

CBO's Baseline Budget Projections

	Actual 2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Total, 2008- 2012	Total, 2008- 2017
In Billions of Dollars														
Revenues														
Individual income taxes	1,044	1,144	1,259	1,311	1,380	1,584	1,730	1,830	1,928	2,036	2,149	2,269	7,263	17,473
Corporate income taxes	354	368	374	360	336	339	349	333	340	349	360	373	1,758	3,513
Social insurance taxes	838	875	914	958	1,004	1,052	1,100	1,149	1,198	1,249	1,301	1,354	5,029	11,281
Other	172	155	173	181	181	192	226	239	251	263	275	289	954	2,270
Total	2,407	2,542	2,720	2,810	2,901	3,167	3,405	3,551	3,718	3,896	4,085	4,284	15,003	34,537
On-budget	1,799	1,905	2,051	2,107	2,164	2,395	2,597	2,707	2,838	2,979	3,130	3,290	11,313	26,258
Off-budget	608	638	669	703	738	773	808	844	880	917	955	994	3,690	8,279
Outlays														
Mandatory spending	1,413	1,454	1,536	1,625	1,714	1,832	1,870	2,009	2,131	2,264	2,449	2,580	8,576	20,009
Discretionary spending	1,016	1,029	1,046	1,062	1,078	1,100	1,112	1,140	1,166	1,194	1,227	1,250	5,398	11,376
Net interest	227	236	251	256	266	270	268	263	258	252	246	237	1,312	2,567
Total	2,655	2,719	2,833	2,944	3,058	3,202	3,250	3,411	3,555	3,710	3,921	4,067	15,286	33,951
On-budget	2,233	2,268	2,366	2,458	2,552	2,676	2,699	2,830	2,942	3,062	3,233	3,336	12,751	28,154
Off-budget	422	451	467	486	506	526	551	581	613	649	688	731	2,535	5,797
Deficit (-) or Surplus	-248	-177	-113	-134	-157	-35	155	139	163	186	163	217	-283	586
On-budget	-434	-363	-315	-351	-388	-281	-102	-123	-104	-82	-104	-46	-1,438	-1,897
Off-budget	186	186	202	217	232	247	257	263	266	268	267	263	1,155	2,482
Debt Held by the Public	4,829	5,010	5,137	5,285	5,455	5,502	5,358	5,229	5,075	4,895	4,737	4,525	n.a.	n.a.
Memorandum:														
Gross Domestic Product	13,065	13,645	14,300	15,014	15,742	16,465	17,205	17,973	18,764	19,582	20,425	21,295	78,726	176,766
As a Percentage of Gross Domestic Product														
Revenues														
Individual income taxes	8.0	8.4	8.8	8.7	8.8	9.6	10.1	10.2	10.3	10.4	10.5	10.7	9.2	9.9
Corporate income taxes	2.7	2.7	2.6	2.4	2.1	2.1	2.0	1.9	1.8	1.8	1.8	1.8	2.2	2.0
Social insurance taxes	6.4	6.4	6.4	6.4	6.4	6.4	6.4	6.4	6.4	6.4	6.4	6.4	6.4	6.4
Other	1.3	1.1	1.2	1.2	1.2	1.2	1.3	1.3	1.3	1.3	1.3	1.4	1.2	1.3
Total	18.4	18.6	19.0	18.7	18.4	19.2	19.8	19.8	19.8	19.9	20.0	20.1	19.1	19.5
On-budget	13.8	14.0	14.3	14.0	13.7	14.5	15.1	15.1	15.1	15.2	15.3	15.5	14.4	14.9
Off-budget	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7
Outlays														
Mandatory spending	10.8	10.7	10.7	10.8	10.9	11.1	10.9	11.2	11.4	11.6	12.0	12.1	10.9	11.3
Discretionary spending	7.8	7.5	7.3	7.1	6.8	6.7	6.5	6.3	6.2	6.1	6.0	5.9	6.9	6.4
Net interest	1.7	1.7	1.8	1.7	1.7	1.6	1.6	1.5	1.4	1.3	1.2	1.1	1.7	1.5
Total	20.3	19.9	19.8	19.6	19.4	19.4	18.9	19.0	18.9	18.9	19.2	19.1	19.4	19.2
On-budget	17.1	16.6	16.5	16.4	16.2	16.3	15.7	15.7	15.6	15.6	15.8	15.7	16.2	15.9
Off-budget	3.2	3.3	3.3	3.2	3.2	3.2	3.2	3.2	3.3	3.3	3.4	3.4	3.2	3.3
Deficit (-) or Surplus	-1.9	-1.3	-0.8	-0.9	-1.0	-0.2	0.9	0.8	0.9	1.0	0.8	1.0	-0.4	0.3
On-budget	-3.3	-2.7	-2.2	-2.3	-2.5	-1.7	-0.6	-0.7	-0.6	-0.4	-0.5	-0.2	-1.8	-1.1
Off-budget	1.4	1.4	1.4	1.4	1.5	1.5	1.5	1.5	1.4	1.4	1.3	1.2	1.5	1.4
Debt Held by the Public	37.0	36.7	35.9	35.2	34.7	33.4	31.1	29.1	27.0	25.0	23.2	21.2	n.a.	n.a.

