

SWFT 2018 Comprehensive Volume
 Chapter 2: Working With the Tax Law
 End-of-Chapter Question, Exercise, and Problem Correlations

Comp. Vol. 40e (2017)	Comp. Vol. 41e (2018)	Comp. Vol. 41e (2018) Learning Objectives	Exact Same	Revised	Brand New	Source Volume: Ind. Income Taxes 41e (2018) OR Corporations 41e (2018)	Source Volume Chapter	Source Volume Question, Problem, or Exercise #
Discussion Questions (DQ)								
DQ1	DQ1	LO1	x			V1	2	DQ1
DQ2	DQ2	LO1		x		V1	2	DQ2
DQ3	DQ3	LO1		x		V1	2	DQ3
DQ4	DQ4	LO2,5		x		V1	2	DQ4
DQ5	DQ5	LO1,2	x			V1	2	DQ5
DQ6	DQ6	LO1	x			V1	2	DQ6
DQ7	DQ7	LO1,4	x			V1	2	DQ7
DQ8	DQ8	LO1	x			V1	2	DQ8
DQ9	DQ9	LO1,5		x		V1	2	DQ9
DQ10	DQ10	LO1	x			V1	2	DQ11
DQ11	DQ11	LO1	x			V1	2	DQ13
DQ12	DQ12	LO1	x			V1	2	DQ14
DQ13	DQ13	LO1,5		x		V1	2	DQ15
DQ14	DQ14	LO1	x			V1	2	DQ16
DQ15	DQ15	LO1	x			V1	2	DQ17
DQ16	DQ16	LO1	x			V1	2	DQ18
DQ17	DQ17	LO1	x			V1	2	DQ21
DQ18	DQ18	LO1	x			V1	2	DQ22
DQ19	DQ19	LO1	x			V1	2	DQ23
DQ20	DQ20	LO1,4		x		V1	2	DQ24
DQ21	DQ21	LO2	x			V1	2	DQ25
DQ22	DQ22	LO2	x			V1	2	DQ26
DQ23	DQ23	LO2	x			V1	2	DQ27
DQ24	DQ24	LO2	x			V1	2	DQ28
DQ25	DQ25	LO2	x			V1	2	DQ29
DQ26	DQ26	LO2	x			V1	2	DQ30
DQ27	DQ27	LO3		x		V1	2	DQ32
DQ28	DQ28	LO4	x			V1	2	DQ33
DQ29	DQ29	LO2,4	x			V1	2	DQ34
DQ30	DQ30	LO6	x			V1	2	DQ35
DQ31	DQ31	LO7	x			V1	2	DQ36

EOC 2-1

Comp. Vol. 40e (2017)	Comp. Vol. 41e (2018)	Comp. Vol. 41e (2018) Learning Objectives	Exact Same	Revised	Brand New	Source Volume: Ind. Income Taxes 41e (2018) OR Corporations 41e (2018)	Source Volume Chapter	Source Volume Question, Problem, or Exercise #
Computational Exercises (EX)								
N/A								
Problems (PR)								
PR32	PR32	LO1	x			V1	2	PR37
PR33	PR33	LO1,4	x			V1	2	PR40
PR34	PR34	LO4		x		V1	2	PR41
PR35	PR35	LO1,2	x			V1	2	PR42
PR36	PR36	LO6		x		V1	2	PR43
Cumulative (Tax Return) Problems (CP)								
N/A								
Research Problems (RP)								
RP1	RP1		x			V1	2	RP1
RP2	RP2		x			V1	2	RP3
RP3	RP3		x			V1	2	RP4
RP4	RP4		x			V1	2	RP5
RP5	RP5		x			V1	2	RP6
Roger CPA Review Questions (RCPA)								
N/A	N/A							

CHAPTER 2
WORKING WITH THE TAX LAW
SOLUTIONS TO PROBLEM MATERIALS

DISCUSSION QUESTIONS

1. (LO 1) Determining the intent of Congress is a large part of tax research.
2. (LO 1) The many gray areas, the complexity of the tax laws, and the possibility of different interpretations of the tax law create the necessity of alternatives for structuring a business transaction.
3. (LO 1) Federal tax legislation generally originates in the House Ways and Means Committee.
4. (LO 2, 5) Maloney, Hoffman, Raabe, & Young, CPAs
5191 Natorp Boulevard
Mason, OH 45040

March 25, 2017

Mr. Butch Bishop
Tile, Inc.
100 International Drive
Tampa, Florida 33620

Dear Mr. Bishop:

This letter is in response to your request about information concerning a conflict between a U.S. treaty with Spain and a section of the Internal Revenue Code. The major reason for treaties between the United States and certain foreign countries is to eliminate double taxation and to render mutual assistance in tax enforcement.

