



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

February 18, 2011

H.R. 4
Small Business Paperwork Mandate Elimination Act of 2011
*As ordered reported by the House Committee on Ways and Means
on February 17, 2011*

H.R. 4 would repeal certain scheduled expansions in information reporting requirements. The staff of the Joint Committee on Taxation (JCT) estimates that enacting the legislation would increase federal budget deficits by \$21.9 billion over the 2011-2021 period, reflecting reductions in revenues.

The legislation would repeal an expansion currently scheduled to take effect in 2012 of information that businesses must report to the recipients of certain payments, as well as to the Internal Revenue Service, on form 1099. Beginning in 2012, certain payments not previously subject to 1099 reporting requirements, including those made to corporations and those made for property, will become subject to the reporting requirements. The repeal of this expansion would reduce revenues by an estimated \$21.9 billion over the 2011-2021 period, as shown in the following table. Because enacting H.R.4 would affect revenues, pay-as-you-go procedures apply. (All effects are on-budget.)

	By Fiscal Year, in Millions of Dollars													
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2011- 2016	2011- 2021	
Estimated Revenue Effect	0	-263	-2,785	-1,995	-2,064	-2,135	-2,309	-2,413	-2,523	-2,636	-2,782	-9,242	-21,905	

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 Kalyani Parthasarathy. The estimate was approved by Frank Sammartino.