Source: Congressional Budget Office

Note: n.a. = not applicable

CBO's Baseline Projections of Mandatory Spending

(Outlays in billions of dollars)

	Actual												Total, 2008-	Total, 2008-
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2012	2017
Social Security	544	581	608	638	673	711	753	799	849	903	961	1,024	3,382	7,919
Medicare ^a	374	428	451	482	513	564	567	626	670	719	805	845	2,577	6,243
Medicaid	181	192	208	226	243	263	284	306	331	357	386	417	1,224	3,022
Income Security														
Supplemental Security Income	37	36	41	43	44	50	43	49	51	52	59	56	221	488
Earned income and child tax credit	52	53	54	55	55	55	38	38	38	38	39	39	256	448
Unemployment compensation	31	32	36	40	42	44	46	48	50	52	54	57	207	468
Food Stamps	35	35	36	37	37	38	39	40	41	42	43	45	186	397
Family support ^d	24	24	24	24	24	24	24	24	25	25	25	25	121	245
Child nutrition	14	14	15	15	16	17	17	18	19	20	20	21	80	179
Foster care	6	7	7	7	7	8	8	8	8	9	9	9	37	81
Subtotal	199	201	214	220	225	234	215	226	232	238	250	252	1,108	2,306
Other Retirement and Disability														
Federal civilian ^c	68	90	74	77	80	83	86	90	93	96	100	103	401	883
Military	41	44	46	47	49	50	51	52	54	55	56	58	243	518
Veterans ^d	36	36	39	40	42	46	41	45	47	48	53	52	208	454
Other	5	8	8	8	8	9	9	10	10	10	11	11	42	93
Subtotal	149	176	167	172	179	188	188	197	203	210	220	223	894	1,947
Other Programs														
Commodity Credit Corporation	18	10	8	8	8	8	8	8	8	9	9	10	40	84
Tricare For Life	7	8	8	9	9	10	11	11	12	13	14	16	47	115
Student loans	34	6	3	4	4	5	4	4	4	4	4	4	20	41
Universal Service Fund	7	8	8	8	9	9	9	9	9	9	10	10	43	91
SCHIP	5	6	5	5	6	6	6	6	5	5	5	5	27	54
Social services	5	5	5	5	5	5	5	5	5	5	5	5	25	51
Flood insurance	17	3	1	0	0	0	0	0	0	0	0	0	1	1
Other	13	24	29	27	27	25	25	24	25	23	25	31	133	261
Subtotal	106	69	68	67	67	67	68	68	70	70	73	81	337	698
Offsetting Receipts														
Medicare ^e	-49	-62	-67	-71	-76	-81	-86	-92	-98	-105	-114	-124	-380	-913
Employer's share of employee retirement	-47	-48	-51	-53	-55	-57	-60	-62	-65	-68	-71	-80	-275	-622
Other	-44	-84	-63	-57	-56	-57	-58	-60	-61	-60	-61	-58	-291	-591
Subtotal	-141	-194	-180	-181	-187	-195	-204	-214	-224	-233	-246	-262	-946	-2,126
Total Mandatory Spending	1,413	1,454	1,536	1,625	1,714	1,832	1,870	2,009	2,131	2,264	2,449	2,580	8,576	20,009
Memorandum:														
Mandatory Spending Excluding														
Offsetting Receipts	1,553	1,648	1,716	1,806	1,901	2,026	2,073	2,223	2,355	2,497	2,695	2,842	9,522	22,135
Medicare Spending Net of														
Offsetting Receipts	325	365	385	411	437	483	481	535	572	614	691	722	2,197	5,330

Source: Congressional Budget Office.

