



CONGRESSIONAL BUDGET OFFICE
U.S. Congress
Washington, DC 20515

Phillip L. Swagel, Director

June 29, 2025

Honorable Jeff Merkley
Ranking Member
Committee on the Budget
United States Senate
Washington, DC 20510

*Re: Estimated Budgetary Effects of Title VII, Finance, Within an
Amendment in the Nature of a Substitute to H.R. 1*

Dear Ranking Member Merkley:

I am writing to provide information you requested regarding the Congressional Budget Office's analysis of an amendment in the nature of a substitute to H.R. 1, the One Big Beautiful Bill Act, as posted on the website of the Senate Committee on the Budget on June 27, 2025 (<https://tinyurl.com/2ejs4ut5>).

CBO prepared two estimates for the legislation. The first is relative to the budget enforcement baseline for consideration in the Senate.¹ That baseline reflects adjustments regarding current tax policy made by the Chairman of the Senate Committee on the Budget.

The second estimate is relative to CBO's January 2025 baseline.² CBO is required to construct its baseline under the assumptions specified in the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law

¹ Congressional Budget Office, Estimated Budgetary Effects of an Amendment in the Nature of a Substitute to H.R. 1, the One Big Beautiful Bill Act, Relative to the Budget Enforcement Baseline for Consideration in the Senate (June 28, 2025), www.cbo.gov/publication/61533.

² Congressional Budget Office, Estimated Budgetary Effects of an Amendment in the Nature of a Substitute to H.R. 1, the One Big Beautiful Bill Act, Relative to CBO's January 2025 Baseline (June 29, 2025), www.cbo.gov/publication/61534.

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99-177) and the Congressional Budget and Impoundment Control Act of 1974 (P.L. 93-344).

In response to your questions—about the cost of title VII, Finance, estimated against CBO’s January 2025 baseline—here are CBO’s answers:

Would title VII, Finance, increase the deficit by more than \$1.5 trillion over the 2025–2034 period?

Yes. CBO estimates that enacting title VII would increase the deficit by nearly \$3.5 trillion over the 2025–2034 period relative to the amount in the January 2025 baseline.³

Would title VII, Finance, increase deficits in any year beyond 2034?

Yes, CBO estimates that title VII would also increase deficits in years after 2034.⁴

I hope this information is useful to you. Please contact me if you have further questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Phillip L. Swagel", with a long, sweeping horizontal line extending to the right.

Phillip L. Swagel
Director

cc: Honorable Lindsey Graham
Chairman
Senate Committee on the Budget

³ CBO estimates that title VII would decrease the deficit by \$0.3 trillion over the 2025–2034 period relative to the amount in the budget enforcement baseline for consideration in the Senate before interactions with provisions in other titles are taken into account.

⁴ CBO estimates that title VII would not increase deficits in years after 2034 relative to the amount in the budget enforcement baseline for consideration in the Senate before interactions with provisions in other titles are taken into account.