US BUDGET WATCH 2024
A project of the Committee for a Responsible Federal Budget

The Fiscal Impact of the Harris and Trump Campaign Plans

US Budget Watch 2024

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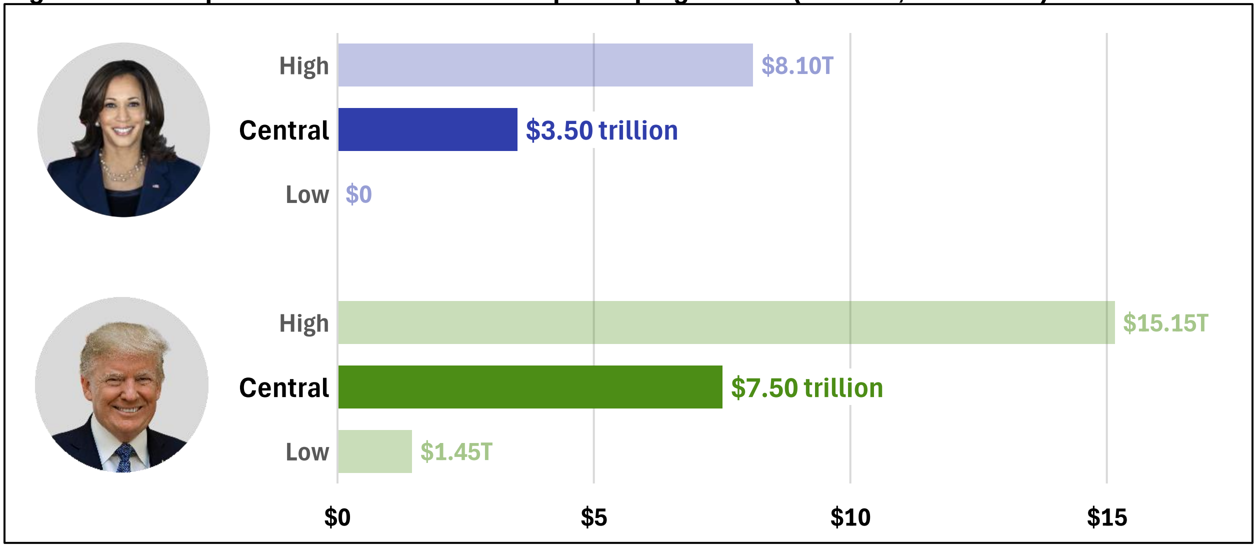
The next President will face significant fiscal challenges upon taking office, including record debt levels, large structural deficits, surging interest payments, and the looming insolvency of critical trust fund programs.[1] Our large and growing national debt threatens to slow economic growth, boost interest rates and payments, weaken national security, constrain policy choices, and increase the risk of an eventual fiscal crisis.

However, neither major candidate running in the 2024 presidential election has put forward a plan to address this rising debt burden. In fact, our comprehensive analysis of the candidates' tax and spending plans finds that both Vice President Kamala Harris and former President Donald Trump would likely further *increase* deficits and debt above levels projected under current law.

Under our central estimate, Vice President Harris's plan would increase the debt by **$3.50 trillion** through 2035, while President Trump's plan would increase the debt by **$7.50 trillion.**

Fig. 1: Fiscal Impact of the Harris and Trump Campaign Plans (trillions, 2026-2035)



These estimates come with a wide range of uncertainty, reflecting both different interpretations and estimates of the policies. Under our low- and high-cost estimates, we estimate Vice President Harris's plan could have no significant fiscal impact or increase debt by $8.10 trillion through 2035, while President Trump's plan could increase debt by between $1.45 and $15.15 trillion. Our analysis will be updated if additional policies are introduced.

[US Budget Watch 2024](#) is a project of the nonpartisan Committee for a Responsible Federal Budget designed to educate the public on the fiscal impact of presidential candidates' proposals and platforms. We do not support or oppose any candidate for public office.

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The Harris Plan

(billions, 2026-2035)

Policy Proposals	Low	Central	High
Extend the TCJA for Households Making Less than $400k	-$2,050	-$3,000	-$3,600
Expand the Child Tax Credit and Earned Income Tax Credit	-$1,400	-$1,400	-$1,400
Extend and Expand the Enhanced ACA Premium Subsidies	-$350	-$550	-$600
Support Affordable Housing	-$200	-$250	-$500
Exempt Tips from Income Taxes and Raise the Minimum Wage	-$100	-$200	-$350
Improve Border Security	$0	-$100	-$200
Support Manufacturing, Research, and Small Businesses	-$150	-$150	-$200
Expand Access and Funding for Pre-K and Child Care	-$400	-$700	-$950
Establish National Paid Family and Medical Leave	-$200	-$350	-$700
Support Affordable and Quality Education	-$150	-$350	-$700
Increase Long-Term Care Funding and Support Family Caregivers	-$100	-$200	-$500
Subtotal, Tax Cuts and Spending Increases	**-$5,100**	**-$7,250**	**-$9,700**
Increase the Corporate Tax Rate from 21% to 28%	$1,350	$900	$750
Increase Taxes on Capital Income	$900	$850	$700
Increase NIIT/Medicare Taxes	$800	$800	$600
Reform International Tax Rules	$650	$550	$550
Reduce Prescription Drug Costs	$250	$250	$200
Other Revenues from the President's Budget, Including a Higher Book Minimum Tax, IRS Funding, and Compensation Deductibility Limits	$1,150	$900	$0
Subtotal, Revenue Increases and Spending Reductions	**$5,100**	**$4,250**	**$2,800**
Net Interest	**$0**	**-$500**	**-$1,200**
Total, Net Deficit Impact	$0	**-$3,500**	-$8,100

The Trump Plan

(billions, 2026-2035)

Policy Proposals	Low	Central	High
Extend and Modify the Tax Cuts & Jobs Act (TCJA)	-$4,600	-$5,350	-$5,950
Exempt Overtime Income from Taxes	-$500	-$2,000	-$3,000
End Taxation of Social Security Benefits	-$1,200	-$1,300	-$1,450
Lower the Corporate Tax Rate to 15% for Domestic Manufacturers	-$150	-$200	-$600
Exempt Tip Income from Taxes	-$100	-$300	-$550
Strengthen and Modernize the Military	-$100	-$400	-$2,450
Secure the Border and Deport Unauthorized Immigrants	$0	-$350	-$1,000
Enact Housing Reforms, Including Credits for First-Time Homebuyers	-$100	-$150	-$350
Boost Support for Health Care, Long-Term Care, and Caregiving	-$50	-$150	-$300
Subtotal, Tax Cuts and Spending Increases	**-$6,800**	**-$10,200**	**-$15,650**
Establish a Universal Baseline Tariff and Additional Tariffs	$4,300	$2,700	$2,000
Reverse Current Energy/Environment Policies and Expand Production	$750	$700	$550
Reduce Waste, Fraud, and Abuse	$250	$100	$0
End the Department of Education and Support School Choice	$200	$200	$0
Subtotal, Revenue Increases and Spending Reductions	**$5,500**	**$3,700**	**$2,550**
Net Interest	**-$150**	**-$1,000**	**-$2,050**
Total, Net Deficit Impact	-$1,450	**-$7,500**	-$15,150

What Do the Candidates Propose and How Do the Numbers Add Up?

Vice President Kamala Harris and former President Donald Trump have both called for a number of policy changes with potentially significant fiscal impact.

The Committee for a Responsible Federal Budget has produced a central, low-, and high-cost estimate for each of these policy proposals. Under these estimates, we find:

- **Vice President Harris** would add **$3.50 trillion** to the projected debt through Fiscal Year (FY) 2035 under our central estimate, as a result of $7.25 trillion of deficit-increasing measures, $4.25 trillion of deficit-reducing measures, and $500 billion of interest costs.
- **President Trump** would add **$7.50 trillion** to the projected debt through FY 2035 under our central estimate, as a result of $10.20 trillion of deficit-increasing measures, $3.70 trillion of deficit-reducing measures, and $1.00 trillion of interest costs.
- **Vice President Harris** would not add to the debt under our low-cost estimate and would increase projected debt by $8.10 trillion through FY 2035 under our high-cost estimate.
- **President Trump** would increase projected debt by $1.45 trillion through FY 2035 under our low-cost estimate and by $15.15 trillion under our high-cost estimate.

These estimates reflect the expected fiscal impact of policies on the candidates' campaign websites and of policies that have been proposed through official campaign announcements, white papers, and social media posts. In many cases, we relied on speeches, discussions with campaign staff, and similar proposals in Presidents' budgets and elsewhere to help clarify policy details.

Fig. 2: Candidate Proposals Under Our Central Estimate, Savings/Costs(-) (billions, 2026-2035)

	Harris	Trump
Extend and Modify Parts of the Tax Cuts & Jobs Act (TCJA)	-$3,000	-$5,350
Reduce Individual Taxes and Expand Tax Breaks	-$1,600	-$3,600
Reduce Business Taxes and Expand Tax Breaks	-$150	-$200
Increase Resources for Health Care and Long-Term Care	-$750	-$150
Increase Defense Spending	n/a	-$400
Support Paid Leave, Preschool, Child Care, and Education	-$1,400	n/a
Restrict Immigration and Strengthen Border Security	-$100	-$350
Increase Housing-Related Spending and Tax Breaks	-$250	-$150
Subtotal, Deficit-Increasing Policies	**-$7,250**	**-$10,200**
Increase Taxes on Corporations and High-Earners	$4,000	n/a
Increase Tariffs	n/a	$2,700
Reduce Other Spending and Tax Breaks	$250	$1,000
Subtotal, Deficit-Reducing Policies	**$4,250**	**$3,700**
Net Interest	**-$500**	**-$1,000**
Total, Net Deficit Impact	**-$3,500**	**-$7,500**

Note: Figures rounded to the nearest $50 billion.

During the 2024 campaign, Vice President Harris has proposed to significantly expand the Child Tax Credit and other individual tax credits, increase support for housing and health care, lower taxes on tips, and strengthen border security. She has also called for spending and tax breaks for child care, education, long-term care, preschool, paid leave, domestic research and manufacturing, and small businesses; and she has expressed support for extending expiring provisions of the Tax Cuts & Jobs Act (TCJA) for households making under $400,000 per year.

President Trump, meanwhile, has proposed to modify and extend the TCJA, further cut taxes for corporations, increase military spending, strengthen border security, expand deportations and immigration enforcement, and increase support for housing, health care, and long-term care. He has also proposed ending the taxation of tip income, overtime pay, and Social Security benefits.

To help offset the costs of her plan, Vice President Harris has proposed increasing taxes on corporations and high-income households and reducing prescription drug prices. Her campaign also says she supports the revenue-raising provisions in President Biden's FY 2025 budget, which would further increase taxes on corporations and high-income households.

To help offset the costs of his plan, President Trump would impose new tariffs on imports; repeal energy- and environment-related spending, tax cuts, and regulations; cut fraudulent spending; and end the Department of Education.

Under our central estimate, both plans would add substantially to the debt. Specifically, we find the Harris plan would add $3.50 trillion to the debt over the ten-year period from FY 2026 through 2035 and the Trump plan would add $7.50 trillion to the debt over that same period.

These findings involve a high degree of uncertainty, mostly due to questions about the details of how candidates' policies are designed. We have therefore relied on candidate statements, campaign feedback, past budget proposals, and other sources for enough detail to credibly estimate the potential costs or savings and in most cases have produced wide-ranging estimates that reflect many different potential policy choices.

Furthermore, even fully detailed and previously analyzed policies have uncertain costs. This is especially true of policies that, if implemented, might significantly alter behavior. In these cases, we look to different scores as well as the available academic literature on behavioral responses.

Where possible, we analyze a wide range of behavioral responses. Our ranges also reflect different estimates from different sources and different estimating methods.

