

## Comments on the Current Federal Tax Environment

NMTRI Conference, 4/30/09

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U.S. Congress, Joint Committee on Taxation

(comments represent speaker's views only)

(1) What is JCT:

- (a) Nonpartisan tax staff providing legislative support for Congress: [www.jct.gov](http://www.jct.gov). NOT JEC!
- (b) History of learning from States and recycling employees thereto.

(2) What's going on and what has changed in DC:

- (a) Complexity continues: "the tax Code brought to you by the letter E."
- (b) Demand for novelty, and its corollary, the importance of naming and packaging.
- (c) Doomsday clock on VAT/national sales tax.
- (d) Is there a "refundables" movement, either pro- or anti-?
- (e) Whither distributional and macroeconomic analyses?
- (f) Continuous pressures for revenue raisers.

(3) Budgets, baselines, and revenue estimating issues for the Federal government and the States:

- (a) Homage to the States: laboratories of democracy and balanced budgets.
- (b) President Obama's fiscal year 2010 budget proposal - maintenance of present law and recognition of contingencies, aka "the reality baseline".
- (c) Details in the Obama budget proposal (JCX -22-09).

- (d) Baselines: inflexible detailed specification or something more organic?
- (e) Country and State competition, fixed GNP versus fixed GDP.
- (f) General issue of cash-flow estimating using Administration's proposal for repeal of the LIFO method of accounting.
- (g) Business CODI provision in recently enacted "American Recovery and Reconstruction Act" as example of the necessity of baseline flexibility for intuitive revenue estimating results.
- (h) Tax Gap pressures, newest Tax Reform Panel.
- (i) Estimators' preferences: clear proposal, good staff help, presentation control, and an old fashioned fight between two or more private sector sides with respect to the proposal.

(4) Omniscience about Federal tax policy:

- (a) Health health health, aging aging aging, and possible spillover to tax and revenue proposals.
- (b) Pressures for estimating indirect and compliance effects, including macro effects.
- (c) Effect of even greater globalization on the fashioning and estimating of business proposals.
- (d) The withering away of the U.S. Federal corporate income tax (or at least the nominal revenue pickup therefrom).



**JOINT COMMITTEE ON TAXATION**  
**March 30, 2009**  
**JCX-22-09**

**ESTIMATED BUDGET EFFECTS OF THE REVENUE PROVISIONS CONTAINED IN  
THE PRESIDENT'S FISCAL YEAR 2010 BUDGET PROPOSAL [1]**

