

FISCAL YEAR 2015

MID-SESSION REVIEW

BUDGET OF THE U.S. GOVERNMENT



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EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

July 11, 2014

The Honorable John A. Boehner
Speaker of the House of Representatives
Washington, DC 20510

Dear Mr. Speaker:

Section 1106 of Title 31, United States Code, requests that the President send to the Congress a supplemental update of the Budget that was transmitted to the Congress earlier in the year. This enclosed supplemental update of the Budget, commonly known as the Mid-Session Review, contains revised estimates of receipts, outlays, budget authority, and the budget deficit for fiscal years 2014 through 2024.

Sincerely,

A handwritten signature in black ink, appearing to read "B. Deese", followed by a large, stylized flourish.

Brian C. Deese
Acting Director

Enclosure

Identical Letter Sent to the President of the Senate

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GENERAL NOTES

1. Unless otherwise noted, years referenced for budget data are fiscal years, and years referenced for economic data are calendar years.
2. All totals in the text and tables include both on-budget and off-budget spending and receipts unless otherwise noted.
3. Details in the tables and text may not add to totals due to rounding.
4. Web address: *<http://www.budget.gov>*

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SUMMARY

This Mid-Session Review (MSR) updates the Administration's estimates for outlays, receipts, and the deficit for economic, legislative, and other changes that have occurred since the President's 2015 Budget (Budget) was released in March 2014. The 2014 deficit is now projected to be \$583 billion, \$66 billion lower than the \$649 billion deficit projected in March. As a percentage of gross domestic product (GDP), the 2014 deficit is now projected to equal 3.4 percent, down from the 3.7 percent projected in March. Going forward, the MSR estimates that the deficit will fall to below 3 percent of GDP in 2015 and to 2.1 percent of GDP by 2024. The MSR also shows that the Budget's policies achieve the core goal of fiscal sustainability by stabilizing Federal debt as a share of the economy and putting it on a declining path.

CONTINUING THE NATION'S FISCAL AND ECONOMIC PROGRESS

Thanks to the hard work and resilience of the American people, the economy and our Nation are continuing to move forward. Businesses added more than 9.7 million jobs over 52 straight months of job growth. The manufacturing sector added more than 650,000 jobs since February 2010, the strongest period of growth since the 1990s. The unemployment rate is at its lowest level in over five years. We now produce more of our own oil at home than we buy from the rest of the world. And health care costs are growing at exceptionally low rates, even as millions of people gain health insurance coverage.

While our economy is moving forward and businesses are creating jobs, it is clear that much more needs to be done to accelerate economic growth and expand opportunity for all Americans. For the last several years, manufactured crises in Washington hindered, rather than helped, economic growth and opportunity. But earlier this year, Democrats and Republicans came together to produce a budget agreement that invests in key areas of innovation, education, and infrastructure—investments that will help grow our economy, create jobs, and strengthen the middle class.

The MSR shows how we can build on that progress. By investing in our infrastructure and manufacturing, simplifying the tax code for businesses, reforming our skills and job training programs, and fixing our broken immigration system, we can create jobs and achieve stronger and more inclusive economic growth. By rewarding hard work with fair wages, equipping all children with a high-quality education to prepare them for a good job in the future, making sure a secure retirement is within reach, and ensuring health care is affordable and reliable, we can expand opportunity for all Americans. By cutting wasteful tax breaks for the wealthiest Americans and making common-sense reforms to Government programs, we can manage our Government more efficiently and effectively, and continue to cut the deficit in a balanced way.

Under the President's leadership, the deficit has already been cut by more than half as a share of the economy, representing the most rapid sustained deficit reduction since World War II. This progress is largely the result of increased economic growth, cuts to discretionary spending in the Budget Control Act (BCA), and the restoration of tax rates on the highest earners to 1990s levels in the American Taxpayer Relief Act.

The policies in the Budget will strengthen the economy by making investments for the long term, while continuing to bring our deficits down as a share of the economy and putting debt on a declining path as a share of the economy. The MSR shows that, under the Budget's policies, deficits decline to just above two percent of GDP by 2024, with the debt stabilized by 2015 and declining after that.

To ensure the nation's long-term fiscal strength, the Budget focuses on the primary drivers of long-term debt and deficits. It builds on the reforms in the Affordable Care Act with another \$404 billion in health care savings, continuing to slow health care cost growth and improve the quality of care. It curbs inefficient tax breaks that benefit the wealthiest, and calls for pro-growth, commonsense immigration reform, which the

Congressional Budget Office has found would increase economic growth and reduce the deficit by about \$160 billion in the next decade and by almost \$1 trillion over the next twenty years.

**THE PRESIDENT'S 2015
BUDGET: A ROADMAP FOR
ACCELERATING GROWTH AND
EXPANDING OPPORTUNITY**

In the immediate aftermath of the Government shutdown in October, the President called on both parties to return to regular order in Washington. The enactment of the Bipartisan Budget Act of 2013 (BBA) and the Consolidated Appropriations Act of 2014 (CAA) represented compromise between Democrats and Republicans and important first steps toward ending manufactured crises and replacing the damaging cuts caused by sequestration with long-term reforms. But they did not go far enough. In particular, while the BBA replaced half of the discretionary sequestration cuts for 2014, it replaced just one-fifth of the scheduled cuts in discretionary funding for 2015. As a result, taking into account projected growth in programs such as veterans' medical care and other factors, the BBA non-defense discretionary funding levels for 2015 are several billion dollars below the levels the Congress provided in 2014. They are also below 2007 funding levels adjusted for inflation, even though the need for pro-growth investments in infrastructure, education, and innovation has only increased due to the Great Recession and its aftermath.

Recognizing the importance of this bipartisan compromise, the Budget adheres to the spending levels agreed to in the BBA in 2015, and proposes difficult but necessary cuts and reforms to make room for investments in priority areas such as research, clean energy, early learning, and ending homelessness. But even with those tough cuts and reforms, the discretionary levels set by the BBA simply are not sufficient to ensure that the Nation is achieving its full potential in creating jobs, growing the economy, and promoting opportunity for all.

For that reason, the Budget also includes a separate, fully paid-for \$56 billion Opportunity, Growth, and Security Initiative. The Opportunity, Growth, and Security

Initiative, which is split evenly between defense and non-defense funding, shows how additional discretionary investments can spur economic progress and strengthen our national security. It will help restore our global edge in basic research, provide funding to support preschool across the United States, and help teachers take advantage of broadband technology in the classroom. It will invest in our communities through emergency response activities, juvenile justice programs, and expansion of Promise Zones, and will fund a national network of manufacturing institutes that will spur economic development. It will put people back to work, restoring our national parks, renovating veterans' hospitals, and building resilient infrastructure that will help our communities prepare for the effects of climate change. It will support partnerships between community colleges and employers to train workers for jobs that are in demand, including a bold new expansion of apprenticeship programs. It will also help us put a stop to short-sighted cuts to Government operations that compromise efficiency and effectiveness and cost money over the long run, such as growing deferred maintenance backlogs, sharp cuts to Federal employee training, and erosions in customer service at agencies like the Internal Revenue Service (IRS).

Importantly, the Budget also shows that this initiative is fully paid for, and easily affordable if the Congress is willing to enact a few common-sense spending and tax changes. Building on the model established in the BBA, the Budget outlines a specific set of mandatory spending reforms and tax loophole closers that would fully offset the cost of the Opportunity, Growth, and Security Initiative.

When considering both base funding and the Opportunity, Growth, and Security Initiative resources, the Budget provides a comprehensive and detailed plan for making investments that will drive the Nation forward. Without taking action, funding levels for 2016 and beyond will continue to preclude the investments needed to protect our Nation and enable our economy to achieve its full potential, since the BBA did not provide even partial sequestration relief after 2015. The Budget proposes to restore discretionary spending to a path that would continue to support economic growth, opportunity, and safety and security; these investments will also be paid for with a

combination of reforms to mandatory spending programs and targeted tax loophole closers included in the Budget. At the same time, discretionary spending under the Budget will still fall to its lowest level as a share of the economy in more than 50 years.

In addition, the Budget also takes key steps to enhance the Administration's efforts to deliver a Government that is more effective, efficient, and supportive of economic growth. It includes initiatives to deliver better, faster, and smarter services to citizens and businesses. It advances the Administration's effort to modernize the infrastructure permitting process, cutting through red tape, allowing more construction workers on the job faster, and achieving better outcomes for our communities and environment. The Budget also expands the use of shared services between Federal agencies and strategic sourcing to leverage the buying power of the Government, bringing greater value and efficiency for taxpayer dollars. Further, the Budget continues to open Government data and research for public and private sector use to spur innovation and job creation.

The Administration looks forward to continuing to work with the Congress on an or-

derly appropriations process that supports the President's goals of economic growth, opportunity, and our national security, while avoiding unnecessary fiscal crises that hold the Nation's economy back. This process should include reconciling funding levels for individual appropriations bills, and passing legislation without ideological provisions that could undermine an orderly appropriations process. The Administration also urges the Congress to swiftly pass the President's request for emergency supplemental funding to support a unified, comprehensive Federal government response to the significant increase in apprehensions of children and other individuals from Central America who are crossing into the United States in the Río Grande Valley areas of the Southwest border. Passage of the President's request would also ensure that sufficient funds are available to fight wildfires across the country this year and that we have a stable funding mechanism for wildfire suppression in future years.

Table 1. CHANGES IN DEFICITS FROM THE MARCH BUDGET

(In billions of dollars)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2015- 2019	2015- 2024
2015 Budget deficit	649	564	531	458	413	503	512	504	530	482	434		
Percent of GDP	3.7%	3.1%	2.8%	2.3%	1.9%	2.3%	2.2%	2.1%	2.1%	1.8%	1.6%		
Enacted legislation and policy changes:													
Rollback of military retirement COLA reduction		-1	_*	_*	*	*	*	1	1	1	1	-1	3
Protecting Access to Medicare Act	1	1	*	-1	-1	*	-1	-1	-1	_*	1	*	-1
Other enacted legislation	*	_*	*			_*	*			_*		_*	_*
Budget amendment for Overseas Contingency Operations		-13	-5	2	4	4	3	3	1	*	*	-9	_*
Supplemental budget request for 2014 ...	3	1										1	1
Debt service	*	_*	_*	_*	_*	_*	_*	_*	*	*	*	-1	-1
Subtotal, enacted legislation and policy changes	4	-11	-5	1	3	4	2	3	2	1	2	-9	2
Economic and technical reestimates:													
Receipts	9	_*	16	41	63	80	92	105	112	122	130	199	760
Discretionary programs	-27	1	2	5	5	1	1	*	1	1	1	15	19
Mandatory:													
Premium tax credits and cost-sharing reductions	-22	-24	-24	-19	*	13	16	17	18	19	20	-54	35
Medicare	-6	*	3	-2	-5	-4	-5	-5	-3	-4	-7	-7	-32
Unemployment compensation	-4	-4	-4	-4	-3	-2	-2	-2	-2	-2	-2	-16	-27
Earned Income Tax Credit	_*	_*	*	1	1	3	4	4	4	4	4	6	26
Medicaid	1	1	2	3	1	-2	-3	-5	-6	-7	-7	4	-24
Child Tax Credit	1	1	1	1	*	-4	-4	-4	-4	-4	-4	-1	-20
Social Security	-6	-4	-2	-2	-1	*	*	*	-1	-2	-5	-8	-15
Foreign Military Sales	2	2	1	*	_*	*	1	2	4	2	2	4	15
Pension Benefit Guaranty Corporation ...		-1	-1	-1	-1	-1	-2	-2	-2	-2	-2	-5	-14
Supplemental Nutrition Assistance Program	-2	_*	1	1	1	1	1	1	1	1	3	5	12
Deposit Insurance	-4	1	2	2	1	2	2	*	1	1	1	7	12
Children's Health Insurance Program	1	2	-2	-7	-1	_*	_*					-8	-8
Government-Sponsored Enterprises ...	-4												
Other	-8	-2	8	2	4	2	3	3	4	4	4	14	32
Total mandatory	-53	-27	-15	-25	-2	7	12	9	13	10	7	-61	-9
Net interest ¹	1	-2	-4	-13	-26	-32	-31	-27	-21	-15	-9	-77	-179
Subtotal, outlays ²	-79	-27	-17	-32	-22	-24	-17	-17	-7	-4	_*	-122	-168
Subtotal, economic and technical reestimates	-70	-27	-1	9	40	56	75	87	105	118	130	77	592
Total, changes	-66	-38	-7	10	43	60	77	91	107	120	132	68	594
2015 Mid-Session Review deficit	583	525	525	468	456	562	589	594	637	601	566		
Percent of GDP	3.4%	2.9%	2.7%	2.3%	2.2%	2.6%	2.6%	2.5%	2.6%	2.3%	2.1%		

Note: Positive figures represent higher outlays or lower receipts.

* \$500 million or less.

¹ Includes debt service on all reestimates.² Includes change in allowance for future disaster costs.

ECONOMIC ASSUMPTIONS

This Mid-Session Review (MSR) updates the economic forecast from the President's 2015 Budget, which was finalized in November 2013 and released with the Budget in March 2014. The Budget forecast projected a strengthening economic recovery, with growth accelerating over the next several years. Unemployment was expected to decline as the economy recovered, and inflation was expected to remain stable and moderate. Interest rates were expected to remain low in the near term, but to rise gradually in the medium term. The MSR forecast, completed in early June, maintains this overall outlook with modifications to account for a decline in the Gross Domestic Product (GDP) during the first quarter of 2014, the rapid drop in the unemployment rate since the Budget economic forecast was finalized in November, a reassessment of projected interest rates, and other factors.

Since the second quarter of 2009, and through the first quarter of 2013, real GDP has increased by a cumulative 10.2 percent. In early 2010, following the resumption of real GDP growth, the private sector began adding jobs. Since then, private-sector employment has increased steadily, and 9.7 million new jobs have been created. In May 2014, total nonfarm employment reached a new high, surpassing the peak before the 2008-09 recession, and the unemployment rate has declined from its peak of 10.0 percent in October 2009 to 6.1 percent in June. The housing market has also begun to contribute to the recovery. The steep decline in residential investment ended in 2010, and housing starts and home prices have rebounded over the past three years.

Administration policies have contributed to the economic rebound, as have automatic fiscal stabilizers. The American Recovery and Reinvestment Act was passed soon after the President took office, at a time when we were losing nearly 800,000 jobs per month and after real GDP fell at an annual rate of 8.3 percent in the fourth quarter of 2008. The Administration's prompt action helped to reverse these precipitous declines and paved the way to a sustained economic recovery. More than a dozen additional fiscal actions by the

Administration and Congress, including enactment of the temporary payroll tax holiday and continuation of emergency assistance for the long-term unemployed, further supported demand and fostered continued job growth.

Although Administration actions helped spark the initial stages of the ongoing recovery, restrictive fiscal policies, including the across-the-board cuts imposed under sequestration, and a series of manufactured crises, including a Government shutdown in October 2013 and continuing threats to put the Nation in default by failing to raise the debt limit, held down the GDP growth rate and limited gains in employment last year. However, the Bipartisan Budget Act of 2013 and the subsequent Consolidated Appropriations Act of 2014 reduced the economic uncertainty created by fiscal policy and partially reversed the sharp cuts imposed under sequestration. As a result, fiscal drag in 2014 is considerably less than last year, and, with the stabilization in State and local spending, the overall government sector is expected to be approximately neutral for GDP growth this year.

Although the fiscal constraint on the economy lessened this year, the economy was struck by unusually cold and snowy weather, which dampened economic activity in the first quarter. A decline in the rate of increase in business inventories following a substantial buildup in the second half of 2013 also reduced growth, along with declines in health spending and net exports. As a result of these factors, the latest Bureau of Economic Analysis (BEA) estimate is that the economy contracted at a 2.9 percent annual rate during the first quarter, although several other economic indicators suggest a less negative outlook on the first quarter. At the time the economic assumptions were finalized, the BEA estimated a 1.0 percent decline.

Following the temporary disruption in growth caused by these idiosyncratic factors, and assuming adoption of the President's proposed fiscal plan, the Administration projects economic growth to rebound in the second quarter and remain above trend during the second half of 2014 and through 2017. The

decline in the unemployment rate over the past several months has been more rapid than was expected in the 2015 Budget forecast, and unemployment is now projected to reach its long-term level a year and a half earlier than in the Budget projection.

Beyond 2017, the Administration's forecast is based on the long-run trends expected for real GDP growth, price inflation, and interest rates. Projected real GDP growth in the long run is below the historical average for the United States because of an expected decline in the growth of the labor force as the baby-boom generation retires.

ECONOMIC PROJECTIONS

The MSR economic projections are based on information available through late May 2014, and assume adoption of the policies in the President's 2015 Budget. The projections are summarized in Table 2.

Real Gross Domestic Product (GDP): Real GDP is expected to rise by 2.6 percent during the four quarters of 2014, and growth is expected to average 3.3 percent for 2015 and 2016, declining to 2.6 percent in 2017 as the economy nears full employment. The average growth rate from 2013-2018 is somewhat below what was published in the 2015 Budget because the more rapid-than-expected drop in unemployment results in a lower estimate of the remaining output gap. Beyond 2017, real GDP growth is projected to remain steady at 2.3 percent per year in 2021-2024, the same as in the 2015 Budget.

Unemployment: The unemployment rate is projected to reach 6.0 percent by the fourth quarter of 2014, two-tenths of a percentage point below its average level during the second quarter of 2014. Unemployment is projected to decline at a moderate pace in part because, as labor market conditions improve, discouraged workers are expected to rejoin the labor force. With continued growth, the unemployment rate is projected to continue to fall, stabilizing at 5.4 percent in 2017. As a result of the sharp decline in the unemployment rate in recent months, it is projected to reach this level six quarters earlier than in the Budget forecast.

Inflation: Overall inflation, as measured by the consumer price index (CPI), has been

roughly stable in the 1 to 2 percent range. Core inflation, excluding food and energy prices, was 2.0 percent during the 12 months through May 2014, close to the Federal Open Market Committee's (FOMC) target. In the long run, the overall CPI inflation rate is projected to be 2.3 percent per year, unchanged from the 2015 Budget projection. The chained price index for gross domestic product, another key measure of inflation, is projected to increase by 1.5 percent in 2014, and rise gradually to 2.0 percent in 2017 and then continue to rise at that pace through the end of the forecast horizon.

Interest Rates: The projections for interest rates are based on financial market data and market expectations at the time the forecast was completed. The three-month Treasury bill rate is expected to average only 0.1 percent in 2014. It is expected to begin to rise in 2015 and to reach 3.6 percent in 2021. The yield on the 10-year Treasury note is expected to average 2.8 percent in 2014 and to rise to 4.8 percent in 2021. The ultimate level of the three-month rate is 10 basis points less than projected in the 2015 Budget, while the 10-year rate is about 30 basis points less than previously projected. This change, which brings the Administration forecast into line with the consensus of private professional forecasters, reflects a reexamination of the relationship between economic growth and interest rates. As noted above, demographic changes are forecast to produce GDP growth rates below the long-term historical average in the final years of the projection period. Both economic theory and historical data suggest that these lower growth rates are likely to be accompanied by real interest rates that are also below their long-term historical averages.

