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Revenue Measures in Congress: Procedural Considerations

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Summary

As with other types of budgetary legislation, special guidelines and practices govern the consideration of measures for raising revenues. These procedural restrictions can have a significant impact on the timing and contents of revenue measures.

The oldest limitation on consideration of revenue measures is the "Origination Clause" of the U.S. Constitution. Article I, Section 7, requires that all measures for raising revenues originate in the House of Representatives, although the Senate may amend a revenue bill as it chooses.

The consideration of revenue measures is also influenced by processes stemming from the Congressional Budget Act of 1974. The annual concurrent resolution on the budget establishes levels for revenues and surplus (or deficit), as well as expenditures. These levels are enforced through points of order and, revenue legislation must be consistent with them. If the budget resolution includes reconciliation instructions, these may include directives to the House and Senate tax committees concerning changes in revenue laws to alter the projected level of revenues. As a result, provisions in the Budget Act concerning the timing and consideration of the budget resolution or reconciliation can have an impact on revenues.

The Pay-As-You-Go Process (PAYGO), a budgetary control mechanism established by the Budget Enforcement Act of 1990, also has an impact on revenue legislation. This mechanism requires that if the net level of changes in revenues and direct spending enacted results in a positive balance on the PAYGO scorecard for a fiscal year, it must be offset by other changes in revenues and direct spending.

House and Senate rules also affect revenue legislation. Jurisdiction over revenue matters is fixed in the rules of both chambers. In addition, House rules provide that (1) revenue measures be considered in Committee of the Whole; (2) certain tax increases require a three-fifths vote; (3) certain tax increases may not be retroactive; and (4) supplemental information, such as an analysis of the complexity of proposed tax changes or dynamic estimates of a measure's revenue effects, may be provided in certain circumstances.

Finally, the Congressional Budget Act provides that whenever a committee of either house reports a revenue measure, the accompanying report should include a projection by the Congressional Budget Office (CBO) of any increase or decrease in revenues or tax expenditures. Projections made by CBO must, in turn, be based on estimates provided to it by the Joint Committee on Taxation.

This report will be updated to reflect any additions to or changes in these procedures.

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Introduction

The budget for the federal government provides for more than $2 trillion in revenues, including over $500 billion in Social Security revenues. These revenues accrue to the government primarily as a result of new and previously enacted legislation that establishes the laws governing tariffs and taxation. Revenues, no less than expenditures, are part of the budget process. Like other parts of the budget process, revenue legislation is subject to special rules and requirements that set it apart from most other types of legislation.

The U.S. Constitution grants Congress the power to "lay and collect taxes, duties, imposts, and excises."[1] Revenue laws enacted pursuant to this provision typically grant long-term or permanent authority for the government to collect various taxes. Periodically, Congress repeals obsolete provisions, extends expiring provisions, and makes other adjustments. These adjustments are made for a variety of policy and political reasons, but are all treated as an integral part of the budget process. New revenue legislation, and revisions of existing revenue laws, may be considered by the House and Senate as freestanding measures. In recent years, however, such changes have frequently been considered as part of the budget reconciliation process. In either case, revenues are expected to conform to the level established by Congress in the budget resolution, and generally must be considered under the procedures found in the U.S. Constitution, the Congressional Budget Act of 1974,[2] the Budget Enforcement Act of 1990,[3] and the rules of the House and Senate. This report describes how each of these components has an impact on the consideration of revenue legislation.

The Origination Clause

Article I, Section 7, Clause 1 of the U.S. Constitution is known generally as the origination clause because it requires that:

> All bills for raising revenue shall originate in the House of Representatives; but the Senate may propose or concur with amendments as on other bills.

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[1]Article I, Section 8.

[2]P.L. 93-344, 88 Stat. 297.

[3]P.L. 101-508, Title XIII, 104 Stat. 1388-573.

