

CHART ON EXPIRING/EXPIRED CODE PROVISIONS

On January 1, 2013, if Congress fails to act, many favorable Code provisions will revert back to the law before the enactment of the 2001 Economic Growth and Tax Relief Reconciliation Act and the 2003 Jobs and Growth Tax Relief Reconciliation Act (popularly called the Bush-era tax cuts). In addition, many pro-business Code provisions (known as the “tax extenders”) expired at the end of 2011. The chart below outlines these provisions for the law in 2012 and the law to be in 2013 (and a few other changes to take effect under the Affordable Care Act).

IRC SECTION	TOPIC	CURRENT LAW (IN 2012)	LAW ON 1/1/13
§1(f)(8)	15% rate bracket for married filers	The size of the 15% regular income tax bracket for a married couple filing a joint return is <i>twice the size</i> of the corresponding rate bracket for an unmarried individual filing a single return.	The size of the 15% regular income tax bracket will <i>be less than twice the size</i> of the corresponding rate bracket for an unmarried individual filing a single return. Brackets to be determined in annual revenue procedure issued in October.
§1(h)	Capital gains rates for individuals	Generally 0% for taxpayers below the 25% tax bracket; 15% for other individuals.	Generally 20% (10% for taxpayers in the 15% bracket). Long-term gains from assets held more than five years taxed at 18% (8% for taxpayers in the 15% bracket).
§1(h)(11)	Dividends of individuals taxed at capital gain rates	Qualifying dividends taxed like capital gains—0% for taxpayers below the 25% tax bracket; 15% for other individuals.	Taxed at ordinary income rates.
§1(i)	10% individual income tax rate	A 10% tax bracket exists for individuals; tax brackets are 10%, 15%, 25%, 28%, 33%, and 35%.	A 10% tax bracket does not exist; tax brackets are 15%, 28%, 31%, 36%, and 39.6%.

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§1(i)(2)	Reduction in other individual income tax rates	Income tax brackets are 10%, 15%, 25%, 28%, 33% and 35%.	Income tax brackets are 15%, 28%, 31%, 36% and 39.6%.
§21	Dependent care credit	Dollar limit on creditable expenses is \$3,000 for one child and \$6,000 for two or more children; applicable credit percentage is 35%; beginning of phaseout range is \$15,000.	Dollar limit on creditable expenses is \$2,400 for one child and \$4,800 for two or more children; applicable credit percentage is 30%; beginning of phaseout range is \$10,000.
§23	Adoption credit	\$12,650 maximum credit amount, per adopted child; adoption of child with special needs deemed to have \$12,650 in expenses; modified AGI phaseout range for credit begins at \$189,710 and ends at \$229,710; credit not refundable; credit can offset AMT.	No credit except for adoption of special needs child (maximum amount is \$5,000); phaseout range for modified AGI is \$75,000 to \$115,000; credit cannot offset AMT.
§24	Child tax credit	\$1,000 per eligible child; portion of credit may be refundable; credit can offset AMT.	\$500 per eligible child; only families with three or more qualifying children will be eligible to claim the refundable portion of the child tax credit; credit cannot offset AMT.
§25A(i)	American opportunity tax credit	Maximum credit equals \$2,500 (100% of qualifying expenses not in excess of \$2,000, plus 25% of qualifying expenses in excess of \$2,000 but not in excess of \$4,000). Partially refundable. Allowable for first four years of post-secondary education.	No American opportunity tax credit; Hope credit exists. Maximum credit to be determined in annual revenue procedure issued in October. Hope credit allowed for first two years of post-secondary education.
§25C	Credit for certain nonbusiness energy property	No credit (expired for property placed in service after 12/31/11).	No credit.

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§26(a)(2)	Limitation on personal tax credits based on tax liability	The aggregate amount of nonrefundable credits (other than certain credits) may not exceed the taxpayer's net regular tax liability (the ability to exceed net regular tax liability expired 12/31/11).	Same.
§30	Credit for electric drive motorcycles, three-wheeled vehicles, and low-speed vehicles	No credit (expired for vehicles acquired after 12/31/11).	No credit.
§30A; P.L. 109-432, §119	American Samoa economic development credit	There is no American Samoa economic development credit; expired with respect to the first two taxable years of a corporation, which began after 12/31/05, and before 12/31/11.	No credit.
§30B	Conversion credit for plug-in electric vehicles	No credit (expired for conversions made after 12/31/11).	No credit.
§30C	Alternative fuel vehicle refueling property (non-hydrogen refueling property)	No credit (expired for property placed in service after 12/31/11).	No credit.
§32	Earned income tax credit	Credit percentage for taxpayer with 3 or more qualifying children increased to 45%; phaseout amount for married taxpayers filing a joint return is increased by \$5,000; adjusted gross income used to determine phaseout; nontaxable employee compensation is excluded from the definition of earned income; taxpayer's earned income credit is not reduced by the amount of	No credit percentage increase for taxpayer with 3 or more qualifying children – standard credit percentage for 2 or more qualifying children of 40% applies; phaseout amount for married taxpayers filing a joint return is not increased; modified adjusted gross income is used to determine phaseout; nontaxable employee compensation is included in the

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		alternative minimum tax imposed on the taxpayer for the taxable year (expires for taxable years beginning after 12/31/12).	definition of earned income; taxpayer's earned income credit is reduced by the amount of alternative minimum tax imposed on the taxpayer for the taxable year; reinstatement of supplemental child credit.
§40(b)(6)(H)	Cellulosic biofuel producer credit	Generally, \$1.01 for each gallon of qualified cellulosic biofuel produced.	No credit for qualified cellulosic biofuel production after 12/31/12.
§40(e)	Alcohol fuels income tax credit (alcohol fuel, alcohol used to produce a qualified mixture, and small ethanol producers)	No credit (the three components of the alcohol fuels credit expired for any period after 12/31/11).	No credit.
§40A	Income tax credits for biodiesel fuel, biodiesel used to produce a qualified mixture, and small agri-biodiesel producers	No credit (expired for any sale or use after 12/31/11).	No credit.
§40A(f)	Income tax credits for renewable diesel fuel and renewable diesel used to produce a qualified mixture	No credit (expired for any sale or use after 12/31/11).	No credit.
§41	Tax credit for research and experimentation expenses	No credit (expired for amounts paid or incurred after 12/31/11).	No credit.
§45(d)(1)	Placed-in-service date for wind facilities eligible to claim electricity production credit	Credit allowed for wind facilities placed in service before 1/1/13.	No credit for wind facilities placed in service after 12/31/12.
§45(d)(8)	Placed-in-service date for facilities eligible to claim the refined coal production credit (other than refined coal facilities that produce steel industry fuel)	No credit (refined coal production facility must have been placed in service before 1/1/12).	No credit.

