

JOINT COMMITTEE ON TAXATION
September 13, 2021
JCX-42-21

**ESTIMATED BUDGETARY EFFECTS OF AN AMENDMENT IN THE NATURE OF A SUBSTITUTE TO THE REVENUE PROVISIONS OF SUBTITLES F, G, H, I, AND J
OF THE BUDGET RECONCILIATION LEGISLATIVE RECOMMENDATIONS RELATING TO
INFRASTRUCTURE FINANCING AND COMMUNITY DEVELOPMENT, GREEN ENERGY, SOCIAL SAFETY NET, RESPONSIBLY FUNDING OUR PRIORITIES, AND DRUG PRICING,
SCHEDULED FOR MARKUP BY THE COMMITTEE ON WAYS AND MEANS ON SEPTEMBER 14, 2021**

Fiscal Years 2022 - 2031

[Millions of Dollars]

Provision	Effective	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2022-26	2022-31
SUBTITLE F - INFRASTRUCTURE FINANCING AND COMMUNITY DEVELOPMENT													
Part 1 - Infrastructure Financing													
A. Bond Financing													
1. Credit to issuer for certain infrastructure bonds [1].....	bia 12/31/21	-196	-899	-1,799	-2,472	-2,795	-2,795	-2,736	-2,793	-2,948	-3,105	-8,161	-22,539
2. Advance refunding bonds.....	ar bimt 30da DOE	-267	-757	-1,140	-1,393	-1,608	-1,761	-1,878	-1,973	-2,042	-2,101	-5,164	-14,919
3. Permanent modification of small issuer exception to tax-exempt interest expense allocation rules for financial institutions.....	oia DOE	-18	-69	-147	-231	-321	-419	-522	-631	-745	-862	-786	-3,965
4. Modifications to qualified small issue bonds.....	oia DOE	-1	-2	-5	-8	-12	-16	-21	-26	-32	-38	-27	-161
5. Expansion of certain exceptions to the private activity bond rules for first-time farmers.....	bia DOE	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	-2
6. Certain water and sewage facility bonds exempt from volume cap on private activity bonds.....	oia DOE	[2]	-1	-3	-5	-6	-8	-10	-13	-15	-18	-16	-79
7. Exempt facility bonds for zero-emission vehicle infrastructure.....	oia 12/31/21	[2]	-1	-3	-5	-7	-10	-14	-19	-25	-32	-15	-116
8. Application of Davis-Bacon Act requirements with respect to certain exempt facility bonds.....	bia DOE	----- <i>No Revenue Effect</i> -----											
B. Other Provisions Related to Infrastructure Financing													
1. Credit for operations and maintenance costs of government-owned broadband [1].....	tyba 12/31/20	-73	-38	-35	-32	-29	-24	-20	-5	---	---	-207	-256
Total of Part 1 - Infrastructure Financing.....		-555	-1,767	-3,132	-4,146	-4,778	-5,033	-5,201	-5,460	-5,807	-6,156	-14,376	-42,037
Part 2 - New Markets Tax Credit Made Permanent.....	[3]	---	-4	-19	-60	-106	-144	-212	-370	-587	-814	-189	-2,316
Part 3 - Rehabilitation Tax Credit													
1. Temporary increases in credit percentage.....	ppisa 3/31/21	-376	-563	-858	-1,179	-1,375	-1,340	-1,146	-869	-557	-283	-4,351	-8,544
2. Increase in the rehabilitation credit for certain small projects.....	tyba 12/31/21	---	---	---	---	-19	-76	-167	-281	-402	-511	-19	-1,457
3. Modification of definition of substantially rehabilitated.....	[4]	-28	-87	-206	-400	-662	-951	-1,229	-1,472	-1,655	-1,781	-1,383	-8,470
4. Elimination of rehabilitation credit basis adjustment.....	ppisa 3/31/21	---	-81	-257	-458	-667	-863	-961	-959	-937	-914	-1,463	-6,097
5. Modifications regarding certain tax-exempt use property.....	leia 12/31/21	-14	-31	-40	-48	-53	-56	-57	-59	-60	-62	-186	-481

