

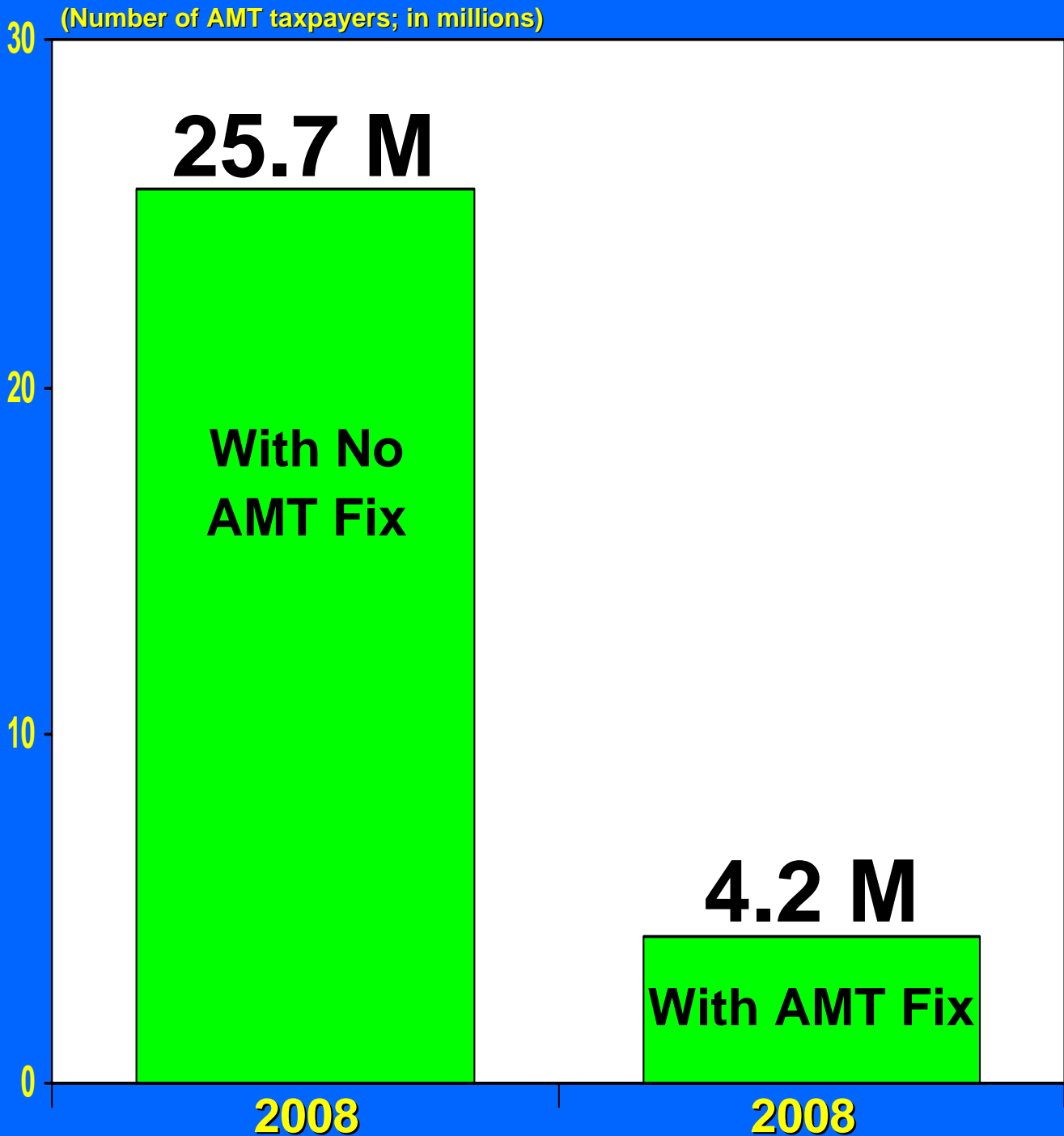
# Energy-Extenders-AMT Bill

Energy Tax Provisions → Fully Paid For

Extenders / Other Provisions → Partially Paid For

