

Table T12-0227
Provisions in Fiscal Cliff
Impact on Tax Revenue (\$ billions), 2013 Calendar Year ¹

Provision ²	Calendar Year
	2013
Step 1: Payroll Tax	115.2
Step 2: Health Care Law Provisions ³	24.0
Step 3: High Income Capital Gains and Dividends ⁴	8.2
Step 4: High Income Rates, Pease, and PEP	44.2
Step 5: Stimulus Legislation EITC, CTC, and AOTC ⁵	27.2
Step 6: Extenders ⁶	74.5
Step 7: Estate Tax ⁷	31.2
Step 8: Other 2001-03 Tax Provisions	171.2
Step 9: Alternative Minimum Tax Patch ⁸	40.2
Total: All Fiscal Cliff Provisions	535.9

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0412-7); Joint Committee on Taxation; and TPC calculations based on JCT estimates.

(1) Baseline for step one is current policy with the following modifications: extension of 2 percent payroll tax cut; repeal of the health care legislation taxes on earnings, and investment income; repeal of the 10 percent limitation on the deductibility of medical expenses; and extension of certain business and other provisions. The rest of the provisions are stacked in the order listed. For a description of TPC's current policy baseline, <http://taxpolicycenter.org/numbers/displayatab.cfm?Docid=3131>

Except where noted, TPC estimates include a microdynamic behavioral response but do not include the impact of timing shifts that would depend on the date of enactment.

(2) For a detailed description of the provisions in each step, see <http://www.taxpolicycenter.org/publications/url.cfm?ID=4126>

(3) This is a grossed-up estimate for calendar 2013 based on the \$18 billion fiscal year 2013 figure provided in http://www.cbo.gov/sites/default/files/cbofiles/attachments/08-22-2012-Update_to_Outlook.pdf

(4) Estimate based on a one-year extension from JCX-64-12 and JCX-65-12.

(5) Estimate from JCX-65-12.

(6) Based on JCT revenue estimates of expiring tax provisions.

(7) Based on the ten-year revenue effect of a one-year extension of 2012 estate tax law, from JCX-64-12.

(8) Estimate based on JCX-70-12 and JCX-68-12.