

**ESTIMATED BUDGET EFFECTS OF THE REVENUE PROVISIONS CONTAINED IN THE COLLINS-NELSON AMENDMENT (# 570) IN THE NATURE OF A SUBSTITUTE TO
THE "AMERICAN RECOVERY AND REINVESTMENT TAX ACT OF 2009," [1]
UNDER CONSIDERATION BY THE SENATE**

Fiscal Years 2009 - 2019

[Millions of Dollars]

Provision	Effective	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2009-13	2009-14	2009-18	2009-19
Title I - Tax Provisions																
A. Tax Relief for Individuals and Families																
1. Making Work Pay Credit - credit of 6.2% of earned income up to a maximum of \$500 single (\$1,000 joint) for tax years 2009 and 2010; phaseout for taxpayers with modified AGI in excess of \$70,000 (\$140,000 joint), credit reduced by special payment made by the SSA and the VA; and treatment of the U.S. Possessions [2] [3].....	tyba 12/31/08	-23,392	-79,366	-36,665	---	---	---	---	---	---	---	---	-139,423	-139,423	-139,423	-139,423
2. Temporary increase in earned income tax credit for taxable years 2009 and 2010 [3].....	tyba 12/31/08	-23	-2,349	-2,291	---	---	---	---	---	---	---	---	-4,663	-4,663	-4,663	-4,663
3. Temporarily reduce the earnings threshold for the refundable portion of the child tax credit for taxable years 2009 and 2010 to \$8,100 [3].....	tyba 12/31/08	[4]	-3,608	-3,590	---	---	---	---	---	---	---	---	-7,198	-7,198	-7,198	-7,198
4. American Opportunity Tax Credit - amend the HOPE scholarship credit for taxable years 2009 and 2010 so that it is available for four years at a rate of 100% of first \$2,000 of expenses and 25% of next \$2,000; phaseout for taxpayers with modified AGI between \$80,000 - \$90,000 (\$160,000- \$180,000 joint); make textbooks a qualifying expense; allow against the AMT [5].....	tyba 12/31/08	-791	-4,425	-5,040	---	---	---	---	---	---	---	---	-10,256	-10,256	-10,256	-10,256
5. Make 30% of the allowable American Opportunity Tax Credit refundable [3] [5].....	tyba 12/31/08	-242	-1,262	-1,170	---	---	---	---	---	---	---	---	-2,674	-2,674	-2,674	-2,674
6. Temporarily allow computer technology and equipment as a qualified higher education expense for qualified tuition programs for 2009 and 2010.....	tyba 12/31/08	[4]	[4]	[4]	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-3	-6

Provision	Effective	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2009-13	2009-14	2009-18	2009-19
7. Credit for certain home purchases - new non-refundable credit equal to the lesser of \$15,000 or 10% of the purchase price for new and resale owner-occupied homes [3].....	qhpa DOE & oob 1ya DOE	-2,864	-15,794	-16,270	-2,112	-94	-621	-539	-457	-328	-109	-40	-37,134	-37,754	-39,188	-39,227
8. Exclude up to \$2,400 of unemployment insurance benefits from gross income for taxable year 2009.....	DOE	-948	-3,792	---	---	---	---	---	---	---	---	---	-4,740	-4,740	-4,740	-4,740
9. Deduction for interest expenses on indebtedness from purchasing a new auto or light truck.....	tyba 12/31/08	-424	-1,771	-2,097	-1,813	-1,337	-802	-284	---	---	---	---	-7,443	-8,244	-8,529	-8,528
10. Deduction for State and local sales taxes on the purchase of a new auto or light truck (sunset 12/31/09).....	tyba 12/31/08	-682	-1,340	9	---	---	---	---	---	---	---	---	-2,014	-2,014	-2,014	-2,014
11. Increase individual AMT exemption amount to \$46,700 (\$70,950) and allow personal credits against the AMT (sunset 12/31/09).....	tyba 12/31/08	-2,054	-82,720	15,015	---	---	---	---	---	---	---	---	-69,759	-69,759	-69,759	-69,759
Total of Tax Relief for Individuals and Families		-31,420	-196,427	-52,099	-3,926	-1,432	-1,424	-824	-458	-329	-110	-41	-285,305	-286,726	-288,447	-288,488
B. Energy Incentives																
1. Extension of the renewable electricity credit - extend by three years the placed-in-service date for each section 45 qualified facility (two years for marine renewables), excluding coal and solar facilities.....	ppisa 12/31/09 & 12/31/10	---	-127	-440	-921	-1,365	-1,603	-1,649	-1,700	-1,743	-1,788	-1,806	-2,853	-4,456	-11,337	-13,143
2. Election of investment credit for section 45 facilities in lieu of production credits.....	ppisa 12/31/08	-96	-131	-71	-16	9	12	6	2	1	1	---	-305	-294	-285	-285
3. Modify section 48 energy credit – remove cap for small wind systems, and remove cutback to credit for subsidized energy financing.....	pa 12/31/08	-31	-33	-42	-50	-59	-71	-87	-104	-66	-32	-26	-216	-287	-577	-604
4. Increased limitation on issuance of new clean renewable energy bonds (\$1.6 billion additional allocation).....	DOE	-1	-4	-15	-36	-59	-73	-78	-78	-78	-78	-78	-115	-188	-500	-578
5. Increased limitation on issuance of qualified energy conservation bonds (\$2.4 billion additional allocation); and clarify Green Community Programs for purposes of loans, grants and other repayment mechanisms.....	DOE	-1	-5	-17	-41	-69	-95	-111	-116	-116	-116	-116	-133	-228	-687	-803
6. Extension and temporary increase to 30% (\$1,500 per residence cap) credit for all section 25C non-business energy property, repeal reduction in section 25C credits by reason of receipt of subsidized energy financing, and modify definition of qualified energy property and wood stoves.....	ea 12/31/08 & before 1/1/11	-164	-871	-843	---	---	---	---	---	---	---	---	---	-1,878	-1,878	-1,878

