

**T12-0166**  
**Comparison of Senate Tax Cut Extension Bills S.3412 and S.3413**  
**Impact on Tax Revenue (\$ billions)**

Provision	Revenue Impact 2013-22 (\$ billions)	
	S.3412 ("Reid bill")	S.3413 ("Hatch bill")
<b>Temporary Extension of Certain Tax Cuts Enacted in 2001</b>		
1. Marginal rate reductions for incomes below \$200,000/\$250,000 <sup>1</sup>	-62.9	-62.9
2. Marginal rate reductions for incomes above \$200,000/\$250,000 <sup>1</sup>	N/A	-31.1
3. Repeal PEP and Pease for incomes below \$200,000/\$250,000 <sup>1</sup>	-0.8	-0.8
4. Repeal PEP and Pease for incomes above \$200,000/\$250,000 <sup>1</sup>	N/A	-10.0
5. Expand the child tax credit	-35.6	-35.6
6. Marriage penalty relief <sup>2</sup>	-9.5	-9.2
7. Education incentives	-2.2	-2.2
8. Other incentives for families and children	-0.8	-0.8
<b>Temporary Extension of Certain Tax Cuts Enacted in 2003</b>		
9. Tax capital gains and dividends at 0%/15%/20% structure	-17.6	-17.6
10. Extend 0%/15% rate on capital gains and dividends to all taxpayers	N/A	-8.2
<b>Temporary Extension of Certain Tax Cuts Enacted in 2009</b>		
11. American Opportunity Tax Credit	-13.1	N/A
12. Increased refundability of the child tax credit	-10.7	N/A
13. Expanded EITC and other incentives	-3.4	N/A
<b>Other Provisions</b>		
14. Extend estate and gift tax provisions of the Tax Relief Act of 2012	N/A	-31.2
15. Section 179 expensing	-0.9	-2.4
<b>Alternative Minimum Tax (AMT) Relief</b>		
16. AMT patch for 2012	-92.0	-92.0
17a. AMT patch for 2013	N/A	-100.7
<b>Net Cost</b>	<b>-249.6</b>	<b>-404.9</b>
<b>Addendum: Other Provisions Not Included in Legislation</b>		
17b. AMT patch for 2013 <sup>3</sup>	-95.7	N/A
<b>Net Cost (including 2013 AMT patch)</b>	<b>-345.3</b>	<b>-404.9</b>
18. Reinstate 2009 estate and gift tax law <sup>4</sup>	-22.4	N/A
<b>Net Cost (including 2013 AMT patch and estate and gift tax provisions)</b>	<b>-367.8</b>	<b>-404.9</b>

Source: Joint Committee on Taxation, Tables #12-2-112 R1 and #12-2 116, and TPC calculations.

(1) Income thresholds are set at \$200,000 (single), \$250,000 (married), or \$225,000 (head of household), indexed for inflation after 2009, less the standard deduction and one personal exemption (two if married).

(2) The revenue difference is due to interaction with the rates in the top two tax brackets.

(3) S.3412 does not include an AMT patch for calendar year 2013. Revenue impact of the 2013 AMT patch specified in S.3413 was estimated using the TPC microsimulation model (version 0412-3) under the policies proposed in S.3412.

(4) This estate and gift tax proposal was included in an earlier version of the legislation (S.3393).