

## 17. GOVERNMENTAL RECEIPTS

This chapter presents the Budget’s estimates of taxes and governmental receipts including the effects of tax legislation enacted in 2022, discusses the provisions of those

enacted laws, and introduces the Administration’s additional receipt proposals.

### ESTIMATES OF GOVERNMENTAL RECEIPTS

Governmental receipts are taxes and other collections from the public that result from the exercise of the Federal Government’s sovereign or governmental powers. The difference between governmental receipts and outlays is the surplus or deficit.

The Federal Government also collects income from the public through market-oriented activities. Collections from these activities are subtracted from gross outlays, rather than added to taxes and other governmental receipts, and are discussed in Chapter 18, “Offsetting Collections and Offsetting Receipts,” in this volume.

Total governmental receipts (hereafter referred to as “receipts”) are estimated to be \$4,802.5 billion in 2023, a decrease of \$94.9 billion or 1.9 percent from 2022. The estimated decrease in 2023 is largely due to decreases in individual income taxes, as collections return to normal after historically high capital gains realizations in

tax year 2021. Receipts in 2023 are estimated to be 18.2 percent of Gross Domestic Product (GDP), which is lower than in 2022 when receipts were 19.6 percent of GDP.

Receipts in the 2024 Budget are estimated to rise to \$5,036.4 billion in 2024, an increase of \$23.9 billion or 4.9 percent relative to 2023. Receipts are projected to grow at an average annual rate of 6.2 percent between 2024 and 2028, rising to \$6,399.5 billion. Receipts are projected to rise to \$7,991.3 billion in 2033, growing at an average annual rate of 4.5 percent between 2028 and 2033. This growth is largely due to assumed increases in incomes resulting from both real economic growth and inflation, along with tax reforms.

As a share of GDP, receipts are projected to increase slightly from 18.2 percent in 2023 to 18.5 percent in 2024, and to increase steadily to 20.1 percent in 2033.

**Table 17–1. RECEIPTS BY SOURCE—SUMMARY**  
(In billions of dollars)

	2022 Actual	Estimate										
		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Individual income taxes .....	2,632.1	2,327.9	2,390.0	2,617.3	2,849.1	3,029.0	3,205.9	3,366.3	3,542.6	3,731.9	3,948.1	4,154.5
Corporation income taxes .....	424.9	546.0	666.2	733.1	733.9	740.1	759.1	763.3	763.1	771.1	778.6	803.4
Social insurance and retirement receipts .....	1,483.5	1,675.2	1,742.1	1,820.6	1,909.1	1,990.9	2,094.3	2,182.0	2,276.8	2,373.1	2,472.9	2,613.4
<i>(On-budget)</i> .....	<i>(417.6)</i>	<i>(477.1)</i>	<i>(533.9)</i>	<i>(557.3)</i>	<i>(584.4)</i>	<i>(611.7)</i>	<i>(644.5)</i>	<i>(673.5)</i>	<i>(703.8)</i>	<i>(733.5)</i>	<i>(766.0)</i>	<i>(808.8)</i>
<i>(Off-budget)</i> .....	<i>(1,066.0)</i>	<i>(1,198.1)</i>	<i>(1,208.2)</i>	<i>(1,263.3)</i>	<i>(1,324.7)</i>	<i>(1,379.2)</i>	<i>(1,449.7)</i>	<i>(1,508.4)</i>	<i>(1,573.0)</i>	<i>(1,639.6)</i>	<i>(1,706.9)</i>	<i>(1,804.6)</i>
Excise taxes .....	87.7	91.5	114.1	114.4	118.6	120.7	121.5	124.8	128.4	130.1	136.9	140.9
Estate and gift taxes .....	32.6	20.9	25.3	28.3	29.1	44.9	47.5	51.7	52.1	57.0	62.5	67.6
Customs duties .....	99.9	101.7	60.7	49.8	52.3	54.3	56.2	58.1	60.2	62.5	54.7	57.2
Miscellaneous receipts .....	136.7	39.4	38.0	56.0	80.5	100.6	115.2	123.2	129.5	138.5	147.4	154.4
<b>Total, receipts</b> .....	<b>4,897.4</b>	<b>4,802.5</b>	<b>5,036.4</b>	<b>5,419.5</b>	<b>5,772.6</b>	<b>6,080.5</b>	<b>6,399.5</b>	<b>6,669.4</b>	<b>6,952.8</b>	<b>7,264.2</b>	<b>7,601.1</b>	<b>7,991.3</b>
<i>(On-budget)</i> .....	<i>(3,831.4)</i>	<i>(3,604.4)</i>	<i>(3,828.2)</i>	<i>(4,156.2)</i>	<i>(4,447.9)</i>	<i>(4,701.3)</i>	<i>(4,949.8)</i>	<i>(5,160.9)</i>	<i>(5,379.8)</i>	<i>(5,624.6)</i>	<i>(5,894.2)</i>	<i>(6,186.8)</i>
<i>(Off-budget)</i> .....	<i>(1,066.0)</i>	<i>(1,198.1)</i>	<i>(1,208.2)</i>	<i>(1,263.3)</i>	<i>(1,324.7)</i>	<i>(1,379.2)</i>	<i>(1,449.7)</i>	<i>(1,508.4)</i>	<i>(1,573.0)</i>	<i>(1,639.6)</i>	<i>(1,706.9)</i>	<i>(1,804.6)</i>
Total receipts as a percentage of GDP .....	19.6	18.2	18.5	19.1	19.5	19.7	19.9	19.9	19.9	19.9	20.0	20.1

### LEGISLATION ENACTED IN 2022 THAT AFFECTS GOVERNMENTAL RECEIPTS

Six laws were enacted during 2022 that affect receipts. The major provisions of those laws that have a significant impact on receipts are described below.<sup>1</sup>

#### ENDING IMPORTATION OF RUSSIAN OIL ACT (Public Law 117–109)

The Act, which was signed into law on April 8, 2022, prohibits the importation of energy products from Russia

<sup>1</sup> In the discussions of enacted legislation, years referred to are calendar years, unless otherwise noted.

that are classified under chapter 27 of the Harmonized Tariff Schedule.