As in past election years, this analysis presents high- and low-cost estimates for each proposal along with our central estimates. The high-cost estimates reflect the upper bound for likely potential costs and the lower bound for potential savings and therefore represent our maximum estimate for the overall budget impact of a candidate's plan. Our low-cost estimates reflect the inverse and therefore represent our minimum estimate for the overall budget impact of a candidate's plan. We discuss the specific differences between our estimates in our descriptions of each policy area and provide general discussion of our methodology in Appendix I.

Under our low-cost estimate, we find the Harris plan would be roughly deficit neutral, while the Trump plan would increase the debt by $1.45 trillion. Under our high-cost estimate, we find the Harris plan would increase debt by $8.10 trillion, while the Trump plan would increase debt by $15.15 trillion.

Fig. 3: Candidate Proposals Under Low and High Estimates, Savings/Costs(-) (billions, 2026-2035)

	Harris		Trump	
	Low	**High**	**Low**	**High**
Extend and Modify Parts of the Tax Cuts & Jobs Act (TCJA)	-$2,050	-$3,600	-$4,600	-$5,950
Reduce Individual Taxes and Expand Tax Breaks	-$1,500	-$1,750	-$1,800	-$5,000
Reduce Business Taxes and Expand Tax Breaks	-$150	-$200	-$150	-$600
Increase Resources for Health Care and Long-Term Care	-$450	-$1,100	-$50	-$300
Increase Defense Spending	n/a	n/a	-$100	-$2,450
Support Paid Leave, Preschool, Child Care, and Education	-$750	-$2,350	n/a	n/a
Restrict Immigration and Strengthen Border Security	$0	-$200	$0	-$1,000
Increase Housing-Related Spending and Tax Breaks	-$200	-$500	-$100	-$350
Subtotal, Deficit-Increasing Policies	**-$5,100**	**-$9,700**	**-$6,800**	**-$15,650**
Increase Taxes on Corporations and High-Earners	$4,850	$2,600	n/a	n/a
Increase Tariffs	n/a	n/a	$4,300	$2,000
Reduce Other Spending and Tax Breaks	$250	$200	$1,200	$550
Subtotal, Deficit-Reducing Policies	**$5,100**	**$2,800**	**$5,500**	**$2,550**
Net Interest	**$0**	**-$1,200**	**-$150**	**-$2,050**
Total, Net Deficit Impact	**$0**	**-$8,100**	**-$1,450**	**-$15,150**

Note: Figures rounded to the nearest $50 billion.

The largest sources of uncertainty in Vice President Harris's plan are her proposals to extend the TCJA for those earning under $400,000 per year, fund higher education, support paid leave and child care, and raise taxes on corporations. The largest sources of uncertainty in President Trump's plan are his proposals to extend and modify the TCJA, end taxes on overtime, increase defense spending, address immigration, and increase tariffs.

Our analysis incorporates policies that we understand to be part of each candidate's campaign platform and that increase or reduce deficits by at least $50 billion over a decade. In Appendix II, we discuss some policies mentioned on the campaign trail that were not included in our analysis – either because we do not understand them to be an official campaign policy or their fiscal effect is not likely to be large enough to incorporate into our analysis.

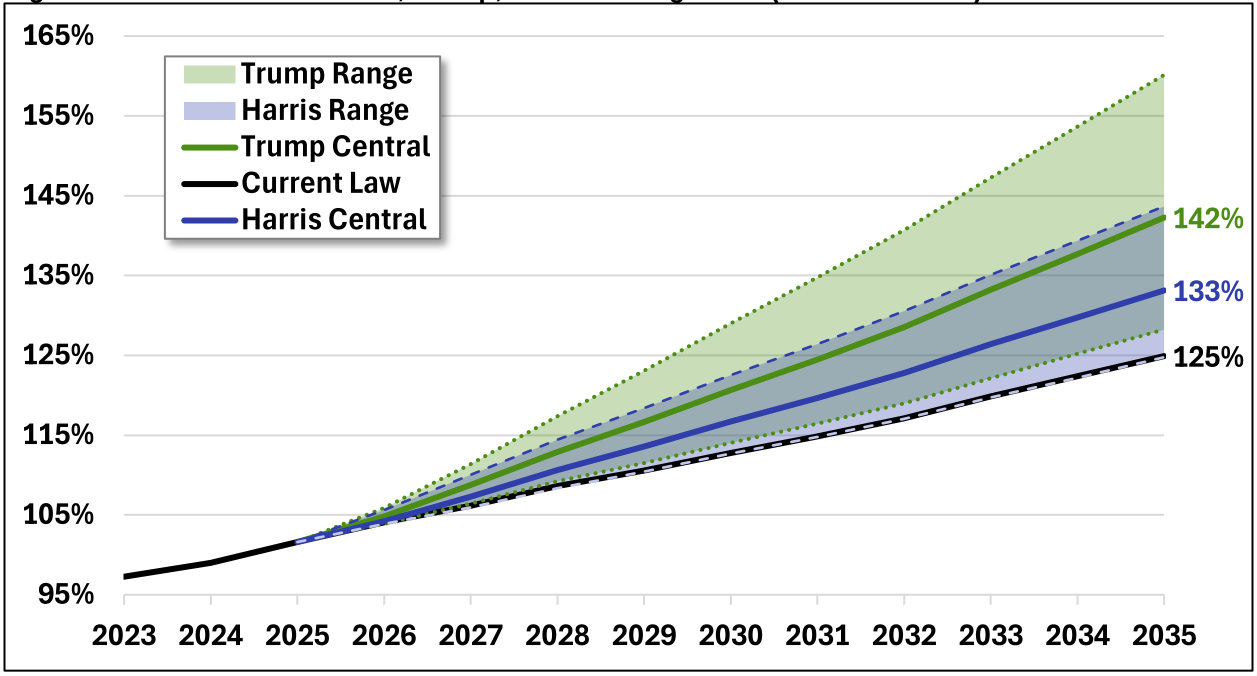
What Would the Candidates' Proposals Mean for the National Debt?

The national debt currently stands at 99 percent of Gross Domestic Product (GDP) and is projected to grow from 102 percent of GDP at the start of FY 2026 to 125 percent by the end of 2035 based on the Congressional Budget Office's (CBO) current law baseline. The debt will exceed its record as a share of the economy – 106 percent set in 1946 – in just three years.

Debt would continue to grow faster than the economy under either candidates' plans and in most scenarios would grow faster and higher than under current law.

Under our central estimates, we find that Vice President Harris's plan would push debt to 133 percent of GDP in FY 2035 – an 8 percent of GDP increase. We estimate President Trump's plan would push debt to 142 percent of GDP in 2035 – a 17 percent of GDP increase.

Fig. 4: Debt Under Current Law, Trump, and Harris Agendas (Percent of GDP)



Source: Committee for a Responsible Federal Budget based on Congressional Budget Office baseline.

Debt could be higher or lower under different scenarios. Under our low-cost estimates, debt in FY 2035 would grow to 125 percent of GDP under the Harris plan (as under current law) and would grow to 128 percent under the Trump plan. Under our high-cost estimates, debt would grow to 144 percent of GDP under the Harris plan and 160 percent of GDP under the Trump plan.

Our estimates assume policies are implemented in 2026 – the first year for which the next President will submit a budget proposal – and that lawmakers follow the current law baseline outside of the candidates' proposals. We do not account for possible changes in GDP resulting from the candidates' policies, though in some high- and low-cost estimates we account for dynamic feedback effects on revenue and spending.

Kamala Harris's 2024 Campaign Plan

High-Cost: -$8.10 trillion

Central: -$3.50 trillion

Low-Cost: $0

Vice President Harris's 2024 campaign has put forward a number of policy proposals to expand tax credits, increase funding for children and families, lower health care and housing costs, increase border security, and raise taxes on corporations and high-income households.

Vice President Harris's New Way Forward for the Middle Class Agenda, which is available on her campaign website, includes 13 chapters detailing her agenda. The campaign has also issued topic-specific white papers and has communicated to us and others that she generally supports the revenue-raising measures in President Biden's FY 2025 budget.

In total, we estimate that enacting Vice President Harris's plan would increase debt over the FY 2026 to 2035 period by a total of **$3.50 trillion** under our central estimate. Under our low-cost estimate, Vice President Harris's plan would be roughly budget neutral, while it would increase debt by $8.10 trillion under our high-cost estimate.

Fig. 5: Summary of Harris Plan, Savings/Costs(-) (billions, 2026-2035)

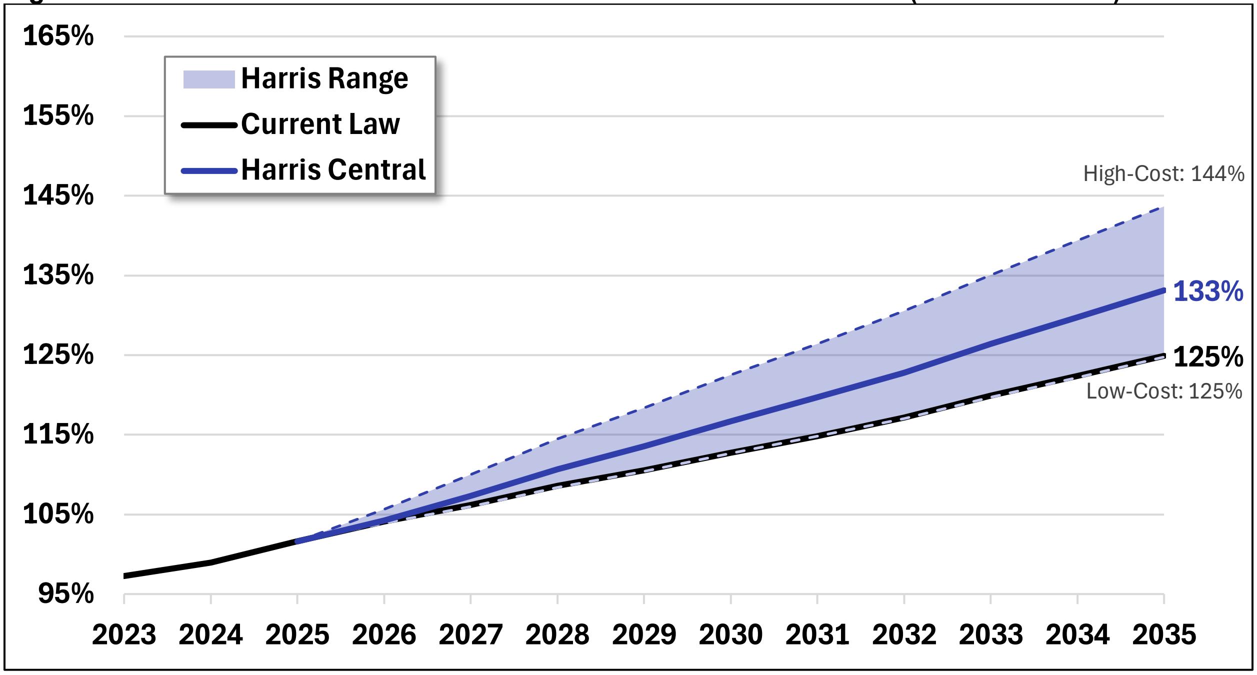
Policy Proposals	Low	Central	High
Extend the TCJA for Households Making Less than $400k	-$2,050	-$3,000	-$3,600
Expand the Child Tax Credit and Earned Income Tax Credit	-$1,400	-$1,400	-$1,400
Extend and Expand the Enhanced ACA Premium Subsidies	-$350	-$550	-$600
Support Affordable Housing	-$200	-$250	-$500
Exempt Tips from Income Taxes and Raise the Minimum Wage	-$100	-$200	-$350
Improve Border Security	$0	-$100	-$200
Support Manufacturing, Research, and Small Businesses	-$150	-$150	-$200
Expand Access and Funding for Pre-K and Child Care	-$400	-$700	-$950
Establish National Paid Family and Medical Leave	-$200	-$350	-$700
Support Affordable and Quality Education	-$150	-$350	-$700
Increase Long-Term Care Funding and Support Family Caregivers	-$100	-$200	-$500
Subtotal, Tax Cuts and Spending Increases	**-$5,100**	**-$7,250**	**-$9,700**
Increase the Corporate Tax Rate from 21% to 28%	$1,350	$900	$750
Increase Taxes on Capital Income	$900	$850	$700
Increase NIIT/Medicare Taxes	$800	$800	$600
Reform International Tax Rules	$650	$550	$550
Lower Prescription Drug Costs	$250	$250	$200
Other Revenues from the President's Budget, Including a Higher Book Minimum Tax, IRS Funding, and Compensation Deductibility Limits	$1,150	$900	$0
Subtotal, Revenue Increases and Spending Reductions	**$5,100**	**$4,250**	**$2,800**
Net Interest	**$0**	**-$500**	**-$1,200**
Total, Net Deficit Impact	$0	**-$3,500**	-$8,100

Note: Figures rounded to the nearest $50 billion

Under Vice President Harris's plan, we estimate debt would grow rapidly over time. In our central estimate, debt held by the public would rise from 102 percent of GDP at the beginning of FY 2026 to 133 percent of GDP by the end of 2035 – 8 percent of GDP above current law projections.

