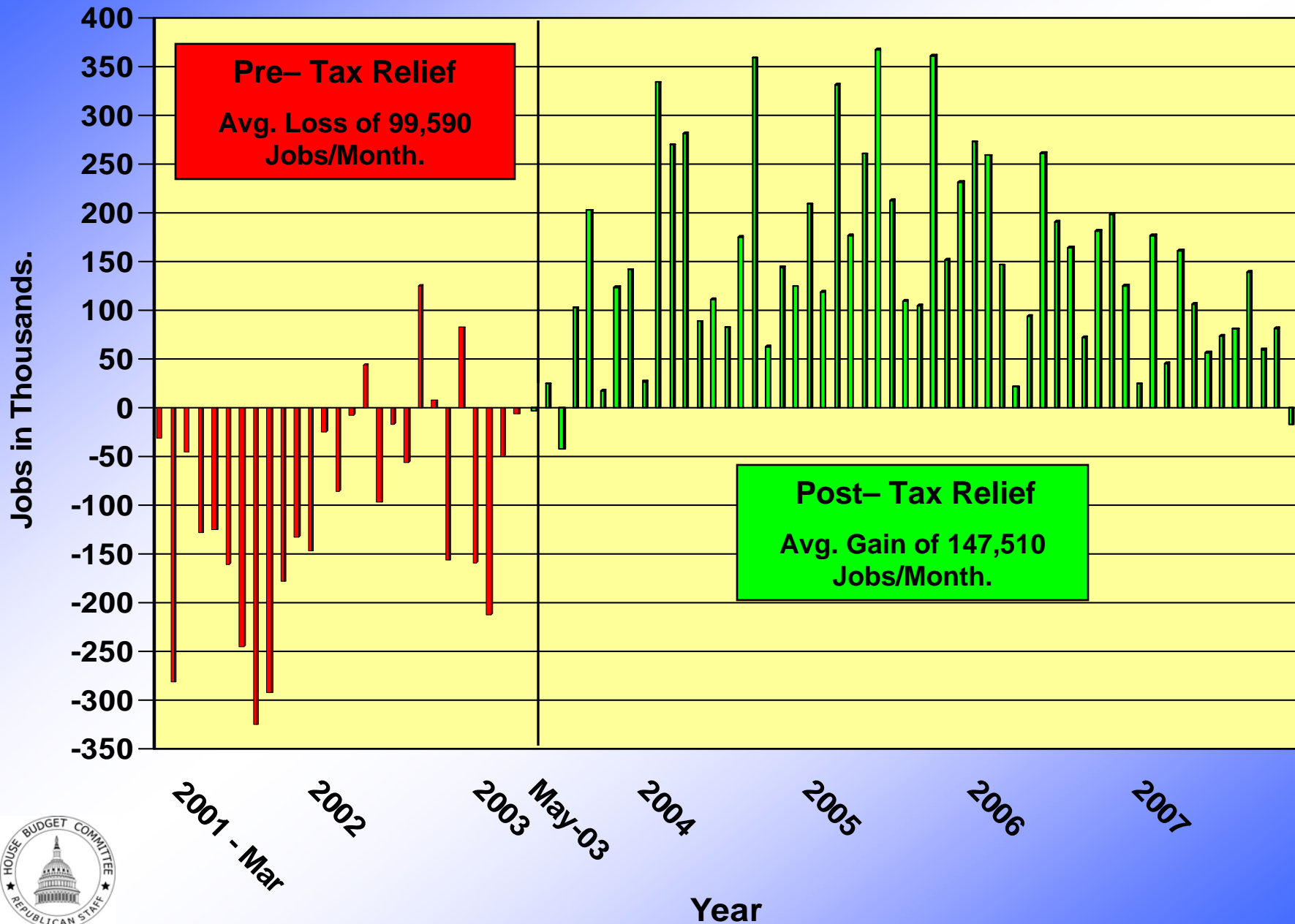
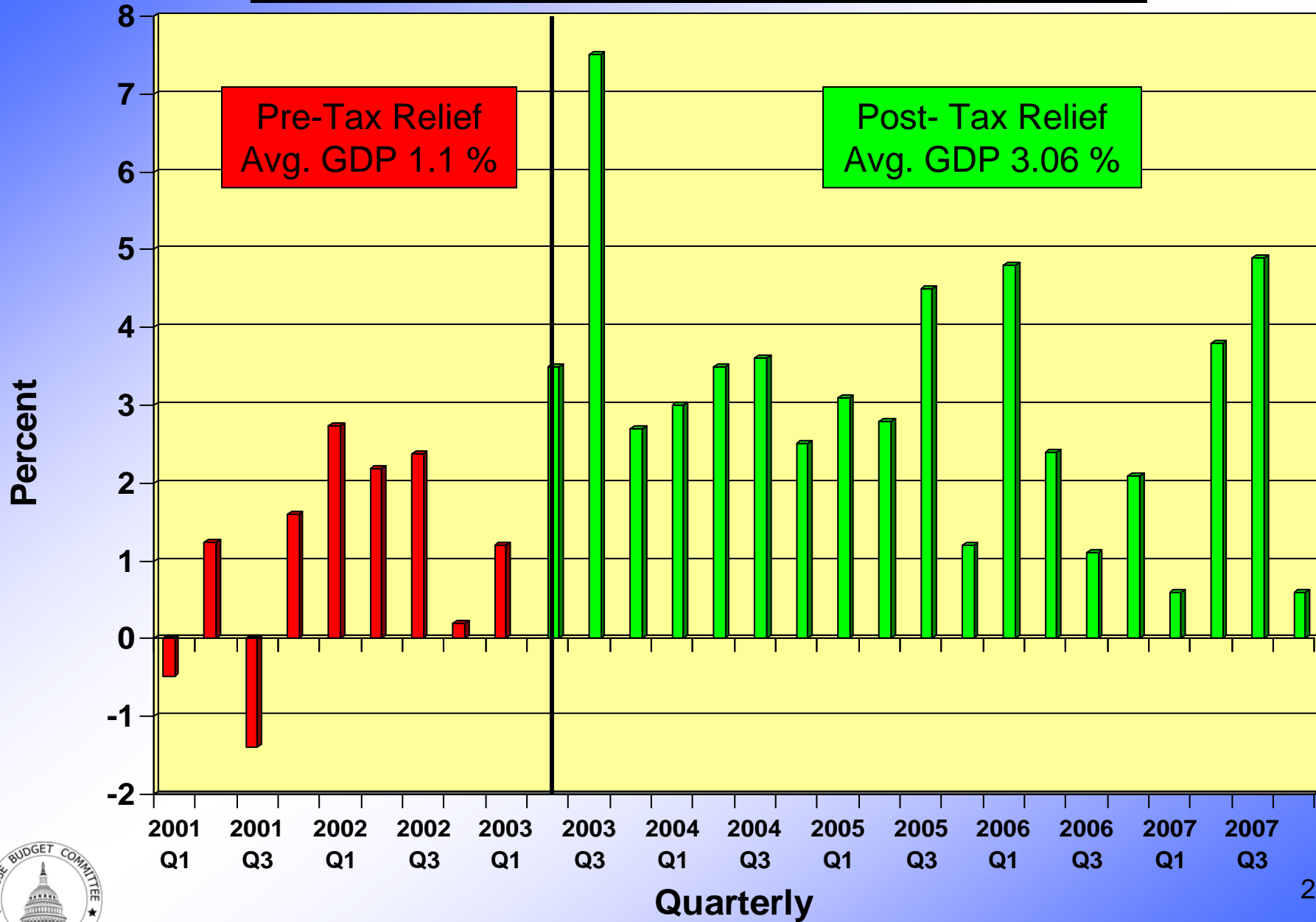


