

EXPIRING TAX EARMARKS: \$18 BILLION IN DEFICIT REDUCTION

American Samoa Economic Development Credit, a credit offered to certain domestic corporations operating in American Samoa intended to offset their U.S. tax liability on income earned from active business operations and other business activities. (\$62 million)

Seven Year Recovery Period for Motorsports Entertainment Complexes provides a special cost recovery period for property used for land and facility improvements at car racing complexes. (\$78 million)

Indian Employment Tax Credit, a credit for employers of qualified employees that work and live on or near and Indian reservation. (\$119 million)

New Markets Tax Credit is a complicated tax credit largely directed to big banks and financial institutions, which in turn provide investment capital for economic development projects in low-income communities, such as hotels, real estate complexes, fast food restaurants and car dealerships, among others. (\$1.79 billion)

Credit for Expenditures for Maintaining Railroad Tracks provides a tax credit for short-line railroads to help offset the cost of maintaining railroad tracks they own or lease. (\$331 million)

Qualified Zone Academy Bonds are bonds used to finance renovations, equipment purchases, train teachers, and other expenses incurred in certain areas of the country. (\$235 million)

Special Expensing for Film and Television Production allows film and television producers to expense the first \$15 million of movie production costs incurred in the United States. (\$248 million)

New York Liberty Zone Tax Incentives are tax credits largely directed to big business and development companies that were intended to stimulate the redevelopment of downtown New York City after 9/11 but continue to be extended by Congress more than a decade later. (\$60 million)

Limit on Cover Over of Rum Excise Tax Revenues to Puerto Rico and the Virgin Islands, which provides a per gallon payment to cover over the cost of an excise tax on certain alcoholic beverages produced in or imported into the United States. (\$222 million)

Investment Tax Credit in Lieu of Production Tax Credit, are available for facilities producing electricity from solar resources. Facilities that produce electricity from wind, closed-loop biomass, open-loop biomass, geothermal, small irrigation, hydropower, landfill gas, waste-to-energy, and marine renewable facilities are eligible for a production tax credit for electricity produced over a 10 year period. (\$135 million)

Renewable Electricity Production Tax Credit, 2.2 cent per kilowatt hour tax credit for wind electricity produced for a 10 year period from a wind facility placed-in-service by the end of 2012. (\$12.1 billion)

Alternative Fuel Vehicle Refueling Property Tax Credit, a 30 percent investment tax credit for alternative vehicle refueling property. (\$44 million)

Cellulosic Biofuels Producer Tax Credit, allows facilities producing cellulosic biofuel to claim a \$1.01 per gallon production tax credit on fuel produced before the end of the current year. The Finance Committee proposed extending this and expanding the definition to include algae-based fuel. (\$59 million)

Indian Coal Production Tax Credit, production tax credit equivalent to \$2 per ton for coal produced on land owned by an Indian tribe. (\$1 million)

Incentives for Biodiesel and Renewable Diesel, a \$1 per gallon tax credit for biodiesel, as well as a small agri-biodiesel producer credit of 10 cents per gallon. (\$2.1 billion)

Credit for Construction of New Energy Efficient Homes, a credit for the construction of new energy-efficient homes that achieve a 30-50 percent reduction in heating and cooling energy consumption relative to a comparable dwelling constructed per the standards of the 2003 International Energy Conservation Code. (\$154 million)

Credit for Energy Efficient Appliances, a tax credit for large companies and US based manufacturers of energy efficient clothes washers, dishwashers and refrigerators/ (\$650 million)

Plug-In Electric Motorcycles and Highway Vehicles, an individual income tax credit for highway-capable plug-in motorcycles and 3-wheeled vehicles. The proposal replaces a 10 percent tax credit that expired at the end of 2011 for plug-in electric motorcycles, 3-wheeled vehicles, and other vehicles. (\$7 million).