

# **SUMMARY TABLES**



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

	2003	2004	2005	2006	2007	2008	2009
In billions of dollars:							
Receipts .....	1,782	1,798	2,036	2,206	2,351	2,485	2,616
Outlays .....	2,158	2,319	2,400	2,473	2,592	2,724	2,853
Deficit <sup>1</sup> .....	-375	-521	-364	-268	-241	-239	-237
Gross Domestic Product (GDP) .....	10,828	11,466	12,042	12,641	13,279	13,973	14,702
As a percent of GDP:							
Receipts .....	16.5%	15.7%	16.9%	17.4%	17.7%	17.8%	17.8%
Outlays .....	19.9%	20.2%	19.9%	19.6%	19.5%	19.5%	19.4%
Deficit.....	-3.5%	-4.5%	-3.0%	-2.1%	-1.8%	-1.7%	-1.6%

<sup>1</sup> The Budget incorporates the HHS actuaries' estimates for the Medicare Prescription Drug, Improvement, and Modernization Act of 2003. Because CBO's 10-year cost estimates of this bill were significantly below the HHS actuaries' estimates and because of the uncertainties involved in these estimates, Table S-13 also includes deficit calculations that reflect the lower CBO estimates.

**Table S–2. Discretionary Totals**  
(Budget authority; dollar amounts in billions)

	Actual			2004 Enacted	2005 Proposed	2004–2005 Dollar Change
	2001	2002	2003			
<b>Discretionary budget authority:</b>						
Homeland Security (non-Defense).....	10	13	24	28	30	3
Department of Defense .....	303	328	365	375	402	26
Other Operations of Government .....	331	351	370	384	386	2
<b>Total, Discretionary budget authority .....</b>	<b>644</b>	<b>691</b>	<b>758</b>	<b>787</b>	<b>818</b>	<b>31</b>
Percent change by category:						
Homeland Security (non-Defense).....	13.9%	21.5%	84.9%	18.2%	9.7%	
Department of Defense .....	5.3%	8.3%	11.5%	2.7%	7.1%	
Other Operations of Government .....	14.9%	6.0%	5.4%	4.0%	0.5%	
Total, Percent change .....	10.2%	7.3%	9.8%	3.8%	3.9%	
<b>Supplementals:</b>						
Homeland Security.....	3	12	6	*		
Defense and Other War on Terror .....	14	18	80	87		
Non-Defense, non-Homeland .....	3	14	5	*		
<b>Total, Supplemental funding .....</b>	<b>20</b>	<b>44</b>	<b>91</b>	<b>87</b>		
<b>Total, Discretionary budget authority with supplementals .....</b>	<b>664</b>	<b>735</b>	<b>849</b>	<b>874</b>	<b>818</b>	<b>–56</b>
Percent change by category with supplementals:						
Homeland Security (non-Defense).....	41.6%	86.3%	21.8%	–5.5%	9.3%	
Department of Defense .....	10.3%	9.1%	28.9%	3.7%	–13.1%	
Other Operations of Government .....	16.0%	9.2%	2.6%	2.7%	0.4%	
Total, Percent change .....	13.6%	10.7%	15.6%	2.9%	–6.4%	

\*Less than \$0.5 billion.

**Table S-3. Agency Growth in Discretionary Spending**  
(Budget authority; dollar amounts in billions)

Agency						Growth				
	Actual			Estimate		2004-2005		Average	Cumulative	
	2001	2002	2003	2004	2005	Change	Percent	2001-2005	2001-2005	
Agriculture.....	19.2	20.1	21.7	20.7	19.1	-1.7	-8.1%	-0.2%	-0.9%	
Commerce.....	5.1	5.4	5.6	5.8	5.7	-0.1	-1.0%	2.9%	12.1%	
Defense.....	302.5	327.8	365.3	375.3	401.7	26.5	7.1%	7.3%	32.8%	
Education.....	40.1	48.5	53.1	55.7	57.3	1.7	3.0%	9.3%	43.0%	
Energy.....	20.0	20.9	21.9	23.3	23.6	0.3	1.2%	4.2%	17.7%	
Health and Human Services.....	54.0	59.5	65.7	69.3	68.2	-1.1	-1.6%	6.0%	26.2%	
Homeland Security.....	14.0	15.7	22.0	27.1	28.3	1.3	4.6%	19.3%	102.3%	
Housing and Urban Development.....	28.4	29.4	30.1	30.4	31.3	0.8	2.8%	2.5%	10.3%	
Interior.....	10.3	10.5	10.5	10.6	10.8	0.2	1.9%	1.4%	5.7%	
Justice.....	18.4	18.6	19.0	19.3	18.7	-0.6	-3.1%	0.5%	2.1%	
Labor.....	11.9	12.1	11.8	11.7	11.9	0.1	1.3%	-0.1%	-0.4%	
State.....	7.7	9.0	9.2	9.3	10.3	1.0	10.7%	7.3%	32.8%	
Transportation.....	14.6	12.8	13.5	13.9	13.3	-0.5	-3.9%	-2.1%	-8.3%	
Treasury.....	10.3	10.5	10.7	11.2	10.8	-0.4	-3.6%	1.1%	4.3%	
Veterans Affairs.....	22.4	23.8	26.4	29.1	29.7	0.5	1.8%	7.3%	32.5%	
Corps of Engineers.....	4.7	4.5	4.6	4.6	4.0	-0.6	-13.1%	-4.1%	-15.4%	
Environmental Protection Agency.....	7.8	7.9	8.1	8.4	7.8	-0.6	-7.2%	-0.2%	-1.0%	
Executive Office of the President.....	0.3	0.3	0.3	0.3	0.3	0.0	0.5%	6.8%	30.2%	
General Services Administration.....	0.2	0.2	1.3	0.5	0.2	-0.2	-49.2%	5.3%	22.8%	
International Assistance Programs.....	12.6	12.7	13.6	15.7	19.3	3.7	23.5%	11.3%	53.6%	
Judicial Branch.....	4.0	4.3	4.6	4.8	5.4	0.6	11.5%	7.8%	35.2%	
Legislative Branch.....	2.8	3.0	3.4	3.6	4.0	0.4	12.3%	9.8%	45.4%	
NASA.....	14.3	14.8	15.3	15.4	16.2	0.9	5.6%	3.3%	14.0%	
National Science Foundation.....	4.4	4.8	5.3	5.6	5.7	0.2	3.0%	6.7%	29.7%	
Small Business Administration.....	0.9	0.8	0.8	0.8	0.7	-0.1	-10.4%	-6.8%	-24.7%	
Social Security Administration.....	6.0	6.4	6.7	7.2	7.6	0.4	5.9%	5.9%	25.8%	
Other Agencies.....	7.0	6.8	7.9	8.0	6.5	-1.5	-19.1%	-2.0%	-7.6%	
<b>Total, Discretionary Spending.....</b>	<b>643.8</b>	<b>691.0</b>	<b>758.5</b>	<b>787.3</b>	<b>818.4</b>	<b>31.1</b>	<b>3.9%</b>	<b>6.2%</b>	<b>27.1%</b>	
Emergency Response Funds and Supplementals.....	20.0	43.8	90.9	87.3						

Table S-4. Percentage Year-to-Year Growth in Discretionary Budget Authority

Agency	2000 to 2001	2001 to 2002	2002 to 2003	2003 to 2004	2004 to 2005	Average Growth 2001–2005
Agriculture .....	13%	4%	8%	-4%	-8%	*
Commerce.....	-41%	6%	3%	4%	-1%	3%
Defense.....	5%	8%	11%	3%	7%	7%
Education.....	37%	21%	10%	5%	3%	9%
Energy .....	13%	4%	5%	6%	1%	4%
Health and Human Services .....	19%	10%	10%	5%	-2%	6%
Homeland Security.....	-4%	12%	39%	23%	5%	19%
Housing and Urban Development .....	34%	4%	2%	1%	3%	2%
Interior.....	21%	2%	*	1%	2%	1%
Justice.....	14%	1%	2%	2%	-3%	1%
Labor .....	36%	2%	-2%	-1%	1%	*
State .....	-1%	16%	3%	*	11%	7%
Transportation.....	40%	-12%	5%	3%	-4%	-2%
Treasury .....	12%	2%	2%	5%	-4%	1%
Veterans Affairs .....	7%	6%	11%	10%	2%	7%
Corps of Engineers.....	14%	-4%	3%	-1%	-13%	-4%
Environmental Protection Agency .....	3%	1%	2%	3%	-7%	*
Executive Office of the President.....	-4%	5%	14%	8%	*	7%
International Assistance Programs .....	-8%	1%	7%	15%	23%	11%
Judicial Branch .....	8%	9%	6%	5%	12%	8%
Legislative Branch.....	9%	10%	13%	5%	12%	10%
NASA .....	5%	4%	4%	*	6%	3%
National Science Foundation .....	13%	8%	11%	5%	3%	7%
Small Business Administration .....	1%	-15%	*	-1%	-10%	-7%
Social Security Administration.....	7%	6%	5%	7%	6%	6%
Other Agencies.....	23%	-3%	33%	-9%	-21%	-2%
Percent Growth by Category:						
Defense (DOD).....	5%	8%	11%	3%	7%	7%
Homeland Security.....	14%	21%	85%	18%	10%	31%
Non-Defense, non-Homeland .....	15%	6%	5%	4%	1%	4%
Total, excluding emergency supplementals.....	10.2%	7.3%	9.8%	3.8%	3.9%	6%
Total, including emergency supplementals.....	13.6%	10.7%	15.6%	3.0%	-6.4%	5%

\*0.5 percent or less

**Table S-5. Discretionary Proposals by Appropriations Subcommittee**  
(Budget authority in billions of dollars)

Appropriations Subcommittee	2004 Enacted	2005 Proposed	Change: 2004-2005
Agriculture and Rural Development .....	17.7	16.4	-1.2
Commerce, Justice, State, and the Judiciary .....	38.7	39.4	0.7
Defense .....	366.1	392.5	26.4
District of Columbia .....	0.5	0.6	*
Energy and Water Development.....	27.3	27.0	-0.3
Foreign Operations.....	17.5	21.3	3.8
Homeland Security .....	27.1	28.3	1.3
Interior and Related Agencies.....	20.0	20.0	-0.1
Labor, Health and Human Services, and Education .....	140.9	141.8	0.9
Legislative Branch.....	3.5	4.0	0.4
Military Construction .....	9.3	9.5	0.2
Transportation, Treasury, and General Government.....	28.7	26.0	-2.7
Veterans Affairs, Housing and Urban Development.....	90.1	92.0	1.9
Allowances .....	—	-0.4	-0.4
<b>Total, excluding supplemental funding .....</b>	<b>787.3</b>	<b>818.4</b>	<b>31.1</b>
Supplemental funding.....	87.3	—	

\*0.5 percent or less

**Table S-6. Homeland Security Funding by Agency**  
(Budget authority in millions of dollars)

	2003		2004		2005
	Actual	Supplemental	Estimate	Supplemental	Proposed
<b>Homeland Security Funding:</b>					
Department of Agriculture .....	300	110	327	—	651
Department of Commerce.....	112	—	131	—	150
Department of Defense-Military <sup>1</sup> .....	8,442	—	7,024	—	8,023
Department of Energy .....	1,247	162	1,363	—	1,497
Department of Health and Human Services.....	4,002	142	4,109	—	4,276
Department of Homeland Security.....	18,652	4,411	23,492	91	27,214
Department of Justice.....	1,893	457	2,166	16	2,581
Department of State .....	633	1	701	—	955
Department of the Treasury.....	80	—	90	—	87
Department of Transportation .....	383	—	284	—	243
Department of Veterans Affairs .....	154	—	271	—	297
Corps of Engineers.....	36	39	103	—	84
Environmental Protection Agency .....	133	—	123	—	97
Social Security Administration.....	132	—	143	—	155
National Aeronautics and Space Administration.....	205	—	191	—	207
National Science Foundation .....	285	—	328	—	344
Other Agencies.....	429	7	461	—	525
<b>Total, Homeland Security Funding .....</b>	<b>37,118</b>	<b>5,329</b>	<b>41,307</b>	<b>107</b>	<b>47,386</b>
Less Department of Defense-Military <sup>1</sup> .....	-8,442	—	-7,024	—	-8,023
Less Department of Homeland Security Project BioShield <sup>2</sup> .....	—	—	-885	—	-2,528
<b>Total, Homeland Security Funding, excluding Defense and BioShield .....</b>	<b>28,676</b>	<b>5,329</b>	<b>33,398</b>	<b>107</b>	<b>36,835</b>
Less Mandatory Homeland Security Funding <sup>3</sup> .....	-1,760	—	-1,948	—	-2,261
Less Discretionary Fee-Funded Activities <sup>4</sup> .....	-3,414	705	-3,655	—	-4,081
<b>Net Non-Defense Discretionary Homeland Security Budget Authority .....</b>	<b>23,502</b>	<b>6,034</b>	<b>27,795</b>	<b>107</b>	<b>30,493</b>

<sup>1</sup> Defense homeland security funding declines in 2004 due to one-time force protection investments in 2003.

<sup>2</sup> The Administration is proposing a separate BEA category for the DHS Bioshield program (see Chapter 14 in the *Analytical Perspectives* volume).

<sup>3</sup> Mandatory homeland security programs include Agriculture Quarantine and Inspections, Border Protection, and Immigration Enforcement.

<sup>4</sup> Discretionary fee-funded homeland security programs include Visa Processing, Airport Security, and Social Security physical and computer security measures.

**Table S-7. Adjustments of 2004 Discretionary Levels**  
(Budget authority in billions of dollars)

CBO Estimate of 2004 Likely Enacted.....	786.0
Estimating differences:	
Receipt estimates in housing and homeland security programs.....	-0.9
Differences due to scoring interpretations.....	-0.3
Other technical scoring differences.....	0.1
OMB Estimate of 2004 Enacted.....	784.9
Post-enactment adjustments:	
Reclassifications and technical reestimates:	
Medicare administrative costs for P.L. 108-173, shift mandatory to discretionary.....	1.5
Remove Project BioShield from discretionary category.....	-0.9
Rebase appropriations changes to Justice and USDA mandatory programs.....	1.5
Technical revisions.....	0.3
Revised OMB Estimate of 2004 Enacted Current Year Levels.....	787.3

**Table S–8. Mandatory Proposals**  
(In millions of dollars)

	2004	2005	2006	2007	2008	2009	Total	
							2005–2009	2005–2014
<b>Agriculture:</b>								
Forest Service Recreation Fee Proposal .....	—	—	–17	–12	–7	–2	–38	—
Extend expiring National School Lunch Act provisions .....	11	18	—	—	—	—	18	18
Subtotal, Agriculture .....	11	18	–17	–12	–7	–2	–20	18
<b>Education:</b>								
Reform the Federal Student Loan Programs to Help Students Afford College:								
Expand Teacher Loan Forgiveness .....	—	227	50	52	54	57	440	763
Retain Variable Interest Rates .....	—	—	103	200	198	175	676	1,783
Increase Loan Limits for First-Year Students from \$2,625 to \$3,000 .....	—	20	58	75	78	82	313	775
Standardize FFEL and DL Extended Repayment Plans .....	—	184	112	–33	41	86	390	1,022
Additional Benefits to Students .....	—	251	286	373	293	287	1,490	3,062
Subtotal .....	—	682	609	667	664	687	3,309	7,405
Standardize Guaranty Agency Insurance Premium .....	—	–497	–352	–337	–339	–341	–1,866	–3,952
Eliminate Rollover of Tax-Exempt Special Allowance .....	—	–490	–448	–418	–430	–456	–2,242	–4,949
Other Student Loan Reforms .....	—	116	–65	–92	–95	–90	–226	–807
Subtotal, Education .....	—	–189	–256	–180	–200	–200	–1,025	–2,303
<b>Energy:</b>								
Reclassification of Nuclear Waste Disposal Fees as discretionary .....	—	749	754	757	767	767	3,794	7,655
Arctic National Wildlife Refuge (ANWR), lease bonuses .....	—	—	–1,200	—	—	—	–1,200	–1,200
Subtotal, Energy .....	—	749	–446	757	767	767	2,594	6,455
<b>Health and Human Services (HHS):</b>								
Medicaid/State Children's Health Insurance Program:								
Medicaid proposals .....	175	889	846	959	1,098	1,252	5,044	7,863
Program Integrity .....	—	–1,542	–1,737	–1,924	–2,120	–2,327	–9,650	–23,553
Temporary Assistance for Needy Families Reauthorization .....	96	279	328	337	350	361	1,657	3,390

**Table S–8. Mandatory Proposals—Continued**  
(In millions of dollars)

	2004	2005	2006	2007	2008	2009	Total	
							2005–2009	2005–2014
<b>Healthy Marriages:</b>								
Healthy Marriage and Family Formation Initiative ...	–118	–59	13	38	40	40	72	272
State-based Abstinence Grants .....	9	30	45	49	50	50	224	474
Child Support Enforcement: Increase Collections and Improve Program Effectiveness .....	—	–63	10	70	49	39	105	248
Subtotal, Healthy marriages.....	–109	–92	68	157	139	129	401	994
Foster Care: Clarify Statutory Eligibility Definition .....	—	–67	–69	–72	–75	–78	–361	–807
Child Welfare Program Option .....	—	7	90	120	–26	–195	–4	—
<b>Compensation for 2000–01 Military Wage Credits (non-paygo):</b>								
Payment to Medicare trust funds .....	—	181	—	—	—	—	181	181
Medicare trust fund receipts .....	—	–181	—	—	—	—	–181	–181
Subtotal, HHS.....	163	–526	–474	–422	–633	–857	–2,912	–12,113
<b>Homeland Security:</b>								
Extend Bureau of Customs and Border Protection's Fees.....	—	–820	–1,391	–1,448	–1,507	–1,570	–6,736	–15,691
<b>Interior:</b>								
<b>ANWR, lease bonuses:</b>								
<b>State of Alaska's share:</b>								
Receipts.....	—	—	–1,201	–1	–101	–1	–1,304	–1,359
Expenditures.....	—	—	1,201	1	101	1	1,304	1,359
Federal share .....	—	—	–1	–1	–101	–1	–104	–159
Permanent Recreation Fee Authority .....	—	—	–19	–3	32	70	80	465
Correct trust accounting deficiencies in individual Indian money investments.....	6	—	—	—	—	—	—	—
Increase Indian Gaming Commission Fees <sup>1</sup> .....	—	—	3	4	5	5	17	42
<b>Bureau of Land Management Land Sale Authority:</b>								
Receipts .....	—	–24	–33	–38	–48	–48	–191	–471
Expenditures .....	—	6	17	25	32	38	118	379
Subtotal, Interior.....	6	–18	–33	–13	–80	64	–80	256

**Table S-8. Mandatory Proposals—Continued**  
(In millions of dollars)

	2004	2005	2006	2007	2008	2009	Total	
							2005–2009	2005–2014
<b>Labor:</b>								
Unemployment Insurance fiscal integrity.....	—	-11	-23	-35	-37	-39	-145	-371
Federal Employees' Compensation Act.....	—	-7	-15	-15	-22	-28	-87	-290
Pension Benefit Guaranty Corporation .....	—	—	-39	-160	-154	-163	-516	-310
Black Lung Disability Trust Fund debt refinancing (non-paygo):								
Black Lung Disability Trust Fund.....	—	2,764	-517	-512	-506	-507	722	-2,121
Interest receipts on repayable advances .....	—	-2,764	517	512	506	507	-722	2,121
Subtotal, Labor.....	—	-18	-77	-210	-213	-230	-748	-971
<b>Treasury:</b>								
Outlay effects of refundable tax credits: <sup>1</sup>								
Health care tax credit.....	—	82	3,760	5,041	6,388	7,133	22,404	65,355
Child tax credit.....	—	—	-145	-147	-149	-150	-591	-1,368
Earned income tax credit.....	—	-440	131	130	119	134	74	643
Contingent offset for refundable portion of the health care tax credit .....	—	-82	-3,760	-5,041	-6,388	-7,133	-22,404	-65,355
Move Asset Forfeiture Fund to the Department of Justice:								
Treasury Asset Forfeiture Fund.....	—	-251	-251	-251	-251	-251	-1,255	-2,510
Justice Asset Forfeiture Fund .....	—	251	251	251	251	251	1,255	2,510
Extend the Rum Carryover for Puerto Rico.....	58	79	21	—	—	—	100	100
Subtotal, Treasury.....	58	-361	7	-17	-30	-16	-417	-625
<b>Veterans Affairs:</b>								
Reverse Allen Case providing compensation for drug and alcohol abuse-related disabilities.....	-51	-162	-235	-259	-304	-321	-1,281	-3,130
Limit home loan guarantees to one-time use .....	—	—	—	—	—	—	—	91
Eliminate the "45 Day Rule" for Death Pension .....	—	1	1	1	1	1	6	13
Accelerated education benefit payment.....	—	*	*	*	*	*	*	*
Subtotal, Veterans Affairs.....	-51	-161	-234	-258	-303	-320	-1,275	-3,026
<b>Army Corps of Engineers:</b>								
Additional user fees.....	—	-7	-7	-7	-7	-7	-35	-70
Program expenditure of fees.....	—	—	6	7	7	7	27	62
Subtotal, Army Corps of Engineers.....	—	-7	-1	—	—	—	-8	-8

**Table S-8. Mandatory Proposals—Continued**  
(In millions of dollars)

	2004	2005	2006	2007	2008	2009	Total	
							2005–2009	2005–2014
<b>Federal Communications Commission (FCC):</b>								
Analog Spectrum Lease Fee .....	—	—	—	–500	–500	–480	–1,480	–2,580
Extend Spectrum Auction Authority and Authorize Fees.....	—	—	–50	1,850	1,700	–3,100	400	–5,525
Spectrum Relocation Fund.....	—	—	200	400	500	600	1,700	2,500
Subtotal, FCC .....	—	—	150	1,750	1,700	–2,980	620	–5,605
<b>Federal Deposit Insurance Corporation:</b>								
Merge Bank Insurance Fund and Savings Association Insurance Fund .....	—	—	568	742	–60	–63	1,187	861
<b>Social Security Administration (SSA):</b>								
Cross-program recovery of SSA overpayments:								
On-Budget .....	—	–49	–69	–48	–11	–8	–185	–211
Off-Budget (non-paygo).....	—	–2	–3	–3	–3	–3	–14	–27
Close Loophole that Allows Some Workers to Avoid Government Pension Offset (non-paygo).....	—	–1	–3	–5	–7	–9	–25	–109
Reduce Improper Payments by Requiring Reporting of Non-Social Security Covered Pension Income (non-paygo) .....	—	—	—	–215	–323	–282	–820	–2,313
Compensation for 2000–01 Military Wage Credits (non-paygo):								
On-Budget .....	—	759	—	—	—	—	759	759
Off-Budget .....	—	–759	—	—	—	—	–759	–759
Supplemental Security Income Pre-Effectuation Reviews and Other Technical Adjustments.....								
Extend SSI Eligibility to Refugees and Asylees to eight Years after Entry .....	—	64	68	74	—	—	206	206
Mandate Expedited, Electronic Reporting of Death Information by States:								
On-Budget .....	*	*	*	*	*	*	*	*
Off-Budget (non-paygo).....	*	*	*	*	*	*	*	*
Subtotal, SSA .....	*	9	–33	–255	–443	–444	–1,166	–4,257

**Table S-8. Mandatory Proposals—Continued**  
(In millions of dollars)

	2004	2005	2006	2007	2008	2009	Total	
							2005–2009	2005–2014
<b>Indirect Impact of Other Proposals (Third Scorecard):</b>								
Power Marketing Administrations to directly fund Corps of Engineers and Bureau of Reclamation's hydro operations and maintenance expenses and other proposals.....	—	168	163	150	147	160	788	1,585
<b>Total, Mandatory Proposals</b> .....	<b>187</b>	<b>-1,156</b>	<b>-2,074</b>	<b>584</b>	<b>-862</b>	<b>-5,691</b>	<b>-9,199</b>	<b>-35,424</b>
Paygo.....	181	-1,321	-2,231	657	-676	-5,557	-9,128	-34,560
Non-Paygo.....	6	165	157	-73	-186	-134	-71	-864
Spending effects of permanent extension of 2001 and 2003 tax cuts, included in baseline:								
Child tax credit <sup>1</sup> .....	—	—	4,265	4,131	4,003	3,936	16,335	47,809
Earned income tax credit <sup>1</sup> .....	—	—	—	—	—	—	—	5,676
<b>Total</b> .....	<b>—</b>	<b>—</b>	<b>4,265</b>	<b>4,131</b>	<b>4,003</b>	<b>3,936</b>	<b>16,335</b>	<b>53,485</b>

\* \$500,000 or less.

<sup>1</sup> Affects both receipts and outlays. Only the outlay effect is shown here.

**Table S-9. Effect of Proposals on Receipts**  
(In millions of dollars)

	2004	2005	2006	2007	2008	2009	Total	
							2005-2009	2005-2014
<b>Make Permanent the Tax Cuts Enacted in 2001 and 2003, assumed in the baseline:</b>								
<b>Extend certain provisions through 2010:</b>								
Child tax credit <sup>1</sup> .....	—	-2,166	-8,930	-9,023	-9,067	-8,325	-37,511	-42,079
Marriage penalty relief .....	—	-5,318	-6,634	-3,883	-1,850	-423	-18,108	-18,108
10 percent individual income tax rate bracket.....	—	-4,005	-5,981	-6,435	-4,036	-2,956	-23,413	-27,343
Total, extend certain provisions through 2010.....	—	-11,489	-21,545	-19,341	-14,953	-11,704	-79,032	-87,530
<b>Permanently extend certain provisions:</b>								
Dividends tax rate structure.....	—	498	486	485	642	-17,272	-15,161	-81,280
Capital gains tax rate structure.....	—	—	—	—	-5,268	-7,366	-12,634	-49,970
Expensing for small business.....	—	226	-3,336	-5,711	-4,102	-3,205	-16,128	-24,798
Marginal individual income tax rate reductions .....	—	—	—	—	—	—	—	-395,269
Child tax credit <sup>2</sup> .....	—	—	—	—	—	—	—	-72,786
Marriage penalty relief <sup>3</sup> .....	—	—	—	—	—	—	—	-32,426
Education incentives .....	—	-11	-16	-22	-24	-37	-110	-6,758
Repeal of estate and generation-skipping transfer taxes, and modification of gift taxes .....	—	-1,000	-1,609	-1,732	-1,977	-2,244	-8,562	-180,111
Modifications of pension plans .....	—	—	—	—	—	—	—	-1,804
Other incentives for families and children.....	—	—	—	—	—	—	—	-3,531
Total, permanent extensions.....	—	-287	-4,475	-6,980	-10,729	-30,124	-52,595	-848,733
Total, extensions of tax cuts enacted in 2001 and 2003, assumed in baseline .....	—	-11,776	-26,020	-26,321	-25,682	-41,828	-131,627	-936,263
<b>Tax Incentives:</b>								
<b>Simplify and encourage saving:</b>								
Expand tax-free savings opportunities .....	—	3,949	8,192	5,488	2,798	685	21,112	5,558
Consolidate employer-based savings accounts.....	—	-214	-318	-337	-358	-380	-1,607	-11,763
Establish Individual Development Accounts (IDAs) ..	—	-134	-286	-326	-300	-255	-1,301	-1,380
Total simplify and encourage saving .....	—	3,601	7,588	4,825	2,140	50	18,204	-7,585

**Table S-9. Effect of Proposals on Receipts—Continued**  
(In millions of dollars)

	2004	2005	2006	2007	2008	2009	Total	
							2005-2009	2005-2014
<b>Invest in health care:</b>								
Provide refundable tax credit for the purchase of health insurance <sup>4</sup> .....	—	-24	-1,417	-1,059	-854	-632	-3,986	-4,700
Provide an above-the-line deduction for high-deductible insurance premiums.....	—	-173	-1,764	-2,014	-2,292	-2,501	-8,744	-24,775
Provide an above-the-line deduction for long-term care insurance premiums.....	—	-68	-489	-805	-1,572	-2,435	-5,369	-21,428
Provide an additional personal exemption to home caregivers of family members.....	—	-71	-460	-398	-398	-415	-1,742	-3,759
Allow the orphan drug tax credit for certain pre-designation expenses.....	—	—	—	—	—	—	-1	-2
Clarify the Health Coverage Tax Credit <sup>5</sup> .....	—	—	—	—	—	—	—	—
Total invest in health care.....	—	-336	-4,130	-4,276	-5,116	-5,983	-19,841	-54,662
<b>Provide incentives for charitable giving:</b>								
Provide charitable contribution deduction for nonitemizers.....	—	-1,248	-1,103	-1,111	-1,144	-1,173	-5,779	-12,036
Permit tax-free withdrawals from IRAs for charitable contributions.....	-68	-450	-341	-327	-330	-329	-1,777	-3,498
Expand and increase the enhanced charitable deduction for contributions of food inventory .....	—	-42	-87	-96	-106	-116	-447	-1,224
Reform excise tax based on investment income of private foundations .....	—	-133	-83	-84	-86	-90	-476	-1,009
Modify tax on unrelated business taxable income of charitable remainder trusts.....	—	-8	-5	-6	-6	-6	-31	-68
Modify basis adjustment to stock of S corporations contributing appreciated property .....	—	-21	-13	-15	-18	-21	-88	-239
Repeal the \$150 million limitation on qualified 501(c)(3) bonds .....	—	-8	-10	-11	-10	-10	-49	-94
Repeal certain restrictions on the use of qualified 501(c)(3) bonds for residential rental property.....	—	-5	-6	-12	-18	-25	-66	-299
Total provide incentives for charitable giving.....	-68	-1,915	-1,648	-1,662	-1,718	-1,770	-8,713	-18,467

**Table S-9. Effect of Proposals on Receipts—Continued**  
(In millions of dollars)

	2004	2005	2006	2007	2008	2009	Total	
							2005-2009	2005-2014
<b>Strengthen education:</b>								
Extend, increase, and expand the above-the-line deduction for qualified out-of-pocket classroom expenses .....	-23	-229	-240	-249	-260	-263	-1,241	-2,611
<b>Encourage telecommuting:</b>								
Exclude from income the value of employer-provided computers, software, and peripherals .....	—	-27	-45	-43	-48	-55	-218	-668
<b>Increase housing opportunities:</b>								
Provide tax credit for developers of affordable single-family housing .....	—	-7	-81	-327	-776	-1,352	-2,543	-16,409
<b>Protect the environment:</b>								
Extend permanently expensing of brownfields remediation costs .....	-178	-243	-212	-201	-191	-181	-1,028	-1,858
Exclude 50 percent of gains from the sale of property for conservation purposes .....	—	-45	-88	-101	-58	—	-292	-292
Total protect the environment .....	-178	-288	-300	-302	-249	-181	-1,320	-2,150
<b>Increase energy production and promote energy conservation:</b>								
Extend and modify the tax credit for producing electricity from certain sources .....	—	-401	-337	-305	-278	-139	-1,460	-2,175
Provide tax credit for residential solar energy systems .....	—	-12	-11	-17	-23	-10	-73	-73
Modify treatment of nuclear decommissioning funds	—	-193	-147	-154	-162	-169	-825	-1,767
Provide tax credit for purchase of certain hybrid and fuel cell vehicles .....	—	-79	-223	-376	-556	-542	-1,776	-2,211
Provide tax credit for energy produced from landfill gas .....	—	-34	-67	-91	-104	-117	-413	-737
Provide tax credit for combined heat and power property .....	—	-154	-107	-64	-62	-13	-400	-349
Extend excise tax exemption (credit) for ethanol <sup>5</sup> ....	—	—	—	—	—	—	—	—

