



RON PAUL'S "PLAN TO RESTORE AMERICA"

SYNOPSIS:

America is the greatest nation in human history. Our respect for individual liberty, free markets, and limited constitutional government produced the strongest, most prosperous country in the world. But, we have drifted far from our founding principles, and America is in crisis.

Ron Paul's "Plan to Restore America" slams on the brakes and puts America on a return to constitutional government. It is bold but achievable. Through the bully pulpit of the presidency, the power of the Veto, and, most importantly, the united voice of freedom-loving Americans, we can implement fundamental reforms.

DELIVERS A TRUE BALANCED BUDGET IN YEAR THREE OF DR. PAUL'S PRESIDENCY:

Ron Paul is the ONLY candidate who doesn't just talk about balancing the budget, but who has a full plan to get it done.

SPENDING:

Cuts \$1 trillion in spending during the first year of Ron Paul's presidency, eliminating five cabinet departments (Energy, HUD, Commerce, Interior, and Education), abolishing the Transportation Security Administration and returning responsibility for security to private property owners, abolishing corporate subsidies, stopping foreign aid, ending foreign wars, and returning most other spending to 2006 levels.

ENTITLEMENTS:

Honors our promise to our seniors and veterans, while allowing young workers to opt out. Block-grants Medicaid and other welfare programs to allow States the flexibility and ingenuity they need to solve their own unique problems without harming those currently relying on the programs.

CUTTING GOVERNMENT WASTE:

Makes a 10% reduction in the federal workforce, slashes Congressional pay and perks, and curbs excessive federal travel. To stand with the American People, President Paul will take a salary of \$39,336, approximately equal to the median personal income of the American worker.

TAXES:

Lowers the corporate tax rate to 15%, making America competitive in the global market. Allows American companies to repatriate capital without additional taxation, spurring trillions in new investment. Extends all Bush tax cuts. Abolishes the Death Tax. Ends taxes on personal savings, allowing families to build a nest egg.

REGULATION:

Repeals ObamaCare, Dodd-Frank, and Sarbanes-Oxley. Mandates REINS-style requirements for thorough Congressional review and authorization before implementing any new regulations issued by bureaucrats. President Paul will also cancel all onerous regulations previously issued by Executive Order.

MONETARY POLICY:

Conducts a full audit of the Federal Reserve and implements competing currency legislation to strengthen the dollar and stabilize inflation.

CONCLUSION:

Dr. Paul is the only candidate with a plan to cut spending and truly balance the budget. This is the only plan that will deliver what America needs in these difficult times: Major regulatory relief, large spending cuts, sound monetary policy, and a balanced budget.

Discretionary Spending

Discretionary Spending [Outlays]		2013	2014	2015	2016
(Millions of Dollars)	Fiscal Year				
<u>Agency (Spending Returned to FY2006):</u>					
Department of Defense [spending freeze]		501,000.0	508,000.0	516,000.0	523,000.0
	(15% total reduction; all war funding ended)				
Department of Veterans Affairs [Spending continued at current levels]		59,500.0	61,000.0	62,400.0	64,000.0
Department of Transportation		37,700.0	38,300.0	39,000.0	39,500.0
	(FAA Privatized)				
	(Highway and Transit funded at gas tax revenue)				
Department of Health and Human Services [spending freeze]		69,400.0	69,400.0	69,400.0	69,400.0
	(FDA reduced 40% from FY2006)				
	(Health Resources and Services Admin reduced 20% from FY2006)				
	(Indian Health Services reduced 20% from FY2006)				
	(CDC reduced 20% from FY2006)				
	(Substance Abuse and Mental Health reduced 20% from FY2006)				
	(LIHEAP - Eliminated)				
	(NIH reduced 20% from FY2006)				
Department of Justice [spending freeze]		22,359.0	22,359.0	22,359.0	22,359.0
	(Office of Justice Programs - Eliminated)				
	(Justice Assistance Programs - Eliminated)				
	(Juvenile Justice Programs - Eliminated)				
	(Community Oriented Policing Services - Eliminated)				
Department of Agriculture [spending freeze]		14,189.0	14,189.0	14,189.0	14,189.0
	(Food for Peace II Grants - Eliminated)				
	(Research and Education Activities - Eliminated)				
	(Foreign Agriculture Service - Eliminated)				
	(Supplemental nutrition for women, children, etc: disc - Eliminated)				
Department of Homeland Security [spending freeze]		32,152.0	32,152.0	32,152.0	32,152.0
	(20% total reduction from FY2006)				
	(Transportation Security Administration Privatized)				
Department of State [spending freeze]		7,974.0	7,974.0	7,974.0	7,974.0
	(International Organizations and Conferences - Eliminated)				
	(International Commissions - Eliminated)				
	(Other State Programs - Eliminated)				
	(International Drug Programs - Eliminated)				
Environmental Protection Agency		5,887.0	5,887.0	5,887.0	5,887.0
	(30% total reduction from FY2006)				
Executive Office of the President		632.0	632.0	632.0	632.0
	(Iraq Reconstruction Fund - Eliminated)				
International Assistance Programs		0.0	0.0	0.0	0.0
Department of Energy		0.0	0.0	0.0	0.0
Department of Housing and Urban Development		0.0	0.0	0.0	0.0
Department of Commerce		0.0	0.0	0.0	0.0
Department of Interior		0.0	0.0	0.0	0.0
Department of Education		0.0	0.0	0.0	0.0
All Other Discretionary Spending		79,000.0	74,000.0	68,000.0	65,000.0
<u>Transfer from Mandatory</u>					
Medicaid [Block Grant - spending freeze]		181,000.0	181,000.0	181,000.0	181,000.0
SCHIP [Block Grant - spending freeze]		5,000.0	5,000.0	5,000.0	5,000.0
Food Stamps [Block Grant - spending freeze]		30,000.0	30,000.0	30,000.0	30,000.0
Family Support Programs [Block Grant - spending freeze]		25,000.0	25,000.0	25,000.0	25,000.0
Child Nutrition Program [Block Grant - spending freeze]		14,000.0	14,000.0	14,000.0	14,000.0
Total Discretionary Spending		1,084,793.0	1,088,893.0	1,092,993.0	1,099,093.0

