

## JOINT COMMITTEE ON TAXATION

July 1, 2025

JCX-35-25

**ESTIMATED REVENUE EFFECTS RELATIVE TO THE PRESENT LAW BASELINE OF THE TAX PROVISIONS IN "TITLE VII - FINANCE"  
OF THE SUBSTITUTE LEGISLATION AS PASSED BY THE SENATE TO PROVIDE FOR RECONCILIATION OF THE FISCAL YEAR 2025 BUDGET**

Fiscal Years 2025 - 2034

*[Millions of Dollars]*

| Provision  | Effective          | 2025   | 2026     | 2027     | 2028     | 2029     | 2030     | 2031     | 2032     | 2033     | 2034     | 2025-34    |
|--|--------------------|--------|----------|----------|----------|----------|----------|----------|----------|----------|----------|------------|
| <b>TITLE VII - FINANCE COMMITTEE</b>   |                    |        |          |          |          |          |          |          |          |          |          |            |
| <b>SUBTITLE A - TAX</b>  |                    |        |          |          |          |          |          |          |          |          |          |            |
| <b>Chapter 1: Providing Permanent Tax Relief for Middle-Class Families and Workers</b>   |                    |        |          |          |          |          |          |          |          |          |          |            |
| 1. Extension and limited enhancement of reduced rates [1].....   | tyba 12/31/25      | ---    | -147,679 | -222,154 | -232,665 | -241,010 | -249,804 | -259,442 | -269,730 | -279,920 | -290,974 | -2,193,378 |
| 2. Extension and enhancement of increased standard deduction [1].....  | tyba 12/31/24      | -7,544 | -92,124  | -144,689 | -149,917 | -155,534 | -161,495 | -168,310 | -174,801 | -181,861 | -188,408 | -1,424,682 |
| 3. Termination of deduction for personal exemptions other than temporary senior deduction [1].....   | tyba 12/31/24      | -9,264 | 110,625  | 173,453  | 179,620  | 196,414  | 217,565  | 224,016  | 230,559  | 238,439  | 245,645  | 1,807,074  |
| 4. Extension and enhancement of increased child tax credit [1] .   | tyba 12/31/25      | ---    | -48,769  | -87,599  | -90,174  | -92,677  | -95,292  | -97,590  | -99,330  | -101,887 | -103,529 | -816,846   |
| 5. Extension and enhancement of deduction for qualified business income.....   | tyba 12/31/25      | -6,970 | -44,331  | -74,617  | -80,917  | -82,289  | -84,164  | -86,454  | -89,110  | -92,036  | -95,650  | -736,539   |
| 6. Extension and enhancement of increased estate and gift tax exemption amounts.....   | dda & gma 12/31/25 | -50    | -3,672   | -20,276  | -22,353  | -23,323  | -24,710  | -26,337  | -28,093  | -30,275  | -32,636  | -211,725   |
| 7. Extension of increased alternative minimum tax exemption amounts, modification of phaseout thresholds, and increased threshold phaseout rate..... | tyba 12/31/25      | ---    | -76,835  | -137,508 | -139,699 | -147,311 | -155,382 | -163,522 | -171,962 | -180,740 | -189,850 | -1,362,810 |
| 8. Extension of limitation on deduction for qualified residence interest [1].....  | tyba 12/31/25      | ---    | 1,639    | 3,110    | 3,535    | 4,054    | 4,551    | 5,002    | 5,454    | 5,820    | 6,367    | 39,532     |
| 9. Extension and modification of limitation on casualty loss deduction [1].....  | tyba 12/31/25      | ---    | 86       | 128      | 137      | 144.     | 152      | 160      | 168      | 175      | 182      | 1,331      |
| 10. Termination of miscellaneous itemized deductions other than educator expenses .....  | tyba 12/31/25      | ---    | 13,419   | 23,707   | 24,907   | 25,815   | 26,723   | 27,702   | 28,710   | 29,761   | 30,810   | 231,553    |
| 11. Limitation on tax benefit of itemized deductions.....  | tyba 12/31/25      | ---    | -16,040  | -26,393  | -27,635  | -28,398  | -29,264  | -30,232  | -31,309  | -32,434  | -33,811  | -255,515   |
| 12. Extension and modification of qualified transportation fringe benefits [2].....  | tyba 12/31/25      | ---    | -71      | -216     | -221     | -227     | -232     | -238     | -243     | -249     | -255     | -1,951     |
| 13. Extension and modification of limitation on deduction and exclusion for moving expenses [2].....   | tyba 12/31/25      | ---    | 673      | 1,375    | 1,434    | 1,509    | 1,586    | 1,650    | 1,717    | 1,789    | 1,862    | 13,594     |
| 14. Extension and modification of limitation on wagering losses..  | tyba 12/31/25      | ---    | 1        | 125      | 128      | 133      | 139      | 145      | 150      | 157      | 165      | 1,144      |

