

COMPARISON OF THE ESTIMATED REVENUE EFFECTS OF THE REVENUE PROVISIONS CONTAINED IN H.R. 2990,
AS PASSED BY THE HOUSE AND THE SENATE

Fiscal Years 2000 - 2009

[Millions of Dollars]

	Effective	House Bill							Senate Amendment							
		2000	2001	2002	2003	2004	2000-04	2000-09	2000	2001	2002	2003	2004	2000-04	2000-09	
I. Health-Related Revenue Provisions																
A. Provide an above-the-line deduction for health insurance for which the taxpayer pays at least 50% of the premium, phased in as follows: 25% in 2002 through 2004, 35% in 2005, 65% in 2006, and 100% thereafter	tyba 12/31/01	---	---	-444	-1,379	-1,477	-3,300	-31,264	----- No Provision -----							
B. {H} Accelerate 100% self-employed health insurance deduction; extend eligibility for self-employed health insurance deduction to those who choose not to participate in employer-subsidized health plans; {S} 100% deduction of health insurance for self-employed	H = tyba 12/31/00 S = tyba 12/31/99	---	-274	-1,040	-657	---	-1,971	-1,971	-245	-1,007	-1,040	-657	---	-2,949	-2,949	
C. Expansion of Availability of Medical Savings Accounts																
1. Full availability of MSAs and lower minimum deductible {H} permit both employer and employee contributions; allow MSAs to be offered in cafeteria plans; {S} modify additional tax on distributions not used for medical expenses	H = tyba 12/31/00 S = tyba 12/31/99	---	-109	-326	-370	-414	-1,217	-3,947	-93	-281	-326	-370	-414	-1,483	-4,213	
2. Federal employee participation in MSAs	pybo/a 1/1/00	----- No Provision -----							----- Negligible Revenue Effect -----							
D. Provisions Relating to Long-Term Care																
1. {H} Provide an above-the-line deduction for long-term care insurance for which the taxpayer pays at least 50% of the premium, phased in as follows: 25% in 2002 through 2004, 35% in 2005, 65% in 2006, and 100% thereafter; {S} Above-the-line deduction for 100% of premiums for long-term care insurance for individuals not participating in employer-subsidized plan	H = tyba 12/31/01 S = tyba 12/31/99	---	---	-48	-328	-364	-741	-7,323	-132	-933	-1157	-1399	-1554	-5,176	-14,707	
2. {H} Allow long-term care insurance to be offered as part of cafeteria plans, limited to amount of deductible premiums; allow long-term care services to be reimbursed under a flexible spending arrangement [1]; {S} Allow long-term care insurance to be offered as part of cafeteria plans [1]	H = tyba 12/31/01 S = tyba 12/31/99	---	---	-104	-151	-171	-426	-1,484	-69	-64	-74	-87	-108	-402	-1,336	
3. Provide an additional personal exemption to caretakers of elderly family members	tyba 12/31/00	---	-171	-265	-269	-273	-977	-2,379	----- No Provision -----							
4. Study of long-term care needs in the 21st century	---	----- No Provision -----							----- No Revenue Effect -----							
E. Increase the Time Period for Measuring Eligible Expenses Qualifying for the Orphan Drug Tax Credit	epoia 12/31/00	---	-6	-9	-10	-10	-35	-101	----- No Provision -----							