Mandatory Spending

Mandatory Spending [Outlays]					
(Millions of Dollars)	Fiscal Year	2013	2014	2015	2016
<u>Program:</u>					
	Medicare	595,000.0	627,000.0	658,000.0	713,000.0
	Social Security	812,000.0	853,000.0	897,000.0	945,000.0
	Veterans Benefits	71,000.0	73,000.0	74,000.0	81,000.0
	Federal / Military Retirement	151,000.0	155,000.0	159,000.0	168,000.0
	Other & Unemployment Compensation	106,000.0	108,000.0	101,000.0	101,000.0
	<i>(Offsetting Receipts)</i>	-213,000.0	-222,000.0	-237,000.0	-247,000.0
Total Mandatory Spending		1,522,000.0	1,594,000.0	1,652,000.0	1,761,000.0

Miscellaneous Savings

Miscellaneous Savings					
(Millions of Dollars)	Fiscal Year	2013	2014	2015	2016
<u>Program:</u>					
	Davis-Bacon Prevailing Wages Repeal	6,096.0	6,206.0	6,330.0	6,469.0
	Freeze Federal Pay	2,500.0	3,000.0	3,000.0	3,000.0
	Reduce Federal Travel	7,000.0	6,750.0	6,550.0	6,250.0
	Ban Union Projects	2,000.0	2,000.0	2,000.0	2,000.0
	Sell Federal Assets	1,000.0	2,500.0	4,000.0	13,500.0
	Reduce Federal Workforce	3,000.0	3,250.0	4,000.0	4,000.0
	Sell Federal Lands	2,500.0	3,000.0	24,500.0	10,000.0
	Federal Program Payment Errors Reform	21,000.0	23,000.0	24,000.0	25,000.0
	Sell Equity Ownership of Autos and Financial Institutions	5,000.0	11,000.0	24,000.0	41,000.0
Total Savings (Negative)		50,096.0	60,706.0	98,380.0	111,219.0

Revenues

Revenue					
(Millions of Dollars)	Fiscal Year	2013	2014	2015	2016
<u>Receipts:</u>					
	Baseline*	3,069,000.0	3,531,000.0	3,772,000.0	3,956,000.0
	Tax Extenders 01/03 + Indexed AMT	-238,000.0	-340,000.0	-385,000.0	-414,000.0
	Eliminate ObamaCare Taxes	-33,000.0	-45,000.0	-74,000.0	-86,000.0
	Extend Other Expiring Tax Relief	-77,000.0	-113,000.0	-100,000.0	-87,000.0
	Eliminate Capital Gains and Dividends	-125,000.0	-138,000.0	-144,000.0	-148,000.0
	Eliminate Estate and Gift Tax	-14,000.0	-24,000.0	-27,000.0	-30,000.0
	Reduce Corporate Tax - Top Rate of 15%	-137,000.0	-202,000.0	-163,000.0	-154,000.0
	Child Credit Shift	0.0	0.0	32,000.0	32,000.0
	Repatriation of Overseas Capital	31,200.0	0.0	0.0	0.0
Total Revenue		2,476,200.0	2,669,000.0	2,911,000.0	3,069,000.0

* Dynamic scoring based on foreign tax repatriation, elimination of Dodd-Frank, Sarbanes-Oxley Law, Individual Tax Relief Extension and Certainty, Significant Reduction in all Federal Regulations, Repeal of ObamaCare, Corporate Tax Reduction, and Controlled Government Spending.