Notes: Spending for the benefit programs shown above generally excludes administrative costs, which are discretionary.

SCHIP = State Children's Health Insurance Program.

- a. Excludes offsetting receipts.
 - b. Includes Temporary Assistance for Needy Families and various programs that involve payments to states for child support enforcement and family support, child care entitlements, and research to benefit children.
 - c. Includes Civil Service, Foreign Service, Coast Guard, and other, smaller retirement programs as well as annuitants' health benefits.
 - d. Includes veterans' compensation, pensions, and life insurance programs.
 - e. Includes Medicare premiums and amounts paid by states from savings on Medicaid prescription drug costs.
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CBO's Baseline Projections of Federal Debt

(In billions of dollars)

	Actual											
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Debt Held by the Public at the Beginning of the Year	4,592	4,829	5,010	5,137	5,285	5,455	5,502	5,358	5,229	5,075	4,895	4,737
Changes to Debt Held by the Public												
Deficit or surplus (-)	248	177	113	134	157	35	-155	-139	-163	-186	-163	-217
Other means of financing	<u>-11</u>	<u>5</u>	<u>14</u>	<u>13</u>	<u>14</u>	<u>12</u>	<u>11</u>	<u>10</u>	<u>9</u>	<u>6</u>	<u>6</u>	<u>5</u>
Total	237	181	127	147	171	47	-144	-129	-154	-180	-158	-212
Debt Held by the Public at the End of the Year	4,829	5,010	5,137	5,285	5,455	5,502	5,358	5,229	5,075	4,895	4,737	4,525
Debt Held by Government Accounts												
Social Security	1,994	2,185	2,389	2,609	2,841	3,088	3,344	3,607	3,873	4,141	4,408	4,671
Other government accounts ^a	<u>1,628</u>	<u>1,730</u>	<u>1,832</u>	<u>1,933</u>	<u>2,035</u>	<u>2,136</u>	<u>2,252</u>	<u>2,366</u>	<u>2,484</u>	<u>2,606</u>	<u>2,721</u>	<u>2,838</u>
Total	3,622	3,916	4,222	4,542	4,876	5,224	5,596	5,973	6,357	6,747	7,129	7,508
Gross Federal Debt	8,451	8,926	9,359	9,826	10,332	10,726	10,954	11,202	11,432	11,642	11,866	12,033
Debt Subject to Limit ^b	8,420	8,895	9,329	9,797	10,303	10,698	10,926	11,174	11,405	11,615	11,839	12,007
Memorandum:												
Debt Held by the Public at the End of the Year as a Percentage of GDP	37.0	36.7	35.9	35.2	34.7	33.4	31.1	29.1	27.0	25.0	23.2	21.2

Source: Congressional Budget Office.

Note: GDP = gross domestic product.

a. Mainly the Civil Service Retirement and Disability, Military Retirement, Medicare, and Unemployment Insurance Trust Funds.

b. Differs from the gross federal debt primarily because most debt issued by agencies other than the Treasury and the Federal Financing Bank is excluded from the debt limit. The current debt limit is \$8,965 billion.

Changes in CBO's Baseline Projections of the Deficit or Surplus Since January 2007

