



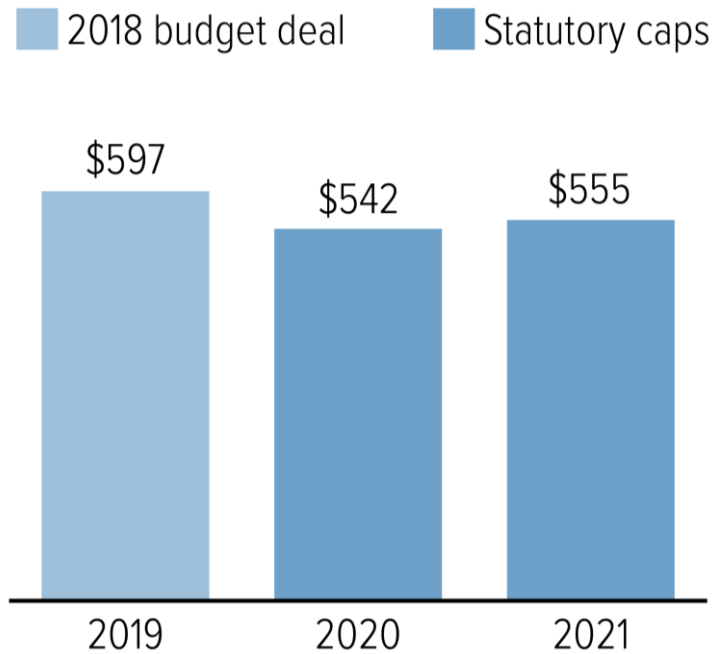
# Presentation to 2019 Budget and Policy Briefing

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Center on Budget and Policy Priorities  
February 21, 2019



# Non-Defense Discretionary Funding Falls After 2019 Under Statutory Caps Set Under Sequestration

In billions of dollars



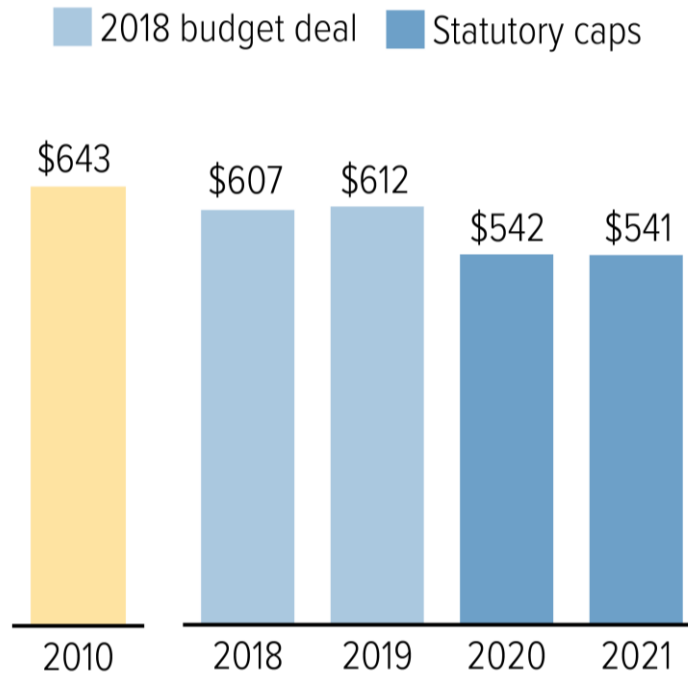
Note: All amounts exclude funding for disasters, emergencies, program integrity, and Overseas Contingency Operations (OCO).

Source: CBPP analysis of data from the Congressional Budget Office and Office of Management and Budget



# Non-Defense Discretionary Funding After 2019 Under the Sequestration Caps

In billions of 2020 dollars



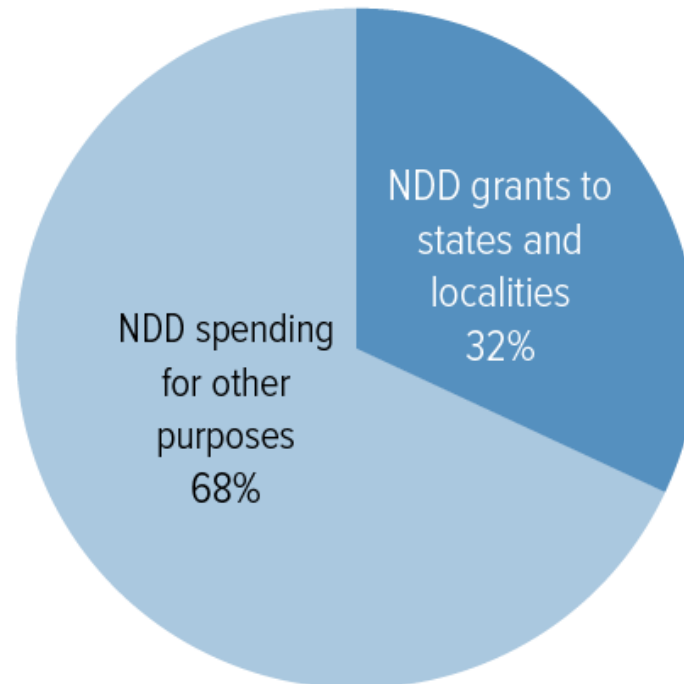
Note: All amounts exclude funding for disasters, emergencies, program integrity, and Overseas Contingency Operations (OCO).