Summary Table

Totals		2013	2014	2015	2016
(Billions of Dollars)	Fiscal Year				
Outlays					
	Mandatory Spending	1,522.0	1,594.0	1,652.0	1,761.0
	Discretionary Spending	1,085.0	1,089.0	1,093.0	1,099.0
	Miscellaneous Savings	-50.1	-61.0	-98.0	-111.0
	Net Interest	233.0	241.0	251.0	301.0
	Total Outlays	2,789.9	2,863.0	2,898.0	3,050.0
Revenue					
	Baseline*	3,069.0	3,531.0	3,772.0	3,956.0
	Tax Extenders 01/03 + Indexed AMT	-238.0	-340.0	-385.0	-414.0
	Eliminate ObamaCare Taxes	-33.0	-45.0	-74.0	-86.0
	Extend Other Expiring Tax Relief	-77.0	-113.0	-100.0	-87.0
	Eliminate Capital Gains and Dividends	-125.0	-138.0	-144.0	-148.0
	Eliminate Estate and Gift Tax	-14.0	-24.0	-27.0	-30.0
	Reduce Corporate Tax - Top Rate of 15%	-137.0	-202.0	-163.0	-154.0
	Child Credit Shift	0.0	0.0	32.0	32.0
	Repatriation of Overseas Capital	31.2	0.0	0.0	0.0
	Total Revenue	2,476.2	2,669.0	2,911.0	3,069.0
	Deficit (-) / Surplus	-313.7	-194.0	13.0	19.0
	Debt Held by the Public (1)	9,826.0	10,104.0	10,188.0	10,280.0
	National Debt (1)	14,963.0	15,476.0	15,972.0	16,592.0
	GDP Memorandum	16,182.0	17,483.2	18,675.9	19,683.0
(1) Includes policy assumption 112th - HR 2768					
Totals as a percentage of Gross Domestic Product (GDP)					
Outlays					
	Mandatory Spending	9.41%	9.12%	8.85%	8.95%
	Discretionary Spending	6.70%	6.23%	5.85%	5.58%
	Miscellaneous Savings	na	na	na	na
	Net Interest	1.44%	1.38%	1.34%	1.53%
	Total Outlays	17.24%	16.38%	15.52%	15.50%
Revenue					
	Total Revenue	15.30%	15.27%	15.59%	15.59%
	Deficit (-) / Surplus	-1.94%	-1.11%	0.07%	0.10%
	Debt Held by the Public (1)	60.72%	57.79%	54.55%	52.23%

Budget Comparisons

Budget Comparisons (Billions of Dollars)	Fiscal Year	2013	2014	2015	2016	(2013 - 2016)
President's FY2012 Budget						
Revenue		3,003.0	3,333.0	3,583.0	3,819.0	13,738.0
Outlays		3,771.0	3,977.0	4,190.0	4,468.0	16,406.0
Deficit (-) / Surplus		-768.0	-644.0	-607.0	-649.0	-2,668.0
CBO August 2011 Baseline*						
Revenue		3,069.0	3,423.0	3,665.0	3,847.0	14,004.0
Outlays		3,692.0	3,802.0	3,988.0	4,249.0	15,731.0
Deficit (-) / Surplus		-510.0	-265.0	-205.0	-278.0	-1,258.0
Ron Paul - First-Term Budget						
Revenue		2,476.0	2,669.0	2,911.0	3,069.0	11,125.0
Outlays		2,790.0	2,863.0	2,898.0	3,050.0	11,601.0
Deficit (-) / Surplus		-313.0	-194.0	13.0	19.0	-475.0
<u>Presidential Candidate Ron Paul Budget Comparisons</u>						
Ron Paul vs President's FY2012 Budget						
Revenue		-527.0	-664.0	-672.0	-750.0	-2,613.0
Outlays		-981.0	-1,114.0	-1,292.0	-1,418.0	-4,805.0
Total Deficit		-455.0	-450.0	-620.0	-668.0	-2,193.0
Ron Paul vs CBO August 2011 Baseline *						
Revenue		-593.0	-754.0	-754.0	-778.0	-2,879.0
Outlays		-902.0	-939.0	-1,090.0	-1,199.0	-4,130.0
Total Deficit		-197.0	-71.0	-218.0	-297.0	-783.0
*deficits don't equal the delta between revenues and outlays as a result of interest savings from the Budget Control Act calculations (See Aug 2011 CBO Budget Outlook)						