Section 7852(d) provides that if a U.S. treaty is in conflict with a provision in the Code, neither will take general precedence. Rather, the more recent of the two will have precedence. In your case, the Spanish treaty takes precedence over the Code section.

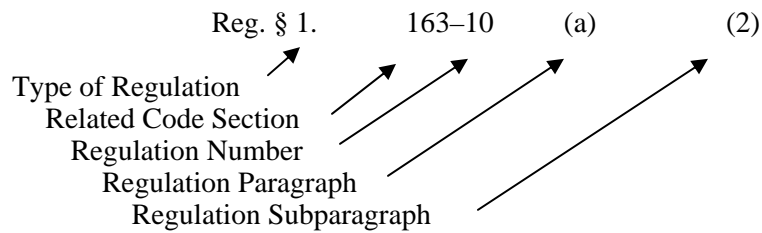
A taxpayer must disclose on the tax return any positions where a treaty overrides a tax law. There is a \$1,000 penalty per failure to disclose for individuals and a \$10,000 penalty per failure for corporations.

Should you need more information, feel free to contact me.

Sincerely,

Alice Hanks, CPA
Tax Partner

5. (LO 1, 2) Income tax



6. (LO 1) Notice 90-20 is the 20th Notice issued during 1990, and it appears on page 328 of Volume 1 of the *Cumulative Bulletin* in 1990.

7. (LO 1, 4) The items would probably be ranked as follows (from lowest to highest):

- a. Letter ruling (valid only to the taxpayer to whom issued).
- b. Proposed Regulation (most courts ignore these).
- c. Revenue Ruling.
- d. Interpretive Regulation.
- e. Legislative Regulation.
- f. Internal Revenue Code.

8. (LO 1)

- a. This citation refers to a Temporary Regulation; 1 refers to the type of Regulation (i.e., income tax), 956 is the related Code section number, 2 is the Regulation section number, and T refers to temporary.
- b. Revenue Ruling number 15, appearing on page 975 of the 23rd weekly issue of the *Internal Revenue Bulletin* for 2012.
- c. Letter Ruling 51, issued in the 4th week of 2002.

9. (LO 1, 5) TAX FILE MEMORANDUM

DATE: September 23, 2017

FROM: George Ames

SUBJECT: Telephone conversation with Sally Andrews on applicability of 2007 letter ruling

I told Sally Andrews that only the taxpayer to whom the 2007 letter ruling was issued may rely on the pronouncement. I stressed that a letter ruling has no precedential value under § 6110(k)(3).

I pointed out that a letter ruling indicates the position of the IRS on the specific fact pattern present as of the date of the letter ruling. As such, a letter ruling is not primary authority. However, under Notice 90-20, 1990-1 C.B. 328, a letter ruling is substantial authority for purposes of the accuracy-related penalty in § 6662.

10. (LO 1) Letter rulings may be found in:
- Private Letter Rulings (RIA).
 - BNA Daily Tax Reports.
 - Tax Notes (Tax Analysts).
 - Although not referenced in the text, letter rulings are also available in the IRS Letter Rulings Report (CCH).
11. (LO 1) Dwain must consider several factors in deciding whether to take the dispute to the judicial system:
- How expensive will it be?
 - How much time will be consumed?
 - Does he have the temperament to engage in the battle?
 - What is the probability of winning?
 - Once a decision is made to litigate the issue, the appropriate judicial forum must be selected.
 - Tax Court judges have more expertise in tax matters.
 - The tax deficiency need not be paid to litigate in the Tax Court. However, if Dwain loses, interest must be paid on any unpaid deficiency.
 - If a trial by jury is preferred, the U.S. District Court is the appropriate forum.
 - The tax deficiency must be paid before litigating in the District Court or the Court of Federal Claims.
 - If an appeal to the Federal Circuit is important, Dwain should select the Court of Federal Claims.
 - A survey of the decisions involving the issues in dispute is appropriate. If a particular court has taken an unfavorable position, that court should be avoided.
12. (LO 1) The main advantage of the U.S. Court of Federal Claims occurs when a taxpayer's applicable Circuit Court previously rendered an adverse decision. Such a taxpayer may select the U.S. Court of Federal Claims because any appeal will be to the Federal Circuit.

