

Preliminary Estimates for Federal Connect Provisions

Provision	2010 Reconnect Impact (\$M)	2011-13 Disconnect Impact (\$M)
Bonus depreciation 50% if placed in service by 9/8/2010 100% if placed in service 9/9/10 - 12/31/11 50% if placed in service 1/1/12 - 12/31/12	-\$34	\$85
Expand Section 179 expensing - maximum and threshold increased to \$500,000 and \$2 million for 2010 and 2011 - maximum and threshold increased to \$125,000 and \$500,000 for 2012	-\$18	\$30
Tuition expenses Taxpayers are allowed an above-the-line deduction for qualified tuition and related expenses for higher education paid by the individual during the taxable year. Includes phaseout.	-\$10	\$10
Health Care Coverage for Young Adults Prior law defined a qualifying child for purposes of the exclusion of employer-provided accident or health plan as being under the age of 19, or 24 if a full-time student. This provision extends the exclusion to any child who hasn't attained age 27 by the end of the tax year.	-\$1	\$8
IRA distributions for certain charities An exclusion of up to \$100,000 is allowed for distributions from an IRA for donations made to a qualified charitable organization.	-\$1	\$1
15-year straight-line cost recover for restaurants These properties may be depreciated over a 15-year time frame rather than the standard 39-year time period. This provision extends that treatment to property placed in service by December 31, 2011.	-\$1	\$1