**Table S-9. Effect of Proposals on Receipts—Continued**  
(In millions of dollars)

	2004	2005	2006	2007	2008	2009	Total	
							2005-2009	2005-2014
Permit electric utilities to defer gain from sales of electric transmission property .....	-11	-475	-615	-532	-227	100	-1,749	361
Modify tax treatment of certain income of electric cooperatives.....	—	-14	-20	-21	-22	-23	-100	-235
Total increase energy production and promote energy conservation.....	-11	-1,362	-1,527	-1,560	-1,434	-913	-6,796	-7,186
Total tax incentives.....	-280	-563	-383	-3,594	-7,461	-10,467	-22,468	-109,738
<b>Simplify the Tax Laws for Families:</b>								
Establish uniform definition of a qualifying child <sup>6</sup> .....	—	-38	-34	-29	-20	-9	-130	-142
Simplify adoption tax benefits.....	—	-4	-39	-40	-42	-43	-168	-411
Eliminate household maintenance test for head-of-household filing status .....	—	-123	-297	-284	-285	-281	-1,270	-2,555
Reduce computational complexity of refundable child tax credit <sup>7</sup> .....	—	—	—	—	—	—	—	21
Simplify EITC eligibility requirements regarding filing status, presence of children, investment income, and work and immigration status <sup>8</sup> .....	—	64	-36	-35	-32	-33	-72	-272
Simplify the taxation of dependents.....	—	-11	-25	-20	-25	-43	-124	-498
Consolidate rules for lifetime learning credit, Hope credit, and education expense deductions, and simplify other higher education provisions .....	—	-19	-94	-311	-294	-282	-1,000	-2,558
Allow annual reporting and payment of combined State and Federal unemployment insurance taxes by employers of household employees .....	—	-20	-1	-1	-1	-1	-24	-30
Simplify taxation of capital gains on collectibles, small business stock, and other assets.....	—	-4	5	11	-1	-17	-6	-35
Total simplify the tax laws for families .....	—	-155	-521	-709	-700	-709	-2,794	-6,480
<b>Strengthen the Employer-Based Pension System:</b>								
Ensure fair treatment of older workers in cash balance conversions and protect defined benefit plans .....	—	—	—	—	—	—	—	2,373
Improve the accuracy of pension liability measures.....	8,537	12,297	7,340	3,042	-1,586	-5,467	15,626	-15,869
Total strengthen the employer-based pension system.	8,537	12,297	7,340	3,042	-1,586	-5,467	15,626	-13,496

**Table S-9. Effect of Proposals on Receipts—Continued**  
(In millions of dollars)

	2004	2005	2006	2007	2008	2009	Total	
							2005-2009	2005-2014
<b>Close Loopholes and Improve Tax Compliance:</b>								
Combat abusive tax avoidance transactions.....	—	46	63	85	113	128	435	1,071
Limit related party interest deductions .....	—	-51	93	146	203	265	656	3,116
Modify qualification rules for tax-exempt property-casualty insurance companies .....	—	67	114	116	119	121	537	1,184
Prevent abusive overvaluations on donations of patents and other intellectual property .....	—	432	270	273	277	287	1,539	3,207
Prevent overvaluations and other abuses in charitable donations of used vehicles.....	—	158	102	105	108	112	585	1,197
Reform the treatment for leasing transactions with tax-indifferent parties.....	340	1,591	2,712	3,285	3,565	3,766	14,919	33,385
Ensure foreign subsidiaries of U.S. companies cannot inappropriately avoid U.S. tax on foreign earnings invested in U.S. property through use of the exception for bank deposits .....	—	24	21	22	22	23	112	234
Modify tax rules for individuals who give up U.S. citizenship or green card status .....	1	23	20	22	24	25	114	272
Require increased reporting for noncash charitable contributions.....	—	49	31	32	33	34	179	367
Clarify and simplify qualified tuition programs.....	—	7	12	13	13	17	62	194
Total close loopholes and improve tax compliance...	341	2,346	3,438	4,099	4,477	4,778	19,138	44,227
<b>Tax Administration, Unemployment Insurance, and Other:</b>								
<b>Improve tax administration:</b>								
Implement IRS administrative reforms.....	—	52	47	46	47	49	241	505
Increase continuous levy for certain Federal payments.....	—	10	18	19	20	20	87	202
Permit private collection agencies to engage in specific, limited activities to support IRS collection efforts.....	—	—	47	151	190	153	541	1,531
Total improve tax administration .....	—	62	112	216	257	222	869	2,238

**Table S-9. Effect of Proposals on Receipts—Continued**  
(In millions of dollars)

	2004	2005	2006	2007	2008	2009	Total	
							2005–2009	2005–2014
<b>Strengthen financial integrity of unemployment insurance:</b>								
Strengthen the financial integrity of the unemployment insurance system by reducing tax avoidance and improper benefit payments <sup>9</sup> .....	—	—	–2	108	142	120	368	–216
<b>Other proposals:</b>								
Increase Indian gaming activity fees .....	—	—	4	4	5	5	18	43
Total tax administration, unemployment insurance, and other.....	—	62	114	328	404	347	1,255	2,065
<b>Reauthorize Funding for the Highway Trust Fund:</b>								
Deposit full amount of excise tax imposed on gasohol in the Highway Trust Fund <sup>9</sup> .....	—	—	648	666	681	699	2,694	6,443
Impose additional registration requirements on the transfer of tax-exempt fuel by pipeline, vessel, or barge <sup>9</sup> .....	—	76	93	96	91	87	443	747
Repeal installment method for payment of heavy highway vehicle use tax <sup>9</sup> .....	407	30	31	32	31	32	156	341
Allow tax-exempt financing for private highway projects and rail-truck transfer facilities .....	—	–20	–49	–77	–94	–97	–337	–619
Total reauthorize funding for the Highway Trust Fund..	407	86	723	717	709	721	2,956	6,912
<b>Expiring Provisions (excludes proposals assumed in the baseline):</b>								
Minimum tax relief for individuals .....	–86	–9,383	–13,881	—	—	—	–23,264	–23,264
Research & Experimentation (R&E) tax credit.....	–672	–3,610	–5,187	–6,291	–7,129	–7,775	–29,992	–78,351
Repeal the disallowance of certain deductions of mutual life insurance companies.....	—	–85	–51	–48	–45	–43	–272	–471
Combined work opportunity/welfare-to-work tax credit	–12	–187	–268	–162	–86	–46	–749	–768
DC tax incentives .....	–47	–97	–54	–7	–9	–24	–191	–363
Authority to issue Qualified Zone Academy Bonds .....	–2	–9	–15	–22	–28	–30	–104	–254
Deduction for corporate donations of computer technology.....	—	–180	–46	—	—	—	–226	–226

**Table S-9. Effect of Proposals on Receipts—Continued**  
(In millions of dollars)

	2004	2005	2006	2007	2008	2009	Total	
							2005-2009	2005-2014
Net operating loss offset of 100 percent of alternative minimum taxable income.....	-1,326	-755	-101	203	154	129	-370	82
IRS user fees.....	—	32	44	45	46	47	214	464
Disclosure of tax return information related to terrorist activity <sup>5</sup> .....	—	—	—	—	—	—	—	—
Abandoned mine reclamation fees.....	—	239	245	252	256	262	1,254	2,550
Authority to issue Liberty Zone Bonds.....	—	-8	-27	-45	-62	-79	-221	-616
Excise tax on coal <sup>9</sup> .....	—	—	—	—	—	—	—	180
Total extend other expiring provisions.....	-2,145	-14,043	-19,341	-6,075	-6,903	-7,559	-53,921	-101,037
<b>Promote Trade:</b>								
Implement free trade agreements with Morocco, Australia, and Central American countries <sup>9</sup> .....	—	-389	-583	-675	-749	-831	-3,227	-8,305
<b>Total budget proposals, including proposals assumed in the baseline</b> .....	6,860	-12,135	-35,233	-29,188	-37,491	-61,015	-175,062	-1,122,115
<b>Total budget proposals, excluding proposals assumed in the baseline</b> .....	6,860	-359	-9,213	-2,867	-11,809	-19,187	-43,435	-185,852

\* \$500,000 or less.

<sup>1</sup> Affects both receipts and outlays. Only the receipt effect is shown here. The outlay effect is \$4,265 million for 2006, \$4,131 million for 2007, \$4,003 million for 2008, \$3,936 million for 2009, \$16,335 million for 2005-2009 and \$18,906 million for 2005-2014.

<sup>2</sup> Affects both receipts and outlays. Only the receipt effect is shown here. The outlay effect is \$28,903 million for 2005-2014.

<sup>3</sup> Affects both receipts and outlays. Only the receipt effect is shown here. The outlay effect is \$5,676 million for 2005-2014.

<sup>4</sup> Affects both receipts and outlays. Only the receipt effect is shown here. The outlay effect is \$82 million for 2005, \$3,760 million for 2006, \$5,041 million for 2007, \$6,388 million for 2008, \$7,133 million for 2009, \$22,404 million for 2005-2009 and \$65,355 million for 2005-2014.

<sup>5</sup> Policy proposal with a receipt effect of zero.

<sup>6</sup> Affects both receipts and outlays. Only the receipt effect is shown here. The outlay effect is \$36 million for 2006, \$36 million for 2007, \$36 million for 2008, \$37 million for 2009, \$145 million for 2005-2009 and \$333 million for 2005-2014.

<sup>7</sup> Affects both receipts and outlays. Only the receipt effect is shown here. The outlay effect is -\$181 million for 2006, -\$183 million for 2007, -\$185 million for 2008, -\$187 million for 2009, -\$736 million for 2005-2009 and -\$1,701 million for 2005-2014.

<sup>8</sup> Affects both receipts and outlays. Only the receipt effect is shown here. The outlay effect is -\$440 million for 2005, \$131 million for 2006, \$130 million for 2007, \$119 million for 2008, \$134 million for 2009, \$74 million for 2005-2009 and \$643 million for 2005-2014.

<sup>9</sup> Net of income offsets.

**Table S-10. Receipts by Source—Summary**  
(In billions of dollars)

Source	2003 Actual	Estimate					
		2004	2005	2006	2007	2008	2009
Individual income taxes.....	793.7	765.4	873.8	956.5	1,049.3	1,133.4	1,209.9
Corporation income taxes.....	131.8	168.7	230.2	250.0	251.0	252.1	255.7
Social insurance and retirement receipts.....	713.0	732.4	793.9	834.0	878.7	918.8	960.2
(On-budget).....	(189.1)	(198.4)	(218.8)	(230.9)	(242.4)	(251.2)	(261.2)
(Off-budget).....	(523.8)	(534.0)	(575.1)	(603.1)	(636.3)	(667.6)	(698.9)
Excise taxes.....	67.5	70.8	73.2	75.8	77.9	80.0	82.2
Estate and gift taxes.....	22.0	23.9	21.4	23.9	21.5	22.2	23.6
Customs duties.....	19.9	22.6	22.1	24.4	26.2	27.6	30.0
Miscellaneous receipts.....	34.5	34.3	36.5	41.2	46.2	51.2	54.8
Adjustment for revenue uncertainty <sup>1</sup> ...	—	-20.0	-15.0	—	—	—	—
<b>Total, receipts.....</b>	<b>1,782.3</b>	<b>1,798.1</b>	<b>2,036.3</b>	<b>2,205.7</b>	<b>2,350.8</b>	<b>2,485.3</b>	<b>2,616.4</b>
(On-budget).....	(1,258.5)	(1,264.1)	(1,461.2)	(1,602.5)	(1,714.5)	(1,817.7)	(1,917.5)
(Off-budget).....	(523.8)	(534.0)	(575.1)	(603.1)	(636.3)	(667.6)	(698.9)

<sup>1</sup> 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–11. Comparison of Economic Assumptions**  
(Calendar years)

	Projections						Average
	2004	2005	2006	2007	2008	2009	2004–2009
<b>GDP (billions of current dollars):</b>							
CBO January .....	11,629	12,243	12,814	13,389	14,023	14,686	
Blue Chip Consensus January <sup>1</sup> .....	11,660	12,291	12,929	13,588	14,292	15,045	
2005 Budget.....	11,612	12,187	12,796	13,449	14,151	14,890	
<b>Real GDP (chain-weighted): <sup>2</sup></b>							
CBO January .....	4.8	4.2	3.1	2.7	2.8	2.8	3.4
Blue Chip Consensus January <sup>1</sup> .....	4.6	3.7	3.3	3.1	3.2	3.2	3.5
2005 Budget.....	4.4	3.6	3.4	3.3	3.2	3.1	3.5
<b>Chain-weighted GDP Price Index: <sup>2</sup></b>							
CBO January .....	1.1	1.1	1.5	1.8	1.9	1.9	1.5
Blue Chip Consensus January <sup>1</sup> .....	1.4	1.6	1.8	1.9	2.0	2.0	1.8
2005 Budget.....	1.2	1.3	1.5	1.7	2.0	2.0	1.6
<b>Consumer Price Index (all-urban): <sup>2</sup></b>							
CBO January .....	1.6	1.7	2.0	2.2	2.2	2.2	2.0
Blue Chip Consensus January <sup>1</sup> .....	1.7	2.1	2.3	2.4	2.4	2.4	2.2
2005 Budget.....	1.4	1.5	1.8	2.1	2.4	2.5	2.0
<b>Unemployment rate: <sup>3</sup></b>							
CBO January .....	5.8	5.3	5.0	5.1	5.2	5.2	5.3
Blue Chip Consensus January <sup>1</sup> .....	5.8	5.5	5.4	5.3	5.3	5.2	5.4
2005 Budget.....	5.6	5.4	5.2	5.1	5.1	5.1	5.3
<b>Interest rates: <sup>3</sup></b>							
<b>91–day Treasury bills:</b>							
CBO January.....	1.3	3.0	4.0	4.6	4.6	4.6	3.7
Blue Chip Consensus January <sup>1</sup> .....	1.3	2.6	3.7	3.9	4.1	4.1	3.3
2005 Budget.....	1.3	2.4	3.3	4.0	4.3	4.4	3.3
<b>10–year Treasury notes:</b>							
CBO January.....	4.6	5.4	5.5	5.5	5.5	5.5	5.3
Blue Chip Consensus January <sup>1</sup> .....	4.7	5.4	5.5	5.6	5.6	5.6	5.4
2005 Budget.....	4.6	5.0	5.4	5.6	5.8	5.8	5.4

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

All forecasts reflect December 2003 comprehensive revisions to the National Income and Product Accounts.

<sup>1</sup> January 2004 Blue Chip Consensus forecast for 2004 and 2005; Blue Chip October 2003 long run extension for 2006–2009.

<sup>2</sup> Year-over-year percent change.

<sup>3</sup> Annual averages, percent.

**Table S-12. Budget Summary by Category**  
(In billions of dollars)

	2003	2004	2005	2006	2007	2008	2009	Total 2005-2009
Outlays:								
Discretionary:								
Defense (DOD).....	388	433	429	415	426	447	467	2,183
Nondefense .....	438	475	485	478	479	476	476	2,393
Total, Discretionary.....	826	908	914	892	904	923	942	4,576
Mandatory:								
Social Security.....	470	492	510	529	552	576	608	2,775
Medicare .....	246	266	290	336	372	393	418	1,809
Medicaid and SCHIP.....	165	183	188	198	213	232	251	1,081
Other .....	298	314	320	305	305	325	335	1,590
Total, Mandatory.....	1,179	1,254	1,308	1,368	1,441	1,527	1,612	7,256
Net interest.....	153	156	178	213	246	275	299	1,211
Total Outlays.....	2,158	2,319	2,400	2,473	2,592	2,724	2,853	13,043
Receipts .....	1,782	1,798	2,036	2,206	2,351	2,485	2,616	11,694
Deficit <sup>1</sup> .....	-375	-521	-364	-268	-241	-239	-237	-1,349
On-budget deficit .....	-536	-675	-543	-470	-466	-487	-501	-2,466
Off-budget surplus.....	161	154	179	202	225	248	263	1,117

<sup>1</sup> The Budget incorporates the HHS actuaries' estimates for the Medicare Prescription Drug, Improvement, and Modernization Act of 2003. Because CBO's 10-year cost estimates of this bill were significantly below the HHS actuaries' estimates and because of the uncertainties involved in these estimates, Table S-13 also includes deficit calculations that reflect the lower CBO estimates.

**Table S–13. Outlay Impact of Prescription Drug and Medicare Improvement Act of 2003 (P.L. 108–173)**  
(Dollar amounts in billions)

	2004	2005	2006	2007	2008	2009	Total	
							2004–2008	2004–2013
Department of Health and Human Services (HHS)								
Actuaries' Estimate <sup>1</sup> .....	8	13	43	56	58	60	178	534
CBO Estimate <sup>1</sup> .....	4	6	28	40	44	47	122	395
President's Budget Deficit Estimates .....								
As a percent of GDP .....	–4.5%	–3.0%	–2.1%	–1.8%	–1.7%	–1.6%	–1,632	
Administration's Deficit Adjusted for CBO Estimate <sup>2</sup> .....								
As a percent of GDP .....	–4.5%	–3.0%	–2.0%	–1.7%	–1.6%	–1.5%	–1,571	

Note: See the HHS chapter in this volume for further information.

<sup>1</sup> Excludes revenue effects, debt service, and intrabudgetary transactions.

<sup>2</sup> Includes debt service.

#### Explanation of Difference in Estimates:

The largest portion of the difference in these cost estimates is attributable to assumptions regarding beneficiary participation, market behavior, and cost growth rates. Even small differences in these assumptions can dramatically change the overall cost estimates. For example, CBO and the Medicare actuaries both assume comparable savings from private-plan management of the drug benefit. CBO, however, assumes that these savings will be realized earlier; the Medicare actuaries assume that it will take longer for plans to achieve maximum savings.

**Table S-14. Current Services Baseline Summary by Category**  
(In billions of dollars)

	2003	2004	2005	2006	2007	2008	2009	Total 2005-2009
<b>Outlays:</b>								
<b>Discretionary:</b>								
Defense (DOD).....	388	433	420	398	402	413	423	2,056
Nondefense .....	438	475	490	487	495	501	510	2,481
Total, Discretionary.....	826	908	910	885	896	914	933	4,537
<b>Mandatory:</b>								
Social Security.....	470	492	510	529	552	577	608	2,776
Medicare .....	246	266	290	336	372	393	418	1,809
Medicaid and SCHIP.....	165	182	188	198	214	233	252	1,086
Other .....	298	314	320	306	303	325	339	1,593
Total, Mandatory.....	1,179	1,254	1,309	1,370	1,441	1,528	1,618	7,265
Net interest .....	153	156	178	213	245	273	296	1,206
Total Outlays.....	2,158	2,319	2,397	2,468	2,583	2,715	2,847	13,008
Receipts .....	1,782	1,791	2,037	2,215	2,354	2,497	2,636	11,738
Surplus/deficit <sup>1</sup> .....	-375	-527	-360	-253	-229	-218	-211	-1,270
On-budget deficit .....	-536	-682	-539	-455	-453	-465	-474	-2,385
Off-budget surplus.....	161	154	179	202	224	247	263	1,115

<sup>1</sup> The Budget incorporates the HHS actuaries' estimates for the Medicare Prescription Drug, Improvement, and Modernization Act of 2003. Because CBO's 10-year cost estimates of this bill were significantly below the HHS actuaries' estimates and because of the uncertainties involved in these estimates, Table S-13 also includes deficit calculations that reflect the lower CBO estimates.

**Table S–15. Impact of Budget Policy**  
(Dollar amounts in billions)

	2004	2005	2006	2007	2008	2009	Total 2005–2009
Current Services Baseline Deficit .....	–527	–360	–253	–229	–218	–211	–1,270
Proposals:							
Discretionary policy:							
Department of Defense.....	—	–9	–17	–26	–36	–49	–137
Homeland security.....	—	–1	–2	–4	–5	–6	–18
Other spending .....	*	6	12	21	31	43	113
Subtotal, discretionary.....	*	–4	–8	–9	–10	–12	–43
Revenue proposals <sup>1</sup> .....	7	*	–13	–8	–19	–29	–69
Mandatory proposals .....	–*	1	6	5	8	14	33
2005 Budget Deficit <sup>2</sup> .....	–521	–364	–268	–241	–239	–237	–1,349
Percent of GDP .....	4.5%	3.0%	2.1%	1.8%	1.7%	1.6%	

\* \$500 million or less.

Note: Each line includes debt service.

<sup>1</sup> Includes outlay impact of revenue proposals.

<sup>2</sup> The Budget incorporates the HHS actuaries' estimates for the Medicare Prescription Drug, Improvement, and Modernization Act of 2003. Because CBO's 10-year cost estimates of this bill were significantly below the HHS actuaries' estimates and because of the uncertainties involved in these estimates, Table S-13 also includes deficit calculations that reflect the lower CBO estimates.

**Table S-16. Baseline Adjustments**  
(In billions of dollars)

	2004	2005	2006	2007	2008	2009	Total	
							2005-2009	2005-2014
Budget Enforcement Act Baseline Deficits.....	-527	-393	-305	-292	-288	-271	-1,549	
Extend certain tax provisions:								
Permanently extend individual income tax rate cuts.....	—	—	—	—	—	—	—	-395
Permanently extend estate and gift tax changes .....	—	-1	-2	-2	-2	-2	-9	-180
Extend other provisions of the 2001 and 2003 tax acts <sup>1</sup> .....	—	-11	-29	-29	-28	-44	-139	-414
Subtotal, tax extenders.....	—	-12	-30	-30	-30	-46	-148	-990
Assume emergencies are one-time only .....	—	43	79	86	89	92	388	
Adjust pay factor to more accurately reflect changes in pay costs .....	—	2	2	2	2	3	11	
Debt service related to all changes .....	—	*	2	5	8	12	27	
Current Services Baseline Deficit.....	-527	-360	-253	-229	-218	-211	-1,270	

\* \$500 million or less.

<sup>1</sup> Table S-9 provides a detailed list of expiring tax provisions assumed in the baseline.

**Table S-17. Federal Government Financing and Debt**  
(Dollar amounts in billions)

Function	2003 Actual	Estimate					
		2004	2005	2006	2007	2008	2009
<b>Financing:</b>							
Unified budget deficit (-) .....	-375	-521	-364	-268	-241	-239	-237
Financing other than the change in debt held by the public:							
Net purchases (-) of non-Federal securities by the National Railroad Retirement Investment Trust .....	-20	-1	*	*	*	*	*
Changes in: <sup>1</sup>							
Treasury operating cash balance .....	26	-*	—	—	—	—	—
Compensating balances <sup>2</sup> .....	-5	22	—	—	—	—	—
Checks outstanding, etc. <sup>3</sup> .....	8	—	—	—	—	—	—
Seigniorage on coins.....	1	1	1	1	1	1	1
Less: Net financing disbursements:							
Direct loan financing accounts .....	-6	-12	-11	-19	-20	-20	-21
Guaranteed loan financing accounts .....	-1	3	3	3	1	2	2
<hr/>							
Total, financing other than the change in debt held by the public	2	14	-8	-15	-18	-17	-18
Total, requirement to borrow from the public.....	-373	-507	-371	-282	-259	-256	-255
<hr/>							
Change in debt held by the public.....	373	507	371	282	259	256	255
<b>Change in Debt Subject to Statutory Limitation:</b>							
Change in debt held by the public.....	373	507	371	282	259	256	255
Change in debt held by Government accounts.....	188	219	275	311	333	357	378
Change in other factors .....	15	*	1	*	1	1	1
Total, change in debt subject to statutory limitation .....	576	727	647	594	592	614	634

**Table S-17. Federal Government Financing and Debt—Continued**  
(Dollar amounts in billions)

Function	2003 Actual	Estimate					
		2004	2005	2006	2007	2008	2009
<b>Debt Subject to Statutory Limitation, End of Year:</b>							
Debt issued by Treasury .....	6,733	7,459	8,106	8,700	9,292	9,906	10,540
Adjustment for discount, premium and coverage <sup>4</sup> .....	5	5	5	5	5	5	5
Total, debt subject to statutory limitation <sup>5</sup> .....	6,738	7,464	8,111	8,705	9,297	9,911	10,545
<b>Debt Outstanding, End of Year:</b>							
Gross Federal debt: <sup>6</sup>							
Debt issued by Treasury .....	6,733	7,459	8,106	8,700	9,292	9,906	10,540
Debt issued by other agencies .....	27	27	26	26	26	25	24
Total, gross Federal debt .....	6,760	7,486	8,133	8,726	9,318	9,931	10,564
Held by:							
Debt held by Government accounts .....	2,846	3,066	3,341	3,652	3,985	4,342	4,720
Debt held by the public <sup>7</sup> .....	3,914	4,421	4,792	5,074	5,333	5,589	5,844
As a percent of GDP .....	36.1%	38.6%	39.8%	40.1%	40.2%	40.0%	39.8%

\* \$500 million or less.

<sup>1</sup> 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.

<sup>2</sup> Compensating balances are non-interest bearing Treasury bank deposits that Treasury mainly uses to compensate banks for collecting tax and non-tax receipts under financial agency agreements. Most of the balances at the end of 2003 were required to be invested in nonmarketable Depository Compensation Securities issued by the Treasury; the rest of the balances, and the entire amount in previous years, was invested in the way that the banks decide.

<sup>3</sup> 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 asset accounts, and profit on sale of gold.

<sup>4</sup> Consists mainly 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.

<sup>5</sup> The statutory debt limit is \$7,384 billion.

<sup>6</sup> 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).

<sup>7</sup> At the end of 2003, the Federal Reserve Banks held \$656.1 billion of Federal securities and the rest of the public held \$3,257.5 billion. Debt held by the Federal Reserve Banks is not estimated for future years.

# **SUMMARY TABLES**



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

	2004	2005	2006	2007	2008	2009	2010
<b>Budget Totals:</b>							
Receipts .....	1,880	2,053	2,178	2,344	2,507	2,650	2,821
Outlays .....	2,292	2,479	2,568	2,656	2,758	2,883	3,028
<b>Deficit</b> .....	<b>-412</b>	<b>-427</b>	<b>-390</b>	<b>-312</b>	<b>-251</b>	<b>-233</b>	<b>-207</b>
Gross Domestic Product (GDP) .....	11,553	12,227	12,907	13,617	14,349	15,111	15,906
<b>Budget Totals as a Percent of GDP:</b>							
Receipts .....	16.3%	16.8%	16.9%	17.2%	17.5%	17.5%	17.7%
Outlays .....	19.8%	20.3%	19.9%	19.5%	19.2%	19.1%	19.0%
<b>Deficit</b> .....	<b>3.6%</b>	<b>3.5%</b>	<b>3.0%</b>	<b>2.3%</b>	<b>1.7%</b>	<b>1.5%</b>	<b>1.3%</b>

**Table S-2. Discretionary Totals**  
(Net budget authority; dollar amounts in billions)

	Actual				2005 Enacted	2006 Request	2005-2006 Dollar change
	2001	2002	2003	2004			
<b>Discretionary budget authority:</b>							
Department of Defense .....	303	328	365	376	400	419	19
Homeland Security (non-Department of Defense) .....	10	13	24	28	31	32	1
Other Operations of Government .....	331	351	370	386	391	389	-3
<b>Total, Discretionary budget authority .....</b>	<b>644</b>	<b>691</b>	<b>758</b>	<b>790</b>	<b>823</b>	<b>840</b>	<b>18</b>
Percent change by category:							
Department of Defense .....	5%	8%	11%	3%	6%	5%	
Homeland Security (non-Department of Defense) .....	14%	21%	85%	21%	10%	3%	
Other Operations of Government .....	15%	6%	5%	4%	1%	-1%	
Total, Percent change .....	10%	7%	10%	4%	4%	2%	
<b>Enacted supplemental and emergency funding:</b>							
Defense and Other Global War on Terror .....	14	18	80	114	1	—	
Homeland Security (non-Department of Defense) .....	3	12	6	*	*	—	
Non-Defense, Non-Homeland .....	3	14	5	3	11	—	
Allowance for anticipated 2005 supplemental .....	—	—	—	—	81	—	
<b>Total, Supplemental and emergency funding .....</b>	<b>20</b>	<b>44</b>	<b>91</b>	<b>117</b>	<b>93</b>	<b>—</b>	
<i>Memorandum:</i>							
<i>Budget authority enacted for Project BioShield .....</i>	—	—	—	1	3	—	
<b>Discretionary Outyears by Category:</b>							
		<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	
Department of Defense .....		419	443	462	482	492	
Homeland Security (non-Department of Defense) .....		32	34	35	37	39	
Other Operations of Government .....		389	389	389	389	389	
<b>Total, Discretionary budget authority .....</b>		<b>840</b>	<b>866</b>	<b>887</b>	<b>908</b>	<b>920</b>	
Percent change by category:							
Department of Defense .....			6%	4%	4%	2%	
Homeland Security (non-Department of Defense) .....			5%	5%	5%	5%	
Other Operations of Government .....			0%	0%	0%	0%	
Total, Percent change .....			3%	2%	2%	1%	

\*\$500 million or less.

**Table S-3. Growth in Discretionary Budget Authority by Major Agency**  
(Net budget authority; dollar amounts in billions)

Agency	Growth									
	Actual				Estimate		2005-2006		Average	Cumulative
	2001	2002	2003	2004	2005	2006	Change	Percent	2001-2006	2001-2006
Agriculture.....	19.2	20.1	21.7	21.1	21.4	19.4	-2.0	-9.6%	0.1%	0.7%
Commerce.....	5.1	5.4	5.6	5.8	6.3	9.4	3.1	49.0%	13.0%	84.5%
Defense.....	302.5	327.8	365.3	375.7	400.1	419.3	19.3	4.8%	6.7%	38.6%
Education.....	40.1	48.5	53.1	55.7	56.6	56.0	-0.5	-0.9%	6.9%	39.8%
Energy.....	20.0	20.9	22.0	23.4	23.9	23.4	-0.5	-2.0%	3.2%	17.1%
Health and Human Services.....	54.0	59.5	65.7	69.2	69.2	68.9	-0.3	-0.5%	5.0%	27.5%
Homeland Security.....	14.0	15.7	21.9	27.9	29.0	29.3	0.3	1.2%	16.0%	109.7%
Housing and Urban Development.....	28.4	29.4	30.1	32.0	32.2	28.5	-3.7	-11.5%	0.1%	0.5%
Interior.....	10.3	10.5	10.5	10.7	10.8	10.6	-0.1	-1.1%	0.7%	3.7%
Justice.....	18.4	18.6	19.0	19.5	20.2	19.1	-1.1	-5.5%	0.8%	3.9%
Labor.....	11.9	12.1	11.8	11.8	12.0	11.5	-0.5	-4.4%	-0.7%	-3.6%
State and International Assistance Programs.....	20.3	21.7	22.8	25.0	27.5	31.8	4.3	15.7%	9.4%	56.4%
Transportation.....	14.6	12.8	13.5	13.9	12.7	11.8	-0.9	-6.7%	-4.1%	-18.8%
Treasury.....	10.3	10.5	10.7	10.7	11.2	11.6	0.4	3.9%	2.4%	12.7%
Veterans Affairs.....	22.4	23.8	26.4	29.1	30.6	31.3	0.7	2.1%	6.9%	39.8%
Corps of Engineers.....	4.7	4.5	4.6	4.6	4.7	4.3	-0.3	-7.2%	-1.6%	-7.6%
Environmental Protection Agency.....	7.8	7.9	8.1	8.4	8.0	7.6	-0.5	-5.6%	-0.7%	-3.4%
Executive Office of the President.....	0.3	0.3	0.3	0.3	0.3	0.3	-0.0	-1.7%	4.6%	25.5%
Judicial Branch.....	4.0	4.3	4.6	4.8	5.1	5.6	0.5	9.9%	7.1%	41.0%
Legislative Branch.....	2.8	3.0	3.4	3.6	3.6	4.1	0.5	13.7%	8.2%	48.1%
National Aeronautics and Space Administration.....	14.3	14.8	15.3	15.4	16.1	16.5	0.4	2.4%	2.9%	15.5%
National Science Foundation.....	4.4	4.8	5.3	5.6	5.5	5.6	0.1	2.4%	4.8%	26.5%
Social Security Administration.....	6.0	6.4	6.7	7.2	7.5	7.7	0.2	2.8%	4.9%	27.3%
Other Agencies.....	8.1	7.7	10.0	9.0	8.4	6.6	-1.7	-20.8%	-4.0%	-18.4%
<b>Total, Discretionary Spending.....</b>	<b>643.8</b>	<b>691.0</b>	<b>758.5</b>	<b>790.1</b>	<b>822.7</b>	<b>840.3</b>	<b>17.6</b>	<b>2.1%</b>	<b>5.5%</b>	<b>30.5%</b>

Note: Supplementals are excluded.

**Table S-4. Discretionary Proposals By Appropriations Subcommittee**  
(Net budget authority in billions of dollars)

Appropriations Subcommittee	2004 Actual	2005 Enacted	2006 Request	Change 2005-2006
Agriculture and Rural Development .....	17.8	18.3	16.9	-1.4
Commerce, Justice, State and the Judiciary.....	39.2	40.8	44.1	3.2
Defense .....	366.4	390.4	407.6	17.3
District of Columbia .....	0.5	0.6	0.6	*
Energy and Water Development.....	27.4	28.3	27.2	-1.0
Foreign Operations.....	17.5	19.5	22.8	3.3
Homeland Security.....	27.9	29.0	29.3	0.3
Interior and Related Agencies.....	20.2	20.2	19.7	-0.5
Labor, Health and Human Services, and Education .....	140.9	142.4	141.0	-1.4
Legislative Branch.....	3.5	3.5	4.0	0.5
Military Construction .....	9.4	10.0	12.1	2.0
Transportation, Treasury, and General Government.....	27.7	26.3	25.0	-1.4
Veterans Affairs, Housing and Urban Development.....	91.6	93.5	90.5	-3.0
Allowances .....	—	—	-0.4	-0.4
<b>Total, excluding supplemental and emergency funding .....</b>	<b>790.1</b>	<b>822.7</b>	<b>840.3</b>	<b>17.6</b>

\*\$500 million or less.