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§45(e)(10)	Credit for production of Indian coal	\$2.267 per ton of Indian coal produced.	No credit (expiring 12/31/12).
§45A	Indian employment tax credit	20% of net Indian compensation increase for the year; applicable for taxable years beginning on or before 12/31/11.	No credit.
§45D	New markets tax credit	No credit allowed as there is no national limitation allotted for 2012.	No credit as there is no national limitation allotted for 2013 or beyond.
§45F	Credit for employer-provided child care	A 25% credit for the cost of establishing and administering an employee child care facility or 10% credit for making child care resource and referral expenditures. Maximum credit is \$150,000.	Generally no credit (expiring for tax years beginning after 12/31/12).
§45G	Credit for certain expenditures for maintaining railroad tracks	50% credit, subject to dollar limitation, available for qualified railroad track maintenance expenditures paid or incurred during taxable years beginning before 1/1/12.	No credit (expired for qualified track maintenance expenditures paid or incurred during taxable years beginning before 1/1/12).
§45L	Credit for construction of new energy efficient homes	No credit (expired for qualified new energy efficient homes acquired after 12/31/11).	No credit.
§45M	Credit for energy efficient appliances	No credit (qualified appliance must have been manufactured in calendar year 2011).	No credit.
§45N	Mine rescue team training credit	Credit up to \$10,000 for qualified mine rescue team training expenses paid or incurred in taxable years beginning on or before 12/31/11.	No credit.

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§45P	Employer wage credit for activated military reservists	No credit (expired for payments made after 12/31/11).	No credit.
§48(a)(5)	Election to claim the energy credit in lieu of the electricity production credit for wind facilities	Credit for qualified wind facilities owned by the taxpayer originally placed in service before 1/1/13.	No credit.
§48(d)	Grants for specified energy property in lieu of tax credits	Generally no grants (expired for energy property placed in service after 12/31/11). Grant allowed for energy property placed in service after 12/31/11 and before the credit termination date for property whose construction began in 2009, 2010 or 2011.	Grant allowed for energy property placed in service after 12/31/11 and before the credit termination date for property whose construction began in 2009, 2010 or 2011.
§51(c)	Work opportunity tax credit	40% credit of qualified first-year wages. Credit for wages paid to an employee who begins work for the employer on or before 12/31/11; credit allowed for qualified veterans who begin work on or before 12/31/12.	Credit only for qualified veterans who begin work for the employer on or before 12/31/12.
§53(e)	Credit for prior year minimum tax liability made refundable after period of years	Long-term unused minimum tax credit for individuals for a taxable year beginning before 1/1/13.	No credit (expiring for taxable years of an individual beginning after 12/31/12).
§54E	Qualified zone academy bonds: allocation of bond limitation	No credit; no national limitation after 2011 except that states may carry over unused allocation for 2 years.	No credit.

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§55(b)(3)	Reduced capital gains rates for individuals	For AMT purposes, capital gains are taxed the same as under the regular tax system (0% for taxpayers below the 25% tax bracket and 15% for other taxpayers).	For AMT purposes, capital gains are taxed at 20%.
§55(d)	AMT exemption amount	Exemption amount is: \$45,000 for joint return filers and surviving spouses; \$33,750 for unmarried individuals who are not surviving spouses; \$22,500 for married taxpayers filing separate returns and estates.	Exemption amount is: \$45,000 for joint return filers and surviving spouses; \$33,750 for unmarried individuals who are not surviving spouses; \$22,500 for married taxpayers filing separate returns and estates.
§62(a)(2)(D)	Deduction for certain expenses of elementary and secondary school teachers	Generally no deduction (last available year was taxable years beginning during 2011).	No deduction.
§63(c)	Increase of the standard deduction for married filers to double that of unmarried filers	Standard deduction: \$11,900 for married individuals filing joint returns and surviving spouses; \$8,700 for heads of households; \$5,950 for unmarried individuals who are not heads of households or surviving spouses; and \$5,950 for married individuals filing separate returns.	To be determined under inflation adjustment formula, but amount for married taxpayers filing joint returns will be less than twice the amount of unmarried individuals.
§68(g)	Repeal of overall limitation on itemized deductions (the "Pease limitation")	Overall limitation on itemized deductions (typically 3% rule) does not apply.	Where AGI exceeds a specified amount (to be determined), itemized deductions are reduced by the lesser of: 3% of the excess AGI over the specified amount, or 80% of the amount of itemized deductions otherwise allowable.

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§108(a)	Discharge of indebtedness on principal residence excluded from gross income of individuals	Gross income does not include qualified principal residence indebtedness which is discharged before 1/1/13.	Gross income includes any qualified principal residence indebtedness which is discharged on or after 1/1/13.
§117(c)(2)	Elimination of tax on awards under the National Health Service Corps Scholarship Program and the F. Edward Hebert Armed Forces Health Professions Scholarship and Financial Assistance Program	Amounts received by a student in a taxable year beginning before 1/1/13 under the National Health Service Corps Scholarship Program or F. Edward Hebert Armed Forces Health Professions Scholarship and Financial Assistance Program will not generally be includible in income.	Amounts received as a scholarship under such programs on or after 1/1/13 are includible in income.
§125(i)(1)	Health Flexible Spending Arrangements (FSAs)	There is no limit on how much individuals may elect to contribute/defer tax-free per year to a flexible spending account to be used for the reimbursement of certain qualified health care expenses, not otherwise covered by medical insurance. However, employers usually set a cap in their cafeteria plans.	For tax years beginning after 12/31/12, tax-free contributions to flexible spending accounts will be limited to \$2,500 (adjusted for inflation for taxable years beginning after 12/31/13).
§127	Employer-provided educational assistance	Educational assistance can include graduate level courses of a kind normally taken by an individual pursuing a program leading to a law, business, medical or other advanced academic or professional degree.	Educational assistance does not include graduate level courses of a kind normally taken by an individual pursuing a program leading to a law, business, medical or other advanced academic or professional degree.
§132(f)	Parity for exclusion from income for employer-provided mass transit and parking benefits	Parity for mass transit and parking benefits ended in 2011. In 2012, maximum amount of qualified parking	Qualified parking and transit passes amounts to be determined (will not have parity).