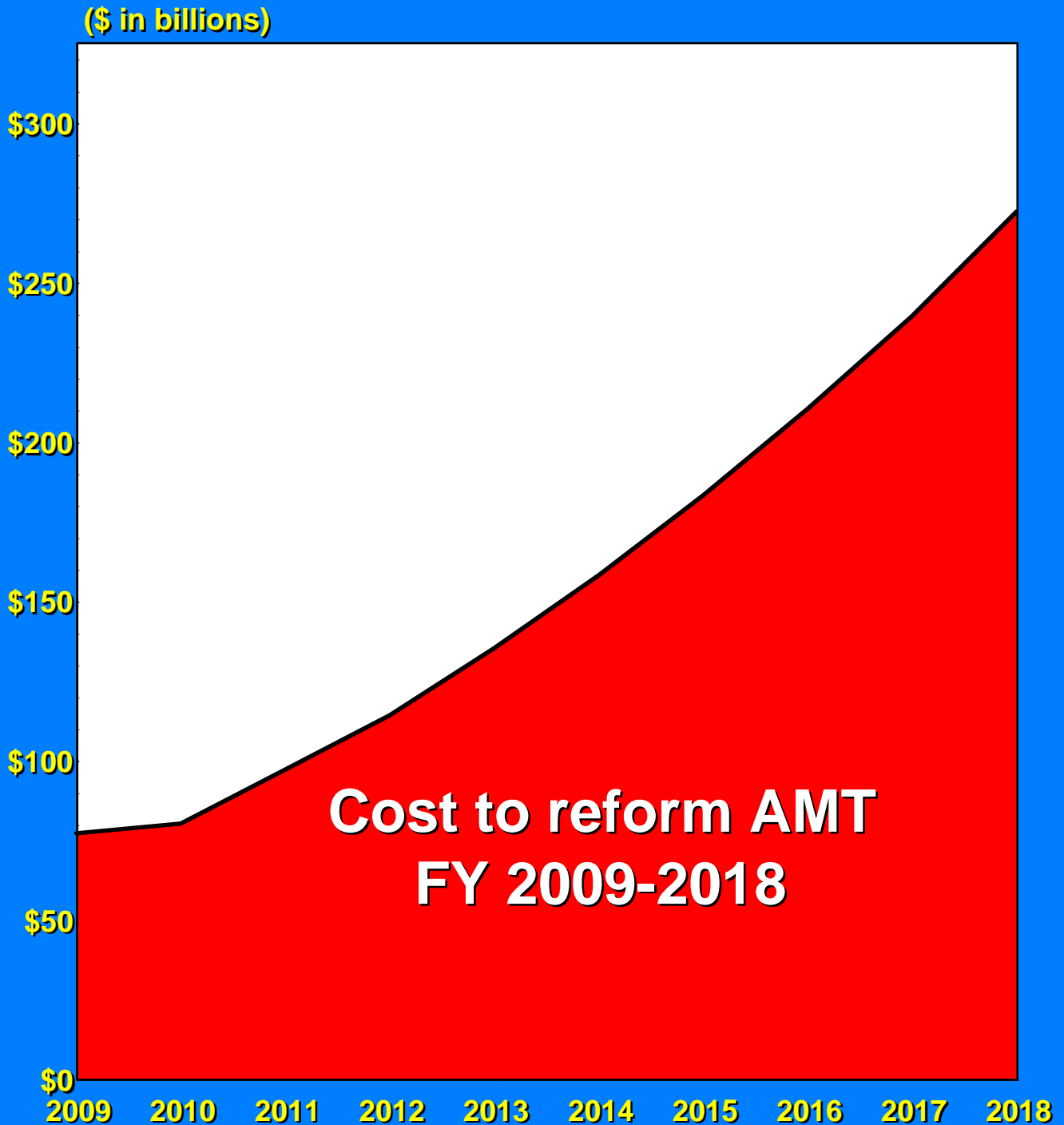
AMT Relief → Not Paid For

# Without Fix, AMT Would Hit 26 Million Taxpayers in 2008



Source: JCT

