

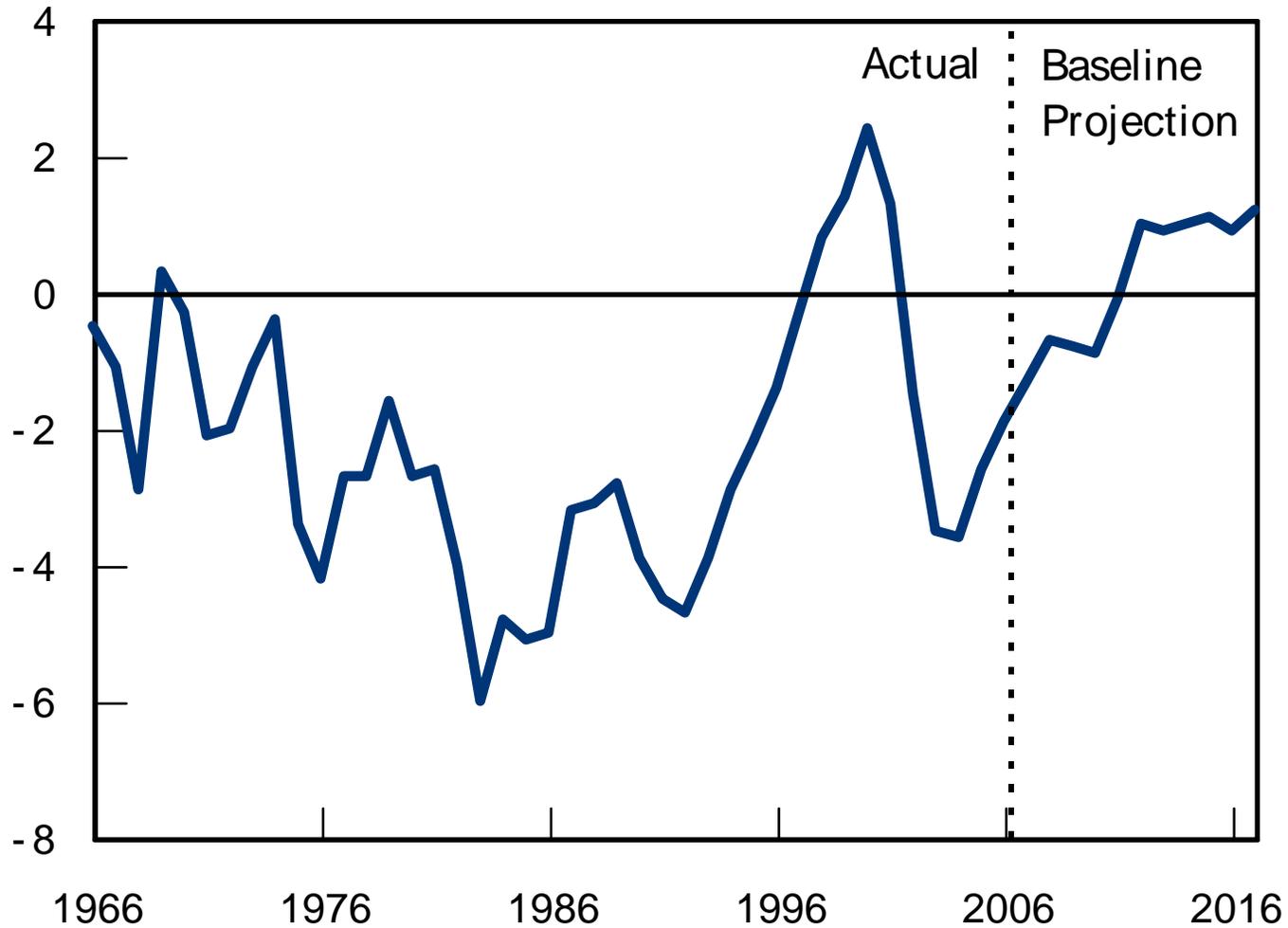


**Congressional Budget Office**

**The Budget and  
Economic Outlook:  
Fiscal Years 2008 to 2017**



## The Total Deficit or Surplus as a Percentage of Gross Domestic Product, 1966 to 2017





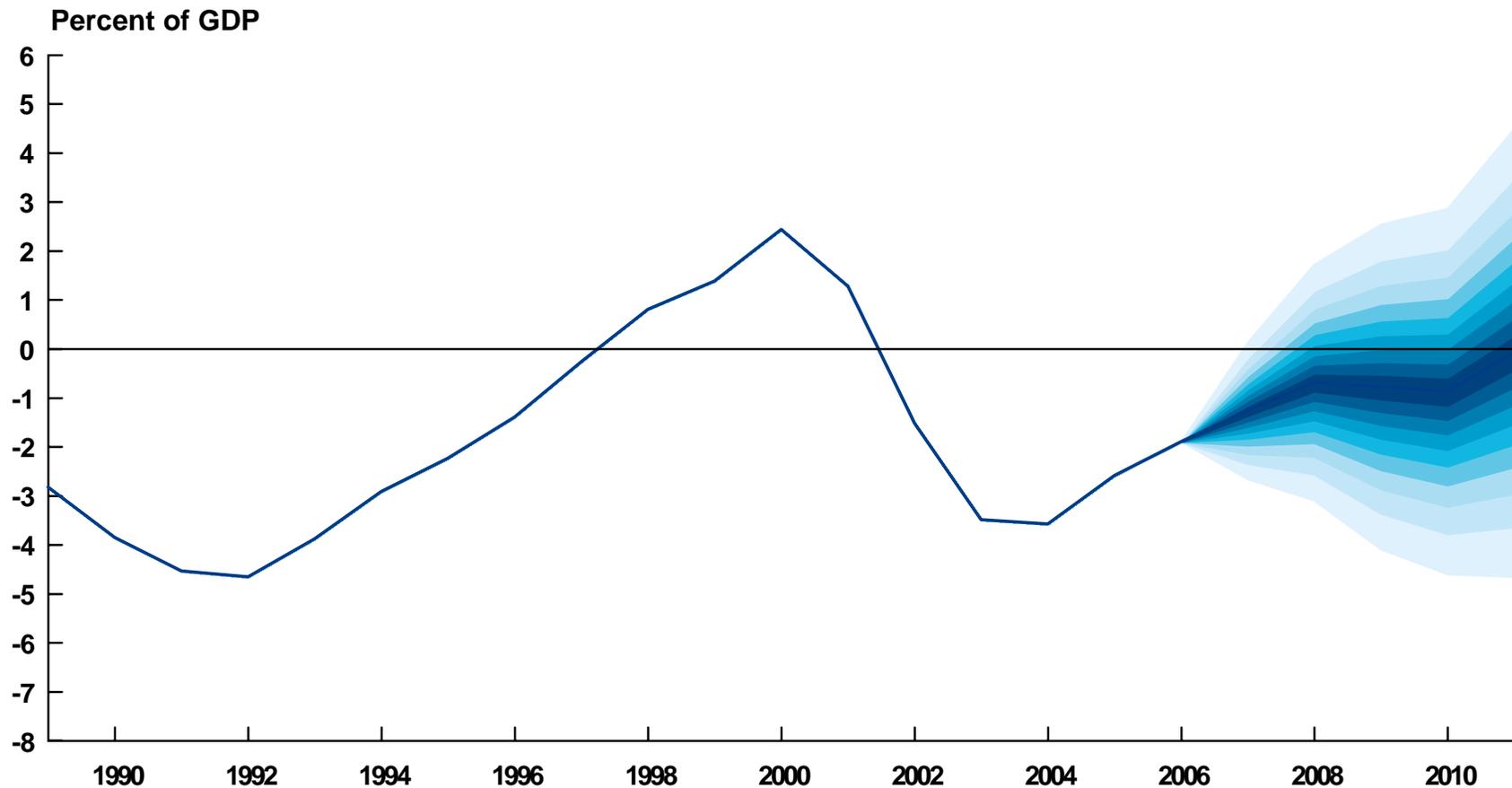
## Effects on the Deficit or Surplus from Selected Policy Alternatives Not Included in CBO's Baseline

(Billions of dollars)

	2012	2008-2017
Increase Discretionary Appropriations at Rate of Growth of Nominal GDP	-122	-1,487
Extend EGTRRA and JGTRRA	-267	-2,250
Index the AMT for Inflation	-48	-724
Interactive Effect of Extending EGTRRA and JGTRRA and Indexing the AMT	-61	-542
<b>Note: Baseline Balance</b>	<b>170</b>	<b>800</b>



# Uncertainty of CBO's Projections of the Budget Deficit or Surplus Under Current Policies





## Effect on the Cumulative Deficit from Changes in CBO's Baseline Projections Since August 2006

(Billions of dollars)

	<u>2007-2016</u>
<b>Total Deficit as Projected in August 2006</b>	<b>-1,761</b>
<b>Legislative Changes</b>	
<b>Revenues</b>	<b>-42</b>
<b><i>Outlays</i></b>	<b>1,212</b>
<b>Economic Changes</b>	<b>-173</b>
<b>Technical Changes</b>	
<b>Revenues</b>	<b>300</b>
<b><i>Outlays</i></b>	<b>842</b>
<b>Total Effect on the Deficit</b>	<b>2,140</b>
<b>Total Surplus as Projected in January 2007</b>	<b>378</b>



# Total Federal Spending for Medicare and Medicaid Under Assumptions About the Health Cost Growth Differential