Incomes and Income Shares: Through 2013, corporate profits rebounded more quickly than labor compensation (which consists of wages and salaries and employee fringe benefits) while interest rates remained low. As a result, corporate profits have risen as a share of total income, while the labor compensation share is below its long-run average. As the economy recovers, some of this shift in shares is expected to reverse. Labor compensation and interest payments are projected to rise somewhat relative to total income, while the corporate profits share is projected to fall. The wage share (which excludes fringe benefits) is also expected to recover from its recent low level in

Table 2. ECONOMIC ASSUMPTIONS¹

(Calendar years; dollar amounts in billions)

	Actual					Projections							
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Gross Domestic Product (GDP):													
Levels, dollar amounts in billions:													
Current dollars	16,245	16,800	17,451	18,370	19,332	20,273	21,191	22,136	23,123	24,139	25,190	26,287	27,432
Real, chained (2009) dollars	15,471	15,761	16,138	16,698	17,245	17,732	18,171	18,607	19,053	19,499	19,947	20,406	20,875
Chained price index (2009 = 100), annual average	105.0	106.5	108.1	110.0	112.1	114.3	116.6	118.9	121.3	123.8	126.2	128.8	131.4
Percent change, fourth quarter over fourth quarter:													
Current dollars	3.8	4.1	4.1	5.3	5.2	4.7	4.5	4.5	4.5	4.4	4.4	4.4	4.4
Real, chained (2009) dollars	2.0	2.6	2.6	3.4	3.2	2.6	2.4	2.4	2.4	2.3	2.3	2.3	2.3
Chained price index (2009 = 100)	1.8	1.4	1.5	1.8	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Percent change, year over year:													
Current dollars	4.6	3.4	3.9	5.3	5.2	4.9	4.5	4.5	4.5	4.4	4.4	4.4	4.4
Real, chained (2009) dollars	2.8	1.9	2.4	3.5	3.3	2.8	2.5	2.4	2.4	2.3	2.3	2.3	2.3
Chained price index (2009 = 100)	1.7	1.4	1.5	1.7	1.9	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Incomes, billions of current dollars:													
Domestic corporate profits	1,590	1,686	1,616	1,857	2,021	2,046	1,961	1,895	1,869	1,843	1,796	1,736	1,704
Employee compensation	8,612	8,859	9,208	9,595	10,030	10,532	11,072	11,623	12,182	12,768	13,381	14,032	14,699
Wages and salaries	6,927	7,138	7,420	7,724	8,081	8,501	8,947	9,394	9,842	10,306	10,797	11,318	11,850
Other taxable income ²	3,725	3,937	4,094	4,286	4,554	4,860	5,192	5,510	5,815	6,109	6,396	6,674	6,944
Consumer Price Index (all urban):³													
Level (1982–84 = 100), annual average	229.6	233.0	237.2	242.1	247.3	252.8	258.5	264.4	270.4	276.5	282.7	289.1	295.6
Percent change, fourth quarter over fourth quarter	1.9	1.2	2.1	2.1	2.2	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3
Percent change, year over year	2.1	1.5	1.8	2.0	2.1	2.2	2.3	2.3	2.3	2.3	2.3	2.3	2.3
Unemployment rate, civilian, percent:													
Fourth quarter level	7.8	7.0	6.0	5.6	5.5	5.4	5.4	5.4	5.4	5.4	5.4	5.4	5.4
Annual average	8.1	7.4	6.3	5.7	5.5	5.4	5.4	5.4	5.4	5.4	5.4	5.4	5.4
Federal pay raises, January, percent:													
Military ⁴	1.6	1.7	1.0	1.0	NA	NA	NA	NA	NA	NA	NA	NA	NA
Civilian ⁵	0.0	0.5	1.0	1.0	NA	NA	NA	NA	NA	NA	NA	NA	NA
Interest rates, percent:													
91-day Treasury bills ⁶	0.1	0.1	0.1	0.4	1.3	2.2	2.9	3.3	3.5	3.6	3.6	3.6	3.6
10-year Treasury notes	1.8	2.4	2.8	3.3	3.7	4.1	4.3	4.5	4.6	4.8	4.8	4.8	4.8

N/A = Not Available

¹Based on information available as of late May 2014.²Rent, interest, dividend, and proprietors' income components of personal income.³Seasonally adjusted CPI for all urban consumers.⁴Percentages apply to basic pay only; percentages to be proposed for years after 2015 have not yet been determined.⁵Overall average increase, including locality pay adjustments. Percentages to be proposed for years after 2015 have not yet been determined.⁶Average rate, secondary market (bank discount basis).

Table 3. COMPARISON OF ECONOMIC ASSUMPTIONS—Continued

(Calendar years; dollar amounts in billions)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Consumer Price Index (CPI-U):												
MSR	1.5	1.8	2.0	2.1	2.2	2.3	2.3	2.3	2.3	2.3	2.3	2.3
Budget	1.4	1.6	2.0	2.1	2.2	2.3	2.3	2.3	2.3	2.3	2.3	2.3
CBO	1.5	1.7	2.0	2.1	2.2	2.4	2.4	2.4	2.4	2.4	2.4	2.4
Blue Chip	1.5	1.8	2.0	2.2	2.3	2.4	2.3	2.3	2.3	2.3	2.3	2.3
<i>annual average in percent</i>												
Unemployment Rate:												
MSR	7.4	6.3	5.7	5.5	5.4	5.4	5.4	5.4	5.4	5.4	5.4	5.4
Budget	7.5	6.9	6.4	6.0	5.6	5.4	5.4	5.4	5.4	5.4	5.4	5.4
CBO	7.4	6.8	6.5	6.1	5.9	5.8	5.7	5.7	5.6	5.6	5.5	5.5
Blue Chip	7.4	6.4	5.9	5.6	5.4	5.3	5.3	5.3	5.3	5.3	5.3	5.3
FOMC ³	6.0–6.1 5.4–5.7 5.1–5.5											
Interest Rates:												
91-Day Treasury Bills (discount basis):												
MSR	0.1	0.1	0.4	1.3	2.2	2.9	3.3	3.5	3.6	3.6	3.6	3.6
Budget	0.1	0.1	0.3	1.2	2.3	3.2	3.6	3.7	3.7	3.7	3.7	3.7
CBO	0.1	0.2	0.4	1.8	3.3	3.7	3.7	3.7	3.7	3.7	3.7	3.7
Blue Chip	0.1	0.1	0.5	1.9	2.9	3.3	3.5	3.5	3.6	3.6	3.6	3.6
10-Year Treasury Notes:												
MSR	2.4	2.8	3.3	3.7	4.1	4.3	4.5	4.6	4.8	4.8	4.8	4.8
Budget	2.3	3.0	3.5	4.0	4.3	4.6	4.7	4.9	5.0	5.0	5.0	5.0
CBO	2.4	3.1	3.7	4.3	4.8	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Blue Chip	2.4	2.9	3.5	4.1	4.5	4.6	4.8	4.7	4.8	4.8	4.8	4.8

MSR = Mid-Session Review (forecast date: June 2014)

Budget = Budget (forecast date: November 2013)

CBO = Congressional Budget Office February 2014 baseline economic forecast

FOMC = Federal Reserve Open Market Committee (forecast central tendency date: June 18, 2014).

Blue Chip = June 2014 Blue Chip Consensus Forecast extended with March 2014 Blue Chip long-run survey (forecast date: June 10, 2014)

Sources: Administration; Federal Open Market Committee Projections Materials, June 19, 2013; Blue Chip Economic Indicators, March and June 2014, Aspen Publishers; CBO, The Budget and Economic Outlook: February 2014

¹ Values for 2016-2024 interpolated by OMB from annual growth rates.² The FOMC's central tendency for longer term growth is 2.1% to 2.3%. Longer-run represents each participant's assessment of the rate to which GDP growth would be expected to converge to under appropriate monetary policy and in the absence of further shocks to the economy.³ Fourth quarter levels of unemployment.

RECEIPTS

The Mid-Session Review (MSR) estimates of receipts are below the 2015 Budget estimate by \$9 billion in 2014 and about the same as the Budget estimate in 2015. In each subsequent year, the MSR estimates of receipts are below the Budget estimates by amounts that rise annually from \$16 billion in 2016 to \$130 billion in 2024, for a decrease in receipts of \$760 billion over the 10-year budget horizon (2015 through 2024).

The net decrease in 2014 receipts is in large part attributable to revised economic assumptions, which reduce receipts by \$12 billion. Delay in enactment of the Administration's receipt proposals partially offsets this reduction, increasing 2014 receipts by \$3 billion.

The estimate of 2015 receipts is about the same as the Budget estimate because a \$22 billion reduction in receipts attributable to revised economic assumptions and a \$2 billion reduction in the effect of the Administration's proposals on receipts are offset by a net \$24 billion increase in receipts attributable to technical factors.

The \$760 billion reduction in receipts over the 10-year budget horizon is largely the result of a \$553 billion loss in receipts attributable to revisions in the economic forecast. Technical revisions based on new tax reporting data, collections to date and other information reduce receipts by an additional \$207 billion. There is little change in the net savings from Administration policies.

ECONOMIC CHANGES

Revisions in the economic forecast reduce receipts by \$12 billion in 2014, \$22 billion in 2015, and \$25 billion to \$80 billion in each subsequent year, for a total reduction of \$553 billion over the 10 years from 2015 through 2024. In 2014, revisions to the economic forecast have the greatest effect on individual and corporation income taxes, reducing those sources of receipts by \$4 billion and \$8 billion, respectively. The reduction in individual income taxes is primarily attributable to reductions in the forecast of nonwage sources of personal income. Changes in the forecasts of GDP and other economic

measures that affect the profitability of corporations are primarily responsible for the reduction in 2014 corporation income taxes.

Over the 10-year budget horizon, revisions in the economic forecast reduce collections of individual income taxes and social insurance and retirement receipts by \$458 billion and \$307 billion, respectively. Reductions in the economic forecasts of wages and salaries and nonwage sources of personal income are primarily responsible for the reduction in individual income taxes. Reductions in the forecasts of wages and salaries and proprietors' income, which are the tax base for Social Security and Medicare payroll taxes, the largest components of social insurance and retirement receipts, account for most of the reduction in this source of receipts. The 10-year reductions in individual income taxes and social insurance and retirement receipts are partially offset by increases in corporation income taxes of \$219 billion. Reductions in the forecasts of wages and interest rates offset the effects of the downward revisions in the forecast of GDP, resulting in a net increase in taxable corporate income relative to the Budget forecast. Revisions in the forecasts of GDP, interest rates, imports, and other sources of income reduce all remaining sources of receipts by a net \$7 billion.

TECHNICAL CHANGES

Technical revisions in the estimates of receipts are offsetting in 2014, but increase receipts in 2015 and 2016 by a net \$24 billion and \$9 billion, respectively. Technical revisions reduce receipts in each subsequent year by amounts that rise annually from a net \$7 billion in 2017 to a net \$53 billion in 2024, for a net reduction of \$207 billion over the 10 years, 2015 through 2024. Technical revisions have the greatest effect on corporation income taxes, reducing collections by \$13 billion in 2014, and by \$2 billion to \$68 billion in each subsequent year, for a total reduction of \$444 billion over the 10-year budget horizon. These reductions in corporation income taxes are in large part attributable to more recent collections data and revisions in the corporation income tax model based on updated tax

and other data. In contrast, more recent collections data and revisions in estimating models increase collections of individual income taxes and social insurance and retirement receipts in each year and by \$133 billion and \$115 billion, respectively, over the 10 years, 2015 through 2024. Technical revisions in all other sources of receipts (excise taxes, customs duties, estate and gift taxes, deposits of earnings of the Federal Reserve System, and penalties and fees) result in a net increase in receipts in each year, 2014 through 2018, and a net reduction in receipts in each subsequent year, for a net 10-year reduction of \$10 billion.

REVISIONS IN PROVISIONS EXTENDED IN THE ADJUSTED BASELINE AND PROPOSALS

The adjusted baseline permanently continues the American Opportunity Tax Credit and improvements to the Child Tax Credit and Earned Income Tax Credit that were

initially enacted in the American Recovery and Reinvestment Act of 2009 and extended through tax year 2017 under the American Taxpayer Relief Act of 2012. Revisions in the estimated cost of extending these provisions increase receipts in each year, beginning in 2018, and by \$13 billion over the 10 years, 2015 through 2024. This reduction in the cost of extending these provisions reflects the effect of the revised economic assumptions and technical factors on the total cost of extending these provisions, as well as a reallocation of a portion of the cost from receipts to outlays.

Revisions in the estimates of the Administration's proposals reduce receipts by a net \$13 billion over the 10 years, 2015 through 2024. These revisions, which reflect the revised economic forecast and technical re-estimates based on more recent collections data and other information, are the net effect of relatively small revisions in the estimates of a number of provisions.

Table 4. CHANGE IN RECEIPTS

(In billions of dollars)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2015– 2019	2015– 2024
2015 Budget estimate	3,002	3,337	3,568	3,811	4,030	4,226	4,452	4,706	4,954	5,212	5,478		
Changes in current law receipts due to revised economic assumptions:													
Individual income taxes	-4	-8	-16	-28	-43	-53	-57	-61	-63	-65	-63	-149	-458
Corporation income taxes	-8	-4	10	21	25	27	30	29	28	27	26	79	219
Social insurance and retirement	-1	-7	-15	-23	-30	-33	-38	-39	-40	-41	-41	-109	-307
Other	*	-2	-4	-1	4	3	*	-1	-1	-1	-2	-1	-7
Total, changes due to revised economic assumptions	-12	-22	-25	-32	-45	-57	-65	-72	-77	-80	-80	-180	-553
Changes in current law receipts due to technical re-estimates:													
Individual income taxes	1	6	8	10	12	14	14	15	17	18	18	50	133
Corporation income taxes	-13	-2	-18	-33	-43	-50	-53	-55	-60	-62	-68	-146	-444
Social insurance and retirement	7	9	5	7	13	12	13	14	13	14	14	47	115
Other	5	11	14	10	5	-1	-3	-7	-8	-13	-17	38	-10
Total, changes due to technical re-estimates	*	24	9	-7	-13	-25	-29	-33	-38	-43	-53	-11	-207
Changes in current law receipts due to enacted legislation	*	*	*	*	*	*	*	*	*	*	*	*	*
Changes in provisions extended in the adjusted baseline due to economic and technical revisions					*	2	2	2	2	2	2	2	13
Changes in proposals due to economic and technical revisions	3	-2	-*	-3	-5	*	-*	-2	*	-1	1	-10	-13
Total change in receipts	-9	*	-16	-41	-63	-80	-92	-105	-112	-122	-130	-199	-760
2015 Mid-Session estimate	2,993	3,338	3,552	3,770	3,967	4,146	4,360	4,601	4,842	5,090	5,348		

* \$500 million or less.

EXPENDITURES

Outlays for 2014 are now estimated to be \$3,576 billion, \$75 billion lower than the 2015 Budget estimate, reflecting slower-than-expected spending across a range of discretionary and mandatory programs. Projected total outlays have decreased by \$38 billion in 2015 relative to the Budget, and by \$167 billion over the 10-year budget horizon, 2015 to 2024, primarily in the first five years. These decreases in spending are primarily the cumulative effect of economic and technical reestimates in a number of mandatory programs, as well as in interest payments.

ENACTED LEGISLATION AND REVISIONS IN PROPOSALS

Relative to the estimates in the Budget, legislation enacted since the Budget was completed has had only a modest impact on outlays. In 2014, enacted legislation increases spending by \$1 billion relative to the 2015 Budget policy levels. Enacted legislation continues to have a minimal effect on spending over the next 10 years, 2015 through 2024, increasing outlays by \$2 billion over that time period. The two largest pieces of enacted legislation are described below.

An Act to ensure that the reduced annual cost-of-living adjustment to the retired pay of members and former members of the Armed Forces under the age of 62 required by the Bipartisan Budget Act of 2013 will not apply to members or former members who first became members prior to January 1, 2014, and for other purposes (P.L. 113-82). The Bipartisan Budget Act of 2013 (BBA) reduced the annual cost-of-living adjustment (COLA) to the retired pay of members and former members of the Armed Forces under the age of 62. P.L. 113-82, which was signed into law on February 15, 2014, after the estimates for the 2015 Budget were completed, amended the BBA to provide that the COLA reduction would not apply to members or former members who first joined the Armed Forces prior to January 1, 2014. Relative to the Budget, this legislation increases spending by \$3 billion over the next 10 years.

Protecting Access to Medicare Act of 2014 (P.L. 113-93). This bill extended relief from scheduled cuts in Medicare physician payments through March 2015, extended a number of Medicare, Medicaid, and other program authorizations, and included several provisions that overlapped with the Administration's Medicare and Medicaid savings proposals. Enacted on April 1, 2014, P.L. 113-93 increases outlays in 2014 by \$1 billion, but reduces outlays by \$1 billion over the next 10 years.

In addition, two proposals submitted to the Congress by the Administration since publication of the Budget have modest impacts on estimated outlays.

Budget Amendment for Overseas Contingency Operations. On June 26, 2014, the Administration submitted a package of 2015 Budget amendments for the Department of Defense (DOD) and the Department of State and Other International Programs (State/OIP) to fund Overseas Contingency Operations (OCO). For DOD, these amendments replaced the \$79.4 billion placeholder included in the Budget with an updated request for \$58.6 billion in new budget authority, reducing projected outlays in 2015 by \$13.3 billion. For State/OIP, these amendments reflected an increase of \$1.4 billion in new budget authority over the original request, increasing projected outlays in 2015 by \$0.5 billion. Total projected outlays from OCO budget authority through 2024 are unchanged; this reflects the Budget's continued assumption of a multi-year cap of \$450 billion on Government-wide OCO funding from 2013 to 2021, which the Administration has proposed in each of the last three Budgets.

Proposed 2014 supplemental for the humanitarian situation along the Nation's southwest border and emergency wildfire suppression. On July 8, 2014 the President transmitted a supplemental request that included funding to comprehensively address the urgent humanitarian situation on the Nation's southwest border due to the significant increase in the migration of unaccompanied children and adults traveling

with children, and for emergency wildfire suppression activities.

ESTIMATING CHANGES

Estimating changes are due to factors other than enacted legislation or changes in policy. These result from changes in economic assumptions, discussed earlier in this Review, and changes in technical factors. Relative to the Budget estimates, economic and technical changes decrease estimated outlays for 2014 by \$79 billion, and decrease outlays by \$168 billion from 2015 through 2024.

Discretionary programs. Outlays for discretionary programs decrease by \$27 billion in 2014 but rise by \$19 billion over the next 10 years relative to the Budget as a result of technical revisions. These changes reflect lower outlays in 2014 compared to the Budget for both defense and non-defense discretionary programs, due to slower-than-expected spending patterns. About one-third of the \$27 billion reduction in 2014 is in defense programs and Overseas Contingency Operations, primarily reflecting slower-than-expected outlays in several large operation and maintenance accounts, partially offset by faster-than-expected outlays in a variety of investment accounts. The remaining two-thirds is in non-defense programs, most notably in the Departments of Housing and Urban Development and Homeland Security, due to slower-than-anticipated outlays of Hurricane Sandy recovery funds.

Refundable Premium Tax Credit and Cost-sharing Reductions. Changes in technical assumptions for the refundable portion of the premium tax credit and related payments for cost sharing reductions reduce outlays by \$19-24 billion a year for 2014 through 2017, with increases for 2019 through 2024 and a total increase of \$35 billion (or 3.6 percent) from 2015 through 2024. This increase in outlays is partially offset by \$7 billion in increases to receipts also due to technical changes, for a net increase of \$29 billion when outlay and revenue effects are taken into account.

Medicare. Economic and technical changes reduce outlays for Medicare by \$6 billion in 2014, and by \$32 billion over the next 10 years. Decreases in Parts A and B reflect lower fee-for-service enrollment and lower spend-

ing estimates for a range of services, including lower spending on durable medical equipment due to competitive bidding and lower spending on physician services. In addition, projected slower growth of market basket and price indices result in decreased outlays relative to the Budget. These decreases are partially offset by increases in Part D, due to the net effect of higher-than-expected enrollment, higher-than-estimated spending on reinsurance coverage, and higher-than-estimated average drug rebates.

Unemployment compensation. Changes in economic and technical assumptions decrease outlays for unemployment benefits by \$4 billion in 2014. From 2015 through 2024, outlays are down by an additional \$27 billion relative to the Budget estimate. The reduction is driven in large part by continued decline in insured unemployment as well as lower actual spending in recent months than had been assumed in the Budget. In addition, the revised MSR economic forecast, which assumes lower near-term civilian unemployment rates and a smaller labor force than was assumed in the President's Budget, contributes somewhat to the downward revision in spending during the Budget window.