Source: CBPP analysis of data from the Congressional Budget Office and Office of Management and Budget



# Federal Grants to States and Localities Make Up Nearly One-third of Total Non-Defense Discretionary Spending

Discretionary grants to state and local governments as a share of federal non-defense discretionary funding, fiscal year 2015



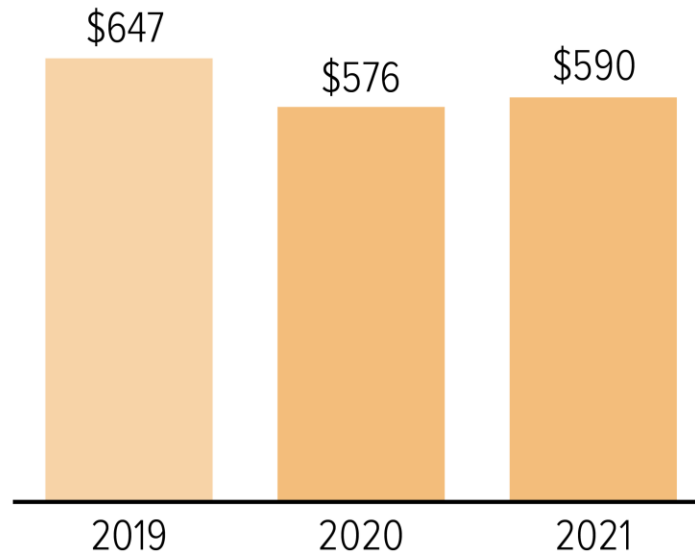
Source: Office of Management and Budget



# Defense Discretionary Funding Falls After 2019 Under Statutory Caps Set Under Sequestration

In billions of dollars

2018 budget deal      Statutory caps



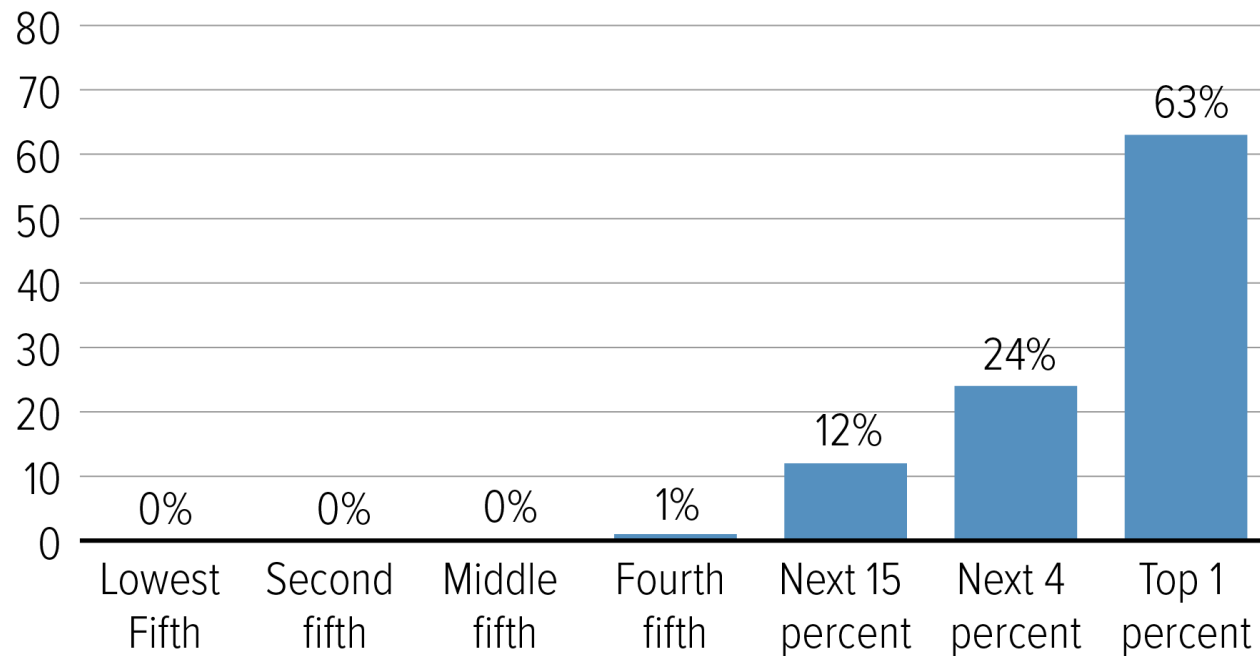
Note: All amounts exclude funding for disasters, emergencies, program integrity, and Overseas Contingency Operations (OCO).