**Fiscal Years 2010 - 2019**

*[Millions of Dollars]*

Provision	Effective	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2010-14	2010-19
<b>I. Index to Inflation the 2009 Parameters of the AMT as Enacted in the American Recovery and Reinvestment Act.....</b>	tyba 12/31/09	-6,678	-68,963	-30,581	-33,927	-37,236	-41,211	-46,161	-52,484	-60,393	-69,574	-177,385	-447,209
<b>II. Make Permanent Certain Tax Cuts Enacted in 2001 and 2003:</b>													
A. Permanently Extend Capital Gains and Dividends 0%/15% Rates; Add a 20% Rate for Taxpayers Otherwise in the 36% and 39.6% Brackets.....	tyba 12/31/10	-167	-4,867	-20,399	-24,798	-26,573	-27,886	-28,950	-29,782	-30,685	-31,555	-76,804	-225,662
B. Permanently Increase the Maximum Amount and Phaseout Threshold Under Section 179 that are Scheduled to Expire After 2010.....	tyba 12/31/10	---	-2,428	-4,439	-3,707	-3,043	-2,325	-1,665	-1,212	-965	-874	-13,618	-20,661
C. Reductions in Individual Income Tax Rates [2]													
1. Retain 10% bracket.....	tyba 12/31/10	---	-40,376	-59,413	-61,775	-63,885	-65,913	-68,056	-70,531	-73,024	-75,607	-225,448	-578,580
2. Retain the 25%, 28%, and part of the 33% income tax rate brackets.....	tyba 12/31/10	---	-27,475	-40,840	-43,379	-46,252	-49,205	-52,064	-54,894	-57,646	-60,538	-157,947	-432,295
D. Child Tax Credit Extend \$1,000 Credit, Refundability, and AMT rules [2].....	tyba 12/31/10	---	-5,804	-29,077	-29,342	-29,547	-29,677	-29,772	-29,885	-29,938	-30,095	-93,770	-243,137
E. Marriage Penalty Relief [2].....	tyba 12/31/10	---	-18,189	-31,233	-32,803	-34,281	-35,551	-36,814	-38,159	-39,460	-41,016	-116,506	-307,507
F. Education Incentives [3].....	generally 1/1/11	---	-793	-1,596	-1,676	-1,728	-1,818	-1,913	-2,021	-2,183	-2,287	-5,792	-16,014
G. Make Permanent the Estate, Gift, and Generation-Skipping Transfer Taxes; Extend 2009 Law and Index Estate Tax Exemption for Inflation; Gift Tax Lifetime Exclusion to Remain at \$1 Million.....	dda 12/31/09	384	-1,993	-19,586	-23,496	-27,342	-30,901	-33,756	-37,176	-39,633	-42,745	-72,032	-256,244
H. Other Incentives for Families and Children [2] [4].....	tyba 12/31/10	---	-214	-797	-857	-884	-906	-924	-947	-969	-963	-2,752	-7,461

Provision	Effective	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2010-14	2010-19
I. Repeal Overall Limitation on Itemized Deduction and the Personal Exemption Phaseout for Certain Taxpayers.....	tyba 12/31/10	---	-761	-1,586	-1,722	-1,865	-2,003	-2,134	-2,259	-2,378	-2,503	-5,934	-17,212
<b>Total of Make Permanent Certain Tax Cuts Enacted in 2001 and 2003.....</b>		<b>217</b>	<b>-102,900</b>	<b>-208,966</b>	<b>-223,555</b>	<b>-235,400</b>	<b>-246,185</b>	<b>-256,048</b>	<b>-266,866</b>	<b>-276,881</b>	<b>-288,183</b>	<b>-770,603</b>	<b>-2,104,773</b>
<b>III. Tax Incentives</b>													
A. Tax Cuts for Families and Individuals													
1. Provide Making Work Pay tax credit [2].....	tyba 12/31/10	---	-28,661	-61,685	-62,487	-63,116	-63,492	-63,824	-64,217	-64,630	-65,053	-215,949	-537,165
2. Expand earned income Credit [2].....	tyba 12/31/10	---	-30	-3,003	-2,982	-2,958	-2,923	-2,910	-2,942	-2,988	-3,033	-8,973	-23,767
3. Expand refundability of the child credit [2].....	tyba 12/31/10	---	---	-9,031	-9,102	-9,197	-9,227	-9,266	-9,302	-9,352	-9,394	-27,330	-73,872
4. Expand Saver's credit [2].....	tyba 12/31/10	---	-600	-2,992	-2,952	-2,919	-2,814	-2,739	-2,779	-2,722	-2,703	-9,463	-23,220
5. Require certain employers to establish automatic enrollment in IRAs [2].....	tyba 12/31/11	---	---	-905	-3,680	-3,915	-4,134	-4,387	-4,682	-4,951	-5,260	-8,500	-31,913
6. Provide American Opportunity Tax Credit [2]....	tyba 12/31/10	---	-1,150	-5,757	-5,795	-5,760	-5,685	-5,999	-5,997	-6,129	-6,465	-18,462	-48,737
B. Tax Cuts for Businesses													
1. Eliminate capital gains taxation on small business stock and maintain 7 percent AMT preference.....	saa DOE	3	1	---	---	-586	-629	-917	-1,116	-1,245	-1,367	-582	-5,857
2. Make research and experimentation tax credit permanent.....	DOE	-2,300	-4,003	-4,739	-5,512	-6,319	-7,161	-8,044	-8,975	-9,911	-10,921	-22,874	-67,886
3. Expand net operating loss carryback.....	[5]	-59,982	10,193	9,621	7,427	5,254	3,660	2,512	1,740	1,186	841	-27,487	-17,547
4. Modify Federal Aviation Administration financing [6].....	10/1/2011	---	---	-7,206	-8,180	-8,604	-9,002	-9,410	-9,835	-10,256	-10,700	-23,991	-73,194
C. Continue Remaining Expiring Provisions Through Calendar Year 2010													
1. Extend the deduction for State and local sales taxes (sunset 12/31/10).....	tyba 12/31/09	-381	-2,207	-289	---	---	---	---	---	---	---	-2,877	-2,877
2. Extend the deduction for qualified tuition (sunset 12/31/10).....	tyba 12/31/09	-135	-542	---	---	---	---	---	---	---	---	-677	-677
3. Extend Subpart F provisions (sunset 12/31/10)...	tyba 12/31/09	-945	-2,978	---	---	---	---	---	---	---	---	-3,923	-3,923
4. Extend look through of payments between related Controlled Foreign Corporations (sunset 12/31/10).....	tyba 12/31/09	-135	-439	---	---	---	---	---	---	---	---	-574	-574
5. Extend 15-year recovery for leasehold, restaurant and retail improvements (sunset 12/31/10).....	ppisa 12/31/09	-174	-497	-641	-632	-620	-586	-566	-576	-561	-536	-2,564	-5,390