As generally understood in both the House and Senate, this clause carries two kinds of prohibitions. First, the Senate may not originate any measure that includes a provision for raising revenue, and second, the Senate may not propose any amendment that would raise revenue to a non-revenue measure. However, the Senate may generally amend a House-originated revenue measure as it sees fit. This prohibition does not apply to budget resolutions (as described in the section below) because a budget resolution only establishes the level of revenues and does not itself raise revenues.

These prohibitions can be enforced in either the House or the Senate, and there are ample precedents for both. According to *Riddick's Senate Procedure,* when a question is raised in the Senate regarding the constitutionality of a measure, such as whether the measure contravenes the origination clause, it is submitted directly to the Senate for its determination.[4] Similarly, an amendment proposing to raise revenues, would be out of order on the same grounds if offered to a non-revenue measure. A point of order against such an amendment would also be submitted by the Presiding Officer directly to the Senate.[5] Such a point of order generally would be debatable and decided by majority vote.

The House accomplishes enforcement primarily through a process known as "blue-slipping." Blue-slipping is the term applied to the act of returning to the Senate a measure that the House has determined violates the origination clause. It is called blue-slipping because the resolution returning the offending bill is printed on blue paper. This process is provided for under House Rule IX, Clause 2(a)(1), which states:

> A resolution reported as a question of the privileges of the House, or offered from the floor by the Majority Leader or the Minority Leader as a question of the privileges of the House, or *offered as privileged under clause 1, section 7, article I of the Constitution* [emphasis added], shall have precedence of all other questions except motions to adjourn.

Any Member of the House may offer such a resolution, but normally it is the Chairman of the Ways and Means Committee who would do so. Occasionally another member of the committee may be designated. Consideration of the resolution takes place in the House of Representatives under the one hour rule. Clause 2(a)(2) further provides that:

> The time allotted for debate on a resolution offered from the floor as a question of the privileges of the House shall be equally divided between (A) the proponent of the resolution, and (B) the Majority Leader, the Minority Leader, or a designee, as determined by the Speaker.

It should be noted that because enforcement of the origination clause in the House is based on a question of the constitutional privilege of the House, it is not

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[4]U.S. Congress, Senate, *Riddick's Senate Procedure,* S.Doc. 101-28, 101st Congress, 2nd session, by Floyd M. Riddick and Alan S. Frumin (Washington: GPO, 1992), pp. 685, 1215.

[5]Ibid., pp. 52, 1215.

subject to restrictions based on timeliness. The House can assert its privilege at any time it is in possession of the papers. Therefore, the House is not limited to enforcing its prerogative through blue-slipping a measure upon its initial receipt from the Senate. The House may decide that it is not necessary to blue-slip a measure that will be considered by a conference committee, because an offending provision could be removed in conference without the formal step of blue-slipping.[6] Such an accommodation would not prevent the House from enforcing its prerogative after a conference if the offending provision remained in the measure.[7]

There are other options the House could exercise short of formally blue-slipping a measure. For example, the House could choose simply to ignore the offending bill, either holding it at the desk or referring it to committee. Such an action could also be followed by House passage of an appropriate revenue raising measure that would then give the Senate a legitimate legislative vehicle for its revenue provisions.

The House could also move to take up the measure and disagree to the offending Senate amendment, giving the Senate the option of deciding how to proceed. The Senate could then insist on its amendment and attempt to go to conference regardless of House concerns. The Senate could also recede from its amendment and concur with a new amendment not violating House prerogatives. Such a course of action, however, would require unanimous consent. It would also be possible for the Senate simply to recede to the House-passed version, although politically this option would be less likely.

Because the Senate is free to propose amendments to House-originated revenue measures, the Senate may "originate" tax provisions, even though it may not originate tax measures. One extreme example is the Tax Equity and Fiscal Responsibility Act of 1982.[8] The Senate took a House-originated measure concerning tariffs that had passed the House in 1981 (H.R. 4961, 97th Congress), and amended it to include major revenue increases.

