

Estimate of the Budgetary Effects of S. 953, the Student Loan Affordability Act, as introduced in the Senate on May 14, 2013 ^a

(Millions of dollars, by fiscal year, assumed enactment prior to July 1, 2013)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2013- 2018	2013- 2023
CHANGES IN DIRECT SPENDING													
Section 2 - Interest Rate Extension													
Estimated Budget Authority	3,395	4,710	1,435	0	0	0	0	0	0	0	0	9,540	9,540
Estimated Outlays	1,965	3,720	2,205	420	0	0	0	0	0	0	0	8,310	8,310
CHANGES IN REVENUES^b													
Section 3 - Modifications of Required Minimum Distribution Rules	0	*	35	133	244	409	789	824	782	737	689	821	4,642
Section 4 - Limitations on Earnings Stripping by Expatriated Entities	0	107	238	250	262	275	289	303	319	335	352	1,132	2,730
Section 5 - Modification Related to the Oil Spill Liability Trust Fund	0	70	84	91	108	122	133	145	159	172	183	475	1,268
Total Changes in Revenues	0	177	357	474	614	806	1,211	1,272	1,260	1,244	1,224	2,428	8,640
NET INCREASE OR DECREASE (-) IN DEFICITS FROM CHANGES IN REVENUES AND DIRECT SPENDING													
Net Changes in Deficits	1,965	3,543	1,848	-54	-614	-806	-1,211	-1,272	-1,260	-1,244	-1,224	5,882	-330

Sources: Congressional Budget Office (CBO) and the staff of the Joint Committee on Taxation.

Notes: Components may not sum to totals because of rounding.

* = gains of less than \$500,000

Estimates are relative to CBO's May 2013 baseline.

- a. S. 953 as introduced would amend the Higher Education Act to extend the current interest rate of 3.4 percent on certain student loans to undergraduate students through June 30, 2015. Under current law, those interest rates are set to rise to 6.8 percent on July 1, 2013. In addition, the bill also would amend the Internal Revenue Code to modify rules for required distributions from tax-exempt pension plans, limit the deductibility of interest payments made by a corporation that is an expatriated entity, and redefine crude oil to include tar sands (bitumen and bituminous mixtures) for purposes of the Oil Spill Liability Trust Fund tax.
- b. For revenues, positive numbers indicate a decrease in the deficit.