Provision	Effective	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2010-14	2010-19
6. Extend the above-the-line deduction for up to \$250 of teacher classroom expenses (sunset 12/31/10).....	tyba 12/31/09	-40	-159	---	---	---	---	---	---	---	---	-199	-199
7. Extend the new markets tax credit (sunset 12/31/10).....	ima 12/31/09	-16	-57	-166	-182	-205	-220	-219	-194	-143	---	-626	-1,402
8. Economic development credit for American Samoa (sunset 12/31/10).....	tyba 12/31/09	-6	-12	---	---	---	---	---	---	---	---	-18	-18
9. Extend of mine rescue team training credit (sunset 12/31/10).....	eia 12/31/09	[7]	---	---	---	---	---	---	---	---	---	[7]	[7]
10. Extend the Indian employment tax credit (sunset 12/31/10).....	tyba 12/31/09	-17	-23	-7	-1	---	---	---	---	---	---	-48	-48
11. Extend the tax incentives for investment in the District of Columbia (sunset 12/31/10).....	tyba 12/31/09	-36	-24	-5	-4	-2	-2	-2	-1	-1	-1	-71	-77
12. Extend the empowerment zone and renewal community incentives (sunset 12/31/10).....	tyba 12/31/09	-684	-276	-70	-54	-41	-32	-13	-3	-2	-2	-1,124	-1,176
13. Extend 50% tax credit for certain expenditures for maintaining railroad tracks; permit credit against the AMT (sunset 12/31/10).....	tyba 12/31/09	-66	-99	---	---	---	---	---	---	---	---	-165	-165
14. Extend production credit for coke and gas (sunset 12/31/10).....	fsa 12/31/09	-1	-1	[7]	[7]	[7]	[7]	[7]	[7]	[7]	[7]	-2	-2
15. Extend production credit for refined and Indian coal (sunset 12/31/10).....	ppisa 12/31/09	-2	-5	-6	-6	-6	-6	-6	-6	-7	-7	-25	-57
16. Extend the alternative vehicle credits (sunset 12/31/10).....	[9]	-1	-2	[7]	[7]	[7]	[8]	[8]	---	---	---	-3	-2
17. Extend credit for energy efficient new homes (sunset 12/31/10).....	haa 12/31/09	-24	-17	-6	-6	-5	-4	-4	-1	---	---	-58	-67
18. Extend suspension of 100 percent-of-net income limitation on percentage depletion for oil and natural gas from marginal properties (sunset 12/31/10).....	pa 12/31/09	-67	-36	---	---	---	---	---	---	---	---	-104	-104
19. Extend the special rule to implement FERC and State electric restructuring policy (sunset 12/31/10).....	qetta 12/31/09	-221	-88	49	49	49	49	49	49	17	---	-163	---
20. Extend low sulfur diesel fuel tax credit and expensing (sunset 12/31/10).....	DOE	-11	-7	-1	-1	[7]	[8]	[8]	[8]	[8]	[8]	-20	-19
21. Extend biodiesel and renewable diesel income and excise credits (sunset 12/31/10).....	fsa 12/31/09	-728	-270	---	---	---	---	---	---	---	---	-998	-998
22. Extend alternative fuels excise tax credits (sunset 12/31/10 for non-hydrogen fuels).....	fsa 12/31/09	-2,435	-893	---	---	---	---	---	---	---	---	-3,328	-3,328