| Provision   | Effective                               | 2025           | 2026            | 2027            | 2028            | 2029            | 2030            | 2031            | 2032            | 2033            | 2034            | 2025-34           |
|---|---|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-------------------|
| 15. Extension and enhancement of increased limitation on contributions to ABLE accounts .....   | cma 12/31/25 & miaef tyba 12/31/25      | ---            | [3]             | [3]             | [3]             | [3]             | -1              | -1              | -1              | -1              | -2              | -6                |
| 16. Extension and enhancement of savers credit allowed for ABLE contributions.....  | [4]                                     | ---            | [3]             | -1              | -1              | -1              | -1              | -1              | -1              | -1              | -1              | -8                |
| 17. Extension of rollovers from qualified tuition programs to ABLE accounts permitted.....  | tyba 12/31/25                           | ---            | [3]             | -1              | -1              | -1              | -1              | -1              | -2              | -2              | -2              | -11               |
| 18. Extension of treatment of certain individuals performing services in the Sinai Peninsula and enhancement to include additional areas..... | 1/1/26                                  | ---            | -1              | -1              | -1              | -1              | -1              | -1              | -1              | -1              | -1              | -11               |
| 19. Extension and modification of exclusion from gross income of student loans discharged on account of death or disability .....             | doia 12/31/25                           | ---            | ---             | -44             | -45             | -46             | -48             | -49             | -50             | -51             | -53             | -386              |
| 20. Limitation on individual deductions for certain State and local taxes [1].....  | tyba 12/31/24                           | -5,070         | 31,617          | 79,250          | 80,000          | 84,887          | 106,768         | 135,228         | 137,484         | 144,399         | 151,647         | 946,209           |
| <b>Total of Chapter 1.....</b>  |   | <b>-28,898</b> | <b>-271,462</b> | <b>-432,351</b> | <b>-453,868</b> | <b>-457,862</b> | <b>-442,911</b> | <b>-438,275</b> | <b>-460,391</b> | <b>-478,918</b> | <b>-498,494</b> | <b>-3,963,431</b> |
| <b>Chapter 2: Delivering on Presidential Priorities to Provide New Middle-Class Tax Relief</b>  |   |                |                 |                 |                 |                 |                 |                 |                 |                 |                 |                   |
| 1. No tax on tips (sunset 12/31/28) [5].....  | tyba 12/31/24                           | ---            | -10,121         | -7,664          | -8,078          | -5,262          | -90             | -98             | -107            | -117            | -127            | -31,664           |
| 2. No tax on overtime (sunset 12/31/28).....  | tyba 12/31/24                           | ---            | -32,806         | -25,672         | -22,982         | -8,113          | ---             | ---             | ---             | ---             | ---             | -89,573           |
| 3. No tax on car loan interest.....   | iia 12/31/24                            | -1,932         | -5,400          | -8,070          | -9,916          | -5,313          | ---             | ---             | ---             | ---             | ---             | -30,631           |
| 4. Trump accounts and contribution pilot program [1].....   | tyba 12/31/25                           | -731           | -6,446          | -3,564          | -3,627          | -33             | -70             | -115            | -164            | -214            | -270            | -15,233           |
| <b>Total of Chapter 2 .....</b>   |   | <b>-2,663</b>  | <b>-54,773</b>  | <b>-44,970</b>  | <b>-44,603</b>  | <b>-18,721</b>  | <b>-160</b>     | <b>-213</b>     | <b>-271</b>     | <b>-331</b>     | <b>-397</b>     | <b>-167,101</b>   |
| <b>Chapter 3: Establishing Certainty and Competitiveness for American Job Creators</b>  |   |                |                 |                 |                 |                 |                 |                 |                 |                 |                 |                   |
| Subchapter A - Permanent U.S. Business Tax Reforms and Boosting Domestic Investment   |   |                |                 |                 |                 |                 |                 |                 |                 |                 |                 |                   |
| 1. Full expensing for certain business property.....  | paa 1/19/25                             | -33,505        | -65,123         | -65,216         | -57,507         | -40,839         | -28,972         | -21,560         | -17,802         | -16,256         | -15,871         | -362,650          |
| 2. Full expensing of domestic research and experimental expenditures.....   | apoi tyba 12/31/21 & apoi tyba 12/31/24 | -53,793        | -33,585         | -20,483         | -13,794         | -7,480          | -3,186          | -2,134          | -2,240          | -2,343          | -2,424          | -141,463          |
| 3. Modification of limitation on business interest.....   | tyba 12/31/24                           | -8,268         | -6,519          | -6,183          | -5,673          | -5,260          | -5,278          | -5,507          | -5,529          | -6,043          | -6,250          | -60,511           |
| 4. Extension and enhancement of paid family and medical leave credit [2].....   | tyba 12/31/25                           | ---            | -102            | -260            | -379            | -489            | -610            | -737            | -870            | -972            | -1,036          | -5,454            |
| 5. Exceptions from limitations on deduction for business meals .  | apoa 12/31/25                           | ---            | -42             | -96             | -100            | -106            | -112            | -116            | -120            | -125            | -131            | -948              |
| 6. Increased dollar limitations for expensing of certain depreciable business assets.....   | tyba 12/31/24                           | -2,301         | -4,292          | -3,613          | -2,995          | -2,516          | -2,116          | -1,873          | -1,757          | -1,697          | -1,662          | -24,822           |
| 7. Special depreciation allowance for qualified production property .....   | ppisa DOE [6]                           | -2,167         | -30,280         | -34,374         | -33,959         | -28,524         | -18,339         | -4,229          | 1,926           | 3,950           | 4,600           | -141,396          |
| 8. Enhancement of advanced manufacturing investment credit.....   | ppisa 12/31/25                          | ---            | -1,728          | -2,876          | -3,566          | -2,140          | -858            | -1,024          | -1,057          | -868            | -794            | -14,911           |