**SUSPENDING NORMAL TRADE  
RELATIONS WITH RUSSIA AND  
BELARUS ACT (Public Law 117-110)**

The Act, which was signed into law on April 8, 2022, authorizes the President to proclaim increases in the rates of duty applicable to products of Russia or Belarus. This authority terminates on January 1, 2024.

**FORMULA ACT (Public Law 117-160)**

The Act, which was signed into law on July 21, 2022, provides through December 31, 2022, duty-free treatment to infant formula.

**AN ACT MAKING APPROPRIATIONS FOR  
LEGISLATIVE BRANCH FOR THE FISCAL  
YEAR ENDING SEPTEMBER 30, 2022, AND FOR  
OTHER PURPOSES (Public Law 117-167)**

The Act, commonly referred to as the “CHIPS and Science Act of 2022,” was signed into law on August 9, 2022, and provides a 25 percent investment tax credit for investments in semiconductor manufacturing.

**INFLATION REDUCTION ACT  
(Public Law 117-169)**

The Act, which was signed into law on August 16, 2022, reduces the deficit by asking the largest corporations to pay their fair share, makes the tax code fairer, and helps families save money on their energy bills while accelerating the deployment of clean energy technology to combat the climate crisis. Major provisions of the law include:

***Making corporations pay their fair share.***—The Act imposes a 15 percent minimum alternative tax beginning tax years after 2022 on corporations with a three-year average income of more than \$1 billion, determined on the basis of the corporation’s adjusted financial statement income (i.e., book income). It imposes a one percent excise tax of the fair market value of any repurchased stock during the taxable year by a publicly traded U.S. corporation. The law imposes an excise tax on the sale by the manufacturer, producer, or importer of any selected drug who fails to enter into a drug pricing agreement.

***Enforcing collection of taxes already owed.***—The Act appropriates funding for Internal Revenue Service enforcement activities, operations support, business sys-

tems modernization, and taxpayer services, available through 2031, which is expected to reduce the tax gap by improving taxpayer compliance.

***Lowering energy costs while reducing harmful pollution.***—The Act includes various green energy tax credits and incentives for businesses and individuals, including: a production tax credit for electricity generated from renewable energy sources; a new tax credit for qualifying zero-emission nuclear power produced by facilities placed in service prior to enactment; the extension of the residential clean energy efficient credit for qualified energy efficiency improvements; an advanced manufacturing production credit for projects beginning in 2023; and new clean electricity production and investment credits; and tax credits related to electric vehicles, including credits for the purchase of clean and plug-in vehicles.

**CONSOLIDATED APPROPRIATIONS  
ACT, 2023 (Public Law 117-328)**

The Act, which was signed into law on December 29, 2022, includes the SECURE 2.0 Act of 2022, which makes numerous changes to retirement law. It requires that employee-sponsored retirement plans automatically enroll all eligible employees with a contribution rate in the first year of at least three percent up to a maximum of 10 percent, with certain exceptions for new and small businesses. It improves access to retirement accounts for part time workers who have completed 500 hours of service for two consecutive years. It increases the three-year small business startup credit from 50 to 100 percent for employers with up to 50 employees. It replaces the nonrefundable credit for qualified individuals making contributions to individual retirement accounts with a “Saver’s Match” Federal contribution of up to \$2,000 per year for individuals with incomes up to \$71,000. It increases the age to begin mandatory distributions from retirement plans, and increases the catch-up limits beginning in 2025 for individuals ages 60 to 63. It provides for a pension-linked emergency savings account of up to \$2,500, in addition to permitting employees to withdraw up to \$1,000 per year for personal or family emergencies without penalty, as well as withdraw funds penalty free for those that are terminally ill, are victims of domestic abuse, or are affected by a Stafford Act disaster. The Act also treats student loan payments as elective deferrals for purposes of retirement plan matching. Further, it limits the deduction for charitable conservation easements, subject to a three-year holding period test.

**BUDGET PROPOSALS**

The 2024 Budget proposes a series of revenue raisers directed at wealthy individuals and large corporations. The Budget aims to replace counterproductive tax laws that reward offshoring and profit shifting with provisions that encourage job creation at home and put an end to the worldwide race to the bottom on corporate tax rates. It also includes a set of measures to make sure the wealthiest Americans and corporations pay their fair share in

taxes while ensuring that no one making \$400,000 per year or less will pay more in new taxes. These proposals affecting governmental receipts are included in the table that follows. Descriptions of proposals can be found in the Department of the Treasury’s *General Explanations of the Administration’s Fiscal Year 2024 Revenue Proposals*.<sup>2</sup>

<sup>2</sup> Available at this link: <https://home.treasury.gov/policy-issues/tax-policy/revenue-proposals>.