Provision	Effective	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2010-14	2010-19
23. Increase in limit on cover over of rum excise tax revenues (from \$10.50 to \$13.25 per proof gallon) to Puerto Rico and the Virgin Islands (sunset 12/31/10) [10].....	tyba 12/31/09	-88	-22	---	---	---	---	---	---	---	---	-110	-110
24. Extend and modify credit to holders of qualified zone academy bonds – allocations of bond authority (sunset 12/31/10) [11].....	oia 12/31/08	----- <i>No Revenue Effect</i> -----											
25. Extend the FUTA surtax of 0.2 percent (sunset 12/31/10) [10].....	tyba 12/31/09	1,020	397	---	---	---	---	---	---	---	---	1,417	1,417
26. Extend the treatment of certain dividends of regulated investment companies (sunset 12/31/10).....	[12]	-12	-63	---	---	---	---	---	---	---	---	-75	-75
27. Extend the estate tax look-through for certain RIC stock held by nonresidents (sunset 12/31/10).....	dda 12/31/09	----- <i>Negligible Revenue Effect</i> -----											
28. Extend the treatment of RICs as "qualified investment entities" under section 897 (FIRPTA) (sunset 12/31/10).....	1/1/10	-5	-5	---	---	---	---	---	---	---	---	-10	-10
29. Modify tax treatment of certain payments under existing arrangements to controlling exempt organizations (sunset 12/31/10).....	tyba 12/31/09	-17	-3	---	---	---	---	---	---	---	---	-20	-20
30. Basis adjustment to stock of S corporations making charitable contributions of property (sunset 12/31/10).....	cmi tybb 12/31/10	-16	-1	-1	-1	-1	-1	-1	-1	-1	-1	-20	-26
31. Extend the rule permitting the tax-free distributions from IRAs to certain public charities from age 70 1/2 or older, not to exceed \$100,000 per taxpayer per year (sunset... 12/31/10).....	da 12/31/09 & before 1/1/11	-175	-187	-24	-25	-26	-28	-29	-31	-33	-34	-437	-591
32. Extend the treatment of contributions of real property for conservation purposes (sunset 12/31/10).....	cma 12/31/09	-23	-68	-5	-5	-5	-5	-5	-4	-4	-4	-106	-128
33. Extend the enhanced charitable deduction for qualified computer contributions (sunset 12/31/10).....	cma 12/31/09	-107	-88	---	---	---	---	---	---	---	---	-195	-195

