

Table 14–2. ADJUSTMENTS TO THE BUDGET ENFORCEMENT ACT (BEA) BASELINE ESTIMATES OF GOVERNMENTAL RECEIPTS TO REFLECT CURRENT POLICY
(In billions of dollars)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2011-15	2011-20
BEA baseline receipts	2,230.7	2,781.8	3,069.0	3,308.1	3,581.1	3,760.1	4,018.1	4,234.8	4,452.1	4,670.6	4,885.4	16,500.2	38,761.1
Adjustments to reflect current policy:													
Index to inflation the 2009 parameters of the AMT as enacted in the American Recovery and Reinvestment Act	-13.0	-64.1	-32.4	-37.9	-45.1	-53.2	-62.5	-72.5	-84.0	-96.8	-110.3	-232.7	-658.8
Continue the 2001 and 2003 tax cuts:													
Dividends tax rate structure	-2.3	-22.9	-4.1	-12.4	-21.5	-26.6	-27.6	-28.6	-29.4	-29.9	-30.2	-87.5	-233.3
Capital gains tax rate structure	-0.9	-7.7	-1.5	-4.9	-9.4	-12.3	-13.3	-14.2	-15.1	-16.0	-16.8	-35.9	-111.2
Expensing for small businesses		-3.2	-5.6	-4.4	-3.5	-2.8	-2.3	-2.0	-1.9	-1.8	-1.8	-19.5	-29.2
Marginal individual income tax rate reductions		-87.2	-137.6	-149.9	-162.1	-173.8	-185.5	-197.2	-208.7	-220.2	-231.9	-710.5	-1,753.9
Child tax credit ¹		-3.2	-13.0	-13.1	-13.2	-13.5	-13.7	-13.9	-14.0	-14.0	-14.0	-56.0	-125.7
Marriage penalty relief ¹		-15.6	-25.3	-26.9	-28.8	-30.7	-32.3	-33.9	-35.6	-37.0	-38.4	-38.4	-304.5
Education incentives	*	-0.7	-1.4	-1.4	-1.5	-1.6	-1.7	-1.7	-1.8	-1.9	-2.0	-6.6	-15.7
Other incentives for families and children	*	-0.4	-0.9	-0.9	-0.9	-0.9	-1.0	-1.0	-1.0	-1.0	-1.0	-4.1	-9.1
Estate, generation-skipping transfer taxes, and gift taxes at 2009 parameters	-2.0	6.2	-18.9	-23.7	-26.0	-28.1	-30.2	-32.2	-34.3	-36.5	-38.8	-90.4	-262.4
Subtotal, continue the 2001 and 2003 tax cuts	-5.1	-134.8	-208.1	-237.6	-266.9	-290.3	-307.6	-324.7	-341.7	-358.3	-374.9	-1,137.7	-2,844.9
Total, adjustments to reflect current policy	-18.1	-198.8	-240.5	-275.5	-312.0	-343.6	-370.1	-397.2	-425.7	-455.1	-485.1	-1,370.4	-3,503.7
Baseline projection of current policy receipts	2,212.6	2,583.0	2,828.5	3,032.7	3,269.1	3,416.6	3,648.0	3,837.6	4,026.4	4,215.5	4,400.2	15,129.8	35,257.5

* \$50 million or less.

¹ This provision affects both receipts and outlays. Only the receipt effect is shown here. The outlay effects are listed below:

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2011-15	2011-20
Child tax credit		0.8	24.8	24.5	24.5	24.2	24.1	23.9	24.0	24.0	24.1	98.7	218.8
Marriage penalty relief		-0.6	4.1	3.9	3.8	3.7	3.7	3.6	3.6	3.6	3.7	14.9	33.1
Total, outlay effects of adjustments to reflect current policy		0.2	28.8	28.5	28.3	27.9	27.7	27.5	27.6	27.7	27.8	113.6	251.9

Provide additional tax credits for investment in qualified property used in a qualified advanced energy manufacturing project.—ARRA provided a 30-percent credit for investment in eligible property used in a qualified advanced energy manufacturing project. A qualified advanced energy manufacturing project re-equips, expands, or establishes a manufacturing facility for the production of: (1) property designed to be used to produce energy from the sun, wind, geothermal deposits, or other renewable resources; (2) fuel cells, microturbines, or an energy storage system for use with electric or hybrid-electric motor vehicles; (3) electric grids to support the transmission of intermittent sources of renewable energy, including the storage of such energy; (4) property designed to capture and sequester carbon dioxide; (5) property designed to refine or blend renewable fuels (excluding fossil fuels) or to produce energy conservation technologies; (6) new qualified plug-in electric drive motor vehicles or components that are designed specifically for use with such vehicles; or (7) other advanced energy property designed to reduce greenhouse gas emissions as may be determined by the Department of the Treasury. Eligible property must be depreciable (or amortizable) property used in a qualified advanced energy project and does not include property designed to manufacture

equipment for use in the refining or blending of any transportation fuel other than renewable fuels. The credit is available only for projects certified by the Department of the Treasury (in consultation with the Department of Energy); the total amount of credits certified may not exceed \$2.3 billion. The Administration proposes to provide an additional \$5 billion in credits, thereby increasing the total amount of credits certified by the Department of the Treasury to \$7.3 billion.

Extend temporary increase in expensing for small businesses.—Under a temporary provision expiring in 2011, business taxpayers were allowed to expense up to \$125,000 in annual investment expenditures for qualifying property (including off-the-shelf computer software) placed in service in taxable years beginning in 2007. The maximum amount that could be expensed was reduced by the amount by which the taxpayer's cost of qualifying property exceeded \$500,000. Both the deduction and annual investment limits were indexed annually for inflation, effective for taxable years beginning after 2007 and before 2011. Another temporary provision of prior law increased the expensing and annual investment limits to \$250,000 and \$800,000, respectively, effective for taxable years beginning in 2008 and 2009. The Administration