**Table 17-2. EFFECT OF BUDGET PROPOSALS**  
(In millions of dollars)

	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2024-2028	2024-2033
<b>Reform business taxation:</b>													
Raise the corporate income tax rate to 28 percent ...	89,130	137,068	126,786	125,160	129,655	137,689	137,514	133,428	133,851	131,646	132,962	656,358	1,325,759
Increase the excise tax rate on repurchase of corporate stock .....	3,934	20,266	20,364	21,243	22,143	23,059	24,016	25,031	26,111	27,247	28,429	107,075	237,909
Tax corporate distributions as dividends .....		69	110	123	129	136	144	152	161	169	178	567	1,371
Limit tax avoidance through inappropriate leveraging of parties to divisive reorganizations .....		250	741	1,451	2,295	3,212	4,176	5,178	6,214	7,299	8,399	7,949	39,215
Limit losses recognized in liquidation transactions ...		299	507	522	538	554	570	587	605	623	642	2,420	5,447
Prevent basis shifting by related parties through partnerships .....		3,442	5,893	6,150	6,408	6,670	6,905	7,083	7,195	7,270	7,336	28,563	64,352
Conform definition of "control" with corporate affiliation test .....		370	541	556	569	579	586	592	595	598	600	2,615	5,586
Strengthen limitation on losses for noncorporate taxpayers .....			1,185	2,241	2,519	12,571	14,373	10,268	9,533	9,371	9,282	18,516	71,343
Accelerate and tighten rules on excess employee remuneration <sup>1</sup> .....		2,328	792	163	1,491	2,259	1,932	1,544	1,237	1,211	1,271	7,033	14,228
Prevent prison facility rent payments from contributing to qualification as a REIT .....													
Subtotal, reform business taxation .....	93,064	164,092	156,919	157,609	165,747	186,729	190,216	183,863	185,502	185,434	189,099	831,096	1,765,210
<b>Reform international taxation:</b>													
Revise the global minimum tax regime, limit inversions, and make related reforms.....	18,461	44,951	55,091	48,450	43,750	44,943	46,935	49,007	51,154	53,378	55,682	237,185	493,341
Adopt the undertaxed profits rule .....			40,219	66,414	66,022	65,205	63,540	62,897	62,360	61,559	60,821	237,860	549,037
<b>Repeal the deduction for foreign-derived intangible income:</b>													
Repeal the deduction for foreign-derived intangible income .....		9,800	16,627	12,619	9,994	10,294	10,602	10,920	11,248	11,585	11,932	59,334	115,621
Provide additional support for research and experimentation expenditures .....		-9,800	-16,627	-12,619	-9,994	-10,294	-10,602	-10,920	-11,248	-11,585	-11,932	-59,334	-115,621
Subtotal, repeal the deduction for foreign-derived intangible income .....													
Revise the rules that allocate Subpart F income and GILTI between taxpayers to ensure that Subpart F income and GILTI are fully taxed .....		166	294	320	344	366	388	408	427	446	465	1,490	3,624
Eliminate exploited mismatch in calculation of earnings and profits of controlled foreign corporations .....		190	321	331	341	351	362	373	384	395	407	1,534	3,455
Limit foreign tax credits from sale of hybrid entities ..		315	492	445	410	384	365	350	340	333	328	2,046	3,762
Restrict deductions of excessive interest of members of financial reporting groups .....		2,609	4,316	4,193	4,078	4,073	4,167	4,280	4,389	4,514	4,657	19,269	41,276
Treat payments substituting for partnership effectively connected income as U.S. source dividends .....		4	9	9	9	9	10	10	10	10	10	40	90
Expand access to retroactive qualified electing fund elections .....			1	1	2	2	2	2	2	2	2	6	16
<b>Reform taxation of foreign fossil fuel income:</b>													
Modify foreign oil and gas extraction income and foreign oil related income rules .....		138	243	261	278	299	318	334	351	369	388	1,219	2,979
Modify tax rule for dual capacity taxpayers .....		2,932	5,148	5,541	5,902	6,344	6,732	7,073	7,443	7,814	8,215	25,867	63,144
Subtotal, reform taxation of foreign fossil fuel income .....		3,070	5,391	5,802	6,180	6,643	7,050	7,407	7,794	8,183	8,603	27,086	66,123
<b>Provide tax incentives for locating jobs and business activity in the United States and remove tax deductions for shipping jobs overseas:</b>													
Provide tax credit for inshoring jobs to the United States .....		-11	-12	-12	-13	-13	-14	-14	-15	-15	-16	-61	-135
Remove tax deductions for shipping jobs overseas .....		11	12	12	13	13	14	14	15	15	16	61	135
Subtotal, provide tax incentives for locating jobs and business activity in the United States and remove tax deductions for shipping jobs overseas .....													
Subtotal, reform international taxation.....	18,461	51,305	106,134	125,965	121,136	121,976	122,819	124,734	126,860	128,820	130,975	526,516	1,160,724