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		that is excludible from an employee's gross income is \$240 per month; employer-provided transit passes and transportation in a commuter highway vehicle are excludible from gross income to the extent that the aggregate value of the benefits does not exceed \$125 per month.	
§137	Adoption assistance exclusion	\$12,650 maximum assistance amount, per adopted child; adoption of child with special needs deemed to have \$12,650 in expenses; modified AGI phaseout range for credit begins at \$189,710 and ends at \$229,710; credit not refundable; credit can offset AMT.	No adoption assistance exclusion; includible in gross income (pre-2001 EGTRRA §137(f) terminated provision for amounts paid or incurred after 12/31/01).
§142(a)(13)	Tax-exempt bonds for qualified public educational facilities—expansion of tax-exempt bond treatment to public school facilities	“Exempt facility bond” includes bond issued as part of an issue 95% or more of the net proceeds of which are to be used to provide (among other things) qualified public educational facilities.	Qualified public educational facilities not included.
§142(d)(2)(B)(ii) – (iv)	Treatment of military basic housing allowances	For purposes of determining an individual's income under either the 20-50 test or the 40-60 test, basic pay allowance for housing is disregarded with respect to any qualified building.	Basic pay allowance included in determination of an individual's income for purposes of 20-50 and 40-60 tests.
§148	Tax-exempt bonds for qualified educational facilities—increase in amount of bonds qualifying for small-issuer arbitrage rebate exception	Small governments may issue up to \$10 million in bonds for public schools without being subject to the arbitrage rebate requirement.	Small governments may issue up to \$5 million in bonds for public schools without being subject to the arbitrage rebate requirement.

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§151(d)	Reduction of the personal exemption phaseouts (PEP) for high income taxpayers	For tax years beginning in 2010, 2011, and 2012, the phaseout of the personal exemption does not apply.	The personal exemption amount is reduced by the applicable percentage for any taxpayer whose AGI exceeds the inflation-adjusted threshold amount.
§163(d)(4)(B)	Definition of investment income for purposes of limitation on deduction for investment interest	Investment income includes qualified dividend income only to the extent the taxpayer elects to treat such income as investment income for purposes of §163(d).	Taxpayer cannot elect to treat qualified dividend income as investment income.
§163(h)(3)(E)	Premiums for mortgage insurance deductible as interest that is qualified residence interest	No deduction (premiums for mortgage insurance not treated as qualified residence interest if paid/accrued after 12/31/11, or properly allocable to any period thereafter).	No deduction as premiums for mortgage insurance are not treated as qualified residence interest.
§164(b)(5)	Deduction for state and local general sales taxes	No deduction (election to deduct state and local sales taxes in lieu of state and local income taxes applicable only for tax years beginning in 2004 through 2011).	No deduction for state and local sales taxes in lieu of state and local income taxes.
§168(e)(3)(E)(iv), (v), (ix)	15-year straight-line cost recovery for qualified leasehold improvements, qualified restaurant buildings and improvements, and qualified retail improvements	Qualified leasehold improvements, qualified restaurant buildings and improvements, and qualified retail improvements are 15 year property if placed in service before 1/1/12.	Qualified leasehold improvement, restaurant, and retail improvement property placed in service after 12/31/11 has a 39-year recovery period under MACRS.
§168(e)(3)(C), (i)(15)	Seven-year recovery period for motorsports entertainment complexes	A motorsports entertainment complex placed in service before 1/1/12 is treated as 7-year property for MACRS purposes.	A motorsports entertainment complex placed in service after 12/31/11 is considered nonresidential real property and has a 39-year recovery

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			period under MACRS. Land improvements, such as roads and fences, are recovered over 15 years.
§168(j)	Accelerated depreciation for business property on an Indian reservation	Special table provides different recovery periods for business property located on an Indian reservation, applicable to property placed in service before 1/1/12.	The tables in §168(j) do not apply to property placed in service after 12/31/11, so business property located on an Indian reservation is treated the same as any other property.
§168(k)(1)	Additional first-year depreciation for 50% of basis of qualified property	For qualified property acquired after 12/31/07 and before 1/1/13, and placed in service before 1/1/13 the taxpayer may take an additional first-year depreciation deduction equal to 50% of the property's adjusted basis.	Bonus depreciation applies only for longer produced property (described in §168(k)(2)(B) or (C)) placed in service before 1/1/14, if the property was acquired before 1/1/13.
§168(k)(4)	Election to accelerate AMT credits in lieu of additional first-year depreciation	A corporation may elect to accelerate the AMT and research credits in lieu of first-year bonus depreciation for eligible qualified property. If the corporation makes the election, it must also use the straight-line method to depreciate the property. The election is available with respect to qualified property placed in service during and after corporation's first tax year ending after 3/31/08.	This election is available for longer produced property (described in §168(k)(2)(B) or (C)) placed in service before 1/1/14, but only for adjusted basis attributable to manufacture, construction, or production before 1/1/13.
§168(k)(5)	Additional first-year depreciation for 100% of basis of qualified property	100% additional first-year bonus depreciation available only for longer produced property (described in §168(k)(2)(B) or (C)) placed in service after 9/8/10 and before 1/1/13. No	No 100% additional first-year bonus depreciation.

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		100% additional depreciation for other property placed in service after 12/31/11.	
§168(l)	Special depreciation allowance for cellulosic biofuel plant property	The depreciation deduction for the tax year in which cellulosic biofuel plant property is placed in service includes an allowance equal to 50% of the adjusted basis of the property.	No special allowance for cellulosic biofuel plant property (expiring for property placed in service after 12/31/12).
§170(b)(1)(E) (individuals), (b)(2)(B) (corporate farmers and ranchers)	Special rules for contributions of capital gain real property made for conservation purposes	<p><i>Individuals:</i> For contributions made in tax years beginning after 12/31/11, contributions of capital gain property to public charities are subject to a 30% limitation. Contributions of appreciated property to semi-public charities and foundations are subject to a 20% limitation. For contributions made in tax years beginning before 1/1/12, an individual's charitable contribution deduction of a qualified conservation contribution is allowed to the extent the aggregate of the contribution does not exceed the excess of 50% (100% in the case of a qualified farmer or rancher) of the taxpayer's contribution base over the amount of all other charitable contributions allowable under §170(b)(1). A 15-year carryover is provided.</p> <p><i>Corporate farmers and ranchers:</i> For</p>	<p><i>Individuals:</i> Contributions of capital gain property to public charities are subject to a 30% limitation. Contributions of appreciated property to semi-public charities and foundations are subject to a 20% limitation.</p> <p><i>Corporate farmers and ranchers:</i> The total deduction cannot exceed 10% of the taxpayer's taxable income.</p>

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		contributions made in a tax year beginning after 12/31/11, the total deduction cannot exceed 10% of the taxpayer's taxable income. For contributions made in a tax year beginning before 1/1/12, any qualified conservation contribution is allowable up to 100% of the excess of the corporation's taxable income (as computed under §170(b)(2)) over the amount of all other allowable charitable contributions. Any excess may be carried forward for up to 15 years as a contribution subject to the 100% limitation.	
§170(e)(3)(C)	Enhanced charitable deduction for contributions of food inventory	No enhanced charitable deduction. For contributions made after 12/31/11, individuals cannot avail themselves of special rules under §170(e)(3) for contributions of inventory.	Same.
§170(e)(3)(D)	Enhanced charitable deduction for contributions of book inventories to public schools	For contributions of book inventories made after 12/31/11, the donee must be a tax-exempt organization described in §170(e)(3)(A) for the contribution to be eligible for the enhanced charitable deduction under §170(e)(3)(B). Donations to public schools no longer qualify.	Same.

