyba 12/31/14	-73	-27	-2								-102	-102
built-in gains tax (sunset 12/31/16)29. Modification of empowerment zone tax incentives (sunset	tyba 12/31/14 pa 12/31/14 &	-285	-129	-2	-2	-1						-419	-419
12/31/16)	[9] pa 12/31/14 &	-379	-154	-26	-17	-13	-13	-13	-12	-9	-10	-590	-647
30. Temporary increase in limit on cover over of rum excise tax revenues (from \$10.50 to \$13.25 per proof gallon) to Puerto		200	•									22.5	26.5
Rico and the Virgin Islands (sunset 12/31/16) [10] [11]	abiUSa 12/31/14	-308	-28									-336	-336
(sunset 12/31/16) C. Energy Tax Extenders	tyba 12/31/14	-28	-5									-33	-33
1. Modification of credit for section 25C nonbusiness energy property (sunset 12/31/16)	ppisa 12/31/14	-835	-552									-1,387	-1,387
2. Second generation biofuel producer credit (sunset 12/31/16)	fpa 12/31/14	-30	-15									-45	-45
 Incentives for biodiesel and renewable diesel: a. Income tax credits for biodiesel fuel, biodiesel 													
used to produce a qualified mixture, and small agri-biodiesel producers (sunset 12/31/16)	saua 12/31/14	-2,210	-353									-2.563	-2,563
 b. Income tax credits for renewable diesel fuel and renewable diesel used to produce a qualified 	5444 12/01/11	2,210	000									2,000	2,000
mixture (sunset 12/31/16)	saua 12/31/14					Estim	ate Include	ed in Item C	C.3.a				
 c. Excise tax credits and outlay payments for biodiesel fuel mixtures (sunset 12/31/16) 	saua 12/31/14					Estim	ate Includ	ed in Item (C.3.a				
d. Excise tax credits and outlay payments for renewable diesel fuel mixtures (sunset 12/31/16)	saua 12/31/14					Estim	ate Include	ed in Item (C.3.a				
 Credit for the production of Indian coal (sunset 12/31/16) 	cpa 12/31/14	-39	-17	-9	-6	-3	-1					-74	-75
Beginning-of-construction date for renewable power facilities eligible to claim the electricity production													
credit or investment credit in lieu of the production credit (sunset 12/31/16)	1/1/15		-109	-456	-899	-1,200	-1,393	-1,521	-1,601	-1,639	-1,674	-2,663	-10,492
6. Credit for construction of energy-efficient new homes										-			

Provision	Effective	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2016-20	2016-25
7. Special allowance for second generation biofuel plant													
property (sunset 12/31/16) 8. Modification of energy efficient commercial buildings	ppisa 12/31/14	-6	-1	2	1	1	1	1	[6]	[6]	[6]	-2	[2]
deduction (sunset 12/31/16)	ppisa 12/31/14	-295	-58	7	7	6	5	4	3	3	2	-333	-315
 Special rule for sales or dispositions to implement Federal Energy Regulatory Commission ("FERC") or State electric restructuring policy for qualified electric utilities (sunset 													
12/31/16)	da 12/31/14	-597	-48	110	110	110	110	110	110	75	20	-315	110
10. Excise tax credits and outlay payments for alternative fuel, and excise tax credits for alternative fuel mixtures (including													
extensions for liquefied hydrogen) (sunset 12/31/16)	fsoua 12/31/14	-794	-124									-918	-918
11. Credit for alternative fuel vehicle refueling property													
(non-hydrogen) (sunset 12/31/16)	ppisa 12/31/14	-81	-24	-7	-4	-2	1	1	1	1	1	-118	-112
12. Alternative motor vehicle credit for qualified fuel cell motor	10/21/14	_	1									<i>.</i>	<i>.</i>
vehicles (sunset 12/31/16) 13. Credit for two-wheeled plug-in electric vehicles	ppa 12/31/14	-5	-1									-6	-6
(sunset 12/31/16)	vaa 12/31/14	-3	-1	[2]	[2]							-4	-4
Total of Extension of Certain Expiring Provisions	•••••	-153,779	-16,551	34,369	21,038	14,015	6,668	1,380	-473	-1,838	-1,874	-100,906	-97,042
II. Revenue Provisions													
1. Exclusion from gross income of certain clean coal power													
grants	pri tyba 12/31/11	-148	-28	8	41	47	34	24	17	8	2	-79	6
2. Modifications to the Alternative Fuels Tax Credit and Excise													
Tax for Liquefied Natural Gas (LNG) and Liquefied Propane	fsoua 12/31/14 &												
Gas (LPG)	fsoua 12/31/15	102	9	-8	-8	-9	-9	-10	-11	-12	-13	86	31
3. Modification of mortgage information reporting													
requirements	rasda 12/31/16	22	147	152	164	172	191	207	227	251	273	657	1,806
Total of Revenue Provisions		-24	128	152	197	210	216	221	233	247	262	664	1,843
III. Sense of the Senate To Express Support for Comprehensive													
Tax Reform	DOE -						- No Reven	ue Effect -					
NET TOTAL		-153,803	-16,423	34,521	21,235	14,225	6,884	1,601	-240	-1,591	-1,612	-100,242	-95,199

