



Insight

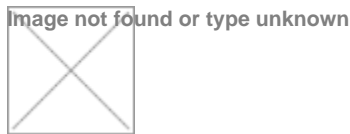
CBO's Estimate of the President's Budget: The Five Most Important Facts

GORDON GRAY | APRIL 17, 2014

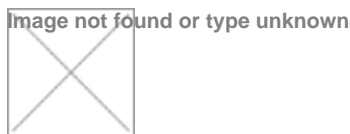
1.) \$1.6 Trillion – The CBO estimates the deficit will be \$1.6 trillion more under the President's Budget than the administration claims.



2.) 74.3 Percent – CBO estimates that the debt under the President's Budget grows from 72.1 percent in 2103 to 74.3 percent as a share of the economy and remains on an upward trajectory. This is far bleaker than the rosy picture painted by OMB.

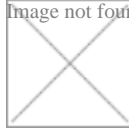


3.) Over \$1.1 trillion in Gimmicks and Fiction – Even compared to CBO's baseline the President's Budget relies on at least \$1.1 trillion in gross savings that fail a reality check: \$659 billion phony war savings, \$446 billion on a stalled immigration reform, and \$67 billion from "Buffet Rule" tax gimmick.



4.) \$1.4 Trillion More Taxes and \$446 Billion More Spending – Compared to CBO's baseline, the President's Budget is pure tax and spend, raising \$1.4 trillion in new taxes, while proposing \$446 billion in new spending.[\[1\]](#)

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5.) \$1.3 Trillion in Rosier Economic Assumptions – \$1.3 trillion of the \$1.6 trillion difference between the CBO and OMB’s estimate of the President Budget is due to OMB’s use of better economic assumptions.

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[\[1\]](#) The net tax increase reduces some interest cost, such that net new outlays total \$338 billion.