

## Revenue Effects of Major Bills Enacted Since 1968

Tax bill	Number of years after enactment				First-2 yr average	4 yr average
	1	2	3	4		
	Current dollars (in billions)					
Revenue and Expenditure Control Act of 1968	16	4.7	N/A	N/A	10.4	N/A
Tax Reform Act of 1969	3.8	2.4	N/A	N/A	3.1	N/A
Revenue Act of 1971	-4.4	-6.9	N/A	N/A	-5.7	N/A
Tax Reduction Act of 1975	-9.8	0.4	N/A	N/A	-4.7	N/A
Tax Reform Act of 1976	-15.3	-11.9	-7.1	N/A	-13.6	N/A
Tax Reduction and Simplification Act of 1977	-17.8	-13.7	-5.8	N/A	-15.8	N/A
Revenue Act of 1978	-11.5	-22.8	-26.7	-30.6	-17.2	-22.9
Crude Oil Windfall Profit Tax Act of 1980	13	18.4	18.8	21	15.7	17.8
Economic Recovery Tax Act of 1981	-38.3	-91.6	-139	-176.7	-65	-111.4
Tax Equity and Fiscal Responsibility Act of 1982	17.3	38.3	42.2	52.1	27.8	37.5
Highway Revenue Act of 1982	1.7	3.8	3.9	3.9	2.8	3.3
Social Security Amendments of 1983	6.2	8.8	9.3	11.4	7.5	8.9
Interest and Dividend Tax Compliance Act of 1983	-2.6	-2.4	-2.1	-1.7	-2.5	-2.2
Deficit Reduction Act of 1984	9.3	15.9	21.6	24.6	12.6	17.9
Consolidated Omnibus Budget Reconciliation Act of 1985	0.9	2.7	3	3	1.8	2.4
Tax Reform Act of 1986	18.6	0.9	-11.7	-9	9.8	-0.3
Omnibus Budget Reconciliation Act of 1987	9.1	14.3	16.2	15.6	11.7	13.8
Omnibus Budget Reconciliation Act of 1989	5.7	3.5	3.6	5.4	4.6	4.6
Omnibus Budget Reconciliation Act of 1990	23.2	35	31.9	36.5	29.1	31.7
Omnibus Budget Reconciliation Act of 1993	24.3	45.3	52.5	65.9	34.8	47
Small Business Job Protection Act of 1996	-0.6	-0.6	0.1	0.2	-0.6	-0.3
Tax Relief Act of 1997	-9.4	-3.8	-18.6	-20.9	-6.6	-13.2
Economic Growth and Tax Relief Reconciliation Act of 2001	-34.4	-85.5	-104	-103.7	-60	-81.9
Job Creation and Worker Assistance Act of 2002	-46	-27.3	3.8	20.8	-36.7	-12.2
Jobs and Growth Tax Relief Reconciliation Act of 2003 (normal, 2004-07)	-136.6	-78	-8.9	-1.4	-107.3	-56.2
Jobs and Growth Tax Relief Reconciliation Act of 2003 (2003-06)	-41.7	-136.6	-78	-8.9	-89.1	-66.3
	Constant 1992 dollars (in billions)					
Revenue and Expenditure Control Act of 1968	55.3	15.4	N/A	N/A	35.4	N/A
Tax Reform Act of 1969	12.5	7.5	N/A	N/A	10	N/A
Revenue Act of 1971	-13.2	-19.5	N/A	N/A	-16.4	N/A
Tax Reduction Act of 1975	-21.9	0.8	N/A	N/A	-10.5	N/A
Tax Reform Act of 1976	-32.4	-23.8	-13.5	N/A	-28.1	N/A
Tax Reduction and Simplification Act of 1977	-35.5	-25.8	-10.3	N/A	-30.6	N/A
Revenue Act of 1978	-21	-39	-43.2	-47.4	-30	-37.6
Crude Oil Windfall Profit Tax Act of 1980	19.8	25.7	24.2	25.1	22.8	23.7
Economic Recovery Tax Act of 1981	-54.9	-123.7	-178.9	-217.2	-89.3	-143.7
Tax Equity and Fiscal Responsibility Act of 1982	23.7	50	52.5	61.9	36.8	47
Highway Revenue Act of 1982	2.3	5	4.9	4.6	3.6	4.2
Social Security Amendments of 1983	8.2	11.1	11.3	13.3	9.7	11
Interest and Dividend Tax Compliance Act of 1983	-3.5	-3	-2.5	-2	-3.2	-2.8
Deficit Reduction Act of 1984	12	19.7	25.6	28.1	15.8	21.3
Consolidated Omnibus Budget Reconciliation Act of 1985	1.1	3.2	3.5	3.4	2.2	2.8
Tax Reform Act of 1986	22.4	1	-13.1	-9.8	11.7	0.1
Omnibus Budget Reconciliation Act of 1987	10.7	16.2	17.7	16.5	13.4	15.3
Omnibus Budget Reconciliation Act of 1989	6.2	3.6	3.6	5.2	4.9	4.7
Omnibus Budget Reconciliation Act of 1990	24.1	34.9	30.7	33.9	29.5	30.9
Omnibus Budget Reconciliation Act of 1993	22.9	41.6	46.9	57.1	32.3	42.1
Small Business Job Protection Act of 1996	-0.6	-0.5	0.1	0.1	-0.6	-0.2
Tax Relief Act of 1997	-8.2	-3.3	-15.6	-17.1	-5.7	-11
Economic Growth and Tax Relief Reconciliation Act of 2001	-28.3	-69.1	-82.6	-80.8	-48.7	-65.2
Job Creation and Worker Assistance Act of 2002	-37.7	-22	3	16.2	-29.9	-10.1
Jobs and Growth Tax Relief Reconciliation Act of 2003 (normal, 2004-07)	-110.2	-62.1	-7	-1.1	-86.1	-45.1
Jobs and Growth Tax Relief Reconciliation Act of 2003 (2003-06)	-34.2	-110.2	-62.1	-7	-72.2	-53.4

