

ESTIMATED REVENUE EFFECTS OF  
THE HOUSE RESOLUTION OF CONCURRENCE WITH AN AMENDMENT TO THE SENATE AMENDMENT TO H.R. 3768,  
THE "KATRINA EMERGENCY TAX RELIEF ACT OF 2005" [1]

Fiscal Years 2006 - 2015

[Millions of Dollars]

Provision	Effective	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2006-10	2006-15
<b>I. Special Rules for Use of Retirement Funds for Relief Relating to Hurricane Katrina</b>													
1. Penalty-free withdrawals from retirement plans for qualified Hurricane Katrina distributions (capped at \$100,000 per taxpayer).....	dma 8/24/05 & before 1/1/07	-61	4	-2	-2	-2	-1	-1	-1	-1	-1	-63	-69
2. Income averaging for qualified Hurricane Katrina distributions.....	dma 8/24/05 & before 1/1/07	-10	-18	15	11	---	---	---	---	---	---	-2	-2
3. Recontributions of withdrawals for home purchases cancelled due to Hurricane Katrina.....	dma 2/28/05 & before 8/29/05	----- Negligible Revenue Effect -----											
4. Loans from qualified plans for relief relating to Hurricane Katrina.....	[2]	----- Negligible Revenue Effect -----											
5. Provisions relating to plan amendments.....	DOE	----- No Revenue Effect -----											
<b>Total of Special Rules for Use of Retirement Funds for Relief Relating to Hurricane Katrina .....</b>		<b>-71</b>	<b>-14</b>	<b>13</b>	<b>9</b>	<b>-2</b>	<b>-1</b>	<b>-1</b>	<b>-1</b>	<b>-1</b>	<b>-1</b>	<b>-65</b>	<b>-71</b>
<b>II. Employment Relief</b>													
1. Work opportunity tax credit for certain individuals affected by Hurricane Katrina (sunset 12/31/05 for employers outside disaster areas, and 8/28/07 for employers inside disaster areas).....	wpoio/a 8/28/05	-12	-30	-28	-12	-6	-3	-1	---	---	---	-88	-93
2. Employee retention credit for employers of no more than 200 employees affected by Hurricane Katrina.....	wpoia 8/28/05 & before 1/1/06	-23	-8	-4	-2	---	---	---	---	---	---	-38	-38
<b>Total of Employment Relief .....</b>		<b>-35</b>	<b>-38</b>	<b>-32</b>	<b>-14</b>	<b>-6</b>	<b>-3</b>	<b>-1</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>-126</b>	<b>-131</b>
<b>III. Charitable Giving Incentives</b>													
1. Temporary suspension of limitations for qualified corporate and individual charitable contributions (qualified corporate contributions must be for relief efforts related to Hurricane Katrina).....	[3]	-819	56	17	-3	-4	-14	-26	-26	-26	-26	-753	-871
2. Additional \$500 personal exemption for Hurricane Katrina displaced individuals (staying as houseguests for at least 60 days) subject to maximum additional exemptions of \$2,000 [4].....	tybi 2005 & 2006	-96	-32	---	---	---	---	---	---	---	---	-128	-128
3. Increase in standard mileage rate for charitable use of a vehicle for providing relief related to Hurricane Katrina.....	cmo/a 8/25/05 & before 1/1/07	-17	-12	---	---	---	---	---	---	---	---	-29	-29

