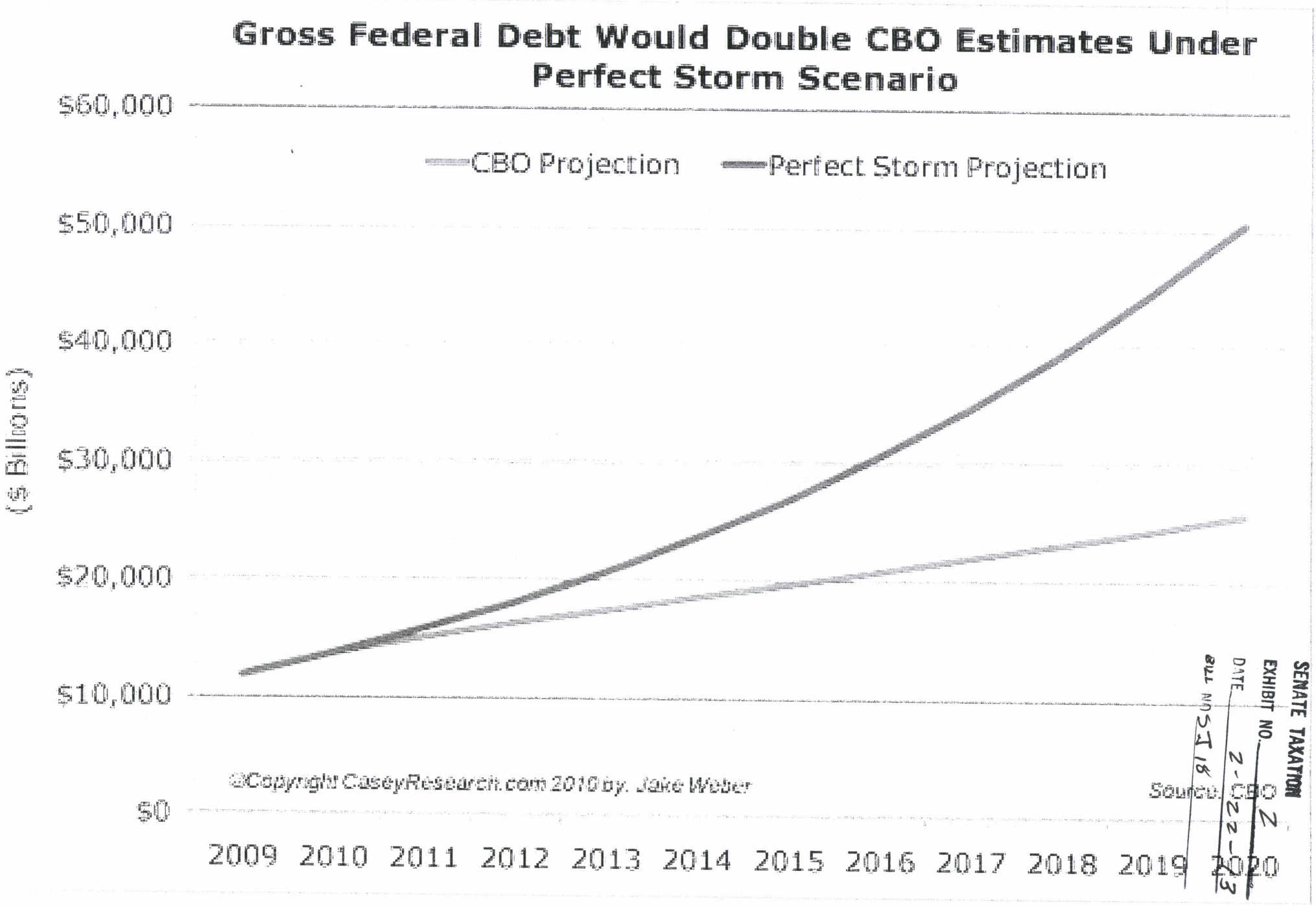