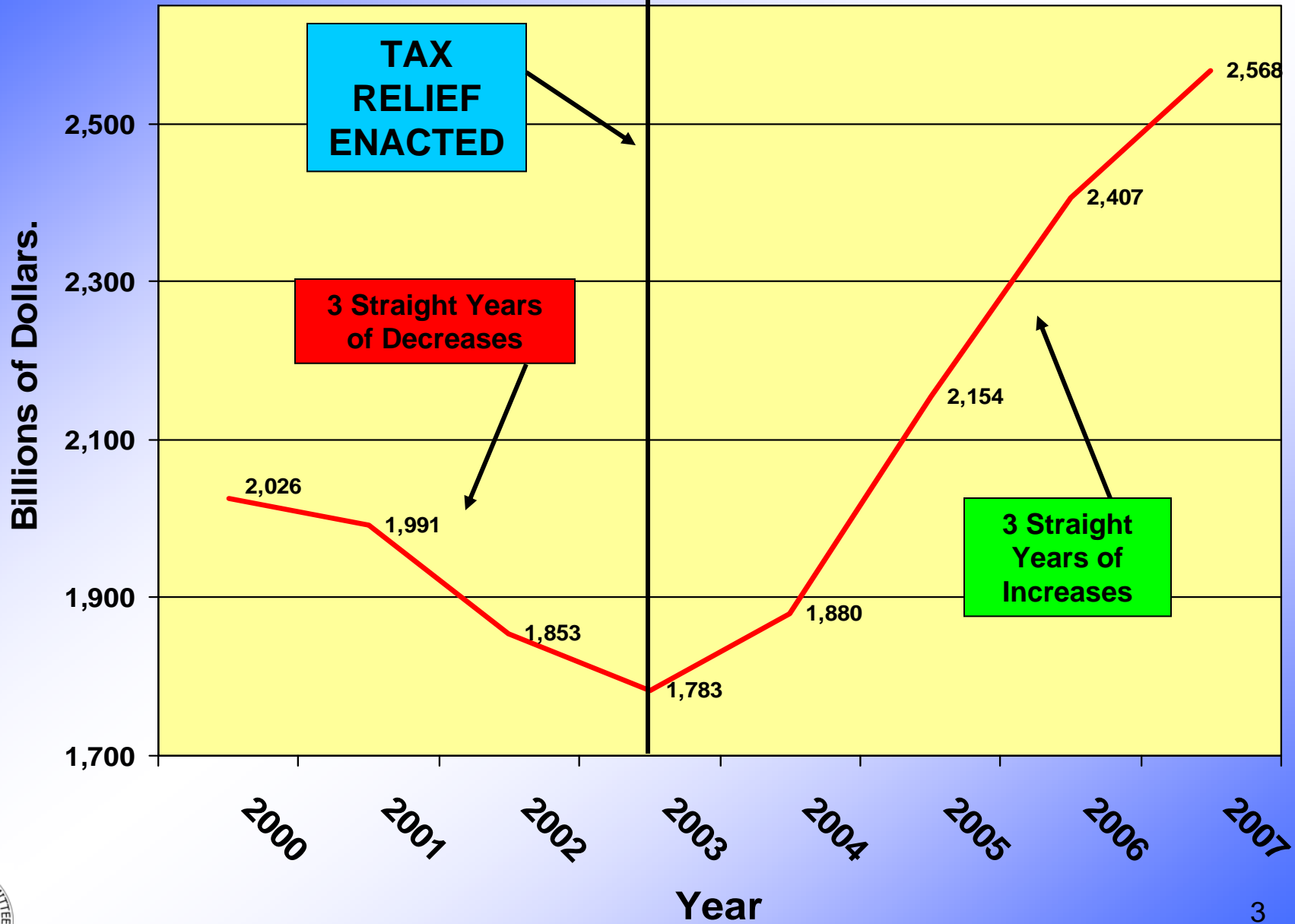
Job Creation: Before and After Tax Relief