[illegible]

| Provision   | Effective          | 2025   | 2026   | 2027   | 2028    | 2029    | 2030   | 2031   | 2032   | 2033   | 2034    | 2025-34 |
|---|--------------------|--|--------|--------|---------|---------|--------|--------|--------|--------|---------|---------|
| 4. Enhancement of the dependent care assistance program [1][2].....   | tyba 12/31/25      | ---  | -365   | -565   | -614    | -648    | -684   | -719   | -754   | -793   | -830    | -5,973  |
| 5. Enhancement of child and dependent care tax credit [1].....  | tyba 12/31/25      | ---  | -409   | -1,197 | -1,189  | -1,153  | -1,143 | -1,094 | -1,057 | -1,027 | -989    | -9,257  |
| Subchapter B - Permanent Investments in Students and Reforms to Tax-Exempt Institutions   |                    |  |        |        |         |         |        |        |        |        |         |         |
| 1. Tax credit for contributions of individuals to scholarship granting organizations.....   | tyea 12/31/26      | ---  | ---    | -501   | -2,599  | -3,062  | -3,432 | -3,725 | -4,005 | -4,201 | -4,404  | -25,930 |
| 2. Exclusion for employer payments of student loans.....  | pma 12/31/25       | ---  | -706   | -1,034 | -1,106  | -1,182  | -1,263 | -1,349 | -1,438 | -1,531 | -1,629  | -11,238 |
| 3. Additional expenses treated as qualified higher education expenses of purposes of 529 accounts.....                                    | tyba 12/31/25      | ---  | -22    | -39    | -63     | -87     | -112   | -135   | -156   | -179   | -203    | -997    |
| 4. Certain postsecondary credentialing expenses treated as qualified higher education expenses for purposes of 529 accounts.....          | dma DOE            | ----- Estimate Included in Item 4.B.3. Above ----- |        |        |         |         |        |        |        |        |         |         |
| 5. Modification of excise tax on investment income of certain private colleges and universities.....                                      | tyba 12/31/25      | ---  | [8]    | 80     | 91      | 87      | 92     | 96     | 100    | 105    | 110     | 761     |
| 6. Expanding application of tax on excess compensation within tax-exempt organizations.....   | tyba 12/31/25      | ---  | 236    | 334    | 362     | 393     | 426    | 462    | 501    | 543    | 589     | 3,844   |
| Subchapter C - Permanent Investments in Community Development   |                    |  |        |        |         |         |        |        |        |        |         |         |
| 1. Permanent renewal and enhancement of opportunity zones [1].....  | tyba DOE           | ---  | ---    | -7,876 | -12,017 | -10,427 | -5,628 | -5,860 | -3,819 | 2,949  | 1,741   | -40,939 |
| 2. Permanent enhancement of low-income housing tax credit ....  | [10]               | ---  | -39    | -217   | -579    | -1,060  | -1,591 | -2,149 | -2,735 | -3,345 | -3,975  | -15,689 |
| 3. Permanent extension of New Markets Tax Credit.....   | cyba 12/31/25      | ---  | ---    | -8     | -47     | -170    | -371   | -625   | -936   | -1,307 | -1,720  | -5,185  |
| 4. Permanent and expanded reinstatement of partial deduction for charitable contributions of individuals who do not elect to itemize..... | tyba 12/31/25      | ---  | -1,543 | -7,791 | -8,149  | -8,498  | -8,982 | -9,270 | -9,559 | -9,845 | -10,112 | -73,750 |
| 5. 0.5 percent floor on deduction of contributions made by individuals .....  | tyba 12/31/25      | ---  | 1,346  | 7,083  | 7,212   | 7,364   | 7,568  | 7,791  | 8,017  | 8,238  | 8,488   | 63,107  |
| 6. 1-percent floor on deduction of charitable contributions made by corporations.....   | tyba 12/31/25      | ---  | 1,276  | 1,872  | 2,142   | 1,964   | 1,832  | 1,787  | 1,816  | 1,953  | 1,962   | 16,603  |
| 7. Permanent increase in limitation on cover over of tax on distilled spirits [1][11].....  | dsbitusa 12/31/25  | ---  | -251   | -208   | -208    | -208    | -208   | -208   | -208   | -208   | -208    | -1,915  |
| 8. Nonprofit community development activities in remote native villages.....  | DOE                | [3]  | [3]    | [3]    | [3]     | [3]     | [3]    | [3]    | [3]    | [3]    | [3]     | -3      |
| 9. Adjustment of charitable deduction for certain expenses incurred in support of native Alaskan subsistence whaling.....                 | tyba 12/31/25      | ---  | [3]    | -1     | -1      | -1      | -1     | -1     | -1     | -1     | -1      | -5      |
| 10. Exception to percentage of completion method of accounting for certain residential construction contracts.....                        | ceii tyba DOE      | ---  | -638   | -557   | -330    | -214    | -109   | -77    | -77    | -79    | -80     | -2,161  |
| Subchapter D - Permanent Investments in Small Business and Rural America  |                    |  |        |        |         |         |        |        |        |        |         |         |
| 1. Expansion of qualified small business stock gain exclusion.....  | saa DOE & tyba DOE | 27   | 56     | 57     | 38      | -193    | -1,204 | -3,470 | -3,857 | -4,153 | -4,487  | -17,186 |