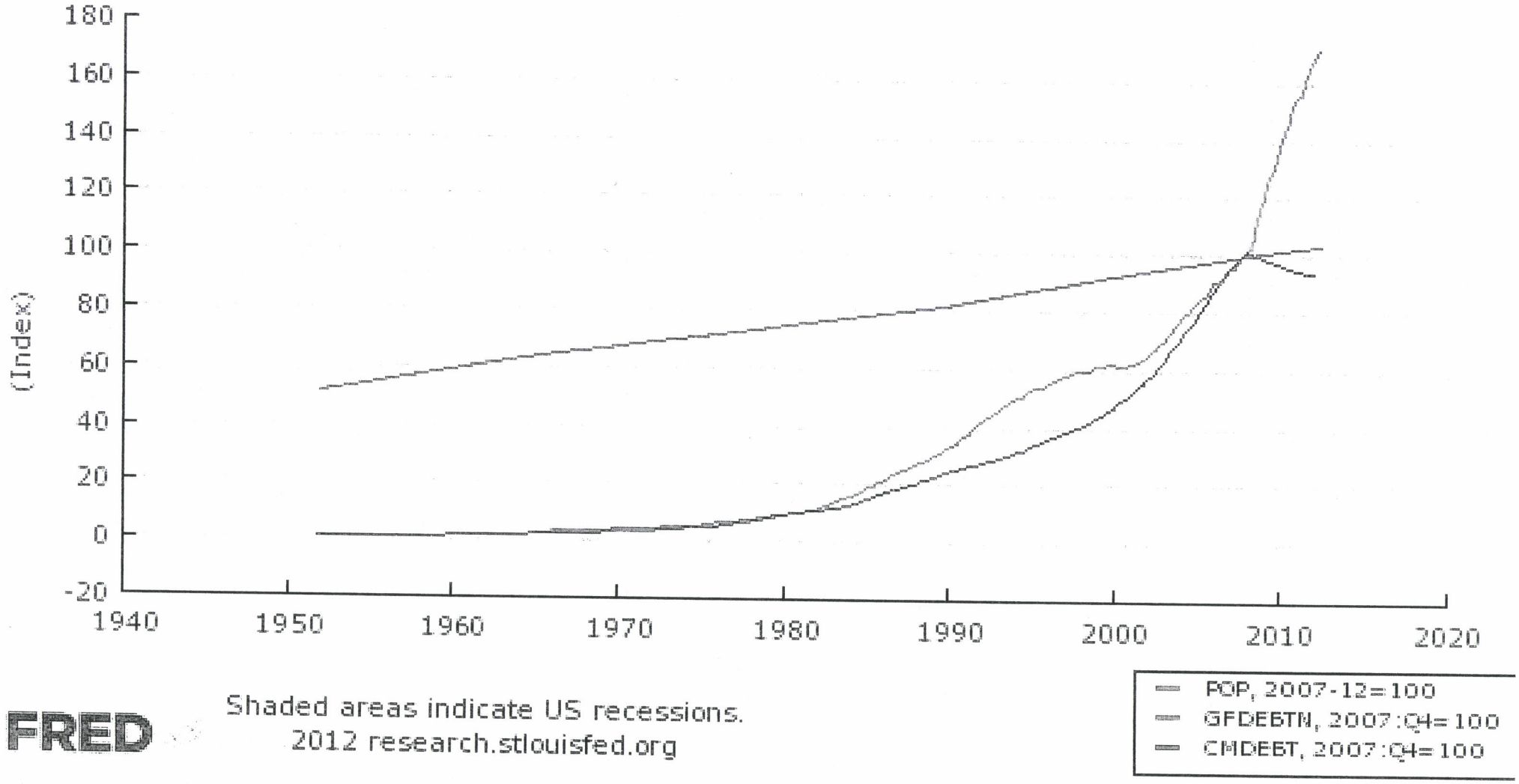