Provision	Effective	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2010-14	2010-19
34. Extend enhanced charitable deduction for contributions of food inventory and modify enhanced deduction to include special basis rule in certain cases (sunset 12/31/10); suspend percentage limitations for contributions of food by qualified farmers and ranchers (sunset 1/1/10).....	cma 12/31/09	-43	-35	---	---	---	---	---	---	---	---	-78	-78
35. Extend enhanced charitable deduction for contributions of book inventory (sunset 12/31/10).....	cma 12/31/09	-17	-14	---	---	---	---	---	---	---	---	-31	-31
36. Extend the treatment of certain qualified film and television productions (sunset 12/31/10).....	qfatpca 12/31/09	-54	-108	12	26	18	15	13	11	9	7	-106	-51
37. Extend accelerated depreciation for business property on Indian reservations (sunset 12/31/10).....	tyba 12/31/09	-113	-196	-73	16	54	84	68	37	4	-7	-312	-125
38. Provide 7-year recovery period for certain motorsports racing track facilities (sunset 12/31/10).....	ppisa 12/31/09	-11	-18	-11	-6	-3	-4	-4	1	6	6	-50	-45
39. Extension of election to expense advanced mine safety equipment (sunset 12/31/10).....	eia 12/31/09	-6	-2	2	1	1	1	1	1	---	---	-3	---
40. Extend the deduction allowable with respect to income attributable to domestic production activities in Puerto Rico (sunset 12/31/10).....	tyba 12/31/10	-84	-101	---	---	---	---	---	---	---	---	-185	-185
41. Extend expensing of brownfields environmental remediation costs (sunset 12/31/10).....	eia 12/31/09	-188	-116	18	21	24	21	19	17	14	12	-241	-158
42. Taxation of qualified timber gain and REIT timber provisions (sunset 12/31/10).....	5/22/09	-103	-49	-29	-28	-27	-26	-9	-1	-1	-1	-235	-274
43. Additional IRA contributions in bankruptcy (sunset 12/31/10).....	tyba 12/31/09	-3	-3	[7]	[7]	[7]	[7]	[7]	[7]	[7]	[7]	-5	-6
44. Renew Andean Trade Preferences (sunset 12/31/10) [10].....	tyba 9/1/09	-109	-35	---	---	---	---	---	---	---	---	-145	-145
45. Renew Caribbean Basin Initiative (sunset 12/31/10) [10].....	tyba 10/1/10	---	-7	---	---	---	---	---	---	---	---	-7	-7
46. Extension of GSP (sunset 12/31/10) [10].....	tyba 1/1/10	-530	-177	---	---	---	---	---	---	---	---	-706	-706
<b>D. Other Revenue Changes and Loophole Closers</b>													
1. Reinstate Superfund taxes.....	pa 12/31/10	---	1,243	1,932	2,003	2,049	2,061	2,078	2,100	2,124	2,142	7,227	17,733
2. Tax carried interest as ordinary income.....	fyea 12/31/10	569	2,053	2,975	2,695	2,240	1,963	2,063	2,617	2,992	2,988	10,532	23,156
3. Codify economic substance doctrine.....	teia DOE	657	579	658	758	874	892	899	914	934	954	3,527	8,120

