



1 an estimate was prepared under section 402 and each of  
2 the next three ten fiscal-year periods. Such estimate shall  
3 be predicated upon the supplemental projection described  
4 in section 202(e)(4). The Director shall submit to such  
5 committee the macroeconomic impact analysis, together  
6 with the basis for the analysis. As a supplement to esti-  
7 mates prepared under section 402, all such information  
8 so submitted shall be included in the report accompanying  
9 such bill or resolution.

10 “(b) ECONOMIC IMPACT.—The analysis prepared  
11 under subsection (a) shall describe the potential economic  
12 impact of the applicable major bill or resolution on major  
13 economic variables, including real gross domestic product,  
14 business investment, the capital stock, employment, and  
15 labor supply. The analysis shall also describe the potential  
16 fiscal effects of the bill or resolution, including any esti-  
17 mates of revenue increases or decreases resulting from  
18 changes in gross domestic product. To the extent prac-  
19 ticable, the analysis should use a variety of economic mod-  
20 els in order to reflect the full range of possible economic  
21 outcomes resulting from the bill or resolution. The anal-  
22 ysis (or a technical appendix to the analysis) shall specify  
23 the economic and econometric models used, sources of  
24 data, relevant data transformations, and shall include

1 such explanation as is necessary to make the models com-  
2 prehensible to academic and public policy analysts.

3 “(c) DEFINITIONS.—As used in this section—

4 “(1) the term ‘macroeconomic impact analysis’  
5 means—

6 “(A) an estimate of the changes in eco-  
7 nomic output, employment, capital stock, and  
8 tax revenues expected to result from enactment  
9 of the proposal;

10 “(B) an estimate of revenue feedback ex-  
11 pected to result from enactment of the proposal;  
12 and

13 “(C) a statement identifying the critical  
14 assumptions and the source of data underlying  
15 that estimate;

16 “(2) the term ‘major bill or resolution’ means  
17 any bill or resolution if the gross budgetary effects  
18 of such bill or resolution for any fiscal year in the  
19 period for which an estimate is prepared under sec-  
20 tion 402 is estimated to be greater than .25 percent  
21 of the current projected gross domestic product of  
22 the United States for any such fiscal year;

23 “(3) the term ‘budgetary effect’, when applied  
24 to a major bill or resolution, means the changes in

1 revenues, outlays, deficits, and debt resulting from  
2 that measure; and

3 “(4) the term ‘revenue feedback’ means changes  
4 in revenue resulting from changes in economic  
5 growth as the result of the enactment of any major  
6 bill or resolution.”.

7 (b) CONFORMING AMENDMENT.—The table of con-  
8 tents set forth in section 1(b) of the Congressional Budget  
9 Act of 1974 is amended by inserting after the item relat-  
10 ing to section 406 the following new item:

“Sec. 407. Macroeconomic impact analysis of major legislation.”.

11 **SEC. 3. ADDITIONAL CBO REPORT TO BUDGET COMMIT-**  
12 **TEES.**

13 Section 202(e) of the Congressional Budget Act of  
14 1974 is amended by adding at the end the following new  
15 paragraphs:

16 “(4)(A) After the President’s budget submis-  
17 sion under section 1105(a) of title 31, United States  
18 Code, in addition to the baseline projections, the Di-  
19 rector shall submit to the Committees on the Budget  
20 of the House of Representatives and the Senate a  
21 supplemental projection assuming extension of cur-  
22 rent tax policy for the fiscal year commencing on  
23 October 1 of that year with a supplemental projec-  
24 tion for the 10 fiscal-year period beginning with that

1 fiscal year, assuming the extension of current tax  
2 policy.

3 “(B) For the purposes of this paragraph, the  
4 term ‘current tax policy’ means the tax policy in  
5 statute as of December 31 of the current year as-  
6 suming—

7 “(i) the budgetary effects of measures ex-  
8 tending the Economic Growth and Tax Relief  
9 Reconciliation Act of 2001;

10 “(ii) the budgetary effects of measures ex-  
11 tending the Jobs and Growth Tax Relief Rec-  
12 onciliation Act of 2003;

13 “(iii) the continued application of the alter-  
14 native minimum tax as in effect for taxable  
15 years beginning in 2011 pursuant to title II of  
16 the Tax Relief, Unemployment Insurance Reau-  
17 thorization, and Job Creation Act of 2010, as-  
18 suming that for taxable years beginning after  
19 2011 the exemption amount shall equal—

20 “(I) the exemption amount for taxable  
21 years beginning in 2011, as indexed for in-  
22 flation; or

23 “(II) if a subsequent law modifies the  
24 exemption amount for later taxable years,

1                   the modified exemption amount, as indexed  
2                   for inflation; and

3                   “(iv) the budgetary effects of extending the  
4                   estate, gift, and generation-skipping transfer  
5                   tax provisions of title III of the Tax Relief, Un-  
6                   employment Insurance Reauthorization, and  
7                   Job Creation Act of 2010.

8                   “(5) On or before July 1 of each year, the Di-  
9                   rector shall submit to the Committees on the Budget  
10                  of the House of Representatives and the Senate, the  
11                  Long-Term Budget Outlook for the fiscal year com-  
12                  mencing on October 1 of that year and at least the  
13                  ensuing 40 fiscal years.”.