One disadvantage of the U.S. Court of Federal Claims is that the tentative deficiency must be paid before the Court will hear and decide the controversy.

The U.S. Court of Federal Claims is a trial court that usually meets in Washington, D.C. It has jurisdiction for any claim against the United States that is based on the Constitution, any Act of Congress, or any Regulation of an executive department.

13. (LO 1, 5) Maloney, Hoffman, Raabe, & Young, CPAs
5191 Natorp Boulevard
Mason, OH 45040

July 8, 2017

Mr. Eddy Falls
200 Mesa Drive
Tucson, AZ 85714

Dear Mr. Falls:

You have three alternatives should you decide to pursue your \$229,030 deficiency in the court system. One alternative is the U.S. Tax Court, the most popular forum. Some people believe that the Tax Court judges have more expertise in tax matters. The main advantage is that the U.S. Tax Court is the only trial court where the tax need not be paid prior to litigating the controversy. However, interest will be due on an unpaid deficiency. The interest rate varies from one quarter to the next as announced by the IRS.

One disadvantage of the U.S. Tax Court is the delay that might result before a case is decided. The length of delay depends on the Court calendar, which includes a schedule of locations where cases will be tried. Another disadvantage is being unable to have the case heard before a jury.

The major advantage of another alternative, the U.S. District Court, is the availability of a trial by jury. One disadvantage of a U.S. District Court is that the tentative tax deficiency must be paid before the Court will hear and decide the controversy.

The Court of Federal Claims, the third alternative, is a trial court that usually meets in Washington, D.C. It has jurisdiction for any claim against the United States that is based on the Constitution, any Act of Congress, or any regulation of an executive department. The main advantage of the U.S. Court of Federal Claims occurs when a taxpayer's applicable Circuit Court previously rendered an adverse decision. Such a taxpayer may select the Court of Federal Claims because any appeal will be to the Federal Circuit instead. One disadvantage of the Court of Federal Claims is that the tentative deficiency must be paid before the Court will hear and decide the controversy.

I hope this information is helpful, and should you need more help, please contact me.

Sincerely,

Agnes Reynolds, CPA
Tax Partner

14. (LO 1) The U.S. Tax Court hears only tax cases and is the most popular forum for tax cases (generally viewed as an advantage). Some people suggest that the Tax Court has more expertise in tax matters. A taxpayer does not have to pay the tax deficiency assessed by the IRS before trial, but a taxpayer may deposit a cash bond to stop the running of interest (also viewed as an advantage). Appeals from a Tax Court are to the appropriate U.S. Court of Appeals. A disadvantage is that the taxpayer may not obtain a jury trial in the U.S. Tax Court.
15. (LO 1) See Exhibit 2.4, Exhibit 2.5, and Concept Summary 2.1.
- There is no appeal by either the taxpayer or the IRS from a decision of the Small Cases Division of the U.S. Tax Court.
 - The first appeal would be to the Sixth Circuit Court of Appeals. Further appeal would be to the U.S. Supreme Court.

- c. Same as part b. above.
 - d. The appeal would be to the Federal Circuit Court of Appeals and then to the U.S. Supreme Court.
16. (LO 1) The term *petitioner* is a synonym for plaintiff, which refers to the party requesting action in a court.
17. (LO 1) See Exhibit 2.5.
- a. Tenth
 - b. Eighth
 - c. Ninth
 - d. Fifth
 - e. Seventh
18. (LO 1) See Exhibit 2.4.
- a. The Tax Court must follow its own cases, the pertinent U.S. Circuit Court of Appeals, and the Supreme Court.
 - b. The Court of Federal Claims must follow its own decisions, the Federal Circuit Court of Appeals, and the Supreme Court.
 - c. The District Court must follow its own decisions, the pertinent U.S. Circuit Court of Appeals, and the Supreme Court.
19. (LO 1) The appropriate Circuit Court of Appeals for an appeal depends on where the litigation originated. For example, an appeal from Texas would go to the Fifth Circuit Court of Appeals and an appeal from Colorado would go to the Tenth Circuit Court of Appeals. See Exhibit 2.5.
20. (LO 1, 4)
- a. If the taxpayer chooses a U.S. District Court as the trial court for litigation, the U.S. District Court of Wyoming will be the forum to hear the case. Unless the prior decision has been reversed on appeal, one would expect the same court to follow its earlier holding.
 - b. If the taxpayer chooses the U.S. Court of Federal Claims as the trial court for litigation, the decision that was rendered previously by this Court should have a direct bearing on the outcome. If the taxpayer selects a different trial court (i.e., the appropriate U.S. District Court or the U.S. Tax Court), the decision that was rendered by the U.S. Court of Federal Claims will be persuasive but not controlling. It is, of course, assumed that the result that was reached by the U.S. Court of Federal Claims was not reversed on appeal.
 - c. The decision of a U.S. Circuit Court of Appeals will carry more weight than one that was rendered by a trial court. Because the taxpayer lives in California, however, any appeal from a U.S. District Court or the U.S. Tax Court will go to the Ninth Circuit Court of Appeals (see Exhibit 2.4). Although the Ninth Circuit Court of Appeals might be influenced by what the Second Circuit Court of Appeals has decided, it is not compelled to follow such holding. See Exhibit 2.5.
 - d. Because the U.S. Supreme Court is the highest appellate court, one can place complete reliance upon its decisions. Nevertheless, one should investigate any decision to see whether the Code

