
2000 Budget Proposals

2000 BUDGET PROPOSALS

Table S-1. BUDGET SUMMARY

(In billions of dollars)

	1998 Actual	Estimate					
		1999	2000	2001	2002	2003	2004
Outlays	1,652.6	1,727.1	1,765.7	1,799.2	1,820.3	1,893.0	1,957.9
Receipts	1,721.8	1,806.3	1,883.0	1,933.3	2,007.1	2,075.0	2,165.5
Reserve pending Social Security reform	69.2	79.3	117.3	134.1	186.7	182.0	207.6
Surplus	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Resources contingent upon Social Security reform:							
Defense				9.6	17.1	13.0	15.0
Non-defense				15.1	19.7	16.5	9.2
Priority initiatives				1.6	4.1	7.0	9.9
Debt service				0.7	2.3	4.3	6.3
Remaining reserve	69.2	79.3	117.3	107.2	143.6	141.3	167.3

Table S-2. OUTLAYS, RECEIPTS, AND SURPLUS
(In billions of dollars)

	1998 Actual	Estimate					
		1999	2000	2001	2002	2003	2004
Budget Policy with Social Security Reform:							
Outlays:							
Discretionary:							
Department of Defense	258.1	264.6	261.8	269.4	279.3	291.2	300.9
Non-DOD discretionary	296.6	316.6	329.7	341.4	339.2	338.1	338.5
Priority initiatives				1.6	4.1	7.0	9.9
Subtotal, discretionary	554.7	581.2	591.5	612.4	622.6	636.3	649.3
Mandatory:							
Programmatic:							
Social Security	376.1	389.2	405.2	423.6	444.1	465.1	487.4
Medicare and Medicaid	291.5	310.6	328.4	349.9	362.7	391.2	416.3
Means-tested entitlements (except Medicaid)	99.1	106.6	111.6	117.6	123.6	128.5	134.3
Deposit insurance	-4.4	-5.0	-2.3	-1.8	-1.3	-*	0.8
Other	92.2	117.4	116.1	117.9	114.8	125.1	131.0
Subtotal mandatory	854.5	918.6	959.0	1,007.1	1,043.9	1,109.9	1,169.7
Net interest	243.4	227.2	215.2	206.6	197.1	187.6	179.2
Subtotal, mandatory and net interest	1,097.9	1,145.9	1,174.2	1,213.7	1,240.9	1,297.5	1,349.0
Total outlays	1,652.6	1,727.1	1,765.7	1,826.1	1,863.5	1,933.8	1,998.3
Receipts	1,721.8	1,806.3	1,883.0	1,933.3	2,007.1	2,075.0	2,165.5
Resources contingent upon Social Security reform:							
Department of Defense				-9.6	-17.1	-13.0	-15.0
Non-DOD discretionary				-15.1	-19.7	-16.5	-9.2
Priority initiatives				-1.6	-4.1	-7.0	-9.9
Related debt service				-0.7	-2.3	-4.3	-6.3
Total				-26.9	-43.2	-40.8	-40.4
Reserve pending Social Security reform	69.2	79.3	117.3	134.1	186.7	182.0	207.6
Surplus	0.0	0.0	0.0	0.0	0.0	0.0	0.0
MEMORANDUM:							
Discretionary totals if no Social Security reform is enacted, net of designated offsets	554.7	581.2	573.8	573.3	568.2	584.1	599.9

* \$50 million or less.

Table S-3. SUMMARY OF BUDGET PROPOSALS
(In billions of dollars)

	Estimate						Total 2000-2004
	1999	2000	2001	2002	2003	2004	
Capped baseline surplus	79.6	116.7	134.1	186.7	182.0	207.6	827.2
Programmatic changes:							
Discretionary:							
Offset discretionary spending	—*	17.2	12.9	13.5	15.8	15.3	74.7
Mandatory offsets designated for discretionary:							
Federal tobacco revenues	0.1	-8.0	-7.1	-6.6	-6.4	-6.4	-34.5
Tobacco recoupment				-1.8	-3.3	-4.0	-9.1
FAA user fees		-1.1	-1.2	-1.1	-1.0	-0.9	-5.3
Health care savings		-1.1	-0.9	-1.0	-1.0	-1.1	-5.1
Superfund revenues	-0.1	-1.5	-1.2	-1.2	-1.2	-1.3	-6.5
Other specified offsets		-6.0	-2.5	-1.8	-2.8	-1.7	-14.8
Subtotal, discretionary	—*	-0.6					-0.6
Mandatory and revenues:							
Initiatives:							
Class size and child care		1.2	1.6	1.9	2.1	2.5	9.4
Health care		0.2	1.3	1.6	1.2	1.0	5.3
Revenue initiatives	0.7	4.1	7.7	6.6	6.9	7.3	32.6
Other	0.1	0.9	1.6	1.7	1.3	1.6	7.1
Subtotal, initiatives	0.8	6.5	12.2	11.8	11.6	12.4	54.4
Offsets:							
Tobacco recoupment			-2.8	-2.1	-1.2	-0.7	-6.9
Health care		-0.2	-1.1	-1.3	-1.5	-1.6	-5.8
Student loans	-0.1	-0.8	-0.6	-0.6	-0.6	-0.3	-2.9
Revenue offsets	-0.3	-4.7	-6.9	-7.1	-7.3	-7.4	-33.4
Other	—*	-0.7	-0.8	-0.7	-0.9	-2.4	-5.5
Subtotal, offsets	-0.5	-6.5	-12.2	-11.8	-11.6	-12.4	-54.4
Subtotal, mandatory and revenues	0.3						
Debt service	*		—*	—*	—*	—*	-0.1
Reserve pending Social Security reform	79.3	117.3	134.1	186.7	182.0	207.6	827.8
Surplus	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Resources contingent upon Social Security reform:							
Defense and non-defense discretionary spending			26.3	40.9	36.5	34.1	137.7
Related debt service			0.7	2.3	4.3	6.3	13.6
Remaining reserve	79.3	117.3	107.2	143.6	141.3	167.3	676.6

* \$50 million or less.

Table S-4. DISCRETIONARY SPENDING CAPS AND BUDGET PROPOSALS
(In billions of dollars)

Proposed Discretionary Program Funding Level:	Estimate										Total 2000-2004	
	2000		2001		2002		2003		2004		BA	OL
	BA	OL	BA	OL	BA	OL	BA	OL	BA	OL		
Department of Defense	268.2	261.8	287.4	269.4	289.3	279.3	299.7	291.2	308.5	300.9	1,453.1	1,402.6
Non-DOD	286.8	329.7	300.5	341.4	299.5	339.2	298.7	338.1	299.4	338.5	1,484.9	1,686.9
Reserve for Priority Initiatives			3.0	1.6	6.0	4.1	9.0	7.0	12.0	9.9	30.0	22.6
Total, Proposed Discretionary Funding Level	555.0	591.5	590.9	612.4	594.8	622.6	607.4	636.3	619.9	649.3	2,968.0	3,112.1
Offsets to Discretionary Spending:												
Mandatory Offsets Designated for Discretionary	-6.8	-6.8	-5.0	-4.9	-4.9	-5.0	-4.9	-4.9	-4.9	-4.9	-26.6	-26.6
Transfer of 2000 PAYGO Balances for Defense Discretionary	-2.9	-2.9	-0.8	-0.8	-0.2	-0.2	-1.1	-1.1			-5.0	-5.0
Tobacco Legislation:												
Federal Tobacco Revenues	-8.0	-8.0	-7.1	-7.1	-6.6	-6.6	-6.4	-6.4	-6.4	-6.4	-34.5	-34.5
Recoupment Policy					-3.4	-1.8	-4.3	-3.3	-4.3	-4.0	-11.9	-9.1
Total, Offsets to Discretionary Spending	-17.8	-17.7	-12.9	-12.9	-15.1	-13.5	-16.7	-15.8	-15.6	-15.3	-78.1	-75.2
Resources Contingent Upon Social Security Reform:												
Department of Defense			-14.2	-9.6	-12.8	-17.1	-13.5	-13.0	-15.2	-15.0	-55.7	-54.6
Non-DOD			-33.5	-15.1	-28.8	-19.7	-7.0	-16.5	-7.2	-9.2	-76.5	-60.5
Reserve for Priority Initiatives			-3.0	-1.6	-6.0	-4.1	-9.0	-7.0	-12.0	-9.9	-30.0	-22.6
Total, Contingent Adjustments			-50.7	-26.3	-47.6	-40.9	-29.5	-36.5	-34.5	-34.1	-162.2	-137.7
Total Offsets and Contingent Adjustments to Discretionary Spending	-17.8	-17.7	-63.6	-39.1	-62.7	-54.4	-46.2	-52.2	-50.0	-49.4	-240.3	-212.9
Proposed Discretionary Funding Level	555.0	591.5	590.9	612.4	594.8	622.6	607.4	636.3	619.9	649.3	2,968.0	3,112.1
Less: Offsets and Contingent Resources	-17.8	-17.7	-63.6	-39.1	-62.7	-54.4	-46.2	-52.2	-50.0	-49.4	-240.3	-212.9
Level with Offsets and Contingent Adjustments	537.2	573.8	527.3	573.3	532.1	568.2	561.3	584.1	569.9	599.9	2,727.7	2,899.2
Current Discretionary Spending Caps ..	537.2	574.4	541.9	573.3	551.0	568.2	566.9	584.1	583.4	599.9	2,780.4	2,899.8

Table S-5. MANDATORY AND REVENUE PROPOSALS—Continued
(In millions of dollars)

	Estimate						Total 2000–2004
	1999	2000	2001	2002	2003	2004	
FEMA: Flood map modernization		26	53	61	64	66	270
SSA:							
Return to work proposals (SSI portion)				-5	-5	-5	-15
Restore SSI benefits for disabled legal immigrants				77	180	328	585
United Mine Workers of America:							
Interior transfers for retired miner's health benefits		-42					-42
Health benefits	8	57	14	13	12	12	108
Revenues:							
Provide tax relief and extend provisions	670	4,129	7,664	6,617	6,889	7,330	32,629
Subtotal, initiatives	811	6,454	12,180	11,783	11,592	12,420	54,429
Offsets not designated for discretionary:							
Agriculture:							
Cut conservation farm option to fund WHIP and FPP ..		-3	-16	-21	-27	-29	-96
Reduce EEP		-85	-106	-118	-130	-139	-578
Charge fair market value for timber/ Forest Service		-17	-17	-17	-17	-17	-85
12 percent commodity provisions		-57	-66	-52	-66	-75	-316
Forest service recreation fees				-24	-7	-17	-48
Education—student loans:							
Advance recall of reserves	-142	-23					-23
Recall additional federal fund reserves		-80	-234	-262	-159	-65	-800
Implement a 90-day non-interest accruing period before lenders file default claims.		-17	-24	-27	-29	-31	-128
Eliminate GA complement at 95 percent on new loans		-41	-60	-65	-70	-74	-310
Reduce guaranty agency retention rate to 18.5 percent		-483	-64	-66	-72	-77	-762
Reduce lender subsidy to 20 basis points on tax exempt lenders		-132	-205	-218	-264	-96	-915
HHS:							
Eliminate child support hold harmless payments and conform paternity match with administrative match rate		-74	-67	-61	-63	-59	-324
Health care savings		-226	-1,111	-1,266	-1,545	-1,615	-5,763
Adjustment of child support orders			33	-5	-43	-70	-85
Cap TANF transfer to SSBG		-600				100	-500
Interior:							
Hardrock mining production fee on public lands			-8	-26	-26	-26	-86
Filming and photography on public land							
Treasury:							
Extend customs user fees						-1,522	-1,522
Simplification of foster child credit (outlay portion)		-2	-36	-37	-39	-40	-154
Veterans:							
Extend expiring OBRA VA provisions:							
Round down to the next lower dollar COLA adjustments to disability compensation and DIC					-15	-24	-39
Limit pension benefits to Medicaid eligible beneficiaries in nursing homes (includes Medicaid offset)					-110	-117	-227
Verify income of pension beneficiaries with the IRS and SSA					-3	-3	-6
Collect higher loan fees and reduce resale losses					-188	-190	-378
SSA: Program integrity proposal (SSI portion)		-14	-18	-59	-65	-46	-202
Fed/FDIC: State bank exam fee (non-Fed members)		-84	-88	-91	-95	-100	-458
Allowances:							
Tobacco recoupment policy			-2,824	-2,123	-1,235	-690	-6,872
Revenues:							
State bank exam fees		-82	-86	-90	-94	-98	-450
FEMA mortgage transaction fees		-58	-59	-62	-65	-68	-312
United Mine Workers premiums	-8	-15	-14	-13	-12	-12	-66
Clergy open season for OASDHI coverage (on-budget portion)		-2	-1	-1	-1	-1	-6
UI solvency incentive		-224	-312	-96			-632

Table S-5. MANDATORY AND REVENUE PROPOSALS—Continued
(In millions of dollars)

	Estimate						Total 2000–2004
	1999	2000	2001	2002	2003	2004	
Eliminate unwarranted benefits	-334	-4,744	-6,859	-7,090	-7,303	-7,390	-33,386
Subtotal, offsets not designated for discretionary	-484	-7,063	-12,242	-11,890	-11,743	-12,591	-55,529
Subtotal, proposals subject to pay-as-you-go	327	-609	-62	-107	-151	-171	-1,100
Proposals not subject to pay-as-you-go:							
Education:							
Family education loans modification transfer		468	-110	-111	-97	-80	70
Labor:							
UI integrity		-118	-160	-160	-160	-160	-758
Social Security Administration:							
Return to work proposals (DI portion)		10	25	41	45	46	167
Program integrity proposal (DI portion)		-7	-11	-13	-12	-13	-56
Impact of Medicare buy-on on OASI			64	113	144	153	474
FDIC:							
Interest payments related to State exam fees		-2	-7	-12	-17	-23	-61
Morris K. Udall Scholarship Foundation:							
Receipt of federal payments to the foundation		-3	-3	-3	-3	-3	-15
Undistributed offsetting receipts:							
Redefine wage base for military pay covered by Social Security		264	271	261	260	261	1,317
Revenues:							
Clergy open season for OASDHI coverage (off-budget portion)		-3	-7	-9	-9	-10	-38
Subtotal, proposals not subject to pay-as-you-go		609	62	107	151	171	1,100
Subtotal, proposals not designated for discretionary	327						
Offsets designated for discretionary:							
Outlays:							
Education—student loans:							
NDNH savings		-876	-19	-25	-26	-25	-971
Recall additional federal fund reserves		-788					-788
HHS:							
Health care savings		-1,100	-920	-1,030	-980	-1,070	-5,100
Freeze TANF supplemental growth at FY99 level		-45	-87	-48	-41	-20	-241
Corps of Engineers:							
Harbor services fund user fees		-966	-963	-960	-996	-1,014	-4,899
Undistributed offsetting receipts:							
Change in military retirement		-849	-1,058	-1,159	-1,231	-1,270	-5,567
Allowances:							
Tobacco recoupment policy				-1,794	-3,318	-3,998	-9,110
Revenues:							
Superfund tax extensions	-109	-1,532	-1,207	-1,219	-1,242	-1,259	-6,459
Repeal of existing harbor maintenance excise tax		472	505	541	578	619	2,715
FAA user fees		-1,122	-1,184	-1,091	-1,007	-910	-5,314
Federal tobacco taxes	77	-7,987	-7,105	-6,589	-6,418	-6,400	-34,499
Subtotal, offsets designated for discretionary	-32	-14,793	-12,038	-13,374	-14,681	-15,347	-70,233
TOTAL, mandatory and revenue proposals	295	-14,793	-12,038	-13,374	-14,681	-15,347	-70,233
MEMORANDUM:							
Total tobacco recoupment policy savings shown above			-2,824	-3,917	-4,553	-4,688	-15,982
Total health care savings shown above		-1,326	-2,031	-2,296	-2,525	-2,685	-10,863

Table S-6. EFFECT OF PROPOSALS ON RECEIPTS
(In millions of dollars)

	Estimate						
	1999	2000	2001	2002	2003	2004	2000-2004
Provide tax relief and extend expiring provisions:							
Make health care more affordable:							
Provide tax relief for long-term care needs		-52	-1,107	-1,144	-1,312	-1,408	-5,023
Provide tax relief for workers with disabilities		-21	-151	-169	-187	-196	-724
Provide tax relief to encourage small business health plans		-1	-5	-10	-15	-13	-44
Subtotal, make health care more affordable		-74	-1,263	-1,323	-1,514	-1,617	-5,791
Expand education initiatives:							
Provide incentives for public school construction and modernization		-146	-570	-939	-1,035	-1,045	-3,735
Extend employer-provided educational assistance and include graduate education		-72	-267	-719	-236		-1,222
Provide tax credit for workplace literacy and basic education programs		-3	-18	-25	-38	-55	-139
Encourage sponsorship of qualified zone academies		-22	-43	-55	-24		-144
Eliminate 60-month limit on student loan interest deduction		-18	-61	-62	-67	-73	-281
Eliminate tax when forgiving student loans subject to income contingent repayment							
Provide tax relief for participants in certain Federal education programs		-3	-7	-7	-7	-6	-30
Subtotal, expand education initiatives		-72	-459	-1,418	-1,324	-1,179	-5,551
Make child care more affordable:							
Increase, expand, and simplify child and dependent care tax credit		-338	-1,585	-1,426	-1,471	-1,503	-6,323
Provide tax incentives for employer-provided child-care facilities		-40	-84	-114	-131	-140	-509
Subtotal, make child care more affordable		-378	-1,669	-1,540	-1,602	-1,643	-6,832
Provide incentives to revitalize communities:							
Increase low-income housing tax credit per capita cap		-46	-186	-330	-474	-620	-1,656
Provide Better America Bonds to improve the environment		-8	-49	-127	-205	-284	-673
Provide New Markets Tax Credit		-12	-88	-207	-297	-376	-980
Expand tax incentives for SSBICs		_*	_*	_*	_*	_*	_*
Extend wage credit for two new EZs							
Subtotal, provide incentives to revitalize communities		-66	-323	-664	-976	-1,280	-3,309
Promote energy efficiency and improve the environment:							
Provide tax credit for energy-efficient building equipment		-230	-407	-376	-393	-127	-1,533
Provide tax credit for new energy-efficient homes		-60	-109	-92	-72	-96	-429
Extend electric vehicle tax credit; provide tax credit for fuel-efficient vehicles				-4	-178	-712	-894
Provide investment tax credit for CHP systems		-1	-64	-99	-110	-52	-332
Provide tax credit for rooftop solar systems		-9	-19	-25	-34	-45	-132
Extend wind and biomass tax credit and expand eligible biomass sources		-20	-48	-73	-88	-94	-323
Subtotal, promote energy efficiency and improve the environment		-1	-383	-682	-680	-1,081	-3,643
Promote expanded retirement savings, security and portability							
Extend expiring provisions:							
Allow personal tax credits against the AMT		-67	-679	-707			-1,386
Extend work opportunity tax credit		-23	-116	-164	-81	-38	-415

Table S-6. EFFECT OF PROPOSALS ON RECEIPTS—Continued
(In millions of dollars)

	Estimate						
	1999	2000	2001	2002	2003	2004	2000-2004
Extend welfare-to-work tax credit	-3	-19	-36	-21	-9	-2	-87
Extend R&E tax credit	-311	-933	-656	-281	-133	-53	-2,056
Make permanent the expensing of brownfields remediation costs			-106	-170	-168	-167	-611
Extend tax credit for first-time DC homebuyers	1	-1	-10	-1			-12
Subtotal, extend expiring provisions	-403	-1,748	-1,679	-554	-348	-238	-4,567
Simplify the tax laws	-64	-141	-159	-154	-104	-41	-599
Miscellaneous provisions:							
Make first \$2,000 of severance pay exempt from income tax		-42	-168	-173	-133		-516
Allow steel companies to carryback NOLs up to five years ..	-19	-190	-28	-30	-24	-20	-292
Subtotal, miscellaneous provisions	-19	-232	-196	-203	-157	-20	-808
Electricity restructuring:							
Deny tax-exempt status for new electric utility bonds except for distribution related expenses; repeal cost of service limitation for determining deductible contributions to nuclear decommissioning funds		4	11	20	30	41	106
Subtotal, electricity restructuring		4	11	20	30	41	106
Modify international trade provisions:							
Extend and modify Puerto Rico economic-activity tax credit		-24	-46	-71	-106	-141	-388
Extend GSP and modify other trade provisions ¹	-84	-484	-223	-93	-96	-99	-995
Levy tariff on certain textiles/apparel produced in the CNMI ¹			187	187	187	187	748
Expand Virgin Island tariff credits ¹			-*	-*	-2	-1	-3
Subtotal, modify international trade provisions	-84	-508	-82	23	-17	-54	-638
Subtotal, provide tax relief and extend expiring provisions	-670	-4,129	-7,664	-6,617	-6,889	-7,330	-32,629
Eliminate unwarranted benefits and adopt other revenue measures:							
Limit benefits of corporate tax shelter transactions:							
Deny tax benefits resulting from non-economic transactions; modify substantial understatement penalty for corporate tax shelters; deny deductions for certain tax advice and impose excise taxes on certain fees, rescission provisions and provisions guaranteeing tax benefits		11	76	162	194	214	657
Preclude taxpayers from taking tax positions inconsistent with the form of their transactions	5	50	52	55	58	62	277
Tax income from corporate tax shelters involving tax-indifferent parties	15	150	155	165	175	185	830
Require accrual of income on forward sale of corporate stock	1	4	9	13	21	31	78
Modify treatment of built-in losses and other attribute trafficking	9	113	185	192	200	208	898
Modify treatment of ESOP as S corporation shareholder	17	64	102	145	183	202	696
Prevent serial liquidation of U.S. subsidiaries of foreign corporations		12	20	19	19	19	89
Prevent capital gains avoidance through basis shift transactions involving foreign shareholders	65	301	114	64	45	27	551
Limit inappropriate tax benefits for lessors of tax-exempt use property	1	35	79	119	147	163	543

Table S-6. EFFECT OF PROPOSALS ON RECEIPTS—Continued
(In millions of dollars)

	Estimate						
	1999	2000	2001	2002	2003	2004	2000-2004
Prevent mismatching of deductions and income exclusions in transactions with related foreign persons		60	104	108	112	117	501
Restrict basis creation through Section 357(c)	3	9	19	28	39	50	145
Modify anti-abuse rule related to assumption of liabilities ..	1	2	4	5	7	9	27
Modify COLI rules		240	366	398	427	451	1,882
Subtotal, limit benefits of corporate tax shelter transactions	117	1,051	1,285	1,473	1,627	1,738	7,174
Other proposals:							
Require banks to accrue interest on short-term obligations		72	2	3	4	4	85
Require current accrual of market discount by accrual method taxpayers	3	7	11	15	20	25	78
Limit conversion of character of income from constructive ownership transactions with respect to partnership interests	19	30	37	32	32	35	166
Modify rules for debt-financed portfolio stock	1	5	9	14	20	26	74
Modify and clarify certain rules relating to debt-for-debt exchanges	15	76	109	108	107	106	506
Modify and clarify straddle rules	16	40	50	48	47	49	234
Conform control test for tax-free incorporations, distributions, and reorganizations	7	18	22	22	21	21	104
Tax issuance of tracking stock	40	105	128	127	127	127	614
Require consistent treatment and provide basis allocation rules for transfers of intangibles in certain nonrecognition transactions	2	66	83	86	90	95	420
Modify tax treatment of downstream mergers	14	42	55	59	63	67	286
Modify partnership distribution rules	-28	131	162	173	162	147	775
Deny change in method treatment to tax-free formations	6	94	64	65	67	70	360
Repeal installment method for accrual basis taxpayers		685	757	438	114	16	2,010
Deny deduction for punitive damages	16	88	124	130	137	143	622
Apply uniform capitalization rules to tollers		25	39	40	42	21	167
Provide consistent amortization periods for intangibles		-219	-189	48	255	435	330
Clarify recovery period of utility grading costs	9	30	49	61	69	75	284
Require recapture of policyholder surplus accounts		134	222	219	217	215	1,007
Modify rules for capitalizing policy acquisition costs of life insurance companies		379	977	946	914	880	4,096
Subject investment income of trade associations to tax		172	294	309	325	341	1,441
Restore phaseout of unified credit for large estates		27	61	66	72	76	302
Require consistent valuation for estate and income tax purposes		3	8	13	17	22	63
Require basis allocation for part sale/part gift transactions		2	3	4	5	6	20
Conform treatment of surviving spouses in community property States	3	15	33	46	59	72	225
Expand section 864(c)(4)(B) to interest and dividend equivalents		9	15	16	16	17	73
Recapture overall foreign losses when CFC stock is disposed		6	6	6	6	7	31
Increase elective withholding rate for nonperiodic distributions from deferred compensation plans		42	2	2	2	2	50
Increase section 4973 excise tax for excess IRA contributions		1	12	12	13	14	52
Limit pre-funding of welfare benefits for 10 or more employer plans		92	156	159	150	149	706
Subject signing bonuses to employment taxes		5	3	3	3	3	17
Expand reporting of cancellation of indebtedness income		7	7	7	7	7	35
Require taxpayers to include rental income of residence in income without regard to the period of rental		4	11	11	12	12	50

Table S-6. EFFECT OF PROPOSALS ON RECEIPTS—Continued
(In millions of dollars)

	Estimate						
	1999	2000	2001	2002	2003	2004	2000–2004
Repeal lower-of-cost-or-market inventory accounting method	18	422	525	431	433	201	2,012
Defer interest deduction and OID on certain convertible debt	2	9	20	32	44	55	160
Modify deposit requirement for FUTA							
Reinstate Oil Spill Liability Trust Fund tax ¹	26	254	256	257	261	264	1,292
Deny DRD for certain preferred stock	4	13	26	38	52	66	195
Disallow interest on debt allocable to tax-exempt obligations	4	11	17	23	28	33	112
Repeal percentage depletion for non-fuel minerals mined on Federal and formerly Federal lands		92	94	96	97	99	478
Modify rules relating to foreign oil and gas extraction income		5	65	107	112	118	407
Increase penalties for failure to file correct information returns		6	12	15	19	13	65
Tighten the substantial understatement penalty for large corporations			25	42	43	37	147
Require withholding on certain gambling winnings		17	4	1	1	1	24
Simplify foster child definition under EITC			6	7	7	7	27
Replace sales-source rules with activity-based rules		310	540	570	600	630	2,650
Repeal tax-free conversions of large C corporations into S corporations		10	32	46	56	68	212
Eliminate the income recognition exception for accrual method service providers	1	32	44	46	48	50	220
Modify structure of businesses indirectly conducted by REITs	4	27	27	27	28	28	137
Modify treatment of closely held REITs		24	10	12	14	15	75
Impose excise tax on purchase of structured settlements	6	8	6	3	1	-2	16
Amend 80/20 company rules	28	48	49	51	52	53	253
Modify foreign office material participation exception applicable to inventory sales attributable to nonresident's U.S. office	1	7	10	10	11	11	49
Stop abuse of CFC exception to ownership requirements of section 883		4	9	7	5	5	30
Include QTIP trust assets in surviving spouse's estate			2	2	2	2	8
Eliminate non-business valuation discounts		206	425	443	477	494	2,045
Eliminate gift tax exemption for personal residence trusts		-1	-1	-1	3	12	12
Increase proration percentage for P&C insurance companies		-4	49	64	87	107	303
Subtotal, other proposals	217	3,693	5,574	5,617	5,676	5,652	26,212
Subtotal, eliminate unwarranted benefits and adopt other revenue measures¹	334	4,744	6,859	7,090	7,303	7,390	33,386
Other provisions that affect receipts:							
Reinstate environmental tax on corporate taxable income ²		794	460	463	476	481	2,674
Reinstate Superfund excise taxes ¹	109	738	747	756	766	778	3,785
Convert Airport and Airway Trust Fund taxes to a cost-based user fee system ¹		1,122	1,184	1,091	1,007	910	5,314
Receipts from tobacco legislation ¹	-77	7,987	7,105	6,589	6,418	6,400	34,499
Assess fees for examination of bank holding companies and State-chartered member banks (receipt effect) ¹		82	86	90	94	98	450
Restore premiums for United Mine Workers of America Combined Benefit Fund	8	15	14	13	12	12	66
Assess mortgage transaction fees for flood hazard determination ¹		58	59	62	65	68	312

Table S-6. EFFECT OF PROPOSALS ON RECEIPTS—Continued
(In millions of dollars)

	Estimate						
	1999	2000	2001	2002	2003	2004	2000-2004
Replace Harbor Maintenance tax with the Harbor Services User Fee (receipt effect) ¹		-472	-505	-541	-578	-619	-2,715
Allow members of the clergy to revoke exemption from Social Security and Medicare coverage		5	8	10	10	11	44
Create solvency incentive for State unemployment trust fund accounts ¹		224	312	96			632
Subtotal, other provisions that affect receipts¹	40	10,553	9,470	8,629	8,270	8,139	45,061
Total effect of proposals¹	-296	11,168	8,665	9,102	8,684	8,199	45,818
(Paygo proposals)¹	-328	996	-333	735	586	239	2,223
(Non-paygo proposals)		3	7	9	9	10	38
(Discretionary offset)¹	32	10,169	8,991	8,358	8,089	7,950	43,557

* \$500,000 or less.

¹ Net of income offsets.

² Net of deductibility for income tax purposes.

**Table S-7. FRAMEWORK FOR SOCIAL SECURITY REFORM
AND LONG-TERM FISCAL DISCIPLINE**

(Dollars in billions)

	Subtotal 2000-2004	Subtotal 2005-2009	Subtotal 2010-2014	Total 2000-2014	Percent of Total
Reserve pending Social Security reform	828	1,582	2,444	4,854	
Use of reserve:					
Social Security	445	886	1,433	2,764	62%
Medicare	124	226	336	686	15%
Universal Savings Accounts	96	176	264	536	12%
Military readiness and other critical national needs	138	180	164	481	11%
Total use of reserve	803	1,468	2,196	4,467	100%
Financing costs	24	114	248	387	
Total reserve	828	1,582	2,444	4,854	
Memorandum:					
Debt held by the public after use of reserve, end of period	3,290	2,466	1,168		
Percent of GDP	30%	18%	7%		

Table S-8. TOBACCO LEGISLATION

(In billions of dollars)

	Estimate				
	2000	2001	2002	2003	2004
Receipts:					
55 cent per pack increase ¹	6.9	6.4	6.4	6.4	6.4
Accelerate BBA 15 cent increase	1.1	0.7	0.2	.....	.....
Total	8.0	7.1	6.6	6.4	6.4
Tobacco-Related Health Care Costs in Federal Programs:					
Veterans	4.0	4.0	4.0	4.0	4.0
Federal Employees Health Benefits Program	2.2	2.3	2.5	2.7	2.9
Department of Defense	1.6	1.7	1.7	1.7	1.8
Indian Health Service	0.3	0.3	0.3	0.3	0.3
Total	8.0	8.2	8.5	8.7	8.9
Memorandum:					
Estimated effects of recoupment policy .....	.....	-4.6	-4.7	-4.8	-4.8

¹Includes accelerated date for BATF excise tax (\$381 million into 2000).

