



PENN WHARTON
UNIVERSITY of PENNSYLVANIA

Budget Model

White House Build Back Better Framework, Illustrative Permanent Scenario

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<https://budgetmodel.wharton.upenn.edu/estimates/2021/11/1/reconciliation-framework>

In order to provide additional context as part of the current reconciliation debate, PWBM has estimated a scenario where all spending and revenue provisions in the Build Back Better Framework* are permanent. The table below reflects this alternative. These estimates are neither PWBM's estimate of any current legislation nor PWBM's estimates of the Build Back Better Framework released by the White House.

*<https://www.whitehouse.gov/briefing-room/statements-releases/2021/10/28/build-back-better-framework/>

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[Table 1. Conventional budget effects under permanent extension scenario, FY2022-2031](#)



Table 1. Conventional budget effects under permanent extension scenario, FY2022-2031

Billions of Dollars, Change from Current-Law Baseline

| Provision | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | Budget window |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|---------------|
| Spending initiatives | 274 | 316 | 323 | 371 | 440 | 469 | 464 | 475 | 489 | 503 | 4,124 |
| Child care and pre-school | 44 | 47 | 50 | 83 | 87 | 89 | 72 | 73 | 76 | 80 | 701 |
| Home care | 11 | 12 | 12 | 13 | 14 | 15 | 16 | 17 | 19 | 20 | 150 |
| Child & earned income tax credits | 104 | 141 | 143 | 149 | 208 | 229 | 237 | 243 | 251 | 258 | 1,963 |
| <i>CTC</i> | 95 | 129 | 131 | 136 | 195 | 216 | 224 | 230 | 238 | 244 | 1,838 |
| <i>EITC</i> | 9 | 12 | 12 | 13 | 13 | 13 | 13 | 13 | 13 | 14 | 125 |
| Clean energy and climate investments | 55 | 55 | 55 | 55 | 55 | 56 | 56 | 56 | 56 | 56 | 555 |
| <i>Clean Energy Tax credits</i> | 32 | 32 | 32 | 32 | 32 | 32 | 32 | 32 | 32 | 32 | 320 |
| <i>Resiliency Investments</i> | 10 | 10 | 10 | 10 | 10 | 11 | 11 | 11 | 11 | 11 | 105 |
| <i>Clean Energy Investments</i> | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 110 |
| <i>Clean energy procurement</i> | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 20 |
| ACA subsidies including Medicaid expansion gap | 32 | 33 | 35 | 36 | 37 | 39 | 41 | 42 | 44 | 46 | 386 |
| Medicare hearing benefits | 0 | 0 | 0 | 7 | 11 | 12 | 13 | 14 | 16 | 16 | 89 |
| Housing | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 150 |
| Higher education and workforce development | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 40 |
| Equity and other investments | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 90 |
| Revenue initiatives | 42 | 110 | 126 | 145 | 140 | 173 | 192 | 201 | 208 | 217 | 1,554 |
| Minimum tax on corporations' book income | 7 | 11 | 13 | 16 | 19 | 21 | 23 | 26 | 28 | 30 | 195 |
| Tax on share repurchases | 4 | 5 | 5 | 5 | 5 | 5 | 5 | 6 | 6 | 6 | 51 |
| Modifications to international taxes | -2 | 36 | 39 | 43 | 31 | 27 | 27 | 26 | 26 | 26 | 278 |
| AGI surcharge on high-income households | 18 | 25 | 26 | 28 | 27 | 26 | 26 | 28 | 30 | 32 | 267 |
| NIIT tax base harmonization | 16 | 22 | 24 | 26 | 21 | 21 | 23 | 23 | 24 | 26 | 226 |
| Extension of excess noncorporate losses limitation | 0 | 0 | 0 | 0 | 0 | 27 | 35 | 36 | 38 | 40 | 175 |
| IRS funding 1/ | -1 | -1 | 3 | 10 | 17 | 26 | 32 | 34 | 35 | 35 | 190 |
| Rebate rule repeal | 0 | 12 | 16 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 174 |

Source: Penn Wharton Budget Model 11.01.21

1/ Budget estimate is net of proposed outlays.

A prior version of this table mistakenly presented the 10-year cost of the ACA subsidies provision as \$243B. We apologize for the error.