Provision	Effective	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2009-13	2009-14	2009-18	2009-19
7. Credit for residential energy efficient property - remove credit cap for residential wind, geothermal property, and residential solar thermal property under section 25D, repeal reduction in all section 25D credits (residential solar, geothermal, wind, fuel cells) by reason of receipt of subsidized energy.....	tyba 12/31/08	-7	-29	-30	-32	-33	-34	-36	-37	-28	---	---	-131	-165	-268	-268
8. Temporarily increase credit rate for nonhydrogen refueling property to 50%; increase max credit to \$50,000 for business property (\$200,000 in the case of hydrogen) and \$2,000 for nonbusiness property, and modify definition of electric vehicle recharging property (sunset 12/31/10).....	tyba 12/31/08	-10	-20	-14	-6	-4	-2	1	1	1	1	1	-55	-57	-54	-53
9. Five-year recovery period for depreciation of smart meters.....	ppisa DOE & before 1/1/11	-6	-35	-54	-34	-12	-6	8	25	31	31	29	-141	-147	-52	-22
10. 20% research credit for qualified energy research (sunset 12/31/10).....	tyba 12/31/08	-2	-6	-5	-2	-2	-1	---	---	---	---	---	-17	-18	-18	-18
11. Modify carbon dioxide sequestration credit to require permanent geologic storage for CO2 used as a tertiary injectant.....	DOE	----- <i>Negligible Revenue Effect</i> -----														
12. Modification of the alternative motor vehicle credit and the credit for qualified plug-in electric drive motor vehicles.....	vpa 12/31/09	---	-19	-62	-31	6	4	3	2	1	---	---	-103	-100	-94	-94
13. Credit for plug-in electric vehicle conversion.....	ppisa 12/31/08	-1	-3	-5	-7	-2	-1	-1	-1	-1	-1	-1	-17	-18	-20	-21
Total of Energy Incentives		-319	-1,283	-1,598	-1,176	-1,590	-1,870	-1,944	-2,006	-1,998	-1,982	-1,997	-5,964	-7,836	-15,770	-17,767
C. Tax Incentives for Business																
1. Special allowance for certain property acquired during 2009:																
a. Extension of special allowance.....	ppisa 12/31/08	-23,503	-14,301	8,047	6,501	5,574	4,553	3,046	1,941	1,217	929	922	-17,682	-13,129	-5,996	-5,074
b. Extension of election to accelerate AMT and R&E credits in lieu of bonus depreciation [3].....	tyea 12/31/08	-20	-984	49	47	33	21	15	10	8	8	8	-875	-854	-813	-805
c. Provide that certain Federal grant monies do not reduce basis for purposes of determining the applicable low-income housing tax credit for such building.....	DOE	-1	-3	-7	-11	-13	-14	-15	-16	-16	-16	-16	-35	-49	-112	-128
2. Temporary increase in limitation on expensing of certain depreciable business assets.....	tybi 2009	-642	-425	352	222	162	125	79	45	22	10	10	-331	-206	-50	-41
3. 5-year carryback of 2008 and 2009 NOLs with exception for TARP recipients.....	[6]	-32,494	-35,027	11,489	10,824	8,364	5,935	4,155	2,872	2,003	1,377	981	-36,844	-30,908	-20,502	-19,521

