

- Committee on Finance -  
**ESTIMATED REVENUE EFFECTS OF POSSIBLE PROPOSALS TO AMEND THE "SMALL BUSINESS AND WORK OPPORTUNITY ACT OF 2007,"**  
**CONTAINED IN H.R. 2, AS PASSED BY THE SENATE [1]**

Fiscal Years 2007 - 2017

[Millions of Dollars]

| Provision   | Effective                 | 2007   | 2008        | 2009        | 2010        | 2011        | 2012        | 2013        | 2014        | 2015        | 2016        | 2017        | 2007-12       | 2007-17       |
|---|---------------------------|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|---------------|---------------|
| <b>I. Extension and Expansion of Certain Provisions</b>   |                           |  |             |             |             |             |             |             |             |             |             |             |               |               |
| 1. One-year extension to special increase in expensing under section 179 for GO Zone property (sunset 12/31/08).....                      | tyba 12/31/09             | ---  | -14         | -10         | 7           | 5           | 3           | 3           | 2           | 1           | 1           | ---         | -9            | -2            |
| 2. Extension of the 15-year straight-line cost recovery period for qualified leasehold and restaurant improvements (sunset 12/31/08)..... | ppisa 12/31/07            | ---  | -70         | -205        | -267        | -261        | -254        | -232        | -220        | -231        | -227        | -222        | -1,058        | -2,190        |
| 3. 15-year recovery period for new restaurant buildings (sunset 12/31/08).....  | ppisa DOE                 | ---  | -23         | -60         | -72         | -72         | -71         | -71         | -70         | -68         | -67         | -60         | -299          | -635          |
| 4. 15-year straight-line recovery period for qualified retail improvement property (sunset 12/31/08).....                                 | ppisa DOE                 | ---  | -18         | -54         | -70         | -69         | -67         | -60         | -57         | -60         | -59         | -59         | -278          | -572          |
| 5. Expand WOTC to include outmigration counties (sunset 12/31/12).....  | DOE                       | [2]  | -4          | -12         | -17         | -20         | -23         | -18         | -9          | -4          | -2          | -1          | -76           | -111          |
| 6. Shorten the useful lives for cost recovery purposes for outmigration counties.....   | ppisa DOE & before 4/1/08 | -109   | -207        | -108        | -4          | 20          | 23          | 16          | 11          | 1           | 3           | 13          | -385          | -340          |
| 7. Permit interest deduction to qualifying small business trusts .....  | tyba 12/31/06             | ---  | -2          | -3          | -4          | -5          | -5          | -6          | -8          | -9          | -11         | -12         | -18           | -64           |
| 8. Private debt collection by the disabled .....  | tcaa DOE                  | ----- Negligible Revenue Effect -----                                  |             |             |             |             |             |             |             |             |             |             |               |               |
| <b>Extension and Expansion of Certain Provisions .....</b>  |                           | <b>-109</b>  | <b>-338</b> | <b>-452</b> | <b>-427</b> | <b>-402</b> | <b>-394</b> | <b>-368</b> | <b>-351</b> | <b>-370</b> | <b>-362</b> | <b>-341</b> | <b>-2,123</b> | <b>-3,914</b> |
| <b>II. Provisions That Raise Revenue</b>  |                           |  |             |             |             |             |             |             |             |             |             |             |               |               |
| 1. Increase information return penalties.....   | irrtbfo/a 1/1/08          | ---  | ---         | ---         | 35          | 85          | 83          | 82          | 81          | 81          | 79          | 78          | 202           | 603           |
| 2. Require e-filing by certain large businesses.....  | tyeo/a 12/31/08           | ----- No Revenue Effect -----  |             |             |             |             |             |             |             |             |             |             |               |               |
| 3. Allow IRS access to information in the National Directory of New Hires .....   | DOE                       | ----- No Revenue Effect -----  |             |             |             |             |             |             |             |             |             |             |               |               |
| 4. Permit disclosure of prison tax scams.....   | do/a 1/1/08               | ---  | ---         | [3]         | [3]         | [3]         | [3]         | [3]         | [3]         | [3]         | [3]         | [3]         | 2             | 5             |
| 5. Make repeated willful failure to file a tax return a felony.....   | rtrbfo/a 1/1/08           | ---  | [3]         | [3]         | [3]         | [3]         | [3]         | [3]         | [3]         | [3]         | [3]         | [3]         | 2             | 5             |
| 6. Expand preparer penalties.....   | rfo/a 1/1/08              | ---  | 3           | 5           | 6           | 8           | 9           | 9           | 10          | 10          | 11          | 11          | 31            | 82            |
| 7. Impose penalty on failure to comply with electronic filing requirements.....   | rtrbfo/a 1/1/08           | ----- Negligible Revenue Effect -----                                  |             |             |             |             |             |             |             |             |             |             |               |               |
| 8. Establish penalties for filing erroneous refund claims.....  | rfo/a 1/1/08              | ---  | ---         | ---         | 5           | 10          | 11          | 12          | 13          | 14          | 16          | 17          | 26            | 98            |
| 9. Repeal suspension of certain interest under section 6404(g) (36-month rule).....   | [4]                       | ---  | 162         | 246         | 248         | 250         | 251         | 252         | 254         | 255         | 256         | 257         | 1,157         | 2,430         |
| 10. Termination of installment agreements.....  | foo/a DOE                 | ----- No Revenue Effect -----  |             |             |             |             |             |             |             |             |             |             |               |               |
| 11. Office of chief counsel review of offers-in-compromise.....   | oicsopo/a DOE             | ----- No Revenue Effect -----  |             |             |             |             |             |             |             |             |             |             |               |               |
| 12. Authorization for financial management service retention of transaction fees from levied amounts.....                                 | ---                       | ----- Estimate to be Provided by the Congressional Budget Office ----- |             |             |             |             |             |             |             |             |             |             |               |               |
| 13. Extension of IRS authority to fund undercover operations (sunset 12/31/09).....   | 1/1/08                    | ---  | [3]         | ---         | ---         | ---         | ---         | ---         | ---         | ---         | ---         | ---         | [3]           | [3]           |
| 14. Increase in age of minor children whose unearned income is taxed as if parent's income.....   | tyba DOE                  | ---  | 34          | 139         | 144         | 148         | 143         | 146         | 156         | 163         | 174         | 185         | 608           | 1,432         |