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

	2004	2005	2006
	Actual	Enacted	Request
<b>Homeland Security Funding:</b>			
Department of Agriculture .....	411	600	704
Department of Commerce .....	125	167	183
Department of Defense-Military (DOD) .....	7,024	8,570	9,513
Department of Energy .....	1,364	1,562	1,666
Department of Health and Human Services .....	4,062	4,230	4,407
Department of Homeland Security .....	22,834	24,871	27,331
Department of the Interior .....	83	65	57
Department of Justice .....	2,165	2,678	3,104
Department of State .....	696	824	938
Department of Transportation .....	284	182	192
Department of the Treasury .....	90	101	111
Department of Veterans Affairs .....	271	280	299
Corps of Engineers .....	102	89	72
Environmental Protection Agency .....	131	107	184
General Services Administration .....	79	65	80
National Aeronautics and Space Administration .....	207	218	205
National Science Foundation .....	340	342	344
Smithsonian Institution .....	78	75	87
Social Security Administration .....	143	159	178
Other Agencies .....	239	813	288
<b>Total, Homeland Security Funding, excluding Project BioShield <sup>1</sup> .....</b>	<b>40,728</b>	<b>45,998</b>	<b>49,943</b>
Less, Department of Defense-Military (DOD) .....	-7,024	-8,570	-9,513
<b>Total, Homeland Security Funding, excluding DOD and Project BioShield .....</b>	<b>33,704</b>	<b>37,428</b>	<b>40,430</b>
Less, Mandatory Homeland Security Funding <sup>2</sup> .....	-1,940	-2,225	-2,302
Less, Discretionary Fee-Funded Activities <sup>3</sup> .....	-3,289	-3,941	-5,890
<b>Net Non-DOD Discretionary Homeland Security, excluding Project BioShield .....</b>	<b>28,475</b>	<b>31,262</b>	<b>32,238</b>
Plus, Department of Homeland Security Project BioShield .....	885	2,508	—
<b>Net Non-DOD Discretionary Homeland Security, including Project BioShield .....</b>	<b>29,360</b>	<b>33,770</b>	<b>32,238</b>

<sup>1</sup> Excludes \$107 million in supplemental appropriations in 2004 and \$16 million in supplemental appropriations in 2005.

<sup>2</sup> Mandatory homeland security programs include Agriculture Quarantine and Inspections, Border Protection, and Immigration Enforcement.

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

**Table S-6. Mandatory Proposals**  
(In millions of dollars)

	2005	2006	2007	2008	2009	2010	Total	
							2006-2010	2006-2015
<b>Programmatic Reforms:</b>								
Agriculture:								
Commodity Credit Corporation:								
Limit Loan Deficiency Payments to historical production.....	—	-432	-509	-106	-4	-2	-1,053	-1,054
Tighten payment limits.....	—	-200	-190	-175	-150	-130	-845	-1,200
Cut Crop Payments by 5 percent.....	—	-383	-629	-468	-351	-309	-2,140	-3,641
Sugar marketing assessment 1.2 percent.....	—	-42	-43	-43	-43	-43	-214	-437
Tilt adjustment requirement.....	—	-130	-80	-50	-50	-50	-360	-610
Extend Milk Income Loss Compensation.....	—	600	600	—	—	—	1,200	1,200
Crop insurance coverage change.....	—	—	-140	-140	-140	-140	-560	-1,260
Forest Service:								
Facilities working capital fund.....	—	-5	-1	-1	—	—	-7	-7
Enhanced facilities disposal authority.....	—	-9	—	—	-5	—	-14	-14
Limit Food Stamp categorical eligibility.....	—	-57	-113	-112	-111	-114	-507	-1,124
Allow State Food Stamp Agencies to use the National Directory of New Hires (NDNH).....	—	—	-2	-2	-2	-2	-8	-18
Subtotal, Agriculture.....	—	-658	-1,107	-1,097	-856	-790	-4,508	-8,165
Education:								
Reform the Federal Student Aid Programs:								
Payoff Pell Shortfall (non-add BA only).....	—	(4,301)	—	—	—	—	(4,301)	(4,301)
Increase the Pell Grant Maximum Award by \$500 over Five Years.....	—	101	509	915	1,321	1,734	4,580	14,959
Increase Borrowing Limits and Other Benefits to Students.....	—	221	660	762	811	866	3,320	7,658
Recall Federal Perkins Loan Revolving Funds.....	—	-580	-642	-675	-735	-697	-3,329	-5,987
Increase Lender Risk Sharing and Improve Program Efficiency.....	—	-171	-601	-785	-838	-902	-3,297	-8,749
Adjust Guaranty Agency Reinsurance and Default Retention Rates.....	—	-43	-116	-152	-168	-187	-666	-1,788
Reform Federal Consolidation Loans.....	—	-269	-610	-544	-484	-503	-2,410	-3,769
Extend the Taxpayer-Teacher Extension Act.....	—	-254	-411	-449	-459	-485	-2,058	-4,945
Other Student Loan Reforms.....	557	-178	-790	-824	-783	-811	-3,386	-8,043
Subtotal, Education.....	557	-1,172	-2,001	-1,752	-1,337	-986	-7,248	-10,667

**Table S-6. Mandatory Proposals—Continued**  
(In millions of dollars)

	2005	2006	2007	2008	2009	2010	Total	
							2006-2010	2006-2015
Energy:								
Allow Power Marketing Administrations to Charge up to Market Rates .....	—	-40	-157	-446	-1,145	-1,406	-3,194	-12,434
Bonneville Power Administration borrowing authority .....	—	—	—	—	—	140	140	200
Subtotal, Energy .....	—	-40	-157	-446	-1,145	-1,266	-3,054	-12,234
Health and Human Services:								
Medicaid and State Children's Health Insurance Program Proposals .....	225	1,112	-1,549	-3,699	-4,214	-4,417	-12,767	-44,637
State grants and demonstrations .....	—	400	500	594	605	618	2,717	5,000
Temporary Assistance for Needy Families Reauthorization .....	100	277	329	352	361	357	1,676	3,450
Child Support Enforcement: Increase Collections and Improve Program Effectiveness .....	—	-63	1	54	31	32	55	122
Healthy Marriage and Fatherhood Initiative .....	-71	-21	37	23	40	40	119	319
State-Based Abstinence Grants .....	9	30	46	50	50	50	226	476
Foster Care Clarify Statutory Eligibility Definition .....	—	-72	-74	-77	-79	-81	-383	-834
Foster Care Modify DC FMAP Rate .....	—	7	7	8	8	8	38	85
Child Welfare Program Option .....	—	7	67	135	3	-164	48	49
Subtotal, Health and Human Services .....	263	1,677	-636	-2,560	-3,195	-3,557	-8,271	-35,970
Housing and Urban Development:								
Repeal Federal Housing Administration's General and Special Risk Insurance Authorities .....	—	-60	-100	-100	-100	-100	-460	-960
Interior:								
Southern Nevada Land Sales .....	—	-227	-418	-636	-641	-642	-2,564	-5,783
Arctic National Wildlife Refuge, lease bonuses:								
State of Alaska's share:								
Receipts .....	—	—	-1,201	-1	-101	-1	-1,304	-1,588
Expenditures .....	—	—	1,201	1	101	1	1,304	1,588
Federal share:								
Receipts .....	—	—	-1,201	-1	-101	-1	-1,304	-1,588
Royalties Conservation Fund Outlays .....	—	—	—	—	—	—	—	115
Pick-Sloan Project Cost Repayment .....	—	-33	-33	-31	-31	-29	-157	-299

**Table S-6. Mandatory Proposals—Continued**  
(In millions of dollars)

	2005	2006	2007	2008	2009	2010	Total	
							2006-2010	2006-2015
Eliminate Bureau of Land Management Range Improvements Fund .....	—	-7	-10	-10	-10	-10	-47	-97
Subtotal, Interior.....	—	-267	-1,662	-678	-783	-682	-4,072	-7,652
Labor:								
Pension Benefit Guaranty Corporation Reform.....	—	-2,195	-3,702	-3,495	-3,226	-2,916	-15,534	-26,521
Unemployment Insurance Integrity .....	—	—	-65	-134	-141	-148	-488	-1,341
Unemployment Insurance Overpayment Recoveries.....	—	-281	-282	-284	-288	-288	-1,423	-3,082
Federal Employees' Compensation Act Reforms .....	—	-6	-12	-20	-17	-17	-72	-172
Subtotal, Labor.....	—	-2,482	-4,061	-3,933	-3,672	-3,369	-17,517	-31,116
Treasury:								
Continued Dumping and Subsidy Offset repeal.....	—	-1,608	-1,615	-1,624	-855	-865	-6,567	-11,035
Eliminate 10-year Statute-of-Limitations on Non-Tax Debt.....	—	-11	-6	-6	-6	-6	-35	-65
Extend the Rum-Carryover for Puerto Rico.....	—	56	19	—	—	—	75	75
Subtotal, Treasury.....	—	-1,563	-1,602	-1,630	-861	-871	-6,527	-11,025
Federal Communications Commission (FCC):								
Extend Spectrum Auction Authority.....	—	—	—	1,083	-2,156	-3,239	-4,312	-5,112
Close Telecommunications Development Fund .....	—	-2	-2	-3	-3	-4	-14	-34
Subtotal, FCC.....	—	-2	-2	1,080	-2,159	-3,243	-4,326	-5,146
Federal Deposit Insurance Corporation:								
Merge Bank Insurance Fund and Savings Association Insurance Fund.....	—	—	—	-1	377	855	1,231	1,063
Social Security Administration (SSA):								
Supplemental Security Income (SSI) Pre-Effectuation Reviews and Other Technical Adjustments .....	—	-4	-18	-40	-64	-92	-218	-1,133
Extend SSI Eligibility to Refugees and Asylees to Eight Years after Entry .....	—	65	77	84	—	—	226	226
Subtotal, SSA.....	—	61	59	44	-64	-92	8	-907
<b>Total, Programmatic Reforms .....</b>	<b>820</b>	<b>-4,506</b>	<b>-11,269</b>	<b>-11,073</b>	<b>-13,795</b>	<b>-14,101</b>	<b>-54,744</b>	<b>-122,779</b>

**Table S-6. Mandatory Proposals—Continued**  
(In millions of dollars)

	2005	2006	2007	2008	2009	2010	Total	
							2006-2010	2006-2015
<b>User Fee Proposals:</b>								
Agriculture:								
Animal Plant and Health Inspection Service * .....	—	-11	-11	-11	-12	-12	-57	-121
Food Safety and Inspection Service * .....	—	-139	-142	-145	-148	-151	-725	-1,529
Grain Inspection, Packers and Stockyards Administration * .....	—	-25	-26	-26	-27	-27	-131	-276
Agricultural Marketing Service Standardization * .....	—	-3	-3	-3	-3	-3	-15	-30
Justice:								
Bureau of Alcohol, Tobacco, Firearms and Explosives' Explosives Regulation * .....	—	-120	-120	-120	-120	-120	-600	-1,200
Transportation:								
St. Lawrence Seaway Development Corporation * .....	—	-8	-17	-17	-17	-17	-76	-170
Treasury:								
Tax and Trade Bureau Regulatory Activity * .....	—	-29	-29	-29	-29	-29	-145	-297
Veterans Affairs:								
Annual Medical Fees for higher income veterans with non-service-connected disabilities * .....	—	-248	-248	-248	-248	-248	-1,240	-2,480
Drug Copay Increase * .....	—	-176	-178	-180	-181	-183	-898	-1,842
<i>Total Medical Services (illustrative discretionary spending authority—non-add) .....</i>	—	(424)	(426)	(428)	(429)	(431)	(2,138)	(4,322)
Environment Protection Agency:								
Premanufacture Notification Fee Cap Removal * .....	—	-4	-8	-8	-8	-8	-36	-76
Pesticide Tolerance * .....	—	-20	-20	-21	-21	-22	-104	-221
Pesticide Registration * .....	—	-26	-27	-27	-28	-28	-136	-288
Federal Communications Commission:								
Authorize Spectrum License Fees .....	—	—	-50	-150	-300	-300	-800	-3,125
Analog Spectrum Lease Fees .....	—	—	-500	-500	-480	-450	-1,930	-2,580
<b>Total, User Fees .....</b>	<b>—</b>	<b>-809</b>	<b>-1,379</b>	<b>-1,485</b>	<b>-1,622</b>	<b>-1,598</b>	<b>-6,893</b>	<b>-14,235</b>
<b>Total, Programmatic Reforms and User Fee Proposals .....</b>	<b>820</b>	<b>-5,315</b>	<b>-12,648</b>	<b>-12,558</b>	<b>-15,417</b>	<b>-15,699</b>	<b>-61,637</b>	<b>-137,014</b>

**Table S-6. Mandatory Proposals—Continued**  
(In millions of dollars)

	2005	2006	2007	2008	2009	2010	Total	
							2006-2010	2006-2015
<b>Outlay Effects of Tax Proposals: <sup>1</sup></b>								
Health tax credits .....	—	99	3,757	5,762	6,934	7,638	24,190	69,138
Earned income tax credit .....	—	-81	-105	-118	-137	-181	-622	-1,569
Child tax credit .....	—	-34	-45	-50	-59	-77	-265	-670
Total, Outlay effects of tax proposals .....	—	-16	3,607	5,594	6,738	7,380	23,303	66,899
<b>User Fee Proposals with Mandatory Spending:</b>								
Immigration Examination Fees .....	—	-6	—	—	—	—	-6	-6
Increase Indian Gaming Commission Fees <sup>1</sup> .....	—	—	4	4	5	5	18	43
Foreign Labor Certification User Fees .....	—	—	—	—	—	—	—	—
Army Corps of Engineers:								
Additional Recreation User Fees and Contributions .....	—	-9	-9	-1	—	—	-19	-19
Total, User fee proposals with mandatory spending .....	—	-15	-5	3	5	5	-7	18
<b>Other Mandatory Proposals:</b>								
Black Lung Disability Trust Fund debt refinancing:								
Black Lung Disability Trust Fund .....	—	3,343	-459	-452	-448	-449	1,535	-1,419
Interest receipts on repayable advances .....	—	-3,343	459	452	448	449	-1,535	1,419
Use Escrow Account for USPS Retiree Health Benefits:								
On-budget effect .....	—	-3,081	-3,398	-3,716	-3,888	-4,174	-18,257	-43,238
Off-budget effect .....	—	3,081	3,398	3,716	3,888	4,174	18,257	43,238
Unified budget effect .....	—	—	—	—	—	—	—	—

**Table S-6. Mandatory Proposals—Continued**  
(In millions of dollars)

	2005	2006	2007	2008	2009	2010	Total	
							2006-2010	2006-2015
Full-time School Attendance Required for Child's Social Security Benefits at Age 16 (off-budget) .....	—	-10	-75	-135	-140	-145	-505	-1,326
Correct trust accounting deficiencies in individual Indian money investments (non-paygo) .....	6	—	—	—	—	—	—	—
Third scorecard effects.....	—	31	31	32	32	33	159	334
Total, Other mandatory proposals.....	6	21	-44	-103	-108	-112	-346	-992
<b>Grand Total (including outlay costs of tax proposals)</b> .....	<b>826</b>	<b>-5,325</b>	<b>-9,090</b>	<b>-7,064</b>	<b>-8,782</b>	<b>-8,426</b>	<b>-38,687</b>	<b>-71,089</b>
Memorandum:								
Paygo.....	820	-5,346	-9,046	-6,961	-8,674	-8,314	-38,341	-70,097
Non-Paygo.....	6	21	-44	-103	-108	-112	-346	-992

\* The Administration will work with the Congress to reclassify the enacted fees as discretionary beginning in 2007. Once reclassified, the Administration proposes to offset these fees against discretionary spending. Discretionary totals in those years will be reduced by these fees.

<sup>1</sup> Affects both receipts and outlays. Only the outlay effect is shown here.

**Table S-7. Effect of Proposals on Receipts**  
(In millions of dollars)

	2005	2006	2007	2008	2009	2010	Total	
							2006-2010	2006-2015
<b>Make Permanent Certain Tax Cuts Enacted in 2001 and 2003 (assumed in the baseline):</b>								
Dividends tax rate structure.....	309	509	547	537	-16,725	-568	-15,700	-102,905
Capital gains tax rate structure.....	—	—	—	-5,268	-7,473	-5,076	-17,817	-59,016
Expensing for small business.....	—	—	—	-3,402	-5,417	-4,073	-12,892	-21,897
Marginal individual income tax rate reductions .....	—	—	—	—	—	—	—	-502,228
Child tax credit <sup>1</sup> .....	—	—	—	—	—	—	—	-96,777
Marriage penalty relief <sup>2</sup> .....	—	—	—	—	—	—	—	-36,029
Education incentives .....	—	—	—	—	—	3	3	-8,687
Repeal of estate and generation-skipping transfer taxes, and modification of gift taxes .....	4	-557	-910	-1,514	-1,847	-2,192	-7,020	-256,057
Modifications of pension plans .....	—	—	—	—	—	—	—	-2,323
Other incentives for families and children.....	—	—	—	—	—	5	5	-3,594
Total make permanent certain tax cuts enacted in 2001 and 2003.....	313	-48	-363	-9,647	-31,462	-11,901	-53,421	-1,089,513
<b>Tax Incentives:</b>								
<b>Simplify and encourage saving:</b>								
Expand tax-free savings opportunities .....	—	3,709	7,151	4,069	1,693	199	16,821	1,461
Consolidate employer-based savings accounts.....	—	-224	-335	-357	-382	-411	-1,709	-14,816
Establish Individual Development Accounts (IDAs) ..	—	—	-134	-286	-326	-300	-1,046	-1,763
Total simplify and encourage saving.....	—	3,485	6,682	3,426	985	-512	14,066	-15,118
<b>Invest in health care:</b>								
Provide a refundable tax credit for the purchase of health insurance <sup>3</sup> .....	—	-19	-1,435	-1,543	-1,370	-1,241	-5,608	-9,897
Provide an above-the-line deduction for high-deductible insurance premiums.....	—	-200	-2,029	-2,316	-2,636	-2,876	-10,057	-28,495
Provide a refundable tax credit for contributions of small employers to employee HSAs <sup>4</sup> .....	—	-61	-304	-834	-1,545	-2,025	-4,769	-17,760
Improve the Health Coverage Tax Credit <sup>5</sup> .....	—	—	-3	-4	-5	-5	-17	-49
Allow the orphan drug tax credit for certain pre-designation expenses.....	—	—	—	—	—	—	-1	-3
Total invest in health care .....	—	-280	-3,771	-4,697	-5,556	-6,147	-20,452	-56,204

**Table S-7. Effect of Proposals on Receipts—Continued**  
(In millions of dollars)

	2005	2006	2007	2008	2009	2010	Total	
							2006-2010	2006-2015
<b>Provide incentives for charitable giving:</b>								
Permit tax-free withdrawals from IRAs for charitable contributions.....	-70	-335	-318	-318	-313	-304	-1,588	-3,095
Expand and increase the enhanced charitable deduction for contributions of food inventory .....	-42	-87	-96	-106	-116	-127	-532	-1,388
Reform excise tax based on investment income of private foundations .....	—	-148	-98	-105	-111	-119	-581	-1,321
Modify tax on unrelated business taxable income of charitable remainder trusts.....	-6	-5	-6	-6	-6	-7	-30	-69
Modify basis adjustment to stock of S corporations contributing appreciated property .....	-4	-20	-21	-25	-28	-32	-126	-354
Repeal the \$150 million limitation on qualified 501(c)(3) bonds .....	-3	-6	-10	-11	-10	-10	-47	-92
Repeal certain restrictions on the use of qualified 501(c)(3) bonds for residential rental property .....	—	-2	-5	-9	-16	-24	-56	-278
Total provide incentives for charitable giving.....	-125	-603	-554	-580	-600	-623	-2,960	-6,597
<b>Strengthen education:</b>								
Extend, increase, and expand the above-the-line deduction for qualified out-of-pocket classroom expenses.....	—	-27	-267	-279	-282	-285	-1,140	-2,630
<b>Encourage telecommuting:</b>								
Exclude from income the value of employer-provided computers, software, and peripherals .....	—	-29	-50	-50	-55	-65	-249	-767
<b>Provide assistance to distressed areas:</b>								
Establish Opportunity Zones.....	—	-433	-806	-853	-899	-912	-3,903	-9,594
<b>Provide disaster relief:</b>								
Provide tax relief for FEMA hazard mitigation assistance programs.....	-20	-40	-40	-40	-40	-40	-200	-400
<b>Increase housing opportunities:</b>								
Provide tax credit for developers of affordable single-family housing .....	—	-7	-84	-342	-815	-1,425	-2,673	-17,370

**Table S-7. Effect of Proposals on Receipts—Continued**  
(In millions of dollars)

	2005	2006	2007	2008	2009	2010	Total	
							2006–2010	2006–2015
<b>Protect the environment:</b>								
Extend permanently expensing of brownfields remediation costs.....	—	-138	-215	-203	-195	-184	-935	-1,743
Exclude 50 percent of gains from the sale of property for conservation purposes.....	—	-47	-92	-105	-60	—	-304	-304
Total protect the environment.....	—	-185	-307	-308	-255	-184	-1,239	-2,047
<b>Increase energy production and promote energy conservation:</b>								
Extend the tax credit for producing electricity from wind, biomass, and landfill gas and modify the tax credit for electricity from biomass.....	-48	-144	-321	-260	-160	-163	-1,048	-1,779
Provide tax credit for residential solar energy systems.....	-5	-11	-19	-24	-34	-16	-104	-104
Modify treatment of nuclear decommissioning funds.....	-47	-166	-162	-170	-177	-183	-858	-1,881
Provide tax credit for purchase of certain hybrid and fuel cell vehicles <sup>6</sup> .....	-13	-260	-447	-614	-680	-23	-2,024	-2,532
Provide tax credit for combined heat and power property.....	-17	-109	-84	-105	-114	-36	-448	-394
Total increase energy production and promote energy conservation.....	-130	-690	-1,033	-1,173	-1,165	-421	-4,482	-6,690
<b>Restructure assistance to New York City:</b>								
Provide tax incentives for transportation infrastructure.....	—	-200	-200	-200	-200	-200	-1,000	-2,000
Repeal certain New York City Liberty Zone incentives.....	—	200	200	200	200	200	1,000	2,000
Total restructure assistance to New York City....	—	—	—	—	—	—	—	—
Total tax incentives.....	-275	1,191	-230	-4,896	-8,682	-10,614	-23,232	-117,417
<b>Simplify the Tax Laws for Families:</b>								
Simplify adoption tax benefits.....	—	-4	-40	-42	-43	-45	-174	-426
Clarify eligibility of siblings and other family members for child related tax benefits <sup>7</sup> .....	11	51	78	77	60	40	306	536
Total simplify the tax laws for families.....	11	47	38	35	17	-5	132	110

**Table S-7. Effect of Proposals on Receipts—Continued**  
(In millions of dollars)

	2005	2006	2007	2008	2009	2010	Total	
							2006–2010	2006–2015
<b>Strengthen the Employer-Based Pension System:</b>								
Ensure fair treatment of older workers in cash balance conversions and protect defined benefit plans .....	—	57	62	78	92	104	393	1,096
Strengthen funding for single-employer pension plans .....	—	151	1,432	–869	–2,699	–1,762	–3,747	–12,735
Reflect market interest rates in lump sum payments....	—	—	–3	–8	–15	–20	–46	–241
Total strengthen the employer-based pension system .....	—	208	1,491	–799	–2,622	–1,678	–3,400	–11,880
<b>Close Loopholes and Improve Tax Compliance:</b>								
Combat abusive foreign tax credit transactions .....	1	2	2	2	2	3	11	26
Modify the active trade or business test .....	2	6	8	8	8	8	38	87
Impose penalties on charities that fail to enforce conservation easements .....	3	8	8	8	9	9	42	96
Eliminate the special exclusion from unrelated business taxable income for gain or loss on the sale or exchange of certain brownfields .....	1	4	12	23	37	49	125	242
Apply an excise tax to amounts received under certain life insurance contracts .....	2	7	12	17	23	28	87	323
Limit related party interest deductions .....	74	128	134	141	148	155	706	1,607
Clarify and simplify qualified tuition programs .....	—	4	12	13	14	20	63	222
Total close loopholes and improve tax compliance .....	83	159	188	212	241	272	1,072	2,603
<b>Tax Administration, Unemployment Insurance, and Other:</b>								
<b>Improve tax administration:</b>								
Implement IRS administrative reforms and initiate cost saving measures <sup>8</sup> .....	—	—	—	—	—	—	—	—
<b>Strengthen financial integrity of unemployment insurance:</b>								
Strengthen the financial integrity of the unemployment insurance system by reducing improper benefit payments and tax avoidance <sup>6</sup> ...	—	—	6	–6	–129	–530	–659	–2,856

**Table S-7. Effect of Proposals on Receipts—Continued**  
(In millions of dollars)

	2005	2006	2007	2008	2009	2010	Total	
							2006–2010	2006–2015
<b>Other proposals:</b>								
Modify pesticide registration fee.....	—	—	—	—	—	—	—	–152
Increase Indian gaming activity fees .....	—	—	4	4	5	5	18	43
Total tax administration, unemployment insurance, and other.....	—	—	10	–2	–124	–525	–641	–2,965
<b>Reauthorize Funding for the Highway Trust Fund:</b>								
Extend excise taxes deposited in the Highway Trust Fund <sup>6</sup> .....	—	10	11	11	11	11	54	65
Allow tax-exempt financing for private highway projects and rail-truck transfer facilities .....	–5	–22	–47	–75	–92	–97	–333	–601
Total reauthorize funding for the Highway Trust Fund .....	–5	–12	–36	–64	–81	–86	–279	–536
<b>Promote Trade:</b>								
Implement free trade agreements with Bahrain, Panama and the Dominican Republic <sup>6</sup> .....	—	–56	–84	–91	–97	–102	–430	–976
<b>Extend Expiring Provisions:</b>								
Research & Experimentation (R&E) tax credit .....	—	–2,097	–4,601	–5,944	–6,889	–7,669	–27,200	–76,225
Combined work opportunity/welfare-to-work tax credit .....	—	–131	–166	–65	–16	–5	–383	–383
First-time homebuyer credit for DC.....	—	–1	–18	—	—	—	–19	–19
Authority to issue Qualified Zone Academy Bonds...	—	–3	–8	–13	–18	–20	–62	–162
Deduction for corporate donations of computer technology .....	—	–73	–49	—	—	—	–122	–122
Disclosure of tax return information related to terrorist activity <sup>8</sup> .....	—	—	—	—	—	—	—	—
LUST Trust Fund taxes <sup>6</sup> .....	74	152	77	—	—	—	229	229
Abandoned mine reclamation fees.....	—	304	312	318	322	323	1,579	3,230
Excise tax on coal <sup>6</sup> .....	—	—	—	—	—	—	—	479
Total extend expiring provisions .....	74	–1,849	–4,453	–5,704	–6,601	–7,371	–25,978	–72,973

**Table S-7. Effect of Proposals on Receipts—Continued**  
(In millions of dollars)

	2005	2006	2007	2008	2009	2010	Total	
							2006-2010	2006-2015
<b>Total budget proposals, including proposals assumed in the baseline</b> .....	201	-360	-3,439	-20,956	-49,411	-32,010	-106,177	-1,293,547
<b>Total budget proposals, excluding proposals assumed in the baseline</b> .....	-112	-312	-3,076	-11,309	-17,949	-20,109	-52,756	-204,034

<sup>1</sup> Affects both receipts and outlays. Only the receipt effect is shown here. The outlay effect is \$37,319 million for 2006-2015.

<sup>2</sup> Affects both receipts and outlays. Only the receipt effect is shown here. The outlay effect is \$7,491 million for 2006-2015.

<sup>3</sup> Affects both receipts and outlays. Only the receipt effect is shown here. The outlay effect is \$78 million for 2006, \$3,660 million for 2007, \$5,514 million for 2008, \$6,529 million for 2009, \$7,035 million for 2010, \$22,816 million for 2006-2010 and \$64,078 million for 2006-2015.

<sup>4</sup> Affects both receipts and outlays. Only the receipt effect is shown here. The outlay effect is \$18 million for 2006, \$87 million for 2007, \$237 million for 2008, \$392 million for 2009, \$589 million for 2010, \$1,323 million for 2006-2010 and \$4,930 million for 2006-2015.

<sup>5</sup> Affects both receipts and outlays. Only the receipt effect is shown here. The outlay effect is \$3 million for 2006, \$10 million for 2007, \$11 million for 2008, \$13 million for 2009, \$14 million for 2010, \$51 million for 2006-2010 and \$130 million for 2006-2015.

<sup>6</sup> Net of income offsets.

<sup>7</sup> Affects both receipts and outlays. Only the receipt effect is shown here. The outlay effect is -\$115 million for 2006, -\$150 million for 2007, -\$168 million for 2008, -\$196 million for 2009, -\$258 million for 2010, -\$887 million for 2006-2010 and -\$2,239 million for 2006-2015.

<sup>8</sup> No net budgetary impact.

**Table S-8. Receipts By Source—Summary**  
(In billions of dollars)

Source	2004 Actual	Estimate					
		2005	2006	2007	2008	2009	2010
Individual income taxes.....	809.0	893.7	966.9	1,071.2	1,167.2	1,245.1	1,353.3
Corporation income taxes.....	189.4	226.5	220.3	229.8	243.4	252.4	257.6
Social insurance and retirement receipts.....	733.4	773.7	818.8	866.2	911.7	959.1	1,016.2
(On-budget).....	(198.7)	(212.4)	(225.6)	(237.0)	(247.2)	(258.4)	(273.0)
(Off-budget).....	(534.7)	(561.4)	(593.2)	(629.2)	(664.6)	(700.7)	(743.2)
Excise taxes.....	69.9	74.0	75.6	77.2	79.0	81.0	82.9
Estate and gift taxes.....	24.8	23.8	26.1	23.5	24.3	26.0	20.1
Customs duties.....	21.1	24.7	28.3	30.6	31.9	33.9	35.3
Miscellaneous receipts.....	32.6	36.4	41.6	45.6	49.5	52.6	55.4
<b>Total receipts</b> .....	<b>1,880.1</b>	<b>2,052.8</b>	<b>2,177.6</b>	<b>2,344.2</b>	<b>2,507.0</b>	<b>2,650.0</b>	<b>2,820.9</b>
(On-budget).....	(1,345.3)	(1,491.5)	(1,584.4)	(1,715.0)	(1,842.4)	(1,949.3)	(2,077.7)
(Off-budget).....	(534.7)	(561.4)	(593.2)	(629.2)	(664.6)	(700.7)	(743.2)

**Table S–9. Comparison of Economic Assumptions**  
(Calendar years)

	Projections						Average
	2005	2006	2007	2008	2009	2010	2005–2010
<b>GDP (billions of current dollars):</b>							
2006 Budget.....	12,392	13,083	13,797	14,537	15,306	16,112	
CBO January.....	12,396	13,059	13,766	14,486	15,210	15,940	
Blue Chip Consensus January <sup>1</sup> .....	12,398	13,066	13,763	14,496	15,265	16,098	
<b>Real GDP (chain-weighted): <sup>2</sup></b>							
2006 Budget.....	3.6	3.5	3.3	3.2	3.1	3.1	3.3
CBO January.....	3.8	3.7	3.7	3.4	3.1	2.9	3.5
Blue Chip Consensus January <sup>1</sup> .....	3.6	3.4	3.2	3.2	3.1	3.3	3.3
<b>Chain-weighted GDP Price Index: <sup>2</sup></b>							
2006 Budget.....	1.9	2.0	2.1	2.1	2.1	2.1	2.0
CBO January.....	1.8	1.5	1.7	1.8	1.8	1.8	1.7
Blue Chip Consensus January <sup>1</sup> .....	2.0	2.0	2.1	2.1	2.1	2.1	2.1
<b>Consumer Price Index (all-urban): <sup>2</sup></b>							
2006 Budget.....	2.4	2.3	2.4	2.4	2.4	2.4	2.4
CBO January.....	2.4	1.9	2.1	2.2	2.2	2.2	2.2
Blue Chip Consensus January <sup>1</sup> .....	2.5	2.3	2.4	2.4	2.4	2.4	2.4
<b>Unemployment rate: <sup>3</sup></b>							
2006 Budget.....	5.3	5.2	5.1	5.1	5.1	5.1	5.2
CBO January.....	5.2	5.2	5.2	5.2	5.2	5.2	5.2
Blue Chip Consensus January <sup>1</sup> .....	5.3	5.2	5.1	5.1	5.1	5.1	5.1
<b>Interest rates: <sup>3</sup></b>							
<b>91–day Treasury bills:</b>							
2006 Budget.....	2.7	3.5	3.8	4.0	4.1	4.2	3.7
CBO January.....	2.8	4.0	4.6	4.6	4.6	4.6	4.2
Blue Chip Consensus January <sup>1</sup> .....	3.0	3.8	4.1	4.3	4.2	4.2	3.9
<b>10–year Treasury notes:</b>							
2006 Budget.....	4.6	5.2	5.4	5.5	5.6	5.7	5.3
CBO January.....	4.8	5.4	5.5	5.5	5.5	5.5	5.4
Blue Chip Consensus January <sup>1</sup> .....	4.7	5.3	5.6	5.6	5.6	5.6	5.4

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

<sup>1</sup> January 2005 Blue Chip Consensus forecast for 2005 and 2006; Blue Chip October 2004 long-run extension for 2007–2010.