### Revenue Effects of Major Bills Enacted Since 1968

Tax bill	Number of years after enactment				First-2 yr average	4 yr average
	1	2	3	4		
	Revenue effect as percentage of GDP					
Revenue and Expenditure Control Act of 1968	1.74	0.45	N/A	N/A	1.09	N/A
Tax Reform Act of 1969	0.39	0.21	N/A	N/A	0.3	N/A
Revenue Act of 1971	-0.38	-0.5	N/A	N/A	-0.44	N/A
Tax Reduction Act of 1975	-0.58	0.02	N/A	N/A	-0.28	N/A
Tax Reform Act of 1976	-0.81	-0.57	-0.3	N/A	-0.69	N/A
Tax Reduction and Simplification Act of 1977	-0.85	-0.59	-0.22	N/A	-0.72	N/A
Revenue Act of 1978	-0.49	-0.89	-0.95	-0.99	-0.69	-0.83
Crude Oil Windfall Profit Tax Act of 1980	0.44	0.56	0.51	0.51	0.5	0.5
Economic Recovery Tax Act of 1981	-1.21	-2.6	-3.58	-4.15	-1.91	-2.89
Tax Equity and Fiscal Responsibility Act of 1982	0.53	1.07	1.08	1.23	0.8	0.98
Highway Revenue Act of 1982	0.05	0.11	0.1	0.09	0.08	0.09
Social Security Amendments of 1983	0.17	0.22	0.22	0.24	0.2	0.21
Interest and Dividend Tax Compliance Act of 1983	-0.07	-0.06	-0.05	-0.04	-0.07	-0.05
Deficit Reduction Act of 1984	0.24	0.37	0.47	0.49	0.3	0.39
Consolidated Omnibus Budget Reconciliation Act of 1985	0.02	0.06	0.06	0.06	0.04	0.05
Tax Reform Act of 1986	0.41	0.02	-0.23	-0.16	0.22	0.01
Omnibus Budget Reconciliation Act of 1987	0.19	0.28	0.3	0.27	0.24	0.26
Omnibus Budget Reconciliation Act of 1989	0.1	0.06	0.06	0.08	0.08	0.07
Omnibus Budget Reconciliation Act of 1990	0.41	0.57	0.49	0.52	0.49	0.5
Omnibus Budget Reconciliation Act of 1993	0.36	0.64	0.7	0.83	0.5	0.63
Small Business Job Protection Act of 1996	-0.01	-0.01	0	0	-0.01	0
Tax Relief Act of 1997	-0.11	-0.04	-0.2	-0.22	-0.08	-0.14
Economic Growth and Tax Relief Reconciliation Act of 2001	-0.33	-0.77	-0.89	-0.84	-0.55	-0.71
Job Creation and Worker Assistance Act of 2002	-0.42	-0.24	0.03	0.16	-0.33	-0.12
Jobs and Growth Tax Relief Reconciliation Act of 2003 (normal, 2004-07)	-1.19	-0.65	-0.07	-0.01	-0.92	-0.48
Jobs and Growth Tax Relief Reconciliation Act of 2003 (2003-06)	-0.38	-1.19	-0.65	-0.07	-0.79	-0.57
	Percentage change in federal receipts because of tax bill					
Revenue and Expenditure Control Act of 1968	9.4	2.6	N/A	N/A	6	N/A
Tax Reform Act of 1969	1.9	1.2	N/A	N/A	1.6	N/A
Revenue Act of 1971	-2.2	-3	N/A	N/A	-2.6	N/A
Tax Reduction Act of 1975	-3.2	0.1	N/A	N/A	-1.5	N/A
Tax Reform Act of 1976	-4.1	-2.8	-1.5	N/A	-3.5	N/A
Tax Reduction and Simplification Act of 1977	-4.3	-3.2	-1.2	N/A	-3.7	N/A
Revenue Act of 1978	-2.5	-4.3	-4.5	-4.5	-3.4	-3.9
Crude Oil Windfall Profit Tax Act of 1980	2.2	2.7	2.4	2.3	2.4	2.4
Economic Recovery Tax Act of 1981	-5.7	-12.3	-16.5	-18.6	-9	-13.3
Tax Equity and Fiscal Responsibility Act of 1982	3	6.3	6.3	7.2	4.6	5.7
Highway Revenue Act of 1982	0.3	0.6	0.5	0.5	0.4	0.5
Social Security Amendments of 1983	0.9	1.2	1.2	1.3	1.1	1.2
Interest and Dividend Tax Compliance Act of 1983	-0.4	-0.3	-0.3	-0.2	-0.4	-0.3
Deficit Reduction Act of 1984	1.3	2	2.6	2.7	1.7	2.1
Consolidated Omnibus Budget Reconciliation Act of 1985	0.1	0.3	0.3	0.3	0.2	0.3
Tax Reform Act of 1986	2.3	0.1	-1.2	-0.9	1.2	0.1
Omnibus Budget Reconciliation Act of 1987	1	1.5	1.6	1.4	1.3	1.4
Omnibus Budget Reconciliation Act of 1989	0.5	0.3	0.3	0.4	0.4	0.4
Omnibus Budget Reconciliation Act of 1990	2.2	3.1	2.6	2.7	2.6	2.7
Omnibus Budget Reconciliation Act of 1993	2	3.5	3.9	4.7	2.7	3.5
Small Business Job Protection Act of 1996	0	0	0	0	0	0
Tax Relief Act of 1997	-0.6	-0.2	-1	-1.1	-0.4	-0.7
Economic Growth and Tax Relief Reconciliation Act of 2001	-1.7	-3.9	-4.4	-4.2	-2.8	-3.6
Job Creation and Worker Assistance Act of 2002	-2.4	-1.3	0.2	0.9	-1.9	-0.7
Jobs and Growth Tax Relief Reconciliation Act of 2003 (normal, 2004-07)	-6.3	-3.4	-0.4	-0.1	-4.8	-2.5
Jobs and Growth Tax Relief Reconciliation Act of 2003 (2003-06)	-2.2	-6.3	-3.4	-0.4	-4.2	-3.1

