

## Benefits of Repealing the Corporate Tax: Key Economic Indicators

Indicator	Fiscal Year Average											Average 2009–2018
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	
<b>Gross Domestic Product</b> (In Billions of Inflation-Adjusted Dollars (Indexed to the 2000 Price Level))												
Forecast	11,676.6	11,494.1	11,729.0	12,189.2	12,609.1	12,950.3	13,288.9	13,676.4	14,090.4	14,507.5	14,948.8	13,148.4
Baseline	11,676.6	11,473.7	11,604.0	11,974.1	12,329.0	12,687.2	13,052.2	13,449.2	13,858.3	14,268.2	14,705.7	12,940.2
Difference	0.0	20.4	125.0	215.2	280.1	263.1	236.7	227.2	232.1	239.4	243.1	208.2
<b>Real GDP Growth Rate</b> (Percent Change from Year Ago)												
Forecast	1.9	-1.6	2.0	3.9	3.4	2.7	2.6	2.9	3.0	3.0	3.0	2.5
Baseline	1.9	-1.7	1.1	3.2	3.0	2.9	2.9	3.0	3.0	3.0	3.1	2.3
Difference	0.0	0.2	0.9	0.7	0.5	-0.2	-0.3	-0.1	0.0	0.0	0.0	0.2
<b>Total Employment</b> (In Thousands of Jobs)												
Forecast	137,754.5	135,431.4	135,419.9	137,905.7	140,648.9	142,674.8	144,129.3	145,686.7	147,334.6	148,913.9	150,455.2	142,860.1
Baseline	137,754.5	135,339.6	134,611.6	136,361.2	138,609.3	140,831.0	142,775.4	144,658.4	146,443.5	148,087.3	149,719.2	141,743.7
Difference	0.0	91.8	808.3	1,544.5	2,039.6	1,843.9	1,353.9	1,028.3	891.1	826.6	736.0	1,116.4
<b>Private Employment</b> (In Thousands of Jobs)												
Forecast	115,358.3	112,965.5	112,987.5	115,481.1	118,067.6	119,871.3	121,199.4	122,648.7	124,206.1	125,683.6	127,097.3	120,020.8
Baseline	115,358.3	112,874.1	112,224.7	114,040.9	116,163.9	118,145.1	119,898.6	121,622.0	123,287.4	124,813.4	126,299.6	118,937.0
Difference	0.0	91.4	762.8	1,440.2	1,903.7	1,726.2	1,300.8	1,026.7	918.6	870.2	797.7	1,083.8
<b>Unemployment Rate</b> (Percent of Civilian Labor Force)												
Forecast	5.3	7.6	8.3	7.6	6.9	6.5	6.3	6.0	5.6	5.2	4.9	6.5
Baseline	5.3	7.7	8.7	8.2	7.7	7.2	6.8	6.4	5.9	5.5	5.1	6.9
Difference	0.0	0.0	-0.4	-0.6	-0.8	-0.7	-0.5	-0.4	-0.3	-0.3	-0.3	-0.4
<b>Disposable Personal Income</b> (In Billions of Inflation-Adjusted Dollars Indexed to the 2000 Price Level)												
Forecast	8,730.4	9,040.0	9,287.3	9,477.8	9,731.8	10,004.0	10,413.7	10,888.5	11,337.1	11,758.1	12,210.0	10,414.8
Baseline	8,730.4	9,010.2	9,105.4	9,210.8	9,407.4	9,587.8	9,891.6	10,266.8	10,621.7	10,963.9	11,332.7	9,939.8
Difference	0.0	29.8	181.9	267.0	324.4	416.3	522.1	621.7	715.4	794.2	877.3	475.0
<b>Disposable Income Per Capita</b> (In Inflation-Adjusted Dollars Indexed to the 2000 Price Level)												
Forecast	28,659.7	29,388.5	29,899.2	30,220.4	30,733.6	31,290.8	32,260.3	33,408.9	34,454.0	35,394.2	36,407.1	32,345.7
Baseline	28,659.7	29,291.5	29,313.5	29,369.0	29,709.2	29,988.7	30,643.0	31,501.4	32,279.8	33,003.6	33,791.2	30,889.1
Difference Per Person	0.0	96.9	585.7	851.5	1,024.4	1,302.1	1,617.3	1,907.5	2,174.2	2,390.6	2,615.9	1,456.6
Difference for Family of Four	0.0	387.7	2,342.9	3,405.9	4,097.4	5,208.3	6,469.0	7,630.2	8,696.7	9,562.4	10,463.8	5,826.4
<b>Personal Consumption Expenditures</b> (In Billions of Inflation-Adjusted Dollars Indexed to the 2000 Price Level)												
Forecast	8,304.4	8,202.0	8,453.6	8,719.2	8,988.8	9,228.8	9,488.1	9,785.9	10,090.9	10,393.0	10,713.2	9,406.3
Baseline	8,304.4	8,191.2	8,380.3	8,567.6	8,779.7	8,987.1	9,220.0	9,495.4	9,779.6	10,066.0	10,372.1	9,183.9
Difference	0.0	10.8	73.3	151.6	209.2	241.7	268.1	290.5	311.2	327.0	341.1	222.4
<b>Personal Savings</b> (In Billions of Inflation-Adjusted Dollars Indexed to the 2000 Price Level)												
Forecast	91.4	497.9	488.1	423.6	395.6	391.5	486.1	589.0	654.8	701.1	758.0	538.6
Baseline	91.4	479.8	384.8	306.5	280.4	231.1	276.6	351.9	405.2	448.9	499.7	366.5
Difference	0.0	18.1	103.3	117.1	115.2	160.3	209.4	237.1	249.7	252.2	258.3	172.1

Source: Heritage Foundation calculations using the Global Insight U.S. Macroeconomic Model.