(In billions of dollars)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Total, 2008- 2012	Total, 2008- 2017
Total Deficit (-) or Surplus as Projected in January 2007	-172	-98	-116	-137	-12	170	159	185	208	192	249	-194	800
Changes to Revenue Projections (Technical)	*	*	*	1	1	1	1	1	1	1	1	2	6
Changes to Outlay Projections													
Legislative													
Mandatory	*	*	*	*	*	*	*	*	*	*	0	*	*
Discretionary													
Defense	1	2	2	2	3	3	3	3	3	3	3	11	26
Nondefense	7	11	11	10	10	10	10	11	11	11	11	52	106
Subtotal, discretionary	8	13	13	13	12	13	13	13	14	14	14	63	132
Net interest (Debt service)	*	1	1	2	3	3	4	5	6	7	8	10	40
Subtotal, legislative	8	13	14	15	15	16	17	18	20	21	22	74	172
Technical													
Mandatory													
Medicare ^d	-2	1	4	5	7	2	4	4	3	5	3	19	38
Medicaid	*	*	1	1	1	2	3	4	5	6	7	5	29
Social Security	-1	-1	-1	-1	-1	-1	-2	-2	-2	-3	-3	-6	-17
Veterans' compensation	1	1	1	1	1	1	2	2	2	3	3	5	17
Other	1	2	*	1	2	*	1	*	-1	-1	2	5	6
Subtotal, mandatory	-2	3	5	6	11	4	7	8	7	10	12	29	72
Discretionary	-3	-1	-1	-2	-2	-1	-2	-2	-2	-2	-2	-7	-17
Net interest													
Debt service	*	*	1	1	1	1	2	2	2	2	3	5	15
Other	1	*	-1	1	-3	-5	-4	-3	-3	-2	-2	-8	-22
Subtotal, net interest	1	*	*	2	-1	-3	-2	-2	-1	*	1	-3	-7
Subtotal, technical	-4	2	3	6	8	*	3	4	3	8	11	19	48
Total Outlay Changes	5	15	18	20	23	16	21	23	23	29	33	92	220
Total Impact on the Deficit or Surplus^b	-5	-15	-17	-20	-22	-15	-20	-22	-22	-28	-32	-90	-214
Total Deficit (-) or Surplus as Projected in March 2007	-177	-113	-134	-157	-35	155	139	163	186	163	217	-283	586
Memorandum:													
Total Legislative Changes ^b	-8	-13	-14	-15	-15	-16	-17	-18	-20	-21	-22	-74	-172
Total Technical Changes ^b	4	-2	-3	-5	-7	1	-3	-3	-3	-7	-10	-16	-42

Source: Congressional Budget Office.

Note: * = between -\$500 million and \$500 million.

a. Includes offsetting receipts.

b. Negative numbers indicate an increase in the deficit or decrease in the surplus.

CBO's Estimate of the Effect of the President's Budget on Baseline Deficits or Surpluses

(In billions of dollars)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Total, 2008- 2012	Total, 2008- 2017
Total Deficit (-) or Surplus as Projected in CBO's March 2007 Baseline	-177	-113	-134	-157	-35	155	139	163	186	163	217	-283	586
Effect of the President's Proposals													
Revenues													
Extension of expiring EGTRRA and JGTRRA provisions													
General tax rates, child tax credit, and tax brackets ^a	0	0	0	0	-93	-150	-152	-154	-157	-160	-164	-243	-1,030
Estate and gift taxes	0	-2	-1	-3	-36	-60	-67	-74	-79	-85	-91	-102	-499
Tax rates on dividends and capital gains	0	*	1	-2	-17	-15	-33	-35	-37	-38	-41	-33	-216
Expensing for small businesses	0	0	0	-3	-5	-4	-3	-2	-1	-1	-1	-12	-19
Education, retirement, and other provisions	0	0	0	0	-1	-2	-2	-2	-3	-3	-3	-3	-15
Subtotal, proposed extensions	0	-2	*	-8	-152	-231	-257	-266	-277	-287	-299	-392	-1,779
Health insurance taxation and standard deduction ^a	0	0	-14	-6	7	22	39	57	78	101	127	8	411
Research and experimentation tax credit	0	-3	-5	-7	-8	-10	-11	-12	-13	-14	-15	-33	-99
Air transportation taxes	0	0	-7	-7	-7	-7	-8	-8	-9	-9	-9	-28	-71
AMT extension	-9	-37	0	0	0	0	0	0	0	0	0	-37	-37
Expansion of information reporting	0	*	1	1	2	2	2	3	3	3	3	5	19
Expansion of expensing for small businesses	0	-1	-2	-1	-1	-1	-1	*	*	*	*	-6	-8
Expansion of tax-free savings accounts	0	3	5	4	*	-5	-3	-1	-1	-2	-2	6	-3
Other proposals	*	-1	-1	*	*	-1	-2	-2	-3	-3	-3	-2	-15
Total Effect on Revenues	-9	-41	-22	-24	-160	-231	-241	-231	-222	-211	-200	-479	-1,583
Outlays													
Mandatory													
Social Security individual accounts	0	0	0	0	1	1	21	44	62	68	73	2	270
Medicare	0	-4	-8	-11	-16	-20	-24	-28	-33	-40	-48	-58	-232
Earned income and child tax credits	0	*	*	10	10	24	24	24	24	24	24	44	164
Medicaid and SCHIP	*	-1	-2	-4	-4	-4	-4	-4	-5	-5	-5	-14	-37
Higher education	0	-5	*	1	1	3	4	4	4	4	4	*	19
Farm bill	0	1	1	1	2	2	2	1	1	*	-1	7	9
Other proposals	*	*	-3	-5	-3	-3	-3	-3	-3	-3	-3	-14	-30
Subtotal, mandatory	*	-9	-11	-8	-8	3	20	37	50	47	43	-34	164
Discretionary													
Department of Defense	26	77	80	16	-15	-25	-32	-35	-36	-37	-37	132	-44
Other	1	*	-18	-30	-38	-46	-47	-48	-49	-51	-53	-131	-380
Subtotal, discretionary	27	77	62	-14	-53	-71	-79	-83	-85	-88	-90	1	-424
Net interest	*	5	8	10	15	23	32	42	53	63	73	61	323
Total Effect on Outlays	28	72	59	-12	-46	-45	-28	-4	17	22	27	28	63
Total Impact on the Deficit or Surplus^b	-37	-113	-81	-12	-114	-186	-213	-227	-239	-233	-227	-507	-1,646
Total Deficit (-) or Surplus Under the President's Proposals	-214	-226	-215	-169	-149	-31	-74	-64	-53	-70	-10	-790	-1,060

