

|   | CBO Baseline          |                       | OMB Baseline          |                       | PAYGO Baseline        |                       | No Offset Scenario      |                         |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-------------------------|-------------------------|
|   | CBO                   | OMB                   | CBO                   | OMB                   | CBO                   | OMB                   | CBO                     | OMB                     |
| <b>Investments and Initiatives with/ Dedicated Offsets</b>                                      | <b>\$80 billion</b>   | <b>-\$80 billion</b>  | <b>\$80 billion</b>   | <b>-\$80 billion</b>  | <b>\$80 billion</b>   | <b>-\$80 billion</b>  | <b>\$80 billion</b>     | <b>-\$80 billion</b>    |
| <i>Fund and Increase Highway and Related Spending</i>   | \$70 billion          | \$70 billion          | \$70 billion          | \$70 billion          | \$70 billion          | \$70 billion          | \$70 billion            | \$70 billion            |
| <i>Raise Transition Revenue from Tax Reform</i>   | #                     | -\$150 billion        | #                     | -\$150 billion        | #                     | -\$150 billion        | #                       | -\$150 billion          |
| <i>Fund Universal Pre-School and Related Spending</i>   | \$75 billion          | \$75 billion          | \$75 billion          | \$75 billion          | \$75 billion          | \$75 billion          | \$75 billion            | \$75 billion            |
| <i>Increase and Index Cigarette Tax</i>   | -\$80 billion         | -\$80 billion         | -\$80 billion         | -\$80 billion         | -\$80 billion         | -\$80 billion         | -\$80 billion           | -\$80 billion           |
| <i>Expand Earned Income Tax Credit</i>  | \$60 billion          | \$60 billion          | \$60 billion          | \$60 billion          | \$60 billion          | \$60 billion          | \$60 billion            | \$60 billion            |
| <i>Close Various Tax Loopholes</i>  | -\$45 billion         | -\$60 billion         | -\$45 billion         | -\$60 billion         | -\$45 billion         | -\$60 billion         | -\$45 billion           | -\$60 billion           |
|   |                       |                       |                       |                       |                       |                       |                         |                         |
| <b>Sequester Relief, Dedicated Offsets, and Other Spending Changes</b>                          | <b>\$665 billion</b>  | <b>\$620 billion</b>  | <b>\$420 billion</b>  | <b>\$355 billion</b>  | <b>\$665 billion</b>  | <b>\$620 billion</b>  | <b>-\$210 billion</b>   | <b>-\$340 billion</b>   |
| <i>Increase FY2015 Discretionary Spending</i>   | \$55 billion          | \$55 billion          | \$55 billion          | \$55 billion          | \$55 billion          | \$55 billion          | \$55 billion            | \$55 billion            |
| <i>Reduce Farm Subsidies and Other Cuts</i>   | -\$25 billion         | -\$30 billion         | -\$25 billion         | -\$30 billion         | -\$25 billion         | -\$30 billion         | -\$25 billion           | -\$30 billion           |
| <i>Limit Size of Tax Preferred Retirement Accounts</i>  | -\$5 billion          | -\$30 billion         | -\$5 billion          | -\$30 billion         | -\$5 billion          | -\$30 billion         | -\$5 billion            | -\$30 billion           |
| <i>Reduce Future Sequestration Cuts and Set Future Discretionary Levels</i>                     | \$380 billion         | \$365 billion         | \$135 billion         | \$140 billion         | \$380 billion         | \$365 billion         | -\$375 billion          | -\$385 billion          |
| <i>Repeal Mandatory Sequester Cuts</i>  | \$120 billion         | \$185 billion         | \$120 billion         | \$170 billion         | \$120 billion         | \$185 billion         | \$0 billion             | \$0 billion             |
| <i>Increase PBGC Premiums</i>   | -\$10 billion         | -\$20 billion         | -\$10 billion         | -\$20 billion         | -\$10 billion         | -\$20 billion         | -\$10 billion           | -\$20 billion           |