has been modified with respect to the result that was reached. There also exists the rare possibility that the Court may have changed its position in a later decision. See Exhibit 2.4.

- e. When the IRS acquiesces to a decision of the U.S. Tax Court, it agrees with the result that was reached. As long as such acquiescence remains in effect, taxpayers can be assured that this represents the position of the IRS on the issue that was involved. Keep in mind, however, that the IRS can change its mind and can, at any time, withdraw the acquiescence and substitute a nonacquiescence.
 - f. The issuance of a nonacquiescence usually reflects that the IRS does not agree with the result reached by the U.S. Tax Court. Consequently, taxpayers are placed on notice that the IRS will continue to challenge the issue that was involved.
21. (LO 2) The number 66 is the volume number for the U.S. Tax Court, 39 refers to the page number of the 562nd volume of the *Federal Second Series*, and *nonacq.* means that the IRS disagreed with the decision. The Tax Court (T.C.) cite is to the trial court.
22. (LO 2) There is no automatic right of appeal to the U.S. Supreme Court. Appeal is by Writ of Certiorari. If the Court agrees to hear the dispute, it will grant the Writ (*Cert. granted*). Most often, the highest court will deny jurisdiction (*Cert. denied*).
23. (LO 2)
- a. Ninth Circuit Court of Appeals.
 - b. U.S. Tax Court.
 - c. U.S. Supreme Court.
 - d. Bureau of Tax Appeal (old name of U.S. Tax Court).
 - e. Tax Court (memorandum decision).
 - f. Court of Claims.
 - g. Not a court decision.
 - h. District Court in New York.
 - i. Not a court decision.
24. (LO 2) See Concept Summary 2.2.
- a. This citation is to a regular decision of the U.S. Tax Court that was issued in 1950. The decision can be found in Volume 14, page 74, of the *Tax Court of the United States Report*, published by the U.S. Government Printing Office.
 - b. This citation is for a decision of the U.S. Fifth Circuit Court of Appeals that was rendered in 1979. The decision can be found in Volume 592, page 1251, of the *Federal Reporter*, Second Series (F. 2d), published by West Publishing Company.
 - c. This citation is for a decision of the U.S. Sixth Circuit Court of Appeals that was rendered in 1995. The decision can be found in Volume 1 for 1995, paragraph 50,104 of *U.S. Tax Cases*, published by Commerce Clearing House.
 - d. This citation is for a decision of the U.S. Sixth Circuit Court of Appeals that was rendered in 1995. The decision can be found in Volume 75, page 110, of the *Second Series of American Federal Tax Reports*, published by RIA.