Under our low-cost estimate of the Harris plan, debt would grow to 125 percent of GDP by FY 2035 – roughly the same as projected under current law – while under our high-cost estimate, debt would grow to 144 percent of GDP – 19 percent of GDP above current law.

Fig. 6: Debt as a Percent of GDP Under Vice President Harris's Policies (Percent of GDP)



Source: Committee for a Responsible Federal Budget based on Congressional Budget Office baseline.

Although our year-by-year estimates are less precise, we also estimate annual deficits would rise under Vice President Harris's plan. Based on data from CBO, we project deficits will grow from 6.5 percent of GDP in FY 2025 to 7.0 percent in 2035 under current law. Under our central estimate of the Harris plan, we find deficits would reach 8.1 percent of GDP in 2035, with a range of 7.0 to 9.4 percent of GDP in other scenarios – the highest levels reached outside of a war or recession.

Our estimates focus on policy areas identified on the campaign website and in campaign-issued announcements and white papers. When campaign material provides insufficient detail, we have relied on speeches and discussions with the campaign and often look to President Biden's budget proposals or proposed legislation to determine possible meaning. We have reached out to the Harris campaign, which provided helpful feedback but did not affirm or deny our understanding of their platform in full. Our wide range of potential estimates reflects both possible estimating differences and different interpretations of the proposals themselves.

Harris's Tax Cuts and Spending Increases		
Low: -$5.10 trillion	**Central: -$7.25 trillion**	High: -$9.70 trillion

Vice President Harris has proposed several tax cuts and spending increases through her campaign website, speeches, and white papers. Based on our best understanding of these proposals, we estimate they would add $5.10 trillion to $9.70 trillion to primary deficits from FY 2026 through 2035, with a central estimate of $7.25 trillion.

Extend the TCJA for Households Making Less than $400k		
Low: -$2.05 trillion	**Central: -$3.00 trillion**	High: -$3.60 trillion

Large parts of the 2017 Tax Cuts and Jobs Act (TCJA) – including lower rates, a larger Child Tax Credit and standard deduction, a smaller estate tax, and numerous limits on deductions and exemptions – are scheduled to expire at the end of 2025; many of these tax cuts go to households making less than $400,000 per year. In her New Way Forward for the Middle Class Agenda, Vice President Harris says that she "will make sure no one earning less than $400,000 a year will pay more in taxes" and she calls for "rolling back Trump's tax cuts for the wealthiest Americans" on her campaign website. Because those tax cuts expire automatically in the first year of the next presidential term, we interpret this to mean she would extend the TCJA for households making less than $400,000. Under our central estimate of $3.00 trillion over a decade, we assume she would extend all the expiring individual income (but not corporate or estate) tax cuts except those explicitly reversed in President Biden's FY 2025 budget – which raises the top income tax rate to its pre-TCJA rate of 39.6 percent for income above $400,000 ($450,000 for couples), and tightens the current limit on the deductibility of pass-through losses.[2] Our low-cost estimate of $2.05 trillion assumes Vice President Harris also lets other parts of the TCJA expire on income above $400,000, including the 199A pass-through deduction, the repeal of the Pease itemized deduction limitation, and the repeal of the Alternative Minimum Tax for most taxpayers. Our high-cost estimate of $3.60 trillion starts with our central estimate but also assumes the partial revival and extension of three business provisions as in the bipartisan Tax Relief for American Families and Workers Act – including full expensing (bonus depreciation) for equipment purchases, full expensing for domestic research and experimentation, and changes to loosen the recently-tightened limit on business interest deductibility.

Expand the Child Tax Credit and Earned Income Tax Credit		
Low: -$1.40 trillion	**Central: -$1.40 trillion**	High: -$1.40 trillion

Currently, most parents are eligible for a partially-refundable, $2,000 per-kid Child Tax Credit (CTC). Low-income parents may also be eligible for an Earned Income Tax Credit (EITC) of up to $7,830, while workers without dependent children can collect an EITC of up to $632. In her New Way Forward for the Middle Class Agenda, Vice President Harris calls for expanding the CTC and the EITC for workers without dependent children. Specifically, she would make the CTC fully refundable; expand eligibility to 17-year-olds; and increase the size of the CTC to $6,000 for newborns, $3,600 for other children under six, and $3,000 for children six and over. These parameters – with the exception of the $6,000 newborn credit – were temporarily in effect in 2021 as a result of the American Rescue Plan Act (ARP). Vice President Harris would also revive the ARP's EITC expansion, increasing the maximum benefit to $1,749 for childless workers. We estimate these changes would increase deficits by about $1.40 trillion over a decade, on top of extensions to the TCJA – which itself increased the CTC from $1,000 to $2,000.[3]

Extend and Expand the Enhanced ACA Premium Subsidies		
Low: -$350 billion	**Central: -$550 billion**	High: -$600 billion

Americans without employer-provided or government-sponsored insurance coverage are generally able to purchase health insurance on "health exchanges," with income-based tax credit subsidies originally established under the Affordable Care Act (ACA). The American Rescue Plan and Inflation Reduction Act expanded these subsidies through the end of 2025, including by making them more generous and extending eligibility to households making more than 400 percent of the federal poverty line. In her New Way Forward for the Middle Class Agenda, Vice President Harris says that she will "expand and make permanent the tax credit enhancements for Affordable Care Act marketplace plans." Simply extending these subsidies would cost roughly $400 billion through FY 2035 based on official estimates. Although Vice President Harris has not specified how she would expand benefits, our $550 billion central estimate and $600 billion high-cost estimate assume she would use subsidies to cover those below the poverty line in states that did not expand Medicaid under the ACA, as was proposed in President Biden's FY 2025 budget, though they use different scoring sources. Our low-cost estimate of $350 billion relies on Office of Management & Budget scoring and assumes only a very modest expansion of subsidies.[4]

Support Affordable Housing		
Low: -$200 billion	**Central: -$250 billion**	High: -$500 billion

In her New Way Forward for the Middle Class Agenda, Vice President Harris proposes a number of policies to increase housing construction and improve housing affordability. Specifically, she would establish a four-year $25,000 first-time homebuyers tax credit, a $40 billion housing innovation fund, tax incentives for building new homes, an expansion of the Low-Income Housing Tax Credit, and creation of a Neighborhood Homes Tax Credit. We estimate these policies would increase deficits by about $250 billion, with half the cost coming from the first-time homebuyer credit. Our low-cost estimate of $200 billion incorporates the campaign's estimate of 4 million first-time home buyers, whereas our high-cost estimate of $500 billion assumes the credit is made permanent.[5]

Exempt Tips from Income Taxes and Raise the Minimum Wage		
Low: -$100 billion	**Central: -$200 billion**	High: -$350 billion

In her New Way Forward for the Middle Class Agenda, Vice President Harris says she will "fight to raise the minimum wage, end the sub-minimum wage for tipped workers and people with disabilities, and eliminate taxes on tips for service and hospitality workers." Raising the minimum wage would increase deficits largely by boosting federal health care costs, while exempting tips from taxes would reduce revenue collection.[6] The campaign has specified that tips would not be exempted from the payroll tax and that income limits and various guardrails would help to contain the revenue loss. We estimate these two policies together would increase deficits by around $200 billion through FY 2035 with behavioral effects. Our low-cost estimate of $100 billion assumes stricter limits on the tipping policy, fewer behavioral effects, and a smaller fiscal impact from the minimum wage hike, while our high-cost estimate of $350 billion assumes reducing taxes on tips leads to significantly larger behavioral changes where a substantial amount of income is reclassified and the minimum wage hike has a somewhat larger fiscal impact.[7]

Improve Border Security		
Low: $0	**Central: -$100 billion**	High: -$200 billion

In response to the recent surge in immigration, the U.S. Senate drafted bipartisan legislation that would allocate $21 billion in additional funding for border security and processing asylum claims as well as provide the President with more powers to restrict border crossings**.** On her campaign website and in a speech at the border, Vice President Harris has said she will "bring back the bipartisan border security bill and sign it into law." In addition to its direct costs, this bill is likely to reduce revenue collection by reducing the number of immigrants who enter the country and pay federal taxes; it would also reduce federal spending, though likely by less. In total, we estimate this bill would increase deficits by $0 to $200 billion over a decade, depending on how significantly it reduces immigration and on the composition of the potential immigrants who would be prevented from entering the country. Under our central estimate, we assume deficits would be $100 billion higher due to this plan.[8]

Support Manufacturing, Research, and Small Businesses		
Low: -$150 billion	**Central: -$150 billion**	High: -$200 billion

In her New Way Forward for the Middle Class Agenda, Vice President Harris proposes a number of policies designed to support the creation of small businesses, modernize critical industries, incentivize businesses to employ union workers, and invest in research – including as it relates to artificial intelligence. This includes creating an "America Forward Tax Credit" targeted at "investment and job creation in key industries" along with investments to expand the country's research base and increase the domestic production and stockpile of critical minerals. Vice President Harris has also proposed to expand the startup expense tax deduction from $5,000 to $50,000, launch a Small Business Expansion Fund, ensure one-third of federal contracts go to small businesses, and develop a standard deduction for businesses. We estimate these policies together are likely to add about $150 billion to deficits over a decade in our central estimate but could add $200 billon depending on the design of the standard deduction and size of the expansion fund.[9]

Expand Access and Funding for Pre-K and Child Care		
Low: -$400 billion	**Central: -$700 billion**	High: -$950 billion

In her New Way Forward for the Middle Class Agenda, Vice President Harris says she will "fight for affordable, high-quality child care and preschool." Vice President Harris has also said in an interview that she would cap the cost of child care at 7 percent of income. Although the Harris campaign has not provided more specifics, her description of her child care plan seems to roughly match the policies in the 2021 House-passed Build Back Better Act, which would fully subsidize the cost of child care for households making less than 75 percent of the state median income and offer a sliding scale subsidy that would limit costs to 7 percent of income for households making between 150 and 250 percent of the median income. Our $700 billion central estimate assumes Vice President Harris would adopt this plan and would also expand access to preschool as proposed in President Biden's FY 2025 budget – which called for a new federal-state program to provide free universal preschool for four-year-olds and allow states to further expand preschool to three-year-olds. Our low-cost estimate assumes more modest plans with a $400 billion cost matching the target in President Biden's FY 2022 budget, while our high-cost estimate of $950 billion reflects CBO's estimates of the child care and preschool provisions in the 2021 House-passed Build Back Better Act, updated for the latest budget window.[10]