Agency Budget Comparison

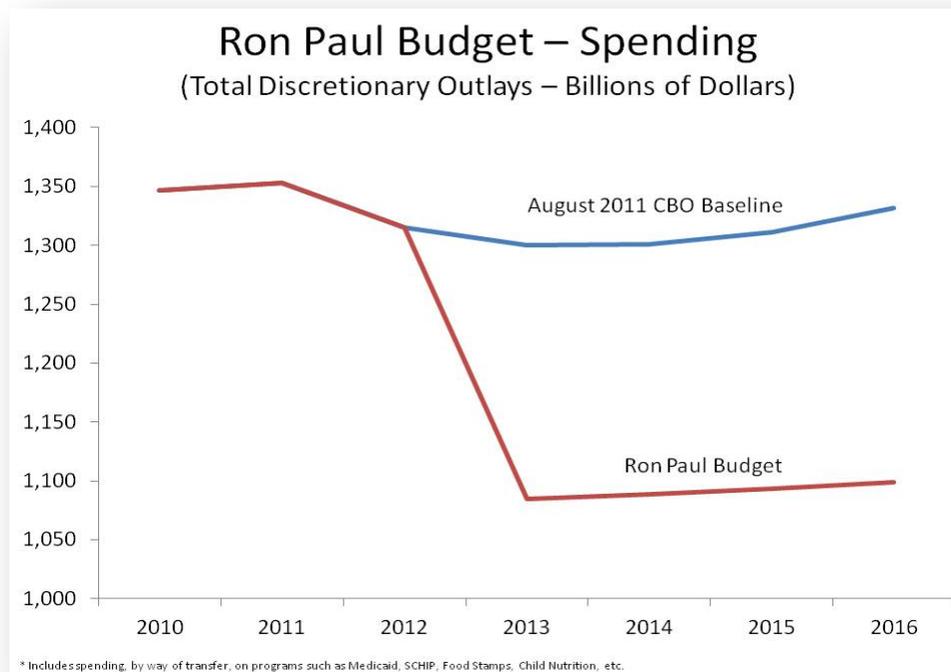
Agency Comparison - Discretionary Spending Only (Millions of Dollars)		2013	2014	2015	2016	(2013 - 2016)
Fiscal Year						
[CBO March 2011 Baseline]						
Department of Defense (Including War Funding)						
	CBO Baseline	697,695	710,915	725,395	745,697	2,879,702
	Ron Paul	501,000	508,000	516,000	523,000	2,048,000
	Savings Achieved	196,695	202,915	209,395	222,697	831,702
Department of Transportation						
	CBO Baseline	77,636	78,430	79,696	80,832	316,594
	Ron Paul	37,700	38,300	39,000	39,500	154,500
	Savings Achieved	39,936	40,130	40,696	41,332	162,094
Department of Health and Human Services						
	CBO Baseline	86,372	84,248	85,416	86,655	342,691
	Ron Paul	69,400	69,400	69,400	69,400	277,600
	Savings Achieved	16,972	14,848	16,016	17,255	65,091
Department of Justice						
	CBO Baseline	29,465	30,125	30,687	30,943	121,220
	Ron Paul	22,359	22,359	22,359	22,359	89,436
	Savings Achieved	7,106	7,766	8,328	8,584	31,784
Department of Agriculture						
	CBO Baseline	28,154	28,249	28,475	28,816	113,694
	Ron Paul	14,189	14,189	14,189	14,189	56,756
	Savings Achieved	13,965	14,060	14,286	14,627	56,938
Department of Homeland Security						
	CBO Baseline	45,940	45,972	46,177	46,992	185,081
	Ron Paul	32,152	32,152	32,152	32,152	128,608
	Savings Achieved	13,788	13,820	14,025	14,840	56,473
Department of State						
	CBO Baseline	27,386	28,334	28,704	29,061	113,485
	Ron Paul	7,974	7,974	7,974	7,974	31,896
	Savings Achieved	19,412	20,360	20,730	21,087	81,589
Environmental Protection Agency						
	CBO Baseline	10,168	10,637	11,167	11,366	43,338
	Ron Paul	5,887	5,887	5,887	5,887	23,548
	Savings Achieved	4,281	4,750	5,280	5,479	19,790
International Assistance Programs						
	CBO Baseline	25,502	25,710	25,116	25,138	101,466
	Ron Paul	0	0	0	0	0
	Savings Achieved	25,502	25,710	25,116	25,138	101,466
Department of Energy						
	CBO Baseline	34,215	32,067	29,415	28,944	124,641
	Ron Paul	0	0	0	0	0
	Savings Achieved	34,215	32,067	29,415	28,944	124,641
Department of Housing and Urban Development						
	CBO Baseline	46,277	47,339	48,179	48,686	190,481
	Ron Paul	0	0	0	0	0
	Savings Achieved	46,277	47,339	48,179	48,686	190,481
Department of Commerce						
	CBO Baseline	9,257	8,913	8,918	8,672	35,760
	Ron Paul	0	0	0	0	0
	Savings Achieved	9,257	8,913	8,918	8,672	35,760
Department of the Interior						
	CBO Baseline	12,595	12,793	13,068	13,405	51,861
	Ron Paul	0	0	0	0	0
	Savings Achieved	12,595	12,793	13,068	13,405	51,861
Department of Education						
	CBO Baseline	71,333	71,305	72,416	73,650	288,704
	Ron Paul	0	0	0	0	0
	Savings Achieved	71,333	71,305	72,416	73,650	288,704
Medicaid						
	CBO Baseline	276,000	325,000	364,000	404,000	1,369,000
	Ron Paul	181,000	181,000	181,000	181,000	724,000
	Savings Achieved	95,000	144,000	183,000	223,000	645,000
SCHIP						
	CBO Baseline	9,000	9,000	10,000	10,000	38,000
	Ron Paul	5,000	5,000	5,000	5,000	20,000
	Savings Achieved	4,000	4,000	5,000	5,000	18,000
Food Stamps						
	CBO Baseline	80,000	75,000	73,000	72,000	300,000
	Ron Paul	30,000	30,000	30,000	30,000	120,000
	Savings Achieved	50,000	45,000	43,000	42,000	180,000
Child Nutrition						
	CBO Baseline	21,000	21,000	22,000	23,000	87,000
	Ron Paul	14,000	14,000	14,000	14,000	56,000
	Savings Achieved	7,000	7,000	8,000	9,000	31,000

