JOINT COMMITTEE ON TAXATION September 19, 2016 JCX-86-16

ESTIMATED BUDGET EFFECTS OF THE CHAIRMAN'S MARK OF THE "RETIREMENT ENHANCEMENT AND SAVINGS ACT OF 2016", SCHEDULED FOR MARKUP BY THE COMMITTEE ON FINANCE ON SEPTEMBER 21, 2016

Fiscal Years 2017 - 2026

[Millions of Dollars]

Provision	Effective	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2017-21	2017-26	
I. Expanding and Preserving Retirement Savings														
A. Enhancements to Section 401(k) Plans														
Modification of automatic enrollment safe														
harbor	pyba 12/31/16													
2. Rules relating to election of safe harbor 401(k)	pjou 12/31/10					110	Sugioie In	venue Ejje	c.					
status	pyba 12/31/16 -	Negligible Revenue Effect												
B. Small Employer Plan Start-Up Credit		-1	-2	-2	-2	-2	-3	-3	-3	-3	-3	-11	-24	
C. Small Employer Automatic Enrollment Credit	tyba 12/31/16	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	-1	
D. Certain Non-Tuition Fellowship and Stipend Payments		[-]	[-]	[-]	[-]	1-1	1-1	1-3	1-1	(-)	[-]	r-1		
Treated as Compensation for IRA Purposes	tyba 12/31/16	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	-2	
E. Repeal Maximum Age for Traditional IRA Contributions	cmf tyba 12/31/16	-3	-4	-5	-5	-6	-6	-7	-7	-8	-8	-23	-58	
F. Shrinking Emergency Account Losses														
1. Extended rollover period for the rollover of plan loan offset														
amounts	loi tyba 12/31/16 -					Ne	gligible Re	evenue Effe	ct					
2. Modification of rules governing hardship distributions	•													
3. Qualified employer plans prohibited from making loans	17						0.0	33						
through credit cards and other arrangements	pyba 12/31/16 -					Ne	gligible Re	evenue Effe	ct					
G. Portability of Lifetime Income Options	1.0						0 0	00						
H. Treatment of Custodial Accounts Under Section 403(b) Plan	1.7						0 0	33						
Upon Plan Termination	ptoa 12/31/16 -	Negligible Revenue Effect												
Total of Expanding and Preserving Retirement Savings		-4	-6	-7	-7	-8	-9	-10	-10	-11	-11	-34	-85	
II. Administrative Improvements														
A. Plan Adopted by Filing Due Date for Year May Be														
Treated as in Effect as of Close of Year	paf tyba 12/31/16	-10	-11	-12	-12	-13	-15	-16	-17	-18	-19	-58	-142	
B, Combined Annual Report for Group of Plans	ararf pyba 12/31/19 -					Ne	gligible Re	evenue Effe	ct					
C. Disclosure Regarding Lifetime Income [2]	[3] -						- No Budg	et Effect						
Total of Administrative Improvements		-10	-11	-12	-12	-13	-15	-16	-17	-18	-19	-58	-142	

Provision	Effective	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2017-21	2017-26
III. Other Benefits - The "United States Tax Court Retirement and Administration Act" [4] [5]	DOE	-2	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	[1]	-2	-4
IV. Other Revenue Proposal - Penalty for Failure to File	rrtbfi cya 2016	5	23	23	24	25	25	26	27	28	29	100	235
NET TOTAL		-11	6	4	5	4	1	[1]	[1]	-1	-1	6	4

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding. The date of enactment is assumed to be October 1, 2016.

Legend for "Effective" column:

ararf = annual returns and reports for

cmf = contributions made for

cya = calendar years after

loi = loans offset in

paf = plans adopted for

pyba = plan years beginning after

ptoa = plan terminations occurring after rrtbfi = returns required to be filed in

tyba = taxable years beginning after

- [1] Loss of less than \$500,000.
- [2] Estimate provided by the Congressional Budget Office.
- [3] Effective with respect to benefit statements provided more than 12 months after the latest of the issuance by the Secretary of Labor (1) interim final rules, (2) the model disclosure, or (3) prescribed assumptions.
- [4] Estimate provided by the Joint Committee on Taxation and the Congressional Budget Office.

[5] Estimate includes the following outlay	2017	2018	2019	2020	<u>2021</u>	2022	<u>2023</u>	2024	<u>2025</u>	<u>2026</u>	<u>2017-21</u>	<u>2017-26</u>
effects [2]	2										2	3