US report: Budget deficit set to fall

A new report says the U.S. government's budget deficit is set to fall to $514 billion for the current year, down substantially from last year and the lowest by far since President Barack Obama took office five years ago.

The Congressional Budget Office report credits higher tax revenues from the rebounding economy and sharp curbs on agency spending as the chief reasons for the deficit's short-term decline.

But CBO sees the long-term deficit picture worsening by about $100 million a year through the end of the decade because of slower growth in the economy in the coming decade than it previously predicted.

From wire reports