SENATE TAXATION
EXHIBIT NO. 2
DATE 2-22-13
BILL NO. SJ 18

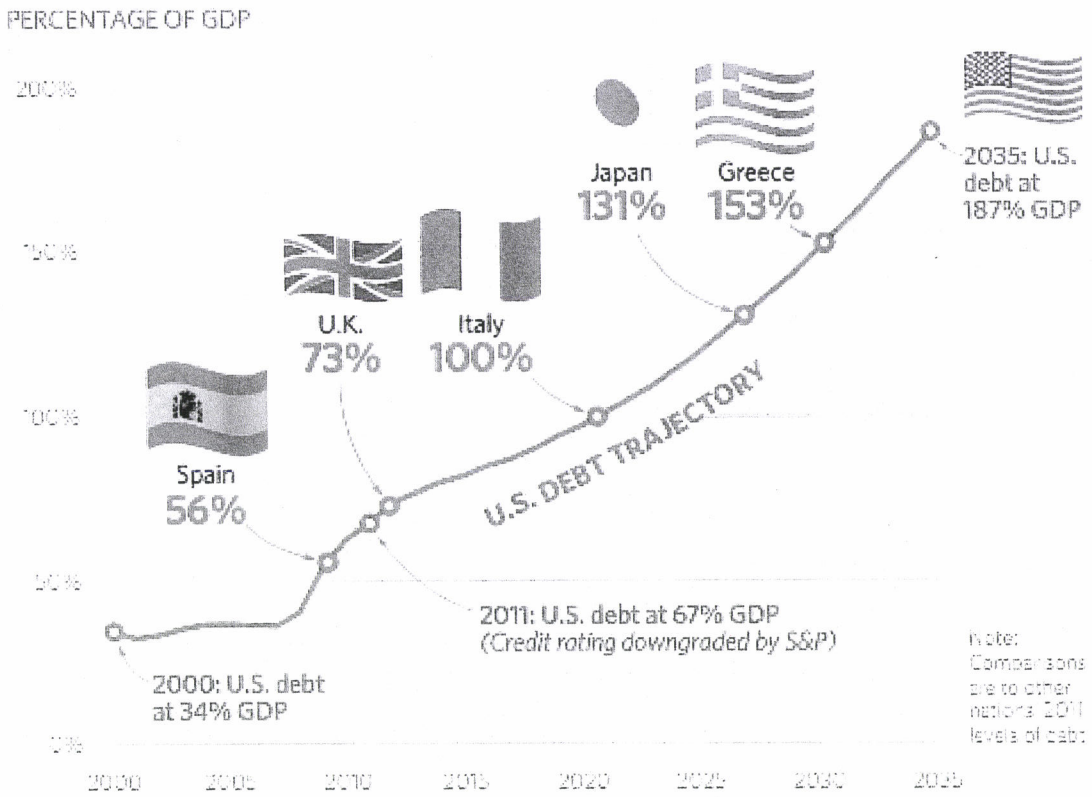
Total Population: All Ages including Armed Forces Overseas (POP)
Federal Government Debt: Total Public Debt (GFDEBTN)
Household Sector: Liabilities: Household Credit Market Debt Outstanding (CMDEBT)



FRED

Shaded areas indicate US recessions.
2012 research.stlouisfed.org

U.S. Debt on Track to Fuel Economic Crisis Similar to Other Countries



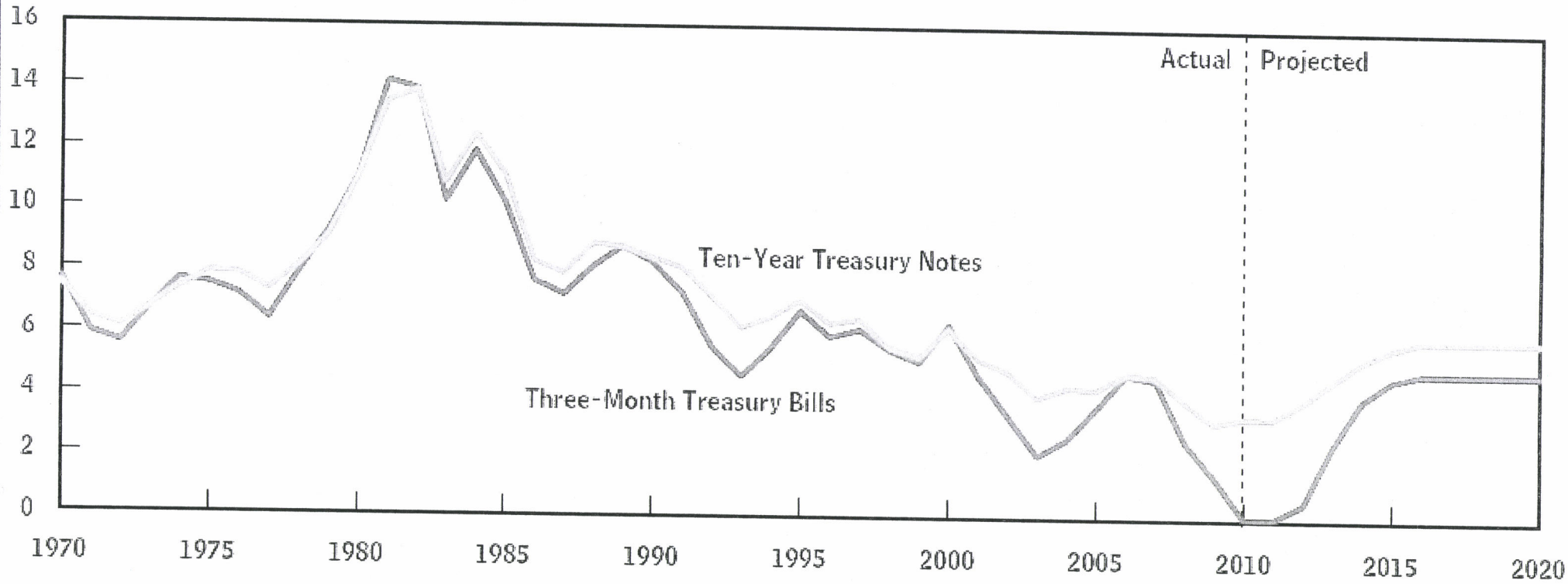
Sources: International Monetary Fund and Congressional Budget Office (Alternative Fiscal Scenario).