Sources: Congressional Budget Office; Joint Committee on Taxation.

Note: * = between -\$500 million and \$500 million; EGTRRA = Economic Growth and Tax Relief Reconciliation Act of 2001; JGTRRA = Jobs and Growth Tax Relief Reconciliation Act of 2003; AMT = alternative minimum tax; SCHIP = State Children's Health Insurance Program.

a. The estimates shown include the effect on revenues only; however, outlays for the refundable earned income and child tax credits are also affected. Estimates of those effects are included in the entry for earned income and child tax credits.

b. Negative numbers indicate an increase in the deficit or decrease in the surplus.

Budgetary Effects of Selected Policy Alternatives Not Included in CBO's Baseline

(In billions of dollars)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Total, 2008- 2012	Total, 2008- 2017
Policy Alternatives That Affect Discretionary Spending													
Reduce the Number of Troops Deployed for Military Operations in Iraq and Afghanistan and Other Activities Related to the War on Terrorism to 30,000 by 2010 ^a													
Effect on the deficit or surplus ^b	-25	-53	-29	10	34	46	54	59	60	62	63	8	307
Debt service	*	-2	-4	-5	-4	-3	0	2	5	8	12	-19	8
Reduce the Number of Troops Deployed for Military Operations in Iraq and Afghanistan and Other Activities Related to the War on Terrorism to 75,000 by 2013 ^c													
Effect on the deficit or surplus ^b	-25	-58	-64	-45	-36	-15	7	19	22	26	26	-218	-117
Debt service	*	-3	-5	-8	-11	-12	-13	-13	-13	-12	-12	-39	-102
Increase Regular Discretionary Appropriations at the Rate of Growth of Nominal GDP ^d													
Effect on the deficit or surplus ^b	0	-12	-34	-59	-84	-110	-138	-166	-195	-226	-257	-299	-1,280
Debt service	0	*	-1	-4	-7	-12	-18	-26	-36	-48	-61	-24	-214
Freeze Total Discretionary Appropriations at the Level Provided for 2007													
Effect on the deficit or surplus ^b	0	18	38	61	85	109	135	161	188	217	244	310	1,255
Debt service	0	*	2	4	8	13	19	27	36	47	61	27	217
Policy Alternatives That Affect the Tax Code													
Extend EGTRRA and JGTRRA ^e													
Effect on the deficit or surplus ^b	0	-2	-2	-9	-153	-247	-273	-283	-293	-304	-316	-413	-1,883
Debt service	0	*	*	*	-4	-14	-27	-41	-56	-73	-91	-19	-307
Extend Other Expiring Tax Provisions													
Effect on the deficit or surplus ^b	-3	-11	-20	-28	-36	-42	-47	-51	-56	-61	-65	-138	-418
Debt service	*	*	-1	-2	-4	-6	-8	-11	-14	-17	-21	-14	-86
Index the AMT for Inflation ^f													
Effect on the deficit or surplus ^b	-9	-60	-60	-70	-60	-38	-46	-54	-63	-74	-87	-288	-611
Debt service	*	-2	-5	-8	-11	-14	-17	-20	-24	-28	-33	-40	-162
Memorandum:													
Interactive Effect of Extending EGTRRA and JGTRRA and Indexing the AMT													
Effect on the deficit or surplus ^b	0	0	0	*	-22	-56	-63	-69	-75	-81	-87	-78	-451
Debt service	0	0	0	*	-1	-2	-5	-9	-12	-17	-21	-3	-67
Total Discretionary Outlays in CBO's Baseline	1,029	1,046	1,062	1,078	1,100	1,112	1,140	1,166	1,194	1,227	1,250	5,398	11,376
Total Outlays for Military Operations in Iraq and Afghanistan in CBO's Baseline	93	79	73	74	75	75	77	79	80	82	83	376	776
Total Deficit (-) or Surplus in CBO's Baseline	-177	-113	-134	-157	-35	155	139	163	186	163	217	-283	586

Sources: Congressional Budget Office; Joint Committee on Taxation.