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[6]Such an accommodation was proposed by Representative David Obey, then Chairman of the Appropriations Committee, for dealing with a revenue provision inserted into the FY1995 Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations bill (H.R. 4554, 103rd Congress). During floor remarks concerning this proposed accommodation, Representative Robert Walker stated that such an accommodation had previously been made during consideration of the Senate passed FY1995 Commerce, Justice, State Appropriations bill (H.R. 4603, 103rd Congress). For details see the discussion during consideration of H.Res. 518 (103rd Congress) in "Privileges of the House — Returning to the Senate the Senate Amendments to H.R. 4554," remarks in the House, *Congressional Record*, Vol. 140, August 12, 1994, pp. 21655-21658.

[7]Lewis Deschler, *Deschler's Precedents of the United States House of Representatives including references to provisions of the Constitution and laws, and to decisions of the courts*, Vol. 3, Chap. 13, Section 14.2, (Washington: GPO, 1977), p. 295.

[8]P.L. 97-248, 96 Stat. 324.

Revenues and the Budget Resolution

The Congressional Budget Act of 1974 was designed, in part, as a mechanism for coordinating both spending and revenue levels. As a result, the budget resolution is required to include totals for revenues, spending, new spending, surpluses (or deficits), and debt.[9] Specifically, Section 301(a)(2) of the Congressional Budget Act requires that the budget resolution set forth appropriate levels for "total Federal revenues and the amount, if any, by which the aggregate level of Federal revenues should be increased or decreased by bills and resolutions to be reported by the appropriate committees."

The budget resolution thus provides a guideline for the amount of federal revenues, but not for their composition. The sources and composition of revenues are determined through the enactment of revenue laws that are reported as necessary from the House and Senate committees of jurisdiction. The budget resolution may also include reconciliation instructions directing the committees of jurisdiction to report legislation making appropriate changes in the level of revenues, but not directing specific changes in revenue laws.

In addition, the budget resolution is required to include such amounts for future years. Section 301(a) sets the requirement at "the fiscal year beginning on October 1 of such year, and planning levels for at least each of the 4 ensuing fiscal years." However, this is the minimum requirement, and more than four "out-years" have been included in several recent budget resolutions. The budget resolutions for FY1996 and FY1997 included levels for fiscal years extending to FY2002, the year when a balanced budget would have been required under a proposed balanced budget constitutional amendment. The budget resolution for FY2000 included levels extending to FY2009.

Consideration of revenue legislation is also tied to the budget resolution by its timing. Congress must first consider a budget resolution for a particular year before it can consider a measure that would affect the revenue level for that year. Section

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[9]The budget for Social Security is separate from the rest of the federal budget, and its totals must be presented separately in the budget resolution. The exclusion of Social Security from the budget process generally stems from Section 13301 of the Budget Enforcement Act. The budgetary treatment of Social Security in the Senate, including revenues to the old-age, survivors, and disability insurance program established under Title II of the Social Security Act (and the related provisions of the Internal Revenue Code of 1986), is specified in Sections 301(a)(7), 301(i), 302(f)(2), and 311(a)(3) and 311(b). These sections establish a "firewall" to restrict changes in the revenues or outlays of the Social Security trust funds by exempting the funds and their transactions from the congressional budget process generally, as well as from budget enforcement procedures like sequestration. For the House, Social Security is protected under Section 13302 of the Budget Enforcement Act, which establishes a point of order against legislation that would reduce the balance of the trust funds or have a negative impact on their actuarial balance over a 5- or 75-year period without an offsetting change. For more on the treatment of Social Security specifically, rather than on revenue generally, see CRS Report 98-785, *Budget Enforcement Procedures Applicable to Social Security*, by Robert Keith; and CRS Report 95-206, *Social Security's Treatment Under the Federal Budget: A Summary*, by David Koitz.