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding. The date of enactment is assumed to be October 1, 2015.

Page 5

Legend and Footnotes for JCX-104-15:

Legend for "Effective" column:															
abiUSa = articles brought into the United States after	fpa = fuel produced after							pma = payments made after							
apoaa = amounts paid or accrued after	fsoua = fuel sold or used after						ppa = property purchased after								
apoia = amounts paid or incurred after	haa = homes	acquired a	fter					р	ppisa = property placed in service after						
cma = contributions made after	ido/a = incor	ne determir	nations on o	or after				рі	pri = payments received in						
cmi = contributions made in	ityeasd = in	axable year	rs ending a	fter such da	ate			рі	proaa = payments received or accrued after						
cpa = coal produced after	iwbwftea = i	ndividuals	who begin	work for th	ne employe	r after		ra	sda = retur	ns and stat	ements due a	ifter			
cyba = calendar years beginning after	ma = month	s after						sa	a = stock a	cquired af	ter				
da = dispositions after	oia = obligations issued after saua = sales and us										and uses after				
dmi = distributions made in	pa = periods after tyba = taxable years beginning after														
doia = discharge of indebtedness after	pca = productions commencing after vaa = vehicles acquired after														
epoii = expenses paid or incurred in															
[1] Estimate includes the following effects:	2016	<u>2017</u>	<u>2018</u>	<u>2019</u>	2020	<u>2021</u>	2022	2023	<u>2024</u>	2025	2016-20	2016-25			
Total Revenue Effects	-154	-34									-188	-188			
On-budget effects	101	-22									-123	-123			
Off-budget effects	-53	-12									-65	-65			
[2] Loss of less than \$500,000.															
[3] Estimate includes interaction with section 179 and bonus depreciation.															
[4] Estimate includes interaction with bonus depreciation.															
[5] Estimate includes interaction with section 179.															
[6] Gain of less than \$500,000.															
[7] Effective for dividends paid with respect to any taxable year of regulated investment comp	oanies beginni	ng after De	cember 31	, 2014.											
[8] Effective for taxable years of foreign corporations beginning after December 31, 2014, and	d for taxable y	ears of U.S	S. sharehold	ders with or	r within wł	nich such ta	xable years	s of such fo	oreign corp	orations er	nd.				
[9] Effective for bonds issued before, on, or after the date of enactment and not redeemed before	ore the date of	enactment	•												
[10] Estimate provided by the Congressional Budget Office.															
[11] Estimate includes the following outlay effects:	<u>2016</u>	2017	<u>2018</u>	<u>2019</u>	2020	2021	2022	<u>2023</u>	<u>2024</u>	<u>2025</u>	2016-20	2016-25			
Increase in limit on cover over of rum excise tax revenues to Puerto Rico															
and the Virgin Islands [10]	. 308	28									336	336			