Provision	Effective	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2010-14	2010-19
4. Repeal LIFO accounting.....	tyba 12/31/11	---	---	5,111	9,118	9,615	9,925	10,498	11,284	11,735	12,240	23,844	79,526
5. Implement international enforcement, reform deferral, and other tax reform policies.....	---	----- <i>Proposal Not Specified</i> -----											
6. Require information reporting for rental payments.....	tyba 12/31/09	[13]	208	220	232	242	252	264	277	291	301	902	2,287
7. Eliminate oil and gas company preferences:													
a. Levy excise tax on Gulf of Mexico oil and gas [2].....	pa 12/31/10	---	384	634	739	697	97	32	-10	-26	-125	2,455	2,422
b. Repeal enhanced oil recovery credit.....	---	----- <i>No Revenue Effect</i> -----											
c. Repeal marginal well tax credit.....	---	----- <i>No Revenue Effect</i> -----											
d. Repeal expensing of intangible drilling costs.....	ea 12/31/10	---	608	881	806	639	416	283	203	125	96	2,934	4,056
e. Repeal deduction for tertiary injectants.....	tyba 12/31/10	---	5	10	10	9	9	7	7	6	6	34	69
f. Repeal passive loss exception for working interests in oil and natural gas properties.....	fyba 1/1/01	---	2	5	6	6	6	6	6	6	6	19	49
g. Repeal the section 199 deduction for income attributable to domestic production of oil, gas, or primary products thereof.....	tyba 2010	---	536	990	1,063	1,142	1,225	1,316	1,412	1,518	1,630	3,731	10,832
h. Increase geological and geophysical amortization period for independent producers to 7 years.....	epoia 12/31/10	---	36	127	188	172	128	85	41	11	3	522	791
i. Repeal percentage depletion for oil and natural gas.....	DOE	---	449	726	762	784	805	834	873	921	968	2,722	7,123
8. Eliminate advance earned income tax credit.....	tyba 12/31/09	171	150	128	129	129	131	133	136	139	141	707	1,387
<b>Total of Tax Incentives.....</b>		<b>-67,691</b>	<b>-27,530</b>	<b>-72,553</b>	<b>-75,593</b>	<b>-80,317</b>	<b>-84,242</b>	<b>-87,194</b>	<b>-88,947</b>	<b>-90,925</b>	<b>-93,273</b>	<b>-323,682</b>	<b>-768,259</b>
<b>IV. Other Provisions</b>													
A. Limit the Tax Rate at which Itemized Deductions Reduce Taxable Liability.....	tyba 12/30/10	---	11,023	29,917	31,624	34,083	36,506	38,719	40,820	42,923	45,040	106,647	310,655
B. Strengthen the Financial Integrity of Unemployment Insurance [2] [10].....	DOE	---	523	345	39	-10	-20	-1	14	33	45	898	969
C. Application of Continuous Levy to Federal Vendor Payments Prior to Collection Due Process.....	1/1/10	102	96	98	100	102	104	106	108	110	112	496	1,035
D. Application of Continuous Levy to Payments Made to Federal Vendors Relating to Property...	1/1/10	9	13	13	13	14	14	14	15	15	15	63	135

Provision	Effective	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2010-14	2010-19
E. Phase Out and Repeal of Inland Waterway													
Fuel Tax [14].....	DOE	---	---	---	-30	-63	-64	-64	-64	-64	-64	-93	-414
<b>Total of Other Provisions.....</b>		<b>111</b>	<b>11,655</b>	<b>30,373</b>	<b>31,746</b>	<b>34,126</b>	<b>36,540</b>	<b>38,774</b>	<b>40,893</b>	<b>43,017</b>	<b>45,148</b>	<b>108,011</b>	<b>312,380</b>
<b>NET TOTAL [2] .....</b>		<b>-74,041</b>	<b>-187,738</b>	<b>-281,727</b>	<b>-301,329</b>	<b>-318,827</b>	<b>-335,098</b>	<b>-350,629</b>	<b>-367,404</b>	<b>-385,182</b>	<b>-405,882</b>	<b>-1,163,659</b>	<b>-3,007,861</b>

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding. The date of enactment is generally assumed to be October 1, 2009.

Legend for "Effective" column:

dda = decedents dying after  
 DOE = date of enactment  
 cma - contributions made after  
 cmi = contributions made in  
 ea = expenditures after  
 eia = expenditures incurred after  
 epoia = expenses paid or incurred after  
 fsa = fuel sold after

fyba = fiscal years beginning after  
 fyca = fiscal years ending after  
 haa = homes acquired after  
 ima = investments made after  
 oia = obligations issued after  
 pa = production after  
 ppisa = property placed in service after

qetta = qualified electric transmission transactions after  
 qfatpca = qualified film and television productions commencing after  
 saa = stock acquired after  
 teia = transactions entered into after  
 tyba = taxable years beginning after  
 tybb = taxable years beginning before

[Footnotes for JCX-22-09 appear on the following page]

**Footnotes for JCX-22-09:**

[1] These estimates should be viewed as preliminary. The administration has not fully specified certain proposals. We understand that the Treasury is still revising proposals and that more complete descriptions of all the proposals will be released in mid-April. As these more complete descriptions and additional information become available, we expect that certain estimates will change.