Publicly Held Debt Set to Skyrocket

Source: Congressional Budget Office (Alternative Fiscal Scenario).

Interest Rates on Three-Month Treasury Bills and Ten-Year Treasury Notes, 1970 to 2020

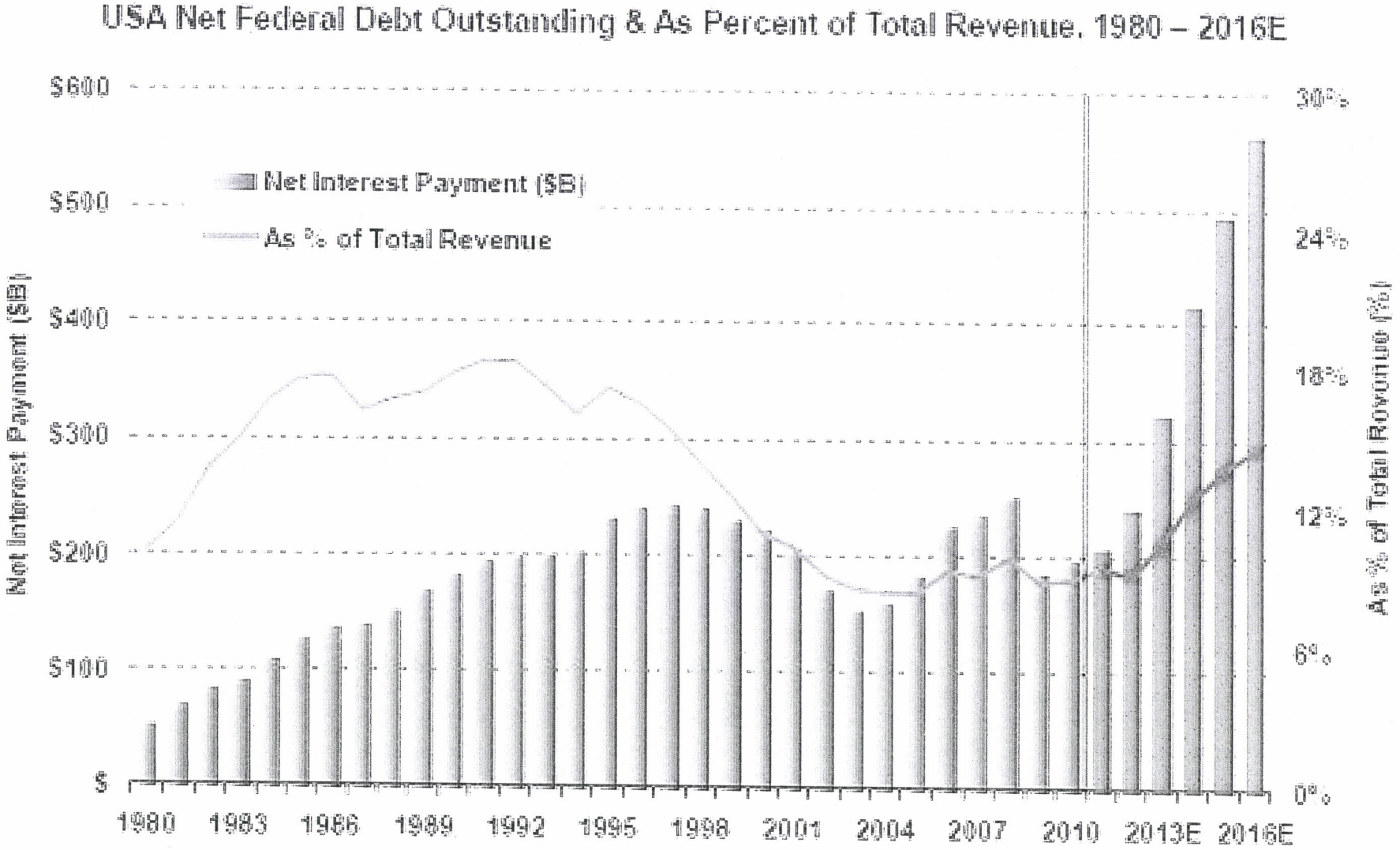
(Percent)



