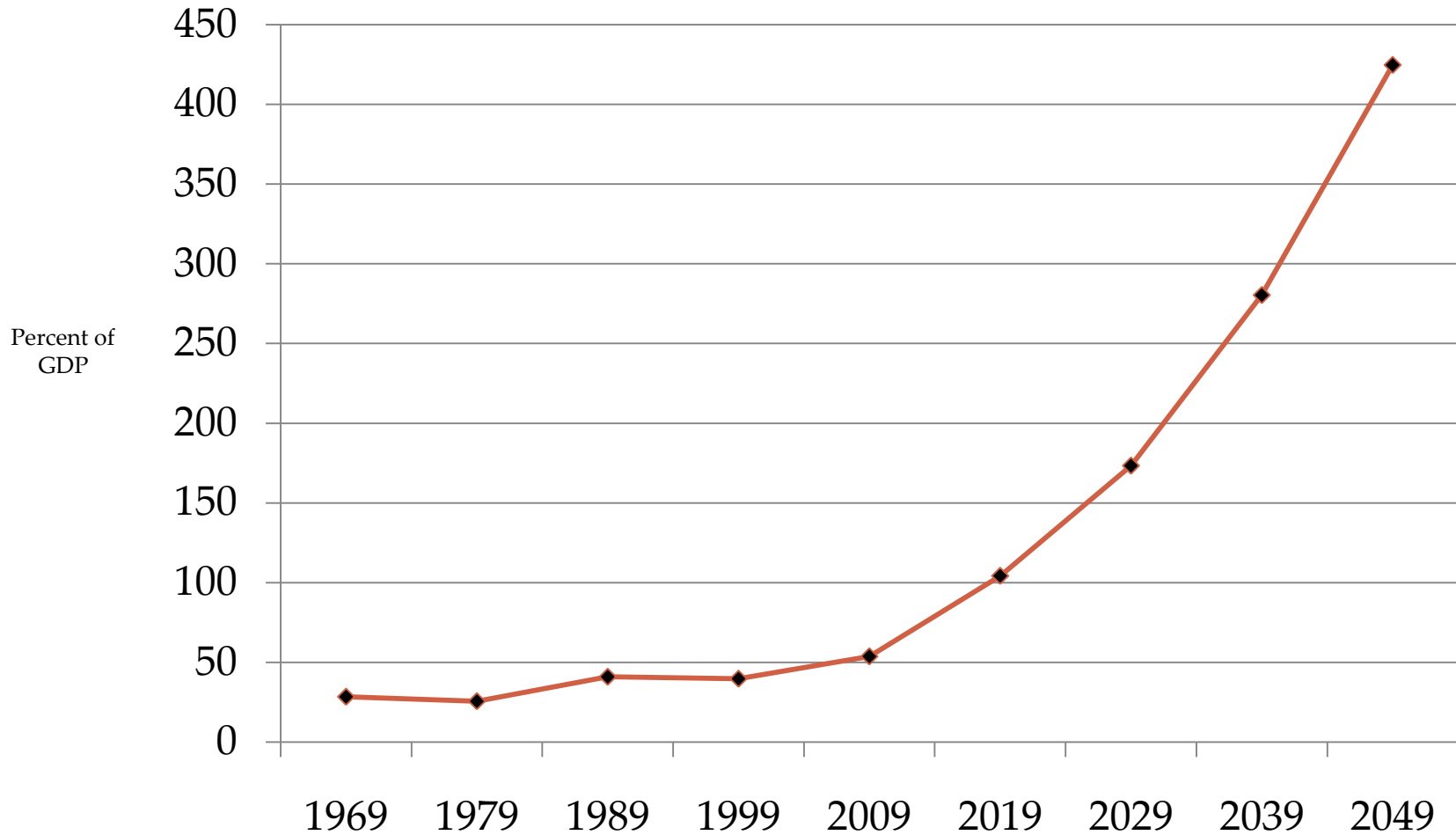
