

**ESTIMATED REVENUE EFFECTS OF H.R. 4849,  
THE "SMALL BUSINESS AND INFRASTRUCTURE JOBS TAX ACT OF 2010,"  
SCHEDULED FOR MARKUP BY THE COMMITTEE ON WAYS AND MEANS ON MARCH 17, 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       |
|--|-----------------------------|--------------------------------------|-------------|-------------|------------|-----------|-------------|-------------|-------------|-------------|-------------|-------------|---------------|---------------|
| <b>I. Small Business Tax Incentives</b>  |                             |                                      |             |             |            |           |             |             |             |             |             |             |               |               |
| A. General Provision - Temporary Exclusion of 100% of Gain on Certain Small Business Stock.....  | saa 3/15/10 & before 1/1/12 | 2                                    | 16          | 6           | ---        | ---       | -338        | -923        | -454        | -123        | -91         | -57         | -314          | -1,962        |
| B. Limitations and Reporting on Certain Penalties  |                             |                                      |             |             |            |           |             |             |             |             |             |             |               |               |
| 1. Limitation on penalties for failure to disclose reportable transactions based on resulting tax benefits.....  | paa 12/31/06                | -40                                  | -45         | -21         | -16        | -8        | -8          | -8          | -8          | -8          | -8          | -8          | -137          | -176          |
| 2. Annual reports on certain penalties and other enforcement tools.....  | DOE [1]                     | ----- <i>No Revenue Effect</i> ----- |             |             |            |           |             |             |             |             |             |             |               |               |
| C. Other Provisions  |                             |                                      |             |             |            |           |             |             |             |             |             |             |               |               |
| 1. Nonrecourse small business investment company loans from the Small Business Administration to be treated as amounts at risk.....  | aloga DOE                   | ---                                  | -4          | -18         | -27        | -37       | -57         | -80         | -111        | -151        | -200        | -257        | -143          | -942          |
| 2. Increase in amount allowed as a deduction for start-up expenditures.....  | tybi 2010 and 2011          | -127                                 | -350        | -248        | 8          | 36        | 34          | 32          | 30          | 28          | 26          | 23          | -647          | -508          |
| <b>Total of Business Tax Incentives .....</b>  |                             | <b>-165</b>                          | <b>-383</b> | <b>-281</b> | <b>-35</b> | <b>-9</b> | <b>-369</b> | <b>-979</b> | <b>-543</b> | <b>-254</b> | <b>-273</b> | <b>-299</b> | <b>-1,241</b> | <b>-3,588</b> |
| <b>II. Infrastructure Provisions</b>   |                             |                                      |             |             |            |           |             |             |             |             |             |             |               |               |
| A. Extend Build America Bonds With Direct-Pay Subsidy Rate Decreasing to 33% for Governmental Capital Project Financing Bonds Issued During 2011, 31% for Such Bonds Issued During 2012, and 30% for Such Bonds Issued After December 31, 2012, and Before July 1, 2013 [2]..... | DOE                         | ---                                  | -145        | -563        | -789       | -879      | -879        | -879        | -879        | -879        | -879        | -879        | -3,254        | -7,647        |
| B. Provide That the Volume Cap For Private Activity Bonds Shall Not Apply to Bonds for Facilities for the Furnishing of Water and Sewage Facilities.....   | oia DOE                     | -1                                   | -3          | -7          | -14        | -23       | -31         | -39         | -47         | -55         | -63         | -71         | -79           | -354          |
| C. Extend Exemption from AMT Tax Treatment for Certain Tax-Exempt Bonds (sunset 12/31/11).....   | oia 12/31/10                | ---                                  | -13         | -25         | -25        | -25       | -25         | -24         | -24         | -22         | -21         | -20         | -113          | -224          |