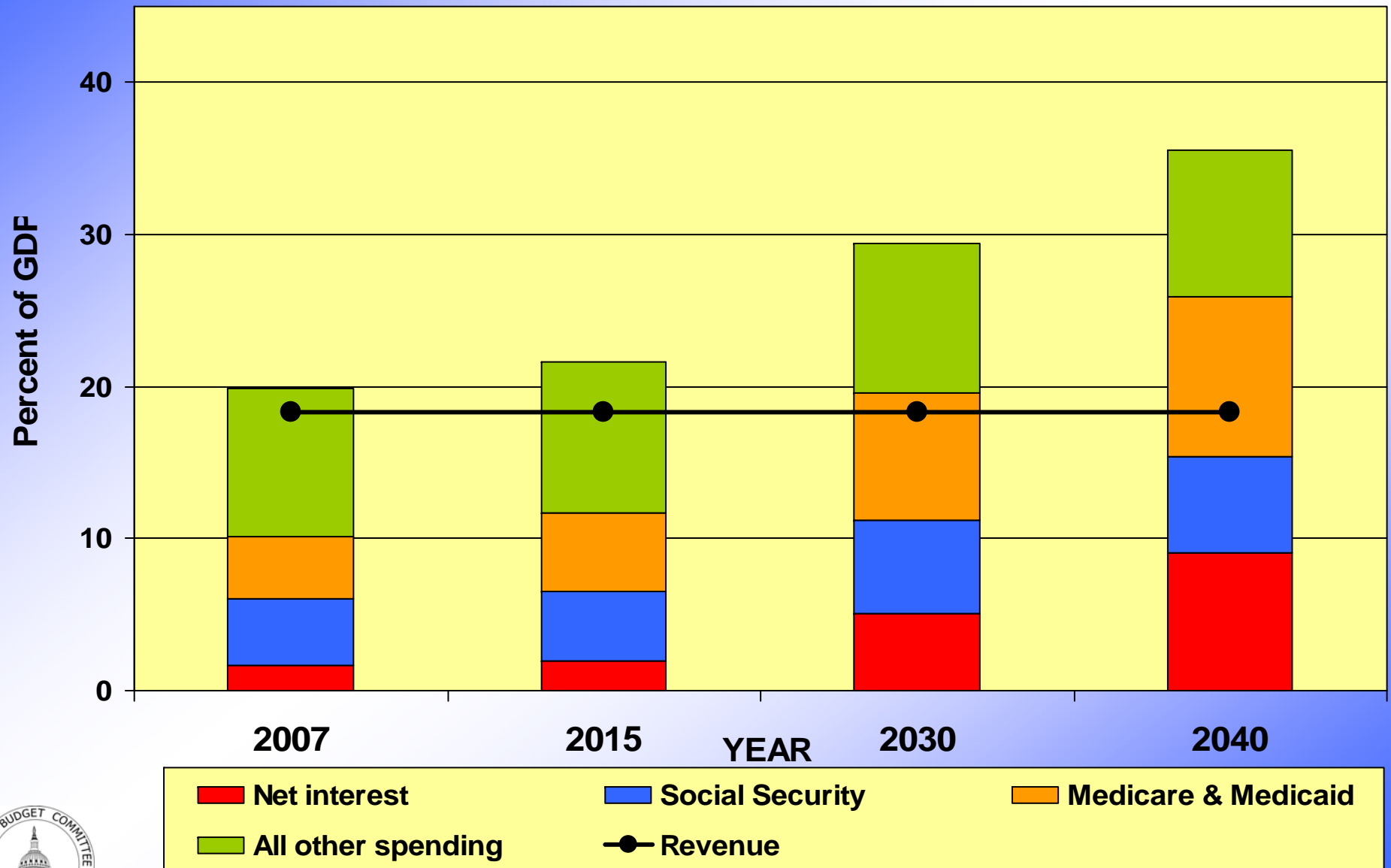
GDP: Before and After Tax Relief



Federal Revenues



Composition of Spending as Share of GDP

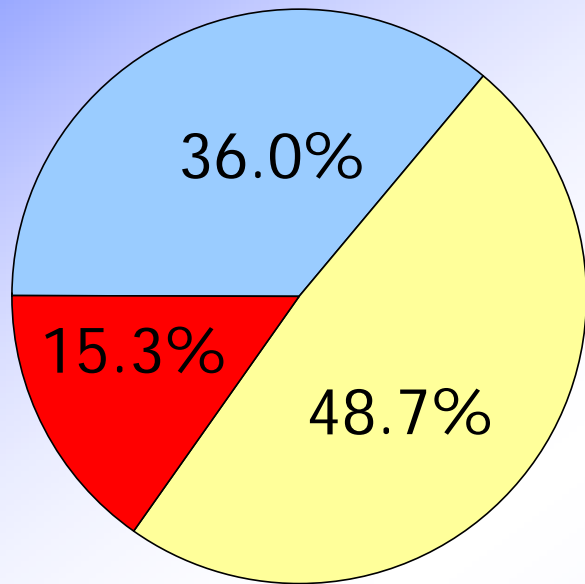


Source: CBO Long-Term Outlook

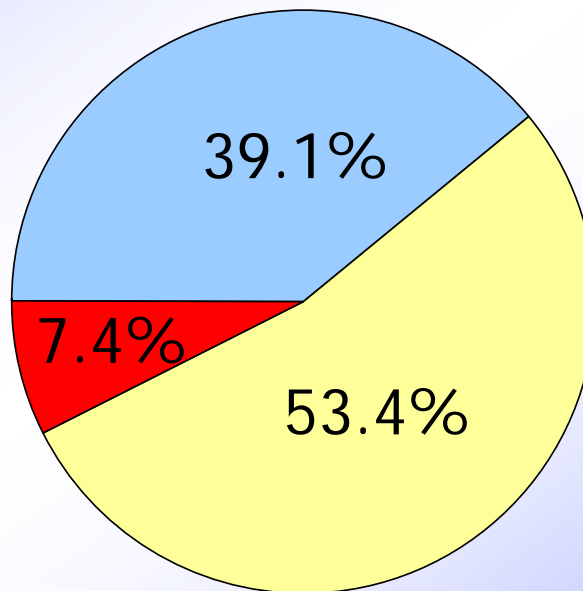


Mandatory Spending Growth, 1995, 2005, 2017

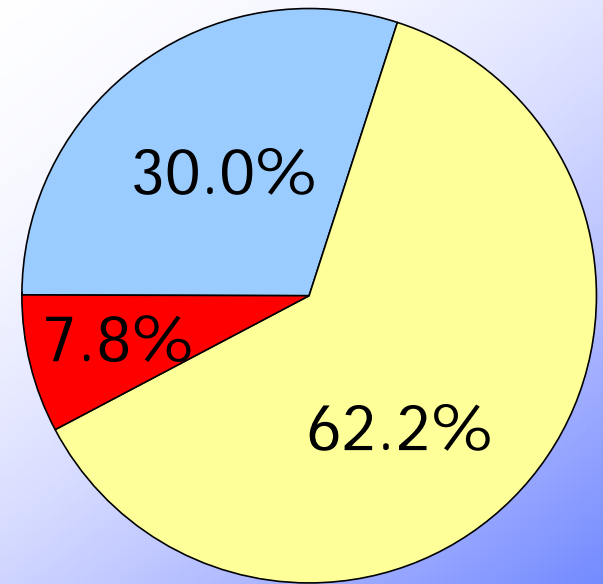
Discretionary Mandatory Net Interest
Fiscal Year Outlays



