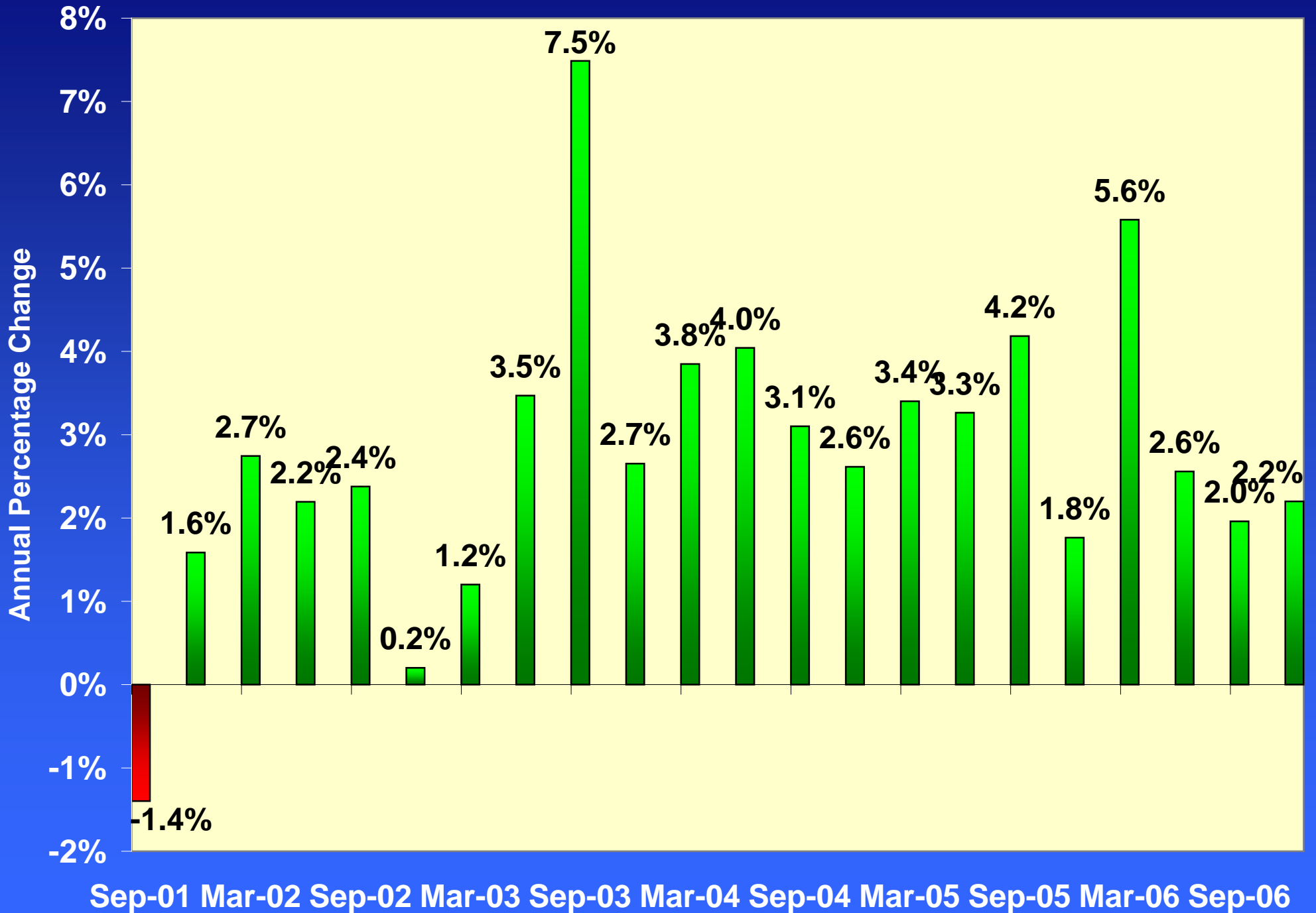
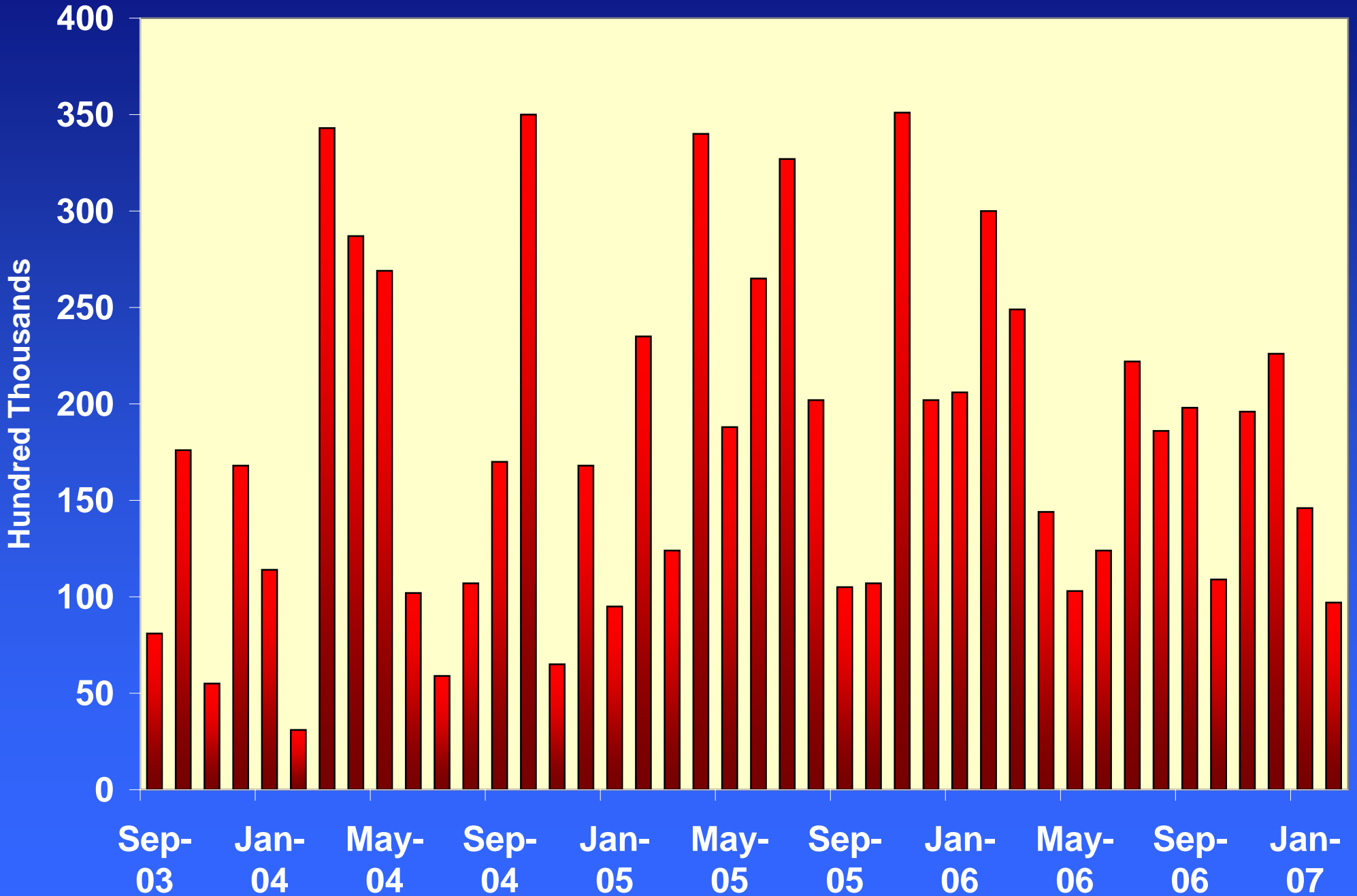


# Economy Expands 21 Consecutive Quarters



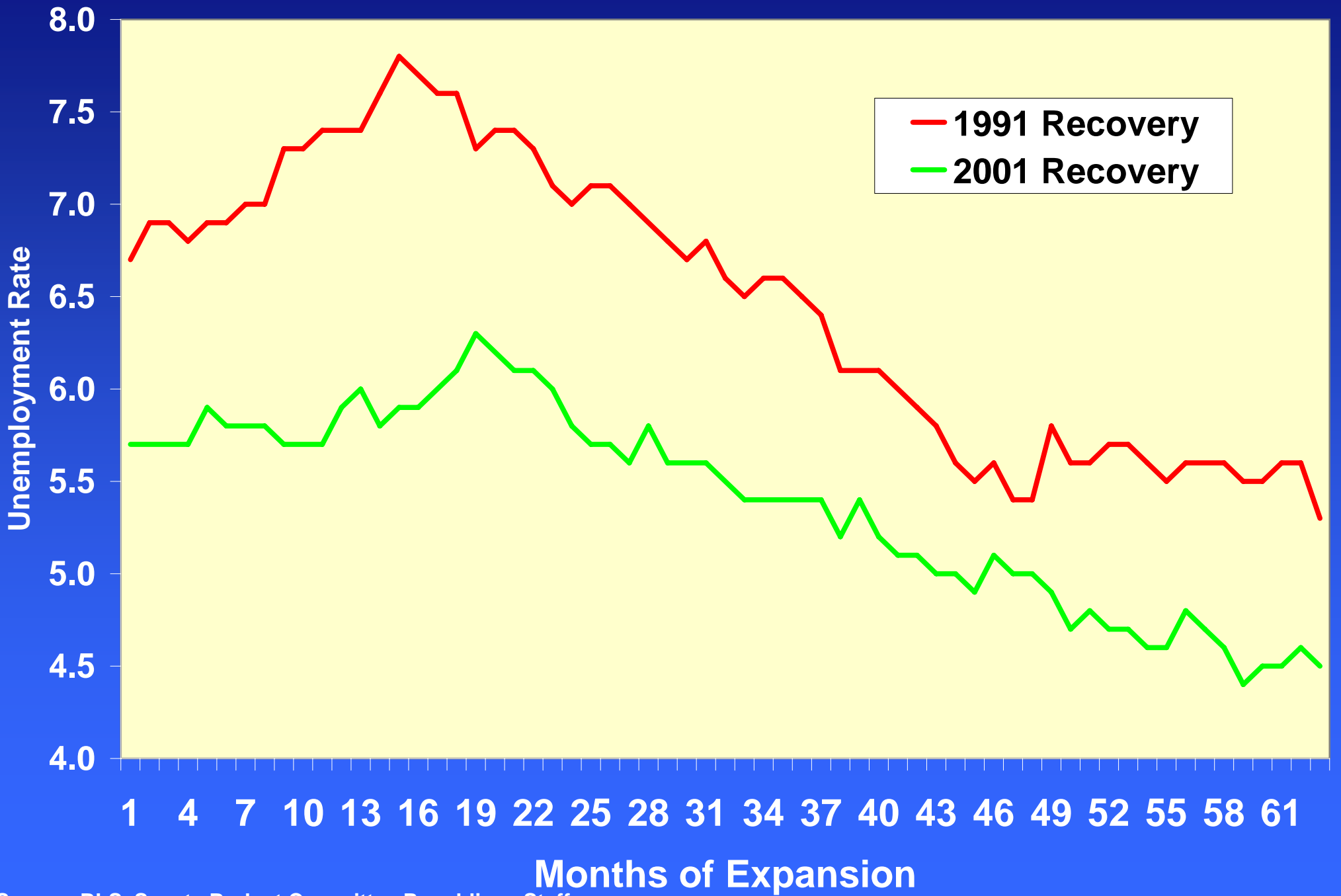
Source: BEA, Senate Budget Committee Republican Staff

