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

Phillip L. Swagel, Director

May 16, 2025

Honorable Jason Smith
Chairman
Committee on Ways and Means
U.S. House of Representatives
Washington, DC 20515

Re: CBO's Review of the Reconciliation Recommendations of the House Committee on Ways and Means

Dear Mr. Chairman:

You have asked the Congressional Budget Office to review the reconciliation recommendations posted on the website of the House Committee on Ways and Means on May 12, 2025, to assess compliance with the instructions included in H. Con. Res. 14.[1]

That resolution instructed the Committee to submit changes in laws within its jurisdiction that increase the deficit by not more than $4,500 billion for the period of fiscal years 2025 through 2034.

CBO and the staff of the Joint Committee on Taxation (JCT) estimate that the Committee's reconciliation recommendations would increase deficits by less than $4,500 billion over the 2025-2034 period. The Congressional Budget Act of 1974, as amended, stipulates that revenue estimates provided by JCT will be the official estimates for all tax legislation considered by the Congress. As such, CBO incorporates those estimates into its cost estimates of the effects of legislation. The estimates for the revenue provisions of the legislation were provided by JCT.[2]

1. See House Committee on Ways and Means, "Amendment in the Nature of a Substitute to Legislative proposals to comply with the reconciliation directive included in section 2001 of the Concurrent Resolution on the Budget for Fiscal Year 2025, H. Con. Res. 14" (May 12, 2025), https://tinyurl.com/5au5yyb9.

2. See Joint Committee on Taxation, *Estimated Revenue Effects of Provisions to Provide for Reconciliation of the Fiscal Year 2025 Budget,* JCX-22-25R (May 13, 2025), www.jct.gov/publications/2025/jcx-22-25r.

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

Sincerely,

Phillip L. Swagel
Director

cc: Honorable Richard E. Neal
Ranking Member
House Committee on Ways and Means

Honorable Jodey Arrington
Chairman
House Committee on the Budget

Honorable Brendan F. Boyle
Ranking Member
House Committee on the Budget