

## How the House Budget Resolution Would Affect Major Economic Indicators

(Estimates by the Center for Data Analysis of The Heritage Foundation. Baseline created from the Alternative Fiscal Scenario of the Congressional Budget Office)

April 5, 2011

Economic Indicator	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2012 to 2021
<b>Real Gross Domestic Product</b>	Billions of 2005 Dollars										Average
House Budget Resolution	14,066.2	14,527.6	15,015.7	15,580.5	16,073.7	16,518.4	16,983.0	17,469.8	17,961.9	18,430.8	16,262.7
Baseline without Budget Resolution	14,032.5	14,466.9	14,979.2	15,542.9	16,014.9	16,419.1	16,814.3	17,213.2	17,619.6	18,029.7	16,113.2
Difference	33.7	60.7	36.5	37.6	58.8	99.3	168.7	256.6	342.3	401.1	149.5
<b>Employment--Total Non-Farm Payrolls</b>	Millions										
House Budget Resolution	134.706	137.756	140.483	143.329	145.668	147.072	148.340	149.701	151.021	151.981	145.006
Baseline without Budget Resolution	133.875	136.597	139.337	142.253	144.609	145.989	147.057	148.078	149.077	149.889	143.676
Difference	0.831	1.159	1.146	1.076	1.059	1.083	1.283	1.623	1.945	2.092	1.330
<b>Employment--Private Non-Farm Payrolls</b>	Millions										
House Budget Resolution	112.522	115.275	117.560	119.993	122.108	123.294	124.359	125.551	126.566	127.446	121.467
Baseline without Budget Resolution	111.619	114.027	116.300	118.736	120.765	121.866	122.711	123.561	124.237	124.950	119.877
Difference	0.902	1.248	1.261	1.257	1.343	1.429	1.648	1.989	2.330	2.496	1.590
<b>Real Disposable Income</b>	Billions of 2005 Dollars										
House Budget Resolution	10,551.7	10,993.1	11,448.1	11,906.9	12,322.5	12,731.6	13,137.9	13,562.2	13,994.0	14,417.9	12,506.6
Baseline without Budget Resolution	10,547.3	10,923.1	11,371.6	11,851.5	12,280.4	12,691.2	13,082.2	13,469.6	13,854.9	14,253.6	12,432.5
Difference	4.4	69.9	76.5	55.4	42.1	40.4	55.7	92.6	139.1	164.3	74.0
<b>Number of Households</b>	Millions										
House Budget Resolution	120.359	122.236	124.082	126.002	127.746	129.160	130.530	131.868	133.202	134.542	127.973
Baseline without Budget Resolution	120.284	122.157	124.038	125.981	127.728	129.119	130.432	131.682	132.914	134.163	127.850
Difference	0.075	0.079	0.044	0.021	0.018	0.041	0.098	0.187	0.288	0.379	0.123
<b>Gross Private Savings</b>	Billions of 2005 Dollars										
House Budget Resolution	2,869.7	3,006.7	3,393.2	3,660.4	3,969.0	4,365.8	4,754.0	5,137.5	5,574.3	6,009.0	4,274.0
Baseline without Budget Resolution	2,578.9	2,843.3	3,188.4	3,481.9	3,821.1	4,204.0	4,582.7	4,943.4	5,341.5	5,735.4	4,072.1
Difference	290.8	163.4	204.7	178.5	147.9	161.8	171.3	194.1	232.7	273.5	201.9
<b>Real Private Investment--Non-Residential Structure</b>	Billions of 2005 Dollars										
House Budget Resolution	305.7	347.4	399.4	448.2	476.6	490.6	501.0	511.4	522.3	527.7	453.0
Baseline without Budget Resolution	303.3	332.9	380.0	424.0	448.1	457.6	464.2	468.9	475.0	477.8	423.2
Difference	2.3	14.5	19.4	24.3	28.4	33.0	36.8	42.5	47.3	49.9	29.8
<b>Real Residential Investment--Structures</b>	Billions of 2005 Dollars										
House Budget Resolution	510.0	620.9	682.5	716.9	725.7	730.6	733.6	742.0	751.3	753.6	696.7
Baseline without Budget Resolution	421.1	522.2	578.5	608.5	613.0	617.4	620.2	625.8	631.4	630.6	586.9
Difference	88.9	98.7	104.1	108.4	112.7	113.2	113.5	116.2	119.9	123.0	109.9
<b>Real Non-Residential Investment--Equipment/Software</b>	Billions of 2005 Dollars										
House Budget Resolution	1,344.5	1,431.4	1,553.9	1,647.4	1,735.3	1,844.2	1,964.8	2,105.4	2,250.4	2,397.7	1,827.5
Baseline without Budget Resolution	1,316.7	1,378.4	1,465.8	1,528.2	1,572.5	1,631.4	1,692.7	1,766.7	1,841.5	1,917.6	1,611.2
Difference	27.7	53.1	88.1	119.1	162.8	212.8	272.1	338.7	408.9	480.1	216.3

