



**CONGRESSIONAL BUDGET OFFICE
PAY-AS-YOU-GO ESTIMATE**

July 24, 2001

**H.R. 2511
Energy Tax Policy Act of 2001**

As ordered reported by the House Committee on Ways and Means on July 18, 2001

SUMMARY

H.R. 2511 would amend numerous provisions of tax law relating to energy. Provisions would enhance and create credits for the use and development of energy-efficient technologies, amend tax rules to provide greater recovery of assets and credits for businesses that provide energy, and enhance and create credits and deductions for the production of oil, gas, and other types of fuel. Provisions of the act would generally take effect in 2002, but some provisions would take effect on different dates, and some provisions would expire during the 2002-2011 period.

The Congressional Budget Office (CBO) and the Joint Committee on Taxation (JCT) estimate that H.R. 2511 would decrease governmental receipts by about \$1.7 billion in 2002, by \$18.7 billion over the 2002-2006 period, and by \$33.5 billion over the 2002-2011 period. Since the bill would affect receipts, pay-as-you-go procedures would apply. H.R. 2511 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 2511 is shown in the following table. All estimates were provided by JCT.

	By Fiscal Year, in Millions of Dollars				
	2002	2003	2004	2005	2006
CHANGES IN REVENUES					
Estimated Revenues	-1,729	-3,373	-4,209	-4,838	-4,553

PAY-AS-YOU-GO CONSIDERATIONS

The Balanced Budget and Emergency Deficit Control Act sets up pay-as-you-go procedures for legislation affecting direct spending or receipts. The net changes in governmental receipts that are subject to pay-as-you-go procedures are shown in the following table. For the purposes of enforcing pay-as-you-go procedures, only the effects in the current year, the budget year, and the succeeding four years are counted.

	By Fiscal Year, in Millions of Dollars										
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Changes in outlays					Not applicable						
Changes in receipts	0	-1,729	-3,373	-4,209	-4,838	-4,553	-4,057	-3,244	-2,680	-2,422	-2,416

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 2511 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

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