# Employment Expanded 42 Consecutive Months Generating 7.6 Million Jobs



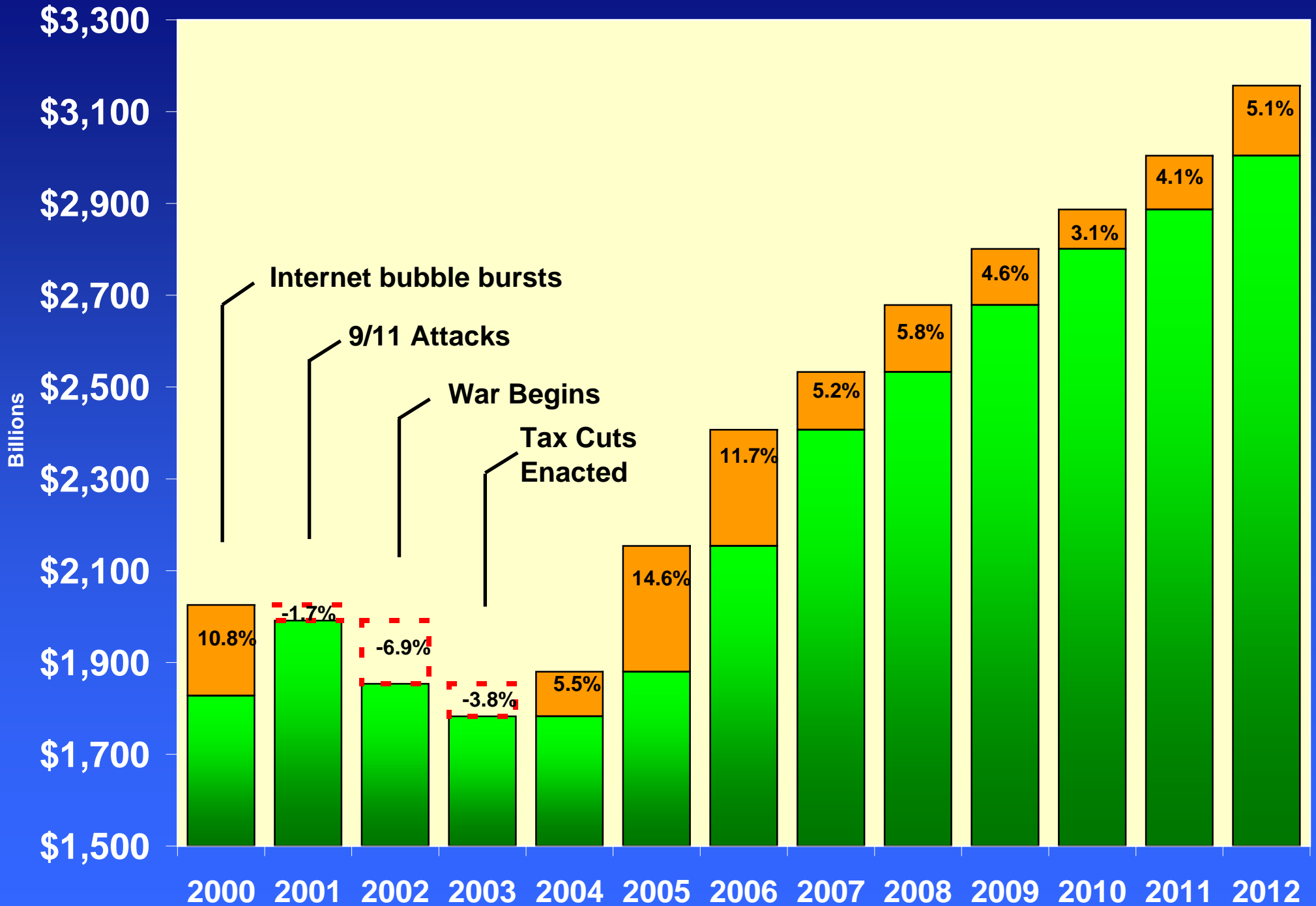
Source: BLS, Senate Budget Committee Republican Staff

