

Budgetary Effects of H.R. 4213, the American Jobs and Closing Tax Loopholes Act of 2010

(As reported by the Committee on Rules on May 26, 2010 with a subsequent draft amendment transmitted to CBO on May 27, 2010)

(Millions of dollars, by fiscal year)

May 28, 2010

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2010- 2014	2010- 2015	2010- 2019	2010- 2020
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Division I: Section 523 -- Medicare Sustainable Growth Rate Reform

NET INCREASE IN DEFICITS FROM DIRECT SPENDING

Medicare Physician Payment Update	3,143	14,455	5,320	0	0	0	0	0	0	0	0	22,918	22,918	22,918	22,918
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Division II: All Other Provisions (The amendment printed in part A of the Rules Committee report on H.R. 4213, as modified by the amendment printed in part B of Rules Committee report and the further amendment printed in section 2 of the rule, except for section 523 of the amendment.)

CHANGES IN REVENUES

TOTAL CHANGES IN REVENUES 1/	-6,855	-10,201	6,391	8,037	7,657	28,714	-13,468	7,884	6,977	6,158	6,548	5,028	33,742	41,281	47,829
On-budget revenues	-6,855	-10,666	5,484	7,121	6,862	27,965	-14,201	7,215	6,546	5,931	6,176	1,946	29,911	35,389	41,565
Off-budget revenues	0	465	907	916	795	749	733	669	431	227	372	3,082	3,831	5,892	6,264

CHANGES IN DIRECT SPENDING (OUTLAYS)

Title I—Infrastructure Incentives	14	554	2,090	2,871	2,871	2,871	2,871	2,871	2,871	2,871	2,871	8,399	11,270	22,752	25,623
Title II—Extensions of Expiring Provisions	3,302	1,363	0	0	0	0	0	0	0	0	0	4,664	4,664	4,664	4,664
Title III—Pension Funding Relief	0	0	-70	-130	-200	-260	-130	-100	-30	100	160	-400	-660	-820	-660
Title IV—Revenue Offsets	0	500	400	100	0	0	0	0	0	0	0	1,000	1,000	1,000	1,000
Title V—Unemployment, Health, Other Assistance															
Subtitle A—Unemployment/Other	12,254	28,486	473	88	40	7	2	0	0	0	0	41,341	41,348	41,350	41,350
Subtitle B—Health Provisions	<u>-3,151</u>	<u>-371</u>	<u>270</u>	<u>212</u>	<u>17</u>	<u>15</u>	<u>21</u>	<u>-21</u>	<u>2</u>	<u>18</u>	<u>23</u>	<u>-3,023</u>	<u>-3,009</u>	<u>-2,989</u>	<u>-2,966</u>
Subtotal (Title V)	9,103	28,115	743	300	57	22	23	-21	2	18	23	38,318	38,339	38,361	38,384
Title VI—Other Provisions	<u>3,031</u>	<u>3,917</u>	<u>1,558</u>	<u>661</u>	<u>370</u>	<u>240</u>	<u>133</u>	<u>105</u>	<u>55</u>	<u>27</u>	<u>27</u>	<u>9,537</u>	<u>9,777</u>	<u>10,097</u>	<u>10,124</u>
TOTAL CHANGES IN OUTLAYS (DIVISION II)	15,450	34,449	4,721	3,802	3,098	2,873	2,897	2,855	2,898	3,016	3,081	61,519	64,392	76,058	79,138

DIVISION II, Continued

NET INCREASE OR DECREASE (-) IN DEFICITS FROM REVENUES AND DIRECT SPENDING

NET CHANGES IN DEFICITS 2/	22,305	44,650	-1,670	-4,235	-4,559	-25,841	16,365	-5,029	-4,079	-3,142	-3,467	56,491	30,650	34,777	31,309
<i>On-budget deficit change</i>	22,305	45,115	-763	-3,319	-3,764	-25,092	17,098	-4,360	-3,648	-2,915	-3,095	59,573	34,481	40,669	37,573
<i>Off-budget deficit change</i>	0	-465	-907	-916	-795	-749	-733	-669	-431	-227	-372	-3,082	-3,831	-5,892	-6,264

DIVISION I AND DIVISION II COMBINED

CHANGES IN REVENUES (DIVISION I AND DIVISION II)

TOTAL CHANGES IN REVENUES 1/	-6,855	-10,201	6,391	8,037	7,657	28,714	-13,468	7,884	6,977	6,158	6,548	5,028	33,742	41,281	47,829
<i>On-budget revenues</i>	-6,855	-10,666	5,484	7,121	6,862	27,965	-14,201	7,215	6,546	5,931	6,176	1,946	29,911	35,389	41,565
<i>Off-budget revenues</i>	0	465	907	916	795	749	733	669	431	227	372	3,082	3,831	5,892	6,264