**Table 17–2. EFFECT OF BUDGET PROPOSALS—Continued**  
(In millions of dollars)

	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2024– 2028	2024– 2033
Support housing and urban development:													
Make permanent the New Markets Tax Credit .....				-97	-278	-483	-716	-990	-1,290	-1,602	-1,792	-858	-7,248
Provide a neighborhood homes credit .....		-18	-142	-534	-1,213	-1,894	-2,284	-2,391	-2,375	-2,351	-2,362	-3,801	-15,564
Expand and enhance the low-income housing credit ...		-38	-192	-549	-1,198	-2,041	-2,944	-3,872	-4,823	-5,799	-6,803	-4,018	-28,259
Subtotal, support housing and urban development .....		-56	-334	-1,180	-2,689	-4,418	-5,944	-7,253	-8,488	-9,752	-10,957	-8,677	-51,071
Modify energy taxes:													
Eliminate fossil fuel tax preferences:													
Repeal the enhanced oil recovery credit .....													
Repeal the credit for oil and natural gas produced from marginal wells .....													
Repeal expensing of intangible drilling costs .....		1,369	2,003	1,591	1,122	599	394	383	366	337	328	6,684	8,492
Repeal the deduction for costs paid or incurred for any qualified tertiary injectant used as part of tertiary recovery method <sup>2</sup> .....													
Repeal the exception to passive loss limitations provided to working interests in oil and natural gas properties .....		5	9	9	8	8	8	8	7	7	7	39	76
Repeal the use of percentage depletion with respect to oil and natural gas wells .....		1,118	1,144	1,203	1,279	1,357	1,426	1,489	1,554	1,616	1,675	6,101	13,861
Increase geological and geophysical amortization period for independent producers .....		51	187	320	359	353	345	336	324	301	271	1,270	2,847
Repeal expensing of mine exploration and development costs .....		113	166	131	93	50	32	32	31	28	27	553	703
Repeal percentage depletion for hard mineral fossil fuels .....		78	77	78	79	81	83	86	87	89	91	393	829
Repeal capital gains treatment for royalties .....		26	54	57	62	64	66	69	71	73	75	263	617
Repeal the exemption from the corporate income tax for fossil fuel publicly traded partnerships ..							80	159	199	236	271		945
Repeal the Oil Spill Liability Trust Fund and Superfund excise tax exemption for crude oil derived from bitumen and kerogen-rich rock <sup>1</sup> ...		110	153	157	163	170	176	180	185	191	195	753	1,680
Repeal accelerated amortization of air pollution control equipment .....		13	32	50	66	82	96	110	108	98	86	243	741
Subtotal, eliminate fossil fuel tax preferences ..		2,883	3,825	3,596	3,231	2,764	2,706	2,852	2,932	2,976	3,026	16,299	30,791
Eliminate drawbacks on petroleum taxes that finance the Oil Spill Liability Trust Fund and Superfund <sup>1</sup> ...		163	220	223	225	229	231	233	236	240	242	1,060	2,242
Impose digital asset mining energy excise tax <sup>1</sup> .....		74	199	327	385	394	405	415	425	435	444	1,379	3,503
Subtotal, modify energy taxes .....		3,120	4,244	4,146	3,841	3,387	3,342	3,500	3,593	3,651	3,712	18,738	36,536
Strengthen taxation of high-income taxpayers:													
Apply the net investment income tax to pass-through business income of high-income taxpayers .....	12,342	22,839	26,245	27,381	28,606	30,298	31,589	33,004	34,162	35,348	36,472	135,369	305,944
Increase the net investment income tax rate and additional Medicare tax rate for high-income taxpayers .....	14,891	29,627	28,282	27,872	30,074	32,494	34,525	36,772	39,104	41,532	44,089	148,349	344,371
Increase the top marginal income tax rate for high-income earners .....	20,063	53,029	52,206	28,716	11,963	12,757	13,571	14,422	15,271	16,191	17,137	158,671	235,263
Reform the taxation of capital income .....		2,306	13,211	19,230	21,135	22,086	23,205	24,600	26,066	27,455	34,561	77,968	213,855
Impose a minimum income tax on the wealthiest taxpayers .....			43,698	48,977	51,620	52,507	52,093	51,533	46,084	43,616	46,481	196,802	436,609
Subtotal, strengthen taxation of high-income taxpayers .....	47,296	107,801	163,642	152,176	143,398	150,142	154,983	160,331	160,687	164,142	178,740	717,159	1,536,042
Modify rules relating to retirement plans:													
Prevent excessive accumulations by high-income taxpayers in tax-favored retirement accounts and make other reforms .....		6,633	5,887	3,266	1,915	1,231	898	749	699	702	734	18,932	22,714
Subtotal, modify rules relating to retirement plans ...		6,633	5,887	3,266	1,915	1,231	898	749	699	702	734	18,932	22,714
Support workers, families, and economic security:													
Expand the child credit, and make permanent full refundability and advanceability <sup>3</sup> .....	-5,843	-259,273	-74,899	-7,864	-9,432	-12,166	-12,520	-12,792	-13,038	-13,370	-13,802	-363,634	-429,156

**Table 17–2. EFFECT OF BUDGET PROPOSALS—Continued**  
(In millions of dollars)

	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2024–2028	2024–2033
Restore and make permanent the American Rescue Plan expansion of the earned income tax credit for workers without qualifying children <sup>3</sup> .....	-378	-13,940	-14,997	-15,354	-15,650	-15,774	-15,959	-16,027	-16,088	-16,126	-16,130	-75,715	-156,045
Make permanent the Inflation Reduction Act expansion of health insurance premium tax credits <sup>3</sup> .....				-14,791	-20,253	-21,057	-21,518	-20,618	-21,020	-22,098	-23,281	-56,101	-164,636
Make the adoption tax credit refundable and allow certain guardianship arrangements to qualify <sup>3</sup> .....			-1,011	-1,979	-1,704	-1,655	-1,639	-1,623	-1,602	-1,594	-1,582	-6,349	-14,389
Make permanent the income exclusion for forgiven student debt <sup>3</sup> .....				-1	-11	-25	-164	-180	-197	-215	-235	-37	-1,028
Extend tax-preferred treatment to certain Federal and tribal scholarship and education loan programs .....		-41	-63	-71	-78	-82	-85	-87	-89	-92	-94	-335	-782
Increase the employer-provided childcare tax credit for businesses .....		-17	-35	-35	-36	-38	-39	-39	-39	-40	-40	-161	-358
Improve the work opportunity tax credit program integrity to promote longer-term employment .....		65	134	86	27	17	13	9	8	5	4	329	368
Subtotal, support workers, families, and economic security .....	-6,221	-273,206	-90,871	-40,009	-47,137	-50,780	-51,911	-51,357	-52,065	-53,530	-55,160	-502,003	-766,026
Modify estate and gift taxation:													
Improve tax administration for trusts and decedents' estates .....		-3	1	1	-9	-5	-5	-1	5	12	21	-15	17
Limit duration of generation-skipping transfer tax exemption .....													
Modify income, estate, gift, and generation-skipping transfer tax rules for certain trusts .....		1,052	3,157	3,710	4,999	6,506	8,480	6,063	8,480	10,343	12,355	19,424	65,145
Revise rules for valuation of certain property .....		279	789	918	1,107	1,299	1,356	1,466	1,571	1,700	1,829	4,392	12,314
Subtotal, modify estate and gift taxation .....		1,328	3,947	4,629	6,097	7,800	9,831	7,528	10,056	12,055	14,205	23,801	77,476
Close loopholes:													
Tax carried (profits) interests as ordinary income .....		398	662	661	659	657	664	677	691	705	719	3,037	6,493
Repeal deferral of gain from like-kind exchanges .....		642	1,765	1,818	1,873	1,929	1,986	2,047	2,107	2,171	2,236	8,027	18,574
Require 100 percent recapture of depreciation deductions as ordinary income for certain depreciable real property .....		39	120	249	389	540	704	881	1,073	1,279	1,502	1,337	6,776
Limit use of donor advised funds to avoid a private foundation payout requirement .....		20	19	13	8	4	3	4	4	4	4	64	83
Exclude payments to disqualified persons from counting toward private foundation payout requirement .....		1	2	1	1	1	1					6	7
Extend the period for assessment of tax for certain Qualified Opportunity Fund investors .....		5	15	18	15	11	10	8	6	2		64	90
Impose ownership diversification requirement for small insurance company election .....		245	797	873	975	1,046	1,109	1,171	1,228	1,302	1,383	3,936	10,129
Expand pro rata interest expense disallowance for business-owned life insurance .....		557	561	583	615	643	673	704	737	768	803	2,959	6,644
Modify rules for insurance products that fail the statutory definition of a life insurance contract .....	2	4										4	4
Correct drafting errors in the taxation of insurance companies under the Tax Cuts and Jobs Act of 2017 .....		65	97	101	100	73	55	48	41	37	33	436	650
Define the term "ultimate purchaser" for purposes of diesel fuel exportation <sup>1</sup> .....		4	8	10	12	14	16	19	21	23	26	48	153
Subtotal, close loopholes .....	2	1,980	4,046	4,327	4,647	4,918	5,221	5,559	5,908	6,291	6,706	19,918	49,603
Improve tax administration:													
Enhance accuracy of tax information:													
Expand the Secretary's authority to require electronic filing for forms and returns .....													
Improve information reporting for reportable payments subject to backup withholding .....		40	91	155	211	221	231	241	252	263	288	718	1,993
Subtotal, enhance accuracy of tax information .....		40	91	155	211	221	231	241	252	263	288	718	1,993
Amend the centralized partnership audit regime to permit the carryover of a reduction in tax that exceeds a partner's tax liability .....		-5	-5	-5	-6	-6	-7	-7	-7	-7	-8	-27	-63
Modify requisite supervisory approval of penalty included in notice .....		134	136	138	144	145	157	153	159	166	174	697	1,506



