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JOINT COMMITTEE ON TAXATION March 9, 2021 JCX-14-21

ESTIMATED REVENUE EFFECTS OF H.R. 1319, THE "AMERICAN RESCUE PLAN ACT OF 2021," AS AMENDED BY THE SENATE, SCHEDULED FOR CONSIDERATION BY THE HOUSE OF REPRESENTATIVES

Fiscal Years 2021 - 2031

[Millions of Dollars]

Provision	Effective	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021-26	2021-30	2021-31
F TOVISIOII	Ellective	2021	2022	2023	2024	2025	2020	2027	2028	2029	2030	2031	2021-20	2021-30	2021-31
SUBTITLE A - CRISIS SUPPORT FOR UNEMPLOYED WORKE	RS														
1. Extension of limitation on excess business losses of															
noncorporate taxpayers	tyba 12/31/25						18,737	12,439	-72	-48	-30	-19	18,737	31,026	31,008
2. Suspension of tax on \$10,200 per recipient of unemployment															
compensation received in 2020 for taxpayers with AGI below															
\$150,000	tyba 12/31/19	-24,962											-24,962	-24,962	-24,962
Total of Crisis Support for Unemployed Workers	••••••	-24,962					18,737	12,439	-72	-48	-30	-19	-6,225	6,064	6,046
SUBTITLE F - PRESERVING HEALTH BENEFITS FOR	cpo/a 4/1/21 &														
WORKERS (SUNSET 9/30/21) [1][2][3]	tyea DOE [4]	-26,604	-8,606	116	[5]	[5]	[5]	[5]					-35,095	-35,095	-35,095
I. 2021 Recovery Rebates to Individuals - \$1,400 for Singles/\$2,80 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–\$80,000 for Single, \$112,500–\$120,000 for Head of Household, \$150,000–\$160,000 for Married Filing Jointly (Fully Phased Out at Larger Amounts); Payments to Certain Federal Beneficiaries (sunset 12/31/21)	DOE	-393,714	-16,918										-410,632	-410,632	-410,632
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	-79,249	-710	-721	-725	-721	-307	-311	-316	-320	-323	-107,953	-109,206	-109,529
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	-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	[6]	-12	-2	-1	-1	-1	-2	-2	-2	-2	-2	-16	-24	-26
		1	-20	-21	-22	-23	-25	-25	-27	-28	-30	-31	-111	-221	
3. Credit allowed in case of certain separated spouses [3]	tyba 12/31/20	-1												-221	-252
 Credit allowed in case of certain separated spouses [3] Modification of disqualified investment income test [3] 	tyba 12/31/20 tyba 12/31/20	-1 -24	-330	-198	-200	-225	-229	-238	-233	-231	-240	-251	-1,206	-2,148	-252 -2,399
3. Credit allowed in case of certain separated spouses [3]	2														

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Provision	Effective	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021-26	2021-30	2021-31
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	-3,185
Total of Earned Income Tax Credit		-546	-15,646	-967	-987	-1,030	-1,053	-1,079	-1,093	-1,110	-1,139	-1,169	-20,228	-24,649	-25,818
IV. Dependent Care Assistance															
1. Refundability and enhancement of child and dependent	12/21/20	2 107	5 0 2 7										7.064	7.064	= 0.4
care tax credit (sunset 12/31/21) [3]	tyba 12/31/20	-2,127	-5,837										-7,964	-7,964	-7,964
 Increase in exclusion for employer-provided dependent care assistance (sunset 12/31/21) [7] 	tyba 12/31/20	-78	-39										-117	-117	-117
Total of Dependent Care Assistance		-2,205	-5,876										-8,081	-8,081	-8,081
V. Extension and Modification of Credits for Paid Sick	apwrt cqba 3/31/21														
and Family Leave (sunset 9/30/21) [3]	& DOE [8]	-4,506	-1,747	[5]	[5]	[5]	[5]	[5]					-6,253	-6,253	-6,253
VI. Extension and Modification of the Employee Retention Credit (sunset 12/31/21) [3]	cqba 6/30/21	-3,076	-7,146	[5]	[5]	[5]	[5]	[5]					-10,222	-10,222	-10,222
/II. The Premium Tax Credit															
1. Improving affordability by expanding premium assistance															
for consumers (sunset 12/31/22) [2][3][9]	. tyba 12/31/20	-4,137	-22,234	-7,964	-536	23							-34,847	-34,847	-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 (sunset 12/31/20) [10]	. tyba 12/31/19	-4,696	-1,565										-6,261	-6,261	-6,261
3. Application of premium tax credit in case of individuals	-														
receiving unemployment compensation during															
2021 (sunset 12/31/21) [2][3][11]	tyba 12/31/20	-2,624	-1,660	-232									-4,516	-4,516	-4,516
Total of the Premium Tax Credit		-11,457	-25,459	-8,196	-536	23							-45,624	-45,624	-45,624
/III. 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	20,005	22,331
2. Tax treatment of targeted economic injury disaster loan	-														
advances								2		0	0 00	5			
3. Tax treatment of restaurant revitalization grants	. 					Estim	ate to Be P	rovided B	y The Cons	gressional [Budget Off	jice			
4. Modification of exceptions for reporting of third party															
network transactions [3][12]	. [13]		146	1,081	751	789	829	870	913	959	1,007	1,057	3,596	7,345	8,403
5. Modification of treatment of student loan forgiveness															
(sunset 12/31/25)	. tyba 12/31/20	-1	-8	-8	-9	-9	-9	[6]	[6]				-43	-44	-44
Total of Miscellaneous Provisions		334	1,415	3,096	3,026	3,163	3,154	3,228	3,298	3,302	3,290	3,384	14,189	27,306	30,690
SUBTITLE H - PENSIONS															
A. Relief for Multiemployer Pension Plans	. various -					Estime	tte To Be P	'rovided by	y the Congr	ressional B	ludget Offic	ce			
 B. Relief for Single Employer Pension Plans 1. Extended amortization for single employer plans [3][14] 	. 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	19,775	22,841
 Extended amortization for single employer plans [5][14] Extension of pension funding stabilization percentages for 	1.	301	506	020	1,191	2,335	1,076	2,015	3,234	3,477	3,340	3,000	0,099	19,115	22,041
single employer plans [3][15]							Fstin	eato Includ	dad In Itam	R1 Abov	o 				
3. Modification of special rules for minimum funding	pyba 12/51/17						Estim	ale menua	ea m nem	D.1. AUUVE					
standards for community newspaper plans [3][16]	. pyea 12/31/17	25	19	24	27	28	31	33	33	32	30	30	154	282	311
standards for community newspaper plans [5][10]	pyca 12/31/17	20	17	27	<i>21</i>	20	51	55	55	52	50	50	1.57	202	511