303(a) of the Congressional Budget Act provides that, in general, until a budget resolution for a fiscal year has been agreed to (the first fiscal year covered by the resolution with respect to the House and any fiscal year covered by the resolution with respect to the Senate), it is not in order to consider "any bill or joint resolution, amendment or motion thereto, or conference report thereon" that provides for an increase or decrease in revenues that will first become effective during that fiscal year. An exception is provided in Section 303(b)(1)(B), which allows for the House to consider measures "increasing or decreasing revenues which first become effective in a fiscal year following the fiscal year to which the concurrent resolution applies."

Revenues and Reconciliation

The reconciliation process is an optional part of the budget process that can be used to implement the overall budget plan established in the budget resolution.[10] It can be used to make changes in revenues or direct spending (or both). One impact of reconciliation process comes from the fact that the Congressional Budget Act provides special procedures for the consideration of a reconciliation measure, including limits on the time for debate and contents of such a bill. For example, a limit of 20 hours for debate in the Senate means that a reconciliation measure cannot be subject to an extended debate or filibuster. These procedures make the reconciliation process a critical, and sometimes controversial, element in the budget process when it is used. One such issue in 2001 involved whether use of the reconciliation process is appropriate for considering a measure that provides only for revenue reductions.[11] Another debate resulted in a general understanding that the special reconciliation procedures could be applied only to a single measure during a congressional budget cycle.

In recent years, changes in revenue laws have frequently been enacted as a part of the reconciliation process rather than as freestanding legislation. The procedural impact has been twofold. First, in some cases, revenue legislation has been considered as part of an omnibus bill in order to better coordinate changes in both revenues and direct spending.[12] When multiple committees receive reconciliation instructions, including instructions concerning changes in the level of revenues, all such committees are expected to report their recommendations in the form of legislative language to the House and Senate Budget Committees rather than directly to their respective chambers. These recommendations are packaged by the Budget Committees and then reported as an omnibus bill. In this circumstance, a

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[10]For more on the reconciliation process and the budget process generally, see CRS Report 98-720, *Manual on the Federal Budget Process*, by Robert Keith and Allen Schick; CRS Report 98-721, *Introduction to the Federal Budget Process*, by Robert Keith and Allen Schick; and CRS Report RS20095, *The Congressional Budget Process: A Brief Outline*, by James V. Saturno.

[11]On this specific question, see CRS Report RS20870, *Revenue Reconciliation Directives to the Senate Finance Committees in Budget Resolutions for FY1976-2001*, by Robert Keith.

[12]An exception is that Section 310(g) of the Congressional Budget Act prohibits changes to the Social Security Act from being included as part of any reconciliation measure.

reconciliation bill is treated as a revenue bill for purposes of the origination clause, even though it may include spending provisions, and, thus, must originate in the House. When a single committee receives reconciliation instructions, the instructions typically direct the committee to report legislation for consideration in its respective chamber.[13]

Second, Sections 310 and 313 of the Congressional Budget Act place limits on the consideration of reconciliation measures, and the amendments that can be offered to them. Amendments are prohibited in both the House and Senate (under Sections 310(d)(1) and (2) respectively) that would have the effect of reducing revenues in the bill if other changes in revenues or direct spending programs do not offset them. In the Senate, amendments to reconciliation bills are also restricted by two additional sections. Section 310(e) imposes a germaneness requirement (by reference to Section 305(b)(2)). Under this requirement, the Senate would be prohibited from considering amendments to a reconciliation bill that would expand the scope of taxes already included in the measure.[14] Section 313, the so-called Byrd Rule, prohibits the Senate from including extraneous provisions in (or offering extraneous amendments to) reconciliation bills. Extraneousness is distinct from nongermaneness because the focus of this test is primarily budgetary impact, rather than subject matter. Under this rule, an amendment is generally prohibited if it does not have budgetary impact, or if it has budgetary impact beyond the period called for in reconciliation instructions.[15] One significant effect of the Byrd Rule has been that revenue provisions in reconciliation bills are frequently subject to sunset provisions in order to limit their budgetary impact to the fiscal years covered by reconciliation instructions.