Establish National Paid Family and Medical Leave		
Low: -$200 billion	**Central: -$350 billion**	High: -$700 billion

In her New Way Forward for the Middle Class Agenda, Vice President Harris says that she will "fight for paid family and medical leave for all Americans." Although the campaign has not provided more details, one option would be to adopt President Biden's FY 2025 budget proposal, which allocates $350 billion to provide a national comprehensive paid leave program that finances up to 12 weeks of leave with a progressive partial wage replacement schedule. Our low-cost estimate of $200 billion assumes a four-week paid leave program as proposed in the 2021 House-passed Build Back Better Act. Our high-cost estimate of $700 billion assumes something like the 2020 FAMILY Act, which proposed 12-weeks of paid leave and to replace about two-thirds of wages for most workers.[11]

Support Affordable and Quality Education		
Low: -$150 billion	**Central: -$350 billion**	High: -$700 billion

In her New Way Forward for the Middle Class Agenda, Vice President Harris says she will "fight to make higher education more affordable," "strengthen public education and training," "expand programs like Registered Apprenticeships," and "continue working to end the unreasonable burden of student loan debt." Although the campaign does not provide additional details, President Biden's FY 2025 budget proposed to significantly increase spending on education and training, including by doubling the Pell Grant for students at public and non-profit institutions, implementing tuition-free community college, increasing access to apprenticeships, and creating a Career Training Fund, among other changes. President Biden also announced (but has not formally proposed) plans to cancel loans for borrowers at risk of default or experiencing hardship. Our central estimate of $350 billon assumes Vice President Harris pursues the education-related policies in the President's budget. Our $150 billion low-cost estimate assumes only the Pell Grants and apprenticeship expansion. Our high-cost estimate of $700 billion assumes the policies in the budget along with student debt cancellation.[12]

Increase Long-Term Care Funding and Support Family Caregivers		
Low: -$100 billion	**Central: -$200 billion**	High: -$500 billion

In her New Way Forward for the Middle Class Agenda, Vice President Harris calls for "expand[ing] high-quality home care services for seniors and people with disabilities" and "supporting care workers and family caregivers." Although the campaign does not provide additional details, President Biden's FY 2025 budget proposed spending $150 billion to expand Medicaid home- and community-based services. Meanwhile, the bipartisan Credit for Caring Act of 2019 proposed creating a $3,000 tax credit for family caregivers of individuals with physical or cognitive needs**.** Our central estimate of $200 billion assumes both policies are implemented. Our low-cost estimate of $100 billion assumes much more modest support, while our high-cost estimate of $500 billion matches the more expansive long-term care proposal in President Biden's FY 2022 budget, along with a larger caregiver tax credit as proposed during President Biden's 2020 campaign.[13]

Harris's Tax Increases and Spending Reductions		
Low: $5.10 trillion	**Central: $4.25 trillion**	High: $2.80 trillion

Vice President Harris has proposed a number of revenue increases and offsets to help finance her tax cut and spending proposals. The campaign has also communicated with us and with the media that Vice President Harris supports nearly all of the revenue-raising provisions from President Biden's FY 2025 budget. Based on our best understanding of these proposals, we estimate they would reduce primary deficits by $5.10 trillion to $2.80 trillion from FY 2026 through 2035, with a central estimate of $4.25 trillion. Our high-cost estimate does not credit the campaign for tax policies in the President's budget that Vice President Harris has not specifically mentioned or alluded to in speeches or public campaign material.

Increase the Corporate Tax Rate from 21% to 28%		
Low: $1.35 trillion	**Central: $900 billion**	High: $750 billion

Corporations currently pay a 21 percent tax rate on their profits, down from 35 percent (taxed on a narrower base) prior to the 2017 TCJA. Vice President Harris has called for raising the corporate tax rate from 21 percent to 28 percent. We estimate this would raise revenue by $900 billion through FY 2035, though it could raise between $750 billion and $1.35 trillion depending on the estimator and whether dynamic scoring is employed.[14]

Increase Taxes on Capital Income		
Low: $900 billion	**Central: $850 billion**	High: $700 billion

Under current law, qualified dividends and long-term capital gains are generally taxed at a preferential rate of up to 20 percent (plus a 3.8 percent surtax) at the time of distribution and realization; there is also a 1 percent surtax imposed on corporate stock repurchases. In her New Way Forward for the Middle Class Agenda, Vice President Harris proposes increasing the top ordinary capital gains and dividends rate to 28 percent for households making over $1 million per year,[15] quadrupling the buyback tax to 4 percent,[16] and instituting a billionaire minimum tax to tax wealthy households on unrealized capital gains as they accrue.[17] We assume this tax would match the proposal in President Biden's FY 2025 budget, which involves a 25 percent minimum tax rate for households with over $100 million of wealth. The campaign has also said they support other revenue increases in the President's budget, which we assume to include the repeal of stepped-up basis at death for wealthy households in our central and low-cost estimates. We estimate these proposals would generate $850 billion of revenue through FY 2035 or $700 billion without the repeal of stepped-up basis. Our high-cost estimate assumes stepped-up basis is retained, and each scenario includes different revenue estimates for the proposals.

Increase NIIT/Medicare taxes		
Low: $800 billion	**Central: $800 billion**	High: $600 billion

In her New Way Forward for the Middle Class Agenda, Vice President Harris says she "will shore up Social Security and Medicare so that… the wealthiest Americans pay their fair share in taxes." The Harris campaign has also communicated to us and the media that she generally supports all the revenue-raising measures in President Biden's FY 2025 budget. Based on discussions with the campaign, we assume this refers to proposals in President Biden's FY 2025 budget to increase revenue for the Medicare Hospital Insurance trust fund. Under current law, taxpayers making over $200,000 per year ($250,000 for couples) pay a 0.9 percent Medicare payroll surtax (for a total payroll tax of 3.8 percent) and a 3.8 percent Net Investment Income Tax (NIIT), though some pass-through business income is not subject to either tax. The President's FY 2025 budget would expand these taxes to cover pass-through business income for households making more than $400,000 per year, raise the tax rate by an additional 2.2 percent (to 5.0 percent total), and dedicate all the funds to the Medicare Hospital Insurance trust fund. We find this would generate $800 billion over ten years in our central and low-cost scenarios based on official estimates and $600 billion in our high-cost scenario based on alternative estimates.[18]

Reform International Tax Rules		
Low: $650 billion	**Central: $550 billion**	High: $550 billion

In her New Way Forward for the Middle Class Agenda, Vice President Harris says her plan "will reform the international tax system so that corporations can no longer get big rewards for shifting jobs and profits overseas." The Harris campaign has also communicated to us and the media that she generally supports all the revenue-raising measures in President Biden's FY 2025 budget, which includes numerous reforms to international tax rules that raise revenue. Most significantly, the budget would increase certain global minimum taxes to 21 percent,[19] apply the global minimum taxes on a jurisdiction-by-jurisdiction basis, and replace current base erosion with an undertaxed profit rule,[20] among other changes.[21] We estimate these policies would raise $550 billion through FY 2035 in our central and high-cost estimates or $650 billion in our low-cost estimate based on alternative estimates.

Lower Prescription Drug Costs		
Low: $250 billion	**Central: $250 billion**	High: $200 billion

The Inflation Reduction Act required Medicare to negotiate prices for expensive single-source Part B and Part D drugs, limited the ability for drugmakers to increase prices beyond the rate of inflation, redesigned the Part D benefit formula (including with a $2,000 annual out-of-pocket cap), and limited the price of insulin to $35 per month for Medicare beneficiaries. In her New Way Forward for the Middle Class Agenda, Vice President Harris calls for accelerating the pace of drug negotiations, expanding out-of-pocket and insulin cost limits beyond Medicare, and addressing anti-competitive behaviors by drug companies and pharmacy benefit managers. This description closely matches policies in President Biden's FY 2025 budget, which would save about $250 billion through FY 2035. Our high-cost estimate of $200 billion only includes policies explicitly mentioned.[22]

Other Revenue Increases from the President's Budget		
Low: $1.15 trillion	**Central: $900 billion**	High: $0

In her Agenda to Lower Costs for American Families, Vice President Harris says she will ask "the wealthiest Americans and largest corporations to pay their fair share." The campaign website also says she "will ensure the wealthiest Americans and the largest corporations pay their fair share," including with "reforms to ensure the very wealthy are playing by the same rules as the middle class." The Harris campaign has communicated to us and the media that she generally supports all the revenue-raising measures in President Biden's FY 2025 budget, except in cases where the campaign has explicitly said otherwise. However, a number of these tax increases have never been mentioned or specifically alluded to in campaign material or speeches, and the campaign has deviated from the President's budget in at least one case (the top capital gains rate). Among the revenue increases in the budget that Vice President Harris has not explicitly mentioned are several policies to improve tax compliance, close tax loopholes, and increase corporate taxes. Most significantly, the President's budget would increase the corporate minimum tax to 21 percent,[23] expand the limit on deductibility of executive compensation,[24] and extend IRS funding to improve tax compliance.[25] We find these and other policies would raise $900 billion through FY 2035 in our central estimate and $1.15 trillion in our low-cost estimate. Our high-cost estimate does not incorporate these policies due to the fact they have not been specifically mentioned.

Net Interest		
Low: $0	**Central: -$500 billion**	High: -$1.20 trillion

Assuming all policies are implemented beginning in 2026, Vice President Harris's plan would increase deficits through FY 2035 under our central and high-cost estimates. Higher deficits would result in higher interest payments. Under our central estimate, Vice President Harris's plan would increase interest costs by $500 billion from FY 2026 through 2035, and under our high-cost estimate, ten-year interest costs would increase by $1.20 trillion. Under our low-cost estimate, the Harris plan would have a negligible effect on deficits and interest costs. These estimates do not account for any effect Vice President Harris's plans might have on interest rates.

Donald Trump's 2024 Campaign Plan

High-Cost: -$15.15 trillion

Central: -$7.50 trillion

Low-Cost: -$1.45 trillion

Former President Donald Trump's 2024 campaign has put forward a number of policy proposals to lower taxes, boost spending on national security, increase tariff revenue, lower health care and housing costs, limit and reverse illegal immigration, and cut regulations and spending.

President Trump's campaign website includes a 20-point platform, which then links to the 2024 GOP Platform: Make America Great Again!. Earlier in the campaign, President Trump posted several Agenda 47 videos and write-ups describing policy proposals (although those are no longer featured on his website), and he has made several policy announcements on the campaign trail.

In total, we find that enacting President Trump's plan would increase debt over the FY 2026 through 2035 period by a total of **$7.50 trillion** under our central estimate. Under our low-cost estimate, President Trump's plan would increase debt by $1.45 trillion, and it would increase debt by $15.15 trillion under our high-cost estimate.

