

Proposals Affecting Federal Revenues—CBO's Estimate of the President's Fiscal Year 2021 Budget

Millions of Dollars, by Fiscal Year

March 25, 2020

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Total, 2021–2030
Increase or Decrease (-) in Revenues												
Extend Certain Provisions of 2017 Tax Act That Expire in 2025 ^{a,b,c}	0	0	0	0	-56	-5,804	-100,659	-245,577	-262,769	-271,597	-280,428	-1,166,890
Increase Employee Contributions to 50 Percent of Cost, Phased in at 1 Percent per Year	0	0	2,377	4,969	7,781	10,744	13,640	15,558	17,354	18,456	18,856	109,735
Implement Tax Enforcement Program Integrity Cap Adjustment ^d	0	264	535	3,084	5,006	6,967	8,957	10,840	11,471	11,935	12,225	71,285
Repeal Energy Investment Credit ^e	0	2,732	4,591	4,945	4,186	3,796	4,113	4,579	4,805	4,860	4,964	43,571
Establish Education Freedom Scholarships ^a	0	-1,000	-5,000	-5,000	-5,000	-5,000	-5,000	-5,000	-5,000	-5,000	-5,000	-46,000
Require SSN for Child Tax Credit, Earned Income Tax Credit, and Credit for Other Dependents ^{a,b}	0	735	2,004	2,034	2,069	2,120	2,165	2,243	2,307	2,343	2,393	20,413
Give Medicare Beneficiaries With High-Deductible Health Plans the Option to Make Tax-Deductible Contributions to HSAs or Medical Savings Accounts ^{a,e}	0	-503	-996	-1,182	-1,281	-1,363	-1,433	-1,515	-1,604	-1,689	-1,768	-13,334
Reform Medical Liability ^{a,f}	0	27	249	743	1,304	1,516	1,591	1,661	1,736	1,824	1,918	12,569
Provide Paid Parental Leave Benefits ^g	0	0	0	0	79	371	804	1,329	1,807	2,226	2,544	9,160
Establish FSIS User Fee	0	0	687	687	686	686	671	664	664	664	664	6,073
Repeal the Qualified Plug-In Electric Drive Motor Vehicle Credit ^a	0	126	429	481	505	504	525	546	544	553	520	4,733
Establish an Immigration Services Surcharge	0	355	368	381	394	409	414	426	442	458	475	4,122
Enact Spectrum License User Fee	0	0	117	234	351	390	378	378	378	378	378	2,980
Repeal Credit for Residential Energy Efficient Property ^a	0	308	1,240	0	0	0	0	0	0	0	0	1,548
Reform Inland Waterways Financing	0	141	141	141	140	140	137	136	136	136	136	1,384
Implement Defined Contribution System for Term Employees ^h	0	0	-55	-103	-141	-167	-178	-189	-201	-213	-136	-1,383
Improve Clarity in Worker Classification and Information Reporting Requirements ^{a,b,i}	0	26	405	143	95	73	76	86	96	108	118	1,226
Eliminate BrandUSA; Make Savings Available for Deficit Reduction	0	0	0	0	0	0	0	0	320	330	330	980
Establish Electronic Visa Update System User Fee	0	38	42	47	52	58	64	72	79	88	107	647
Expand Foreign Labor Certification Fees	0	0	26	59	61	64	66	69	72	76	81	574
Provide Tax Exemption for Certain HRSA and IHS Scholarship and Loan Repayment Programs ^{a,i}	0	-23	-31	-31	-32	-32	-36	-37	-38	-38	-39	-337
Offset Overlapping Unemployment and Disability Payments ^g	0	0	0	-1	-5	-15	-26	-34	-40	-44	-46	-211
Establish an UI Solvency Standard	0	0	0	0	0	1,044	-88	-115	-150	-210	-277	204
Pass Treasury Collection Fees for CMS Overpayment Collections Onto Debtor	0	20	20	20	20	20	20	20	20	20	20	200
Repeal Accelerated Depreciation for Renewable Energy Property ^a	0	0	0	2	5	9	14	20	26	30	34	140
Improve UI Program Integrity ^{a,k}	0	0	0	0	-1	-4	-10	-17	-23	-30	-36	-121
Provide More Flexible Authority for the IRS to Address Correctable Errors ^{a,b}	0	0	11	11	12	12	13	13	13	14	15	114
Increase Oversight of Paid Tax Return Preparers ^{a,b}	0	5	9	9	11	11	12	13	13	14	15	112
Increase Worksite Enforcement Penalties	0	5	7	7	7	7	8	8	8	8	9	74
Repeal Exclusion of Utility Conservation Subsidies ^a	0	4	8	8	7	7	7	6	6	6	6	65
Prevent Fraud by Applying Penalties on Providers and Suppliers Who Fail to Update Enrollment Records	0	2	2	3	3	3	3	4	4	4	4	32
Marketplace Interaction With Medicaid Policies ^{l,m}	0	0	2	2	2	2	3	3	3	3	3	23
Subject Financial Research Fund to Appropriations ⁿ	0	0	0	0	0	0	0	0	0	0	0	0
Fund the Federal Payment Levy Program via Collections ⁿ	0	0	0	0	0	0	0	0	0	0	0	0
Consolidate the Public Company Accounting Oversight Board ⁿ	0	0	0	0	0	0	0	0	0	0	0	0
Eliminate Allocations to the Housing Trust Fund and Capital Magnet Fund ⁿ	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	3,262	7,188	11,693	16,260	16,567	-73,749	-213,811	-227,521	-234,287	-241,916	-936,312

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

These estimates are based on CBO's baseline budget projections as of March 6, 2020, which do not incorporate changes to the nation's economic outlook and fiscal situation arising from the recent and rapidly evolving public health emergency related to the novel coronavirus.