Provision	Effective	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2022-26	2022-31
6. Qualification of rehabilitation expenditures for public school buildings for rehabilitation credit.....	ppisa 3/31/21	-38	-86	-110	-139	-161	-169	-174	-178	-183	-189	-535	-1,427
Total of Part 3 - Rehabilitation Tax Credit		-456	-848	-1,471	-2,224	-2,937	-3,454	-3,734	-3,818	-3,794	-3,740	-7,937	-26,476
Part 4 - Disaster and Resiliency													
1. Exclusion of amounts received from State-based catastrophe loss mitigation programs.....	tyba 12/31/20	-4	-10	-10	-11	-12	-13	-14	-15	-16	-17	-48	-122
2. Repeal of temporary limitation on personal casualty losses.....	lii tyba 12/31/17	-467	-645	-320	-318	-261	---	---	---	---	---	-2,011	-2,011
3. Credit for qualified wildfire mitigation expenditures.....	epoia DOE ityeasd	-12	-28	-31	-36	-42	-44	-46	-48	-49	-50	-149	-387
Total of Part 4 - Disaster and Resiliency		-483	-683	-361	-365	-315	-57	-60	-63	-65	-67	-2,208	-2,520
Part 5 - Housing													
A. Low-Income Housing Tax Credit													
1. Increases in State allocations.....	cyba 12/31/21	6	4	-57	-248	-593	-1,058	-1,585	-2,222	-2,577	-2,717	-889	-11,048
2. Tax-exempt bond financing requirement (sunset 12/31/28).....	bpisi tyba 12/31/21	-91	-242	-472	-719	-953	-1,176	-1,393	-1,393	-1,510	-1,549	-2,478	-9,498
3. Buildings designed to serve extremely low-income households.....	[5]	-8	-37	-92	-158	-225	-292	-358	-412	-474	-548	-519	-2,603
4. Inclusion of rural areas as difficult development areas.....	bpisa 12/31/21	-7	-37	-92	-165	-232	-300	-366	-420	-483	-554	-532	-2,654
5. Repeal of qualified contract option.....	DOE	2	8	17	28	39	49	59	73	85	105	95	466
6. Modification and clarification of rights relating to building purchase.....	[6]	2	11	27	45	63	80	96	118	139	171	147	751
7. Increase in credit for bond-financed projects designated by housing credit agency.....	[7]	-31	-98	-210	-355	-477	-591	-702	-685	-745	-766	-1,171	-4,660
B. Neighborhood Homes Investment Act													
1. Neighborhood homes credit.....	tyba 12/31/21	-200	-605	-1,422	-1,861	-2,114	-2,175	-2,239	-2,305	-2,373	-2,443	-6,202	-17,736
Total of Part 5 - Housing.....		-326	-997	-2,300	-3,433	-4,494	-5,462	-6,488	-7,244	-7,938	-8,301	-11,549	-46,983
Part 6 - Investments in Tribal Infrastructure													
1. Treatment of Indian Tribes as States with respect to bond issuance.....	bia 12/31/21	[2]	-1	-3	-4	-6	-8	-10	-12	-15	-17	-14	-77
2. New markets tax credit for Tribal Statistical Areas.....	cya 12/31/21	---	[2]	-2	-6	-13	-22	-31	-41	-51	-59	-22	-226
3. Inclusion of Indian areas as difficult development areas for purposes of certain buildings.....	bpisa 12/31/21	[2]	-2	-4	-7	-10	-13	-16	-18	-21	-24	-23	-114
Total of Part 6 - Investments in Tribal Infrastructure.....		[2]	-3	-9	-17	-29	-43	-57	-71	-87	-100	-59	-417
Part 7 - Investments in the Territories													
1. Possessions Economic Activity Credit.....	[8]	-406	-853	-938	-1,017	-1,091	-1,169	-1,229	-1,270	-1,312	-1,356	-4,305	-10,641
2. Additional new markets tax credit allocations for the territories.....	cya 12/31/21	---	[2]	-1	-4	-8	-12	-18	-24	-29	-34	-12	-129
Total of Part 7 - Investments in the Territories.....		-406	-853	-939	-1,021	-1,099	-1,181	-1,247	-1,294	-1,341	-1,390	-4,317	-10,770
TOTAL OF SUBTITLE F - INFRASTRUCTURE FINANCING AND COMMUNITY DEVELOPMENT.....		-2,226	-5,154	-8,231	-11,266	-13,758	-15,375	-16,999	-18,320	-19,619	-20,567	-40,635	-131,519

