

## **CBC Alternative Budget FY2012**

### ***The Responsible Path Towards Investing in America***

### **Fact Sheet**

The CBC Alternative Budget for Fiscal Year 2012 focuses on our priorities of economic development and job creation, cradle to college and workforce education and protecting the Affordable Care Act. It makes significant investments in Education, Job Training, Transportation and Infrastructure, and advanced research and development programs that will accelerate our economic recovery. At the same time, the CBC Budget protects the social safety net without cutting Social Security, killing Medicaid, or making seniors contribute more to Medicare.

In Fiscal Year 2012, the CBC Budget:

- Invests **\$20 billion** over the President's Budget in Education and Job Training Programs;
- Invests **\$20 billion** over the President's Budget in vital transportation projects, including highway construction, bridge maintenance, public transit and high speed rail, creating at least one million jobs;
- Invests **\$7 billion** over the President's Budget in advanced research and development activities at NASA, the National Science Foundation, and the Department of Energy;
- Invests **\$10 billion** over the President's Budget in targeted health care services, such as Minority health services, AIDS drug assistance programs, and community health centers;
- Provides **\$5 billion** over the President's Budget for veterans' health care benefits and services.
- Provides **\$16 billion** for H.R. 589, the Emergency Unemployment Compensation Expansion Act
- Provides **\$2.5 billion** for the TANF Emergency Contingency Fund

The CBC Budget restores cuts to vital programs proposed in the President's Budget , including:

- the Low Income Heating Assistance Program;
- the Community Development Block Grant;
- the Community Services Block Grant;
- the HOME Investment Partnership Program; and
- Pell Grants for students and subsidized loans for grad students.

The CBC Budget also provides **\$16 billion** for H.R. 589, the Emergency Unemployment Compensation Expansion Act and **\$2.5 billion** for the TANF Emergency Contingency Fund.

The CBC Budget makes tough, but responsible decisions in raising new revenue by making our tax system fairer and closes corporate tax loopholes, which will save trillions of dollars on the deficit compared to the other budget proposals. The CBC Budget does this WITHOUT raising taxes on the middle class.

- Compared to the President's Budget, the CBC Budget saves **\$5.7 trillion on the deficit over the next decade.**

- Compared to the Republican Budget, the CBC Budget saves **\$ 1.3 trillion on the deficit over the next decade.**

Unlike the proposed Republican Budget that shifts hundreds of billions of dollars in health care costs to seniors, the CBC Budget will put our nation on a fiscal path that will allow Congress and the President to more realistically address skyrocketing health care costs.

### **Revenue Raisers**

The CBC Budget adopts most of the proposed revenue options proposed by the President's Fiscal Year 2012 Budget, including allowing the Bush-era tax cuts for the wealthy to permanently expire. In addition to the President's revenue assumptions, the CBC Budget proposes the following revenue raisers.

#### **Tax Capital Gains and Dividends as Ordinary Income**

- Saves **\$949.9 billion** over the next decade

#### **Financial Speculation Tax**

- Saves **\$834.5 billion** over the next decade

#### **Surcharge on the Top Income Earners**

- Generates **\$573 billion** over the next decade

#### **Close Certain Tax Loopholes and Preferences**

- Saves **\$1.3 trillion** over the next decade

#### **Private Student Loan Debt Swap Act**

- Saves **\$9.7 billion** over the next decade

#### **Deny Mortgage Deduction for Vacation Homes & Yachts**

- Saves **\$12.5 billion** over the next decade

#### **Repeal the Volumetric Ethanol Excise Tax Credit**

- Saves **\$60 billion** over the next decade

#### **Reduce the Tax Gap with Better Tax Enforcement**

- Raises **\$107 billion** over the next decade

#### **Creation of a Public Health Insurance Option in the State Health Insurance Exchanges**

- Saves **\$88 billion** over the next decade

### **Deficit Reduction**

- For Fiscal Year 2012, the CBC Alternative Budget sets aside **\$283.4 billion** for deficit reduction. Over a ten year period, the CBC Alternative Budget sets aside **\$3.96 trillion** for deficit reduction. Compared to the Republican Budget, the CBC saves **\$172 billion** on the deficit in FY 2012 and **\$1.34 trillion** over the next decade.