| Provision  | Effective               | 2007                          | 2008        | 2009       | 2010       | 2011       | 2012       | 2013       | 2014       | 2015       | 2016       | 2017       | 2007-12      | 2007-17      |
|--|-------------------------|-------------------------------|-------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|--------------|
| 15. Limitation on annual amounts which may be deferred under nonqualified deferred compensation arrangements..               | generally tyba 12/31/06 | ----- No Revenue Effect ----- |             |            |            |            |            |            |            |            |            |            |              |              |
| 16. Increase in penalty excise taxes on the political and excess lobbying activities of section 501(c)(3) organizations..... | tyba DOE                | [5]                           | [5]         | [5]        | [5]        | [5]        | [5]        | [5]        | [5]        | [5]        | [5]        | [5]        | 1            | 2            |
| 17. Increase in penalties for failure to file Form 990.....  | rfo/a 1/1/08            | ---                           | [5]         | [5]        | [5]        | [5]        | [5]        | [5]        | [5]        | [5]        | [5]        | [5]        | 2            | 5            |
| <b>Total of Proposals That Raise Revenue .....</b>   |                         | <b>[5]</b>                    | <b>199</b>  | <b>390</b> | <b>438</b> | <b>501</b> | <b>497</b> | <b>501</b> | <b>514</b> | <b>523</b> | <b>536</b> | <b>548</b> | <b>2,031</b> | <b>4,662</b> |
| <b>NET TOTAL .....</b>   |                         | <b>-109</b>                   | <b>-139</b> | <b>-62</b> | <b>11</b>  | <b>99</b>  | <b>103</b> | <b>133</b> | <b>163</b> | <b>153</b> | <b>174</b> | <b>207</b> | <b>-92</b>   | <b>748</b>   |

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding. The date of enactment is assumed to be July 1, 2007.

Legend for "Effective" column:

DOE = date of enactment

do/a = disclosures on or after

foo/a = failures occurring on or after

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

oicsopo/a = offers-in-compromise submitted or pending on or after

ppisa = property placed in service after

rfo/a = returns filed on or after

rrtbfo/a = returns required to be filed on or after

tcaa = tax collection contracts awarded after

tyba = taxable years beginning after

tyeo/a = taxable years ending on or after

[1] Estimates are presented relative to H.R. 2, as passed by the Senate.

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

[3] Gain of less than \$1 million.

[4] Effective for IRS notices issued after the date which is six months after the date of enactment.

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

rrtbefo/a = returns required to be electronically filed on or after