Provision	Effective	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021-26	2021-30	2021-31
 Deny deduction of compensation in excess of \$1 million for eight highest paid employees, plus the CEO or CFO, at publicly traded companies	ba 12/31/26						11	839	1,693	1,724	1,754	1,785	11	6,020	7,805
Total of Subtitle H - Pensions		386	527	850	1,218	2,363	1,720	3,691	4,960	5,233	5,130	4,883	7,064	26,077	30,957
NET TOTAL		-492,176 -	158,705	-5,811	2,000	3,794	21,837	17,972	6,782	7,061	6,931	6,756	-629,060	-590,315	-583,561

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding. The date of enactment is assumed to be March 15, 2021. Revenue provisions as submitted in statutory language HR1319 EAS.

Legend for "Effective" column:

Legend for Effective column.	DOD 1	c										6				
apwrt = amounts paid with respect to	DOE = date				pyea = plan years ending after											
cpo/a = coverage period on or after	pia = penal				tyba = taxable years beginning after											
cqba = calendar quarters beginning after	pyba = plar	n years begi	nning after		tyea = taxable years ending after											
[1] Estimate includes the following budget effects:	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021-26	2021-30	2021-31		
Total Revenue Effect	26,604	-8,606	116	[5]	[5]	[5]	[5]					-35,095	-35,095	-35,095		
On-budget effects	-26,613	-8,576	129	[5]	[5]	[5]	[5]					-35,060	-35,060	-35,060		
Off-budget effects	. 9	-30	-13									-34	-34	-34		
[2] Estimate provided by the Joint Committee on Taxation staff in collaboration with the C	Congressiona	l Budget O	ffice.													
[3] Estimates contain the following outlay effects:	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021-26	2021-30	2021-31		
Preserving health benefits for workers	1,374	-630	-74									-2,077	-2,077	-2,077		
Child tax credit - improvements for 2021 (sunset 12/31/21); and application of																
child tax credit in possessions	. 19,169	65,186	710	721	725	721	307	311	316	320	323	87,233	88,486	88,809		
Strengthening the earned income tax credit for individuals with no qualifying																
children (sunset 12/31/21)		9,278										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	24	26		
Credit allowed in case of certain separated spouses		18	18	19	20	21	21	22	23	24	24	96	185	210		
Modification to disqualified investment income test		224	141	143	165	164	162	159	159	165	173	837	1,482	1,655		
Application of earned income tax credit in possessions of United States		738	746	764	781	798	814	831	849	867	885	3,828	7,189	8,074		
Refundability and enhancement of child and dependent care tax credit												0,020	.,	0,071		
(sunset 12/31/21)		3,752										3,752	3,752	3,752		
Extension and modification of credits for paid sick and family leave (sunset 9/30/21)		614										4,209	4,209	4,209		
Extension and modification of the employee retention credit		1,014										2,138	2,138	2,138		
Improving affordability by expanding premium assistance for consumers		14,306	5.203	450								22,684	22,684	22,684		
Application of premium tax credit in case of individuals receiving unemployment		,	- ,									,	,	,		
compensation during 2020.	. 1,351	926	149									2,426	2,426	2,426		
Modification of exceptions for reporting of third party network transactions			40	42	44	46	49	51	54	56	59	173	383	442		
Temporary special rule for determining earned income for purposes of earned	-								•	•••	• •					
income tax credit		2.866										2,866	2,866	2,866		
Extended amortization for single employer plans [17]		-144	-232	-353	-1.124	-93	-917	-1.156	-1.419	-1.643	-1.819	-2.053	-7.188	-9.007		
Extension of pension funding stabilization percentages for single employer plans [17].								ded In Iten	, -			2,000	,,100			
Modification of special rules for minimum funding standards for community	•					04	nays men	aca m men	1110070							
newspaper plans [17]	7	_7	-11	-15	-18	-21	-24	-27	-30	-32	-35	-79	-192	-227		
[4] The provision relating to the payroll tax credit applies to premiums to which premium		nlies and to	wages nai	d on or af	ter April 1	2021	-2-1	-27	-50	-52	-55	-1)	-172	227		
[4] The provision relating to the payron tax creat applies to premiums to when premium	assistance ap	Price and to		a on or ur												