| <i>Other Non-Health Mandatory Spending Changes</i>  | \$150 billion         | \$95 billion          | \$150 billion         | \$65 billion          | \$150 billion         | \$95 billion          | \$150 billion           | \$65 billion            |
|   |                       |                       |                       |                       |                       |                       |                         |                         |
| <b>Health Care Reforms</b>  | <b>-\$235 billion</b> | <b>-\$300 billion</b> | <b>-\$360 billion</b> | <b>-\$400 billion</b> | <b>-\$235 billion</b> | <b>-\$300 billion</b> | <b>-\$360 billion</b>   | <b>-\$400 billion</b>   |
| <i>Reform the Sustainable Growth Rate ("Doc Fixes")</i>   | \$125 billion         | \$100 billion         | \$0 billion           | \$0 billion           | \$125 billion         | \$100 billion         | \$0 billion             | \$0 billion             |
| <i>Reduce Spending on Prescription Drugs</i>  | -\$155 billion        | -\$155 billion        | -\$155 billion        | -\$155 billion        | -\$155 billion        | -\$155 billion        | -\$155 billion          | -\$155 billion          |
| <i>Reduce Spending on Post-Acute Care</i>   | -\$85 billion         | -\$110 billion        | -\$85 billion         | -\$110 billion        | -\$85 billion         | -\$110 billion        | -\$85 billion           | -\$110 billion          |
| <i>Increase Means-testing of Medicare Premiums</i>  | -\$50 billion         | -\$55 billion         | -\$50 billion         | -\$55 billion         | -\$50 billion         | -\$55 billion         | -\$50 billion           | -\$55 billion           |
| <i>Modify Cost Sharing in Medicare</i>  | -\$35 billion         | -\$15 billion         | -\$35 billion         | -\$15 billion         | -\$35 billion         | -\$15 billion         | -\$35 billion           | -\$15 billion           |
| <i>Reduce Other Health Care Spending</i>  | -\$35 billion         | -\$65 billion         | -\$35 billion         | -\$65 billion         | -\$35 billion         | -\$65 billion         | -\$35 billion           | -\$65 billion           |
|   |                       |                       |                       |                       |                       |                       |                         |                         |
| <b>Revenue Changes</b>  | <b>-\$615 billion</b> | <b>-\$780 billion</b> | <b>-\$790 billion</b> | <b>-\$935 billion</b> | <b>-\$615 billion</b> | <b>-\$780 billion</b> | <b>-\$1,290 billion</b> | <b>-\$1,440 billion</b> |
| <i>Extend Expiring Refundable Tax Credits</i>   | \$175 billion         | \$155 billion         | \$0 billion           | \$0 billion           | \$175 billion         | \$155 billion         | \$0 billion             | \$0 billion             |
| <i>Enact Tax Breaks for Families, Jobs, and Infrastructure and Address Individual Extenders</i> | \$60 billion          | \$85 billion          | \$60 billion          | \$85 billion          | \$60 billion          | \$85 billion          | -\$50 billion           | -\$70 billion           |
| <i>Limit Value of Tax Preferences to 28%</i>  | -\$500 billion        | -\$600 billion        | -\$500 billion        | -\$600 billion        | -\$500 billion        | -\$600 billion        | -\$500 billion          | -\$600 billion          |
| <i>Enact "Buffett Rule" to Set Minimum Tax</i>  | -\$70 billion         | -\$55 billion         | -\$70 billion         | -\$55 billion         | -\$70 billion         | -\$55 billion         | -\$70 billion           | -\$55 billion           |
| <i>Reform and Increase Estate Tax</i>   | -\$95 billion         | -\$130 billion        | -\$95 billion         | -\$130 billion        | -\$95 billion         | -\$130 billion        | -\$95 billion           | -\$130 billion          |
| <i>Reduce the Tax Gap</i>   | -\$60 billion         | -\$70 billion         | -\$60 billion         | -\$70 billion         | -\$60 billion         | -\$70 billion         | -\$60 billion           | -\$70 billion           |
| <i>Impose Financial Responsibility Tax</i>  | -\$50 billion         | -\$55 billion         | -\$50 billion         | -\$55 billion         | -\$50 billion         | -\$55 billion         | -\$50 billion           | -\$55 billion           |
