



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

September 16, 2016

**H.R. 5946
United States Appreciation for Olympians and Paralympians Act**

*As ordered reported by the House Committee on Ways and Means
on September 14, 2016*

H.R. 5946 would amend the Internal Revenue Code to exclude from gross income, for income tax purposes, certain prizes or awards won in competition in the Olympic Games or the Paralympic Games. Starting on January 1, 2016, the exclusion would apply to monetary prizes received from the United States Olympic Committee and the intrinsic value of the medals awarded. The exclusion would not apply to individuals with adjusted gross income above \$1 million, or half of that amount for married individuals filing a separate return.

The staff of the Joint Committee on Taxation (JCT) estimates that enacting the bill would reduce revenues, thus increasing federal budget deficits, by about \$3 million over the 2017-2026 period. Specifically, JCT estimates that the bill would have no effect on revenues in 2016 and would reduce them by \$1 million in 2017, 2021, and 2025, and by less than \$500,000 in the other years of the 2017-2026 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. 5946 would reduce revenues; therefore, pay-as-you-go procedures apply. The estimated increases in the deficit are shown in the following table. Enacting the bill would not affect direct spending.

JCT and CBO estimate that enacting the bill would not increase net direct spending in any of the four 10-year periods beginning in 2027, and would increase on-budget deficits over those periods by very small amounts.

JCT has determined that H.R. 5946 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

The CBO staff contact for this estimate is Jacob Fabian. The estimate was approved by John McClelland, Assistant Director for Tax Analysis.

CBO Estimate of Pay-As-You-Go Effects for H.R. 5946, as ordered reported by the House Committee on Ways and Means on September 14, 2016.

	By Fiscal Year, in Millions of Dollars												2016-	2016-
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2021	2026	
NET INCREASE IN THE DEFICIT														
Statutory Pay-As-You-Go Effects	0	1	0	0	0	1	0	0	0	1	0	2	3	

Source: Staff of the Joint Committee on Taxation.