Table S-9. DISCRETIONARY PROPOSALS BY APPROPRIATIONS SUBCOMMITTEE

(In billions of dollars)

Appropriations Subcommittee	1998 Enacted		1999 Estimate		2000 Proposed		Change: 1999 to 2000	
	BA	Outlays	BA	Outlays	BA	Outlays	BA	Outlays
Discretionary, Excluding Special Categories								
Agriculture and Rural Development	14.1	13.8	14.2	15.1	13.7	14.1	-0.4	-1.1
Commerce, Justice, State and the Judiciary	26.1	24.7	29.6	27.2	29.9	28.4	0.4	1.2
District of Columbia	0.8	0.8	0.4	0.4	0.3	0.3	-0.1	-0.1
Energy and Water Development	20.9	20.7	21.6	21.5	21.5	21.2	-0.2	-0.3
Foreign Operations:								
Subcommittee Total (Excluding Funding Listed Below)	13.1	13.0	15.3	13.2	14.6	13.3	-0.7	0.1
IMF: Increase in the U.S. Quota			14.5				-14.5	
IMF: New Arrangements to Borrow (NAB)			3.4				-3.4	
Interior and Related Agencies	14.0	13.6	14.0	14.3	15.0	14.9	1.0	0.7
Labor, HHS, and Education	81.1	75.2	84.5	82.0	89.2	88.1	4.6	6.1
Legislative	2.3	2.2	2.6	2.4	2.6	2.7	0.0	0.3
Military Construction	9.3	9.9	8.7	9.2	5.4	8.4	-3.2	-0.8
National Security	250.7	248.3	255.0	255.5	262.9	253.5	7.9	-2.0
Transportation and Related Agencies	14.9	37.2	12.4	13.8	12.8	14.6	0.3	0.8
Treasury, Postal Service, and General Government	12.6	12.4	14.2	13.5	13.3	13.6	-0.9	0.1
Veterans Affairs, HUD, Independent Agencies	68.9	79.0	71.3	80.1	69.6	81.5	-1.7	1.4
Designated Offsets to Discretionary Spending					-18.1	-17.9	-18.1	-17.9
Emergency Funding:								
Emergency Funding for Wye River Memorandum			0.9	0.6		0.1	-0.9	-0.5
Contingent Emergency Funding Expected to be Released			6.7	2.5		2.7	-6.7	0.2
Total, Discretionary, Excluding Special Categories	528.7	550.8	569.2	551.4	532.7	539.5	-36.4	-11.8
Violent Crime Reduction								
Commerce, Justice, State and the Judiciary	5.2	3.8	5.5	3.8	4.2	5.3	-1.3	1.5
Labor, HHS, and Education	0.1	0.1	0.2	0.1	0.2	0.2	-0.0	0.0
Treasury, Postal Service, and General Government	0.1	0.1	0.1	0.1	0.1	0.1	0.0	-0.0
Total, Violent Crime Reduction Spending	5.5	3.9	5.8	4.0	4.5	5.6	-1.3	1.5
Highway Category								
Transportation and Related Agencies	NA	NA		21.8		24.6		2.8
Total, Highway Spending	NA	NA		21.8		24.6		2.8
Mass Transit Category								
Transportation and Related Agencies	NA	NA		4.0		4.1		0.1
Total, Mass Transit Spending	NA	NA		4.0		4.1		0.1
Total, Discretionary Spending, Excluding IMF and Emergency Funding	534.2	554.7	549.5	578.1	537.2	571.0	-12.3	-7.0
Total, Discretionary Spending	534.2	554.7	575.0	581.2	537.2	573.8	-37.7	7.4

NA = Not applicable.

Summaries by Agency

SUMMARIES BY AGENCY

Table S-10. DISCRETIONARY BUDGET AUTHORITY BY AGENCY

(In billions of dollars)

Agency	1998 Actual	Estimate					
		1999	2000	2001	2002	2003	2004
Legislative Branch	2.3	2.6	2.7	2.7	2.7	2.8	2.8
Judicial Branch	3.2	3.4	3.9	3.9	3.9	4.0	4.0
Agriculture	15.8	15.8	15.2	15.6	15.4	15.4	15.4
Commerce	4.2	5.1	7.2	5.1	4.6	4.6	4.5
Defense—Military	259.8	263.5	268.2	287.4	289.3	299.7	308.5
Education	29.8	28.8	32.8	34.7	34.7	34.7	34.7
Energy	16.8	17.9	17.8	18.7	18.6	18.5	18.5
Health and Human Services	37.1	41.3	41.5	43.5	43.4	43.4	43.4
Housing and Urban Development	22.4	25.5	23.8	28.0	28.0	28.0	28.0
Interior	8.1	7.8	8.6	8.6	8.6	8.6	8.6
Justice	17.6	18.1	18.4	18.5	18.6	18.4	18.4
Labor	10.7	11.0	11.5	11.5	11.5	11.5	11.5
State	5.6	7.6	6.4	6.3	6.4	6.6	6.8
Transportation	15.0	12.5	12.9	13.5	14.0	14.7	15.2
Treasury	11.5	12.7	12.0	12.7	12.5	12.6	12.6
Veterans Affairs	18.9	19.2	19.2	19.2	19.2	19.2	19.2
Corps of Engineers	4.2	4.1	3.9	3.9	3.9	4.0	4.0
Other Defense Civil Programs	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Environmental Protection Agency	7.4	7.6	7.2	7.2	7.2	7.2	7.2
Executive Office of the President	0.2	0.4	0.3	0.3	0.3	0.3	0.3
Federal Emergency Management Agency	2.4	0.8	0.9	0.9	0.9	0.9	0.9
General Services Administration	0.1	0.5	0.2	0.4	0.3	0.3	0.2
International Assistance Programs	11.4	31.2	12.7	12.7	12.2	12.2	12.2
National Aeronautics and Space Administration	13.6	13.7	13.6	13.8	13.8	13.8	13.8
National Science Foundation	3.4	3.7	3.9	4.0	4.0	3.9	3.9
Office of Personnel Management	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Small Business Administration	0.7	0.7	0.8	0.8	0.8	0.8	0.8
Social Security Administration	5.5	5.5	5.6	5.6	5.6	5.6	5.6
Other Independent Agencies	6.2	6.2	6.6	6.9	6.8	6.8	6.8
Allowances		7.6	-0.3	-47.7	-41.6	-20.5	-22.5
Undistributed Offsetting Receipts			-2.8	1.1	1.1	-0.2	-0.2
Total	534.2	575.0	555.0	540.3	547.2	578.0	585.5

Table S-11. DISCRETIONARY OUTLAYS BY AGENCY

(In billions of dollars)

Agency	1998 Actual	Estimate					
		1999	2000	2001	2002	2003	2004
Legislative Branch	2.2	2.5	2.7	2.7	2.8	2.9	2.9
Judicial Branch	3.2	3.2	3.7	3.9	3.9	4.0	4.0
Agriculture	15.6	16.7	15.5	15.5	15.4	15.5	15.4
Commerce	4.3	4.7	6.6	5.2	4.7	4.7	4.7
Defense—Military	258.1	264.6	261.8	269.4	279.3	291.2	300.9
Education	26.3	28.6	31.8	34.9	34.8	34.8	34.9
Energy	17.0	17.5	17.7	18.2	18.3	18.3	18.2
Health and Human Services	35.0	38.6	41.6	43.0	43.4	43.4	43.4
Housing and Urban Development	33.4	33.2	34.4	33.9	32.0	31.2	30.2
Interior	7.4	8.3	8.4	8.7	8.7	8.8	8.8
Justice	15.2	15.6	18.8	20.0	18.8	18.8	18.6
Labor	10.4	10.9	11.1	11.4	11.5	11.5	11.5
State	4.9	6.3	6.4	6.8	6.8	6.4	6.5
Transportation	37.4	39.7	43.3	46.1	47.5	49.2	50.8
Treasury	10.7	12.2	12.1	12.6	12.6	12.6	12.6
Veterans Affairs	18.5	19.2	19.0	19.3	19.2	19.2	19.2
Corps of Engineers	4.0	4.1	4.0	3.9	3.9	4.0	4.0
Other Defense Civil Programs	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Environmental Protection Agency	6.6	6.9	7.4	7.6	7.4	7.3	7.3
Executive Office of the President	0.2	0.4	0.3	0.3	0.3	0.3	0.3
Federal Emergency Management Agency	2.6	2.8	2.9	2.6	2.0	1.7	1.6
General Services Administration	0.9	0.3	0.4	0.4	0.4	0.3	0.3
International Assistance Programs	11.4	11.7	11.7	11.9	12.5	12.4	12.3
National Aeronautics and Space Administration	14.2	14.0	13.4	13.4	13.5	13.7	13.7
National Science Foundation	3.1	3.2	3.6	3.8	3.9	3.9	3.9
Office of Personnel Management	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Small Business Administration	0.8	0.7	0.8	0.8	0.8	0.8	0.8
Social Security Administration	5.4	5.9	5.8	5.7	5.6	5.6	5.6
Other Independent Agencies	5.8	5.9	6.2	6.5	6.6	6.7	6.8
Allowances		3.1	2.6	-23.8	-36.3	-29.4	-24.2
Undistributed Offsetting Receipts			-2.8	1.1	1.1	-0.2	-0.2
Total	554.7	581.2	591.5	586.2	581.7	599.9	615.2

Other Summary Tables

OTHER SUMMARY TABLES

Table S-12. RECEIPTS BY SOURCE—SUMMARY

(In millions of dollars)

Source	1998 Actual	Estimate					
		1999	2000	2001	2002	2003	2004
Individual income taxes	828,586	868,945	899,741	912,477	942,750	970,703	1,017,735
Corporation income taxes	188,677	182,210	189,356	196,555	203,438	212,302	221,453
Social insurance and retirement receipts	571,831	608,824	636,529	660,296	686,348	711,984	739,186
(On-budget)	(156,032)	(164,778)	(171,215)	(177,660)	(184,584)	(189,760)	(196,259)
(Off-budget)	(415,799)	(444,036)	(465,314)	(482,636)	(501,764)	(522,224)	(542,927)
Excise taxes	57,673	68,075	69,902	70,795	72,323	73,761	75,352
Estate and gift taxes	24,076	25,932	26,972	28,367	30,489	31,600	33,902
Customs duties	18,297	17,654	18,364	19,975	21,415	22,959	24,854
Miscellaneous receipts	32,658	34,694	42,128	44,851	50,295	51,713	53,045
Total receipts	1,721,798	1,806,334	1,882,992	1,933,316	2,007,058	2,075,022	2,165,527
(On-budget)	(1,305,999)	(1,362,298)	(1,417,678)	(1,450,680)	(1,505,294)	(1,552,798)	(1,622,600)
(Off-budget)	(415,799)	(444,036)	(465,314)	(482,636)	(501,764)	(522,224)	(542,927)

Table S-13. FEDERAL EMPLOYMENT IN THE EXECUTIVE BRANCH
(Civilian employment as measured by Full-Time Equivalents, in thousands)

Agency	1993 Base	Actual						Estimate		Change: 1993 base to 2000	
		1993	1994	1995	1996	1997	1998	1999	2000	FTE's	Percent
Cabinet agencies:											
Agriculture ¹	115.6	114.4	109.8	103.8	100.7	98.5	96.4	98.0	97.6	-18.0	-15.6%
Commerce	36.7	36.1	36.0	35.3	33.8	32.6	35.7	47.5	92.9	56.1	152.9%
Defense-military functions	931.3	931.8	868.3	821.7	778.9	745.8	707.2	686.5	662.9	-268.4	-28.8%
Education	5.0	4.9	4.8	4.8	4.7	4.5	4.5	4.7	4.7	-0.3	-5.7%
Energy	20.6	20.3	19.8	19.7	19.1	17.3	16.3	16.5	16.2	-4.4	-21.5%
Health and Human Services ¹	65.0	66.1	62.9	59.3	57.2	57.6	57.9	60.5	62.0	-2.9	-4.5%
Social Security Administration	65.4	64.8	64.5	64.6	64.0	65.2	64.0	63.8	63.6	-1.8	-2.8%
Housing and Urban Development	13.6	13.3	13.1	12.1	11.4	11.0	9.8	10.6	10.6	-3.0	-22.3%
Interior	79.3	78.1	76.3	72.0	66.7	65.7	66.5	68.3	69.9	-9.4	-11.8%
Justice	99.4	95.4	95.3	97.9	103.8	111.0	117.3	124.1	128.7	29.3	29.5%
Labor	18.3	18.0	17.5	16.8	16.0	15.9	16.3	16.9	17.4	-0.9	-5.1%
State	35.0	34.2	33.5	31.8	30.2	29.2	26.4	26.9	27.6	-7.4	-21.2%
Transportation	70.3	69.1	66.4	63.2	62.4	62.5	63.4	65.0	65.8	-4.6	-6.5%
Treasury	166.1	161.1	157.3	157.5	151.1	145.5	142.1	145.4	146.1	-20.0	-12.0%
Veterans Affairs ¹	232.4	234.2	233.1	228.5	221.9	211.5	207.1	205.4	197.9	-34.5	-14.8%
Other agencies—excluding Postal Service:											
Agency for International Development ¹	4.4	4.1	3.9	3.6	3.4	2.8	2.7	2.6	2.6	-1.8	-41.2%
Corps of Engineers	29.2	28.4	27.9	27.7	27.1	26.0	24.8	25.2	24.7	-4.5	-15.3%
Environmental Protection Agency	18.6	17.9	17.6	17.5	17.2	17.0	17.7	18.4	18.4	-0.2	-0.9%
Equal Employment Opportunity Commission	2.9	2.8	2.8	2.8	2.7	2.6	2.5	2.8	2.9	0.1	3.2%
Federal Emergency Management Agency	2.7	4.0	4.9	4.6	4.7	5.1	4.6	4.6	4.7	2.0	72.4%
FDIC/RTC	21.6	21.9	20.0	15.7	11.8	8.7	7.9	7.3	6.9	-14.6	-67.9%
General Services Administration	20.6	20.2	19.5	17.0	15.7	14.5	14.1	14.2	14.2	-6.5	-31.5%
National Aeronautics and Space Administration	25.7	24.9	23.9	22.4	21.1	20.1	19.1	18.8	18.2	-7.6	-29.4%
National Archives and Records Administration	2.8	2.6	2.6	2.4	2.5	2.5	2.4	2.6	2.6	-0.1	-3.7%
National Labor Relations Board	2.1	2.1	2.1	2.0	1.9	1.9	1.9	1.9	2.0	-0.1	-6.7%
National Science Foundation	1.3	1.2	1.2	1.2	1.3	1.2	1.2	1.2	1.2	-0.1	-10.7%
Nuclear Regulatory Commission	3.4	3.4	3.3	3.2	3.1	3.0	3.0	2.9	2.8	-0.6	-17.6%
Office of Personnel Management	6.2	5.9	5.3	4.2	3.4	2.8	2.8	3.0	3.0	-3.2	-51.9%
Panama Canal Commission	8.7	8.5	8.5	8.8	9.0	9.5	9.6	10.2	2.5	-6.2	-71.0%
Peace Corps	1.3	1.2	1.2	1.2	1.1	1.1	1.1	1.2	1.2	-0.1	-4.8%
Railroad Retirement Board	1.8	1.8	1.7	1.6	1.5	1.4	1.3	1.2	1.2	-0.7	-37.2%
Securities and Exchange Commission	2.7	2.7	2.7	2.7	2.8	2.8	2.8	2.8	2.9	0.2	5.8%
Small Business Administration	4.0	5.6	6.3	5.7	4.7	4.5	4.4	4.6	4.6	0.6	15.4%
Smithsonian Institution	5.9	5.5	5.4	5.3	5.1	5.0	5.0	5.2	5.2	-0.6	-10.9%
Tennessee Valley Authority	19.1	17.3	18.6	16.6	16.0	14.9	14.4	13.9	13.7	-5.4	-28.4%
All other small agencies	15.9	15.2	14.7	14.9	13.9	13.6	16.0	17.0	17.3	1.5	9.2%
Total, Executive Branch civilian employment	2,155.2	2,138.8	2,052.7	1,970.2	1,891.7	1,834.7	1,790.2	1,801.6	1,816.8	-338.4	-15.7%
Reduction from 1993 Base	-16.4	-102.5	-185.0	-263.5	-320.5	-365.0	-353.6	-338.4			
Subtotal, Defense	931.3	931.8	868.3	821.7	778.9	745.8	707.2	686.5	662.9	-268.4	-28.8%
Subtotal, Non-Defense	1,223.9	1,207.1	1,184.4	1,148.4	1,112.8	1,088.9	1,083.0	1,115.2	1,153.9	-70.0	-5.7%
Status of Federal Civilian Employment Relative to the Federal Workforce Restructuring Act ²											
Total, Executive Branch Employment	NA	NA	2,052.7	1,970.2	1,891.7	1,834.7	1,790.2	1,801.6	NA	NA	NA
Less: FTEs exempt from FWRA	NA	NA	5.7	5.7	7.6	7.4	5.2	5.5	NA	NA	NA
Total, Executive Branch subject to FWRA Ceiling	NA	NA	2,047.0	1,964.4	1,884.1	1,827.3	1,785.0	1,796.1	NA	NA	NA
FWRA Ceiling	NA	NA	2,084.6	2,043.3	2,003.3	1,963.3	1,922.3	1,882.3	NA	NA	NA
Executive Branch Employment Relative to FWRA Ceiling	NA	NA	-37.6	-78.9	-119.2	-136.1	-137.3	-86.2	NA	NA	NA

¹The Departments of Agriculture, Health and Human Services, Veterans Affairs, and the Agency for International Development have components that are exempt from FTE controls. In 1999, Agriculture has 2,128 exemptions; HHS has 358 exemptions; Veterans Affairs has 3,000 exemptions and AID has 10 exemptions.

²FTE limitations are set for the Executive Branch in the Federal Workforce Restructuring Act of 1994 (P.L. 103-226) from 1994-1999.

Table S-14. FEDERAL GOVERNMENT FINANCING AND DEBT: WITH SOCIAL SECURITY REFORM¹

(In billions of dollars)

	1998 Actual	Estimate					
		1999	2000	2001	2002	2003	2004
Financing:							
Surplus pending Social Security reform	69.2	79.3	117.3	134.1	186.7	182.0	207.6
Less: Social Security reform proposals:							
Social Security trust fund			-84.7	-69.9	-91.6	-90.3	-108.9
Medicare trust fund			-18.3	-20.3	-28.1	-26.9	-30.4
Universal Savings Accounts			-14.0	-15.9	-21.9	-20.9	-23.6
Military readiness and other critical national needs				-26.3	-40.9	-36.5	-34.1
Financing costs			-0.3	-1.7	-4.3	-7.5	-10.6
Surplus with Social Security reform	69.2	79.3	0.0	0.0	0.0	0.0	0.0
Means of financing other than borrowing from the public:							
Transfers to Social Security trust fund ²			84.7	69.9	91.6	90.3	108.9
Less: Purchases of stock by Social Security trust fund:							
From transfers			-17.8	-14.7	-19.0	-19.0	-22.9
From reinvested dividends			-0.4	-1.2	-2.1	-3.1	-4.3
Transfers to Medicare trust fund ²			18.3	20.3	28.1	26.9	30.4
Changes in: ³							
Treasury operating cash balance	4.7	-1.1					
Checks outstanding, etc. ⁴	-10.5	-3.7	-0.1				
Deposit fund balances	-0.8	-1.7					
Seigniorage on coins	0.6	0.9	1.0	1.0	1.0	1.0	1.0
Less: Net financing disbursements:							
Direct loan financing accounts	-11.5	-25.2	-21.2	-20.1	-19.6	-19.2	-17.7
Guaranteed loan financing accounts	-0.5	1.6	0.9	1.8	1.8	1.8	2.0
Total, means of financing other than bor- rowing from the public	-18.0	-29.1	65.4	57.1	81.7	78.7	97.3
Total, repayment of debt held by the public	51.3	50.1	65.4	57.1	81.7	78.7	97.3
Change in debt held by the public	-51.3	-50.1	-65.4	-57.1	-81.7	-78.7	-97.3
Debt Outstanding, End of Year:							
Gross Federal debt:							
Debt issued by Treasury	5,449.3	5,586.6	5,803.7	6,016.5	6,252.1	6,496.7	6,753.2
Debt issued by other agencies	29.4	28.4	27.5	26.4	25.5	24.1	22.8
Total, gross Federal debt	5,478.7	5,614.9	5,831.2	6,043.0	6,277.5	6,520.8	6,776.0
Held by:							
Government accounts	1,758.8	1,945.2	2,226.8	2,495.7	2,811.9	3,133.8	3,486.3
The public	3,719.9	3,669.7	3,604.4	3,547.3	3,465.6	3,386.9	3,289.6
Federal Reserve Banks ⁵	458.1						
Other	3,261.7						
Debt Subject to Statutory Limitation, End of Year:							
Debt issued by Treasury	5,449.3	5,586.6	5,803.7	6,016.5	6,251.1	6,496.7	6,753.2
Less: Treasury debt not subject to limitation ⁶ ..	-15.5	-15.5	-15.5	-15.5	-15.5	-15.5	-15.5
Agency debt subject to limitation	0.2	0.1	0.1	0.1	0.1	0.1	0.1
Adjustment for discount and premium ⁷	5.5	5.5	5.5	5.5	5.5	5.5	5.5
Total, debt subject to statutory limitation ⁸ ...	5,439.4	5,576.6	5,793.7	6,006.5	6,242.1	6,486.7	6,743.2

¹Treasury securities held by the public and zero-coupon bonds held by Government accounts are almost entirely measured at sales price plus amortized discount or less amortized premium. Agency debt is almost entirely measured at face value. Treasury securities in the Government account series are measured at face value less unrealized discount (if any).

²The transfers to the Social Security and Medicare trust funds do not require financing with borrowing from the public and therefore must be added to the surplus in order to derive the change in debt held by the public.

³A decrease in the Treasury operating cash balance (which is an asset) would be a means of financing the deficit and therefore has a positive sign. An increase in checks outstanding or deposit fund balances (which are liabilities) would also be a means of financing the deficit and therefore has a positive sign.

⁴Besides checks outstanding, includes accrued interest payable on Treasury debt, miscellaneous liability accounts, allocations of special drawing rights, and, as an offset, cash and monetary assets other than the Treasury operating cash balance, miscellaneous asset accounts, and profit on sale of gold.

⁵ Debt held by the Federal Reserve Banks is not estimated for future years.

⁶ Consists primarily of Federal Financing Bank debt.

⁷ Consists of unamortized discount (less premium) on public issues of Treasury notes and bonds (other than zero-coupon bonds) and unrealized discount on Government account series securities.

⁸ The statutory debt limit is \$5,950 billion.

Table S-15. COMPARISON OF ECONOMIC ASSUMPTIONS

(Calendar years)

	Projections					
	1999	2000	2001	2002	2003	2004
Real GDP (chain-weighted):¹						
1999 Mid-Session Review	2.0	2.0	2.2	2.4	2.4	2.4
CBO January	1.8	1.9	2.3	2.4	2.5	2.4
2000 Budget	2.0	2.0	2.0	2.4	2.4	2.4
Chain-weighted GDP price index:¹						
1999 Mid-Session Review	2.0	2.2	2.2	2.2	2.2	2.2
CBO January	2.1	2.0	2.2	2.1	2.1	2.1
2000 Budget	1.9	2.1	2.1	2.1	2.1	2.1
Consumer Price Index (all-urban):¹						
1999 Mid-Session Review	2.1	2.3	2.3	2.3	2.3	2.3
CBO January	2.7	2.6	2.6	2.6	2.6	2.6
2000 Budget	2.3	2.3	2.3	2.3	2.3	2.3
Unemployment rate:²						
1999 Mid-Session Review	5.0	5.2	5.4	5.4	5.4	5.4
CBO January	4.6	5.1	5.4	5.6	5.7	5.7
2000 Budget	4.8	5.0	5.2	5.3	5.3	5.3
Interest rates:²						
91-day Treasury bills:						
1999 Mid-Session Review	4.9	4.8	4.7	4.7	4.7	4.7
CBO January	4.5	4.5	4.5	4.5	4.5	4.5
2000 Budget	4.2	4.3	4.3	4.4	4.4	4.4
10-year Treasury notes:						
1999 Mid-Session Review	5.6	5.6	5.6	5.6	5.6	5.6
CBO January	5.1	5.3	5.4	5.4	5.4	5.4
2000 Budget	4.9	5.0	5.2	5.3	5.4	5.4

¹ Percent change, fourth quarter over fourth quarter.² Annual averages, percent.

Table S-1. Framework for Social Security and Medicare Reform and Fiscal Discipline

(In billions of dollars)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Totals	
												2001–2005	2001–2010
Current Services Unified Surplus	179	171	197	193	213	247	304	347	377	411	457	1,022	2,919
Allocation of Surplus:													
Social Security solvency lock-box	148	160	172	184	195	214	224	239	250	260	272	924	2,169
Health initiatives:													
Medicare solvency		15	13				26	47	57	61	80	28	299
Reserve for catastrophic prescription drug coverage							4	5	7	8	11		35
Prescription drugs		–*	–1	4	10	10	11	13	15	17	20	22	98
Health coverage		1	2	3	5	6	10	14	15	16	18	18	91
Subtotal, health initiatives		16	14	7	15	16	51	79	93	103	128	68	523
Discretionary savings:													
Department of Defense	2	1	–2	–2	–1	5	2	–2	*	*	*	1	3
Non-Defense	1	–4	2	–*	–3	–5	–5	–5	–5	–5	–5	–10	–35
Subtotal, discretionary	2	–3	*	–2	–4	*	–3	–7	–5	–4	–4	–8	–32
Net tax cut	*	*	4	10	17	24	37	39	38	42	45	55	256
Farm safety net	1	4	4	1	1	1	1	1	1	1	1	10	14
Other mandatory and offsets	–*	–1	*	–*	–1	–2	–2	–2	–2	–2	–2	–4	–14
Tobacco policy	–*	–4	–4	–4	–10	–10	–10	–9	–9	–3	–3	–31	–66
Restoring budgetary conventions	10	–10	4	–4								–10	–10
Debt service	*	*	*	1	1	3	5	8	11	15	20	5	64
Remaining On-Budget Surplus	19	9	1	*	*	2	1	1	*	*	*	13	16
Memorandum—debt reduction:													
Social Security solvency lock-box	148	160	172	184	195	214	224	239	250	260	272	924	2,169
Medicare solvency		15	13				26	47	57	61	80	28	299
Reserve for catastrophic prescription drug coverage							4	5	7	8	11		35
On-budget surplus	19	9	1	*	*	2	1	1	*	*	*	13	16
Total debt reduction	167	184	186	185	195	215	256	292	314	329	363	965	2,519

* \$500 million or less.

Table S-2. Current Services Surpluses
(In billions of dollars)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Total	
												2001-2005	2001-2010
Unified surplus	179	171	197	193	213	247	304	347	377	411	457	1,022	2,919
Off-budget	148	160	173	185	195	214	225	239	250	260	272	926	2,173
On-budget	32	11	25	8	18	33	80	108	127	151	184	95	746

Table S-3. Budget Summary
(In billions of dollars)

	1999	Estimates										
	Actual	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Outlays:												
Discretionary:												
Department of Defense	262	278	279	285	294	303	317	318	322	332	341	349
Non-DoD discretionary	313	339	355	366	371	378	384	393	402	412	421	431
Subtotal, discretionary	575	618	634	651	665	681	701	711	724	744	762	781
Mandatory:												
Social Security	387	403	422	443	465	490	516	545	575	608	645	685
Medicare and Medicaid	296	316	342	362	389	426	462	489	535	574	617	661
Means-tested entitlements (except Medicaid)	104	110	111	119	126	131	139	140	141	150	154	160
Other	112	123	117	121	128	136	144	150	157	168	177	187
Subtotal, mandatory	898	952	993	1,046	1,108	1,183	1,260	1,324	1,408	1,500	1,594	1,693
Net interest	230	220	208	199	189	178	164	150	134	118	100	80
Total outlays	1,703	1,790	1,835	1,895	1,963	2,041	2,125	2,185	2,267	2,362	2,456	2,553
Receipts	1,827	1,956	2,019	2,081	2,147	2,236	2,341	2,440	2,559	2,676	2,785	2,917
Unified Budget Surplus	124	167	184	186	185	195	215	256	292	314	329	363
Surplus Allocated for Debt Reduction:												
Social Security solvency lock-box	124	148	160	172	184	195	214	224	239	250	260	272
Medicare solvency transfers			15	13				26	47	57	61	80
Reserve for catastrophic prescription drug coverage								4	5	7	8	11
On-budget surplus	1	19	9	1	*	*	2	1	1	*	*	*
Total debt reduction	124	167	184	186	185	195	215	256	292	314	329	363
Memorandum:												
Discretionary outlays net of offsets ¹	575	618	626	649	663	679	699	709	723	743	762	780

* \$500 million or less.

¹ Offsets for 1999 and 2000 have been reclassified as mandatory.

Table S-4. Summary of Mandatory and Revenue Proposals¹

(In billions of dollars)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Totals	
												2001-2005	2001-2010
Health proposals:													
Medicare:													
President's Medicare Reform Plan:													
Prescription Drug Benefit, Medicare Buy-in, and other initiatives			0.2	7.4	15.3	17.7	19.9	22.7	25.1	28.3	31.4	40.8	168.2
Fee-for-service modernization, Competitive Defined Benefit, and other savings		-*	-0.4	-2.3	-4.4	-7.0	-8.1	-9.0	-9.7	-10.2	-11.0	-14.1	-62.1
Other initiatives, offsets, and interactions		-0.5	-1.2	-1.1	-0.8	-0.8	-0.7	-0.7	-0.7	-0.8	-0.8	-4.4	-7.9
Total Medicare proposals		-0.5	-1.3	4.0	10.1	9.9	11.2	13.0	14.8	17.4	19.6	22.3	98.2
Medicaid/SCHIP:													
Family coverage Medicaid/SCHIP initiative		0.8	1.6	2.6	3.8	5.0	8.9	12.0	12.8	13.7	14.8	13.8	76.0
Benefits for legal immigrant children, pregnant women, and the disabled		0.1	0.1	0.2	0.3	0.5	0.6	0.8	1.1	1.3	1.5	1.2	6.5
Other initiatives (accelerating SCHIP/Medicaid children, etc.)		0.4	1.0	1.1	1.3	1.2	1.4	1.6	1.7	1.9	2.0	4.9	13.6
Other offsets (cost allocation, generic drugs, etc.)		-0.1	-0.3	-0.6	-0.7	-0.7	-0.7	-0.7	-0.7	-0.7	-0.4	-2.4	-5.6
Total Medicaid/SCHIP proposals		1.1	2.4	3.3	4.7	6.0	10.3	13.8	14.9	16.2	17.9	17.5	90.5
Total health proposals		0.7	1.1	7.3	14.8	15.9	21.5	26.8	29.6	33.5	37.4	39.8	188.6
Revenue proposals:													
Gross tax cuts including refundable tax credits	0.2	5.9	13.4	19.8	27.4	35.3	46.0	48.0	47.7	52.2	55.7	101.7	351.4
Tax offsets	-0.2	-5.9	-9.2	-9.7	-10.7	-11.7	-9.3	-9.3	-9.6	-10.0	-10.3	-47.2	-95.6
Net revenue proposals	0.1	*	4.2	10.1	16.7	23.6	36.7	38.7	38.1	42.3	45.3	54.6	255.7
Other mandatory and revenue proposals:													
Initiatives:													
Farm safety net programs	0.7	4.2	4.3	0.6	0.7	0.7	0.7	0.7	0.7	0.7	0.7	10.4	14.0
Legal immigrant and income support initiatives		*	0.2	0.5	0.8	0.9	1.1	1.2	1.5	1.7	1.9	2.5	9.9
Child care: Early learning fund		0.4	0.6	0.6	0.6	0.6	0.2	*				2.8	3.0
Fund Round II Urban Empowerment Zones		*	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.1	0.5	1.2
Extend welfare-to-work	-0.1	-0.5	0.2	0.3	0.1							0.1	0.1
Payments to Social Security for military service credits		0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	1.5	3.0
Other		*	0.7	0.5	0.4	0.5	0.4	0.4	0.4	0.4	0.4	3.0	4.8
Total initiatives	0.6	5.1	6.5	2.9	2.9	3.1	2.8	2.8	3.1	3.3	3.4	20.6	36.0

Table S-4. Summary of Mandatory and Revenue Proposals¹—Continued

(In billions of dollars)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Totals	
												2001–2005	2001–2010
Offsets for mandatory:													
Superfund tax extension	-0.2	-1.4	-1.2	-1.2	-1.2	-1.2	-1.3	-1.3	-1.3	-1.3	-1.4	-6.3	-12.9
Extend customs user fees					-1.5	-1.5	-1.6	-1.7	-1.7	-1.8	-1.9	-3.0	-11.8
Education student loan offsets			-0.4	-0.5	-0.3	-0.3	-0.2	-0.3	-0.4	-0.4	-0.4	-1.6	-3.2
Other		-0.3	-0.4	-0.7	-0.7	-0.9	-1.0	-1.1	-1.1	-0.8	-1.2	-3.0	-8.2
Total offsets for mandatory	-0.2	-1.7	-2.0	-2.4	-3.7	-4.0	-4.1	-4.3	-4.6	-4.3	-4.9	-13.9	-36.1
Offsets for discretionary:													
FAA user fees		-0.7	-1.4	-1.5	-1.5	-1.5	-1.2	-0.8	-0.4			-6.7	-9.0
Harbor services fees		-0.4	-0.4	-0.3	-0.3	-0.3	-0.3	-0.2	-0.2	-0.2	-0.2	-1.7	-2.8
Federal reserve transfer		-3.8										-3.8	-3.8
Other		-2.6	-0.5	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.3	-0.3	-3.7	-4.9
Total offsets for discretionary		-7.5	-2.3	-2.0	-2.0	-2.0	-1.7	-1.3	-0.8	-0.4	-0.4	-15.8	-20.5
Repeal mandatory timing shifts	4.0	-4.0	4.5	-4.5								-4.0	-4.0
Total other proposals	4.5	-8.1	6.7	-6.0	-2.8	-2.9	-3.0	-2.8	-2.3	-1.5	-1.9	-13.0	-24.6
Tobacco policy	-0.4	-4.1	-3.7	-3.5	-10.1	-9.7	-9.8	-9.4	-9.2	-3.1	-3.1	-31.2	-65.9
Total, mandatory and revenue proposals ..	4.1	-11.5	8.3	7.9	18.5	26.9	45.4	53.3	56.1	71.1	77.7	50.2	353.9
Memorandum:													
Medicare solvency		15.4	12.6				26.0	47.0	57.0	61.0	80.0	28.0	299.0
Reserve for catastrophic prescription drug coverage							4.0	5.0	6.8	8.4	10.8		35.0

* \$50 million or less.

