Chart 2

Under existing legislation, a budget surplus is expected at $1.9 billion in fiscal year 1969 reflecting the surcharge, excise and other provisions enacted last June. The proposed surcharge extension would add another $0.5 billion, reflecting estimated corporate tax payments.

Under existing legislation for fiscal year 1970, the budget would register a deficit of $7.1 billion.

Under proposed legislation, revenue yield would increase $10.5 billion to yield a surplus of $3.4 billion.

NOTE: The $10.5 billion includes the net effect of increased social security contributions and benefit payments.