

Comparison of H.R. 4520 and S. 1637 as Passed by the Senate

H.R. 4520	S. 1637
FSC-ETI Repeal	
Repeals FSC-ETI over three years; 100 percent of the benefit is provided in 2004 falling to 0 percent in 2007. The bill provides \$13 billion of transition relief.	Repeals FSC-ETI over three years; 80 percent of base year benefit is provided in 2004 (after date of enactment) falling to 0 percent in 2007. The bill provides \$9 billion of transition relief.
Corporate Rate Reduction	
Reduces the top corporate tax rate from 35 percent to 32 percent for domestic manufacturers, producers, farmers, and small corporations.	Provides an income tax deduction for domestic manufacturers, producers and farmers that is equivalent to the 3-percentage point rate cut in the House bill. Includes a “haircut” that reduces the tax benefit for many FSC-ETI beneficiaries.
Business Tax Incentives	
Includes \$14 billion of tax relief provisions targeted to manufacturers, small businesses and farmers.	Includes \$26 billion of tax relief provisions. Many are targeted to manufacturers, small businesses and farmers, but many reflect more targeted priorities.
International Tax Reforms	
Includes 16 provisions (totaling \$30 billion) to simplify taxes and reduce double taxation of U.S. companies that do business overseas. Fifteen of the 16 provisions are identical to the Senate bill.	Includes 28 provisions (totaling \$40 billion) to simplify taxes and reduce double taxation of U.S. companies that do business overseas. Fifteen of the 28 provisions are identical to the House bill.
Extenders	
Generally extends through 2005 the provisions that expired in 2003 or will expire in 2004.	Extends expiring provisions for varying lengths of time.
Revenue Raisers	
Includes \$59 billion of revenue raising provisions (other than repeal of FSC-ETI). The provisions are aimed at reducing fuel fraud, closing tax loopholes, reducing tax shelters, and extending IRS and customs user fees.	Includes \$130 billion of revenue raising provisions (other than repeal of FSC-ETI). The provisions are aimed at reducing fuel fraud, closing loopholes, reducing tax shelters, and extending IRS and customs user fees. Several provisions are retroactive.
Other	
The House bill temporarily allows taxpayers to deduct state income or state/local sales taxes, includes a provision to repeal the government tobacco support program, and temporarily suspends duties on certain products that are not produced in the United States.	The Senate bill includes \$20 billion of energy tax incentives, a new HUD program to provide grants to low-income families, a provision to reverse the new overtime pay regulations, and another provision to retain those regulations.

Dollar amounts in the table reflect the 11-year period of FY2004-2014.