

Table 1.

Return Reference 1, 2

Change in the Budget Deficit Under Current Law Between Fiscal Years 2012 and 2013

Billions of Dollars	
Total Deficit	
Deficit in 2012	-1,171
Deficit in 2013	-612
Total Change	560
Factors Contributing to the Change in the Deficit Without Effects of Economic Feedback	
Changes in Specified Revenue Policies	
Expiration of certain income tax and estate and gift tax provisions scheduled to expire on December 31, 2012, and of indexing the alternative minimum tax for inflation ^a	221
Expiration of the reduction in the employee's portion of the payroll tax	95
Other expiring provisions ^a	65
Taxes included in the Affordable Care Act	18
Subtotal	399
Changes in Specified Spending Policies	
Effects of the automatic enforcement procedures specified in the Budget Control Act ^a	65
Expiration of eligibility to start receiving emergency unemployment benefits	26
Reduction in Medicare's payment rates for physicians ^a	11
Subtotal	103
Other Changes in Revenues and Spending ^b	105
Total Change in Deficit Without Effects of Economic Feedback	607
Contribution of Economic Feedback to the Change in the Deficit	
Change in Deficit Without Effects of Economic Feedback	607
Effects of Economic Feedback ^c	-47
Total Change	560
Memorandum:	
Contribution of Policies Altered in the Alternative Fiscal Scenario to the Change in the Deficit Without Effects of Economic Feedback	362

Source: Congressional Budget Office.

Notes: Numbers may not add up to totals because of rounding.

Positive numbers indicate a decrease in the deficit.

- a. The policy is altered in CBO's alternative fiscal scenario. For details about the policies under that scenario, see Congressional Budget Office, *Updated Budget Projections: Fiscal Years 2012 to 2022* (March 2012), pp. 3–4.
- b. Not linked to specific policies; mostly reflecting changes in revenues.
- c. Economic feedback occurs because the reduction in the deficit induced by tax and spending policies would lower taxable incomes, thereby reducing revenues, and would increase spending on certain programs, such as unemployment insurance.