<sup>2</sup> Year-over-year percent change.

<sup>3</sup> Annual averages, percent.

**Table S-10. Budget Summary by Category**  
(In billions of dollars)

	2004	2005	2006	2007	2008	2009	2010
<b>Outlays:</b>							
<b>Discretionary:</b>							
DOD military.....	436	443	424	426	445	466	483
Non-DOD .....	459	487	497	491	488	486	488
Total, Discretionary .....	895	930	922	917	932	952	971
Proposed Supplemental.....	—	35	25	18	2	1	—
<b>Mandatory:</b>							
Social Security .....	492	515	540	567	596	630	665
Medicare.....	265	290	340	381	407	433	460
Medicaid and SCHIP .....	181	194	199	209	225	245	266
Other .....	299	337	331	319	324	328	351
Total, Mandatory .....	1,237	1,337	1,410	1,476	1,551	1,635	1,743
Net Interest .....	160	178	211	245	272	294	314
Total Outlays .....	2,292	2,479	2,568	2,656	2,758	2,883	3,028
Receipts.....	1,880	2,053	2,178	2,344	2,507	2,650	2,821
Deficit .....	-412	-427	-390	-312	-251	-233	-207
On-budget deficit.....	-567	-589	-560	-506	-466	-463	-460
Off-budget surplus.....	155	162	170	194	215	230	252

**Table S-11. Current Services Baseline Summary by Category**  
(in billions of dollars)

	2004	2005	2006	2007	2008	2009	2010
<b>Discretionary:</b>							
DOD military .....	436	443	417	416	428	439	453
Homeland security .....	25	30	33	34	34	35	36
Other .....	434	457	464	473	480	487	497
<b>Total, Discretionary .....</b>	<b>895</b>	<b>930</b>	<b>914</b>	<b>923</b>	<b>942</b>	<b>961</b>	<b>986</b>
<b>Mandatory:</b>							
Social Security .....	492	515	540	567	596	630	666
Medicare .....	265	290	340	381	407	433	460
Medicaid and SCHIP .....	181	194	198	211	229	249	271
Other .....	299	337	337	327	327	333	355
<b>Total, Mandatory .....</b>	<b>1,237</b>	<b>1,336</b>	<b>1,416</b>	<b>1,485</b>	<b>1,558</b>	<b>1,645</b>	<b>1,752</b>
Net Interest .....	160	177	209	242	269	291	310
<b>Total Outlays .....</b>	<b>2,292</b>	<b>2,443</b>	<b>2,539</b>	<b>2,650</b>	<b>2,770</b>	<b>2,897</b>	<b>3,048</b>
<b>Receipts .....</b>	<b>1,880</b>	<b>2,053</b>	<b>2,178</b>	<b>2,347</b>	<b>2,518</b>	<b>2,668</b>	<b>2,841</b>
<b>Surplus/deficit .....</b>	<b>-412</b>	<b>-390</b>	<b>-361</b>	<b>-303</b>	<b>-251</b>	<b>-229</b>	<b>-207</b>
On-budget deficit .....	-567	-552	-534	-500	-469	-462	-462
Off-budget surplus .....	155	162	173	197	218	233	256

**Table S-12. Impact of Budget Policy**  
(In billions of dollars)

	2005	2006	2007	2008	2009	2010	Total 2006-2010
Current Services Baseline Deficit .....	390	361	303	251	229	207	1,351
Proposals:							
Discretionary policy:							
Department of Defense.....	—	8	11	18	29	34	99
Homeland security.....	—	-1	*	1	2	2	5
Other spending .....	-*	1	-16	-29	-41	-52	-138
Subtotal, discretionary.....	-*	8	-5	-10	-10	-16	-34
Proposed supplemental .....	35	26	21	6	5	4	62
Revenue proposals <sup>1</sup> .....	*	*	7	18	26	30	82
Mandatory proposals .....	1	-5	-13	-14	-17	-18	-68
2006 Budget Deficit.....	427	390	312	251	233	207	1,393

\*\$500 million or less.

Note: Each line includes debt service.

<sup>1</sup> Includes outlay impact of revenue proposals.

**Table S-13. Baseline Adjustments**  
(In billions of dollars)

	2005	2006	2007	2008	2009	2010	Total	
							2006-2010	2006-2015
Budget Enforcement Act Baseline Deficit.....	391	369	315	256	213	212	1,364	
Extend certain tax provisions:								
Permanently extend individual income tax rate cuts.....	—	—	—	—	—	—	—	502
Permanently extend estate and tax gift changes .....	—*	1	1	2	2	2	7	256
Extend other provisions of the 2001 and 2003 tax acts <sup>1</sup> .....	—*	-1	-1	8	30	10	46	376
Subtotal, tax extenders.....	—*	*	*	10	31	12	53	1,134
Assume all emergencies are one-time only.....	—	-5	-9	-11	-12	-13	-50	
Adjust pay factors to more accurately reflect changes in pay costs .....	—	-2	-2	-3	-3	-3	-12	
Remove special rule for administrative expenses for certain benefit programs.....	—	—*	—*	—*	-1	-1	-2	
Debt service related to all changes .....	—*	—*	-1	-1	-1	-1	-3	
Current Services Baseline Deficit.....	390	361	303	251	229	207	1,351	

\*\$500 million or less.

<sup>1</sup> Table S-7 provides a detailed listing of expiring tax provisions in the baseline.

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

	Actual 2004	Estimate					
		2005	2006	2007	2008	2009	2010
<b>Financing:</b>							
Unified budget deficit (-) .....	-412	-427	-390	-312	-251	-233	-207
Financing other than the change in debt held by the public:							
Net purchases (-) of non-Federal securities by the National Railroad Retirement Investment Trust.....	-3	-1	1	1	*	*	1
Changes in: <sup>1</sup>							
Treasury operating cash balance .....	-1	1	—	—	—	—	—
Compensating balances <sup>2</sup> .....	22	—	—	—	—	—	—
Checks outstanding, etc. <sup>3</sup> .....	7	—	—	—	—	—	—
Seigniorage on coins.....	1	1	1	1	1	1	1
Less: Net financing disbursements:							
Direct loan financing accounts .....	-5	-9	-13	-20	-21	-20	-21
Guaranteed loan financing accounts .....	9	9	2	-2	-2	-3	-3
Total, financing other than the change in debt held by the public .....	30	1	-10	-21	-22	-22	-22
Total, requirement to borrow from the public.....	-382	-426	-400	-333	-273	-255	-230
Change in debt held by the public.....	382	426	400	333	273	255	230
<b>Changes in Debt Subject to Limitation:</b>							
Change in debt held by the public.....	382	426	400	333	273	255	230
Change in debt held by Government accounts.....	213	251	277	309	326	340	364
Change in other factors .....	1	-13	*	1	1	3	2
Total, change in debt subject to statutory limitation .....	596	663	676	643	599	598	596
<b>Debt Subject to Statutory Limitation, End of Year:</b>							
Debt issued by Treasury .....	7,328	8,005	8,682	9,325	9,924	10,519	11,114
Adjustment for discount, premium, and coverage <sup>4</sup> .....	6	-8	-8	-8	-8	-6	-5
Total, debt subject to statutory limitation <sup>5</sup> .....	7,333	7,997	8,673	9,316	9,915	10,513	11,109

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

	Actual	Estimate					
	2004	2005	2006	2007	2008	2009	2010
<b>Debt Outstanding, End of Year:</b>							
Gross Federal debt: <sup>6</sup>							
Debt issued by Treasury .....	7,328	8,005	8,682	9,325	9,924	10,519	11,114
Debt issued by other agencies .....	27	26	26	26	25	24	24
Total, gross Federal debt.....	7,355	8,031	8,708	9,350	9,949	10,544	11,137
Held by:							
Debt held by Government accounts .....	3,059	3,310	3,587	3,896	4,222	4,562	4,926
Debt held by the public <sup>7</sup> .....	4,296	4,721	5,121	5,454	5,727	5,982	6,212
As a percent of GDP .....	37.2%	38.6%	39.7%	40.1%	39.9%	39.6%	39.1%

\* \$500 million or less.

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

<sup>2</sup> Compensating balances were non-interest bearing Treasury bank deposits that Treasury mainly used to compensate banks for collecting tax and non-tax receipts under financial agency agreements. Most of the balances at the end of 2003 were required to be invested in nonmarketable Depository Compensation Securities issued by the Treasury; the rest of the balances, and the entire amount in previous years, was invested in the way that the banks decided. The use of compensating balances was discontinued in 2004, and the amounts were drawn down to zero.

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

<sup>4</sup> Consists mainly of Federal Financing Bank debt (which is not subject to limit), the unamortized discount (less premium) on public issues of Treasury notes and bonds (other than zero-coupon bonds), and the unrealized discount on Government account series securities.

<sup>5</sup> The statutory debt limit is \$8,184 billion.

<sup>6</sup> 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 otherwise measured at face value less unrealized discount (if any).

<sup>7</sup> At the end of 2004, the Federal Reserve Banks held \$700 billion of Federal securities and the rest of the public held \$3,595 billion. Debt held by the Federal Reserve Banks is not estimated for future years.

# **SUMMARY TABLES**



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

	2005	2006	2007	2008	2009	2010	2011
<b>Budget Totals:</b>							
Receipts .....	2,154	2,285	2,416	2,590	2,714	2,878	3,035
Outlays .....	2,472	2,709	2,770	2,814	2,922	3,061	3,240
<b>Deficit</b> .....	<b>-318</b>	<b>-423</b>	<b>-354</b>	<b>-223</b>	<b>-208</b>	<b>-183</b>	<b>-205</b>
Gross Domestic Product (GDP) .....	12,290	13,030	13,761	14,521	15,296	16,102	16,955
<b>Budget Totals as a Percent of GDP:</b>							
Receipts .....	17.5%	17.5%	17.6%	17.8%	17.7%	17.9%	17.9%
Outlays .....	20.1%	20.8%	20.1%	19.4%	19.1%	19.0%	19.1%
<b>Deficit</b> .....	<b>-2.6%</b>	<b>-3.2%</b>	<b>-2.6%</b>	<b>-1.5%</b>	<b>-1.4%</b>	<b>-1.1%</b>	<b>-1.2%</b>

**Table S–2. Discretionary Totals**  
(Net budget authority; dollar amounts in billions)

	2006 Enacted	2007 Request	Change: 2006–2007	
			Dollar	Percent
<b>Discretionary budget authority:</b>				
Department of Defense .....	410.8	439.3	28.5	6.9%
Homeland Security (non-Department of Defense).....	32.1	33.1	1.0	3.3%
Other Operations of Government .....	400.4	398.3	–2.2	–0.5%
<b>Total, Discretionary budget authority .....</b>	<b>843.3</b>	<b>870.7</b>	<b>27.3</b>	<b>3.2%</b>
<b>Enacted supplemental and emergency funding:</b>				
Global War on Terror .....	50.0			
Hurricane Response <sup>1</sup> .....	4.6			
Pandemic Influenza Preparedness .....	3.8			
<b>Total, Enacted supplemental and emergency funding .....</b>	<b>58.4</b>			
<b>Estimated future emergency requests: <sup>2</sup></b>				
<i>Global War on Terror .....</i>	<i>70.0</i>	<i>50.0</i>		
<i>Hurricane Response .....</i>	<i>18.0</i>	<i>—</i>		
<i>Pandemic Influenza Preparedness .....</i>	<i>—</i>	<i>2.3</i>		
<b>Total, Estimated future emergency requests .....</b>	<b>88.0</b>	<b>52.3</b>		

<sup>1</sup> In total, \$84.5 billion has been provided in 2005 and 2006 for response to the Gulf Coast Hurricanes through both discretionary and mandatory emergency funding, including amounts for the Social Services Block Grant and Flood Insurance.

<sup>2</sup> Estimated future emergency needs are included as Allowances in the 2007 Budget. The Administration anticipates transmitting official requests for these funds at a later time.

**Table S–3. Growth in Discretionary Budget Authority by Major Agency**  
(Net budget authority; dollar amounts in billions)

Agency	2001 Actual	2006 Enacted	2007 Request	Growth:			
				2006–2007		Average	Cumulative
				Dollar	Percent	2001–2007	2001–2007
Agriculture.....	19.2	21.1	19.7	–1.4	–6.5%	0.4%	2.5%
Commerce.....	5.1	6.4	6.1	–0.2	–3.7%	3.1%	20.4%
Defense.....	302.5	410.8	439.3	28.5	6.9%	6.4%	45.2%
Education.....	40.1	56.5	54.4	–2.1	–3.8%	5.2%	35.7%
Energy.....	20.0	23.5	23.6	0.0	0.1%	2.7%	17.6%
Health and Human Services.....	54.0	69.2	67.6	–1.6	–2.3%	3.8%	25.2%
Homeland Security.....	14.0	30.5	30.9	0.4	1.3%	14.1%	121.0%
Housing and Urban Development.....	28.4	34.3	33.6	–0.6	–1.8%	2.9%	18.7%
Interior.....	10.3	10.8	10.1	–0.6	–5.9%	–0.2%	–1.2%
Justice.....	18.4	21.0	19.5	–1.5	–7.2%	1.0%	6.0%
Labor.....	11.9	11.3	10.9	–0.4	–3.9%	–1.5%	–8.7%
State and Other International Programs.....	21.7	30.2	33.9	3.7	12.2%	7.7%	55.8%
Transportation.....	14.6	14.6	13.2	–1.4	–9.4%	–1.6%	–9.3%
Treasury.....	10.3	11.5	11.6	0.1	0.5%	1.9%	12.3%
Veterans Affairs.....	22.4	33.1	35.7	2.6	8.0%	8.1%	59.5%
Corps of Engineers.....	4.7	5.3	4.7	–0.6	–11.2%	0.2%	1.0%
Environmental Protection Agency.....	7.8	7.6	7.3	–0.3	–4.0%	–1.1%	–6.6%
Executive Office of the President.....	0.3	0.3	0.3	–0.0	–0.6%	4.0%	26.4%
Judicial Branch.....	4.0	5.3	5.9	0.5	9.9%	6.7%	47.9%
Legislative Branch.....	2.8	3.8	4.3	0.5	12.1%	7.6%	55.1%
National Aeronautics and Space Administration.....	14.3	16.3	16.8	0.5	3.2%	2.8%	17.8%
National Science Foundation.....	4.4	5.6	6.0	0.4	7.9%	5.2%	35.9%
Social Security Administration.....	6.0	7.3	7.9	0.5	6.8%	4.5%	30.2%
Other Agencies.....	6.7	6.9	7.3	0.4	6.0%	1.5%	9.3%
<b>Total, Discretionary Spending.....</b>	<b>643.8</b>	<b>843.3</b>	<b>870.7</b>	<b>27.3</b>	<b>3.2%</b>	<b>5.2%</b>	<b>35.2%</b>

Note: Supplementals and emergencies, both enacted and anticipated, are excluded.

**Table S-4. Discretionary Funding By Appropriations Subcommittee**  
(Net budget authority in billions of dollars)

Appropriations Subcommittee	2006 Enacted	2007 Request	Change 2006-2007
Agriculture and Rural Development .....	18.5	17.2	-1.3
Defense .....	399.2	423.2	24.0
Energy and Water Development.....	30.1	29.4	-0.7
Foreign Operations.....	20.7	23.7	3.0
Homeland Security.....	30.5	30.9	0.4
Interior and Environment.....	25.9	25.2	-0.8
Labor, Health and Human Services, and Education .....	141.8	137.8	-4.0
Legislative Branch.....	3.8	4.2	0.5
Military Quality of Life and Veterans Affairs.....	45.2	52.5	7.3
Science, State, Justice, and Commerce.....	58.7	59.7	1.0
Transportation, Treasury, Housing and Urban Development, Judiciary, and District of Columbia.....	68.8	67.1	-1.8
Allowances .....	—	-0.4	-0.4
<b>Total, excluding supplemental and emergency funding .....</b>	<b>843.3</b>	<b>870.7</b>	<b>27.3</b>

Notes: Supplementals and emergencies, both enacted and anticipated, are excluded.

The House and Senate adopted different spending committee structures in the 2006 appropriations season.

This table is consistent with the structures in which the 2006 appropriations bills were enacted.

**Table S–5. Homeland Security Funding By Agency**  
(Budget authority in millions of dollars)

	2006		2007
	Enacted	Supplemental	Request
<b>Homeland Security Funding:</b>			
Agriculture .....	564	—	650
Commerce.....	181	—	218
Defense-Military (DOD) <sup>1</sup> .....	16,441	—	16,699
Energy .....	1,704	—	1,700
Health and Human Services .....	4,300	—	4,565
Homeland Security.....	25,503	173	27,776
Interior.....	56	—	55
Justice.....	2,976	16	3,279
State .....	1,107	—	1,213
Transportation .....	182	—	206
Treasury .....	117	—	134
Veterans Affairs .....	310	—	314
Corps of Engineers.....	72	—	43
Environmental Protection Agency .....	129	—	183
General Services Administration .....	99	—	96
National Aeronautics and Space Administration.....	213	—	203
National Science Foundation .....	344	—	387
Smithsonian Institution .....	83	—	80
Social Security Administration.....	177	—	184
Other Agencies.....	304	—	297
<b>Total, Homeland Security Funding</b> <sup>2</sup> .....	<b>54,862</b>	<b>189</b>	<b>58,282</b>
Less, Defense-Military (DOD).....	–16,441	—	–16,699
Less, Mandatory Homeland Security Funding <sup>3</sup> .....	–2,232	—	–2,455
Less, Discretionary Fee-Funded Activities <sup>4</sup> .....	–4,127	—	–6,019
<b>Net Non-DOD Discretionary Homeland Security</b> <sup>2</sup> .....	<b>32,062</b>	<b>189</b>	<b>33,109</b>

<sup>1</sup> Reported DOD homeland security funding has been revised upward in all years to reflect better estimating methodologies for DOD homeland security programs. See the Homeland Security Funding Analysis chapter of the *Analytical Perspectives* volume for more details.

<sup>2</sup> Amounts are rounded to the nearest million at the account level, which accounts for any discrepancies with the Homeland Security Funding Analysis chapter in the *Analytical Perspectives* volume.

<sup>3</sup> Mandatory homeland security programs include Agriculture Quarantine and Inspections, Border Protection, and Immigration Enforcement.

<sup>4</sup> Discretionary fee-funded homeland security programs include Visa Processing, Airport Security, and Social Security physical and computer security measures.

**Table S-6. Mandatory Proposals**  
(In millions of dollars)

	2006	2007	2008	2009	2010	2011	Total	
							2007-2011	2007-2016
<b>Reforms Resulting in Savings:</b>								
Agriculture:								
Commodity Program changes .....	—	-1,081	-1,079	-945	-965	-917	-4,988	-8,933
Restrict Food Stamp categorical eligibility .....	—	-76	-154	-155	-159	-162	-706	-1,585
Allow State Food Stamp agencies to access the National Directory of New Hires (NDNH) .....	—	—	-1	-1	-1	-1	-4	-9
Subtotal, Agriculture .....	—	-1,157	-1,234	-1,101	-1,125	-1,080	-5,698	-10,527
Defense:								
Increase National Defense Stockpile Sales .....	—	-1	-50	-72	-80	-96	-299	-347
Energy:								
Repeal Oil and Gas Research and Development Program .....	—	-20	-40	-50	-50	-50	-210	-460
Health and Human Services:								
Medicare .....	—	-2,452	-5,485	-7,948	-9,343	-10,663	-35,891	-105,016
Medicaid/State Children's Health Insurance Program .....	—	-723	-876	-1,062	-1,116	-1,168	-4,945	-11,859
Child Support Enforcement .....	—	-2	-1	-3	-5	-6	-17	-60
Child Welfare Program option .....	—	22	5	55	-27	-61	-6	-1
Subtotal, Health and Human Services .....	—	-3,155	-6,357	-8,958	-10,491	-11,898	-40,859	-116,936
Interior:								
Arctic National Wildlife Refuge lease bonuses:								
State of Alaska's share:								
Receipts .....	—	—	-3,502	-2	-503	-3	-4,010	-4,025
Expenditures .....	—	—	3,502	2	503	3	4,010	4,025
Federal share:								
Receipts .....	—	—	-3,502	-2	-503	-3	-4,010	-4,025
Amend Bureau of Land Management (BLM) Land Sale								
Authority .....	—	-1	-28	-40	-42	-71	-182	-351
Eliminate BLM Range Improvement Fund .....	—	-7	-10	-10	-10	-10	-47	-97
Recover Pick-Sloan Project Cost .....	—	-23	-23	-23	-23	-23	-115	-230
Repeal Energy Bill Fee Prohibition .....	—	-5	-27	-27	-27	-24	-110	-209
Subtotal, Interior .....	—	-36	-3,590	-102	-605	-131	-4,464	-4,912

**Table S-6. Mandatory Proposals—Continued**  
(In millions of dollars)

	2006	2007	2008	2009	2010	2011	Total	
							2007-2011	2007-2016
<b>Labor:</b>								
Reform Pension Benefit Guaranty Corporation.....	—	—	-4,195	-4,181	-4,164	-4,140	-16,680	-37,056
Unemployment Insurance Integrity legislation:								
Benefit Payment Recoveries.....	—	—	-482	-515	-365	-376	-1,738	-3,774
Reform Federal Employee's Compensation Act.....	—	-3	-8	-10	-11	-13	-45	-140
Subtotal, Labor.....	—	-3	-4,685	-4,706	-4,540	-4,529	-18,463	-40,970
<b>Treasury:</b>								
Eliminate 10-year Statute-of-Limitations on Non-Tax Debt.....	—	-11	-6	-6	-6	-6	-35	-65
<b>Federal Communications Commission (FCC):</b>								
Extend Spectrum Auction Authority.....	—	—	—	—	—	—	—	-1,000
Terminate the Telecommunications Development Fund ...	—	-5	-5	-6	-7	-7	-30	-65
Subtotal, FCC.....	—	-5	-5	-6	-7	-7	-30	-1,065
<b>Office of Personnel Management:</b>								
Amend Federal Employee Health Benefits Program Statute.....	—	-34	-134	-231	-306	-367	-1,072	-3,431
Total, Reforms Resulting in Savings.....	—	-4,422	-16,101	-15,233	-17,210	-18,164	-71,130	-178,713
<b>User Fee Proposals:</b>								
<b>Agriculture:</b>								
Food Safety and Inspection Service User Fees*.....	—	-105	-155	-148	-151	-154	-713	-1,535
Grain Inspection User Fees*.....	—	-20	-20	-21	-21	-22	-104	-220
Animal Plant Health Inspection User Fees*.....	—	-8	-11	-11	-12	-12	-54	-117
Agricultural Marketing Service User Fees*.....	—	-2	-2	-2	-2	-2	-10	-20
Federal Crop Insurance User Fees*.....	—	—	-15	-15	-15	-15	-60	-135
<b>Health and Human Services:</b>								
FDA User Fee Proposal*.....	—	-26	-27	-27	-28	-28	-135	-286
<b>Homeland Security:</b>								
Extend Customs User Fees.....	—	—	—	—	—	—	—	-5,830
<b>Treasury:</b>								
Alcohol and Tobacco Tax and Trade Bureau User Fees* .	—	-29	-29	-29	-29	-29	-145	-290

**Table S-6. Mandatory Proposals—Continued**  
(In millions of dollars)

	2006	2007	2008	2009	2010	2011	Total	
							2007-2011	2007-2016
<b>Environmental Protection Agency (EPA):</b>								
Pesticide Fees*.....	—	-56	-66	-53	-53	-53	-281	-546
Pre-Manufacturing Notification Fee*.....	—	-4	-8	-8	-8	-8	-36	-76
<b>FCC:</b>								
Authorize Spectrum License Fees.....	—	-50	-150	-300	-300	-400	-1,200	-3,625
<b>Total, User Fee Proposals</b> .....	—	-300	-483	-614	-619	-723	-2,739	-12,680
<b>Subtotal, Reforms Resulting in Savings and User Fee Proposals</b> .....	—	-4,722	-16,584	-15,847	-17,829	-18,887	-73,869	-191,393
<b>Program Augmentations:</b>								
<b>Agriculture:</b>								
Exclude retirement savings in Food Stamp Program.....	—	47	96	145	149	152	589	1,415
<b>Energy:</b>								
Bonneville Power Administration borrowing authority.....	—	—	—	—	—	—	—	200
<b>Health and Human Services:</b>								
Medicaid/State Children's Health Insurance Program.....	—	1,227	686	539	425	601	3,478	6,773
Cover the Kids outreach grants.....	—	100	100	100	100	100	500	1,000
Grants to States for chronically ill.....	—	250	375	493	506	523	2,146	5,000
Temporary Assistance for Needy Families.....	—	40	149	425	473	488	1,575	4,070
Foster Care District of Columbia Federal Medical Assistance Percentage Rate.....	—	5	6	6	6	6	29	65
<b>Treasury:</b>								
Extend the Rum Carryover for Puerto Rico.....	69	95	24	—	—	—	119	119
<b>Office of Personnel Management:</b>								
Make Changes to Federal Retirement Improvement Act..	—	—	3	5	7	9	24	85
<b>Social Security Administration:</b>								
Extend Supplemental Security Income eligibility for refugees.....	—	70	75	74	—	—	219	219
<b>Total, Program Augmentations</b> .....	69	1,834	1,514	1,787	1,666	1,879	8,679	18,946

**Table S-6. Mandatory Proposals—Continued**  
(In millions of dollars)

	2006	2007	2008	2009	2010	2011	Total	
							2007-2011	2007-2016
<b>User Fee Proposals with Mandatory Spending:</b>								
Marketing Agreements and Orders User Fees:								
Receipts.....	—	-12	-12	-13	-13	-13	-63	-132
Spending.....	—	12	12	13	13	13	63	132
Net effect.....	—	—	—	—	—	—	—	—
Increase Indian Gaming Commission Fees <sup>1</sup> .....	—	—	4	5	5	5	19	44
Foreign Labor Certification User Fees:								
Receipts.....	—	-35	-35	-35	-35	-35	-175	-350
Spending.....	—	35	35	35	35	35	175	350
Net effect.....	—	—	—	—	—	—	—	—
Immigration Examination Fees:								
Receipts.....	—	-31	-31	-31	-31	-31	-155	-310
Spending.....	—	25	31	31	31	31	149	304
Net effect.....	—	-6	—	—	—	—	-6	-6
Army Corps of Engineers: Additional Recreation User Fees and Contributions:								
Receipts.....	—	-9	-17	-17	-17	-17	-77	-162
Spending.....	—	—	8	16	17	17	58	143
Net effect.....	—	-9	-9	-1	—	—	-19	-19
Total, User Fee Proposals with Mandatory Spending.....	—	-15	-5	4	5	5	-6	19
<b>Subtotal, Including Program Augmentations and User Fee Proposals with Mandatory Spending .....</b>	<b>69</b>	<b>-2,903</b>	<b>-15,075</b>	<b>-14,056</b>	<b>-16,158</b>	<b>-17,003</b>	<b>-65,196</b>	<b>-172,428</b>
<b>Further Hurricane Response:</b>								
National Flood Insurance (emergency).....	5,040	560	—	—	—	—	560	560
<b>Social Security Personal Accounts (off-budget) .....</b>								
.....	—	—	—	—	24,182	57,429	81,611	712,144
<b>Outlay Effects of Tax Proposals:<sup>1</sup></b>								
Health Tax Credit.....	—	720	1,250	1,679	1,876	2,015	7,540	19,778
Child Tax Credit.....	—	—	-383	-368	-422	-427	-1,600	-3,897
Earned Income Tax Credit.....	—	-188	4	-68	-79	-69	-400	-903
Total, Outlay Effects of Tax Proposals .....	—	532	871	1,243	1,375	1,519	5,540	14,978

**Table S-6. Mandatory Proposals—Continued**  
(In millions of dollars)

	2006	2007	2008	2009	2010	2011	Total	
							2007-2011	2007-2016
<b>Other Mandatory Proposals:</b>								
Use Escrow Account for USPS Retiree Health Benefits:								
On-budget effect .....	-1,220	-1,203	-1,175	-1,140	-1,098	-1,049	-5,665	-10,138
Off-budget effect .....	1,220	1,203	1,175	1,140	1,098	1,049	5,665	10,138
Unified budget effect .....	—	—	—	—	—	—	—	—
Refinance Black Lung Disability Trust Fund debt:								
Black Lung Disability Trust Fund .....	—	2,282	-450	-453	-461	-470	448	-3,069
Interest receipts on repayable advances .....	—	-2,282	450	453	461	470	-448	3,069
Net effect .....	—	—	—	—	—	—	—	—
County Payments Safety Net:								
County Payments .....	—	78	303	179	120	97	777	777
National Forest Land Sales .....	—	-78	-303	-179	-120	-97	-777	-777
Net effect .....	—	—	—	—	—	—	—	—
Full-time Attendance Required for Child's Social Security Benefits at age 16 (off-budget) .....								
Enforcement of Windfall Elimination Provision/Government Pension Offset (off-budget) .....	—	-11	-84	-150	-155	-159	-559	-1,461
Replace Disability Insurance/Worker's Comp Offset with Uniform Offset (off-budget) .....	—	-8	-35	-50	-63	-72	-228	-402
Eliminate Lump Sum Death Benefit (off-budget) .....	—	-171	-203	-205	-205	-205	-989	-2,014
Correct trust accounting deficiencies in individual Indian money investments (non-paygo) .....	6	—	—	—	—	—	—	—
Indirect Effects (Third Scorecard):								
Amend Federal Employee Health Benefits Program statute .....	—	28	86	139	182	220	655	2,035
Unemployment Insurance Integrity legislation .....	—	—	-58	-124	-129	-135	-446	-1,215
Food Stamp Impact of Commodity Supplemental Food Program elimination .....	—	49	61	53	48	45	256	439

**Table S-6. Mandatory Proposals—Continued**  
(In millions of dollars)

	2006	2007	2008	2009	2010	2011	Total	
							2007-2011	2007-2016
Refine Department of Defense Medicare-Eligible Retiree Health Care Accrual Calculation .....	—	73	77	82	87	92	411	967
Temporary Assistance for Needy Families impact of Social Services Block Grant reduction and Other.....	—	108	20	-116	-29	-12	-29	-84
Subtotal, Indirect Effects.....	—	258	186	34	159	210	847	2,142
Total, Other Mandatory Proposals.....	6	68	-136	-371	-397	-520	-1,356	-4,166
<b>Grand Total</b> .....	<b>5,115</b>	<b>-1,744</b>	<b>-14,339</b>	<b>-13,182</b>	<b>9,004</b>	<b>41,426</b>	<b>21,166</b>	<b>551,103</b>
Memorandum: Savings Net of Program Augmentations								
Medicaid/State Children's Health Insurance Program .....	—	504	-190	-523	-691	-567	-1,467	-5,086
Food Stamp Program .....	—	-29	-59	-11	-11	-11	-121	-179

\* Once the fees are enacted, the Administration will work to reclassify them to offset discretionary spending beginning in 2008.

