



Congressional Budget Office

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The Distribution of Federal Spending and Taxes in 2006

Molly Dahl, Microeconomic Studies Division

Kevin Perese, Tax Analysis Division

Overview

Extends prior CBO distributional analyses by including spending

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Snapshot of a single year: calendar year 2006

Not a lifetime analysis

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Snapshot of a single year: calendar year 2006

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Household types

Elderly

Nonelderly with children

Nonelderly without children

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Snapshot of a single year: calendar year 2006

Not a lifetime analysis

Household types

Elderly

Nonelderly with children

Nonelderly without children

Income groups among the nonelderly

Market income quintiles

Federal Spending and Revenues, 2006

Federal
Spending

\$2.7
Trillion

Federal
Revenues

\$2.4
Trillion

Allocated Federal Spending and Revenues, 2006

Analyzed the distribution of most federal spending (88 percent), and virtually all federal taxes (98 percent) in calendar year 2006



Categories of Federal Spending, 2006

Cash and
Near-Cash
Transfers  \$785
Billion

Cash Transfers

Social Security

Refundable Tax Credits

SSI

UI

TANF

Means-Tested Veterans' Benefits

Black Lung Disability

Near-cash Transfers

SNAP

Housing Assistance

Pell Grants

Child Nutrition Programs

WIC

LIHEAP



Categories of Federal Spending, 2006



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Categories of Federal Spending, 2006



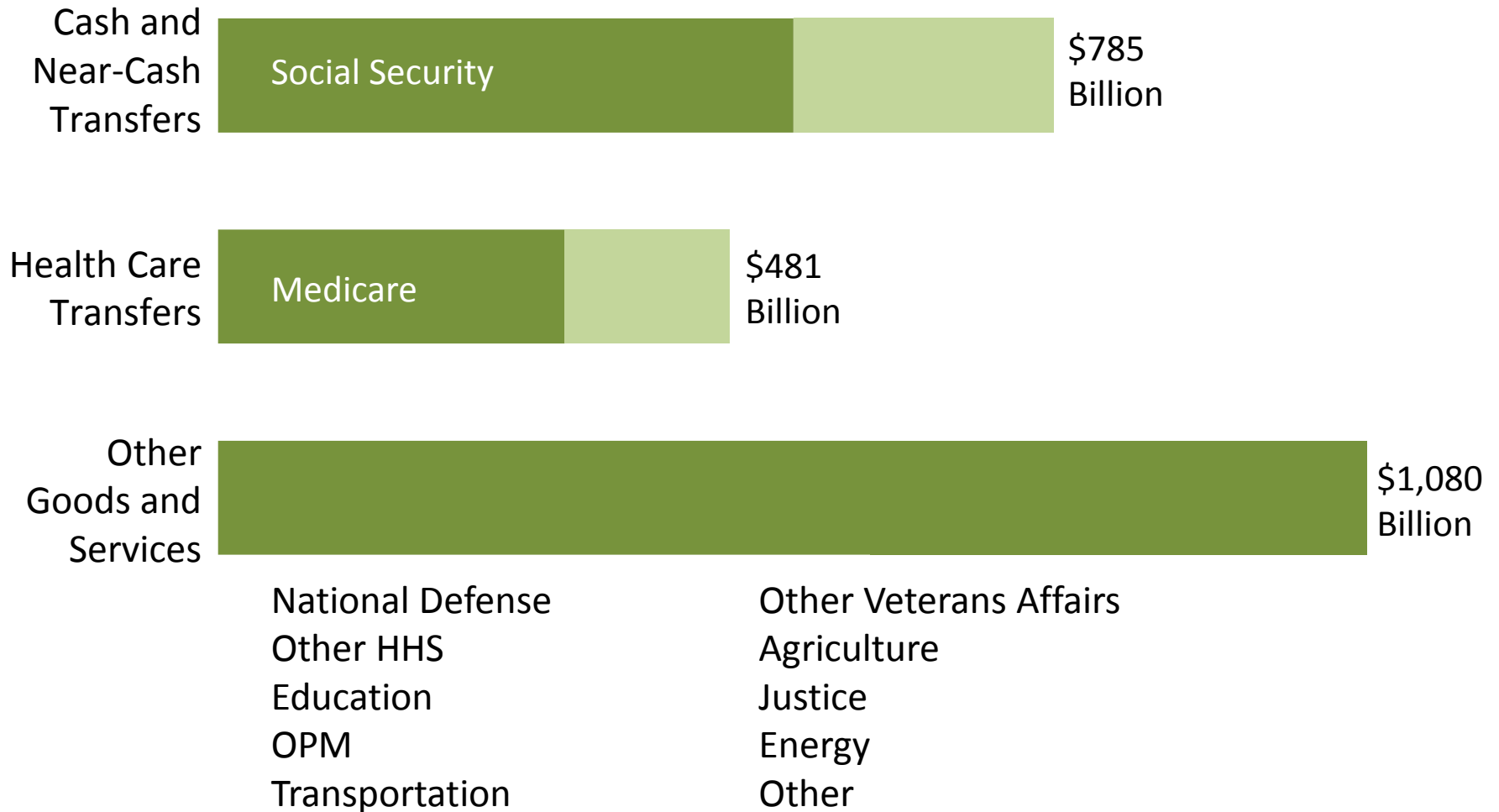
- Medicare
- Medicaid and CHIP
- Means-Tested Veterans' Health Benefits