| <i>Reform Unemployment Insurance Financing</i>  | -\$20 billion         | -\$60 billion         | -\$20 billion         | -\$60 billion         | -\$20 billion         | -\$60 billion         | -\$20 billion           | -\$60 billion           |

|  |                                |                                |                                |                                |                              |                              |                                |                                |
|--|--------------------------------|--------------------------------|--------------------------------|--------------------------------|------------------------------|------------------------------|--------------------------------|--------------------------------|
| <i>Enact Other Revenue Raisers</i>                     | <i>-\$55 billion</i>           | <i>-\$55 billion</i>           | <i>-\$55 billion</i>           | <i>-\$55 billion</i>           | <i>-\$55 billion</i>         | <i>-\$55 billion</i>         | <i>-\$55 billion</i>           | <i>-\$55 billion</i>           |
| <i>Enact Business Tax Reform and Address Extenders</i> | <i>\$0 billion</i>             | <i>\$0 billion</i>             | <i>\$0 billion</i>             | <i>\$0 billion</i>             | <i>\$0 billion</i>           | <i>\$0 billion</i>           | <i>-\$370 billion</i>          | <i>-\$370 billion</i>          |
| <b>Enact Immigration Reform</b>                        | <b><i>-\$160 billion</i></b>   | <b><i>-\$160 billion</i></b>   | <b><i>-\$160 billion</i></b>   | <b><i>-\$160 billion</i></b>   | <b><i>-\$160 billion</i></b> | <b><i>-\$160 billion</i></b> | <b><i>-\$160 billion</i></b>   | <b><i>-\$160 billion</i></b>   |
| <i>Spending Impact</i>                                 | <i>\$300 billion</i>           | <i>\$300 billion</i>           | <i>\$300 billion</i>           | <i>\$300 billion</i>           | <i>\$300 billion</i>         | <i>\$300 billion</i>         | <i>\$300 billion</i>           | <i>\$300 billion</i>           |
| <i>Revenue Impact</i>                                  | <i>-\$455 billion</i>          | <i>-\$455 billion</i>          | <i>-\$455 billion</i>          | <i>-\$455 billion</i>          | <i>-\$455 billion</i>        | <i>-\$455 billion</i>        | <i>-\$455 billion</i>          | <i>-\$455 billion</i>          |
| <b>Net Interest</b>                                    | <b><i>\$5 billion</i></b>      | <b><i>-\$35 billion</i></b>    | <b><i>-\$60 billion</i></b>    | <b><i>-\$120 billion</i></b>   | <b><i>\$5 billion</i></b>    | <b><i>-\$35 billion</i></b>  | <b><i>-\$290 billion</i></b>   | <b><i>-\$375 billion</i></b>   |
| <b>Total Net Deficit Reduction</b>                     | <b><i>-\$260 billion</i></b>   | <b><i>-\$735 billion</i></b>   | <b><i>-\$870 billion</i></b>   | <b><i>-\$1,335 billion</i></b> | <b><i>-\$260 billion</i></b> | <b><i>-\$735 billion</i></b> | <b><i>-\$2,225 billion</i></b> | <b><i>-\$2,795 billion</i></b> |
| <i>Reduce War Spending from Baseline</i>               | <i>-\$660 billion</i>          | <i>-\$695 billion</i>          | <i>-\$660 billion</i>          | <i>-\$695 billion</i>          | <i>\$0 billion</i>           | <i>\$0 billion</i>           | <i>\$0 billion</i>             | <i>\$0 billion</i>             |
| <i>Net Interest</i>                                    | <i>-\$115 billion</i>          | <i>-\$120 billion</i>          | <i>-\$115 billion</i>          | <i>-\$120 billion</i>          | <i>\$0 billion</i>           | <i>\$0 billion</i>           | <i>\$0 billion</i>             | <i>\$0 billion</i>             |
| <b>Deficit Reduction with War Drawdown</b>             | <b><i>-\$1,035 billion</i></b> | <b><i>-\$1,550 billion</i></b> | <b><i>-\$1,545 billion</i></b> | <b><i>-\$2,150 billion</i></b> | <b><i>-\$260 billion</i></b> | <b><i>-\$735 billion</i></b> | <b><i>-\$2,225 billion</i></b> | <b><i>-\$2,795 billion</i></b> |

Source: CBO, OMB, CRFB calculations

#The Administration proposes dedicating \$150 billion of temporary corporate revenue toward transportation funding. The Administration also identifies about \$225 billion of net business reform revenue which could be used for tax reform; however because it does not offer specificity as to where the transportation revenue is coming from, the CBO assumes no net revenue from corporate tax reform.