

White House FY 2025 budget blueprint expected March 11

President Biden is expected to release his budget proposal for fiscal year 2025 on March 11, according to multiple press reports citing comments from an unnamed official at the White House Office of Management and Budget.

Nonbinding statutory deadlines

The anticipated March 11 delivery date blows past the statutory requirement in the Budget and Accounting Act of 1921 that every presidential administration send Congress its budget request for the upcoming fiscal year no later than the first Monday in February, which this year fell on February 5. In practice, however, the statutory deadline often goes unmet—the Trump, Obama, and George W. Bush administrations all had overdue budget submissions on their respective records, for example—and there is no penalty for late delivery of a budget.

Congress, for its part, is struggling with deadline issues of its own as lawmakers attempt to finalize a spending plan for the remainder of fiscal year 2024, which began last October 1. House Speaker Mike Johnson, R-La., and Senate Majority Leader Charles Schumer, D-N.Y., reached a deal on a topline spending number of roughly \$1.7 trillion for federal departments and agencies on January 7, and an agreement on how to subdivide that amount among each chamber's 12 appropriations subcommittees—which gives leaders of those subcommittees the green light to draft actual spending bills—was struck late last month.

Since October 1, Congress has been keeping the government's doors open through a series of short-term continuing resolutions (CRs) that fund federal operations at fiscal year 2023 levels. The latest of these extends funding through March 1 for four appropriations measures and through March 8 for the remaining eight spending bills. As of February 9, the House is set to be in session for seven days before the stopgap funding for the first tranche of federal departments and agencies under the current CR expires on March 1, and another four days before funding for the second tranche lapses on March 8. The Senate will be in session for five days ahead of the March 1 deadline and another four days before the current CR expires on March 8 (although a two-week Senate recess scheduled to start at the end of this work week may be delayed for several days while senators work on a supplemental emergency aid package for Ukraine, Israel, and Taiwan). Whether lawmakers can complete their work on federal appropriations for the *current* fiscal year before the White House releases its spending blueprint for the *coming* fiscal year remains uncertain.

A 'Green Book'—presumably

Although it has not been confirmed by the White House, the budget blueprint presumably will be accompanied by a "Green Book" from the Treasury Department, which will provide more granular discussion of the administration's tax and revenue policies and their projected impact on federal receipts. Details in the Green Book are likely to influence any subsequent legislation that is marked up in the congressional taxwriting committees and moves through Congress.

The president may offer a preview of what will be included in his upcoming budget request when he delivers his State of the Union message before a joint session of Congress on March 7.

Based on his previous budget blueprints, the president is likely to renew calls for revisiting many of the revenue-raising provisions targeting businesses and upper-income individuals (generally, those with incomes greater than \$400,000) that were left out of the Inflation Reduction Act, (P.L. 117-169), the roughly \$740 billion tax and spending package that moved through a Democratic-controlled House and Senate under fast-track budget reconciliation rules in August of 2022 with no support from congressional Republicans. Also likely are proposals to rescind certain tax cuts for businesses and upper-income individuals that were enacted in the Tax Cuts and Jobs Act of 2017 (TCJA, P.L. 115-97), the massive tax relief budget reconciliation measure that moved through a Republican-controlled Congress without Democratic support and was signed into law by then-President Trump. Many of those TCJA provisions—primarily on the individual side of the tax code—are set to expire after 2025.

[URL: https://www.congress.gov/117/plaws/publ169/PLAW-117publ169.pdf](https://www.congress.gov/117/plaws/publ169/PLAW-117publ169.pdf)

[URL: https://www.congress.gov/115/plaws/publ97/PLAW-115publ97.pdf](https://www.congress.gov/115/plaws/publ97/PLAW-115publ97.pdf)

Budget as messaging vehicle

Many of the president's tax priorities for the coming fiscal year are likely to be embraced in the Senate, where Democrats hold the majority, but fall flat in the House of Representatives, where the GOP majority is intent on permanently extending the temporary tax relief in the TCJA and scaling back or repealing significant chunks of the Inflation Reduction Act. In turn, any efforts by House Republicans to extend or enhance the TCJA and dismantle the Inflation Reduction Act are expected to be ignored once they reach the other side of the Capitol and likely would prompt a veto threat from the president.

Given the dynamics of divided government in Washington, the tax proposals in the administration's budget blueprint and those put forward by Republicans in the second session of 118th Congress may wind up serving largely as messaging vehicles for each party to tout its respective tax policy platform and make the case for why voters should give it unified control of Capitol Hill and the White House in this November's presidential and congressional elections.

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