Categories of Federal Spending, 2006

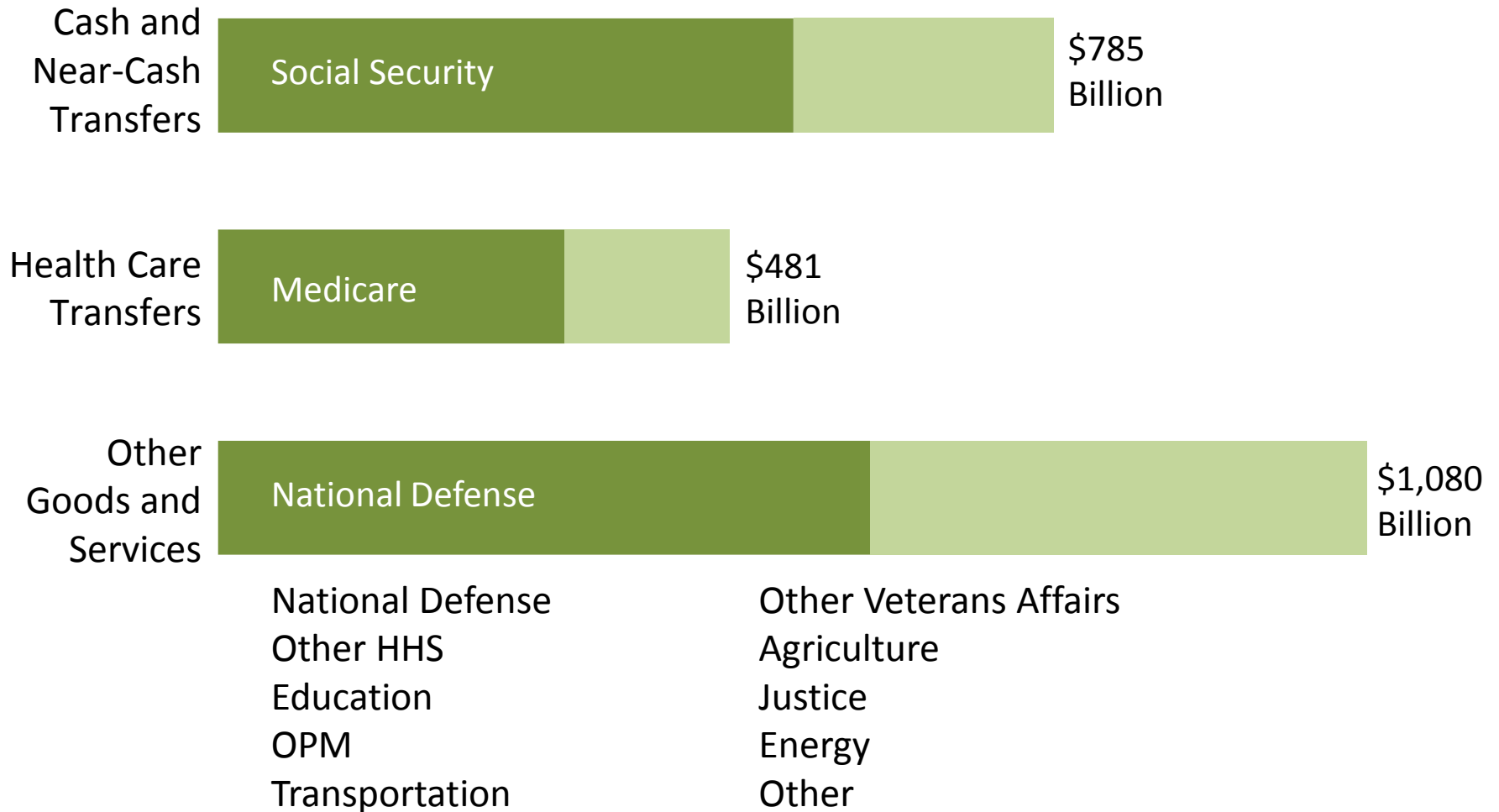


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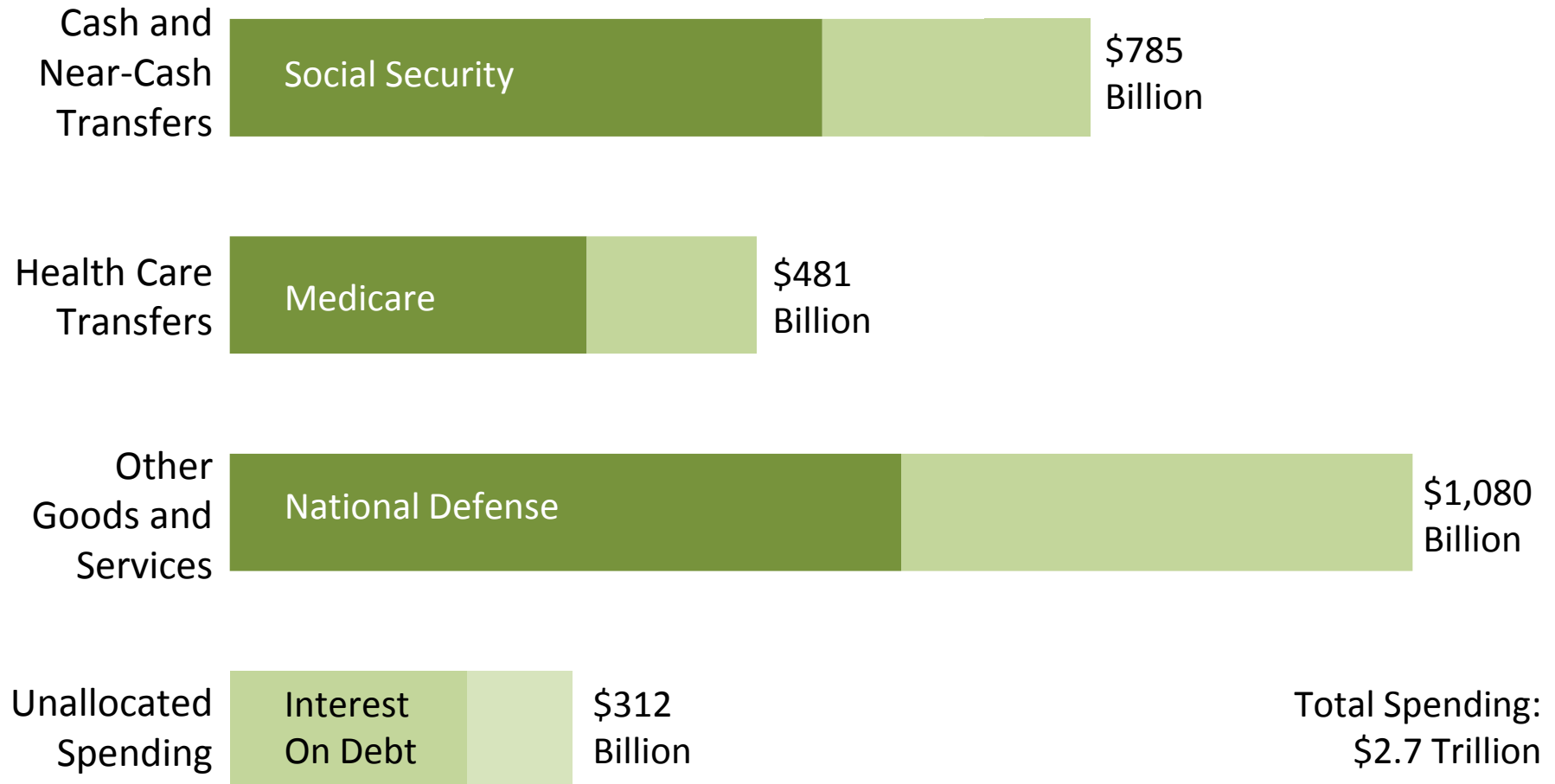
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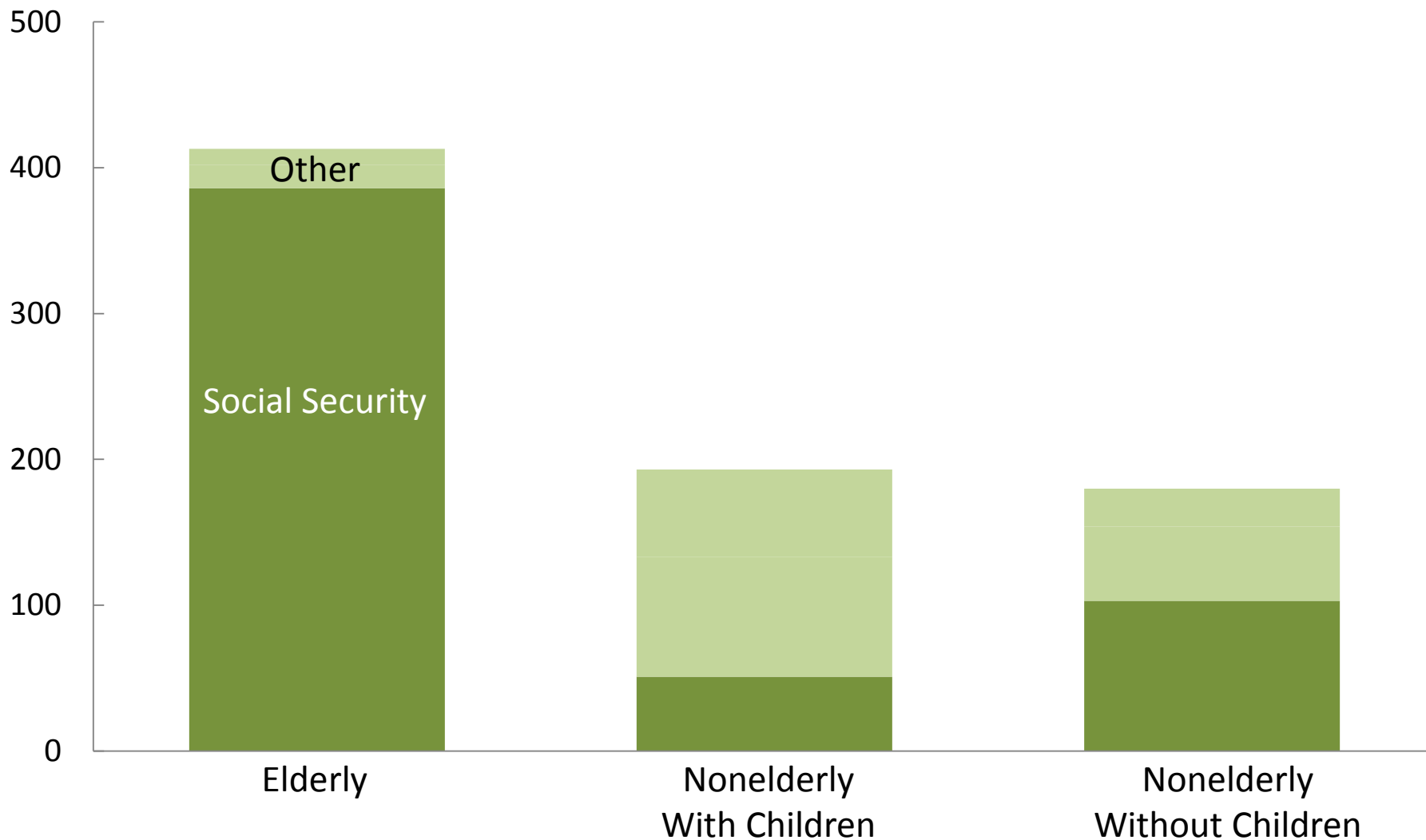