Source: CBPP analysis of data from the Congressional Budget Office and Office of Management and Budget



# Households in Top 1 Percent Would Benefit Most From Repealing SALT Cap

Share of tax cuts, 2019

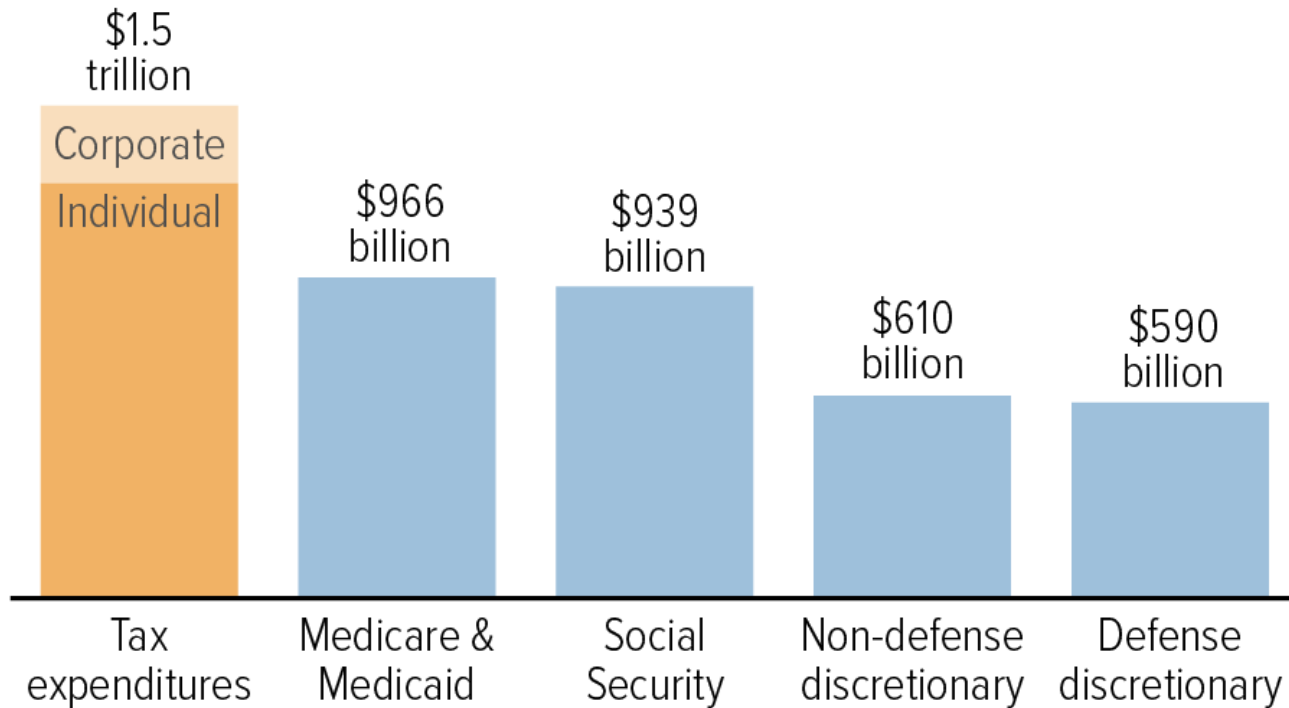


Source: Institute for Taxation and Economic Policy



# Tax Expenditures Are Very Costly

Tax expenditures vs. selected major program expenditures, 2017



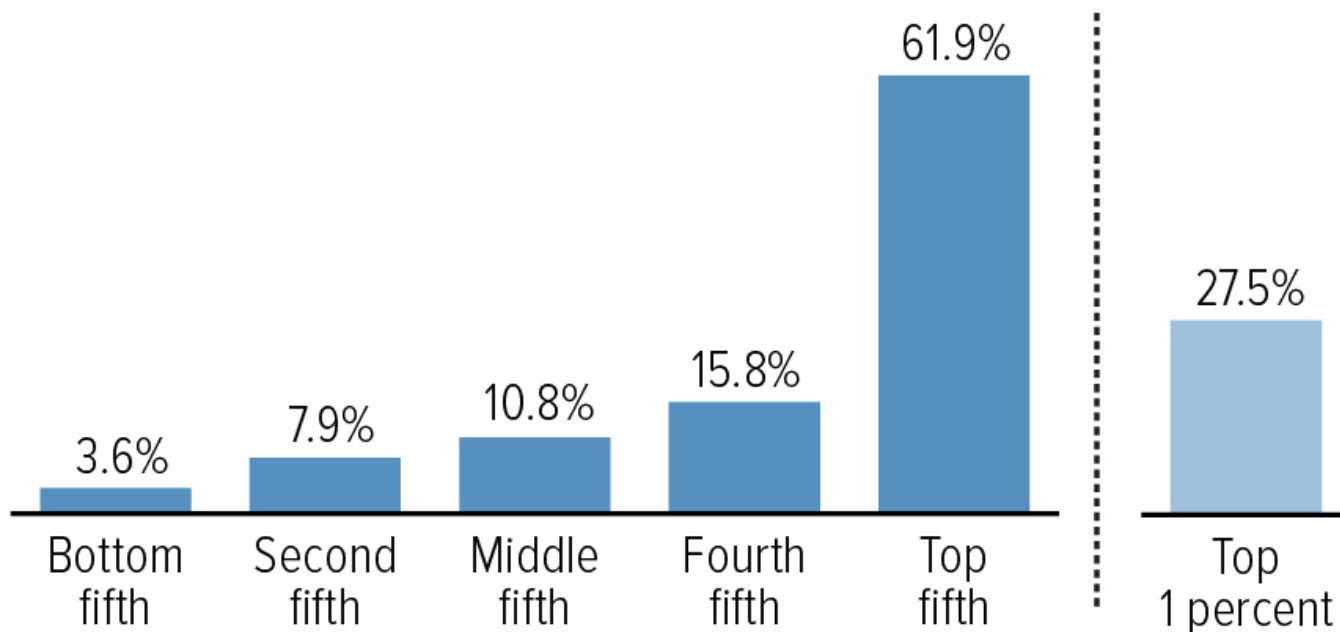
Note: Tax expenditure estimates do not account for interaction effects and do not include associated spending (\$133 billion) or on excise and payroll receipts (\$130 billion).

Source: Office of Management and Budget Historical Tables 8.5 and 8.7, and Analytical Perspectives Tables 13-1, 13-2A, and 13-2B



# Tax Expenditures Tilted Toward the Top

Distribution of federal nonbusiness individual income tax expenditure benefits, 2015