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§170(e)(6)(G)	Enhanced charitable deduction for corporate contributions of computer equipment for educational purposes	Generally, no enhanced deduction. To qualify, the qualified computer contribution must be made in any taxable year beginning before 1/1/12, otherwise, the reduction under §170(e)(1) is in full effect.	No enhanced deduction for contributions made in any taxable year beginning before 1/1/12.
§179(b)(1), (f)	Increase in dollar limitations for expensing to \$125,000/500,000 (indexed)	For tax years beginning in 2012, the taxpayer may expense up to \$139,000 of the cost of §179 property. Special rule including real estate expired for taxable years not beginning in 2010 or 2011.	For tax years beginning after 2012, the taxpayer may expense up to \$25,000.
§179(b)(2), (f)	Increase in expensing to \$500,000/\$2,000,000 and expansion of definition of §179 property	The §179(b)(1) dollar amount is reduced by the amount by which the cost of §179 property placed in service during the tax year exceeds the §179(b)(2) threshold amount, which is \$560,000 for 2012.	For tax years beginning after 2012, the §179(b)(2) threshold amount is \$200,000.
§179E	Election to expense advanced mine safety equipment	No election to expense 50% of the costs of advanced mine safety equipment (expired for property placed in service after 12/31/11). Costs must be capitalized.	Costs for advanced mine safety equipment must be capitalized.
§181(f)	Special expensing rules for certain film and television productions	No special expensing rule (expired for qualified film or television productions commencing after 12/31/11). Costs must be capitalized.	Costs for certain film and television products must be capitalized.
§198	Expensing of "brownfields" environmental remediation costs	Generally no expensing allowed (expired for expenditures paid or	Environmental remediation costs for brownfields must be capitalized.

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		incurred after 12/31/11). Costs must be capitalized.	
§199(d)(8)	Deduction allowable with respect to income attributable to domestic production activities in Puerto Rico	Generally no deduction (expired for tax years beginning before 1/1/12).	No deduction for domestic production activities in Puerto Rico.
§213	Medical expense deduction	Taxpayers may deduct as an itemized deduction the cost of medical care not reimbursed by insurance or otherwise that exceed 7.5% of adjusted gross income	For tax years beginning after 12/31/12, the deduction for medical care is allowed to the extent expenses exceed 10% of AGI (taxpayers and their spouses who have attained age 65 before the close of the taxable year continue to use the 7.5% threshold through 2016).
§221(b)(2)(B)	Student loan interest deduction	For 2012, the phaseout of the student loan interest deduction, as adjusted for inflation, starts at \$60,000 (\$125,000 in the case of a joint return) and ends at \$75,000 (\$155,000 for joint returns).	For tax years beginning after 12/31/12, the phaseout starts at \$40,000 (\$60,000 in the case of a joint return) and ends at \$55,000 (\$75,000 for joint returns). The phaseouts will be adjusted for inflation.
§221(b)(2)(C)	Calculation of MAGI for student loan interest deduction	MAGI is calculated after application of §§86, 135, 137, 219, and 469, and without regard to §§199, 222, 911, 931, and 933.	MAGI is calculated after application of §§86, 135, 137, 219, and 469, and without regard to §§199, 911, 931, and 933 (\$222 eliminated).
Pre-EGTRRA §221(d)	Limit on period deduction is allowed; repeal of the rule that voluntary payments of interest are not deductible	No limit on length of time interest can be deducted. Pre-2010 EGTRRA §221(d) provided a 60-month limit on allowed student loan interest deductions.	A deduction for student loan interest can only be taken with respect to interest paid on any qualified education loan during the first 60 months in which interest payments are required.

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§221(f)	Inflation adjustment for student loan interest deduction	The \$50,000 and \$100,000 amounts in §221(b)(2) are indexed for inflation as noted above.	The §221(b)(2) amounts revert to \$40,000 and \$60,000 and are indexed for inflation.
§221 subsection redesignations			§221(d) → §221(e) §221(e) → §221(f) §221(f) → §221(g) Pre-EGTRRA §221(d) is reinstated.
§222	Above-the-line deduction for qualified tuition and related expenses	No deduction (expired for taxable years beginning after 12/31/11).	No deduction.
§341	Collapsible corporations	§341 was repealed by P.L. 108-27, effective for taxable years beginning after 2002.	§341 reinstated. Gain on a disposition of stock that otherwise would be treated as long-term capital gain is regarded as ordinary income if, at the time of the disposition, the corporation is a collapsible corporation.
§408(d)(8)	Tax-free distributions from individual retirement plans for charitable purposes	No tax-free distributions from an individual retirement plan as a qualified charitable distribution (expired for distributions made in taxable years beginning after 12/31/11. Amount distributed includible in income.	Same.
§451(i)	Special rule for sales or dispositions to implement Federal Energy Regulatory Commission (FERC) or state electric restructuring policy	Generally, an item of gross income is included in gross income for the tax year it is received by the taxpayer, unless the taxpayer's method of accounting dictates that the item be included in a different tax year. Special rule for sales/dispositions to	The amount of an item of gross income attributable to a sale/disposition to implement FERC or state electric restructuring policies is includible in the tax year received by the taxpayer, unless the taxpayer's method of accounting dictates otherwise.

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		implement FERC or state electric restructuring policy expired for sales or other dispositions after 12/31/11 in the case of a qualified electric utility. Under the former rule, upon the taxpayer's election, qualified gain from any qualifying electric transmission transaction is recognized in the tax year which includes the date of the transaction to the extent the amount realized exceeds (1) the cost of exempt utility property which is purchased by the taxpayer during the 4-year period beginning on such date, reduced by (2) any portion of such cost previously taken into account under §451(i), and ratably over the eight tax year period beginning with the tax year which includes the date of the transaction (in the case of any gain not recognized under §451(i)(1)(A)).	
§512(b)(13)	Modification of tax treatment of certain payments to controlling exempt organizations	No modification (expired for payments received after 12/31/11). Certain items of income from controlled corporations are required to be included in unrelated business taxable income (notwithstanding §512(b)(1) – (3)) and the deductions directly connected with the included items are allowed. For payments received before 1/1/12, §512(b)(13) only applies to the	Full amount of the payment is included in UBTI.

