

JOINT COMMITTEE ON TAXATION
February 9, 2021
JCX-9-21

**ESTIMATED BUDGETARY EFFECTS OF THE REVENUE PROVISIONS OF THE CHAIRMAN'S AMENDMENT IN THE NATURE OF A SUBSTITUTE TO THE
BUDGET RECONCILIATION LEGISLATIVE RECOMMENDATIONS,
SCHEDULED FOR MARKUP BY THE HOUSE COMMITTEE ON WAYS AND MEANS
ON FEBRUARY 10, 2021**

Fiscal Years 2021 - 2031

[Millions of Dollars]

Provision	Effective	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021-26	2021-31
SUBTITLE F - PRESERVING HEALTH BENEFITS FOR WORKERS (SUNSET 9/30/21) [1][2].....	cpo/a 4/1/21 & tyea DOE	-10,223	-3,146	116	---	---	---	---	---	---	---	---	-13,253	-13,253
SUBTITLE G - PROMOTING ECONOMIC SECURITY														
I. Additional Recovery Rebates to Individuals - \$1,400 for Singles/\$2,800 for Married Filing Jointly (SSN Required for Each Taxpayer), and \$1,400 Per Dependent (SSN Required for Each Dependent); Phaseout Ranges by AGI: \$75,000-\$100,000 for Single, \$112,500-\$150,000 for Head of Household, \$150,000-\$200,000 for Married Filing Jointly (Fully Phased Out at Larger Amounts); Payments to Certain Non-Filers (Sunset 12/31/21).....														
	DOE	-404,937	-17,400	---	---	---	---	---	---	---	---	---	-422,337	-422,337
II. Child Tax Credit - Improvements for 2021 (Sunset 12/31/21); and Application of Child Tax Credit in Possessions [3]														
	tyba 12/31/20	-25,826	-79,248	-710	-721	-725	-721	-307	-311	-316	-320	-323	-107,952	-109,528
III. Earned Income Tax Credit														
1. Strengthening the earned income tax credit for individuals with no qualifying children (sunset 12/31/21) [3].....														
	tyba 12/31/20	-521	-11,361	---	---	---	---	---	---	---	---	---	-11,882	-11,882
2. Taxpayer eligible for childless earned income credit in case of qualifying children who fail to meet certain identification requirements [3].....														
	tyba 12/31/20	[4]	-12	-2	-1	-1	-1	-2	-2	-2	-2	-2	-16	-26
3. Credit allowed in case of certain separated spouses [3].....														
	tyba 12/31/20	-1	-20	-21	-22	-23	-25	-25	-27	-28	-30	-31	-111	-252
4. Modification to disqualified investment income test [3].....														
	tyba 12/31/20	-102	-652	-198	-200	-225	-229	-238	-233	-231	-240	-251	-1,606	-2,798
5. Application of earned income tax credit in possessions of the United States [3].....														
	DOE	---	-738	-746	-764	-781	-798	-814	-831	-849	-867	-885	-3,828	-8,074
6. Temporary special rule for determining earned income for purposes of earned income tax credit (sunset 12/31/20) [3].														
	DOE	---	-3,185	---	---	---	---	---	---	---	---	---	-3,185	-3,185
Total of Earned Income Tax Credit.....		-624	-15,968	-967	-987	-1,030	-1,053	-1,079	-1,093	-1,110	-1,139	-1,169	-20,628	-26,217