Economic Indicator	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2012 to 2021
<b>Real Residential Investment in Equipment</b>	Billions of 2005 Dollars										
House Budget Resolution	11.6	12.4	12.6	13.0	13.3	13.6	14.0	14.4	14.9	15.5	13.6
Baseline without Budget Resolution	11.5	12.0	12.2	12.4	12.7	13.0	13.2	13.5	13.9	14.3	12.9
Difference	0.1	0.4	0.5	0.5	0.6	0.7	0.8	0.9	1.0	1.2	0.7
<b>Yield on 10-Year Treasury Notes</b>	Percent										
House Budget Resolution	3.740	4.125	4.465	4.768	5.027	4.985	4.872	4.763	4.660	4.561	4.596
Baseline without Budget Resolution	3.750	4.150	4.550	4.950	5.325	5.400	5.400	5.400	5.400	5.400	4.972
Difference	-0.010	-0.025	-0.085	-0.182	-0.298	-0.415	-0.528	-0.637	-0.740	-0.839	-0.376
<b>Consumer Price Index, All Urban</b>	Percent										
House Budget Resolution	2.247	2.287	2.332	2.377	2.427	2.481	2.535	2.588	2.644	2.703	2.462
Baseline without Budget Resolution	2.243	2.278	2.320	2.366	2.418	2.475	2.532	2.590	2.648	2.709	2.458
Difference	0.004	0.009	0.012	0.011	0.009	0.006	0.002	-0.002	-0.004	-0.006	0.004
<b>Federal Debt Held by the Public</b>	Billions of Dollars										
House Budget Resolution	11,503.4	12,212.2	12,706.6	13,128.9	13,610.7	14,041.9	14,442.8	14,912.2	15,423.4	15,903.4	13,788.6
Baseline without Budget Resolution	11,845.7	12,898.1	13,946.9	15,145.1	16,588.6	18,123.8	19,772.8	21,630.0	23,676.3	25,846.3	17,947.4
Difference	-342.3	-685.9	-1,240.3	-2,016.2	-2,977.9	-4,081.9	-5,330.0	-6,717.9	-8,252.8	-9,942.9	-4,158.8
<b>Federal Grants in Aid to State and Local Governments</b>	Billions of Dollars										
House Budget Resolution	468.2	461.8	446.4	409.8	397.9	417.8	435.6	466.0	504.9	541.0	4,549.2
Baseline without Budget Resolution	483.8	498.8	547.5	589.4	630.4	658.3	686.3	723.5	765.1	814.7	6,397.8
Difference	-15.6	-36.9	-101.1	-179.6	-232.6	-240.5	-250.7	-257.5	-260.2	-273.6	-1,848.5
<b>Federal Medicaid Grants to State and Local Governments</b>	Billions of Dollars										
House Budget Resolution	249.8	267.8	290.8	307.6	325.0	336.5	352.8	376.0	402.3	431.8	3,340.4
Baseline without Budget Resolution	264.7	289.1	339.9	382.6	424.7	453.7	482.0	516.6	554.1	599.3	4,306.8
Difference	-14.9	-21.2	-49.0	-75.0	-99.7	-117.2	-129.2	-140.6	-151.8	-167.5	-966.3