1995



2005

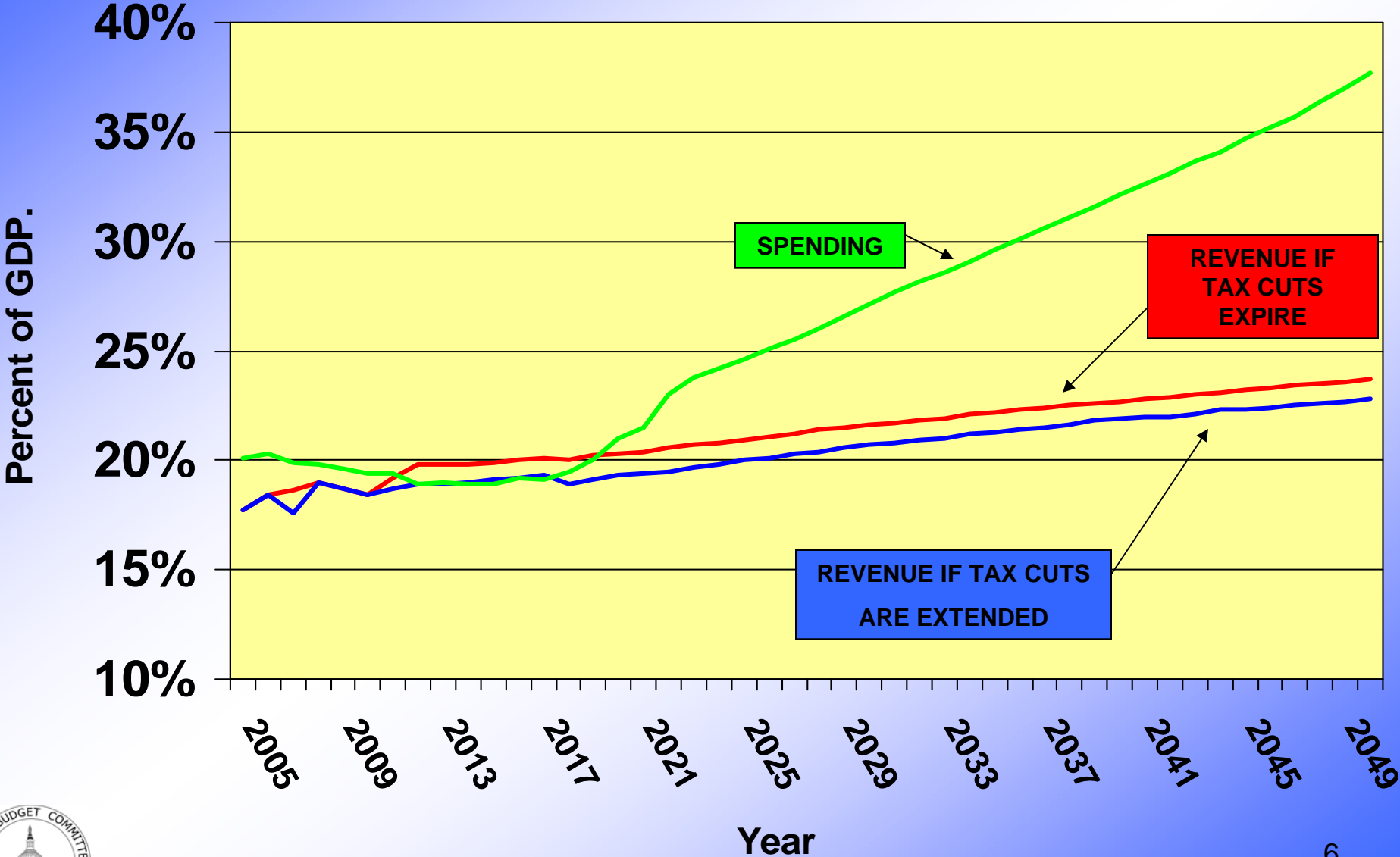


2017

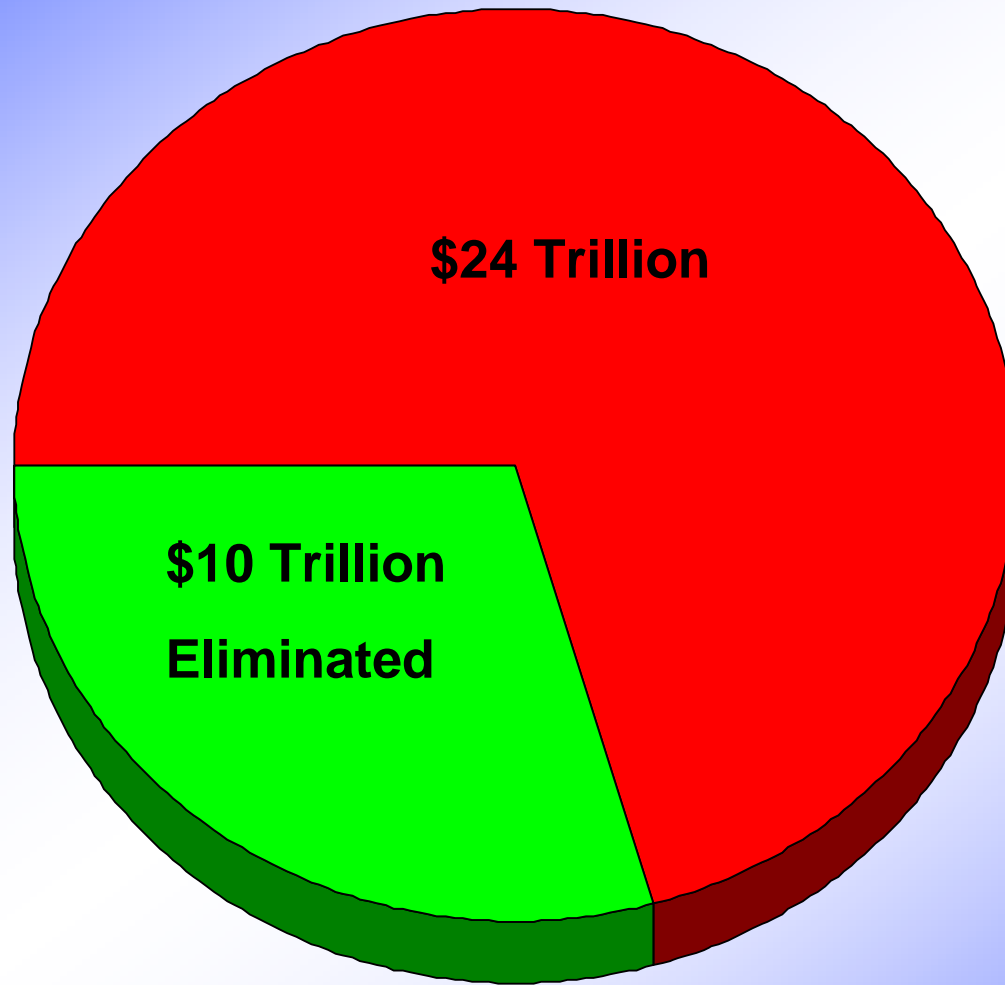


Projections are CBO Baseline adjusted to continue 2001 and 2003 tax relief, and assume no supplemental appropriations beyond those already enacted.

Spending Drives Long -Term Budget Problems



President's Proposal Erases 30% of Medicare's Unfunded Liabilities



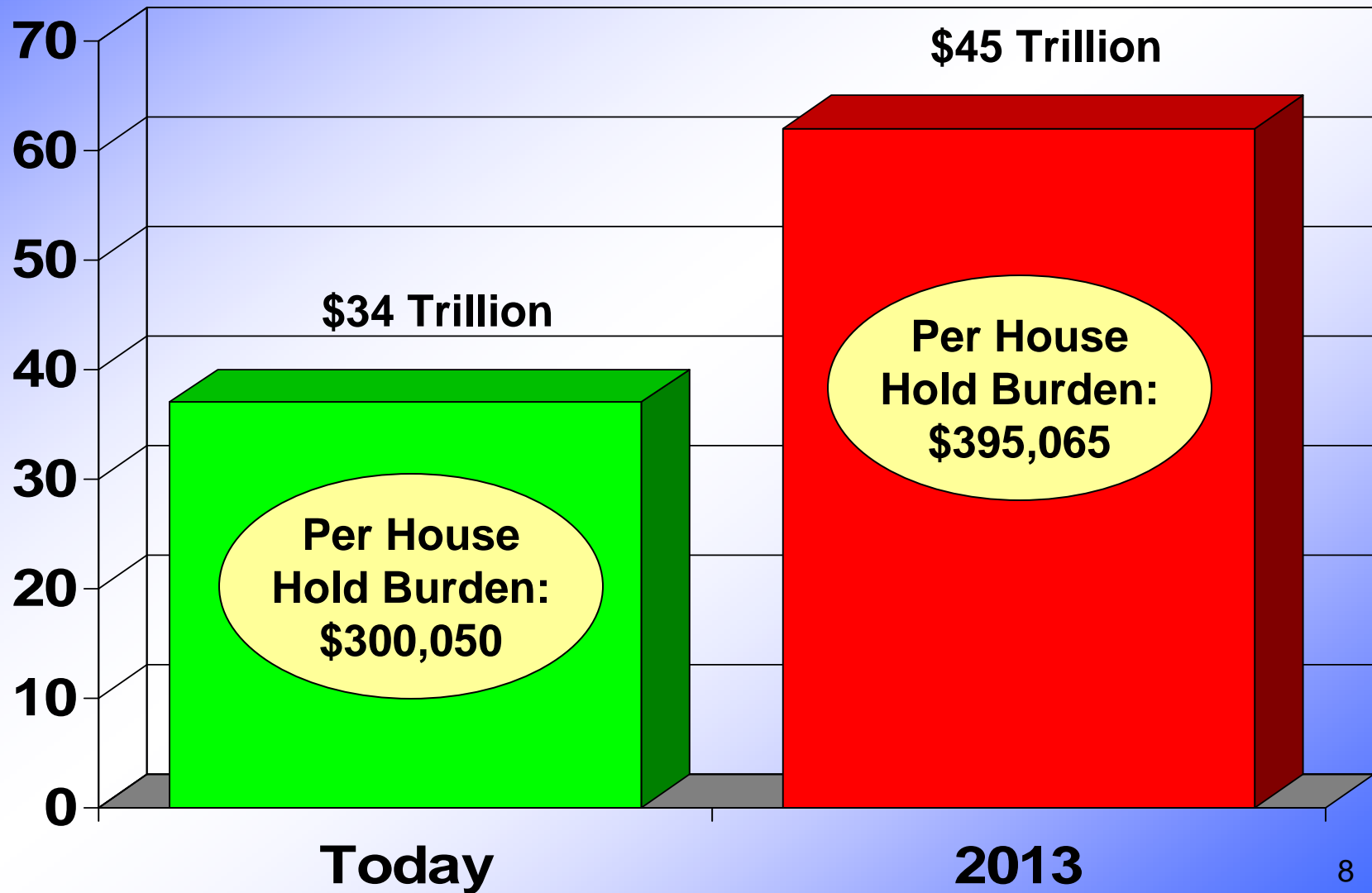
\$34,000,000,000,000

Medicare's Unfunded Liability Under the President's Proposals.



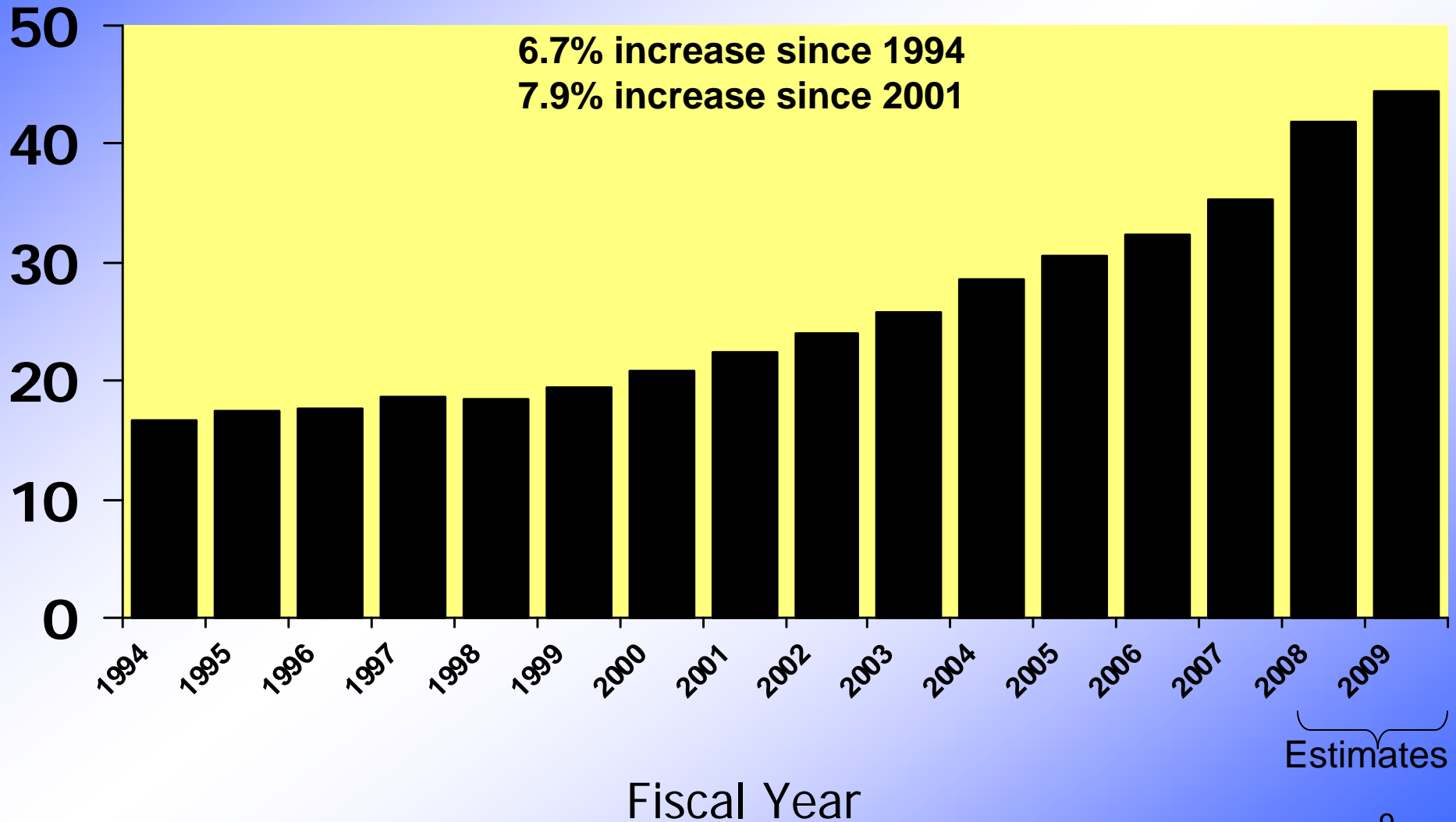
Medicare's Unfunded Liability

(Over 75 Years)



