

111TH CONGRESS
2D SESSION

H. R. 5291

To require the Joint Committee on Taxation to analyze each tax expenditure identified in its annual tax expenditure report for equity, efficiency, and ease of administration.

IN THE HOUSE OF REPRESENTATIVES

MAY 12, 2010

Mr. MURPHY of New York (for himself, Mr. CHILDERS, Mr. ROSS, Mr. PATRICK J. MURPHY of Pennsylvania, Mr. CARDOZA, Ms. HARMAN, Mr. COOPER, Mr. SCHRADER, Mr. BISHOP of Georgia, Mr. PETERSON, Mr. TANNER, Mr. CARNEY, Mr. MATHESON, Mr. HILL, Ms. HERSETH SANDLIN, Mr. SHULER, Mr. CUELLAR, Mr. MCINTYRE, Ms. GIFFORDS, Mr. BRIGHT, Mr. MITCHELL, Mr. COSTA, Mr. ARCURI, Ms. MARKEY of Colorado, Mr. BOYD, Mr. MOORE of Kansas, Mr. KRATOVIL, Mr. SCHIFF, Mr. ELLSWORTH, Mr. MICHAUD, Mr. HOLDEN, Mr. CHANDLER, Mr. DAVIS of Tennessee, and Mr. DONNELLY of Indiana) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To require the Joint Committee on Taxation to analyze each tax expenditure identified in its annual tax expenditure report for equity, efficiency, and ease of administration.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; FINDINGS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Tax Information for New Fiscal Oversight Act of 2010”.

1 (b) FINDINGS.—The Congress find the following:

2 (1) The Federal deficit in 2009 was more than
3 \$1.4 trillion, or 9.9 percent of the United States
4 gross domestic product (GDP).

5 (2) Current Federal deficits are unsustainable:
6 under realistic assumptions, the level of public debt
7 will double over the next 10 years.

8 (3) The Congressional Research Service re-
9 ported that a 2008 Joint Committee on Tax study
10 titled “Estimates of Federal Tax Expenditures for
11 Fiscal Years 2008–2012” contained 247 tax expend-
12 itures totaling \$1.2 trillion.

13 (4) \$1.2 trillion is greater than all Federal dis-
14 cretionary spending in that year.

15 (5) Tax expenditures are similar to mandatory
16 spending in that they often remain in the Internal
17 Revenue Code until they are modified or eliminated
18 by congressional action.

19 (6) Congress currently lacks the information
20 necessary to effectively identify and analyze loop-
21 holes and inefficiencies within the current tax sys-
22 tem.

23 (7) A more complete tax expenditure analysis
24 can be a useful tool for Congress when considering

1 tax proposals and evaluating the fiscal condition of
2 our Nation.

3 (8) This Act requires the Joint Committee on
4 Taxation to analyze each tax expenditure by its equity,
5 efficiency, and ease of administration so that
6 Congress can make more informed policy decisions.

7 **SEC. 2. ADDITIONAL ITEMS IN TAX EXPENDITURE REPORT.**

8 (a) REPORT.—Beginning with the report for 2011,
9 as part of its annual tax expenditure report, the Joint
10 Committee on Taxation shall—

11 (1) analyze each tax expenditure identified in
12 such report for its equity, efficiency, and ease of administration,
13 and

14 (2) reflect in such report the aggregate annual
15 revenue lost through the internal revenue laws by
16 reason of such tax expenditures.

17 (b) DEFINITION OF EQUITY, EFFICIENCY, AND EASE
18 OF ADMINISTRATION.—For purposes of subsection (a),
19 the terms “equity”, “efficiency”, and “ease of administration”
20 shall have the same meanings as when used in the
21 report of the Joint Committee on Taxation entitled, “A
22 Reconsideration of Tax Expenditure Analysis”, published
23 May 12, 2008 (JCX–37–08).

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