[4] The provision relating to the payl [5] Gain of less than \$500,000.

Footnotes continued for JCX-14-21:

[6] Loss of less than \$500,000.														
[7] Estimate includes the following budget effects:	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021-26	2021-30	2021-31
Total Revenue Effect	-78	-39										-117	-117	-117
On-budget effects	-27	-14										-41	-41	-41
Off-budget effects	-51	-25										-76	-76	-76
[8] With respect to the credit for self-employed individuals, only days occurring during the	period begi	inning on A	pril 1, 202	l and endir	ng on Septe	mber 30, 2	021, may b	e taken in	to account	for purpos	es of deter	mining the		
qualified sick leave equivalent amount and the qualified family leave equivalent amount														
[9] Estimate includes the following budget effects:	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021-26	2021-30	2021-31
Total Revenue Effect	-4,137	-22,234	-7,964	-536	23							-34,847	-34,847	-34,847
On-budget effects	-4,144	-22,310	-8,016	-546	23							-34,993	-34,993	-34,993
Off-budget effects	7	76	52	10								146	146	146
[10] The statute applies in the case of any taxable year beginning in 2020, so the sunset only	applies to t	ax year 202	20.											
[11] Estimate includes the following budget effects:	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021-26	2021-30	2021-31
Total Revenue Effect	-2,624	-1,660	-232									-4,516	-4,516	-4,516
On-budget effects	-2,731	-1,767	-257									-4,755	-4,755	-4,755
Off-budget effects	107	107	25									239	239	239
[12] Estimate includes the following budget effects:	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021-26	2021-30	2021-31
Total Revenue Effect		146	1,081	751	789	829	870	913	959	1,007	1,057	3,596	7,345	8,403
On-budget effects		80	572	391	411	431	453	475	499	524	550	1,884	3,836	4,385
Off-budget effects		66	509	360	378	397	417	438	460	483	507	1,712	3,508	4,018
[13] The amended de minimis exception applies to returns for calendar years beginning after	December	31, 2021.	The clarific	ation that	reporting is	not requir	ed on trans	actions wh	ich are not	for goods	or services	s applies to tra	insactions	
after the date of enactment.						-				÷		**		
[14] Estimate includes the following budget and outlay effects:	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021-26	2021-30	2021-31
Total Revenue Effect	361	508	826	1,191	2,335	1,678	2,819	3,234	3,477	3,346	3,068	6,899	19,775	22,842
On-budget effects	229	312	499	689	973	1,272	1,522	1,644	1,611	1,329	975	3,973	10,080	11,055
Off-budget effects	25	53	95	150	238	312	380	434	447	374	273	873	2,508	2,781
[15] A plan sponsor may elect not to have the amendments made by this section apply to any	plan year l	beginning b	efore Janua	ary 1, 2022	(either for	all purpos	es or solely	for purpos	ses of deter	rmining the	adjusted	funding target		
attainment percentage).				-		• •	-				•			
[16] Estimate includes the following budget and outlay effects:	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021-26	2021-30	2021-31
Total Revenue Effect	25	19	24	27	28	31	33	33	32	30	30	154	281	311
On-budget effects	16	10	11	9	8	8	6	4	[5]	-3	-5	61	69	63
Off-budget effects	2	2	3	3	3	3	3	2	1	1	[5]	14	21	21
[17] Estimated changes in premiums provided by the Congressional Budget Office. Premium	ns rise due	to higher pl	lan underfu	nding; this	reduces go	vernment	spending (1	negative in	footnote []	3]) and has	the same	effect on		

[17] Estimated changes in premiums provided by the Congressional Budget Office. Premiums rise due to higher plan underfunding; this reduces government spending (negative in footnote [3]) and has the same effect on the deficit as an increase in revenues (positive in main table).