Notes: Positive amounts indicate a reduction in the deficit or an increase in the surplus. "Debt service" refers to changes in interest payments on federal debt resulting from changes in the government's borrowing needs

* = between -\$500 million and \$500 million; GDP = gross domestic product; EGTRRA = Economic Growth and Tax Relief Reconciliation Act of 2001; JGTRRA = Jobs and Growth Tax Relief Reconciliation Act of 2003; AMT = alternative minimum tax.

- a. This alternative does not extrapolate the \$70 billion in funding for operations in Iraq and Afghanistan enacted as part of the Department of Defense appropriation act for 2007. However, it incorporates the assumption that an additional \$75 billion in budget authority will be provided in 2007 to carry out operations in those countries. Future funding for operations in Iraq, Afghanistan, or elsewhere would total \$120 billion in 2008, \$75 billion in 2009, \$40 billion in 2010, \$25 billion in 2011, and then about \$20 billion a year from 2012 on--for a total of \$377 billion over the 2008-2017 period.
 - b. Excluding debt service.
 - c. This alternative does not extrapolate the \$70 billion in funding for operations in Iraq and Afghanistan enacted as part of the Department of Defense appropriation act for 2007. However, it incorporates the assumption that an additional \$75 billion in budget authority will be provided in 2007 to carry out operations in those countries. Future funding for operations in Iraq, Afghanistan, or elsewhere would total \$140 billion in 2008, \$130 billion in 2009, \$110 billion in 2010, \$90 billion in 2011, \$70 billion in 2012, and then about \$60 billion a year from 2013 on--for a total of \$824 billion over the 2008-2017 period.
 - d. Under this alternative, appropriations for operations in Iraq and Afghanistan that were enacted during 2007 are extrapolated according to baseline rules.
 - e. These estimates do not include the effects of extending the increased exemption amount or the treatment of personal credits for the AMT that expired at the end of 2006. The effects of that alternative are shown below.
 - f. This alternative incorporates the assumption that the exemption amount for the AMT (which was increased through 2006 in the Tax Increase Prevention and Reconciliation Act of 2005, or TIPRA) is extended at its higher level and, together with the AMT tax brackets, is indexed for inflation after 2006. In addition, the treatment of personal credits against the AMT (which was extended through the end of 2006 in TIPRA) is assumed to be extended. If this alternative was enacted jointly with the extension of the expiring tax provisions, an interactive effect would occur after 2010 that would make the combined revenue loss over the 2011-2017 period greater than the sum of the two separate estimates (see the memorandum above).
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Effect of Extending Tax Provisions Scheduled to Expire Before 2017

(In billions of dollars)