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|--|--------------------|---------------------------------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|
| 2. Repeal of revision to de minimis rules for third party network transactions.....                | [12]               | -38                                   | -1,108        | -808           | -849           | -891           | -936           | -982           | -1,032         | -1,083         | -1,137         | -8,863          |
| 3. Increase in threshold for requiring information reporting with respect to certain payees.....   | pma 12/31/25       | ---                                   | -196          | -398           | -425           | -452           | -481           | -511           | -543           | -575           | -593           | -4,175          |
| 4. Treatment of certain qualified sound recording productions.....                                 | pci tyea DOE       | -85                                   | -369          | -162           | -123           | 158            | 184            | 111            | 68             | 41             | 24             | -153            |
| 5. Exclusion of interest on loans secured by rural or agricultural real property.....              | tyea DOE           | -9                                    | -60           | -99            | -133           | -170           | -212           | -258           | -308           | -364           | -426           | -2,038          |
| 6. Elimination of tax on certain devices under the National Firearms Act.....                      | cqbmt 90da         | -15                                   | -102          | -117           | -134           | -154           | -176           | -202           | -232           | -267           | -306           | -1,706          |
| 7. Treatment of capital gains from the sale of certain farmland property.....                      | soei tyba DOE      | -55                                   | -765          | -2,637         | -1,698         | -854           | -142           | -221           | -269           | -302           | -325           | -7,268          |
| 8. Extension of rules for treatment of certain disaster-related personal casualty losses.....      | DOE                | -6                                    | -52           | ---            | ---            | ---            | ---            | ---            | ---            | ---            | ---            | -58             |
| 9. Restoration of taxable REIT subsidiary asset test.....  | tyba 12/31/25      | ---                                   | -80           | -185           | -234           | -287           | -344           | -405           | -470           | -540           | -614           | -3,159          |
| <b>Total of Chapter 4 .....</b>  |                    | <b>-370</b>                           | <b>-4,255</b> | <b>-15,348</b> | <b>-21,030</b> | <b>-20,008</b> | <b>-17,186</b> | <b>-21,287</b> | <b>-21,233</b> | <b>-16,256</b> | <b>-19,408</b> | <b>-156,390</b> |
| <b>Chapter 5: Ending Green New Deal Spending, Promoting America-First Energy and Other Reforms</b> |                    |                                       |               |                |                |                |                |                |                |                |                |                 |
| Subchapter A - Termination of Green New Deal Subsidies   |                    |                                       |               |                |                |                |                |                |                |                |                |                 |
| 1. Termination of previously-owned clean vehicle credit [1].....                                   | vaa 9/30/25        | ---                                   | 107           | 434            | 542            | 862            | 1,136          | 1,297          | 1,592          | 1,460          | ---            | 7,430           |
| 2. Termination of clean vehicle credit [1].....  | vaa 9/30/25        | ---                                   | 1,073         | 3,257          | 7,887          | 13,032         | 15,565         | 17,445         | 19,570         | ---            | ---            | 77,829          |
| 3. Termination of qualified commercial clean vehicles credit.....                                  | vaa 9/30/25        | ---                                   | 8,303         | 9,985          | 12,184         | 14,576         | 17,053         | 18,653         | 20,762         | 3,620          | -621           | 104,516         |
| 4. Termination of alternative fuel vehicle refueling property credit.....                          | ppisa 6/30/26      | ---                                   | 20            | 97             | 195            | 244            | 279            | 325            | 378            | 324            | 102            | 1,963           |
| 5. Termination of energy efficient home improvement credit.....                                    | ppisa 12/31/25     | ---                                   | 258           | 2,598          | 2,735          | 2,880          | 3,032          | 3,192          | 3,360          | 3,167          | ---            | 21,222          |
| 6. Termination of residential clean energy credit.....   | ema 12/31/25       | -142                                  | -753          | 5,486          | 7,942          | 9,321          | 10,135         | 10,853         | 11,526         | 11,943         | 11,048         | 77,361          |
| 7. Termination of energy efficient commercial buildings deduction.....                             | cba 6/30/26        | ---                                   | ---           | 6              | 16             | 19             | 19             | 19             | 19             | 19             | 19             | 134             |
| 8. Termination of new energy efficient home credit.....  | haa 6/30/26        | ---                                   | 104           | 489            | 719            | 770            | 807            | 832            | 840            | 625            | 259            | 5,444           |
| 9. Termination of cost recovery for energy property .....  | pcba 12/31/24      | 4                                     | 57            | 77             | 63             | 52             | 45             | 29             | 7              | -5             | -1             | 324             |
| 10. Modifications of zero-emission nuclear power production credit [1].....                        | tyba DOE           | ----- Negligible Revenue Effect ----- |               |                |                |                |                |                |                |                |                |                 |
| 11. Termination of clean hydrogen production credit [1].....                                       | fcba 12/31/27      | ---                                   | ---           | ---            | ---            | 22             | 125            | 440            | 1,142          | 1,797          | 2,352          | 5,878           |
| 12. Termination and restrictions on clean electricity production credit [1].....                   | generally tyba DOE | ---                                   | ---           | ---            | 110            | 517            | 1,343          | 2,569          | 4,286          | 6,664          | 9,428          | 24,917          |
| 13. Termination and restrictions on clean electricity investment credit [1].....                   | generally tyba DOE | ---                                   | 281           | 8,019          | 12,152         | 16,670         | 21,754         | 24,642         | 25,986         | 27,202         | 28,964         | 165,669         |