Categories of Federal Spending, 2006



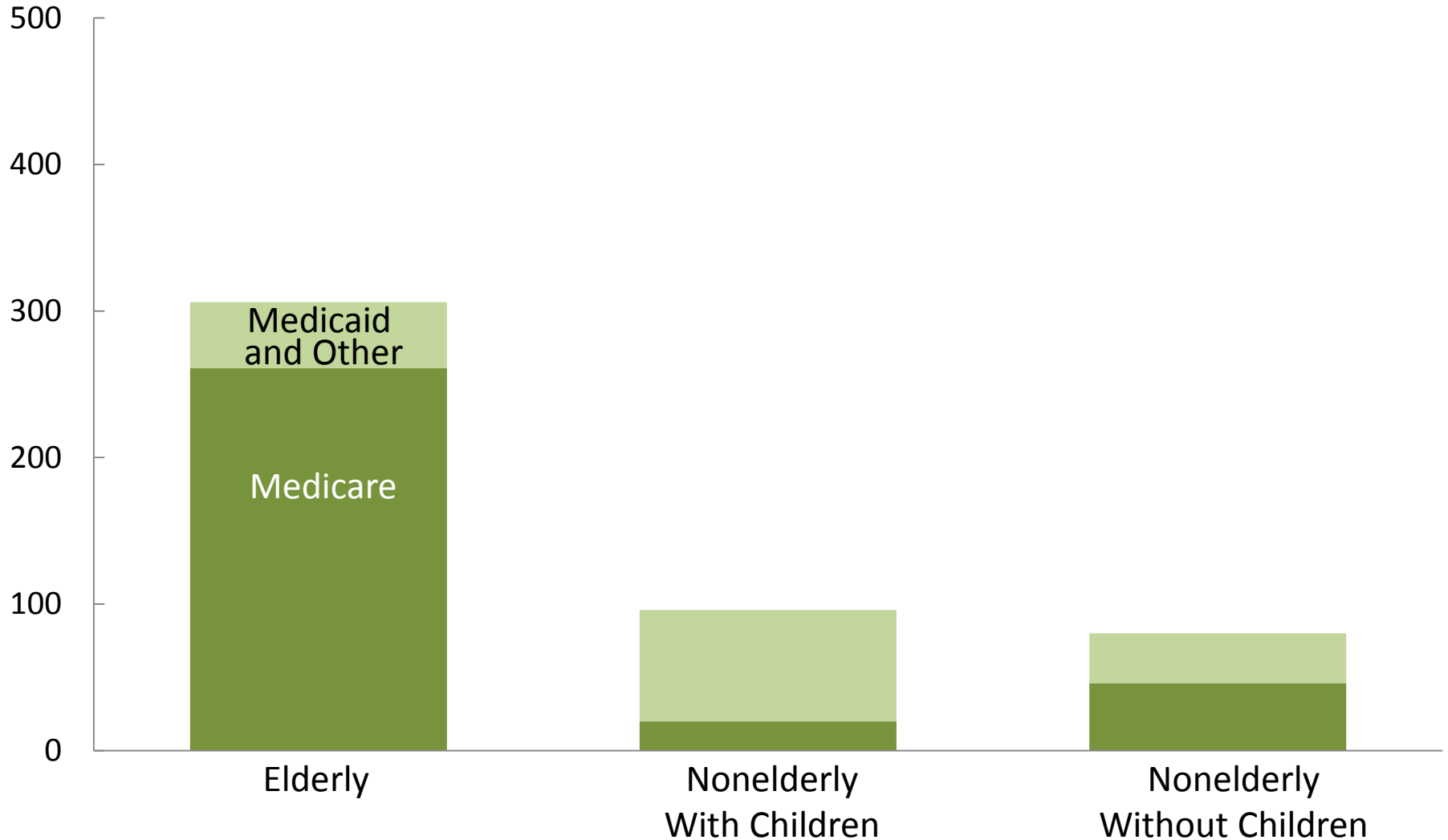
Spending on Cash and Near-Cash Transfers, by Type of Household, 2006