Economic Indicator	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2012 to 2021
<b>Federal Non-Defense Purchases of Goods and Services</b>	Billions of Dollars										
House Budget Resolution	381.5	356.9	372.3	385.7	406.6	431.9	453.0	472.3	505.6	530.7	4,296.5
Baseline without Budget Resolution	418.9	432.3	468.4	495.2	530.5	566.3	595.5	621.5	660.5	691.6	5,480.7
Difference	-37.4	-75.4	-96.1	-109.5	-124.0	-134.4	-142.5	-149.2	-154.9	-160.9	-1,184.2
<b>Federal Personal Income Tax Base</b>	Billions of Dollars										Average
House Budget Resolution	6,403.8	7,330.7	7,945.4	8,374.0	8,761.3	9,127.4	9,565.4	10,021.7	10,528.7	11,096.8	8,915.5
Baseline without Budget Resolution	6,302.2	7,147.8	7,740.2	8,140.8	8,509.2	8,883.4	9,288.4	9,683.5	10,104.1	10,563.7	8,636.3
Difference	101.6	182.9	205.2	233.2	252.1	244.0	277.0	338.2	424.6	533.0	279.2
<b>Federal Corporate Tax Receipts</b>	Billions of Dollars										Total
House Budget Resolution	355.9	354.4	376.2	391.7	396.2	402.1	411.1	417.6	437.1	446.8	3,989.2
Baseline without Budget Resolution	379.6	400.7	414.8	425.1	433.4	436.5	445.2	451.4	472.0	485.1	4,343.9
Difference	-23.7	-46.4	-38.6	-33.4	-37.2	-34.4	-34.1	-33.8	-34.9	-38.3	-354.7
<b>Federal Personal Tax Receipts</b>	Billions of Dollars										
House Budget Resolution	1,229.3	1,326.3	1,397.7	1,513.0	1,614.3	1,704.3	1,798.8	1,902.1	2,008.9	2,125.3	16,620.0
Baseline without Budget Resolution	1,162.6	1,215.1	1,313.5	1,427.2	1,540.9	1,645.5	1,744.9	1,849.5	1,961.3	2,078.9	15,939.4
Difference	66.8	111.2	84.2	85.8	73.4	58.8	53.9	52.6	47.6	46.4	680.6
<b>Real Household Net Worth</b>	Billions of 2005 Dollars										Average
House Budget Resolution	55,011.0	57,518.4	59,330.4	61,871.2	64,684.6	68,013.6	70,847.0	73,639.0	76,647.0	79,620.2	66,718.2
Baseline without Budget Resolution	54,420.8	56,713.6	58,492.1	61,109.5	64,026.0	67,424.3	70,325.7	73,224.1	76,319.4	79,478.9	66,153.4
Difference	590.2	804.8	838.3	761.7	658.6	589.3	521.3	414.9	327.6	141.3	564.8
<b>Real After-Tax Corporate Profits</b>	Billions of 2005 Dollars										
House Budget Resolution	1,521.4	1,765.8	1,815.4	1,749.5	1,728.0	1,693.0	1,666.3	1,649.8	1,655.6	1,692.4	1,693.7
Baseline without Budget Resolution	1,150.3	1,416.1	1,411.8	1,332.4	1,321.0	1,279.7	1,253.3	1,235.3	1,234.9	1,268.9	1,290.4
Difference	371.1	349.7	403.6	417.1	407.0	413.3	413.0	414.5	420.7	423.5	403.4
<b>Real Before-Tax Corporate Profits Excluding IVA</b>	Billions of 2005 Dollars										
House Budget Resolution	1,904.8	2,149.9	2,213.7	2,150.9	2,122.8	2,081.5	2,051.1	2,029.9	2,042.1	2,078.6	2,082.5
Baseline without Budget Resolution	1,535.9	1,823.7	1,823.3	1,741.3	1,726.6	1,675.9	1,645.2	1,621.8	1,628.1	1,663.9	1,688.6
Difference	368.9	326.2	390.4	409.6	396.2	405.6	405.9	408.0	413.9	414.7	393.9
<b>Non-Farm Proprietors Income</b>	Billions of Dollars										
House Budget Resolution	1,199.6	1,279.6	1,386.6	1,496.4	1,613.9	1,718.1	1,832.6	1,952.1	2,084.1	2,222.9	1,678.6
Baseline without Budget Resolution	1,159.3	1,217.3	1,303.7	1,395.0	1,490.6	1,571.3	1,660.6	1,750.3	1,847.7	1,947.7	1,534.4
Difference	40.3	62.3	82.8	101.4	123.3	146.9	171.9	201.8	236.4	275.2	144.2