Earned Income Tax Credit (EITC). Estimating changes increase outlays for the EITC by \$26 billion from 2015 through 2024. Most of the upward revision can be attributed to changes to economic assumptions relative to the Budget for GDP, personal income, wages, and inflation that cause more beneficiaries to be projected to stay within the income eligibility requirements for longer periods of time. Technical changes also contribute modestly to the increase, as a result of revisions to reflect actual participation in the current year and improved projections of future participation.

Medicaid. Technical and economic revisions increase projected Federal outlays for Medicaid by \$1 billion in 2014, and decrease outlays by \$24 billion over the next 10 years from 2015 to 2024 relative to the Budget estimates. The 10-year decrease stems primarily from projected decreases in the anticipated costs of the Affordable Care Act Medicaid expansion, as well as slower medical inflation and wage growth, partially offset by other technical adjustments.

Child Tax Credit (CTC). Estimating changes increase outlays for the CTC by \$1 billion in 2014 and decrease outlays by \$20 billion from 2015 through 2024. Most of the downward revision can be attributed to lower actual outlays, due to fewer CTC claims during the recent tax filing season. Changes in the economic forecast for the MSR increase outlays relative to the Budget in 2017 and beyond due to lower projected wages, leading to an increase in the number of taxpayers assumed to fall within the eligible income range for the credit.

Social Security. Estimating changes reduce outlays for Social Security by \$6 billion in 2014 and by an additional \$15 billion over the next 10 years. Reductions in 2014 in both the Old Age and Survivors' Insurance (OASI) and Disability Insurance (DI) programs are primarily due to lower-than-expected numbers of beneficiaries in recent data. Lower spending in both programs in 2015 and beyond is the net effect of economic changes resulting in higher inflation and therefore higher cost-of-living adjustments in 2015 through 2021 than were assumed in the Budget and technical changes that more than offset this effect, including fewer beneficiaries than expected applying for disability benefits and early retirement.

Foreign Military Sales Trust Fund (FMSTF). Outlays for the FMSTF increase by \$2 billion in 2014 and an additional \$15 billion over the next 10 years, due to decreased deposit projections for new military sales and changes in outlay estimates for large military sales.

Pension Benefit Guaranty Corporation (PBGC). Outlays for PBGC decrease by \$14 billion between 2015 and 2024 due to economic and technical factors. An increase in PBGC's assumed rate of return leads to greater receipts and larger transfers from the nonbudgetary trust fund. Technical revisions reflect refinements to the models PBGC uses to estimate single-employer and multi-employer plan behavior, including the incorporation of more recent data.

Supplemental Nutrition Assistance Program (SNAP). Outlays for SNAP decrease relative to the Budget by \$2 billion in 2014 due to technical revisions, and increase

by \$12 billion over the next 10 years relative to the Budget due to economic and technical factors. Even with the 10-year increase, the MSR still reflects decreasing benefit costs over the 10-year window. Economic revisions due to higher projected food prices account for much of the increase compared to the Budget. Technical changes reflect lower-than-expected participation and adjustments to more accurately reflect program changes.

Deposit Insurance Fund (DIF). Technical and economic changes lower deposit insurance spending in 2014 by \$4 billion, but raise spending over 2015 through 2024 by \$12 billion. The short-term reduction in spending is attributable to fewer bank failures experienced to date than were projected in the Budget. The outyear spending increase is attributable to lower future premiums, as fewer future bank failures relative to the Budget reduce replenishments to the DIF. Revised forecasts of GDP, inflation, and interest rates also result in some minimal outyear spending increases.

Children's Health Insurance Program (CHIP). Estimating changes increase outlays for CHIP by \$1 billion in 2014 and decrease outlays by \$8 billion from 2015 through 2024. Reductions in the outyears reflect updated estimates of funds available for CHIP.

Proceeds from Government Sponsored Enterprises (GSEs). Receipts from dividend payments under Treasury's Preferred Stock Purchase Agreements with Fannie Mae and Freddie Mac have been revised upward in 2014 due to legal settlement benefits, partially offset by GSE losses in other areas, lowering net outlays by \$4 billion.

Net interest. Excluding the debt service associated with enacted legislation and policy changes, outlays for net interest are projected to increase by \$1 billion in 2014, but decrease by \$179 billion over the next 10 years. The change is largely due to revised interest rate and Consumer Price Index assumptions. Technical revisions reflect actual data through May for marketable and nonmarketable securities and through March for other actuals, as well as updated projections of financing assumptions, other means-of-financing, and other technical revisions.

Table 5. CHANGE IN OUTLAYS

(In billions of dollars)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2015- 2019	2015- 2024
2015 Budget estimate	3,651	3,901	4,099	4,269	4,443	4,729	4,964	5,209	5,485	5,694	5,912		
Changes due to enacted legislation and policy:													
Rollback of military retirement COLA reduction		-1	-*	-*	*	*	*	1	1	1	1	-1	3
Protecting Access to Medicare Act	1	1	*	-1	-1	*	-1	-1	-1	-*	1	*	-1
Other enacted legislation .....	*	-*	*	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Budget amendment for Overseas Contingency Operations		-13	-5	2	4	4	3	3	1	*	*	-9	-*
Supplemental budget request for 2014	3	1	.....	.....	.....	.....	.....	.....	.....	.....	.....	1	1
Debt service .....	*	-*	-*	-*	-*	-*	-*	-*	.....	.....	.....	-1	-1
Subtotal, enacted legislation and policy changes	4	-11	-5	1	3	4	2	3	2	1	2	-9	2
Changes due to reestimates:													
Discretionary appropriations:													
Defense base programs	-3	-8	-*	*	1	*	1	1	1	1	1	-7	-4
Non-defense base programs	-19	4	2	5	4	1	1	.....	.....	.....	.....	16	17
Overseas Contingency Operations	-6	6	*	*	*	*	*	.....	.....	.....	.....	6	6
Premium tax credits and cost-sharing reductions	-22	-24	-24	-19	*	13	16	17	18	19	20	-54	35
Medicare	-6	*	3	-2	-5	-4	-5	-5	-3	-4	-7	-7	-32
Unemployment compensation	-4	-4	-4	-4	-3	-2	-2	-2	-2	-2	-2	-16	-27
Earned Income Tax Credit .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Medicaid	1	1	2	3	1	-2	-3	-5	-6	-7	-7	4	-24
Child Tax Credit	1	1	1	1	*	-4	-4	-4	-4	-4	-4	-1	-20
Social Security	-6	-4	-2	-2	-1	*	*	*	-1	-2	-5	-8	-15
Foreign Military Sales	2	2	1	*	.....	.....	.....	.....	.....	.....	.....	.....	.....
Pension Benefit Guaranty Corporation .....	.....	-1	-1	-1	-1	-1	-2	-2	-2	-2	-2	-5	-14
Supplemental Nutrition Assistance Program	-2	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Deposit Insurance	-4	1	2	2	1	2	2	*	1	1	1	7	12
Children's Health Insurance Program	1	2	-2	-7	-1	.....	.....	.....	.....	.....	.....	.....	.....
Government-Sponsored Enterprises	-4	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Other programs ^{1, 2}	-8	-2	8	2	4	2	3	3	4	4	4	14	32
Net interest ³	1	-2	-4	-13	-26	-32	-31	-27	-21	-15	-9	-77	-179
Subtotal, reestimates	-79	-27	-17	-32	-22	-24	-17	-17	-7	-4	.....	-122	-168
Total change in outlays	-75	-38	-22	-31	-19	-20	-15	-14	-5	-3	2	-131	-167
2015 Mid-Session estimate	3,576	3,863	4,077	4,237	4,424	4,709	4,949	5,195	5,479	5,691	5,914		

* \$500 million or less.

¹ Includes change in allowance for future disaster costs.

² The Administration is currently considering the implications of the recent (May 16th) reduction of the nuclear waste fee to zero, which was directed by a court order issued last November. The changes in "other programs" include the following changes for fee collections (in billions of dollars) in the Nuclear Waste Disposal Fund account and do not reflect any final determination or decisions, and do not reflect any predictions, regarding what will be the fee in future years: 2014 \$0.649; 2015 \$0.366; 2016 \$0.371; 2017 \$0.371; 2018 \$0.372; 2019 \$0.374; 2020 \$0.374; 2021 \$0.373; 2022 \$0.373; 2023 \$0.372; 2024 \$0.372. These amounts are a placeholder utilizing a probabilistic estimate that assumes that the fee will not remain uncollected indefinitely.

³ Includes debt service on all reestimates.

SUMMARY TABLES

Table S-1. BUDGET TOTALS

(In billions of dollars and as a percent of GDP)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Totals	
													2015-2019	2015-2024
Budget Totals in Billions of Dollars:														
Receipts	2,775	2,993	3,338	3,552	3,770	3,967	4,146	4,360	4,601	4,842	5,090	5,348	18,773	43,014
Outlays	3,455	3,576	3,863	4,077	4,237	4,424	4,709	4,949	5,195	5,479	5,691	5,914	21,310	48,538
Deficit	680	583	525	525	468	456	562	589	594	637	601	566	2,537	5,524
Debt held by the public	11,983	12,874	13,528	14,186	14,782	15,350	16,019	16,714	17,412	18,151	18,857	19,529		
Debt net of financial assets	10,926	11,509	12,034	12,559	13,026	13,483	14,045	14,634	15,228	15,864	16,465	17,031		
Gross domestic product (GDP)	16,632	17,277	18,137	19,087	20,044	20,961	21,896	22,872	23,883	24,923	26,008	27,142		
Budget Totals as a Percent of GDP:														
Receipts	16.7%	17.3%	18.4%	18.6%	18.8%	18.9%	18.9%	19.1%	19.3%	19.4%	19.6%	19.7%	18.7%	19.1%
Outlays	20.8%	20.7%	21.3%	21.4%	21.1%	21.1%	21.5%	21.6%	21.8%	22.0%	21.9%	21.8%	21.3%	21.5%
Deficit	4.1%	3.4%	2.9%	2.7%	2.3%	2.2%	2.6%	2.6%	2.5%	2.6%	2.3%	2.1%	2.5%	2.5%
Debt held by the public	72.0%	74.5%	74.6%	74.3%	73.7%	73.2%	73.2%	73.1%	72.9%	72.8%	72.5%	72.0%		
Debt net of financial assets	65.7%	66.6%	66.4%	65.8%	65.0%	64.3%	64.1%	64.0%	63.8%	63.7%	63.3%	62.7%		

SUMMARY TABLES

Table S-2. EFFECT OF BUDGET PROPOSALS ON PROJECTED DEFICITS

(Deficit increases (+) or decreases (-) in billions of dollars)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Totals	
												2015-2019	2015-2024
Projected deficits in the adjusted baseline¹	565	542	568	565	587	712	779	825	990	1,029	1,044	2,974	7,641
Percent of GDP	3.3%	3.0%	3.0%	2.8%	2.8%	3.3%	3.4%	3.5%	4.0%	4.0%	3.8%	3.0%	3.3%
Proposals in the 2015 MSR:²													
Investments in growing the economy and creating opportunity:													
Opportunity, Growth, and Security Initiative		33	14	4	2	1	1	*	*			54	55
Spending cuts		-1	-2	-3	-3	-3	-3	-3	-3	-3	-3	-11	-28
Tax loophole closers		-1	-2	-2	-2	-2	-3	-3	-3	-3	-4	-10	-26
Surface transportation reauthorization		4	9	12	14	12	7	5	3	2	1	51	70
Transition revenue from business tax reform ³		-38	-38	-38	-38							-150	-150
Early childhood investments		*	1	3	6	8	10	11	12	12	11	19	76
Tobacco tax financing		-8	-10	-9	-9	-8	-8	-7	-7	-6	-6	-44	-78
Earned Income Tax Credit expansion for workers without qualifying children		*	6	6	6	7	7	7	7	7	7	26	60
High-income tax loophole closers		-4	-5	-5	-5	-5	-6	-5	-5	-5	-5	-25	-52
Additional investments in education, innovation, infrastructure, and security		-*	47	60	58	51	43	34	-32	-58	-63	216	140
Additional mandatory and tax proposals	15	23	21	-1	-8	-33	-37	-40	-47	-53	-54	3	-228
Debt service	*	*	1	2	3	5	6	6	5	2	-2	10	27
Total, investments	15	7	43	31	25	32	17	4	-70	-106	-118	138	-135
Additional deficit reduction from health, tax, and immigration reform:													
Health savings		2	-8	-18	-25	-33	-45	-54	-64	-73	-85	-82	-404
Revenue proposals		-38	-42	-49	-57	-63	-68	-73	-79	-84	-89	-249	-641
Immigration reform		6	-1	-10	-15	-17	-18	-20	-23	-29	-31	-37	-158
Debt service		-*	-1	-3	-6	-11	-17	-23	-31	-39	-48	-20	-178
Total, additional deficit reduction		-31	-51	-80	-103	-124	-147	-171	-196	-225	-253	-388	-1,381
Other changes to deficits:													
Reductions in Overseas Contingency Operations		-14	-46	-56	-61	-65	-68	-71	-93	-105	-110	-243	-689
Replacement of mandatory sequestration		10	17	17	17	18	19	20	21	27	28	79	194
Proposed Budget Control Act cap adjustment for disaster relief and wildfires		3	4	5	3	1	1	1	2	2	2	16	24
Other emergency supplemental funding ⁴	3	1										1	1
Outlay effects of discretionary policy		8	-10	-12	-8	-6	-3	-5	-4	-5	-6	-29	-52

Table S-2. EFFECT OF BUDGET PROPOSALS ON PROJECTED DEFICITS—Continued

(Deficit increases (+) or decreases (-) in billions of dollars)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Totals	
												2015-2019	2015-2024
Debt service and indirect interest effects	*	-*	-*	-1	-3	-5	-8	-10	-13	-17	-21	-10	-78
Total, additional deficit reduction	3	7	-36	-48	-52	-58	-59	-64	-87	-98	-106	-187	-601
Total proposals in the 2015 MSR	18	-16	-44	-97	-130	-150	-190	-230	-354	-428	-478	-437	-2,117
Resulting deficits in 2015 MSR	583	525	525	468	456	562	589	594	637	601	566	2,537	5,524
Percent of GDP	3.4%	2.9%	2.7%	2.3%	2.2%	2.6%	2.6%	2.5%	2.6%	2.3%	2.1%	2.5%	2.5%

* \$500 million or less.

¹ See Tables S-4 and S-7 for information on the adjusted baseline.

² For total deficit reduction since January 2011, see Table S-3.

³ Business tax reform transition revenue finances the \$70 billion cost of above-baseline surface transportation investments (the PAYGO cost of the reauthorization proposal) plus \$78 billion in cash transfers necessary to ensure Transportation Trust Fund solvency over the four-year reauthorization period.

⁴ The details of the Administration's emergency supplemental request that included funding to comprehensively address the urgent humanitarian situation on the Nation's southwest border due to the significant increase in the migration of unaccompanied children and adults traveling with children, and for emergency wildfire suppression activities for 2014, were still being formulated when the 2015 Mid-Session Review estimates were finalized. An allowance of \$4.5 billion is included as a placeholder.

Table S-3. CUMULATIVE DEFICIT REDUCTION

(Deficit reduction (-) or increase (+) in billions of dollars)

	2015- 2024
Deficit reduction achieved through June 2014, excluding Overseas Contingency Operations (OCO):	
Enacted deficit reduction excluding pending Joint Committee enforcement:	
Discretionary savings ¹	-1,622
Mandatory savings	-87
Revenues	-723
Debt service	-689
Subtotal, enacted deficit reduction excluding pending Joint Committee enforcement	-3,120
Pending Joint Committee enforcement: ²	
Discretionary cap reductions	-533
Mandatory sequestration	-194
Debt service	-151
Subtotal, pending Joint Committee enforcement	-877
Total, deficit reduction achieved, excluding OCO	-3,997
Investments in growing the economy and creating opportunity:	
Investment proposals and offsets ³	-162
Debt service	27
Total, investments in growing the economy and creating opportunity	-135
Additional deficit reduction from tax and entitlement reform:	
Health savings	-404
Revenue proposals	-641
Immigration reform	-158
Debt service	-178
Total, additional deficit reduction	-1,381
Other changes to deficits:¹	
Replacement of mandatory sequestration	194
Proposed Budget Control Act cap adjustment for disaster relief and wildfires	24
Other emergency supplemental funding	1
Outlay effects of discretionary policy	-52
Debt service and indirect interest effects	31
Total, other changes to deficits	197
Grand total, achieved and proposed deficit reduction excluding OCO	-5,317
Memorandum: revenue and outlay effects of achieved and proposed deficit reduction:	
Enacted outlay reductions and 2015 Budget spending proposals	-3,362
Enacted receipt increases and 2015 Budget tax proposals	-1,797
Immigration reform	-158

Table S-3. CUMULATIVE DEFICIT REDUCTION—Continued
 (Deficit reduction (–) or increase (+) in billions of dollars)

	2015- 2024
Memorandum, savings in Overseas Contingency Operations (OCO):	
Enacted reduction in OCO funding	–780
Proposed reductions in OCO	–689
Debt service	–328
Total, savings in overseas contingency operations (OCO)	–1,798

¹ Excludes savings from reductions in OCO.

² Consists of mandatory sequestration for 2015-2024 and discretionary cap reductions for 2016-2021.

³ See Table S-2 for details on investment proposals.

Table S-4. ADJUSTED BASELINE BY CATEGORY¹

(In billions of dollars)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Totals	
													2015-2019	2015-2024
Outlays:														
Appropriated (“discretionary”) programs:														
Defense	626	604	600	653	674	687	700	712	729	746	763	782	3,314	7,045
Non-defense	522	543	548	544	556	561	570	581	592	604	618	632	2,780	5,807
Subtotal, appropriated programs	1,147	1,147	1,148	1,197	1,230	1,248	1,270	1,293	1,320	1,350	1,381	1,414	6,093	12,852
Mandatory programs:														
Social Security	808	846	893	945	1,002	1,063	1,128	1,196	1,264	1,336	1,413	1,495	5,030	11,734
Medicare	492	508	531	583	594	610	677	729	785	878	912	941	2,995	7,240
Medicaid	265	309	333	356	376	394	416	436	460	486	515	546	1,874	4,317
Other mandatory programs	521	523	646	681	689	706	766	798	826	870	875	884	3,489	7,742
Subtotal, mandatory programs	2,086	2,186	2,403	2,564	2,660	2,773	2,987	3,160	3,335	3,570	3,715	3,866	13,387	31,033
Net interest	221	224	250	314	381	454	530	603	669	738	810	874	1,928	5,622
Adjustments for disaster costs ²		*	3	7	8	9	9	10	10	10	10	10	36	86
Joint Committee enforcement ³			-10	-73	-96	-102	-105	-107	-107	-54	-38	-33	-387	-726
Total outlays	3,455	3,558	3,794	4,010	4,183	4,381	4,690	4,958	5,227	5,614	5,878	6,131	21,058	48,866
Receipts:														
Individual income taxes	1,316	1,386	1,496	1,598	1,708	1,823	1,933	2,054	2,179	2,309	2,442	2,579	8,559	20,123
Corporation income taxes	274	311	405	456	476	483	490	500	512	521	531	543	2,310	4,917
Social insurance and retirement receipts:														
Social Security payroll taxes	673	736	759	803	838	882	927	966	1,019	1,070	1,119	1,171	4,209	9,555
Medicare payroll taxes	209	224	231	245	256	270	284	296	313	329	344	361	1,286	2,928
Unemployment insurance	57	58	58	58	56	57	55	56	57	58	60	61	283	576
Other retirement	8	9	9	10	10	11	11	12	13	13	14	16	51	119
Excise taxes	84	93	99	100	104	107	109	112	115	118	122	126	520	1,113
Estate and gift taxes	19	18	19	21	22	24	25	26	28	30	31	33	111	260
Customs duties	32	34	38	41	45	48	51	54	57	61	64	69	222	528
Deposits of earnings, Federal Reserve System	76	95	96	67	43	32	32	38	44	49	54	58	271	516
Other miscellaneous receipts	27	28	42	43	59	58	60	64	64	66	67	70	261	592
Total receipts	2,775	2,993	3,252	3,442	3,618	3,794	3,977	4,179	4,402	4,624	4,849	5,088	18,084	41,225
Deficit	680	565	542	568	565	587	712	779	825	990	1,029	1,044	2,974	7,641
Net interest	221	224	250	314	381	454	530	603	669	738	810	874	1,928	5,622
Primary deficit	459	341	292	254	184	133	183	177	156	252	219	169	1,046	2,019

Table S-4. ADJUSTED BASELINE BY CATEGORY¹—Continued

(In billions of dollars)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Totals	
													2015-2019	2015-2024
On-budget deficit	719	594	546	566	543	550	660	700	732	878	888	875	2,864	6,937
Off-budget deficit / surplus (–)	–39	–29	–4	3	22	37	53	80	93	113	141	168	110	704
Memorandum, budget authority for appropriated programs:⁴														
Defense	600	606	608	666	680	695	710	726	742	760	779	798	3,360	7,166
Non-defense	536	522	496	532	544	556	569	581	593	608	623	638	2,696	5,739
Total, appropriated funding	1,136	1,128	1,104	1,198	1,224	1,251	1,279	1,307	1,335	1,368	1,402	1,436	6,056	12,905

* \$500 million or less.

