

FIG 1. THE FISCAL IMPACT OF POLICIES THAT EXPIRE OR ACTIVATE IN OR AFTER 2012

	Cost of Renewal (Fiscal Years)		
	2013	2013-2014	2013-2022
2001/2003/2010 Tax Cuts	\$110 billion	\$340 billion	\$2.8 trillion
Expiration of American Opportunity Tax Credit	\$3 billion	\$15 billion	\$125 billion
Reduction of Child Tax Credit from \$1,000 to \$500 per child	\$7 billion	\$40 billion	\$350 billion
Expiration of Child Tax Credit enhanced refundability	\$0 billion	\$10 billion	\$90 billion
Expiration of EITC expansion	\$0 billion	\$10 billion	\$95 billion
Elimination of 10% Bracket	\$30 billion	\$80 billion	\$450 billion
Increase in rates from 25 28 33 35 to 28 31 36 39.6	\$40 billion	\$95 billion	\$730 billion
Restoration of phased outs for itemized deductions and personal exemptions (Pease and PEP)	\$6 billion	\$20 billion	\$165 billion
Expiration of reductions in marriage penalties	\$5 billion	\$10 billion	\$55 billion
Increase in capital gains taxes from 15% to 20% and dividends taxes from 15% to being taxed as ordinary income	\$15 billion	\$25 billion	\$315 billion
Expiration of various education and other tax benefits	\$1 billion	\$5 billion	\$20 billion
Increase in estate tax from 35% over \$5 million to 55% over \$1 million	\$5 billion	\$35 billion	\$430 billion
AMT Patches	\$125 billion	\$225 billion	\$1.7 trillion
Cost relative to current law	\$90 billion	\$130 billion	\$805 billion
Interaction with extension of 2001/2003/2010 tax cuts	\$35 billion	\$100 billion	\$920 billion
Jobs Measures	\$115 billion	\$150 billion	\$150 billion
Expiration of 2% payroll tax holiday*	\$90 billion	~\$120 billion	~\$120 billion
Expiration of expanded unemployment benefits*	\$25 billion	~\$30 billion	~\$30 billion
Doc Fixes	\$10 billion	\$30 billion	\$270 billion
The BCA Sequester	\$65 billion	\$160 billion	\$980 billion
2% reduction to Medicare providers	\$5 billion	\$10 billion	\$90 billion
Other mandatory reductions	\$5 billion	\$10 billion	\$45 billion
10% reduction in defense spending (down to 8.5% by 2021)	\$30 billion	\$80 billion	\$510 billion
8% reduction in non-defense discretionary spending (5.5% by 2021)	\$25 billion	\$55 billion	\$335 billion
"Tax Extenders" ^	\$30 billion	\$60 billion	\$455 billion
Subpart F for active financing income	\$5 billion	\$10 billion	\$80 billion
R&E tax credit	\$5 billion	\$10 billion	\$65 billion
Alcohol fuel tax credit	\$10 billion	\$10 billion	\$60 billion
Other extenders	\$10 billion	\$30 billion	\$250 billion
Health Care Reform Taxes	\$25 billion	\$50 billion	\$420 billion
Increase HI tax by 0.9% for high earners and apply full tax to investment income	\$20 billion	\$40 billion	\$335 billion
FSA limit, medical device tax, and other measures	\$5 billion	\$10 billion	\$85 billion
Net Interest	n/a	n/a	\$1.2 trillion
TOTAL (without Jobs Measures)	~\$400 billion	~\$900 billion	\$7.9 trillion
TOTAL (with Jobs Measures)	~\$500 billion	~\$1 trillion	\$8.1 trillion

Note: Cost estimates of policies calculating off of a current law baseline. Numbers are rounded.

*Assumes one-year extension only.

^Measures exclude expiration of bonus depreciation and expensing rules.