Provision	Effective	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2022-26	2022-31
SUBTITLE G - GREEN ENERGY													
THE "GROWING RENEWABLE ENERGY AND EFFICIENCY NOW (GREEN) ACT OF 2021"													
Part 1 - Renewable Electricity and Reducing Carbon Emissions													
1. Extension and modification of credit for electricity produced from certain renewable resources (sunset 12/31/33) [1].....	fpisa 12/31/21	-181	-584	-1,038	-1,717	-2,865	-4,184	-5,651	-7,269	-8,811	-10,549	-6,387	-42,851
2. Extension and modification of energy credit (sunset 12/31/33) [1].....	generally ppisa 12/31/21	-1,349	-2,392	-2,686	-3,721	-6,667	-8,332	-8,851	-9,404	-9,956	-10,547	-16,816	-63,907
3. Increase in energy credit for solar facilities placed in service in connection with low-income communities (sunset 12/31/31).....	pa 12/31/21	----- Estimate Included in Items G.2. Above-----											
4. Elective payment for energy property and electricity produced from certain renewable resources, etc.....	ppisa 12/31/21	----- Estimate Included in Items G.1. through G.3. Above-----											
5. Investment credit for electric transmission property (sunset 12/31/31) [1].....	ppisa 12/31/21	---	---	---	-683	-1,050	-1,050	-1,050	-1,733	-2,100	-2,100	-1,733	-9,765
6. Zero emissions facility credit (sunset 12/31/31).....	pa 12/31/21	----- Negligible Revenue Effect-----											
7. Extension and modification of credit for carbon oxide sequestration (sunset 12/31/31).....	generally tyba 12/31/21	-12	-23	-29	-26	-9	-38	-75	-146	-216	-331	-100	-908
8. Green energy publicly traded partnerships.....	tyba 12/31/21	-148	-126	-137	-144	-99	-50	-56	-64	-72	-80	-654	-975
9. Zero-emission nuclear power production credit (sunset 12/31/26) [1].....	epasa 12/31/21 itybasd	-4,383	-2,909	-3,253	-3,524	-1,650	-209	---	---	---	---	-15,719	-15,929
Total of Part 1 - Renewable Electricity and Reducing Carbon Emissions.....		-6,073	-6,034	-7,143	-9,815	-12,340	-13,863	-15,683	-18,616	-21,155	-23,607	-41,409	-134,335
Part 2 - Renewable Fuels													
1. Extension of excise tax credits relating to alternative fuels, and extension of biodiesel and renewable diesel credit (sunset 12/31/31).....	fsoua 12/31/21	-149	-2,688	-3,721	-3,802	-3,816	-3,803	-3,700	-3,708	-3,725	-3,743	-14,177	-32,858
2. Extension of second generation biofuel incentives (sunset 12/31/31).....	qsgbpa 12/31/21	-10	-19	-20	-22	-24	-25	-27	-29	-30	-32	-95	-238
3. Sustainable aviation fuel credit (sunset 12/31/31).....	fsoua 12/31/22	---	-6	-13	-19	-24	-31	-66	-104	-145	-210	-62	-618
4. Credit for production of clean hydrogen.....	[9]	-60	-172	-313	-496	-707	-966	-1,271	-1,598	-1,756	-1,779	-1,748	-9,118
Total of Part 2 - Renewable Fuels.....		-219	-2,885	-4,067	-4,339	-4,571	-4,825	-5,064	-5,439	-5,656	-5,764	-16,082	-42,832
Part 3 - Green Energy and Efficiency Incentives for Individuals													
1. Extension, increase, and modifications of nonbusiness energy property credit (sunset 12/31/31).....	generally ppisa 12/31/21 & apoia 12/31/21	-255	-1,696	-1,657	-1,628	-1,654	-1,631	-1,570	-1,599	-1,615	-1,632	-6,890	-14,938
2. Extension and modification of residential energy efficient property credit (sunset 12/31/33).....	ema 12/31/21	-50	-387	-972	-2,562	-2,635	-2,712	-2,792	-2,872	-2,941	-3,029	-6,605	-20,951
3. Energy efficient commercial buildings deduction (sunset 12/31/31).....	tyba 12/31/21 & ppisa 12/31/21 ityeasd	-18	-72	-70	-68	-67	-66	-65	-66	-67	-69	-295	-626
4. Extension, increase, and modifications of new energy efficient home credit (sunset 12/31/31).....	duaa 12/31/21	-132	-233	-258	-271	-289	-307	-321	-320	-305	-289	-1,182	-2,724
5. Modifications to income exclusion for conservation subsidies.....	ara 12/31/18	-6	-2	-2	-3	-4	-5	-6	-6	-7	-7	-17	-48
Total of Part 3 - Green Energy and Efficiency Incentives for Individuals.....		-461	-2,390	-2,959	-4,532	-4,649	-4,721	-4,754	-4,863	-4,935	-5,026	-14,989	-39,287

Provision	Effective	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2022-26	2022-31
Part 4 - Greening the Fleet and Alternative Vehicles													
1. Refundable new qualified plug-in electric drive motor vehicle credit for individuals (sunset 12/31/31) [1].....	vaa 12/31/21 & tovpola 12/31/22	-195	-1,002	-1,128	-1,268	-1,451	-1,682	-1,915	-2,112	-2,320	-2,499	-5,044	-15,574
2. Credit for previously-owned qualified plug-in electric drive motor vehicles (sunset 12/31/31).....	vaa 12/31/21	-27	-83	-96	-120	-132	-146	-162	-179	-197	-215	-457	-1,357
3. Qualified commercial electric vehicles (sunset 12/31/31)....	vaa 12/31/21	-229	-490	-663	-831	-1,033	-1,270	-1,488	-1,675	-1,850	-2,043	-3,246	-11,572
4. Qualified fuel cell motor vehicles (sunset 12/31/31).....	ppisa 12/31/21	-4	-7	-8	-9	-11	-4	---	---	---	---	-40	-44
5. Alternative fuel refueling property credit (sunset 12/31/31).....	ppisa 12/31/21	-93	-404	-461	-523	-591	-666	-749	-837	-932	-1,027	-2,071	-6,283
6. Reinstatement and expansion of employer-provided fringe benefits for bicycle commuting [10].....	tyba 12/31/21	-20	-21	-23	-13	-16	-16	-18	-18	-19	-19	-93	-183
7. Credit for certain new electric bicycles (sunset 12/31/31)	ppisa ityca DOE	-113	-305	-397	-517	-666	-826	-983	-1,121	-1,225	-1,277	-1,999	-7,430
Total of Part 4 - Greening the Fleet and Alternative Vehicles.....		-681	-2,312	-2,776	-3,281	-3,900	-4,610	-5,315	-5,942	-6,543	-7,080	-12,950	-42,443
Part 5 - Investment in the Green Workforce													
1. Extension of the advanced energy project credit [1][11]	DOE	-273	-370	-289	-233	-307	-405	-169	-29	-25	-32	-1,472	-2,133
2. Labor costs of installing mechanical insulation property (sunset 12/31/31).....	apoaia 12/31/21 ityeasd	-371	-745	-939	-1,099	-1,267	-966	-670	-564	-462	-343	-4,421	-7,426
Total of Part 5 - Investment in the Green Workforce.....		-644	-1,115	-1,228	-1,332	-1,574	-1,371	-839	-593	-487	-375	-5,893	-9,559
Part 6 - Qualified Environmental Justice Credit (sunset 12/31/31) [1][11].....	DOE	---	-400	-700	-800	-900	-1,000	-600	-300	-200	-100	-2,800	-5,000
Part 7 - Reinstatement of Superfund.....	1/1/22	2,197	3,361	3,533	3,689	3,845	4,006	4,175	4,354	4,541	4,734	16,624	38,434
TOTAL OF SUBTITLE G - GREEN ENERGY.....		-5,881	-11,775	-15,340	-20,410	-24,089	-26,384	-28,080	-31,399	-34,435	-37,218	-77,499	-235,022
SUBTITLE H - SOCIAL SAFETY NET													
Part 1 - Child Tax Credit: Extend and modify ARP modifications to CTC, index credit amounts and initial phaseout thresholds, no child SSN requirement (sunset 12/31/22); new monthly CTC, index credit amounts and initial phaseout thresholds, no child SSN requirement, advance payments to taxpayers with presumptive eligibility, recapture only in certain circumstances (taxable years beginning after 12/31/22, and sunset 12/31/25); full refundability of CTC unindexed \$1,000 amount (taxable years beginning after 12/31/25) [1].....													
	tyba 12/31/21	-106,463	-121,808	-129,345	-133,722	-46,959	-3,556	-3,510	-3,510	-3,537	-3,599	-538,297	-556,008
Part 2 - Child and Dependent Care Tax Credit													
1. Certain improvements to the child and dependent care tax credit made permanent [1].....	tyba 12/31/21	-2,663	-9,179	-9,413	-9,786	-10,353	-10,195	-10,453	-10,706	-11,065	-11,324	-41,392	-95,135
2. Increase in exclusion for employer-provided dependent care assistance made permanent [12].....	tyba 12/31/21	-199	-270	-283	-294	-344	-362	-374	-383	-394	-400	-1,390	-3,302
Total of Part 2 - Child and Dependent Care Tax Credit.....		-2,862	-9,449	-9,696	-10,080	-10,697	-10,557	-10,827	-11,089	-11,459	-11,724	-42,782	-98,437

