

PRESIDENT'S BUDGET CHARTS PATH TO DEBT AND DECLINE

President Obama's budget is bad for jobs, bad for seniors, and makes the economy worse.

The President has not merely ducked from our fiscal and economic challenges, but—with his fourth straight budget flop—he has advanced policies that dangerously accelerate the crisis before us. His gimmick-filled budget fails to reduce the fast-rising debt, permanently entrenches unsustainable levels of government spending, and erects new barriers to upward mobility. His plan stifles economic growth, threatens the health and retirement security of millions of Americans, and commits the next generation to a diminished future.

Spends Too Much: \$47 Trillion In Ten Years — A Net Increase Over Current Projections

After four straight years of trillion-dollar-plus deficits (breaking his promise to cut the deficit in half), President Obama's budget worsens our fiscal crisis and speeds the country to bankruptcy. Three years after the passage of the President's trillion-dollar spending stimulus, this gimmick-filled budget calls for more wasteful spending taken from workers' paychecks or borrowed from abroad. The massive spending increases are greater than the few proposed spending reductions.

Spending in FY13: \$3.8 trillion

Spending in FY22: \$5.8 trillion

Increased spending concealed through gimmicks: \$1.5 trillion

Total government spending over the next ten years: \$47 trillion

Taxes Too Much: \$1.9 Trillion In New Taxes

The President's budget imposes a heavy cost for its commitment to intrusive government—diminishing economic opportunity by imposing the largest tax hike in history. Taking trillions more tax dollars from hardworking American families will further depress wages and destroy jobs at a time when millions of Americans remain out of work. In total, this budget imposes \$1.9 trillion in new taxes on families, small businesses, and job creators—all to fund wasteful Washington spending.

Income tax hike: \$1.4 trillion

Death tax hike: \$143 billion

Other tax increases: \$340 billion

Borrows Too Much: \$11 Trillion Added To The Debt

Under President Obama's watch, the federal government's total debt has surpassed the size of the economy—undermining job creation today and threatening a debt crisis tomorrow. The President's budget ignores the drivers of our debt, bringing America perilously close to a European-style crisis:

Deficit in FY12: \$1.3 trillion

Deficit in FY13: \$901 billion

Deficit in FY22: \$704 billion

Gross debt accumulated during President's first term: \$6.4 trillion

Gross debt at the end of FY22: \$25.9 trillion

Annual interest payments on the debt by FY22: nearly \$1 trillion

Gimmicks, Tricks and Broken Promises

The President's meager deficit-reduction claims seek to take credit for **over \$2 trillion** in savings already in law and the exploitation of discredited budget gimmicks, including **almost \$1 trillion** in "savings" from money that was never requested and never to be spent in Iraq and Afghanistan.

By failing to put forward long-overdue reforms, his budget allows Social Security to fall into bankruptcy (imposing an across-the-board 23 percent cut on seniors) and gives unaccountable government bureaucrats control over cutting Medicare in ways that would result in denied care for seniors. No credible action is taken to lift the crushing burden of debt. This President's empty promises are quickly becoming broken promises for millions of Americans.