## Benefits of Repealing the Corporate Tax: More Economic Indicators

Indicator	Fiscal Year Average											Average 2009–2018
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	
<b>Personal Savings Rate</b> (Percent of Disposable Personal Income)												
Forecast	1.0	5.6	5.4	4.5	4.1	4.0	4.7	5.5	5.9	6.2	6.4	5.2
Baseline	1.0	5.5	4.3	3.4	3.0	2.4	2.8	3.5	3.9	4.2	4.5	3.7
Difference	0.0	0.2	1.1	1.2	1.1	1.5	1.9	2.1	2.1	2.0	2.0	1.5
<b>Gross Private Domestic Investment</b> (In Billions of Inflation-Adjusted Dollars Indexed to the 2000 Price Level)												
Forecast	1,735.5	1,466.2	1,549.6	1,841.2	2,052.3	2,143.5	2,214.7	2,311.5	2,408.6	2,494.7	2,589.2	2,107.2
Baseline	1,735.5	1,450.6	1,466.7	1,720.8	1,899.3	2,044.1	2,159.4	2,265.6	2,356.9	2,428.8	2,513.0	2,030.5
Difference	0.0	15.6	82.9	120.4	153.0	99.4	55.3	45.9	51.7	65.8	76.2	76.6
<b>Non-Residential Investment</b> (In Billions of Inflation-Adjusted Dollars Indexed to the 2000 Price Level)												
Forecast	1,424.0	1,287.5	1,270.7	1,434.3	1,584.3	1,676.4	1,744.9	1,816.6	1,892.9	1,982.5	2,074.6	1,676.5
Baseline	1,424.0	1,273.3	1,202.7	1,336.8	1,464.8	1,571.3	1,661.5	1,745.1	1,822.7	1,901.5	1,981.2	1,596.1
Difference	0.0	14.2	68.0	97.4	119.5	105.1	83.4	71.6	70.2	81.0	93.4	80.4
<b>Residential Investment</b> (In Billions of Inflation-Adjusted Dollars Indexed to the 2000 Price Level)												
Forecast	379.1	300.3	310.7	403.7	461.4	477.6	483.7	502.1	524.2	531.7	538.2	453.4
Baseline	379.1	300.1	306.7	384.3	433.6	473.5	498.8	518.8	536.2	540.6	547.1	454.0
Difference	0.0	0.2	4.0	19.4	27.8	4.1	-15.1	-16.7	-12.0	-8.9	-8.9	-0.6
<b>Change in the Stock of Business Inventories</b> (In Billions of Inflation-Adjusted Dollars Indexed to the 2000 Price Level)												
Forecast	-24.5	-75.1	14.7	48.1	53.6	41.1	42.6	51.9	52.8	48.9	53.1	33.2
Baseline	-24.5	-77.2	-0.4	40.8	43.8	43.7	46.4	52.7	52.4	47.9	52.8	30.3
Difference	0.0	2.1	15.2	7.3	9.9	-2.6	-3.9	-0.8	0.4	0.9	0.3	2.9
<b>Full-Employment Capital Stock</b> (In Billions of Inflation-Adjusted Dollars Indexed to the 2000 Price Level)												
Forecast	13,871.2	14,154.1	14,311.6	14,658.4	15,143.3	15,634.0	16,090.7	16,567.7	17,077.8	17,623.5	18,200.2	15,946.1
Baseline	13,871.2	14,140.7	14,185.7	14,382.6	14,716.0	15,115.7	15,559.8	16,037.7	16,537.4	17,059.1	17,602.6	15,533.7
Difference	0.0	13.4	125.9	275.9	427.3	518.4	530.9	530.0	540.4	564.4	597.6	412.4
<b>Consumer Price Index</b> (Percent Change from Year Ago)												
Forecast	4.4	-1.1	1.6	3.0	2.6	2.5	2.6	2.3	2.4	2.6	2.6	2.1
Baseline	4.4	-1.1	1.6	3.1	2.5	2.4	2.4	2.0	2.0	2.1	2.1	1.9
Difference	0.0	0.0	0.0	0.0	0.1	0.2	0.2	0.3	0.4	0.4	0.5	0.2
<b>Treasury Bill, 3-Month</b> (Annualized Percent)												
Forecast	2.2	0.3	0.8	1.4	2.6	5.0	6.2	6.4	6.2	6.1	6.2	4.1
Baseline	2.2	0.3	1.4	3.5	4.6	4.6	4.6	4.6	4.6	4.6	4.6	3.7
Difference	0.0	0.0	-0.6	-2.2	-1.9	0.4	1.7	1.8	1.6	1.5	1.6	0.4
<b>Treasury Bond, 10-Year</b> (Annualized Percent)												
Forecast	3.9	3.2	3.6	3.9	5.0	6.5	7.0	6.9	6.8	6.7	6.8	5.6
Baseline	3.9	3.2	3.7	4.8	5.4	5.4	5.4	5.4	5.4	5.4	5.4	5.0
Difference	0.0	0.1	-0.1	-0.9	-0.5	1.0	1.5	1.5	1.3	1.3	1.3	0.7

Source: The Heritage Foundation calculations using the Global Insight U.S. Macroeconomic Model.