Provision	Effective	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2022-26	2022-31
Part 3 - Supporting Caregivers													
1. Payroll tax credit for child care workers [1].....	cqba 12/31/21	-334	-670	-674	-724	-749	-764	-780	-795	-811	-827	-3,152	-7,130
2. Credit for caregiver expenses (sunset 12/31/25).....	tyba 12/31/21	-3,248	-6,688	-7,084	-7,504	-3,860	---	---	---	---	---	-28,384	-28,384
Total of Part 3 - Supporting Caregivers.....		-3,582	-7,358	-7,758	-8,228	-4,609	-764	-780	-795	-811	-827	-31,536	-35,514
Part 4 - Earned Income Tax Credit													
1. Certain improvements to the earned income tax credit made permanent [1].....	tyba 12/31/21	-578	-13,296	-13,955	-14,471	-14,890	-15,116	-15,377	-15,642	-15,894	-16,107	-57,190	-135,325
2. Funds for administration of earned income tax credits in the territories [1].....	tyba 12/31/21	---	-5	-5	-5	-5	-5	-5	-5	-5	-5	-19	-43
Total of Part 4 - Earned Income Tax Credit.....	tyba 12/31/21	-578	-13,301	-13,960	-14,476	-14,895	-15,121	-15,382	-15,647	-15,899	-16,112	-57,209	-135,368
Part 5 - Expanding Access to Health Coverage and Lowering Costs													
1. Improve affordability and reduce premium costs of health insurance for consumers.....	tyba 12/31/21	----- Estimate to be Provided by the Congressional Budget Office -----											
2. Modification of employer sponsored coverage affordability test in health insurance premium tax credit.....	tyba 12/31/21	----- Estimate to be Provided by the Congressional Budget Office -----											
3. Treatment of lump-sum Social Security benefits in determining household income.....	tyba 12/31/21	----- Estimate to be Provided by the Congressional Budget Office -----											
4. Temporary expansion of health insurance premium tax credits for certain low-income populations [13].....	tyba 12/31/21	----- Estimate to be Provided by the Congressional Budget Office -----											
5. Special rule for individuals receiving unemployment compensation (sunset 12/31/25).....	tyba 12/31/21	----- Estimate to be Provided by the Congressional Budget Office -----											
6. Permanent credit for health insurance costs [1].....	cmmba 12/31/21	-2	-11	-19	-20	-21	-22	-23	-25	-26	-28	-74	-198
Total of Part 5 - Expanding Access to Health Coverage and Lowering Costs.....		-2	-11	-19	-20	-21	-22	-23	-25	-26	-28	-74	-198
Part 6 - Pathway to Practice Training Programs													
1. Establishing rural and underserved pathway to practice training programs for post-baccalaureate students, medical students, and medical residents [1].....	tyea DOE	---	---	-74	-165	-262	-387	-589	-844	-1,136	-1,420	-500	-4,877
Total of Part 6 - Pathway to Practice Training Programs.....		---	---	-74	-165	-262	-387	-589	-844	-1,136	-1,420	-500	-4,877
Part 7 - Higher Education													
1. Credit for public university research and infrastructure.....	qccma 12/31/21	-24	-25	-25	-26	-19	-6	---	---	---	---	-119	-125
2. Phaseout of investment income excise tax for private colleges and universities providing sufficient grants and scholarships.....	tyba 12/31/21	---	-244	-248	-253	-258	-257	-262	-267	-273	-278	-1,003	-2,341
3. Federal Pell Grants excluded from gross income [1].....	tyba 12/31/21	-6	-229	-225	-215	-212	-221	-214	-205	-196	-188	-887	-1,911

