



## Tax Relief Provisions Included in the 2009 Federal Stimulus Legislation

(In Billions)

Provision	Description	National Total <sup>a</sup>
<b>Personal Income Tax</b>		
"Making work pay" credit	Creates a new credit of up to \$800 in 2009 and 2010 based on annual income.	\$116.2
Alternative minimum tax (AMT) threshold	Raises income levels subject to the AMT in 2009.	69.8
Child tax credit	Reduces the annual wage threshold for eligibility in 2009 and 2010 from \$12,600 to \$3,000.	14.8
Education tax credit	Expands the existing "Hope" credit for higher education costs in 2009 and 2010.	13.9
New homeowner tax credit	Converts an existing incentive into a refundable credit for first-time homebuyers who purchase a home in 2009.	6.6
Taxation of unemployment benefits	Exempts up to \$2,400 in benefits received in 2009.	4.7
Earned income tax credit	Increases benefits and raises the income threshold for eligibility in 2009 and 2010.	4.7
Energy improvement tax credit	Increases tax benefits in 2009 and 2010 from increasing the energy efficiency of existing homes.	2.0
Automobile sale tax deduction	Creates a new deduction of sales taxes paid on the purchase of a new car over the next 12 months.	1.7
Subtotal, Personal Income Tax		(\$234.4)
<b>Other Tax Provisions</b>		
Renewable energy incentives	Extends or increases a variety of tax subsidies for "green" energy production and conservation.	\$18.0
School construction bonds	Increases federal subsidies for school construction and repair projects.	10.9
Recovery Zone Bonds	Authorizes \$25 billion in federally subsidized bonds for projects that encourage growth in depressed areas.	5.4
Extension of bonus depreciation	Allows rapid depreciation of equipment purchases in 2009.	5.1
Build America Bonds	Establishes a new type of federally subsidized bond that would be available to state and local governments.	4.3
Deferral of income on the repurchase of debt	Permits companies to repurchase their own debt in 2009 and 2010 and defer taxes on any reduction in the value of that debt.	1.6
Other		7.2
Subtotal, Other Tax Provisions		(\$52.5)
<b>Total</b>		<b>\$286.9</b>

<sup>a</sup> Expected costs over the period from 2009 to 2019, as estimated by the federal Joint Committee on Taxation.