	<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>2010-14</u>	<u>2010-19</u>
[2] Estimate includes the following outlay effects:												
Retain 10% bracket .....	---	---	1,292	1,346	1,396	1,449	1,516	1,592	1,684	1,744	4,034	12,019
Child credit .....	---	---	16,539	16,718	16,846	16,886	16,902	16,985	16,967	17,153	50,103	134,996
EIC part of marriage penalty.....	---	---	3,987	4,045	4,090	4,079	4,095	4,156	4,214	4,300	12,122	32,966
Marriage penalty.....	---	---	1,865	1,870	1,881	1,866	1,876	1,911	1,942	1,983	5,616	15,194
Other incentives for families and children.....	---	60	259	274	280	282	281	281	280	276	873	2,273
Provide making work pay tax credit .....	---	---	19,783	19,891	19,992	19,965	19,925	19,894	19,813	19,864	59,666	159,126
Expand earned income tax credit.....	---	---	2,729	2,709	2,685	2,649	2,637	2,669	2,712	2,756	8,123	21,546
Expand refundability of the child tax credit.....	---	---	9,031	9,102	9,197	9,227	9,266	9,302	9,352	9,394	27,330	73,872
Expand Saver's credit .....	---	---	1,154	1,126	1,107	1,067	1,038	1,051	1,030	1,018	3,387	8,591
Require certain employers to establish automatic enrollment in IRAs .....	---	---	---	1,109	1,157	1,190	1,231	1,295	1,347	1,402	2,266	8,732
Provide American opportunity tax credit.....	---	413	2,058	2,025	1,985	1,948	1,997	1,954	1,945	2,022	6,482	16,348
Increase in limit on coverover of rum excise tax revenues [10] .....	88	22	---	---	---	---	---	---	---	---	110	110
Eliminate the advance earned income credit .....	-99	-122	-125	-127	-128	-129	-131	-133	-136	-138	-600	-1,268
Strengthen the financial integrity of unemployment insurance .....	---	-523	-420	-196	-196	-199	-201	-205	-207	-208	-1,336	-2,356
Levy excise tax on Gulf of Mexico oil and gas production .....	---	---	---	---	---	500	500	500	500	500	---	2,500
Total outlay effects .....	-11	-150	58,152	59,892	60,292	60,780	60,932	61,252	61,443	62,066	178,176	484,649

[3] The provision that permanently extends the exclusion for undergraduate courses and graduate level courses is included in the Education

Incentives line and includes the following effects:

Total Revenue Effects.....	---	-707	-964	-993	-1,022	-1,053	-1,085	-1,117	-1,151	-1,185	-3,685	-9,276
On-budget effects.....	---	-460	-653	-671	-692	-713	-734	-756	-779	-803	-2,476	-6,260
Off-budget effects.....	---	-246	-311	-321	-331	-340	-351	-361	-372	-383	-1,209	-3,016

[4] Estimate includes extension of the adoption tax credit, employer-provided child care tax credit, and dependent care tax credit.

[5] Effective for net operating losses generated in either taxable years ending in 2008 and 2009 or taxable years beginning in 2008 and 2009.

[6] The proposal provides for user fees on air traffic control services provided to commercial aviation. Because specific information is unavailable, the estimate excludes the effects of the user fees.

[7] Loss of less than \$500,000.

[8] Gain of less than \$500,000.

[9] The extension of the section 30B alternative motor vehicle credit would only apply to medium and heavy duty hybrid vehicles as all other components of the section 30B credit are effective through at least December 31, 2010 under present law.

[Footnotes for JCX-22-09 continue on the following page]

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**Footnotes for JCX-22-09 (continued):**

[10] Estimate provided by the Congressional Budget Office.

[11] Provision extended in H.R. 1, the "American Recovery and Reinvestment Tax Act of 2009."

[12] Effective for dividends with respect to taxable years of regulated investment companies beginning after December 31, 2009.

[13] Negligible revenue effect.

[14] The proposal provides for user fees based on lock usage. Because specific information is unavailable, the estimate excludes the effect of the user fees.