<sup>1</sup> Affects both receipts and outlays. Only the outlay effect is shown here. Excludes tax extenders assumed in the baseline.

**Table S-7. Effect of Proposals on Receipts**  
(In millions of dollars)

	2006	2007	2008	2009	2010	2011	Total	
							2007-2011	2007-2016
<b>Make Permanent Certain Tax Cuts Enacted in 2001 and 2003 (assumed in the baseline):</b>								
Dividends tax rate structure.....	288	571	-1,329	-14,161	-537	-6,545	-22,001	-128,050
Capital gains tax rate structure.....	—	—	—	-14,183	-5,519	-6,606	-26,308	-74,931
Expensing for small business.....	—	—	-4,679	-6,498	-4,872	-3,853	-19,902	-32,620
Marginal individual income tax rate reductions .....	—	—	—	—	—	-66,918	-66,918	-605,961
Child tax credit <sup>1</sup> .....	—	—	—	—	—	-5,452	-5,452	-116,691
Marriage penalty relief <sup>2</sup> .....	—	—	—	—	—	-4,968	-4,968	-37,578
Education incentives .....	—	—	—	—	3	-1,098	-1,095	-10,960
Repeal of estate and generation-skipping transfer taxes, and modification of gift taxes .....	-205	-1,102	-1,728	-2,181	-2,676	-23,758	-31,445	-339,022
Modifications of pension plans .....	—	—	—	—	—	-346	-346	-2,858
Other incentives for families and children.....	—	—	—	—	5	-170	-165	-4,362
Total make permanent certain tax cuts enacted in 2001 and 2003 .....	83	-531	-7,736	-37,023	-13,596	-119,714	-178,600	-1,353,033
<b>Tax Incentives:</b>								
<b>Simplify and encourage saving:</b>								
Expand tax-free savings opportunities .....	—	4,796	10,407	7,507	3,970	-383	26,297	-122
Consolidate employer-based savings accounts.....	—	—	-542	-579	-618	-1,826	-3,565	-20,063
Establish Individual Development Accounts (IDAs) .....	—	—	-134	-286	-326	-300	-1,046	-1,763
Total simplify and encourage saving.....	—	4,796	9,731	6,642	3,026	-2,509	21,686	-21,948
<b>Encourage entrepreneurship and investment:</b>								
Increase expensing for small business.....	—	-2,522	-3,527	-2,625	-2,037	-1,645	-12,356	-18,713
<b>Invest in health care:</b>								
Expand health savings accounts (HSAs) <sup>3</sup> .....	—	-1,978	-4,321	-6,201	-7,720	-8,826	-29,046	-87,212
Provide an above-the-line deduction for high-deductible insurance premiums <sup>4</sup> .....	—	-2,519	-3,815	-3,840	-3,691	-3,668	-17,533	-38,127
Provide refundable tax credit for the purchase of health insurance <sup>5</sup> .....	—	-254	-861	-1,194	-1,404	-1,362	-5,075	-11,154
Improve the Health Coverage Tax Credit <sup>6</sup> .....	—	-1	-3	-4	-5	-5	-18	-51

**Table S-7. Effect of Proposals on Receipts—Continued**  
(In millions of dollars)

	2006	2007	2008	2009	2010	2011	Total	
							2007-2011	2007-2016
Allow the orphan drug tax credit for certain pre-designation expenses <sup>7</sup> .....	—	—	—	—	—	—	—	—
Total invest in health care .....	—	-4,752	-9,000	-11,239	-12,820	-13,861	-51,672	-136,544
<b>Provide incentives for charitable giving:</b>								
Permit tax-free withdrawals from IRAs for charitable contributions.....	—	-102	-510	-512	-501	-497	-2,122	-4,706
Expand and increase the enhanced charitable deduction for contributions of food inventory .....	—	-44	-96	-106	-116	-127	-489	-1,345
Reform excise tax based on investment income of private foundations .....	—	-56	-85	-90	-96	-102	-429	-1,074
Modify tax on unrelated business taxable income of charitable remainder trusts.....	—	-1	-6	-6	-6	-6	-25	-62
Modify basis adjustment to stock of S corporations contributing appreciated property .....	—	-3	-15	-21	-25	-28	-92	-301
Repeal the \$150 million limitation on qualified 501(c)(3) bonds .....	—	-2	-3	-6	-10	-11	-32	-81
Repeal certain restrictions on the use of qualified 501(c)(3) bonds for residential rental property .....	—	-2	-5	-9	-16	-24	-56	-278
Total provide incentives for charitable giving.....	—	-210	-720	-750	-770	-795	-3,245	-7,847
<b>Strengthen education:</b>								
Extend the above-the-line deduction for qualified out-of pocket classroom expenses .....	-17	-171	-178	-180	-183	-185	-897	-1,867
<b>Provide assistance to distressed areas:</b>								
Establish Opportunity Zones .....	—	-221	-411	-439	-451	-482	-2,004	-4,960
<b>Protect the environment:</b>								
Extend permanently expensing of brownfields remediation costs.....	-98	-146	-163	-177	-168	-157	-811	-1,503
<b>Restructure assistance to New York City:</b>								
Provide tax incentives for transportation infrastructure.....	—	-200	-200	-200	-200	-200	-1,000	-2,000

**Table S-7. Effect of Proposals on Receipts—Continued**  
(In millions of dollars)

	2006	2007	2008	2009	2010	2011	Total	
							2007-2011	2007-2016
Repeal certain New York City Liberty Zone incentives	—	200	200	200	200	200	1,000	2,000
Total restructure assistance to New York City.....	—	—	—	—	—	—	—	—
Total tax incentives.....	-115	-3,226	-4,268	-8,768	-13,403	-19,634	-49,299	-193,382
<b>Simplify the Tax Laws for Families:</b>								
Clarify uniform definition of a child <sup>8</sup> .....	—	17	66	50	32	48	213	395
Simplify EITC eligibility requirement regarding filing status, presence of children, and work and immigration status <sup>9</sup> .....	—	27	-24	-21	-26	-28	-72	-207
Reduce computational complexity of refundable child tax credit <sup>10</sup> .....	—	—	—	—	—	—	—	—
Total simplify the tax laws for families.....	—	44	42	29	6	20	141	188
<b>Strengthen the Employer-Based Pension System:</b>								
Ensure fair treatment of older workers in cash balance conversions and protect defined benefit plans .....	3	53	62	77	89	100	381	1,039
Strengthen funding for single-employer pension plans..	—	536	2,290	-153	-2,336	-1,611	-1,274	-9,180
Reflect market interest rates in lump sum payments.....	—	—	-3	-9	-17	-24	-53	-274
Total strengthen the employer-based pension system .....	3	589	2,349	-85	-2,264	-1,535	-946	-8,415
<b>Close Loopholes and Improve Tax Compliance:</b>								
Combat abusive foreign tax credit transactions.....	—	1	2	2	3	3	11	26
Modify the active trade or business test.....	—	6	8	8	8	8	38	89
Impose penalties on charities that fail to enforce conservation easements.....	—	3	8	8	9	9	37	91
Eliminate the special exclusion from unrelated business taxable income for gain or loss on the sale or exchange of certain brownfields .....	—	2	14	30	43	41	130	201
Limit related party interest deductions .....	—	82	141	148	155	163	689	1,635
Clarify and simplify qualified tuition programs.....	—	4	12	13	14	20	63	222
Total close loopholes and improve tax compliance	—	98	185	209	232	244	968	2,264

**Table S-7. Effect of Proposals on Receipts—Continued**  
(In millions of dollars)

	2006	2007	2008	2009	2010	2011	Total	
							2007–2011	2007–2016
<b>Tax Administration, Unemployment Insurance, and Other:</b>								
<b>Improve tax administration:</b>								
Implement IRS administrative reforms and initiate cost saving measures <sup>11</sup> .....	—	—	—	—	—	—	—	—
Reduce the tax gap.....	—	259	351	311	296	308	1,525	3,560
Total improve tax administration .....	—	259	351	311	296	308	1,525	3,560
<b>Strengthen financial integrity of unemployment insurance:</b>								
Strengthen the financial integrity of the unemployment insurance system by reducing improper benefit payments and tax avoidance <sup>12</sup> ..	—	—	31	30	–106	–143	–188	–2,246
Extend unemployment insurance surtax <sup>12</sup> .....	—	—	1,085	1,490	1,526	1,564	5,665	710
Total strengthen integrity of unemployment insurance <sup>12</sup> .....	—	—	1,116	1,520	1,420	1,421	5,477	–1,536
<b>Other proposals:</b>								
Increase Indian gaming activity fees .....	—	—	5	5	5	5	20	45
Total tax administration, unemployment insurance, and other <sup>12</sup> .....	—	259	1,472	1,836	1,721	1,734	7,022	2,069
<b>Modify Energy Policy Act of 2005:</b>								
Repeal reduced recovery period for natural gas distribution lines .....	—	12	44	80	112	125	373	833
Modify amortization for certain geological and geophysical expenditures .....	—	38	140	206	169	88	641	730
Total modify Energy Policy Act of 2005.....	—	50	184	286	281	213	1,014	1,563
<b>Promote Trade:</b>								
Implement free trade agreements <sup>12</sup> .....	—	–236	–456	–593	–741	–832	–2,858	–8,200
Extend GSP <sup>12</sup> .....	—	–412	–617	–666	–723	–786	–3,204	–3,445
Total promote trade <sup>12</sup> .....	—	–648	–1,073	–1,259	–1,464	–1,618	–6,062	–11,645

**Table S-7. Effect of Proposals on Receipts—Continued**  
(In millions of dollars)

	2006	2007	2008	2009	2010	2011	Total	
							2007–2011	2007–2016
<b>Extend Expiring Provisions:</b>								
Minimum tax relief for individuals.....	-13,664	-20,495	—	—	—	—	-20,495	-20,495
Research & Experimentation (R&E) tax credit .....	-2,097	-4,601	-5,944	-6,889	-7,669	-8,340	-33,443	-86,440
Combined work opportunity/welfare-to-work tax credit .....	-80	-144	-86	-25	-7	-3	-265	-266
First-time homebuyer credit for DC .....	-1	-18	—	—	—	—	-18	-18
Authority to issue Qualified Zone Academy Bonds.....	-3	-8	-13	-18	-20	-20	-79	-179
Disclosure of tax return information related to terrorist activity <sup>7</sup> .....	—	—	—	—	—	—	—	—
Excise tax on coal <sup>12</sup> .....	—	—	—	—	—	—	—	750
<b>Total extend expiring provisions <sup>12</sup> .....</b>	<b>-15,845</b>	<b>-25,266</b>	<b>-6,043</b>	<b>-6,932</b>	<b>-7,696</b>	<b>-8,363</b>	<b>-54,300</b>	<b>-106,648</b>
<b>Total budget proposals, including proposals assumed in the baseline <sup>12</sup> .....</b>	<b>-15,874</b>	<b>-28,631</b>	<b>-14,888</b>	<b>-51,707</b>	<b>-36,183</b>	<b>-148,653</b>	<b>-280,062</b>	<b>-1,667,039</b>
<b>Total budget proposals, excluding proposals assumed in the baseline <sup>12</sup> .....</b>	<b>-15,957</b>	<b>-28,100</b>	<b>-7,152</b>	<b>-14,684</b>	<b>-22,587</b>	<b>-28,939</b>	<b>-101,462</b>	<b>-314,006</b>

<sup>1</sup> Affects both receipts and outlays. Only the receipt effect is shown here. The outlay effect is \$45 million for 2011 and \$51,809 million for 2007–2016.

<sup>2</sup> Affects both receipts and outlays. Only the receipt effect is shown here. The outlay effect is -\$371 million for 2011 and \$7,346 million for 2007–2016.

<sup>3</sup> Affects both receipts and outlays. Only the receipt effect is shown here. The outlay effect is \$91 million for 2007, \$178 million for 2008, \$253 million for 2009, \$310 million for 2010, \$352 million for 2011, \$1,184 million for 2007–2011 and \$3,500 million for 2007–2016.

<sup>4</sup> Affects both receipts and outlays. Only the receipt effect is shown here. The outlay effect is \$244 million for 2007, \$315 million for 2008, \$319 million for 2009, \$303 million for 2010, \$305 million for 2011, \$1,486 million for 2007–2011 and \$3,200 million for 2007–2016.

<sup>5</sup> Affects both receipts and outlays. Only the receipt effect is shown here. The outlay effect is \$381 million for 2007, \$747 million for 2008, \$1,095 million for 2009, \$1,249 million for 2010, \$1,343 million for 2011, \$4,815 million for 2007–2011 and \$12,939 million for 2007–2016.

<sup>6</sup> Affects both receipts and outlays. Only the receipt effect is shown here. The outlay effect is \$4 million for 2007, \$10 million for 2008, \$12 million for 2009, \$14 million for 2010, \$15 million for 2011, \$55 million for 2007–2011 and \$139 million for 2007–2016.

<sup>7</sup> No net budgetary impact.

<sup>8</sup> Affects both receipts and outlays. Only the receipt effect is shown here. The outlay effect is -\$170 million for 2008, -\$196 million for 2009, -\$250 million for 2010, -\$234 million for 2011, -\$850 million for 2007–2011 and -\$2,224 million for 2007–2016.

<sup>9</sup> Affects both receipts and outlays. Only the receipt effect is shown here. The outlay effect is -\$188 million for 2007, \$123 million for 2008, \$102 million for 2009, \$96 million for 2010, \$95 million for 2011, \$228 million for 2007–2011 and \$687 million for 2007–2016.

<sup>10</sup> Affects both receipts and outlays. Only the receipt effect is shown here. The outlay effect is -\$332 million for 2008, -\$342 million for 2009, -\$347 million for 2010, -\$357 million for 2011, -\$1,378 million for 2007–2011 and -\$3,263 million for 2007–2016.

<sup>11</sup> Outlays from this proposal will be reflected in the Financial Management Service's budget.

<sup>12</sup> Net of income offsets.

**Table S-8. Receipts By Source—Summary**  
(In billions of dollars)

Source	2005 Actual	Estimate					
		2006	2007	2008	2009	2010	2011
Individual income taxes.....	927.2	997.6	1,096.4	1,208.5	1,268.4	1,370.1	1,466.9
Corporation income taxes.....	278.3	277.1	260.6	268.5	277.1	282.0	292.0
Social insurance and retirement receipts.....	794.1	841.1	884.1	932.1	980.7	1,037.4	1,096.7
(On-budget).....	(216.6)	(231.1)	(241.8)	(253.0)	(264.5)	(278.9)	(295.1)
(Off-budget).....	(577.5)	(610.0)	(642.3)	(679.1)	(716.2)	(758.5)	(801.6)
Excise taxes.....	73.1	73.5	74.6	75.9	77.5	78.9	83.1
Estate and gift taxes.....	24.8	27.5	23.7	24.4	26.0	20.1	1.6
Customs duties.....	23.4	25.9	28.1	31.4	31.7	34.0	36.2
Miscellaneous receipts.....	33.0	42.8	48.4	49.4	52.7	55.7	58.4
<b>Total receipts</b> .....	<b>2,153.9</b>	<b>2,285.5</b>	<b>2,415.9</b>	<b>2,590.3</b>	<b>2,714.2</b>	<b>2,878.2</b>	<b>3,034.9</b>
(On-budget).....	(1,576.4)	(1,675.5)	(1,773.5)	(1,911.1)	(1,998.0)	(2,119.7)	(2,233.3)
(Off-budget).....	(577.5)	(610.0)	(642.3)	(679.1)	(716.2)	(758.5)	(801.6)

**Table S–9. Economic Assumptions**  
(Fiscal years)

	2005	2006	2007	2008	2009	2010	2011
<b>Gross Domestic Product (GDP):</b>							
Nominal level, in billions of dollars .....	12,290	13,030	13,761	14,521	15,296	16,102	16,955
Percent change <sup>1</sup> .....	6.5	6.0	5.6	5.5	5.3	5.3	5.3
Real GDP <sup>1</sup> .....	3.6	3.4	3.3	3.3	3.2	3.1	3.1
GDP price index <sup>1</sup> .....	2.8	2.5	2.2	2.2	2.1	2.1	2.1
<b>Consumer Price Index</b> <sup>1</sup> .....	3.3	3.3	2.4	2.4	2.4	2.4	2.4
<b>Unemployment rate</b> <sup>2</sup> .....	5.2	5.0	5.0	5.0	5.0	5.0	5.0
<b>Interest rates:</b> <sup>2</sup>							
91-day Treasury bill.....	2.7	4.1	4.2	4.2	4.3	4.3	4.3
10-year Treasury note.....	4.2	4.9	5.3	5.5	5.6	5.6	5.6

<sup>1</sup> Year-over-year percent change.

<sup>2</sup> Annual averages, percent.

**Table S–10. Comparison of Economic Assumptions**  
(Calendar years)

	Projections					Average 2006–2011	
	2006	2007	2008	2009	2010		2011
<b>GDP (billions of current dollars):</b>							
2007 Budget.....	13,210	13,949	14,713	15,493	16,310	17,177	
CBO January.....	13,263	13,960	14,696	15,455	16,208	16,954	
Blue Chip Consensus January <sup>1</sup> .....	13,237	13,939	14,703	15,505	16,372	17,280	
<b>Real GDP (chain-weighted):<sup>2</sup></b>							
2007 Budget.....	3.4	3.3	3.3	3.1	3.1	3.1	3.2
CBO January.....	3.6	3.4	3.4	3.3	3.0	2.8	3.3
Blue Chip Consensus January <sup>1</sup> .....	3.4	3.1	3.2	3.1	3.3	3.2	3.2
<b>Chain-weighted GDP Price Index:<sup>2</sup></b>							
2007 Budget.....	2.4	2.2	2.1	2.1	2.1	2.1	2.2
CBO January.....	2.4	1.8	1.8	1.8	1.8	1.8	1.9
Blue Chip Consensus January <sup>1</sup> .....	2.4	2.1	2.3	2.2	2.3	2.2	2.3
<b>Consumer Price Index (all-urban):<sup>2</sup></b>							
2007 Budget.....	3.0	2.4	2.4	2.4	2.4	2.5	2.5
CBO January.....	2.8	2.1	2.2	2.2	2.2	2.2	2.3
Blue Chip Consensus January <sup>1</sup> .....	2.9	2.4	2.4	2.5	2.4	2.5	2.5
<b>Unemployment rate:<sup>3</sup></b>							
2007 Budget.....	5.0	5.0	5.0	5.0	5.0	5.0	5.0
CBO January.....	5.0	5.0	5.1	5.2	5.2	5.2	5.1
Blue Chip Consensus January <sup>1</sup> .....	4.9	4.9	4.9	4.9	5.0	4.9	4.9
<b>Interest rates:<sup>3</sup></b>							
<b>91-day Treasury bills:</b>							
2007 Budget.....	4.2	4.2	4.3	4.3	4.3	4.3	4.3
CBO January.....	4.5	4.5	4.4	4.4	4.4	4.4	4.4
Blue Chip Consensus January <sup>1</sup> .....	4.5	4.5	4.4	4.3	4.4	4.4	4.4
<b>10-year Treasury notes:</b>							
2007 Budget.....	5.0	5.3	5.5	5.6	5.6	5.6	5.4
CBO January.....	5.1	5.2	5.2	5.2	5.2	5.2	5.2
Blue Chip Consensus January <sup>1</sup> .....	4.9	5.0	5.3	5.3	5.4	5.4	5.2

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

<sup>1</sup> January 2006 Blue Chip Consensus forecast for 2006 and 2007; Blue Chip October 2005 long-run extension for 2008–2011.

<sup>2</sup> Year-over-year percent changes.

<sup>3</sup> Annual averages, percent.

**Table S-11. Budget Summary by Category**  
(In billions of dollars)

	2005	2006	2007	2008	2009	2010	2011
Outlays:							
Discretionary:							
DOD military.....	473	510	503	471	471	484	499
Homeland security.....	30	32	34	35	36	38	40
Other.....	465	490	492	473	468	461	455
Total, Discretionary.....	968	1,032	1,029	980	975	983	994
Mandatory:							
Social Security:							
Current program.....	519	550	581	612	645	683	722
Personal accounts.....	—	—	—	—	—	24	57
Medicare.....	294	338	387	399	421	447	489
Medicaid and SCHIP.....	187	198	205	218	233	250	270
Other.....	320	370	320	332	355	367	386
Total, Mandatory.....	1,320	1,457	1,494	1,562	1,655	1,771	1,924
Net Interest.....	184	220	247	272	291	307	322
Total Outlays.....	2,472	2,709	2,770	2,814	2,922	3,061	3,240
Revenues.....	2,154	2,285	2,416	2,590	2,714	2,878	3,035
Deficit.....	-318	-423	-354	-223	-208	-183	-205

**Table S-12. Current Services Baseline Summary by Category**  
(In billions of dollars)

	2005	2006	2007	2008	2009	2010	2011
Outlays:							
Discretionary:							
DOD military.....	473	480	440	438	445	456	472
Homeland security.....	30	32	34	35	35	36	38
Other.....	465	486	488	484	493	498	507
Total, Discretionary.....	968	998	962	957	973	990	1,017
Mandatory:							
Social Security.....	519	550	581	612	645	683	723
Medicare.....	294	338	390	405	429	457	500
Medicaid and SCHIP.....	187	198	205	219	234	251	270
Other.....	320	365	319	340	359	371	390
Total, Mandatory.....	1,320	1,451	1,495	1,575	1,668	1,762	1,883
Net Interest.....	184	219	244	266	284	298	310
Total Outlays.....	2,472	2,669	2,701	2,798	2,925	3,050	3,210
Revenues.....	2,154	2,301	2,444	2,597	2,729	2,901	3,064
Deficit.....	-318	-367	-257	-201	-196	-149	-146
On-budget deficit.....	-494	-549	-449	-416	-428	-402	-420
Off-budget surplus.....	175	182	192	216	233	252	274

**Table S-13. Federal Government Financing and Debt**  
(In billions of dollars)

	Actual 2005	Estimate					
		2006	2007	2008	2009	2010	2011
<b>Financing:</b>							
Unified budget deficit (-) .....	-318	-423	-354	-223	-208	-183	-205
Financing other than the change in debt held by the public:							
Net purchases (-) of non-Federal securities by the National Railroad Retirement Investment Trust .....	-2	*	*	*	*	*	1
Changes in: <sup>1</sup>							
Treasury operating cash balance .....	1	—	—	—	—	—	—
Checks outstanding, etc. <sup>2</sup> .....	17	—	—	—	—	—	—
Seigniorage on coins .....	1	1	1	1	1	1	1
Less: Net financing disbursements:							
Direct loan financing accounts .....	-5	-16	-18	-19	-19	-19	-21
Guaranteed loan financing accounts .....	11	12	-1	-0	-0	-0	-1
Total, financing other than the change in debt held by the public	22	-4	-18	-19	-18	-19	-20
Total, requirement to borrow from the public .....	-297	-427	-373	-242	-226	-201	-225
Change in debt held by the public .....	297	427	373	242	226	201	225
<b>Changes in Debt Subject to Limitation:</b>							
Change in debt held by the public .....	297	427	373	242	226	201	225
Change in debt held by Government accounts .....	254	279	311	328	346	344	329
Change in other factors .....	-13	*	1	1	3	2	3
Total, change in debt subject to statutory limitation .....	538	707	685	570	574	548	557
<b>Debt Subject to Statutory Limitation, End of Year:</b>							
Debt issued by Treasury .....	7,879	8,586	9,270	9,841	10,413	10,959	11,514
Adjustment for discount, premium, and coverage <sup>3</sup> .....	-8	-8	-8	-8	-6	-4	-3
Total, debt subject to statutory limitation <sup>4</sup> .....	7,871	8,578	9,262	9,833	10,407	10,955	11,512
<b>Debt Outstanding, End of Year:</b>							
Gross Federal debt: <sup>5</sup>							
Debt issued by Treasury .....	7,879	8,586	9,270	9,841	10,413	10,959	11,514
Debt issued by other agencies .....	26	26	25	25	24	23	23
Total, gross Federal debt .....	7,905	8,611	9,295	9,865	10,437	10,983	11,537

**Table S-13. Federal Government Financing and Debt—Continued**  
(In billions of dollars)

	Actual 2005	Estimate					
		2006	2007	2008	2009	2010	2011
Held by:							
Debt held by Government accounts .....	3,313	3,593	3,904	4,232	4,578	4,922	5,251
Debt held by the public <sup>6</sup> .....	4,592	5,019	5,391	5,633	5,859	6,061	6,286
As a percent of GDP .....	37.4%	38.5%	39.2%	38.8%	38.3%	37.6%	37.1%

\* \$500 million or less.

<sup>1</sup> A decrease in the Treasury operating cash balance (which is an asset) is a means of financing a deficit and therefore has a positive sign. An increase in checks outstanding (which is a liability) is also a means of financing a deficit and therefore also has a positive sign.

<sup>2</sup> Besides checks outstanding, includes accrued interest payable on Treasury debt, uninvested deposit fund balances, allocations of special drawing rights, and other liability accounts; and, as an offset, cash and monetary assets (other than the Treasury operating cash balance), other asset accounts, and profit on sale of gold.

<sup>3</sup> Consists mainly of Federal Financing Bank debt (which is not subject to limit), the unamortized discount (less premium) on public issues of Treasury notes and bonds (other than zero-coupon bonds), and the unrealized discount on Government account series securities.

<sup>4</sup> The statutory debt limit is \$8,184 billion, enacted on November 19, 2004.

<sup>5</sup> 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 otherwise measured at face value less unrealized discount (if any).

<sup>6</sup> At the end of 2005, the Federal Reserve Banks held \$736.4 billion of Federal securities and the rest of the public held \$3,855.9 billion. Debt held by the Federal Reserve Banks is not estimated for future years.

# **SUMMARY TABLES**



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

	2006	2007	2008	2009	2010	2011	2012
<b>Budget Totals:</b>							
Receipts .....	2,407	2,540	2,662	2,798	2,955	3,104	3,307
Outlays .....	2,655	2,784	2,902	2,985	3,049	3,157	3,246
Deficit(-)/Surplus(+)	-248	-244	-239	-187	-94	-54	+61
Gross Domestic Product (GDP) .....	13,061	13,761	14,515	15,306	16,112	16,938	17,786
<b>Budget Totals as a Percent of GDP:</b>							
Receipts .....	18.4%	18.5%	18.3%	18.3%	18.3%	18.3%	18.6%
Outlays .....	20.3%	20.2%	20.0%	19.5%	18.9%	18.6%	18.3%
Deficit(-)/Surplus(+)	-1.9%	-1.8%	-1.6%	-1.2%	-0.6%	-0.3%	+0.3%

**Table S-2. Discretionary Funding by Category**  
(Net budget authority; dollar amounts in billions)

	2006	2007	2008	Change from 2007	
	Actual	Current Law <sup>1</sup>	Request	Dollar	Percent
<b>Base Discretionary:</b>					
Security Funding <sup>2</sup> .....	474.2	500.4	553.9	+53.5	10.7%
Non-Security Funding.....	369.1	372.4	375.9	+3.6	1.0%
<b>Total, Discretionary</b> .....	<b>843.4</b>	<b>872.8</b>	<b>929.8</b>	<b>+57.0</b>	<b>6.5%</b>
<b>Enacted Supplemental and Emergency Funding:</b>					
Global War on Terror.....	120.4	70.0			
Hurricane Response .....	24.7	0.2			
Pandemic Influenza Preparedness.....	6.1	—			
Border Security and Other.....	2.2	1.8			
<b>Total, Enacted</b> .....	<b>153.3</b>	<b>72.0</b>			
<b>Requested Supplemental and Emergency Funding:</b>					
Global War on Terror.....		99.6	145.2		
Hurricane Response .....		3.4	—		
<b>Total, Requested</b> .....		<b>103.0</b>	<b>145.2</b>		

<b>Discretionary Outyears</b>				
(Net budget authority in billions of dollars)				
	2009	2010	2011	2012
<b>Base Discretionary:</b>				
Security Funding <sup>3</sup> .....	581.1	597.0	604.6	615.0
Non-Security Funding <sup>4</sup> .....	379.7	383.4	387.3	391.2
<b>Total, Discretionary</b> .....	<b>964.7</b>	<b>980.4</b>	<b>991.9</b>	<b>1,006.2</b>
<b>Supplemental and Emergency Funding:</b>				
Global War on Terror.....	50.0			

<sup>1</sup> Base funding levels are equal to the amounts enacted in the 2007 Department of Defense and Homeland Security Acts with other Government operations equal to the estimated full-year funding levels provided by P.L. 109-289, Division B, as amended. These levels are adjusted to reflect the current congressional discretionary topline of \$872.8 billion, with the funding difference allocated among the categories.

<sup>2</sup> This category is comprised of funding for the Department of Defense, homeland security activities Government-wide (see Table S-4), and funding for international affairs (Function 150).

<sup>3</sup> Department of Defense levels are consistent with the Future Years Defense Plan, and the homeland security levels are consistent with the Future Years Homeland Security Plan.

<sup>4</sup> These amounts exclude the budgetary effects of the Administration's reauthorization proposal of the Federal Aviation Administration (FAA). That proposal would transform the current tax-financing system for FAA to a cost-based user-fee system. For more information, see the Transportation chapter in this volume and related sections in the *Appendix* and *Analytical Perspectives* volumes of the Budget. If this proposal were enacted, the Administration would adjust its discretionary cap proposal downward in these years to reflect the offsetting collections that would result from this user-based fee system.

**Table S-3. Discretionary Funding by Major Agency**  
(Net budget authority in billions of dollars)

Agency	2006	2007		2008
	Actual	Request	Current Law <sup>1</sup>	Request
Agriculture.....	21.1	19.7	19.6	20.2
Commerce .....	6.4	6.1	5.6	6.6
Defense .....	410.7	439.3	429.6	481.4
Education.....	56.5	54.4	56.0	56.0
Energy.....	23.6	23.6	22.8	24.3
Health and Human Services.....	69.1	67.6	69.1	69.3
Homeland Security.....	30.7	30.9	32.0	34.3
Housing and Urban Development.....	34.1	33.6	34.7	35.2
Interior.....	10.8	10.5	10.3	10.6
Justice .....	21.1	19.5	19.4	20.2
Labor.....	11.3	10.9	11.7	10.6
State and Other International Programs.....	30.2	33.9	28.7	35.0
Transportation.....	14.6	13.2	10.7	12.1
Treasury.....	11.4	11.6	11.4	12.1
Veterans Affairs.....	32.9	35.7	33.2	39.4
Corps of Engineers .....	5.3	4.7	4.7	4.9
Environmental Protection Agency.....	7.6	7.3	7.5	7.2
Executive Office of the President.....	0.3	0.3	0.3	0.3
Judicial Branch.....	5.3	5.9	5.3	6.1
Legislative Branch.....	3.8	4.3	3.7	4.4
National Aeronautics and Space Administration .....	16.3	16.8	16.2	17.3
National Science Foundation.....	5.6	6.0	5.6	6.4
Small Business Administration.....	0.5	0.6	0.4	0.5
Social Security Administration.....	7.4	7.9	7.6	7.9
Other Agencies .....	6.7	6.7	6.5	7.5
<b>Total, Discretionary Spending .....</b>	<b>843.4</b>	<b>871.0</b>	<b>852.8</b>	<b>929.8</b>

Note: Amounts exclude enacted and requested supplemental and emergency funding.

<sup>1</sup> Funding levels are equal to the amounts enacted in the 2007 Department of Defense and Homeland Security Acts with other Government operations equal to the estimated full-year funding levels provided by P.L. 109-289, Division B, as amended.