Provision	Effective	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021-26	2021-31
IV. Dependent Care Assistance														
1. Refundability and enhancement of child and dependent care tax credit (sunset 12/31/21) [3].....	tyba 12/31/20	-2,127	-5,837	---	---	---	---	---	---	---	---	---	-7,964	-7,964
2. Increase in exclusion for employer-provided dependent care assistance (sunset 12/31/21) [5].....	tyba 12/31/20	-78	-39	---	---	---	---	---	---	---	---	---	-117	-117
Total of Dependent Care Assistance.....		-2,205	-5,876	---	---	---	---	---	---	---	---	---	-8,081	-8,081
V. Extension and Modification of Credits for Paid Sick and Family Leave (sunset 9/30/21)														
	apa 3/31/21	-4,054	-1,154	---	---	---	---	---	---	---	---	---	-5,208	-5,208
VI. Extension and Modification of the Employee Retention Credit (sunset 12/31/21) [3].....														
	cqba 6/30/21	-2,791	-5,993	---	---	---	---	---	---	---	---	---	-8,784	-8,784
VII. The Premium Tax Credit														
1. Improving affordability by expanding premium assistance for consumers (sunset 12/31/22) [3][6][2].....	tyba 12/31/20	-4,137	-22,234	-7,964	-536	23	---	---	---	---	---	---	-34,848	-34,847
2. Temporary modification of limitations on reconciliation of tax credits for coverage under a qualified health plan with advance payments of such credit [7].....	tyba 12/31/19	-4,696	-1,565	---	---	---	---	---	---	---	---	---	-6,261	-6,261
3. Application of premium tax credit in case of individuals receiving unemployment compensation during 2021 [3][2][8].....	tyba 12/31/20	-2,624	-1,660	-232	---	---	---	---	---	---	---	---	-4,516	-4,516
Total of the Premium Tax Credit		-11,457	-25,459	-8,196	-536	23	---	---	---	---	---	---	-45,625	-45,624
VIII. Miscellaneous Provisions														
1. Repeal of worldwide interest allocation rules.....	tyba 12/31/20	335	1,277	2,023	2,284	2,383	2,334	2,358	2,385	2,343	2,283	2,327	10,636	22,331
2. Tax treatment of targeted economic injury disaster loan advances.....	---	----- Estimate to Be Provided By The Congressional Budget Office -----												
3. Tax treatment of restaurant revitalization grants.....	---	----- Estimate to Be Provided By The Congressional Budget Office -----												
Total of Miscellaneous Provisions		335	1,277	2,023	2,284	2,383	2,334	2,358	2,385	2,343	2,283	2,327	10,636	22,331
SUBTITLE H - PENSIONS														
A. Relief for Multiemployer Pension Plans [9].....	various	----- Estimate To Be Provided by the Congressional Budget Office-----												
B. Relief for Single Employer Pension Plans														
1. Extended amortization for single employer plans [3][10]....	pyba 12/31/18	361	508	826	1,191	2,335	1,678	2,819	3,234	3,477	3,346	3,068	6,899	22,841
2. Extension of pension funding stabilization percentages for single employer plans [3][10].....	pyba 12/31/19	----- Estimate Included In Item B.1. Above -----												
3. Modification of special rules for minimum funding standards for community newspaper plans [3][9][11].....	pyea 12/31/17	25	19	24	27	28	31	33	33	32	30	30	154	311

Provision	Effective	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021-26	2021-31
C. Reconciliation Offsets - Cost of Living Adjustment Freeze.	cyba 12/31/30	---	---	---	---	---	---	---	-34	-119	-247	421	---	21
Total of Subtitle H - Pensions		386	527	850	1,218	2,363	1,709	2,852	3,233	3,390	3,129	3,519	7,053	23,173
NET TOTAL		-461,396	-152,440	-6,884	1,258	3,014	2,269	3,824	4,214	4,307	3,953	4,354	-614,179	-593,528

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding. The date of enactment is assumed to be March 1, 2021. Revenue provisions as submitted in statutory language Neal_008, Neal_009 and Neal_010.

Legend for "Effective" column:

- apa = amounts paid after
- cpo/a = coverage period on or after
- cqba = calendar quarters beginning after
- cyba = calendar years beginning after
- DOE = date of enactment
- pyba = plan years beginning after
- pyea = plan years ending after
- tyba = taxable years beginning after
- tyea = taxable years ending after