¹ See Table S-7 for information on adjustments to the Balanced Budget and Emergency Deficit Control Act (BBEDCA) baseline.

² These amounts represent a placeholder for major disasters requiring Federal assistance for relief and reconstruction. Such assistance might be provided in the form of discretionary or mandatory outlays or tax relief. These amounts are included as outlays for convenience.

³ Consists of mandatory sequestration for 2015-2024 and discretionary cap reductions for 2016-2021.

⁴ Excludes discretionary cap reductions for Joint Committee enforcement.

Table S-5. PROPOSED BUDGET BY CATEGORY

(In billions of dollars)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Totals	
													2015-2019	2015-2024
Outlays:														
Appropriated (“discretionary”) programs:														
Defense	626	604	608	576	569	572	578	583	593	603	615	630	2,903	5,927
Non-defense	522	547	568	573	584	586	589	597	601	589	592	604	2,901	5,884
Subtotal, appropriated programs	1,147	1,150	1,175	1,149	1,153	1,158	1,167	1,180	1,195	1,192	1,207	1,234	5,803	11,811
Mandatory programs:														
Social Security	808	846	893	945	1,002	1,062	1,126	1,194	1,262	1,334	1,411	1,492	5,028	11,720
Medicare	492	508	528	572	572	582	642	685	731	814	839	857	2,897	6,822
Medicaid	265	309	337	357	375	393	415	435	459	485	514	545	1,877	4,314
Other mandatory programs	521	537	668	722	730	748	804	833	861	903	906	917	3,672	8,091
Allowance for immigration reform			8	11	18	24	28	29	35	41	48	56	89	298
Subtotal, mandatory programs	2,086	2,201	2,434	2,607	2,697	2,809	3,015	3,175	3,348	3,577	3,717	3,866	13,563	31,245
Net interest	221	224	250	314	379	448	518	584	642	700	757	804	1,908	5,396
Adjustments for disaster costs ¹		*	3	7	8	9	9	10	10	10	10	10	36	86
Total outlays	3,455	3,576	3,863	4,077	4,237	4,424	4,709	4,949	5,195	5,479	5,691	5,914	21,310	48,538
Receipts:														
Individual income taxes	1,316	1,386	1,531	1,640	1,762	1,889	2,010	2,138	2,270	2,406	2,546	2,690	8,831	20,881
Corporation income taxes	274	311	442	495	516	522	492	503	516	526	537	549	2,467	5,098
Social insurance and retirement receipts:														
Social Security payroll taxes	673	736	761	805	840	884	928	968	1,022	1,073	1,121	1,174	4,218	9,576
Medicare payroll taxes	209	224	231	246	258	272	286	299	315	331	346	363	1,294	2,948
Unemployment insurance	57	58	56	56	67	67	65	66	67	69	70	71	311	654
Other retirement	8	9	9	10	10	11	11	12	13	13	14	16	51	119
Excise taxes	84	93	111	115	119	120	122	124	127	130	133	137	587	1,237
Estate and gift taxes	19	18	19	21	23	25	43	46	50	54	59	63	131	404
Customs duties	32	34	37	41	45	48	51	54	57	61	64	69	222	527
Deposits of earnings, Federal Reserve System	76	95	96	67	43	32	32	38	44	49	54	58	271	516
Other miscellaneous receipts	27	28	42	44	59	59	61	65	65	66	68	71	265	599
Allowance for immigration reform			2	12	28	39	45	47	55	64	77	87	126	456
Total receipts	2,775	2,993	3,338	3,552	3,770	3,967	4,146	4,360	4,601	4,842	5,090	5,348	18,773	43,014
Deficit	680	583	525	525	468	456	562	589	594	637	601	566	2,537	5,524
Net interest	221	224	250	314	379	448	518	584	642	700	757	804	1,908	5,396
Primary deficit / surplus (-)	459	359	275	211	89	9	44	5	-48	-64	-156	-238	628	128
On-budget deficit	719	614	533	524	448	421	511	511	502	528	465	402	2,437	4,845
Off-budget deficit / surplus (-)	-39	-31	-8	1	20	35	51	78	92	109	136	163	100	678

Table S-5. PROPOSED BUDGET BY CATEGORY—Continued

(In billions of dollars)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Totals	
													2015-2019	2015-2024
Memorandum, budget authority for appropriated programs:														
Defense	600	606	608	561	569	578	586	595	604	614	629	646	2,902	5,990
Non-defense	536	527	532	560	568	576	585	593	601	578	593	610	2,822	5,798
Total, appropriated funding	1,136	1,133	1,140	1,121	1,137	1,154	1,171	1,188	1,205	1,192	1,222	1,256	5,723	11,787

* \$500 million or less.

¹These amounts represent a placeholder for major disasters requiring Federal assistance for relief and reconstruction. Such assistance might be provided in the form of discretionary or mandatory outlays or tax relief. These amounts are included as outlays for convenience.

SUMMARY TABLES

Table S-6. PROPOSED BUDGET BY CATEGORY AS A PERCENT OF GDP

(As a percent of GDP)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Averages	
													2015-2019	2015-2024
Outlays:														
Appropriated (“discretionary”) programs:														
Defense	3.8	3.5	3.4	3.0	2.8	2.7	2.6	2.5	2.5	2.4	2.4	2.3	2.9	2.7
Non-defense	3.1	3.2	3.1	3.0	2.9	2.8	2.7	2.6	2.5	2.4	2.3	2.2	2.9	2.7
Subtotal, appropriated programs	6.9	6.7	6.5	6.0	5.8	5.5	5.3	5.2	5.0	4.8	4.6	4.5	5.8	5.3
Mandatory programs:														
Social Security	4.9	4.9	4.9	5.0	5.0	5.1	5.1	5.2	5.3	5.4	5.4	5.5	5.0	5.2
Medicare	3.0	2.9	2.9	3.0	2.9	2.8	2.9	3.0	3.1	3.3	3.2	3.2	2.9	3.0
Medicaid	1.6	1.8	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	2.0	2.0	1.9	1.9
Other mandatory programs	3.1	3.1	3.7	3.8	3.6	3.6	3.7	3.6	3.6	3.6	3.5	3.4	3.7	3.6
Allowance for immigration reform			*	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.1	0.1
Subtotal, mandatory programs	12.5	12.7	13.4	13.7	13.5	13.4	13.8	13.9	14.0	14.4	14.3	14.2	13.5	13.8
Net interest	1.3	1.3	1.4	1.6	1.9	2.1	2.4	2.6	2.7	2.8	2.9	3.0	1.9	2.3
Adjustments for disaster costs ¹		*	*	*	*	*	*	*	*	*	*	*	*	*
Total outlays	20.8	20.7	21.3	21.4	21.1	21.1	21.5	21.6	21.8	22.0	21.9	21.8	21.3	21.5
Receipts:														
Individual income taxes	7.9	8.0	8.4	8.6	8.8	9.0	9.2	9.3	9.5	9.7	9.8	9.9	8.8	9.2
Corporation income taxes	1.6	1.8	2.4	2.6	2.6	2.5	2.2	2.2	2.2	2.1	2.1	2.0	2.5	2.3
Social insurance and retirement receipts:														
Social Security payroll taxes	4.0	4.3	4.2	4.2	4.2	4.2	4.2	4.2	4.3	4.3	4.3	4.3	4.2	4.3
Medicare payroll taxes	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3
Unemployment insurance	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Other retirement	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Excise taxes	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.5	0.5	0.5	0.5	0.5	0.6	0.6
Estate and gift taxes	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.2
Customs duties	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.3	0.2	0.2
Deposits of earnings, Federal Reserve System	0.5	0.5	0.5	0.4	0.2	0.2	0.1	0.2	0.2	0.2	0.2	0.2	0.3	0.2
Other miscellaneous receipts	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Allowance for immigration reform			*	0.1	0.1	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.1	0.2
Total receipts	16.7	17.3	18.4	18.6	18.8	18.9	18.9	19.1	19.3	19.4	19.6	19.7	18.7	19.1
Deficit	4.1	3.4	2.9	2.7	2.3	2.2	2.6	2.6	2.5	2.6	2.3	2.1	2.5	2.5
Net interest	1.3	1.3	1.4	1.6	1.9	2.1	2.4	2.6	2.7	2.8	2.9	3.0	1.9	2.3
Primary deficit / surplus (-)	2.8	2.1	1.5	1.1	0.4	*	0.2	*	-0.2	-0.3	-0.6	-0.9	0.7	0.1
On-budget deficit	4.3	3.6	2.9	2.7	2.2	2.0	2.3	2.2	2.1	2.1	1.8	1.5	2.5	2.2
Off-budget deficit / surplus (-)	-0.2	-0.2	-*	*	0.1	0.2	0.2	0.3	0.4	0.4	0.5	0.6	0.1	0.3

Table S-6. PROPOSED BUDGET BY CATEGORY AS A PERCENT OF GDP—Continued

(As a percent of GDP)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Averages	
													2015-2019	2015-2024
Memorandum, budget authority for appropriated programs:														
Defense	3.6	3.5	3.3	2.9	2.8	2.8	2.7	2.6	2.5	2.5	2.4	2.4	2.9	2.7
Non-defense	3.2	3.0	2.9	2.9	2.8	2.7	2.7	2.6	2.5	2.3	2.3	2.2	2.8	2.6
Total, appropriated funding	6.8	6.6	6.3	5.9	5.7	5.5	5.3	5.2	5.0	4.8	4.7	4.6	5.7	5.3

*0.05 percent of GDP or less.

¹These amounts represent a placeholder for major disasters requiring Federal assistance for relief and reconstruction. Such assistance might be provided in the form of discretionary or mandatory outlays or tax relief. These amounts are included as outlays for convenience.

Table S-7. BRIDGE FROM BALANCED BUDGET AND EMERGENCY CONTROL ACT (BBEDCA) BASELINE TO ADJUSTED BASELINE

(Deficit increases (+) or decreases (-) in billions of dollars)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Totals	
													2015-2019	2015-2024
BBEDCA baseline deficit	680	561	558	621	638	667	775	845	896	1,012	1,036	1,045	3,259	8,094
Adjustments for current policy:														
Continue tax benefits provided under the American Taxpayer Relief Act ¹						1	23	25	25	25	24	24	24	147
Prevent reduction in Medicare physician payments			6	10	6	7	9	11	12	12	13	14	38	100
Reflect incremental cost of funding existing Pell maximum grant award			-1	-2	3	2	2	2	1	2	1	1	4	11
Reflect Postal Service default on 2014 retiree health benefit payment		3	1	1	*	_*	_*	_*	_*	_*	_*	_*	1	_*
Subtotal		3	6	9	9	10	34	37	38	38	38	38	68	257
Adjustments for provisions contained in the Budget Control Act:														
Set discretionary budget authority at cap levels ²			-23	1	14	15	14	13	10	8	8	8	21	68
Reflect Joint Committee enforcement ³				-66	-96	-102	-105	-107	-107	-54	-38	-33	-370	-709
Subtotal			-23	-65	-82	-87	-91	-94	-98	-46	-30	-25	-349	-642
Adjustments for disaster costs:														
Remove non-recurring emergency costs			-2	-4	-6	-6	-7	-7	-7	-7	-8	-8	-24	-61
Add placeholder for future emergency costs ⁴		*	3	7	8	9	9	10	10	10	10	10	36	86
Reclassify surface transportation outlays:														
Remove outlays from appropriated category	-55	-58	-59	-60	-60	-59	-60	-61	-61	-62	-63	-64	-298	-609
Add outlays to mandatory category	55	58	59	60	60	59	60	61	61	62	63	64	298	609
Subtotal														
Total program adjustments		4	-16	-52	-71	-75	-55	-54	-57	-5	10	15	-269	-360
Debt service on adjustments		*	_*	_*	-2	-5	-8	-11	-14	-16	-17	-17	-16	-93
Total adjustments		4	-16	-53	-73	-80	-63	-66	-72	-22	-7	-2	-285	-453
Adjusted baseline deficit	680	565	542	568	565	587	712	779	825	990	1,029	1,044	2,974	7,641

*\$500 million or less.

¹The baseline permanently continues the tax benefits provided to individuals and families that were extended only through taxable year 2017 under ATRA.

²Includes adjustments for program integrity.

³Consists of mandatory sequestration for 2016-2024 and discretionary cap reductions for 2016-2021.

⁴These amounts represent a placeholder for major disasters requiring Federal assistance for relief and reconstruction.

Table S-8. MANDATORY AND RECEIPT PROPOSALS

(Deficit increases (+) or decreases (-) in millions of dollars)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Totals		
												2015-2019	2015-2024	
Opportunity, Growth, and Security Initiative:														
<i>Discretionary funding (non-add)</i>		32,588	13,842	4,485	1,993	1,108	553	221	55				54,016	54,845
Spending and tax offsets:														
Reduce subsidies for crop insurance companies and farmer premiums ..		-691	-1,232	-1,435	-1,466	-1,507	-1,539	-1,566	-1,598	-1,621	-1,625		-6,331	-14,280
Reform the aviation passenger security user fee to more accurately reflect the costs of aviation security			-200	-425	-650	-660	-670	-680	-690	-695	-700		-1,935	-5,370
Offset Disability Insurance (DI) benefits for period of concurrent Unemployment Insurance (UI) receipt ¹			-56	-254	-390	-414	-416	-419	-426	-441	-415		-1,114	-3,231
Enact Spectrum License User Fee and allow the FCC to auction predominantly domestic satellite services		-225	-325	-425	-550	-550	-550	-550	-550	-550	-550		-2,075	-4,825
Limit the total accrual of tax-favored retirement benefits		-1,364	-1,999	-2,147	-2,340	-2,495	-2,792	-2,990	-3,175	-3,397	-3,646		-10,345	-26,345
Total, spending and tax offsets ..		-2,280	-3,812	-4,686	-5,396	-5,626	-5,967	-6,205	-6,439	-6,704	-6,936		-21,800	-54,051
Surface Transportation Reauthorization:														
Invest in surface transportation reauthorization		3,534	9,244	12,436	14,057	11,914	7,225	4,565	3,295	2,349	1,489		51,185	70,108
<i>Transfer to achieve trust fund solvency (non-add)</i>		22,000	18,000	19,000	19,000								78,000	78,000
Transition to a reformed business tax system		-37,500	-37,500	-37,500	-37,500								-150,000	-150,000
Early Childhood Investments:														
Support Preschool for All		130	1,235	3,110	5,456	7,360	8,773	9,787	10,560	10,275	9,356		17,291	66,042
Extend and expand voluntary home visiting			20	135	495	860	1,075	1,400	1,575	1,900	2,075		1,510	9,535
Subtotal, investments		130	1,255	3,245	5,951	8,220	9,848	11,187	12,135	12,175	11,431		18,801	75,577
Increase tobacco taxes and index for inflation ²		-7,797	-9,936	-9,350	-8,738	-8,203	-7,721	-7,267	-6,840	-6,438	-5,927		-44,024	-78,217
Earned Income Tax Credit (EITC) Expansion:														
Expand EITC for workers without qualifying children ³		462	6,270	6,357	6,438	6,528	6,640	6,740	6,827	6,969	7,088		26,055	60,319
High-income tax loophole closers:														
Tax carried (profits) interests as ordinary income		-2,153	-1,951	-1,762	-1,474	-1,403	-1,443	-1,219	-972	-765	-655		-8,743	-13,797

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Table S-8. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (-) in millions of dollars)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Totals	
												2015-2019	2015-2024
Conform SECA taxes for professional service businesses		-1,848	-2,587	-2,736	-2,858	-2,986	-3,128	-3,284	-3,437	-3,590	-3,703	-13,015	-30,157
Impose liability on shareholders to collect unpaid income taxes of applicable corporations		-425	-449	-470	-492	-513	-536	-560	-585	-611	-638	-2,349	-5,279
Require that the cost basis of stock that is a covered security must be determined using an average cost basis method			-48	-145	-246	-354	-418	-434	-452	-471	-492	-793	-3,060
Total, high-income tax loophole closers		-4,426	-5,035	-5,113	-5,070	-5,256	-5,525	-5,497	-5,446	-5,437	-5,488	-24,900	-52,293
Other Mandatory Initiatives and Savings:													
Agriculture:													
Reauthorize Secure Rural Schools		178	188	105	63	40	7					574	581
Enact Food Safety and Inspection Service (FSIS) fee		-4	-4	-4	-5	-5	-5	-5	-5	-5	-5	-22	-47
Enact biobased labeling fee													
Enact Grain Inspection, Packers, and Stockyards Administration (GIPSA) fee		-28	-28	-29	-29	-29	-30	-30	-31	-32	-33	-143	-299
Enact Animal Plant and Health Inspection Service (APHIS) fee		-20	-27	-27	-28	-29	-30	-31	-32	-33	-34	-131	-291
Total, Agriculture		126	129	45	1	-23	-58	-66	-68	-70	-72	278	-56
Education:													
Recognize Educational Success, Professional Excellence, and Collaborative Teaching (RESPECT)		2,750	1,750	500								5,000	5,000
Reform and expand Perkins loan program		-395	-1,084	-890	-744	-663	-607	-552	-487	-458	-443	-3,776	-6,323
Provide mandatory appropriation to sustain recent Pell Grant increases ...			265	1,469	2,047	-4	128	582	600	613	625	3,777	6,325
Expand and reform student loan income-based repayment		-2,332	-602	-785	-932	-1,067	-1,230	-1,284	-1,280	-1,333	-1,335	-5,718	-12,180
Implement College Opportunity and Graduation Bonus Program		1,103	992	762	701	-296	63	422	680	719	727	3,262	5,873
Establish State Higher Education Performance Fund		20	370	720	970	980	630	280	30			3,060	4,000
Total, Education		1,146	1,691	1,776	2,042	-1,050	-1,016	-552	-457	-459	-426	5,605	2,695
Energy:													
Reauthorize special assessment from domestic nuclear utilities ¹		-200	-204	-209	-213	-218	-223	-229	-234	-239	-245	-1,044	-2,214
Establish Energy Security Trust Fund		60	140	180	200	200	200	200	200	200	200	780	1,780