**Table 17–2. EFFECT OF BUDGET PROPOSALS—Continued**  
(In millions of dollars)

	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2024–2028	2024–2033
Clarify tax treatment of fixed indemnity health policies .....													
Rationalize funding for post-retirement medical and life insurance benefits .....													
Clarify tax treatment of on-demand pay arrangements .....													
Subtotal, improve benefits tax administration .....													
Extend IRA funding:													
Extend mandatory funding provided to the IRS for fiscal years 2032 and 2033 <sup>3</sup> .....										47,121	57,883		105,004
Subtotal, extend IRA funding .....										47,121	57,883		105,004
Other initiatives:													
Require coverage of three primary care visits and three behavioral health visits without cost-sharing <sup>3</sup> .....				-4,622	-4,284	-1,631	-985	-1,014	-1,063	-1,116	-1,164	-10,537	-15,879
Improve access to behavioral healthcare in the private insurance market <sup>3</sup> .....				-2,393	-3,288	-3,409	-3,558	-3,669	-3,839	-4,018	-4,200	-9,090	-28,374
Extend surprise billing protections to ground ambulances .....			66	95	100	104	109	112	117	123	125	365	951
Limit cost-sharing for insulin at \$35 per month .....		-545	-484	-98								-1,127	-1,127
Increase civil penalties for labor law violations .....		150	200	250	250	250	250	250	300	300	300	1,100	2,500
Establish Electronic Visa Update System user fee ..		52	58	64	72	79	88	108	118	130	143	325	912
Fund Unemployment Insurance (UI) program integrity .....				-11	-35	-189	-90	24	-114	-150	-163	-235	-728
Subtotal, other initiatives .....		-343	-160	-6,715	-7,185	-4,796	-4,186	-4,189	-4,481	-4,731	-4,959	-19,199	-41,745
<b>Total, effects of budget proposals .....</b>	<b>152,604</b>	<b>68,481</b>	<b>356,348</b>	<b>407,590</b>	<b>393,693</b>	<b>420,277</b>	<b>429,644</b>	<b>428,170</b>	<b>433,275</b>	<b>485,532</b>	<b>516,648</b>	<b>1,646,389</b>	<b>3,939,658</b>

<sup>1</sup> Net of income offsets.

<sup>2</sup> Effects are included in the estimate of Repeal the enhanced oil recovery credit.

<sup>3</sup> This proposal affects both receipts and outlays. The net effect is shown above. The outlay effects included in these estimates are as follows:

	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2024–2028	2024–2033
Expand the child credit and make permanent full refundability and advanceability .....	-108	-234,552	-138,503	-33,455	-9,700	-8,901	-8,990	-8,997	-8,934	-8,926	-8,989	-425,111	-469,947
Restore and make permanent the American Rescue Plan expansion of the earned income tax credit for workers without qualifying children .....	-2	-12,396	-13,322	-13,546	-13,527	-13,676	-13,875	-13,980	-14,064	-14,130	-14,178	-66,467	-136,694
Make permanent the Inflation Reduction Act expansion of health insurance premium tax credits .....				-9,904	-13,533	-13,955	-14,352	-14,192	-14,572	-15,199	-15,879	-37,392	-111,586
Make the adoption tax credit refundable and allow certain guardianship arrangements to qualify .....			-1,000	-1,937	-1,661	-1,608	-1,591	-1,575	-1,553	-1,544	-1,532	-6,206	-14,001
Make permanent the income exclusion for forgiven student debt .....					-1	-1	-19	-19	-20	-22	-24	-2	-106
Increase the statute of limitations on assessment of the COVID-related paid leave and employee retention tax credits .....		2	35	119	108	21						285	285
Expand and increase penalties for noncompliant return preparation and e-filing .....		9	15	18	20	22	22	22	22	19	19	84	188
Grant authority to IRS for oversight of all paid preparers .....		23	29	22	19	20	22	24	25	28	30	113	242
Extend mandatory funding provided to the IRS for fiscal years 2032 and 2033 .....										-14,304	-14,838		-29,142
Require coverage of three primary care visits and three behavioral health visits without cost-sharing .....				-927	-839	-300	-165	-158	-166	-175	-178	-2,066	-2,908
Improve access to behavioral healthcare in the private insurance market .....				-560	-767	-788	-821	-805	-841	-872	-900	-2,115	-6,354
Extend surprise billing protections to ground ambulances .....			14	19	20	20	21	20	21	22	20	73	177
Limit cost-sharing for insulin at \$35 per month .....		-135	-116	-21								-272	-272
<b>Total, outlay effect of receipt proposals .....</b>	<b>-110</b>	<b>-247,049</b>	<b>-152,848</b>	<b>-60,172</b>	<b>-39,861</b>	<b>-39,146</b>	<b>-39,748</b>	<b>-39,660</b>	<b>-40,082</b>	<b>-55,103</b>	<b>-56,449</b>	<b>-539,076</b>	<b>-770,118</b>