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[13]For example, the House Ways and Means Committee and the Senate Finance Committee were the only committees in their respective chambers to receive reconciliation instructions in the FY2000 and FY2001 budget resolutions.

[14]According to *Riddick's Senate Procedure*, pp. 854-862, although the precedents of the Senate reflect various conclusions with regard to germaneness, it is generally understood that germaneness is more restrictive than relevance. Thus, even if an amendment is relevant, additional considerations would be considered to determine if the amendment is germane, including:

> does it add new subject matter? does it expand the powers, authorities or constraints being proposed? does it amend existing law or another measure, as opposed to the measure before the Senate? does it involve another class of persons not otherwise covered by the measure? does it involve additional administrative entities? is it within the jurisdiction of the committee that reported the measure? and is it foreseeable? [p. 855]

[15]For more on the interpretation and enforcement of the Byrd Rule, see CRS Report RL30862, *Budget Reconciliation Procedures: The Senate's "Byrd Rule,"* by Robert Keith.

The Pay-As-You-Go Process (PAYGO)

One of the budgetary limitations first established by the Budget Enforcement Act of 1990 was the pay-as-you-go requirement (PAYGO).[16] The PAYGO process requires that legislation decreasing revenues or increasing direct spending may not cause an increase in the deficit (or a decrease in a surplus). The budgetary impact of all legislation changing direct spending or revenues is recorded on a multiyear PAYGO scorecard by the Office of Management and Budget (OMB). Both OMB and the Congressional Budget Office (CBO) track such legislation, and issue reports throughout the year (see **Table 1** below). OMB is the official scorer of budgetary legislation, although Congress typically uses estimates prepared by CBO during its consideration of legislation. Amounts on the PAYGO scorecard reflect spending and revenue changes for a fiscal year based on legislation enacted in prior years as well as that enacted in the current year.

Under the PAYGO process, Congress is not prohibited from enacting legislation increasing direct spending or decreasing revenues, but all such changes must be offset so that no positive balance (either a deficit increase or a surplus decrease) remains for any fiscal year. If the scorecard shows a positive balance at the end of the congressional session, the President must issue a sequester order to reduce spending in all non-exempt direct spending accounts. Revenue decreases or direct spending increases that occur under existing law do not require an offset. For example, a decrease in personal income tax revenue due to a decrease in the number of people working would not have to be offset, while a decrease due to legislation reducing the marginal tax rates would.[17]

The control mechanism for this process is not based on achieving a specific level of deficit or surplus, but instead focuses on the net impact of legislation on the deficit (or surplus). In its current form, any legislation that increases direct spending or decreases revenues needs to be fully offset, regardless of whether the projected effect would result in a budget deficit or surplus.

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[16]The Budget Enforcement Act of 1990 (Title XIII of P.L. 101-508, Omnibus Budget Reconciliation Act of 1990, 104 Stat. 1388-573 through 630) amended the Balanced Budget and Emergency Deficit Control Act of 1985 to provide new budgetary control mechanisms, including the PAYGO process. Originally enacted with a sunset date of 1995, it has been extended twice, in 1993 (Title XIV of P.L. 103-66, Omnibus Budget Reconciliation Act of 1993, 107 Stat. 683-685) and in 1997 (Budget Enforcement Act of 1997, Title X of P.L. 105-33, Balanced Budget Act of 1997, 111 Stat. 677-712). The PAYGO provisions currently apply only to legislation enacted prior to October 1, 2002, but the enforcement provisions are scheduled to remain in effect through FY2006 to capture the outyear effects of legislation enacted prior to the expiration.

[17]See also: CRS Report RL30009, *Tax Cut Legislation: Applicable Budget Enforcement Procedures*, by Robert Keith.