Fig. 7: Summary of Trump Plan, Savings/Costs(-) (billions, 2026-2035)

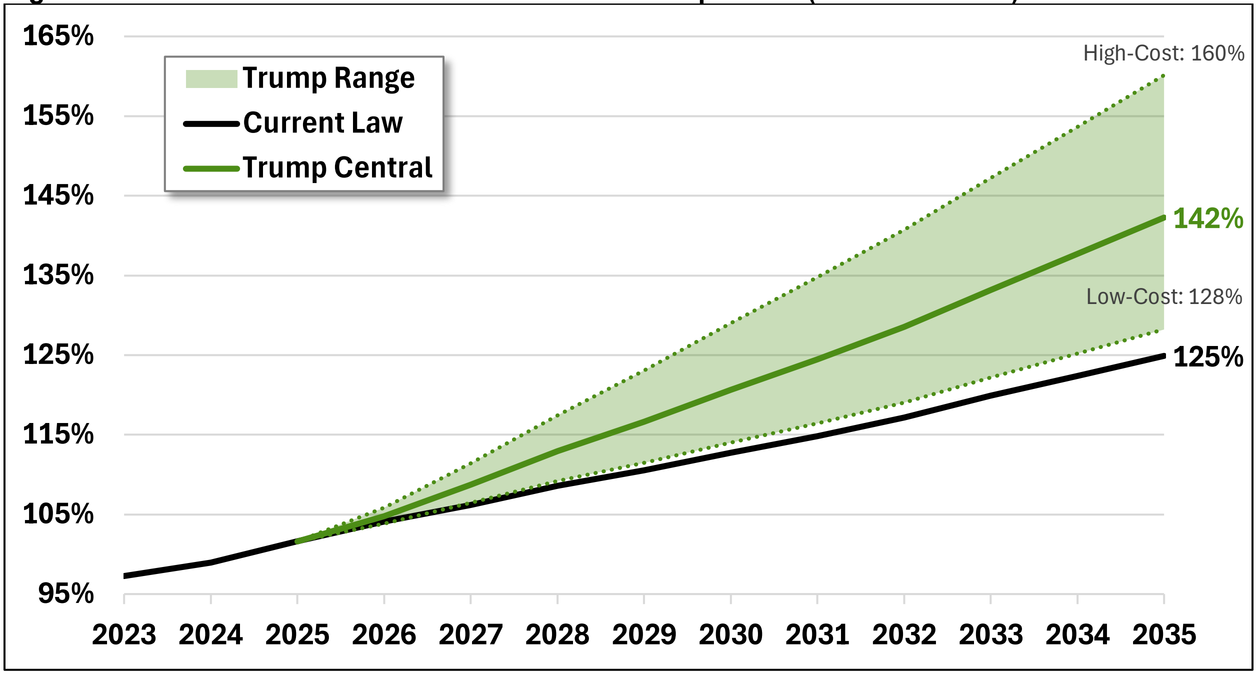
Policy Proposals	Low	Central	High
Extend and Modify the Tax Cuts & Jobs Act (TCJA)	-$4,600	-$5,350	-$5,950
Exempt Overtime Income from Taxes	-$500	-$2,000	-$3,000
End Taxation of Social Security Benefits	-$1,200	-$1,300	-$1,450
Lower Corporate Tax Rate to 15% for Domestic Manufacturers	-$150	-$200	-$600
Exempt Tip Income from Taxes	-$100	-$300	-$550
Strengthen and Modernize the Military	-$100	-$400	-$2,450
Secure the Border and Deport Unauthorized Immigrants	$0	-$350	-$1,000
Enact Housing Reforms, Including Credits for First-Time Homebuyers	-$100	-$150	-$350
Boost Support for Health Care, Long-Term Care, and Caregiving	-$50	-$150	-$300
Subtotal, Tax Cuts and Spending Increases	**-$6,800**	**-$10,200**	**-$15,650**
Establish a Universal Baseline Tariff and Additional Tariffs	$4,300	$2,700	$2,000
Reverse Current Energy/Environment Policies and Expand Production	$750	$700	$550
Reduce Waste, Fraud, and Abuse	$250	$100	$0
End the Department of Education and Support School Choice	$200	$200	$0
Subtotal, Revenue Increases and Spending Reductions	**$5,500**	**$3,700**	**$2,550**
Net Interest	**-$150**	**-$1,000**	**-$2,050**
Total, Net Deficit Impact	**-$1,450**	**-$7,500**	**-$15,150**

Note: Figures rounded to the nearest $50 billion

Under President Trump's plan, we estimate debt would grow rapidly over time. Under our central estimate, debt held by the public would rise from 102 percent of GDP at the beginning of FY 2026 to 142 percent of GDP by the end of 2035 – 17 percent of GDP above current law projections.

Under our low-cost estimate of the Trump plan, debt would grow to 128 percent of GDP through FY 2035 – 3 percent of GDP above current law – while under our high-cost estimate, debt would grow to 160 percent of GDP – 35 percent of GDP above current law.

Fig. 8: Debt as a Percent of GDP Under President Trump's Plan (Percent of GDP)



Source: Committee for a Responsible Federal Budget based on Congressional Budget Office baseline.

Although our year-by-year estimates are less precise, we also estimate annual deficits would rise under President Trump's plan. Based on data from CBO, we project deficits will grow from 6.5 percent of GDP in FY 2025 to 7.0 percent of GDP in 2035 under current law. Under our central estimate of President Trump's plan, deficits would reach 9.6 percent of GDP in 2035, with a range of 7.6 to 12.1 percent of GDP in other scenarios – the highest levels reached outside of a war or recession.

Our estimates focus on policy areas identified in the 2024 GOP platform or major policy announcements made after the release of the platform. Where the platform or announcements provide insufficient detail, we use information from the Agenda 47 posts, speeches, discussions with the campaign, past proposals (including from the Trump presidency), and other similar proposals to determine possible meaning. We have reached out to the Trump campaign, which provided some helpful feedback but did not affirm or deny our understanding of their overall plan. Our wide range of estimates reflects both possible estimating differences and different interpretations of the proposals themselves.

Trump's Tax Cuts and Spending Increases		
Low: -$6.80 trillion	**Central: -$10.20 trillion**	High: -$15.65 trillion

Former President Trump has called for a number of tax cuts and spending increases, both through the 2024 GOP platform, policy announcements in subsequent campaign speeches, and social media posts. Based on our best understanding of these proposals, we estimate they would add $6.80 trillion to $15.65 trillion to primary deficits from FY 2026 through 2035, with a central estimate of $10.20 trillion.

Extend and Modify the Tax Cuts & Jobs Act (TCJA)		
Low: -$4.60 trillion	**Central: -$5.35 trillion**	High: -$5.95 trillion

Large parts of the 2017 TCJA – including lower rates, a larger Child Tax Credit and standard deduction, a smaller estate tax, and numerous limits on deductions and exemptions – are scheduled to expire at the end of 2025. President Trump has proposed to "Make [the] Trump Tax Cuts Permanent," and has clarified on social media and in public events that this would not include extending the $10,000 State and Local Taxes (SALT) deduction cap. President Trump has also proposed restoring full expensing (bonus depreciation) for investments in equipment as well as research and experimentation "solely for companies that make their product in America." We estimate these changes would increase deficits by a combined $5.35 trillion over ten years in our central estimate, with $5.10 trillion coming from extending all expiring individual and estate tax provisions besides the SALT cap and $250 billion from one possible structure for restoring expensing for equipment and research for domestic producers only.[26] Our $4.60 trillion low-cost estimate assumes faster economic growth would reduce revenue loss through dynamic feedback, while our $5.95 trillion high-cost estimate assumes the extension of corporate tax provisions would apply to virtually all corporations and would also include loosening the recently-tightened limit on corporate interest deductibility.

Exempt Overtime Income from Taxes		
Low: -$500 billion	**Central: -$2.00 trillion**	High: -$3.00 trillion

Those who work more than 40 hours per week at a single job are often eligible for overtime pay, where their wage increases to 150 percent of its normal rate. President Trump has proposed exempting overtime pay from federal income and payroll taxes. The Trump campaign has communicated to us that policy guardrails would help limit fraud, discourage pay re-arrangements to take advantage of the tax break, and generally ensure this tax break primarily benefits those it is intended for. However, the campaign did not specify how those guardrails would be structured. In a recent analysis, we estimated ending all taxes on overtime pay would reduce revenue by $1.70 trillion from FY 2026 through 2035 on a static basis and by $6.00 trillion in the extreme case that all workers switch to hourly pay to take advantage of the tax break. We also modeled several potential guardrails that would limit the tax cut based on occupation, income, and hours worked. Our low-cost estimate of $500 billion assumes the tax cut would be limited to 10 hours of overtime per month – similar to the laws in Austria and Belgium – and that the revenue loss would be halfway between the static and extreme behavioral estimates (assuming TCJA extension). Our high-cost estimate of $3.00 trillion assumes the tax cut is available to anyone eligible for overtime pay under the Fair Labor Standards Act. Our central estimate of $2.00 trillion assumes policymakers institute an income limit of $150,000 based on current rules for exemptions regarding highly compensated employees. This also represents the rough mid-point between a 'no guardrails' scenario and the strictest guardrail we modeled.[27] These estimates are particularly uncertain.

End Taxation of Social Security Benefits		
Low: -$1.20 trillion	**Central: -$1.30 trillion**	High: -$1.45 trillion

Under current law, 50 to 85 percent of Social Security benefits are subject to the income tax for seniors making over $25,000 ($32,000 for couples), and that revenue is used to help support the Social Security and Medicare Hospital Insurance trust funds. President Trump has proposed eliminating taxation of these benefits, which we estimate would reduce revenue by $1.30 trillion over ten years, assuming full extension of the TCJA.[28] Our high-cost estimate of $1.45 trillion is based on underlying data from the Social Security and Medicare Trustees (as opposed to CBO), and our low-cost estimate of $1.20 trillion relies on an estimate that incorporates dynamic feedback.

Lower Corporate Tax Rate to 15% for Domestic Manufacturers		
Low: -$150 billion	**Central: -$200 billion**	High: -$600 billion

Corporations currently pay a 21 percent tax on their net profits, down from 35 percent (taxed on a narrower base) prior to the enactment of the 2017 TCJA. President Trump has called for further reducing the corporate tax rate from 21 percent to 15 percent, but only for "companies that make their product in America" and not for companies that "outsource, offshore, or replace American workers." While the campaign has not clarified how this policy would be designed in practice, one option would be to reintroduce the domestic production activity deduction (199), which was repealed in 2017, at a level that would lower the effective corporate income tax rate to 15 percent for domestic manufacturers. We estimate this policy would reduce revenue by about $200 billion over a decade. Our low-cost estimate of $150 billion incorporates potential dynamic feedback, while our high-cost estimate of $600 billion assumes the 15 percent corporate rate applies much more broadly.[29]

Exempt Tip Income from Taxes		
Low: -$100 billion	**Central: -$300 billion**	High: -$550 billion

While tipped income is currently treated as wage income for tax purposes, President Trump has called for removing taxes on tips, and the GOP platform declares "we will eliminate Taxes on

Tips for millions of Restaurant and Hospitality Workers." Assuming this exemption applies to income and payroll taxes but has guardrails to prevent extreme abuse, we estimate this policy would reduce revenue by $300 billion over ten years. Actual revenue loss could be much higher to the extent it leads to increasing amounts of income being reclassified as tips. Our high-cost estimate of $550 billion assumes large behavioral effects and substantial abuse. Our low-cost estimate of $100 billion assumes the policy applies to income taxes only with little abuse and strong guardrails.[30]

Strengthen and Modernize the Military		
Low: -$100 billion	**Central: -$400 billion**	High: -$2.45 trillion

The 2024 GOP platform states that "Republicans will ensure our Military is the most modern, lethal, and powerful Force in the World." It also promises to increase soldier pay and build an "Iron Dome Missile Defense Shield," which President Trump has mentioned several times on the campaign trail. It is difficult to quantify the spending required to achieve these goals, but President Trump's rhetoric suggests it would be above projected current law defense spending. In the past, President Trump has called for other NATO countries to spend at least 4 percent of GDP on defense, and several Trump allies have called for similar levels of U.S. military spending – which would cost $2.45 trillion if the increase was phased in over four years and indexed to inflation thereafter, as assumed in our high-cost estimate. Our low-cost estimate assumes that President Trump is able to modernize the military and increase soldier pay within the current projected defense budget but would spend roughly $100 billion more to help build a U.S. missile defense system.[31] Our central estimate of $400 billion assumes President Trump would hold defense spending at about 3.2 percent of GDP over his four-year term, matching the percentage proposed for defense spending in the first year of his final FY 2021 budget.