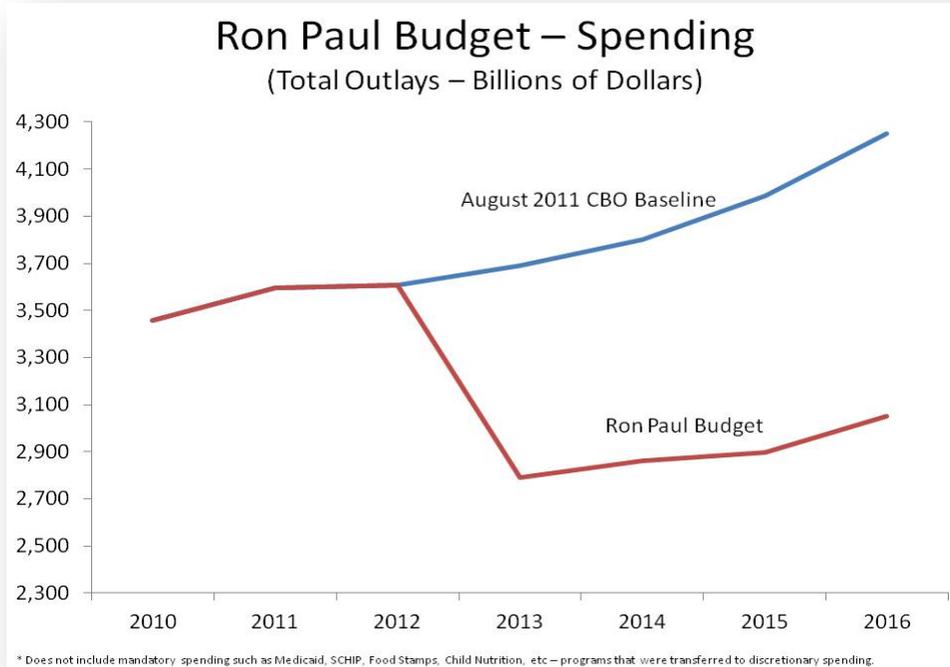
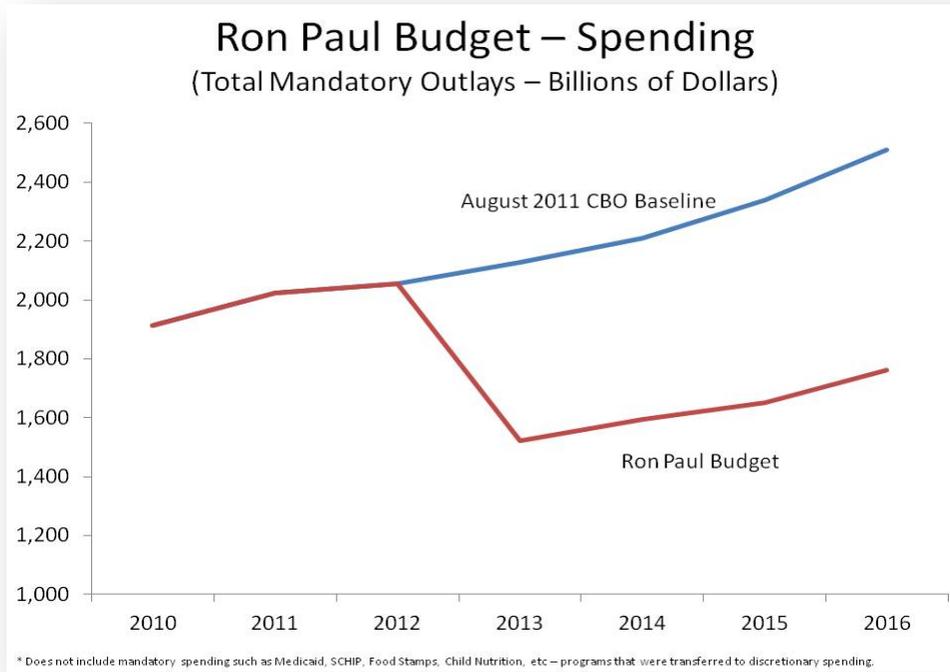
Historical Spending, Revenue, and Deficits