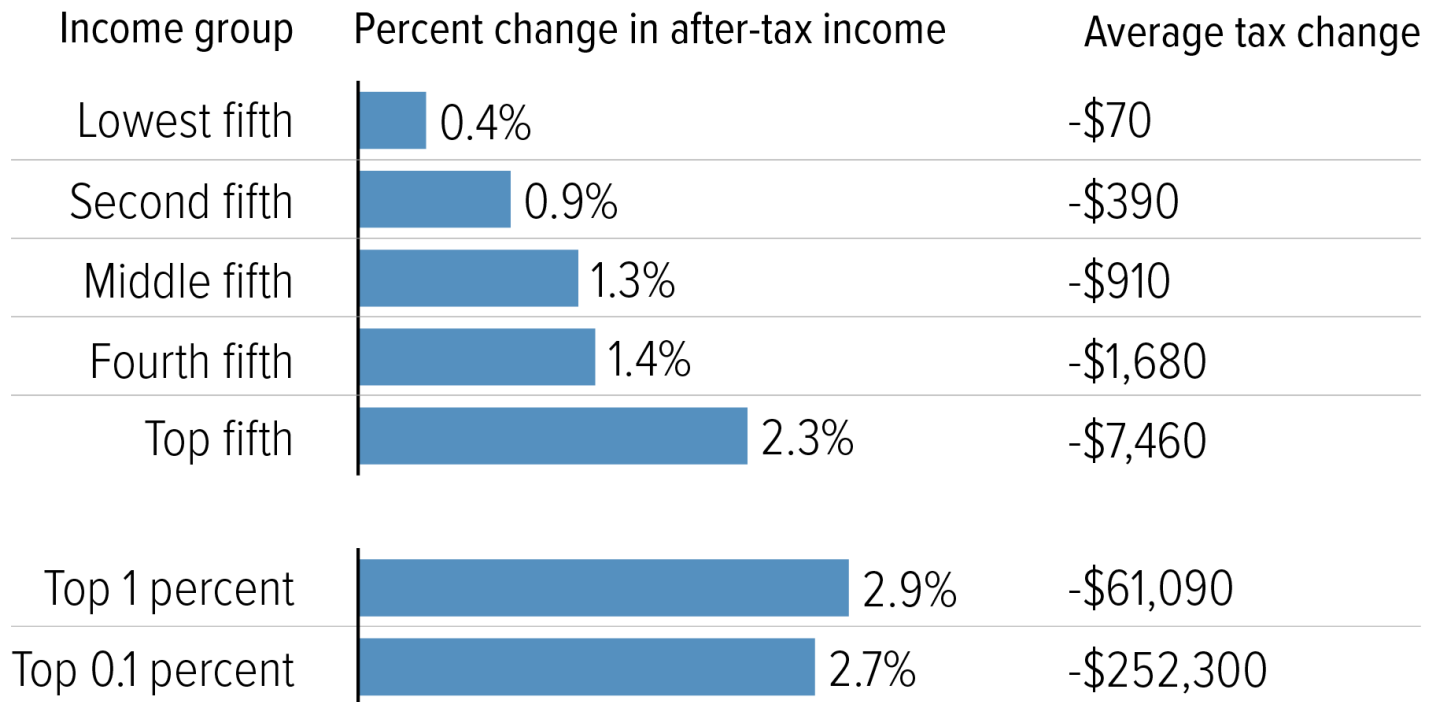
Source: Tax Policy Center





# 2017 Tax Law Delivers Large Tax Cuts to Most Well-Off

2025

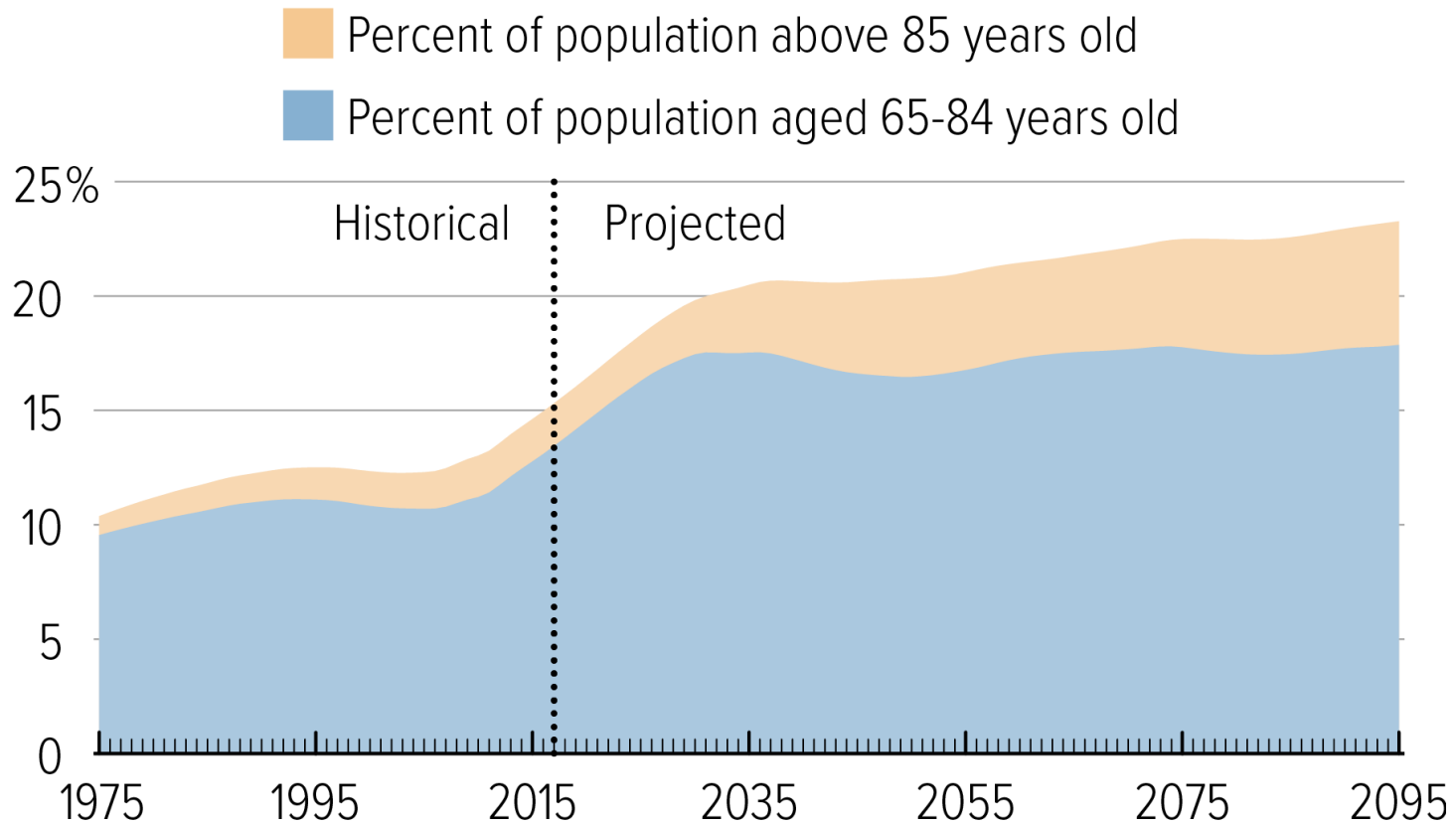


Note: Excludes effect of repeal of health reform’s individual mandate, which required most people to buy health insurance or pay a penalty.

