JOINT COMMITTEE ON TAXATION
April 19, 2005
JCX-28-05

ESTIMATED REVENUE EFFECTS OF THE CHAIRMAN'S MODIFICATION TO THE "HIGHWAY REAUTHORIZATION AND EXCISE TAX SIMPLIFICATION ACT OF 2005," SCHEDULED FOR MARKUP BY THE COMMITTEE ON FINANCE ON APRIL 19, 2005

Fiscal Years 2005 - 2015

[Millions of Dollars]

Provision	Effective	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2005-10	2005-15
I. Extend Highway Trust Fund and Aquatic Resources Trust Fund Expenditure Authority Through September 30, 2009, and Related Taxes Through September 30, 2011 [1]	**DOE**	***No Revenue Effect***												
II. Excise Tax Reform and Simplification														
A. Modify Gas Guzzler Tax	10/1/05	---	-3	-4	-4	-4	-5	-5	-5	-5	-5	-6	-20	-46
B. Aquatic Excise Taxes														
1. Eliminate Aquatic Resources Trust Fund and transform Sport Fish Restoration Account..........................	10/1/05	*No Revenue Effect*												
2. Repeal Harbor Maintenance tax on exports [2]..................	boaa DOE	*No Revenue Effect*												
3. Cap excise tax on certain fishing equipment [3].................	[4]	---	-3	-3	-4	-4	-4	-4	-4	-5	-5	-5	-17	-41
C. Aerial Excise Taxes														
1. Clarify excise tax exemptions for agricultural aerial applicators and exempt certain fixed-wing aircraft engaged in forestry operations..	fuoata 9/30/05	---	-4	-4	-4	-4	-4	-4	-4	-4	-4	-4	-20	-40
2. Modify the definition of rural airport	10/1/05	---	-3	-3	-4	-4	-4	-4	-4	-4	-5	-5	-18	-40
3. Exempt from ticket taxes transportation provided by seaplanes..	ta 9/30/05	---	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-5	-11
4. Exempt certain sightseeing flights from taxes on air transportation...	[5]	---	-7	-7	-7	-7	-8	-8	-8	-9	-9	-9	-36	-79
D. Taxes Relating to Alcohol														
1. Repeal special occupational taxes on producers and marketers of alcoholic beverages................................	7/1/08	---	---	---	-50	-59	-59	-59	-59	-59	-59	-59	-167	-459
2. Modify limitation on rate of rum excise tax cover over to Puerto Rico and Virgin Islands [6]..........................	abiUSa 12/31/05	-11	-58	-18	---	---	---	---	---	---	---	---	-87	-87
3. Provide income tax credit for cost of carrying tax-paid distilled spirits in wholesale inventories and in control State bailment warehouses....................................	tyba 9/30/05	---	-9	-17	-19	-20	-20	-20	-20	-21	-21	-21	-84	-188
E. Sports Excise Taxes														
1. Provide exemption for certain custom gunsmiths [7]...........	[4]	---	**-1**	-1	-1	-1	-1	-1	-1	-1	-1	-1	-4	-8
Total of Excise Tax Reform and Simplification		**-11**	**-89**	**-58**	**-94**	**-104**	**-106**	**-106**	**-106**	**-109**	**-110**	**-111**	**-458**	**-999**
Miscellaneous														
A. Establish a Motor Fuel Tax Enforcement Advisory Commission...	DOE	*No Revenue Effect*												
B. Establish a National Surface Transportation Infrastructure Financing Commission.................................	DOE	*No Revenue Effect*												
C. Expand Highway Trust Fund Expenditure Purposes to Include Funding for Studies of Supplemental or Alternative Financing for the Highway Trust Fund..	DOE	*No Revenue Effect*												
Total of Miscellaneous		***No Revenue Effect***												

Provision	Effective	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2005-10	2005-15
Fuels-Related Technical Corrections	---	*No Revenue Effect*												
Additional Provisions														
1. Quarterly filing by small alcohol producers..........................	qpb 1/1/06	---	-5	[8]	[8]	[8]	[8]	[8]	[8]	[8]	[8]	[8]	-5	-6
2. Delta Regional Transportation Plan	DOE	*No Revenue Effect*												
3. Establish the Build America Corporation............................	DOE	*No Revenue Effect*												
4. Change treatment of employer-provided transit benefits..	tyba 12/31/05	---	-6	-6	-8	-5	-7	-11	-13	-14	-19	-23	-33	-113
Total of Additional Provisions		**---**	**-11**	**-6**	**-8**	**-5**	**-7**	**-11**	**-13**	**-14**	**-19**	**-23**	**-38**	**-119**
Revenue Offset Provisions														
1. Change the tax treatment of contingent convertible debt instruments	diio/a DOE	6	32	65	95	98	101	103	106	109	113	117	397	945
2. Frivolous tax submissions	[9]	---	3	3	3	3	3	3	3	3	3	3	15	30
3. Criminal tax fraud package	oco/a	---	[10]	[10]	[10]	[10]	[10]	[10]	[10]	[10]	[10]	[10]	1	5
4. Double certain penalties, fines, and interest on underpayments related to certain offshore financial arrangements	oyo/a DOE	1	2	1	[10]	[10]	[10]	[10]	[10]	[10]	[10]	[10]	5	7
5. Modification of CFC-PFIC coordination rules	[11]	2	4	5	6	8	10	12	15	17	19	21	35	119
6. Declaration by chief executive officer relating to Federal annual income tax return of a corporation.............	rfa DOE	*Negligible Revenue Effect*												
7. Grant Treasury regulatory authority to address foreign tax credit transactions involving inappropriate separation of foreign taxes from related foreign income..	teia DOE	[10]	[10]	1	1	2	2	2	2	2	2	2	6	16
Revenue Offset Provisions		**9**	**41**	**75**	**105**	**111**	**116**	**120**	**126**	**131**	**137**	**143**	**459**	**1,122**
NET TOTAL		**-2**	**-59**	**11**	**3**	**2**	**3**	**3**	**7**	**8**	**8**	**9**	**-37**	**4**

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding.

Legend for "Effective" column:

abiUSa = articles brought into the United States after
boaa = before, on, and after
diio/a = debt instrument issued on or after
DOE = date of enactment
fuoata = fuel use or air transportation after
oco/a = offenses committed on or after
oyo/a = open years on or after
qpb = quarterly periods beginning
rfa = returns filed after
ta = transportation after
teia = transactions entered into after
tyba = taxable years beginning after

[1] Any possible outlay effects will be estimated by the Congressional Budget Office ("CBO").
[2] Estimate provided by the Congressional Budget Office.
[3] Estimate does not include a decrease in outlays of $38 million for the fiscal years 2005 through 2015.
[4] Effective for articles sold by the manufacturer, producer, or importer after September 30, 2005.
[5] Effective with respect to transportation beginning after September 30, 2005, but shall not apply to any amount paid before that date for such transportation.
[6] Preliminary outlay estimate provided by the Congressional Budget Office and is subject to change.
[7] Estimate does not include a decrease in outlays of $7 million for the fiscal years 2005 through 2015.
[8] Loss of less than $500,000.
[9] Effective for submissions made and issues raised after the first list is prescribed under section 6702(c).
[10] Gain of less than $1 million.
[11] Effective for taxable years of foreign corporations beginning after March 2, 2005, and for taxable years of U.S. shareholders with or within which such taxable years of such foreign corporations end.