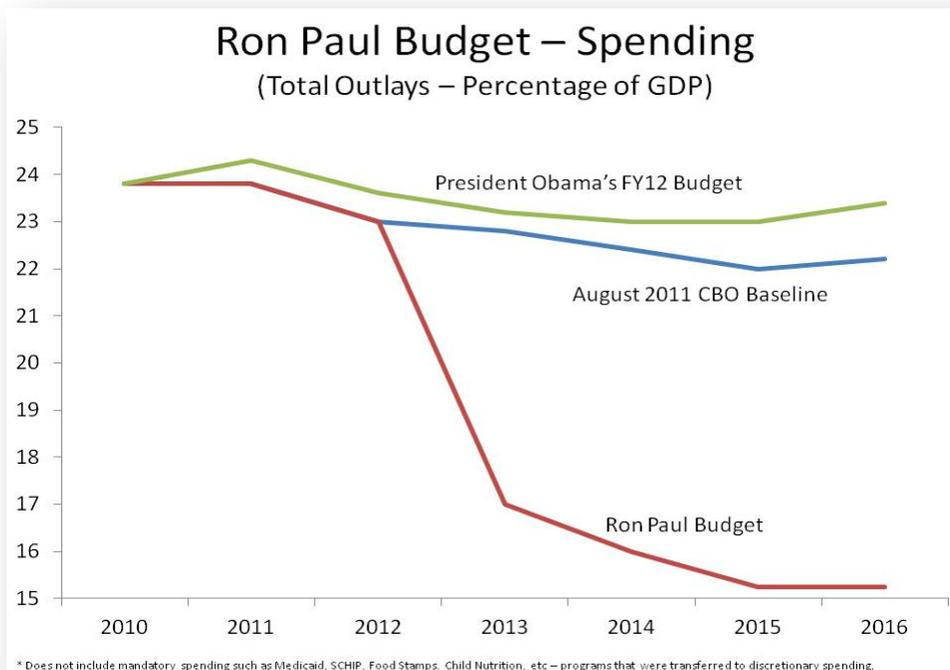
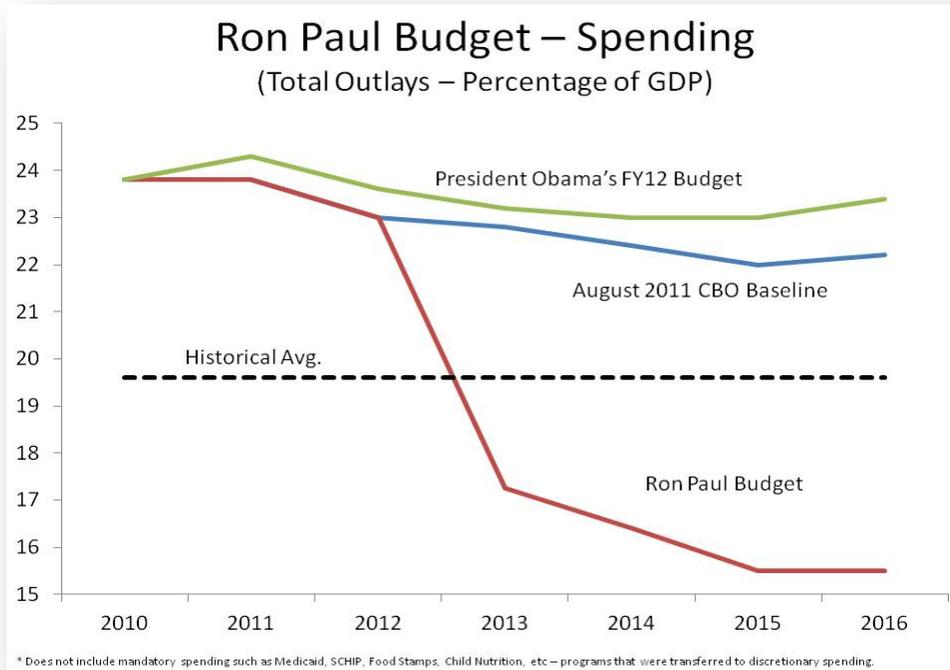
Historical Outlays and Spending																
Nominal	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011(1)	2012(1)	2013(2)	2014(2)	2015(2)	2016(2)
	Total Outlays	1863	2011	2160	2293	2472	2655	2729	2983	3518	3456	3597	3609	2790	2863	2898
Total Revenue	1991	1853	1782	1880	2154	2407	2568	2524	2105	2163	2314	2635	2476	2669	2911	3069
Deficit	128	-158	-378	-413	-318	-248	-161	-459	-1413	-1293	-1283	-974	-314	-194	13	19
Percentage of GDP	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011(1)	2012(1)	2013(2)	2014(2)	2015(2)	2016(2)
	Total Outlays	18.2	19.1	19.7	19.6	19.9	20.1	19.6	20.7	25	23.8	23.8	23	17.24	16.38	15.52
Total Revenue	19.5	17.6	16.2	16.1	17.3	18.2	18.5	17.5	14.9	14.9	15.3	16.8	15.3	15.27	15.59	15.59
Deficit	1.3	-1.5	-3.5	-3.5	-2.6	-1.9	-1.1	-3.2	-10.1	-8.9	-8.5	-6.2	-1.94	-1.11	0.07	0.09