# Unemployment Rate 1 Percentage Point Lower Than At Same Point in Prior Recovery

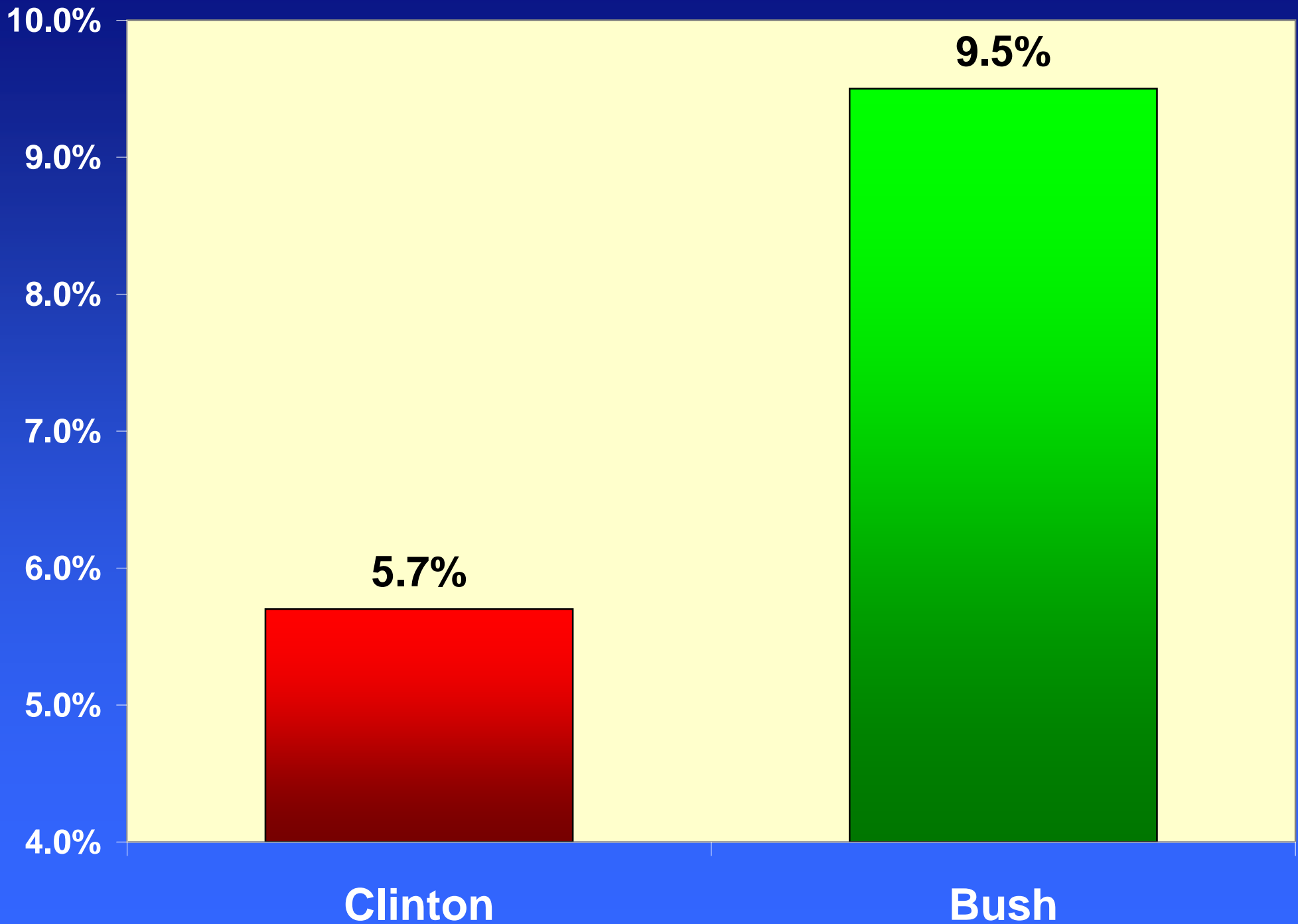


Source: BLS, Senate Budget Committee Republican Staff

# Economic Growth Propels Revenues

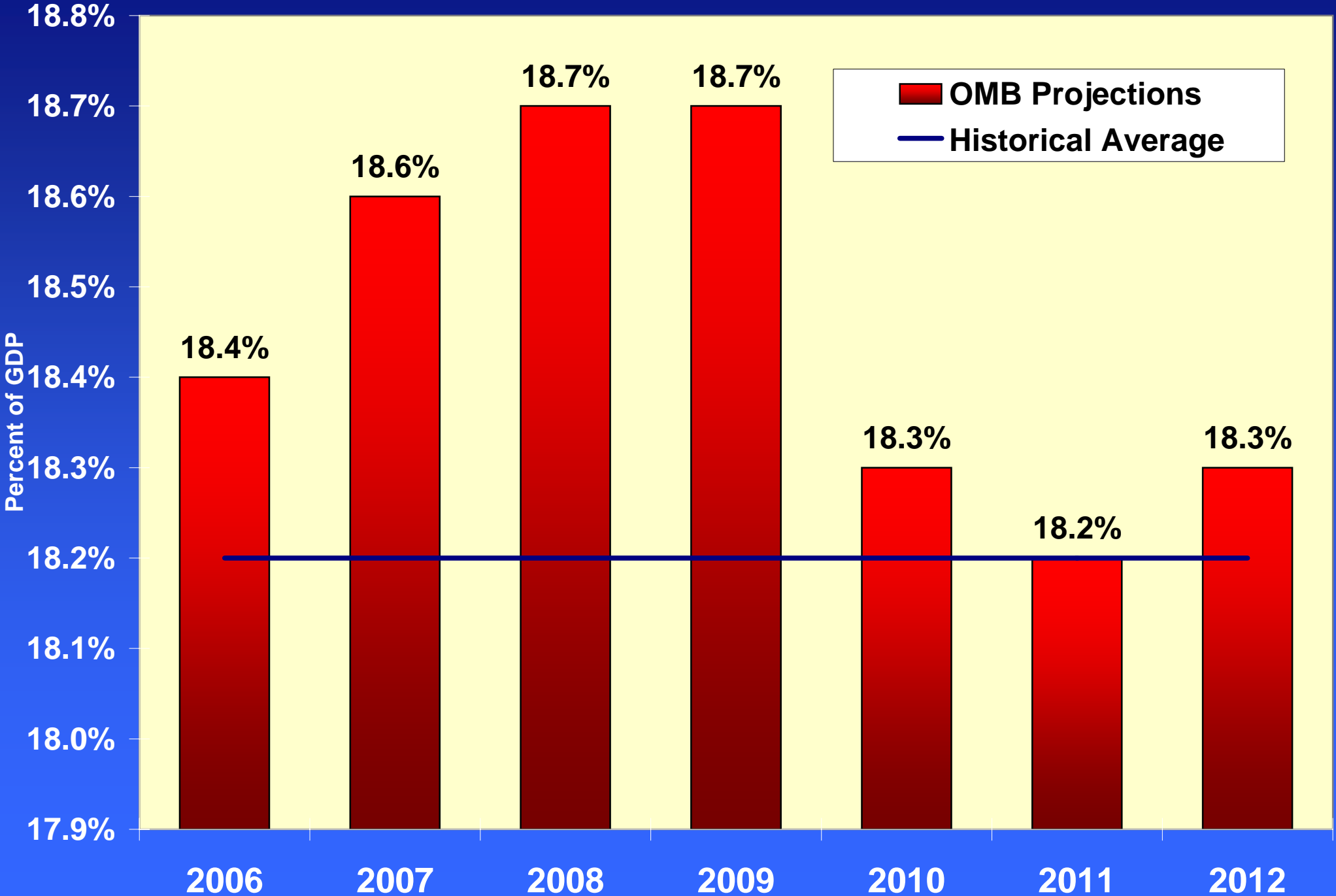


# Real Wages & Benefits Increase More Under President Bush



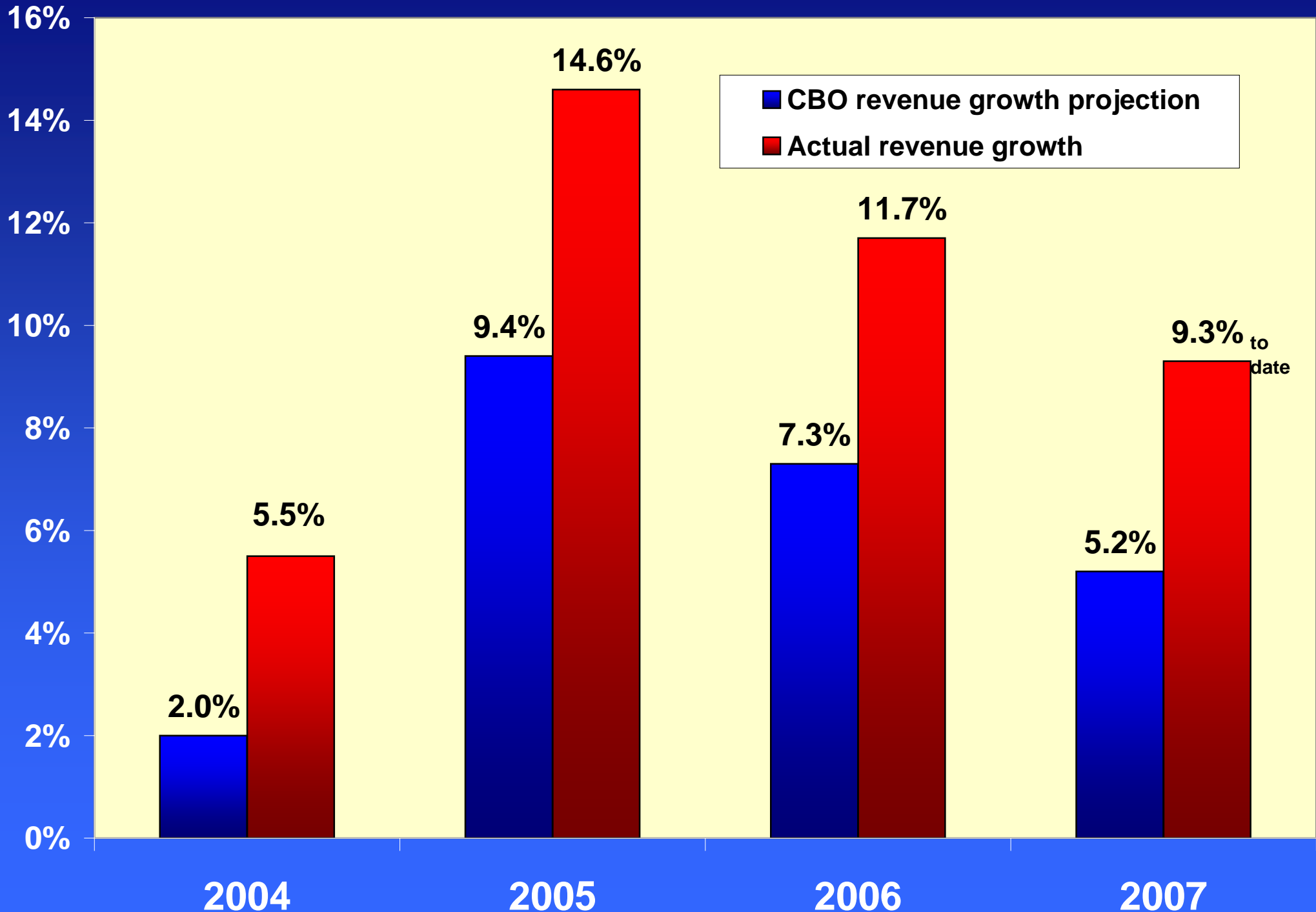
Source: BLS, Senate Budget Committee Republican Staff

# Projected Revenues Exceed Historical Average



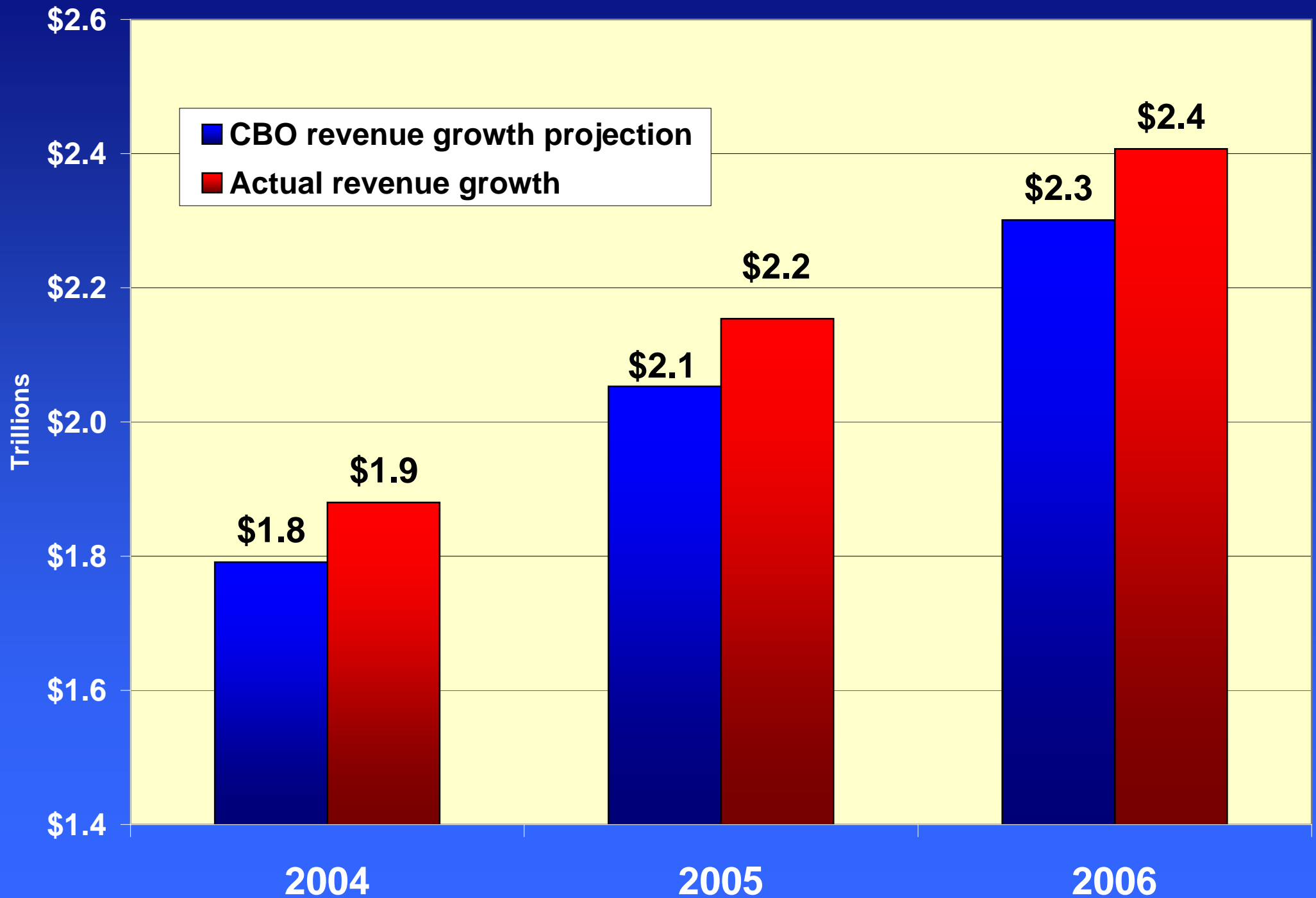
Source: OMB, Senate Budget Committee Republican Staff