Provision	Effective	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2009-13	2009-14	2009-18	2009-19
4. Modification of the work opportunity tax credit - incentives to hire unemployed veterans and disconnected youth.....	wpoia 12/31/08 & [7]	-56	-121	-90	-36	-15	-8	-3	[4]	---	---	---	-318	-325	-329	-328
5. Deferral of certain income from discharge of indebtedness (8-year spread).....	ra 12/31/08 & before 1/1/11	-8,076	-15,369	-2,781	3,462	3,454	3,445	3,436	3,427	3,418	3,409	1,362	-19,310	-15,865	-2,175	-813
6. Special rules applicable to qualified small business stock for 2009 and 2010.....	sia DOE	2	6	2	---	---	-207	-360	-163	-50	-36	-22	9	-198	-807	-829
7. Equalize tax-free transit and parking benefits, set both at \$230 for 2009 and then index equally in 2010.....	DOE	-57	-106	-29	---	---	---	---	---	---	---	---	-192	-192	-192	-192
8. Temporarily reduce the S corporation built-in gains holding period from 10 to 7 years.....	tyba 12/31/08 and before 1/1/11	-31	-154	-73	-32	-28	-19	-20	-16	-14	-13	-15	-318	-337	-400	-415
9. Broadband Internet access tax credit.....	eia 12/31/08	-46	-148	-61	8	6	5	5	4	4	3	3	-240	-235	-219	-217
10. Clarification of regulations related to limitations on certain built-in losses following an ownership change.....	DOE	1,437	1,775	646	261	225	304	419	457	470	484	499	4,344	4,647	6,478	6,977
Total of Tax Incentives for Business		-63,487	-64,857	17,544	21,246	17,762	14,140	10,757	8,561	7,062	6,155	3,732	-71,792	-57,651	-25,117	-21,386
D. Manufacturing Recovery Provisions																
1. For bonds issued in 2009 and 2010, expand industrial development bonds to include creation of intangible property and eliminate 25% of proceeds restriction for facilities functionally related and subordinate to a manufacturing facility.....	bia DOE & before 1/1/11	-1	-6	-16	-23	-24	-23	-23	-23	-22	-22	-21	-70	-93	-183	-203
2. Credit for investment in advanced energy property.....	ppisa DOE	---	-138	-281	-292	-151	-110	-136	-136	-105	-51	-11	-862	-972	-1,400	-1,411
3. Election to expense manufacturing facilities used to produce plug-in vehicles and components; election for loan in lieu of expensing [3] [8].....	ppisa DOE	-19	-113	-227	-296	-316	-292	-178	-116	-101	-79	-82	-971	-1,263	-1,737	-1,820
Total of Manufacturing Recovery Provisions		-20	-257	-524	-611	-491	-425	-337	-275	-228	-152	-114	-1,903	-2,328	-3,320	-3,434
E. Economic Recovery Tools																
1. Recovery zone bonds (\$10 billion private activity bond allocation; \$5 billion allocation for refundable issuer credit bonds) [3].....	oia 12/31/08 & before 1/1/11	-94	-189	-287	-315	-316	-312	-307	-302	-297	-292	-287	-1,201	-1,513	-2,711	-2,998
2. Tribal economic development bonds - create a national pool of tax-exempt bonds for use by Indian tribes for economic development (\$2 billion allocation).....	oia DOE	-1	-4	-15	-31	-39	-39	-39	-38	-37	-36	-36	-90	-129	-279	-315