Secure the Border and Deport Unauthorized Immigrants		
Low: $0	**Central: -$350 billion**	High: -$1.00 trillion

President Trump has, in speeches and the 2024 GOP platform, called for the "largest deportation program in American history." The platform also proposes improving border security (including finishing the border wall), strengthening Immigration & Customs Enforcement, increasing penalties for illegal entry and overstaying visas, reinstating "remain in Mexico" and similar policies, cutting funding to sanctuary cities, ending taxpayer benefits for unauthorized immigrants, and increasing travel restrictions, among other policies to reduce illegal immigration. While many of these policies would have offsetting budgetary effects,[32] the result of deporting large numbers of immigrants would almost certainly be to increase federal deficits – chiefly by reducing the number of people paying federal taxes. Our central estimate assumes President Trump would effectively reverse half of the recent and projected immigration surge – reducing the projected size of the U.S. population by almost 4.4 million people – and as a result increase deficits by $350 billion over ten years on a conventional basis,[33] based on CBO figures.[34] Our high-cost estimate of $1.00 trillion assumes a full (effective) reversal of the recent immigration surge and accounts for additional economic effects of immigration. Our low-cost estimate effectively ignores any population effects of these immigration policies, as under strict static scoring, and assumes all other changes are offsetting.

Enact Housing Reforms, Including Credits for First-Time Homebuyers		
Low: -$100 billion	**Central: -$150 billion**	High: -$350 billion

The 2024 GOP platform calls for making housing more affordable and promoting homeownership through tax incentives, such as a tax credit for first-time homebuyers. While the Trump campaign has not provided specifics on these tax credits, one option would be to revive the $8,000 first-time homebuyer tax credit that was in effect in 2009 and 2010.[35] Our central estimate of $150 billion over ten years assumes that credit would be over $10,000 to account for inflation since 2010. Our low-cost estimate assumes the credit is revived at its nominal 2010 level of $8,000, while our high-cost estimate assumes President Trump embraces a permanent $25,000 first-time homebuyer credit similar to the one proposed by Vice President Harris.

Boost Support for Health Care, Long-Term Care, and Caregiving		
Low: -$50 billion	**Central: -$150 billion**	High: -$300 billion

The 2024 GOP platform calls for improvements to chronic disease management, long-term care, access to primary care, and at-home senior care – including through a tax credit for unpaid family caregivers. More recently, President Trump has promised that "under the Trump administration, your government will pay for, or your insurance company will be mandated to pay for, all costs associated with IVF treatment…we will also allow new parents to deduct major newborn expenses from their taxes." Although the Trump campaign has not provided specific details regarding many of these policies, support for long-term care could resemble the bipartisan Credit for Caring Act – which would offer a tax credit of up to $3,000 for family caregiving expenses – or could resemble recent proposals to expand Medicaid home- and community-based services funding.[36] We estimate the combination of an In-Vitro Fertilization (IVF) coverage mandate (with coverage in Medicaid), tax deductibility of newborn health care costs, and plausible investments in other areas could reasonably cost about $150 billion over a decade. Our low-cost estimate of $50 billion assumes only the IVF mandate and newborn deduction, while our high-cost estimate of $300 billion assumes IVF costs are fully covered by the federal government and other investments are somewhat larger.

Trump's Tax Increases and Spending Reductions		
Low: $5.50 trillion	**Central: $3.70 trillion**	High: $2.55 trillion

President Trump has called for several spending reductions and revenue increases through the 2024 GOP platform, subsequent campaign speeches, and other campaign material. Based on our best understanding of these proposals, we estimate they would reduce primary deficits by $2.55 to $5.50 trillion from FY 2026 through 2035, with a central estimate of $3.70 trillion.

Establish a Universal Baseline Tariff and Additional Tariffs		
Low: $4.30 trillion	**Central: $2.70 trillion**	High: $2.00 trillion

President Trump has made increasing tariffs on imports a central part of his campaign plan. The 2024 GOP platform calls for "rebalancing Trade, securing Strategic Independence, and revitalizing Manufacturing," including by increasing import tariffs and punishing unfair trade practices. President Trump has specifically called for a "universal baseline tariff on most imported goods,", reciprocal tariffs on countries that impose tariffs on American goods, and a 60 percent tariff on all Chinese imports.[37] President Trump has generally said his baseline tariff would be set at 10 percent but has sometimes said 20 percent. We estimate these tariffs would raise $2.70 trillion over a decade in our central estimate, with $2.50 trillion from a 10 percent universal baseline tariff. Our low-cost estimate of $4.30 trillion assumes a 20 percent baseline tariff. While our central and low-cost estimates do not incorporate macrodynamic effects of tariffs on the overall economy, they do account for changes in trade behavior. Our high-cost estimate of $2.00 trillion also incorporates revenue loss from potential dynamic effects – the Tax Foundation estimates the 10 percent universal tariff and 60 percent Chinese import tariff would reduce GDP by roughly 1.2 percent. Importantly, such a significant change to trade policy could have economic and geopolitical repercussions that go beyond what a standard tax model would estimate. Due to the novelty of this policy, the true economic impact is hard to predict.[38]

Reverse Current Energy/Environment Policies and Expand Production		
Low: $750 billion	**Central: $700 billion**	High: $550 billion

The 2024 GOP platform calls for "Unleashing American Energy," including by "terminating the Socialist Green New Deal," expanding domestic energy production, and canceling various regulations (including "the electric vehicle mandate"). President Trump has also said he would rescind any unspent funding from the Inflation Reduction Act (IRA). Based on these proposals, we assume President Trump would end the energy-related tax credits and spending under the IRA and repeal the Biden Administration's vehicle emissions rule. In an Agenda 47 post, President Trump promises to "DRILL, BABY, DRILL" and to "free up the vast stores of liquid gold on America's public land for energy development." We estimate these changes would save $700 billion over ten years in our central estimate, which assumes IRA credit repeals similar to those in the Limit, Save, Grow Act. Our low-cost estimate of $750 billion in savings assumes a somewhat more aggressive repeal, whereas our high-cost estimate of $550 billion assumes

President Trump only repeals IRA credits related to energy and electricity production, electric vehicles, IRA spending provisions, and the vehicle emissions rule.[39]

Reduce Waste, Fraud, and Abuse		
Low: $250 billion	**Central: $100 billion**	High: $0

On his campaign website, President Trump promises to "cut waste, fraud, and abuse everywhere that we can find it," while the 2024 GOP platform includes a commitment to "reining in wasteful spending." President Trump has also called for establishing a "Government Efficiency Commission" to identify this waste. In addition to improper payments made throughout government, there is arguably a huge amount of waste in the federal budget, particularly when it comes to overpayments in Medicare, Medicaid financing schemes, inefficiencies in the defense budget, and waste in the tax code. However, the Trump campaign has not identified specific policy changes to cut waste, fraud, and abuse. For purposes of our estimate, we turned to proposals put forward in President Trump's previous budgets. His FY 2020 budget included a number of ideas for reducing fraud and abuse and targeting various benefits toward their intended beneficiaries – including more frequent Medicaid eligibility redeterminations, restrictions to categorical eligibility for nutrition benefits, and more information reporting and sharing across numerous programs. Our central estimate assumes he would implement these proposals, saving roughly $100 billion over ten years. Our low-cost estimate of $250 billion assumes an additional $150 billion in savings based on a placeholder estimate for reducing improper payments government-wide from President Trump's FY 2019 budget, while our high-cost estimate assumes no savings due to lack of detail.[40] It is possible the Government Efficiency Commission could identify billions or trillions of additional dollars of savings, but these cannot be estimated until they are presented.

End the Department of Education and Support School Choice		
Low: $200 billion	**Central: $200 billion**	High: $0

The 2024 GOP platform proposes a number of education reforms, and includes calls to support universal school choice and close the U.S. Department of Education. Although the Department of Education will spend almost $60 billion from its discretionary budget in FY 2024 (excluding Pell Grants), we assume that closing the department would mean diverting most of that money to be spent by states or other agencies, especially for school choice vouchers to allow Americans to send their kids to public or private schools. One analysis from the Heritage Foundation suggests that ending the Department of Education could save about $200 billon over a decade, assuming Title I and other funding streams were retained in another form. Our central and low-cost estimates assume all $200 billion of savings, while our high-cost estimate assumes these savings are recycled into school vouchers or otherwise diverted to support elements of the education plan.[41]

Net Interest		
Low: -$150 billion	**Central: -$1.00 trillion**	High: -$2.05 trillion

Assuming all policies are implemented beginning in 2026, President Trump's campaign plan would increase deficits through FY 2035 under all three of our estimate scenarios. Higher deficits would result in higher interest payments. Under our central estimate, President Trump's plan would increase interest costs by $1.00 trillion from FY 2026 through 2035. Under our low-cost estimate, ten-year interest costs would increase by $150 billion, and they would increase by $2.05 trillion under our high-cost estimate. These estimates do not account for any effect President Trump's plans might have on interest rates.

Conclusion

Whoever wins the 2024 presidential election will face an unprecedented fiscal situation upon taking office. The national debt is projected to reach a new record high as a share of the economy only three years from now, well within the next presidential term. Already, the cost of servicing our high and rising national debt has eclipsed the cost of defending our nation or providing health care to elderly Americans. Three important trust fund programs are on track to become insolvent within the next 12 years, putting Americans' retirement and health care at risk and limiting our ability to continue to update our aging infrastructure.

In the first year of their term, the next President will also face the return of the debt limit, the expiration of the Fiscal Responsibility Act spending caps, and the expiration of several tax and spending provisions that would prove extremely costly to extend.

All these factors raise the stakes of the upcoming presidential election. America desperately needs a leader with the wisdom and courage to make correcting our unsustainable fiscal trajectory a major priority.

Yet, both the Republican and Democratic candidates for President have put forward campaign plans that would, at best, maintain the status quo and, at worst, add tremendously to our debt and deficits. Neither has a plan to fix the imbalances in the major trust funds.

Vice President Kamala Harris has put forward a campaign plan that, if implemented, could add $3.50 trillion to our national debt, sending it to 133 percent of GDP by the end of FY 2035. Meanwhile, former President Donald Trump has put forward a campaign plan that could add $7.50 trillion to the debt, sending it to 142 percent of GDP by the end of 2035.

While it's plausible that the Harris plan could be roughly budget neutral, it is also plausible that her plan could add $8.10 trillion to the debt. The Trump plan could add $1.45 trillion to the debt but could also add as much as $15.15 trillion.

Even in the best case scenario, neither candidate's plan would be sufficient to put debt on a downward path and point America toward a more secure and sustainable fiscal future. Simply not adding more to the debt is no longer sufficient. Going forward, policymakers should make significant deficit reduction a major focus and priority, especially the Commander in Chief.

Appendix I: Methodology

In order to estimate the fiscal impact of Vice President Harris's and former President Trump's campaign agendas, we first worked to identify the policies supported by the campaigns and then produced estimates of their revenue and spending implications over a ten-year period.

We consider policies to be official campaign positions when they are put forward on a campaign website, in an official campaign document, or in what we interpret to be an official campaign announcement. Most of these policies are listed in the New Way Forward for the Middle Class Agenda available on the Harris campaign website and the 2024 GOP Platform on the Trump campaign website, but are often referenced in vague terms. To help fill in the details of these proposals, we looked to campaign speeches, interviews, press reports, and direct communications with campaign staff. In some cases, we looked to specific policies in past President's budgets and elsewhere for further details.

When a policy could reasonably be interpreted in multiple ways, we generated up to three different interpretations – a generous interpretation reflected in our low-cost estimate, an ungenerous interpretation reflected in our high-cost estimate, and our best interpretation reflected in our central estimate (in a few cases, our central estimate simply splits the difference between our high- and low-cost estimates). In addition to reflecting different policy specifications, our low-cost, central, and high-cost estimates also reflect different analyses of the same policy, using different sources or estimating techniques. Central estimates use conventional scoring, but others may use dynamic scoring if available.