[1] Estimate includes the following budget effects:		<u>2021</u>	<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>2021-26</u>	<u>2021-31</u>
Total Revenue Effect.....		-10,223	-3,146	116	---	---	---	---	---	---	---	---	-13,253	-13,253
On-budget effects.....		-10,227	-3,114	129	---	---	---	---	---	---	---	---	-13,212	-13,212
Off-budget effects.....		4	-32	-13	---	---	---	---	---	---	---	---	-41	-41
[2] Estimate provided by the Joint Committee on Taxation staff in collaboration with the Congressional Budget Office.														
[3] Estimates contain the following outlay effects:		<u>2021</u>	<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>2021-26</u>	<u>2021-31</u>
Preserving health benefits for workers		-605	-374	-74	---	---	---	---	---	---	---	---	-1,053	-1,053
Child tax credit - improvements for 2021 (sunset 12/31/21); and application of child tax credit in possessions.....		18,169	66,185	710	721	725	721	307	311	316	320	323	87,232	88,808
Strengthening the earned income tax credit for individuals with no qualifying children (sunset 12/31/21).....		---	9,278	---	---	---	---	---	---	---	---	---	9,278	9,278
Taxpayer eligible for childless earned income credit in case of qualifying children who fail to meet certain identification requirements.....		---	11	2	1	1	1	2	2	2	2	2	16	26
Improving affordability by expanding premium assistance for consumers.....		2,725	14,306	5,203	450	---	---	---	---	---	---	---	22,684	22,684
Extension and modification of the employee retention credit		1,090	878	---	---	---	---	---	---	---	---	---	1,968	1,968
Application of premium tax credit in case of individuals receiving unemployment compensation during 2020.....		1,351	926	149	---	---	---	---	---	---	---	---	2,426	2,426
Credit allowed in case of certain separated spouses.....		---	18	18	19	20	21	21	22	23	24	24	96	210
Modification to disqualified investment income test.....		---	235	141	143	165	164	162	159	159	165	173	847	1,665
Application of earned income tax credit in possessions of United States.....		---	738	746	764	781	798	814	831	849	867	885	3,828	8,074
Temporary special rule for determining earned income for purposes of earned income tax credit		---	2,866	---	---	---	---	---	---	---	---	---	2,866	2,866
Refundability and enhancement of child and dependent care tax credit (sunset 12/31/21)		---	3,752	---	---	---	---	---	---	---	---	---	3,752	3,752
Modification of special rules for minimum funding standards for community newspaper plans [12].....		-7	-7	-11	-15	-18	-21	-24	-27	-30	-32	-35	-79	-227
Extended amortization for single employer plans.....		-107	-144	-232	-353	-1,124	-93	-917	-1,156	-1,419	-1,643	-1,819	-2,053	-9,007

[Footnotes for JCX-9-21 continued on following page]

Footnotes continued for JCX-9-21:

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

	<u>2021</u>	<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>2021-26</u>	<u>2021-31</u>
[5] Estimate includes the following budget effects:													
Total Revenue Effect.....	-78	-39	---	---	---	---	---	---	---	---	---	-117	-117
On-budget effects.....	-27	-14	---	---	---	---	---	---	---	---	---	-41	-41
Off-budget effects.....	-51	-25	---	---	---	---	---	---	---	---	---	-76	-76
[6] Estimate includes the following budget effects:													
Total Revenue Effect.....	-4,137	-22,345	-7,964	-536	23	---	---	---	---	---	---	-34,959	-34,959
On-budget effects.....	-4,144	-22,421	---	---	---	---	---	---	---	---	---	-26,565	-26,565
Off-budget effects.....	7	76	52	10	---	---	---	---	---	---	---	145	145

[7] The statute applies in the case of any taxable year beginning in 2020, so the sunset only applies to tax year 2020.

	<u>2021</u>	<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>2021-26</u>	<u>2021-31</u>
[8] Estimate includes the following budget effects:													
Total Revenue Effect.....	-2,624	-1,660	-232	---	---	---	---	---	---	---	---	-4,516	-4,516
On-budget effects.....	-2,731	-2,586	-381	---	---	---	---	---	---	---	---	-5,698	-5,698
Off-budget effects.....	107	926	149	---	---	---	---	---	---	---	---	1,182	1,182

[9] Estimate provided by the Congressional Budget Office.

	<u>2021</u>	<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>2021-26</u>	<u>2021-31</u>
[10] Estimate includes the following budget and outlay effects:													
Total Revenue Effect.....	361	508	826	1,191	2,335	1,678	2,819	3,234	3,477	3,346	3,068	6,899	22,842
On-budget effects.....	229	312	499	689	973	1,272	1,522	1,644	1,611	1,329	975	3,973	11,055
Off-budget effects.....	25	53	95	150	238	312	380	434	447	374	273	873	2,781
[11] Estimate includes the following budget and outlay effects:													
Total Revenue Effect.....	25	19	24	27	28	31	33	33	32	30	30	154	311
On-budget effects.....	16	10	11	9	8	8	6	4	[13]	-3	-5	61	63
Off-budget effects.....	2	2	3	3	3	3	3	2	1	1	[13]	14	21

[12] Outlay effects provided by the Congressional Budget Office. For estimates under Subtitle H, items 2.B.1., 2 B.2 and 2.B.3, spending is decreased (negative) as premiums rise due to higher plan underfunding; this has the same effect on the deficit as an increase in revenues.

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