**Table 17-3. RECEIPTS BY SOURCE**  
(In millions of dollars)

Source	2022 Actual	Estimate										
		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
<b>Individual income taxes:</b>												
Federal funds.....	2,632,146	2,337,331	2,382,306	2,472,318	2,770,241	2,990,509	3,158,559	3,319,323	3,500,484	3,696,464	3,885,798	4,077,726
Legislative proposal, not subject to PAYGO .....	.....	-21,598	-36,607	-38,130	-38,912	-40,185	-42,159	-44,340	-46,847	-49,524	-22,029	-18,125
Legislative proposal, subject to PAYGO .....	.....	12,127	44,311	183,065	117,788	78,715	89,483	91,315	88,972	84,997	84,310	94,877
<b>Total, Individual income taxes....</b>	<b>2,632,146</b>	<b>2,327,860</b>	<b>2,390,010</b>	<b>2,617,253</b>	<b>2,849,117</b>	<b>3,029,039</b>	<b>3,205,883</b>	<b>3,366,298</b>	<b>3,542,609</b>	<b>3,731,937</b>	<b>3,948,079</b>	<b>4,154,478</b>
<b>Corporation income taxes:</b>												
Federal funds.....	424,865	438,412	470,444	485,982	466,832	474,306	485,199	488,006	489,673	495,102	471,793	488,632
Legislative proposal, not subject to PAYGO .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	31,168	35,615
Legislative proposal, subject to PAYGO .....	.....	107,587	195,724	247,106	267,082	265,792	273,853	275,276	273,432	275,977	275,659	279,116
<b>Total, Corporation income taxes....</b>	<b>424,865</b>	<b>545,999</b>	<b>666,168</b>	<b>733,088</b>	<b>733,914</b>	<b>740,098</b>	<b>759,052</b>	<b>763,282</b>	<b>763,105</b>	<b>771,079</b>	<b>778,620</b>	<b>803,363</b>
<b>Social insurance and retirement receipts (trust funds):</b>												
<b>Employment and general retirement:</b>												
Old-age survivors insurance (off-budget).....	911,191	1,024,331	1,033,840	1,080,972	1,134,596	1,181,284	1,241,174	1,291,335	1,346,598	1,403,604	1,461,228	1,544,805
Legislative proposal, not subject to PAYGO .....	.....	-167	-1,064	-1,061	-2,214	-2,311	-1,906	-1,859	-1,937	-2,020	-2,109	-2,200
Disability insurance (off- budget).....	154,784	173,959	175,558	183,561	192,667	200,596	210,765	219,284	228,668	238,348	248,132	262,325
Legislative proposal, not subject to PAYGO .....	.....	-28	-180	-180	-375	-392	-323	-315	-329	-343	-358	-373
Hospital insurance.....	339,145	357,451	369,461	386,673	406,247	424,614	447,443	467,097	488,547	510,903	534,002	566,212
Legislative proposal, not subject to PAYGO .....	.....	21,598	36,607	38,130	38,912	40,185	42,159	44,340	46,847	49,524	52,286	55,231
Legislative proposal, subject to PAYGO .....	.....	29,853	58,345	60,476	64,313	68,396	72,917	76,751	80,915	84,914	89,138	93,471
<b>Railroad retirement:</b>												
Social security equivalent account .....	2,366	2,723	2,495	2,537	2,575	2,614	2,655	2,695	2,737	2,785	2,835	2,886
Rail pension & supplemental annuity .....	3,249	3,306	3,366	3,454	3,521	3,584	3,649	3,879	3,988	4,237	4,364	4,989
<b>Total, Employment and general retirement .....</b>	<b>1,410,735</b>	<b>1,613,026</b>	<b>1,678,428</b>	<b>1,754,562</b>	<b>1,840,242</b>	<b>1,918,570</b>	<b>2,018,533</b>	<b>2,103,207</b>	<b>2,196,034</b>	<b>2,291,952</b>	<b>2,389,518</b>	<b>2,527,346</b>
<i>On-budget.....</i>	<i>(344,760)</i>	<i>(414,931)</i>	<i>(470,274)</i>	<i>(491,270)</i>	<i>(515,568)</i>	<i>(539,393)</i>	<i>(568,823)</i>	<i>(594,762)</i>	<i>(623,034)</i>	<i>(652,363)</i>	<i>(682,625)</i>	<i>(722,789)</i>
<i>Off-budget.....</i>	<i>(1,065,975)</i>	<i>(1,198,095)</i>	<i>(1,208,154)</i>	<i>(1,263,292)</i>	<i>(1,324,674)</i>	<i>(1,379,177)</i>	<i>(1,449,710)</i>	<i>(1,508,445)</i>	<i>(1,573,000)</i>	<i>(1,639,589)</i>	<i>(1,706,893)</i>	<i>(1,804,557)</i>
<b>Unemployment insurance:</b>												
Deposits by States <sup>1</sup> .....	59,294	47,854	47,493	48,693	50,320	52,552	54,955	55,954	57,261	58,057	59,244	60,674
Legislative proposal, subject to PAYGO .....	.....	.....	.....	.....	-11	-35	-189	-90	24	-114	-150	-163
Amounts included in the adjusted baseline <sup>2</sup> .....	.....	.....	.....	-40	-96	-154	-312	-261	-395	-233	-321	-371
Federal unemployment receipts <sup>1</sup> .....	6,927	7,093	8,418	9,142	9,876	10,600	11,327	12,599	12,805	11,731	12,276	12,835
Railroad unemployment receipts <sup>1</sup> .....	277	321	150	36	49	90	169	222	181	126	142	202
<b>Total, Unemployment insurance .....</b>	<b>66,498</b>	<b>55,268</b>	<b>56,061</b>	<b>57,831</b>	<b>60,138</b>	<b>63,053</b>	<b>65,950</b>	<b>68,424</b>	<b>69,876</b>	<b>69,567</b>	<b>71,191</b>	<b>73,177</b>
<b>Other retirement:</b>												
Federal employees retirement - employee share .....	6,270	6,912	7,562	8,150	8,663	9,200	9,743	10,320	10,910	11,512	12,150	12,817
Non-Federal employees retirement <sup>3</sup> .....	24	30	30	30	29	29	29	28	28	27	27	27
<b>Total, Other retirement .....</b>	<b>6,294</b>	<b>6,942</b>	<b>7,592</b>	<b>8,180</b>	<b>8,692</b>	<b>9,229</b>	<b>9,772</b>	<b>10,348</b>	<b>10,938</b>	<b>11,539</b>	<b>12,177</b>	<b>12,844</b>
<b>Total, Social insurance and retirement receipts (trust funds).....</b>	<b>1,483,527</b>	<b>1,675,236</b>	<b>1,742,081</b>	<b>1,820,573</b>	<b>1,909,072</b>	<b>1,990,852</b>	<b>2,094,255</b>	<b>2,181,979</b>	<b>2,276,848</b>	<b>2,373,058</b>	<b>2,472,886</b>	<b>2,613,367</b>