Table S-8. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (-) in millions of dollars)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Totals	
												2015-2019	2015-2024
Enact nuclear waste management program					90	170	400	520	760	-1,394	764	260	1,310
Total, Energy		-140	-64	-29	77	152	377	491	726	-1,433	719	-4	876
Health and Human Services (HHS):													
HHS health savings:													
Medicare providers:													
Bad debts:													
Reduce Medicare coverage of bad debts		-330	-1,110	-2,170	-2,770	-3,000	-3,200	-3,420	-3,650	-3,900	-4,150	-9,380	-27,700
Graduate Medical Education:													
Better align graduate medical education payments with patient care costs		-910	-1,120	-1,180	-1,280	-1,350	-1,440	-1,540	-1,650	-1,760	-1,870	-5,840	-14,100
Better align payments to rural providers with the cost of care:													
Reduce Critical Access Hospital (CAH) payments from 101% of reasonable costs to 100% of reasonable costs		-110	-130	-140	-150	-170	-180	-180	-200	-220	-230	-700	-1,710
Prohibit CAH designation for facilities that are less than 10 miles from the nearest hospital		-40	-60	-60	-70	-70	-70	-80	-80	-90	-100	-300	-720
Cut waste, fraud, and improper payments in Medicare:													
Reduce fraud, waste, and abuse in Medicare			-20	-20	-30	-50	-50	-50	-60	-60	-60	-120	-400
Drug rebates and additional Part D savings:													
Align Medicare drug payment policies with Medicaid policies for low-income beneficiaries			-3,170	-8,590	-9,990	-11,330	-13,190	-15,370	-17,290	-20,550	-24,310	-33,080	-123,790
Accelerate manufacturer discounts for brand drugs to provide relief to Medicare beneficiaries in the coverage gap			50	-200	-350	-750	-1,220	-1,350	-1,480	-1,420	-1,310	-1,250	-8,030
Suspend coverage and payment for questionable Part D prescriptions and incomplete clinical information													
Establish quality bonus payments for high-performing Part D plans													

SUMMARY TABLES

Table S-8. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (-) in millions of dollars)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Totals		
												2015-2019	2015-2024	
Encourage efficient post-acute care:														
Adjust payment updates for certain post-acute care providers		-1,460	-3,270	-4,850	-6,320	-8,160	-10,140	-12,360	-15,150	-16,980	-18,760	-24,060	-97,450	
Equalize payments for certain conditions commonly treated in inpatient rehabilitation facilities (IRFs) and skilled nursing facilities (SNFs)		-110	-140	-150	-160	-160	-170	-180	-190	-200	-210	-720	-1,670	
Encourage appropriate use of inpatient rehabilitation hospitals by requiring that 75 percent of IRF patients require intensive rehabilitation services		-180	-210	-230	-240	-240	-250	-270	-280	-290	-290	-1,100	-2,480	
Implement bundled payment for post-acute care						-420	-960	-1,580	-1,780	-1,920	-2,060	-420	-8,720	
Additional provider efficiencies:														
Exclude certain services from the in-office ancillary services exception			-350	-550	-600	-640	-680	-740	-780	-840	-890	-2,140	-6,070	
Modify the documentation requirement for face-to-face encounters for durable medical equipment, prosthetics, orthotics, and supplies (DMEPOS) claims ..														
Modify reimbursement of Part B drugs		-290	-520	-560	-590	-640	-680	-740	-800	-860	-930	-2,600	-6,610	
Expand sharing Medicare data with qualified entities														
Clarify the Medicare Fraction in the Medicare DSH statute														
Implement Value-Based Purchasing for SNFs, Home Health Agencies (HHAs), Ambulatory Surgical Centers (ASCs), and Hospital Outpatient Departments (HOPDs)														
Improve payment accuracy for Medicare Advantage (MA):														
Increase the minimum MA coding intensity adjustment ..			-380	-970	-1,640	-2,660	-3,890	-4,520	-4,950	-5,370	-5,850	-5,650	-30,230	
Align employer group waiver plan payments with average MA plan bids			-260	-340	-380	-400	-420	-440	-460	-480	-490	-1,380	-3,670	

Table S-8. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (-) in millions of dollars)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Totals		
												2015-2019	2015-2024	
Strengthen the Independent Payment Advisory Board (IPAB) to reduce long-term drivers of Medicare cost growth														-11,706
Total, Medicare providers ..		-3,430	-10,690	-20,010	-24,570	-30,040	-36,540	-43,857	-49,900	-59,951	-66,068	-88,740	-345,056	
Medicare structural reforms:														
Increase income-related premium under Medicare Parts B and D					-1,730	-2,610	-5,760	-7,860	-9,460	-11,370	-13,620	-4,340	-52,410	
Modify Part B deductible for new enrollees					-50	-60	-260	-370	-810	-920	-930	-110	-3,400	
Introduce home health co-payments for new beneficiaries					-20	-50	-70	-110	-140	-180	-220	-70	-790	
Introduce a Part B premium surcharge for new beneficiaries who purchase near first-dollar Medigap coverage					-70	-160	-260	-370	-490	-600	-680	-230	-2,630	
Encourage the use of generic drugs by low-income beneficiaries			-720	-770	-830	-910	-980	-1,070	-1,160	-1,260	-1,360	-3,230	-9,060	
Total, Medicare structural reforms			-720	-770	-2,700	-3,790	-7,330	-9,780	-12,060	-14,330	-16,810	-7,980	-68,290	
Interactions		24	70	126	167	365	520	1,652	390	3,817	1,028	752	8,159	
Medicaid and other:														
Medicaid and Children's Health Insurance Program:														
Limit Medicaid reimbursement of durable medical equipment based on Medicare rates		-235	-305	-325	-355	-380	-410	-435	-465	-495	-530	-1,600	-3,935	
Reduce fraud, waste, and abuse in Medicaid		10	-18	-47	-55	-65	-64	-54	-55	-55	-57	-175	-460	
Strengthen the Medicaid drug rebate program		-267	-527	-542	-557	-592	-622	-657	-707	-772	-852	-2,485	-6,095	
Exclude brand-name and authorized generic drug prices from Medicaid Federal upper limit (FUL) .		-30	-60	-90	-90	-90	-80	-80	-80	-80	-80	-360	-760	
Increase access to and transparency for Medicaid drug pricing data		6	6	6	6	6						30	30	
Improve and extend the Money Follows the Person Rebalancing Demonstration through 2020														

SUMMARY TABLES

Table S-8. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (-) in millions of dollars)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Totals	
												2015-2019	2015-2024
Provide home and community-based services to children eligible for psychiatric residential treatment facilities		75	158	168	179	190	202	214	227	240	255	770	1,908
Create demonstration to address over-prescription of psychotropic medications for children in foster care ..		127	206	216	223	227	83	-14	-11	-9	-6	999	1,042
Permanently extend Express Lane Eligibility (ELE) option for children			30	45	75	100	110	120	130	145	165	250	920
Expand State flexibility to provide benchmark benefit packages													
Extend the Qualified Individuals (QI) program through CY 2015		385	200									585	585
Extend the Transitional Medical Assistance (TMA) program through CY 2015 ..		950	620	15								1,585	1,585
Total, Medicaid and Children's Health Insurance Program		1,021	310	-554	-574	-604	-781	-906	-961	-1,026	-1,105	-401	-5,180
Pharmaceutical savings:													
Prohibit brand and generic drug companies from delaying the availability of new generic drugs and biologics		-730	-800	-860	-940	-1,010	-1,090	-1,180	-1,270	-1,380	-1,500	-4,340	-10,760
Modify length of exclusivity to facilitate faster development of generic biologics				-80	-250	-400	-530	-570	-670	-810	-830	-730	-4,140
Total, pharmaceutical savings		-730	-800	-940	-1,190	-1,410	-1,620	-1,750	-1,940	-2,190	-2,330	-5,070	-14,900
Medicare-Medicaid Enrollees:													
Ensure retroactive Part D coverage of newly-eligible low-income beneficiaries													
Establish integrated appeals process for Medicare-Medicaid enrollees													
Create pilot to expand PACE eligibility to individuals between ages 21 and 55													
Total, Medicare-Medicaid enrollees													

Table S-8. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (-) in millions of dollars)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Totals	
												2015-2019	2015-2024
Accelerate the issuance of State innovation waivers
Enact survey and certification revisit fees
Invest in CMS Quality Measurement	10	30	30	20	.....	.....	.....	.....	.....	.....	90	90
Allow CMS to reinvest civil monetary penalties recovered from home health agencies	1	1	1	1	1	1	1	1	1	1	5	10
Allow CMS to assess a fee on Medicare providers for payments subject to the Federal Payment Levy Program
Extend special diabetes program at National Institutes of Health and Indian Health Services (IHS) for two years	180	266	111	30	9	5	.....	.....	.....	587	601
Permit Indian Health Service/Tribal/Urban Indian Health programs to pay Medicare-like rates for outpatient services funded through the Purchased and Referred Care program
Extend Health Centers	1,269	2,619	2,673	1,431	81	27	.....	.....	.....	7,992	8,100
Total, Medicaid and other	302	990	1,422	1,041	-552	-2,310	-2,623	-2,900	-3,215	-3,434	3,203	-11,279
Health workforce investments:													
Create a competitive, value-based graduate medical education grant program funded through the Medicare Hospital Insurance Trust Fund	530	500	450	450	500	500	550	550	600	600	2,430	5,230
Extend the Medicaid primary care payment increase through CY 2015 with modifications to expand provider eligibility and better target primary care services	3,960	1,350	.....	.....	.....	.....	.....	.....	.....	.....	5,310	5,310
Invest in the National Health Services Corps	200	527	676	697	707	710	355	50	21	7	2,807	3,950
Total, health workforce investments	4,690	2,377	1,126	1,147	1,207	1,210	905	600	621	607	10,547	14,490
Program management implementation funding	25	300	75	.....	.....	.....	.....	.....	.....	.....	400	400
Total, HHS health savings	1,611	-7,673	-18,031	-24,915	-32,810	-44,450	-53,703	-63,870	-73,058	-84,678	-81,817	-401,576

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Table S-8. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (-) in millions of dollars)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Totals		
												2015-2019	2015-2024	
Provide dedicated, mandatory funding for Health Care Fraud and Abuse Control Program (HCFAC) program integrity:														
Administrative costs		378	706	725	745	765	786	807	829	852	876	3,319	7,469	
Benefit savings		-552	-610	-646	-684	-725	-758	-791	-825	-861	-899	-3,217	-7,351	
Subtotal, provide dedicated, mandatory funding for health care fraud and abuse control program (HCFAC) program integrity		-174	96	79	61	40	28	16	4	-9	-23	102	118	
Annual reduction to discretionary spending limits (non-add)			-294	-294	-294	-294	-294	-294	-294	-294	-294	-1,176	-2,646	
Continue funding for the Personal Responsibility Education Program and Health Profession Opportunity Grants			4	56	107	139	161	113	44	15		306	639	
Repurpose Temporary Assistance for Needy Families (TANF) Contingency Fund to support Pathways to Jobs initiative														
Establish hold harmless for Federal poverty guidelines														
Expand access to quality child care		600	922	1,064	1,332	1,790	2,039	2,247	2,449	2,691	2,939	5,708	18,073	
Modernize child support		7	47	173	195	285	334	392	384	378	240	707	2,435	
Supplemental Security Income (SSI) effects			-1	-5	-5	-7	-9	-10	-10	-10	-10	-18	-67	
Supplemental Nutrition Assistance Program (SNAP) effects		-2	-4	-37	-40	-62	-78	-93	-92	-91	-89	-145	-588	
Provide funding for Aging and Disability Resource Centers		20	20	20	20	20						100	100	
Reauthorize Family Connection Grants			10	15	5							30	30	
Support demonstration to address over-prescription of psychotropic medications for children in foster care (funding in Administration for Children and Families)		1	20	55	71	52	28	16	6	1	1	199	251	
Total, Health and Human Services		2,063	-6,559	-16,611	-23,169	-30,553	-41,947	-51,022	-61,085	-70,083	-81,620	-74,828	-380,585	
Homeland Security:														
Permanently extend and reallocate the travel promotion surcharge ¹ ...														
Housing and Urban Development:														
Provide funding for Project Rebuild		50	4,650	7,100	3,200							15,000	15,000	
Provide funding for the Affordable Housing Trust Fund		10	140	290	230	190	100	20	20			860	1,000	

Table S-8. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (-) in millions of dollars)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Totals	
												2015-2019	2015-2024
Total, Housing and Urban Development		60	4,790	7,390	3,430	190	100	20	20	.....	.....	15,860	16,000
Interior:													
Establish dedicated funding for Land and Water Conservation Fund (LWCF) programs		177	536	1,012	969	915	900	900	900	900	900	3,609	8,109
Provide funding for a National Park Service Centennial Initiative		75	295	400	325	105	.....	.....	.....	.....	.....	1,200	1,200
Extend funding for Payments in Lieu of Taxes (PILT)		442	.....	.....	.....	.....	.....	.....	.....	.....	.....	442	442
Enact Federal oil and gas management reforms		-50	-120	-125	-150	-170	-185	-200	-215	-225	-240	-615	-1,680
Reform hardrock mining on public lands .....		.....	-2	-4	-5	-5	-6	-6	-11	-17	-24	-16	-80
Repeal geothermal payments to counties		-4	-4	-4	-4	-4	-4	-4	-4	-5	-5	-20	-42
Terminate Abandoned Mine Lands (AML) payments to certified States ...		-48	-35	-28	-34	-36	-31	-36	-38	-9	.....	-181	-295
Establish an AML hardrock reclamation fund ¹ .....		.....	-200	-150	-100	-50	.....	.....	.....	.....	.....	-500	-500
Increase coal AML fee to pre-2006 levels ¹		-52	-34	-27	-16	-10	-3	-2	53	38	28	-139	-25
Reauthorize the Federal Land Transaction Facilitation Act of 2000 (FLTFA)		-4	-6	-9	-12	-3	.....	.....	.....	.....	.....	-34	-34
Permanently reauthorize the Federal Lands Recreation Enhancement Act (FLREA) .....		.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Increase duck stamp fees ¹		-4	.....	.....	.....	.....	.....	.....	.....	.....	.....	-4	-4
Extend the Palau Compact of Free Association		42	30	24	19	17	16	10	9	6	4	132	177
Total, Interior		574	460	1,089	992	759	687	662	694	688	663	3,874	7,268
Labor:													
Create Back to Work Partnerships for the long-term unemployed		2,000	2,000	.....	.....	.....	.....	.....	.....	.....	.....	4,000	4,000
Establish a New Career Pathways program for displaced workers		3,604	3,120	2,757	2,542	2,387	2,259	2,037	1,915	1,705	1,524	14,410	23,850
Establish Summer Jobs Plus program for youth		1,000	1,250	250	.....	.....	.....	.....	.....	.....	.....	2,500	2,500
Support Bridge to Work and other work-based UI program reforms ...		200	300	400	400	400	300	.....	.....	.....	.....	1,700	2,000
Enhance UI program integrity ^{1, 2}		-5	-10	-17	-19	-22	-32	-33	-34	-37	-78	-73	-287
Extend Emergency Unemployment Compensation	12,987	3,558	.....	.....	.....	.....	.....	.....	.....	.....	.....	3,558	3,558
Implement cap adjustments for UI program integrity activities ^{1, 2}		-27	-79	-91	-102	-107	-118	-126	-141	-154	-133	-406	-1,078

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Table S-8. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (-) in millions of dollars)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Totals	
												2015-2019	2015-2024
<i>Outlays from discretionary cap adjustment (non-add)</i>		25	30	35	40	45	50	55	60	65	70	175	475
Strengthen UI system solvency ^{1,2}	417	2,882	2,761	-7,098	-6,848	-6,513	-6,584	-5,941	-6,992	-6,345	-6,318	-14,816	-46,996
Improve Pension Benefit Guaranty Corporation (PBGC) solvency				-1,318	-1,648	-2,003	-2,332	-2,662	-3,016	-3,346	-3,676	-4,969	-20,001
Provide the Secretary of the Treasury authority to access and disclose prisoner data to prevent and identify improper payments ^{1,2}		-4	-8	-8	-7	-7	-7	-7	-7	-7	-6	-34	-68
Reform the Federal Employees' Compensation Act (FECA)		-11	-1	-8	-16	-24	-32	-41	-49	-59	-68	-60	-309
Total, Labor	13,404	13,197	9,333	-5,133	-5,698	-5,889	-6,546	-6,773	-8,324	-8,243	-8,755	5,810	-32,831
Transportation:													
Establish a mandatory surcharge for air traffic services ¹		-710	-731	-753	-772	-793	-812	-831	-850	-872	-893	-3,759	-8,017
Establish a co-insurance program for aviation war risk insurance		-19	-10	-3	-1			1	1	2	2	-33	-27
Total, Transportation		-729	-741	-756	-773	-793	-812	-830	-849	-870	-891	-3,792	-8,044
Treasury:													
Establish a Pay for Success Incentive Fund		1	1	10	24	40	56	49	42	24	15	76	262
Reauthorize and reform the Terrorism Risk Insurance Program													
Authorize Treasury to locate and recover assets of the United States and to retain a portion of amounts collected to pay for the costs of recovery.		-3	-3	-3	-3	-3	-3	-3	-3	-3	-3	-15	-30
Increase delinquent federal non-tax debt collections by authorizing administrative bank garnishment for non-tax debts		-32	-32	-32	-32	-32	-32	-32	-32	-32	-32	-160	-320
Increase levy authority for payments to Medicare providers with delinquent tax debt ¹		-50	-72	-74	-76	-77	-78	-80	-81	-84	-84	-349	-756
Allow offset of Federal income tax refunds to collect delinquent State income taxes for out-of-state residents													
Reduce costs for States collecting delinquent income tax obligations													
Implement tax enforcement program integrity cap adjustment ¹		-370	-1,265	-2,584	-3,978	-5,426	-6,620	-7,431	-7,850	-8,137	-8,343	-13,623	-52,004
<i>Outlays from discretionary cap adjustment (non-add)</i>		451	834	1,200	1,581	1,973	2,062	2,113	2,175	2,239	2,306	6,039	16,934
Provide authority to contact delinquent debtors via their cell phones		-12	-12	-12	-12	-12	-12	-12	-12	-12	-12	-60	-120

Table S-8. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (-) in millions of dollars)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Totals		
												2015-2019	2015-2024	
Reauthorize the State Small Business Credit Initiative		277	626	539	38	8	7	5					1,488	1,500
Total, Treasury		-189	-757	-2,156	-4,039	-5,502	-6,682	-7,504	-7,936	-8,244	-8,459		-12,643	-51,468
Veterans Affairs:														
Establish Veterans Job Corps		50	237	237	238	238							1,000	1,000
Extend round-down of cost of living adjustments (compensation)		-30	-69	-107	-148	-191	-206	-215	-225	-236	-246		-545	-1,673
Extend round-down of cost of living adjustments (education)			-1	-1	-2	-3	-3	-3	-3	-4	-4		-7	-24
Provide burial receptacles for certain new casketed gravesites		3	4	3	1	6			3	3	4		17	27
Make permanent the pilot for certain work-study activities		1	1	1	1	1	1	1	1	1	1		5	10
Increase cap on vocational rehabilitation contract counseling ...		1	1	1	1	1	1	1	1	1	1		5	10
Increase annual limitation on new Independent Living cases							4	4	4	4	4			20
Improve housing grant program		11	12	12	13	13	15	15	17	17	17		61	142
Extend supplemental service disabled veterans insurance coverage ⁴														
Total, Veterans Affairs		36	185	146	104	65	-188	-197	-202	-214	-223		536	-488
Corps of Engineers:														
Reform inland waterways funding ¹ ...		-106	-110	-113	-113	-113	-113	-113	-113	-113	-113		-555	-1,120
Environmental Protection Agency:														
Enact pre-manufacture notice fee		-4	-8	-8	-8	-8	-8	-8	-8	-8	-8		-36	-76
Establish Confidential Business Information management fee														
Total, Environmental Protection Agency		-4	-8	-8	-8	-8	-8	-8	-8	-8	-8		-36	-76
International Assistance Programs:														
Mandatory effects of discretionary proposal to implement 2010 International Monetary Fund (IMF) agreement (non-scoreable)		-19											-19	-19
Other Defense—Civil Programs:														
Increase TRICARE pharmacy copayments		-3	-4	-6	-66	-125	-394	-483	-586	-692	-821		-204	-3,180
Increase annual premiums for TRICARE-For-Life (TFL) enrollment			-4	-21	-54	-81	-110	-140	-172	-204	-238		-160	-1,024
Increase TRICARE pharmacy copayments (accrual effects)		609	698	721	750	785	831	879	930	985	1,041		3,563	8,229
Increase annual premiums for TFL enrollment (accrual effects)		80	84	87	92	96	101	107	113	119	127		439	1,006