**Table S-4. Homeland Security Funding by Agency**  
(Budget authority in millions of dollars)

	2006		2007		2008	
	Actual	Supplemental/ Emergency	Current Law <sup>1</sup>	Supplemental/ Emergency <sup>2</sup>	Request	Supplemental/ Emergency <sup>2</sup>
<b>Homeland Security Funding: <sup>3</sup></b>						
Agriculture.....	598	—	523	—	718	—
Commerce.....	181	—	1,193	—	219	—
Defense (DOD).....	16,477	1,031	16,538	—	17,465	—
Energy.....	1,701	—	1,695	—	1,833	—
Health and Human Services.....	4,352	—	4,313	—	4,424	—
Homeland Security.....	25,156	1,416	26,876	1,816	29,671	223
Justice.....	2,996	30	3,090	96	3,331	85
State.....	1,107	—	1,239	—	1,406	—
Treasury.....	114	1	109	3	117	—
Transportation.....	182	—	179	—	200	—
Veterans Affairs.....	299	—	245	—	270	—
Environmental Protection Agency.....	129	—	133	—	153	—
General Services Administration.....	99	—	74	—	42	—
Intelligence Community Management Account.....	56	—	56	—	58	—
National Aeronautics and Space Administration.....	213	—	199	—	194	—
National Science Foundation.....	344	—	344	—	375	—
Nuclear Regulatory Commission.....	79	—	66	—	69	—
Smithsonian Institution.....	83	—	80	—	93	—
Social Security Administration.....	176	—	194	—	217	—
Other Agencies.....	296	—	256	—	256	—
<b>Total, Homeland Security Funding.....</b>	<b>54,638</b>	<b>2,478</b>	<b>57,402</b>	<b>1,915</b>	<b>61,111</b>	<b>308</b>
Less, Defense-Military (DOD).....	-16,477	-1,031	-16,538	—	-17,465	—
Less, Mandatory Homeland Security Funding <sup>4</sup> ...	-2,257	—	-3,489	—	-2,290	—
Less, Discretionary Fee-Funded Activities.....	-3,514	—	-4,397	—	-4,986	—
<b>Net Non-DOD Discretionary Homeland Security ..</b>	<b>32,390</b>	<b>1,447</b>	<b>32,978</b>	<b>1,915</b>	<b>36,370</b>	<b>308</b>

<sup>1</sup> Funding levels are equal to the amounts enacted in the 2007 Department of Defense and Homeland Security Acts with other levels equal to the estimated full-year funding levels provided by P.L. 109-289, Division B, as amended.

<sup>2</sup> Includes \$1.7 billion in funding enacted in the 2007 Homeland Security and Defense Acts. 2007 and 2008 also include an additional \$0.2 billion and \$0.3 billion, respectively, in the Administration's pending supplemental requests for the Global War on Terror.

<sup>3</sup> For more detail on homeland security funding, consult the Homeland Security Funding Analysis chapter in the *Analytical Perspectives* volume of the Budget. Dollar amounts in this table are rounded to the nearest million at the account level, which accounts for any discrepancies with the *Analytical Perspectives* chapter.

<sup>4</sup> Mandatory homeland security programs include \$1 billion from anticipated spectrum auction receipts provided in the Deficit Reduction Act of 2005 for the Department of Commerce to make grants to public safety agencies for communications interoperability purposes.

**Table S-5. Mandatory Proposals**  
(In millions of dollars)

	2007	2008	2009	2010	2011	2012	Total	
							2008-2012	2008-2017
<b>Mandatory Proposals, including Savings and Augmentations:</b>								
Agriculture:								
Reauthorize Farm Bill .....	—	500	500	500	500	500	2,500	5,000
Reauthorize Food Stamp Program:								
Restrict Food Stamp Categorical Eligibility .....	—	-63	-132	-136	-139	-141	-611	-1,360
Exclude retirement accounts from Food Stamp asset test .....	—	44	89	138	141	144	556	1,323
Exclude special military pay from Food Stamp income test .....	—	1	1	1	1	1	5	10
Food Safety and Inspection Service User Fees .....	—	-96	-98	-100	-102	-104	-500	-1,053
Grain Inspection, Packers and Stockyards Administration User Fees .....	—	-22	-22	-23	-23	-24	-115	-242
Crop Insurance User Fee .....	—	—	-15	-15	-15	-15	-60	-135
Animal Welfare Fee .....	—	-9	-13	-13	-14	-14	-63	-142
Total, Agriculture .....	—	355	310	352	349	347	1,712	3,401
Defense:								
Increase National Defense Strategic Materials Stockpile Sales .....	—	-69	-145	-198	-145	-25	-582	-583
Education:								
Reform the Federal Student Aid Programs:								
Increase the Pell Grant Maximum Award to \$5,400 over Five Years .....	—	532	2,375	3,256	4,133	5,039	15,335	43,058
Increase Academic Competitiveness Grant awards by 50 percent .....	—	72	308	373	317	8	1,078	1,078
Increase Aggregate Loan Limits and Annual Limits for Undergraduate Third-Year and Beyond Students .....	—	68	151	187	205	259	870	2,550

**Table S-5. Mandatory Proposals—Continued**  
(In millions of dollars)

	2007	2008	2009	2010	2011	2012	Total	
							2008-2012	2008-2017
Reduce Lender Subsidy Payments by 50 basis points.....	—	-688	-2,165	-2,558	-2,792	-2,986	-11,189	-29,494
Increase Lender Risk Sharing and Improve Program Efficiency.....	—	-776	-160	-175	-189	-202	-1,502	-2,715
Increase Lender Consolidation Fee .....	—	-56	-159	-186	-210	-234	-845	-2,309
Recall Federal Perkins Loan Revolving Funds.....	—	-419	-498	-713	-814	-779	-3,223	-6,358
Adjust Guaranty Agency Default Retention Rates .....	—	-1,370	-173	-188	-205	-217	-2,153	-3,454
Adopt Unit Cost Basis for Guaranty Agency Fees.....	—	-1,018	-37	-53	-58	-56	-1,222	-1,572
Other Student Loan Reforms.....	—	2	3	-12	-22	-64	-93	-913
Net impact .....	—	-3,653	-355	-68	364	768	-2,944	-128
Energy:								
Repeal Oil and Gas Research and Development Program .....	—	-20	-40	-50	-50	-50	-210	-460
Health and Human Services (HHS):								
Adopt Medicare Reforms.....	—	-4,696	-9,113	-13,077	-17,463	-21,695	-66,044	-252,432
Medicaid/State Children's Health Insurance Program (SCHIP):								
Adopt Medicaid Reforms.....	—	-1,925	-2,170	-2,385	-2,680	-2,850	-12,010	-29,090
Augment Medicaid.....	35	885	205	—	—	—	1,090	1,090
Reauthorize SCHIP .....	—	710	1,095	620	890	845	4,160	9,680
Net Impact.....	35	-330	-870	-1,765	-1,790	-2,005	-6,760	-18,320
Reduce Social Services Block Grant .....	—	—	-425	-495	-500	-500	-1,920	-4,420
Temporary Assistance for Needy Families (TANF).....	—	—	240	296	309	326	1,171	2,768
Title V Abstinence Education Program.....	5	25	44	49	50	50	218	468
Food and Drug Administration								
Re-Inspection and Export Certification Fees .....	—	-27	-28	-28	-29	-30	-142	-302

**Table S-5. Mandatory Proposals—Continued**  
(In millions of dollars)

	2007	2008	2009	2010	2011	2012	Total	
							2008-2012	2008-2017
Foster Care District of Columbia Federal Medical Assistance Percentage Rate....	—	5	5	6	5	6	27	62
Foster Care Child Welfare Program Option.....	—	8	5	-4	44	-47	6	-1
Child Support Enforcement.....	—	5	8	6	1	-1	19	4
Total, HHS.....	40	-5,010	-10,134	-15,012	-19,373	-23,896	-73,425	-272,173
Housing and Urban Development (HUD):								
Ginnie Mae Premium Increase.....	—	-46	-46	-46	-46	-46	-230	-460
Government-Sponsored Enterprises Oversight Fee.....	—	-6	-6	-6	-6	-6	-30	-60
Total, HUD.....	—	-52	-52	-52	-52	-52	-260	-520
Interior:								
Arctic National Wildlife Refuge Lease Bonuses:								
State of Alaska's Share:								
Receipts.....	—	—	-3,502	-2	-503	-3	-4,010	-4,025
Expenditures.....	—	—	3,502	2	503	3	4,010	4,025
Federal Share:								
Receipts.....	—	—	-3,502	-2	-503	-3	-4,010	-4,025
Net Impact.....	—	—	-3,502	-2	-503	-3	-4,010	-4,025
Match National Park Centennial Challenge Fund Gift Receipts.....	—	20	55	80	100	100	355	855
Return to Net Receipts Sharing.....	—	-41	-47	-46	-44	-49	-227	-447
Amend Bureau of Land Management (BLM) Federal Land Sale Authority.....	—	-5	-28	-40	-70	-44	-186	-334
Repeal Energy Policy Act Fee Prohibition and Mandatory Permit Funds.....	—	-36	-37	-38	-36	-37	-184	-309
Recover Pick-Sloan Project Cost.....	—	-23	-23	-23	-23	-23	-115	-230
Implement Friant Settlement.....	—	14	17	17	17	17	82	167

**Table S-5. Mandatory Proposals—Continued**  
(In millions of dollars)

	2007	2008	2009	2010	2011	2012	Total	
							2008-2012	2008-2017
Eliminate BLM Range Improvement Fund.....	—	-7	-10	-10	-10	-10	-47	-97
Require Upfront Payment of Coal Bonus Bids.....	—	-2	-121	-115	-54	-134	-426	4
Total, Interior.....	—	-80	-3,696	-177	-623	-183	-4,758	-4,416
Labor:								
Reform Pension Benefit Guaranty Corporation Premiums.....	—	—	-1,390	-1,387	-1,400	-1,295	-5,472	-10,569
Unemployment Insurance Integrity Proposal <sup>1</sup> .....	—	—	-484	-494	-351	-355	-1,684	-3,619
Reform Federal Employees' Compensation Act.....	—	-9	-23	-29	-33	-43	-137	-493
Reauthorize Trade Adjustment Assistance.....	—	—	6	18	24	25	73	123
Total, Labor.....	—	-9	-1,891	-1,892	-1,760	-1,668	-7,220	-14,558
Treasury:								
Payment Transaction Integrity.....	—	-273	-281	-290	-298	-306	-1,448	-3,105
Extend the Rum Carryover for Puerto Rico.....	—	76	26	—	—	—	102	102
Debt Collection: Eliminate the 10-year Statute of Limitations on Non-tax Debt owed to Federal Agencies.....	—	-11	-6	-6	-6	-6	-35	-65
Total, Treasury.....	—	-208	-261	-296	-304	-312	-1,381	-3,068
Veterans Affairs:								
Pharmacy Co-Payments.....	—	-311	-304	-306	-307	-342	-1,570	-3,352
Income-Based Medical Care Enrollment Fee.....	—	—	-138	-134	-129	-125	-526	-1,094
Third-Party Insurance Co-Payment Offset.....	—	-44	-44	-44	-43	-43	-218	-421
Total, Veterans Affairs.....	—	-355	-486	-484	-479	-510	-2,314	-4,867

**Table S-5. Mandatory Proposals—Continued**  
(In millions of dollars)

	2007	2008	2009	2010	2011	2012	Total	
							2008-2012	2008-2017
Army Corps of Engineers:								
Additional Recreation User Fees, Lease Receipts, and Contributions:								
Receipts.....	—	-7	-10	-13	-16	-19	-65	-192
Spending.....	—	—	7	10	13	16	46	164
Net effect.....	—	-7	-3	-3	-3	-3	-19	-28
Commodity Futures Trading Commission:								
User Fees.....	—	-86	-89	-92	-95	-99	-461	-1,009
Environmental Protection Agency:								
Pesticide and Pre-Manufacturing Notification fees.....	—	-70	-65	-68	-74	-65	-342	-682
Federal Communications Commission (FCC):								
Spectrum License Fee Authority.....	—	-50	-150	-300	-300	-400	-1,200	-3,628
Auction Prospective Ancillary Terrestrial Component Spectrum.....	—	-150	-150	-150	-150	-150	-750	-1,500
Extend Spectrum Auction Authority.....	—	—	—	—	—	-200	-200	-1,200
Auction Domestic Satellite Spectrum.....	-130	-252	-105	-100	-100	-75	-632	-690
Eliminate Telecommunications Development Fund.....	—	-5	-6	-7	-7	-7	-32	-67
Total, FCC.....	-130	-457	-411	-557	-557	-832	-2,814	-7,085
Office of Personnel Management (OPM):								
Federal Employees Health Benefits Program Proposals.....	—	-38	-140	-240	-318	-382	-1,118	-3,595
Improve Equity and Administration of the Federal Retirement System.....	—	3	8	11	14	17	53	162
Replace Non-Foreign Cost of Living Adjustment with Locality Pay.....	—	-1	-1	-1	1	4	2	109
Total, OPM.....	—	-36	-133	-230	-303	-361	-1,063	-3,324

**Table S-5. Mandatory Proposals—Continued**  
(In millions of dollars)

	2007	2008	2009	2010	2011	2012	Total	
							2008-2012	2008-2017
<b>Social Security Administration:</b>								
Temporarily Extend Length of Time-Limited Supplemental Security Income Eligibility for Refugees.....	—	56	55	55	—	—	166	166
<b>Total, Mandatory Proposals, including Savings and Augmentations .....</b>	<b>-90</b>	<b>-9,700</b>	<b>-17,396</b>	<b>-18,773</b>	<b>-23,106</b>	<b>-26,940</b>	<b>-95,915</b>	<b>-309,334</b>
<b>Social Security Personal Accounts (Off-Budget) .....</b>								
	—	—	—	—	—	29,348	29,348	637,441
<b>Outlay Effects of Tax Proposals: <sup>1</sup></b>								
Improve the Health Coverage Tax Credit .....	—	4	10	12	14	15	55	139
<b>Child Tax Credit:</b>								
Clarify uniform definition of a child .....	—	-55	-59	-75	-71	-72	-332	-785
Reduce computational complexity of refundable child tax credit.....	—	—	-375	-388	-400	-417	-1,580	-3,773
<b>Earned Income Tax Credit (EITC):</b>								
Clarify uniform definition of a child .....	—	-127	-137	-174	-165	-169	-772	-1,824
Simplify EITC eligibility requirement regarding filing status, presence of children, and work and immigration status .....	—	-210	33	17	17	14	-129	-104
Provide a flat \$15,000 deduction for family coverage (\$7,500 for individual coverage) for those with and who purchase health insurance .....	—	—	231	4,629	4,705	4,715	14,280	37,886
<b>Total, Outlay Effects of Tax Proposals</b>	<b>—</b>	<b>-388</b>	<b>-297</b>	<b>4,021</b>	<b>4,100</b>	<b>4,086</b>	<b>11,522</b>	<b>31,539</b>

**Table S-5. Mandatory Proposals—Continued**  
(In millions of dollars)

	2007	2008	2009	2010	2011	2012	Total	
							2008-2012	2008-2017
<b>Other Mandatory Proposals and Indirect Effects:</b>								
Transfer of Royalty Oil to the Strategic Petroleum Reserve .....	—	—	—	903	—	—	903	10,873
Disability Insurance Impact of Increased Program Integrity Efforts.....	—	-17	-124	-360	-586	-634	-1,721	-4,536
Supplemental Security Income Impact of Increased Program Integrity Efforts.....	—	-14	-385	-856	-1,061	-355	-2,671	-3,352
Enforce Windfall Elimination Provision / Government Pension Offset (off-budget) ..	—	—	—	—	-142	-311	-453	-2,531
Require Full-time Attendance for Child's Social Security Benefits at Age 16 (off-budget) .....	—	-11	-87	-157	-163	-169	-587	-1,551
Replace Disability Insurance/Worker's Comp Offset with Uniform Offset (off-budget) .....	—	-4	-32	-77	-139	-218	-470	-1,085
Amend Federal Employee Health Benefits Program Statute.....	—	27	89	147	196	230	689	2,163
Unemployment Insurance Integrity Proposal <sup>1</sup> .....	—	—	-58	-122	-126	-130	-436	-1,184
National Park Centennial Challenge Fund (spending of gift receipts) <sup>1</sup> .....	—	20	55	80	100	100	355	855
Food Stamp Impact of Commodity Supplemental Food Program Elimination ..	—	44	55	48	44	41	232	396
Impact of Replacing Non-Foreign Cost of Living Adjustment with Locality Pay on Civil Service Retirement and Disability Fund .....	—	-2	-8	-15	-23	-31	-79	-361
Cash Investment Practices Modernization ...	—	-10	-10	-10	-10	-10	-50	-100
Federal Housing Administration General and Special Risk Insurance Funds Impact of Mark-to-Market Extension.....	-9	-13	-16	-16	-15	-7	-67	-76

**Table S-5. Mandatory Proposals—Continued**  
(In millions of dollars)

	2007	2008	2009	2010	2011	2012	Total	
							2008-2012	2008-2017
Morris K. Udall Scholarship Fund .....	2	2	2	2	2	2	10	20
Forest County Safety Net Payments .....	—	-467	135	118	57	143	-14	—
Correct Trust Accounting Deficiencies in Individual Indian Money Investments .....	6	—	—	—	—	—	—	—
TANF Impact of Social Services Block Grant Reduction .....	—	43	50	8	-43	-50	8	—
Black Lung Disability Trust Fund Refinancing: <sup>1</sup>								
Black Lung Disability Trust Fund .....	—	2,315	-437	-432	-424	-424	598	-3,089
Interest Payments on Repayable Advances .....	—	-2,315	437	432	424	424	-598	3,089
Net Impact .....	—	—	—	—	—	—	—	—
Foreign Labor Certification Fee:								
Receipts .....	—	-65	-65	-65	-65	-65	-325	-650
Spending .....	—	65	65	65	65	65	325	650
Net effect .....	—	—	—	—	—	—	—	—
Total, Other Mandatory Proposals and Indirect Effects .....	-1	-402	-334	-307	-1,909	-1,399	-4,351	-469
<b>Grand Total .....</b>	<b>-91</b>	<b>-10,490</b>	<b>-18,029</b>	<b>-15,058</b>	<b>-20,910</b>	<b>5,098</b>	<b>-59,389</b>	<b>359,191</b>
Memorandum:								
Outlay Effects of Tax Extensions Assumed in Baseline: <sup>1</sup>								
Child Tax Credit Extension .....	—	—	—	—	46	11,937	11,983	70,652
Earned Income Tax Credit: Marriage Penalty Relief .....	—	—	—	—	-366	1,623	1,257	8,966
Total .....	—	—	—	—	-320	13,560	13,240	79,618

<sup>1</sup> Affects both receipts and outlays. Only the outlay effect is shown here. For receipt effects, see Table S-6.

**Table S-6. Effect of Proposals on Receipts**  
(In millions of dollars)

	2007	2008	2009	2010	2011	2012	Total	
							2008-2012	2008-2017
<b>Make Permanent Certain Tax Relief Enacted in 2001 and 2003 (assumed in baseline):</b>								
Dividends tax rate structure .....	344	683	695	-3,595	-13,789	1,491	-14,515	-89,973
Capital gains tax rate structure .....	—	—	—	-3,405	-17,477	-7,269	-28,151	-79,059
Expensing for small business .....	—	—	—	-3,728	-4,947	-3,376	-12,051	-20,158
Marginal individual income tax rate reductions .....	—	—	—	—	-71,892	-113,251	-185,143	-793,780
Child tax credit <sup>1</sup> .....	—	—	—	—	-5,265	-21,128	-26,393	-135,380
Marriage penalty relief <sup>1</sup> .....	—	—	—	—	-5,380	-7,971	-13,351	-41,317
Education incentives .....	—	—	—	—	-739	-1,336	-2,075	-9,673
Repeal of estate and generation-skipping transfer taxes, and modification of gift taxes .....	-156	-1,373	-2,290	-3,067	-26,845	-57,652	-91,227	-442,490
Other incentives for families and children .....	—	—	—	6	-179	-866	-1,039	-5,341
Total, make permanent certain tax relief enacted in 2001 and 2003 .....	188	-690	-1,595	-13,789	-146,513	-211,358	-373,945	-1,617,171
<b>Tax Incentives:</b>								
<b>Simplify and encourage saving:</b>								
Expand tax-free savings opportunities .....	—	1,527	3,545	3,023	1,075	-1,314	7,856	-592
Consolidate employer-based savings accounts .....	—	-80	-120	-132	-141	-150	-623	-1,484
Total, simplify and encourage saving .....	—	1,447	3,425	2,891	934	-1,464	7,233	-2,076
<b>Encourage entrepreneurship and investment:</b>								
Increase expensing for small business .....	—	-1,597	-2,180	-1,541	-1,135	-847	-7,300	-10,095
<b>Invest in health care:</b>								
Provide a flat \$15,000 deduction for family coverage (\$7,500 for individual coverage) for those with and who purchase health insurance <sup>1</sup> .....	—	—	-31,433	-38,892	-30,843	-20,033	-121,201	5,150
Expand and make health savings accounts (HSAs) more flexible .....	—	-318	-593	-784	-937	-1,037	-3,669	-10,366
Improve the Health Coverage Tax Credit <sup>1</sup> .....	—	-1	-3	-4	-5	-5	-18	-51

**Table S-6. Effect of Proposals on Receipts—Continued**  
(In millions of dollars)

	2007	2008	2009	2010	2011	2012	Total	
							2008–2012	2008–2017
Allow the orphan drug tax credit for certain pre-designation expenses.....	—	—	—	—	—	—	—	–1
Total, invest in health care.....	—	–319	–32,029	–39,680	–31,785	–21,075	–124,888	–5,268
<b>Provide incentives for charitable giving:</b>								
Permanently extend tax-free withdrawals from IRAs for charitable contributions.....	—	–120	–255	–235	–171	–147	–928	–1,867
Permanently extend enhanced charitable deduction for contributions of food inventory.....	—	–44	–96	–106	–116	–127	–489	–1,345
Extend permanently the deduction for corporate donations of computer technology.....	—	–50	–118	–147	–154	–162	–631	–1,570
Permanently increase limits on contributions of property interests made for conservation purposes.....	—	–48	–35	–22	–18	–21	–144	–265
Permanently extend basis adjustment to stock of S corporations contributing appreciated property.....	—	–3	–15	–21	–25	–28	–92	–301
Reform excise tax based on investment income of private foundations.....	—	–61	–91	–97	–103	–110	–462	–1,163
Repeal the \$150 million limitation on qualified 501(c)(3) bonds.....	—	–2	–3	–9	–13	–14	–41	–104
Repeal certain restrictions on the use of qualified 501(c)(3) bonds for residential rental property.....	—	–2	–5	–10	–17	–24	–58	–286
Total, provide incentives for charitable giving.....	—	–330	–618	–647	–617	–633	–2,845	–6,901
<b>Strengthen education:</b>								
Extend permanently the above-the-line deduction for qualified out-of-pocket classroom expenses.....	—	–18	–180	–183	–185	–188	–754	–1,739
Allow the saver's credit for contributions to qualified tuition programs.....	—	–63	–163	–176	–189	–200	–791	–1,966
Total, strengthen education.....	—	–81	–343	–359	–374	–388	–1,545	–3,705
<b>Protect the environment:</b>								
Extend permanently expensing of brownfields remediation costs.....	61	–244	–400	–352	–342	–331	–1,669	–2,851

**Table S-6. Effect of Proposals on Receipts—Continued**  
(In millions of dollars)

	2007	2008	2009	2010	2011	2012	Total	
							2008–2012	2008–2017
Eliminate the volume cap for private activity bonds for water infrastructure.....	—	–1	–3	–5	–9	–13	–31	–184
Total, protect the environment.....	61	–245	–403	–357	–351	–344	–1,700	–3,035
<b>Restructure assistance to New York City for continued recovery from the attacks of September 11<sup>th</sup>:</b>								
Provide tax incentives for transportation infrastructure.....	—	–200	–200	–200	–200	–200	–1,000	–2,000
Total, tax incentives.....	61	–1,325	–32,348	–39,893	–33,528	–24,951	–132,045	–33,080
<b>Simplify the Tax Laws for Families:</b>								
Clarify uniform definition of a child <sup>1</sup> .....	17	64	48	31	40	15	198	350
Simplify EITC eligibility requirement regarding filing status, presence of children, and work and immigration status <sup>1</sup> .....	—	31	–25	–22	–22	–21	–59	–164
Reduce computational complexity of refundable child tax credit <sup>1</sup> .....	—	—	—	—	—	—	—	—
Total, simplify the tax laws for families .....	17	95	23	9	18	–6	139	186
<b>Improve Tax Compliance: <sup>2</sup></b>								
Expand information reporting .....	—	232	1,075	1,848	2,488	2,903	8,546	28,849
Improve compliance by businesses .....	—	143	91	38	21	20	313	421
Strengthen tax administration.....	—	—	—	1	1	1	3	17
Expand penalties.....	—	3	5	11	18	20	57	178
Total, improve tax compliance.....	—	378	1,171	1,898	2,528	2,944	8,919	29,465
<b>Improve Tax Administration and Other Miscellaneous Proposals:</b>								
Implement IRS administrative reforms and extend IRS authority to fund undercover operations <sup>5</sup> .....	—	—	—	—	—	—	—	—

**Table S-6. Effect of Proposals on Receipts—Continued**  
(In millions of dollars)

	2007	2008	2009	2010	2011	2012	Total	
							2008-2012	2008-2017
Eliminate the special exclusion from unrelated business taxable income for gain or loss on the sale or exchange of certain brownfields .....	—	2	14	28	28	23	95	126
Limit related party interest deductions .....	86	148	155	163	171	180	817	1,859
Repeal excise tax on local telephone service <sup>3</sup> .....	-552	-463	-148	-74	-74	-74	-833	-1,211
Modify financing of the Airport and Airway trust fund <sup>3</sup> ..	—	—	-6,407	-6,705	-7,005	-7,326	-27,443	-69,732
Anticipated receipt of donations to the National Park Service through the National Park Centennial Challenge Fund.....	—	100	100	100	100	100	500	1,000
Transition from the non-foreign COLA to locality pay for employees in non-foreign areas.....	—	1	2	3	4	5	15	50
Total, improve tax administration and other miscellaneous proposals <sup>2</sup> .....	-466	-212	-6,284	-6,485	-6,776	-7,092	-26,849	-67,908
<b>Improve Unemployment Insurance:</b>								
Strengthen the financial integrity of the unemployment insurance system by reducing improper benefit payments and tax avoidance <sup>3</sup> .....	—	—	29	29	-16	-64	-22	-1,469
Extend unemployment insurance surtax <sup>3</sup> .....	—	1,073	1,542	1,580	1,617	1,633	7,445	1,526
Total, improve unemployment insurance <sup>3</sup> .....	—	1,073	1,571	1,609	1,601	1,569	7,423	57
<b>Modify Energy Provisions:</b>								
Repeal reduced recovery period for natural gas distribution lines .....	—	52	88	107	119	106	472	906
Modify amortization for certain geological and geophysical expenditures .....	—	15	55	81	67	56	274	582
Indirect effect of energy proposals <sup>4</sup> .....	—	-45	-93	-163	-92	-98	-491	-1,019
Total, modify energy provisions .....	—	22	50	25	94	64	255	469
<b>Promote Trade:</b>								
Implement free trade agreements and modify other trade-related provisions <sup>3</sup> .....	—	-241	-502	-760	-994	-1,240	-3,737	-13,072

**Table S-6. Effect of Proposals on Receipts—Continued**  
(In millions of dollars)

	2007	2008	2009	2010	2011	2012	Total	
							2008–2012	2008–2017
<b>Extend Expiring Provisions:</b>								
Alternative Minimum Tax relief for individuals .....	-9,123	-47,922	11,431	—	—	—	-36,491	-36,491
Research & Experimentation (R&E) tax credit.....	—	-3,221	-7,071	-9,145	-10,601	-11,799	-41,837	-117,309
Work opportunity tax credit .....	—	-71	-192	-162	-80	-51	-556	-582
First-time homebuyer credit for DC .....	—	-1	-19	—	—	—	-20	-20
Authority to issue Qualified Zone Academy Bonds .....	—	-3	-8	-13	-18	-20	-62	-162
Deferral of gains from sales of electric transmission property.....	-63	-48	-52	-65	-39	5	-199	41
Disclosure of tax return information related to terrorist activity <sup>5</sup> .....	—	—	—	—	—	—	—	—
Excise tax on coal <sup>3</sup> .....	—	—	—	—	—	—	—	1,081
Exception for retirement plan distributions provided individuals called to active duty for at least 179 days..	—*	—*	—*	—*	—*	—*	—*	—*
Total, extend expiring provisions <sup>3</sup> .....	-9,186	-51,266	4,089	-9,385	-10,738	-11,865	-79,165	-153,442
<b>Total budget proposals, including proposals assumed in the baseline<sup>3</sup> .....</b>								
	-9,386	-52,166	-33,825	-66,771	-194,308	-251,935	-599,005	-1,854,496
<b>Total budget proposals, excluding proposals assumed in the baseline<sup>3</sup> .....</b>								
	-9,574	-51,476	-32,230	-52,982	-47,795	-40,577	-225,060	-237,325

\*\$500,000 or less.

<sup>1</sup> Affects both receipts and outlays. Only the receipt effect is shown here. For the outlay effect, see Table S-5.

<sup>2</sup> "Tax gap"-related proposals.

<sup>3</sup> Net of income offsets.

<sup>4</sup> Indirect effect on receipts of proposed alternative fuels and fuel efficiency standards. These proposals are discussed in the Energy chapter of the *Budget* volume.

<sup>5</sup> No net budgetary impact.

**Table S-7. Budget Summary by Category**  
(In billions of dollars)

	2006	2007	2008	2009	2010	2011	2012
Outlays:							
Discretionary:							
Security.....	566	622	658	655	617	609	603
Non-security.....	451	458	456	443	439	436	435
Total, discretionary.....	1,017	1,080	1,114	1,099	1,056	1,045	1,039
Mandatory:							
Social Security:							
Current program.....	544	582	608	640	678	717	761
Personal accounts.....	—	—	—	—	—	—	29
Medicare.....	325	367	386	409	434	475	482
Medicaid and SCHIP.....	186	198	209	223	239	257	277
Other.....	357	318	324	340	361	380	374
Total, mandatory.....	1,412	1,465	1,527	1,613	1,712	1,829	1,923
Net interest.....	227	239	261	274	281	284	285
Total outlays.....	2,655	2,784	2,902	2,985	3,049	3,157	3,246
Receipts.....	2,407	2,540	2,662	2,798	2,955	3,104	3,307
Deficit(-)/surplus(+)	-248	-244	-239	-187	-94	-54	61
On-budget deficit.....	-434	-427	-451	-413	-339	-318	-187
Off-budget surplus.....	186	183	212	226	245	264	248

**Table S-8. Receipts by Source—Summary**  
(In billions of dollars)

	2006 Actual	Estimate					
		2007	2008	2009	2010	2011	2012
Individual income taxes .....	1,043.9	1,168.8	1,246.6	1,331.1	1,428.3	1,517.3	1,636.6
Corporation income taxes .....	353.9	342.1	314.9	319.8	325.5	340.6	366.6
Social insurance and retirement receipts .....	837.8	873.4	927.2	974.2	1,029.3	1,085.7	1,138.8
(On-budget) .....	(229.4)	(239.2)	(253.1)	(262.8)	(276.0)	(289.9)	(303.4)
(Off-budget) .....	(608.4)	(634.1)	(674.1)	(711.4)	(753.3)	(795.8)	(835.3)
Excise taxes .....	74.0	57.1	68.1	63.1	63.6	68.6	71.3
Estate and gift taxes .....	27.9	25.3	25.7	27.4	21.7	1.7	0.5
Customs duties .....	24.8	26.8	29.2	30.7	32.7	34.3	35.7
Miscellaneous receipts .....	45.0	46.7	50.7	52.0	53.6	55.5	57.8
<b>Total receipts</b> .....	<b>2,407.3</b>	<b>2,540.1</b>	<b>2,662.5</b>	<b>2,798.3</b>	<b>2,954.7</b>	<b>3,103.6</b>	<b>3,307.3</b>
(On-budget) .....	(1,798.9)	(1,906.0)	(1,988.4)	(2,086.9)	(2,201.4)	(2,307.8)	(2,472.0)
(Off-budget) .....	(608.4)	(634.1)	(674.1)	(711.4)	(753.3)	(795.8)	(835.3)

**Table S–9. Comparison of Economic Assumptions**  
(Calendar years)

	Projections						Average 2007–2012
	2007	2008	2009	2010	2011	2012	
<b>GDP (billions of current dollars):</b>							
2008 Budget.....	13,946	14,711	15,507	16,316	17,148	18,003	
CBO January .....	13,805	14,472	15,196	15,923	16,647	17,395	
Blue Chip Consensus January.....	13,843	14,561	15,323	16,116	16,937	17,805	
<b>Real GDP (chain-weighted): <sup>1</sup></b>							
2008 Budget.....	2.7	3.0	3.1	3.0	3.0	2.9	3.0
CBO January .....	2.3	3.0	3.1	3.0	2.7	2.7	2.8
Blue Chip Consensus January.....	2.4	3.0	3.1	3.0	2.9	3.0	2.9
<b>Chain-weighted GDP Price Index: <sup>1</sup></b>							
2008 Budget.....	2.5	2.4	2.2	2.1	2.0	2.0	2.2
CBO January .....	1.9	1.8	1.8	1.8	1.8	1.8	1.8
Blue Chip Consensus January.....	2.1	2.1	2.1	2.1	2.1	2.1	2.1
<b>Consumer Price Index (all-urban): <sup>1</sup></b>							
2008 Budget.....	2.1	2.6	2.5	2.4	2.3	2.3	2.4
CBO January .....	1.9	2.3	2.2	2.2	2.2	2.2	2.2
Blue Chip Consensus January.....	2.0	2.3	2.3	2.3	2.3	2.4	2.3
<b>Unemployment rate: <sup>2</sup></b>							
2008 Budget.....	4.6	4.8	4.8	4.8	4.8	4.8	4.8
CBO January .....	4.7	4.9	5.0	5.0	5.0	5.0	4.9
Blue Chip Consensus January.....	4.8	4.9	4.9	4.9	4.9	4.9	4.9
<b>Interest rates: <sup>2</sup></b>							
<b>91-day Treasury bills:</b>							
2008 Budget.....	4.7	4.6	4.4	4.2	4.1	4.1	4.4
CBO January.....	4.8	4.5	4.4	4.4	4.4	4.4	4.5
Blue Chip Consensus January.....	4.9	4.8	4.7	4.5	4.5	4.6	4.7
<b>10-year Treasury notes:</b>							
2008 Budget.....	5.0	5.1	5.2	5.3	5.3	5.3	5.2
CBO January.....	4.8	5.0	5.1	5.2	5.2	5.2	5.1
Blue Chip Consensus January.....	4.8	5.0	5.2	5.2	5.2	5.3	5.1

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

January 2007 Blue Chip Consensus forecast for 2007 and 2008; Blue Chip October 2006 long-run extension for 2009–2012.