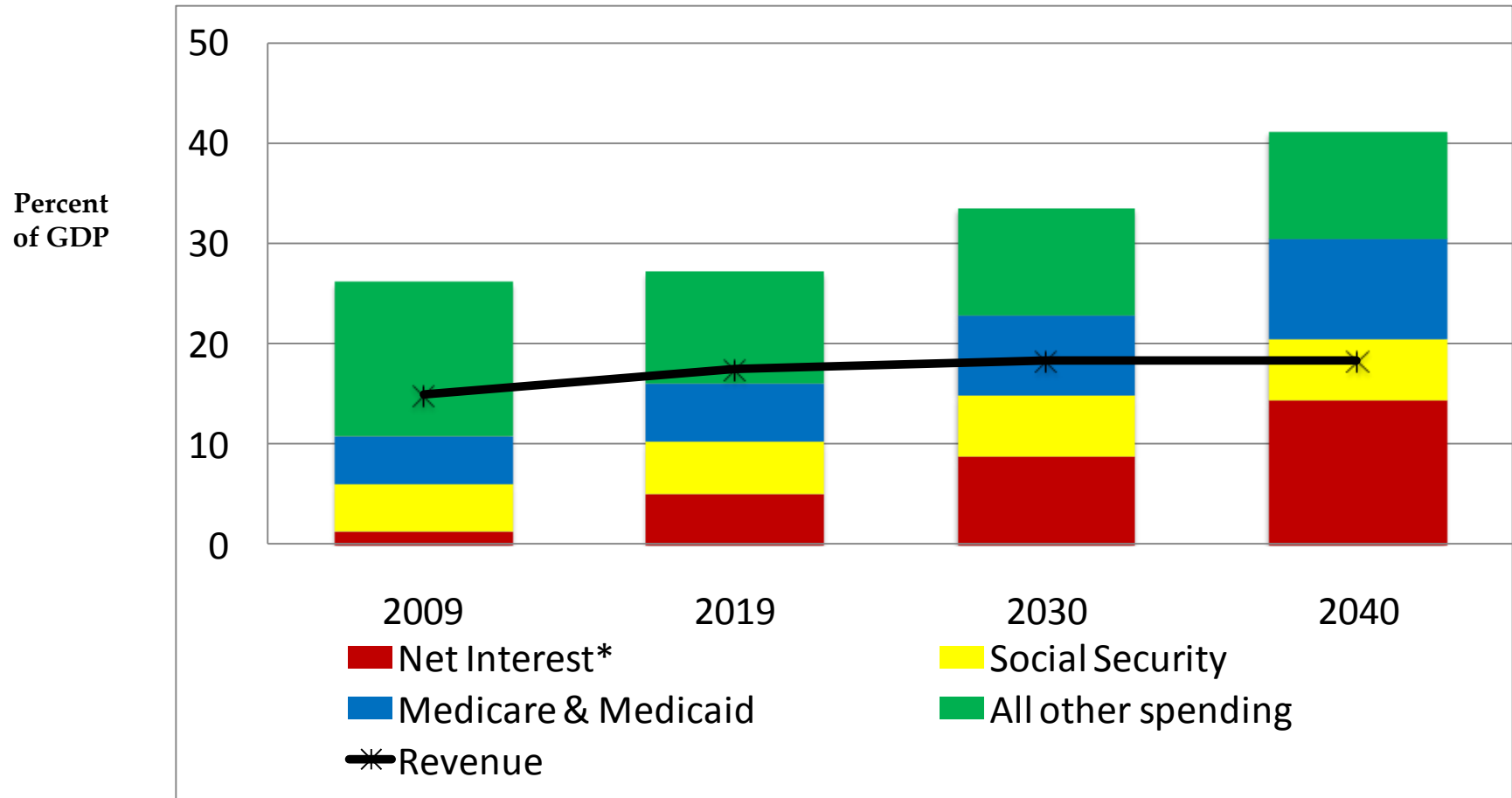