Provision	Effective	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2022-26	2022-31
4. Repeal of denial of American Opportunity Tax Credit on basis of felony drug conviction [1].....	tyba 12/31/21	-3	-21	-21	-20	-20	-20	-20	-19	-18	-18	-85	-180
Total of Part 7- Higher Education.....		-33	-519	-519	-514	-509	-504	-496	-491	-487	-484	-2,094	-4,557
TOTAL OF SUBTITLE H - SOCIAL SAFETY NET.....		-113,520	-152,446	-161,371	-167,205	-77,952	-30,911	-31,607	-32,401	-33,355	-34,194	-672,492	-834,959
SUBTITLE I - RESPONSIBLY FUNDING OUR PRIORITIES													
Part 1 - Corporate and International Tax Reforms													
A. Increase in corporate tax rate to 26.5 percent	tyba 12/31/21	39,275	48,712	50,536	51,760	53,154	57,314	59,558	59,926	59,698	60,161	243,437	540,095
B. Limitations on deduction for interest expense.....	tyba 12/31/21	1,564	3,222	3,408	3,583	3,660	3,697	3,802	3,914	3,995	3,968	15,437	34,813
C. Outbound International Provisions													
1. Modifications to deduction for foreign-derived intangible income and global intangible low-taxed income..	tyba 12/31/21	4,319	16,051	24,248	25,511	15,467	2,592	2,410	1,762	1,709	2,377	85,595	96,447
2. Repeal of election for 1-month deferral in determination of taxable year of specified foreign corporations.....	tyosfcba 11/30/21	10,906	10,906	---	---	---	---	---	---	---	---	21,811	21,811
3. Modifications of foreign tax credit rules applicable to certain taxpayers receiving specific economic benefits.....	tpoai tyba DOE	217	436	485	554	623	621	657	706	652	710	2,315	5,662
4. Modifications to foreign tax credit limitations.....	[14]	-132	2,996	8,298	9,960	9,044	8,867	7,339	5,731	5,599	5,609	30,166	63,311
5. Foreign oil and gas extraction income and foreign oil related income to include oil shale and tar sands.....	[15]	----- Estimate Included in Item C.6. Below -----											
6. Modifications to inclusion of global intangible low-taxed income.....	[15]	1,691	5,057	12,417	12,123	10,705	10,900	11,075	12,833	14,190	15,736	41,992	106,726
7. Modifications to determination of deemed paid credit for taxes properly attributable to tested income.....	[15]	-1,683	-3,692	-3,977	-4,022	-3,973	-4,097	-4,353	-4,482	-4,686	-4,809	-17,347	-39,774
8. Deduction for foreign source portion of dividends limited to controlled foreign corporations, etc.....	Dma DOE	21	42	44	45	46	48	49	51	52	54	198	451
9. Limitation on foreign base company sales and services income.....	[15]	943	2,182	2,624	2,766	2,344	1,938	1,977	1,954	1,927	1,968	10,859	20,622
D. Inbound International Provisions													
Modifications to base erosion and anti-abuse tax.....	tyba 12/31/21	473	559	887	1,647	2,396	3,180	3,593	3,839	4,019	4,270	5,962	24,863
E. Other Business Tax Provisions													
1. Credit for clinical testing of orphan drugs limited to first use or indication.....	tyba 12/31/21	88	186	208	234	260	286	314	346	380	418	975	2,720
2. Modifications to treatment of certain losses.....	lai tyba 12/31/21 & lo/a DOE	25	165	172	179	186	193	201	209	217	226	726	1,773
3. Adjusted basis limitation for divisive reorganizations.....	roo/a DOE	801	1,506	2,058	2,230	2,261	2,297	2,333	2,369	2,406	2,446	8,856	20,707
4. Rents from prison facilities not treated as qualified income for purposes of REIT income tests.....	tyba 12/31/21	8	15	16	16	14	11	12	12	13	13	69	130
5. Modifications to exemption for portfolio interest.....	oia DOE	576	876	405	118	25	20	16	13	10	8	2,000	2,067
6. Certain partnership interest derivatives.....	pmo/a 180da DOE	4	9	9	9	9	10	10	10	10	10	41	90
7. Adjustments to earnings and profits of controlled foreign corporations.....	[15]	150	325	375	425	475	525	575	625	675	725	1,750	4,875