<sup>1</sup> Year-over-year percent change.

<sup>2</sup> Annual averages, percent.

**Table S–10. Federal Government Financing and Debt**  
(Dollar amounts in billions)

	Actual 2006	Estimate					
		2007	2008	2009	2010	2011	2012
<b>Financing:</b>							
Unified budget deficit (–)/surplus(+)	–248	–244	–239	–187	–94	–54	61
Financing other than borrowing from the public:							
Net purchases of non-Federal securities by the National Railroad Retirement Investment Trust (–)	–2	–1	*	*	*	1	*
Changes in: <sup>1</sup>							
Treasury operating cash balance (–)	–16	7	—	—	—	—	—
Checks outstanding, etc. <sup>2</sup>	13	—	—	—	—	—	—
Seigniorage on coins	1	1	1	1	1	1	1
Credit net financing disbursements (–):							
Direct loan financing accounts	–5	–11	–17	–15	–18	–19	–20
Guaranteed loan financing accounts	21	–7	–7	–7	–6	–5	–4
Total, financing other than borrowing from the public	11	–10	–23	–21	–23	–23	–24
Total, requirement to borrow from the public	–237	–254	–262	–208	–118	–77	37
Change in debt held by the public	237	254	262	208	118	77	–37
<b>Changes in Debt Subject to Statutory Limitation:</b>							
Change in debt held by the public	237	254	262	208	118	77	–37
Change in debt held by Government accounts	309	302	306	355	382	400	410
Change in other factors	3	*	1	3	2	3	2
Total, change in debt subject to statutory limitation	549	557	568	565	502	480	375
<b>Debt Subject to Statutory Limitation, End of Year:</b>							
Debt issued by Treasury	8,426	8,982	9,550	10,114	10,614	11,092	11,465
Adjustment for discount, premium, and coverage <sup>3</sup>	–5	–5	–5	–3	–2	*	2
Total, debt subject to statutory limitation <sup>4</sup>	8,420	8,977	9,545	10,111	10,612	11,092	11,467

**Table S–10. Federal Government Financing and Debt—Continued**  
(Dollar amounts in billions)

	Actual	Estimate					
	2006	2007	2008	2009	2010	2011	2012
<b>Debt Outstanding, End of Year:</b>							
Gross Federal debt: <sup>5</sup>							
Debt issued by Treasury .....	8,426	8,982	9,550	10,114	10,614	11,092	11,465
Debt issued by other agencies .....	26	26	25	24	24	23	22
Total, gross Federal debt.....	8,451	9,008	9,575	10,138	10,638	11,115	11,487
Held by:							
Debt held by Government accounts .....	3,622	3,924	4,230	4,585	4,966	5,366	5,776
Debt held by the public <sup>6</sup> .....	4,829	5,083	5,345	5,554	5,671	5,748	5,711
As a percent of GDP .....	37.0%	36.9%	36.8%	36.3%	35.2%	33.9%	32.1%

\* \$500 million or less.

<sup>1</sup> A decrease in the Treasury operating cash balance (which is an asset) is a means of financing a deficit and therefore has a positive sign. An increase in checks outstanding (which is a liability) is also a means of financing a deficit and therefore also has a positive sign.

<sup>2</sup> Besides checks outstanding, includes accrued interest payable on Treasury debt, uninvested deposit fund balances, allocations of special drawing rights, and other liability accounts; and, as an offset, cash and monetary assets (other than the Treasury operating cash balance), other asset accounts, and profit on sale of gold.

<sup>3</sup> Consists mainly of Federal Financing Bank debt (which is not subject to limit), the unamortized discount (less premium) on public issues of Treasury notes and bonds (other than zero-coupon bonds), and the unrealized discount on Government account series securities.

<sup>4</sup> The statutory debt limit is \$8,965 billion, enacted on March 20, 2006.

<sup>5</sup> 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 otherwise measured at face value less unrealized discount (if any).

<sup>6</sup> At the end of 2006, the Federal Reserve Banks held \$768.9 billion of Federal securities and the rest of the public held \$4,060.0 billion. Debt held by the Federal Reserve Banks is not estimated for future years.

# **SUMMARY TABLES**



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

	2007	2008	2009	2010	2011	2012	2013
<b>Budget Totals:</b>							
Receipts.....	2,568	2,521	2,700	2,931	3,076	3,270	3,428
Outlays.....	2,730	2,931	3,107	3,091	3,171	3,222	3,399
Deficit(-)/Surplus(+)	-162	-410	-407	-160	-95	+48	+29
Gross Domestic Product (GDP).....	13,668	14,312	15,027	15,792	16,580	17,395	18,243
<b>Budget Totals as a Percent of GDP:</b>							
Receipts.....	18.8%	17.6%	18.0%	18.6%	18.6%	18.8%	18.8%
Outlays.....	20.0%	20.5%	20.7%	19.6%	19.1%	18.5%	18.6%
Deficit(-)/Surplus(+)	-1.2%	-2.9%	-2.7%	-1.0%	-0.6%	+0.3%	+0.2%

**Table S–2. Discretionary Funding by Category**  
(Net budget authority; dollar amounts in billions)

	2007 Actual	2008 Enacted	2009 Request	Change from 2008	
				Amount	Percent
<b>Base Discretionary:</b>					
Security Funding <sup>1</sup> .....	498.0	549.6	594.5	+44.9	+8.2%
Non-Security Funding .....	382.0	391.7	393.0	+1.3	+0.3%
<b>Total, Discretionary</b> .....	<b>880.0</b>	<b>941.4</b>	<b>987.6</b>	<b>+46.2</b>	<b>+4.9%</b>
<b>Enacted Supplemental and Emergency Funding:</b>					
Global War on Terror .....	173.6	89.4			
Gulf Coast/Hurricane Recovery .....	7.7	5.9			
Veterans Affairs .....	1.8	3.7			
Border Security and Other .....	9.3	5.4			
<b>Total, Enacted</b> .....	<b>192.3</b>	<b>104.4</b>			
<b>Proposed Supplemental and Emergency Funding:</b>					
Global War on Terror .....		108.1	70.0		
Gulf Coast/Hurricane Recovery .....		—	5.8		
<b>Total, Proposed</b> .....		<b>108.1</b>	<b>75.8</b>		

	Discretionary Outyears			
	2010	2011	2012	2013
<b>Base Discretionary:</b>				
Security Funding <sup>2</sup> .....	605.2	613.2	624.5	636.5
Non-Security Funding <sup>3</sup> .....	393.0	393.0	393.0	393.0
<b>Total, Discretionary</b> .....	<b>998.2</b>	<b>1,006.2</b>	<b>1,017.5</b>	<b>1,029.5</b>

<sup>1</sup> This category is comprised of funding for: the Department of Defense; Homeland Security activities Government-wide (see Table S–4); and International Affairs (Function 150).

<sup>2</sup> Department of Defense levels are consistent with the Future Years Defense Plan and Homeland Security levels are consistent with the Future Years Homeland Security Plan.

<sup>3</sup> These amounts exclude the budgetary effects of the Administration's reauthorization proposal of the Federal Aviation Administration (FAA). The proposal would transform the current tax-financing system for FAA to a cost-based user-fee system. For more information, see the Transportation chapter in this volume and related sections in the *Appendix* and *Analytical Perspectives*. If this proposal were enacted, the Administration would adjust its discretionary cap proposal downward in these years to reflect the offsetting collections that would result from this user-based fee system.

**Table S–3. Discretionary Funding by Major Agency**  
(Net budget authority; dollar amounts in billions)

Agency	2001 Actual	2008 Enacted	2009 Request	Change:			
				2008–2009		2001–2009	
				Dollar	Percent	Average	Cumulative
Agriculture.....	19.2	21.8	20.8	–1.1	–4.8%	+1.0%	+8.0%
Commerce.....	5.1	6.9	8.2	+1.3	+18.4%	+6.1%	+60.4%
Defense.....	302.5	479.5	515.4	+36.0	+7.5%	+6.9%	+70.4%
Education.....	40.1	57.2	59.2	+2.0	+3.5%	+5.0%	+47.6%
Energy.....	20.0	23.9	25.0	+1.1	+4.7%	+2.8%	+24.9%
Health and Human Services.....	54.0	71.9	70.4	–1.5	–2.1%	+3.4%	+30.2%
Homeland Security.....	14.0	34.9	37.6	+2.7	+7.7%	+13.2%	+168.8%
Housing and Urban Development.....	28.4	37.4	38.5	+1.1	+2.9%	+3.9%	+35.7%
Interior.....	10.3	11.0	10.6	–0.4	–3.7%	+0.4%	+3.5%
Justice.....	18.4	22.7	20.3	–2.4	–10.7%	+1.2%	+10.4%
Labor.....	11.9	11.4	10.5	–0.9	–7.8%	–1.6%	–11.9%
State and Other International Programs.....	21.7	32.9	38.3	+5.4	+16.5%	+7.3%	+76.2%
Transportation.....	14.6	15.5	11.5	–4.0	–25.7%	–2.9%	–20.9%
Treasury.....	10.3	12.0	12.5	+0.5	+3.9%	+2.4%	+20.6%
Veterans Affairs.....	22.4	39.4	44.8	+5.3	+13.5%	+9.1%	+100.1%
Corps of Engineers.....	4.7	5.6	4.7	–0.8	–15.1%	+0.1%	+1.2%
Environmental Protection Agency.....	7.8	7.5	7.1	–0.3	–4.4%	–1.2%	–8.8%
Executive Office of the President.....	0.3	0.3	0.4	*	+5.6%	+3.9%	+35.9%
Judicial Branch.....	4.0	5.8	6.3	+0.5	+8.1%	+5.9%	+58.6%
Legislative Branch.....	2.8	4.0	4.7	+0.7	+17.7%	+7.0%	+71.6%
National Aeronautics and Space Administration.....	14.3	17.1	17.6	+0.5	+2.9%	+2.7%	+23.6%
National Science Foundation.....	4.4	6.0	6.9	+0.8	+13.6%	+5.6%	+54.7%
Small Business Administration.....	0.9	0.6	0.7	+0.1	+15.5%	–3.9%	–27.0%
Social Security Administration.....	6.0	8.0	8.4	+0.4	+4.9%	+4.3%	+40.0%
Other Agencies.....	5.8	8.0	7.2	–0.7	–9.0%	+2.8%	+25.0%
<b>Total, Discretionary Funding.....</b>	<b>643.8</b>	<b>941.4</b>	<b>987.6</b>	<b>+46.2</b>	<b>+4.9%</b>	<b>+5.5%</b>	<b>+53.4%</b>

\* \$50 million or less.

Note: Supplemental and emergency funding, both enacted and requested, is excluded.

**Table S-4. Homeland Security Funding by Agency**  
(Budget authority in millions of dollars)

Agency <sup>1</sup>	2007		2008		2009
	Actual	Supplemental/ Emergency	Enacted	Supplemental/ Emergency <sup>2</sup>	Request
Agriculture.....	541	—	571	—	691
Commerce.....	1,204	—	207	—	264
Defense (DOD).....	16,538	—	17,375	—	17,647
Energy.....	1,719	—	1,830	—	1,944
Health and Human Services.....	4,328	—	4,300	—	4,458
Homeland Security.....	26,856	2,695	30,093	2,641	34,992
Justice.....	3,309	210	3,273	250	3,794
State.....	1,241	—	1,962	—	2,465
Transportation.....	206	—	206	—	221
Treasury.....	128	—	117	—	126
Veterans Affairs.....	260	—	271	—	348
Environmental Protection Agency.....	167	—	138	—	171
General Services Administration.....	168	—	143	225	119
National Aeronautics and Space Administration.....	199	—	205	—	204
National Science Foundation.....	386	—	374	—	379
Social Security Administration.....	194	—	212	—	221
Intelligence Community Management.....	56	—	122	—	13
Nuclear Regulatory Commission.....	72	—	72	—	73
Smithsonian Institution.....	81	—	93	—	97
Other Agencies.....	266	—	236	—	253
<b>Total, Homeland Security Funding.....</b>	<b>57,919</b>	<b>2,905</b>	<b>61,800</b>	<b>3,116</b>	<b>68,480</b>
Less, DOD.....	-16,538	—	-17,375	—	-17,647
Less, Mandatory Homeland Security Funding <sup>3</sup> .....	-3,436	—	-2,871	—	-3,225
Less, Funding for Project BioShield.....	—	—	—	—	-2,175
Less, Discretionary Fee-Funded Activities.....	-4,519	—	-5,338	—	-5,344
<b>Net Non-DOD Discretionary Homeland Security.....</b>	<b>33,426</b>	<b>2,905</b>	<b>36,216</b>	<b>3,116</b>	<b>40,089</b>

<sup>1</sup> For more detail on Homeland Security funding, see the Homeland Security Funding Analysis chapter in the *Analytical Perspectives* volume. Dollar amounts in this table are rounded to the nearest million at the account level, which accounts for any discrepancies with the *Analytical Perspectives* chapter.

<sup>2</sup> 2008 includes \$0.2 billion that is part of the Administration's pending emergency supplemental request for the Global War on Terror.

<sup>3</sup> 2007 mandatory Homeland Security programs include \$1 billion from anticipated spectrum auction receipts appropriated in the Deficit Reduction Act of 2005 for the Department of Commerce to make grants to public safety agencies for communications interoperability purposes.

**Table S–5. Discretionary Program Terminations and Reductions**  
(Budget authority and obligation limitations in millions of dollars)

	2008 Enacted	2009 Request	2009 Less 2008
<b>Program Terminations:</b>			
Department of Agriculture:			
Community Connect (Broadband) Grants .....	13	—	–13
Community Facility Grants .....	27	—	–27
Economic Impact Grants .....	14	—	–14
Farm Labor Housing Program .....	22	—	–22
Food and Nutrition Service—Commodity Supplemental Food Program.....	139	—	–139
Forest Service Economic Action.....	4	—	–4
Forest Service Valles Caldera National Preserve .....	4	—	–4
High Cost Energy Grants.....	20	—	–20
Rural Economic Development Loan and Grant Program.....	—	–39	–39
Multifamily Housing Direct Loans .....	30	—	–30
Public Broadcast Grants .....	5	—	–5
Research and Extension Grant Earmarks/Low Priority Programs .....	144	—	–144
Resource Conservation and Development Program .....	51	—	–51
Rural Business Grants.....	45	—	–45
Section 9006, Renewable Energy Program.....	36	—	–36
Self-Help Housing Grants.....	39	—	–39
Single Family Housing Direct Loans.....	105	—	–105
Value Added Producer Grants .....	19	—	–19
Watershed Programs .....	30	—	–30
Total, Department of Agriculture.....	747	–39	–786
Department of Commerce:			
Emergency Steel Guarantee Loan Program .....	—	–49	–49
Manufacturing Extension Partnership .....	90	4	–86
Public Telecommunications Facilities, Planning and Construction Grants.....	19	—	–19
Technology Innovation Program.....	46	—	–46
Total, Department of Commerce .....	155	–45	–200
Department of Education:			
Academies for American History and Civics .....	2	—	–2
Advanced Credentialing.....	10	—	–10

**Table S-5. Discretionary Program Terminations and Reductions—Continued**  
 (Budget authority and obligation limitations in millions of dollars)

	2008 Enacted	2009 Request	2009 Less 2008
Alaska Native Education Equity .....	33	—	-33
Alcohol Abuse Reduction .....	32	—	-32
Arts in Education .....	38	—	-38
B.J. Stupak Olympic Scholarships .....	1	—	-1
Byrd Honors Scholarships.....	40	—	-40
Career and Technical Education National Programs.....	8	—	-8
Career and Technical Education State Grants .....	1,161	—	-1,161
Civic Education.....	32	—	-32
Close-Up Fellowships .....	2	—	-2
Comprehensive School Reform .....	2	—	-2
Education for Native Hawaiians.....	33	—	-33
Educational Technology State Grants.....	267	—	-267
Elementary and Secondary School Counseling .....	49	—	-49
Even Start.....	66	—	-66
Excellence in Economic Education.....	1	—	-1
Foundations for Learning.....	1	—	-1
Higher Education Demonstrations for Students with Disabilities .....	7	—	-7
Historic Whaling and Trading Partners .....	9	—	-9
Javits Gifted and Talented Education.....	7	—	-7
Leveraging Educational Assistance Programs .....	64	—	-64
Mental Health Integration in Schools .....	5	—	-5
Mentoring Program .....	49	—	-49
National Writing Project.....	24	—	-24
Parental Assistance Information Centers .....	39	—	-39
Perkins Loan Cancellations .....	64	—	-64
Physical Education.....	76	—	-76
Projects with Industry.....	19	—	-19
Reading is Fundamental.....	25	—	-25
Ready to Teach .....	11	—	-11
School Leadership .....	14	—	-14
Smaller Learning Communities .....	80	—	-80
Special Olympics Education Programs .....	12	—	-12

**Table S-5. Discretionary Program Terminations and Reductions—Continued**  
(Budget authority and obligation limitations in millions of dollars)

	2008 Enacted	2009 Request	2009 Less 2008
State Grants for Incarcerated Youth .....	22	—	-22
Strengthening Alaska Native/Native Hawaiian Institutions .....	12	—	-12
Supplemental Educational Opportunity Grants .....	757	—	-757
Supported Employment State Grants .....	29	—	-29
Teacher Quality Enhancement .....	34	—	-34
Teachers for a Competitive Tomorrow .....	2	—	-2
Tech-Prep Education State Grants .....	103	—	-103
Thurgood Marshall Legal Opportunity .....	3	—	-3
Tribally Controlled Postsecondary Vocational Education .....	8	—	-8
Underground Railroad Program .....	2	—	-2
Vocation Rehabilitation—Migrant and Seasonal Farmworkers .....	2	—	-2
Vocation Rehabilitation—Recreational Programs .....	2	—	-2
Women’s Educational Equity .....	2	—	-2
Total, Department of Education .....	3,261	—	-3,261
Department of Energy:			
Oil and Gas Research and Development .....	25	—	-25
University Nuclear Energy Program .....	15	—	-15
Weatherization Assistance Program .....	243	—	-243
Total, Department of Energy .....	283	—	-283
Department of Health and Human Services:			
Administration for Children and Families—Community Services Block Grant .....	654	—	-654
Administration for Children and Families—Other Community Service Programs .....	45	—	-45
Administration for Aging—Alzheimer’s Demonstration Project .....	11	—	-11
Administration for Aging—Preventive Health Services .....	21	—	-21
Centers for Disease Control—Preventive Health and Health Services Block Grant .....	97	—	-97
Earmarks .....	451	—	-451
Health Resources and Services Administration—Childrens Hospital Graduate Medical Education Payments .....	302	—	-302
Health Resources and Services Administration—Maternal and Child Health Small Categorical Grants .....	40	—	-40
Indian Health Service—Urban Indian Health Program .....	35	—	-35
Total, Department of Health and Human Services .....	1,656	—	-1,656

**Table S-5. Discretionary Program Terminations and Reductions—Continued**  
 (Budget authority and obligation limitations in millions of dollars)

	2008 Enacted	2009 Request	2009 Less 2008
Department of Housing and Urban Development:			
Brownfields .....	10	—	-10
Revitalization of Severely Depressed Public Housing (HOPE VI).....	100	—	-100
Rural Housing and Economic Development.....	17	—	-17
Section 108 Loan Program .....	5	—	-5
Total, Department of Housing and Urban Development.....	132	—	-132
Department of Justice:			
State Criminal Alien Assistance Program.....	410	—	-410
Total, Department of Justice .....	410	—	-410
Department of the Interior:			
Bureau of Indian Affairs—Housing Improvement Program.....	14	—	-14
Bureau of Indian Affairs—Johnson-O'Malley Assistance Grants.....	21	—	-21
Indian Land Consolidation Program .....	10	—	-10
Land and Water Conservation Fund State Recreation Grants.....	25	—	-25
National Park Service Statutory Aid .....	7	—	-7
Office of Surface Mining Reclamation Grants.....	20	—	-20
Rural Fire Assistance Program.....	6	—	-6
Total, Department of the Interior.....	103	—	-103
Department of Labor:			
Denali Commission Job Training Earmark.....	7	—	-7
Migrant and Seasonal Farmworkers Training Program .....	80	—	-80
Susan Harwood Training Grants .....	10	—	-10
Work Incentive Grants .....	14	—	-14
Total, Department of Labor.....	111	—	-111
Environmental Protection Agency:			
Targeted Watershed Grants.....	10	—	-10
Unrequested Water Infrastructure Projects.....	133	—	-133
Total, Environment Protection Agency .....	143	—	-143
Other Agencies:			
Commission of Fine Arts, National Capital Arts and Cultural Affairs.....	8	—	-8

**Table S–5. Discretionary Program Terminations and Reductions—Continued**  
(Budget authority and obligation limitations in millions of dollars)

	2008 Enacted	2009 Request	2009 Less 2008
National Veterans Business Development Corporation .....	1	—	–1
Postal Service Forgone Revenue Appropriation .....	29	—	–29
Total, Other Agencies .....	38	—	–38
<b>Total, Program Terminations .....</b>	<b>7,039</b>	<b>–84</b>	<b>–7,123</b>
<b>Program Reductions:</b>			
Department of Agriculture:			
Capital Improvement and Maintenance.....	484	406	–78
Distance Learning and Telemedicine Grants .....	30	20	–10
Forest Service Research and Grants.....	549	378	–171
Housing Repair Loans.....	10	5	–5
In-House Research Construction .....	47	–54	–101
In-House Research Programs .....	1,121	1,037	–84
Land Acquisition.....	43	6	–37
Multifamily Housing Revitalization Vouchers .....	28	–20	–48
National Forest System .....	1,470	1,350	–120
Water and Wastewater Grants.....	469	220	–249
Mandatory Reductions Providing Discretionary Offsets:			
Agricultural Management Assistance .....	—	–10	–10
Conservation Security Program.....	—	–80	–80
Environmental Quality Incentives Program .....	—	–220	–220
Funds for Strengthening Markets, Income, and Supply.....	—	–293	–293
Total, Department of Agriculture.....	4,251	2,745	–1,506
Department of Commerce:			
Economic Development Administration Grants.....	243	100	–143
Pacific Coastal Salmon Recovery .....	67	35	–32
Total, Department of Commerce .....	310	135	–175
Department of Education:			
21st Century Learning Opportunities.....	1,081	800	–281
Safe and Drug-Free Schools State Grants .....	295	100	–195
Teaching American History .....	118	50	–68
Total, Department of Education .....	1,494	950	–544

**Table S–5. Discretionary Program Terminations and Reductions—Continued**  
 (Budget authority and obligation limitations in millions of dollars)

	2008 Enacted	2009 Request	2009 Less 2008
Department of Health and Human Services:			
Health Resources and Services Administration—Health Professions Grants.....	350	110	–240
Health Resources and Services Administration—Rural Health.....	175	25	–150
Substance Abuse and Mental Health Services Administration—Programs of Regional and National Significance.....	889	639	–250
Mandatory Reduction Providing Discretionary Offsets:			
Social Services Block Grant.....	—	–500	–500
Total, Department of Health and Human Services.....	1,414	274	–1,140
Department of Homeland Security:			
State and Local Support Programs.....	4,105	2,200	–1,905
Total, Department of Homeland Security.....	4,105	2,200	–1,905
Department of Housing and Urban Development:			
Community Development Block Grant (including cancellation).....	3,866	2,794	–1,072
Public Housing Capital Fund.....	2,439	2,024	–415
Total, Department of Housing and Urban Development.....	6,305	4,818	–1,487
Department of the Interior:			
Bureau of Indian Affairs—Roads.....	26	13	–13
U.S. Geological Survey—Mineral Resources Program.....	51	26	–25
Total, Department of the Interior.....	77	39	–38
Department of Labor:			
Indian and Native American Training Program.....	53	45	–8
International Labor Affairs Bureau.....	81	15	–66
Job Training Grants Consolidation.....	3,850	2,826	–1,024
Office of Disability Employment Policy.....	27	12	–15
Pilots, Demonstrations and Research.....	49	16	–33
Senior Community Service Employment.....	522	350	–172
Total, Department of Labor.....	4,582	3,264	–1,318
Department of Transportation:			
Amtrak (Intercity Passenger Rail).....	1,355	900	–455
Essential Air Service.....	60	—	–60

**Table S-5. Discretionary Program Terminations and Reductions—Continued**  
(Budget authority and obligation limitations in millions of dollars)

	2008 Enacted	2009 Request	2009 Less 2008
Federal Aid Highways (obligation limitation).....	41,216	39,399	-1,817
Railroad Rehabilitation and Improvement Financing Loan Program.....	—	—	—
<b>Total, Department of Transportation.....</b>	<b>42,631</b>	<b>40,299</b>	<b>-2,332</b>
Environmental Protection Agency:			
Clean Water State Revolving Fund.....	689	555	-134
Mexico Border Water Infrastructure Assistance.....	20	10	-10
Nonpoint Source Grants.....	201	185	-16
<b>Total, Environmental Protection Agency.....</b>	<b>910</b>	<b>750</b>	<b>-160</b>
National Aeronautics and Space Administration:			
Aeronautics Research.....	627	545	-82
New Millennium Program.....	58	4	-54
<b>Total, National Aeronautics and Space Administration.....</b>	<b>685</b>	<b>549</b>	<b>-136</b>
Small Business Administration:			
Microloan Program.....	17	—	-17
<b>Total, Small Business Administration.....</b>	<b>17</b>	<b>—</b>	<b>-17</b>
Other Agencies:			
Corporation for Public Broadcasting.....	448	200	-248
Delta Regional Authority.....	12	6	-6
Denali Commission Direct Grant-Making.....	26	6	-20
National Archives and Records Administration—National Historical Publications and Records Commission.....	10	—	-10
<b>Total, Other Agencies.....</b>	<b>496</b>	<b>212</b>	<b>-284</b>
<b>Total, Program Reductions.....</b>	<b>67,277</b>	<b>56,235</b>	<b>-11,042</b>
<b>Total, Program Terminations and Reductions.....</b>	<b>74,316</b>	<b>56,151</b>	<b>-18,165</b>

**Table S-6. Mandatory Proposals**  
(In millions of dollars)

	2008	2009	2010	2011	2012	2013	Total	
							2009-2013	2009-2018
<b>Mandatory Proposals, including Savings and Augmentations:</b>								
Agriculture:								
Reauthorize Farm Bill .....	107	109	620	790	895	115	2,529	2,406
Charge Food Safety and Inspection Service user fees <sup>1</sup> .....	—	-96	-98	-100	-102	-104	-500	-1,053
Charge Grain Inspection, Packers and Stockyards Administration user fees <sup>1</sup> .....	—	-27	-30	-30	-31	-32	-150	-318
Charge crop insurance user fees <sup>1</sup> .....	—	—	-15	-15	-15	-15	-60	-135
Charge Animal Welfare Act user fees <sup>1</sup> .....	—	-20	-27	-27	-28	-29	-131	-290
Implement country of origin labeling audit program:								
Receipts .....	—	-10	-10	-10	-10	-10	-50	-100
Spending .....	—	10	10	10	10	10	50	100
Net effect .....	—	—	—	—	—	—	—	—
Extend Forest County Safety Net Payments .....	—	—	100	60	40	—	200	200
Total, Agriculture .....	107	-34	550	678	759	-65	1,888	810
Education:								
Reform the Federal student aid programs:								
Restrict loans eligible for public sector loan forgiveness .....	—	-1,387	-29	-21	-16	-11	-1,464	-1,485
Eliminate the interest subsidy on loans eligible for income-based repayment .....	—	-260	-47	-45	-48	-56	-457	-788
Recall Perkins Loan balances .....	—	-1,116	-698	-735	-821	-792	-4,162	-7,220
Total, Education .....	—	-2,763	-775	-801	-885	-859	-6,083	-9,493
Energy:								
Repeal oil and gas research and development program .....	—	-20	-40	-50	-50	-50	-210	-300
Health and Human Services:								
Reform Medicare .....	—	-12,437	-26,875	-39,798	-45,741	-53,384	-178,235	-556,373
Reform Medicaid .....	140	-1,767	-2,924	-3,758	-4,305	-4,671	-17,425	-46,748
Reauthorize State Children's Health Insurance Program (SCHIP) <sup>2</sup> .....	—	2,260	3,005	4,010	4,680	5,315	19,270	50,000
Fund high-risk health insurance pools .....	—	50	75	25	—	—	150	150

**Table S-6. Mandatory Proposals—Continued**  
(In millions of dollars)

	2008	2009	2010	2011	2012	2013	Total	
							2009-2013	2009-2018
Eliminate Social Services Block Grant (SSBG).....	—	—	-1,445	-1,683	-1,700	-1,700	-6,528	-15,028
Provide Temporary Assistance for Needy Families (TANF) supplemental grants and contingency fund for child welfare option .....	—	236	299	317	323	326	1,501	3,102
Improve child support enforcement collection tools.....	—	6	9	6	1	-1	21	4
Extend Abstinence Education program.....	5	25	43	48	49	50	215	465
Introduce Foster Care child welfare program option.....	—	8	6	21	-8	-25	2	-1
Modify Foster Care District of Columbia Federal Medical Assistance Percentage (FMAP) Rate ....	—	6	6	7	6	7	32	69
Charge Food and Drug Administration re-inspection and export certification fees <sup>1</sup> .....	—	-27	-28	-28	-29	-30	-142	-302
<b>Total, Health and Human Services .....</b>	<b>145</b>	<b>-11,640</b>	<b>-27,829</b>	<b>-40,833</b>	<b>-46,725</b>	<b>-54,113</b>	<b>-181,139</b>	<b>-564,662</b>
<b>Homeland Security:</b>								
Propose a surcharge on the passenger security fee to fund baggage screening systems.....	—	-106	-21	-8	1	107	-29	*
<b>Housing and Urban Development:</b>								
Charge Government-Sponsored Enterprises oversight fee.....	—	-6	-6	-6	-6	-6	-30	-60
<b>Interior:</b>								
Match National Park Centennial Challenge Fund gift receipts .....	—	20	55	80	100	100	355	855
<b>Authorize Arctic National Wildlife Refuge leasing:</b>								
<b>State of Alaska's share:</b>								
Receipts .....	—	—	-3,502	-2	-503	-3	-4,010	-4,025
Expenditures .....	—	—	3,502	2	503	3	4,010	4,025
<b>Federal share:</b>								
Receipts .....	—	—	-3,502	-2	-503	-3	-4,010	-4,025
Require up-front payment of coal bonus bids .....	—	-385	-676	48	506	225	-281	-8
Return to net receipts sharing for energy minerals.....	—	-54	-64	-53	-46	-52	-269	-559