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|--|-------------------------------|--|--|--------|--------|---------|--------|--------|--------|--------|--------|---------|
| 14. Phase-out and restrictions on advanced manufacturing production credit [1].....  | tyba DOE & cs tyba 12/31/26   | ---  | 1,826  | 6,343  | 9,210  | 8,784   | 7,780  | 6,074  | 4,929  | 3,842  | 1,178  | 49,966  |
| 15. Restriction on the extension of advanced energy project credit program [1].....  | DOE                           | ----- Negligible Revenue Effect -----                                  |  |        |        |         |        |        |        |        |        |         |
| Subchapter B - Enhancement of America-First Energy Policy  |                               |  |  |        |        |         |        |        |        |        |        |         |
| 1. Extension and modification of clean fuel production credit .....  | [13]                          | -26  | -1,110   | -2,093 | -6,227 | -10,455 | -5,551 | -387   | 52     | 55     | 58     | -25,683 |
| 2. Restrictions on carbon oxide sequestration credit credit [1].....   | tyba DOE & foepisa DOE        | -179   | -364   | -561   | -801   | -1,084  | -1,425 | -1,797 | -2,215 | -2,666 | -3,135 | -14,228 |
| 3. Intangible drilling and development costs taken into account for purposes of computing adjusted financial statement income.....   | tyba 12/31/25                 | ---  | -25  | -29    | -29    | -44     | -65    | -66    | -66    | -53    | -49    | -427    |
| 4. Income from hydrogen storage, carbon capture, advanced nuclear, hydropower, and geothermal energy added to qualifying income of certain publicly traded partnerships..... | tyba 12/31/25                 | ---  | -157   | -325   | -343   | -358    | -374   | -391   | -409   | -427   | -446   | -3,230  |
| 5. Allow for payments to certain individuals who dye fuel.....   | [14]                          | [3]  | [3]  | -1     | -1     | -1      | -1     | -1     | -1     | -1     | -1     | -6      |
| Subchapter C - Other Reforms.....  |                               | ----- Estimate to be Provided by the Congressional Budget Office ----- |  |        |        |         |        |        |        |        |        |         |
| Total of Chapter 5 .....   |                               | -343   | 9,620  | 33,781 | 46,354 | 55,807  | 71,656 | 83,729 | 91,759 | 57,567 | 49,153 | 499,080 |
| Chapter 6: Enhancing Deduction and Income Tax Credit Guardrails, and Other Reforms   |                               |  |  |        |        |         |        |        |        |        |        |         |
| 1. Modification and extension of limitation on excess business losses of noncorporate taxpayers.....   | tyba 12/31/25 & tyba 12/31/26 | ---  | 107  | 158    | 91     | 3,434   | 5,090  | 3,058  | 2,502  | 2,119  | 1,860  | 18,417  |
| 2. Treatment of payments from partnerships to partners for property or services.....   | spapta DOE                    | 338  | 1,612  | 2,304  | 1,949  | 1,564   | 1,147  | 824    | 856    | 889    | 923    | 12,406  |
| 3. Excessive employee remuneration from controlled group members and allocation of deduction.....  | tyba 12/31/25                 | ---  | 643  | 1,484  | 1,719  | 1,793   | 1,868  | 1,941  | 2,014  | 2,085  | 2,155  | 15,701  |
| 4. Excise tax on certain remittance transfers.....   | tma 12/31/25                  | ---  | 362  | 893    | 1,089  | 1,138   | 1,190  | 1,242  | 1,295  | 1,351  | 1,409  | 9,969   |
| 5. Enforcement provisions with respect to COVID-related Employee Retention Credits [1].....  | DOE                           | 246  | 1,003  | 368    | 20     | ---     | ---    | ---    | ---    | ---    | ---    | 1,637   |
| 6. Social Security number requirement for American Opportunity and Lifetime Learning Credits [1].....  | tyba 12/31/25                 | ---  | 15   | 74     | 78     | 79      | 79     | 79     | 78     | 78     | 79     | 639     |
| 7. Task force on the replacement of direct file.....   | DOE                           | ----- No Revenue Effect -----  |  |        |        |         |        |        |        |        |        |         |
| Total of Chapter 6 .....   |                               | 584  | 3,742  | 5,281  | 4,946  | 8,008   | 9,374  | 7,144  | 6,744  | 6,522  | 6,426  | 58,770  |
| SUBTITLE B - HEALTH  |                               |  |  |        |        |         |        |        |        |        |        |         |
| Chapter 1: Medicaid .....  |                               | ---  | ----- Estimate to be Provided by the Congressional Budget Office ----- |        |        |         |        |        |        |        |        |         |
| Chapter 2: Medicare .....  |                               | ---  | ----- Estimate to be Provided by the Congressional Budget Office ----- |        |        |         |        |        |        |        |        |         |