Source: Congressional Budget Office; historical data are based on information from the Federal Reserve.

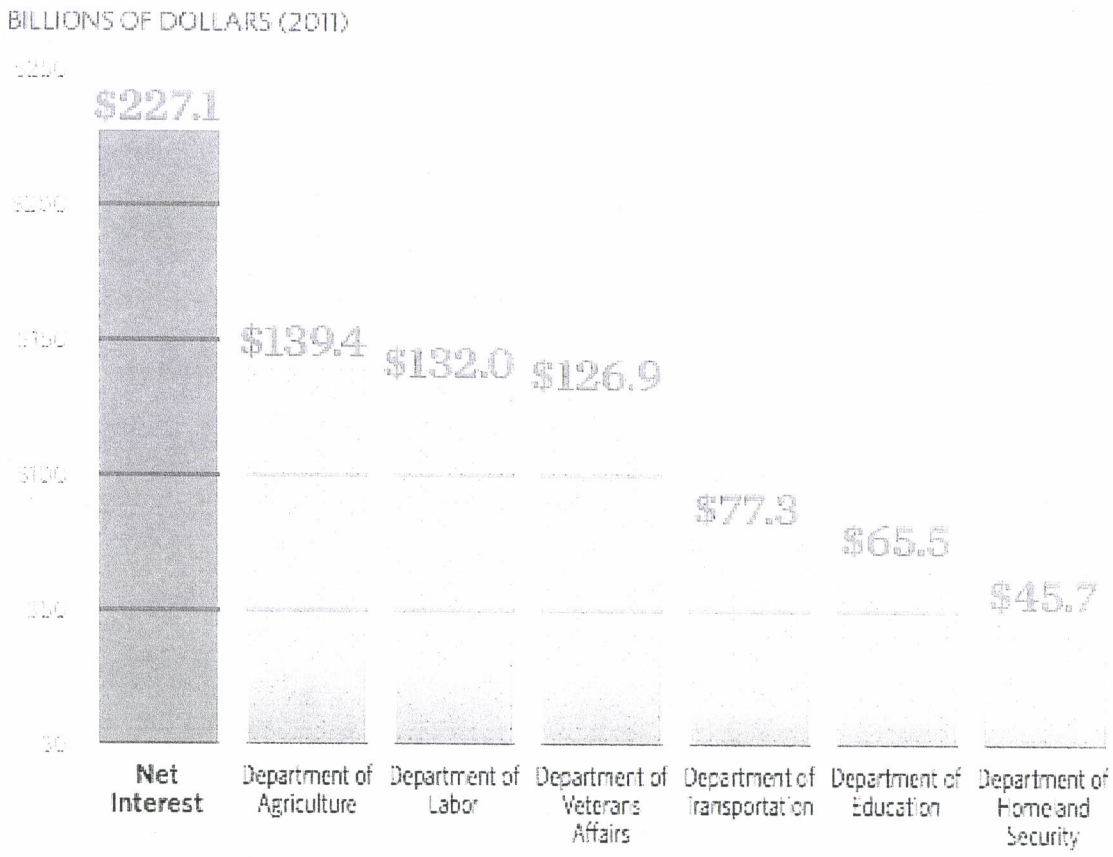
Effective Interest Rates: If Debt Levels & Interest Rates Rise Dramatically Beyond 2010, Net Interest Payments Could Soar