- e. This citation is for a decision of the U.S. District Court of Texas that was rendered in 1963. The decision can be found in Volume 223, page 663, of the *Federal Supplement Series*, published by West Publishing Company.
25. (LO 2)
- None.
 - USTC.
 - USTC.
 - USTC.
 - TCM.
26. (LO 2) Decisions of the U.S. Court of Federal Claims (formerly named the Claims Court) are published in the USTCs; AFTRs; and the West Publishing Co. reporter called the *Federal Reporter, Second Series* (F.2d) (before October 1982) and *Claims Court Reporter* (beginning October 1982 through October 30, 1992). The name of the U.S. Court of Federal Claims was changed from the Claims Court effective October 30, 1992. Currently, this court's decisions are published in the *Federal Claims Reporter*. See Concept Summary 2.2.
27. (LO 3) After understanding the relevant facts:
- Yvonne can begin with the index volumes of the available tax services: RIA, CCH, or BNA Portfolios.
 - A key word search on an online service should be helpful—Thomson Reuters *Checkpoint*, CCH *IntelliConnect*, LexisNexis, or Westlaw (or WestlawNext).
 - Yvonne may browse through IRS publications (available on the IRS website).
 - Yvonne could consult CCH's *Federal Tax Articles* to locate current appropriate articles written about child support payments. Thomson Reuters publishes the *Index to Federal Tax Articles* that is organized using RIA's paragraph index system.
 - Additional information can be found on the internet. The directory at **taxsites.com** could be useful.
28. (LO 4) The current Code can be found in various places. Several of the major tax services publish paperback editions of the Code (and Regulations). These editions are usually revised twice each year. An annotated and abridged version of the Code and Regulations is published annually by Cengage (by James E. Smith and Mark Altieri). Further, the text of the Code may be found in the major tax services and as Title 26 of the U.S. Code. The Code also may be found on the Web.
29. (LO 2, 4) The best means of locating tax articles pertinent to your problem is through Commerce Clearing House's *Federal Tax Articles*. This multivolume service includes a subject index, a Code section number index, and an author's index. Another is the *Index to Federal Tax Articles* (published by Thomson Reuters). Both of these indexes are updated periodically, but are available only in print form.

Court decisions, revenue rulings and procedures, and other relevant authority may be reviewed for reliability by using a *citator* within the commercial tax service. A citator provides the history of a case, including the authority relied on (e.g., other judicial decisions) in reaching the result. Reviewing the references listed in the citator discloses whether the decision was appealed and, if so, with what

result (e.g., affirmed, reversed, or remanded). It also reveals other cases with the same or similar issues and how they were decided. Thus, a citator reflects on the validity of a case and may lead to other relevant authority. If one intends to rely on a judicial decision to any significant degree, “running” the case through a citator is imperative.

30. (LO 6) The primary purpose of tax planning is to reduce a taxpayer’s overall tax liability. This process can entail an avoidance, a reduction, or a postponement of the tax until the future.

This process does not mean that the course of action selected must produce the lowest possible tax under the circumstances. Legitimate business goals also must be considered.

There is nothing illegal or immoral about tax avoidance. A citizen has every legal right to arrange his or her affairs to keep the attendant taxes as low as possible. One is required to pay no more taxes than the law demands. There is no difference between a tax adviser’s reduction of a tax expense and a cost accountant’s reduction of a cost of operating a business.

31. (LO 7) Simulations on the CPA exam are small case studies designed to test a candidate’s tax knowledge and skills using real-life work-related situations. Simulations include a four-function, pop-up calculator, a blank spreadsheet with some elementary functionality, and authoritative excerpts that are necessary to complete the tax case study simulations (e.g., Internal Revenue Code and Federal tax forms). The AICPA made a number of changes to the CPA exam, including increasing the number of simulations, in 2017.

PROBLEMS

32. (LO 1)
b. p. 2-5
33. (LO 1, 4)
a. Code section.
b. Legislative Regulation.
c. Recent Temporary Regulation.
d. Interpretive Regulation.
e. Revenue Ruling.
f. Letter Ruling.
g. Proposed Regulation.
34. (LO 4)
a. P.
b. P.
c. P.
d. S.
e. P.
f. S.
g. P. Valid for three years.

- h. P.
 - i. N.
 - j. P.
35. (LO 1, 2)
- a. CCH.
 - b. RIA.
 - c. U.S.
 - d. CCH.
 - e. U.S.
 - f. RIA.
 - g. W.
 - h. W.
 - i. W.
 - j. W.
 - k. U.S.
 - l. O.
36. (LO 6)
- a. E.
 - b. E.
 - c. A.
 - d. A.
 - e. A.

RESEARCH PROBLEMS

1.
 - a. *Higgins v. Comm.*, 312 U.S. 212 (1941).
 - b. *Talen v. U.S.*, 355 F.Supp.2d 22 (D.Ct. D.C., D.D.C., 2004).
 - c. Rev.Rul. 2008–18, 2008–13 I.R.B. 674.
 - d. *Pahl v. Comm.*, 150 F.3d 1124 (CA–9, 1998).
 - e. *Veterinary Surgical Consultants PC*, 117 T.C. 141 (2001).
 - f. *Yeagle Drywall Co.*, T.C. Memo. 2001–284.