| Provision   | Effective     | 2025   | 2026     | 2027     | 2028     | 2029     | 2030     | 2031     | 2032     | 2033     | 2034     | 2025-34    |
|---|---------------|--|----------|----------|----------|----------|----------|----------|----------|----------|----------|------------|
| Chapter 3: Health Tax   |               |  |          |          |          |          |          |          |          |          |          |            |
| Subchapter A - Improving Eligibility Criteria   |               |  |          |          |          |          |          |          |          |          |          |            |
| 1. Permitting premium tax credit only for certain individuals [1][15][16].....  | tyba 12/31/26 | ---  | ---      | 5,827    | 8,467    | 8,977    | 9,407    | 9,896    | 10,377   | 10,645   | 10,940   | 74,536     |
| 2. Disallowing premium tax credit during periods of Medicaid ineligibility due to alien status [1][15][16].....             | tyba 12/31/25 | ---  | 3,318    | 4,762    | 5,177    | 5,444    | 5,641    | 5,935    | 6,247    | 6,460    | 6,719    | 49,703     |
| Subchapter B - Preventing Waste, Fraud, and Abuse   |               |  |          |          |          |          |          |          |          |          |          |            |
| 1. Requiring verification of eligibility for premium tax credit[1][15][16].....   | tyba 12/31/27 | ---  | ---      | ---      | 3,923    | 5,709    | 5,768    | 5,990    | 6,235    | 6,611    | 7,078    | 41,314     |
| 2. Disallowing premium tax credit in case of certain coverage enrolled in during special enrollment period [1][15][16]..... | pyba 12/31/25 | ---  | 1,639    | 3,398    | 4,678    | 5,118    | 4,986    | 4,966    | 5,028    | 5,378    | 5,594    | 40,785     |
| 3. Eliminating limitation on recapture of advance payment of premium tax credit [1][2][15][16].....                         | tyba 12/31/25 | ---  | 38       | 2,222    | 2,188    | 2,360    | 2,404    | 2,477    | 2,552    | 2,594    | 2,711    | 19,547     |
| 4. Interactions of health policies in Subtitle B Chapter 3 Subchapters A and B [1][2][15][16].....                          | ---           | ---  | -157     | -2,344   | -4,613   | -5,079   | -5,300   | -5,545   | -5,825   | -6,114   | -6,318   | -41,295    |
| Subchapter C- Enhancing Choice for Patients   |               |  |          |          |          |          |          |          |          |          |          |            |
| 1. Permanent extension of safe harbor for absence of deductible for telehealth services [2][16].....                        | pyba 12/31/24 | -7   | -121     | -298     | -414     | -489     | -533     | -570     | -599     | -630     | -660     | -4,320     |
| 2. Allowance of bronze and catastrophic plans in connection with health savings accounts [15][16].....                      | mba 12/31/25  | ---  | -127     | -286     | -373     | -431     | -438     | -451     | -469     | -490     | -499     | -3,563     |
| 3. Treatment of direct primary care service arrangements [2][16].....   | mba 12/31/25  | ---  | -94      | -177     | -241     | -311     | -348     | -372     | -396     | -423     | -450     | -2,811     |
| 4. Interaction of health policies in Subtitle B Chapter 3 Subchapter C [2][15][16].....                                     | ---           | ---  | 8        | 13       | 15       | 20       | 23       | 25       | 26       | 28       | 31       | 189        |
| Total of Chapter 3 .....  |               | -7   | 4,504    | 13,117   | 18,809   | 21,318   | 21,610   | 22,350   | 23,177   | 24,061   | 25,146   | 174,085    |
| Chapter 4: Protecting Rural Hospitals and Providers .....   | ---           | ----- Estimate to be Provided by the Congressional Budget Office ----- |          |          |          |          |          |          |          |          |          |            |
| SUBTITLE C - INCREASE IN DEBT LIMIT - MODIFICATION OF LIMITATION ON THE PUBLIC DEBT.....                                    |               |  |          |          |          |          |          |          |          |          |          |            |
| DEBT.....   | ---           | ----- Estimate to be Provided by the Congressional Budget Office ----- |          |          |          |          |          |          |          |          |          |            |
| NET TOTAL .....   |               | -131,730   | -464,627 | -592,926 | -586,351 | -519,595 | -437,330 | -402,064 | -406,960 | -452,252 | -481,126 | -4,474,972 |

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding. The date of enactment is assumed to be July 1, 2025. Estimates are relative to the present law Congressional Budget Office 2025 macroeconomic forecast.

[Legend and Footnotes for JCX-35-25 appear on the following page]

**Legend and Footnotes for JCX-35-25:**

## Legend for "Effective" column:

apoia = amounts paid or incurred after  
 apoi = amounts paid or incurred in  
 ba = beginning after  
 cba = construction beginning after  
 ceii = contracts entered into in  
 cma = contributions made after  
 cqbm = calendar quarters beginning more than  
 cs = components sold  
 cyba = calendar years beginning after  
 da = days after  
 dda = decedents dying after  
 dma = distributions made after  
 DOE = date of enactment  
 doia = discharge of indebtedness after  
 dsbitusa = distilled spirits brought into the  
 United States after

ema = expenditures made after  
 fcba = facilities construction beginning after  
 foepisa = facilities or equipment placed in  
 service after  
 gma = gifts made after  
 haa = homes acquired after  
 iia = indebtedness incurred after  
 mba = months beginning after  
 miaef = modified inflation adjustment effective for  
 oia = obligations issued after  
 paa = property acquired after  
 pcba = property construction beginning after  
 pci = productions commencing in  
 pma = payments made after

ppisa = property placed in service after  
 pyba = plan years beginning after  
 saa = stock acquired after  
 soei = sales or exchanges in  
 spapta = services performed and property  
 transferred after  
 tma = transfers made after  
 tyba = taxable years beginning after  
 tyea = taxable years ending after  
 tyofc = taxable years of foreign corporations  
 tyosfc = taxable years of specified foreign  
 corporations  
 vaa = vehicles acquired after