Veterans Benefits & Services

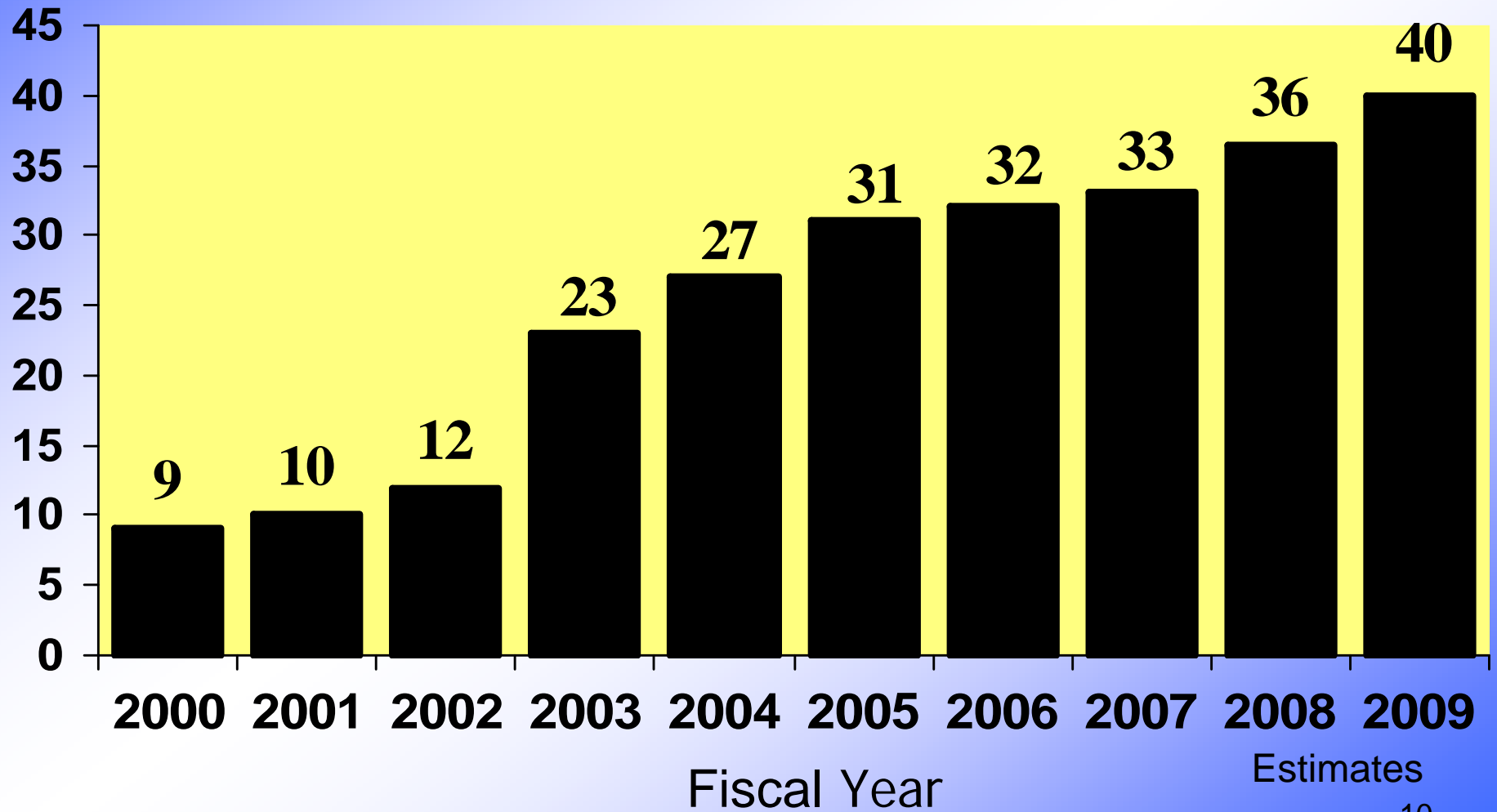
Discretionary Outlays in Billions



Homeland Security

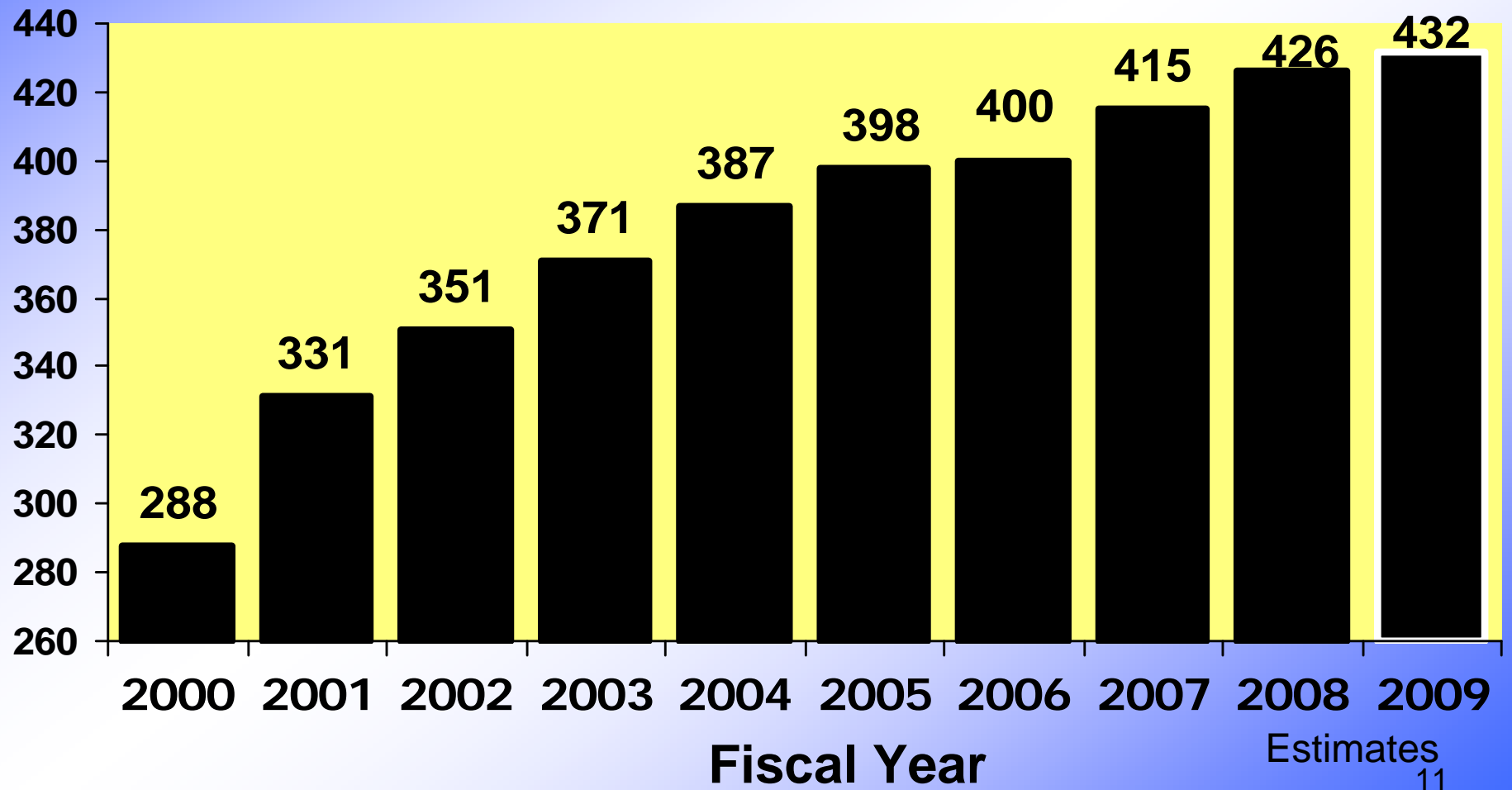
Non-DoD Discretionary Budget Authority in Billions