2. For the Oprah car giveaway, the 234 audience recipients who received keys to a car were taxed on the value of the car, which was in the \$30,000 range. Because they were merely present in the audience, the fair market value was included in gross income under § 61.

As for the World Furniture Mall promotion, the discount or rebate could be tax-free because a rebate of all or a portion of the purchase price of property generally does not result in gross income. The customer would have a zero basis in the furniture. Rev.Rul. 76-96, 1976-1 C.B. 23 and Rev.Rul. 88-95, 1988-2 C.B. 28. See “Furniture for Nothing and It’s all Tax-Free,” *Journal of Taxation*, December 2006, pp. 382 and 383.

3. There does not appear to be a clear-cut answer to this question. Section 104 allows exclusion from gross income for damages paid on account of physical injuries and physical sickness. However, the IRS requires observable bodily harm for an exclusion to be available (Ltr.Rul. 200041022).

So is false imprisonment physical? In CCA 200809001, the IRS allowed an exclusion for a settlement with an institution for sexual abuse. However, the Tax Court in *Daniel and Brenda Stadnyk*, T.C. Memo. 2008-289 would not allow an exclusion for \$49,000 received for about one day in a jail.

Brenda Stadnyk was dissatisfied with an automobile purchase, so she placed a stop payment order on the check she tendered to the dealership. Bank One listed the reason for not paying the dealership as a “NSF check.” The dealership then filed a criminal complaint against her for passing a worthless check. She spent about one day in a holding area in a county jail.

In “Why False Imprisonment Recoveries Should Not Be Taxable,” *Tax Notes*, June 8, 2009, pp. 1217-1220, Robert Wood provides a lengthy discussion of this problem.

Research Problems 4 and 5

These research problems require that students utilize online resources to research and answer the questions. As a result, solutions may vary among students and courses. You should determine the skill and experience levels of the students before assigning these problems, coaching where necessary. Encourage students to use reliable websites and blogs of the IRS and other government agencies, media outlets, businesses, tax professionals, academics, think tanks, and political outlets to research their answers.

4. (1) Go to the website, click on the Internal Revenue Code link, click on Subtitle A, and scroll down to Sec. 61. This section defines gross income broadly. In addition to the 15 items specifically listed as income, Sec. 61 directs the reader to other IRC sections and indicates that the list of income items is not all-inclusive. In general, the IRC takes a broad view of income; everything is income unless an IRC section specifies that the amount is not income.
- (2) To find the case, go to the website and click on the US Tax Court link on the left side of the page. Enter the name Mark Spitz in the search bar.
- The tax years are 2001 and 2002, as indicated in the first sentence of the case, not 2006, the year in the citation, which is the year the case was decided.
 - As noted above, 2006.
 - The court decided in favor of the IRS.
 - At the end of the decision, the penalty in Sec. 6662 is discussed. This section imposes a 20% accuracy-related penalty on any portion of a tax liability underpayment (the situation in which Mr. Spitz found himself) attributable to a substantial understatement of income tax. Mr. Spitz was found not liable for the penalty because

the court indicated that he was unsophisticated in tax law and had relied on a competent adviser to prepare his return.

5.
 - a. On the “Opinions Search” tab, review the “Opinion Type” choices.
 - b./c. On the “Opinions Search” tab, select the appropriate opinion type and enter a common last name in the “Case Name Keyword” bar.
 - d. Click on the Rules tab on the upper left side of the page.

SOLUTION TO ETHICS & EQUITY FEATURE

Reporting Tax Fraud (p. 2-7). Most individuals probably believe that it is ethical to report tax fraud. A 2014 IRS Oversight Board survey indicated that 86 percent of Americans believed that it was “not acceptable at all to cheat on taxes.” On the other hand, that same survey indicated that 11 percent of taxpayers said that some cheating on their taxes was acceptable.

A number of organizations (including the IRS) provide estimates of the “tax gap,” with the most recent IRS estimates indicating that the gross tax gap is around \$458 billion, with \$58 billion being collected eventually. The IRS divides the net gap into \$291 billion by individuals, \$35 billion by corporations, \$79 billion by employment taxes, and \$1 billion by estate and excise taxes.

NOTES