# \$1.6 Trillion Ten-Year Cost to Reform AMT

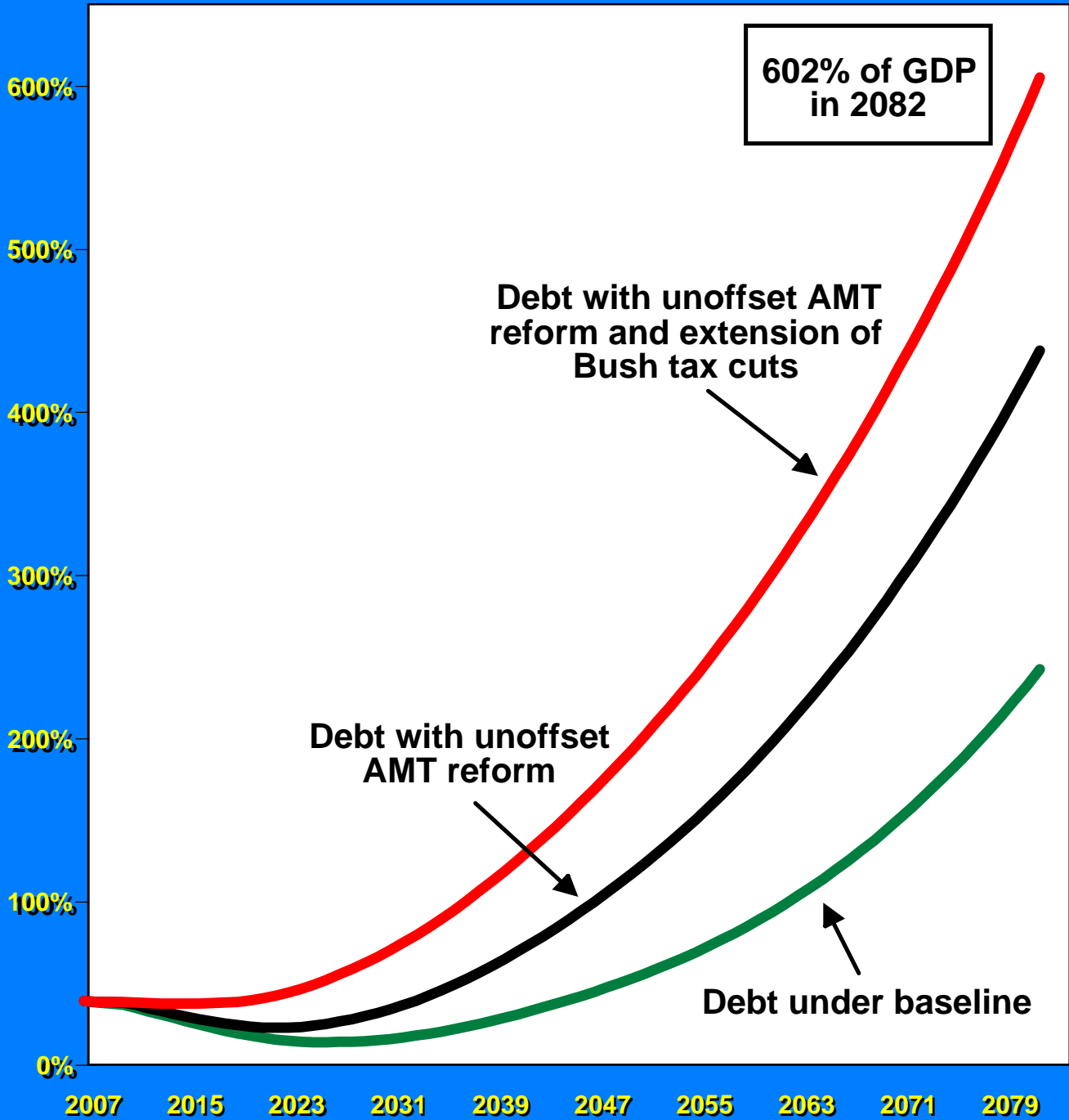


Source: CBO

Note: Includes interest cost, assumes tax cuts made permanent.