When possible, our central estimates are based on official scores and estimates produced by the Congressional Budget Office (CBO) and the Joint Committee on Taxation (JCT), and then adjusted to reflect different budget windows and start dates. These estimates sometimes serve as the basis for our low- and high-cost estimates as well. When CBO and JCT scores are unavailable, many of our figures reflect estimates produced by the Committee for a Responsible Federal Budget – including estimates published on our US Budget Watch 2024 website. We also rely on estimates from the Office of Management & Budget, Tax Policy Center, Penn Wharton Budget Model, the Budget Lab at Yale, Tax Foundation, the Department of the Treasury, and other sources. Throughout the paper, endnotes feature different estimates of the same or similar policies. Most of those cited estimates are through 2034 or a different budget window than our estimates.

Our analysis focuses on policies of fiscal significance – meaning policies or groups of policies that we believe are likely to increase or reduce the deficit by $50 billion or more over a ten-year period. We assume policies will generally start at the beginning of the fiscal year or calendar year 2026, and we estimate their fiscal impact over a ten-year budget window that ends in 2035. We assume policies will begin to be implemented immediately.

Our estimates should be considered very rough and could change depending on further details provided by the campaigns.

This report is not and should be not construed as an endorsement of any candidate for office. It is purely for informational purposes.

Appendix II: Policies Not Scored

In estimating the fiscal impact of policies put forward by Vice President Harris and President Trump, we aimed to include any proposal that we interpret as their campaign positions and that would change the deficit by at least $50 billion over ten years. A number of policies mentioned by the candidates – including on their websites and in speeches and interviews – did not meet this test. We discuss some examples below.

In her New Way Forward for the Middle Class Agenda, Vice President Harris says she "will work with states to help them enter into agreements with hospitals and other health providers to relieve medical debt for more Americans." Americans currently hold over $200 billion of medical debt, and cancelling it could have a fiscal cost. However, because most medical debt is never recovered as is, it can often be cancelled for pennies on the dollar, and the discussion of "working with states" suggests they will take on most of the burden. We therefore believe this proposal will have a fiscal impact well below $50 billion over ten years and perhaps below $10 billion.

The Harris campaign has also said Vice President Harris "will shore up Social Security and Medicare so that these essential programs will stay solvent in the long run by making corporations and the wealthiest Americans pay their fair share in taxes." Our estimates incorporate proposals in President Biden's FY 2025 budget to increase Medicare-related taxes for high earners. However, the Harris campaign has not put forward, discussed, or even alluded to enough specifics when it comes to Social Security. As a point of reference, the Congressional Budget Office estimated that subjecting all income above $250,000 to the Social Security payroll tax would raise roughly $1.2 trillion from 2023 through 2032. Importantly, Vice President Harris has said she would not raise taxes on people making below $400,000 per year.

At a speech to the Economic Club of New York, President Trump suggested the U.S. should have a sovereign wealth fund. Because President Trump has only mentioned this once to our knowledge, and not in what would appear to be an official campaign announcement, we do not consider this to be a campaign policy. Were the U.S. to establish a sovereign wealth fund, the fiscal impact would depend heavily on details – and could either increase or reduce budget deficits depending on the size, structure, financing, and use of the fund. In most cases, a wealth fund would reduce the national debt but have little effect on debt net of financial assets.

In a television interview, Vice Presidential candidate Senator JD Vance (R-OH) said that he would "love to see" a $5,000 child tax credit. However, this does not appear to be a campaign proposal, and has only been mentioned once to our knowledge. One estimate has found that further increasing the credit to $5,000 per child would cost between $106 and $241 billion in 2025.

During a presidential debate, President Trump said he had "concepts of a plan" to replace the Affordable Care Act. We don't consider this claim of a "concept" to be a campaign policy. For reference, President Trump's final budget included a "health reform vision" that it claimed would reduce deficits by nearly $600 billion from 2020 through 2030. Other plans to repeal and replace the ACA could increase or reduce deficits, depending on their design.

1 This paper is part of US Budget Watch 2024, a project focused on the fiscal and budgetary impact of proposals put forward in the 2024 presidential election. You can read our other analyses, explainers, and fact checks here. US Budget Watch 2024 is designed to inform the public and is not intended to express a view for or against any candidate or any specific policy proposal. Candidates' proposals should be evaluated on a broad array of policy perspectives, including, but certainly not limited to, their approaches on deficits and debt.

2 The Congressional Budget Office and Joint Committee on Taxation estimate that extending all of the expiring individual income tax provisions under the Tax Cuts & Jobs Act (TCJA) would reduce revenue by $3.25 trillion over nine years through Fiscal Year (FY) 2034, while the Department of the Treasury estimates raising the top rate to 39.6 percent would raise about $50 billion per year before the TCJA expires.

3 The Tax Foundation estimates these provisions would cost roughly $1.75 trillion through 2034 relative to current law (which assumes the Child Tax Credit [CTC] returns to $1,000), Penn Wharton Budget Model estimates this would cost $1.92 trillion relative to current law, and the Tax Policy Center estimates that restoring the 2021 expansions of Earned Income Tax Credit (EITC), CTC, and expanding the CTC further for newborns would cost $105 billion in 2025.

4 The Department of the Treasury estimates permanently extending the current subsidies would cost $273 billion over nine years through FY 2034 and estimates extending the subsides to close the Medicaid gap would cost a further $200 billion. The Congressional Budget Office has estimated extending the current subsidies would cost a further $335 billion over nine years through FY 2034. More recently, the Congressional Budget Office and Joint Committee on Taxation estimated that extending these subsidies would reduce revenue by $64 billion over nine years through 2034 and increase outlays by $251 or $272 billion over that same period (the difference appears to depend on what interactions are included, but is not fully clear from CBO tables).

5 Penn Wharton Budget Model estimates that the Harris campaign's four-year first-time homebuyer tax credit alone would reduce revenue by $138 billion. The Department of the Treasury estimates that a $10,000 two-year first-time homebuyer credit would reduce revenue by $31 billion. Tax Foundation estimates all of Vice President Harris's proposed housing tax credits and other miscellaneous credits would cost $223 billion from 2025 to 2034.

6 In 2021, the Congressional Budget Office estimated a bill to gradually raise the minimum wage to $15 per hour and then index it to inflation would increase deficits by $54 billion through FY 2031. In 2023, the Congressional Budget Office estimated a bill to gradually raise the minimum wage to $17 per hour and then index it to inflation would increase deficits by $46 billion through FY 2033 on a conventional basis and $59 billion on a dynamic basis.

7 The Committee for a Responsible Federal Budget previously estimated this set of policies would cost $100 to $200 billion without behavioral changes. Tax Foundation estimates that eliminating income taxes on tips would reduce revenue by $118 billion from 2025 to 2034 on a static basis. The Budget Lab at Yale estimates that eliminating income taxes on tips would cost $107 billion from FY 2025 to 2034 on a static basis if applied to all tips and $62 billion if it were limited to specific leisure and hospitality industries. The Budget Lab at Yale also estimates that behavioral effects could increase revenue loss by anywhere from 4 to 657 percent.

8 The 2024 Border Security and Combatting Fentanyl Supplemental Appropriations Act includes $21 billion in direct costs. The Congressional Budget Office estimates the entire recent and projected immigration surge between 2021 and 2026 will reduce deficits by $897 billion through FY 2034 or $611 billion under conventional scoring (including population changes).

9 The Harris campaign estimates their America Forward Tax Credit and investments in research would cost about $100 billion. Tax Foundation estimates expanding the start-up deduction would cost $25 billion from 2025 through 2034.

10 The Office of Management & Budget projected the child care and preschool policies in President Biden's FY 2022 budget would cost $390 billion from FY 2022 to 2031. The Office of Management & Budget projected the child care and preschool policies in President Biden's FY 2025 budget would cost $600 billion from FY 2025 to 2034. The Congressional Budget Office estimated a permanent version of the child care and preschool provisions in the House-passed Build Back Better Act would cost $752 billion from FY 2022 to 2031.

11 The Congressional Budget Office projected a four-week paid leave program in one version of the Build Back Better Act would cost $205 billion from FY 2022 through 2031. The Office of Management & Budget projected the 12-week paid leave provision in President Biden's FY 2025 budget proposal would cost $325 billion from FY 2025 to 2034. And the Congressional Budget Office projected a 12-week paid leave program proposed in the FAMILY Act would cost $537 billion from FY 2021 to 2030.

12 The Office of Management & Budget estimates that the mandatory education and training policies in President Biden's FY 2025 budget would cost $290 billion from FY 2025 through 2034, while the discretionary portion of Pell Grant spending and apprenticeship funding would add modestly to those costs. The Committee for a Responsible Federal Budget estimated the President's 'hardship' student debt cancellation proposal could cost $70 to $600 billion.

13 The Office of Management & Budget estimated the long-term care proposals in President Biden's FY 2022 budget would cost $400 billion through FY 2031. The Office of Management & Budget estimated the long-term care proposals in President Biden's FY 2025 budget would cost $150 billion through FY 2034. Tax Policy Center estimated that a tax credit for caregivers with a $5,000 maximum would cost $98 billion between FY 2021 and 2030 and $158 billion from FY 2031 to FY 2040.

14 The Joint Committee on Taxation estimates raising the corporate rate to 28 percent would raise $881 billion from FY 2025 to 2034. The Department of the Treasury estimates raising the corporate income tax rate to 28 percent would increase revenue by $1.35 trillion from FY 2025 to 2034. Tax Foundation estimates raising the corporate income tax rate to 28 percent would raise $936 billion between 2025 and 2034 on a conventional basis. Penn Wharton Budget Model estimates this increase would raise $1.10 trillion in revenue through 2034. In 2021, Tax Foundation estimated raising the corporate tax rate to 28 percent would increase revenue by $644 billion on a dynamic basis, compared to $886 billion with conventional scoring, between 2022 and 2031.

15 Tax Foundation estimates raising the tax rate on capital gains over $1 million to 28 percent and taxing unrealized capital gains over $5 million would increase revenue by $172 billion from 2025 through 2034. Penn Wharton Budget Model estimates just raising the tax rate on capital gains over $1 million to 28 percent would raise $118 billion. The Department of the Treasury estimates that raising the top capital gains rate to 39.6 percent and taxing capital gains at death above $5 million would raise $289 billion through FY 2034.

16 The Joint Committee on Taxation estimates raising the excise tax to 4 percent would raise $79 billion from FY 2025 through 2034. The Department of the Treasury this policy would raise $166 billion from through 2034. Tax Foundation estimates raising the stock buyback tax to 4 percent would raise $79 billion from 2025 to 2034, and Penn Wharton Budget Model estimates it would raise $129 billion.

17 The Department of the Treasury estimates that enacting a 25 percent minimum tax on income – including unrealized capital gains – for those with over $100 million in wealth would raise $503 billion from FY 2025 through 2034.

18 The Department of the Treasury estimates these changes would increase revenue by $797 billion from FY 2025 through 2034 – including $393 billion from broadening the base and $404 billon from raising the rates. The Joint Committee on Taxation estimates raising the rates alone would generate $435 billion through 2034. Penn Wharton Budget Model estimates they would increase revenue by $592 billion over the same period. Tax Foundation estimates the provisions would increase revenue by $635 billion through 2034.

19 Tax Foundation estimated that raising the GILTI minimum tax to 21 percent with other GILTI changes would raise $278 billion from 2025 to 2034. For the same period, Penn Wharton Budget Model estimated revising the global alternative minimum tax would raise $317 billion. The Department of the Treasury estimated revising the GILTI minimum tax would raise $374 billion. The Joint Committee on Taxation estimates revising GILTI would raise $302 billion from 2025 to 2034.