Provision	Effective	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2006-10	2006-15
4. Mileage reimbursements to charitable volunteers excluded from gross income for providing relief related to Hurricane Katrina up to standard business mileage rate.....	uopao/a 8/25/05 & before 1/1/07	-1	-1	---	---	---	---	---	---	---	---	-2	-2
5. Extend enhanced deduction for contributions of food inventory to individuals.....	cmo/a 8/28/05 & before 1/1/06	-20	---	---	---	---	---	---	---	---	---	-20	-20
6. Extend enhanced deduction for contributions of book inventory to include contributions to public schools.....	cmo/a 8/28/05 & before 1/1/06	-5	---	---	---	---	---	---	---	---	---	-5	-5
<b>Total of Charitable Giving Incentives .....</b>		<b>-958</b>	<b>11</b>	<b>17</b>	<b>-3</b>	<b>-4</b>	<b>-14</b>	<b>-26</b>	<b>-26</b>	<b>-26</b>	<b>-26</b>	<b>-937</b>	<b>-1,055</b>
<b>IV. Additional Tax Relief Provisions</b>													
1. Exclusions of certain cancellations of indebtedness for certain taxpayers affected by Hurricane Katrina .....	dmo/a 8/25/05 & before 1/1/07	-190	-103	---	---	---	---	---	---	---	---	-293	-293
2. Suspend the 10% and \$100 thresholds on personal casualty losses for losses which arise in the Hurricane Katrina disaster area.....	lao/a 8/25/05	-1,089	-1,259	-73	[5]	---	---	---	---	---	---	-2,420	-2,420
3. Required exercise of IRS administrative authority:													
a. Required exercise of authority under section 7508A for tax relief for certain taxpayers affected by Hurricane Katrina.....	DOE	-10	---	---	---	---	---	---	---	---	---	-10	-10
b. Tax relief under section 7508 by reason of service in a combat zone and under section 7508A for taxpayers affected by natural disasters, terrorist, or military actions.....	aro/a 8/25/05	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-10	-20
4. Special mortgage financing rules for residences located in Hurricane Katrina disaster area.....	fpb 1/1/08	-2	-7	-14	-18	-19	-19	-19	-19	-19	-19	-61	-154
5. Extend replacement period for nonrecognition of gain for property located in Hurricane Katrina disaster area.....	DOE	-837	-1,151	-102	8	15	25	42	53	56	60	-2,067	-1,831
6. Allow residents of Hurricane Katrina disaster area as of August 25, 2005 who experienced a loss of income due to Hurricane Katrina to elect to use prior year's income in the calculation of the earned income credit and the refundable child tax credit [6].....	tyi 8/25/05	-125	---	---	---	---	---	---	---	---	---	-125	-125
7. Secretarial authority to make adjustments regarding taxpayer and dependency status for taxpayers affected by Hurricane Katrina.....	tybi 2005 or 2006	----- Negligible Revenue Effect -----											
<b>Additional Tax Relief Provisions .....</b>		<b>-2,255</b>	<b>-2,522</b>	<b>-191</b>	<b>-12</b>	<b>-6</b>	<b>4</b>	<b>21</b>	<b>32</b>	<b>35</b>	<b>39</b>	<b>-4,986</b>	<b>-4,853</b>
<b>NET TOTAL .....</b>		<b>-3,319</b>	<b>-2,563</b>	<b>-193</b>	<b>-20</b>	<b>-18</b>	<b>-14</b>	<b>-7</b>	<b>5</b>	<b>8</b>	<b>12</b>	<b>-6,114</b>	<b>-6,110</b>

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding. Date of enactment is assumed to be October 1, 2005.

[Legend and Footnotes for JCX-68-05 appear on the following page]

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**Legend and Footnotes for JCX-68-05:**

Legend for "Effective" column:

aro/a = actions required on or after  
cmo/a = contributions made on or after  
dma = distributions made after  
dmo/a = discharges made on or after

DOE = date of enactment  
fpb = financing provided before  
lao/a = losses arising on or after  
tybi = taxable years beginning in

tyi = taxable years including  
uopao/a = use of passenger automobile on or after  
wpoia = wages paid or incurred after  
wpoio/a = wages paid or incurred on or after

- [1] The "Hurricane Katrina disaster area" is defined as an area with respect to which a major disaster has been declared by the President before September 14, 2005, under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act by reason of Hurricane Katrina. The term "core disaster area" is defined as a portion of the Hurricane Katrina disaster area determined by the President to warrant individual or individual and public assistance from the Federal government under such Act.
- [2] Increase in loan limits effective for loans made after the date of enactment and before January 1, 2007; repayment relief for loans outstanding on or after August 25, 2005.
- [3] Contributions made during the period beginning August 28, 2005, and ending on December 31, 2005.
- [4] Estimate includes an increase in outlays of \$5 million in fiscal year 2006, and \$2 million in fiscal year 2007.
- [5] Loss of less than \$500,000.
- [6] Estimate includes an increase in outlays of \$123 million in fiscal year 2006.