(Billions of dollars)



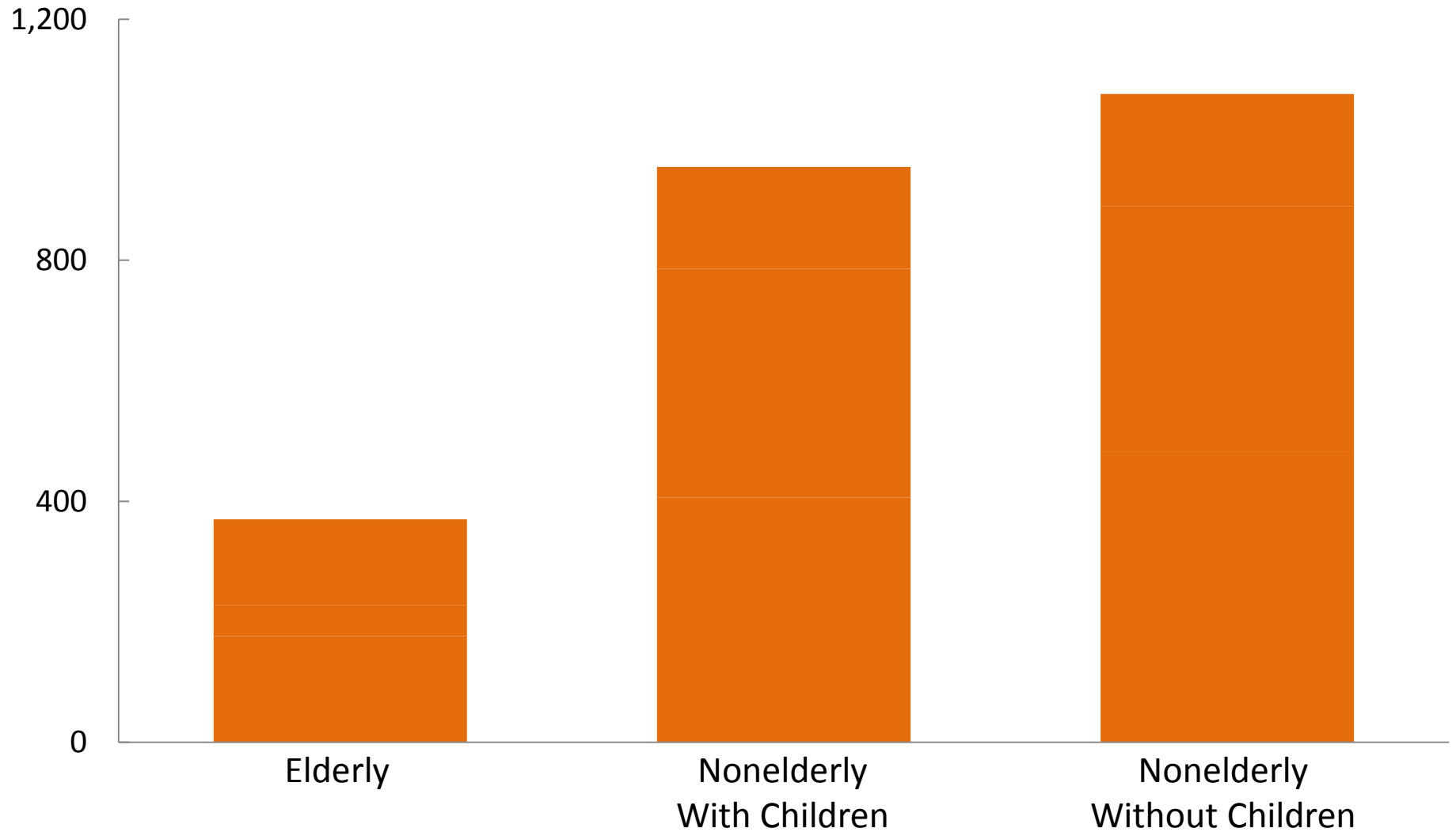
Spending on Health Care Transfers, by Type of Household, 2006

(Billions of dollars)



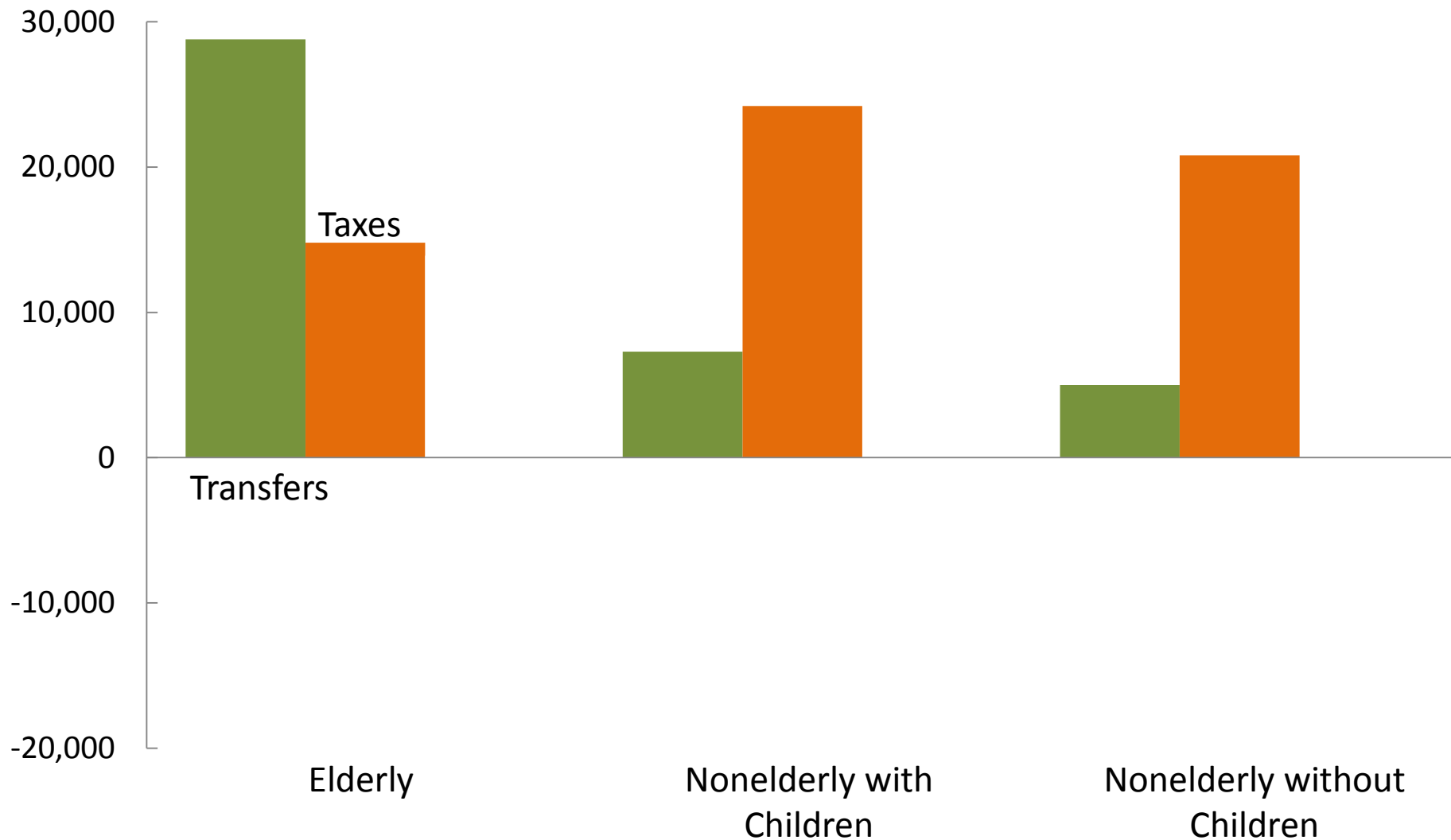
Federal Taxes, by Type of Household, 2006