# GROWTH EXCEEDS PROJECTIONS



Source: OMB, Senate Budget Committee Republican Staff

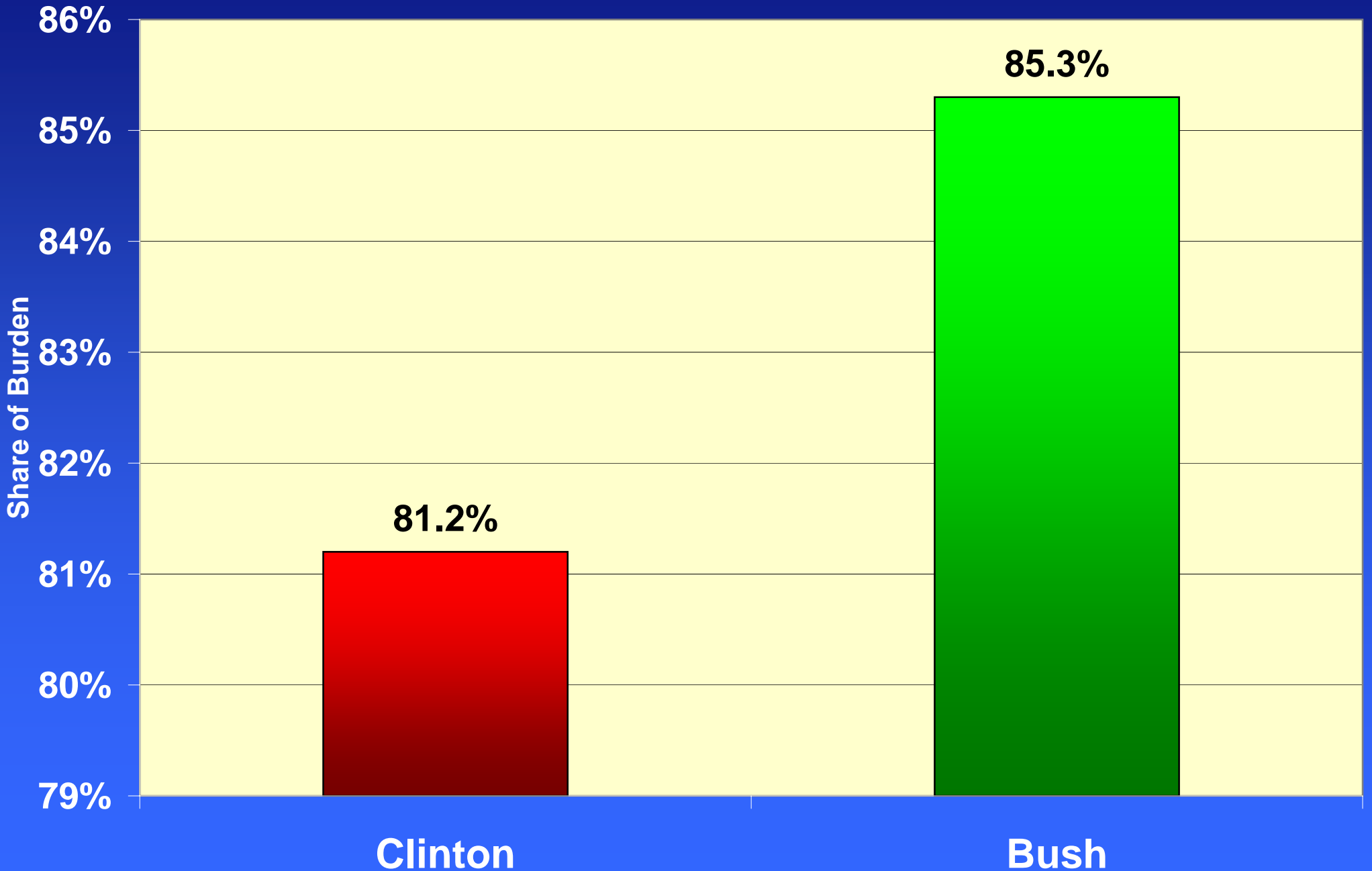
# GROWTH EXCEEDS PROJECTIONS



Source: OMB, Senate Budget Committee Republican Staff

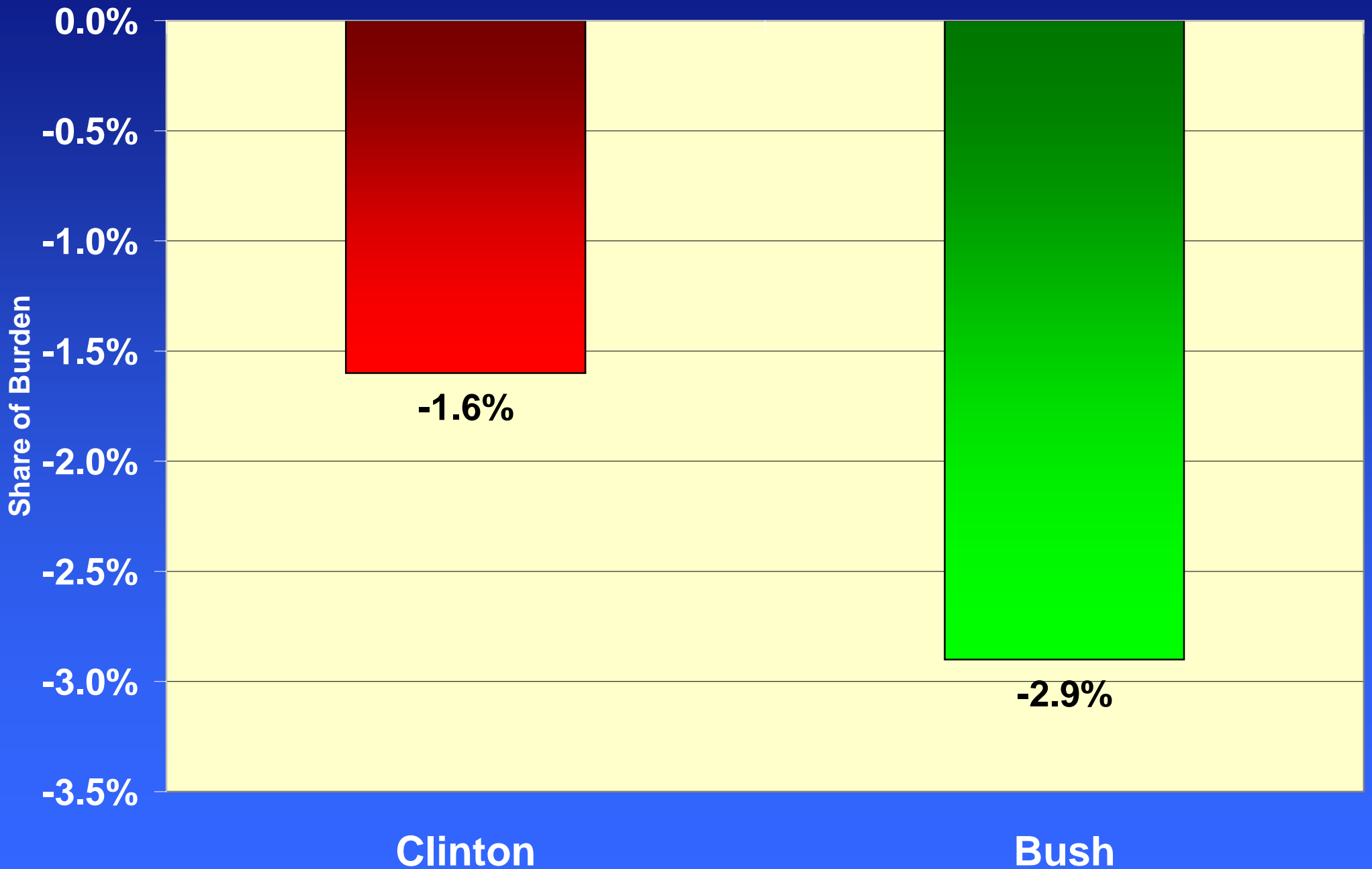


# High-Income Tax Payers Bear a Greater Burden Under Bush



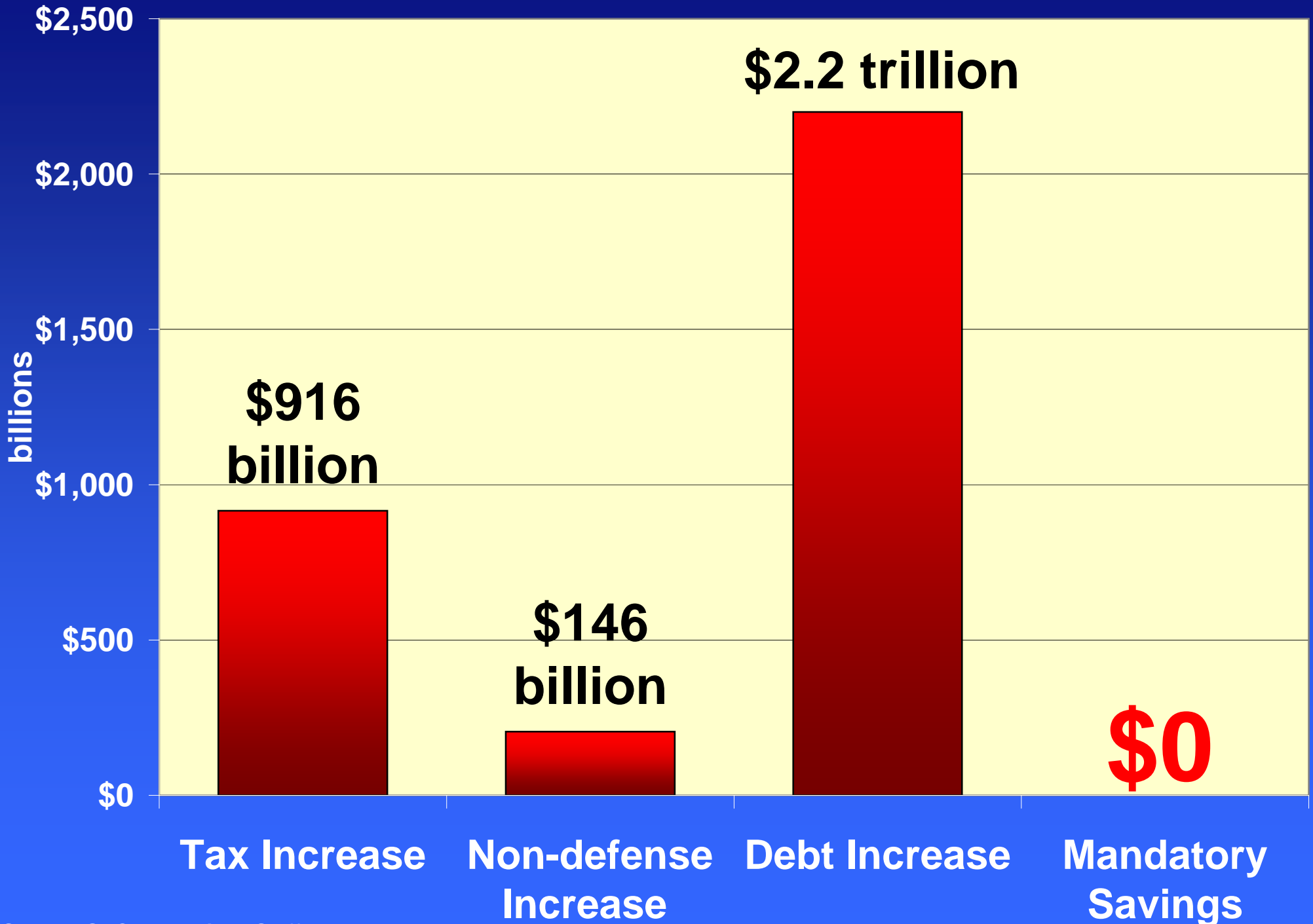
Source: Senate Budget Committee Republican Staff Analysis of CBO Data

# Low-Income Receive Money Through Individual Income Tax System



Source: Senate Budget Committee Republican Staff Analysis of CBO Data

# DEMOCRAT BUDGET HIGHLIGHTS



# What's Left Out of the Democrats' Budget

- × Long-term entitlement reform
- × AMT relief
- × Funding for ongoing war costs beyond 2009
- × Medicare physician payment fix
- × Unexpected emergency funding
- × Spending and taxes in 24 reserve funds

**“We need to be tough on spending”**

*Sen. Kent Conrad*

*60 Minutes interview, 3/4/07*

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Number of Spending Cuts in Democrat Budget

**0**

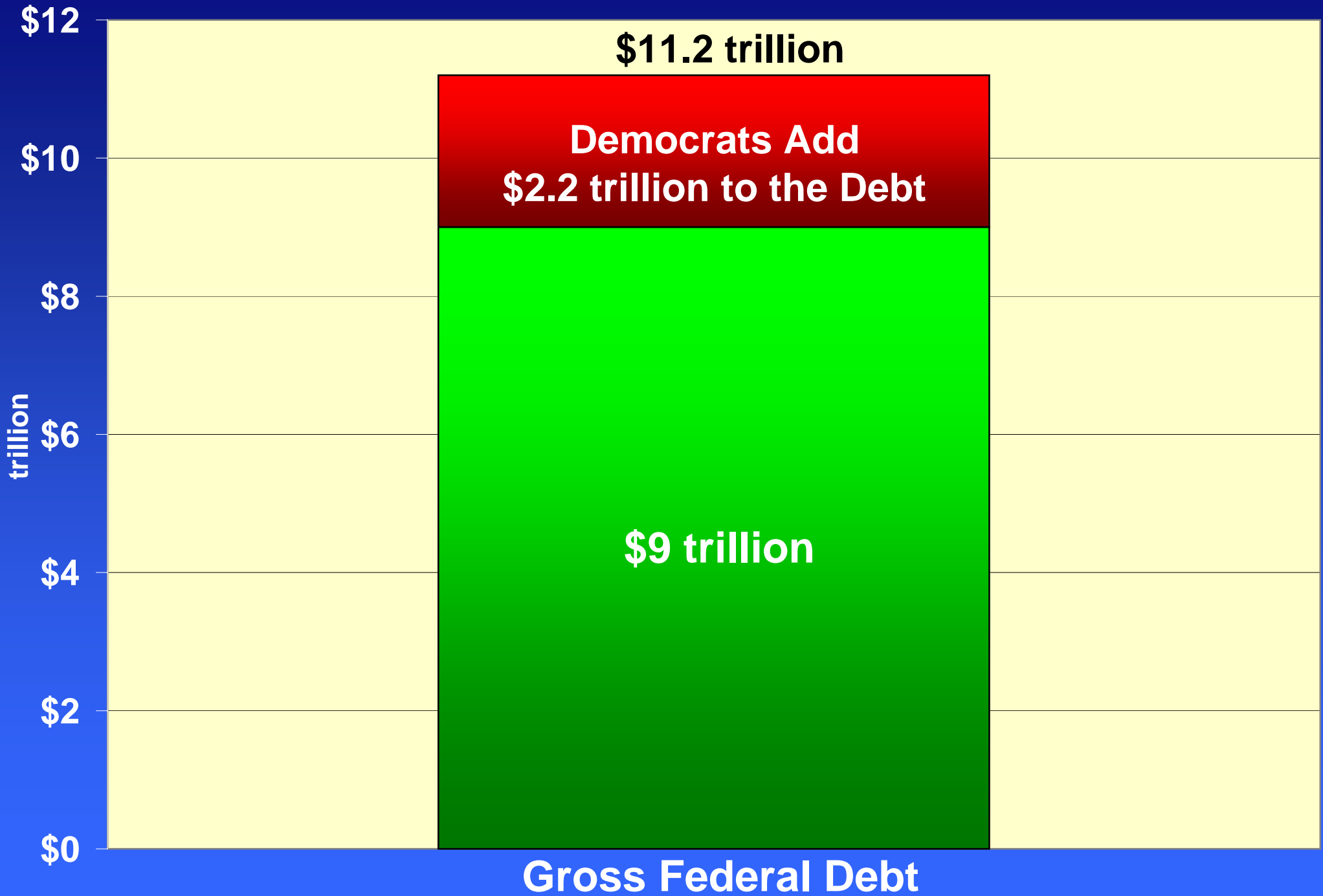
**“I believe first of all, we need more  
revenue”**

