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Congress of the United States

JOINT COMMITTEE ON TAXATION
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NOV 07 2017

Honorable Kevin Brady
U.S. House of Representatives
1011 Longworth HOB
Washington, D.C. 20515

Dear Chairman Brady:

This letter is in response to your request of November 6, 2017, for the revenue effects of the Chairman's amendment to the Chairman's Amendment in the Nature of a Substitute ("AINS") to H.R. 1, the "Tax Cut and Jobs Act." The enclosed table provides a breakout of the components of the Chairman's amendment, estimated relative to the AINS of H.R.1.

I hope that this information is helpful to you. If we can be of further assistance in this matter, please let me know.

Sincerely,



Thomas A. Barthold

Enclosure: Table #17-1 095 R2

cc: Members of the Committee on Ways and Means
Barbara Angus
Kara Getz

**ESTIMATED REVENUE EFFECTS OF THE CHAIRMAN'S AMENDMENT TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 1,
 THE "TAX CUTS AND JOBS ACT,"
 FOR MARKUP BY THE COMMITTEE ON WAYS AND MEANS ON NOVEMBER 6, 2017**

Fiscal Years 2018 - 2027

[Billions of Dollars]

Provision	Effective	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2018-22	2018-27
Total of the AINS to H.R. 1 (JCX-47-17)		-114.1	-219.4	-207.3	-187.9	-172.4	-95.0	-49.9	-88.9	-121.8	-155.6	-901.1	-1,413.5
Chairman's Amendment to the AINS													
1. Procedures to reduce improper claims of earned income credit.....	tyea DOE												
2. Certain income disallowed for purposes of the EITC.....	tyea DOE												
3. Exclusion for dependent care assistance programs (sunset 12/31/22) [1].....	tyba 12/31/17	-0.5	-0.6	-0.6	-0.6	-0.7	-0.1	---	---	---	---	-3.0	-3.1
4. Recharacterization of certain gains on property held for fewer than 3 years in the case of partnership profits interest held in connection with performance of investment services.....	tyba 12/31/17	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.7	1.2
5. Treatment of qualified equity grants.....	[2]	-0.2	-0.3	-0.2	-0.2	-0.1	-0.1	[3]	[3]	-0.1	-0.1	-1.0	-1.2
6. Increase threshold for tax on endowments of private colleges and universities from \$100,000 to \$250,000 per student.....	tyba 12/31/17	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	-0.2	-0.4
7. Modifications to the excise tax/deemed ECI provision.....	apocaa 12/31/18	---	-5.3	-13.2	-16.5	-17.3	-17.5	-18.2	-19.3	-19.8	-20.4	-52.4	-147.5
8. Modifications to the foreign high returns provision.....	[4]	-0.6	-1.1	-1.0	-1.0	-1.0	-0.9	-1.0	-1.0	-1.0	-1.0	-4.7	-9.6
9. Eliminate adverse impact on songwriters.....	Da 12/31/17	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	[3]	-0.1	-0.1
Chairman's Amendment to the AINS		-1.1	-7.1	-14.9	-18.2	-19.0	-18.5	-19.1	-20.2	-20.8	-21.4	-60.7	-160.7
NET TOTAL		-115.2	-226.5	-222.2	-206.1	-191.4	-113.5	-69.0	-109.1	-142.6	-177.0	-961.8	-1,574.2

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding. The date of enactment is generally assumed to be December 1, 2017.

[Legend and Footnotes for Table #17-1 095 R2 appear on the following page]

Legend and Footnotes for Table #17-1 095 R2:

Legend for "Effective" column:

apaaa = amounts paid or accrued after

Da = dispositions after

DOE = date of enactment

tyba = taxable years beginning after

tyea = taxable years ending after

[1] Estimate includes the following budget effects:

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2018-22	2018-27
Total Revenue Effect.....	-0.5	-0.6	-0.6	-0.6	-0.7	-0.1	---	---	---	---	-3.0	-3.1
On-budget effects.....	-0.1	-0.2	-0.2	-0.2	-0.2	-0.1	---	---	---	---	-1.0	-1.1
Off-budget effects.....	-0.4	-0.4	-0.4	-0.4	-0.4	0.0	---	---	---	---	-2.0	-2.0

[2] Effective for options exercised or restricted stock units settled after December 31, 2017. The penalty for failure to provide a notice is effective for failures after December 31, 2017.

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

[4] Effective for taxable years of foreign corporations beginning after December 31, 2017, and to taxable years of United States shareholders in which or with which such taxable years of foreign corporations end.