

- Committee on Finance -
ESTIMATED REVENUE EFFECTS OF THE REVENUE PROVISIONS CONTAINED IN TITLE II OF
THE "SMALL BUSINESS JOBS ACT OF 2010"

Fiscal Years 2010 - 2020

[Millions of Dollars]

| Provision | Effective | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2010-15 | 2010-20 |
|--|-------------------------------|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|----------------|----------------|
| The "Creating Small Business Jobs Act of 2010" | | | | | | | | | | | | | | |
| I. Small Business Relief | | | | | | | | | | | | | | |
| A. Providing Access to Capital | | | | | | | | | | | | | | |
| 1. Modification to exclusion for gain from certain small business stock (sunset 12/31/10)..... | saa DOE | 1 | 2 | --- | --- | --- | -276 | -155 | -34 | -26 | -17 | -9 | -274 | -517 |
| 2. Five-year carryback of general business credit of eligible small business (sunset 12/31/10)..... | [1] | -1,057 | -383 | 241 | 192 | 180 | 156 | 144 | 132 | 114 | 96 | 78 | -671 | -107 |
| 3. General business credits of eligible small business not subject to alternative minimum tax (sunset 12/31/10)..... | [1] | -674 | -357 | 8 | 4 | 4 | 3 | 5 | 6 | 4 | 7 | 12 | -1,012 | -977 |
| 4. Reduction in recognition period for built-in gains tax (sunset 12/31/11)..... | tyba 12/31/10 | -12 | -33 | -23 | -2 | --- | --- | --- | --- | --- | --- | --- | -70 | -70 |
| B. Encouraging Investment | | | | | | | | | | | | | | |
| 1. Expand definition of eligible section 179 property to include certain real property and increase maximum amount and phase-out thresholds to \$500,000 and \$2,000,000, respectively..... | tyba 12/31/09 & before 1/1/12 | -2,301 | -7,434 | -3,024 | 3,441 | 2,280 | 1,705 | 1,291 | 838 | 509 | 302 | 215 | -5,332 | -2,177 |
| 2. One-year extension of bonus depreciation..... | ppisa 12/31/09 | -26,302 | -13,763 | 10,571 | 7,120 | 5,620 | 4,427 | 2,848 | 1,736 | 981 | 668 | 641 | -12,327 | -5,454 |
| 3. Special rule for long-term contract accounting..... | ppisa 12/31/09 | -1,383 | -402 | 751 | 463 | 276 | 163 | 82 | 38 | 12 | --- | --- | -132 | --- |
| C. Promoting Entrepreneurship | | | | | | | | | | | | | | |
| 1. Increase in amount allowed as a deduction for start-up expenditures in 2010..... | tybi 2010 | -127 | -220 | 4 | 18 | 17 | 16 | 15 | 14 | 13 | 11 | 9 | -292 | -230 |
| 2. Authorization of appropriations for the United States Trade Representative to develop market access opportunities for United States small- and medium-sized businesses and to enforce trade agreements..... | --- | ----- <i>Estimate To Be Provided by the Congressional Budget Office</i> ----- | | | | | | | | | | | | |
| D. Promoting Small Business Fairness | | | | | | | | | | | | | | |
| 1. Limitation on penalty for failure to disclose reportable transactions based on resulting tax benefits..... | paa 12/31/06 | -12 | -73 | -21 | -16 | -8 | -8 | -8 | -8 | -8 | -8 | -8 | -137 | -176 |
| 2. Deduction for health insurance costs in computing self-employment taxes [2]..... | tyba 12/31/09 & before 1/1/11 | -1,137 | -823 | --- | --- | --- | --- | --- | --- | --- | --- | --- | -1,960 | -1,960 |