Economic Indicator	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2012 to 2021
<b>Wage &amp; Salary Disbursements by the Private Sector</b>	Billions of Dollars										
House Budget Resolution	5,908.2	6,203.0	6,609.2	7,000.0	7,374.6	7,717.1	8,107.9	8,529.0	8,955.8	9,398.4	7,580.3
Baseline without Budget Resolution	5,856.0	6,121.9	6,527.2	6,923.1	7,297.4	7,636.9	8,008.9	8,390.7	8,763.3	9,149.9	7,467.5
Difference	52.2	81.2	82.0	77.0	77.3	80.2	99.0	138.3	192.5	248.4	112.8
<b>Real Net Exports of Goods &amp; Services</b>	Billions of 2005 Dollars										
House Budget Resolution	-474.1	-405.7	-340.8	-260.7	-186.5	-92.2	-0.2	75.6	128.0	180.4	-137.6
Baseline without Budget Resolution	-392.0	-313.3	-248.5	-172.1	-97.2	-1.5	99.3	196.1	279.6	363.2	-28.6
Difference	-82.1	-92.4	-92.3	-88.6	-89.3	-90.7	-99.5	-120.5	-151.6	-182.8	-109.0
<b>Foreign Assets in the US--Current Cost</b>	Billions of Dollars										
House Budget Resolution	24,290.2	25,998.8	27,954.3	30,201.3	32,780.4	35,568.6	38,445.3	41,401.0	44,477.2	47,695.2	34,881.2
Baseline without Budget Resolution	24,147.8	25,682.9	27,471.3	29,565.4	32,025.1	34,742.0	37,612.0	40,636.1	43,851.5	47,295.1	34,302.9
Difference	142.4	315.9	483.0	635.9	755.3	826.6	833.3	765.0	625.8	400.2	578.3
<b>Chained Price Index--Health Care</b>	Index										
House Budget Resolution	120.1	122.4	124.7	127.2	130.1	133.2	136.3	139.5	143.0	146.8	132.3
Baseline without Budget Resolution	120.0	122.5	125.3	128.5	132.1	136.0	139.7	143.6	147.6	151.8	134.7
Difference	0.2	-0.1	-0.6	-1.2	-2.1	-2.8	-3.5	-4.1	-4.6	-5.0	-2.4
<b>Federal Tax Receipts--Unified Budget Basis</b>	Billions of Dollars										Total
House Budget Resolution	2,741.9	2,962.9	3,215.2	3,389.6	3,522.6	3,734.8	3,915.0	4,107.1	4,323.7	4,564.5	36,477.3
Baseline without Budget Resolution	2,684.3	2,878.2	3,150.5	3,319.6	3,469.0	3,692.1	3,872.0	4,055.4	4,265.7	4,499.4	35,886.0
Difference	57.7	84.8	64.7	70.0	53.6	42.7	43.0	51.7	58.0	65.1	591.3
<b>Federal Outlays--Unified Budget Basis</b>	Billions of Dollars										
House Budget Resolution	3,603.7	3,604.6	3,636.1	3,727.3	3,917.4	4,082.4	4,224.6	4,472.8	4,725.5	4,930.6	40,925.1
Baseline without Budget Resolution	3,692.8	3,876.1	4,135.8	4,443.9	4,835.7	5,153.6	5,441.3	5,823.8	6,220.3	6,575.6	50,198.8
Difference	-89.1	-271.5	-499.6	-716.6	-918.2	-1,071.2	-1,216.7	-1,351.0	-1,494.8	-1,645.1	-9,273.7
<b>Effective Federal Personal Income Tax Rate</b>	Rate										Average
House Budget Resolution	0.187	0.176	0.171	0.176	0.179	0.182	0.183	0.185	0.186	0.187	0.181
Baseline without Budget Resolution	0.184	0.170	0.170	0.175	0.181	0.185	0.188	0.191	0.194	0.197	0.184
Difference	0.003	0.006	0.001	0.000	-0.002	-0.003	-0.005	-0.006	-0.008	-0.010	-0.002
<b>Real Household Income</b>	Dollars										
House Budget Resolution	87,961.4	90,267.5	92,627.4	94,887.3	96,878.9	99,025.8	101,150.2	103,401.9	105,674.0	107,841.0	97,971.5
Baseline without Budget Resolution	87,686.4	89,418.6	91,678.7	94,073.9	96,145.0	98,291.0	100,299.5	102,288.9	104,240.0	106,240.9	97,036.3
Difference	275.0	848.9	948.7	813.3	733.9	734.9	850.7	1,113.1	1,434.0	1,600.1	935.3