# Debt Explodes to Unsustainable Level if AMT Reform and Bush Tax Cuts Are Not Paid For

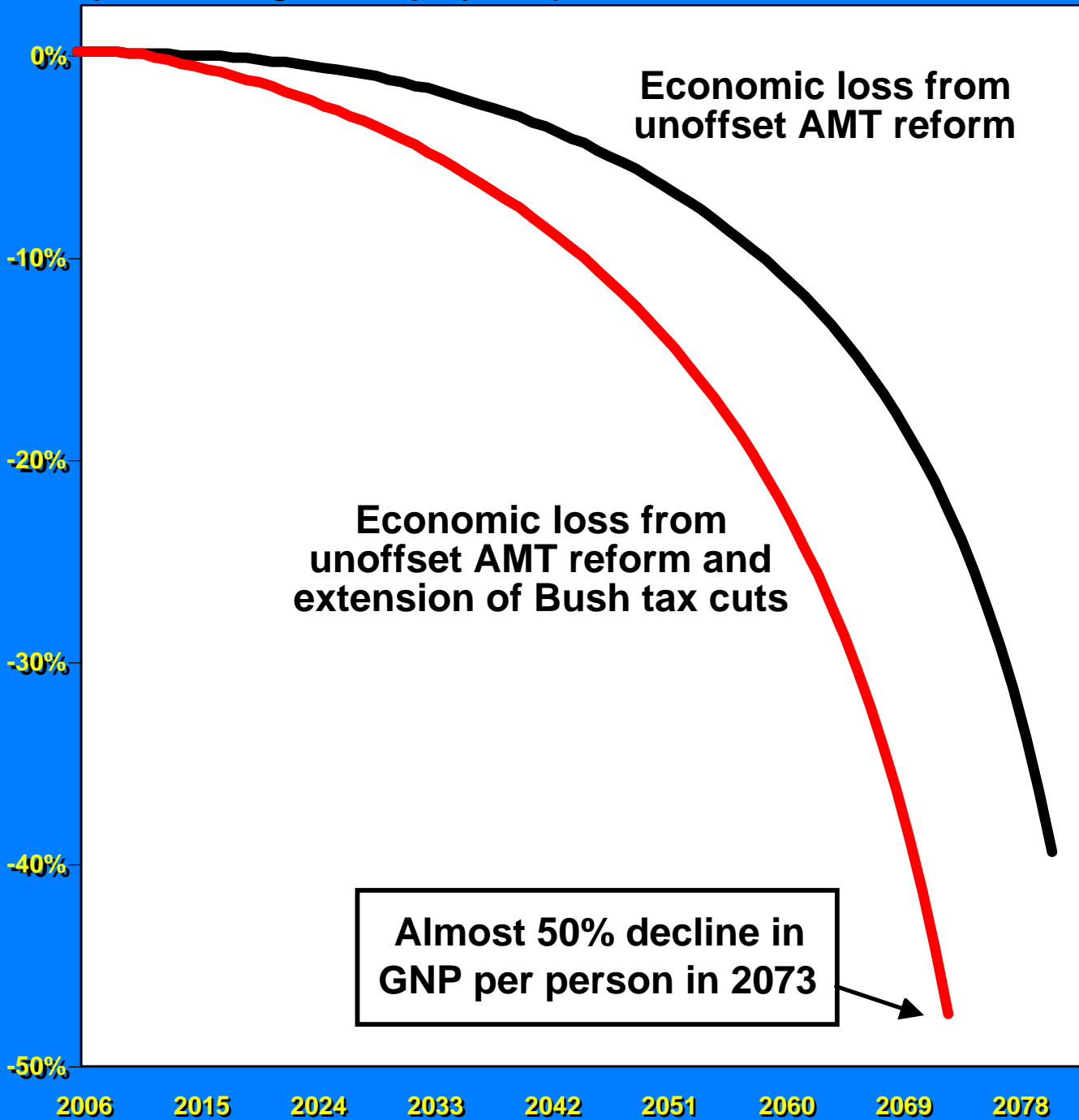
(Federal debt held by the public as a percent of GDP)



Source: CBO

# Failure to Pay for AMT Reform and Bush Tax Cuts Significantly Weakens Economic Growth

(Percent change in GNP per person)



Source: CBO

Note: The figure shows the effects on real (inflation-adjusted) gross national product (GNP) per person of financing the tax reductions with deficits compared with financing them from the start with a balanced mix of other policy changes that did not increase the deficit. The analysis relies on CBO's textbook growth model.

# **CBO Expects Economic Disruption From Deficits and Debt to be Far Worse Than Models Suggest**

**“Despite the substantial economic costs generated by deficits in that model, such estimates may significantly understate the potential loss to economic growth from financing the tax changes with deficits.... In reality, the economic effects of rapidly growing debt would probably be much more disorderly and could occur well before the time frame indicated in the scenario.”**

**– Congressional Budget Office Letter to  
Senate Budget Committee Chairman  
Kent Conrad (D-ND)  
July 17, 2008**