Tax Provision	Expiration Date	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Total, 2008-2012	Total, 2008-2017
Provisions That Expired in 2006														
Credit for Qualified Electric Vehicles	12/31/06	*	*	*	*	*	*	*	*	*	*	*	*	*
Depreciation for Clean-Fuel Automobiles	12/31/06	*	*	*	*	*	*	*	*	*	*	*	*	-0.1
Excise Tax on Fuel for Trains and Barges	12/31/06	**	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.3	0.6
Increased AMT Exemption	12/31/06	-9.3	-58.7	-56.6	-64.8	-54.6	-34.0	-40.2	-46.6	-53.5	-61.6	-70.3	-268.7	-540.8
Rules for Taxing Certain Life Insurance Dividends	12/31/06	*	*	*	*	*	*	*	*	*	*	*	*	*
Treatment of Nonrefundable Personal Credits Under the AMT	12/31/06	-0.1	-0.5	-0.6	-0.8	-0.8	-0.6	-0.8	-0.9	-1.2	-1.4	-1.7	-3.3	-9.3
Hurricane Relief Provisions	various ^a	-2.3	-2.3	-2.8	-2.8	-3.3	-3.5	-3.6	-3.7	-3.9	-4.0	-4.1	-14.7	-34.0
Tax Incentives for Areas of New York City Damaged on 9/11	various ^b	-0.2	-0.3	-0.3	-0.3	-0.3	-0.3	-0.2	-0.2	-0.2	-0.2	-0.2	-1.5	-2.4
Provisions That Expire Between 2007 and 2017														
Andean Trade Preference Initiative	6/30/07	*	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.3	-0.7
American Samoa Economic Development Credit	12/31/07	n.a.	*	*	*	*	*	*	*	*	*	*	-0.1	-0.2
Archer Medical Savings Accounts	12/31/07	n.a.	*	*	*	*	*	*	*	*	*	*	*	*
Basis Adjustment of S Corporate Stock for Donations	12/31/07	**	*	*	*	*	*	-0.1	-0.1	-0.1	-0.1	-0.1	-0.2	-0.5
Brownfields Remediation Expensing	12/31/07	n.a.	-0.2	-0.4	-0.4	-0.3	-0.3	-0.3	-0.3	-0.3	-0.2	-0.2	-1.6	-2.9
Combat Pay in Earned Income for Refundable Credits	12/31/07	n.a.	0	*	*	*	*	*	*	*	*	*	*	-0.1
Contributions of Book Inventory	12/31/07	n.a.	*	*	*	*	*	*	*	*	*	-0.1	-0.1	-0.4
Contributions of Food Inventory	12/31/07	n.a.	*	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.3	-0.8
Contributions of Real Property for Conservation Purposes	12/31/07	n.a.	*	*	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.3	-0.8
Corporate Contributions of Computers to Schools	12/31/07	n.a.	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.3	-0.3	-1.0	-2.2

Tax Provision	Expiration Date												Total,	Total,	
		2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2008-2012	2008-2017	
Credit for Certain Nonbusiness Energy Property	12/31/07	n.a.	-0.1	-0.4	-0.4	-0.4	-0.4	-0.4	-0.4	-0.4	-0.4	-0.4	-0.4	-1.6	-3.7
Credit for Energy Efficient Appliances	12/31/08	n.a.	*	*	0	0	0	0	0	0	0	0	*	*	
Credit for Maintaining Railroad Tracks	12/31/07	n.a.	-0.1	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.7	-1.6
Credit for Research and Experimentation	12/31/07	n.a.	-2.9	-5.3	-6.6	-8.1	-9.7	-11.2	-12.2	-13.2	-14.3	-15.4	-32.6	-98.9	
Deduction for Domestic Production in Puerto Rico	12/31/07	n.a.	-0.1	-0.1	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.3	-0.3	-0.7	-1.9
Deduction for Private Mortgage Insurance	12/31/07	n.a.	*	*	*	*	*	*	*	**	**	**	-0.1	-0.1	
Deduction for Qualified Education Expenses	12/31/07	n.a.	-0.3	-1.4	-1.3	-1.3	-1.2	-1.2	-1.1	-1.0	-0.9	-0.8	-5.5	-10.5	
Deduction for Teachers' Classroom Expenses	12/31/07	n.a.	*	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.8	-1.9
Deduction of State and Local Sales Taxes	12/31/07	n.a.	-0.4	-2.9	-3.3	-3.3	-3.6	-3.6	-3.7	-3.7	-3.8	-3.8	-13.6	-32.2	
Depreciation for Business Property on Indian Reservations	12/31/07	n.a.	-0.1	-0.4	-0.4	-0.4	-0.4	-0.3	-0.2	-0.2	-0.1	0.2	-1.8	-2.4	
Depreciation of Leasehold and Restaurant Equipment	12/31/07	n.a.	-0.1	-0.4	-0.7	-1.1	-1.4	-1.8	-2.1	-2.5	-2.9	-3.3	-3.7	-16.2	
Depreciation Period for Motor Tracks	12/31/07	n.a.	*	*	*	*	*	*	*	*	-0.1	-0.1	-0.1	-0.4	
Dispositions of Electric Transmission Property	12/31/07	-0.1	-0.3	-0.3	-0.3	-0.2	-0.2	-0.2	-0.2	-0.1	*	-0.1	-1.3	-1.8	
Dividends of Mutual Funds	12/31/07	n.a.	*	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.3	-0.8
FUTA Surtax of 0.2 Percentage Points	12/31/07	n.a.	1.0	1.5	1.5	1.5	1.5	1.5	1.2	0.9	0.3	-0.2	7.0	10.8	
Indian Employment Tax Credit	12/31/07	n.a.	*	*	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.3	-0.6
Net Income Limitation for Marginal Oil and Gas Wells	12/31/07	n.a.	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.5	-1.0
Parity in Mental Health Benefits	12/31/07	n.a.	*	*	*	*	*	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.2	-0.5
Payments to Controlling Exempt Organizations	12/31/07	n.a.	*	*	*	*	*	*	*	*	*	*	*	-0.1	-0.3
Qualified Mortgage Bonds for Veterans' Residences	12/31/07	n.a.	*	*	*	*	*	*	*	-0.1	-0.1	-0.1	-0.1	-0.3	
Qualified Zone Academy Bonds	12/31/07	n.a.	*	*	*	*	-0.1	-0.1	-0.1	-0.1	-0.1	-0.2	-0.2	-0.1	-0.8
Rum Excise Tax Revenue to Puerto Rico and the Virgin Islands	12/31/07	*	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.4	-0.9
Synthetic or Biomass Fuel Credit	12/31/07	n.a.	-4.2	-4.5	-4.7	-4.9	-5.1	-5.3	-5.4	-5.5	-5.6	-5.3	-23.5	-50.5	