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		portion of a qualifying specified payment received or accrued by the controlling organization that exceeds the amount that would have been paid/accrued if the payment met the requirements of §482.	
§530(b)(1)	Increase in annual contribution to Coverdell ESAs	The maximum annual contribution to a Coverdell ESA is \$2,000.	The maximum annual contribution to a Coverdell ESA is \$500.
§530(b)(1)	Age limitations for contributions to Coverdell ESAs	Age limitations do not apply for a special needs beneficiary.	Age limitations apply for all beneficiaries.
§530(b)(2)	Expanded definition of qualified education expenses for Coverdell ESAs	<p>Qualified education expenses means: (i) qualified higher education expenses (as defined in §529(e)(3)), and (ii) qualified elementary and secondary education expenses (as defined in §530(b)(3)).</p> <p>Qualified tuition programs include any contribution to a qualified tuition program (as defined in §529(b)) on behalf of the designated beneficiary (as defined in §529(e)(1)); but there is no increase in the investment in the contract for purposes of applying §72 by reason of any portion of a contribution that is not includible in gross income by reason of §529(d)(2).</p>	<p>Qualified education expenses are defined in §529(e)(3), but are reduced as provided in §25A(g)(2) (reduction for scholarships received).</p> <p>Qualified state tuition programs include amounts paid or incurred to purchase tuition credits or certificates, or to make contributions to an account, under a qualified state tuition program (as defined in §529(b)) for the benefit of the account beneficiary.</p>

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IRC SECTION	TOPIC	CURRENT LAW (IN 2012)	LAW ON 1/1/13
§530(b)(3)	Inclusion of elementary and secondary education expenses for Coverdell ESAs	Provides definition of qualified elementary and secondary education expenses. These expenses are considered qualified education expenses under §529(b)(2)(A).	Elementary and secondary education expenses are not included in the definition of qualified education expenses under §530(b)(2).
§530(b)(4)	Timing of contributions to Coverdell ESAs	Contributions permitted up to April 15 of the following year.	Contributions for a taxable year are taken into account in the taxable year in which they are made.
§530(c)	Maximum allowable contributions to Coverdell ESAs	The maximum amount that an individual can contribute to a Coverdell ESA is reduced by an amount which bears the same ratio to the maximum contribution amount (\$2,000) as the excess of (1) the contributor's MAGI over (2) \$95,000 (\$190,000 in the case of a joint return), bears to \$15,000 (\$30,000 in the case of a joint return). Corporations and other entities (including tax-exempt organizations) are permitted to make contributions regardless of the income of the corporation or entity during the year of the contribution.	The maximum amount a contributor can contribute to a Coverdell ESA is reduced by an amount which bears the same ratio to the maximum contribution amount (\$500) as the excess of (1) the contributor's MAGI over (2) \$95,000 (\$150,000 in the case of a joint return), bears to \$15,000 (\$10,000 in the case of a joint return). Corporations (including tax-exempt organizations) subject to same phaseouts as individuals not filing a joint return.
§530(d)(2)(C)	Coordination of Coverdell ESAs and education credits	Provides coordination with Hope and Lifetime Learning credits and qualified tuition programs. If distributions from Coverdell ESAs and qualified tuition programs exceed the beneficiary's qualified higher education expenses for the year (after reduction by	Provides election to waive the application of §530(d)(2) for any tax year which otherwise would forbid claiming an education credit in the same year an exclusion is claimed. If a waiver is made, then the Hope or Lifetime Learning credit may be

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		amounts used in claiming the Hope or Lifetime Learning credit), the beneficiary is required to allocate the expenses between the distributions to determine the amount includible in income.	claimed with respect to the individual for the taxable year.
§530(d)(4)(C)	Timing to return excess contributions of Coverdell ESAs to avoid penalty	The tax imposed for any tax year on a taxpayer who receives a payment/distribution from a Coverdell ESA that is includible in gross income is not increased by 10% (under §529(d)(4)(A)) for distributions of contributions made during a tax year on behalf of the designated beneficiary if the distribution is made before the first day of the 6 th month of the tax year following the tax year of the contribution...	The tax imposed for any tax year on a taxpayer who receives a payment/distribution from a Coverdell ESA that is includible in gross income is not increased by 10% (under §529(d)(4)(A)) for distributions of contributions made during a tax year on behalf of the designated beneficiary if the distribution is made on or before the day the beneficiary's return is due or, if the beneficiary is not required to file a return, the 15 th day of the 4 th month of the tax year following the tax year of the contribution...
§531	Reduced rates under accumulated earnings tax	Tax on a corporation's accumulated earnings is 15%.	Accumulated earnings tax is 39.6% (the highest rate of tax under §1(c)).
§541	Reduced rate under personal holding company tax	Personal holding company tax on undistributed personal holding company income is 15%.	Personal holding company tax on undistributed personal holding company income is 39.6% (the highest rate of tax under §1(c)).
§613A(c)(6)(H)	Suspension of 100% of net income limitation on percentage depletion for	Marginal wells are generally subject to the 100% of net income limitation on	Percentage depletion for marginal wells is limited to 100% of the taxable

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	oil and gas from marginal wells	percentage depletion (suspension of 100% limit expired for any taxable year beginning after 12/31/11).	income from the property, computed without the depletion allowance and without the domestic production activities deduction (§199).
§646	Modified tax treatment of electing Alaska Native Settlement Trusts and their beneficiaries	With respect to any Settlement Trust, an election may be made to apply §646 in determining income tax treatment of the trust and its beneficiaries. Tax is imposed at the lowest rate specified in §1(c).	§646 inapplicable to tax years beginning after 12/31/12.
§871(k)(1)(C), (k)(2)(C), §881(e)(1)(A)	Treatment of certain dividends and assets of regulated investment companies	Generally expired for taxable years beginning after 12/31/11, permits a RIC to designate as an “interest-related dividend” a dividend that the RIC pays out of certain interest income that would not be subject to tax in the hands of a shareholder that is a foreign corporation or a nonresident alien. Also, expired for taxable years beginning after 12/31/11, a RIC could designate a dividend as a “short-term capital gain dividend.”	No designations.
§897(h)(4)	RIC qualified investment entity treatment under FIRPTA	Rule allowing a RIC that is a U.S. real property holding corporation is only treated as a qualified investment entity for purposes of §§897(h)(1), (5), and 1445 with respect to any distribution by the entity to a nonresident alien individual or a foreign corporation that is attributable	Same post-12/31/11 rule applies.

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		directly or indirectly to a distribution to the entity from a REIT, expired 12/31/11. Even after 12/31/11, a distribution by a RIC that is a USRPHC to a nonresident alien or foreign corporation is subject to FIRPTA (i.e., may be treated as gain from the sale or exchange of a USRPI) if the distribution is attributable directly or indirectly to a distribution that the RIC itself received from a real estate investment trust (REIT).	
§953(e)(10), §954(h)(9)	Exceptions under subpart F for active financing income	Exemption from taxation under subpart F for certain insurance income attributable to cross-border transactions expired for tax years of a foreign corporation beginning after 12/31/11.	Income is taxable under subpart F.
§954(c)(6)(C)	Look-through treatment of payments between related controlled foreign corporations under the foreign personal holding company rules	Rule that dividends, interest, rents, royalties received/accrued from a CFC that is a related person are not treated as foreign personal holding company income to the extent attributable/allocable to income of the related person which is neither subpart F income nor income treated as effectively connected with the conduct of a trade or business in the U.S., expired for tax years of foreign corporations beginning after 12/31/11.	These payments are included in foreign personal holding company income.

