



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

June 5, 2014

**H.R. 2807
Conservation Easement Incentive Act of 2014**

As ordered reported by the House Committee on Ways and Means on May 29, 2014

H.R. 2807 would amend the Internal Revenue Code to reinstate and make permanent specified rules that increased the amount of income tax deductions allowed for taxpayers making certain charitable contributions of real property for conservation purposes. The rules, which expired on December 31, 2013, increased certain income-based limits on the amount of such conservation contributions that an individual or qualified corporate farmer or rancher could deduct in a year, and extended the number of years over which such contributions above the limits could be carried forward and deducted.

The staff of the Joint Committee on Taxation (JCT) estimates that enacting H.R. 2807 would reduce revenues, thus increasing federal budget deficits, by about \$1.1 billion over the 2014-2024 period.

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending and revenues. Enacting H.R. 2807 would result in revenue losses in each year beginning in 2014. The estimated increases in the deficit are shown in the following table.

JCT has determined that the bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

The CBO staff contact for this estimate is Logan Timmerhoff. The estimate was approved by David Weiner, Assistant Director for Tax Analysis.

CBO Estimate of Pay-As-You-Go Effects for H.R. 2807, as ordered reported by the House Committee on Ways and Means on May 29, 2014

	By Fiscal Year, in Millions of Dollars												2014-	2014-
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2019	2024	
NET INCREASE IN THE DEFICIT														
Statutory Pay-As-You-Go Effects	6	81	77	81	84	94	111	127	142	156	169	422	1,128	

Source: Staff of the Joint Committee on Taxation.

Note: Components may not sum to totals because of rounding.