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Table S-8. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (-) in millions of dollars)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Totals	
												2015-2019	2015-2024
Total, Other Defense -- Civil Programs		686	774	781	722	675	428	363	285	208	109	3,638	5,031
Office of Personnel Management (OPM):													
Modernize the Federal Employees Health Benefits Program (FEHBP):													
Streamline FEHBP pharmacy benefit contracting			-53	-101	-111	-117	-124	-133	-139	-151	-162	-382	-1,091
Provide FEHBP benefits to domestic partners			-8	5	12	18	27	38	45	57	71	27	265
Expand FEHBP plan types			-1	-2	-3	-4	-7	-8	-12	-16	-17	-10	-70
Adjust FEHBP premiums for wellness			2	-10	-33	-61	-93	-128	-176	-247	-337	-102	-1,083
Total, modernize FEHBP			-60	-108	-135	-164	-197	-231	-282	-357	-445	-467	-1,979
Social Security Administration (SSA):													
Provide dedicated, mandatory funding for program integrity:													
Administrative costs			1,750	1,800	1,710	1,625	1,543	1,543	1,543	1,543	1,543	6,885	14,600
Benefit savings			-264	-2,269	-3,204	-4,096	-4,777	-5,400	-6,239	-6,526	-6,738	-9,833	-39,513
Subtotal, provide dedicated, mandatory funding for program integrity			1,486	-469	-1,494	-2,471	-3,234	-3,857	-4,696	-4,983	-5,195	-2,948	-24,913
Annual reduction to discretionary spending limits (non-add)			-273	-273	-273	-273	-273	-273	-273	-273	-273	-1,092	-2,457
Allow SSA to electronically certify certain RRB payments													
Conform treatment of State and local government EITC and child tax credit (CTC) for SSI ⁵													
Eliminate aggressive Social Security claiming strategies													
Establish Workers Compensation Information Reporting		5	5									10	10
Extend SSI time limits for qualified refugees		43	49									92	92
Medicaid effects		11	12									23	23
SNAP effects		-8	-9									-17	-17
Improve collection of pension information from States and localities		18	28	24	-307	-675	-907	-986	-935	-924	-905	-912	-5,569
Lower electronic wage reporting threshold to 25 employees													
Move from annual to quarterly wage reporting		20	30	90								140	140

Table S-8. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (-) in millions of dollars)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Totals	
												2015-2019	2015-2024
Reauthorize and expand demonstration authority for DI and SSI		22	44	67	98	111	58	.....	.....	.....	.....	342	400
Terminate step-child benefits in the same month as step-parent ⁶ .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Use the Death Master File to prevent Federal improper payments .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Total, Social Security Administration .....	.....	111	2,858	-1,030	-3,470	-5,779	-7,590	-8,973	-10,600	-11,163	-11,568	-7,310	-57,204
Other Independent Agencies:													
Civilian Property Realignment Board:													
Dispose of unneeded real property ... ..	.....	-87	-203	-376	-990	-130	-100	-120	-120	-120	-120	-1,786	-2,366
National Infrastructure Bank:													
Create infrastructure bank .....	.....	33	153	373	595	831	1,058	1,158	1,233	1,207	1,062	1,985	7,703
Postal Service:													
Enact Postal Service financial relief and reform:													
PAYGO effect	1,653	1,568	-2,028	-4,999	-4,999	-4,999	-4,999	-4,999	-4,999	-4,999	-4,999	-15,457	-40,452
Non-scoreable effects .....	.....	3,097	5,650	3,451	4,453	5,582	6,526	7,576	4,758	4,647	4,647	22,233	50,387
Total, enact Postal Service financial relief and reform ...	1,653	4,665	3,622	-1,548	-546	583	1,527	2,577	-241	-352	-352	6,776	9,935
Multi-Agency:													
Enact immigration reform ¹ .....	.....	6,000	-1,000	-10,000	-15,000	-17,000	-18,000	-20,000	-23,000	-29,000	-31,000	-37,000	-158,000
Auction or assign via fee 1675-1680 megahertz .....	.....	.....	.....	-80	-150	.....	.....	.....	.....	.....	.....	-230	-230
Reconcile OPM/SSA retroactive disability payments .....	.....	6	.....	-38	-41	-41	-41	-41	-41	-41	-41	-114	-319
Establish a consolidated TRICARE program (mandatory effects in Coast Guard, Public Health Service, and National Oceanic and Atmospheric Administration) .....	.....	1	-10	-17	-17	-18	-19	-20	-21	-22	-23	-61	-166
Outyear mandatory effects of Special Immigrant Visa extension:													
Medicaid .....	.....	.....	3	5	5	4	4	4	4	3	4	17	36
SNAP .....	.....	.....	4	4	4	4	4	4	4	5	5	16	38
SSI .....	.....	.....	5	5	5	5	5	5	5	5	5	20	45
Subtotal, outyear mandatory effects of Special Immigrant Visa extension .....	.....	.....	12	14	14	13	13	13	13	13	14	53	119
Total, multi-agency .....	.....	6,007	-998	-10,121	-15,194	-17,046	-18,047	-20,048	-23,049	-29,050	-31,050	-37,352	-158,596
Total, other mandatory initiatives and savings	15,057	27,430	13,282	-25,647	-44,405	-61,051	-75,620	-87,036	-105,407	-123,420	-136,081	-90,390	-617,954

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Table S-8. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (-) in millions of dollars)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Totals	
												2015-2019	2015-2024
Other Tax Proposals:													
Incentives for job creation, clean energy, and manufacturing:													
Provide additional tax credits for investment in qualified property used in a qualifying advanced energy manufacturing project			86	398	660	641	285	8	-61	-66	-55	1,785	1,896
Designate Promise Zones ³		366	693	641	609	594	588	582	583	598	622	2,903	5,876
Provide new Manufacturing Communities tax credit		20	104	275	454	589	676	737	749	646	414	1,442	4,664
Provide a tax credit for the production of advanced technology vehicles		620	480	552	619	596	656	465	-5	-240	-185	2,867	3,558
Provide a tax credit for medium- and heavy-duty alternative-fuel commercial vehicles		54	85	70	63	64	46	14				336	396
Modify tax-exempt bonds for Indian tribal governments		4	12	12	12	12	12	12	12	12	12	52	112
Extend the tax credit for cellulosic biofuel		100	121	157	178	204	236	237	210	171	114	760	1,728
Modify and extend the tax credit for the construction of energy-efficient new homes		205	137	163	182	199	215	231	246	261	287	886	2,126
Reduce excise taxes on LNG to bring into parity with diesel ²		2	2	2	2	2	2	2	2	2	2	10	20
Total, incentives for job creation, clean energy, and manufacturing		1,371	1,720	2,270	2,779	2,901	2,716	2,288	1,736	1,384	1,211	11,041	20,376
Incentives for investment in infrastructure:													
Provide America Fast Forward Bonds and expand eligible uses ³		-1	1	1		2	-1	*	1		-1	3	2
Allow eligible uses of America Fast Forward Bonds to include financing all qualified private activity bond categories ³		1	5	9	16	21	27	33	39	45	52	52	248
Allow current refundings of State and local governmental bonds		3	5	5	5	5	5	5	5	5	5	23	48
Repeal the \$150 million non-hospital bond limitation on all qualified 501(c)(3) bonds			1	3	5	7	9	11	13	16	17	16	82
Increase national limitation amount for qualified highway or surface freight transfer facility bonds			3	16	34	52	72	92	113	133	154	105	669
Eliminate the volume cap for private activity bonds for water infrastructure			3	5	9	14	20	27	33	41	49	31	201

Table S-8. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (-) in millions of dollars)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Totals	
												2015-2019	2015-2024
Increase the 25-percent limit on land acquisition restriction on private activity bonds			2	4	8	11	15	19	23	27	32	25	141
Allow more flexible research arrangements for purposes of private business use limits					1	1	1	1	3	3	3	2	13
Repeal the government ownership requirement for certain types of exempt facility bonds		14	66	140	216	290	364	437	509	579	644	726	3,259
Exempt foreign pension funds from the application of FIRPTA		114	196	205	216	227	238	250	262	275	289	958	2,272
Total, incentives for investment in infrastructure		131	282	388	510	630	750	875	1,001	1,124	1,244	1,941	6,935
Tax cuts for families and individuals:													
Provide for automatic enrollment in IRAs, including a small employer tax credit, and double the tax credit for small employer plan start-up costs ³			936	1,454	1,486	1,591	1,732	1,905	2,069	2,264	2,485	5,467	15,922
Expand child and dependent care tax credit ³		346	1,361	1,347	1,332	1,320	1,309	1,301	1,283	1,271	1,250	5,706	12,120
Extend exclusion from income for cancellation of certain home mortgage debt		6,190	3,330	822								10,342	10,342
Provide exclusion from income for student loan forgiveness for students in certain income-based or income-contingent repayment programs who have completed payment obligations										2	3		5
Provide exclusion from income for student loan forgiveness and for certain scholarship amounts for participants in the IHS Health Professions Programs		6	14	14	15	16	18	19	20	21	22	65	165
Make Pell Grants excludable from income ³		13	693	1,148	1,118	1,102	1,085	1,072	1,058	1,044	1,032	4,074	9,365
Total, tax cuts for families and individuals		6,555	6,334	4,785	3,951	4,029	4,144	4,297	4,430	4,602	4,792	25,654	47,919
Upper-income revenue proposals for deficit reduction:													
Reduce the value of certain tax expenditures		-26,604	-43,484	-47,703	-52,369	-57,295	-62,206	-67,147	-72,112	-77,018	-81,963	-227,455	-587,901
Implement the Buffett Rule by imposing a new “Fair Share Tax”		-11,750	1,772	-1,432	-4,348	-5,541	-5,794	-6,098	-6,395	-6,689	-7,001	-21,299	-53,276
Total, upper-income tax provisions		-38,354	-41,712	-49,135	-56,717	-62,836	-68,000	-73,245	-78,507	-83,707	-88,964	-248,754	-641,177

SUMMARY TABLES

Table S-8. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (-) in millions of dollars)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Totals	
												2015-2019	2015-2024
Modify estate and gift tax provisions:													
Restore the estate, gift, and GST tax parameters in effect in 2009						-18,261	-19,752	-21,381	-23,090	-25,096	-27,355	-18,261	-134,935
Require consistency in value for transfer and income tax purposes .			-235	-247	-261	-312	-330	-351	-376	-404	-429	-1,055	-2,945
Require a minimum term for grantor retained annuity trusts (GRATs) ..			-267	-353	-444	-570	-681	-806	-955	-1,142	-1,214	-1,634	-6,432
Limit duration of generation-skipping transfer (GST) tax exemption													
Coordinate certain income and transfer tax rules applicable to grantor trusts			-65	-84	-105	-141	-178	-228	-290	-371	-394	-395	-1,856
Extend the lien on estate tax deferrals where estate consists largely of interest in closely held business			-21	-22	-23	-24	-25	-26	-28	-30	-32	-90	-231
Modify GST tax treatment of Health and Education Exclusion Trusts ...			30	29	27	26	24	23	21	20	18	112	218
Simplify gift tax exclusion for annual gifts			-70	-138	-205	-302	-369	-403	-489	-582	-681	-715	-3,239
Expand applicability of definition of executor													
Total, modify estate and gift tax provisions			-628	-815	-1,011	-19,584	-21,311	-23,172	-25,207	-27,605	-30,087	-22,038	-149,420
Reform treatment of financial industry institutions and products:													
Impose a financial crisis responsibility fee			-3,063	-6,150	-6,261	-6,345	-6,419	-6,565	-6,712	-6,868	-7,026	-21,819	-55,409
Require current inclusion in income of accrued market discount and limit the accrual amount for distressed debt		-2	-6	-12	-18	-24	-32	-39	-48	-56	-65	-62	-302
Total, reform treatment of financial industry institutions and products		-2	-3,069	-6,162	-6,279	-6,369	-6,451	-6,604	-6,760	-6,924	-7,091	-21,881	-55,711
Other revenue raisers and loophole closers:													
Require non-spouse beneficiaries of deceased IRA owners and retirement plan participants to take inherited distributions over no more than five years		-91	-235	-388	-543	-702	-735	-693	-642	-591	-539	-1,959	-5,159
Increase Oil Spill Liability Trust Fund financing rate by one cent and update the law to include other sources of crudes ²		-51	-85	-91	-95	-98	-103	-107	-109	-114	-117	-420	-970
Reinstate Superfund taxes ²		-1,596	-2,181	-2,230	-2,264	-2,284	-2,307	-2,356	-2,393	-2,433	-2,474	-10,555	-22,518

Table S-8. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (–) in millions of dollars)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Totals	
												2015-2019	2015-2024
Make unemployment insurance surtax permanent ²		-1,058	-1,466	-1,493	-1,520	-1,544	-1,569	-1,592	-1,616	-1,642	-1,669	-7,081	-15,169
Enhance and modify the conservation easement deduction:													
Enhance and make permanent incentives for the donation of conservation easements			5	8	12	16	28	51	67	70	74	41	331
Eliminate the deduction for contributions of conservation easements on golf courses		-37	-53	-55	-59	-61	-64	-68	-71	-74	-77	-265	-619
Restrict deductions and harmonize the rules for contributions of conservation easements for historic preservation		-8	-11	-16	-22	-26	-27	-28	-31	-32	-33	-83	-234
Subtotal, enhance and modify the conservation easement deduction		-45	-59	-63	-69	-71	-63	-45	-35	-36	-36	-307	-522
Eliminate the deduction for dividends on stock of publicly-traded corporations held in certain ESOPs		-618	-767	-776	-786	-795	-806	-816	-824	-834	-843	-3,742	-7,865
Total, other revenue raisers and loophole closers		-3,459	-4,793	-5,041	-5,277	-5,494	-5,583	-5,609	-5,619	-5,650	-5,678	-24,064	-52,203
Reduce the tax gap and make reforms:													
Expand information reporting:													
Require information reporting for private separate accounts of life insurance companies				-1	-1	-1	-1	-1	-1	-1	-1	-3	-8
Require a certified Taxpayer Identification Number (TIN) from contractors and allow certain withholding		-21	-49	-83	-114	-119	-125	-130	-136	-142	-156	-386	-1,075
Modify reporting of tuition expenses and scholarships on Form 1098-T ³		-8	-113	-114	-115	-116	-118	-119	-120	-120	-120	-466	-1,063
Provide for reciprocal reporting of information in connection with the implementation of FATCA													
Provide authority to readily share beneficial ownership information of U.S. companies with law enforcement			-1	-1	-6	-4	-3	-2	-2	-2	-2	-12	-23
Improve compliance by businesses:													
Require greater electronic filing of returns													

SUMMARY TABLES

Table S-8. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (-) in millions of dollars)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Totals	
												2015-2019	2015-2024
Implement standards clarifying when employee leasing companies can be held liable for their clients' Federal employment taxes		-4	-5	-6	-6	-6	-7	-7	-7	-8	-8	-27	-64
Increase certainty with respect to worker classification		-81	-383	-746	-896	-981	-1,068	-1,162	-1,261	-1,369	-1,481	-3,087	-9,428
Increase information sharing to administer excise taxes ²		-4	-9	-13	-14	-15	-17	-17	-18	-19	-20	-55	-146
Strengthen tax administration:													
Streamline audit and adjustment procedures for large partnerships		-144	-192	-191	-188	-183	-177	-177	-180	-182	-184	-898	-1,798
Revise offer-in-compromise application rules		-1	-1	-1	-2	-2	-2	-2	-2	-2	-2	-7	-17
Expand IRS access to information in the National Directory of New Hires for tax administration purposes													
Make repeated willful failure to file a tax return a felony					-1	-1	-1	-1	-2	-2	-2	-2	-10
Facilitate tax compliance with local jurisdictions		-1	-1	-1	-1	-2	-2	-2	-2	-2	-2	-6	-16
Extend statute of limitations where State adjustment affects Federal tax liability					-1	-4	-4	-4	-4	-4	-4	-5	-25
Improve investigative disclosure statute					-1	-1	-1	-1	-2	-2	-2	-2	-10
Require taxpayers who prepare their returns electronically but file their returns on paper to print their returns with a scannable code													
Allow the IRS to absorb credit and debit card processing fees for certain tax payments		-1	-2	-2	-2	-2	-2	-2	-2	-2	-2	-9	-19
Provide the IRS with greater flexibility to address correctable errors ³		-7	-15	-16	-17	-17	-19	-19	-20	-21	-22	-72	-173
Make e-filing mandatory for exempt organizations													
Authorize the Department of the Treasury to require additional information to be included in electronically filed Form 5500 Annual Reports and electronic filing of certain other employee benefit plan reports													

Table S-8. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (-) in millions of dollars)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Totals	
												2015-2019	2015-2024
Impose a penalty on failure to comply with electronic filing requirements					-1	-1	-1	-1	-2	-2	-2	-2	-10
Provide whistleblowers with protection from retaliation													
Provide stronger protection from improper disclosure of taxpayer information in whistleblower actions													
Index all penalties for inflation		-45	-60	-61	-62	-64	-65	-66	-68	-70	-72	-292	-633
Extend paid preparer EITC due diligence requirements to the child tax credit													
Extend IRS authority to require truncated Social Security Numbers on Form W-2													
Add tax crimes to the Aggravated Identity Theft Statute													
Impose a civil penalty on tax identity theft crimes													
Allow States to send notices of intent to offset Federal tax refunds to collect State tax obligations by regular first-class mail instead of certified mail													
Explicitly provide that the Department of the Treasury and IRS have authority to regulate all paid return preparers		-13	-30	-33	-37	-42	-45	-49	-54	-58	-63	-155	-424
Rationalize tax return filing due dates so they are staggered ³		176	-151	-179	-200	-206	-208	-215	-226	-237	-243	-560	-1,689
Increase the penalty applicable to paid tax preparers who engage in willful or reckless conduct				-1	-1	-1	-1	-1	-1	-1	-1	-3	-8
Enhance administrability of the appraiser penalty													
Total, reduce the tax gap and make reforms		-154	-1,012	-1,449	-1,666	-1,768	-1,867	-1,978	-2,110	-2,246	-2,389	-6,049	-16,639
Simplify the tax system:													
Simplify the rules for claiming the EITC for workers without qualifying children ³		44	590	607	623	617	630	643	657	675	689	2,481	5,775
Modify adoption credit to allow tribal determination of special needs						1	1	1	1	1	1	1	6
Simplify MRD rules		5	5	3	-4	-14	-30	-51	-74	-105	-142	-5	-407
Allow all inherited plan and IRA balances to be rolled over within 60 days													

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Table S-8. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (–) in millions of dollars)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Totals	
												2015-2019	2015-2024
Repeal non-qualified preferred stock designation		-14	-32	-36	-35	-33	-30	-27	-24	-21	-19	-150	-271
Repeal preferential dividend rule for publicly traded and publicly offered REITs													
Reform excise tax based on investment income of private foundations			4	4	5	5	5	5	6	6	7	18	47
Remove bonding requirements for certain taxpayers subject to Federal excise taxes on distilled spirits, wine, and beer													
Simplify arbitrage investment restrictions		2	10	18	28	38	46	58	68	76	87	96	431
Simplify single-family housing mortgage bond targeting requirements		1	3	5	7	10	12	17	20	22	24	26	121
Streamline private business limits on governmental bonds		1	3	5	7	9	11	13	15	17	19	25	100
Exclude self-constructed assets of small taxpayers from the uniform capitalization rules		47	50	67	70	89	93	97	101	106	110	323	830
Repeal technical terminations of partnerships		-16	-20	-21	-22	-23	-23	-24	-25	-25	-26	-102	-225
Repeal anti-churning rules of section 197		25	106	209	278	313	328	331	331	331	331	931	2,583
Repeal special estimated tax payment provision for certain insurance companies													
Repeal the telephone excise tax ²		438	393	349	307	264	221	203	155	120	73	1,751	2,523
Increase the standard mileage rate for automobile use by volunteers		16	47	45	44	44	44	45	46	48	49	196	428
Total simplify the tax system		549	1,159	1,255	1,308	1,320	1,308	1,311	1,277	1,251	1,203	5,591	11,941
Trade initiative:													
Extend GSP ²		385	165									550	550
Other initiatives:													
Authorize the limited sharing of business tax return information to improve the accuracy of important measures of the economy													
Eliminate certain reviews conducted by the U.S. Treasury Inspector General for Tax Administration (TIGTA)													
Modify indexing to prevent deflationary adjustments													
Total other initiatives													