Excluding Supplementals

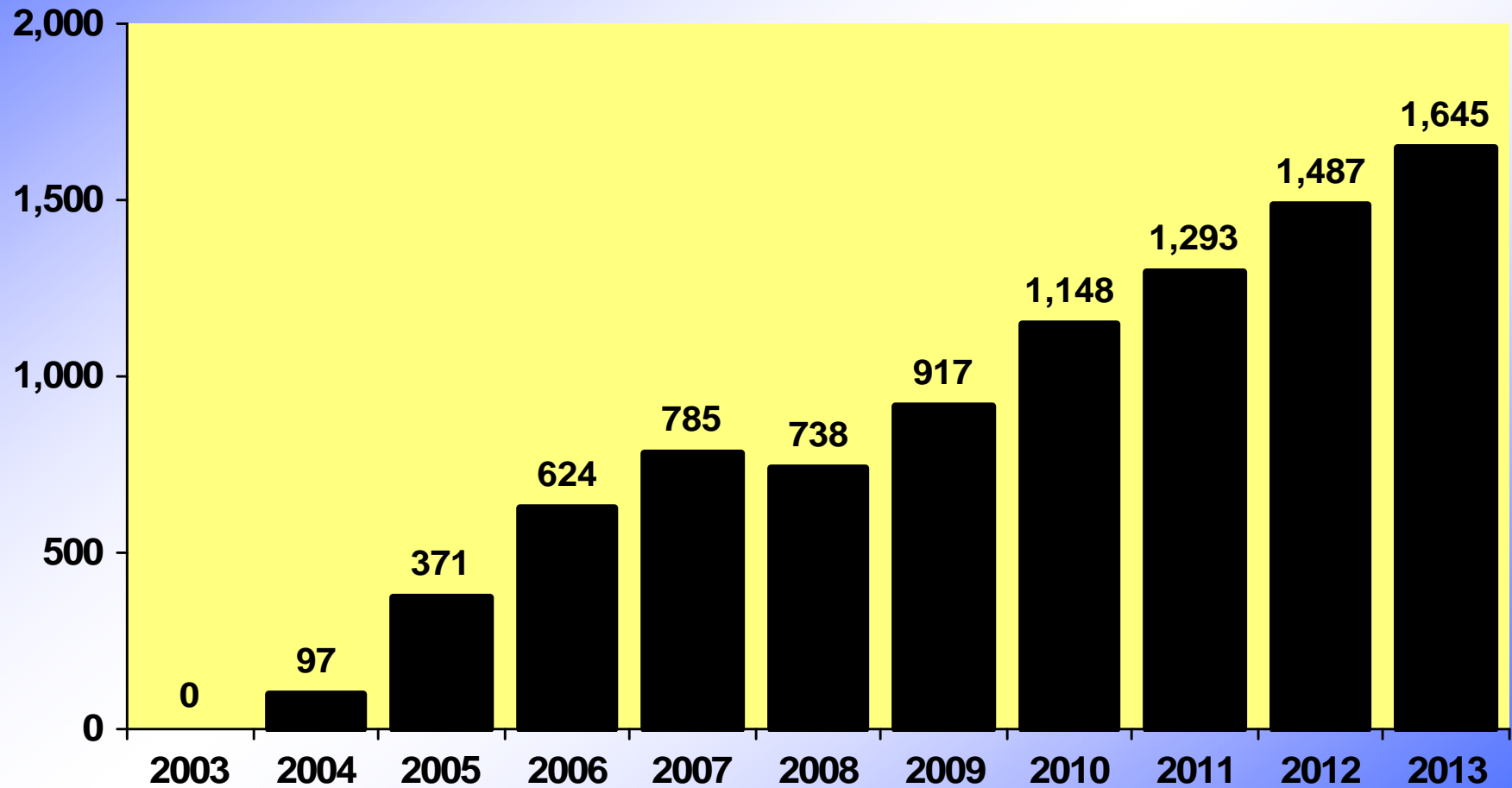


Non-DOD Military, Non-Homeland Security *Discretionary Budget Authority in Billions*

Excluding Supplementals



Change in Receipts Since 2003 Tax Cuts *In Billions*



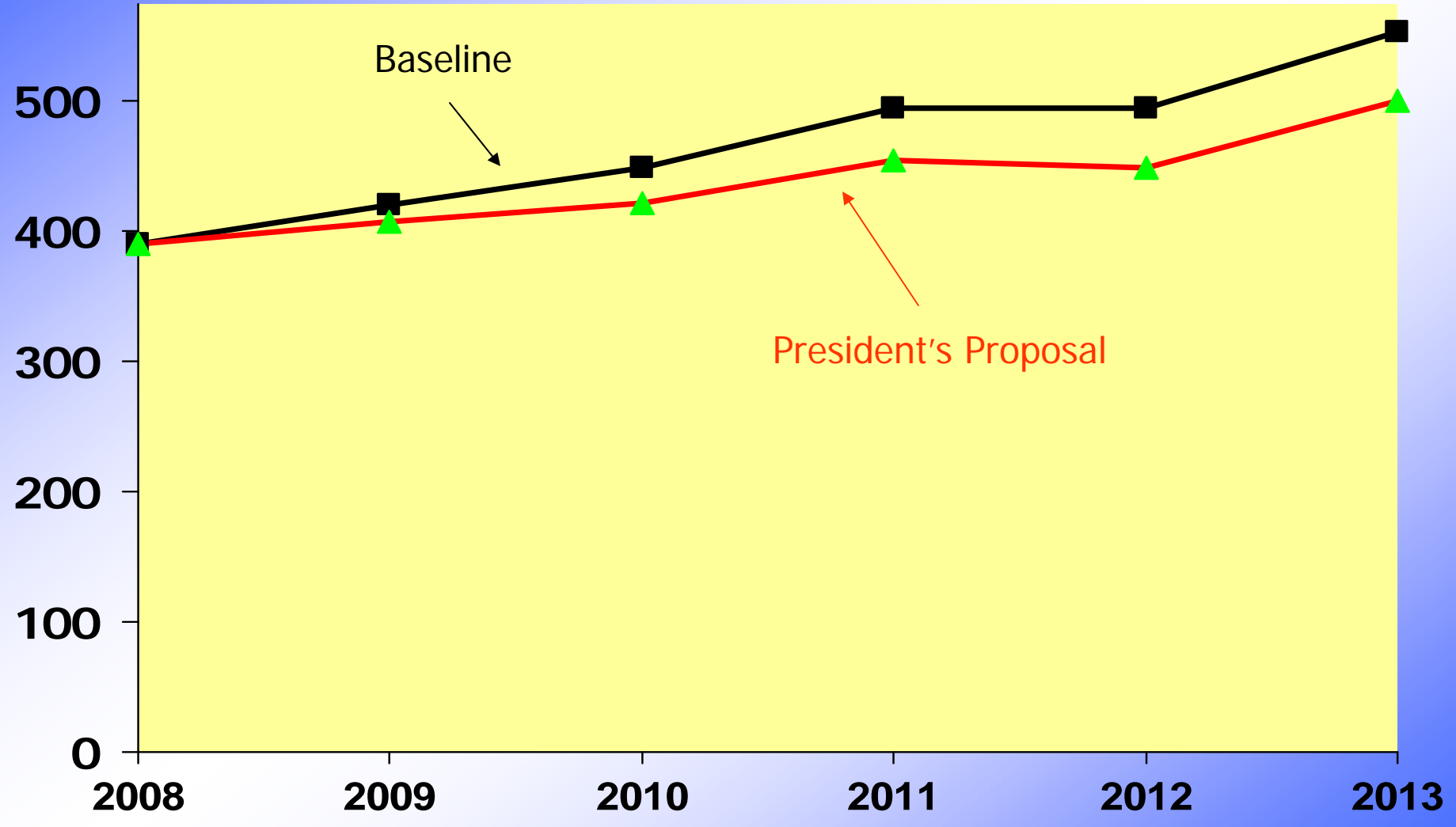
Prepared by the Republican Staff of the House Budget Committee.