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§1202(a)(4)	Special rules for qualified small business stock	Rule that gross income does not include 100% of any gain from the sale/exchange of qualified small business stock held for more than five years applied for stock acquired after 9/27/10 and before 1/1/12.	For stock acquired after 12/31/11, only 50% of the gain from the sale/exchange of qualified small business stock held for more than five years is excluded from gross income.
		For stock acquired after 12/31/11, only 50% of the gain from the sale/exchange of qualified small business stock held for more than five years is excluded from gross income.	
		The empowerment zone business rules under §1202(a)(2) (granting a 60% exclusion) do not apply for stock acquired after 9/27/10 and before 1/1/12. For stock acquired after 12/31/11, the empowerment zone rules apply granting a 60% exclusion.	For stock acquired after 12/31/11, the empowerment zone business rules under §1202(a)(2) apply, so certain sales of qualified small business stock can receive a 60% gain exclusion.
		§57(a)(7) does not apply to stock acquired after 9/27/10 and before 1/1/12, so income excluded under §1202(a)(4) is not a tax preference item for AMT purposes. For stock acquired after 12/31/11, §57(a)(7) applies, so 42% of the income excluded under §1202(a)(4) is a tax preference item for AMT purposes.	For stock acquired after 12/31/11, §57(a)(7) applies, so 42% of the income excluded under §1202(a)(4) is a tax preference item for AMT purposes.
§1367(a)(2)	Basis adjustment to stock of S corporations making charitable	Rule that the basis of an S corporation shareholder's stock is decreased by	No basis reduction for a shareholder's pro rata share of contributed

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	contributions of property	charitable contributions of property by the S corporation in an amount equal to the shareholder's pro rata share of the adjusted basis of the contributed property expired for contributions made in taxable years beginning after 12/31/11.	property's adjusted basis.
§1374(d)(7)	Reduction in S corporation recognition period for built-in gains tax	Rule allowing 5-year recognition period expired for taxable years beginning after 12/31/11. Ten-year recognition period applies for taxable years beginning after 12/31/11.	An S corporation's net recognized built-in gain has a 10-year recognition period.
§1391(d)	Designation of an empowerment zone and of additional empowerment zones	Empowerment zone designations (that had not previously been terminated under §1391(d)(1)(B) or (C)) terminated on 12/31/11.	No empowerment zone designations remain in effect.
§1391(d)	Increased exclusion of gain (attributable to periods before 12/31/16) on the sale of qualified business stock of an empowerment zone business	100% exclusion for stock acquired in 2010 and 2011 and held five years. 60% exclusion for stock acquired after 2011 and held five years (gain for periods after 12/31/16 not applicable for exclusion). See §1202 above.	Same. See §1202 above.
§1394	Empowerment zone tax-exempt bonds	Empowerment zone bonds (issued as part of an issue 95% or more of the net proceeds of which are used to provide any enterprise zone facility is an exempt facility bond) where the	Tax-exempt bonds cannot be issued.

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		interest on the bond is tax exempt, expired 12/31/11. Tax-exempt enterprise zone facility bonds cannot be issued after 12/31/11.	
§1396	Empowerment zone employment credit	The empowerment zone employment credit, a part of the general business credit, expired when the empowerment zone designations terminated 12/31/11.	No credit.
§1397A	Increased expensing under §179	An up to \$35,000 increase in asset expensing expired when the zone designations terminated 12/31/11.	No increased §179 expensing.
§1397B	Nonrecognition of gain on rollover of empowerment zone investments	Nonrecognition on the gain from the sale of a qualified empowerment zone asset expired 12/31/11. Gain from the sale of assets that were formerly qualified empowerment zone assets is recognized in full (unless another nonrecognition provision applies).	Gain recognized unless another nonrecognition provision applies.
§1400(f)	Designation of D.C. Zone, employment tax credit, and additional expensing	The designation of the D.C. Zone expired 12/31/11.	No recognized benefits for former D.C. Zone.
§1400A	D.C. Zone tax-exempt bonds	The §1394(c)(1)(A) limit on D.C. Enterprise Zone bonds is \$15,000,000 and §1394(b)(3)(B)(iii) is applied without regard to the employee residency requirement expired for bonds issued after 12/31/11.	No recognized benefits for bonds issued after 12/31/11.
§1400B	Acquisition date for eligibility for 0% capital gains rate for investment in	0% capital gains rate for investment in D.C. Zone assets expired for assets	0% capital gains rate applies for D.C. Zone assets acquired before 1/1/12

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	D.C. Zone for gains through 12/31/16	acquired after 12/31/11. For assets acquired before 1/1/12, the 0% gain rate applies for assets held for more than five years despite the termination of the D.C. Zone on 12/31/11. Gain after 12/31/16 is not qualified gain.	and held for at least five years (gain after 12/31/16 not qualified).
§1400C	Tax credit for first-time D.C. homebuyers	Credit of up to \$5,000 for an individual who is a first-time homebuyer of a principal residence in D.C. expired for property purchased after 12/31/11.	No credit.
§1401; P.L. 112-78, §101, P.L. 112-96, §1001	Temporary payroll tax cut	OASDI rate is 4.2% for employees; employer OASDI rate is 6.2%.	Employee and employer OASDI rate is 6.2%.
§§2001, 2502	Reduction in the maximum estate and gift tax rate to 35%	Maximum estate and gift tax rate is 35%.	For decedents dying, gifts made, and generation-skipping transfers made after 12/31/12, the maximum rate is 55% (and a 5% surtax phases out graduated tax rates on estates and gifts over \$10 million).
§§2001, 2505	Modifications of estate and gift taxes to reflect differences in credit resulting from different tax rates	In determining the §2001(b)(2) offset for the aggregate gift tax that would have been payable on post-1976 gifts when computing the tentative estate tax, the estate tax rate schedule in effect at the time of the decedent's death (rather than the rate schedule at the time of the gifts) is used to calculate both the gift tax and the gift tax unified credit allowed.	In determining the §2001(b)(2) offset for the aggregate gift tax that would have been payable on post-1976 gifts when computing the tentative estate tax, the estate tax rate schedule in effect at the time of the decedent's death is used to calculate the gift tax. In computing the §2505 gift tax unified credit, the §2010(c) applicable credit amount used is that in effect for the