*Sen. Kent Conrad  
60 Minutes interview, 3/4/07*

**Amount of Tax Increase in Democrat Budget**

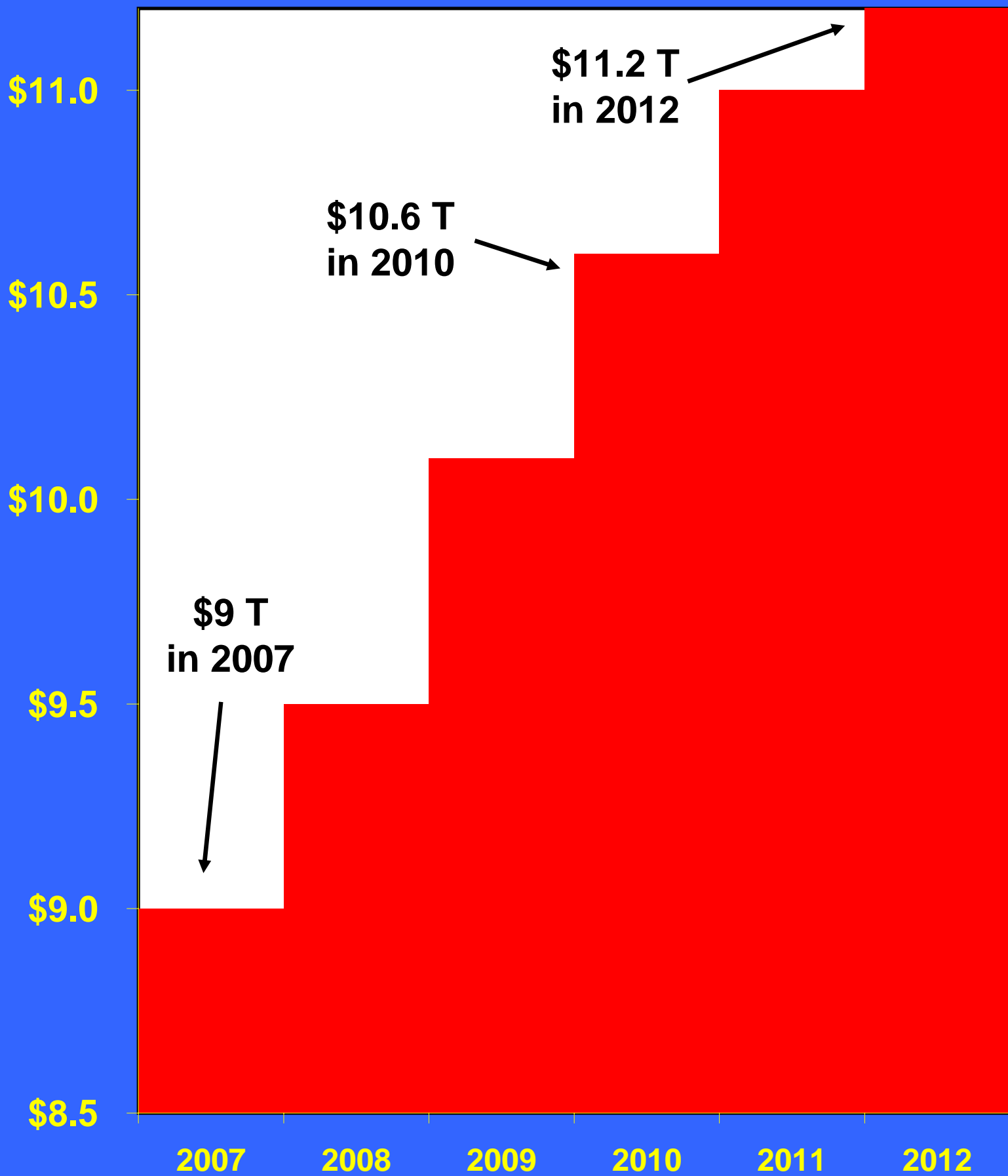
**\$900 Billion**

# WALL OF DEBT GETS A LOT HIGHER



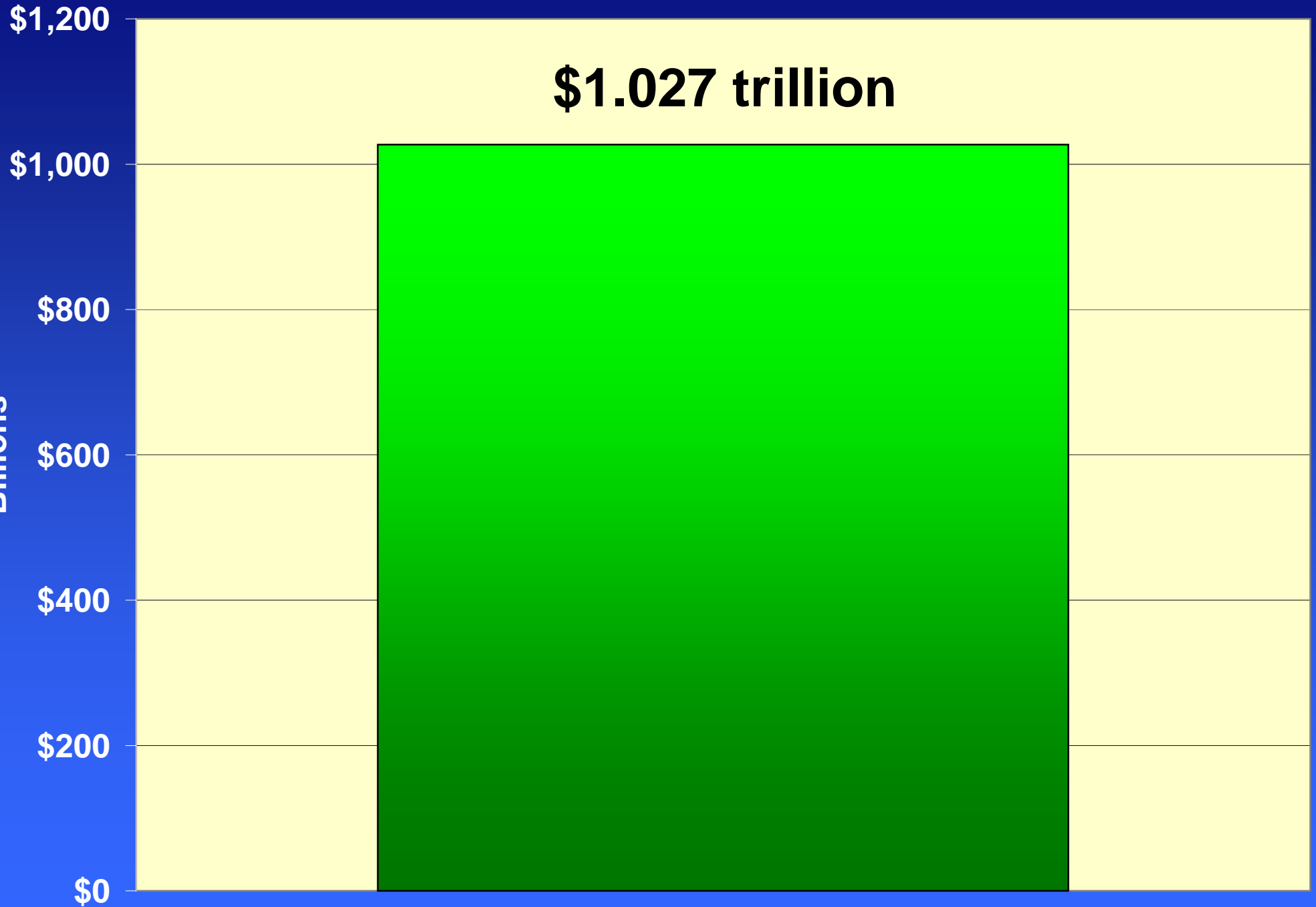
# Building a Wall of Debt

## Gross Federal Debt Soars

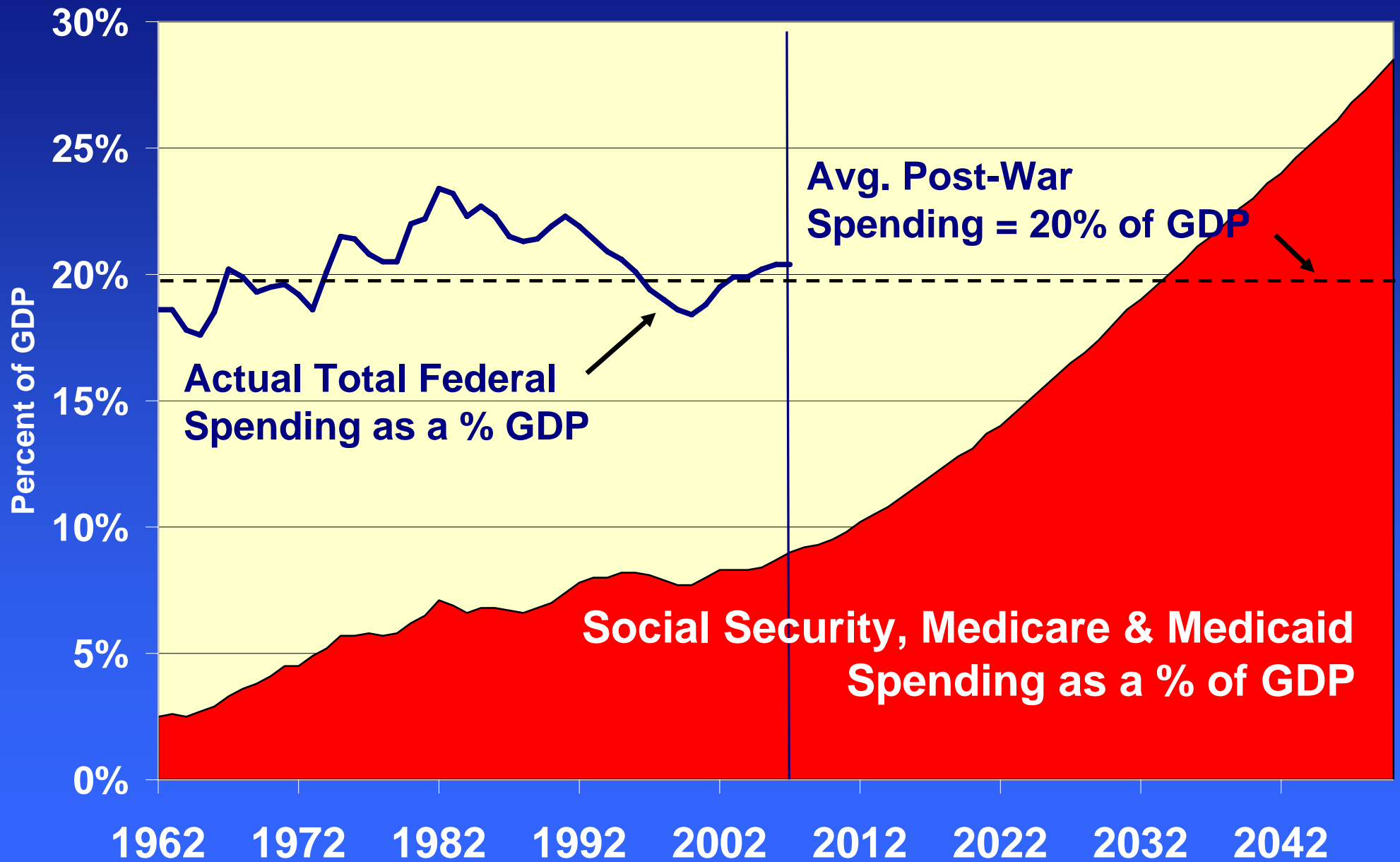




# Social Security Dollars Raided by Democrat Budget

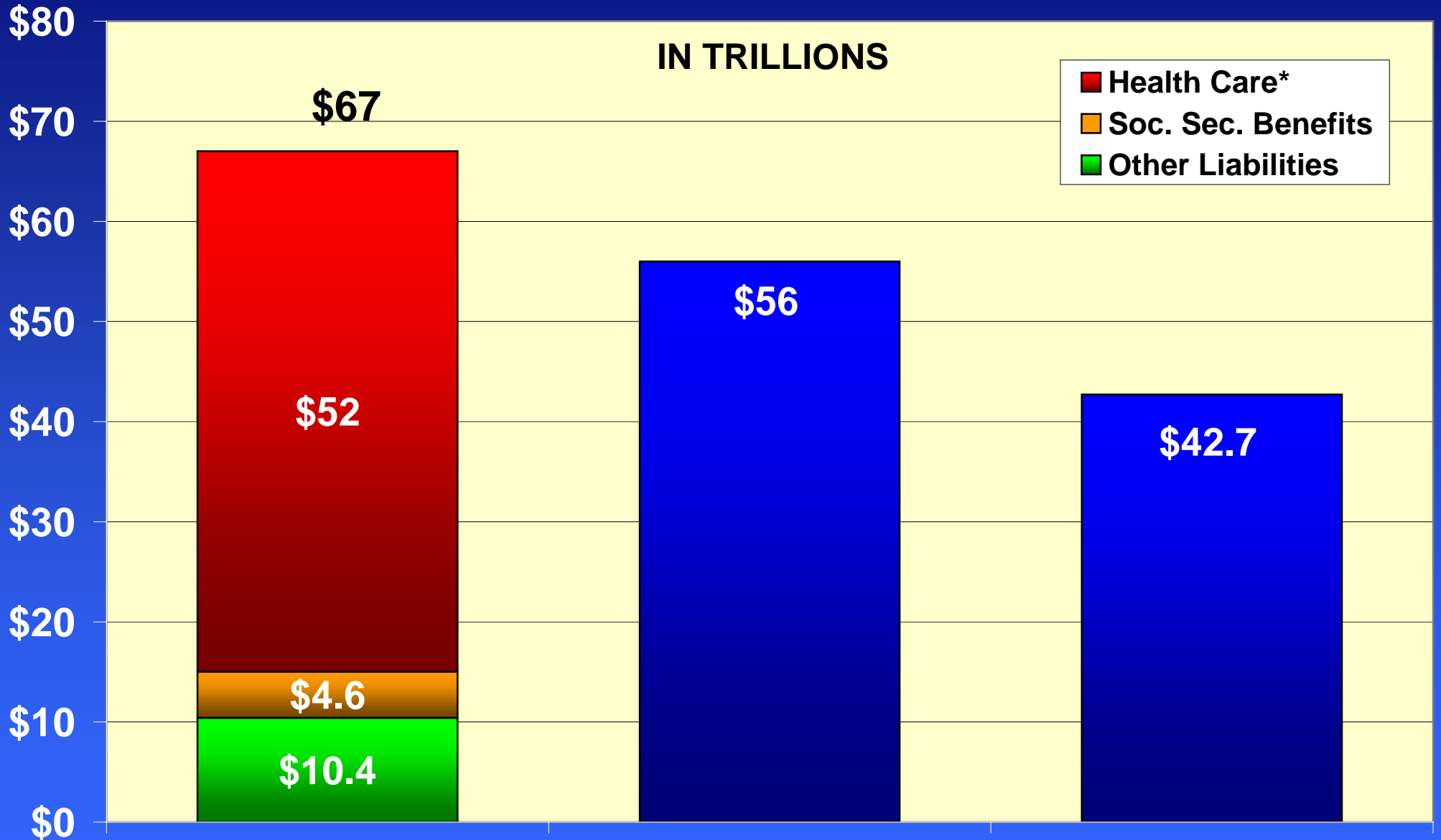