Provision	Effective	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2009-13	2009-14	2009-18	2009-19	
3. Extend and modify the new markets tax credit - increase new markets tax credit equity limitation to a total of \$5 billion for calendar years 2008 and 2009 and allow 2009 credits against the AMT.....	DOE	-50	-36	-66	-128	-152	-179	-172	-154	-113	-1	4	-432	-610	-1,051	-1,046	
Total of Economic Recovery Tools		-145	-229	-368	-474	-507	-530	-518	-494	-447	-329	-319	-1,723	-2,252	-4,041	-4,359	
F. Infrastructure Financing Tools																	
1. Modification of rules applicable to financial institutions for interest expense relating to tax-exempt income.....	oia 12/31/08 & before 1/1/11	-79	-239	-326	-340	-336	-331	-326	-321	-317	-312	-307	-1,320	-1,651	-2,927	-3,234	
2. For bonds issued during 2009 and 2010, suspend alternative minimum tax limitations on private-activity tax-exempt bonds and modify ACE to exclude interest from all tax-exempt bonds.....	oia 12/31/08 & before 12/31/10	-21	-60	-68	-41	-42	-42	-42	-42	-41	-41	-41	-232	-274	-440	-481	
3. Modify speed requirement for high-speed rail exempt facility bonds.....	bia DOE	[4]	-1	-3	-7	-13	-20	-29	-38	-48	-58	-71	-24	-44	-217	-288	
4. Delay 3% withholding on government contracts by one year.....	DOE	---	---	-5,819	5,528	---	---	---	---	---	---	---	-291	-291	-291	-291	
5. Qualified school construction bonds (\$5 billion in 2009 and 2010).....	oia 12/31/08	-9	-50	-143	-278	-417	-536	-611	-632	-619	-602	-592	-897	-1,433	-3,897	-4,489	
6. Extend and expand qualified zone academy bonds (\$1.4 billion in 2009 and 2010).....	oia 12/31/08	-1	-10	-40	-90	-130	-140	-137	-131	-125	-121	-120	-271	-411	-925	-1,045	
7. Build America Bonds - general rule: 35% credit to bondholders for bonds issued in 2009 and 2010; 35% refundable credit to issuers for bonds issued in 2009 and 2010; small bonds bondholders receive 40% credit and small issue issuers receive 40% refundable credit [3].....	oia 12/31/08	-56	-337	-520	-508	-488	-468	-448	-428	-418	-407	-396	-1,909	-2,377	-4,078	-4,474	
Total of Infrastructure Financing Tools		-166	-697	-6,919	4,264	-1,426	-1,537	-1,593	-1,592	-1,568	-1,541	-1,527	-4,944	-6,481	-12,775	-14,302	
Total of Parts A - F [3]		-95,557	-263,750	-43,964	19,323	12,316	8,354	5,541	3,736	2,492	2,041	-266	-371,631	-363,274	-349,470	-349,736	
G. Economic Recovery Payments to Certain Individuals - economic recovery payments to recipients of Social Security, supplemental security income, railroad retirement benefits, and veterans disability compensation or pension benefits [9]																	
	DOE	-16,770	-190	-20	---	---	---	---	---	---	---	---	---	-16,980	-16,980	-16,980	-16,980

Provision	Effective	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2009-13	2009-14	2009-18	2009-19
H. Trade Provisions																
1. Extension of Trade Adjustment Assistance Programs [9].....	DOE	-31	-55	-19	-3	---	---	---	---	---	---	---	-108	-108	-108	-108
2. Prohibition on collection of certain payments made under the Continued Dumping and Subsidy Offset Act of 2000 [9].....	DOE	-10	-30	-30	-10	-10	---	---	---	---	---	---	-90	-90	-90	-90
Total of Trade Provisions		-41	-85	-49	-13	-10	---	---	---	---	---	---	-198	-198	-198	-198
I. Other Provisions																
1. Increase in statutory limit on the public debt.....	DOE	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
2. Allow taxpayers to accelerate their claiming of certain low income housing credits (only applies to 9% credit projects).....	[10]	-263	-1,126	-1,613	-1,264	-524	203	515	619	619	619	679	-4,790	-4,587	-2,215	-1,534
Total of Other Provisions		-263	-1,126	-1,613	-1,264	-524	203	515	619	619	619	679	-4,790	-4,587	-2,215	-1,534
Total of Title I		-112,631	-265,151	-45,646	18,046	11,782	8,557	6,056	4,355	3,111	2,660	413	-393,599	-385,039	-368,863	-368,448
Title III - Premium Assistance for COBRA Continuation Coverage for Unemployed Workers and Their Families [3] [11].....																
	[12]	-9,646	-8,310	-1,999	-89	---	---	---	---	---	---	---	-20,045	-20,045	-20,045	-20,045
Title VI - Treatment of Excessive Bonuses by TARP Recipients																
	ftra DOE	1,275	957	797	159	---	---	---	---	---	---	---	3,189	3,189	3,189	3,189
NET TOTAL [3]		-121,002	-272,504	-46,848	18,116	11,782	8,557	6,056	4,355	3,111	2,660	413	-410,455	-401,895	-385,719	-385,304