¹ Additional details on mandatory and revenue proposals are shown on tables S-10 and S-12, respectively.

Table S-5. Health Initiatives
(In billions of dollars; minus means savings)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Totals	
												2001-2005	2001-2010
Medicare solvency		15.4	12.6				26.0	47.0	57.0	61.0	80.0	28.0	299.0
Reserve for catastrophic prescription drug coverage							4.0	5.0	6.8	8.4	10.8		35.0
Medicare Modernization:													
President's Medicare Reform Plan:													
Prescription Drug Benefit, Medicare Buy-in, and other initiatives			0.2	7.4	15.3	17.7	19.9	22.7	25.1	28.3	31.4	40.8	168.2
Fee-for-service modernization, Competitive Defined Benefit, and other savings		-*	-0.4	-2.3	-4.4	-7.0	-8.1	-9.0	-9.7	-10.2	-11.0	-14.1	-62.1
Other initiatives, offsets, and interactions		-0.5	-1.2	-1.1	-0.8	-0.8	-0.7	-0.7	-0.7	-0.8	-0.8	-4.4	-7.9
Total Medicare proposals		-0.5	-1.3	4.0	10.1	9.9	11.2	13.0	14.8	17.4	19.6	22.3	98.2
Health Coverage Initiative:													
Medicaid/SCHIP:													
Family coverage Medicaid/SCHIP initiative		0.8	1.6	2.6	3.8	5.0	8.9	12.0	12.8	13.7	14.8	13.8	76.0
Benefits for legal immigrant children, pregnant women, and the disabled		0.1	0.1	0.2	0.3	0.5	0.6	0.8	1.1	1.3	1.5	1.2	6.5
Other initiatives (accelerating SCHIP/Medicaid children, etc.)		0.4	1.0	1.1	1.3	1.2	1.4	1.6	1.7	1.9	2.0	4.9	13.6
Total Medicaid/SCHIP proposals		1.2	2.7	3.9	5.4	6.7	10.9	14.4	15.6	16.9	18.3	19.9	96.0
Revenue proposals:													
Tax credit for COBRA			*	0.9	1.1	1.3	1.3	1.4	1.4	1.4	1.4	3.3	10.3
Tax credit for Medicare Buy-in			*	0.1	0.1	0.2	0.2	0.2	0.2	0.3	0.3	0.4	1.6
Disabled workers tax credit			*	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.7	1.7
Purchasing Cooperative tax policies			*	*	*	*	*	*	*	*	0.1	0.1	0.3
Total revenue proposals		*	0.2	1.2	1.5	1.7	1.8	1.8	1.9	1.9	2.0	4.6	13.9
Total health coverage initiative		1.2	2.9	5.0	6.9	8.4	12.7	16.3	17.5	18.8	20.3	24.5	109.9
Other proposals:													
Medicaid offsets (cost allocation, generic drugs, etc.)		-0.1	-0.3	-0.6	-0.7	-0.7	-0.7	-0.7	-0.7	-0.7	-0.4	-2.4	-5.6
Long-term care tax credit		0.1	1.2	1.8	2.5	3.2	3.5	3.6	3.6	3.6	3.5	8.8	26.6
Vaccine tax credit							*	0.2	0.2	0.3	0.4		1.0
Total other proposals		-*	0.9	1.2	1.8	2.5	2.9	3.1	3.1	3.2	3.5	6.4	22.0
Total health initiatives		16.2	15.1	10.2	18.9	20.8	56.7	84.3	99.1	108.7	134.1	81.1	564.1

* \$50 million or less.

Table S-6. Proposed Discretionary Spending Limits

(In billions of dollars)

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Original Balanced Budget Act Limits:													
Budget authority	526.9	533.0	537.2	542.0	551.1								
Outlays	553.3	559.3	564.3	564.4	560.8								
Spending Funded by Alternative Mechanisms:													
Budget authority	8.5	37.0	49.3										
Outlays	3.6	19.2	29.8										
Adjustments for Reestimates and Changes in Concepts¹:													
Budget authority	-1.1	1.5	5.1										
Outlays	-2.2	-3.4	23.6										
Enacted Program Levels/Current Services²:													
Budget authority	534.2	571.5	591.5	607.0	625.0	640.9	657.1	673.7	690.4	709.2	727.2	745.2	763.8
Outlays	554.7	575.1	617.6	635.5	648.4	665.4	682.8	698.8	712.2	729.9	748.1	765.8	784.6
Proposed Discretionary Spending:													
Defense Military:													
Budget authority				292.2	295.9	302.0	309.2	317.3	325.6	334.1	342.8	351.7	360.8
Outlays				278.6	285.3	294.1	302.8	316.7	318.1	322.4	332.4	340.8	349.2
Non-Defense:													
Budget authority				322.2	329.6	333.6	340.9	348.1	357.5	367.1	377.0	387.0	396.9
Outlays				347.8	363.5	369.2	375.9	382.4	391.0	400.6	410.8	420.7	431.0
Total Discretionary:													
Budget authority				614.3	625.5	635.5	650.1	665.4	683.1	701.2	719.7	738.7	757.7
Outlays				626.4	648.9	663.3	678.7	699.2	709.1	723.0	743.2	761.5	780.1
Difference From Current Services:													
Defense Military:													
Budget authority				4.5	0.8	-0.2	-0.4	0.1	0.4	-0.3	0.1	0.4	0.8
Outlays				-3.4	-1.5	-1.9	-1.4	4.9	2.0	-1.6	0.4	0.5	0.3
Non-Defense:													
Budget authority				2.9	-0.4	-5.2	-6.6	-8.3	-7.7	-7.6	-7.5	-7.0	-6.9
Outlays				-5.7	2.0	-0.2	-2.6	-4.6	-5.2	-5.3	-5.2	-4.8	-4.7
Total Discretionary:													
Budget authority				7.4	0.4	-5.4	-7.0	-8.3	-7.3	-8.0	-7.4	-6.6	-6.1
Outlays				-9.1	0.5	-2.1	-4.0	0.3	-3.2	-6.9	-4.9	-4.3	-4.4

¹This line includes reestimates, the second and third year effects of emergency appropriations, and changes in concepts and definitions that are not included in the original BBA limits, or in the alternative funding mechanisms.

²Enacted program levels are shown for 1998, 1999, and 2000; current services for 2001-2010.

Table S-7. Restoring Budgetary Conventions

(In billions of dollars)

	2000		2001		2002		2003	
	BA	Outlays	BA	Outlays	BA	Outlays	BA	Outlays
Restore traditional discretionary timing:								
Defense pay		3.5		-3.5				
Defense obligations delay		1.3		-1.3				
Subtotal, defense		4.7		-4.7				
Non-Defense pay		0.8		-0.8				
Non-Defense obligations delay		0.5		-0.5				
Advance appropriations	14.4							
Subtotal, discretionary	14.4	6.0		-6.0				
Restore traditional mandatory timing:								
Veterans compensation	1.8	1.8	-1.8	-1.8				
Supplemental security income	2.2	2.2	-2.2	-2.2				
Medicare					4.5	4.5	-4.5	-4.5
Subtotal, mandatory	4.0	4.0	-4.0	-4.0	4.5	4.5	-4.5	-4.5
Total	18.4	10.0	-4.0	-10.0	4.5	4.5	-4.5	-4.5

Table S-8. Discretionary Proposals by Appropriations Subcommittee

(Program level, in billions of dollars)

Appropriations Subcommittee	1999 Enacted		2000 Estimate		2001 Proposed		Change: 2000 to 2001	
	BA	Outlays	BA	Outlays	BA	Outlays	BA	Outlays
Agriculture and Rural Development	14.6	14.5	14.6	15.8	14.8	15.1	0.2	-0.7
Commerce, Justice, State and the Judiciary	35.9	32.7	39.7	37.7	37.8	39.3	-1.9	1.6
Defense	265.7	253.1	272.7	269.8	284.3	270.1	11.6	0.3
District of Columbia	0.7	0.6	0.5	0.5	0.4	0.4	*	-0.1
Energy and Water Development	21.8	21.6	21.2	21.6	22.6	21.7	1.5	0.1
Foreign Operations	15.2	13.2	15.8	13.8	14.8	15.2	-0.9	1.4
Interior and Related Agencies	14.4	14.4	14.8	14.7	16.4	15.8	1.6	1.1
Labor, HHS, and Education	89.5	80.1	96.6	90.8	105.8	97.8	9.2	6.9
Legislative	2.6	2.3	2.4	2.6	2.7	2.8	0.3	0.2
Military Construction	9.0	9.2	8.4	8.5	8.0	8.6	-0.4	0.1
Transportation and Related Agencies	12.8	39.7	12.5	43.7	13.9	46.8	1.4	3.1
Treasury, Postal Service, and General Government ..	14.6	13.3	13.8	14.1	16.3	15.4	2.5	1.3
Veterans Affairs, HUD, Independent Agencies	74.7	80.4	78.6	82.6	84.4	86.4	5.8	3.8
Allowances					-0.2	-0.2	-0.2	-0.2
Repeal of obligation/pay delays in P.L. 106-113				1.3		-1.3		-2.7
Designated offsets					-7.9	-7.5	-7.9	-7.5
Total, net program level	571.5	575.1	591.5	617.6	614.3	626.4	22.8	8.8

* \$50 million or less.

Note: Gross program level adjusts for advance appropriations, rescissions, appropriations for IMF, and mandatory offsets enacted in 1999 and 2000. Offsets for 1999 and 2000 have been reclassified as mandatory.

Table S-9. Discretionary Budget Authority by Agency
(Program level, in billions of dollars)

Agency	Budget Authority			
	1999 Actual	Estimate		Change: 2000 to 2001
		2000	2001	
Legislative Branch	2.6	2.5	2.8	0.3
Judicial Branch	3.4	3.7	4.1	0.5
Agriculture	16.5	16.3	16.7	0.4
Commerce	5.4	8.6	5.4	-3.2
Defense—Military	274.6	280.9	292.2	11.3
Education	33.5	35.6	40.1	4.5
Energy	18.0	17.3	18.9	1.6
Health and Human Services	41.5	46.3	49.7	3.5
Housing and Urban Development	26.9	28.5	32.0	3.5
Interior	8.0	8.3	9.1	0.8
Justice	18.5	18.5	19.6	1.1
Labor	11.0	11.2	12.3	1.0
State	8.3	7.9	7.6	-0.3
Transportation	12.9	12.6	14.0	1.4
Treasury	12.8	12.4	14.0	1.6
Veterans Affairs	19.2	20.9	22.0	1.1
Corps of Engineers	4.1	4.2	4.1	-0.1
Other Defense Civil Programs	0.1	0.1	0.1	*
Environmental Protection Agency	7.6	7.6	7.3	-0.3
Executive Office of the President	0.4	0.3	0.3	*
Federal Emergency Management Agency	2.9	3.3	3.6	0.2
General Services Administration	0.5	0.1	0.9	0.8
International Assistance Programs	12.7	14.0	12.8	-1.2
National Aeronautics and Space Administration	13.7	13.6	14.0	0.4
National Science Foundation	3.7	3.9	4.6	0.7
Office of Personnel Management	0.2	0.2	0.2	*
Small Business Administration	0.8	0.9	1.1	0.1
Social Security Administration	2.3	2.4	2.6	0.2
Other Independent Agencies	9.4	9.2	10.4	1.2
Allowances			-0.2	-0.2
Undistributed Offsetting Receipts			-0.2	-0.2
Designated offsets			-7.9	-7.9
Total, net program level	571.5	591.5	614.3	22.8

*\$50 million or less.

Note: Gross program level adjusts for advance appropriations, rescissions, appropriations for IMF, and mandatory offsets enacted in 1999 and 2000. Offsets for 1999 and 2000 have been reclassified as mandatory.

Table S-10. Mandatory Proposals by Agency

(In millions of dollars; minus means savings)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Totals	
												2001-2005	2001-2010
Framework proposals:													
Farm safety net programs	710	4,173	4,278	580	650	714	714	720	725	730	726	10,395	14,010
Medicare:													
President's Medicare Reform Plan:													
Prescription Drug Benefit, Medicare Buy-in, and other initiatives			182	7,331	15,205	17,570	19,798	22,556	25,021	28,158	31,250	40,288	167,071
Medicare Buy-in effect on Social Security			64	113	144	153	146	136	124	112	101	474	1,093
Fee-for-service modernization, Competitive Defined Benefit, and other savings		-5	-397	-2,332	-4,401	-6,990	-8,077	-9,045	-9,697	-10,152	-11,026	-14,125	-62,122
Other initiatives, offsets, and interactions		-456	-1,196	-1,129	-800	-791	-658	-665	-656	-754	-767	-4,372	-7,872
Medicaid/SCHIP:													
Family coverage Medicaid/SCHIP initiative		800	1,600	2,600	3,800	5,000	8,900	12,000	12,800	13,700	14,800	13,800	76,000
Benefits for legal immigrant children, pregnant women, and the disabled		63	123	229	332	461	623	808	1,070	1,276	1,482	1,208	6,467
Other initiatives (accelerating SCHIP/Medicaid children, etc.)		377	983	1,063	1,269	1,214	1,400	1,630	1,706	1,912	2,012	4,906	13,566
Other offsets (cost allocation, generic drugs, etc.)		-122	-278	-578	-734	-680	-665	-668	-725	-714	-411	-2,392	-5,575
Total, framework proposals:													
On-budget	710	4,830	5,295	7,764	15,321	16,498	22,035	27,336	30,244	34,156	38,066	49,708	201,545
Off-budget			64	113	144	153	146	136	124	112	101	474	1,093
Total, framework proposals	710	4,830	5,359	7,877	15,465	16,651	22,181	27,472	30,368	34,268	38,167	50,182	202,638
Non-framework proposals:													
Department of Agriculture													
Food Stamps:													
Restore Food Stamp benefits for legal immigrants		25	95	140	160	145	140	125	120	110	115	565	1,175
State option on vehicle policy		1	30	120	250	260	270	280	290	300	310	661	2,111
Conforming FS & Medicaid income definition		5	5	5	5	5	5	5	5	5	5	25	50
Child and Adult Care Food Program		-3	-15	-21	-26	-31	-39	-47	-55	-62	-72	-96	-371
Payments to states stabilization:													
Collections to offset payments		-270	-270	-270	-270	-270	-270	-270	-270	-270	-270	-1,350	-2,700
Payments		270	270	270	270	270	270	270	270	270	270	1,350	2,700
Healthy Investments in Rural Environments:													
Collections to offset payments		-315	-320	-317	-315	-314	-331	-331	-331	-331	-331	-1,581	-3,236
Payments		315	320	317	315	314	331	331	331	331	331	1,581	3,236

Table S-10. Mandatory Proposals by Agency—Continued

(In millions of dollars; minus means savings)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Totals	
												2001–2005	2001–2010
Forest Service proposals:													
Fair market value fees for ski resorts and timber		-8	-28	-47	-56	-62	-62	-62	-62	-62	-62	-201	-511
Make recreation fee permanent			-17	-12	-7	-2		10	10	10	8	-38	
Fair market value fees for concessions and land uses		-6										-6	-6
Road and Trail Fund:													
Increased receipts		-25	-25	-25	-25	-25	-25	-25	-25	-25	-25	-125	-250
Increased spending		25	25	25	25	25	25	25	25	25	25	125	250
Selected program offsets from FS permanent, trust, and owl payments:													
Spending under new proposals		596	570	553	547	545	564	574	574	574	572	2,811	5,669
Reduction of existing program spending		-596	-570	-553	-547	-545	-564	-574	-574	-574	-572	-2,811	-5,669
Facilities Acquisition and Enhancement Fund:													
Increased receipts		-2	-5	-10	-10	-10	-10	-10	-13	-15	-15	-37	-100
Increased spending		2	5	10	10	10	10	10	13	15	15	37	100
Land Acquisition Reinvestment Fund:													
Increased receipts		-1	-1	-2	-3	-3	-5	-5	-8	-11	-11	-10	-50
Increased spending		1	1	2	3	3	5	5	8	11	11	10	50
Department of Education													
Offsets designated for mandatory:													
Reduce default retention to 12% for consolidating loans			-56	-59	-63	-66	-71	-75	-80	-84	-89	-244	-643
Reduce GA retention rate to 18.5%			-27	-28	-30	-31	-34	-35	-37	-39	-42	-116	-303
Eliminate tax-exempt lenders' interest special allowance			-149	-164	-187	-204	-214	-227	-242	-257	-271	-704	-1,915
Reduce lender subsidy by 11 basis pts for comm. paper rates			-131	-89	-23							-243	-243
Reduce lender subsidy by 20 basis pts for basis risk transfer			-239	-165	-43							-447	-447
Accelerate BBA recall from Restricted Account			194									194	194
Accelerate Federal fund reserve recall							83	83					166
Offsets designated for discretionary:													
Reduce default retention to 12% for consolidating loans		-428										-428	-428
Reduce GA retention rate to 18.5%		-220										-220	-220
Recall excess federal fund reserves		-950										-950	-950
Eliminate tax-exempt lenders' interest special allowance		-94										-94	-94

Table S-10. Mandatory Proposals by Agency—Continued

(In millions of dollars; minus means savings)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Totals	
												2001–2005	2001–2010
Reduce lender subsidy by 11 basis pts for comm. paper rates		-83										-83	-83
Reduce lender subsidy by 20 basis pts for basis risk transfer		-152										-152	-152
Accelerate Federal fund reserve recall		-165										-165	-165
Accelerate BBA recall from Restricted Account		-194										-194	-194
Department of Health and Human Services													
Child Care: Establish early learning fund		402	588	606	606	600	180	18				2,802	3,000
Child support:													
State option on simplified distribution			49	102	124	121	127	132	140	147	154	396	1,096
Federal match on pass-through		5	23	23	23	23	24	26	26	28	28	97	229
Reduce paternity match		-8	-8	-8	-8	-9	-9	-9	-10	-10	-11	-41	-90
Mandatory review and adjustment		29	-7	-44	-63	-66	-69	-71	-73	-76	-76	-151	-516
Expanded enforcement measures		-25	-91	-92	-92	-91	-94	-93	-96	-99	-101	-391	-874
Reduction in savings due to offset initiatives		1	8	8	8	8	8	8	8	7	7	33	71
Social Services Block Grant		66	9									75	75
Tribal Child Welfare Pilot		1	1	1	1	1						5	5
Medicare+choice payment timing shift			4,491	-4,491									
TANF/ Reduce supplemental grants to 1998 levels:													
Offsets designated for mandatory			-53	-41	-24							-118	-118
Offsets designated for discretionary		-122										-122	-122
Department of Housing and Urban Development													
Fund Round II Urban Empowerment Zones		3	51	114	138	144	150	150	150	150	147	450	1,197
Department of the Interior													
BLM timber payments to States delinkage		11	14	17	19	20	22	23	25	26	27	81	204
Make recreation fees permanent			-40	7	49	87	87	86	86	85	85	103	532
Hardrock mining production fee on public lands			-8	-26	-26	-26	-26	-26	-26	-26	-26	-86	-216
Finance land purchases with sales of surplus land:													
Surplus land sales receipts		-2	-4	-11	-11	-11	-11	-11	-11	-11	-11	-39	-94
Land purchases		2	4	11	11	11	11	11	11	11	11	39	94
Filming and photography on public lands:													
Filming fee receipts		-3	-3	-4	-4	-5	-5	-5	-5	-5	-5	-18	-43
Increased spending		3	3	4	4	5	5	5	5	5	5	18	43

Table S-10. Mandatory Proposals by Agency—Continued

(In millions of dollars; minus means savings)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Totals		
												2001–2005	2001–2010	
Department of Labor														
Extend Welfare-to-Work	-100	-450	170	304	76								100	100
Trade Adjustment Assistance reforms		31	77	110	119	122	49	12					459	520
Implement alien labor certification fees:														
Fee receipts		-138	-122	-122	-122	-122	-122	-122	-122	-122	-122		-626	-1,236
Spending		36	73	110	122	122	122	122	122	122	122		463	1,073
PBGC: Raise guarantee cap for multi-employer pensions		1	1	2	3	3	3	3	3	3	2		10	24
Rescind FY 2000 Welfare-to-Work performance bonus		-15	-20	-15									-50	-50
Department of Transportation														
Shift St. Lawrence Seaway to mandatory		13	13	14	15	15	15	16	16	17	17		70	151
Department of Treasury														
Extend customs user fees:														
Conveyance/passenger fee					-424	-465	-511	-562	-617	-678	-746		-889	-4,003
Merchandise processing fee					-1,036	-1,059	-1,082	-1,106	-1,130	-1,155	-1,181		-2,095	-7,749
Reverse timing shift of rum tax payments to Puerto Rico	32	-32											-32	-32
Department of Veterans Affairs														
Pay full benefits for Filipino veterans residing in the U.S.		5	5	5	5	5	4	4	4	4	4		25	45
Extend expiring OBRA VA provisions:														
Round down to the next lower dollar COLAs for disability compensation and DIC				-14	-33	-52	-69	-94	-120	-144	-157		-99	-683
Verify income of beneficiaries with the IRS				-6									-6	-6
Retain current loan fees and obtain authority to reduce resale losses				-168	-167	-176	-184	-190	-195	-194	-199		-511	-1,473
Repeal the delay of the Oct. 2000 benefit payment date:														
VA compensation benefits	1,800	-1,800											-1,800	-1,800
Corps of Engineers														
Harbor services fees		-966	-963	-960	-996	-1,014	-1,040	-1,067	-1,095	-1,124	-1,153		-4,899	-10,378
Environmental Protection Agency														
Fund Superfund orphan shares		39	84	108	122	129	134	138	143	147	150		482	1,194
Federal Deposit Insurance Corporation														
State bank exam fees		-92	-96	-102	-106	-111	-117	-123	-129	-136	-143		-507	-1,155

Table S-10. Mandatory Proposals by Agency—Continued

(In millions of dollars; minus means savings)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Totals	
												2001–2005	2001–2010
Federal Emergency Management Agency													
Flood Map Modernization:													
Fee receipts		-104	-107	-109	-112	-114	-116	-118	-118	-118	-118	-546	-1,134
Spending		47	95	108	110	112	115	117	118	117	117	472	1,056
Office of Personnel Management													
Contract separately for dental benefits:													
Paygo savings		-195	-281	-302	-326	-352	-380	-409	-443	-474	-492	-1,456	-3,654
Nonpaygo costs		122	177	189	203	218	235	251	271	287	311	909	2,264
Omnibus human resources improvements		-7	-10	-14	-18	-22	-27	-32	-37	-43	-49	-71	-259
Government-wide voluntary separation incentives (nonpaygo):													
Increased CSRDF outlays		27	64	49	11	-3	-3	-4	-4	-4	-4	148	129
Increased CSRDF agency contributions		-35	-38	-4								-77	-77
Correction of retirement coverage errors:													
Increased CSRDF outlays		4	1	1	2	3	3	4	4	5	5	11	32
Reduced CSRDF agency contributions (nonpaygo)		69	16	21	24	26	27	30	32	34	37	156	316
Eliminate retirement inequities		1	1	1	1	1	1	1	1	1	1	5	10
Children's coverage under FEHBP:													
Paygo costs		1	1	2	3	3	4	4	5	6	6	10	35
Nonpaygo savings		-1	-2	-3	-4	-5	-7	-8	-9	-10	-11	-15	-60
Social Security Administration													
Restore SSI benefits for disabled legal immigrants													
			23	99	208	377	523	651	953	1,122	1,272	707	5,228
OASI and DI, payment for military service credit (off-budget)													
		271	321	285	289	291	296	300	304	308	308	1,457	2,973
Repeal the delay of the Oct. 2000 SSI benefit payment date													
	2,190	-2,190										-2,190	-2,190
SSI State supplemental timing shift:													
Offsets designated for mandatory				-10	-13	-7	-7	-13	-10	377	-9	-30	308
Offsets designated for discretionary			-311									-311	-311
Native Nations Institute													
Fees for services													
						-1	-1	-1	-1	-1	-1	-1	-6
United Mine Workers of America													
Payment to UMWA CBF to maintain current benefits													
		49	47	46	45	43	42	41	40	40	39	230	432
Other													
Indirect impact of other proposals													
		-9	-8	-25	-30	-36	-44	-44	-47	-48	-49	-108	-340

Table S-10. Mandatory Proposals by Agency—Continued

(In millions of dollars; minus means savings)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Totals	
												2001–2005	2001–2010
Total, non-framework proposals:													
On-budget	3,922	-7,498	3,579	-4,829	-1,582	-1,534	-1,955	-2,199	-2,186	-1,816	-2,215	-11,864	-22,235
Off-budget		271	321	285	289	291	296	300	304	308	308	1,457	2,973
Total, non-framework proposals	3,922	-7,227	3,900	-4,544	-1,293	-1,243	-1,659	-1,899	-1,882	-1,508	-1,907	-10,407	-19,262
Recap., non-framework proposals:													
Initiatives	3,922	-3,478	6,101	-2,315	2,295	2,418	2,099	2,041	2,338	2,528	2,702	5,021	16,729
Offsets		-3,749	-2,201	-2,229	-3,588	-3,661	-3,758	-3,940	-4,220	-4,036	-4,609	-15,428	-35,991

Table S-11. Receipts by Source—Summary
(In billions of dollars)

Source	1999 Actual	Estimate										
		2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Individual income taxes	879.5	951.6	972.4	995.2	1,025.6	1,066.1	1,116.8	1,172.9	1,234.5	1,298.1	1,359.7	1,425.0
Corporation income taxes ...	184.7	192.4	194.8	195.4	195.7	200.0	205.9	211.3	221.5	230.2	238.6	249.5
Social insurance and retire- ment receipts	611.8	650.0	682.1	712.2	741.7	771.3	815.3	847.2	886.9	922.9	959.9	1,005.5
(On-budget)	(167.4)	(173.3)	(182.2)	(189.9)	(197.4)	(204.7)	(216.7)	(224.2)	(234.4)	(242.5)	(251.3)	(262.6)
(Off-budget)	(444.5)	(476.8)	(499.9)	(522.2)	(544.2)	(566.7)	(598.6)	(623.0)	(652.5)	(680.4)	(708.6)	(742.9)
Excise taxes	70.4	68.4	76.7	79.8	80.8	81.8	83.4	84.4	85.9	87.8	89.4	91.6
Estate and gift taxes	27.8	30.5	32.3	34.9	36.3	38.7	37.0	37.6	39.4	42.2	44.7	47.3
Customs duties	18.3	20.9	20.9	22.6	24.3	25.7	27.9	29.8	31.9	34.1	36.3	38.3
Miscellaneous receipts	34.9	42.5	39.9	41.2	43.2	52.6	54.5	57.0	58.7	60.7	56.7	59.4
Total receipts	1,827.5	1,956.3	2,019.0	2,081.2	2,147.5	2,236.1	2,340.9	2,440.3	2,558.8	2,676.0	2,785.2	2,916.7
(On-budget)	(1,383.0)	(1,479.5)	(1,519.1)	(1,559.0)	(1,603.2)	(1,669.4)	(1,742.3)	(1,817.3)	(1,906.3)	(1,995.6)	(2,076.7)	(2,173.8)
(Off-budget)	(444.5)	(476.8)	(499.9)	(522.2)	(544.2)	(566.7)	(598.6)	(623.0)	(652.5)	(680.4)	(708.6)	(742.9)

Table S-12. Effect of Proposals on Receipts
(In millions of dollars)

	Estimate											Total 2001-2010
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	
Provide tax relief:												
Expand educational opportunities:												
Provide College Opportunity tax cut		-395	-2,009	-2,323	-3,103	-3,262	-3,420	-3,580	-3,772	-3,891	-4,089	-29,844
Provide incentives for public school construction and modernization		-36	-174	-419	-739	-1,020	-1,127	-1,127	-1,127	-1,127	-1,127	-8,023
Expand exclusion for employer-provided educational assistance to include graduate education	-66	-275	-90									-365
Eliminate 60-month limit on student loan interest deduction		-23	-80	-87	-89	-93	-103	-105	-109	-112	-113	-914
Eliminate tax when forgiving student loans subject to income contingent repayment												
Provide tax relief for participants in certain Federal education programs		-3	-7	-7	-7	-6	-6	-6	-6	-7	-7	-62
Subtotal, expand educational opportunities	-66	-732	-2,360	-2,836	-3,938	-4,381	-4,656	-4,818	-5,014	-5,137	-5,336	-39,208
Provide poverty relief and revitalize communities:												
Increase and simplify the Earned Income Tax Credit (EITC) ¹		-2,293	-1,936	-1,967	-1,992	-2,001	-2,040	-2,043	-2,067	-2,096	-2,102	-20,537
Increase and index low-income housing tax credit per-capita cap		-6	-55	-168	-306	-448	-591	-736	-906	-1,114	-1,336	-5,666
Provide New Markets Tax Credit		-30	-222	-515	-743	-940	-960	-768	-474	-247	-197	-5,096
Extend Empowerment Zone (EZ) tax incentives and authorize additional EZs		-36	-167	-333	-452	-568	-629	-618	-618	-610	-345	-4,376
Provide Better America Bonds to improve the environment		-8	-41	-112	-214	-315	-410	-479	-511	-512	-513	-3,115
Permanently extend the expensing of brownfields remediation costs			-98	-152	-146	-140	-133	-125	-116	-104	-93	-1,107
Expand tax incentives for specialized small business investment companies (SSBICs)	*	*	*	*	*	*	*	*	*	*	*	*
Bridge the Digital Divide		-107	-272	-344	-289	-207	-169	-170	-171	-172	-173	-2,074
Subtotal, provide poverty relief and revitalize communities		-2,480	-2,791	-3,591	-4,142	-4,619	-4,932	-4,939	-4,863	-4,855	-4,759	-41,971
Make health care more affordable:												
Assist taxpayers with long-term care needs ²		-109	-1,150	-1,681	-2,427	-3,028	-3,344	-3,420	-3,461	-3,448	-3,376	-25,444
Encourage COBRA continuation coverage			-41	-858	-1,149	-1,286	-1,323	-1,370	-1,393	-1,412	-1,434	-10,266