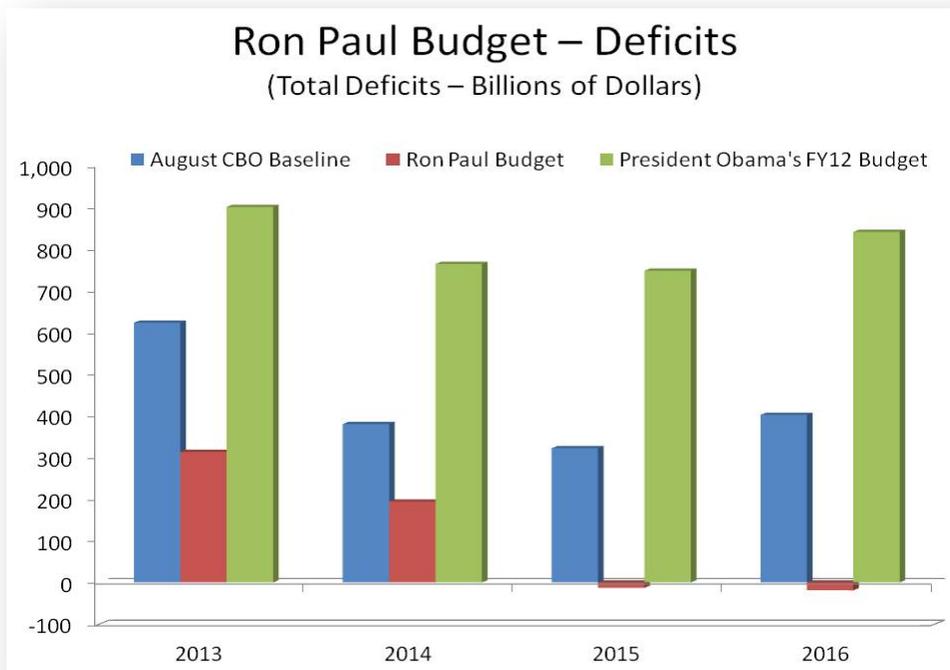
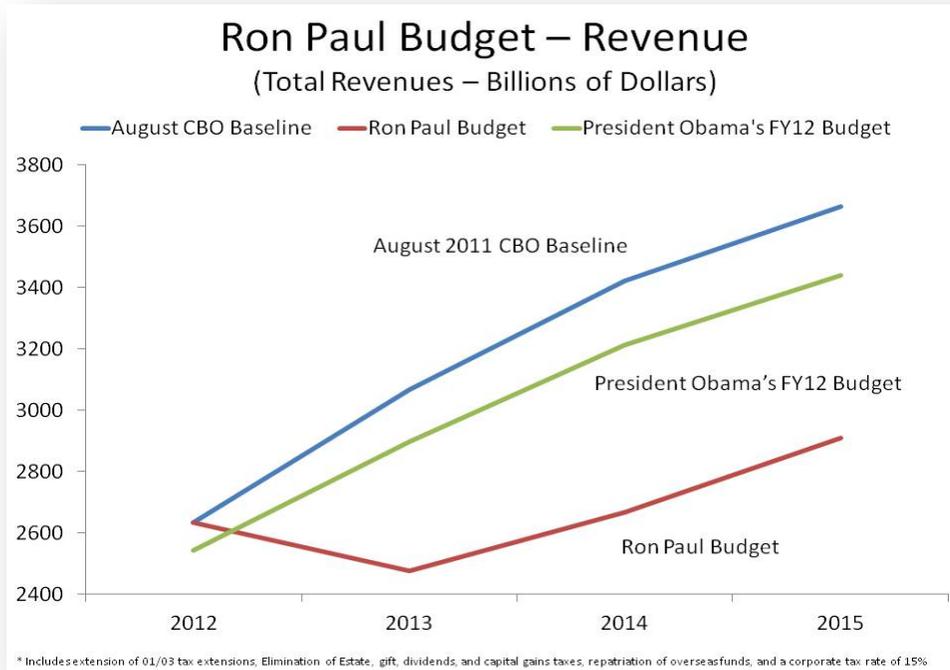
(1) CBO Aug 2011 Estimate - including spending reductions from BCA
 (2) Presidential Candidate Ron Paul Budget