**Table S-6. Mandatory Proposals—Continued**  
(In millions of dollars)

	2008	2009	2010	2011	2012	2013	Total	
							2009-2013	2009-2018
Repeal Energy Policy Act fee prohibition and mandatory permit funds.....	—	-35	-36	-30	-30	-30	-161	-239
Amend Bureau of Land Management (BLM) Federal land sale authority.....	—	-2	-20	-61	-41	-37	-161	-322
Terminate BLM Range Improvement Fund.....	—	-6	-9	-10	-10	-10	-45	-95
Increase fees for Migratory Bird Hunting and Conservation Stamps <sup>3</sup> .....	—	10	14	14	14	14	66	136
Recover Pick-Sloan project cost.....	—	-23	-23	-23	-23	-23	-115	-230
Implement a settlement to restore the San Joaquin River.....	—	14	-177	19	19	29	-96	17
<b>Total, Interior.....</b>	<b>—</b>	<b>-461</b>	<b>-4,438</b>	<b>-18</b>	<b>-14</b>	<b>213</b>	<b>-4,718</b>	<b>-4,470</b>
<b>Labor:</b>								
Reform Pension Benefit Guaranty Corporation premiums.....	—	-380	-2,217	-2,093	-2,127	-2,056	-8,873	-18,514
Recover Unemployment Insurance over-payments.....	—	—	-470	-504	-356	-362	-1,692	-3,632
Implement foreign labor certification user fees:								
Receipts.....	—	-95	-95	-95	-95	-95	-475	-950
Spending.....	—	95	95	95	95	95	475	950
Net effect.....	—	—	—	—	—	—	—	—
Reform Federal Employees Compensation Act.....	—	-10	-14	-21	-15	-12	-72	-288
Refinance the Black Lung Disability Trust Fund:								
Black Lung Disability Trust Fund.....	—	2,288	-411	-398	-392	-388	699	-1,201
Interest payments on repayable advances.....	—	-2,288	411	398	392	388	-699	1,201
Net effect.....	—	—	—	—	—	—	—	—
Reform Trade Adjustment Assistance.....	—	6	3	8	1	-3	15	-81
<b>Total, Labor.....</b>	<b>—</b>	<b>-384</b>	<b>-2,698</b>	<b>-2,610</b>	<b>-2,497</b>	<b>-2,433</b>	<b>-10,622</b>	<b>-22,515</b>
<b>Transportation:</b>								
Modify financing of the Airport and Airway Trust Fund.....	—	—	—	—	—	—	—	-608
<b>Treasury:</b>								
Improve payment transaction integrity.....	—	-53	-56	-60	-64	-68	-301	-717
Modernize cash investment practices.....	—	-10	-10	-10	-10	-10	-50	-100

**Table S-6. Mandatory Proposals—Continued**  
(In millions of dollars)

	2008	2009	2010	2011	2012	2013	Total	
							2009-2013	2009-2018
Eliminate the 10-year statute of limitations on non-tax debt.....	—	-15	-8	-8	-8	-8	-47	-87
Extend the rum carryover for Puerto Rico .....	75	102	25	—	—	—	127	127
<b>Total, Treasury.....</b>	<b>75</b>	<b>24</b>	<b>-49</b>	<b>-78</b>	<b>-82</b>	<b>-86</b>	<b>-271</b>	<b>-777</b>
<b>Veterans Affairs:</b>								
Adopt third-party insurance co-payment offset <sup>1</sup> .....	—	-44	-44	-44	-43	-43	-218	-420
Charge medical care enrollment fees for non-disabled higher-income veterans and increase pharmacy co-payments to align with other health care plans <sup>1</sup> .....	—	-335	-421	-414	-464	-483	-2,117	-4,796
<b>Total, Veterans Affairs.....</b>	<b>—</b>	<b>-379</b>	<b>-465</b>	<b>-458</b>	<b>-507</b>	<b>-526</b>	<b>-2,335</b>	<b>-5,216</b>
<b>Corps of Engineers:</b>								
Collect additional recreation user fees, lease receipts, and contributions:								
Receipts.....	—	-9	-17	-17	-17	-17	-77	-162
Spending.....	—	—	8	17	17	17	59	144
<b>Net effect.....</b>	<b>—</b>	<b>-9</b>	<b>-9</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>-18</b>	<b>-18</b>
<b>Commodity Futures Trading Commission:</b>								
Charge user fees <sup>1</sup> .....	—	-96	-100	-103	-107	-111	-517	-1,130
<b>Environmental Protection Agency:</b>								
Increase or reinstate pesticide user fees and lift cap on pre-manufacture notice fee <sup>1</sup> .....	—	-52	-56	-55	-55	-45	-263	-502
<b>Federal Communications Commission (FCC):</b>								
Provide spectrum license fee authority .....	-50	-150	-300	-300	-400	-450	-1,600	-4,081
Charge Ancillary Terrestrial Component spectrum fee .....	-30	-60	-100	-125	-125	-125	-535	-1,160
Extend spectrum auction authority .....	—	—	—	—	-200	-200	-400	-1,400
Auction domestic satellite spectrum .....	-250	-100	-100	-75	-20	-15	-310	-343
<b>Eliminate Telecommunications Development Fund.....</b>	<b>-5</b>	<b>-6</b>	<b>-7</b>	<b>-7</b>	<b>-7</b>	<b>-7</b>	<b>-34</b>	<b>-69</b>
<b>Total, FCC.....</b>	<b>-335</b>	<b>-316</b>	<b>-507</b>	<b>-507</b>	<b>-752</b>	<b>-797</b>	<b>-2,879</b>	<b>-7,053</b>

**Table S-6. Mandatory Proposals—Continued**  
(In millions of dollars)

	2008	2009	2010	2011	2012	2013	Total	
							2009-2013	2009-2018
<b>Office of Personnel Management (OPM):</b>								
Amend Federal Employee Health Benefits								
Program statute .....	—	-40	-147	-248	-327	-403	-1,165	-3,675
Improve equity and administration of the Federal retirement system .....	—	2	3	4	6	7	22	74
Replace non-foreign cost of living adjustment with locality pay <sup>3</sup> .....	—	—	—	—	—	—	—	—
<b>Total, OPM .....</b>	<b>—</b>	<b>-38</b>	<b>-144</b>	<b>-244</b>	<b>-321</b>	<b>-396</b>	<b>-1,143</b>	<b>-3,601</b>
<b>Social Security Administration (SSA):</b>								
Extend temporarily length of time-limited Supplemental Security Income eligibility for refugees and asylees .....								
	—	53	47	49	—	—	149	149
<b>Total, Mandatory Proposals including Savings and Augmentations .....</b>	<b>-8</b>	<b>-16,226</b>	<b>-36,540</b>	<b>-45,045</b>	<b>-51,241</b>	<b>-59,167</b>	<b>-208,220</b>	<b>-619,446</b>
<b>Establish Social Security Personal Accounts (Off-Budget) .....</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>30,275</b>	<b>30,275</b>	<b>647,178</b>
<b>Outlay Effects of Tax Proposals:<sup>3</sup></b>								
<b>Earned Income Tax Credit (EITC):</b>								
Clarify uniform definition of a child .....								
	—	6	-182	-168	-168	-183	-695	-1,838
Simplify EITC eligibility requirement regarding filing status, presence of children, and work and immigration status .....								
	—	-232	31	17	15	13	-156	-144
Provide a new standard deduction for health insurance (\$15,000 for family coverage and \$7,500 for individual coverage) .....								
	—	186	3,688	3,173	2,586	1,889	11,522	8,518
<b>Child Tax Credit:</b>								
Clarify uniform definition of a child .....								
	—	3	-78	-72	-72	-78	-297	-787
Reduce computational complexity of refundable child tax credit .....								
	—	—	-377	-380	-388	-392	-1,537	-3,560
<b>Total, Outlay Effects of Tax Proposals .....</b>	<b>—</b>	<b>-37</b>	<b>3,082</b>	<b>2,570</b>	<b>1,973</b>	<b>1,249</b>	<b>8,837</b>	<b>2,189</b>

**Table S–6. Mandatory Proposals—Continued**  
(In millions of dollars)

	2008	2009	2010	2011	2012	2013	Total	
							2009–2013	2009–2018
<b>Other Proposals and Indirect Effects:</b>								
Provide six months of retroactivity for disability applications (off-budget) .....	—	–71	–530	–828	–936	–1,046	–3,411	–9,732
Combine retroactive Old-Age, Survivors, and Disability Insurance benefits with monthly benefit payment (off-budget) .....	—	–850	–29	–51	–62	–69	–1,061	–1,357
Require full-time school attendance for child’s Social Security benefits at age 16 (off-budget) .....	—	–10	–88	–161	–167	–172	–598	–1,566
Simplify the benefit offset for combined beneficiaries of Disability Insurance and Workers Compensation (off-budget) .....	—	–4	–35	–84	–152	–240	–515	–1,100
Improve enforcement of Windfall Elimination Provision/Government Pension Offset (off-budget) .....	—	—	—	—	–144	–316	–460	–2,533
Eliminate Commodity Supplemental Food Program: Food Stamp impact (third scorecard) .....	—	52	63	55	50	46	266	455
Reduce SSBG in 2009: TANF impact (third scorecard) .....	—	28	5	–28	–5	—	—	—
Eliminate SSBG as of 2010: TANF, Child Care, and Foster Care impact (third scorecard) .....	—	—	–49	120	147	181	399	804
Increase program integrity efforts:								
Supplemental Security Income impact (third scorecard) .....	—	–119	–892	–1,627	–1,525	–750	–4,913	–6,480
Disability Insurance impact (third scorecard) .....	—	–4	–58	–242	–457	–517	–1,278	–3,527
Recover Unemployment Insurance overpayments .....	—	—	–67	–140	–146	–151	–504	–1,363
Match National Park Centennial Challenge Fund gift receipts (third scorecard) .....	—	20	55	80	100	100	355	855
Transfer royalty oil to the Strategic Petroleum Reserve .....	—	—	—	—	795	—	795	17,958
Amend Federal Employee Health Benefits Program Reserve statute (third scorecard) .....	—	81	173	239	289	333	1,115	3,214
Replace non-foreign cost of living adjustment with locality pay (third scorecard) .....	—	–2	–8	–15	–23	–31	–79	–361

**Table S-6. Mandatory Proposals—Continued**  
(In millions of dollars)

	2008	2009	2010	2011	2012	2013	Total	
							2009–2013	2009–2018
Implement Rural Utilities Service Electric and Telecommunication Direct Loan legislative proposal: Federal Financing Bank Impact (third scorecard) .....	—	15	69	165	294	456	999	6,420
Morris K. Udall Scholarship Fund (third scorecard) ...	—	4	4	4	4	4	20	45
Total, Other Proposals and Indirect Effects.....	—	-860	-1,387	-2,513	-1,938	-2,172	-8,870	1,732
<b>Grand Total</b> .....	<b>-8</b>	<b>-17,127</b>	<b>-34,846</b>	<b>-44,982</b>	<b>-51,202</b>	<b>-29,813</b>	<b>-177,970</b>	<b>31,665</b>
Memorandum:								
Outlay Effects of Tax Extensions Assumed in Baseline: <sup>3</sup>								
Child Tax Credit extension .....	—	—	—	48	13,554	13,584	27,186	95,920
Earned Income Tax Credit: marriage penalty relief....	—	—	—	-382	1,852	1,849	3,319	12,604
Total .....	—	—	—	-334	15,406	15,433	30,505	108,524

\* \$500 thousand or less.

<sup>1</sup> If enacted, the Administration would work to classify the receipts as discretionary offsets beginning in 2010.

<sup>2</sup> Represents total cost of SCHIP reauthorization, including SCHIP and Medicaid costs, as well as spending resulting from outreach grants.

<sup>3</sup> Affects both receipts and outlays. Only the outlay effect is shown here. For receipt effects, see Table S-7.

**Table S-7. Effect of Proposals on Receipts**  
(In millions of dollars)

	2008	2009	2010	2011	2012	2013	Total	
							2009-2013	2009-2018
<b>Economic growth package</b> .....	-125,000	-20,000	10,000	8,000	6,000	4,000	8,000	8,000
<b>Make Permanent Certain Tax Relief Enacted in 2001 and 2003 (assumed in the baseline):</b>								
Dividends tax rate structure .....	—	425	-5,554	-24,361	-4,616	-13,873	-47,979	-196,413
Capital gains tax rate structure .....	—	—	-4,094	-17,416	-3,683	-8,461	-33,654	-104,804
Expensing for small businesses .....	—	—	—	-4,160	-5,810	-4,288	-14,258	-26,537
Marginal individual income tax rate reductions .....	—	—	—	-75,160	-119,341	-123,794	-318,295	-1,007,667
Child tax credit <sup>1</sup> .....	—	—	—	-5,062	-20,357	-20,777	-46,196	-155,731
Marriage penalty relief <sup>1</sup> .....	—	—	—	-5,117	-7,715	-7,001	-19,833	-46,939
Education incentives .....	—	—	—	-738	-1,339	-1,413	-3,490	-11,540
Repeal of estate and generation-skipping transfer taxes, and modification of gift taxes .....	-422	-2,502	-3,453	-26,409	-57,639	-59,670	-149,673	-521,982
Other incentives for families and children .....	—	—	6	-364	-678	-678	-1,714	-5,157
Total, make permanent certain tax relief enacted in 2001 and 2003 .....	-422	-2,077	-13,095	-158,787	-221,178	-239,955	-635,092	-2,076,770
<b>Tax Incentives:</b>								
<b>Simplify and encourage saving:</b>								
Expand tax-free savings opportunities .....	—	1,527	3,545	3,023	1,075	-1,314	7,856	-592
Consolidate employer-based savings accounts .....	—	-80	-120	-132	-141	-150	-623	-1,484
Total, simplify and encourage saving .....	—	1,447	3,425	2,891	934	-1,464	7,233	-2,076
<b>Encourage entrepreneurship and investment:</b>								
Increase expensing for small businesses .....	—	-1,086	-1,495	-1,083	-851	-688	-5,203	-7,578
<b>Invest in health care:</b>								
Provide a new standard deduction for health insurance (\$15,000 for family coverage and \$7,500 for individual coverage) <sup>1</sup> .....	—	-23,002	-28,412	-22,680	-15,360	-4,692	-94,146	41,051
Expand and make health savings accounts (HSAs) more flexible .....	—	-420	-779	-931	-1,031	-1,123	-4,284	-11,511
Allow the orphan drug tax credit for certain pre-designation expenses <sup>2</sup> .....	—	—	—	—	—	—	—	—
Total, invest in health care .....	—	-23,422	-29,191	-23,611	-16,391	-5,815	-98,430	29,540

**Table S-7. Effect of Proposals on Receipts—Continued**  
(In millions of dollars)

	2008	2009	2010	2011	2012	2013	Total	
							2009-2013	2009-2018
<b>Provide incentives for charitable giving:</b>								
Permanently extend tax-free withdrawals from IRAs for charitable contributions.....	—	-300	-551	-434	-284	-211	-1,780	-3,321
Permanently extend the enhanced charitable deduction for contributions of food inventory .....	-44	-96	-106	-116	-127	-140	-585	-1,524
Permanently extend the deduction for corporate donations of computer equipment for educational purposes .....	-50	-118	-147	-154	-162	-170	-751	-1,838
Permanently extend increased limits on contributions of partial interests in real property for conservation purposes .....	-48	-35	-22	-18	-21	-22	-118	-245
Permanently extend basis adjustment to stock of S corporations contributing appreciated property ...	-3	-15	-21	-25	-28	-32	-121	-354
Reform excise tax based on investment income of private foundations .....	-105	-152	-152	-153	-154	-155	-766	-1,578
Total, provide incentives for charitable giving .....	-250	-716	-999	-900	-776	-730	-4,121	-8,860
<b>Strengthen education:</b>								
Permanently extend the above-the-line deduction for qualified out-of-pocket classroom expenses...	-18	-180	-183	-185	-188	-191	-927	-1,927
Allow the saver's credit for contributions to qualified tuition programs .....	—	-88	-183	-198	-213	-227	-909	-2,259
Total, strengthen education .....	-18	-268	-366	-383	-401	-418	-1,836	-4,186
<b>Strengthen housing:</b>								
Expand tax-exempt qualified mortgage bond program to assist subprime borrowers.....	-27	-116	-230	-305	-329	-331	-1,311	-2,687
<b>Protect the environment:</b>								
Permanently extend expensing of Brownfields remediation costs .....	-180	-501	-356	-343	-327	-284	-1,811	-2,870
Eliminate the volume cap for private activity bonds for water infrastructure .....	—	—	-3	-6	-10	-15	-34	-214
Total, protect the environment.....	-180	-501	-359	-349	-337	-299	-1,845	-3,084

**Table S-7. Effect of Proposals on Receipts—Continued**  
(In millions of dollars)

	2008	2009	2010	2011	2012	2013	Total	
							2009–2013	2009–2018
<b>Restructure assistance to New York City for continued recovery from the attacks of September 11th:</b>								
Provide tax incentives for transportation infrastructure .....	—	–200	–200	–200	–200	–200	–1,000	–2,000
Total, tax incentives.....	–475	–24,862	–29,415	–23,940	–18,351	–9,945	–106,513	–931
<b>Simplify the Tax Laws for Families:</b>								
Clarify uniform definition of a child <sup>1</sup> .....	—	6	30	38	17	23	114	275
Simplify EITC eligibility requirement regarding filing status, presence of children, and work and immigrant status <sup>1</sup> .....	—	35	–28	–26	–24	–23	–66	–181
Reduce computational complexity of refundable child tax credit <sup>1</sup> .....	—	—	—	—	—	—	—	—
Total, simplify the tax laws for families .....	—	41	2	12	–7	—	48	94
<b>Improve Tax Compliance: <sup>2</sup></b>								
Expand information reporting .....	—	302	1,333	2,227	2,960	3,653	10,475	35,756
Improve compliance by businesses .....	—	3	5	5	5	6	24	57
Strengthen tax administration.....	—	—	—	3	6	8	17	72
Expand penalties.....	—	—	—	—	—	1	1	6
Total, improve tax compliance.....	—	305	1,338	2,235	2,971	3,668	10,517	35,891
<b>Improve Tax Administration and Other</b>								
<b>Miscellaneous Proposals:</b>								
Implement IRS administrative reforms and extend IRS authority to fund undercover operations <sup>2</sup> .....	—	—	—	—	—	—	—	—
Increase transparency of the cost of employer-provided health insurance <sup>2</sup> .....	—	—	—	—	—	—	—	—
Equalize penalty standards between preparers and taxpayers .....	—	—	–1	–2	–2	–2	–7	–17
Eliminate the special exclusion from unrelated business taxable income for gain or loss on the sale or exchange of certain Brownfields .....	—	2	13	16	13	11	55	66
Limit related party interest deductions .....	—	64	109	115	120	126	534	1,267

**Table S-7. Effect of Proposals on Receipts—Continued**  
(In millions of dollars)

	2008	2009	2010	2011	2012	2013	Total	
							2009-2013	2009-2018
Repeal excise tax on local telephone service <sup>3</sup> .....	—	-248	-170	-118	-83	-79	-698	-1,076
Modify financing of the Airport and Airway Trust Fund <sup>3</sup> .....	—	—	-6,768	-7,106	-7,526	-7,909	-29,309	-75,594
Improve financing of the Inland Waterways Trust Fund <sup>3</sup> .....	—	109	119	127	159	126	640	1,015
Anticipated receipt of donations to the National Park Service through the National Park Centennial Challenge Fund.....	—	100	100	100	100	100	500	1,000
Increase fees for Migratory Bird Hunting and Conservation Stamps.....	—	14	14	14	14	14	70	140
Transition from the non-foreign cost-of-living adjustment to locality pay for employees in non-foreign areas .....	—	1	2	3	4	5	15	50
Total, improve tax administration and other miscellaneous proposals <sup>3</sup> .....	—	42	-6,582	-6,851	-7,201	-7,608	-28,200	-73,149
<b>Improve Unemployment Insurance:</b>								
Strengthen the financial integrity of the unemployment insurance system by reducing improper benefit payments and tax avoidance <sup>3</sup> .....	—	—	35	34	-107	-314	-352	-1,581
Extend unemployment insurance surtax <sup>3</sup> .....	—	1,079	465	—	—	—	1,544	590
Total, improve unemployment insurance <sup>3</sup> .....	—	1,079	500	34	-107	-314	1,192	-991
<b>Modify Energy Provisions:</b>								
Repeal reduced recovery period for natural gas distribution lines .....	—	20	73	114	110	89	406	580
Modify amortization for certain geological and geophysical expenditures .....	16	61	91	76	43	19	290	353
Total, modify energy provisions .....	16	81	164	190	153	108	696	933
<b>Promote Trade:</b>								
Implement free trade agreements and modify other trade-related provisions <sup>3</sup> .....	-86	-1,653	-2,319	-2,674	-2,408	-2,426	-11,480	-20,380
<b>Extend Expiring Provisions:</b>								
Minimum tax relief for individuals .....	-11,673	-60,908	14,216	—	—	—	-46,692	-46,692

**Table S-7. Effect of Proposals on Receipts—Continued**  
(In millions of dollars)

	2008	2009	2010	2011	2012	2013	Total	
							2009–2013	2009–2018
Research and experimentation tax credit .....	-3,221	-7,071	-9,145	-10,601	-11,809	-12,833	-51,459	-133,060
First-time homebuyer credit for the District of Columbia.....	-1	-20	-19	—	—	—	-39	-39
Deferral of gains from sales of electric transmission property.....	-31	-66	-61	-10	31	40	-66	30
New Markets tax credit .....	—	-132	-194	-191	-217	-231	-965	-1,287
Subpart F “active financing” exception.....	—	-1,598	-1,065	—	—	—	-2,663	-2,663
Subpart F “look-through” exception.....	—	-347	-231	—	—	—	-578	-578
Exception for retirement plan distributions provided individuals called to active duty for at least 179 days <sup>2</sup> .....	—	—	—	—	—	—	—	—
Disclosure of tax return information related to terrorist activity <sup>2</sup> .....	—	—	—	—	—	—	—	—
Disclosure of tax return information to the Department of Veterans Affairs <sup>2</sup> .....	—	—	—	—	—	—	—	—
Excise tax on coal <sup>3</sup> .....	—	—	—	—	—	—	—	1,387
Total, extend expiring provisions <sup>3</sup> .....	-14,926	-70,142	3,501	-10,802	-11,995	-13,024	-102,462	-182,902
<b>Total budget proposals, including proposals assumed in the baseline<sup>3</sup> .....</b>	<b>-140,893</b>	<b>-117,186</b>	<b>-35,906</b>	<b>-192,583</b>	<b>-252,123</b>	<b>-265,496</b>	<b>-863,294</b>	<b>-2,310,205</b>
<b>Total budget proposals, excluding proposals assumed in the baseline<sup>3</sup> .....</b>	<b>-140,471</b>	<b>-115,109</b>	<b>-22,811</b>	<b>-33,796</b>	<b>-30,945</b>	<b>-25,541</b>	<b>-228,202</b>	<b>-233,435</b>

<sup>1</sup> Affects both receipts and outlays. Only the receipt effect is shown here. For the outlay effect, see Table S-6.

<sup>2</sup> “Tax gap”-related proposals.

<sup>3</sup> Net of income offsets.

**Table S-8. Budget Summary by Category**  
(In billions of dollars)

	2007 Actual	Estimate					
		2008	2009	2010	2011	2012	2013
Outlays:							
Discretionary:							
Security.....	594	656	730	646	619	623	633
Non-security.....	448	481	482	455	440	432	429
Total, discretionary.....	1,042	1,137	1,212	1,100	1,059	1,056	1,062
Mandatory:							
Social Security:							
Current program.....	581	610	644	681	720	763	812
Personal accounts.....	—	—	—	—	—	—	30
Medicare.....	371	391	408	422	455	449	500
Medicaid and SCHIP.....	197	211	224	239	256	276	297
Other.....	302	338	360	368	387	378	395
Total, mandatory.....	1,451	1,551	1,636	1,711	1,818	1,866	2,034
Net interest.....	237	244	260	280	294	300	302
Total, outlays.....	2,730	2,931	3,107	3,091	3,171	3,222	3,399
Receipts.....	2,568	2,521	2,700	2,931	3,076	3,270	3,428
Deficit(-)/surplus(+)	-162	-410	-407	-160	-95	48	29
On-budget deficit.....	-343	-602	-611	-384	-335	-203	-201
Off-budget surplus.....	181	192	204	224	241	251	230

**Table S-9. Receipts by Source**  
(In billions of dollars)

	2007	Estimate					
	Actual	2008	2009	2010	2011	2012	2013
Individual income taxes .....	1,163.5	1,219.7	1,259.0	1,417.3	1,499.0	1,599.9	1,709.1
Corporation income taxes .....	370.2	345.3	339.2	338.9	356.8	391.3	379.8
Social insurance and retirement receipts .....	869.6	910.1	949.4	1,004.0	1,059.7	1,111.4	1,168.5
(On-budget) .....	(234.5)	(247.9)	(253.8)	(263.9)	(278.3)	(292.9)	(309.4)
(Off-budget) .....	(635.1)	(662.2)	(695.6)	(740.2)	(781.4)	(818.6)	(859.1)
Excise taxes .....	65.1	68.8	68.9	60.7	65.9	68.5	69.7
Estate and gift taxes .....	26.0	26.8	26.3	19.5	1.5	0.4	0.5
Customs duties .....	26.0	29.2	29.1	30.8	32.5	35.0	37.0
Miscellaneous receipts .....	47.8	46.3	47.9	50.0	53.2	57.4	59.5
Economic growth package .....	—	-125.0	-20.0	10.0	8.0	6.0	4.0
<b>Total receipts</b> .....	<b>2,568.2</b>	<b>2,521.2</b>	<b>2,699.9</b>	<b>2,931.3</b>	<b>3,076.4</b>	<b>3,269.9</b>	<b>3,428.2</b>
(On-budget) .....	(1,933.2)	(1,859.0)	(2,004.4)	(2,191.2)	(2,295.1)	(2,451.3)	(2,569.1)
(Off-budget) .....	(635.1)	(662.2)	(695.6)	(740.2)	(781.4)	(818.6)	(859.1)

**Table S-10. Comparison of Economic Assumptions**  
(Calendar years)

	Projections						Average 2008–2013
	2008	2009	2010	2011	2012	2013	
<b>GDP (billions of current dollars):</b>							
2009 Budget .....	14,480	15,215	15,987	16,782	17,603	18,462	
CBO January .....	14,330	14,997	15,812	16,651	17,453	18,243	
Blue Chip Consensus January .....	14,449	15,150	15,906	16,705	17,551	18,428	
<b>Real GDP (chain-weighted):<sup>1</sup></b>							
2009 Budget .....	2.7	3.0	3.0	2.9	2.8	2.8	2.9
CBO January .....	1.7	2.8	3.5	3.4	2.9	2.6	2.8
Blue Chip Consensus January .....	2.2	2.7	2.8	2.9	2.9	2.8	2.7
<b>Chain-weighted GDP Price Index:<sup>1</sup></b>							
2009 Budget .....	1.9	2.0	2.0	2.0	2.0	2.0	2.0
CBO January .....	1.9	1.8	1.8	1.8	1.9	1.9	1.9
Blue Chip Consensus January .....	2.1	2.1	2.1	2.1	2.1	2.1	2.1
<b>Consumer Price Index (all-urban):<sup>1</sup></b>							
2009 Budget .....	2.7	2.1	2.3	2.3	2.3	2.3	2.3
CBO January .....	2.9	2.3	2.2	2.2	2.2	2.2	2.3
Blue Chip Consensus January .....	2.9	2.3	2.3	2.3	2.3	2.3	2.4
<b>Unemployment rate:<sup>2</sup></b>							
2009 Budget .....	4.9	4.9	4.8	4.8	4.8	4.8	4.8
CBO January .....	5.1	5.4	5.1	4.8	4.8	4.8	5.0
Blue Chip Consensus January .....	5.0	5.0	4.8	4.8	4.8	4.8	4.9
<b>Interest rates:<sup>2</sup></b>							
<b>91-day Treasury bills:</b>							
2009 Budget .....	3.7	3.8	4.0	4.1	4.1	4.1	4.0
CBO January .....	3.2	4.2	4.6	4.7	4.7	4.7	4.3
Blue Chip Consensus January .....	3.4	3.9	4.5	4.5	4.5	4.5	4.2
<b>10-year Treasury notes:</b>							
2009 Budget .....	4.6	4.9	5.1	5.2	5.3	5.3	5.1
CBO January .....	4.2	4.9	5.2	5.2	5.2	5.2	5.0
Blue Chip Consensus January .....	4.3	4.8	5.2	5.2	5.2	5.2	5.0

Sources: Congressional Budget Office (CBO); Blue Chip Economic Indicators, Aspen Publishers, Inc. January 2008 Blue Chip Consensus forecast for 2008 and 2009; Blue Chip October 2007 long-run extension for 2010–2013.

<sup>1</sup> Year-over-year percent change.

<sup>2</sup> Annual average, percent.

**Table S–11. Federal Government Financing and Debt**  
(Dollar amounts in billions)

	2007 Actual	Estimate					
		2008	2009	2010	2011	2012	2013
<b>Financing:</b>							
Unified budget deficit(–)/surplus(+)	–162	–410	–407	–160	–95	48	29
Financing other than borrowing from the public:							
Changes in: <sup>1</sup>							
Treasury operating cash balance(–)	–23	30	—	—	—	—	—
Checks outstanding, etc. <sup>2</sup>	–2	—	—	—	—	—	—
Seigniorage on coins	1	1	1	1	1	1	1
Credit net financing disbursements(–):							
Direct loan financing accounts	–8	–10	–16	–15	–16	–17	–17
Guaranteed loan financing accounts	–9	–3	–5	–1	1	–2	–2
Net purchases of non-Federal securities by the							
National Railroad Retirement Investment Trust(–)	–3	–2	–*	*	*	*	1
Total, financing other than borrowing from the public	–44	17	–20	–15	–14	–18	–17
Total, requirement to borrow from the public	–206	–393	–428	–175	–109	30	12
Change in debt held by the public	206	393	428	175	109	–30	–12
<b>Changes in Debt Subject to Statutory Limitation:</b>							
Change in debt held by the public	206	393	428	175	109	–30	–12
Change in debt held by Government accounts	293	310	331	366	394	442	420
Change in other factors	2	*	2	1	2	2	2
Total, change in debt subject to statutory limitation	501	704	761	542	504	413	410
<b>Debt Subject to Statutory Limitation, End of Year:</b>							
Debt issued by Treasury	8,926	9,629	10,388	10,929	11,431	11,843	12,251
Adjustment for discount, premium, and coverage <sup>3</sup>	–4	–4	–2	–*	1	3	4
Total, debt subject to statutory limitation <sup>4</sup>	8,921	9,625	10,386	10,928	11,432	11,845	12,256

**Table S–11. Federal Government Financing and Debt—Continued**  
(Dollar amounts in billions)

	2007	Estimate					
	Actual	2008	2009	2010	2011	2012	2013
<b>Debt Outstanding, End of Year:</b>							
Gross Federal debt: <sup>5</sup>							
Debt issued by Treasury .....	8,926	9,629	10,388	10,929	11,431	11,843	12,251
Debt issued by other agencies .....	25	25	25	26	26	25	25
Total, gross Federal debt.....	8,951	9,654	10,413	10,954	11,456	11,868	12,276
Held by:							
Debt held by Government accounts .....	3,916	4,226	4,557	4,923	5,317	5,759	6,179
Debt held by the public <sup>6</sup> .....	5,035	5,429	5,856	6,031	6,140	6,110	6,097
As a percent of GDP .....	36.8%	37.9%	39.0%	38.2%	37.0%	35.1%	33.4%

\* \$500 million or less.

<sup>1</sup> A decrease in the Treasury operating cash balance (which is an asset) is a means of financing a deficit and therefore has a positive sign. An increase in checks outstanding (which is a liability) is also a means of financing a deficit and therefore also has a positive sign.

<sup>2</sup> Besides checks outstanding, includes accrued interest payable on Treasury debt, uninvested deposit fund balances, allocations of special drawing rights, and other liability accounts; and, as an offset, cash and monetary assets (other than the Treasury operating cash balance), other asset accounts, and profit on sale of gold.

<sup>3</sup> Consists mainly of Federal Financing Bank debt (which is not subject to limit), the unamortized discount (less premium) on public issues of Treasury notes and bonds (other than zero-coupon bonds), and the unrealized discount on Government account series securities.

<sup>4</sup> The statutory debt limit is \$9,815 billion, enacted on September 29, 2007.

<sup>5</sup> 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 otherwise measured at face value less unrealized discount (if any).

<sup>6</sup> At the end of 2007, the Federal Reserve Banks held \$779.6 billion of Federal securities and the rest of the public held \$4,255.5 billion. Debt held by the Federal Reserve Banks is not estimated for future years.