Source: Tax Policy Center



# Population Will Age In Coming Years, Raising Costs for Social Security, Medicare, and Medicaid

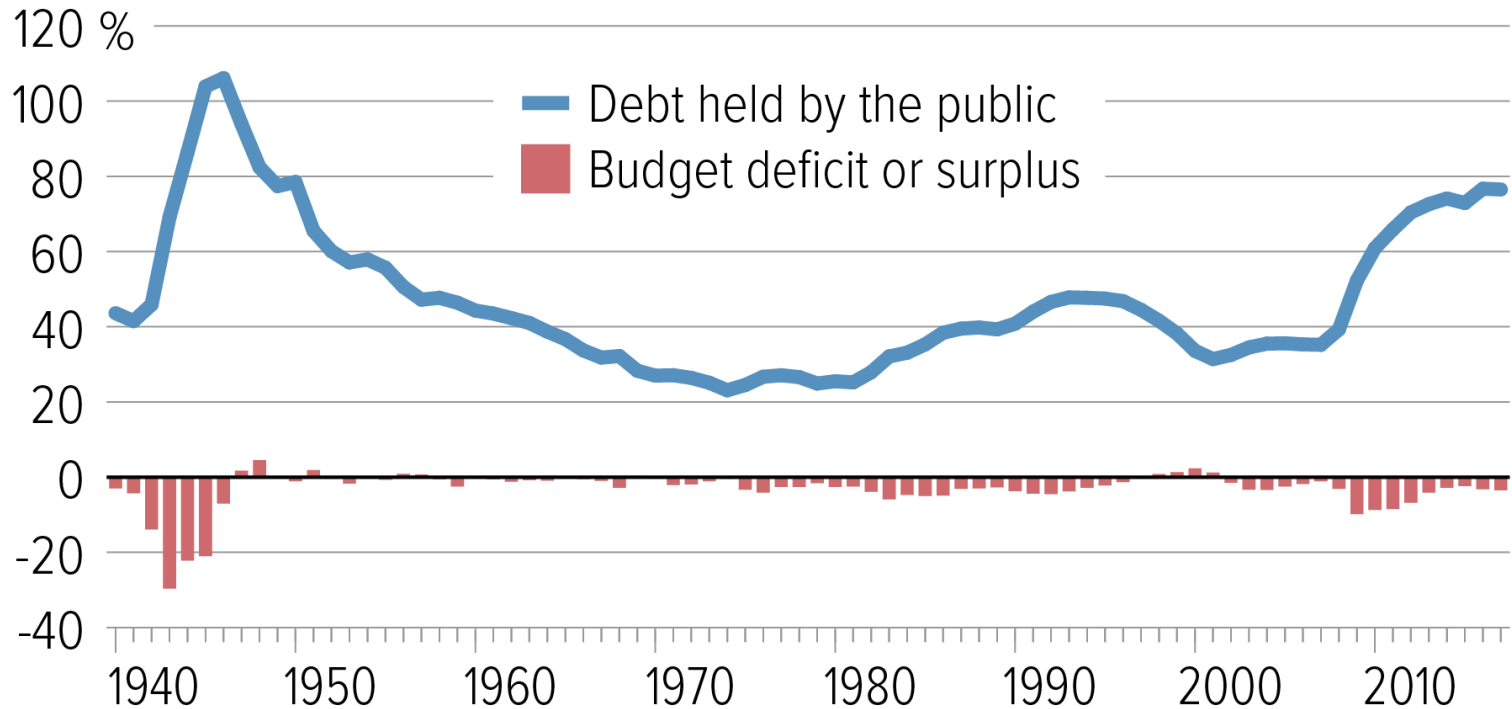


Source: Social Security Administration



# Budget Deficits and Debt Held by the Public

Percent of GDP

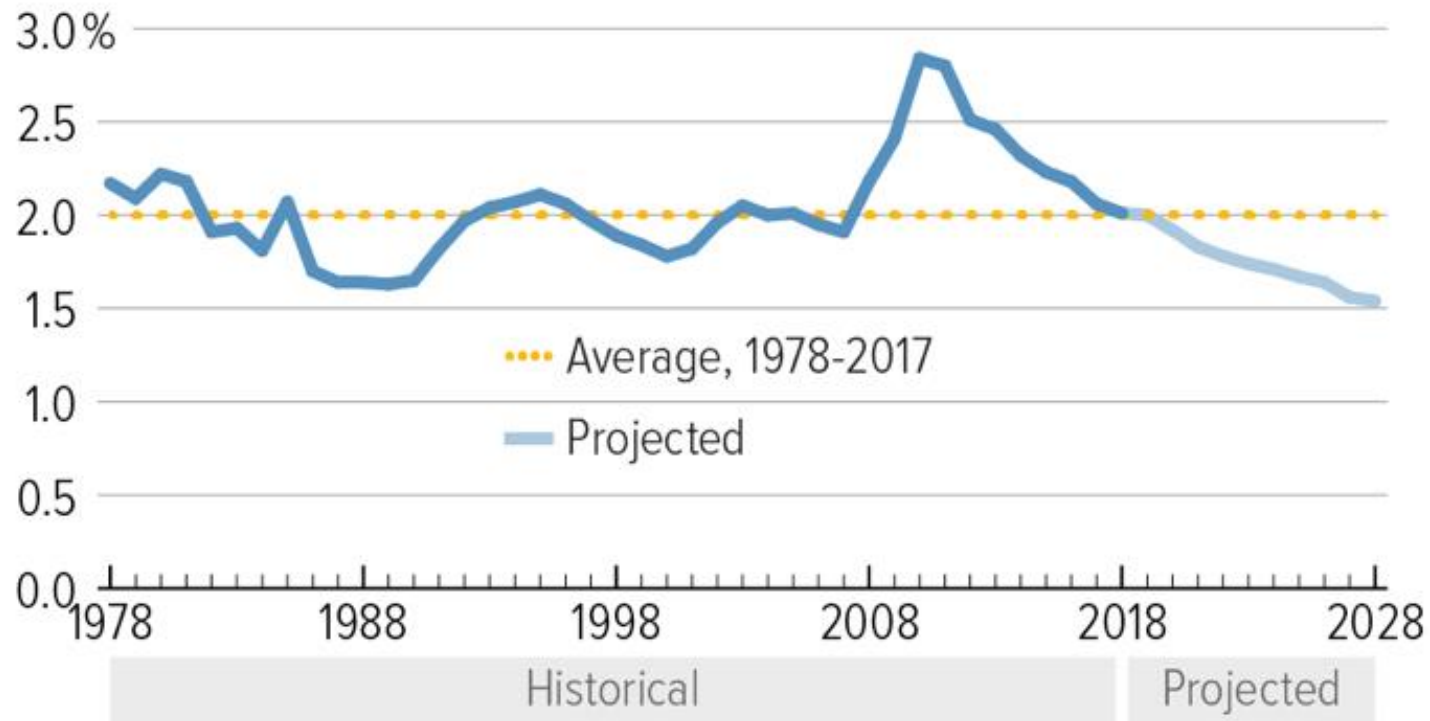