Provision	Effective	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2022-26	2022-31
8. Certain dividends from controlled foreign corporations to United States shareholders treated as extraordinary dividends.....	Dma DOE	----- Estimate Included in Item C.4. Above -----											
9. Modification of rules for partnership interests held in connection with the performance of services.....	tyba 12/31/21	1,079	1,594	1,511	1,430	1,389	1,379	1,389	1,413	1,445	1,487	7,003	14,116
10. Limitation on certain special rules for section 1202 gains.....	generally saco/a 9/13/21	69	470	517	572	639	698	705	710	677	661	2,267	5,718
11. Constructive sales.....	generally csa DOE	----- Estimate Included in Item E.13 Below -----											
12. Rules relating to common control.....	tyba 12/31/21	768	1,550	1,560	1,606	1,754	1,958	2,186	2,459	2,749	3,004	7,238	19,593
13. Wash sales by related parties; wash sales of specified assets	saoda 12/31/21	3,226	4,946	2,725	1,626	1,074	804	653	587	562	559	13,597	16,762
Total of Part 1 - Corporate and International Tax Reforms.....		64,388	98,113	108,526	112,372	101,552	93,241	94,501	94,987	96,299	99,601	484,947	963,578
Part 2 - Tax Increases for High-Income Individuals													
1. Increase the top rate on the individual income tax to 39.6% on taxable income above \$400,000/\$450,000.....	tyba 12/31/21	32,501	22,736	36,941	39,751	15,104	4,366	4,555	4,686	4,837	5,020	147,033	170,498
2. Increase the top tax rate on long-term capital gains and qualified dividends to 25% and lower the income thresholds to which it applies.....	[16]	11,363	13,497	13,712	13,281	12,870	11,716	11,135	11,455	11,771	12,597	64,723	123,396
3. Application of net investment income tax to trade or business income of certain high income individuals.....	tyba 12/31/21	12,742	19,543	21,734	24,050	25,861	27,966	28,997	29,675	30,439	31,156	103,930	252,163
4. Limitation on deduction of qualified business income for certain high income individuals.....	tyba 12/31/21	10,520	18,309	19,684	20,948	8,564	---	---	---	---	---	78,025	78,025
5. Limitations on excess business losses of noncorporate taxpayers made permanent, with carryforward modification.....	tyba 12/31/20	3,127	2,046	2,123	2,204	2,288	22,671	32,639	31,422	33,272	34,991	11,788	166,783
6. Surcharge on high income individuals, trusts, and estates.....	tyba 12/31/21	24,360	-13,294	12,384	13,052	13,713	14,406	14,731	15,353	15,988	16,643	50,215	127,335
7. Termination of temporary increase in unified credit.....	dda & gma 12/31/21	2,676	12,188	13,073	12,694	11,710	1,490	265	95	64	9	52,341	54,265
8. Increase in limitation on estate tax valuation reduction for certain real property used in farming or other trades or businesses.....	dda 12/31/21	---	-22	-31	-32	-34	-38	-38	-40	-40	-42	-119	-317
9. Certain tax rules applicable to grantor trusts.....	teoa & cmoa DOE	30	160	223	327	478	672	917	1,240	1,657	2,191	1,217	7,895
10. Valuation rules for certain transfers of nonbusiness assets...	ta DOE	382	1,775	1,880	1,865	1,919	2,205	2,335	2,399	2,519	2,666	7,822	19,945
Total of Part 2 - Tax Increases for High-Income Individuals.....		97,701	76,938	121,723	128,140	92,473	85,454	95,536	96,285	100,507	105,231	516,975	999,988
Part 3 - Modifications of Rules Relating to Retirement Plans													
A. Limitations on High-Income Taxpayers with Large Retirement Account Balances													
1. Contribution limit for individual retirement plans of high-income taxpayers with large account balances.....	generally tyba 12/31/21 [17]	----- Estimate Included in Item A.2. Below -----											
2. Increase in minimum required distributions for high-income taxpayers with large retirement account balances.....	generally tyba 12/31/21 [18]	3,618	3,027	1,302	318	-343	-576	-1,051	-1,273	-1,463	-1,760	7,922	1,798

Provision	Effective	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2022-26	2022-31
12. Extension of credit for portion of employer Social Security taxes paid with respect to employee tips to beauty service establishments.....	tyba 12/31/21	---	-66	-69	-72	-75	-79	-82	-86	-90	-94	-282	-711
13. Enhancement of work opportunity tax credit during COVID 19 recovery period (sunset 12/31/22).....	tyea DOE	-2,306	-2,183	-1,198	-395	-57	---	---	---	---	---	-6,139	-6,139
14. Allow an above-the-line deduction of up to \$250 in union dues paid.....	tyba 12/31/21	-66	-442	-442	-443	-449	-485	-483	-486	-479	-476	-1,843	-4,252
15. Cover over of certain distilled spirit taxes [1][31].....	dsbiUSa 12/31/21	-31	-204	-204	-204	-204	-204	-204	-204	-204	-204	-847	-1,867
16. Expensing of research and amortization expenditures (sunset 12/31/25).....	DOE	-29,091	-39,856	-32,161	-24,133	19,284	38,009	29,958	19,853	9,269	4,851	-105,956	-4,016
17. Payroll credit for compensation of local news journalists.....	[32]	-146	-276	-251	-240	-238	-118	---	---	---	---	-1,151	-1,269
18. Treatment of financial guaranty insurance companies as qualifying insurance corporations under passive foreign investment company rules.....	tyba 12/31/17 & rma DOE	[2]	-1	-4	-4	-7	-8	-11	-13	-13	-13	-17	-74
19. Credit for qualified access technology for the blind (sunset 12/31/26).....	tyba 12/31/21	-375	-799	-302	-929	-900	-203	---	---	---	---	-3,305	-3,508
20. Modification of REIT constructive ownership rules.....	tyea DOE	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]
Total of Part 5 - Other Provisions.....		-25,165	-33,076	-23,225	-13,796	30,054	48,880	40,552	30,630	20,201	15,955	-65,211	91,007
TOTAL OF SUBTITLE I - RESPONSIBLY FUNDING OUR PRIORITIES.....		145,601	150,078	209,299	227,616	224,352	227,646	230,198	221,303	216,371	220,337	956,940	2,072,797
SUBTITLE J - DRUG PRICING: Selected Drug Manufacturer Excise Tax Imposed During Noncompliance Periods.....	sa DOE	----- <i>No Revenue Effect</i> -----											
NET TOTAL		23,974	-19,297	24,356	28,735	108,553	154,977	153,513	139,183	128,962	128,357	166,314	871,298

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding. The date of enactment is assumed to be October 1, 2021.