Source: Tempalski, Jerry. "Revenue Effects of Major Tax Bills." *OTA Working Paper 81*, July 2003. <http://www.treasury.gov/ota/ota81.pdf>. Last accessed 5/15/2006.

### Revenue Effects of Major Bills Enacted Between 1940 and 1968

Tax Bill	Treasury full-year estimates unless otherwise noted			
	Current dollars (billions)	Constant 1992 dollars (billions)	% of GDP	% of federal receipts
Revenue Act of 1940 2/	1.2	9.7	0.91	15.3
Second Revenue Act of 1940 1/ 3/	0.9	7.6	0.71	11.6
Revenue Act of 1941	3.6	27.5	2.20	32.1
Revenue Act of 1942 2/	10.0	73.4	5.04	71.4
Current Tax Payment Act of 1943 1/	2.5	18.2	1.16	6.2
Revenue Act of 1943 1/	1.0	7.3	0.46	2.4
Individual Income Tax Act of 1944 1/	-0.6	-4.2	-0.27	-1.3
Revenue Act of 1945	-5.9	-41.4	-2.67	-13.1
Revenue Act of 1948 3/	-5.0	-26.6	-1.87	-11.3
Revenue Act of 1950 2/	4.5	22.2	1.33	9.6
Excess Profits Tax of 1950 2/	3.3	16.3	0.97	6.8
Revenue Act of 1951	5.4	26.3	1.52	9.0
Excise Tax Reduction Act of 1954 2/	-1.0	-4.6	-0.24	-1.5
Internal Revenue Code of 1954 3/	-0.2	-0.8	-0.04	-0.2
Revenue Act of 1962	-0.2	-0.7	-0.03	-0.2
Revenue Act of 1964	-11.5	-44.6	-1.60	-9.0
Tax Adjustment Act of 1966 2/ 3/	5.0	18.2	0.60	3.5

1/ Joint Committee on Taxation (JCT) estimate; before 1974, JCT was called Joint Committee on Internal Re

2/ Estimate is from Congressional Record; unclear if estimate is from Treasury or JCT

3/ Estimate is for year after enactment

Source: Tempalski, Jerry. "Revenue Effects of Major Tax Bills." *OTA Working Paper 81*, July 2003.  
<http://www.treasury.gov/ota/ota81.pdf>. Last accessed 5/15/2006.