Source: Office of Management and Budget, Historical Tables 7.1 and 1.3



# Low-Income Expenditures Outside Health Care Set to Fall Below Average of Last 40 Years

Spending as a percent of gross domestic product

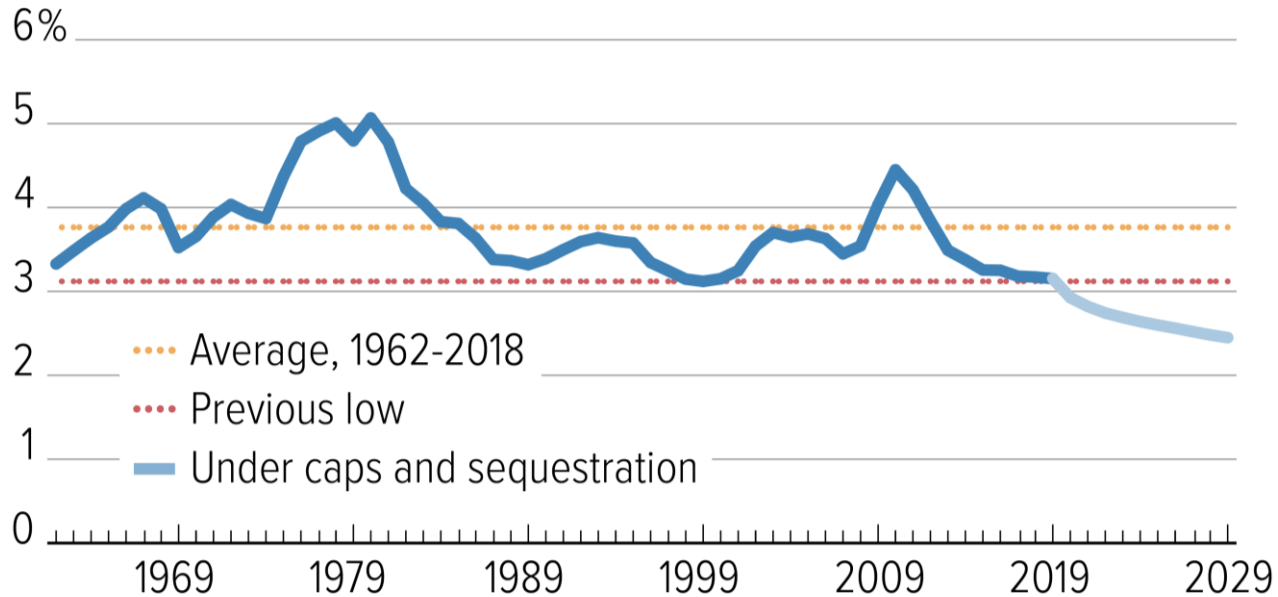


Source: Office of Management and Budget data through 2017 and Congressional Budget Office data thereafter