Table S-8. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (-) in millions of dollars)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Totals	
												2015-2019	2015-2024
Total, other tax proposals		-32,978	-41,554	-53,904	-62,402	-87,171	-94,294	-101,837	-109,759	-117,771	-125,759	-278,009	-827,429
Grand Total	15,057	-53,425	-67,786	-114,162	-137,065	-140,645	-165,414	-185,350	-211,634	-238,277	-260,183	-513,082	-1,573,940
Addendum, Reserve for Long-Run Revenue-Neutral Business Tax Reform:													
Incentives for manufacturing, research, clean energy, and insourcing and creating jobs:													
Provide tax incentives for locating jobs and business activity in the United States and remove tax deductions for shipping jobs overseas		7	12	13	12	13	14	13	14	14	14	57	126
Enhance and make permanent the R&E tax credit		9,824	7,765	8,691	9,584	10,456	11,268	12,097	12,965	13,833	14,711	46,320	111,194
Extend and modify certain employment tax credits, including incentives for hiring veterans		1,173	855	921	965	1,001	1,030	1,068	1,112	1,157	1,202	4,915	10,484
Modify and permanently extend renewable electricity production tax credit ³		140	496	843	1,181	1,565	1,974	2,424	2,922	3,461	4,033	4,225	19,039
Modify and permanently extend the deduction for energy-efficient commercial building property		189	369	511	599	666	711	728	735	741	745	2,334	5,994
Total, incentives for manufacturing, research, clean energy, and insourcing and creating jobs		11,333	9,497	10,979	12,341	13,701	14,997	16,330	17,748	19,206	20,705	57,851	146,837
Tax relief for small business:													
Extend increased expensing for small business		15,378	6,878	5,881	5,172	4,581	4,359	4,282	4,340	4,462	4,579	37,890	59,912
Eliminate capital gains taxation on investments in small business stock						239	763	1,269	1,719	2,174	2,625	239	8,789
Increase the limitations for deductible new business expenditures and consolidate provisions for start-up and organizational expenditures		360	448	445	439	433	430	427	426	423	418	2,125	4,249
Expand and simplify the tax credit provided to qualified small employers for non-elective contributions to employee health insurance ³		278	267	226	184	138	117	70	62	40	38	1,093	1,420
Total, tax relief for small business		16,016	7,593	6,552	5,795	5,391	5,669	6,048	6,547	7,099	7,660	41,347	74,370

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Table S-8. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (-) in millions of dollars)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Totals	
												2015-2019	2015-2024
Incentives to promote regional growth:													
Permanently extend and modify the New Markets tax credit		54	170	330	527	754	999	1,254	1,447	1,549	1,578	1,835	8,662
Restructure assistance to New York City, provide tax incentives for transportation infrastructure		200	200	200	200	200	200	200	200	200	200	1,000	2,000
Reform and expand the Low-Income Housing tax credit		22	51	80	115	137	167	188	198	207	216	405	1,381
Total, incentives to promote regional growth		276	421	610	842	1,091	1,366	1,642	1,845	1,956	1,994	3,240	12,043
Reform U.S. international tax system:													
Defer deduction of interest expense related to deferred income of foreign subsidiaries		-2,776	-4,687	-4,853	-5,041	-5,224	-5,424	-3,750	-2,639	-2,740	-2,847	-22,581	-39,981
Determine the foreign tax credit on a pooling basis		-3,697	-6,243	-6,463	-6,714	-6,957	-7,224	-7,513	-7,810	-8,111	-8,427	-30,074	-69,159
Tax currently excess returns associated with transfers of intangibles offshore		-1,578	-2,693	-2,787	-2,832	-2,798	-2,718	-2,664	-2,636	-2,626	-2,633	-12,688	-25,965
Limit shifting of income through intangible property transfers		-71	-137	-172	-207	-244	-283	-325	-373	-427	-489	-831	-2,728
Disallow the deduction for excess non-taxed reinsurance premiums paid to affiliates		-364	-629	-677	-713	-745	-783	-821	-869	-915	-961	-3,128	-7,477
Restrict deductions for excessive interest of members of financial reporting groups		-1,944	-3,434	-3,778	-4,156	-4,571	-5,028	-5,531	-6,084	-6,693	-7,362	-17,883	-48,581
Modify tax rules for dual capacity taxpayers		-527	-906	-953	-1,002	-1,049	-1,096	-1,147	-1,179	-1,233	-1,290	-4,437	-10,382
Tax gain from the sale of a partnership interest on look-through basis		-139	-241	-253	-265	-279	-293	-307	-323	-339	-356	-1,177	-2,795
Prevent use of leveraged distributions from related foreign corporations to avoid dividend treatment		-176	-297	-307	-319	-331	-343	-357	-371	-386	-400	-1,430	-3,287
Extend section 338(h)(16) to certain asset acquisitions		-60	-100	-100	-100	-100	-100	-100	-100	-100	-100	-460	-960
Remove foreign taxes from a section 902 corporation's foreign tax pool when earnings are eliminated		-13	-27	-36	-46	-50	-50	-50	-50	-50	-51	-172	-423
Create a new category of Subpart F income for transactions involving digital goods or services		-585	-1,004	-1,055	-1,107	-1,163	-1,221	-1,282	-1,346	-1,413	-1,484	-4,914	-11,660

Table S-8. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (-) in millions of dollars)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Totals	
												2015-2019	2015-2024
Prevent avoidance of foreign base company sales income through manufacturing service arrangements		-1,235	-2,120	-2,226	-2,337	-2,454	-2,576	-2,705	-2,840	-2,983	-3,132	-10,372	-24,608
Restrict the use of hybrid arrangements that create stateless income		-38	-66	-73	-80	-88	-97	-107	-117	-129	-142	-345	-937
Limit the application of exceptions under Subpart F to certain transactions that use reverse hybrids to create stateless income		-67	-115	-121	-127	-133	-140	-147	-154	-162	-170	-563	-1,336
Limit the ability of domestic entities to expatriate		-150	-415	-706	-1,025	-1,375	-1,756	-2,173	-2,627	-3,120	-3,657	-3,671	-17,004
Total, reform U.S. international tax system		-13,420	-23,114	-24,560	-26,071	-27,561	-29,132	-28,979	-29,518	-31,427	-33,501	-114,726	-267,283
Reform treatment of financial and insurance industry institutions and products:													
Require that derivative contracts be marked to market with resulting gain or loss treated as ordinary		-2,580	-4,623	-3,790	-2,451	-1,518	-1,030	-634	-461	-481	-482	-14,962	-18,050
Modify rules that apply to sales of life insurance contracts		-14	-42	-45	-48	-50	-53	-55	-58	-62	-64	-199	-491
Modify proration rules for life insurance company general and separate accounts		-318	-545	-579	-601	-610	-613	-611	-611	-606	-596	-2,653	-5,690
Expand pro rata interest expense disallowance for corporate-owned life insurance		-33	-95	-174	-271	-389	-529	-689	-877	-1,080	-1,301	-962	-5,438
Total, reform treatment of financial insurance industry institutions and products		-2,945	-5,305	-4,588	-3,371	-2,567	-2,225	-1,989	-2,007	-2,229	-2,443	-18,776	-29,669
Eliminate fossil fuel preferences:													
Eliminate oil and natural gas preferences:													
Repeal enhanced oil recovery credit ⁷													
Repeal credit for oil and natural gas produced from marginal wells ⁷													
Repeal expensing of intangible drilling costs		-2,413	-3,378	-2,445	-1,878	-1,530	-1,157	-693	-483	-484	-486	-11,644	-14,947
Repeal deduction for tertiary injectants		-10	-10	-10	-10	-10	-10	-10	-10	-10	-10	-50	-100
Repeal exception to passive loss limitations for working interests in oil and natural gas properties		-8	-8	-8	-8	-8	-8	-8	-8	-8	-8	-40	-80
Repeal percentage depletion for oil and natural gas wells		-1,506	-1,581	-1,496	-1,409	-1,345	-1,315	-1,280	-1,240	-1,144	-1,113	-7,337	-13,429

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Table S-8. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (-) in millions of dollars)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Totals	
												2015-2019	2015-2024
Repeal domestic manufacturing deduction for oil and natural gas production		-651	-1,134	-1,124	-1,132	-1,184	-1,236	-1,291	-1,347	-1,405	-1,466	-5,225	-11,970
Increase geological and geophysical amortization period for independent producers to seven years		-103	-380	-591	-573	-457	-332	-221	-142	-121	-127	-2,104	-3,047
Subtotal, eliminate oil and natural gas preferences		-4,691	-6,491	-5,674	-5,010	-4,534	-4,058	-3,503	-3,230	-3,172	-3,210	-26,400	-43,573
Eliminate coal preferences:													
Repeal expensing of exploration and development costs		-39	-66	-69	-73	-77	-77	-75	-73	-70	-60	-324	-679
Repeal percentage depletion for hard mineral fossil fuels		-167	-173	-182	-195	-203	-211	-218	-225	-234	-244	-920	-2,052
Repeal capital gains treatment for royalties		-24	-50	-53	-54	-55	-56	-58	-61	-61	-62	-236	-534
Repeal domestic manufacturing deduction for the production of coal and other hard mineral fossil fuels		-27	-46	-49	-50	-53	-55	-58	-60	-63	-66	-225	-527
Subtotal, eliminate coal preferences		-257	-335	-353	-372	-388	-399	-409	-419	-428	-432	-1,705	-3,792
Total, eliminate fossil fuel preferences		-4,948	-6,826	-6,027	-5,382	-4,922	-4,457	-3,912	-3,649	-3,600	-3,642	-28,105	-47,365
Other revenue changes and loophole closers:													
Repeal the excise tax credit for distilled spirits with flavor and wine additives ²		-85	-112	-112	-112	-112	-112	-112	-112	-112	-112	-533	-1,093
Repeal LIFO method of accounting for inventories		-4,283	-8,071	-9,057	-9,245	-9,136	-9,068	-9,112	-9,214	-9,072	-9,157	-39,792	-85,415
Repeal lower-of-cost-or-market inventory accounting method		-607	-1,322	-1,436	-1,446	-850	-254	-266	-278	-291	-304	-5,661	-7,054
Modify depreciation rules for purchases of general aviation passenger aircraft		-91	-276	-410	-437	-487	-503	-347	-182	-134	-135	-1,701	-3,002
Repeal gain limitation for dividends received in reorganization exchanges		-153	-263	-276	-290	-305	-319	-335	-352	-370	-388	-1,287	-3,051
Expand the definition of substantial built-in loss for purposes of partnership loss transfers		-5	-7	-7	-7	-7	-7	-8	-8	-10	-10	-33	-76
Extend partnership basis limitation rules to nondeductible expenditures		-63	-90	-97	-102	-105	-108	-110	-112	-114	-116	-457	-1,017
Limit the importation of losses under related party loss limitation rules		-56	-81	-87	-92	-95	-97	-99	-100	-102	-104	-411	-913

Table S-8. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (-) in millions of dollars)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Totals	
												2015-2019	2015-2024
Deny deduction for punitive damages			-30	-43	-44	-45	-46	-47	-48	-49	-51	-162	-403
Modify like-kind exchange rules for real property		-616	-1,875	-1,894	-1,914	-1,936	-1,958	-1,981	-2,006	-2,031	-2,059	-8,235	-18,270
Conform corporate ownership standards		-29	-36	-38	-40	-42	-44	-46	-48	-50	-52	-185	-425
Prevent elimination of earnings and profits through distributions of certain stock		-16	-30	-32	-34	-35	-37	-39	-41	-43	-45	-147	-352
Total, other revenue changes and loophole closers		-6,004	-12,193	-13,489	-13,763	-13,155	-12,553	-12,502	-12,501	-12,378	-12,533	-58,604	-121,071
Total, reserve for long-run revenue-neutral business tax reform ⁸		308	-29,927	-30,523	-29,609	-28,022	-26,335	-23,362	-21,535	-21,373	-21,760	-117,773	-232,138

Note: For receipt effects, positive figures indicate lower receipts. For outlay effects, positive figures indicate higher outlays. For net costs, positive figures indicate higher deficits.

¹The estimates for this proposal include effects on revenues. The revenue effects included in the totals above are as follows:

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2015-2019	2015-2024
Offset DI benefits for period of concurrent UI receipt					2	11	17	23	27	33	81	13	194
Reauthorize special assessment from domestic nuclear utilities		-200	-204	-209	-213	-218	-223	-229	-234	-239	-245	-1,044	-2,214
Permanently extend and reallocate the travel promotion surcharge			-114	-118	-123	-126	-129	-132	-135	-139	-142	-481	-1,158
Establish an AML hardrock reclamation fund			-200	-200	-200	-200	-200	-200	-200	-200	-200	-800	-1,800
Increase coal AML fee to pre-2006 levels		-52	-48	-50	-51	-53	-54	-54				-254	-362
Increase duck stamp fees		-14	-14	-14	-14	-14	-14	-14	-14	-14	-14	-70	-140
Enhance UI program integrity			-1	-3	-4	-7	-16	-17	-17	-19	-60	-15	-144
Implement cap adjustments for UI program integrity			1	4	10	22	31	42	49	58	104	37	321
Strengthen UI system solvency		2,568	2,761	-7,098	-6,848	-6,513	-6,584	-5,941	-6,992	-6,345	-6,318	-15,130	-47,310
Provide the Secretary of the Treasury authority to access and disclose prisoner data to prevent and identify improper payments					1	2	2	3	4	4	5	3	21
Establish a mandatory surcharge for air traffic services		-710	-731	-753	-772	-793	-812	-831	-850	-872	-893	-3,759	-8,017
Increase levy authority for payments to Medicare providers with delinquent tax debt		-50	-72	-74	-76	-77	-78	-80	-81	-84	-84	-349	-756
Implement tax enforcement program integrity cap adjustment		-370	-1,265	-2,584	-3,978	-5,426	-6,620	-7,431	-7,850	-8,137	-8,343	-13,623	-52,004

SUMMARY TABLES

Table S-8. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (-) in millions of dollars)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Totals	
												2015-2019	2015-2024
Reform inland waterways funding		-106	-110	-113	-113	-113	-113	-113	-113	-113	-113	-555	-1,120
Enact immigration reform		-2,000	-12,000	-28,000	-39,000	-45,000	-47,000	-55,000	-64,000	-77,000	-87,000	-126,000	-456,000
Total revenue effects of mandatory proposals		-934	-11,997	-39,212	-51,379	-58,505	-61,793	-69,974	-80,406	-93,067	-103,222	-162,027	-570,489
² Revenues are net of the Treasury offset.													
³ The estimates for this proposal include effects on outlays. The outlay effects included in the totals above are as follows:													
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2015-2019	2015-2024
Expand EITC for workers without qualifying children		275	5,515	5,584	5,656	5,733	5,825	5,918	6,017	6,105	6,208	22,763	52,836
Designate Promise Zones		11	23	23	25	26	28	30	31	33	36	108	266
Provide America Fast Forward Bonds and expand eligible uses		234	1,073	2,324	3,654	5,045	6,490	7,982	9,516	11,080	12,662	12,330	60,060
Allow eligible uses of America Fast Forward Bonds to include financing all qualified private activity bond categories		49	226	489	769	1,062	1,366	1,680	2,003	2,332	2,665	2,595	12,641
Provide for automatic enrollment in IRAs, including a small employer tax credit, and double the tax credit for small employer plan start-up costs			122	188	192	197	206	209	212	217	221	699	1,764
Expand child and dependent care tax credit			495	486	486	496	504	514	522	536	544	1,963	4,583
Make Pell Grants excludable from income			566	1,017	993	975	962	949	934	921	914	3,551	8,231
Modify reporting of tuition expenses and scholarships on Form 1098-T			-35	-35	-35	-35	-36	-36	-36	-36	-36	-140	-320
Provide the IRS with greater flexibility to address correctable errors		-3	-6	-7	-7	-7	-8	-8	-8	-9	-9	-30	-72
Rationalize tax return filing due dates so they are staggered		-22	-22	-23	-23	-24	-24	-24	-25	-25	-26	-114	-238
Explicitly provide that the Department of the Treasury and IRS have authority to regulate all paid preparers		-2	-14	-15	-17	-19	-20	-22	-24	-26	-28	-67	-187
Simplify the rules for claiming the EITC for workers without qualifying children		26	518	533	548	543	554	565	578	594	606	2,168	5,065
Total outlay effects of tax proposals		568	8,461	10,564	12,241	13,992	15,847	17,757	19,720	21,722	23,757	45,826	144,629

Table S-8. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (-) in millions of dollars)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Totals	
												2015-2019	2015-2024
Addendum, reserve for long-run, revenue-neutral business tax reform:													
Modify and permanently extend renewable electricity production tax credit		28	120	241	382	523	661	811	978	1,158	1,349	1,294	6,251
Expand and simplify the tax credit provided to qualified small employers for non-elective contributions to employee health insurance	11	50	47	41	23	13	10	6	5	7	5	174	207

⁴This proposal costs \$1 million over 2015-2019 and \$3 million over 2015-2024.

⁵This proposal costs less than \$500,000 in each year and over 5 and 10 years.

⁶This proposal saves \$1 million over 2015-2019 and \$4 million over 2015-2024.

⁷The provision is estimated to have zero revenue effect under the Administration's current economic projections.

⁸Because the Administration believes that these proposals should be enacted in the context of comprehensive business tax reform, the amounts are not reflected in the budget estimates of receipts and are not counted toward meeting the Administration's deficit reduction goals. The budget estimates do include \$150 billion in temporary revenues that would be generated by the transition to a reformed business tax system, shown as part of the proposal to reauthorize surface transportation above.

Table S-9. FUNDING LEVELS FOR APPROPRIATED (“DISCRETIONARY”) PROGRAMS BY CATEGORY

(Budget authority in billions of dollars)

	Actual	Estimate	Request	Outyears										Totals	
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2015-2019	2015-2024	
Discretionary Adjusted Baseline by Category:¹															
Defense Category	518	521	521	523	536	549	562	576	590	660	677	693	2,691	5,887	
Non-Defense Category	479	513	492	492	504	516	530	543	556	605	620	635	2,534	5,492	
Total, Base Discretionary Funding	997	1,034	1,014	1,015	1,040	1,065	1,092	1,119	1,146	1,265	1,296	1,328	5,225	11,379	
Discretionary Policy Changes to Baseline Caps:															
2015 Opportunity, Growth, and Security Initiative and Outyear Cap Changes:²															
Defense Category .....	.....	.....	+28	+38	+33	+29	+24	+19	+14	-46	-48	-47	+152	+44
Non-Defense Category .....	.....	.....	+28	+38	+33	+29	+24	+19	+14	-25	-25	-23	+152	+113
Non-Defense Category Reclassifications:															
Surface Transportation Programs	-4	-4	-4	-4	-4	-5	-5	-5	-5	-5	-5	-5	-22	-47	
Program Integrity .....	.....	.....	.....	-1	-1	-1	-1	-1	-1	-1	-1	-1	-2	-5
Proposed Discretionary Policy by Category:															
Defense Category	518	521	549	561	569	578	586	595	604	614	629	646	2,843	5,931	
Non-Defense Category	475	509	516	525	532	540	549	557	565	574	589	606	2,661	5,553	
Total, Base Discretionary Funding	993	1,030	1,065	1,086	1,101	1,118	1,135	1,152	1,169	1,188	1,218	1,252	5,504	11,484	
Discretionary Cap Adjustments and Other Funding (not included above):³															
Overseas Contingency Operations ^{4,5}	93	92	66	33	33	33	33	33	33	.....	.....	.....	199	265
Disaster Relief	11	6	7	.....	.....	.....	.....	.....	.....	.....	.....	.....	7	7
Program Integrity	*	1	2	1	1	2	2	2	2	2	2	2	7	19	
Wildfire Suppression .....	.....	.....	1	1	1	1	1	1	1	1	1	1	6	13
Other Emergency/Supplemental Funding ⁶	39	4	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Total, Cap Adjustments and Other	143	103	75	35	36	36	37	37	37	4	4	4	219	303	
Grand Total, Discretionary Budget Authority															
Authority	1,136	1,133	1,140	1,121	1,137	1,154	1,171	1,188	1,205	1,192	1,222	1,256	5,723	11,787	

* Less than \$500 million.

