

COMPARISON OF GENERAL BUDGET ORGANIZATION PRINCIPLES
ELECTION 2012

Party	Years to Pay Down Debt	Tax Cuts	Tax Increases	Medicare	Defense	Spending Cuts	Energy	Medicaid and Food Stamps	Education	Social Security
Tea Party	Debt paid down in 5 years	Bush tax cuts made permanent Index the Alternative Minimum Tax to inflation		Seniors have the right to opt out of Medicare and opt in to the Congressional health care plan Medicare pay to doctors capped at 2011 levels	Reduce troops deployed overseas to 45,000	Sell a portion of U.S. government gold holdings Eliminates four Cabinet agencies — Energy, Education, Commerce, and HUD — and reduces or privatizes many others, including EPA, TSA, Fannie Mae, and Freddie Mac Ends farm subsidies No pension payments or COLAs for members of Congress whenever the budget is in deficit Eliminate the Small Business Administration, the EPA, the National Endowment for the Arts, privatize air traffic control, Amtrak, etc. Reduce federal workers, cut federal worker pay by 10% Many other cuts.	Eliminate ethanol subsidies Eliminates Department of Energy	Repeals Affordable Care Act Convert Medicaid to a block grant to the states	Ends government student loans Eliminates the U.S. Department of Education	Creates new privatized accounts for Social Security for those born after 1981
Republican (Paul Ryan)	Would start paying down the debt in 2040	10% tax rate for lower income earners 25% tax rate for higher income earners 25% rate for corporations Repeal the Alternative Minimum Tax	Tax Credits lost/reduced: Home mortgage interest Employer-provided health insurance Retirement savings	No changes 55+. Under 55, govt will help you pay the premiums to find your own private health insurance if you are poor and will provide less (or no) assistance if you are wealthy.	Maintains current defense spending(?)	Maintain enforceable discretionary caps on spending throughout the next decade Require any increase in mandatory spending to be accompanied by spending reductions Close the loophole that allows discretionary limits to be circumvented through advance appropriations. Take mandatory spending off of autopilot by capping major categories of this spending	Repeals various regulations limiting domestic energy exploration	Block grants to state. Medicaid and food stamps will be means-tested (i.e. recipients must be looking for work, also could be time limitation on benefits)	Appears to support reducing federal financial aid programs for college to attempt to control tuition price increases.	Unclear but appears to suggest reducing Social Security in some way.
Democratic (President Obama)	Hard to understand but seems to “stabilize” deficit spending but never reduce it. Debt level continues to grow.	Extends payroll tax cut (i.e. individuals pay 2% less in Social Security taxes, 4.2% instead of 6.2%)	Lift the cap on wages taxed for Social Security purposes (currently \$110,100) so that all income could be taxed. Increase top two tax rates from 33% to 36% and from 35% to 39.6%. (Affects those earning more than \$178,650) Limit exemptions and tax deductions available to those earning more than \$178,650. Raise taxes on capital gains from 15% to 20% for those earning \$250,000 or more. Tax dividends at ordinary income rates. Minimum tax rates for the super-wealthy. Buffett rule that millionaires must pay at least 30% New taxes on banks. Unknown taxes on individuals to pay mandatory health insurance premiums for Affordable Care Act	Changes Medicare drug coverage to be the same as Medicaid drug coverage (huge cost savings) Reduce Medicare coverage of patient bad debts (doctors will most likely eat these costs)	Cuts of up to \$500 billion in defense spending Reduce modernization of Navy Cruisers Eliminate Air Force defense weather satellite system Reduce total military personnel	Lots of little cuts to things like pediatrician resident programs, clean water act grants to states, scientific and technology research programs, low-income home energy assistance, various agricultural programs, cuts \$15 million from Washington metro system, national park construction, etc.	Eliminates \$4 billion in fossil fuel subsidies \$27.2 billion for clean energy research and nuclear waste cleanup	Implements Affordable Care Act, allowing the poor to purchase health insurance more affordably “reduces federal expectation of reimbursement for” welfare payments	Sustains Pell Grant awards, slows student loan interest rate increases, increase work-study opportunities Limit in-school interest subsidy to 150% of normal program length (i.e. can’t avoid your loans by taking forever to graduate) Cuts funding for students with intellectual disabilities entering college	Slight increase in Social Security spending Increase in spending for Social Security fraud detection.

Sources:
<http://www.freedomworks.org/the-tea-party-budget>
<http://paulryan.house.gov/UploadedFiles/Pathtoprosperity2013.pdf>
<http://www.whitehouse.gov/omb/budget>