**Table 17-3. RECEIPTS BY SOURCE—Continued**  
(In millions of dollars)

Source	2022 Actual	Estimate										
		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
<i>On-budget.....</i>	<i>(417,552)</i>	<i>(477,141)</i>	<i>(533,927)</i>	<i>(557,281)</i>	<i>(584,398)</i>	<i>(611,675)</i>	<i>(644,545)</i>	<i>(673,534)</i>	<i>(703,848)</i>	<i>(733,469)</i>	<i>(765,993)</i>	<i>(808,810)</i>
<i>Off-budget.....</i>	<i>(1,065,975)</i>	<i>(1,198,095)</i>	<i>(1,208,154)</i>	<i>(1,263,292)</i>	<i>(1,324,674)</i>	<i>(1,379,177)</i>	<i>(1,449,710)</i>	<i>(1,508,445)</i>	<i>(1,573,000)</i>	<i>(1,639,589)</i>	<i>(1,706,893)</i>	<i>(1,804,557)</i>
<b>Excise taxes:</b>												
<b>Federal funds:</b>												
Alcohol .....	10,196	10,279	10,139	10,137	10,256	10,362	10,535	10,702	10,950	11,294	11,453	11,755
Tobacco .....	11,259	11,582	10,571	9,186	9,161	9,042	8,920	8,830	8,712	8,599	8,484	8,353
Transportation fuels .....	-5,126	-4,601	-3,984	-2,430	-798	-791	-780	-765	-747	-737	-770	-814
Legislative proposal, subject to PAYGO .....			5	10	13	16	19	22	25	28	31	34
Telephone and teletype services .....	316	184	144	117	94	74	58	45	36	30	28	29
Indoor tanning services .....	69	66	63	60	57	54	51	48	45	42	39	36
Medical devices .....	-1											
Other Federal fund excise taxes .....	7,351	6,050	13,212	13,378	13,885	14,412	14,959	15,524	16,127	16,764	17,432	18,129
Legislative proposal, subject to PAYGO .....		3,342	16,812	17,055	17,940	18,751	19,515	20,316	21,165	22,068	23,017	24,004
<b>Total, Federal funds .....</b>	<b>24,064</b>	<b>26,902</b>	<b>46,962</b>	<b>47,513</b>	<b>50,608</b>	<b>51,920</b>	<b>53,277</b>	<b>54,722</b>	<b>56,313</b>	<b>58,088</b>	<b>59,714</b>	<b>61,526</b>
<b>Trust funds:</b>												
Transportation .....	46,631	41,892	40,469	39,999	40,230	40,135	39,920	39,647	39,405	39,535	43,508	44,561
Airport and airway .....	11,377	16,084	16,700	17,944	18,675	19,376	20,099	20,861	21,694	22,600	23,571	24,548
Sport fish restoration and boating safety .....	634	629	632	633	637	640	645	654	663	674	683	693
Tobacco assessments .....	1											
Black lung disability insurance .....	180	307	302	287	288	288	288	283	281	281	277	277
Inland waterway .....	124	118	119	119	120	120	121	121	122	122	123	124
Superfund .....	413	2,544	2,980	3,108	3,206	3,307	3,416	3,519	3,631	3,748	3,876	3,998
Legislative proposal, subject to PAYGO .....			235	321	329	338	351	360	367	375	385	393
Oil spill liability .....	562	622	617	617	617	618	619	619	618	618	618	617
Legislative proposal, subject to PAYGO .....			124	168	170	171	174	175	176	177	180	180
Vaccine injury compensation .....	333	315	313	314	316	319	323	328	331	335	338	342
Leaking underground storage tank .....	245	189	184	181	180	178	175	174	172	171	191	195
Supplementary medical insurance .....	2,804	1,461	4,043	2,800	2,800	2,800	1,557	2,800	4,043	2,800	2,800	2,800
Patient-centered outcomes research .....	360	390	409	430	452	474	499	525	549	575	603	632
<b>Total, Trust funds .....</b>	<b>63,664</b>	<b>64,551</b>	<b>67,127</b>	<b>66,921</b>	<b>68,020</b>	<b>68,764</b>	<b>68,187</b>	<b>70,066</b>	<b>72,052</b>	<b>72,011</b>	<b>77,153</b>	<b>79,360</b>
<b>Total, Excise taxes .....</b>	<b>87,728</b>	<b>91,453</b>	<b>114,089</b>	<b>114,434</b>	<b>118,628</b>	<b>120,684</b>	<b>121,464</b>	<b>124,788</b>	<b>128,365</b>	<b>130,099</b>	<b>136,867</b>	<b>140,886</b>
<b>Estate and gift taxes:</b>												
Federal funds .....	32,550	20,899	24,322	26,308	26,684	41,128	42,260	44,608	47,459	50,169	53,827	57,055
Legislative proposal, subject to PAYGO .....			1,016	1,978	2,413	3,791	5,200	7,103	4,662	6,880	8,677	10,594
<b>Total, Estate and gift taxes .....</b>	<b>32,550</b>	<b>20,899</b>	<b>25,338</b>	<b>28,286</b>	<b>29,097</b>	<b>44,919</b>	<b>47,460</b>	<b>51,711</b>	<b>52,121</b>	<b>57,049</b>	<b>62,504</b>	<b>67,649</b>
<b>Customs duties and fees:</b>												
Federal funds .....	97,643	99,405	58,513	47,560	49,921	51,856	53,689	55,527	57,538	59,727	51,825	54,219
Trust funds .....	2,265	2,251	2,173	2,262	2,375	2,451	2,532	2,609	2,694	2,789	2,891	2,997
<b>Total, Customs duties and fees .....</b>	<b>99,908</b>	<b>101,656</b>	<b>60,686</b>	<b>49,822</b>	<b>52,296</b>	<b>54,307</b>	<b>56,221</b>	<b>58,136</b>	<b>60,232</b>	<b>62,516</b>	<b>54,716</b>	<b>57,216</b>
<b>Miscellaneous receipts:</b>												
<b>Federal funds:</b>												
Miscellaneous taxes .....	719	737	736	735	736	737	738	732	733	732	732	734
Deposit of earnings, Federal Reserve System .....	106,674			14,432	35,753	54,329	65,376	69,395	72,416	78,484	85,432	90,918
Transfers from the Federal Reserve .....	642	653	685	703	724	746	768	791	814	838	864	890