(Billions of dollars)



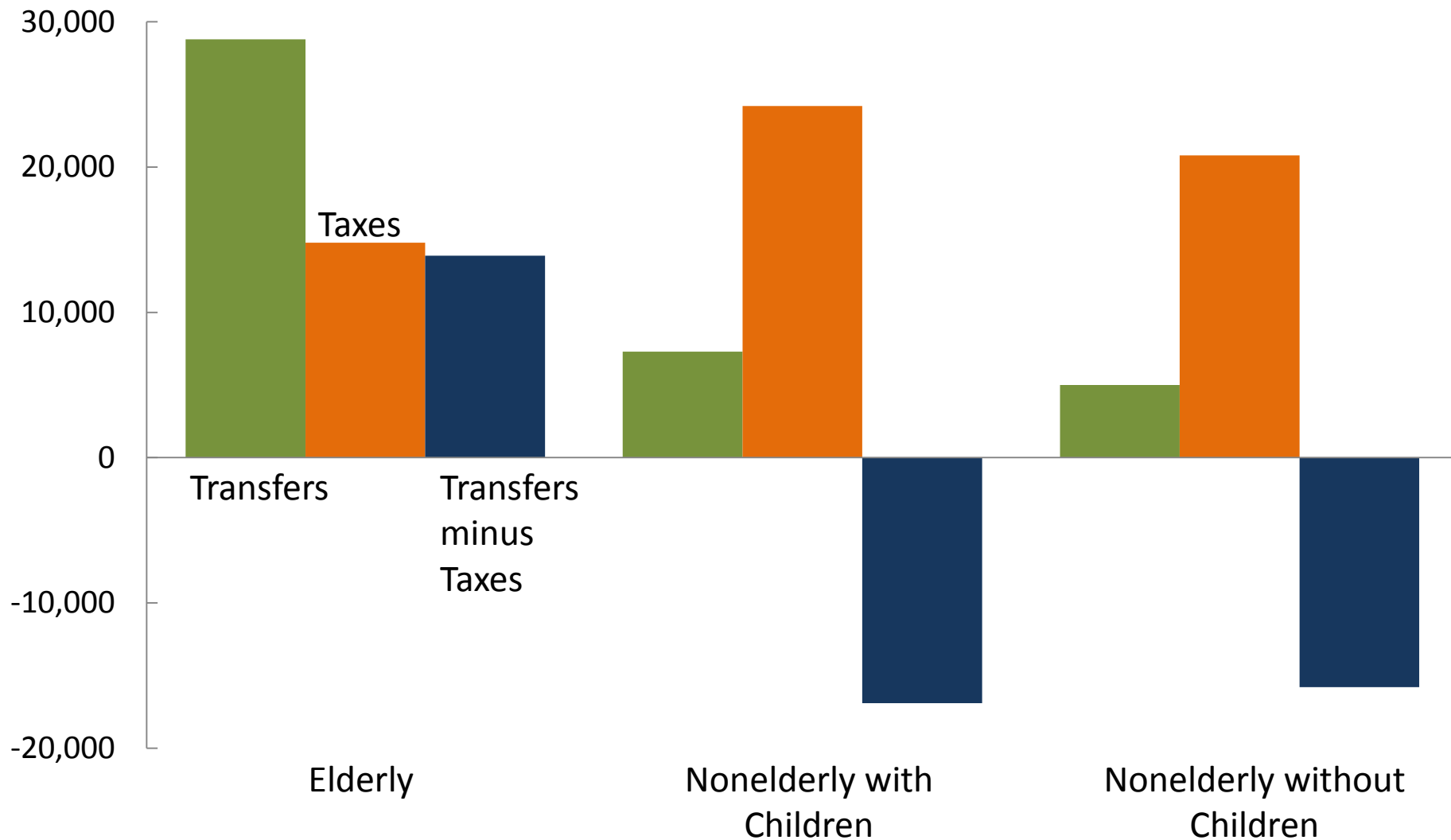
Average Transfers, Taxes, and Transfers Minus Taxes, by Type of Household, 2006

(Dollars per household)