| Provision   | Effective        | 2010          | 2011        | 2012         | 2013          | 2014          | 2015          | 2016          | 2017          | 2018          | 2019          | 2020          | 2010-15       | 2010-20        |
|---|------------------|---------------|-------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
| D. Low-Income Housing Credit Provisions<br>(Create 4% Cash Out) [2].....  | [3]              | -1,599        | -701        | -8           | -8            | -8            | -8            | -8            | -8            | -8            | -8            | -8            | -2,332        | -2,372         |
| E. Extension and Additional Allocations of<br>Recovery Zone Bond Authority [2].....                               | DOE              | -10           | -104        | -242         | -266          | -259          | -256          | -249          | -249          | -249          | -249          | -249          | -1,137        | -2,385         |
| F. Exempt New Market Tax Credits from the AMT....   | [4]              | -1            | -5          | -18          | -34           | -49           | -58           | -61           | -57           | -47           | -18           | ---           | -165          | -349           |
| <b>Total of Infrastructure Provisions .....</b>   |                  | <b>-1,611</b> | <b>-971</b> | <b>-863</b>  | <b>-1,136</b> | <b>-1,243</b> | <b>-1,257</b> | <b>-1,260</b> | <b>-1,264</b> | <b>-1,260</b> | <b>-1,238</b> | <b>-1,227</b> | <b>-7,080</b> | <b>-13,331</b> |
| <b>III. Revenue Raising Provisions</b>  |                  |               |             |              |               |               |               |               |               |               |               |               |               |                |
| A. Limitation on Treaty Benefits [5].....   | pma DOE          | 302           | 636         | 668          | 702           | 719           | 737           | 756           | 775           | 794           | 814           | 832           | 3,764         | 7,735          |
| B. Treatment of Securities of a Controlled<br>Corporation Exchanged for Assets in Certain<br>Reorganizations..... | gea DOE          | 10            | 25          | 25           | 25            | 25            | 25            | 25            | 25            | 25            | 25            | 25            | 135           | 260            |
| C. Repeal 80/20 Rules.....  | tyba 12/31/10    | ---           | 50          | 100          | 100           | 100           | 100           | 100           | 100           | 100           | 100           | 100           | 450           | 950            |
| D. Require Information Reporting for Rental<br>Property Expense Payments.....                                     | pma 12/31/10     | ---           | [6]         | 227          | 239           | 251           | 261           | 275           | 285           | 299           | 314           | 325           | 978           | 2,476          |
| E. Application of Levy to Payments to Federal<br>Vendors Relating to Property.....                                | laa DOE          | 6             | 13          | 13           | 13            | 14            | 14            | 14            | 15            | 15            | 15            | 15            | 73            | 147            |
| F. Authorize Post-Levy Due Process.....   | lia 12/31/10     | ---           | 39          | 37           | 37            | 38            | 39            | 40            | 40            | 41            | 42            | 43            | 189           | 395            |
| G. Require a Minimum 10-Year Term for Grantor<br>Retained Annuity Trusts ("GRATs").....                           | tma DOE          | ---           | 4           | 12           | 121           | 260           | 381           | 507           | 621           | 743           | 857           | 945           | 778           | 4,450          |
| H. Increase Information Return Penalties.....   | irrtbfo/a 1/1/11 | ---           | 30          | 41           | 42            | 42            | 43            | 43            | 43            | 44            | 45            | 47            | 197           | 419            |
| <b>Total of Revenue Raising Provisions.....</b>   |                  | <b>318</b>    | <b>797</b>  | <b>1,123</b> | <b>1,279</b>  | <b>1,449</b>  | <b>1,600</b>  | <b>1,760</b>  | <b>1,904</b>  | <b>2,061</b>  | <b>2,212</b>  | <b>2,332</b>  | <b>6,564</b>  | <b>16,832</b>  |
| <b>NET TOTAL .....</b>  |                  | <b>-1,458</b> | <b>-557</b> | <b>-21</b>   | <b>108</b>    | <b>197</b>    | <b>-26</b>    | <b>-479</b>   | <b>97</b>     | <b>547</b>    | <b>701</b>    | <b>806</b>    | <b>-1,757</b> | <b>-87</b>     |

Joint Committee on Taxation

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

Legend for "Effective" column:

aloga = amounts loaned or guaranteed after

DOE = date of enactment

gea = generally exchanges after

irrtbfo/a = information returns required to be filed on or after

laa = levies approved after

lia = levies issued after

oia = obligations issued after

paa = penalties assessed after

pma = payments made after

saa = stock acquired after

tma = transfers made after

tyba = taxable years beginning after

tybi = taxable years beginning in

**Footnotes for JCX-12-10:**

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

|  |             |             |             |             |             |             |             |             |             |             |             |                |                |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|----------------|----------------|
| [2] Estimate includes the following increase in outlays: | <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> |
| Extend Build America Bonds.....                          | ---         | 672         | 2,701       | 4,051       | 4,699       | 4,699       | 4,699       | 4,699       | 4,699       | 4,699       | 4,699       | 16,822         | 40,317         |
| Recovery Zone Bonds .....                                | 14          | 70          | 141         | 141         | 141         | 141         | 141         | 141         | 141         | 141         | 141         | 648            | 1,353          |
| Low-Income Housing Credit Provisions.....                | 1,605       | 705         | ---         | ---         | ---         | ---         | ---         | ---         | ---         | ---         | ---         | 2,310          | 2,310          |

[3] The provision relating to elective payments in lieu of low-income housing credit for certain bond-financed buildings is effective for buildings placed-in-service after the date of enactment.

[4] Effective for qualified equity investments initially made after March 15, 2010, and before January 1, 2012.

[5] This proposal would interact with provisions similar to those contained in the Foreign Account Tax Compliance Act; that interaction is not shown here.

[6] Negligible revenue gain.