**Table 17-3. RECEIPTS BY SOURCE—Continued**  
(In millions of dollars)

Source	2022 Actual	Estimate										
		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Fees for permits and regulatory and judicial services .....	21,179	22,470	24,606	27,740	30,864	32,353	35,798	39,692	42,902	45,629	47,834	49,449
Legislative proposal, subject to PAYGO .....			52	58	64	72	79	88	108	118	130	143
Fines, penalties, and forfeitures .....	6,142	13,848	10,333	10,835	10,846	10,785	10,867	10,940	11,005	11,076	11,150	10,971
Legislative proposal, subject to PAYGO .....			150	200	250	250	250	250	250	300	300	300
Refunds and recoveries .....	-10	-10	-10	-10	-10	-10	-10	-10	-10	-10	-10	-10
<b>Total, Federal funds .....</b>	<b>135,346</b>	<b>37,698</b>	<b>36,552</b>	<b>54,693</b>	<b>79,227</b>	<b>99,262</b>	<b>113,866</b>	<b>121,878</b>	<b>128,218</b>	<b>137,167</b>	<b>146,432</b>	<b>153,395</b>
<b>Trust funds:</b>												
United Mine Workers of America, combined benefit fund .....	11	6	6	5	4	4	3	3	3	2	2	2
Defense cooperation .....	294	490	252	155	159	162	165	169	172	176	180	183
Fees for permits and regulatory and judicial services .....	67	70	70	70	70	70	70	70	70	70	70	70
Fines, penalties, and forfeitures .....	957	1,116	1,132	1,094	1,038	1,065	1,088	1,081	1,072	1,068	716	708
<b>Total, Trust funds .....</b>	<b>1,329</b>	<b>1,682</b>	<b>1,460</b>	<b>1,324</b>	<b>1,271</b>	<b>1,301</b>	<b>1,326</b>	<b>1,323</b>	<b>1,317</b>	<b>1,316</b>	<b>968</b>	<b>963</b>
<b>Total, Miscellaneous receipts ....</b>	<b>136,675</b>	<b>39,380</b>	<b>38,012</b>	<b>56,017</b>	<b>80,498</b>	<b>100,563</b>	<b>115,192</b>	<b>123,201</b>	<b>129,535</b>	<b>138,483</b>	<b>147,400</b>	<b>154,358</b>
<b>Total, budget receipts.....</b>	<b>4,897,399</b>	<b>4,802,483</b>	<b>5,036,384</b>	<b>5,419,473</b>	<b>5,772,622</b>	<b>6,080,462</b>	<b>6,399,527</b>	<b>6,669,395</b>	<b>6,952,815</b>	<b>7,264,221</b>	<b>7,601,072</b>	<b>7,991,317</b>
<i>On-budget.....</i>	<i>(3,831,424)</i>	<i>(3,604,388)</i>	<i>(3,828,230)</i>	<i>(4,156,181)</i>	<i>(4,447,948)</i>	<i>(4,701,285)</i>	<i>(4,949,817)</i>	<i>(5,160,950)</i>	<i>(5,379,815)</i>	<i>(5,624,632)</i>	<i>(5,894,179)</i>	<i>(6,186,760)</i>
<i>Off-budget.....</i>	<i>(1,065,975)</i>	<i>(1,198,095)</i>	<i>(1,208,154)</i>	<i>(1,263,292)</i>	<i>(1,324,674)</i>	<i>(1,379,177)</i>	<i>(1,449,710)</i>	<i>(1,508,445)</i>	<i>(1,573,000)</i>	<i>(1,639,589)</i>	<i>(1,706,893)</i>	<i>(1,804,557)</i>

<sup>1</sup> Deposits by States cover the benefit part of the program. Federal unemployment receipts cover administrative costs at both the Federal and State levels. Railroad unemployment receipts cover both the benefits and administrative costs of the program for the railroads.

<sup>2</sup> For additional information on adjustments to the baseline, see Chapter 21 in this volume, "Current Services Estimates."

<sup>3</sup> Represents employer and employee contributions to the civil service retirement and disability fund for covered employees of Government-sponsored, privately owned enterprises and the District of Columbia municipal government.