# Debt Held by the Public



Source: GAO Long-Term Fiscal Outlook Fall 2009 Alternative simulation that assumes the following: discretionary spending grows with GDP, Medicare physician payment rates are not reduced, all tax provisions are extended to 2019, and AMT is indexed to inflation through 2019 and CBO June 2009 Budget Outlook

# Revenues Nearly Consumed by Major Entitlements and Interest by 2019

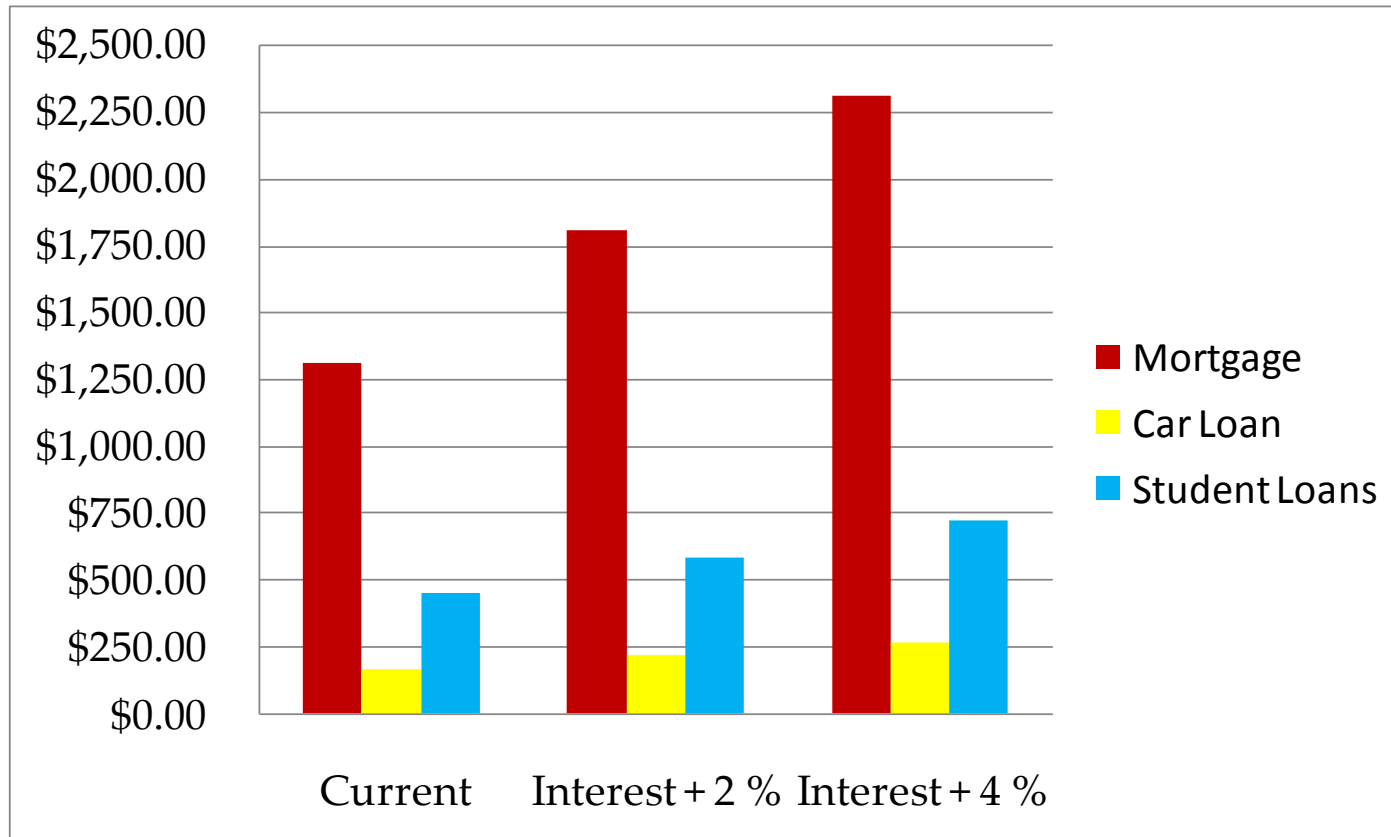


Source: GAO Fall 2009 Update. Receipts fell from 17.5 % of GDP in FY08 to 14.8 % of GDP in FY09. Revenue provisions assume expiring tax provisions are extended through 2019 and held constant at 40 year historical average.

\*Interest payments would increase if interest rates rise faster than CBO assumptions.