Legend and Footnotes for JCX-42-21:

Legend for "Effective" column:

- | | | |
|--|--|---|
| apoia = amounts paid or incurred after | fpisa = facilities placed in service after | qccma = qualified cash contributions made after |
| ar = advance refunding | fsoua = fuel sold or used after | qsgbpa = qualified second generation biofuel production after |
| ara = amounts received after | gma = gifts made after | sa = sales after |
| bia = bonds issued after | goda = gains or distributions after | saeo/a = sales and exchanges on or after |
| bimt = bond issued more than | icqba = in calendar quarters beginning after | saoiaoho/a = stock and other interests acquired or held on or after |
| bpisa = buildings placed in service after | imi = investments made in | ta = transfers after |
| bpisi = buildings placed in service in | ityea = in taxable years ending after | tcoa = trusts created on or after |
| cmoa = contributions made on or after | itybasd = in taxable years beginning after such date | toa = transactions occurring after |
| cqba = calendar quarters beginning after | ityeasd = in taxable years ending after such date | too/a = transfers occurring on or after |
| csa = constructive sales after | lai = losses arising in | tovpola = transfers of vehicle purchased or leased after |
| cya = calendar years after | leia = leases entered into after | tpoai = taxes paid or accrued in |
| da = days after | lii = losses incurred in | tyba = taxable years beginning after |
| dsbiUSa = distilled spirits brought into the United States after | lo/a = liquidations on or after | tyea = taxable years ending after |
| dcmo/a = drawback claims made on or after | oia = obligations issued after | tyosfcb = taxable years of specified foreign corporations beginning after |
| dda = decedents dying after | pa = periods after | vaa = vehicles acquired after |
| DOE = date of enactment | pci = productions commencing in | 30da = 30 days after |
| Dma = distributions made after | pmo/a = payments made on or after | 180da = 180 days after |
| dtacmi = distributions, transfers, and contributions made in | ppisa = property placed in service after | |
| duaa = dwelling units acquired after | rma = reports made after | |
| ema = expenditures made after | roo/a = reorganizations occurring on or after | |
| epasa = electricity produced and sold after | | |

[1] Estimate contains the following outlay effects:	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2022-26</u>	<u>2022-31</u>
Credit to issuer for certain infrastructure bonds.....	256	1,255	2,830	4,525	5,999	7,048	7,844	8,599	9,398	10,208	14,866	57,961
Credit for operations and maintenance costs of government-owned broadband.....	73	38	35	32	29	24	20	5	---	---	207	256
Credit for electricity produced from certain renewable resources (sunset 12/31/31).....	87	281	498	825	1,375	2,008	2,712	3,488	4,229	5,064	3,066	20,568
Extension and modification of energy credit (sunset 12/31/33).....	358	641	724	1,267	2,874	3,748	3,999	4,270	4,534	4,815	5,866	27,232
Investment credit for electric transmission property (sunset 12/31/31).....	73	38	35	32	29	24	20	5	---	---	207	256
Zero-emission nuclear power production credit (sunset 12/31/26).....	2,104	1,396	1,562	1,692	792	100	---	---	---	---	7,546	7,646
Refundable new qualified plug-in electric drive motor vehicle credit for individuals (sunset 12/31/31).....	65	74	83	96	114	134	149	165	180	182	434	1,243
Extension of the advanced energy project credit.....	131	178	139	112	147	195	81	14	12	15	707	1,024
Qualified environmental justice credit (sunset 12/31/31).....	---	---	---	328	504	504	504	832	1,008	1,008	832	4,687
Child tax credit.....	83,132	94,593	97,189	100,654	28,205	3,556	3,510	3,510	3,537	3,599	403,773	421,484
Certain improvements to the child and dependent care tax credit made permanent.....	---	3,801	3,834	3,900	3,898	3,176	3,221	3,251	3,295	3,356	15,433	31,732
Payroll tax credit for child care workers.....	257	515	517	556	576	587	599	611	623	635	2,420	5,475
Certain improvements to the earned income tax credit made permanent.....	---	10,381	10,919	11,336	11,595	11,461	11,636	11,815	11,977	12,123	44,231	103,242
Funds for administration of earned income tax credits in the territories.....	---	5	5	5	5	5	5	5	5	5	19	43
Federal Pell Grants excluded from gross income.....	---	167	159	153	150	150	146	139	134	129	629	1,327

[Footnotes for JCX-42-21 continue on the following pages]

Footnotes for JCX-42-21 continued:

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2022-26</u>	<u>2022-31</u>
[1] Estimate contains the following outlay effects (continued):												
Repeal of denial of American Opportunity Tax Credit on basis of felony drug conviction.....	---	6	6	6	6	6	6	5	5	5	23	50
Establishing rural and underserved pathway to practice training programs for post-baccalaureate students, medical students, and medical residents [33].....	---	---	37	82	131	205	370	614	899	1,176	250	3,514
Permanent credit for health insurance costs.....	2	6	8	8	8	9	9	10	11	11	32	82
Increase in tax on certain tobacco products and imposition of tax on nicotine [34].....	-21	-77	-119	-153	-195	-224	-246	-264	-254	-235	-565	-1,788
Cover over of certain distilled spirit taxes.....	31	204	204	204	204	204	204	204	204	204	847	1,867
[2] Loss of less than \$500,000.												
[3] Generally effective for calendar years after 2021. The proposal to allow the new markets tax credit be used to offset AMT liability is effective for qualified equity investments initially made after December 31, 2021.												
[4] Effective for determinations with respect to 24-month periods (referred to in clause (i) of section 47(c)(1)(B) of the Internal Revenue Code of 1986) and 60-month periods (referred to in clause (ii) of such section) which end after December 31, 2021.												
[5] Effective for allocations and determinations of housing credit dollar amount after December 31, 2021.												
[6] The amendments made by subsections (a) and (c) shall apply to agreements entered into or amended after the date of the enactment. The amendments made by subsection (b) shall apply to agreements among the owners of the project (including partners, members, and their affiliated organizations) and persons described in section 42(i)(7)(A) of the Internal Revenue Code of 1986 entered in of the Internal Revenue Code of 1986 entered into before, on, or after the date of the enactment.												
[7] Applies to buildings which receive a determination of housing credit dollar amount after the date of enactment.												
[8] Generally effective taxable years beginning after the date of enactment. In the case of a qualified corporation that is a foreign corporation, to taxable years beginning after the date of enactment and to taxable years of United States shareholders in which or with which such taxable years of foreign corporations end.												
[9] Effective for hydrogen produced after December 31, 2021, at facilities for which construction commenced on or before December 31, 2028.												
[10] Estimate includes the following budget effects:	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2022-26</u>	<u>2022-31</u>
Total Revenue Effect.....	20	21	23	24	16	16	17	18	19	19	104	193
On-budget effects.....	12	13	14	15	9	10	10	11	11	12	63	117
Off-budget effects.....	8	8	9	9	6	7	7	7	8	8	40	77
[11] Annual base allocation amounts end 2031, unused amounts may be reallocated through 2036.												
[12] Estimate includes the following budget effects:	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2022-26</u>	<u>2022-31</u>
Total Revenue Effect.....	-199	-270	-283	-294	-344	-362	-374	-383	-394	-400	-1,390	-3,302
On-budget effects.....	-114	-155	-164	-171	-219	-234	-243	-248	-255	-259	-823	-2,061
Off-budget effects.....	-85	-115	-119	-123	-125	-128	-131	-135	-139	-141	-567	-1,241
[13] For purposes of this subsection, the term 'termination date' means the later of January 1, 2025, or the date on which the Secretary of Health and Human Services makes a written certification to the Secretary that the Secretary of Health and Human Services has fully implemented the program described in section 1948.												
[14] Generally effective for taxable years beginning after December 31, 2021, except that changes with respect to foreign tax credit carryback or carryover are effective for taxes paid or accrued in December 31, 2021, and changes related to redeterminations of foreign taxes are effective 60 days after date of enactment.												
[15] Applies to taxable years of foreign corporations beginning after December 31, 2021, and to taxable years of United States shareholders in which or with which such taxable years of foreign corporations end.												
[16] Increase in the top rate to 25% is effective for long-term capital gain and qualified dividend income generated after the date of introduction. The change to 25% rate threshold is effective for taxable years beginning after December 31, 2021.												
[17] With respect to the reporting requirements, applicable to plan years beginning after December 31, 2021.												
[18] With respect to the special rules related to increased minimum required distributions, applicable to plan years beginning after December 31, 2021; with respect to plan amendments, effective on date of enactment.												
[19] With respect to after-tax contributions, applicable to distributions, transfers, and contributions made after December 31, 2021.												
[20] If, on the date of enactment, an individual retirement account holds an investment prohibited under section 408(a)(7) of the Internal Revenue Code of 1986 (as added by this proposal), the amendments made by this section shall be effective with respect to such investment for taxable years beginning after December 31, 2023.												

Footnotes for JCX-42-21 continued:

[21] Applicable for taxes with respect to which the 3-year period under section 6501(a) of the Internal Revenue Code of 1986 (without regard to the amendment made by this section) ends after December 31, 2021.

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

[23] If, on the date of enactment, an individual retirement account holds an investment prohibited under section 408(a)(8) of the Internal Revenue Code of 1986 (as added by this proposal), the amendments made by this section shall apply to such investment for taxable years beginning after December 31, 2023.

[24] Generally effective for contributions made after December 23, 2016. Effective for historic structures for contributions made in taxable years beginning after December 31, 2018.

[25] Repeal of Code section 6751(b) is effective as if included in section 3306 of the Internal Revenue Service Restructuring and Reform Act of 1998. Quarterly certifications of compliance with procedural requirements apply to notices of penalty issued after date of enactment.

[26] The temporary increase in the amount of tax on coal terminates for sales after December 31, 2025.

[27] Estimate includes the following budget effects:	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2022-26</u>	<u>2022-31</u>
Total Revenue Effect.....	---	---	101	219	168	77	44	26	7	---	489	642
On-budget effects.....	---	---	107	227	171	77	44	26	7	---	505	659
Off-budget effects.....	---	---	-6	-8	-2	---	---	---	---	---	-17	-17

[28] Provision is necessary for the administration of a proposed family and medical leave program. The budgetary effects of that program are estimated by the Congressional Budget Office.

[29] Sunsets 12/31/25 (section 181) and 12/31/26 (section 168(k)).

[30] Effective for eligible indelibly dyed diesel fuel or kerosene removed on or after the date which is 180 days after the date of enactment.

[31] Preliminary estimate provided by the Congressional Budget Office and subject to review.

[32] Effective for calendar quarters during the first five calendar years beginning after the date of the enactment.

[33] Outlays arising from Medicare funding of residency positions are provided by the Congressional Budget Office.

[34] Outlay effects provided by the Congressional Budget Office.