Table S-12. Effect of Proposals on Receipts—Continued
(In millions of dollars)

	Estimate											Total 2001–2010
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	
Provide tax credit for Medicare buy-in program			-5	-105	-140	-164	-196	-224	-246	-261	-270	-1,611
Provide tax relief for workers with disabilities ²		-18	-128	-143	-158	-165	-168	-168	-169	-169	-171	-1,457
Provide tax relief to encourage small business health plans		-1	-9	-22	-35	-38	-35	-35	-40	-46	-52	-313
Encourage development of vaccines for targeted diseases							-25	-175	-176	-264	-360	-1,000
Subtotal, make health care more affordable ²		-128	-1,333	-2,809	-3,909	-4,681	-5,091	-5,392	-5,485	-5,600	-5,663	-40,091
Strengthen families and improve work incentives:												
Provide marriage penalty relief and increase standard deduction		-248	-843	-1,536	-2,130	-4,637	-6,822	-6,811	-7,089	-7,217	-7,495	-44,828
Increase, expand, and simplify child and dependent care tax credit ²		-121	-589	-922	-1,288	-1,643	-2,118	-2,287	-2,498	-2,451	-2,717	-16,634
Provide tax incentives for employer-provided child-care facilities		-42	-88	-121	-140	-148	-157	-167	-177	-187	-198	-1,425
Subtotal, strengthen families and improve work incentives ²		-411	-1,520	-2,579	-3,558	-6,428	-9,097	-9,265	-9,764	-9,855	-10,410	-62,887
Promote expanded retirement savings, security, and portability:												
Establish Retirement Savings Accounts			-657	-2,185	-2,290	-4,034	-8,097	-8,679	-9,010	-9,309	-9,586	-53,847
Provide small business tax credit for automatic contributions for non-highly compensated employees			-157	-648	-1,878	-3,074	-3,116	-2,135	-1,294	-1,496	-1,560	-15,358
Provide tax credit for plan start up and administrative expenses; provide for payroll deduction IRAs	-1	-18	-35	-61	-92	-135	-164	-180	-192	-198	-203	-1,278
Provide for the SMART plan		-44	-65	-66	-68	-70	-55	-49	-50	-51	-53	-571
Enhance the 401(k) SIMPLE plan		-25	-61	-108	-161	-236	-264	-266	-266	-264	-261	-1,912
Accelerate vesting for qualified plans		214	137	104	66	29	-10	-48	-88	-127	-167	110
Other changes affecting retirement savings, security and portability		-53	-207	-288	-377	-450	-519	-566	-604	-649	-687	-4,400
Subtotal, promote expanded retirement savings, security and portability	-1	74	-1,045	-3,252	-4,800	-7,970	-12,225	-11,923	-11,504	-12,094	-12,517	-77,256

Table S-12. Effect of Proposals on Receipts—Continued
(In millions of dollars)

	Estimate											Total 2001–2010
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	
Provide AMT relief for families and simplify the tax laws:												
Provide adjustments for personal exemptions and the standard deduction in the individual alternative minimum tax (AMT)	-72	-377	-544	-996	-1,312	-1,650	-2,096	-2,524	-3,942	-8,200	-11,124	-32,765
Simplify and increase standard deduction for dependent filers	-7	-42	-29	-33	-51	-37	-38	-37	-39	-44	-46	-396
Replace support test with residency test (limited to children)		-66	-97	-102	-107	-112	-116	-122	-128	-134	-141	-1,125
Provide tax credit to encourage electronic filing of individual income tax returns ²			-192	-207	-208	-209	-213	-218				-1,247
Simplify, retarget and expand expensing for small business		-217	-206	-19	-86	-135	-178	-222	-259	-292	-410	-2,024
Simplify the foreign tax credit limitation for dividends from 10/50 companies	-80	-168	-102	-46	10	27	28	22	18	15	12	-184
Other simplification	-1	-17	-23	-27	-30	-35	-41	-52	-66	-90	-126	-507
Subtotal, provide AMT relief for families and simplify the tax laws ²	-160	-887	-1,193	-1,430	-1,784	-2,151	-2,654	-3,153	-4,416	-8,745	-11,835	-38,248
Encourage philanthropy:												
Allow deduction for charitable contributions by non-itemizing taxpayers		-516	-1,062	-733	-765	-817	-1,245	-1,847	-1,928	-2,007	-2,082	-13,002
Simplify and reduce the excise tax on foundation investment income		-49	-70	-71	-73	-75	-78	-81	-84	-87	-90	-758
Increase limit on charitable donations of appreciated property		-7	-47	-29	-20	-12	-8	-8	-9	-9	-10	-159
Clarify public charity status of donor advised funds	*	*	*	*	*	*	*	*	*	*	*	*
Subtotal, encourage philanthropy		-572	-1,179	-833	-858	-904	-1,331	-1,936	-2,021	-2,103	-2,182	-13,919
Promote energy efficiency and improve the environment:												
Provide tax credit for energy-efficient building equipment		-18	-35	-49	-71	-28	-3	1	1	1		-201
Provide tax credit for new energy-efficient homes		-82	-150	-194	-134	-73	-28					-661
Extend electric vehicle tax credit and provide tax credit for hybrid vehicles			-4	-182	-700	-1,192	-1,930	-1,863	-125	12	49	-5,935
Provide 15-year depreciable life for distributed power property		-1	-1	-2	-3	-3	-4	-5	-5	-6	-7	-37
Extend and modify the tax credit for producing electricity from certain sources		-91	-173	-220	-231	-261	-245	-218	-225	-230	-237	-2,131

Table S-12. Effect of Proposals on Receipts—Continued
(In millions of dollars)

	Estimate											Total 2001–2010
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	
Provide tax credit for solar energy systems		-9	-19	-25	-34	-45	-78	-116	-51			-377
Subtotal, promote energy efficiency and improve the environment		-201	-382	-672	-1,173	-1,602	-2,288	-2,201	-405	-223	-195	-9,342
Electricity restructuring		3	11	20	30	41	51	61	72	84	95	468
Modify international trade provisions:												
Extend and modify Puerto Rico economic- activity tax credit		-35	-67	-101	-134	-166	-974	-1,544	-1,620	-937		-5,578
Extend GSP and modify other trade provi- sions ³	-10	-454	-858	-940	-884	-248	-132	-140	-147	-155	-162	-4,120
Levy tariff on certain textiles/apparel pro- duced in the CNMI ³			169	169	169	169	169	169	169	169	169	1,521
Subtotal, modify international trade pro- visions ³	-10	-489	-756	-872	-849	-245	-937	-1,515	-1,598	-923	7	-8,177
Miscellaneous provisions:												
Make first \$2,000 of severance pay exempt from income tax		-43	-174	-180	-138							-535
Exempt Holocaust reparations from Fed- eral income tax	-4	-17	-18	-19	-15							-69
Subtotal, miscellaneous provisions	-4	-60	-192	-199	-153							-604
Subtotal, provide tax relief^{2 3}	-241	-5,883	-12,740	-19,053	-25,134	-32,940	-43,160	-45,081	-44,998	-49,451	-52,795	-331,235
Refundable credits		-23	-679	-736	-2,218	-2,343	-2,857	-2,935	-2,676	-2,786	-2,874	-20,127
Total gross tax relief including re- fundable credits³	-241	-5,906	-13,419	-19,789	-27,352	-35,283	-46,017	-48,016	-47,674	-52,237	-55,669	-351,362
Eliminate unwarranted benefits and adopt other revenue measures:												
Limit benefits of corporate tax shelter trans- actions:												
Increase disclosure of certain transactions, modify substantial understatement pen- alty for corporate tax shelters, codify the economic substance doctrine, tax income from shelters involving tax-indifferent parties, and impose a penalty excise tax on certain fees received by promoters and advisors		1,872	1,392	1,357	1,351	1,374	1,402	1,425	1,437	1,443	1,444	14,497
Require accrual of income on forward sale of corporate stock	1	5	10	15	21	26	32	37	40	42	44	272

Table S-12. Effect of Proposals on Receipts—Continued
(In millions of dollars)

	Estimate											Total 2001–2010
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	
Modify treatment of ESOP as S corporation shareholder		15	47	67	88	104	111	117	123	128	133	933
Limit dividend treatment for payments on certain self-amortizing stock		22	37	39	40	42	44	45	47	49	51	416
Prevent serial liquidation of U.S. subsidiaries of foreign corporations	12	20	19	19	19	18	18	17	18	18	18	184
Prevent capital gains avoidance through basis shift transactions involving foreign shareholders	71	328	121	65	45	26	17	16	14	9	3	644
Prevent mismatching of deductions and income in transactions with related foreign persons		62	108	112	117	122	127	132	137	142	147	1,206
Prevent duplication or acceleration of loss through assumption of certain liabilities	4	34	36	37	38	40	41	43	44	46	48	407
Amend 80/20 company rules		21	46	53	54	56	57	58	60	61	63	529
Modify corporate-owned life insurance (COLI) rules		176	340	417	489	548	593	631	664	695	726	5,279
Require lessors of tax-exempt-use property to include service contract options in lease term		6	11	17	24	30	38	45	53	62	71	357
Interaction	-42	-239	-175	-157	-157	-160	-167	-176	-188	-198	-205	-1,822
Subtotal, limit benefits of corporate tax shelter transactions	46	2,322	1,992	2,041	2,129	2,226	2,313	2,390	2,449	2,497	2,543	22,902
Other proposals:												
Require banks to accrue interest on short-term obligations	6	63	21	4	5	5	5	5	6	6	6	126
Require current accrual of market discount by accrual method taxpayers	1	7	13	19	25	31	38	45	52	60	68	358
Modify and clarify certain rules relating to debt-for-debt exchanges	9	73	74	71	70	70	69	69	69	68	68	701
Modify and clarify the straddle rules	14	30	34	33	34	35	35	36	38	40	41	356
Provide generalized rules for all stripping transactions	7	18	22	21	19	18	17	15	14	12	10	166
Require ordinary treatment for certain dealers of commodities and equity options	16	29	31	31	31	31	32	32	33	34	36	320
Prohibit tax deferral on contributions of appreciated property to swap funds		2	5	8	10	11	12	13	14	16	17	108
Conform control test for tax-free incorporations, distributions, and reorganizations	13	34	41	39	38	39	39	39	39	39	39	386

Table S-12. Effect of Proposals on Receipts—Continued
(In millions of dollars)

	Estimate											Total 2001–2010
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	
Treat receipt of tracking stock in certain distributions and exchanges as the receipt of property	28	108	158	153	149	151	155	158	159	160	161	1,512
Require consistent treatment and provide basis allocation rules for transfers of intangibles in certain nonrecognition transactions	1	41	51	53	55	57	61	64	66	69	72	589
Modify tax treatment of certain reorganizations involving portfolio stock	17	49	66	71	77	83	90	96	103	110	117	862
Modify definition of nonqualified preferred stock	11	53	61	64	67	54	27	17	18	19	20	400
Modify estimated tax provision for deemed asset sales		314	90	-23	-15	-8	-3	1	4	7	9	376
Modify treatment of transfers to creditors in divisive reorganizations	3	15	18	19	20	21	22	23	24	25	26	213
Provide mandatory basis adjustments for partners that have a significant net built-in loss in partnership property	-41	50	52	55	60	58	57	55	53	50	48	538
Modify treatment of closely held REITs		1	4	8	12	17	24	32	41	53	68	260
Apply RIC excise tax to undistributed profits of REITs			1	1	1	1	1	1	1	1	1	9
Allow RICs a dividends paid deduction for redemptions only in cases where the redemption represents a contraction in the RIC		99	489	457	429	405	384	368	356	349	346	3,682
Require REMICs to be secondarily liable for the tax liability of REMIC residual interest holders		5	17	29	42	55	69	83	98	114	130	642
Deny change in method treatment to tax-free formations	3	59	59	59	61	63	66	69	72	75	78	661
Deny deduction for punitive damages	16	92	130	137	144	151	158	166	175	183	193	1,529
Repeal lower-of-cost-or-market inventory accounting method		459	447	371	372	154	57	59	61	62	64	2,106
Disallow interest on debt allocable to tax-exempt obligations	4	11	18	24	30	35	39	43	46	47	48	341
Require capitalization of mutual fund commissions		23	111	98	83	64	43	24	26	29	32	533
Provide consistent amortization periods for intangibles		-216	-220	34	259	445	464	387	308	222	132	1,815
Clarify recovery period of utility grading costs	12	40	65	82	91	99	108	112	108	101	93	899

Table S-12. Effect of Proposals on Receipts—Continued
(In millions of dollars)

	Estimate											Total 2001–2010
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	
Apply rules generally applicable to acquisitions of tangible assets to acquisitions of professional sports franchises	2	43	73	113	141	139	124	106	88	68	46	941
Require recapture of policyholder surplus accounts		65	174	285	522	782	374	23		–9	–13	2,203
Modify rules for capitalizing policy acquisition costs of life insurance companies ..		536	1,820	2,191	2,413	1,328	606	675	722	755	773	11,819
Increase the proration percentage for P&C insurance companies		48	82	98	115	133	150	169	188	210	232	1,425
Modify rules that apply to sales of life insurance contracts		13	35	39	43	48	55	63	72	80	89	537
Modify rules that apply to tax-exempt property casualty insurance companies ..		12	22	23	24	25	26	26	27	28	28	241
Subject investment income of trade associations to tax		180	309	325	341	358	376	395	414	435	457	3,590
Impose penalty for failure to file an annual information return			24	23	22	21	19	17	15	13	10	164
Restore phaseout of unified credit for large estates		33	70	78	83	106	125	139	148	157	166	1,105
Require consistent valuation for estate and income tax purposes	1	5	10	14	18	21	23	26	29	32	35	213
Require basis allocation for part sale, part gift transactions		2	3	4	5	5	6	6	7	8	9	55
Conform treatment of surviving spouses in community property States	3	19	42	59	75	92	110	130	151	174	199	1,051
Include QTIP trust assets in surviving spouse's estate			2	2	2	2	2	2	2	2	2	18
Eliminate non-business valuation discounts		271	575	600	636	618	621	644	683	725	767	6,140
Eliminate gift tax exemption for personal residence trusts		–1	–1		5	14	30	51	75	102	133	408
Modify requirements for annual exclusion for gifts			20	20	22	20	21	23	26	27	29	208
Increase elective withholding rate for non-periodic distributions from deferred compensation plans			47	3	3	3	4	4	4	4	4	76
Increase excise tax for excess IRA contributions		1	12	13	14	14	15	16	17	17	18	137
Limit pre-funding of welfare benefits for 10 or more employer plans		92	156	159	151	150	148	145	132	121	105	1,359
Subject signing bonuses to employment taxes		5	3	3	3	2	2	2	2	3	3	28

Table S-12. Effect of Proposals on Receipts—Continued
(In millions of dollars)

	Estimate											Total 2001–2010
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	
Clarify employment tax treatment of choreworkers		48	64	64	63	63	62	62	61	61	61	609
Prohibit IRAs from investing in foreign sales corporations	3	16	29	30	32	33	35	37	39	41	43	335
Tighten the substantial understatement penalty for large corporations		26	44	45	41	37	27	28	29	30	31	338
Require withholding on certain gambling winnings		20	1	1	1	1	1	1	1	1	1	29
Require information reporting for private separate accounts		5	10	14	18	21	24	28	31	35	39	225
Increase penalties for failure to file correct information returns		6	15	15	9	10	10	10	10	10	11	106
Modify deposit requirement for FUTA						1,583	79	72	12	53	63	1,862
Reinstate Oil Spill Liability Trust Fund tax ³			253	261	264	266	269	272	274	277	278	2,414
Repeal percentage depletion for non-fuel minerals mined on Federal and formerly Federal lands		94	96	97	99	101	103	105	107	109	111	1,022
Impose excise tax on purchase of structured settlements	6	7	5	2		-2	-3	-3	-3	-4	-5	-6
Require taxpayers to include rental income of residence in income without regard to the period of rental		4	11	12	12	13	14	14	15	16	17	128
Eliminate installment payment of heavy vehicle use tax ³			378	27	30	32	35	34	37	39	42	654
Require recognition of gain on sale of principal residence if acquired in a tax-free exchange within five years of the sale		10	13	11	11	11	11	11	12	12	12	114
Limit benefits of transactions with “Identified Tax Havens”		36	52	40	36	35	35	33	32	29	27	355
Modify treatment of built-in losses and other attributes trafficking	1	78	136	143	151	161	170	179	189	198	209	1,614
Simplify taxation of property that no longer produces income effectively connected with a U.S. trade or business	*	*	*	*	*	*	*	*	*	*	*	*
Prevent avoidance of tax on U.S.-accrued gains (expatriation)	3	28	58	107	155	212	281	367	469	579	694	2,950
Expand ECI rules to include certain foreign source income		22	38	39	41	42	44	45	47	48	50	416
Limit basis step-up for imported pensions	2	26	33	34	36	38	40	42	44	46	48	387
Replace sales-source rules		320	570	600	630	660	690	725	800	840	880	6,715
Modify rules relating to foreign oil and gas extraction income		5	69	112	118	124	130	136	143	150	158	1,145

Table S-12. Effect of Proposals on Receipts—Continued
(In millions of dollars)

	Estimate											Total 2001–2010
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	
Recapture overall foreign losses when CFC stock is disposed	1	1	*	*	*	*	*	*	*	*	*	1
Modify foreign office material participation exception applicable to inventory sales attributable to nonresident's U.S. office	1	7	10	11	11	11	12	12	13	13	14	114
Subtotal, other proposals ³	143	3,542	7,221	7,635	8,565	9,478	6,975	6,884	7,148	7,486	7,799	72,733
Subtotal, eliminate unwarranted benefits and adopt other revenue measures³	189	5,864	9,213	9,676	10,694	11,704	9,288	9,274	9,597	9,983	10,342	95,635
Net tax relief including refundable credits³	-52	-42	-4,206	-10,113	-16,658	-23,579	-36,729	-38,742	-38,077	-42,254	-45,327	-255,727
Other provisions that affect receipts:												
Reinstate environmental tax on corporate taxable income ⁴		725	432	438	434	437	470	494	496	495	508	4,929
Reinstate Superfund excise taxes ³	152	707	762	772	785	797	810	824	838	850	864	8,009
Convert Airport and Airway Trust Fund taxes to a cost-based user fee system ³		724	1,399	1,500	1,522	1,522	1,170	797	385			9,019
Increase excise tax on tobacco products and levy a youth smoking assessment on tobacco manufacturers ³	446	4,084	3,738	3,532	10,140	9,700	9,789	9,410	9,233	3,138	3,103	65,867
Recover State bank supervision and regulation expenses (receipt effect) ³		78	82	86	90	95	99	104	109	113	119	975
Maintain Federal Reserve surplus transfer to the Treasury		3,752										3,752
Restore premiums for United Mine Workers of America Combined Benefit Fund		11	10	10	9	9	8	8	7	7	7	86
Extend abandoned mine reclamation fees ³						218	220	221	222	223	224	1,328
Replace Harbor Maintenance tax with the Harbor Services User Fee (receipt effect) ³		-549	-602	-647	-681	-718	-767	-823	-880	-934	-988	-7,589
Revise Army Corps of Engineers regulatory program fees ³		5	5	5	5	5	5	5	5	5	5	50
Roll back Federal employee retirement contributions		-427	-619	-160								-1,206
Provide Government-wide buyout authority (receipt effect)		-9	-18	-9								-36
Total, other provisions^{3 4}	598	9,101	5,189	5,527	12,304	12,065	11,804	11,040	10,415	3,897	3,842	85,184

*\$500,000 or less.

Table S-12. Effect of Proposals on Receipts

(In millions of dollars)

Estimate											Total
2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2001-2010

¹The proposal to increase and simplify the Earned Income Tax Credit has both receipts and outlay effects. The receipts effect for the proposal is -\$305 million, -\$304 million, -\$314 million, -\$326 million, -\$339 million, -\$328 million, -\$339 million, -\$354 million, -\$365 million, and -\$373 million for fiscal years 2001-2010, respectively. The outlay effect is \$2,003 million, \$1,936 million, \$1,967 million, \$1,992 million, \$2,001 million, \$2,040 million, \$2,043 million, \$2,067 million, \$2,096 million, and \$2,102 million for fiscal years 2001-2010, respectively.

²Amounts shown are the effect on receipts.

³Net of income offsets.

⁴Net of deductibility for income tax purposes.

Table S-13. Federal Employment in the Executive Branch

(Civilian employment as measured by Full-Time Equivalents, in thousands)

Agency	1993 Base	Actual							Estimate		Change: 1993 base to 2001	
		1993	1994	1995	1996	1997	1998	1999	2000	2001	FTE's	Percent
Cabinet agencies:												
Agriculture ¹	115.6	114.4	109.8	103.8	100.7	98.5	96.4	95.5	98.2	100.5	-15.1	-13.1%
Commerce	36.7	36.1	36.0	35.3	33.8	32.6	35.7	47.3	133.8	42.6	5.9	16.0%
Defense-military functions	931.3	931.8	868.3	821.7	778.9	745.8	707.2	681.0	661.5	645.5	-285.9	-30.7%
Education	5.0	4.9	4.8	4.8	4.7	4.5	4.5	4.5	4.7	4.7	-0.3	-5.7%
Energy	20.6	20.3	19.8	19.7	19.1	17.3	16.3	15.9	16.2	16.1	-4.5	-21.7%
Health and Human Services ¹	65.0	66.1	62.9	59.3	57.2	57.6	57.9	58.9	61.7	63.2	-1.8	-2.8%
Social Security Administration	65.4	64.8	64.5	64.6	64.0	65.2	64.0	63.0	63.3	63.1	-2.3	-3.5%
Housing and Urban Development	13.6	13.3	13.1	12.1	11.4	11.0	9.8	10.0	10.4	10.6	-3.0	-22.3%
Interior	79.3	78.1	76.3	72.0	66.7	65.7	66.5	67.0	68.1	69.5	-9.8	-12.4%
Justice	99.4	95.4	95.3	97.9	103.8	111.0	117.3	121.3	127.9	131.5	32.1	32.3%
Labor	18.3	18.0	17.5	16.8	16.0	15.9	16.3	16.3	17.1	17.4	-0.9	-4.8%
State ²	35.0	34.2	33.5	31.8	30.2	29.2	28.9	29.4	30.0	30.2	-4.8	-13.8%
Transportation	70.3	69.1	66.4	63.2	62.4	62.5	63.4	63.7	64.1	65.1	-5.2	-7.4%
Treasury	166.1	161.1	157.3	157.5	151.1	145.5	142.1	143.7	145.5	149.6	-16.5	-10.0%
Veterans Affairs ¹	232.4	234.2	233.1	228.5	221.9	211.5	207.1	205.5	204.1	203.4	-29.1	-12.5%
Other agencies—excluding Postal Service:												
Agency for International Development ¹	4.4	4.1	3.9	3.6	3.4	2.8	2.7	2.5	2.5	2.5	-1.9	-43.8%
Corps of Engineers	29.2	28.4	27.9	27.7	27.1	26.0	24.8	24.7	24.7	24.7	-4.5	-15.4%
Environmental Protection Agency	18.6	17.9	17.6	17.5	17.2	17.0	17.7	18.1	18.1	18.0	-0.5	-2.8%
EEOC	2.9	2.8	2.8	2.8	2.7	2.6	2.5	2.6	2.8	3.1	0.2	7.0%
FEMA	2.7	4.0	4.9	4.6	4.7	5.1	4.6	5.2	4.8	4.9	2.2	79.6%
FDIC/RTC	21.6	21.9	20.0	15.7	11.8	8.7	7.9	7.4	7.5	6.8	-14.8	-68.5%
General Services Administration	20.6	20.2	19.5	17.0	15.7	14.5	14.1	14.1	14.2	14.2	-6.4	-31.1%
NASA	25.7	24.9	23.9	22.4	21.1	20.1	19.1	18.5	18.6	19.0	-6.8	-26.4%
National Archives and Records Admin.	2.8	2.6	2.6	2.4	2.5	2.5	2.4	2.4	2.6	2.7	-1	-1.3%
National Labor Relations Board	2.1	2.1	2.1	2.0	1.9	1.9	1.9	1.8	1.9	2.0	-0.1	-6.7%
National Science Foundation	1.3	1.2	1.2	1.2	1.3	1.2	1.2	1.2	1.2	1.2	-0.1	-10.3%
Nuclear Regulatory Commission	3.4	3.4	3.3	3.2	3.1	3.0	3.0	2.8	2.8	2.8	-0.6	-17.2%
Office of Personnel Management	6.2	5.9	5.3	4.2	3.4	2.8	2.8	2.8	3.0	3.0	-3.2	-51.9%
Panama Canal Commission	8.7	8.5	8.5	8.8	9.0	9.5	9.6	9.2	2.4	-0.1	-8.7	-99.8%
Peace Corps	1.3	1.2	1.2	1.2	1.1	1.1	1.1	1.1	1.2	1.2	-0.1	-7.1%
Railroad Retirement Board	1.8	1.8	1.7	1.6	1.5	1.4	1.3	1.3	1.2	1.2	-0.7	-36.8%
Securities and Exchange Commission	2.7	2.7	2.7	2.7	2.8	2.8	2.8	2.8	3.0	3.0	0.3	10.7%
Small Business Administration	4.0	5.6	6.3	5.7	4.7	4.5	4.4	4.7	4.6	4.6	0.6	14.9%
Smithsonian Institution	5.9	5.5	5.4	5.3	5.1	5.0	5.0	5.1	5.2	5.3	-0.6	-10.2%
Tennessee Valley Authority	19.1	17.3	18.6	16.6	16.0	14.9	14.4	13.5	13.3	13.2	-5.9	-31.0%
All other small agencies	15.9	15.2	14.7	14.9	13.9	13.6	13.6	13.9	14.5	16.1	0.2	1.2%
Total, Executive Branch civilian employment	2,155.2	2,138.8	2,052.7	1,970.2	1,891.7	1,834.7	1,790.2	1,778.4	1,856.9	1,762.4	-392.8	-18.2%
Reduction from 1993 Base		-16.4	-102.5	-185.0	-263.5	-320.5	-365.0	-376.8	-298.3	-392.8		

Table S-13. Federal Employment in the Executive Branch—Continued

(Civilian employment as measured by Full-Time Equivalents, in thousands)

Agency	1993 Base	Actual							Estimate		Change: 1993 base to 2001	
		1993	1994	1995	1996	1997	1998	1999	2000	2001	FTE's	Percent
Subtotal, Defense	931.3	931.8	868.3	821.7	778.9	745.8	707.2	681.0	661.5	645.5	-285.9	-30.7%
Subtotal, Non-Defense	1,223.9	1,207.1	1,184.4	1,148.4	1,112.8	1,088.9	1,083.0	1,097.4	1,195.4	1,116.9	-107.0	-8.7%
Status of Federal Civilian Employment Relative to the Federal Workforce Restructuring Act ³												
Total, Executive Branch Employment	NA	NA	2,052.7	1,970.2	1,891.7	1,834.7	1,790.2	1,778.4	NA	NA	.....	.....
Less: FTEs exempt from FWRA	NA	NA	5.7	5.7	7.6	7.4	5.2	5.2	NA	NA	.....	.....
Total, Executive Branch subject to FWRA Ceiling	NA	NA	2,047.0	1,964.4	1,884.1	1,827.3	1,785.0	1,773.2	NA	NA	.....	.....
FWRA Ceiling	NA	NA	2,084.6	2,043.3	2,003.3	1,963.3	1,922.3	1,882.3	NA	NA	.....	.....
Executive Branch Employment Relative to FWRA Ceiling ...	NA	NA	-37.6	-78.9	-119.2	-136.1	-137.3	-109.1	NA	NA	.....	.....

¹The Departments of Agriculture, Health and Human Services, Veterans Affairs, and the Agency for International Development have components that were exempt from FTE controls. In 1999, Agriculture had 2,025 exemptions; HHS had 187 exemptions; Veterans Affairs had 3,010 exemptions and AID had 10 exemptions.

²To facilitate historical comparison, the State Department includes the Board of Broadcasting Governors (BBG), the United States Information Agency (which was absorbed into State and BBG), and the Arms Control and Disarmament Agency (which was absorbed into State).

³FTE limitations are set for the Executive Branch in the Federal Workforce Restructuring Act of 1994 (P.L. 103-226) from 1994-99.

Table S-14. Federal Government Financing and Debt ¹

(In billions of dollars)

	1999 Actual	Estimate													
		2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Financing:															
Surplus or deficit (-)	124	167	184	186	185	195	215	256	292	314	329	363	403	443	479
(Social Security solvency lock-box: Off-budget)	124	148	160	172	184	195	214	224	239	250	260	272	280	295	309
(Social Security interest savings transfer)													100	118	138
(Medicare solvency debt reduction reserve)			15	13				30	52	64	69	91	22	30	32
(On-budget)	1	19	9	1	*	*	2	1	1	*	*	*	*	*	*
Means of financing other than borrowing from the public:															
Changes in: ²															
Treasury operating cash balance	-18	16													
Checks outstanding, deposit funds, etc. ³	-6	1	2												
Seigniorage on coins	1	1	2	2	2	2	2	2	2	2	2	2	2	2	2
Less Social Security equity purchases													-52	-66	-83
Less: Net financing disbursements:															
Direct loan financing accounts	-19	-29	-18	-18	-17	-16	-16	-16	-16	-15	-15	-15	-16	-16	-16
Guaranteed loan financing accounts	5	*	1	1	1	2	2	2	2	2	2	2	3	3	3
Total, means of financing other than borrowing from the public	-36	-9	-13	-15	-14	-12	-12	-12	-12	-12	-11	-11	-63	-78	-95
Total, repayment of publicly held debt	89	157	171	171	170	183	203	243	280	302	318	352	340	365	384
Change in debt held by the public ⁴	-89	-157	-171	-171	-170	-183	-203	-243	-280	-302	-318	-352	-340	-365	-384
Debt Subject to Statutory Limitation, End of Year:															
Debt issued by Treasury	5,578	5,658	5,742	5,828	5,921	6,009	6,096	6,185	6,268	6,347	6,424	6,502	6,595	6,693	6,794
Adjustment for Treasury debt not subject to limitation and agency debt subject to limitation ⁵	-15	-15	-15	-15	-15	-15	-15	-15	-15	-15	-15	-15	-15	-15	-15
Adjustment for discount and premium ⁶	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6
Total, debt subject to statutory limitation ⁷	5,568	5,648	5,732	5,819	5,912	5,999	6,086	6,175	6,258	6,337	6,414	6,492	6,585	6,683	6,785
Debt Outstanding, End of Year:															
Gross Federal debt:															
Debt issued by Treasury	5,578	5,658	5,742	5,828	5,921	6,009	6,096	6,185	6,268	6,347	6,424	6,502	6,595	6,693	6,794
Debt issued by other agencies	29	28	27	27	25	24	23	22	20	20	20	20	20	20	20
Total, gross Federal debt	5,606	5,686	5,769	5,855	5,947	6,034	6,118	6,206	6,288	6,367	6,444	6,522	6,615	6,713	6,815
Held by:															
Debt securities held as assets by Government accounts	1,973	2,210	2,464	2,721	2,984	3,253	3,541	3,872	4,234	4,615	5,010	5,440	5,873	6,335	6,821
Social Security	855	1,004	1,164	1,338	1,522	1,717	1,930	2,154	2,392	2,641	2,899	3,170	3,498	3,843	4,206
Federal employee retirement	643	681	717	754	789	824	858	891	922	952	980	1,006	1,034	1,063	1,093
Other	475	525	582	630	672	712	752	828	920	1,023	1,131	1,263	1,341	1,429	1,523
Debt securities held as assets by the public ⁸	3,633	3,476	3,305	3,134	2,963	2,781	2,578	2,334	2,054	1,752	1,434	1,082	742	377	**9

* \$500 million or less.