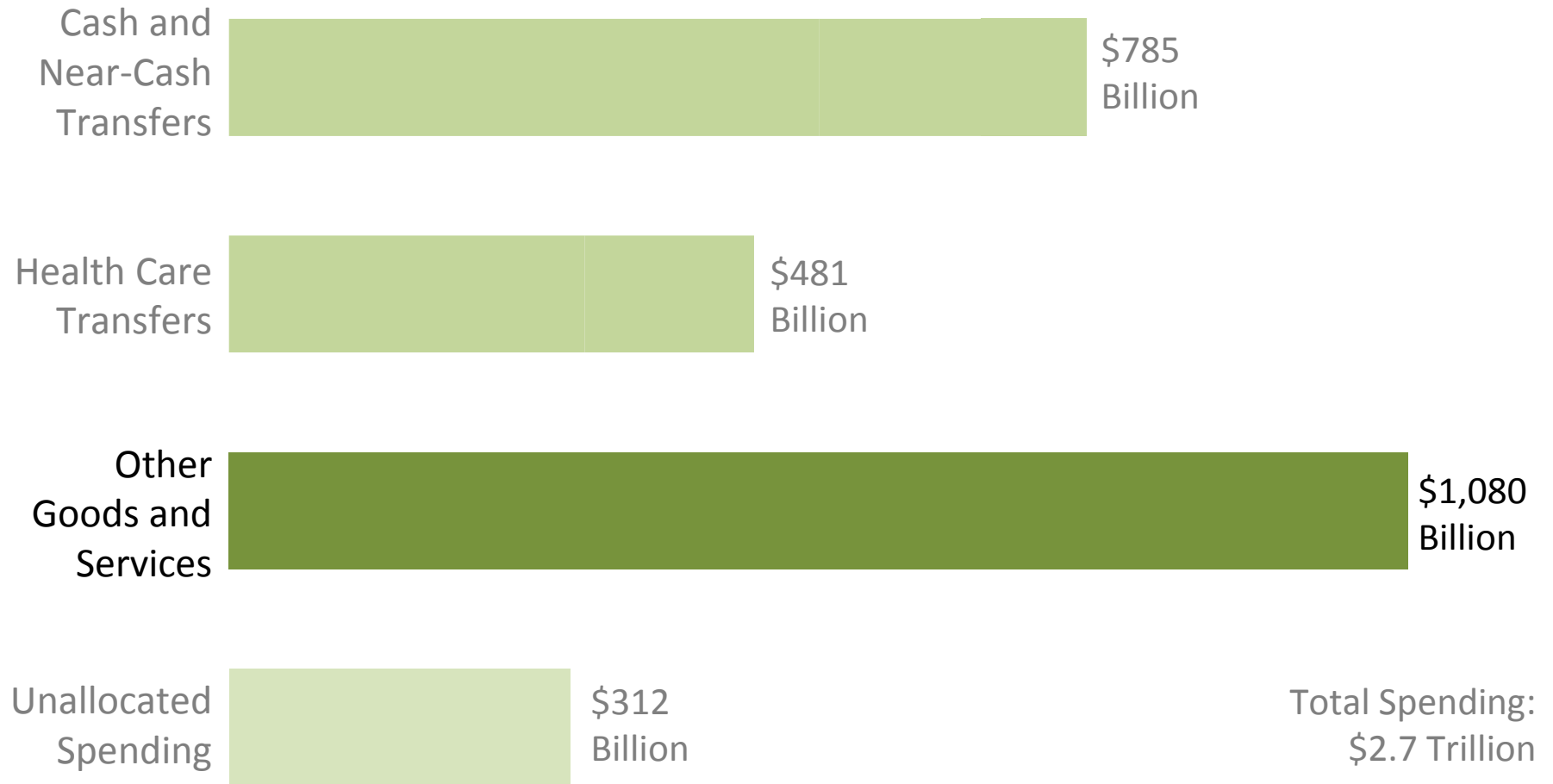


Average Transfers, Taxes, and Transfers Minus Taxes, by Type of Household, 2006

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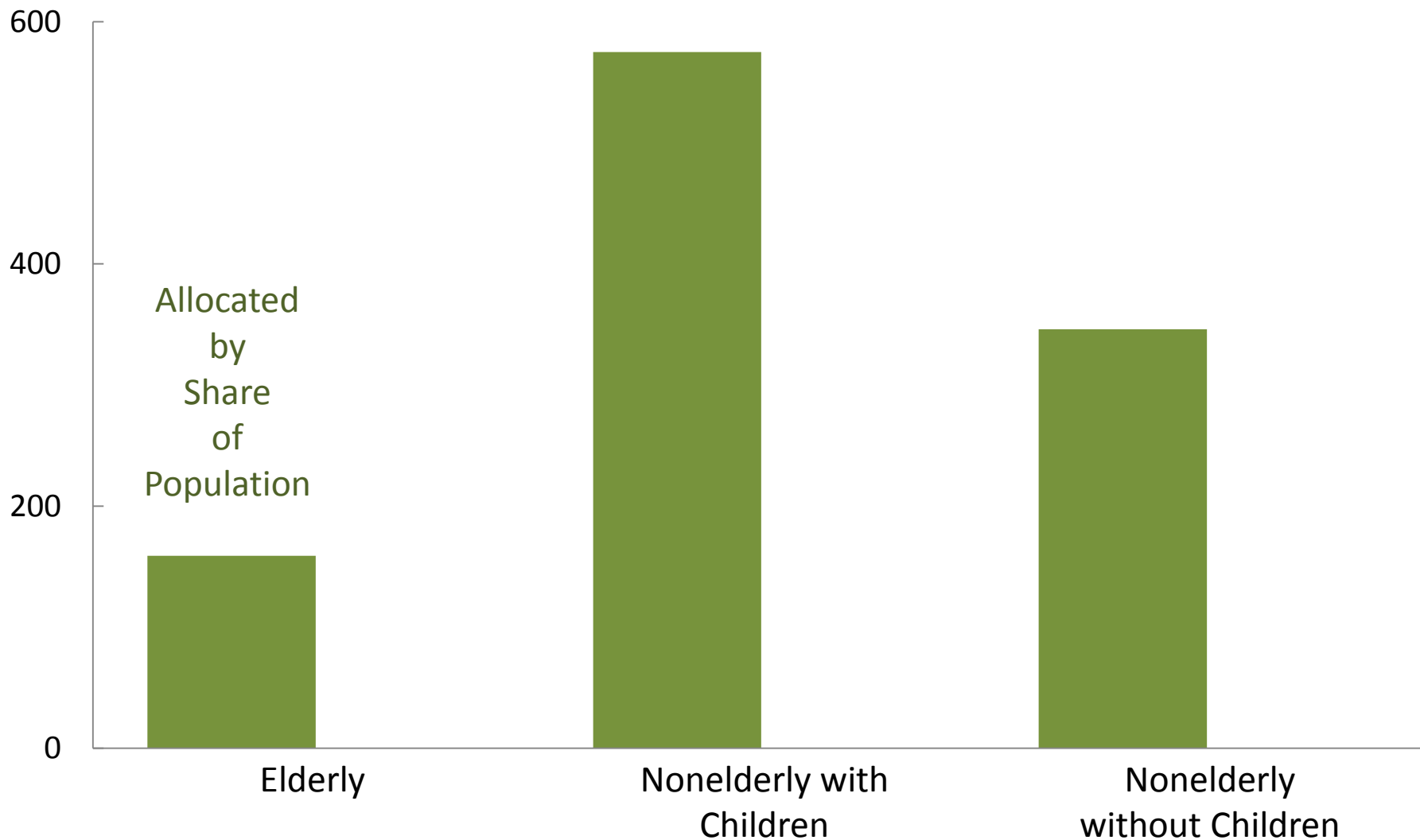


