

II. REVENUE EFFECT

The following table presents estimates of the revenue effect, based on current income levels, of various provisions of the Foreign Investors Tax Act of 1966:

Estimated revenue increase (+), revenue decrease (—), and expenditure increase (—) in the first full year under H.R. 13103 as reported by the Ways and Means Committee and passed by the House of Representatives, as reported by the Senate Finance Committee, as passed by the Senate, and as reported by the conference

[Millions]

Item	As reported by the Ways and Means Committee, Apr. 26, 1966, and passed by the House of Represent- atives, June 15, 1966	As reported by the Senate Finance Committee, Oct. 11, 1966	As passed by the Senate, Oct. 13, 1966	As reported by the conference, Oct. 19, 1966 ¹
A. FOREIGN INVESTORS TAX ACT OF 1966				
1. Elimination of progressive taxation of U.S. source income of nonresident alien individuals not engaged in trade or business in the United States.....	—\$1	—\$1	—\$1	—\$1
2. Estate tax at top rate of 25 percent on tangibles and intangibles with \$30,000 exemption.....	—3	—3	—3	—3
3. 1. Tax on excluded bank deposits.....	+(²)	+(²)	+(²)	+(²)
4. Taxation of foreign life insurance company income from nontrusted investments in the United States.....	+3	+3	+3	+3
5. Saving in interest cost to U.S. Government resulting from quarterly payment of withheld taxes ³	+2	+2	+2	+2
6. Tax on capital gains.....	—(⁴)	—(⁴)	—(⁴)	—(⁴)
7. Total.....	+1	+1	+1	+1
B. PRESIDENTIAL ELECTION CAMPAIGN FUND ACT OF 1966				
8. Payments to political parties, for incurred Presidential election expenses, out of a fund into which individuals have designated that \$1 of their income tax liability be paid.....		\$—70	\$—70	\$—60
C. PROVISIONS REGARDING PERCENTAGE DEPLETION AND MINING TREATMENT PROCESSES				
9. Increasing from 5 to 15 percent the percentage depletion rate for clay or shale used in the manufacture of sewer pipe and brick.....			—3	(⁶)
10. Mining process designation for sintering and burning of shale, clay, and slate to produce lightweight aggregates.....				(⁶)
11. Mining process designation for processes deriving alumina or aluminum compounds from clay, laterite, and nephelite syenite.....				
12. Increasing from 5 to 15 percent the percentage depletion rate for clam and oyster shells used for their calcium carbonate content.....		—1	—1	
13. Increasing from 15 to 23 percent the percentage depletion rate for alumina-yielding clay, laterite, and nephelite syenite.....				—1
14. Increasing from 5 to 7½ percent the percentage depletion rate for clay and shale used in the manufacture of sewer pipe and brick and for clay, shale, or slate sintered or burned to produce lightweight aggregates.....			(⁷)	
15. Total.....		—1	—4	—1

See footnotes at end of table.