¹ Almost all Treasury securities held by the public and zero-coupon bonds held by Government accounts are measured at sales price plus amortized discount or less amortized premium. Almost all agency debt is measured at face value. Treasury securities in the Government account series are measured at face value less unrealized discount (if any).

² A decrease in the Treasury operating cash balance (which is an asset) would be a means of financing a deficit and therefore would have a positive sign. An increase in checks outstanding or deposit fund balances (which are liabilities) would also be a means of financing a deficit and therefore would also have a positive sign.

³ Besides checks outstanding and deposit funds, includes accrued interest payable on Treasury debt, miscellaneous liability accounts, allocations of special drawing rights, and, as offsets, cash and monetary assets other than the Treasury operating cash balance, miscellaneous asset accounts, and profit on sale of gold.

⁴ Includes a \$355 million reclassification of debt in 2000. Indian tribal funds that are owned by the Indian tribes and held and managed in a fiduciary capacity by the Government on the tribes' behalf were reclassified from trust funds to deposit funds as of October 1, 1999, and their holdings of Treasury securities were accordingly reclassified from debt held by Government accounts to debt held by the public.

⁵ Consists primarily of Federal Financing Bank debt.

⁶ Consists of unamortized discount (less premium) on public issues of Treasury notes and bonds (other than zero-coupon bonds) and unrealized discount on Government account series securities.

⁷ The statutory debt limit is \$5,950 billion.

⁸ At the end of 1999, the Federal Reserve Banks held \$489 billion of Federal securities and the rest of the public held \$3,144 billion. Debt held by the Federal Reserve Banks is not estimated for future years.

⁹ Total debt will be fully redeemed in 2013. Policy decisions will be required on use of the surplus once debt has been redeemed.

Table S-15. Comparison of Economic Assumptions
(Calendar years)

	Projections										
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Real GDP (chain-weighted):¹											
2000 Mid-Session Review ²	2.2	2.2	2.4	2.7	2.6	2.7	2.7	2.6	2.6	2.5	NA
CBO January	2.9	3.0	2.7	2.6	2.6	2.7	2.7	2.7	2.8	2.9	2.9
2001 Budget	2.9	2.6	2.5	2.5	3.0	3.0	2.9	2.8	2.6	2.6	2.6
Chain-weighted GDP price index:¹											
2000 Mid-Session Review	2.0	2.1	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	NA
CBO January	1.7	1.6	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7
2001 Budget	1.9	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Consumer Price Index (all-urban):¹											
2000 Mid-Session Review	2.4	2.4	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	NA
CBO January	2.3	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
2001 Budget	2.3	2.5	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6
Unemployment rate:³											
2000 Mid-Session Review	4.5	4.9	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	NA
CBO January	4.1	4.2	4.4	4.7	4.8	5.0	5.0	5.1	5.2	5.2	5.2
2001 Budget	4.2	4.5	5.0	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2
Interest rates:³											
91-day Treasury bills:											
2000 Mid-Session Review	4.5	4.5	4.5	4.6	4.6	4.6	4.6	4.6	4.6	4.6	NA
CBO January	5.4	5.6	5.3	4.9	4.8	4.8	4.8	4.8	4.8	4.8	4.8
2001 Budget	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2
10-year Treasury notes:											
2000 Mid-Session Review	5.5	5.5	5.6	5.6	5.6	5.6	5.6	5.6	5.6	5.6	NA
CBO January	6.3	6.4	6.1	5.8	5.7	5.7	5.7	5.7	5.7	5.7	5.7
2001 Budget	6.1	6.1	6.1	6.1	6.1	6.1	6.1	6.1	6.1	6.1	6.1

NA = Not available.

¹ Percent change, fourth quarter over fourth quarter.

² Adjusted for October 1999 NIPA revisions.

³ Annual averages, percent.

Table S-1. President's 10-Year Plan

(In billions of dollars)

	Total 2002–2011
Baseline surplus	5,637
Social Security surplus	2,591
Tax relief	1,612
Additional needs, debt service, and contingencies:	
Immediate Helping Hand and Medicare modernization	153
Additional spending and other	19
Debt service	420
Contingencies	841
Memorandum:	
Maximum debt retirement	2,017

Table S-2. Proposed Policy
(In billions of dollars)

	Estimate											Totals	
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002-2006	2002-2011
Baseline unified surplus	284	283	334	387	439	515	585	651	725	814	903	1,958	5,637
Policy changes:													
Tax package	-*	-29	-66	-99	-132	-169	-193	-208	-221	-243	-251	-495	-1,612
Discretionary programs	-1	-8	-5	-6	-8	-4	1	-*	-1	-*	-1	-31	-28
Immediate Helping Hand and Medicare moderniza- tion	-3	-11	-13	-15	-13	-13	-13	-16	-17	-20	-24	-64	-153
Other mandatory initiatives and offsets .....	.....	-2	-2	6	2	4	-1	-*	*	*	1	8	9
Debt service .....	.....	-2	-6	-12	-20	-29	-40	-54	-69	-86	-104	-68	-420
Total, policy changes	-3	-52	-92	-125	-170	-211	-246	-278	-305	-349	-377	-649	-2,204
Debt reduction and reserve for contingencies ¹	281	231	242	262	269	305	340	373	420	465	526	1,309	3,433

*\$500 million or less.

¹The actual amount of annual debt retirement will vary depending upon the availability of eligible redeemable debt, and the use, if any, of the contingency reserve.

Table S-3. Budget Summary
(In billions of dollars)

	Estimate											Total
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002-2011
Outlays:												
Discretionary	649	692	712	731	754	770	787	809	830	854	877	7,816
Mandatory:												
Social Security	430	452	474	498	524	553	584	618	656	698	744	5,801
Medicare	216	226	239	252	279	292	314	336	358	384	419	3,100
Medicaid	129	142	153	166	181	196	214	232	253	275	298	2,109
Other mandatory	226	260	264	268	286	285	296	312	324	336	349	2,981
Subtotal, mandatory	1,001	1,081	1,129	1,184	1,270	1,326	1,408	1,498	1,591	1,693	1,810	13,991
Net interest	206	188	175	161	145	127	109	90	69	46	20	1,130
Total outlays	1,856	1,961	2,016	2,077	2,169	2,224	2,303	2,398	2,490	2,593	2,706	22,938
Receipts	2,137	2,192	2,258	2,339	2,438	2,529	2,643	2,771	2,910	3,058	3,233	26,370
Unified surplus	281	231	242	262	269	305	340	373	420	465	526	3,433
On-budget surplus/contingency	125	59	49	52	32	52	69	85	117	142	184	841
Off-budget surplus	156	172	193	211	237	252	270	287	303	323	343	2,591

Table S-4. Bridge to 2002 Proposed Discretionary Spending

(Budget authority, dollar amounts in billions)

2001 Enacted	634.9
Department of Defense:	
Additions:	
Campaign initiatives	4.4
Pay, inflation, health, and other	9.7
Non-Department of Defense:	
Additions:	
Campaign initiatives	10.9
Pay and programmatic increases	9.3
National Emergency Reserve	5.6
Technical adjustments (contract renewals, new advances, etc.)	5.6
Offsets:	
Non-repetition of earmarked funding	-4.3
Non-repetition of one-time funding	-4.1
Program decreases	-11.5
2002 Total Discretionary	660.6
2002 Discretionary Baseline	660.6
Increase over 2001 Enacted	25.7
Percentage Increase	4.0%

Table S-5. Discretionary Policy Initiatives

(Budget authority, in billions of dollars)

	2002 Estimate	Totals	
		2002-2006	2002-2011
Strengthen and Reform Education	3.6	19.9	42.6
Revitalize National Defense	4.4	39.6	95.4
Champion Compassionate Conservatism	0.7	5.0	11.4
Assist Americans with Disabilities	0.3	1.4	3.0
Combat Crime and Drug Abuse	1.4	6.3	12.2
Create a Comprehensive Energy Policy and Protect the Environment	1.4	6.6	13.1
Strengthen Families.	0.3	1.4	2.5
Invest in Health Care.	2.9	33.5	77.5
Reform the Immigration System	0.2	1.2	2.1
Promote Volunteerism	0.2	1.3	2.9
Total, Discretionary Initiatives	15.3	116.2	262.6

Note: Totals in this table differ from those in *A Blueprint for New Beginnings* due to the subsequent development of detailed budget and outyear estimates.

Table S-6. Discretionary Budget Authority by Agency
(Dollar amounts in billions)

Agency	Actual			Estimate		Change: 2001 to 2002	Average Growth: 1998 to 2002
	1998	1999	2000	2001	2002		
Agriculture	15.8	16.5	17.1	19.3	17.9	-1.4	3.1%
Commerce ¹	4.2	5.4	8.7	5.1	4.8	-0.4	3.3%
Defense	259.8	274.6	287.3	296.3	310.5	14.1	4.5%
Education	29.8	28.8	29.4	39.9	44.5	4.6	10.6%
Energy	16.8	17.9	17.8	19.7	19.2	-0.5	3.4%
Health and Human Services	37.1	41.5	45.5	53.9	56.7	2.8	11.2%
Housing and Urban Development	20.1	22.5	21.1	28.5	30.4	1.9	10.9%
Interior	8.1	8.0	8.5	10.2	9.8	-0.4	5.1%
International Affairs Programs ²	18.2	22.3	22.7	21.9	23.1	1.2	6.2%
Justice	17.6	18.4	18.8	20.9	19.9	-1.1	3.1%
Labor	10.7	11.0	8.8	11.9	11.3	-0.6	1.4%
Transportation	15.0	12.9	14.5	18.4	16.3	-2.1	2.0%
Treasury	11.5	12.8	12.5	14.0	14.7	0.7	6.4%
Veterans Affairs	18.9	19.2	20.9	22.4	23.4	1.0	5.5%
Corps of Engineers	4.2	4.1	4.1	4.5	3.9	-0.6	-1.7%
Environmental Protection Agency	7.4	7.6	7.6	7.8	7.3	-0.5	-0.2%
Federal Emergency Management Agency	2.4	2.9	3.9	2.4	2.2	-0.2	-2.4%
National Aeronautics and Space Administration	13.6	13.7	13.6	14.3	14.5	0.3	1.5%
National Science Foundation	3.4	3.7	3.9	4.4	4.5	0.1	6.8%
Small Business Administration	0.7	0.8	0.9	0.3	0.5	0.3	-6.9%
Social Security Administration	5.5	5.5	5.7	6.0	6.4	0.3	3.9%
Legal Services Corporation	0.3	0.3	0.3	0.3	0.3	.....	3.8%
National Endowment for the Arts	0.1	0.1	0.1	0.1	0.1	.....	1.7%
National Endowment for the Humanities	0.1	0.1	0.1	0.1	0.1	*	2.2%
Smithsonian Institution	0.4	0.4	0.4	0.5	0.5	*	5.3%
Other Agencies	10.2	11.4	10.4	11.7	12.2	0.5	4.4%
National Emergency Reserve .....	.....	.....	.....	.....	5.6	5.6	.....
Total	531.9	562.2	584.4	634.9	660.6	25.7	5.6%

* \$500 million or less.

¹ 2000 Commerce data includes funding for Census 2000.

² International Affairs Program totals do not include P.L. 480 Title II food aid, which is included in the totals for Agriculture; 1999 data is also adjusted to remove \$18.2 billion in one-time funding for the International Monetary Fund.

Table S-7. Discretionary Proposals By Appropriations Subcommittee
(In billions of dollars)

Appropriations Subcommittee	2000 Enacted		2001 Estimate		2002 Proposed		Change: 2002 to 2000		Change: 2002 to 2001	
	BA	Outlays	BA	Outlays	BA	Outlays	BA	Outlays	BA	Outlays
Agriculture and Rural Development	15.0	14.7	16.1	16.3	15.4	16.4	0.4	1.6	-0.7	0.1
Commerce, Justice, State, and the Judiciary	38.8	36.9	37.6	37.5	37.9	39.6	-1.0	2.7	0.2	2.1
Defense	278.8	273.5	287.5	276.2	301.0	296.1	22.1	22.6	13.4	19.9
District of Columbia	0.5	0.4	0.5	0.5	0.3	0.3	-0.1	-0.1	-0.1	-0.1
Energy and Water Development	21.6	21.7	23.6	23.3	22.5	23.2	0.9	1.4	-1.1	-0.1
Foreign Operations	16.2	14.8	14.9	15.7	15.2	15.7	-1.1	0.9	0.3	*
Interior and Related Agencies	15.4	15.6	19.0	17.9	18.1	18.3	2.7	2.7	-0.9	0.4
Labor, Health and Human Services, and Education ..	87.1	87.4	109.4	100.3	116.4	110.3	29.3	22.9	7.0	10.0
Legislative	2.5	2.5	2.7	2.6	3.0	3.0	0.5	0.5	0.3	0.3
Military Construction	8.7	8.5	9.0	8.9	9.6	8.6	1.0	0.1	0.7	-0.3
Transportation and Related Agencies	14.4	44.0	18.3	48.2	16.2	52.7	1.9	8.6	-2.0	4.4
Treasury and General Government	13.7	13.7	15.8	16.1	16.6	16.3	2.9	2.6	0.8	0.2
Veterans Affairs and Housing and Urban Develop- ment	71.8	81.1	80.7	85.9	83.1	89.0	11.4	8.0	2.4	3.1
Allowances					5.3	2.4	5.3	2.4	5.3	2.4
Total	584.4	614.8	634.9	649.4	660.6	691.7	76.2	76.9	25.7	42.4

* \$500 million or less.

Table S-8. Proposed Discretionary Spending Limits

(In billions of dollars)

	Estimate					
	2001	2002	2003	2004	2005	2006
Original Balanced Budget Act Limits:						
Budget authority	542.0	552.8	1.9	2.1	2.2	2.4
Outlays	595.8	594.7	35.9	2.0	2.2	2.4
Spending in excess of Original Caps:						
Budget authority	92.9	107.8				
Outlays	53.6	97.0				
Actual and Proposed Discretionary Spending Limits:¹						
Budget authority	634.9	660.6	685.1	702.7	720.1	737.9
Outlays	649.4	691.7	711.8	731.2	754.5	770.4

¹Data for 2001 is a current estimate and is not a proposed discretionary spending limit.

Table S-9. Mandatory Proposals

(In millions of dollars)

	Estimate											Totals	
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002-2006	2002-2011
Immediate Helping Hand Prescription Drug Plan and Medicare Reform	2,500	11,200	12,900	14,800	12,500	12,800	13,400	15,500	16,700	19,700	23,500	64,200	153,000
Charity and other initiatives:													
Education:													
Expand Teacher Loan Forgiveness		11	5	5	5	6	6	6	6	7	7	32	64
HHS:													
Child Welfare Preventative Services		30	158	192	196	200	200	200	200	200	200	776	1,776
Education and Training for Older Foster Children		9	46	58	60	60	60	60	60	60	60	233	533
Charity State Tax Credit, TANF outlays			400	300	150			-200	-200	-200	-250	850	
Interior:													
Use recreation fees to reduce NPS backlog (NPS/FWS/BLM)			-39	-2	49	80	134	92	44			88	358
Correct trust accounting deficiencies (individual Indian money investments)		7										7	7
Justice:													
Radiation exposure compensation		97	155	150	108	68	55	40	20	12	5	578	710
Treasury:													
Tax credits		81	2,129	1,674	2,619	2,987	3,424	3,423	3,385	3,342	3,302	9,490	26,366
Reclassification of advance appropriations:													
Postal Service		67										67	67
Elk Hills school lands fund		36										36	36
Total, other initiatives		338	2,854	2,377	3,187	3,401	3,879	3,621	3,515	3,421	3,324	12,157	29,917
Offsets:													
Agriculture:													
Long-term recreation fee program with four-year reauthorization			-25	-13	-2	-2	28	13	1			-42	
Energy:													
ANWR, lease bonuses				-1,200								-1,200	-1,200
HHS:													
Medicaid savings proposals		-606	-1,071	-1,450	-1,844	-1,906	-1,965	-2,024	-2,098	-2,170	-2,242	-6,876	-17,374
Interior:													
ANWR, lease bonuses:													
State of Alaska's share:													
Receipts				-1,201	-1	-1	-1	-1	-1	-1	-1	-1,203	-1,208
Expenditure				1,201	1	1	1	1	1	1	1	1,203	1,208
Federal share				-1	-1	-1	-1	-1	-1	-1	-1	-3	-8

Table S-9. Mandatory Proposals—Continued

(In millions of dollars)

	Estimate											Totals	
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002–2006	2002–2011
Veterans Affairs:													
OBRA Extenders:													
IRS income verification on means tested veterans and survivors benefits				-6	-6	-6	-6	-6	-6	-6	-6	-18	-48
Round-down disability benefits to nearest dollar after COLA			-15	-37	-60	-85	-107	-133	-163	-188	-208	-196	-996
Limit VA pensions to Medicaid recipients in nursing homes (includes Medicaid offsets)									-127	-138	-149		-415
Continue current housing loan fees									-275	-280	-286		-841
Eliminate “Vendee” loan program		19	-9	-12	-21	-26	-29	-34	-37	-36	-40	-49	-225
Army Corps of Engineers:													
Recreation user fee increase		-10	-5	-5	-5							-25	-25
FCC:													
Shift spectrum auction deadlines and promote clearing		2,600	1,000	-5,100	-2,000	-4,000						-7,500	-7,500
Analog spectrum lease fee		-198	-200	-200	-200	-200	-175	-150	-75	-25		-998	-1,423
FDIC:													
State Bank Examination fees:													
Reduction in FDIC outlays		-92	-97	-101	-106	-112	-118	-123	-129	-136	-143	-508	-1,157
FEMA:													
Phase out subsidized premiums for non-primary residences in the flood insurance program		-12	-41	-93	-194	-334	-410	-416	-421	-421	-421	-674	-2,763
Reform flood insurance program for repetitive loss properties that experience chronic flooding			-20	-30	-38	-43	-46	-49	-51	-53	-55	-131	-385
OPM:													
Extend higher agency contributions to the Civil Service Retirement Fund			-469	-482	-449	-415	-380	-343	-306	-268	-222	-1,815	-3,334
Other:													
Indirect impact of other proposals			-2	-4	-7	-7	-6	-3	-4	-4	-7	-20	-44
Total, offsets		1,631	-1,028	-8,810	-5,012	-7,220	-3,303	-3,361	-3,788	-3,827	-3,885	-20,439	-38,604
Total, mandatory proposals	2,500	13,239	14,800	8,443	10,754	9,064	14,064	15,852	16,523	19,395	23,044	56,300	145,178

Table S-10. Effect of Proposals on Receipts

(In millions of dollars)

	Estimate											Totals	
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002-2006	2002-2011
President's Tax Plan presented to Congress on February 8th:													
Create new 10-percent individual income tax bracket		-5,678	-13,847	-21,932	-29,849	-37,407	-39,734	-40,281	-40,602	-40,685	-40,603	-108,713	-310,618
Reduce individual income tax rates ...	-11,793	-21,047	-33,493	-42,306	-57,299	-63,741	-65,454	-67,020	-68,550	-69,963	-68,550	-165,938	-500,666
Increase the child tax credit ¹	-1,238	-7,505	-11,455	-16,347	-20,963	-25,296	-26,277	-27,098	-27,876	-28,602	-28,602	-57,508	-192,657
Reduce the marriage penalty	-1,435	-4,844	-7,773	-10,343	-12,675	-14,125	-14,645	-15,154	-15,657	-16,183	-16,183	-37,070	-112,834
Provide charitable contribution deduction for nonitemizers		-482	-1,690	-2,963	-4,448	-6,065	-6,988	-7,087	-7,306	-7,500	-7,642	-15,648	-52,171
Permit tax-free withdrawals from IRAs for charitable contributions ...		-53	-181	-195	-210	-225	-241	-258	-277	-299	-322	-864	-2,261
Raise the cap on corporate charitable contributions		-85	-136	-136	-143	-149	-159	-169	-178	-202	-222	-649	-1,579
Increase and expand education savings accounts		-3	-25	-88	-204	-373	-593	-829	-1,037	-1,206	-1,287	-693	-5,645
Permanently extend the R&E tax credit				-1,055	-3,431	-5,415	-6,543	-7,388	-8,019	-8,567	-9,158	-9,901	-49,576
Phase out death tax	-154	-4,930	-10,435	-11,442	-13,411	-16,263	-21,152	-30,603	-38,369	-55,691	-58,961	-56,481	-261,257
Total, President's Tax Plan presented to Congress on February 8th¹	-154	-25,697	-59,710	-90,532	-120,692	-156,834	-178,572	-192,991	-205,060	-226,233	-232,943	-453,465	-1,489,264
Provide refundable tax credit for the purchase of health insurance¹		-219	-1,513	-3,966	-5,796	-6,143	-6,777	-7,007	-7,101	-7,153	-7,183	-17,637	-52,858
Additional tax incentives²	-18	-1,812	-3,602	-4,322	-5,090	-6,001	-7,340	-8,406	-9,255	-9,997	-10,706	-20,827	-66,531
One-year extension of provisions expiring in 2001²		-1,614	-1,355	-170	-94	-66	-37	-20	-18	-18	-18	-3,299	-3,410
Total tax reduction^{1,2}	-172	-29,342	-66,180	-98,990	-131,672	-169,044	-192,726	-208,424	-221,434	-243,401	-250,850	-495,228	-1,612,063
Other provisions that affect receipts:													
Recover State bank supervision and regulation expenses ^{1,2}		70	74	76	80	84	88	92	96	101	105	384	866

¹ Affects both receipts and outlays. Only the receipt effect is shown here; the outlay effect is shown in Table S-9.² Net of income offsets.

Table S-11. Receipts by Source—Summary

(In billions of dollars)

	2000 Actual	Estimate										
		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Individual income taxes	1,004.5	1,072.9	1,078.8	1,092.3	1,117.9	1,157.0	1,196.6	1,255.2	1,330.4	1,410.2	1,499.6	1,598.2
Corporation income taxes	207.3	213.1	218.8	227.3	235.5	244.2	252.2	259.9	268.1	275.8	283.5	294.3
Social insurance and retirement receipts ..	652.9	689.7	725.8	766.0	806.0	855.8	896.4	942.0	984.4	1,030.8	1,087.9	1,145.1
(On-budget)	(172.3)	(185.8)	(194.9)	(205.2)	(215.8)	(226.8)	(237.9)	(248.7)	(258.2)	(269.8)	(284.3)	(298.8)
(Off-budget)	(480.6)	(503.9)	(530.9)	(560.8)	(590.3)	(629.0)	(658.5)	(693.3)	(726.2)	(761.0)	(803.5)	(846.3)
Excise taxes	68.9	71.1	74.0	76.3	78.3	80.5	82.3	84.8	87.3	90.0	92.8	95.7
Estate and gift taxes	29.0	31.1	28.7	26.6	28.3	24.9	22.5	20.4	15.7	13.4	0.7	0.7
Customs duties	19.9	21.4	22.5	24.3	25.0	26.0	27.7	29.3	30.7	33.0	34.5	36.2
Miscellaneous receipts	42.8	37.6	43.1	45.4	47.8	49.3	51.0	51.6	54.1	56.8	59.5	62.4
Total receipts	2,025.2	2,136.9	2,191.7	2,258.2	2,338.8	2,437.8	2,528.7	2,643.3	2,770.6	2,909.9	3,058.4	3,232.6
(On-budget)	(1,544.6)	(1,633.1)	(1,660.8)	(1,697.4)	(1,748.5)	(1,808.8)	(1,870.2)	(1,950.0)	(2,044.4)	(2,148.9)	(2,254.9)	(2,386.3)
(Off-budget)	(480.6)	(503.9)	(530.9)	(560.8)	(590.3)	(629.0)	(658.5)	(693.3)	(726.2)	(761.0)	(803.5)	(846.3)

Table S-12. Budget Authority Totals by Function
(In billions of dollars)

Function	2000 Actual	Estimate					
		2001	2002	2003	2004	2005	2006
National defense	304.1	310.6	325.1	333.9	342.8	352.2	361.9
International affairs	22.6	18.6	22.3	22.8	22.9	23.6	24.4
General science, space, and technology	19.3	21.0	21.4	22.1	22.5	22.9	23.5
Energy	-1.2	-0.9	-0.4	-0.2	-0.5	-0.4	-0.2
Natural resources and environment	25.0	28.5	26.6	27.2	27.9	27.9	27.7
Agriculture	33.7	29.3	15.8	14.2	14.1	14.5	14.9
Commerce and housing credit	15.4	-6.5	10.3	8.4	6.7	6.6	6.6
On-Budget	(11.7)	(-11.3)	(7.8)	(6.5)	(5.8)	(5.7)	(5.6)
Off-Budget	(3.7)	(4.8)	(2.5)	(1.9)	(0.9)	(0.9)	(1.0)
Transportation	55.4	61.5	62.1	60.0	61.5	63.1	64.8
Community and regional development	11.3	10.4	10.1	10.4	10.5	10.7	10.9
Education, training, employment, and social services	55.2	70.3	98.5	82.0	84.1	86.7	89.3
Health	161.5	181.4	204.9	230.0	246.3	254.1	268.1
Medicare	200.6	219.0	229.9	242.3	255.6	282.9	296.3
Income security	243.6	261.9	277.1	286.4	298.1	310.6	319.2
Social security	412.0	435.3	456.8	479.1	503.8	530.3	559.3
On-Budget	(13.3)	(11.7)	(14.0)	(14.5)	(15.5)	(16.3)	(17.3)
Off-Budget	(398.8)	(423.6)	(442.8)	(464.6)	(488.3)	(514.0)	(542.0)
Veterans benefits and services	45.5	47.7	51.8	53.8	55.9	57.8	59.7
Administration of justice	26.7	30.4	31.6	32.5	34.7	35.2	36.0
General government	13.5	16.2	16.6	16.9	18.4	17.6	17.9
Net interest	223.2	206.4	188.1	175.2	161.5	144.7	127.2
On-Budget	(283.0)	(275.3)	(264.2)	(260.7)	(257.3)	(252.0)	(247.3)
Off-Budget	(-59.8)	(-68.9)	(-76.1)	(-85.4)	(-95.9)	(-107.3)	(-120.1)
Allowances			5.3	5.4	5.6	5.7	5.8
Undistributed offsetting receipts	-42.6	-47.7	-49.4	-60.4	-70.6	-58.9	-62.4
On-Budget	(-34.9)	(-39.8)	(-40.5)	(-51.2)	(-60.7)	(-48.2)	(-50.9)
Off-Budget	(-7.6)	(-7.9)	(-8.9)	(-9.2)	(-9.9)	(-10.7)	(-11.4)
Total	1,825.0	1,893.5	2,004.6	2,041.9	2,101.8	2,187.8	2,251.0
On-Budget	(1,489.9)	(1,541.8)	(1,644.2)	(1,670.0)	(1,718.3)	(1,791.0)	(1,839.6)
Off-Budget	(335.0)	(351.7)	(360.3)	(372.0)	(383.5)	(396.8)	(411.4)

Note: The Administration proposes to reverse the misleading budget practice of using advance appropriations simply to avoid spending limitations. In order to avoid overstating discretionary budget authority in 2002, language is proposed to exclude the advance appropriation budget authority, appropriated in 2001, from discretionary budget authority.

Table S-13. Outlay Totals by Function
(In billions of dollars)

Function	2000 Actual	Estimate					
		2001	2002	2003	2004	2005	2006
National defense	294.5	299.1	319.2	322.1	333.1	347.2	354.0
International affairs	17.2	17.5	21.0	21.3	21.5	21.6	22.2
General science, space, and technology	18.6	19.7	20.8	21.4	22.2	22.6	23.1
Energy	-1.1	-0.7	-0.3	-0.1	-0.6	-0.4	-0.3
Natural resources and environment	25.0	27.4	27.5	27.7	28.0	28.4	28.7
Agriculture	36.6	25.9	18.6	15.0	14.0	14.1	14.5
Commerce and housing credit	3.2	-0.8	6.9	4.7	3.6	3.5	2.3
On-Budget	(1.2)	(-3.4)	(3.9)	(5.2)	(4.3)	(4.9)	(4.1)
Off-Budget	(2.0)	(2.6)	(3.1)	(-0.5)	(-0.7)	(-1.3)	(-1.8)
Transportation	46.9	51.1	55.0	57.5	59.7	62.1	63.8
Community and regional development	10.6	10.6	11.7	11.3	10.8	10.5	10.1
Education, training, employment, and social services	59.2	65.3	76.6	81.3	82.6	84.7	87.2
Health	154.5	175.3	201.5	224.4	243.3	250.7	264.8
Medicare	197.1	219.3	229.9	242.1	255.9	282.8	296.0
Income security	247.9	262.6	275.7	285.9	295.9	308.8	317.1
Social security	409.4	433.6	455.1	477.1	501.6	528.1	556.8
On-Budget	(13.3)	(11.7)	(14.0)	(14.5)	(15.5)	(16.3)	(17.3)
Off-Budget	(396.2)	(421.9)	(441.1)	(462.7)	(486.2)	(511.7)	(539.5)
Veterans benefits and services	47.1	45.4	51.6	53.6	55.8	60.4	59.6
Administration of justice	27.8	29.4	32.3	35.4	35.5	35.2	35.8
General government	13.5	16.8	16.3	16.7	18.4	17.4	17.6
Net interest	223.2	206.4	188.1	175.2	161.5	144.7	127.2
On-Budget	(283.0)	(275.3)	(264.2)	(260.7)	(257.3)	(252.0)	(247.3)
Off-Budget	(-59.8)	(-68.9)	(-76.1)	(-85.4)	(-95.9)	(-107.3)	(-120.1)
Allowances			2.4	3.9	4.7	5.4	5.7
Undistributed offsetting receipts	-42.6	-47.7	-49.4	-60.4	-70.6	-58.9	-62.4
On-Budget	(-34.9)	(-39.8)	(-40.5)	(-51.2)	(-60.7)	(-48.2)	(-50.9)
Off-Budget	(-7.6)	(-7.9)	(-8.9)	(-9.2)	(-9.9)	(-10.7)	(-11.4)
Total	1,788.8	1,856.2	1,960.6	2,016.2	2,076.7	2,168.7	2,223.9
On-Budget	(1,458.1)	(1,508.5)	(1,601.4)	(1,648.7)	(1,697.0)	(1,776.4)	(1,817.8)
Off-Budget	(330.8)	(347.7)	(359.2)	(367.6)	(379.7)	(392.4)	(406.1)

Table S-14. Discretionary Budget Authority by Function
(In billions of dollars)

Function	2000 Actual	Estimate					
		2001	2002	2003	2004	2005	2006
National defense	300.8	311.3	325.1	333.9	343.2	352.7	362.5
International affairs	23.5	22.7	23.9	24.4	24.9	25.5	26.0
General science, space, and technology	19.2	20.9	21.2	21.9	22.4	22.9	23.5
Energy	2.7	3.1	2.8	2.9	3.1	3.2	3.3
Natural resources and environment	24.6	28.7	26.4	27.0	27.6	27.6	27.4
Agriculture	4.7	5.1	4.8	5.2	5.2	5.3	5.4
Commerce and housing credit	5.1	0.7	-0.3	-0.1	-0.4	-0.5	-0.5
Transportation	15.2	18.9	16.8	17.8	18.2	18.6	19.0
Community and regional development	12.2	11.0	10.4	10.7	10.9	11.1	11.3
Education, training, employment, and social services	44.4	61.1	65.4	67.1	69.0	70.7	72.3
Health	33.8	38.9	41.0	45.7	46.9	48.1	49.4
Medicare	3.0	3.4	3.5	3.5	3.6	3.7	3.8
Income security	31.6	39.5	42.8	45.1	46.7	48.3	49.6
Social security	3.2	3.4	3.5	3.6	3.7	3.8	3.8
On-Budget	(*)	(*)	(*)	(*)	(*)	(*)	(*)
Off-Budget	(3.2)	(3.4)	(3.5)	(3.6)	(3.7)	(3.7)	(3.8)
Veterans benefits and services	20.9	22.5	23.5	24.0	24.5	25.1	25.7
Administration of justice	27.1	30.0	29.8	31.9	32.3	32.8	33.5
General government	12.4	14.0	14.8	15.0	15.4	15.7	16.0
Allowances			5.3	5.4	5.6	5.7	5.8
Total	584.4	634.9	660.6	685.1	702.7	720.1	737.9
On-Budget	(581.2)	(631.5)	(657.1)	(681.5)	(699.1)	(716.4)	(734.1)
Off-Budget	(3.2)	(3.4)	(3.5)	(3.6)	(3.7)	(3.7)	(3.8)

* \$50 million or less.