Estimates

12

Medicare Growth Before and After Reform

Outlays in billions of dollars

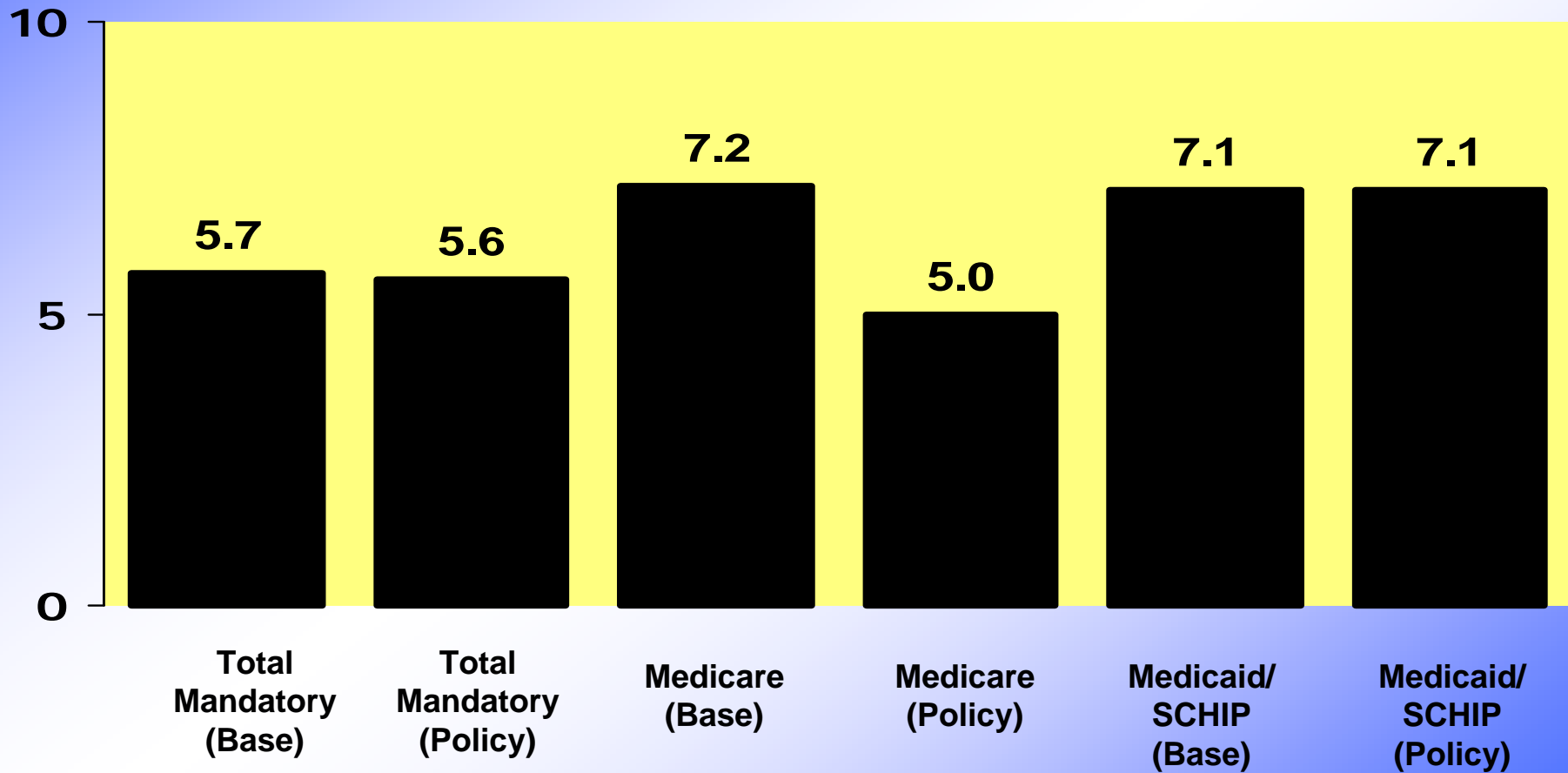


Fiscal year

Prepared by the Republican Staff of the House Budget Committee.

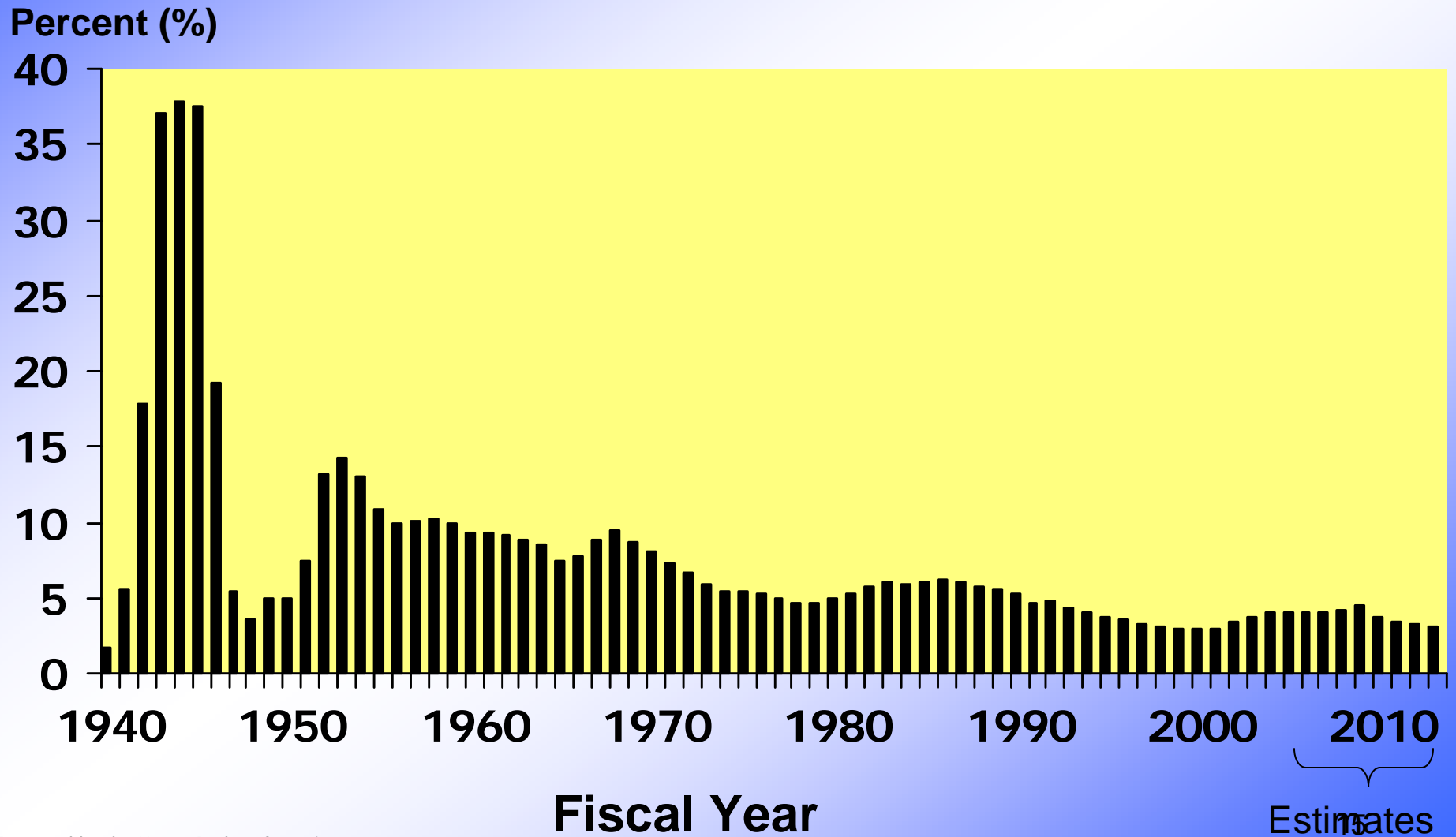
5-Year Average Growth Rate for Mandatory Spending