Federal Spending, 2006



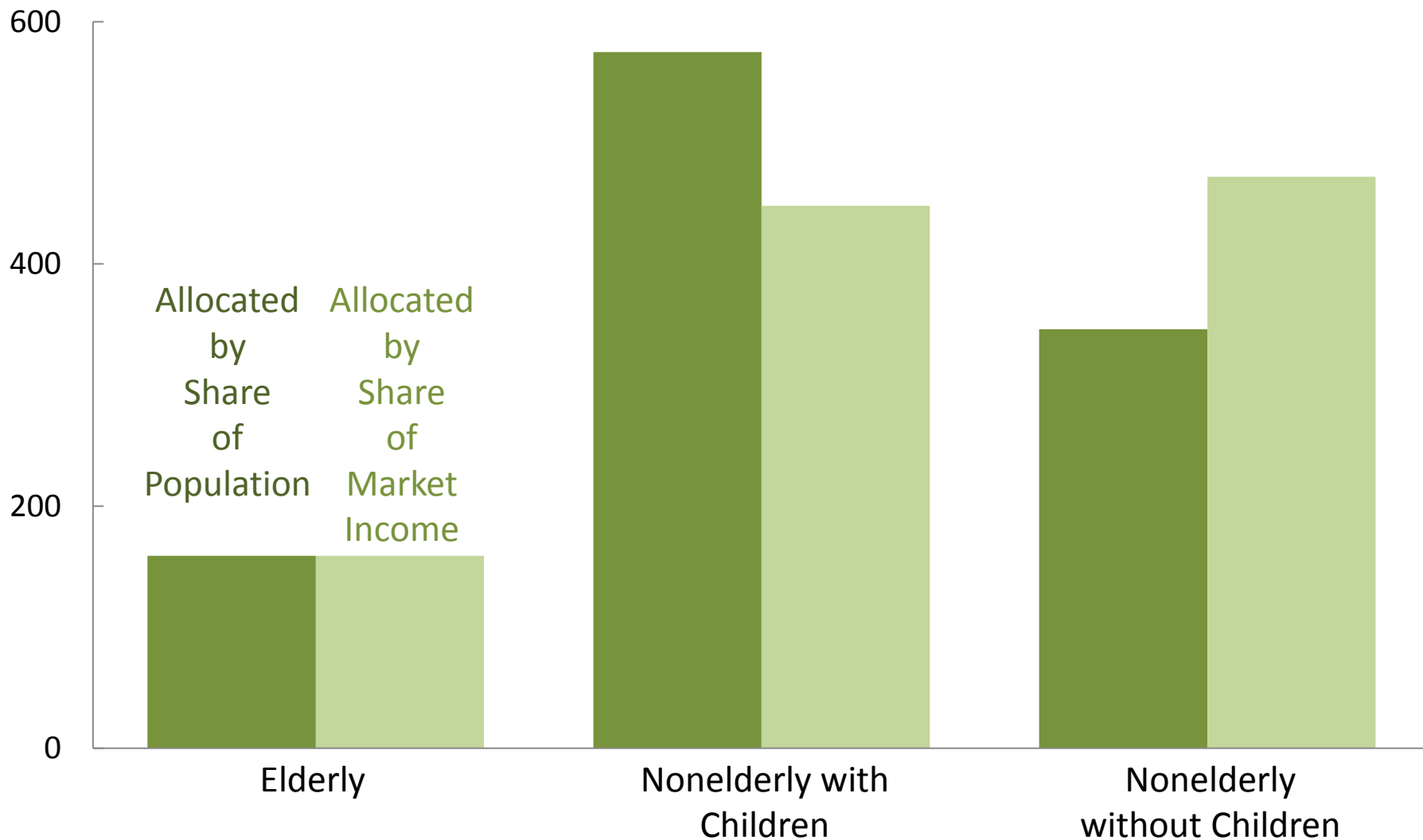
Federal Spending on Other Goods and Services, by Type of Household, 2006

(Billions of dollars)



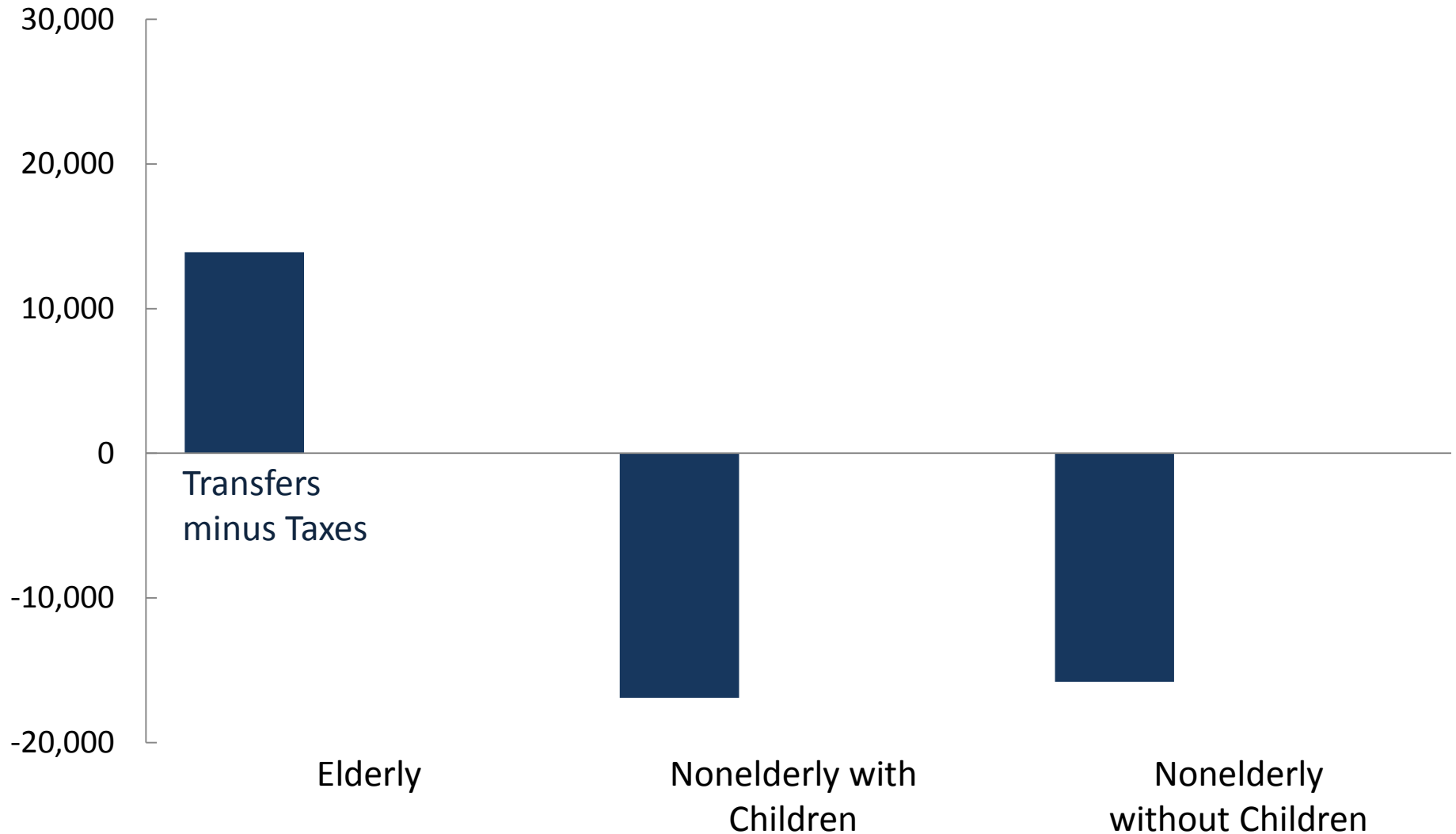
Federal Spending on Other Goods and Services, by Type of Household, 2006