	Effective	House Bill							Senate Amendment						
		2000	2001	2002	2003	2004	2000-04	2000-09	2000	2001	2002	2003	2004	2000-04	2000-09
F. {H} Add certain vaccines against Streptococcus Pneumoniae to the list of taxable vaccines in the Federal vaccine insurance program; study of Federal vaccine insurance program; reduce excise tax on all taxable vaccines to \$0.50 per dose beginning in 2005 [2]; {S} Add certain vaccines against Streptococcus Pneumoniae to the list of taxable vaccines in the Federal vaccine insurance program	H = [3] & sa 12/31/04 S = [3]	4	7	9	10	10	39	-131	4	7	9	10	10	39	91
G. Credit for Clinical Testing Research Expenses Attributable to Certain Qualified Academic Institutions Including Teaching Hospitals	tyba 12/31/00	---	[4]	-1	-1	-1	-2	-10	----- No Provision -----						
H. Application of Patients' Bill of Rights to Group Health Plans - require that health plans comply with patients' bill of rights provisions [5]	H = pybo/a 1/1/01 S = [6]	----- Negligible Revenue Effect -----							----- Negligible Revenue Effect -----						
I. Right to Information About Plans [5]	DOE + 1 year	----- No Provision -----							----- Negligible Revenue Effect -----						
J. Women's Health and Cancer Rights - require that health plans provide coverage for minimum hospital stays for certain breast cancer treatments [5]	DOE	----- No Provision -----							----- Negligible Revenue Effect -----						
K. Genetic Information and Services - prohibit discrimination on the basis of predictive genetic information [5]	pyba DOE + 1 year	----- No Provision -----							----- Negligible Revenue Effect -----						
L. Carryover of Unused Health and Dependent Care Benefits from Cafeteria Plans and Flexible Spending Arrangements	tyba 12/31/99	----- No Provision -----							-324	-511	-590	-678	-748	-2,851	-7,811
Total of Health-Related Revenue Provisions		4	-553	-2,228	-3,155	-2,700	-8,630	-48,610	-859	-2,789	-3,178	-3,181	-2,814	-12,822	-30,925
II. Individual Retirement Arrangements - increase the income limit for conversion of an IRA to a Roth IRA to \$1 million	tyba 12/31/99	----- No Provision -----							1,151	2,991	2,031	450	-1,080	5,544	-6,364
III. Revenue Offset Provisions															
A. Modify Foreign Tax Credit Carryback	tyba 12/31/01	----- No Provision -----							---	---	94	596	533	1,223	3,178
B. Limit Use of Non-Accrual Experience Method of Accounting	tyea DOE	----- No Provision -----							77	60	33	28	10	208	288
C. Information Reporting on Cancellation of Indebtedness by Non-Bank Financial Institutions	coia 12/31/99	----- No Provision -----							---	7	7	7	7	28	63
D. Extend IRS User Fees Through 9/30/09	rma 9/30/2003	----- No Provision -----							---	---	---	---	50	50	343
E. Property Subject to a Liability Under Section 357	---	----- No Provision -----							----- Previously Enacted -----						
F. Deny Deduction and Impose Excise Tax With Respect to Charitable Split-Dollar Life Insurance Arrangements	[7]	----- No Provision -----							----- Negligible Revenue Effect -----						
G. Allow Employers to Transfer Excess Defined Benefit Plan Assets to a Special Account for Health Benefits of Retirees (through 9/30/09)	tmi tyba 12/31/00	----- No Provision -----							---	19	38	39	40	136	348
H. Impose Limitation on Prefunding of Certain Employee Benefits	cpa DOE	----- No Provision -----							69	141	147	149	140	647	1,163

	Effective	House Bill							Senate Amendment						
		2000	2001	2002	2003	2004	2000-04	2000-09	2000	2001	2002	2003	2004	2000-04	2000-09
I. Repeal Installment Method for Accrual Taxpayers and Modify Pledge Rules	sa DOE	----- No Provision -----							477	677	406	257	72	1,889	2,063
Total of Revenue Offset Provisions		----- No Provision -----							623	904	725	1,076	852	4,181	7,446
NET TOTAL		4	-553	-2,228	-3,155	-2,700	-8,630	-48,610	915	1,106	-422	-1,655	-3,042	-3,097	-29,843

Joint Committee on Taxation

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

Legend: {H} = House bill
{S} = Senate Amendment

Legend for "Effective" column:

coia = cancellation of indebtedness after	rma = requests made after
cpa = contributions paid after	sa = sales after
DOE = date of enactment	tmi = transfers made in
epoia = expenses paid or incurred after	tyba = taxable years beginning after
pyba = plan years beginning after	tyea = taxable years ending after
pybo/a = plan years beginning on or after	

- [1] Estimate assumes concurrent enactment of the above-the-line deduction for long-term care insurance (item I.D.1.)
- [2] This estimate reflects the recent withdrawal of the rotavirus vaccine from the market.
- [3] Effective for vaccine sales the date after the date on which the Centers for Disease Control make final recommendation for routine administration of conjugate Streptococcus Pneumoniae vaccines to children.
- [4] Loss of less than \$500,000.
- [5] An excise tax is imposed under present law with respect to group health plans that fail to meet certain requirements. This provision expands the requirements that apply to group health plans. It is estimated that the provision will have a negligible effect on excise tax revenues. However, the provision may have other indirect revenue effects. The Congressional Budget Office will provide an estimate of these indirect effects.
- [6] Generally effective for plan years beginning on or after January 1 of the second calendar year following the date of enactment.
- [7] Effective for transfers made after 2/8/99 and for premiums paid after the date of enactment.