# Mandatory Spending Grows Higher Than One Fifth of the Economy



# Outstanding Government Promises

# Assets, Historic Revenues



75-Year Promises  
(Today's Dollars)

Present Net Worth of U.S.  
Citizens  
(Today's Dollars)

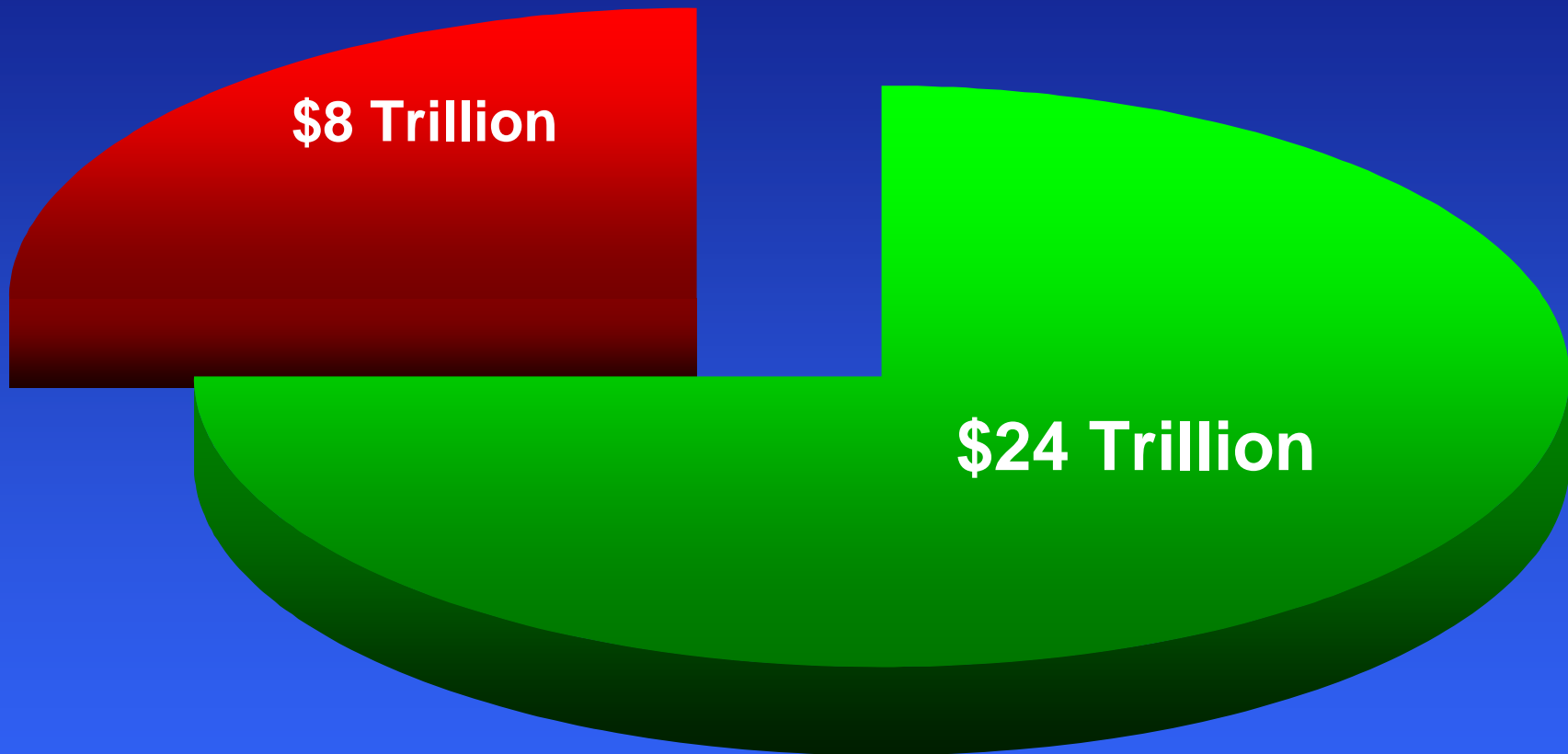
Total Taxes Collected in  
U.S. History (Including  
2007 Estimates)