Percent (%)



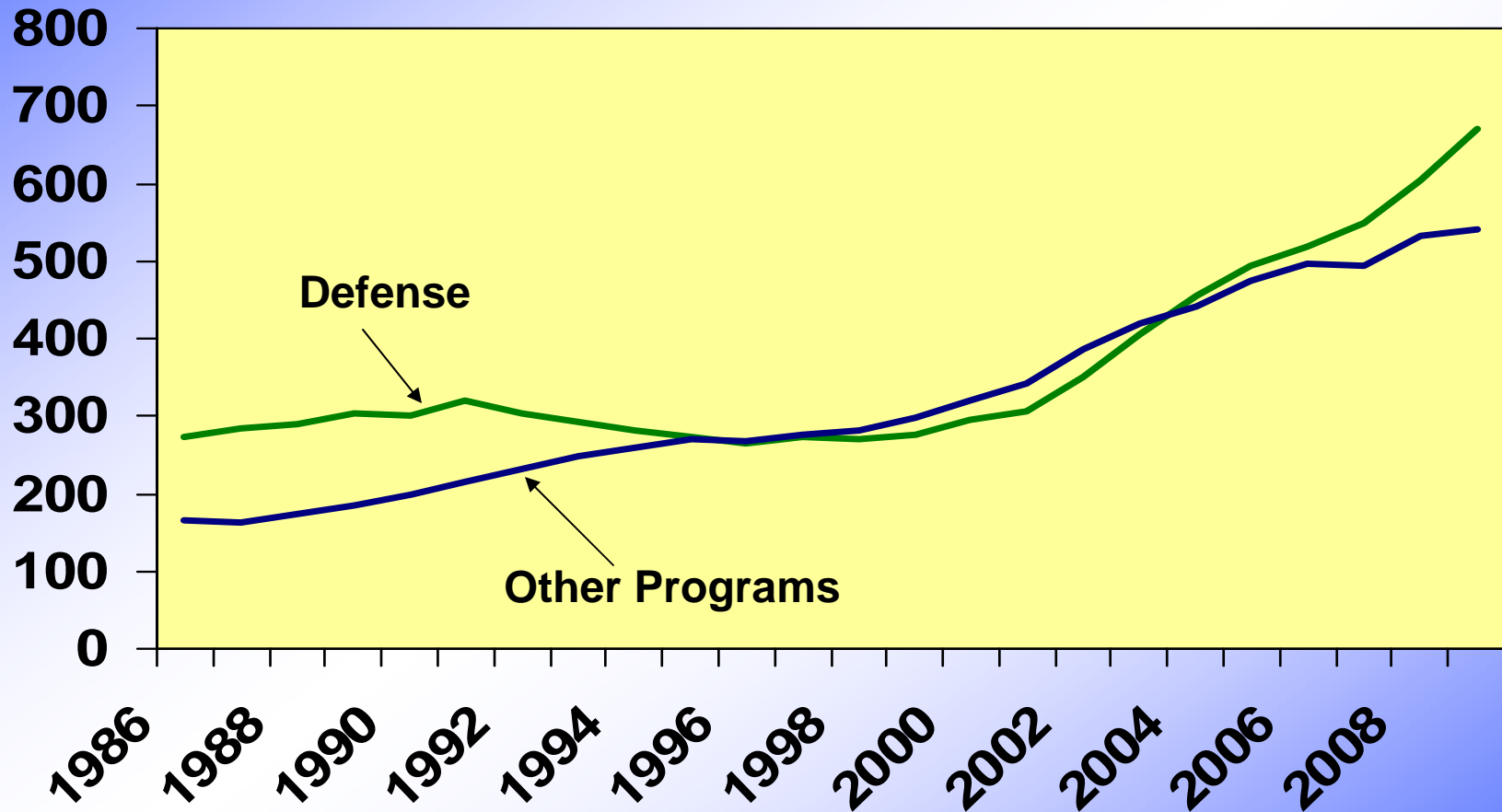
National Defense

As a Percentage of GDP

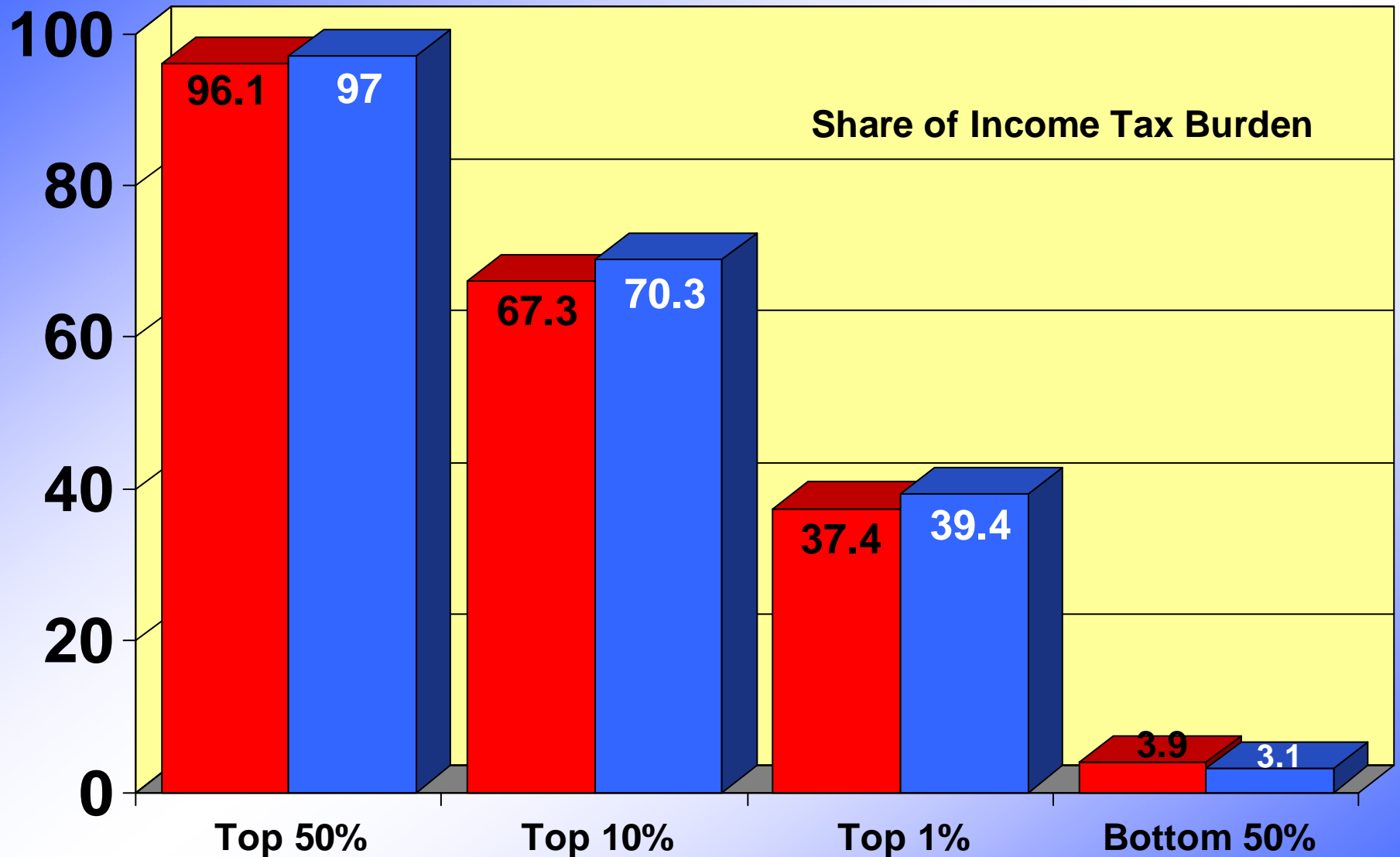


National Defense vs. Other Programs

Discretionary Outlays in Constant FY2000 Dollars (in Billions)



Higher – Income Earners Bear Greater Tax Burden



■ 2000 ■ 2005



Source: IRS