



# Joint Economic Committee

## Republicans

Representative Kevin Brady  
Vice Chairman

MEMBER VIEWPOINT: SENATOR JIM DEMINT

### Harry Reid's "Sense of the Senate" Scorecard

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Sen. Reid's "Sense of the Senate" resolution (S. 1323), currently on the Senate floor, contains no actual policy. It notes several class-warfare non-sequiturs, and then calls on Americans making more than \$1 million per year "to make a more meaningful contribution to the deficit reduction effort."

In order to help Sen. Reid make a more meaningful contribution to this debate, below are revenue projections for each of several specific tax increases Democrats have proposed or championed during the ongoing debt-limit debate and negotiations, and the approximate amount of time each proposal might plug the federal budget deficit, projected in 2011 to be \$1.48 trillion (or roughly \$4.05 billion per day).

<b>Tax Increase Idea</b>	<b>10-Year Score (source)</b>	<b>Average Annual Revenue Increase</b>	<b>Time Closing Budget Deficit</b>
<i>Capping Itemized Deductions at a 28% Rate</i>	\$293 Billion (JCT)	\$29.3 Billion	7 days, 6 hours
<i>Repealing "Last in, First Out" Inventory Accounting Method</i>	\$97.5 Billion (JCT)	\$9.75 Billion	2 days, 10 hours
<i>Ending Expensing of Exploration and Development Costs for Energy Extraction</i>	\$10 Billion (JCT)	\$1 Billion	6 hours
<i>Ending Expedited Expensing of Corporate Jets</i>	\$3 Billion (media reports citing Democratic sources)	\$300 Million	1 hour
<b>TOTAL</b>	<b>\$403.5 Billion</b>	<b>\$40.35 Billion</b>	<b>9 days, 23 hours</b>

The four tax increases Democrats have publicly or privately advanced in the deficit reduction debate would reduce the federal deficit by – at most – \$40.35 billion a year, a little less than the United States currently borrows every 10 days.

Even if fully implemented, and even in the unlikely event that these tax hikes *do* bring in their full projected amount, they will barely make a dent in the deficit, and almost none in a \$14.3 trillion national debt.

These are unserious deficit-reduction proposals -- but they are *very* serious jobs-reduction proposals. \$40.35 billion is equal to roughly 640,000 average middle class jobs, which cost private businesses about \$63,000 each to create.