Table S-15. Discretionary Outlays by Function
(In billions of dollars)

Function	2000 Actual	Estimate					
		2001	2002	2003	2004	2005	2006
National defense	295.0	299.6	319.2	322.1	333.5	347.6	354.6
International affairs	21.3	24.1	24.5	24.7	24.9	25.0	25.6
General science, space, and technology	18.6	19.6	20.7	21.2	22.0	22.5	23.1
Energy	3.0	3.0	3.0	3.0	3.1	3.2	3.3
Natural resources and environment	25.0	27.6	27.6	27.6	27.7	28.3	28.5
Agriculture	4.7	5.5	5.5	5.2	5.3	5.3	5.4
Commerce and housing credit	4.5	1.7	0.4	0.1	-0.3	-0.5	-0.5
Transportation	44.7	48.9	53.2	55.4	57.7	60.2	61.9
Community and regional development	11.4	11.2	12.0	12.0	11.7	11.5	11.3
Education, training, employment, and social services	48.9	56.1	62.2	66.5	67.4	69.0	70.7
Health	30.0	34.1	38.5	41.7	45.0	46.8	48.1
Medicare	3.0	3.3	3.5	3.5	3.6	3.7	3.8
Income security	41.4	45.5	46.9	48.0	48.6	49.4	50.4
Social security	3.4	3.6	3.5	3.6	3.7	3.8	3.8
On-Budget	(*)	(*)	(*)	(*)	(*)	(*)	(*)
Off-Budget	(3.4)	(3.6)	(3.5)	(3.6)	(3.7)	(3.7)	(3.8)
Veterans benefits and services	20.8	22.4	23.4	23.9	24.5	25.0	25.6
Administration of justice	26.8	28.8	30.8	34.3	32.9	32.7	33.3
General government	12.4	14.5	14.5	14.9	15.2	15.5	15.8
Allowances			2.4	3.9	4.7	5.4	5.7
Total	614.8	649.4	691.7	711.8	731.2	754.5	770.4
On-Budget	(611.5)	(645.8)	(688.2)	(708.3)	(727.6)	(750.7)	(766.6)
Off-Budget	(3.4)	(3.6)	(3.5)	(3.6)	(3.7)	(3.7)	(3.8)

* \$50 million or less.

Table S-16. Comparison of Economic Assumptions
(Calendar years)

	Projections											Average 2002-2011
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	
Real GDP (chain-weighted):¹												
CBO January	2.4	3.4	3.3	3.0	3.0	3.0	3.0	3.0	3.0	3.1	3.1	3.1
Blue Chip Consensus March	1.9	3.4	3.5	3.4	3.4	3.4	3.3	3.3	3.3	3.3	3.3	3.4
2002 Budget	2.4	3.3	3.2	3.2	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.2
Chain-weighted GDP Price Index:¹												
CBO January	2.3	2.1	2.0	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9
Blue Chip Consensus March	2.1	2.0	2.1	2.1	2.1	2.2	2.2	2.2	2.2	2.2	2.2	2.2
2002 Budget	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1
Consumer Price Index (all-urban):¹												
CBO January	2.8	2.8	2.7	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.6
Blue Chip Consensus March	2.8	2.4	2.6	2.6	2.5	2.6	2.6	2.6	2.6	2.6	2.6	2.6
2002 Budget	2.7	2.6	2.6	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Unemployment rate:²												
CBO January	4.4	4.5	4.5	4.7	4.8	4.9	5.0	5.1	5.2	5.2	5.2	4.9
Blue Chip Consensus March	4.5	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6
2002 Budget	4.4	4.6	4.5	4.5	4.5	4.5	4.5	4.6	4.6	4.6	4.6	4.6
Interest rates:²												
91-day Treasury bills:												
CBO January	4.8	4.9	5.0	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9
Blue Chip Consensus March	4.6	4.8	5.2	5.3	5.3	5.2	5.2	5.2	5.2	5.2	5.2	5.2
2002 Budget	5.3	5.6	5.6	5.6	5.3	5.0	5.0	5.0	5.0	5.0	5.0	5.2
10-year Treasury notes:												
CBO January	4.9	5.3	5.5	5.6	5.7	5.8	5.8	5.8	5.8	5.8	5.8	5.7
Blue Chip Consensus March	5.1	5.4	5.7	5.7	5.7	5.7	5.7	5.7	5.7	5.7	5.7	5.7
2002 Budget	5.4	5.6	5.7	5.7	5.7	5.7	5.7	5.7	5.7	5.7	5.7	5.7

¹ Year over year, percent.

² Annual averages, percent.

Table S-17. Baseline Category Totals

(In billions of dollars)

	Estimate											Total
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002-2011
Outlays:												
Discretionary:												
Defense function	300	312	319	330	341	351	360	370	381	392	403	3,559
Nondefense	349	372	388	396	405	416	427	439	450	462	475	4,230
Subtotal, discretionary	649	684	707	726	746	766	788	809	831	854	878	7,789
Mandatory:												
Social Security	430	452	474	498	524	553	584	618	656	698	744	5,801
Medicare	216	226	239	252	271	279	301	320	342	365	396	2,990
Medicaid	129	143	154	167	182	198	216	234	254	276	300	2,125
Other mandatory	223	246	248	258	281	287	294	310	323	335	348	2,930
Subtotal, mandatory	998	1,067	1,114	1,176	1,259	1,317	1,394	1,482	1,575	1,674	1,787	13,846
Net interest:												
Interest earnings					-3	-14	-32	-56	-84	-118	-159	-466
Other	206	186	169	150	128	113	100	92	85	78	74	1,176
Subtotal, net interest	206	186	169	150	125	99	69	36	*	-40	-85	710
Total outlays	1,853	1,938	1,991	2,051	2,130	2,182	2,250	2,328	2,406	2,488	2,580	22,345
Receipts	2,137	2,221	2,324	2,438	2,569	2,698	2,836	2,979	3,131	3,302	3,483	27,981
Unified surplus	284	283	334	387	439	515	585	651	725	814	903	5,637
On-budget surplus	128	111	140	176	202	262	314	363	421	489	560	3,038
Off-budget surplus	156	172	194	211	237	253	272	289	304	324	344	2,599

* \$500 million or less.

Note: Baseline assumes earnings on cash balances, which represent the return on investing excess Treasury cash in the private sector. The size of the balances that would be invested would vastly overwhelm existing institutional arrangements for investing Treasury operating balances, raising both operational and policy issues.

Table S-18. Federal Government Financing and Debt

(In billions of dollars)

	Actual 2000	Estimate										
		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Financing:												
Unified budget surplus	236	281	231	242	262	269	305	340	373	420	465	526
On-budget surplus/reserve for contingencies ¹	87	125	59	49	52	32	52	69	85	117	142	184
Off-budget surplus	150	156	172	193	211	237	252	270	287	303	323	343
Financing other than the change in debt held by the public:												
Premiums paid (-) on buybacks of Treasury securities ²	-6	-10	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Changes in: ³												
Treasury operating cash balance	4	3	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Checks outstanding, deposit funds, etc. ⁴	3	..*	-1	.....	.....	.....	.....	.....	.....	.....	.....	.....
Seigniorage on coins	2	2	2	2	2	2	2	2	2	2	2	2
Less: Net financing disbursements:												
Direct loan financing accounts	-22	-39	-4	-17	-18	-17	-16	-16	-16	-16	-16	-15
Guaranteed loan financing accounts	4	-1	-1	1	..*	..*	1	1	1	1	1	1
Total, financing other than the change in debt held by the public												
	-13	-45	-4	-15	-16	-15	-14	-13	-13	-13	-13	-13
Total, amount available to repay debt held by the public												
	223	236	227	227	246	254	291	326	359	406	452	513
Change in debt held by the public: ^{5,6}												
Change in debt held by the public	-223	-236	-227	-227	-246	-254	-291	-326	-198	-125	-71	-50
Less change in excess balances .....	.....	.....	.....	.....	.....	.....	.....	.....	-162	-281	-381	-463
Change in net indebtedness	-223	-236	-227	-227	-246	-254	-291	-326	-359	-406	-452	-513
Debt Subject to Statutory Limitation, End of Year:												
Debt issued by Treasury	5,601	5,598	5,637	5,698	5,759	5,832	5,890	5,932	6,118	6,395	6,749	7,140
Adjustment for Treasury debt not subject to limitation and agency debt subject to limitation ⁷	-15	-15	-15	-15	-15	-15	-15	-15	-15	-15	-15	-15
Adjustment for discount and premium ⁸	6	6	6	6	6	6	6	6	6	6	6	6
Total, debt subject to statutory limitation ⁹												
	5,592	5,588	5,627	5,688	5,749	5,822	5,881	5,922	6,108	6,385	6,740	7,130
Debt Outstanding, End of Year:												
Gross Federal debt: ¹⁰												
Debt issued by Treasury	5,601	5,598	5,637	5,698	5,759	5,832	5,890	5,932	6,118	6,395	6,749	7,140
Debt issued by other agencies	28	27	27	26	25	24	23	21	21	21	20	20
Total, gross Federal debt												
	5,629	5,625	5,664	5,724	5,784	5,856	5,913	5,953	6,138	6,415	6,770	7,160
Held by:												
Debt securities held as assets by Government accounts	2,219	2,451	2,717	3,004	3,310	3,636	3,985	4,352	4,735	5,137	5,562	6,002
Debt securities held as assets by the public: ⁶												
Debt held by the public	3,410	3,174	2,947	2,720	2,473	2,219	1,928	1,602	1,404	1,279	1,208	1,158
Less excess balances .....	.....	.....	.....	.....	.....	.....	.....	.....	-162	-443	-824	-1,287
Net indebtedness ¹¹	3,410	3,174	2,947	2,720	2,473	2,219	1,928	1,602	1,242	836	384	-129

*\$500 million or less.

¹ The actual amount of annual debt retirement will vary depending upon the availability of eligible redeemable debt, and the use, if any, of the contingency reserve.

² This table includes estimates for Treasury buybacks of outstanding securities only through 2001. These estimates assume that Treasury will buy back \$35 billion (face value) of securities in 2001. The premiums paid on buybacks are based on experience to date and the interest rates in the economic assumptions.

³ A decrease in the Treasury operating cash balance (which is an asset) would be a means of financing a deficit and therefore has a positive sign. An increase in checks outstanding or deposit fund balances (which are liabilities) would also be a means of financing a deficit and therefore would also have a positive sign.

⁴ Besides checks outstanding and deposit funds, includes accrued interest payable on Treasury debt, miscellaneous liability accounts, allocations of special drawing rights, and, as an offset, cash and monetary assets other than the Treasury operating cash balance, miscellaneous asset accounts, and profit on sale of gold.

⁵ Indian tribal funds that are owned by the Indian tribes and held and managed in a fiduciary capacity by the Government on the tribes' behalf were reclassified from trust funds to deposit funds as of October 1, 1999. Their holdings of Treasury securities were accordingly reclassified from debt held by Government accounts to debt held by the public, which affected the change in debt held by the public without affecting borrowing or the repayment of debt.

⁶ The amount of the unified budget surplus that is available to repay debt held by the public is estimated to be more than the amount of debt that is available to be redeemed in 2008 and subsequent years. The difference is assumed to be held as "excess balances." ("Excess" means in excess of the amounts held for operational and programmatic purposes.) The debt held by the public is the amount of Federal debt securities held by the public. The net indebtedness is the debt held by the public less the excess balances.

⁷ Consists primarily of Federal Financing Bank debt.

⁸ Consists of unamortized discount (less premium) on public issues of Treasury notes and bonds (other than zero-coupon bonds) and unrealized discount on Government account series securities.

⁹ The statutory debt limit is \$5,950 billion.

¹⁰ Treasury securities held by the public and zero-coupon bonds held by Government accounts are almost entirely measured at sales price plus amortized discount or less amortized premium. Agency debt is almost entirely measured at face value. Treasury securities in the Government account series are measured at face value less unrealized discount (if any).

¹¹ At the end of 2000, the Federal Reserve Banks held \$511 billion of Federal securities and the rest of the public held \$2,899 billion. Debt held by the Federal Reserve Banks is not estimated for future years.

Table S-1. Budget Totals

	2002	2003	2004	2005	2006	2007
In billions of dollars:						
Outlays	2,052	2,128	2,189	2,277	2,369	2,468
Receipts	1,946	2,048	2,175	2,338	2,455	2,572
Deficit/surplus.....	-106	-80	-14	61	86	104
Debt held by the public.....	3,477	3,570	3,600	3,548	3,470	3,379
As a percent of GDP:						
Outlays	19.8	19.5	19.0	18.7	18.5	18.3
Receipts	18.8	18.8	18.9	19.2	19.2	19.1
Deficit/surplus.....	-1.0	-0.7	-0.1	0.5	0.7	0.8
Debt held by the public.....	33.6	32.7	31.2	29.2	27.1	25.1

Table S-2. Budget Summary by Category
(In billions of dollars)

	2002	2003	2004	2005	2006	2007	Total	
							2003-2007	2003-2012
Outlays:								
Discretionary:								
Defense	336	368	390	412	428	442	2,041	4,531
Non-defense	382	405	418	423	429	437	2,112	4,454
Subtotal, discretionary	718	773	808	835	857	880	4,153	8,984
Emergency Response Fund.....	22	16	7	3	1	*	27	27
Mandatory:								
Social Security.....	456	472	491	515	542	571	2,591	6,001
Medicare.....	223	231	241	257	278	302	1,308	3,141
Medicaid	145	159	170	184	200	217	930	2,315
Other mandatory	310	297	283	291	303	313	1,488	3,243
Subtotal, mandatory	1,133	1,159	1,185	1,248	1,323	1,402	6,318	14,700
Net interest	178	181	189	190	188	185	933	1,767
Total Outlays.....	2,052	2,128	2,189	2,277	2,369	2,468	11,431	25,478
Receipts	1,946	2,048	2,175	2,338	2,455	2,572	11,588	26,481
Unified Surplus.....	-106	-80	-14	61	86	104	157	1,002
On-budget surplus	-262	-259	-208	-156	-142	-139	-904	-1,464
Off-budget surplus	155	179	195	217	228	243	1,061	2,466

* \$500 million or less

Table S-3. Impact of Budget Policy on the Surplus
(In billions of dollars)

	2003	2004	2005	Total 2003-2007
Current baseline surplus	51	109	169	764
Budget proposals:				
Defense and homeland security	-31	-38	-45	-224
Strengthening Medicare.....	-2	-3	-5	-50
Farm bill reauthorization	-7	-7	-7	-34
Provide incentives for charitable giving	-2	-2	-3	-15
Health tax credits	-1	-7	-9	-36
Reform unemployment.....	-1	-1	-3	-18
Extend expiring tax provisions	-3	-3	-5	-26
Other proposals.....	-6	1	-4	-20
Related debt service.....	-1	-4	-7	-43
Subtotal, budget proposals	-54	-65	-88	-466
Budget surplus/deficit, pre-economic security plan	-3	43	81	298
Bipartisan economic security plan	-77	-57	-20	-141
Budget surplus/deficit, including economic security plan	-80	-14	61	157

Table S-4. Discretionary Totals
(Budget authority; dollar amounts in billions)

	2001	2002	2003	Change 2002-2003	
				Delta	Percent
Discretionary budget authority:					
Homeland security	10	12	25	13	111
Department of Defense	303	328	366	38	12
Other operations of government	330	348	355	7	2
Total, discretionary budget authority ¹	643	688²	746	59	9
Adjustments, contingent upon adoption of proposal:					
Full funding of federal employee retirement costs	8	9	9		
Total, including contingent adjustments	651	696	755		
Emergency Response Fund:					
War on terrorism	13	3	10		
Homeland security	3	8	—		
Other September 11 th response	5	9	—		
Total, Emergency Response Fund	20	20	10		

¹ Excludes budget authority associated with the mass transit budget category.

² Includes a \$1.7 billion upward adjustment, from the 2002 appropriated level, for discretionary spending offset by mandatory savings enacted in appropriations bills.

Table S-5. Homeland Security
(Budget authority in billions of dollars)

	2001	2002	2003
Total, Homeland Security	16.0	19.5	37.7
Supporting first responders.....	0.3	0.3	3.5
Defending against biological terrorism.....	1.4	1.4	5.9
Securing our borders.....	7.6	8.8	10.6
Sharing information and using information technology to secure the homeland.....	0.1	0.2	0.7
Aviation security.....	0.4	1.5	4.8
Other homeland security.....	6.3	7.4	12.2
Defense and mandatory/fee funded programs included above:			
Department of Defense (DoD).....	-4.0	-4.7	-7.8
Mandatory/fee funded.....	-1.5	-2.9	-4.7
Total, Homeland Security, non-DoD discretionary.....	10.5	11.9	25.2
Emergency Response Fund.....	2.5	8.1	—

Table S-6. Year-to-Year Percentage Growth in Discretionary Budget Authority

Agency	1998 to 1999	1999 to 2000	2000 to 2001	2001 to 2002	2002 to 2003	Average Growth 1998-2003
Agriculture.....	4	4	13	*	*	4
Commerce ¹	29	61	-41	2	*	4
Defense.....	6	5	5	8	12	7
Education ²	-3	2	37	24	1	11
Energy.....	7	-1	13	4	5	5
Health and Human Services.....	12	9	19	10	9	12
Housing and Urban Development ³	12	-6	34	4	7	9
Interior.....	-1	6	21	*	*	5
State and International Assistance Programs ⁴	23	2	-4	7	4	6
Justice.....	5	2	13	1	-1	4
Labor.....	3	-20	36	2	-7	1
Transportation.....	-14	13	28	-7	19	6
Treasury.....	12	-2	16	5	5	7
Veterans Affairs.....	2	9	7	6	7	6
Corps of Engineers.....	-2	1	14	-4	-10	-1
Environmental Protection Agency Operating Program.....	5	1	9	1	2	4
Federal Emergency Management Agency.....	18	37	-38	26	114	22
National Aeronautics and Space Administration.....	*	*	5	4	1	2
National Science Foundation.....	7	6	13	8	5	8
Small Business Administration.....	16	7	1	-15	2	2
Social Security Administration.....	*	2	8	6	5	4
Smithsonian Institution.....	2	6	4	9	6	6
Total (excludes full funding of federal employee retirement costs and Emergency Response Fund).....	6	4	10	7	9	7

*0.5 percent or less

¹ 2000 Commerce data includes funding for Census 2000.

² 2002 funding includes a \$1.3 billion supplemental proposal for Pell Grants.

³ 1998 and 1999 have been adjusted for reclassification of Federal Housing Administration receipts.

⁴ International Affairs Program totals do not include P.L. 480 Title II food aid, which is included in the totals for Agriculture; 1999 data is also adjusted to remove \$18.2 billion in one-time funding for the International Monetary Fund.

Table S-7. Discretionary Budget Authority by Agency

(In billions of dollars)

Agency	2001	Estimates		Change:
	Actual	2002	2003	2002-2003
Legislative Branch.....	2.9	3.1	3.5	0.4
Judicial Branch.....	4.1	4.4	5.1	0.6
Agriculture.....	19.8	19.8	19.8	—*
Commerce.....	5.2	5.3	5.3	*
Defense-Military.....	305.6	330.8	369.3	38.4
Education.....	40.1	49.8 ¹	50.3	0.5
Energy.....	20.2	21.0	21.9	1.0
Health and Human Services.....	54.5	59.8	65.3	5.5
Housing and Urban Development.....	28.4	29.5	31.5	2.0
Interior.....	10.5	10.5	10.5	*
Justice.....	21.6	21.9	21.8	-0.1
Labor.....	12.0	12.3	11.4	-0.9
State.....	7.8	8.9	9.2	0.4
Transportation.....	18.0	16.6	19.8	3.2
Treasury.....	15.1	15.8	16.6	0.8
Veterans Affairs.....	23.2	24.7	26.4	1.8
Corps of Engineers.....	4.8	4.6	4.1	-0.5
Other Defense Civil Programs.....	0.1	0.2	0.2	—*
Environmental Protection Agency.....	7.9	8.0	7.7	-0.3
Operating program.....	(3.9)	(3.9)	(4.0)	(0.1)
Executive Office of the President.....	0.3	0.3	0.3	0.1
Federal Emergency Management Agency.....	2.4	3.1	6.6	3.5
General Services Administration.....	0.5	0.6	0.6	—*
International Assistance Programs.....	12.6	13.1	13.9	0.7
National Aeronautics and Space Administration..	14.4	14.9	15.1	0.2
National Science Foundation.....	4.4	4.8	5.0	0.2
Office of Personnel Management.....	0.2	0.2	0.3	*
Small Business Administration.....	0.9	0.8	0.8	*
Social Security Administration.....	6.3	6.7	7.0	0.3
Other Independent Agencies.....	6.8	6.3	6.3	*
Allowances.....	—	-1.3	-0.4	0.9
Subtotal.....	650.7	696.5	755.4	59.0
Remove contingent adjustment for full funding of federal employee retirement costs.....	-8.1	-8.5	-9.0	-0.4
Total.....	642.6	687.9²	746.5	58.5
Emergency Response Fund.....	20.0	20.0	10.0	-10.0

* \$50 million or less

¹ Includes a \$1.3 billion supplemental proposal for Pell Grants.² Includes a \$1.7 billion upward adjustment, from the 2002 appropriated level, for discretionary spending offset by mandatory savings enacted in appropriations bills.

Table S-8. Discretionary Proposals By Appropriations Subcommittee

(Budget authority in billions of dollars)

Appropriations Subcommittee	2001 Actual	2002 Estimate	2003 Proposed	Change: 2002-2003
Agriculture and Rural Development.....	16.7	16.9	17.2	0.3
Commerce, Justice, State, and the Judiciary	39.7	40.5	41.2	0.7
Defense.....	296.6	320.5	360.4	40.0
District of Columbia.....	0.5	0.4	0.4	*
Energy and Water Development.....	24.4	24.8	25.3	0.5
Foreign Operations.....	14.6	15.5	16.1	0.7
Interior and Related Agencies	19.5	19.6	19.5	-0.1
Labor, Health and Human Services, and Education.....	110.5	124.6	131.2	6.6
Legislative.....	2.8	3.1	3.5	0.4
Military Construction	9.1	10.5	9.0	-1.6
Transportation and Related Agencies	17.8	16.4	19.7	3.3
Treasury and General Government.....	16.7	17.9	18.7	0.9
Veterans Affairs, Housing and Urban Development.....	81.7	85.8	93.5	7.7
Allowances.....	—	—	-0.4	-0.4
Total with full funding of federal employee retirement costs.....	650.7	696.5	755.4	59.0
Remove full funding of federal employee retirement costs.....	-8.1	-8.5	-9.0	-0.4
Total	642.6	687.9 ¹	746.5	58.5
Emergency Response Fund	20.0	20.0	10.0	-10.0

*\$50 million or less

¹ Includes a \$1.7 billion upward adjustment, from the 2002 appropriated level, for discretionary spending offset by mandatory savings enacted in appropriations bills.

Table S-9. Mandatory Proposals
(In millions of dollars)

	2002	2003	2004	2005	2006	2007	Total	
							2003-2007	2003-2012
Strengthening Medicare	—	1,680	3,375	5,068	17,485	22,497	50,105	190,159
Farm Bill ¹	4,200	7,271	7,019	6,688	6,727	6,774	34,479	67,576
Bipartisan Economic Security Plan ²	27,000	8,000	1,500	—	—	—	9,500	9,500
Medicaid/SCHIP:								
Medicaid/SCHIP reform	—	348	125	309	144	161	1,087	1,781
Rationalizing prescription drug payments	—	-290	-650	-1,090	-1,620	-1,800	-5,450	-17,640
Welfare reform:								
TANF reauthorization	—	46	314	270	340	387	1,358	3,069
Food Stamps reauthorization	—	29	148	262	329	355	1,123	4,191
Child support enforcement:								
Federal collections and payments to States	—	-66	-53	60	116	119	176	798
Food Stamps savings	—	—	—	-37	-47	-49	-133	-402
Medicaid savings	—	—	—	-5	-15	-20	-40	-210
Subtotal, child support enforcement	—	-66	-53	18	54	50	3	186
Supplemental Security Income	—	—	-2	-7	-13	-19	-41	-262
Medicaid savings	—	—	-3	-11	-25	-43	-82	-641
Subtotal, SSI	—	—	-5	-18	-38	-62	-123	-903
Subtotal, excluding Food Stamps reauthorization	—	-20	256	270	356	375	1,238	2,352
Total, welfare reform	—	9	404	532	685	730	2,361	6,543
Other Proposals:								
Agriculture:								
Increase timber competition (use of sealed bids)	—	—	-5	-10	-14	-15	-44	-139
Non-timber interests bidding	—	—	-5	-5	-10	-10	-30	-80
Collect fair market value from ski resorts	—	—	-3	-10	-14	-15	-42	-117
Accelerate repayment to reforestation trust fund and payments from special use permits to enhance environmental protection for lands used by ski resorts..	—	—	13	25	38	40	116	336
Provide permanent recreation fee authority	—	—	—	-10	1	1	-8	-3

Table S-9. Mandatory Proposals—Continued
(In millions of dollars)

	2002	2003	2004	2005	2006	2007	Total	
							2003-2007	2003-2012
Education:								
Teacher loan forgiveness	—	45	14	17	18	18	112	211
Energy:								
Power marketing associations to directly fund Corps of Engineers' operations and maintenance expenses	—	149	149	150	150	150	748	1,498
Increase BPA's borrowing authority.....	—	—	113	498	89	—	700	700
ANWR, lease bonuses	—	—	-1,200	—	—	—	-1,200	-1,200
Health and Human Services:								
Abstinence education	—	14	37	42	47	50	190	440
Interior:								
ANWR, lease bonuses:								
State of Alaska's share:								
Receipts	—	—	-1,201	-1	-101	-1	-1,304	-1,587
Expenditure	—	—	1,201	1	101	1	1,304	1,587
Federal share.....	—	—	-1	-1	-101	-1	-104	-387
Provide permanent recreation fee authority	—	—	—	-17	7	48	38	490
Correct trust accounting deficiencies in individual Indian money investments	—	7	—	—	—	—	7	7
Labor:								
Reform Unemployment Insurance	—	—	—	319	1,929	3,072	5,320	21,812
Refinance Black Lung Disability Trust Fund debt:								
Black Lung Disability Trust Fund.....	—	1,606	-446	-435	-430	-427	-132	-2,184
Treasury's interest receipts	—	-1,606	446	435	430	427	132	2,184
Propose reforms of FECA for future beneficiaries	—	-3	-4	-6	-5	-5	-23	-46
Redirect H-1B training	—	80	-15	-48	-17	—	—	—
Treasury:								
Outlay effect of refundable tax credits.....	—	832	5,634	6,991	7,535	7,654	28,646	74,300

Table S-9. Mandatory Proposals—Continued
(In millions of dollars)

	2002	2003	2004	2005	2006	2007	Total	
							2003–2007	2003–2012
Veterans Affairs:								
IRS income verification on means tested veterans and survivors benefits	—	—	-6	-6	-6	-6	-24	-54
Army Corps of Engineers:								
Recreation user fee increase	—	-6	-1	-1	-1	4	-5	15
FCC:								
Shift spectrum auction deadlines:								
Spectrum receipts	—	4,000	-3,300	-2,700	-4,700	—	-6,700	-6,700
Spectrum relocation	—	50	-50	—	—	—	—	—
Impose annual analog fees after 2006	—	—	—	—	—	-500	-500	-2,680
FEMA: Reform National Flood Insurance	—	-43	-75	-115	-165	-227	-625	-2,080
OPM:								
Simplify computation of annuities under the CSRS for individuals with part-time service	—	3	8	14	20	27	72	313
Multi-Agency:								
Authorize spending of reimbursements for spectrum relocating costs	—	100	50	100	165	100	515	715
Indirect impact of other proposals (third scorecard):								
Enact FECA surcharge	—	—	-1	-5	-7	-7	-20	-50
Impact of accrual accounting	—	-34	-23	198	420	618	1,179	7,686
Total, mandatory proposals	31,200	22,213	13,102	16,927	28,800	39,358	120,400	352,906

¹ Excludes Food Stamps reauthorization of \$4,191 million over 10 years shown under the welfare reform and the receipt effect of FFARRM account tax incentives of \$1,233 million over 10 years shown in Table S-10.

² Affects both receipts and outlays. Only the outlay effect is shown here. The receipt effect is -\$62,000 million for 2002, -\$65,000 million for 2003, -\$47,000 million for 2004, -\$9,500 million for 2005, \$17,000 million for 2006, \$18,000 million for 2007, -\$87,000 million for 2003–2007, and -\$43,500 million for 2003–2012.