USA Net Federal Debt Outstanding & As Percent of Total Revenue, 1980 – 2016E

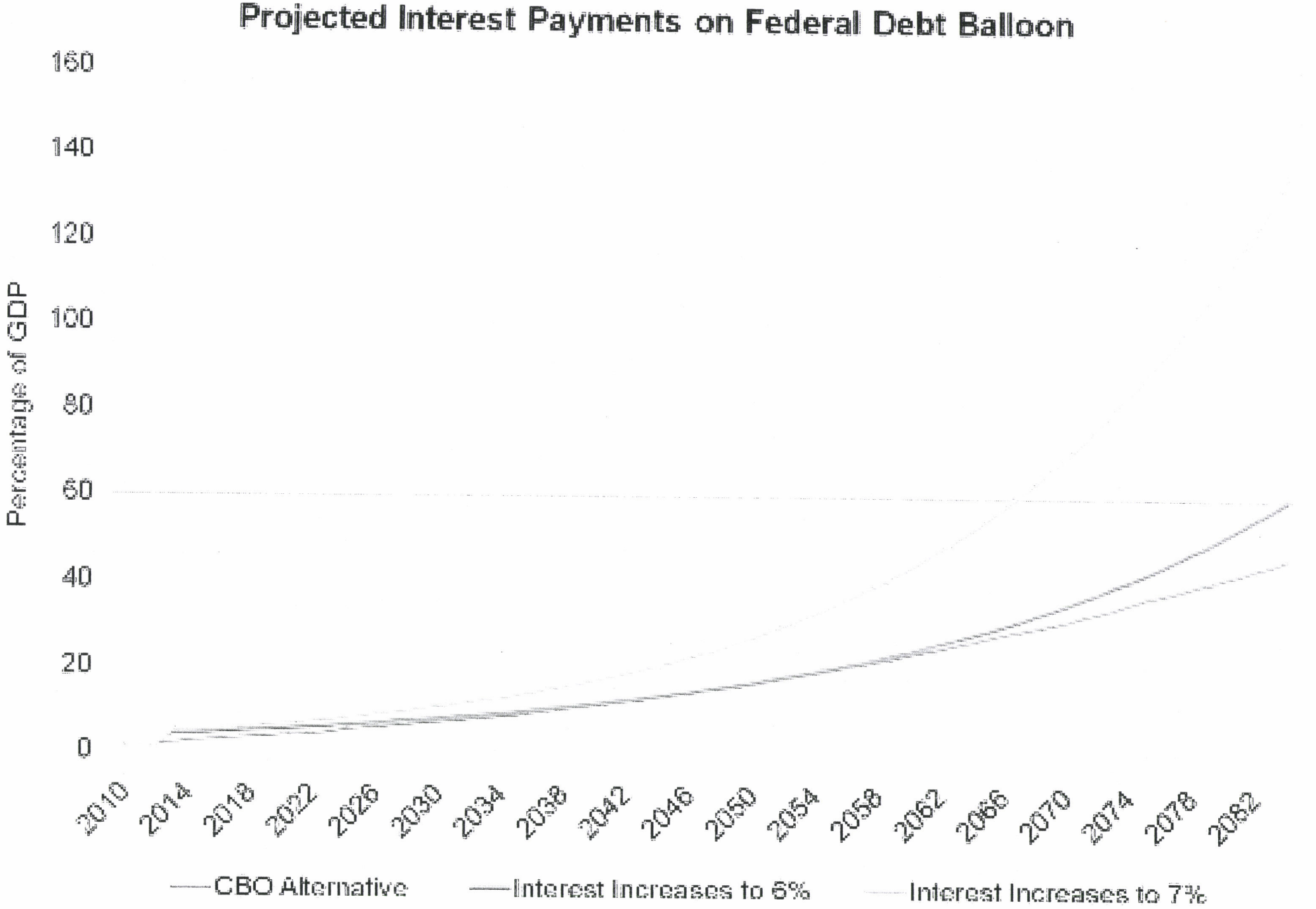


Note: CAGR is compound annual growth rate. Source: White House Office of Management and Budget

