



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

December 21, 2007

H.R. 4118

An act to exclude from gross income payments from the Hokie Spirit Memorial Fund to the victims of the tragic event at Virginia Polytechnic Institute & State University

*As cleared by the Congress on December 6, 2007,
and signed by the President on December 20, 2007*

H.R. 4118 (enacted as Public Law 110-141) allows the victims of the April 16, 2007, shooting events at Virginia Polytechnic Institute & State University to exclude from gross income, for tax purposes, certain payments received in connection with the tragedy. The Hokie Spirit Memorial Fund was established by the university to provide cash payments to victims of the events described above.

Also, H.R. 4118 increases the monthly penalty assessed to partnerships that fail to timely file tax returns. When a partnership fails to file a tax return on time, each partner is charged a civil penalty for each month that the return is deemed late. H.R. 4118 raises that monthly fine from \$50 to \$51 per month.

The Joint Committee on Taxation estimates that enacting the legislation will raise revenues by less than \$500,000 over the 2008-2017 period.

The CBO contact for this estimate is Zachary Epstein. This estimate was approved by G. Thomas Woodward, Assistant Director, Tax Analysis Division.