Charts and Graphs

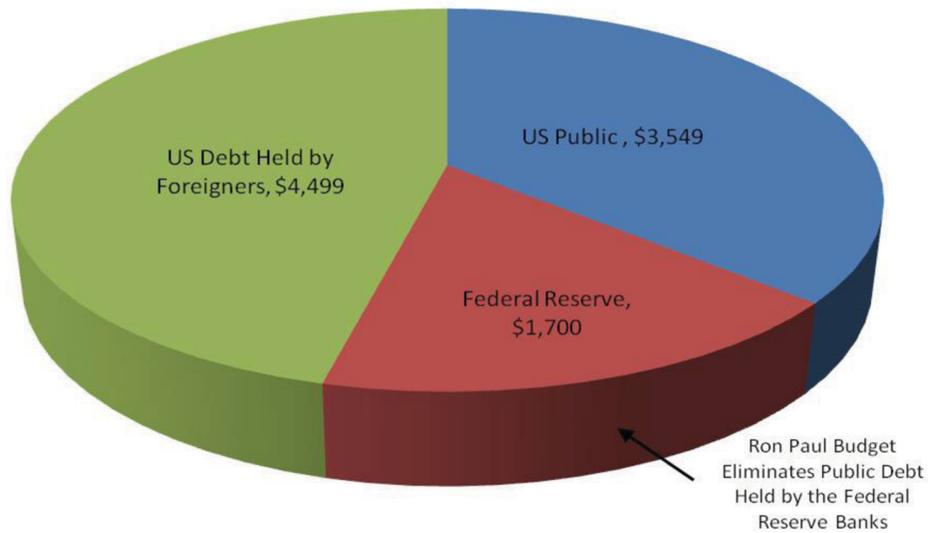








Total Publicly Held Debt (Billions of Dollars)



* Data from April 2011 – St. Louis Federal Reserve Bank

Total Defense Spending

(Total Outlays, Including War Spending – Billions of Dollars)