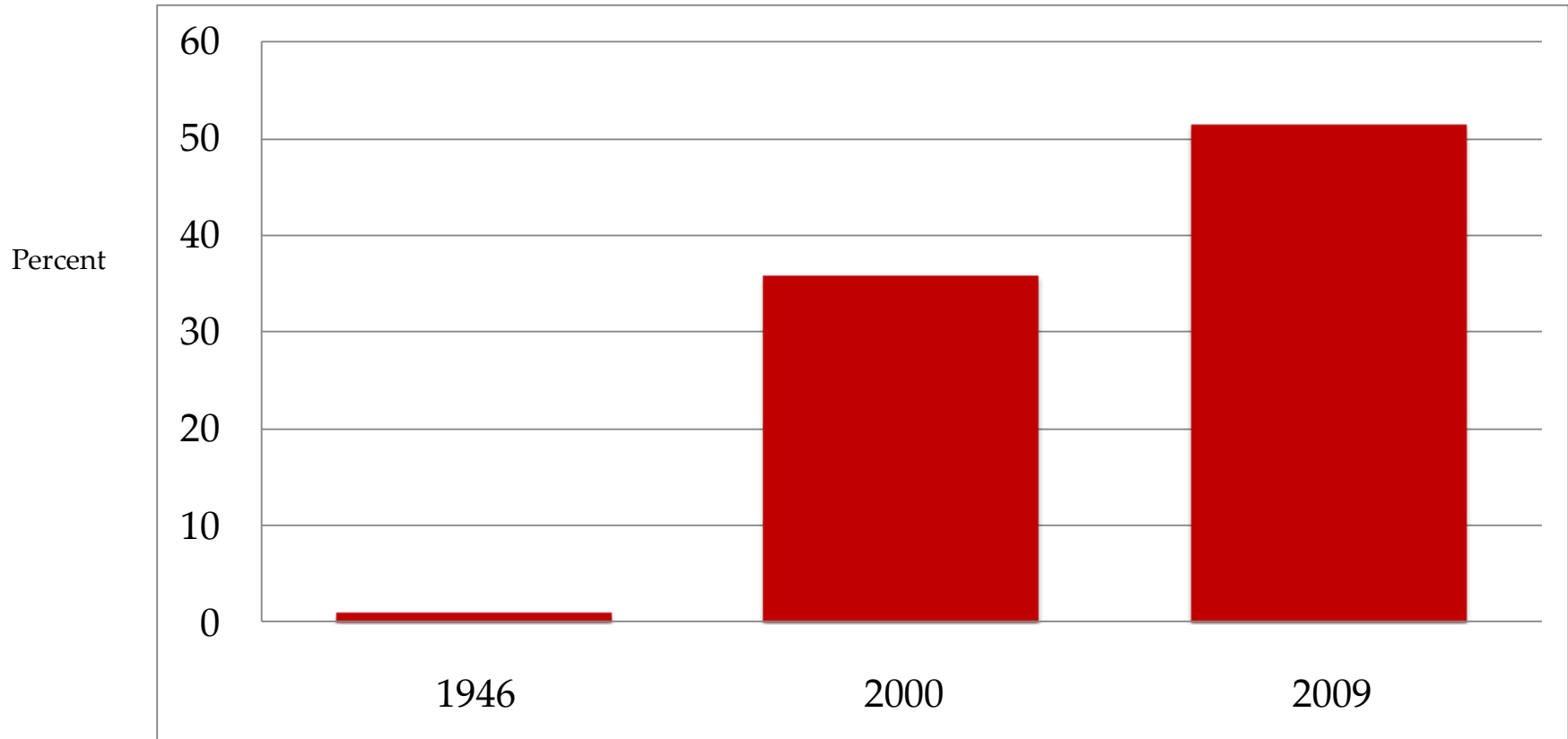
# Federal Debt Pushes Up Interest Rates and Monthly Payments for American Households

Monthly Interest Only Payments



Calculations made assuming \$300,000 conventional, and conforming loan at 5.25 %, 7.25 %, and 9.25 % (interest only).  
Car Loan payments assume 6.75 %, 8.75 %, and 10.75 % on \$30,000 new car loan for 60 months (interest only).  
Student Loan: \$80,000 total based on unsubsidized Stafford Loan rate of 6.8%, 8.8 % , and 10.8 % (interest only).

# Foreign Ownership of U.S. Public Debt Sends Vast Interest Payments Abroad



Percent of Privately Owned U.S. Public Debt Held  
by Foreign Investors

Source: Treasury Department, OMB, CRS