

T13-0112
FY2014 House Budget Proposal (Without Unspecified Revenue Raisers)
Impact on Tax Revenue (billions of current dollars), 2014-2023 ¹
Baseline: Current Law

Proposal	Fiscal Year										Total 2014-23
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Repeal the alternative minimum tax (AMT) ²	-9.7	-25.0	-27.0	-28.6	-30.0	-31.5	-33.0	-33.8	-34.9	-36.0	-289.3
Enact ordinary income tax rates of 10 and 25 percent ³	-189.0	-271.4	-297.2	-320.8	-344.4	-370.4	-396.1	-423.9	-454.9	-485.6	-3,553.9
Repeal taxes from 2010 health reform law ⁴	-23.8	-36.2	-50.8	-61.0	-69.8	-79.0	-85.8	-91.8	-99.1	-107.2	-704.7
Reduce the corporate tax rate to 25 percent	-74.2	-112.8	-123.0	-128.7	-128.9	-125.2	-123.7	-124.0	-125.5	-127.4	-1,193.4
Total	-296.6	-445.5	-498.0	-539.1	-573.1	-606.1	-638.6	-673.6	-714.4	-756.2	-5,741.3

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0412-8).

(1) Fiscal years. Assumes proposals are effective 01/01/2014. Revenue estimates are net of outlays for refundable credits. Estimates assume a microdynamic behavioral response.

(2) Estimate for AMT repeal assumes a 40-60 fiscal split; estimates of other provisions assume a 75-25 split. Actual effect on receipts could differ.

(3) Assumes the 15 percent statutory tax rate would be reduced to 10 percent and that all statutory rates greater than 25 percent would be reduced to 25 percent. The budget resolution proposes a 25 percent top rate as its goal.

(4) Includes the following provisions: the 0.9 percent additional tax on earnings; the 3.8 percent additional tax on investment income; the increase in the AGI floor to 10 percent for deductible medical expenses; the health insurer excise tax; the excise tax on high-premium insurance plans; and employer penalties. Estimate for repeal of the 3.8 percent additional tax includes timing effects on the realization of capital gains, which are included in the fiscal year 2014 estimate. Estimate does not include the revenue gained from eliminating the premium assistance credit, estimated by CBO to be \$262 billion over 2014-23, or the revenue lost from other effects on tax revenues associated with shifts in the mix of taxable and nontaxable compensation resulting from changes in employment-based health insurance coverage estimated by CBO to be \$219 billion over 2014-23. See http://www.cbo.gov/sites/default/files/cbofiles/attachments/43900_ACAInsuranceCoverageEffects.pdf.

THIS TABLE DOES NOT ESTIMATE THE REVENUE EFFECTS OF THE ENTIRE FY2014 BUDGET RESOLUTION PROPOSED BY REP. PAUL RYAN (R-WI). THROUGH MEASURES THAT ARE NOT SPECIFIED, THE PROPOSED RESOLUTION PLEDGES TO RAISE THE SAME AMOUNT OF REVENUE AS CBO'S BASELINE PROJECTION FOR CURRENT LAW.