Interest on the National Debt Exceeds Spending for Many Programs

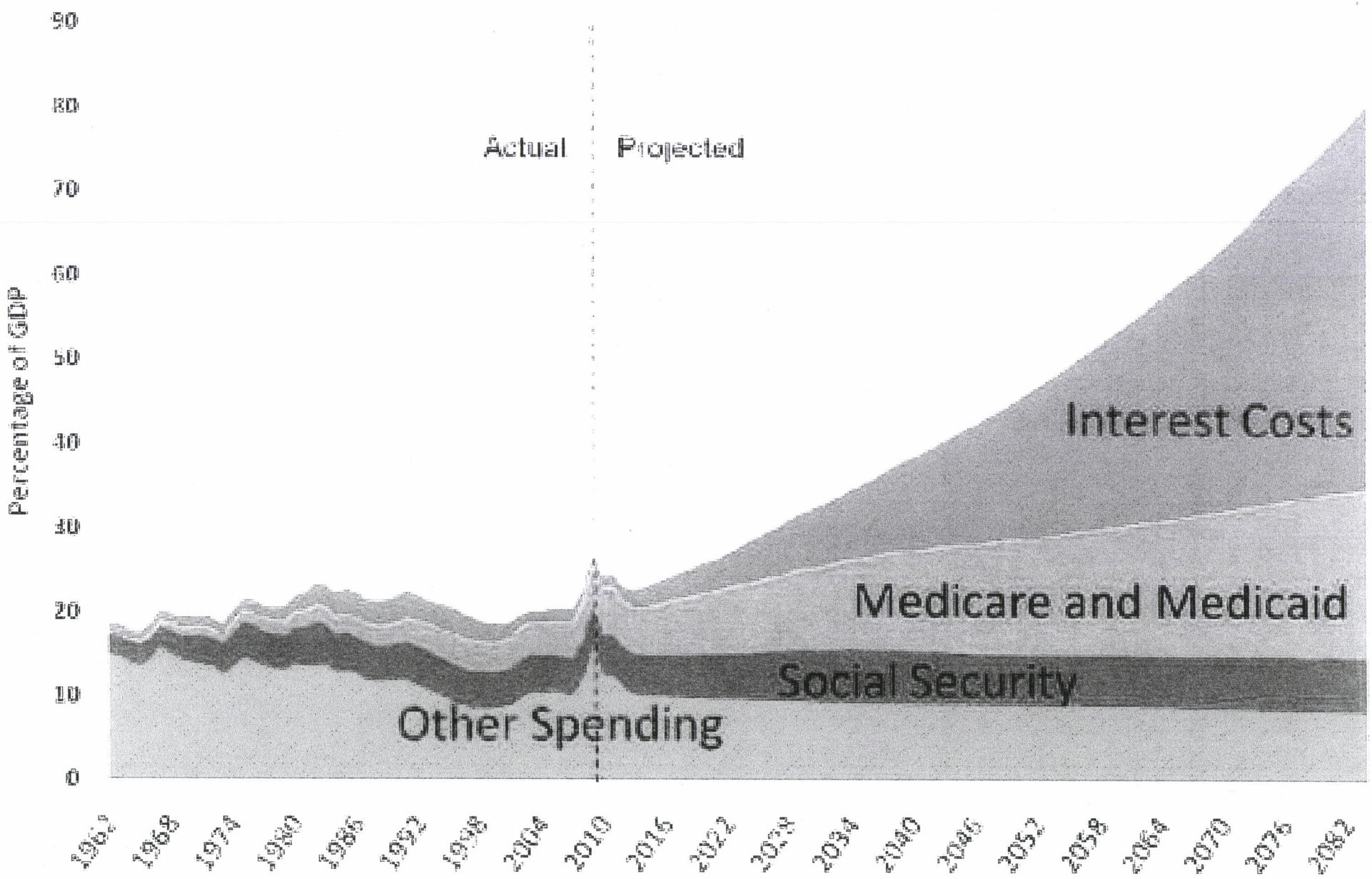


Source: Office of Management and Budget



Source: *Congressional Budget Office, Long-Term Budget Outlook. Author's Calculations*
Produced by: Mercatus Center at George Mason University

Cost of the Debt Drives Long-Term Spending Explosion



Source: Congressional Budget Office

Produced by Fundación de Hoy, Mercatus Center at George Mason University