Source: GAO, OMB and SBC Republican Staff Analysis

\* Medicare, Medicaid

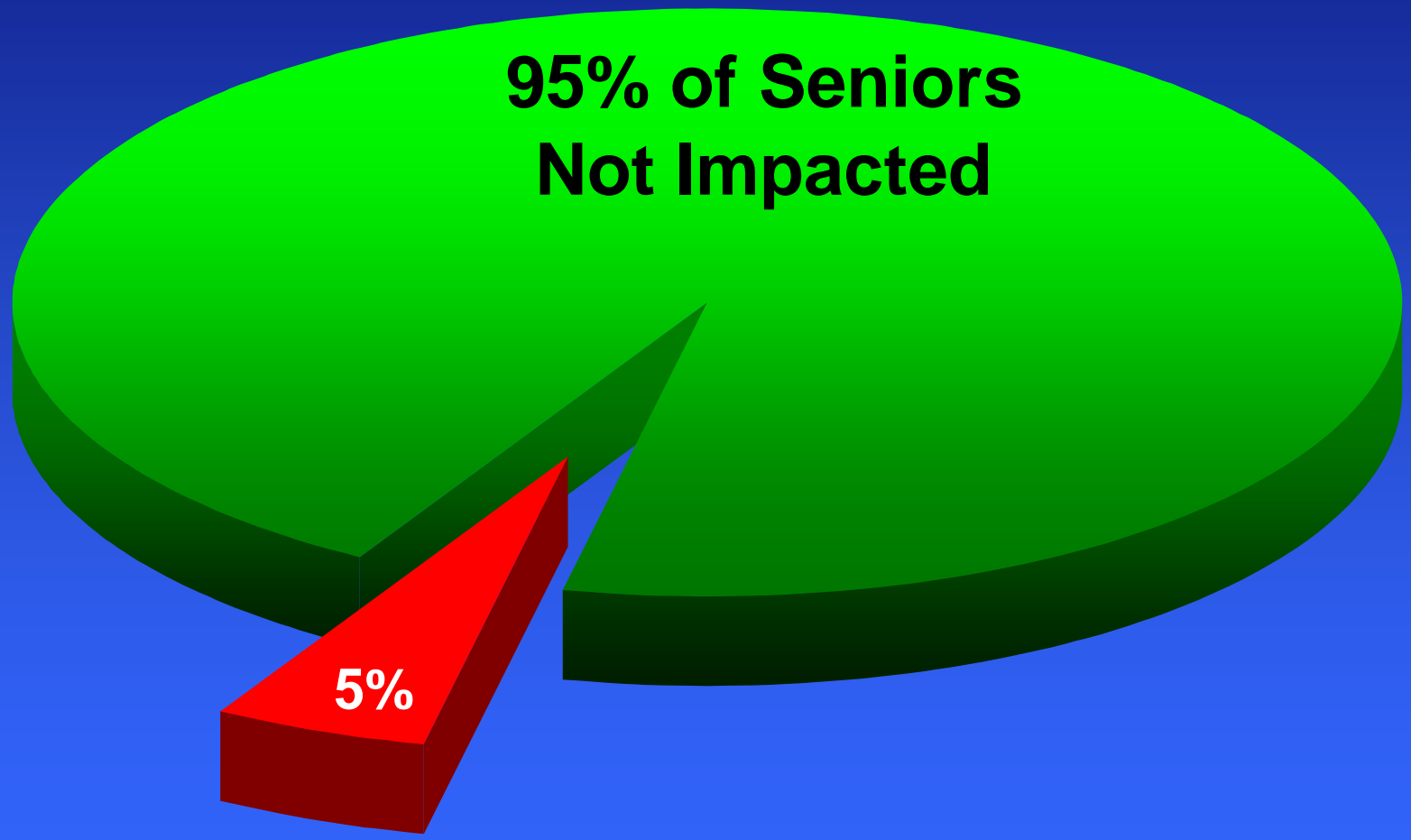
# 75 YEAR MEDICARE UNFUNDED LIABILITY

President's  
Budget Savings



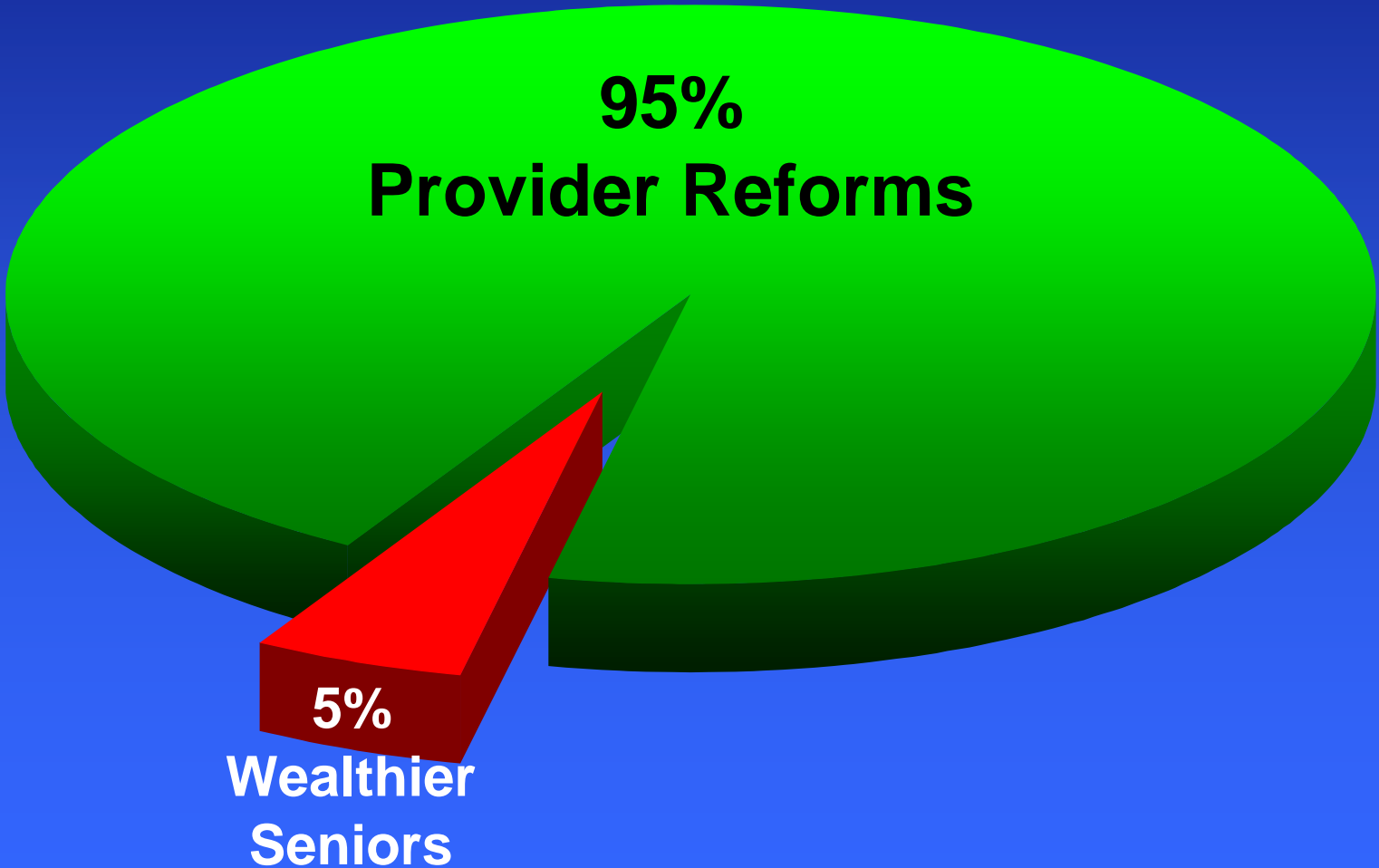
**Current Total Unfunded Liability = \$32 Trillion**

# PRESIDENT'S COST-SHARING ONLY IMPACT THE WEALTHIEST BENEFICIARIES



**Wealthier Seniors**

# PRESIDENT'S PROPOSAL TARGETS PROVIDERS NOT BENEFICIARIES



# DEMOCRATS IGNORE IMPENDING STORM

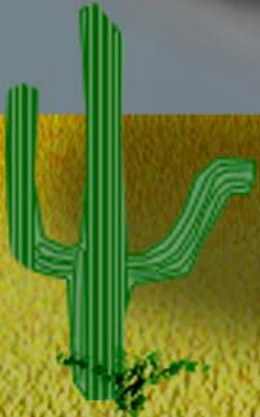
*\$67 Trillion Unfunded Liability*

**Medicare**  
**\$32 Trillion**

**Other Liabilities**  
**\$10 Trillion**

**Social Security**  
**\$5 Trillion**

**Medicaid**  
**\$20 Trillion**



**“I have said I am prepared to get savings out of long-term entitlement programs.”**

***Sen. Kent Conrad***

***FY2008 Budget Hearing with Director Portman, 2/7/07***

**Number of Savings From Entitlements in Democrat Budget**

**0**

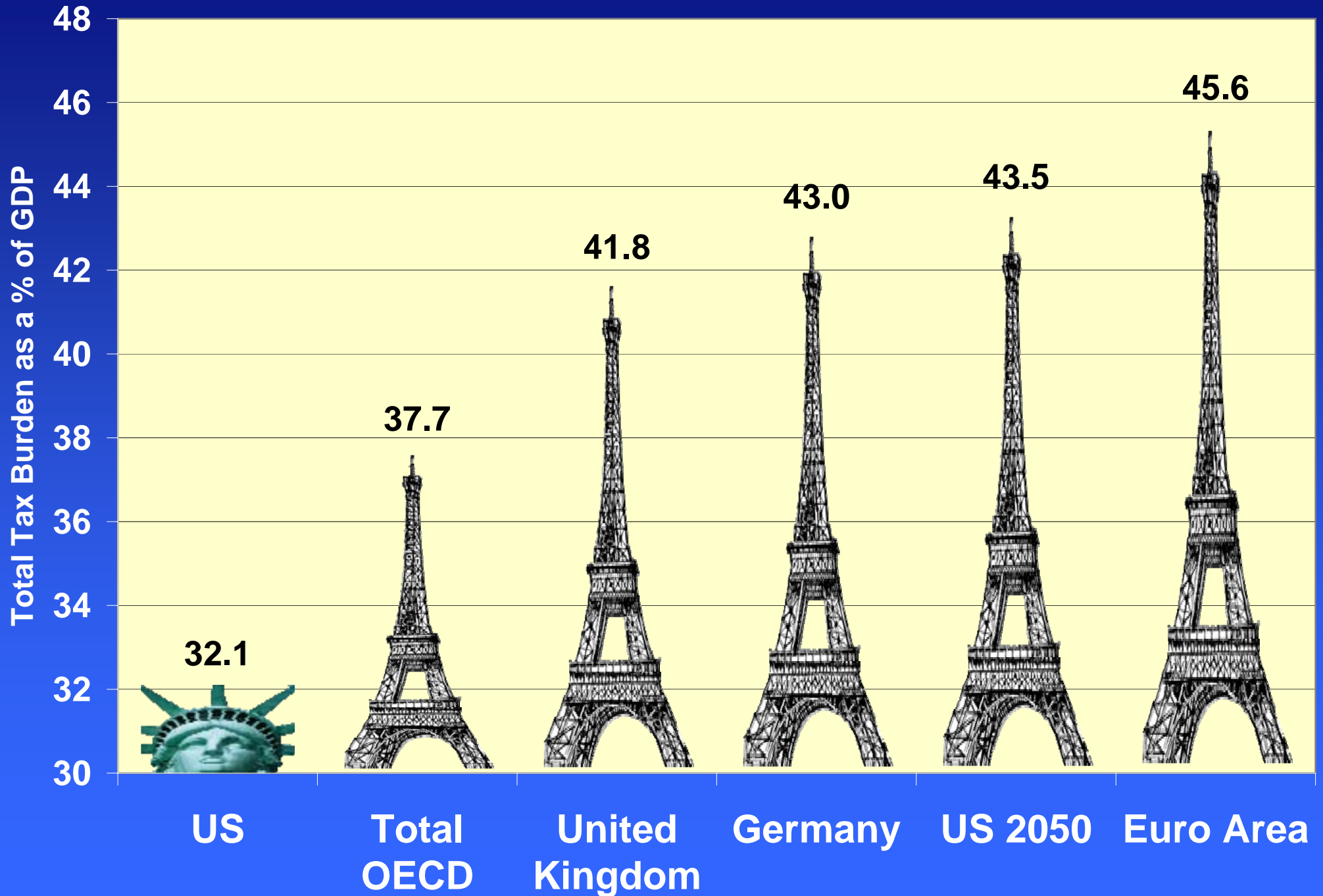


**3%**

**IS A HUGE TAX INCREASE**

**3% = \$1/2 Trillion**

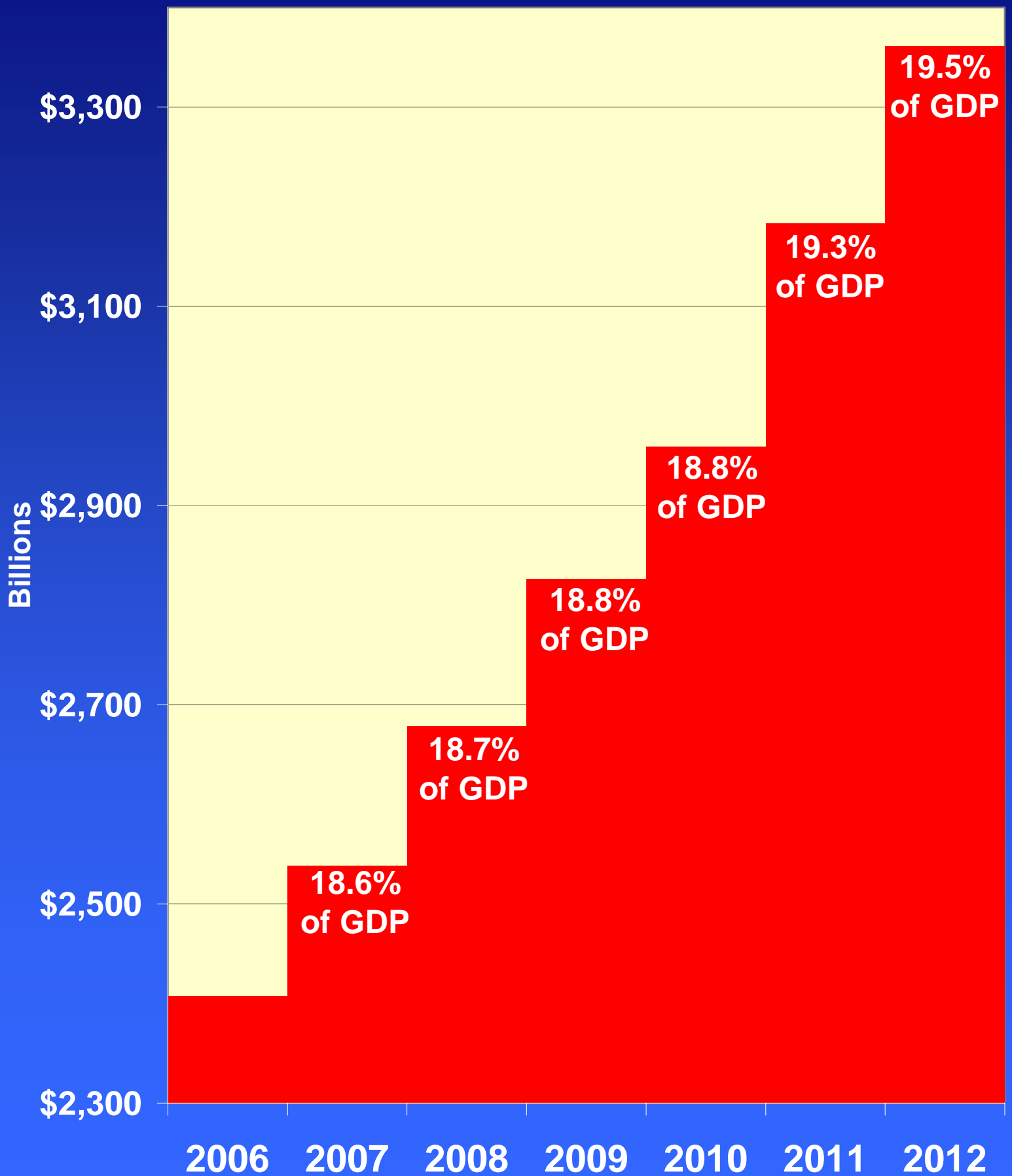
# DEMOCRAT BUDGET PUTS US ON PATH TO EUROPEAN TAX LEVELS



