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HOUSE BUDGET COMMITTEE

A Tale of Two Deficit Reductions

The recent Congressional Budget Office's (CBO) Budget Outlook underscores that Republicans and Democrats have very different meanings for “deficit reduction.”

According to CBO's assessment, the Democrats' Inflation Reduction Act (IRA), initially anticipated to yield a deficit reduction of **\$58 billion**, is now projected to cost an additional **\$364 billion**.

This stems from factors including underestimated claims for green tax credits and out-of-control administrative actions by the Biden administration. Consequently, if **the IRA had been scored under currently available information, it would have shown a 10-year deficit increase of at least \$306 billion.**

By contrast, under a Republican-controlled House, CBO has **revised down its projections of spending by \$2.6 trillion**. This reduction in spending is the result of Republican-led deficit reduction – primarily the **Fiscal Responsibility Act (FRA) of 2023**.

House Budget Committee Republicans will continue fighting to establish a culture of fiscal responsibility in Washington by building on the success of the FRA and putting an end to the practices that threaten our economy and future generations.