S-10. Effect of Proposals on Receipts

(In millions of dollars)

	2002	2003	2004	2005	2006	2007	Total	
							2003-2007	2003-2012
Bipartisan Economic Security Plan ¹	-62,000	-65,000	-47,500	-9,500	17,000	18,000	-87,000	-43,500
Tax Incentives:								
Provide incentives for charitable giving:								
Provide charitable contribution deduction for nonitemizers	-570	-1,429	-1,437	-2,288	-3,567	-3,591	-12,312	-32,636
Permit tax-free withdrawals from IRAs for charitable contributions	-93	-192	-205	-219	-230	-238	-1,084	-2,632
Raise the cap on corporate charitable contributions	-24	-169	-121	-127	-139	-156	-712	-1,730
Expand and increase the enhanced charitable deduction for contributions of food inventory	-10	-49	-54	-59	-66	-72	-300	-789
Reform excise tax based on investment income of private foundations	-122	-177	-181	-189	-198	-205	-950	-2,101
Modify tax on unrelated business taxable income of charitable remainder trusts	-1	-3	-3	-4	-4	-4	-18	-48
Modify basis adjustment to stock of S corporations contributing appreciated property	-8	-11	-13	-17	-21	-25	-87	-282
Allow expedited consideration of applications for exempt status ²	—	—	—	—	—	—	—	—
Strengthen and reform education:								
Provide refundable tax credit for certain costs of attending a different school for pupils assigned to failing public schools ³	—	-10	-24	-38	-52	-62	-186	-219
Allow teachers to deduct out-of-pocket classroom expenses	—	—	-16	-163	-191	-207	-577	-1,718
Invest in health care:								
Provide refundable tax credit for the purchase of health insurance ⁴	—	-245	-1,689	-2,811	-2,774	-2,951	-10,470	-29,116
Provide an above-the-line deduction for long-term care insurance premiums	—	-328	-406	-605	-1,222	-2,158	-4,719	-20,730

S-10. Effect of Proposals on Receipts—Continued
(In millions of dollars)

	2002	2003	2004	2005	2006	2007	Total	
							2003-2007	2003-2012
Allow up to \$500 in unused benefits in a health flexible spending arrangement to be carried forward to the next year.....	—	—	-441	-723	-782	-830	-2,776	-7,819
Provide additional choice with regard to unused benefits in a health flexible spending arrangement.....	—	—	-23	-39	-45	-52	-159	-566
Permanently extend and reform Archer MSAs.....	—	—	-43	-468	-530	-607	-1,648	-5,691
Provide an additional personal exemption to home caretakers of family members.....	—	-314	-383	-362	-345	-348	-1,752	-3,957
Assist Americans with disabilities:								
Exclude from income the value of employer-provided computers, software and peripherals.....	—	—	-2	-6	-6	-6	-20	-52
Help farmers and fishermen manage economic downturns:								
Establish FFARRM savings accounts.....	—	—	-133	-350	-244	-171	-898	-1,233
Increase housing opportunities:								
Provide tax credit for developers of affordable single-family housing.....	—	-7	-76	-302	-715	-1,252	-2,352	-15,257
Encourage saving:								
Establish Individual Development Accounts (IDAs).....	—	-124	-267	-319	-300	-255	-1,265	-1,722
Protect the environment:								
Permanently extend expensing of brownfields remediation costs.....	—	—	-193	-306	-299	-289	-1,087	-2,390
Exclude 50 percent of gains from the sale of property for conservation purposes.....	—	-2	-44	-90	-94	-98	-328	-918
Increase energy production and promote energy conservation:								
Extend and modify tax credit for producing electricity from certain sources.....	-92	-227	-303	-212	-143	-146	-1,031	-1,779

S-10. Effect of Proposals on Receipts—Continued
(In millions of dollars)

	2002	2003	2004	2005	2006	2007	Total	
							2003-2007	2003-2012
Provide tax credit for residential solar energy systems	-3	-6	-7	-8	-17	-24	-62	-72
Modify treatment of nuclear decommissioning funds.....	-89	-156	-168	-178	-188	-199	-889	-2,042
Provide tax credit for purchase of certain hybrid and fuel cell vehicles	-21	-80	-181	-349	-530	-763	-1,903	-3,027
Provide tax credit for energy produced from landfill gas ..	-12	-34	-59	-86	-120	-140	-439	-1,130
Provide tax credit for combined heat and power property	-97	-208	-235	-238	-296	-139	-1,116	-1,091
Provide excise tax exemption (credit) for ethanol ²	—	—	—	—	—	—	—	—
Promote trade:								
Extend and expand Andean trade preferences ⁵	-130	-192	-213	-226	-58	—	-689	-689
Initiate a new trade preference program for Southeast Europe ⁵	—	-19	-23	-25	-7	—	-74	-74
Implement free trade agreements with Chile and Singapore ⁵	—	-21	-86	-109	-131	-155	-502	-1,560
Improve tax administration:								
Implement IRS administrative reforms	—	60	49	50	52	54	265	559
Reform unemployment insurance:								
Reform unemployment insurance administrative financing ⁵	—	-1,002	-1,451	-2,902	-2,982	-4,429	-12,766	-6,924
Expiring Provisions:								
Extend provisions that expired in 2001 for two years:								
Work opportunity tax credit	-43	-153	-200	-127	-60	-29	-569	-576
Welfare-to-work tax credit	-9	-37	-57	-48	-32	-22	-196	-209
Minimum tax relief for individuals	-122	-353	-256	—	—	—	-609	-609

S-10. Effect of Proposals on Receipts—Continued
(In millions of dollars)

	2002	2003	2004	2005	2006	2007	Total	
							2003-2007	2003-2012
Exceptions provided under subpart F for certain active financing income.....	-864	-1,502	-630	—	—	—	-2,132	-2,132
Suspension of net income limitation on percentage depletion from marginal oil and gas wells.....	-25	-44	-18	—	—	—	-62	-62
Generalized System of Preferences (GSP) ⁵	-370	-415	—	—	—	—	-415	-415
Authority to issue qualified zone academy bonds.....	-4	-13	-25	-35	-37	-37	-147	-332
Permanently extend expiring provisions:								
Provisions expiring in 2010:								
Marginal individual income tax rate reductions.....	—	—	—	—	—	—	—	-183,769
Child tax credit ⁶	—	—	—	—	—	—	—	-31,697
Marriage penalty relief ⁷	—	—	—	—	—	—	—	-12,976
Education incentives.....	-1	-5	-10	-15	-20	-26	-76	-2,810
Repeal of estate and generation-skipping transfer taxes, and modification of gift taxes.....	178	-550	-1,097	-1,485	-1,987	-2,178	-7,297	-103,659
Modifications of IRAs and pension plans.....	—	—	—	—	—	—	—	-6,490
Other incentives for families and children.....	—	—	—	—	—	—	—	-1,298
Research & Experimentation (R&E) tax credit.....	—	—	-906	-2,949	-4,654	-5,623	-14,132	-51,051
Total budget proposals.....	-64,532	-73,017	-59,130	-27,927	-6,034	-9,433	-175,541	-591,020

¹ Affects both receipts and outlays. Only the receipt effect is shown here. The outlay effect is \$27,000 million for 2002, \$8,000 million for 2003, \$1,500 million for 2004, \$9,500 million for 2003-2007, and \$9,500 million for 2003-2012.

² Policy proposal with a receipt effect of zero.

³ Affects both receipts and outlays. Only the receipt effect is shown here. The outlay effect is \$165 million for 2003, \$449 million for 2004, \$699 million for 2005, \$975 million for 2006, \$1,213 million for 2007, \$3,501 million for 2003-2007, and \$4,155 million for 2003-2012.

⁴ Affects both receipts and outlays. Only the receipt effect is shown here. The outlay effect is \$677 million for 2003, \$5,185 million for 2004, \$6,292 million for 2005, \$6,560 million for 2006, \$6,441 million for 2007, \$25,145 million for 2003-2007, and \$59,873 million for 2003-2012.

⁵ Net of income offsets.

⁶ Affects both receipts and outlays. Only the receipt effect is shown here. The outlay effect is \$8,745 million for 2003-2012.

⁷ Affects both receipts and outlays. Only the receipt effect is shown here. The outlay effect is \$1,527 million for 2003-2012.

Table S-11. Receipts by Source - Summary

(In billions of dollars)

Source	2001 Actual	Estimates					
		2002	2003	2004	2005	2006	2007
Individual income taxes	994.3	949.2	1,006.4	1,058.6	1,112.0	1,157.3	1,221.7
Corporation income taxes	151.1	201.4	205.5	212.0	237.1	241.4	250.6
Social insurance and retirement receipts	694.0	708.0	749.2	789.8	835.2	868.7	908.3
On-budget	(186.4)	(190.8)	(203.9)	(216.3)	(227.0)	(235.1)	(243.0)
Off-budget	(507.5)	(517.2)	(545.3)	(573.5)	(608.2)	(633.7)	(665.3)
Excise taxes	66.1	66.9	69.0	71.2	73.6	75.3	77.5
Estate and gift taxes	28.4	27.5	23.0	26.6	23.4	26.4	23.2
Customs duties	19.4	18.7	19.8	21.9	23.0	24.7	26.2
Miscellaneous receipts	37.8	36.4	40.2	42.8	43.2	44.4	46.2
Bipartisan economic security plan	—	-62.0	-65.0	-47.5	-9.5	17.0	18.0
Total receipts	1,991.0	1,946.1	2,048.1	2,175.4	2,338.0	2,455.3	2,571.7
On-budget	(1,483.5)	(1,428.9)	(1,502.7)	(1,601.9)	(1,729.8)	(1,821.6)	(1,906.4)
Off-budget	(507.5)	(517.2)	(545.3)	(573.5)	(608.2)	(633.7)	(665.3)

Table S-12. Budget Authority Totals by Function
(In billions of dollars)

Function	2001 Actual	Estimates					
		2002	2003	2004	2005	2006	2007
National defense.....	329.0	350.7	396.8	405.6	426.6	447.7	469.8
International affairs.....	18.7	22.3	23.9	24.8	25.6	26.3	27.2
General science, space, and technology.....	21.1	22.2	22.7	23.3	23.8	24.4	25.0
Energy.....	0.2	0.6	0.5	0.4	0.9	0.7	0.7
Natural resources and environment.....	29.8	30.9	30.0	31.3	32.3	31.7	32.3
Agriculture.....	29.2	29.0	23.8	23.0	21.3	20.4	20.3
Commerce and housing credit.....	12.4	10.7	14.1	9.8	9.4	8.5	10.7
On-budget.....	(8.4)	(7.8)	(8.9)	(9.4)	(8.9)	(8.1)	(9.5)
Off-budget.....	(4.1)	(2.8)	(5.2)	(0.4)	(0.5)	(0.4)	(1.2)
Transportation.....	67.6	66.1	63.7	58.4	64.6	65.9	67.2
Community and regional development.....	13.9	18.5	14.7	15.4	15.5	15.9	16.2
Education, training, employment, and social services.....	63.7	79.6	80.9	81.8	84.0	85.9	87.9
Health.....	182.1	201.0	234.3	259.0	278.4	298.0	319.9
Medicare.....	217.2	230.3	234.5	244.1	261.4	282.0	305.5
Income security.....	273.4	306.2	319.3	326.6	336.3	347.5	356.7
Social Security.....	440.5	461.3	476.9	497.6	521.8	548.5	577.8
On-budget.....	(11.7)	(13.9)	(14.3)	(15.2)	(16.1)	(16.9)	(18.0)
Off-budget.....	(428.8)	(447.4)	(462.6)	(482.5)	(505.8)	(531.6)	(559.8)
Veterans benefits and services.....	48.4	51.8	56.6	58.8	60.9	63.1	65.2
Administration of justice.....	45.0	37.3	38.2	41.0	38.9	39.8	40.7
General government.....	16.6	17.7	17.8	19.5	18.7	19.2	19.4
Net interest.....	206.2	178.4	180.7	188.8	190.2	188.3	185.3
On-budget.....	(275.0)	(255.2)	(264.5)	(280.9)	(291.2)	(299.3)	(307.4)
Off-budget.....	(-68.8)	(-76.8)	(-83.8)	(-92.0)	(-101.0)	(-111.0)	(-122.1)
Allowances.....	—	25.7	7.6	1.1	-0.4	-0.4	-0.4
Undistributed offsetting receipts.....	-55.2	-55.2	-74.1	-100.2	-100.4	-98.6	-98.4
On-budget.....	(-47.3)	(-45.9)	(-64.6)	(-89.9)	(-89.4)	(-86.8)	(-86.0)
Off-budget.....	(-7.9)	(-9.2)	(-9.6)	(-10.2)	(-11.0)	(-11.7)	(-12.4)
Total.....	1,959.7	2,085.0	2,162.9	2,210.2	2,309.7	2,414.7	2,529.0
On-budget.....	(1,603.6)	(1,720.9)	(1,788.5)	(1,829.6)	(1,915.5)	(2,005.4)	(2,102.6)
Off-budget.....	(356.2)	(364.2)	(374.4)	(380.6)	(394.2)	(409.3)	(426.4)

Table S-13. Outlay Totals by Function
(In billions of dollars)

Function	2001 Actual	Estimates					
		2002	2003	2004	2005	2006	2007
National defense.....	308.5	348.0	379.0	393.8	413.5	428.5	442.5
International affairs.....	16.6	23.5	22.5	22.8	23.3	23.9	24.6
General science, space, and technology.....	19.9	21.8	22.2	22.8	23.5	24.0	24.6
Energy.....	0.1	0.6	0.6	0.3	0.8	0.7	0.7
Natural resources and environment.....	26.3	30.2	30.6	31.1	31.7	32.4	32.8
Agriculture.....	26.6	28.8	24.2	22.8	21.3	20.4	20.3
Commerce and housing credit.....	6.0	3.8	3.7	5.1	3.1	1.2	1.7
On-budget.....	(3.7)	(1.7)	(5.1)	(4.4)	(3.3)	(2.1)	(2.5)
Off-budget.....	(2.3)	(2.0)	(-1.4)	(0.7)	(-0.2)	(-0.9)	(-0.8)
Transportation.....	55.2	62.1	59.4	56.3	56.0	56.9	58.6
Community and regional development.....	12.0	15.4	17.4	18.0	17.4	15.6	15.4
Education, training, employment, and social services.....	57.3	71.7	79.0	81.0	82.7	84.2	86.1
Health.....	172.6	195.2	231.9	258.8	277.8	297.0	318.3
Medicare.....	217.5	226.4	234.4	244.3	261.3	281.8	305.8
Income security.....	269.8	310.7	319.7	325.0	334.3	345.2	352.7
Social Security.....	433.1	459.7	475.9	495.7	519.7	546.2	575.3
On-budget.....	(11.7)	(13.9)	(14.3)	(15.2)	(16.1)	(16.9)	(18.0)
Off-budget.....	(421.4)	(445.7)	(461.6)	(480.5)	(503.6)	(529.3)	(557.3)
Veterans benefits and services.....	45.8	51.5	56.6	58.6	63.2	62.9	62.3
Administration of justice.....	30.4	34.4	40.6	43.5	39.5	39.7	40.4
General government.....	15.2	18.3	17.6	19.6	18.6	19.0	19.2
Net interest.....	206.2	178.4	180.7	188.8	190.2	188.3	185.3
On-budget.....	(275.0)	(255.2)	(264.5)	(280.9)	(291.2)	(299.3)	(307.4)
Off-budget.....	(-68.8)	(-76.8)	(-83.8)	(-92.0)	(-101.0)	(-111.0)	(-122.1)
Allowances.....	—	27.0	6.4	0.8	-0.5	-0.3	-0.4
Undistributed offsetting receipts.....	-55.2	-55.2	-74.1	-100.2	-100.4	-98.6	-98.4
On-budget.....	(-47.3)	(-45.9)	(-64.6)	(-89.9)	(-89.4)	(-86.8)	(-86.0)
Off-budget.....	(-7.9)	(-9.2)	(-9.6)	(-10.2)	(-11.0)	(-11.7)	(-12.4)
Total.....	1,863.9	2,052.3	2,128.2	2,189.1	2,276.9	2,369.1	2,467.7
On-budget.....	(1,516.9)	(1,690.6)	(1,761.5)	(1,810.1)	(1,885.5)	(1,963.4)	(2,045.8)
Off-budget.....	(347.0)	(361.7)	(366.8)	(379.0)	(391.4)	(405.7)	(421.9)

Table S-14. Comparison of Economic Assumptions
(Calendar years)

	Projections											Average
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2002-2012
Real GDP (billions of 1996 dollars):												
CBO January	9,398	9,782	10,146	10,471	10,804	11,145	11,493	11,850	12,216	12,590	12,972	
Blue Chip Consensus January ²	9,410	9,742	10,069	10,401	10,738	11,075	11,425	11,791	12,168	12,557	12,959	
2003 Budget	9,382	9,739	10,101	10,462	10,802	11,136	11,482	11,838	12,204	12,583	12,973	
Real GDP (chain-weighted): ¹												
CBO January	0.8	4.1	3.7	3.2	3.2	3.2	3.1	3.1	3.1	3.1	3.0	3.1
Blue Chip Consensus January ²	1.0	3.4	3.4	3.3	3.2	3.1	3.2	3.2	3.2	3.2	3.2	3.1
2003 Budget	0.7	3.8	3.7	3.6	3.2	3.1	3.1	3.1	3.1	3.1	3.1	3.1
Chain-weighted GDP Price Index: ¹												
CBO January	1.4	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.9
Blue Chip Consensus January ²	1.6	1.9	2.1	2.1	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.1
2003 Budget	2.0	1.8	1.7	1.8	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9
Consumer Price Index (all-urban): ¹												
CBO January	1.8	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.4
Blue Chip Consensus January ²	1.7	2.4	2.6	2.7	2.7	2.7	2.6	2.6	2.6	2.6	2.6	2.5
2003 Budget	1.8	2.2	2.3	2.4	2.4	2.4	2.4	2.4	2.3	2.3	2.3	2.3
Unemployment rate: ³												
CBO January	6.1	5.9	5.4	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.4
Blue Chip Consensus January ²	6.1	5.7	4.9	4.9	4.8	4.9	4.9	4.9	4.9	4.9	4.9	5.1
2003 Budget	5.9	5.5	5.2	5.0	4.9	4.9	4.9	4.9	4.9	4.9	4.9	5.1
Interest Rates: ³												
91-day Treasury bills:												
CBO January	2.2	4.5	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.6
Blue Chip Consensus January ²	2.1	3.4	4.5	4.7	4.8	4.8	4.7	4.7	4.7	4.7	4.7	4.3
2003 Budget	2.2	3.5	4.0	4.3	4.3	4.3	4.3	4.3	4.3	4.3	4.3	4.0
10-year Treasury notes: ³												
CBO January	5.0	5.5	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.7
Blue Chip Consensus January ²	5.1	5.6	5.7	5.7	5.7	5.8	5.8	5.8	5.8	5.8	5.8	5.7
2003 Budget	5.1	5.1	5.1	5.1	5.2	5.2	5.2	5.2	5.3	5.3	5.3	5.2

Source: Congressional Budget Office; Aspen Publishers, Inc., Blue Chip Economic Indicators.

¹ Year over year percent change.

² January 2002 Blue Chip Consensus forecast for 2002 and 2003; Blue Chip October 2001 long run extension for 2004-2012.

³ Annual averages, percent.

Table S-15. Baseline Category Totals
(In billions of dollars)

	2002	2003	2004	2005	2006	2007	Total 2003-2007
Outlays:							
Discretionary:							
Defense	336	347	359	371	377	383	1,836
Non-defense	382	402	413	420	429	439	2,103
Subtotal, discretionary	718	749	772	791	806	822	3,939
Emergency Response Fund.....	22	9	5	2	1	*	17
Mandatory:							
Social Security.....	456	472	491	515	542	571	2,591
Medicare.....	223	229	237	252	260	279	1,258
Medicaid	145	159	171	185	202	219	936
Other mandatory	279	277	272	278	290	294	1,412
Subtotal, mandatory	1,102	1,136	1,172	1,231	1,294	1,363	6,197
Net interest	177	175	177	172	165	156	846
Total Outlays.....	2,020	2,070	2,126	2,197	2,266	2,341	11,000
Receipts	2,011	2,121	2,234	2,366	2,461	2,581	11,764
Unified Surplus.....	-9	51	109	169	196	240	764
On-budget surplus	-165	-127	-86	-48	-33	-4	-298
Off-budget surplus	155	179	195	217	228	244	1,063

* \$500 million or less

Table S-16. Budget Surplus Reestimates
(In billions of dollars)

	2002	2003	Total 2002-2011
April pre-policy baseline	283	334	5,637
Economic downturn.....	-197	-138	-1,345
Enacted policy:			
Tax relief.....	-40	-94	-1,478
Other enacted legislation	-54	-51	-591
Current baseline	-9	51	2,222
Budget proposals.....	-7	-54	-1,325
Budget outlook, pre-economic security plan	-16	-3	896
Bipartisan economic security plan.....	-90	-77	-231
Budget outlook, including economic security plan.....	-106	-80	665

Table S-17. Federal Government Financing and Debt

(In billions of dollars)

	Actual 2001	Estimate					
		2002	2003	2004	2005	2006	2007
Financing:							
Unified budget surplus (+)/ deficit (-).....	127	-106	-80	-14	61	86	104
Financing other than the change in debt held by the public:							
Premiums paid (-) on buybacks of Treasury securities ¹	-11	-3	—	—	—	—	—
Net purchases (-) of non-Federal securities by the National Railroad Retirement Investment Trust.....	—	-15	-1	—*	*	*	*
Changes in: ²							
Treasury operating cash balance.....	8	-16	—	-5	—	—	-5
Checks outstanding, deposit funds, etc. ³	-13	-1	—*	—	—	—	—
Seigniorage on coins.....	1	1	1	1	1	1	1
Less: Net financing disbursements:							
Direct loan financing accounts.....	-19	-15	-15	-15	-15	-15	-15
Guaranteed loan financing accounts.....	-4	-2	3	3	4	5	5
Total, financing other than the change in debt held by the public.....	-37	-51	-13	-16	-9	-9	-13
Total, amount available to repay debt held by the public.....	90	-157	-93	-29	52	78	91
Change in debt held by the public.....	-90	157	93	29	-52	-78	-91
Debt Subject to Statutory Limitation, End of Year:							
Debt issued by Treasury.....	5,743	6,110	6,499	6,867	7,182	7,482	7,780
Adjustment for Treasury debt not subject to limitation and agency debt subject to limitation ⁴	-15	-15	-15	-15	-15	-15	-15
Adjustment for discount and premium ⁵	5	5	5	5	5	5	5
Total, debt subject to statutory limitation ⁶	5,733	6,099	6,489	6,856	7,172	7,472	7,770

Table S-17. Federal Government Financing and Debt—Continued
(In billions of dollars)

	Actual	Estimate					
	2001	2002	2003	2004	2005	2006	2007
Debt Outstanding, End of Year:							
Gross Federal debt ⁷ :							
Debt issued by Treasury	5,743	6,110	6,499	6,867	7,182	7,482	7,780
Debt issued by other agencies.....	27	27	26	26	25	24	23
Total, gross Federal debt.....	5,770	6,137	6,526	6,892	7,207	7,506	7,803
Held by:							
Debt securities held by Government accounts	2,450	2,660	2,956	3,293	3,659	4,036	4,424
Debt securities held by the public ⁸	3,320	3,477	3,570	3,600	3,548	3,470	3,379

* \$500 million or less

¹ Includes only premiums paid on buybacks through December 2001. Estimates are not made for subsequent buybacks.

² A decrease in the Treasury operating cash balance (which is an asset) would be a means of financing a deficit and therefore has a positive sign. An increase in checks outstanding or deposit fund balances (which are liabilities) would also be a means of financing a deficit and therefore would also have a positive sign.

³ Besides checks outstanding and deposit funds, includes accrued interest payable on Treasury debt, miscellaneous liability accounts, allocations of special drawing rights, and, as an offset, cash and monetary assets other than the Treasury operating cash balance, miscellaneous asset accounts, and profit on sale of gold.

⁴ Consists primarily of Federal Financing Bank debt.

⁵ Consists of unamortized discount (less premium) on public issues of Treasury notes and bonds (other than zero-coupon bonds) and unrealized discount on Government account series securities.

⁶ The statutory debt limit is \$5,950 billion.

⁷ Treasury securities held by the public and zero-coupon bonds held by government accounts are almost all measured at sales price plus amortized discount or less amortized premium. Agency debt securities are almost all measured at face value. Treasury securities in the government account series are measured at face value less unrealized discount (if any).

⁸ At the end of 2001, the Federal Reserve Banks held \$534.1 billion of federal securities and the rest of the public held \$2,785.9 billion. Debt held by the Federal Reserve Banks is not estimated for future years.

Table S-1. Budget Totals
(Dollar amounts in billions)

	2002	2003	2004	2005	2006	2007	2008
In billions of dollars:							
Receipts	1,853	1,836	1,922	2,135	2,263	2,398	2,521
Outlays	2,011	2,140	2,229	2,343	2,464	2,576	2,711
Deficit	-158	-304	-307	-208	-201	-178	-190
Debt held by the public	3,540	3,878	4,166	4,387	4,603	4,797	5,003
As a percent of GDP:							
Receipts	17.9	17.1	17.0	18.0	18.1	18.3	18.3
Outlays	19.5	19.9	19.7	19.7	19.7	19.7	19.7
Deficit	-1.5	-2.8	-2.7	-1.8	-1.6	-1.4	-1.4
Debt held by the public	34.3	36.1	36.9	36.9	36.9	36.6	36.4

Table S-2. Budget Summary by Category
(In billions of dollars)

	2002	2003	2004	2005	2006	2007	2008	Total 2004-2008
Outlays:								
Discretionary:								
Defense (050).....	349	376	390	410	423	436	460	2,119
Nondefense	385	416	429	440	447	455	466	2,237
Total, Discretionary	734	791	819	850	870	891	926	4,356
Mandatory:								
Social Security	452	474	493	512	533	559	587	2,684
Medicare.....	228	241	255	272	301	323	345	1,497
Medicaid and SCHIP	151	167	185	199	217	234	254	1,089
Other	274	305	301	307	319	329	344	1,599
Total, Mandatory	1,106	1,188	1,234	1,289	1,369	1,445	1,531	6,868
Net interest.....	171	161	176	204	225	240	254	1,099
Total Outlays.....	2,011	2,140	2,229	2,343	2,464	2,576	2,711	12,323
Receipts.....	1,853	1,836	1,922	2,135	2,263	2,398	2,521	11,239
Deficit.....	-158	-304	-307	-208	-201	-178	-190	-1,084
On-budget deficit.....	-317	-468	-482	-407	-412	-406	-433	-2,140
Off-budget surplus	160	163	175	199	211	228	243	1,056

Table S-3. Impact of Budget Policy
(In billions of dollars)

	2003	2004	2005	2006	2007	2008	Total 2004-2008
Current baseline surplus/deficit	-264	-158	-40	5	29	51	-114
Budget proposals:							
Economic growth package	-33	-114	-88	-69	-56	-54	-380
Defense and homeland security	-3	-12	-22	-28	-31	-45	-138
Strengthening Medicare	—	-6	-10	-33	-38	-43	-130
Aid to education	-*	-1	-6	-10	-11	-11	-39
Incentives for charitable giving	-*	-2	-2	-2	-2	-2	-9
Health tax credits	—	-1	-7	-12	-13	-15	-48
Extension of expiring tax provisions	-1	-5	-14	-18	-7	-8	-53
Other proposals	-3	-5	-8	-14	-20	-22	-68
Related debt service	-*	-4	-11	-20	-30	-40	-105
Subtotal, budget proposals	-40	-149	-168	-205	-207	-241	-970
Budget deficit	-304	-307	-208	-201	-178	-190	-1,084

* \$500 million or less.

Table S-4. Discretionary Totals
(Budget authority; dollar amounts in billions)

	2002 Enacted	Estimate		2003-2004 Change	
		2003	2004	Dollar	Percent
Discretionary budget authority:					
Homeland security (non-Defense)	13	27	28	1	¹ 5.5%
Department of Defense	328	365	380	15	4.2%
Other operations of government	350	360	374	14	3.8%
Total, Discretionary budget authority	691	752	782	30	4.0%
		Estimate		2004-2005 Change	
		2004	2005	Dollar	Percent
Total, Discretionary budget authority	782	813	31	4.0%	

Assumptions:

–All totals include mass transit budget authority.

–2002: \$686 billion enacted discretionary funding adjusted for technical re-estimates. In addition, \$44 billion was provided in supplemental acts, \$29 billion for recurring purposes.

–2003: Presidentially approved spending level: House passed budget resolution, adjusted for mass transit.

¹ Discretionary homeland security only. Including mandatory and fee funded costs, homeland security grows 7.6 percent.

Table S-5. Homeland Security Funding by Agency
(Budget authority in millions of dollars)

	2002		Estimate	
	Enacted	Supplemental	2003	2004
Non-Defense Homeland Security Funding:				
Department of Agriculture.....	230	322	396	390
Department of Commerce	99	19	133	153
Department of Energy.....	1,067	153	1,164	1,361
Department of Health and Human Services	433	1,480	3,987	3,776
Department of Homeland Security.....	11,398	5,982	22,035	23,890
Department of Justice.....	1,019	1,125	1,947	2,290
Department of State.....	438	39	658	811
Department of the Treasury	84	32	80	91
Department of Transportation	635	785	258	284
Department of Veterans Affairs.....	47	2	132	145
Corps of Engineers.....	—	139	65	104
Environmental Protection Agency.....	13	174	134	124
Social Security Administration	113	8	132	147
National Aeronautics and Space Administration.....	114	109	164	170
National Science Foundation.....	240	19	264	307
Postal Service.....	—	587	—	—
Other Agencies	267	556	623	590
Total, Non-Defense Homeland Security Funding	16,197	11,531	32,172	34,633
Department of Defense—Military.....	4,423	733	8,863	16,714
Total, Homeland Security Funding, including Defense.....	20,620	12,264	41,035	41,347
Total, Homeland Security Funding, including Defense	20,620	12,264	41,035	41,347
Less Mandatory Homeland Security Funding ²	-1,656	—	-2,006	-2,897
Less Discretionary Fee-Funded Activities ³	-1,828	—	-3,406	-3,497
Less Department of Defense—Military	-4,423	-733	-8,863	-6,714
Net Non-Defense Discretionary Homeland Security Budget Authority.....	12,713	11,531	26,760	28,239

¹ Defense homeland security funding falls in 2004 due to one-time force protection investments in 2003.

² Mandatory homeland security programs include Agricultural Quarantine and Inspections, Border Protection, and Immigration Enforcement.

³ Discretionary fee-funded homeland security programs include Visa Processing, Airport Security, and Social Security physical and computer security measures.

Table S-6. Percentage Year-to-Year Growth in Discretionary Budget Authority

Agency	1998 to 1999	1999 to 2000	2000 to 2001	2001 to 2002	2002 to 2003	2003 to 2004	Average Growth 1998-2004
Agriculture	4	4	13	3	-2	*	4
Commerce	29	61	-41	6	-5	5	4
Defense	6	5	5	8	11	4	7
Education	-3	2	37	21	4	6	10
Energy	7	-1	13	4	5	6	6
Health and Human Services	12	9	19	10	9	3	10
Housing and Urban Development	12	-6	34	4	5	1	8
Interior	-1	6	21	2	-2	3	5
State and International Assistance Programs	23	2	-4	6	7	12	7
Labor	3	-20	36	2	-4	-1	1
Veterans Affairs	2	9	7	6	6	11	7
Corps of Engineers	-2	1	14	-4	-10	1	*
Environmental Protection Agency Operating Program	5	1	9	1	2	7	4
National Aeronautics and Space Administration	*	*	5	4	1	3	2
National Science Foundation	7	6	13	8	5	9	8
Small Business Administration	16	7	1	-15	2	2	2
Social Security Administration	*	2	8	6	5	9	5
Homeland Security Agencies (see below)	1	6	14	7	11	3	7
Other Agencies	5	-3	*	-14	14	7	1
Total (excluding emergency response funding)	6	4	10	8	9	4	7
Total (including emergency response funding)	6	4	13	11	2	4	7

Agencies principally affected by creation of the Department of Homeland Security ¹ :	Average Growth 2002 to 2004						
Department of Homeland Security					62	5	31
Justice ²	5	2	13	-12	-1	-3	-2
Transportation ²	-14	13	28	-30	*	6	3
Treasury ²	12	-2	16	-27	5	4	4
Federal Emergency Management Agency ²	18	37	-38	26			

* 0.5 percent or less.

¹ For agencies in the box, the comparable amounts back to 1998 are not available as of the printing of this budget. These agencies are shown as transferred to the Department of Homeland Security from 2002 to 2004 for comparability.

² Growth rates shown for 1998 to 2001 reflect the old structure.

Table S-7. Discretionary Budget Authority by Agency
(Dollars in billions)

Agency	2002	Estimate		Change:
	Actual	2003	2004	2003-2004
Agriculture	20.0	19.5	19.5	*
Commerce	5.4	5.1	5.4	0.3
Defense	327.8	364.6	379.9	15.3
Education	48.5	50.3	53.1	2.8
Energy	20.9	22.1	23.4	1.3
Health and Human Services	59.5	64.6	66.2	1.6
Homeland Security	15.7	25.4	26.7	1.3
Housing and Urban Development	29.4	30.9	31.3	0.4
Interior	10.5	10.2	10.6	0.4
State and International Assistance Programs	23.0	24.5	27.4	2.9
Justice	18.6	18.3	17.7	-0.6
Labor	12.1	11.6	11.5	-0.1
Transportation	12.9	12.9	13.7	0.8
Treasury	10.5	11.0	11.4	0.4
Veterans Affairs	23.8	25.4	28.1	2.7
Corps of Engineers	4.5	4.0	4.0	*
Environmental Protection Agency	7.9	7.6	7.6	*
<i>Environmental Protection Agency Operating Program</i>	3.9	4.0	4.3	0.3
National Aeronautics and Space Administration	14.8	15.0	15.5	0.5
National Science Foundation	4.8	5.0	5.5	0.5
Small Business Administration	0.8	0.8	0.8	*
Social Security Administration	6.4	6.7	7.3	0.6
Other Agencies	13.2	15.1	16.1	1.1
Allowances ¹	—	1.1	-0.5	-1.7
Total, excluding emergency response funding	690.9	751.8	782.2	30.4
Emergency response funding	43.8	*	*	*
Total, including emergency response funding	734.7	751.8	782.2	30.4

* \$50 million or less.

