

JOINT COMMITTEE ON TAXATION
September 22, 2009
JCX-36-09

**ESTIMATED REVENUE EFFECTS OF THE REVENUE PROVISIONS CONTAINED IN THE CHAIRMAN'S MARK, AS MODIFIED, OF
THE "AMERICA'S HEALTHY FUTURE ACT OF 2009,"
SCHEDULED FOR MARKUP BY THE COMMITTEE ON FINANCE ON SEPTEMBER 22, 2009**

Fiscal Years 2010 - 2019

[Billions of Dollars]

Provision	Effective	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2010-14	2010-19
Revenue Items													
1. 40% excise tax on health coverage in excess of \$8,000/\$21,000 indexed for inflation by CPI-U plus 1% and increased thresholds for over age 55 retirees or certain high-risk professions; levied at insurer level; employer aggregates and issues information return for insurers indicating amount subject to the excise tax; nondeductible; high 17 state transition relief.....	tyba 12/31/12	---	---	---	10.1	18.1	23.5	29.8	35.4	41.0	47.3	28.1	205.1
2. Employer W-2 reporting of value of health benefits.....	tyba 12/31/09	----- <i>Negligible Revenue Effect</i> -----											
3. Conform the definition of medical expenses for health flexible spending arrangements to the definition of the itemized deduction for medical expenses (including prescription purchases of over-the-counter medicines).....	tyba 12/31/09	0.4	0.4	0.5	0.5	0.5	0.6	0.6	0.6	0.6	0.7	2.3	5.4
4. Increase the penalty for nonqualified health savings account distributions to 20%.....	dmd tyba 12/31/10	---	[1]	[1]	0.1	0.1	0.1	0.2	0.2	0.3	0.3	0.2	1.3
5. Limit health flexible spending arrangements in cafeteria plans to \$2,500 [2].....	tyba 12/31/10	---	0.6	0.9	1.6	2.0	1.9	1.9	1.9	1.9	1.9	5.1	14.6
6. Corporate information reporting.....	pma 12/31/11	---	---	0.4	3.3	2.0	2.1	2.2	2.3	2.4	2.5	5.6	17.1
7. Additional requirements for section 501(c)(3) hospitals.....	tyba DOE	----- <i>Negligible Revenue Effect</i> -----											
8. Impose annual fee on manufacturers and importers of branded drugs.....	1/1/10	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	8.6	17.2
9. Impose annual fee on manufacturers and importers of certain medical devices.....	1/1/10	2.9	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	14.9	29.9
10. Impose annual fee on health insurance providers.....	1/1/10	3.0	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7	21.8	45.3

Provision	Effective	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2010-14	2010-19
11. Eliminate deduction for expenses allocable to Medicare Part D subsidy.....	tyba 12/31/10	---	0.3	0.4	0.4	0.4	0.4	0.5	0.5	0.5	0.6	1.5	4.0
12. Simple cafeteria plan nondiscrimination safe harbor for certain small employers.....	tyba 12/31/10	----- <i>Negligible Revenue Effect</i> -----											
13. Long-term care insurance permitted to be offered under cafeteria plans and health flexible spending arrangements [3].....	tyba 12/31/10	---	-0.2	-0.3	-0.3	-0.4	-0.4	-0.4	-0.5	-0.5	-0.6	-1.2	-3.6
14. Provide income exclusion for Indian tribe health benefits.....	[4]	---	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]
15. Raise 7.5% AGI floor on medical expenses deduction to 10%.....	tyba 12/31/12	---	---	---	0.9	3.0	3.2	3.4	3.6	3.7	3.9	3.9	21.7
Total of Revenue Items.....		8.0	10.5	11.3	26.0	35.1	40.8	47.6	53.4	59.3	66.0	90.8	358.0
Incremental Effect of Revenue Provisions in Modified Coverage Title													
1. Extend small business credit to section 501(c)(3) organizations with phase one credit rate of 25% and phase two credit rate of 35%.....	tyba 12/31/10	---	-0.2	-0.4	-0.3	-0.3	-0.2	-0.2	-0.2	-0.2	-0.2	-1.2	-2.1
2. Modify definition of income qualifying for exchange subsidies.....	1/1/13	---	---	---	[1]	0.2	0.3	0.3	0.3	0.3	0.4	0.2	1.8
Total of Incremental Effect of Revenue Provisions in Modified Coverage Title.....		---	-0.2	-0.4	-0.3	-0.1	0.1	0.1	0.1	0.1	0.2	-1.0	-0.3
NET TOTAL		8.0	10.3	10.9	25.7	35.0	40.9	47.7	53.5	59.4	66.2	89.8	357.7

Joint Committee on Taxation

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

Legend for "Effective" column:

dmd = disbursements made during

pma = payments made after

tyba = taxable years beginning after

[1] Gain of less than \$50 million.

[2] Estimate includes interaction with other proposals.

[3] Estimate includes interaction with proposal to limit health flexible spending arrangements in cafeteria plans to \$2,500.

[4] Effective for health benefits and coverage provided after the date of enactment.

[5] Loss of less than \$50 million.