Tax Provision	Expiration Date												Total, 2008-	Total, 2008-
		2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2012	2017
Haiti Trade Preferences	12/19/11	n.a.	n.a.	n.a.	n.a.	n.a.	*	*	*	*	*	*	*	*
Expensing of Refinery Property	12/31/11	n.a.	n.a.	n.a.	n.a.	n.a.	-0.1	-0.3	-0.3	-0.3	-0.3	-0.2	-0.1	-1.6
African Growth Opportunity Act (Least-developed countries)	9/30/12	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	*	*	*	*	*	n.a.	-0.2
Credit for Past Minimum Tax Liability	12/31/12	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-0.2	-0.3	-0.2	-0.2	-0.2	n.a.	-1.1
Depreciation of Certain Ethanol Plant Property	12/31/12	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	*	*	*	*	*	n.a.	-0.1
Transfer of Excess Assets in Defined-Benefit Plans	12/31/13	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	**	**	**	**	n.a.	0.1
IRS User Fees	9/30/14	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	**	**	**	n.a.	0.1
Liquefied Hydrogen Fuel Incentives	9/30/14	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	*	*	*	n.a.	*
Automatic Amortization for Certain Pension Plans	12/31/14	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	*	*	*	n.a.	*
Credit for Motor Vehicles with Fuel Cells	12/31/14	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	*	*	*	n.a.	*
Hydrogen Refueling Property	12/31/14	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	*	*	*	n.a.	*
African Growth Opportunity Act	9/30/15	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-0.2	-0.2	n.a.	-0.4
All Expiring Provisions														
Interaction Effect from Extending All Provisions Together		0	0	0	**	-18.6	-47.7	-50.8	-53.4	-55.3	-56.8	-57.7	-66.4	-340.4
Total Revenue Effect		-12.0	-72.1	-79.0	-102.6	-263.3	-372.0	-412.0	-435.3	-459.1	-484.5	-511.2	-888.9	-3,191.0

Source: Congressional Budget Office; Joint Committee on Taxation.

Notes: * = between -\$50 million and zero; ** = between zero and \$50 million; n.a. = not applicable; AMT = alternative minimum tax; EGTRRA = Economic Growth and Tax Relief Reconciliation Act of 2001; FUTA = Federal Unemployment Trust Act; IRS = Internal Revenue Service. These estimates assume that the expiring provisions are extended immediately rather than when they are about to expire. The provisions are assumed to be extended at the rates or levels existing at the time of expiration. The estimates include some effects on outlays for refundable tax credits. These estimates do not include debt-service costs.

These estimates include updated information received from the Joint Committee on Taxation after CBO published Table 4-10 in its *Budget and Economic Outlook: Fiscal Years 2008 to 2017* (January 2007).

- Provisions of the Katrina Tax Relief Act of 2005 and the Gulf Opportunity Zone Act of 2005 expire at various times between 2006 and 2011.
- Provisions that increase expensing under Section 179 and allow a five-year lifetime for leasehold improvements expired on 12/31/06. Provisions related to partial expensing for property placed in service either expired on 12/31/06 or expire on 12/31/09.
- Provisions related to tax incentives for alternative fuels expire on 9/30/09 and 9/30/14.
- Includes provisions related to the adoption credit, dependent care credit, and the employer-provided child care credit.