Components may not sum to totals because of rounding.

CMS = Centers for Medicare & Medicaid Services; FSIS = Food Safety and Inspection Service; HRSA = Health Resources and Services Administration; HSA = Health Savings Account; IHS = Indian Health Service; IRS = Internal Revenue Service; SSN = Social Security Number; UI = Unemployment Insurance.

a. Estimate provided by the staff of the Joint Committee on Taxation.

b. The effects shown do not include the following effects on outlays for the refundable tax credits estimated by the staff of the Joint Committee on Taxation:

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2021-2030
Extend Certain Provisions of 2017 Tax Act That Expire in 2025	0	0	0	0	0	0	0	16,509	16,836	17,529	17,601	68,475
Require Social Security Number (SSN) for Child Tax Credit, Earned Income Tax Credit, and Credit for Other Dependents	0	0	-1,734	-1,719	-1,650	-1,588	-1,581	-1,531	-1,504	-1,510	-1,499	-14,316
Improve Clarity in Worker Classification and Information Reporting Requirements	0	20	21	23	24	26	27	29	31	33	33	267
Provide More Flexible Authority for the IRS to Address Correctable Errors	0	0	-19	-20	-20	-21	-21	-22	-23	-23	-24	-193
Increase Oversight of Paid Tax Return Preparers	0	-2	-4	-5	-5	-6	-6	-6	-7	-7	-7	-55
Total	0	18	-1,736	-1,721	-1,651	-1,589	-1,581	14,979	15,333	16,022	16,104	54,178
CBO's Estimate of How Those Outlay Effects Would be Distributed												
Payment Where American Opportunity Credit Exceeds Liability for Tax	0	0	-19	-20	-20	-21	-21	155	156	165	165	540
Payment Where Earned Income Credit Exceeds Liability for Tax	0	1	-18	-18	-17	-17	-17	690	701	734	738	2,777
Payment Where Child Tax Credit Exceeds Liability for Tax	0	17	-1,699	-1,683	-1,614	-1,551	-1,543	14,134	14,476	15,123	15,201	50,861
Total	0	18	-1,736	-1,721	-1,651	-1,589	-1,581	14,979	15,333	16,022	16,104	54,178
CBO's Estimate of Outlays for Refundable Credits Under President's Budget Proposals												
Payment Where American Opportunity Credit Exceeds Liability for Tax	3060	3,039	2,989	2,959	2,934	2,910	2,885	2,870	2,840	2,823	2,798	29,047
Payment Where Earned Income Credit Exceeds Liability for Tax	59,946	60,088	60,580	61,334	62,371	63,215	63,808	63,632	63,882	64,256	64,756	627,922
Payment Where Child Tax Credit Exceeds Liability for Tax	28,896	28,783	26,914	27,547	27,547	27,474	27,935	31,151	31,355	31,766	31,645	292,117

c. Estimate includes off-budget effects. The off-budget effect is an increase in revenues of \$755 million over the 2021–2030 period.

d. Effect is nonscorable under Congressional scorekeeping guidelines.

e. Estimate includes off-budget effects. The off-budget effect is a decrease in revenues of \$2,498 million over the 2021–2030 period.

f. Estimate includes off-budget effects. The off-budget effect is an increase in revenues of \$2,968 million over the 2021–2030 period.

g. Proposal would also affect outlays, which are not shown in this table.

h. Estimate provided by the staff of the Joint Committee on Taxation and the Congressional Budget Office.

i. Estimate includes off-budget effects. The off-budget effect is a decrease in revenues of \$805 million over the 2021–2030 period.

j. Estimate includes off-budget effects. The off-budget effect is a decrease in revenues of \$68 million over the 2021–2030 period.

k. Estimate includes effects that are nonscorable under Congressional scorekeeping guidelines. The nonscorable effect is a reduction in revenues of \$237 million over the 2021–2030 period. The scorable effect is an increase in revenues of \$116 million over the 2021–2030 period.

l. Medicaid policies include implementing a Medicaid community engagement requirement, allowing states to extend Medicaid coverage for pregnant women with substance use disorder to one year postpartum, and allowing states to apply asset tests to Modified Adjusted Gross Income standard populations.

m. Estimate includes off-budget effects. The off-budget effect is an increase in revenues of \$9 million over the 2021–2030 period.

n. CBO estimates that the proposal would have no effect on revenues.