Joint Committee on Taxation

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

Legend for "Effective" column:

bia = bonds issued after
 DOE = date of enactment
 ea = expenditures after
 eia = expenses incurred after
 ftra = failure to redeem after
 oia = obligations issued after

oob = on or before
 pa = periods after
 ppisa = property placed in service after
 qhpa = qualifying home purchases after
 ra = repurchases after
 tyba = taxable years beginning after

tyea = taxable years ending after
 tybi = taxable years beginning in
 vpa = vehicles purchased after
 wpoia = wages paid or incurred after
 lya = 1 year after

[Footnotes for JCX-17-09 appear on the following page]

Footnotes for JCX-17-09:

[1] Revenue estimates are prepared using our 2009 estimating models, which rely on the Congressional Budget Office's January 2009 macroeconomic forecasts. The Congressional Budget Office plans to prepare a March revision to its baseline macroeconomic assumptions. If large-scale stimulus legislation is enacted early in 2009, the Congressional Budget Office's March 2009 revised macroeconomic forecasts could be expected to differ, perhaps significantly, from their January 2009 counterparts. In that case, we anticipate that we would revise our 2009 estimating models to reflect the Congressional Budget Office's March 2009 macroeconomic forecasts: revenue estimates prepared using these revised March 2009 macroeconomic inputs again could differ, perhaps materially, from revenue estimates of the same request using our 2009 models with January 2009 macroeconomic forecasts.

[2] Estimated outlay effects as a result of U.S. possessions provision provided by the Joint Committee on Taxation in consultation with the Congressional Budget Office.

[3] Estimate includes an increase in outlays:	<u>2009</u>	<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>2009-13</u>	<u>2009-14</u>	<u>2009-18</u>	<u>2009-19</u>
Making work pay credit and treatment of U.S. Possessions.....	641	22,703	22,817	---	---	---	---	---	---	---	---	46,161	46,161	46,161	46,161
Earned income credit.....	---	1,833	1,803	---	---	---	---	---	---	---	---	3,636	3,636	3,636	3,636
Child tax credit.....	---	3,608	3,590	---	---	---	---	---	---	---	---	7,198	7,198	7,198	7,198
Election to accelerate AMT and R&E credits in lieu of bonus depreciation	8	394	---	---	---	---	---	---	---	---	---	402	402	402	402
American Opportunity Credit.....	242	1,262	1,170	---	---	---	---	---	---	---	---	2,674	2,674	2,674	2,674
Credit for certain home purchases.....	114	341	---	---	---	---	---	---	---	---	---	455	455	455	455
Election to expense manufacturing facilities used to produce plug-in vehicles and components; election for loan in lieu of expensing.....	5	20	80	140	170	160	110	70	40	8	2	415	575	803	805
Build America bonds.....	54	306	475	464	446	427	408	390	380	371	361	1,745	2,172	3,721	4,082
Recovery zone bonds.....	73	97	122	122	121	120	118	117	116	115	114	535	655	1,121	1,235
Economic recovery payments.....	16,770	190	20	---	---	---	---	---	---	---	---	16,980	16,980	16,980	16,980
TAA.....	31	55	19	3	---	---	---	---	---	---	---	108	108	108	108
COBRA.....	9,646	8,310	1,999	89	---	---	---	---	---	---	---	20,045	20,045	20,045	20,045
Total increase in outlays.....	27,584	39,119	32,095	818	737	707	636	577	536	494	477	100,354	101,061	103,304	103,781

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

[5] Estimate includes interaction with Making Work Pay Credit and Additional Tax Relief for Families With Children.

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

[7] Effective for any veteran discharged or released from active duty in the Armed Forces during the period beginning on September 1, 2001, and ending on December 31, 2010.

[8] Estimate includes outlay effects provided by the Congressional Budget Office.

[9] Estimate provided by the Congressional Budget Office.

[10] Effective for investment committed to under a legally binding contract between January 1, 2009 and December 31, 2010 for property placed in service after the date of enactment.

[11] Estimate does not include interaction with unemployment insurance which will be provided by the Congressional Budget Office.

[12] Effective for premiums for months of coverage beginning after the date of enactment.