| Provision | Effective | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2010-15 | 2010-20 |
|---|----------------|--------------------------------------|----------------|---------------|---------------|--------------|---------------|----------------|--------------|--------------|--------------|--------------|----------------|----------------|
| 3. Remove cellular telephones and similar telecommunications equipment from listed property..... | tyba 12/31/09 | -12 | -17 | -25 | -31 | -34 | -38 | -42 | -46 | -51 | -55 | -59 | -157 | -410 |
| Total of Small Business Relief | | -33,016 | -23,503 | 8,482 | 11,189 | 8,335 | 6,148 | 4,180 | 2,676 | 1,548 | 1,004 | 879 | -22,364 | -12,078 |
| II. Revenue Provisions | | | | | | | | | | | | | | |
| A. Reducing the Tax Gap | | | | | | | | | | | | | | |
| 1. Require information reporting for rental property expense payments..... | pma 12/31/10 | --- | [3] | 227 | 247 | 259 | 269 | 284 | 294 | 309 | 324 | 335 | 1,002 | 2,546 |
| 2. Increase penalties related to information returns and payee statements..... | rtbfo/a 1/1/11 | --- | 30 | 41 | 42 | 42 | 43 | 43 | 43 | 44 | 45 | 47 | 198 | 421 |
| 3. Annual reports on certain penalties and other enforcement tools..... | DOE [4] | ----- <i>No Revenue Effect</i> ----- | | | | | | | | | | | | |
| 4. Application of continuous levy to tax liabilities of certain Federal contractors..... | lia 12/31/10 | --- | 104 | 98 | 100 | 102 | 104 | 106 | 108 | 110 | 112 | 114 | 506 | 1,056 |
| B. Promoting Retirement Preparation | | | | | | | | | | | | | | |
| 1. Allow participants in governmental 457 plans to treat elective deferrals as Roth contributions..... | tyba 12/31/10 | --- | 12 | 17 | 25 | 36 | 48 | 56 | 60 | 69 | 83 | 100 | 138 | 506 |
| 2. Allow rollovers from elective deferral plans to Roth designated accounts..... | DOE | 27 | 199 | 529 | 486 | 389 | 487 | 596 | 711 | 661 | 494 | 520 | 2,117 | 5,099 |
| 3. Permit partial annuitization of a nonqualified annuity contract..... | tyba 12/30/10 | --- | 5 | 20 | 37 | 56 | 77 | 99 | 124 | 149 | 179 | 210 | 195 | 956 |
| C. Closing Unintended Loopholes | | | | | | | | | | | | | | |
| 1. Crude tall oil ineligible for cellulosic biofuel producer credit..... | fsouo/a 1/1/10 | --- | 523 | 512 | 425 | 237 | 118 | 34 | --- | --- | --- | --- | 1,816 | 1,849 |
| 2. Source rules for income on guarantees..... | gia DOE | 25 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 1,025 | 2,025 |
| D. Increase by 36 percentage points the required corporate estimated tax payments factor for corporations with assets of at least \$1 billion for payments due in July, August, and September 2015..... | | | | | | | | | | | | | | |
| | DOE | --- | --- | --- | --- | --- | 21,234 | -21,234 | --- | --- | --- | --- | 21,234 | --- |
| Total of Revenue Provisions | | 52 | 1,073 | 1,644 | 1,562 | 1,321 | 22,580 | -19,816 | 1,540 | 1,542 | 1,437 | 1,526 | 28,231 | 14,458 |
| NET TOTAL | | -32,964 | -22,430 | 10,126 | 12,751 | 9,656 | 28,728 | -15,636 | 4,216 | 3,090 | 2,441 | 2,405 | 5,867 | 2,380 |

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding. The date of enactment is assumed to be August 1, 2010. Revenue provisions as submitted in statutory draft HEN10743.

[Legend and Footnotes for Table 10-2 063 R10 are on the following page]

Legend and Footnotes for Table 10-2 063 R10:

Legend for "Effective" column:

DOE = date of enactment

fsouo/a = fuels sold or used on or after

gia = guarantees issued after

lia = levies issued after

paa = penalties assessed after

pma = payments made after

ppisa = property placed in service after

rtbfo/a = returns to be filed on or after

saa = stock acquired after

tyba = taxable years beginning after

tybi = taxable years beginning in

[1] Effective for credits determined in taxable years beginning after December 31, 2009.

| | | | | | | | | | | | | | |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|----------------|----------------|
| [2] Estimate includes the following effects on the Social Security trust fund..... | <u>2010</u> | <u>2011</u> | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2010-15</u> | <u>2010-20</u> |
| | -934 | -677 | --- | --- | --- | --- | --- | --- | --- | --- | --- | -1,611 | -1,611 |

[3] Negligible revenue effect.

[4] First report shall be submitted not later than December 31, 2010.