Table 1. Sequestration Process Timetable

Action to be completed	Deadline
CBO sequestration preview report	5 days prior to President's budget submission
OMB sequestration preview report	In conjunction with President's budget submission
CBO sequestration update report	August 15
OMB sequestration update report	August 20
CBO final sequestration report	10 days after the end of congressional session
OMB final sequestration report	15 days after the end of congressional session

In the Senate, PAYGO is also enforced through a freestanding point of order under Section 207(b) of the budget resolution for FY2000 (H.Con.Res. 68, 106th Congress). This point of order prohibits consideration of any direct spending or revenue legislation that would increase or cause an on-budget deficit for any of three periods: (1) the first fiscal year covered by the most recently adopted budget resolution, (2) the 5-year period covered by the budget resolution, or (3) the 5 years following the first 5 years covered by the budget resolution. This point of order may be waived by a three-fifths vote. Although this point of order would not apply to legislation that used all or part of an on-budget surplus, enforcement of the statutory requirements of the current PAYGO process would still apply.

Revenue Legislation in Congressional Rules

House Rules

The rules of the House deal with four general issues concerning consideration of revenue measures. Revenue measures, like other budgetary matters, must be considered by the House in Committee of the Whole. This practice is established under Rule XIII, Clause 1, which requires that bills for raising revenue be placed on the Calendar of the Committee of the Whole House on the State of the Union (Union Calendar). In addition, Rule XVIII, Clause 3 requires that "All bills, resolutions, or Senate amendments (as provided in Clause 3 of Rule XXII) involving a tax or charge on the people [or] raising revenue ... shall be first considered in the Committee of the Whole House on the state of the Union."

Consideration of revenue legislation in Committee of the Whole is generally under the terms of a resolution from the Rules Committee known as a special rule. Typically, a special rule covering a revenue measure either prohibits floor amendments or specifies those that may be offered.

Jurisdiction of consideration of "revenue measures generally" and "revenue measures relating to insular possessions" is conferred under Rule X, Clause 1(s) on the Committee on Ways and Means. This jurisdiction is reinforced by Rule XXI, Clause 5(a), which provides that:

> A bill or joint resolution carrying a tax or tariff measure may not be reported by a committee not having jurisdiction to report tax or tariff measures, and an amendment in the House or proposed by the Senate carrying a tax or tariff measure shall not be in order during the consideration of a bill or joint resolution reported by a committee not having that jurisdiction.

This rule is further supplemented by House precedent as referenced in policies of the Speaker announced at the beginning of each Congress. This policy has helped clarify guidelines for distinguishing between revenues and other types of receipts, such as user fees. These guidelines state that other committees may have jurisdiction to consider fees charges and assessments "levied on a class directly availing itself of, or directly subject to, a governmental service, program, or activity." However, measures that include broadbased fees on the general public for financing the cost of government generally are referred to the Committee on Ways and Means.[18]

The third general area concerning revenues covered in House Rules is restrictions on their consideration. In the 104th Congress, the House of Representatives adopted two rules changes concerning the consideration of tax measures.[19] Rule XXI, Clause 5(b) required that any federal income tax rate increase receive a vote of three-fifths in order to pass. Rule XXI, Clause 5(c) prohibited the consideration of any federal income tax rate increase that was to be effective before the enactment of the provision (that is, any retroactive tax increase).

These new rules were only rarely invoked in the 104th Congress (the provisions of Clause 5(c) not at all), and only once was a major ruling made on their application. On April 5, 1995, during consideration of the Contract With America Tax Relief Act of 1995, it was ruled that the prohibition in Rule XXI, Clause 5(b) did not apply to a provision in the bill repealing a ceiling on total tax liability attributable to a net capital gain.[20] The rule was also applied March 24, 1995, to an amendment offered by Representative Patsy T. Mink, which would have increased the top corporate income tax rate from 35% to 36.25%. Application was in the form of the Chairman of the Committee of the Whole stating that, "three-fifths of those present not having voted in the affirmative, the amendment ... was rejected." However, because a majority had not voted in the affirmative, the application of the rule was moot, limiting the precedential value of this instance.