20 The Department of the Treasury estimates the undertaxed profits rule proposed in the President's budget would raise $136 billion from 2025 to 2034. For the same period, the Joint Committee on Taxation estimates the undertaxed profits rule would raise $154 billion.

21 The Department of the Treasury estimates that other international tax provisions would raise a combined $122 billion through 2034. For the same period, the Joint Committee on Taxation estimates other internation tax provisions would raise $94 billion.

22 The Office of Management & Budget estimates that provisions in the President's FY 2025 Budget proposal that accelerating Medicare drug price negotiations, extending inflation rebates, and extending out-of-pocket price caps from the Inflation Reduction Act would save $200 billion over from 2025 through 2034. Other prescription drug provisions in the President's budget would save roughly $5 billion, on net.

23 Tax Foundation estimates that raising the domestic corporate alternative minimum tax would raise $346 billion from 2025 to 2034. For the same period, Penn Wharton Budget Model estimates increasing the domestic corporate minimum tax to 21% would raise $92 billion. The Department of the Treasury estimates increasing the domestic corporate alternative minimum tax would raise $137 billion from 2025 to 2034. For the same period, the Joint Committee on Taxation also estimated the domestic corporate alternative minimum tax would raise $137 billion.

24 The Department of the Treasury estimates that further limiting the deduction on excessive employee remuneration would raise $272 billion from FY 2025 through 2034, and Tax Foundation estimates this would raise $266 billion over the same period. The Joint Committee on Taxation estimates further limiting the deduction would raise $216 billion in revenue from 2025 to 2034.

25 The Joint Committee on Taxation estimated that increased IRS funding in the President's budget would reduce deficits by $97 billion through 2034, with $104 billion of spending generating $201 billion of revenue. The Department of the Treasury and the Office of Management & Budget estimate that increased IRS funding for tax compliance would raise $237 billion on net over the FY 2025 to 2034 budget window, net of new spending. Treasury estimates other policies in the budget to improve tax compliance or close tax loopholes (broadly defined) would raise a combined $280 billion through 2034.

26 Currently, research and experimentation costs are amortized over five years for domestic research and 15 years for research conducted outside of the United States. We assume President Trump would restore expensing – where costs are deducted in the first year – for domestic investment only as in the Tax Relief for American Families and Workers Act of 2024**.** The Committee for a Responsible Federal Budget recently estimated this policy would cost $150 billion from FY 2024 through 2033 if enacted on a permanent basis. For bonus depreciation of equipment, we use a very rough rule of thumb to assume costs are one-third as high as full extension if only applied to purely domestic purchases. The Congressional Budget Office and the Joint Committee on Taxation estimate full extension would increase deficits by $378 billion from FY 2025 through 2034.

27 The Committee for a Responsible Federal Budget estimates, very roughly, that exempting all overtime pay from federal income and payroll taxes would reduce revenues by $1.7 trillion over the ten-year period from FY 2026 through 2035 on a static basis, or roughly $6 trillion in an "extreme behavioral" scenario in which all salaried workers switched to hourly and were able to work overtime (at 150 percent pay) tax-free. If the exemption were limited only to jobs eligible for overtime pay under the Fair Labor Standards Act (FLSA), the ten-year revenue reduction would be $1.4 trillion on a static basis or roughly $5 trillion in the extreme behavioral scenario. If the exemption were further limited to FLSA-eligible jobs below $150,000 in annual pay, the revenue reduction would be $1.3 trillion on a static basis or roughly $3 trillion under the extreme behavioral scenario. If the tax cut were limited to FLSA-eligible jobs and capped at 20 hours per-month, the revenue loss would be $500 billion on a static basis or roughly $2 trillion in the extreme behavioral scenario. If it were limited to FLSA-eligible jobs and capped at 10 hours per-month, the revenue loss would be $250 billion on a static basis or roughly $1 trillion in the extreme behavioral scenario. Tax Foundation estimates exempting overtime pay from both federal income and payroll taxes would reduce revenue by $1.55 trillion from FY 2025 through 2034 if applied to current overtime hours only on a static basis. If applied to all pay associated with working more than 40 hours per week, it would reduce revenue by $3.12 trillion. The Budget Lab at Yale estimates exempting FLSA-required overtime pay from federal income and payroll taxes would reduce revenue by $1.34 trillion from 2025 through 2034, assuming no change in behavior.

28 The Committee for a Responsible Federal Budget previously estimated ending taxes on Social Security benefits would reduce revenue by $1.6 trillion through FY 2035 relative to current law (before interactions with TCJA

extension) relative to CBO's baseline. Tax Policy Center has estimated it would reduce revenue by $1.47 trillion through FY 2034 relative to current law, Penn Wharton Budget Model has estimated it would reduce revenue by over $1.23 trillion through FY 2034 assuming TCJA extension, and Tax Foundation has estimated it would reduce revenue by $1.18 trillion through 2034 relative to TCJA extension on a dynamic basis.

29 Penn Wharton Budget Model estimates lowering the corporate tax rate to 15 percent for all corporations would reduce revenue by $595 billion through 2034. Tax Foundation has produced two estimates for lowering the corporate rate to 15 percent: one in isolation and another as part of President Trump's overall tax plan, which incorporates interactions with extending TCJA corporate tax provisions. On its own, Tax Foundation estimates $673 billion in ten-year revenue reduction on a conventional basis and $460 billion on a dynamic basis. As part of Trump's plan, Tax Foundation estimates $563 billion in ten-year revenue reduction on a conventional basis and $439 billion on a dynamic basis. Tax Foundation assumes Trump's plan would fully revive and extend various corporate tax provisions from the TCJA, rather than only doing so for domestic producers.

30 The Committee for a Responsible Federal Budget previously estimated exempting tips from income and payroll tax would reduce revenues between $150 and $250 billion over a decade on a static basis, or much more if employers and employees find ways to reclassify ordinary income as tipped income in response to this policy. Tax Foundation has estimated exempted tips from income taxes would reduce revenue by $118 billion on a static basis. The Budget Lab at Yale has estimated exempting tips from income and payroll tax would reduce revenue by $195 billion through 2034 on a static basis. The Budget Lab at Yale also shows that behavior effects could boost the revenue loss by anywhere from 4 to 657 percent.

31 Committee for a Responsible Federal Budget estimates incorporate the rough projected cost of building a comprehensive missile defense system for the United States, which would ultimately look quite different than Israel's "Iron Dome" system for a number of reasons. Based on a study from the Congressional Budget Office, we estimate such a system might cost $100 to $150 billion over ten years in a reasonable lower cost scenario. That cost could rise significantly depending on the structure of the system as well as operation and maintenance costs, although it could be lower if the new system relies mainly on existing infrastructure and is developed slowly.

32 Implementing former President Trump's immigration and border security agenda would involve costs and savings from several different initiatives, which would at least partially offset each other. On the cost side, constructing a border wall, increasing the number of Immigration & Customs Enforcement agents, and otherwise strengthening enforcement of immigration rules could cost tens of billions of dollars. Deportations themselves could cost $9,000 to $27,000 per person, based on estimates from the American Action Forum. On the other hand, restricting eligibility for certain government programs and tax credits could save tens of billions of dollars, as would reduced spending on refugee resettlement and the defunding of so-called 'sanctuary cities.' On net, it is unclear whether these direct effects would reduce or add to budget deficits – though they are perhaps more likely to add to them. Ultimately, the way in which changes to immigration and border enforcement policies affect the overall population will result in much more significant budgetary effects than these policies.

33 While the Congressional Budget Office's conventional estimates generally count only micro-economic behavioral changes, they also sometimes include the effects of changes in population on the size of the labor force and therefore spending and revenue. We describe that as conventional, though it is sometimes referred to as partial dynamic or population-change scoring.

34 The Congressional Budget Office projects the surge of 8.70 million additional immigrants between 2021 and 2026, above trend, will reduce deficits by $611 billion through FY 2034 ($897 billion including full dynamic effects), as a result of $788 billion more in revenue ($1.18 trillion dynamic) and $177 billion more in spending ($278 billion dynamic).

35 Penn Wharton Budget Model estimates that a $25,000 first-time homebuyer tax credit, enacted over a four-year period, would cost $138 billion (approximately $35 billion per year), assuming roughly 1.40 million homebuyers per year take advantage. The Department of the Treasury estimates a $10,000 tax credit for first-time homebuyers, enacted over a two-year period, would cost $31 billion.

36 Tax Policy Center estimated that a $5,000 caregiver credit would reduce revenue by $98 billion from 2021 through 2030 and by $158 billion from 2031 to 2040. Boosting the Medicaid match on home and community-based services by 6 percentage points would likely have a similar fiscal impact.

37 President Trump has also threatened to impose 100 percent tariffs on cars made in Mexico, 100 percent tariffs on imports from countries that move away from trading in U.S. dollars, and 50 to 200 percent tariffs on other imports. It is not clear to us whether these represent official campaign policies. To the extent they do, they are unlikely to significantly change our estimates, as the additional revenue from the higher rates is likely to be largely, fully, or more-than-offset by lower revenue resulting from less trade.

38 The Committee for a Responsible Federal Budget previously estimated that a 10 percent universal baseline tariff would raise $2.5 trillion over ten years on a conventional basis. The Committee for a Responsible Federal Budget also estimated that adding a 60 percent tariff on Chinese goods could raise as much as $300 billion or lose as much as $50 billion as a result of reduced trade with China. Tax Foundation estimates a 10 percent baseline tariff and a 60 percent tariff on Chinese goods would raise $2.59 trillion in revenue over a ten-year period on a static basis ($2.28 trillion on a dynamic basis), or $3.88 trillion ($3.37 trillion dynamic) if the baseline tariff was set at 20 percent. They further estimate a $222 billion reduction in revenue on a dynamic basis from foreign retaliation. Tax Policy Center estimates a 10 percent baseline tariff and a 60 percent tariff on Chinese goods would raise $2.76 trillion over the ten-year period from FY 2025 through 2034. Kimberly Clausing and Mary Lovely estimate these tariffs would produce $2.75 trillion in additional revenue from 2026 through 2035.

39 In their initial analysis of the Limit, Save, Grow Act, the Congressional Budget Office and the Joint Committee on Taxation estimated that repealing most of the energy related provisions from the IRA would reduce federal deficits by $540 billion from FY 2023 through 2033. The Biden Administration's vehicle emissions rule added to the costs of those credits; the Committee for a Responsible Federal Budget recently estimated repealing it would reduce deficits by more than $150 billion through 2034. Kyle Pomerleau of the American Enterprise Institute and Donald Schneider of Piper Sandler estimate repealing the IRA's energy-related tax credits and spending would increase federal revenues by $795 billion from FY 2026 through 2035. In the Committee for a Responsible Federal Budget's Build Your Own Tax Extensions tool, we estimate repealing the IRA tax credits would raise $651 billion through 2035.

40 The Committee for a Responsible Federal Budget estimated President Trump's FY 2020 budget included $57 billion (based on Office of Management & Budget estimates) of program-integrity executive actions and $40 to $110 billion of program integrity-related legislative proposals (per the Congressional Budget Office), depending on how one defines program integrity. Roughly $40 billion of these policies have already been enacted into law, and several others would likely save less than these original estimates or are already implicitly accounted for in our immigration numbers.

41 The Heritage Foundation's 2020 report "Correcting Carter's Mistake: Removing Cabinet Status from the U.S. Department of Education" proposes eliminating 81 Department of Education programs and moving another 40 to other federal agencies and departments. According to the report, this would save $17 billion annually. Vivek Ramaswamy's 2024 presidential campaign also outlined a vision for eliminating the Department of Education, in which loan programs were moved to the Department of the Treasury while grant programs would be reassigned to Treasury, the Department of State, and the Department of Labor. The campaign estimated this plan would save $9 billion per year.