# Non-Defense Discretionary Spending Falling to Historic Lows

Spending as a percent of gross domestic product

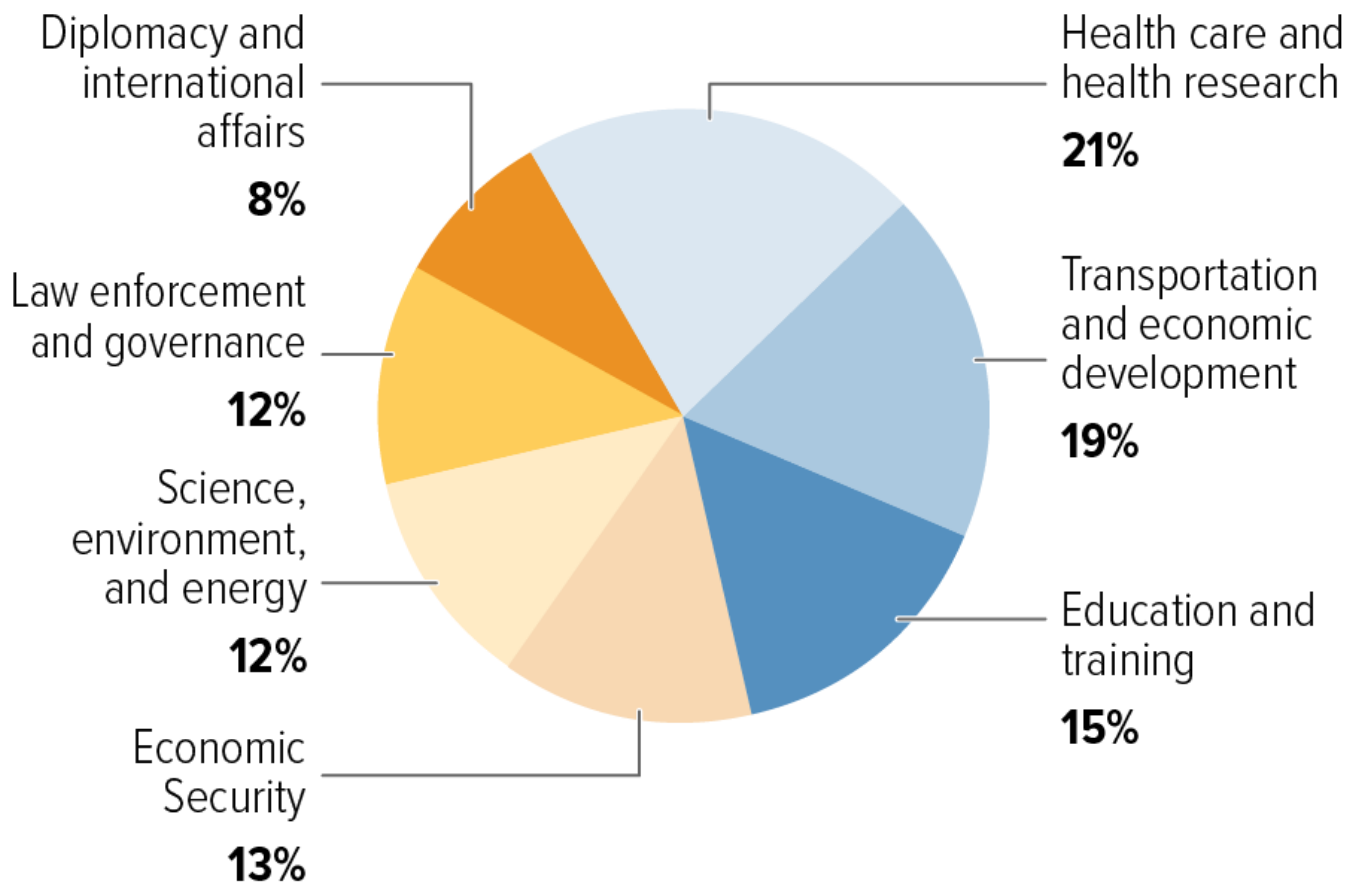


Note: 2019 appropriations are not final. Data available only back to 1962. Sequestration refers to budget cuts required under the 2011 Budget Control Act through 2021, and reflects modifications made in the Bipartisan Budget Acts of 2013, 2015, and 2018.

Source: CBPP based on Office of Management and Budget and Congressional Budget Office data



# Non-Defense Discretionary Spending, FY 2017



Source: CBPP calculations using Office of Management and Budget data