¹ The discretionary funding levels from OMB’s adjusted baseline are consistent with the caps in the Balanced Budget and Emergency Deficit Control Act of 1985 (BBEDCA), as amended, with separate categories of funding for “defense” (or Function 050) and “non-defense” for 2014-2021. These baseline levels assume Joint Committee enforcement cap reductions are in effect through 2021. For 2022 through 2024, programs are assumed to grow at current services with Joint Committee enforcement no longer in effect, consistent with current law. The levels shown here for the non-defense category do not include the reclassification of surface transportation programs shown later in the table.

² The 2015 Budget provides a detailed request for 2015 at the cap levels provided in the Bipartisan Budget Act of 2013 (BBA). The Budget also proposes for 2015 an Opportunity, Growth, and Security Initiative to provide investments in both defense and non-defense programs; these amounts are not programmatically allocated.

**Table S-9. FUNDING LEVELS FOR APPROPRIATED
("DISCRETIONARY") PROGRAMS BY CATEGORY—Continued**

(Budget authority in billions of dollars)

³Where applicable, amounts in 2013 through 2024 are existing or proposed cap adjustments designated pursuant to Section 251(b)(2) of BBEDCA, as amended. The 2015 Budget proposes new cap adjustments for program integrity and wildfire suppression activities. For 2016 through 2024, the cap adjustment levels for wildfire suppression are placeholders that increase at the policy growth rates in the President's Budget. The existing disaster relief cap adjustment ceiling (which is determined one year at a time) would be reduced by the amount provided for wildfire suppression activities under the cap adjustment for the preceding fiscal year. The amounts will be refined in subsequent Budgets as data on the average costs for wildfire suppression are updated annually.

⁴The 2015 funding levels for Overseas Contingency Operations (OCO) for the Department of Defense and the Department of State and Other International Programs have been updated to reflect the amounts requested in the budget amendment that was transmitted to the Congress on June 26, 2014.

⁵The 2015 Budget includes placeholder amounts of more than \$33 billion per year for Government-wide OCO funding from 2016 to 2021. These amounts reflect the Administration's proposal to cap total OCO budget authority from 2013 to 2021 at \$450 billion but do not reflect any specific decisions or assumptions about OCO funding in any particular year.

⁶The details of the Administration's emergency supplemental request that included funding to comprehensively address the urgent humanitarian situation on the Nation's southwest border due to the significant increase in the migration of unaccompanied children and adults traveling with children, and for emergency wildfire suppression activities for 2014, were still being formulated when the 2015 Mid-Session Review estimates were finalized. An allowance of \$4.5 billion is included as a placeholder.

**Table S-10. FUNDING LEVELS FOR APPROPRIATED
("DISCRETIONARY") PROGRAMS BY AGENCY**

(Budget authority in billions of dollars)

	Actual	Estimate	Request	Outyears										Totals	
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2015-2019	2015-2024	
Base Discretionary Funding by Agency:¹															
Agriculture	23.0	24.1	22.2	23.6	24.1	24.6	25.1	25.7	26.3	26.9	27.6	28.3	119.6	254.4	
Commerce	7.3	8.3	8.8	9.2	9.6	10.6	11.7	18.0	10.1	9.9	10.1	10.1	49.8	108.0	
<i>Census Bureau</i>	0.8	0.9	1.2	1.5	1.7	2.5	3.5	9.6	1.5	1.1	1.1	0.9	10.5	24.6	
Defense ²	495.5	496.0	495.6	535.1	543.7	551.4	559.0	567.6	576.3	585.9	600.6	616.9	2,684.9	5,632.2	
Education	65.7	67.3	68.6	69.5	70.5	71.6	72.7	73.8	74.9	76.2	77.5	78.8	352.8	733.8	
Energy	25.2	27.1	27.9	27.5	28.2	28.8	29.4	30.0	30.7	31.4	32.2	33.0	141.7	299.1	
<i>National Nuclear Security Administration</i> ²	10.6	11.2	11.7	10.8	11.1	11.3	11.5	11.8	12.1	12.4	12.7	13.0	56.4	118.3	
Health & Human Services ³	74.3	79.8	73.7	80.1	81.9	83.7	85.6	87.4	89.3	91.6	93.8	96.2	404.9	863.3	
Homeland Security	38.1	39.4	38.2	38.8	39.5	40.3	41.2	42.1	43.1	44.2	45.3	46.2	198.1	418.9	
Housing and Urban Development	22.8	34.2	32.7	33.2	33.9	34.5	35.2	35.9	36.6	37.5	38.3	39.2	169.5	357.0	
Interior	10.9	11.7	11.5	11.8	12.0	12.3	12.6	12.9	13.1	13.5	13.8	14.1	60.3	127.7	
Justice	25.4	27.2	16.7	28.1	28.7	29.4	30.0	30.7	31.3	32.1	32.9	33.7	132.9	293.8	
Labor	11.8	12.0	11.8	11.9	11.3	11.5	11.8	12.0	12.2	12.5	12.8	13.1	58.3	120.8	
State and Other International Programs	39.6	42.7	42.6	43.5	44.4	45.4	46.4	47.4	48.4	49.5	50.8	52.0	222.3	470.3	
Transportation	13.1	13.7	14.0	14.1	14.4	14.7	15.1	15.4	15.7	16.1	16.5	16.9	72.3	153.0	
Treasury	12.3	12.7	12.4	13.5	13.8	14.2	14.6	15.0	15.5	15.9	16.4	16.8	68.5	148.1	
Veterans Affairs	61.1	63.4	65.3	68.4	69.8	71.4	73.0	74.6	76.2	78.1	80.1	82.1	347.8	738.9	
Corps of Engineers	8.1	5.5	4.5	4.7	4.7	4.9	5.0	5.1	5.2	5.3	5.4	5.6	23.7	50.3	
Environmental Protection Agency	7.9	8.2	7.9	8.0	8.2	8.4	8.6	8.8	9.0	9.2	9.4	9.7	41.2	87.2	
General Services Administration	-1.2	1.8	0.2	0.2	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	1.3	2.7	
National Aeronautics & Space Administration	16.9	17.6	17.5	17.8	18.2	18.6	19.0	19.4	19.8	20.3	20.8	21.4	91.0	192.8	
National Science Foundation	6.9	7.2	7.3	7.4	7.6	7.7	7.9	8.1	8.2	8.4	8.7	8.9	37.8	80.1	
Small Business Administration	1.0	0.9	0.7	0.7	0.7	0.8	0.8	0.8	0.8	0.8	0.8	0.9	3.7	7.8	
Social Security Administration ³	8.5	8.9	9.1	9.0	9.2	9.4	9.6	9.8	10.0	10.2	10.5	10.8	46.2	97.5	
Corporation for National & Community Service	1.0	1.0	1.0	1.1	1.1	1.1	1.1	1.2	1.2	1.2	1.3	1.3	5.5	11.6	
Other Agencies	17.9	18.7	19.2	19.2	19.6	20.0	20.5	20.9	21.3	21.8	22.4	22.9	98.5	207.8	
2015 Opportunity, Growth, and Security Initiative ⁴			55.4										55.4	55.4	
Allowances ⁵				9.7	5.5	2.5	-1.3	-11.1	-6.8	-10.4	-9.9	-6.8	16.3	-28.7	
Subtotal, Base Discretionary Funding	993.0	1,029.6	1,064.7	1,086.1	1,101.0	1,117.9	1,134.8	1,151.7	1,168.6	1,188.5	1,218.4	1,252.3	5,504.4	11,483.9	

**Table S-10. FUNDING LEVELS FOR APPROPRIATED
("DISCRETIONARY") PROGRAMS BY AGENCY—Continued**

(Budget authority in billions of dollars)

	Actual	Estimate	Request	Outyears										Totals	
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2015-2019	2015-2024	
Discretionary Cap Adjustments and Other Funding (not included above):⁶															
Overseas Contingency Operations .	93.0	91.9	65.8	33.2	33.2	33.2	33.2	33.2	33.2	33.2	33.2	33.2	198.6	265.0	
Defense ⁷	82.0	85.2	58.6	.....	.....	.....	.....	.....	.....	.....	.....	.....	58.6	58.6
Homeland Security	0.2	0.2	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
State and Other International Programs ⁷	10.8	6.5	7.3	.....	.....	.....	.....	.....	.....	.....	.....	.....	7.3	7.3
Overseas Contingency Operations Outyears ⁸ .....	.....	.....	.....	33.2	33.2	33.2	33.2	33.2	33.2	33.2	.....	.....	132.8	199.2
Program Integrity	0.5	0.9	1.6	0.9	1.3	1.6	2.0	2.1	2.2	2.2	2.3	2.4	7.5	18.7	
Treasury .....	.....	.....	0.5	0.9	1.2	1.6	2.0	2.1	2.1	2.2	2.2	2.3	6.2	17.1
Labor and SSA	0.5	0.9	1.1	*	*	*	*	*	*	*	*	*	1.1	1.1	
Disaster Relief	11.2	5.6	6.6	.....	.....	.....	.....	.....	.....	.....	.....	.....	6.6	6.6
Homeland Security	11.2	5.6	6.4	.....	.....	.....	.....	.....	.....	.....	.....	.....	6.4	6.4
Small Business Administration .....	.....	.....	0.2	.....	.....	.....	.....	.....	.....	.....	.....	.....	0.2	0.2
Wildfire Suppression⁹ .....	.....	.....	1.2	1.2	1.2	1.3	1.3	1.3	1.4	1.4	1.4	1.5	6.2	13.2
Agriculture .....	.....	.....	1.0	1.0	1.0	1.0	1.0	1.1	1.1	1.1	1.1	1.2	5.0	10.5
Interior .....	.....	.....	0.2	0.2	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	1.3	2.6
Other Emergency/Supplemental Funding	38.6	4.5	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Agriculture	0.2	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Commerce	0.3	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Energy	-0.5	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Health & Human Services	0.3	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Homeland Security	6.4	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Housing and Urban Development	15.2	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Interior	0.8	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Transportation	12.4	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Veterans Affairs	0.2	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Corps of Engineers	1.8	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Environmental Protection Agency	0.6	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Small Business Administration	0.8	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Other Agencies	0.1	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Allowances ¹⁰ .....	.....	4.5	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Grand Total, Discretionary Funding .	1,136.3	1,132.5	1,140.0	1,121.4	1,136.7	1,154.0	1,171.3	1,188.3	1,205.3	1,192.1	1,222.1	1,256.1	5,723.3	11,787.3	

* \$50 million or less.

¹ Amounts in the actual and estimated years of 2013 and 2014 exclude changes in mandatory programs enacted in appropriations bills since those amounts have been rebased as mandatory, whereas amounts in 2015 are net of these proposals. In addition, 2013 levels include the effects of the March 1, 2013 Joint Committee sequestration reductions.

SUMMARY TABLES

**Table S-10. FUNDING LEVELS FOR APPROPRIATED
("DISCRETIONARY") PROGRAMS BY AGENCY—Continued**

(Budget authority in billions of dollars)

² The Department of Defense (DOD) levels in 2016–2024 include funding that will be allocated, in annual increments, to the National Nuclear Security Administration (NNSA). Current estimates by which DOD’s budget authority will decrease and NNSA’s will increase are, in millions of dollars: 2016: \$1,444; 2017: \$1,602; 2018: \$1,665; 2019: \$1,698; 2020: \$1,735; 2016–2024: \$15,507. DOD and NNSA are reviewing NNSA’s outyear requirements and these will be included in future reports to the Congress.

³ Funding from the Hospital Insurance and Supplementary Medical Insurance trust funds for administrative expenses incurred by the Social Security Administration that support the Medicare program are included in the Health and Human Services total and not in the Social Security Administration total.

⁴ The 2015 Budget provides a detailed request for 2015 at the cap levels provided in the Bipartisan Budget Act of 2013 (BBA). The Budget also proposes for 2015 an Opportunity, Growth, and Security Initiative to provide investments in both defense and non-defense programs; these amounts are not programmatically allocated.

⁵ The 2015 Budget includes allowances, similar to the Function 920 allowances used in Budget Resolutions, to represent amounts to be allocated among the respective agencies to reach the proposed defense and non-defense caps for 2016 and beyond. These levels are determined for illustrative purposes but do not reflect specific policy decisions.

⁶ Where applicable, amounts in 2013 through 2024 are existing or proposed cap adjustments designated pursuant to Section 251(b)(2) of the BBEDCA, as amended.

⁷ The 2015 funding levels for Overseas Contingency Operations (OCO) for the Department of Defense and the Department of State and Other International Programs have been updated to reflect the amounts requested in the budget amendment that was transmitted to the Congress on June 26, 2014.

⁸ The 2015 Budget includes placeholder amounts of \$33.2 billion per year for Government-wide OCO funding from 2016 to 2021. These amounts reflect the Administration’s proposal to cap total OCO budget authority from 2013 to 2021 at \$450 billion but do not reflect any specific decisions or assumptions about OCO funding in any particular year.

⁹ For 2016 through 2024, the cap adjustment levels are placeholders that increase at the policy growth rates in the President’s Budget. The existing disaster relief cap adjustment ceiling (which is determined one year at a time) would be reduced by the amount provided for wildfire suppression activities under the cap adjustment for the preceding fiscal year. Those amounts will be refined in subsequent Budgets as data on the average costs for wildfire suppression are updated annually.

¹⁰ The details of the Administration’s emergency supplemental request that included funding to comprehensively address the urgent humanitarian situation on the Nation’s southwest border due to the significant increase in the migration of unaccompanied children and adults traveling with children, and for emergency wildfire suppression activities for 2014, were still being formulated when the 2015 Mid-Session Review estimates were finalized. An allowance of \$4.5 billion is included as a placeholder.

Table S-11. FEDERAL GOVERNMENT FINANCING AND DEBT

(Dollar amounts in billions)

	Actual					Estimate							
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	
Financing:													
Unified budget deficit:													
Primary deficit (+)/surplus (-)	459	359	275	211	89	9	44	5	-48	-64	-156	-238	
Net interest	221	224	250	314	379	448	518	584	642	700	757	804	
Unified budget deficit	680	583	525	525	468	456	562	589	594	637	601	566	
As a percent of GDP	4.1%	3.4%	2.9%	2.7%	2.3%	2.2%	2.6%	2.6%	2.5%	2.6%	2.3%	2.1%	
Other transactions affecting borrowing from the public:													
Changes in financial assets and liabilities: ¹													
Change in Treasury operating cash balance	3	52	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Net disbursements of credit financing accounts:													
Direct loan accounts	139	129	122	127	122	107	100	100	101	102	107	108	
Guaranteed loan accounts	-1	12	10	8	8	6	8	7	4	1	-1	-2	
Troubled Asset Relief Program (TARP) equity purchase accounts	-7	-5	-1	_*	_*	_*	_*	_*	_*	_*	_*	_*	
Net purchases of non-Federal securities by the National Railroad Retirement Investment Trust (NRRIT)	1	1	-1	-1	-1	-1	-1	-1	-1	-1	-1	_*	
Net change in other financial assets and liabilities ²	-114	120	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Subtotal, changes in financial assets and liabilities	22	308	130	133	128	112	107	106	104	102	105	106	
Seigniorage on coins	_*	_*	_*	_*	_*	_*	_*	_*	_*	_*	_*	_*	
Total, other transactions affecting borrowing from the public	22	308	130	133	128	112	107	106	104	102	105	106	
Total, requirement to borrow from the public (equals change in debt held by the public)	701	891	655	658	596	568	669	695	698	739	706	672	
Changes in Debt Subject to Statutory Limitation:													
Change in debt held by the public	701	891	655	658	596	568	669	695	698	739	706	672	
Change in debt held by Government accounts	-33	276	137	140	169	172	97	77	69	35	37	49	
Change in other factors	4	-8	1	2	2	2	3	3	2	2	3	3	
Total, change in debt subject to statutory limitation	672	1,159	793	800	767	742	768	774	769	776	746	724	
Debt Subject to Statutory Limitation, End of Year:													
Debt issued by Treasury	16,692	17,858	18,649	19,447	20,213	20,954	21,721	22,493	23,262	24,036	24,781	25,504	
Adjustment for discount, premium, and coverage ³	8	*	2	4	5	6	8	9	10	12	13	14	
Total, debt subject to statutory limitation ⁴	16,699	17,858	18,651	19,451	20,218	20,960	21,729	22,503	23,272	24,048	24,794	25,518	

SUMMARY TABLES

TABLE S-11. FEDERAL GOVERNMENT FINANCING AND DEBT—Continued

(Dollar amounts in billions)

	Actual					Estimate						
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Debt Outstanding, End of Year:												
Gross Federal debt: ⁵												
Debt issued by Treasury	16,692	17,858	18,649	19,447	20,213	20,954	21,721	22,493	23,262	24,036	24,781	25,504
Debt issued by other agencies	28	29	29	29	28	27	26	25	24	23	21	19
Total, gross Federal debt	16,719	17,887	18,678	19,476	20,241	20,981	21,746	22,518	23,285	24,059	24,802	25,523
Held by:												
Debt held by Government accounts	4,737	5,013	5,150	5,290	5,459	5,631	5,727	5,804	5,873	5,908	5,946	5,995
Debt held by the public ⁶	11,983	12,874	13,528	14,186	14,782	15,350	16,019	16,714	17,412	18,151	18,857	19,529
As a percent of GDP	72.0%	74.5%	74.6%	74.3%	73.7%	73.2%	73.2%	73.1%	72.9%	72.8%	72.5%	72.0%
Debt Held by the Public Net of Financial Assets:												
Debt held by the public	11,983	12,874	13,528	14,186	14,782	15,350	16,019	16,714	17,412	18,151	18,857	19,529
Less financial assets net of liabilities:												
Treasury operating cash balance	88	140	140	140	140	140	140	140	140	140	140	140
Credit financing account balances:												
Direct loan accounts	944	1,073	1,194	1,321	1,442	1,549	1,650	1,750	1,851	1,953	2,059	2,168
Guaranteed loan accounts	-10	1	11	19	27	33	40	47	51	52	52	50
TARP equity purchase accounts	7	2	1	1	*	-*	-*	-*	-*	-*	-1	-1
Government-sponsored enterprise preferred stock	140	140	140	140	140	140	140	140	140	140	140	140
Non-Federal securities held by NRRIT	24	25	25	24	23	22	21	20	19	18	18	17
Other assets net of liabilities	-137	-17	-17	-17	-17	-17	-17	-17	-17	-17	-17	-17
Total, financial assets net of liabilities	1,056	1,365	1,494	1,627	1,755	1,867	1,974	2,080	2,184	2,286	2,392	2,498
Debt held by the public net of financial assets	10,926	11,509	12,034	12,559	13,026	13,483	14,045	14,634	15,228	15,864	16,465	17,031
As a percent of GDP	65.7%	66.6%	66.4%	65.8%	65.0%	64.3%	64.1%	64.0%	63.8%	63.7%	63.3%	62.7%

* \$500 million or less.

¹ A decrease in the Treasury operating cash balance (which is an asset) is a means of financing a deficit and therefore has a negative sign; that is, the reduction in cash balances reduces the amount that would otherwise be borrowed from the public. An increase in checks outstanding (which is a liability) is also a means of financing a deficit and therefore also has a negative sign.

² Includes checks outstanding, 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.

³ Consists mainly of debt issued by the Federal Financing Bank (which is not subject to limit), Treasury securities held by the Federal Financing Bank, 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.

⁴ Legislation enacted February 15, 2014, (P.L. 113-83) temporarily suspends the debt limit through March 15, 2015.

⁵ 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).

⁶ At the end of 2013, the Federal Reserve Banks held \$2,072.3 billion of Federal securities and the rest of the public held \$9,910.3 billion. Debt held by the Federal Reserve Banks is not estimated for future years.

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