CHANGES IN DIRECT SPENDING (DIVISION I AND DIVISION II)

TOTAL CHANGES IN OUTLAYS	18,593	48,904	10,041	3,802	3,098	2,873	2,897	2,855	2,898	3,016	3,081	84,438	87,310	98,976	102,057
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NET INCREASE OR DECREASE (-) IN DEFICITS FROM REVENUES AND DIRECT SPENDING (DIVISION I AND DIVISION II)

NET CHANGES IN DEFICITS 2/	25,448	59,105	3,650	-4,235	-4,559	-25,841	16,365	-5,029	-4,079	-3,142	-3,467	79,410	53,568	57,695	54,228
<i>On-budget deficit change</i>	25,448	59,570	4,557	-3,319	-3,764	-25,092	17,098	-4,360	-3,648	-2,915	-3,095	82,492	57,399	63,587	60,492
<i>Off-budget deficit change</i>	0	-465	-907	-916	-795	-749	-733	-669	-431	-227	-372	-3,082	-3,831	-5,892	-6,264

Sources: Congressional Budget Office and the staff of the Joint Committee on Taxation.

Notes: Components may not sum to totals because of rounding.

1. Negative numbers denote a DECREASE in federal revenues; positive numbers denote an increase in revenues.
2. Positive numbers denote an INCREASE in the budget deficit; negative numbers denote a decrease in the deficit.

Estimate of the Statutory Pay-As-You-Go Effects for H.R. 4213, the American Jobs and Closing Tax Loopholes Act of 2010

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Division I: Section 523 -- Medicare Sustainable Growth Rate Reform

Net Increase or Decrease (-) in the On-Budget Deficit

Total On-Budget Changes for Division I	3,143	14,455	5,320	0	0	0	0	0	0	0	0	22,918	22,918
Less:													
Current-Policy Adjustment for Medicare Payments to Physicians 1/	<u>3,143</u>	<u>14,455</u>	<u>4,281</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>21,879</u>	<u>21,879</u>
Statutory Pay-As-You-Go Impact for Division I	0	0	1,040	0	0	0	0	0	0	0	0	1,040	1,040

Division II: All Other Provisions (The amendment printed in part A of the Rules Committee report on H.R. 4213, as modified by the amendment printed in part B of Rules Committee report and the further amendment printed in section 2 of the rule, except for section 523 of the amendment.)

Net Increase or Decrease (-) in the On-Budget Deficit

Total On-Budget Changes for Division II	22,305	45,115	-763	-3,319	-3,764	-25,092	17,098	-4,360	-3,648	-2,915	-3,095	34,481	37,573
Less:													
Designated as Emergency Requirements 2/	<u>12,205</u>	<u>26,715</u>	<u>180</u>	<u>175</u>	<u>120</u>	<u>60</u>	<u>45</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>39,455</u>	<u>39,500</u>
Statutory Pay-As-You-Go Impact for Division II	10,100	18,400	-943	-3,494	-3,884	-25,152	17,053	-4,360	-3,648	-2,915	-3,095	-4,974	-1,927

Division I and Division II Combined:

Net Increase or Decrease (-) in the On-Budget Deficit

Total On-Budget Changes	25,448	59,570	4,557	-3,319	-3,764	-25,092	17,098	-4,360	-3,648	-2,915	-3,095	57,399	60,492
Less:													
Current-Policy Adjustment for Medicare Payments to Physicians 1/	3,143	14,455	4,281	0	0	0	0	0	0	0	0	21,879	21,879
Designated as Emergency Requirements 2/	<u>12,205</u>	<u>26,715</u>	<u>180</u>	<u>175</u>	<u>120</u>	<u>60</u>	<u>45</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>39,455</u>	<u>39,500</u>
Statutory Pay-As-You-Go Impact	10,100	18,400	96	-3,494	-3,884	-25,152	17,053	-4,360	-3,648	-2,915	-3,095	-3,934	-887

Memorandum - Components of the Emergency Designation (Division I and Division II Combined)

Changes in Outlays	12,205	26,555	0	0	0	0	0	0	0	0	0	38,760	38,760
Changes in Revenues 3/	0	-160	-180	-175	-120	-60	-45	0	0	0	0	-695	-740

Sources: Congressional Budget Office and Joint Committee on Taxation.

Note: Components may not sum to totals because of rounding.

- Section 7(c) of the Statutory Pay-As-You-Go Act of 2010 provides for current-policy adjustments related to Medicare payments to physicians. CBO estimates that the maximum available adjustment for a physician payment policy through December 31, 2011, is about \$21.9 billion.
- Section 701 of H.R. 4213, the American Jobs and Closing Tax Loopholes Act of 2010 would designate section 501 (unemployment insurance) of the bill as an emergency requirement pursuant to section 4 (g) of the Statutory Pay-As-You-Go Act of 2010.
- Negative numbers represent a DECREASE in revenues.