

## **Ways & Means Staff Options for Joint Select Committee on Deficit Reduction**

### **I. Revenue dedicated to deficit reduction**

#### **Individual Rate Increases (Implicit or Explicit)**

Super Pease  
Surcharge (5.4%) on income over \$1 million  
Repeal high-income tax cuts in 2012

#### **Financial Markets/Products**

Ordinary income from day-to-day dealer activities  
Carried Interest (no tax on enterprise value)

#### **Estate and Gift**

Consistent estate value/income tax basis  
Require minimum term for GRATs  
Modify rules on valuation discounts  
Revert to 2009 estate tax parameters for 2012

#### **Other miscellaneous revenue items**

S corp reasonable comp  
Repeal special depreciation for corp jets  
Reclaim passport if back taxes >\$100k

### **II. Revenue dedicated to Make it in America Rate**

#### **Reform U.S. International Tax System**

Tax on excess retruns from intangibles  
Limit income shifting on intangibles (367)  
Limit deduction for reinsurance premiums  
  
Defer deduction of interest expense related to deferred income  
Treaty shopping

#### **Energy and Environment**

Repeal IDCs for Big 5  
Repeal 199 for Big 5  
Repeal LIFO for Big 5

#### **Other**

Disallowance of depreciation in excess of ADS

### **III. Make it in America Rate Reduction (revised section 199)**