## [1] Estimate includes the following outlay effects:

|  | <u>2025</u>                           | <u>2026</u> | <u>2027</u> | <u>2028</u> | <u>2029</u> | <u>2030</u> | <u>2031</u> | <u>2032</u> | <u>2033</u> | <u>2034</u> | <u>2025-34</u> |
|--|---------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|----------------|
| Extension and enhancement of reduced rates.....  | ---                                   | ---         | 1,249       | 1,247       | 1,273       | 1,291       | 1,324       | 1,396       | 1,460       | 1,511       | 10,751         |
| Extension and enhancement of increased standard deduction.....   | ---                                   | 1,719       | 13,128      | 13,012      | 13,059      | 13,224      | 13,384      | 13,644      | 13,975      | 14,370      | 109,515        |
| Termination of deduction for personal exemption other than temporary senior<br>deduction.....  | ---                                   | 411         | -17,340     | -17,039     | -17,075     | -17,475     | -17,590     | -17,741     | -17,927     | -18,387     | -140,163       |
| Extension and enhancement of increased child tax credit.....   | ---                                   | ---         | 22,285      | 22,300      | 23,227      | 23,399      | 24,361      | 24,035      | 25,578      | 25,314      | 190,501        |
| Extension of limitation on deduction for qualified residence interest.....   | ---                                   | ---         | 23          | 18          | 16          | 14          | 12          | 11          | 13          | 11          | 118            |
| Extension and modification of limitation on casualty loss deduction .....  | ---                                   | ---         | -6          | -5          | -6          | -5          | -5          | -5          | -5          | -4          | -41            |
| Limitation on individual deductions for certain state and local taxes.....   | ---                                   | 188         | -425        | -239        | -250        | -235        | -413        | -241        | -223        | -216        | -2,054         |
| Trump accounts and contribution pilot program .....  | 731                                   | 6,578       | 3,650       | 3,640       | ---         | ---         | ---         | ---         | ---         | ---         | 14,599         |
| Enhancement of adoption credit .....   | 185                                   | 410         | 293         | 293         | 178         | 179         | 179         | 180         | 181         | 182         | 2,260          |
| Recognizing Indian tribal governments for purposes of determining whether a<br>child has special needs for purposes of the adoption credit ..... | [8]                                   | [8]         | [8]         | [8]         | [8]         | [8]         | [8]         | [8]         | [8]         | [8]         | 1              |
| Enhancement of the dependent care assistance program .....   | ---                                   | ---         | 3           | 3           | 4           | 4           | 4           | 4           | 4           | 5           | 31             |
| Enhancement of child and dependent care tax credit .....   | ---                                   | ---         | 383         | 401         | 386         | 401         | 387         | 383         | 388         | 383         | 3,112          |
| Permanent renewal and enhancement of opportunity zones.....  | ---                                   | ---         | 8           | 8           | ---         | ---         | ---         | ---         | ---         | ---         | 15             |
| Permanent increase in limitation on cover over of tax on distilled spirits.....  | ---                                   | 251         | 208         | 208         | 208         | 208         | 208         | 208         | 208         | 208         | 1,915          |
| Termination of previously-owned clean vehicle credit.....  | ---                                   | 43          | 174         | 217         | 345         | 454         | 519         | 637         | 584         | ---         | 2,972          |
| Termination of clean vehicle credit .....  | ---                                   | -966        | -2,932      | -7,098      | -11,729     | -14,008     | -15,700     | -17,613     | ---         | ---         | -70,046        |
| Modifications of zero-emission nuclear power production credit .....   | ----- Negligible Revenue Effect ----- |             |             |             |             |             |             |             |             |             |                |



