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**PRESIDENT'S BUDGET: BLUE PRINT TO MAKING ECONOMY WORSE WITH MORE TAXES, MORE SPENDING, MORE DEBT**

**PRESIDENT'S BUDGET FAILS TO KEEP PRESIDENT'S PROMISE TO CUT THE DEFICIT IN HALF IN FIRST FOUR YEARS:**

§ The President's budget request to Congress forecasts a deficit of \$1.33 trillion in fiscal year 2012, marking the fourth year of \$1 trillion-plus deficits under the Obama Administration. (*"Obama's budget meant as challenge," Politico, [February 12, 2012](#)*)

§ The President's budget request to Congress forecasts a deficit of \$901 billion for 2013 --- almost two times the share of gross domestic product (GDP) that the President predicted four years earlier. (*"Obama's budget meant as challenge," Politico, [February 12, 2012](#)*)

***Flashback 2009:*** President Obama said, "And that's why today I'm pledging to cut the deficit we inherited in half by the end of my first term in office." (*President Obama, Remarks at the Fiscal Responsibility Summit, Washington, D.C., [February 23, 2009](#)*)

**PRESIDENT'S BUDGET INCLUDES \$1.9 TRILLION IN TAX HIKES:**

§ Under the President's budget request to Congress, 750,000 American small businesses, which account for roughly half of U.S. business income, will get hit with job-killing tax hikes. These entrepreneurs will see their tax rates jump from 33

percent to 35 percent and 36 percent to 39.6 percent. (*Joint Committee on Taxation Analysis, [July 12, 2010](#)*)

**Flashback 2009:** President Obama said, “The last thing you want to do is to raise taxes in the middle of a recession because that would suck up – take more demand out of the economy and put businesses in a further hole.” (*MSNBC, [August 5, 2009](#)*)

**PRESIDENT’S BUDGET FAILS TO INCLUDE ANY REFORMS OR CHANGES TO NATION’S ENTITLEMENTS – MEDICARE, MEDICAID, SOCIAL SECURITY – THAT ARE DRIVING THE NATION’S DEBT, THREATENING SENIORS:**

§ Medicare, Medicaid and Social security spending will amount to more than \$22 trillion over the next 10 years or \$193,500 per American household. (*Analysis by Senate Finance Committee Republican Staff, February 13, 2012*)

§ Both the Medicare Hospital Insurance and Social Security Trust funds are already operating in the red - facing unfunded liabilities of \$8.3 trillion and \$6.5 trillion, and insolvency by 2024 and 2036 respectively. (*Medicare and Social Security Trustees Report, [May 13, 2011](#)*)

§ Under the President’ s Budget request the big three – Medicare, Medicaid, and Social Security - will increase as a percentage of GDP from 9.9 percent to 11.2 percent over the next 10 years. (*Analysis by Senate Finance Committee Republican Staff, February 13, 2012*)

§ Mandatory health care spending will increase by more than \$72 billion over the next 10 years as the trifle savings of \$366 billion are wiped out by an undefined proposal to fix the physician payment formula at the cost of \$438 billion. (*Analysis by Senate Budget Committee Republican Staff, February 13, 2012*)

§ Due to the massive expansion of the broken Medicaid program in ObamaCare, the federal share of this entitlement alone will increase in size by more than 30 percent from 1.6 percent of GDP this year to 2.1 percent by 2022. (*Analysis by Senate Finance Committee Republican Staff, February 13, 2012*)

**Flashback 2009:** President Obama said, “What we have done is kicked this can down the road. We are now at the end of the road and are not in a position to kick it any further.” (*Washington Post, [January 16, 2009](#)*)

**PRESIDENT’S BUDGET FAILS TO ADDRESS THE TRUE IMPACT OF THE PARTISAN \$2.6 TRILLION HEALTH LAW:**

- **\$1.094 trillion in new taxes and penalties once ObamaCare is fully implemented for a full ten years beginning in 2014.** (*According to an analysis by the Senate Finance Committee Republican Tax Staff derived from projections by the Senate Budget Committee Republican Staff (March 21, 2010) based on estimates by the Congressional Budget Office and The Joint Committee on Taxation*)
- **800,000 reduction in the American labor force due to ObamaCare provisions that “will effectively increase marginal tax rates, which will also discourage work.”** (*Testimony of Douglas W. Elmendorf, Director, Congressional Budget Office, House Budget Committee Hearing “The Congressional Budget Office’s Budget and Economic Outlook,” [February 10, 2011](#)*)

**Flashback 2010:** Richard S. Foster, the Chief Actuary at the Centers for Medicare & Medicaid Services stated that, “Overall national health expenditures under the health reform act would increase by a total of \$311 billion.” (*Report from Richard S. Foster, Chief Actuary, [April 22, 2010](#)*)

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