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IRC SECTION	TOPIC	CURRENT LAW (IN 2012)	LAW ON 1/1/13
		In computing the §2505 gift tax unified credit, the §2010(c) applicable credit amount used is that which would apply if the donor died at the end of the year (to allow “portability” of the credit for gift tax purposes). For purposes of this computation, the offset for the gift tax unified credit allowable for gifts made in prior years is determined by using the §2502(a)(2) gift tax rates for the current year (rather than the rates in effect for prior years).	year of the gift. For purposes of this computation, the offset for the gift tax unified credit allowable for gifts made in prior years is determined by using the §2502(a)(2) gift tax rates in effect for prior years.
§§2010, 2505, 2631	Increase in estate tax, gift tax, and GST exemption to \$5 million (indexed for inflation in years after 2011)	For decedents dying, gifts made, and generation-skipping transfers made in 2012, the exemption amount is \$5,120,000.	For decedents dying and gifts made after 12/31/12, the exemption amount is \$1,000,000 (with no inflation adjustment). For generation-skipping transfers made after 12/31/12, the GST exemption amount is \$1,000,000 (as adjusted for inflation after 1998).
§2010(c)(4)	“Portability” rules permitting a surviving spouse to use the unused estate and gift tax exemptions of the last deceased spouse	Surviving spouse can use decedent spouse’s unused exclusion amount.	Surviving spouse cannot use decedent spouse’s unused exclusion amount.
§§2011, 2012-2016, 2053, 2056A, 2058, 2102, 2106, 2107, 2201, and 2604	Estate tax deduction for State death taxes paid	Estates of decedents dying before 1/1/13 can deduct from the taxable estate any state death taxes paid. The state death tax credit is not in effect.	The state death tax credit returns in 2013 and there is no longer a deduction available for state death taxes paid.

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§2031(c)(2), (8)	Expansion and clarification of estate tax conservation easement rules	For the purposes of determining the applicable percentage, §2032(c)(2) states that the values of the easement and the land (and the value of any retained development right) as of the date of the contribution of the qualified conservation easement are to be used.	For decedents dying after 12/31/12, the code will no longer require that – in determining the applicable percentage – the respective values of the easement and the land as of the date of the contribution of the qualified conservation easement are to be used.
		Under §2031(c)(8)(A)(i), all land that is “located in the United States or any possession of the United States” may qualify for a conservation easement.	For decedents dying after 12/31/12, in order to qualify for a conservation easement, §2031(c)(8)(A)(i) will set forth that the land must be located: <ul style="list-style-type: none"> • in or within 25 miles of an area which, on the date of the decedent's death, is a metropolitan area; • in or within 25 miles of an area which, on the date of the decedent's death, is a national park or wilderness area designated as part of the National Wilderness Preservation System (unless it is determined by the Secretary that land in or within 25 miles of such a park or wilderness area is not under significant development pressure); or • in or within 10 miles of an area which, on the date of the

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			decedent's death, is an Urban National Forest (as designated by the Forest Service).
§2057	Repeal of the qualified family-owned business deduction	There is no estate tax deduction allowed for the adjusted value of the qualified family-owned business interests owned by a decedent. See §2057(j), repealing the “family-owned business interest” deduction for the estates of decedents dying after 12/31/03 and before 1/1/13.	Estates of decedents dying after 12/31/12 are allowed an estate tax deduction for the adjusted value of a decedent’s qualified family-owned business interests under §2057.
§2105	Definition of gross estate for RIC stock owned by a nonresident not a citizen of the United States	The rule that provided a proportional share of stock of a RIC owned by a nonresident alien is precluded from being deemed to be “property within the U.S.” under §2105(d), expired for the estates of decedents dying after 12/31/11.	Same.
§§2632, 2642	Modifications to generation-skipping transfer tax rules regarding deemed allocations of exemption to certain transfers in trust, severing of trusts, valuation, and relief for late elections	§2632(c) provides for deemed allocations of an individual’s GST exemption to certain lifetime transfers made to GST trusts (i.e., lifetime indirect skip transfers).	For decedents dying after 12/31/12, there is no automatic allocation of an individual’s GST exemption to lifetime indirect skips.
		§2632(d) allows individuals to make retroactive allocations of their GST exemption to prior transfers when a	For decedents dying after 12/31/12, there is no retroactive allocation of an individual’s GST.

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		non-skip person (to whom a future interest was previously transferred in trust) predeceases the transferor.	
		<p>§2642(a)(3) allows trusts with respect to which a transferor has previously allocated a portion of his or her GST exemption (i.e., the trust has an inclusion ratio of between zero and one) to be split into two trusts — one with an inclusion ratio of one and the other with an inclusion ratio of zero.</p> <p>Note that §2642(a)(3) also allows for the qualified severance of any trust (with an inclusion ratio equal to zero) into two or more trusts. The result of such a deemed qualified severance under §2642(a)(3) is that the trusts resulting from such severance shall be treated as separate trusts for GST purposes.</p>	<p>For decedents dying after 12/31/12, there is no allowance for severance of a GST trust into separate trusts with different inclusion ratios.</p> <p>Thus, for decedents dying after 12/31/12, once an allocation of GST exemption is made to a trust, resulting in an inclusion ratio of between zero and one, the trust cannot be split into two trusts with different inclusion ratios.</p> <p>Further, for decedents dying after 12/31/12, there is no provision specifically respecting the severance of a non-GST trust (i.e., a trust with an inclusion ratio equal to zero) for GST purposes.</p>
		Under §2642(b)(1), for timely and automatic allocations of GST exemption (including automatic allocations of GST exemption to both lifetime direct skips and lifetime indirect skips to GST trusts) to property transferred by gift, the value of the property for purposes of determining the inclusion ratio is the value as finally	For generation-skipping transfers made after 12/31/12, for timely and automatic allocations of GST exemption (including automatic allocations of GST exemption to only lifetime direct skips) to property transferred by gift, the value of the property for purposes of determining the inclusion ratio is the value for gift

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		determined for gift tax purposes and, in the case of an allocation of GST exemption deemed to be made at the end of an estate tax inclusion period, the value of the property for the purposes of determining the inclusion ratio is the value at the time the estate tax inclusion period ends. The allocation of GST exemption is effective as of the date of the gift or, in the case of an allocation of GST exemption deemed to be made at the end of an estate tax inclusion period, as of the time the estate tax inclusion period ends.	tax purposes, with no special rules for allocations of GST exemption deemed to be made at the end of an estate tax inclusion period. The allocation of GST exemption is effective as of the date of the gift, with no special rule for allocations of GST exemption deemed to be made at the end of an estate tax inclusion period.
		Under §2642(b)(2), for allocations of GST exemption to property transferred at death, the value of the property for purposes of determining the inclusion ratio is generally the value as finally determined for estate tax purposes.	For generation-skipping transfers made after 12/31/12, for allocations of GST exemption to property transferred at death, the value of the property for purposes of determining the inclusion ratio is generally the value for estate tax purposes.
		§2642(g) sets forth relief provisions, which among other things, allow the IRS to grant taxpayers extensions of time to make GST exemption allocations and elections.	After 12/31/12, there will be no statutory provision allowing the IRS to grant taxpayers relief with respect to GST exemption allocations and elections.