**Footnotes for JCX-35-25 continued:**

|  | <u>2025</u>                           | <u>2026</u> | <u>2027</u> | <u>2028</u> | <u>2029</u> | <u>2030</u> | <u>2031</u> | <u>2032</u> | <u>2033</u> | <u>2034</u> | <u>2025-34</u> |
|--|---------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|----------------|
| [1] Estimate includes the following outlay effects:  |                                       |             |             |             |             |             |             |             |             |             |                |
| Termination and restrictions on clean electricity production credit.....                                     | ---                                   | ---         | ---         | ---         | ---         | -1          | -5          | -13         | -26         | -43         | -88            |
| Termination and restrictions on clean electricity investment credit.....                                     | ---                                   | ---         | ---         | -4          | -120        | -182        | -250        | -326        | -370        | -390        | -1,643         |
| Phase-out and restrictions on advanced manufacturing production credit.....                                  | -27                                   | -95         | -138        | -132        | -117        | -91         | -74         | -58         | -18         | ---         | -749           |
| Restriction on the extension of advanced energy project credit program.....                                  | ----- Negligible Revenue Effect ----- |             |             |             |             |             |             |             |             |             |                |
| Restrictions on carbon oxide sequestration credit.....   | ----- Negligible Revenue Effect ----- |             |             |             |             |             |             |             |             |             |                |
| Termination of clean hydrogen production credit.....   | ---                                   | ---         | ---         | ---         | -12         | -66         | -237        | -615        | -967        | -1,267      | -3,164         |
| Enforcement provisions with respect to COVID-related ERTC.....   | -61                                   | -251        | -92         | -5          | ---         | ---         | ---         | ---         | ---         | ---         | -409           |
| Social Security number requirement for American Opportunity and Lifetime Learning Credits .....              | ---                                   | --          | -30         | -32         | -32         | -32         | -31         | -30         | -30         | -30         | -247           |
| Permitting premium tax credit only for certain individuals.....  | ---                                   | ---         | -5,453      | -7,923      | -8,399      | -8,796      | -9,254      | -9,713      | -9,971      | -10,256     | -69,765        |
| Disallowing premium tax credit during periods of Medicaid ineligibility due to alien status.....             | ---                                   | -3,307      | -4,746      | -5,159      | -5,426      | -5,621      | -5,913      | -6,224      | -6,436      | -6,695      | -49,527        |
| Requiring Exchange verification of eligibility for health plan.....  | ---                                   | ---         | ---         | -3,521      | -5,124      | -5,161      | -5,353      | -5,560      | -5,895      | -6,316      | -36,930        |
| Disallowing premium tax credit in case of certain coverage enrolled in during special enrollment period..... | ---                                   | -1,587      | -3,293      | -4,534      | -4,963      | -4,833      | -4,810      | -4,867      | -5,191      | -5,404      | -39,482        |
| Eliminating limitation on recapture of advance payment of premium tax credit.....                            | ---                                   | -39         | -1,973      | -1,958      | -2,106      | -2,132      | -2,181      | -2,242      | -2,264      | -2,371      | -17,264        |
| Interactions of health policies in Subtitle B Chapter 3 Subchapters A and B.....                             | ---                                   | 151         | 2,041       | 4,074       | 4,520       | 4,733       | 4,968       | 5,253       | 5,513       | 5,717       | 36,969         |
| [2] Estimate includes the following off-budget effects:  | <u>2025</u>                           | <u>2026</u> | <u>2027</u> | <u>2028</u> | <u>2029</u> | <u>2030</u> | <u>2031</u> | <u>2032</u> | <u>2033</u> | <u>2034</u> | <u>2025-34</u> |
| Extension and modification of qualified transportation fringe benefits .....                                 | ---                                   | -1          | -11         | -11         | -11         | -12         | -12         | -12         | -13         | -13         | -96            |
| Extension and modification of limitation on deduction and exclusion for moving expenses.....                 | ---                                   | 58          | 117         | 122         | 127         | 133         | 138         | 144         | 150         | 155         | 1,145          |
| Extension and enhancement of paid family and medical leave credit.....                                       | ---                                   | 14          | 24          | 30          | 36          | 42          | 49          | 56          | 63          | 71          | 384            |
| Enhancement of the dependent care assistance program.....  | ---                                   | -85         | -132        | -143        | -150        | -157        | -164        | -171        | -178        | -185        | -1,366         |
| Eliminating limitation on recapture of advance payment of premium tax credit.....                            | ---                                   | [3]         | -1          | -2          | -3          | -3          | -4          | -4          | -4          | -4          | -25            |
| Interactions of health policies in Subtitle B Chapter 3 Subchapters A and B.....                             | ---                                   | [8]         | [8]         | [8]         | [8]         | 1           | 1           | 1           | 1           | 1           | 4              |
| Permanent extension of safe harbor for absence of deductible for telehealth services.....                    | -2                                    | -31         | -78         | -109        | -129        | -140        | -149        | -157        | -166        | -174        | -1,134         |
| Treatment of direct primary care service arrangements.....   | ---                                   | -25         | -46         | -63         | -81         | -91         | -97         | -104        | -111        | -119        | -737           |
| Interaction of health policies in Subtitle B Chapter 3 Subchapter C.....                                     | ---                                   | 2           | 5           | 6           | 8           | 9           | 10          | 10          | 11          | 12          | 73             |

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

[4] Extension is effective for taxable years ending after December 31, 2025. Increase of credit amount is effective for taxable years beginning after December 31, 2026.

[5] Sunset does not apply to the 45B tip credit expansion.

[6] Effective for construction beginning after January 19, 2025 or property acquired after January 19, 2025.

[7] Increase in deemed paid credit for taxable years beginning after December 31, 2025; previously taxed net CFC tested income distributed after June 28, 2025.

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

[Footnotes for JCX-35-25 continue on the following page]

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**Footnotes for JCX-35-25 continued:**

- [9] Effective for sales or other dispositions occurring after June 16, 2025; expense apportionment in taxable years beginning after December 31, 2025.
- [10] The increase in State housing ceiling amounts is effective for calendar years beginning after 2025; the modification of the tax-exempt bond financing requirement is effective for buildings placed in service in taxable years beginning after December 31, 2025.
- [11] Estimate provided by the Congressional Budget Office.
- [12] De minimis rules apply as if included in section 9674 of Public Law No. 117-2, the American Rescue Plan Act (enacted on March 11, 2021). Application to backup withholding applies to calendar years beginning after December 31, 2024.
- [13] Exclusion of fuel produced from foreign feedstocks, except from Mexico or Canada, applies to transportation fuel produced after December 31, 2025; prohibition of negative emissions rates and other determinations of emissions rates apply to emissions rates published for transportation fuel produced after December 31, 2025; extension of the clean fuel production credit, preventing double credit and authority to prescribe rules relating sales to unrelated persons, are effective on date of enactment; the coordination of credits generally applies to fuel sold before, on, and after date of enactment; the elimination of the special rate for sustainable aviation fuel applies to fuel produced after December 31, 2025; the termination of the section 6426(k) credit for sustainable aviation fuel applies to any sale or use for any period after September 30, 2025; the extension and modification of the small agri-biodiesel producer credit applies to fuel sold or used after June 30, 2025; the registration of producers of fuel eligible for the clean fuel production credit applies to transportation fuel produced after December 31, 2024; restrictions relating to prohibited foreign entities apply to taxable years beginning after the date of enactment.
- [14] Effective for eligible indelibly dyed diesel fuel or kerosene removed on or after the date that is 180 days after the date of enactment.
- [15] Estimate provided by the Joint Committee on Taxation and the Congressional Budget Office.
- [16] Estimate was prepared relative to a baseline that does not include the effects of regulations on marketplace integrity and affordability made final on June 25, 2025. 90 Fed. Reg. 27074.