Although the rule was waived in special rules several times during the 104th Congress, these waivers did little to clarify its application. In managing floor

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[18]This policy is articulated in the *Congressional Record,* Vol. 137, January 3, 1991, p. 66. The Speaker's announcement at the beginning of the 107th Congress stated that this policy would continue to govern, but that it need not be reiterated, as it is "adequately documented as precedent," *Congressional Record,* daily edition, Vol. 147, January 3, 2001, p. H21.

[19]When originally adopted, these provisions were designated as Clause 5(c) and (d) respectively. Their designation was changed when the Rules of the House were recodified at the beginning of the 106th Congress.

[20]See the discussion prior to the ruling in the *Congressional Record*, Vol. 141, April 5, 1995, pp. 10612-10615.

consideration of H.Res. 440, Representative Gerald B. H. Solomon, Chairman of the Rules Committee, stated that:

> ... while Chairman Archer [of the Ways and Means Committee] has stated that there is no increase in income tax rates included in this bill, a waiver of the rule requiring a three-fifths vote to increase income tax rates has been included out of an abundance of caution. Different people have interpreted the three-fifths vote requirement differently, and this rule errs on the side of caution.[21]

In order to clarify the rules application, the 105th Congress added additional language to both of these clauses, specifying that:

> ... the term "Federal income tax increase" means any amendment to subsection (a), (b), (c), (d), or (e) of section 1, or to section 11(b) or 55(b) of the Internal Revenue Code of 1986, that imposes a new percentage as a rate of tax and thereby increases the amount of tax imposed by any such section.

Finally, House Rule XIII includes two provisions pertaining to information to be provided in connection with reported tax legislation. Clause (h)(1) requires that a tax complexity analysis be prepared for any measure reported by the Ways and Means Committee amending the Internal Revenue Code of 1986. Clause (h)(2) allows for a dynamic estimate (i.e., one that includes assumptions concerning the potential for macroeconomic feedback effects) to be provided for informational purposes for any measure designated as "major tax legislation" by the Majority Leader.

Senate Rules

The only specific language dealing with revenue legislation in Senate rules pertains to the issue of jurisdiction. Rule XXV, clause 1(i) confers jurisdiction over "revenue measures generally, except as provided in the Congressional Budget Act of 1974" and "revenue measures relating to the insular possessions" on the Committee on Finance. In addition, Rule XV, Clause 5 protects the jurisdiction of all Senate committees generally by providing that:

> It shall not be in order to consider any proposed committee amendment (other than a technical, clerical, or conforming amendment) which contains any significant matter not within the jurisdiction of the committee proposing such amendment.

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[21]See remarks of Representative Solomon in the *Congressional Record*, Vol. 142, May 22, 1996, p. 12184.

Revenue Estimates

Under Section 308(a)(1) of the Congressional Budget Act, whenever a committee of either house reports a measure providing an increase or decrease in revenues or tax expenditures for a fiscal year (or fiscal years), the accompanying report:

> shall contain a statement, or the committee shall make available such a statement in the case of an approved committee amendment which is not reported to its House, prepared after consultation with the Director of the Congressional Budget Office ... containing a projection by the Congressional Budget Office of how such measure will affect the levels of ... revenues, [or] tax expenditures under existing law for such fiscal year (or fiscal years) and each of the four ensuing fiscal years, if timely submitted before such report is filed.[22]

For purposes of revenue legislation (designated as income, estate and gift, excise, and payroll taxes such as Social Security), Section 201(f) of the Congressional Budget Act requires CBO to "use exclusively during that session of Congress revenue estimates provided to it by the Joint Committee on Taxation."

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[22]Section 308(a)(2) applies the same requirement to conference reports.