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IRC SECTION	TOPIC	CURRENT LAW (IN 2012)	LAW ON 1/1/13
§3101	HI tax rate	1.45%.	1.45%; 2.35% on taxpayers with wages in excess of \$200,000 (\$250,000 for married taxpayers filing joint return and \$125,000 for married taxpayers filing separate returns).
§6103(k)(10)	Disclosure of prisoner return information to certain prison officials	The rule allowing disclosure of certain return information of individuals incarcerated in federal or state prison to prison officials expired 12/31/11.	No disclosure allowed.
§6166	Modifications to estate tax installment payment rules	Under §6166(b)(1)(B)(ii), an interest in a closely-held business includes a partnership interest in a partnership (carrying on a trade or business) with 45 or fewer partners.	Under §6166(b)(1)(B)(ii), a partnership interest in a partnership with 15 or fewer partners may qualify as an interest in closely-held business.
		Under §6166(b)(1)(C)(ii), an interest in a closely-held business includes stock in a corporation (carrying on a trade or business) with 45 or fewer shareholders.	Under §6166(b)(1)(C)(ii), an interest in a corporation with 15 or fewer shareholders may qualify as an interest in closely-held business.
		§6166(b)(8)(B)(ii) provides an exception which allows executors to make the §6166 deferral election even if stock held by the decedent through a holding company is that of an operating subsidiary with readily-tradable stock.	In order to qualify for the deferral election under §6166(b)(8), all of the stock held by the decedent's estate (i.e., that of each holding company and each business company) will have to be "non-readily tradable."
		Under §6166(b)(9)(B)(iii)(I), the stock of a corporation with 45 or fewer shareholders may qualify for the exception to the passive asset rule for	Under §6166(b)(9)(B)(iii)(I), the stock of a corporation with 15 or fewer shareholders may qualify for the exception to the passive asset rule for

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IRC SECTION	TOPIC	CURRENT LAW (IN 2012)	LAW ON 1/1/13
		active corporations.	active corporations.
		Under §6166(b)(10), stock in a qualifying lending and finance business may be treated as stock in an active trade or business company thereby allowing an executor to elect to pay the estate tax in up to 5 equal installments under §6166(a)(1). However, the 5 year estate tax deferral (otherwise allowable under §6166(a)(3)) is not available.	Stock in a lending and finance business is not eligible to be deemed to be stock in an active trade or business for the purposes of the estate tax installment payment provisions.
§6213(g)	Mathematical errors	Under §6213(g)(2)(M), a non-custodial parent's claim of the earned income credit may be deemed to be a mathematical error.	Earned income credit claims (made by non-custodial parents) are not deemed mathematical errors (§6213(g)(2)(M) expires for taxable years beginning after 12/31/12).
§6409	Refunds disregarded in the administration of federal programs and federally assisted programs	Any refund (or advance payment with respect to a refundable credit) made to any individual is not taken into account as income (and is not to be taken into account as resources within 12 months of receipt), for purposes of determining the eligibility of such individual (or any other individual) for benefits or assistance (or the amount or extent of benefits or assistance) under any federal program or under any state or local program financed in whole or in part with federal funds.	No statutory provision allowing the disregard of tax refunds (and advance payments) in the administration of federal (and federally assisted) programs (§6409 expires for amounts received after 12/31/12).

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§§6426, 6427	Alcohol fuel mixture excise tax credit (§6426(b)) and outlay payments (§6427(e)(1))	<p>No credit, the §6426(b) alcohol fuel mixture excise tax credit expired for any sale, use or removal for any period after 12/31/11.</p> <p>§6427 provision for outlay payments for alcohol fuel mixtures expired on 12/31/11. See §6427(e)(6)(A).</p>	No credit; no provision for outlay payments.
§§6426, 6427	Alternative fuels excise tax credit (§6426(d)) and outlay payments (§6427(e)(2))	<p>Under §6426(d), an alternative fuel credit of 50 cents per gallon against excise taxes paid for the sale or use of an alternative fuel involving liquefied hydrogen is available through 9/30/14. Expired for any sale or use for any period after 12/31/11 for other alternative fuels.</p> <p>§6427(e)(2) provides for outlay payments for alternative fuels (defined under §6426(d)(2) to include liquefied hydrogen sold or used on or before 9/30/14). Outlay payments to be made with respect to any other alternative fuel (or alternative fuel mixture) expired for any sale or use after 12/31/11.</p>	<p>Under §6426(d), an alternative fuel credit of 50 cents per gallon against excise taxes paid for the sale or use of an alternative fuel involving liquefied hydrogen is available through 9/30/14.</p> <p>Pursuant to §6427(e)(6)(D), outlay payments for alternative fuels involving liquefied hydrogen (sold or used on or before 9/30/14) are available under §6427(e)(2).</p>
§§6426, 6427	Alternative fuel mixture excise tax credits (§6426(e)) and outlay payments (§6427(e)(1))	Under §6426(e), an alternative fuel mixture credit of 50 cents per gallon against excise taxes paid for the sale or use of an alternative fuel mixture involving liquefied hydrogen is	Under §6426(e), an alternative fuel mixture credit of 50 cents per gallon against excise taxes paid for the sale or use of an alternative fuel mixture involving liquefied hydrogen is

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IRC SECTION	TOPIC	CURRENT LAW (IN 2012)	LAW ON 1/1/13
		<p>available through 9/30/14. Expired for any sale or use for any period after 12/31/11 for other alternative fuels.</p> <p>§6427(e)(1) provides for outlay payments for certain fuel mixtures (those including only liquefied hydrogen sold or used on or before 9/30/14). Outlay payments to be made with respect to any other alternative fuel mixture expired for any sale or use after 12/31/11.</p>	<p>available through 9/30/14.</p> <p>Pursuant to §6427(e)(6)(D), outlay payments for alternative fuel mixtures involving liquefied hydrogen (sold or used on or before 9/30/14) are available under §6427(e)(1).</p>
§§6426, 6427	Biodiesel Fuel Mixtures excise tax credit (§6426(c)) and outlay payments (§6427(e)(1))	<p>No credit (biodiesel fuel mixture excise tax credit of \$1 per gallon expired on 12/31/11).</p> <p>No outlay payments (outlay payments for biodiesel fuel mixtures expired on 12/31/11).</p>	No credit; no outlay payments.
§7652	Temporary increase in limit on cover over of rum excise tax revenues (from \$10.50 to \$13.25 per proof gallon) to Puerto Rico and the Virgin Islands	\$10.50 limit (\$13.25 per proof gallon for distilled spirits brought into the U.S. before 1/1/12).	\$10.50 limit.