Source: OECD, SBC Republican Staff Calculations

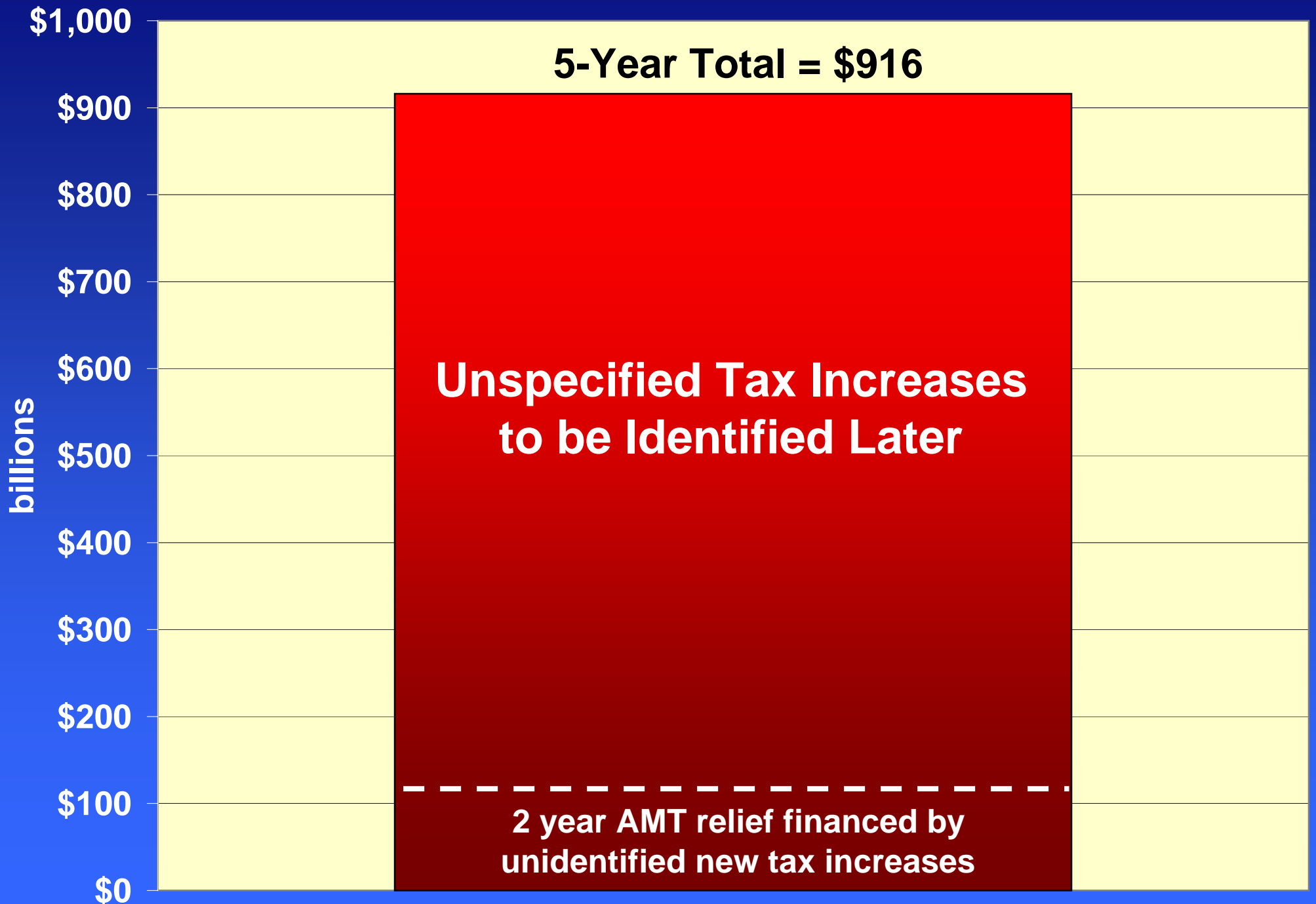
# BUILDING A WALL OF TAXES

## Revenue Levels in Democrats' Budget



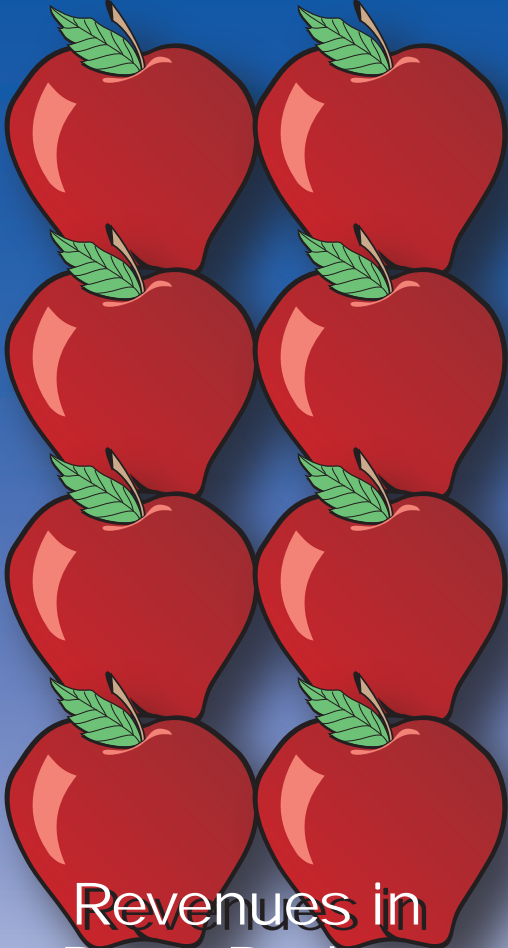
Source: SBC Republican Staff

# HOW MUCH WILL TAXES GO UP?



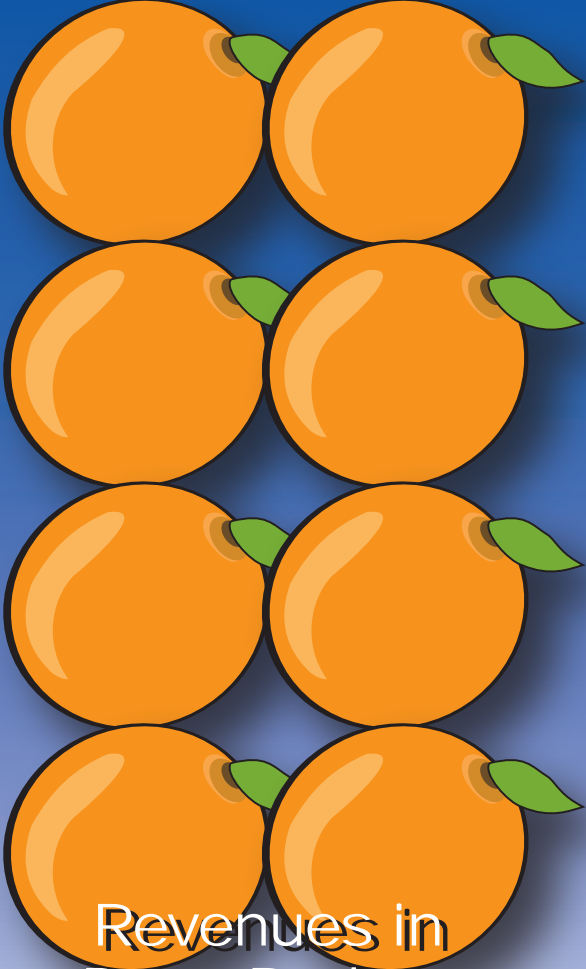
# Democrats' Apples & Oranges

OMB Scoring  
\$14.8 Trillion



Revenues in  
Pres. Budget

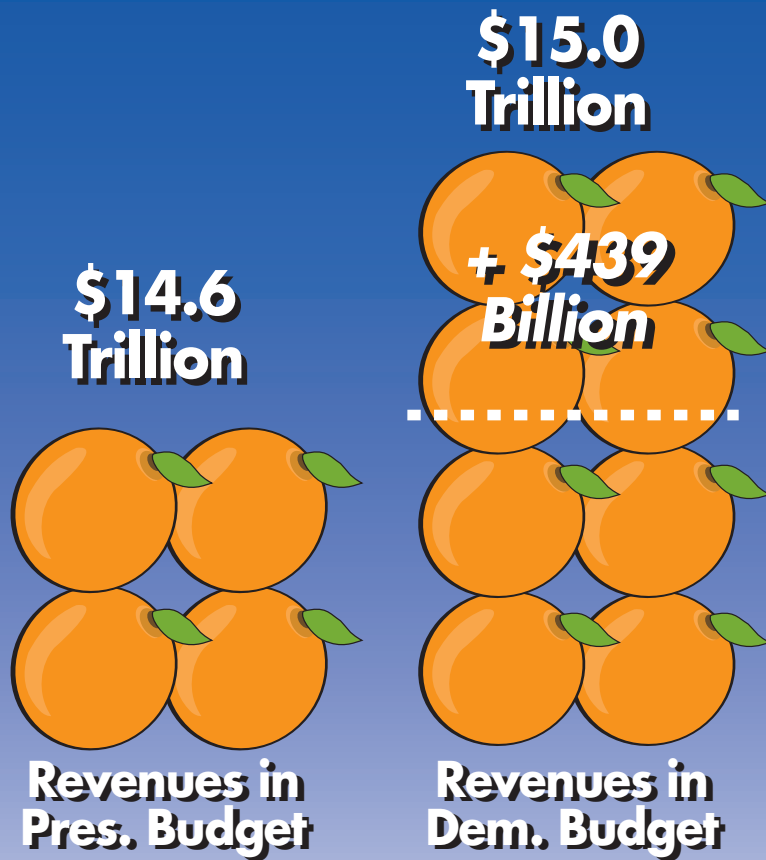
CBO Scoring  
\$15.0 Trillion



Revenues in  
Dem. Budget

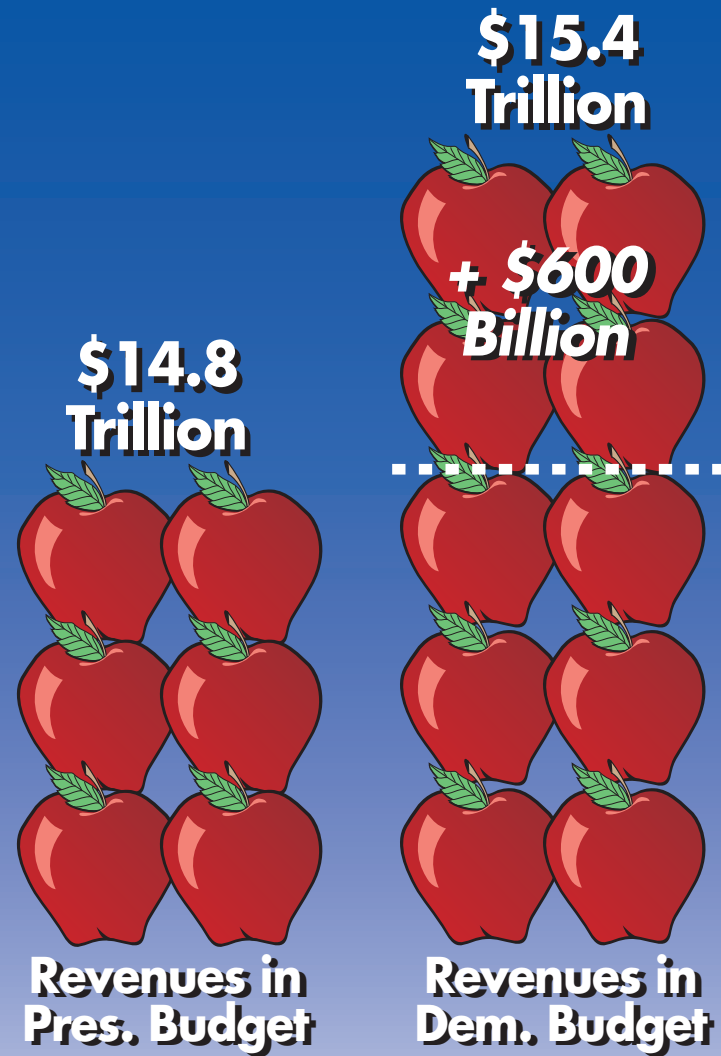
# Oranges to Oranges

CBO Scoring



# Apples to Apples

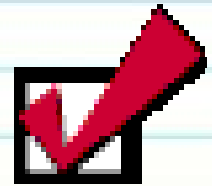
OMB Scoring



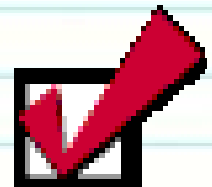
**To Do:**



**Raise taxes by \$916 billion**



**Increase spending by \$146 billion**



**Pass debt on to our children**