¹ Adjusted in 2003 for the Presidentially approved spending level (the House-passed budget resolution, adjusted for mass transit) and includes a \$1.3 billion adjustment for the reclassification of the Crime Victims fund as mandatory.

Table S–8. Discretionary Proposals By Appropriations Subcommittee
(Budget authority in billions of dollars)

Appropriations Subcommittee	2002 Enacted	2003 Estimate	2004 Estimate	Change: 2003-2004
Agriculture and Rural Development.....	16.9	17.0	16.9	-0.1
Commerce, Justice, State, and the Judiciary	37.5	38.0	38.6	0.6
Defense	317.3	354.3	371.0	16.7
District of Columbia	0.3	0.2	0.3	*
Energy and Water Development.....	24.8	25.4	26.8	1.4
Foreign Operations	15.1	16.5	18.8	2.3
Interior and Related Agencies	19.5	19.1	19.7	0.5
Labor, Health and Human Services, and Education.....	123.7	130.2	135.1	4.9
Legislative.....	3.0	3.4	3.8	0.3
Military Construction.....	10.6	10.5	9.0	-1.5
Transportation and Related Agencies	12.8	12.8	13.5	0.7
Treasury and General Government	12.1	12.8	13.5	0.7
Veterans Affairs, Housing and Urban Development	81.6	85.1	89.1	4.0
Allowances ¹	—	1.1	-0.5	-1.7
Department of Homeland Security	15.7	25.4	26.7	1.3
Total, excluding emergency response funding.....	690.9	751.8	782.2	30.4
Emergency response funding.....	43.8	—	—	—

* \$50 million or less.

¹ Adjusted in 2003 for the Presidentially approved spending level (the House-passed budget resolution, adjusted for mass transit) and includes a \$1.3 billion adjustment for the reclassification of the Crime Victims fund as mandatory.

Table S-9. Mandatory Proposals
(In millions of dollars)

	2003	2004	2005	2006	2007	2008	Total	
							2004-2008	2004-2013
Medicare Modernization	—	6,000	10,000	33,000	38,000	43,000	130,000	400,000
Economic Growth Plan: ¹								
Personal Re-employment Accounts.....	1,600	2,000	—	—	—	—	2,000	2,000
Refundable Child Tax Credit.....	300	1,074	4,783	4,272	4,195	4,142	18,466	25,239
Subtotal, Economic Growth Package.....	1,900	3,074	4,783	4,272	4,195	4,142	20,466	27,239
Medicaid/State Children's Health Insurance Program (SCHIP):								
Medicaid/SCHIP Reform.....	—	3,258	1,053	1,664	1,213	1,756	8,944	-66
Disability/New Freedom Initiatives.....	—	180	184	197	212	221	993	1,338
Medicaid Rebate Reform.....	—	-384	-432	-481	-531	-581	-2,409	-6,421
Other Medicaid Proposals.....	225	359	579	426	437	457	2,257	2,687
Subtotal, Medicaid/SCHIP.....	225	3,412	1,384	1,805	1,330	1,854	9,786	-2,462
Welfare Reform:								
Temporary Assistance for Needy Families Reauthorization...	-4	147	310	334	325	324	1,441	3,069
Child Support Enforcement: Increase Collections and Improve Program Effectiveness.....	—	-61	-47	10	51	48	2	221
Child Welfare Program Option.....	—	31	88	127	-13	-205	28	40
Extend Abstinence Education.....	7	37	42	47	50	36	212	218
Subtotal, Welfare Reform.....	3	154	393	519	413	204	1,683	3,548
Other Proposals:								
Agriculture:								
Limit Conservation Security Program.....	—	—	-215	-332	-447	-603	-1,597	-5,200
Forest Service Recreation Fee Proposal.....	—	—	-17	-12	-7	-2	-38	22
School Lunch: Require Third-Party Verification of Income and Reinvest Program Savings.....	—	—	—	—	—	—	—	—
Subtotal, Agriculture.....	—	—	-232	-344	-454	-605	-1,635	-5,178
Education:								
Teacher Loan Forgiveness.....	—	178	47	50	54	55	384	696

Table S-9. Mandatory Proposals—Continued
(In millions of dollars)

	2003	2004	2005	2006	2007	2008	Total	
							2004-2008	2004-2013
Energy:								
Power Marketing Associations to Directly Fund Corps of Engineers' Operation and Maintenance Expenses.....	149	145	148	151	154	158	756	1,603
Increase BPA's Borrowing Authority	—	—	85	430	185	—	700	700
Arctic National Wildlife Refuge (ANWR), Lease Bonuses..	—	—	-1,200	—	—	—	-1,200	-1,200
Subtotal, Energy	149	145	-967	581	339	158	256	1,103
Homeland Security:								
Extend Customs User Fees	—	-1,398	-1,490	-1,588	-1,692	-1,804	-7,972	-18,939
Vaccine Biodefense	—	575	840	790	635	578	3,418	5,593
Subtotal, Homeland Security	—	-823	-650	-798	-1,057	-1,226	-4,554	-13,346
Interior:								
ANWR, Lease Bonuses:								
State of Alaska's share:								
Receipts	—	—	-1,201	-1	-101	-1	-1,304	-1,588
Expenditure	—	—	1,201	1	101	1	1,304	1,588
Federal share.....	—	—	-1	-1	-101	-1	-104	-388
Compacts of Free Association - financial assistance	—	19	20	21	22	23	105	235
Permanent Recreation Fee Authority	—	—	-13	12	49	88	136	587
Correct trust accounting deficiencies in individual Indian money investments	7	—	—	—	—	—	—	—
Increase Indian Gaming Commission Fees ¹	—	—	3	4	4	5	16	41
Bureau of Land Management Land Sale Authority:								
Receipts.....	—	-10	-25	-34	-42	-50	-161	-444
Expenditure.....	—	—	—	10	25	34	69	337
Subtotal, Interior.....	7	9	-16	12	-43	99	61	368
Labor:								
Reform Unemployment Insurance Administration	—	—	—	—	718	1,712	2,430	17,336
Reform Federal Employees Compensation Act (FECA)	—	-10	-17	-16	-9	-8	-60	-130
Refinance Black Lung Disability Trust Fund Debt:								
Black Lung Disability Trust Fund.....	—	1,851	-444	-433	-429	-423	122	-1,913
Interest Receipts on Repayable Advances	—	-1,851	444	433	429	423	-122	1,913
Subtotal, Labor.....	—	-10	-17	-16	709	1,704	2,370	17,206
Transportation:								
Federal-aid Highway Program: Increase Emergency Relief.....	—	27	68	84	94	100	373	873

Table S-9. Mandatory Proposals—Continued
(In millions of dollars)

	2003	2004	2005	2006	2007	2008	Total	
							2004-2008	2004-2013
Treasury:								
Pay financial institutions for their services in lieu of providing compensating balances:								
Financial Agent Reimbursement Fund	—	386	396	400	408	416	2,006	4,169
Interest on Treasury Debt Securities	—	-386	-638	-540	-539	-540	-2,643	-5,321
Subtotal, compensating balances	—	—	-242	-140	-131	-124	-637	-1,152
Internal Revenue Service Collection Contractor Support...	—	2	96	146	146	146	536	1,266
Move Asset Forfeiture Fund to the Department of Justice:								
Treasury Asset Forfeiture Fund	—	-221	-221	-221	-221	-221	-1,105	-2,210
Justice Asset Forfeiture Fund	—	221	221	221	221	221	1,105	2,210
Extend the Rum Carryover for Puerto Rico	—	57	78	19	—	—	154	154
Outlay Effects of Refundable Tax Credits: ¹								
Child Credit	—	—	—	—	—	—	—	20,781
Earned Income Tax Credit	—	—	—	—	—	—	—	3,744
Education Credit	—	213	543	714	796	886	3,152	3,626
Health Credit	—	—	3,546	8,166	9,251	9,827	30,790	87,608
Subtotal, refundable tax credits	—	213	4,089	8,880	10,047	10,713	33,942	115,759
Subtotal, Treasury	—	272	4,021	8,905	10,062	10,735	33,995	116,027
Veterans Affairs:								
Reverse Allen Case providing compensation for drug and alcohol abuse related disabilities	—	-127	-302	-392	-460	-502	-1,783	-4,559
Payment of full compensation to New Philippine Scouts and DIC survivors of Filipino veterans if they reside in the United States	—	3	4	4	4	5	19	46
Eliminate the "45 Day Rule" for Death Pension	—	1	1	1	1	1	6	13
Revision to Montgomery G.I. Bill to Provide for On-the-Job Training in Self-Employment	—	*	*	*	*	*	2	4
Retroactivity for Second Headstone or Marker Benefit	—	5	3	3	1	1	13	13
Allow states to receive a burial plot allowance for all veterans buried at no cost in state veterans cemeteries.	—	*	*	*	*	*	2	4
Alternate Beneficiary to Claim National Service Life Insurance and Veterans Special Life Insurance Policy Proceeds	—	—	—	6	5	4	15	17
Amend the law to provide the same extension of time for using education benefits for members of the National Guard	—	*	*	*	1	1	3	5

Table S-9. Mandatory Proposals—Continued
(In millions of dollars)

	2003	2004	2005	2006	2007	2008	Total	
							2004-2008	2004-2013
Move Transitional Housing Program from a mandatory loan to a discretionary grant program	—	-5	-10	-10	-10	-5	-40	-40
Subtotal, Veterans Affairs	—	-122	-303	-387	-457	-495	-1,764	-4,498
Federal Communications Commission (FCC):								
Analog Spectrum Lease Fee	—	—	—	—	-500	-500	-1,000	-2,530
Extend Spectrum Auction Authority and Authorize Other Economic Mechanisms (Fees)	—	—	-10	-25	1,950	1,900	3,815	-4,060
Subtotal, FCC	—	—	-10	-25	1,450	1,400	2,815	-6,590
Federal Deposit Insurance Corporation:								
Merge Bank Insurance Fund and Savings Association Insurance Fund	—	440	824	295	—	21	1,580	1,805
Office of Personnel Management (OPM):								
Postal Service Pension Proposal:								
On-budget	3,490	2,658	2,851	2,873	3,065	3,411	14,858	36,719
Off-budget	-3,490	-2,658	-2,851	-176	—	—	-5,685	-5,685
Simplify computation of annuities under the Civil Service Retirement Service for part-time service	—	3	8	14	20	27	72	313
Subtotal, OPM	—	3	8	2,711	3,085	3,438	9,245	31,347
Social Security Administration (SSA):								
Close Loophole that Allows Some Workers to Avoid Government Pension Offset	—	—	—	-5	-5	-10	-20	-90
Reduce Improper Payments by Requiring Reporting of Non-Social Security Covered Pension Income	—	—	—	-195	-295	-260	-750	-2,180
Compensation for 2000-01 Military Wage Credits:								
On-budget	—	628	—	—	—	—	628	628
Off-budget	—	-628	—	—	—	—	-628	-628
Supplemental Security Income Pre-Effectuation Reviews and Other Technical Adjustments	—	—	-16	-36	-57	-85	-194	-1,062
Subtotal, SSA	—	—	-16	-236	-357	-355	-964	-3,337
Multi-Agency:								
Spectrum Relocation Fund	—	—	200	400	500	600	1,700	2,500

Table S-9. Mandatory Proposals—Continued
(In millions of dollars)

	2003	2004	2005	2006	2007	2008	Total	
							2004-2008	2004-2013
Indirect Impact of Other Proposals (Third Scorecard):								
Medicare Program Management User Fee Effects on Supplemental Medical Insurance Premiums	—	—	35	12	—	—	47	298
Postal Service Pension Proposal Effect on Federal Financing Bank Revolving Fund	2	5	9	11	11	10	46	86
Enact FECA Surcharge	—	—	-4	-5	-5	-3	-17	-24
Total, Mandatory Proposals	2,286	12,764	19,557	50,846	57,870	64,836	205,872	567,666
Total, Excluding Medicare Modernization	2,286	6,764	9,557	17,846	19,870	21,836	75,872	167,666

* \$500,000 or less.

¹ Affects both receipts and outlays. Only the outlay effect is shown here.

Table S-10. Effect of Proposals on Receipts
(In millions of dollars)

	2003	2004	2005	2006	2007	2008	Total	
							2004-2008	2004-2013
Economic Growth Package:								
Accelerate 10-percent individual income tax rate bracket expansion	-978	-7,782	-6,112	-6,117	-6,495	-4,275	-30,781	-47,194
Accelerate reduction in individual income tax rates	-5,808	-35,693	-17,470	-4,939	—	—	-58,102	-58,102
Accelerate marriage penalty relief	-2,776	-27,134	-14,680	-7,642	-3,595	-1,735	-54,786	-55,210
Accelerate increase in child tax credit ¹	-13,527	-5,060	-10,735	-8,534	-8,532	-8,502	-41,363	-53,306
Eliminate the double taxation of corporate earnings.....	-3,801	-24,874	-22,062	-28,218	-31,126	-33,952	-140,232	-360,324
Increase expensing for small business	-1,023	-1,652	-1,776	-1,912	-1,601	-1,431	-8,372	-14,583
Provide minimum tax relief to individuals	-3,141	-8,534	-10,353	-6,931	—	—	-25,818	-25,818
Total economic growth package	-31,054	-110,729	-83,188	-64,293	-51,349	-49,895	-359,454	-614,537
Tax Incentives:								
Provide incentives for charitable giving:								
Provide charitable contribution deduction for nonitemizers	-199	-1,358	-1,067	-1,128	-1,177	-1,214	-5,944	-12,571
Permit tax-free withdrawals from IRAs for charitable contributions	-66	-437	-361	-376	-382	-388	-1,944	-4,076
Expand and increase the enhanced charitable deduction for contributions of food inventory	-19	-54	-59	-66	-72	-79	-330	-872
Reform excise tax based on investment income of private foundations	-16	-264	-172	-178	-186	-198	-998	-2,192
Modify tax on unrelated business taxable income of charitable remainder trusts	-1	-3	-4	-4	-4	-4	-19	-51
Modify basis adjustment to stock of S corporations contributing appreciated property	—	-12	-11	-14	-16	-19	-72	-216
Repeal the \$150 million limitation on qualified 501(c)(3) bonds	-2	-6	-9	-10	-9	-9	-43	-82
Repeal restrictions on the use of qualified 501(c)(3) bonds for residential rental property	—	-2	-6	-11	-17	-24	-60	-276
Strengthen and reform education:								
Provide refundable tax credit for certain costs of attending a different school for pupils assigned to failing public schools ²	—	-13	-29	-38	-42	-46	-168	-192
Extend, increase and expand the above-the-line deduction for qualified out-of-pocket classroom expenses	—	-23	-229	-240	-249	-260	-1,001	-2,352
Invest in health care:								

Table S–10. Effect of Proposals on Receipts—Continued
(In millions of dollars)

	2003	2004	2005	2006	2007	2008	Total	
							2004–2008	2004–2013
Provide refundable tax credit for the purchase of health insurance ³	—	-324	-1,449	-889	-409	-139	-3,210	-1,550
Provide an above-the-line deduction for long-term care insurance premiums	—	-112	-559	-984	-1,923	-3,063	-6,641	-28,255
Allow up to \$500 in unused benefits in a health flexible spending arrangement to be carried forward to the next year	—	-367	-640	-723	-782	-830	-3,342	-8,385
Provide additional choice with regard to unused benefits in a health flexible spending arrangement..	—	-19	-33	-39	-45	-52	-188	-595
Permanently extend and reform Archer MSAs	—	-26	-284	-432	-486	-549	-1,777	-5,134
Provide an additional personal exemption to home caregivers of family members.....	—	-70	-465	-437	-422	-417	-1,811	-3,892
Allow the orphan drug tax credit for certain pre-designation expenses.....	—	—	—	-1	-1	-1	-3	-8
Encourage telecommuting:								
Exclude from income the value of employer-provided computers, software and peripherals.....	—	-35	-51	-53	-54	-56	-249	-554
Increase housing opportunities:								
Provide tax credit for developers of affordable single-family housing	—	-7	-78	-315	-750	-1,316	-2,466	-16,133
Encourage saving:								
Establish Individual Development Accounts (IDAs).....	—	—	-124	-267	-319	-300	-1,010	-1,347
Protect the environment:								
Permanently extend expensing of brownfields remediation costs.....	—	-185	-282	-268	-257	-248	-1,240	-2,356
Exclude 50 percent of gains from the sale of property for conservation purposes	—	-21	-44	-46	-48	-50	-209	-531
Increase energy production and promote energy conservation:								
Extend and modify the tax credit for producing electricity from certain sources	-124	-264	-355	-209	-90	-92	-1,010	-1,492
Provide tax credit for residential solar energy systems	-4	-7	-10	-18	-25	-11	-71	-71
Modify treatment of nuclear decommissioning funds ..	-14	-251	-180	-191	-201	-212	-1,035	-2,260
Provide tax credit for purchase of certain hybrid and fuel cell vehicles.....	-44	-154	-316	-524	-793	-631	-2,418	-3,202
Provide tax credit for energy produced from landfill gas	-5	-28	-65	-88	-99	-112	-392	-707

Table S-10. Effect of Proposals on Receipts—Continued
(In millions of dollars)

	2003	2004	2005	2006	2007	2008	Total	
							2004-2008	2004-2013
Provide tax credit for combined heat and power property	-45	-71	-66	-64	-77	-14	-292	-250
Provide excise tax exemption (credit) for ethanol ⁴	—	—	—	—	—	—	—	—
Promote trade:								
Implement free trade agreements with Chile and Singapore ⁵	—	-25	-51	-68	-80	-92	-316	-913
Improve tax administration:								
Implement IRS administrative reforms	—	78	54	56	57	59	304	624
Permit private collection agencies to engage in specific, limited activities to support IRS collection efforts	—	46	128	111	94	97	476	1,008
Combat abusive tax avoidance transactions	12	45	83	98	99	103	428	1,007
Limit related party interest deductions	10	104	190	239	293	351	1,177	3,987
Reform unemployment insurance:								
Reform unemployment insurance administrative financing ⁵	—	—	-1,068	-1,439	-3,368	-2,016	-7,891	-13,401
Total tax incentives	-517	-3,865	-7,612	-8,616	-11,840	-11,832	-43,765	-107,290
Other Proposals:								
Deposit full amount of excise tax imposed on gasohol in the Highway Trust Fund ⁵	—	—	—	558	576	590	1,724	4,912
Increase Indian gaming activity fees	—	—	3	4	4	5	16	41
Total other proposals	—	—	3	562	580	595	1,740	4,953
Simplify the Tax Laws:								
Establish uniform definition of a qualifying child	-2	-43	-23	-24	-28	-19	-137	-211
Simplify adoption tax provisions	-4	-36	-37	-39	-40	-42	-194	-429
Expand tax-free savings opportunities	1,390	10,572	4,803	1,915	-648	-1,822	14,820	2,002
Consolidate employer-based savings accounts	-5	-185	-253	-263	-276	-292	-1,269	-3,011
Total simplify the tax laws	1,379	10,308	4,490	1,589	-992	-2,175	13,220	-1,649
Expiring Provisions:								
Temporarily extend expiring provisions:								
Combined work opportunity/welfare-to-work tax credit	—	-54	-201	-268	-181	-96	-800	-873
Minimum tax relief for individuals	—	-260	-7,286	-10,343	—	—	-17,889	-17,889

Table S-10. Effect of Proposals on Receipts—Continued
(In millions of dollars)

	2003	2004	2005	2006	2007	2008	Total	
							2004-2008	2004-2013
DC tax incentives	—	-53	-116	-58	-1	-4	-232	-357
Authority to issue Qualified Zone Academy Bonds	—	-6	-18	-34	-52	-64	-174	-514
Deduction for corporate donations of computer technology	—	-74	-127	-52	—	—	-253	-253
Net operating loss offset of 100 percent of AMTI	-639	-3,028	-2,274	-1,442	420	367	-5,957	-4,890
IRS user fees	—	68	81	6	—	—	155	155
Abandoned mine reclamation fees	—	—	308	313	319	325	1,265	2,978
Permanently extend expiring provisions:								
Provisions expiring in 2010:								
Marginal individual income tax rate reductions	—	—	—	—	—	—	—	-286,952
Child tax credit ⁶	—	—	—	—	—	—	—	-46,893
Marriage penalty relief ⁷	—	—	—	—	—	—	—	-20,654
Education incentives	-2	-11	-19	-27	-33	-42	-132	-4,685
Repeal of estate and generation-skipping transfer taxes, and modification of gift taxes	46	-292	-810	-1,319	-1,540	-1,736	-5,697	-125,991
Modifications of IRAs and pension plans	—	—	—	—	—	—	—	-11,236
Other incentives for families and children	—	—	—	—	—	—	—	-2,029
Other provisions:								
Research & Experimentation (R&E) tax credit	—	-1,005	-3,278	-5,187	-6,291	-7,129	-22,890	-67,922
Suspension of disallowance of certain deductions of mutual life insurance companies	—	-123	-137	-65	-36	-24	-385	-472
Total expiring provisions	-595	-4,838	-13,877	-18,476	-7,395	-8,403	-52,989	-588,477
Total budget proposals	-30,787	-109,124	-100,184	-89,234	-70,996	-71,710	-441,248	-1,307,000

¹ Affects both receipts and outlays. Only the receipt effect is shown here. The outlay effect is \$300 million for 2003, \$1,074 million for 2004, \$4,783 million for 2005, \$4,272 million for 2006, \$4,195 million for 2007, \$4,142 million for 2008, \$18,466 million for 2004-2008, and \$25,239 million for 2004-2013.

² Affects both receipts and outlays. Only the receipt effect is shown here. The outlay effect is \$213 million for 2004, \$543 million for 2005, \$714 million for 2006, \$796 million for 2007, \$886 million for 2008, \$3,152 million for 2004-2008, and \$3,626 million for 2004-2013.

³ Affects both receipts and outlays. Only the receipt effect is shown here. The outlay effect is \$3,546 million for 2005, \$8,166 million for 2006, \$9,251 million for 2007, \$9,827 million for 2008, \$30,790 million for 2004-2008, and \$87,608 million for 2004-2013.

⁴ Policy proposal with a receipt effect of zero.

⁵ Net of income offsets.

⁶ Affects both receipts and outlays. Only the receipt effect is shown here. The outlay effect is \$20,781 million for 2004-2013.

⁷ Affects both receipts and outlays. Only the receipt effect is shown here. The outlay effect is \$3,744 million for 2004-2013.

Table S-11. Receipts by Source - Summary
(In billions of dollars)

Source	2002 Actual	Estimates					
		2003	2004	2005	2006	2007	2008
Individual income taxes	858.3	849.1	849.9	934.6	1,014.1	1,103.4	1,175.3
Corporation income taxes.....	148.0	143.2	169.1	229.3	233.8	237.8	243.7
Social insurance and retirement receipts	700.8	726.6	764.5	810.9	845.8	883.6	922.2
(On-budget).....	(185.4)	(195.0)	(208.4)	(221.4)	(231.0)	(239.1)	(249.0)
(Off-budget).....	(515.3)	(531.6)	(556.2)	(589.5)	(614.8)	(644.4)	(673.2)
Excise taxes	67.0	68.4	70.9	73.3	75.6	77.8	80.0
Estate and gift taxes	26.5	20.2	23.4	21.1	23.2	20.8	21.2
Customs duties.....	18.6	19.1	20.7	21.2	23.9	26.0	27.6
Miscellaneous receipts	33.9	34.7	38.5	44.8	46.9	48.8	51.0
Adjustment for revenue uncertainty ¹ .	—	-25.0	-15.0	—	—	—	—
Total, governmental receipts.....	1,853.2	1,836.2	1,922.0	2,135.2	2,263.2	2,398.1	2,520.9
(On-budget).....	(1,337.9)	(1,304.7)	(1,365.9)	(1,545.7)	(1,648.4)	(1,753.6)	(1,847.7)
(Off-budget).....	(515.3)	(531.6)	(556.2)	(589.5)	(614.8)	(644.4)	(673.2)

¹ These amounts reflect an additional adjustment to receipts beyond what the economic and tax models forecast and have been made in the interest of cautious and prudent forecasting.

Table S-12. Comparison of Economic Assumptions
(Calendar years)

	Projections						Average 2003-2008
	2003	2004	2005	2006	2007	2008	
Real GDP (billions of 1996 dollars):							
CBO January	9,673	10,018	10,358	10,697	11,037	11,380	
Blue Chip Consensus January ²	9,704	10,050	10,383	10,709	11,041	11,384	
2004 Budget.....	9,710	10,061	10,414	10,760	11,102	11,446	
Real GDP (chain-weighted): ¹							
CBO January	2.5	3.6	3.4	3.3	3.2	3.1	3.2
Blue Chip Consensus January ²	2.8	3.6	3.3	3.1	3.1	3.1	3.2
2004 Budget.....	2.9	3.6	3.5	3.3	3.2	3.1	3.3
Chain-weighted GDP Price Index: ¹							
CBO January	1.6	1.7	2.0	2.1	2.1	2.2	2.0
Blue Chip Consensus January ²	1.6	1.9	2.1	2.1	2.1	2.1	2.0
2004 Budget.....	1.3	1.5	1.5	1.7	1.7	1.8	1.6
Consumer Price Index (all-urban): ¹							
CBO January	2.3	2.2	2.4	2.5	2.5	2.5	2.4
Blue Chip Consensus January ²	2.2	2.2	2.5	2.6	2.5	2.5	2.4
2004 Budget.....	2.2	2.1	2.1	2.2	2.2	2.3	2.2
Unemployment rate: ³							
CBO January	5.9	5.7	5.4	5.3	5.2	5.2	5.5
Blue Chip Consensus January ²	5.9	5.5	5.1	5.1	5.1	5.1	5.3
2004 Budget.....	5.7	5.5	5.2	5.1	5.1	5.1	5.3
Interest rates: ³							
91-day Treasury bills:							
CBO January.....	1.4	3.5	4.8	4.9	4.9	4.9	4.1
Blue Chip Consensus January ²	1.6	2.9	4.2	4.4	4.6	4.4	3.7
2004 Budget.....	1.6	3.3	4.0	4.2	4.2	4.3	3.6
10-year Treasury notes:							
CBO January.....	4.4	5.2	5.7	5.8	5.8	5.8	5.4
Blue Chip Consensus January ²	4.4	5.2	5.6	5.8	5.7	5.7	5.4
2004 Budget.....	4.2	5.0	5.3	5.4	5.5	5.6	5.2

¹ Year over year percent change.

² January 2003 Blue Chip Consensus forecast for 2003 and 2004; Blue Chip October 2002 long run extension for 2005 - 2008.

³ Annual averages, percent.

Table S-13. Baseline Summary by Category
(In billions of dollars)

	2002	2003	2004	2005	2006	2007	2008	Total 2004-2008
Outlays:								
Discretionary:								
Defense (050).....	349	375	383	393	400	411	421	2,008
Nondefense	385	410	412	420	424	432	441	2,130
Total, Discretionary	734	785	795	813	825	843	862	4,138
Mandatory:								
Social Security	452	474	493	512	533	559	587	2,684
Medicare.....	228	241	249	262	268	285	302	1,367
Medicaid and SCHIP	151	167	182	198	215	233	252	1,079
Other	274	303	297	298	302	309	323	1,529
Total, Mandatory	1,106	1,185	1,221	1,269	1,318	1,387	1,465	6,660
Net interest.....	171	161	173	193	205	211	214	996
Total Outlays.....	2,011	2,131	2,189	2,276	2,384	2,440	2,541	11,794
Receipts.....	1,853	1,867	2,031	2,235	2,352	2,469	2,593	11,681
Surplus/deficit	-158	-264	-158	-40	5	29	51	-114
On-budget deficit.....	-317	-425	-330	-237	-207	-199	-192	-1,170
Off-budget surplus	160	160	172	197	211	228	243	1,056

Table S-14. Federal Government Financing and Debt
(In billions of dollars)

Function	2002 Actual	Estimates					
		2003	2004	2005	2006	2007	2008
Financing:							
Unified budget deficit (-).....	-158	-304	-307	-208	-201	-178	-190
Financing other than the change in debt held by the public:							
Premiums paid (-) on buybacks of Treasury securities.....	-4	—	—	—	—	—	—
Net purchases (-) of non-Federal securities by the National Railroad Retirement Investment Trust	-2	-17	-*	1	1	1	1
Changes in: ¹							
Treasury operating cash balance.....	-17	11	—	—	—	—	—
Compensating balances ²	-14	-10	37	—	—	—	—
Checks outstanding, etc. ³	-12	-4	—	—	—	—	—
Seigniorage on coins.....	1	1	1	1	1	1	1
Less: Net financing disbursements:							
Direct loan financing accounts.....	-15	-16	-19	-15	-20	-20	-21
Guaranteed loan financing accounts	-2	1	1	*	2	2	2
Total, financing other than the change in debt held by the public	-63	-34	20	-12	-16	-16	-17
Total, requirement to borrow from the public.....	-221	-338	-288	-220	-216	-194	-206
Change in debt held by the public.....	221	338	288	220	216	194	206
Change in Debt Subject to Statutory Limitation:							
Change in debt held by the public.....	221	338	288	220	216	194	206
Change in debt held by Government accounts.....	208	216	281	296	300	310	324
Change in other factors.....	*	16	*	*	*	*	1
Total, change in debt subject to statutory limitation.....	429	569	569	517	516	505	531
Debt Subject to Statutory Limitation, End of Year:							
Debt issued by Treasury	6,171	6,725	7,294	7,811	8,327	8,832	9,363
Adjustment for Treasury debt not subject to limitation and agency debt subject to limitation ⁴	-15	-*	-*	-*	-*	-*	-*
Adjustment for discount and premium ⁵	6	6	6	6	6	6	6
Total, debt subject to statutory limitation ⁶	6,161	6,731	7,300	7,817	8,333	8,837	9,368

Table S-14. Federal Government Financing and Debt—Continued
(In billions of dollars)

Function	2002 Actual	Estimates					
		2003	2004	2005	2006	2007	2008
Debt Outstanding, End of Year:							
Gross Federal debt ⁷ :							
Debt issued by Treasury.....	6,171	6,725	7,294	7,811	8,327	8,832	9,363
Debt issued by other agencies.....	27	27	27	26	26	26	25
Total, gross Federal debt.....	6,198	6,752	7,321	7,837	8,353	8,858	9,388
Held by:							
Debt held by Government accounts.....	2,658	2,874	3,155	3,451	3,751	4,061	4,385
Debt held by the public ⁸	3,540	3,878	4,166	4,387	4,603	4,797	5,003

* \$500 million or less.

¹ A decrease in the Treasury operating cash balance or compensating balances (which are assets) would be a means of financing a deficit and therefore has a positive sign. An increase in checks outstanding (which is a liability) would also be a means of financing a deficit and therefore also has a positive sign.

² Compensating balances are non-interest bearing Treasury bank deposits that Treasury mainly uses to compensate banks for collecting taxes and non-tax receipts under financial agency agreements. The Administration is proposing legislation to replace them with an appropriation in 2004.

³ Besides checks outstanding, includes accrued interest payable on Treasury debt, miscellaneous liability accounts, allocations of special drawing rights; and, as an offset, cash and monetary assets (other than the Treasury operating cash balance and compensating balances), miscellaneous assets accounts, and profit on sale of gold.

⁴ Consists primarily of Federal Financing Bank debt in 2002.

⁵ Consists of unamortized discount (less premium) on public issues of Treasury notes and bonds (other than zero-coupon bonds) and unrealized discount on Government account series securities.

⁶ The statutory debt limit is \$6,400 billion.

⁷ Treasury securities held by the public and zero-coupon bonds held by Government accounts are almost all measured at sales price plus amortized discount or less amortized premium. Agency debt securities are almost all measured at face value. Treasury securities in the Government account series are measured at face value less unrealized discount (if any).

⁸ At the end of 2002, the Federal Reserve Banks held \$604.2 billion of federal securities and the rest of the public held \$2,936.2 billion. Debt held by the Federal Reserve Banks is not estimated for future years.