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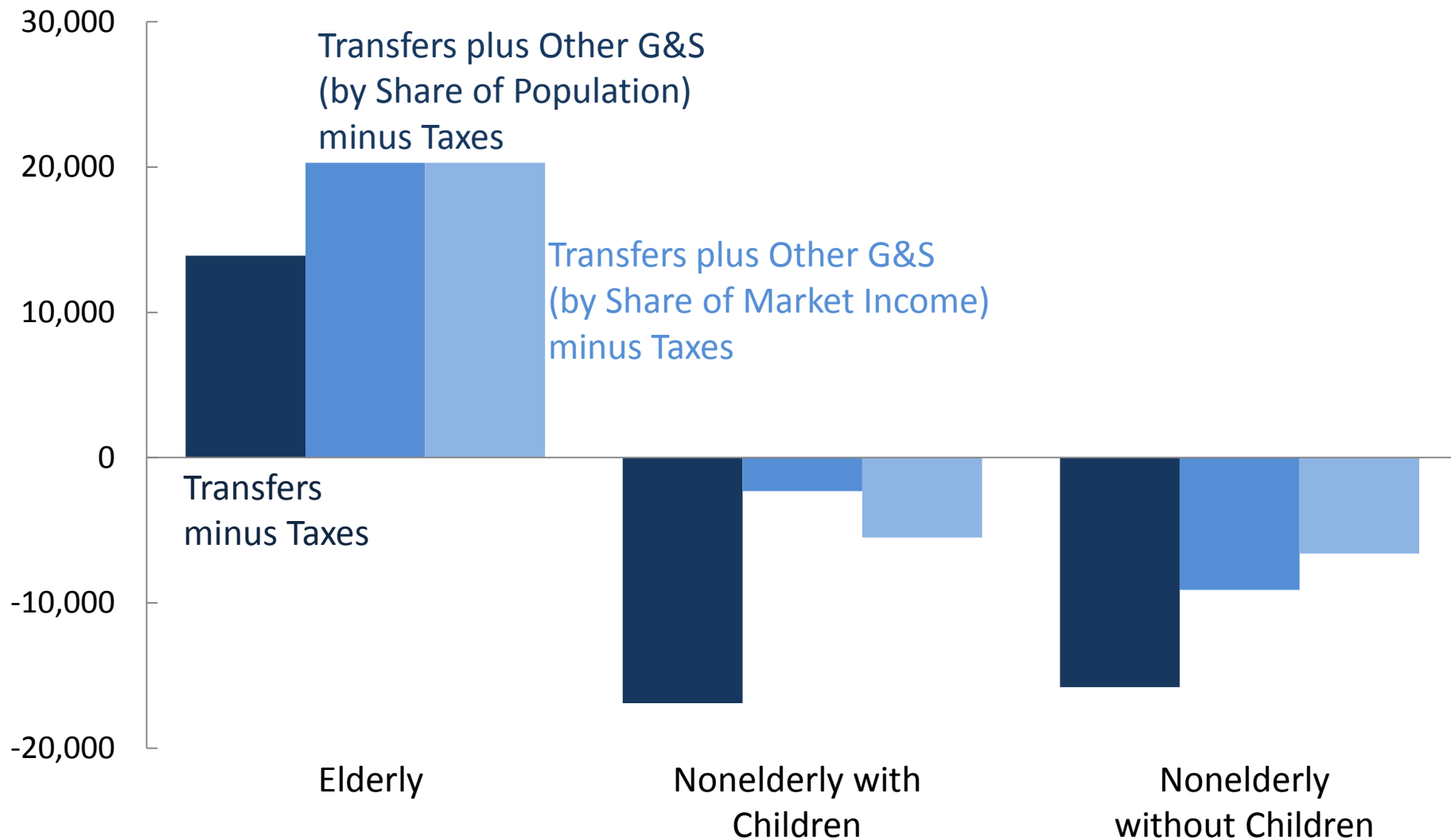
Average Spending Minus Taxes, by Type of Household, 2006

(Dollars per household)

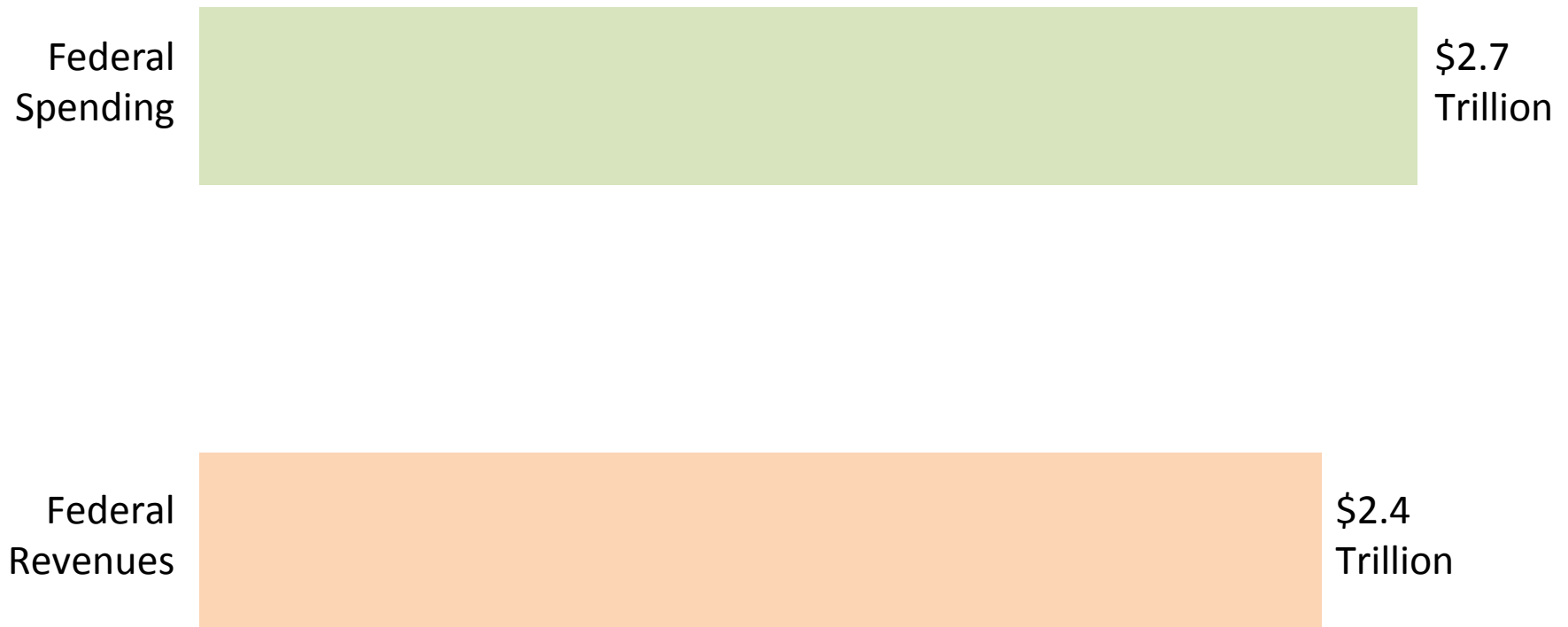


Average Spending Minus Taxes, by Type of Household, 2006

(Dollars per household)



Federal Spending and Revenues, 2006



Spending and Revenues Allocated

Federal
Spending



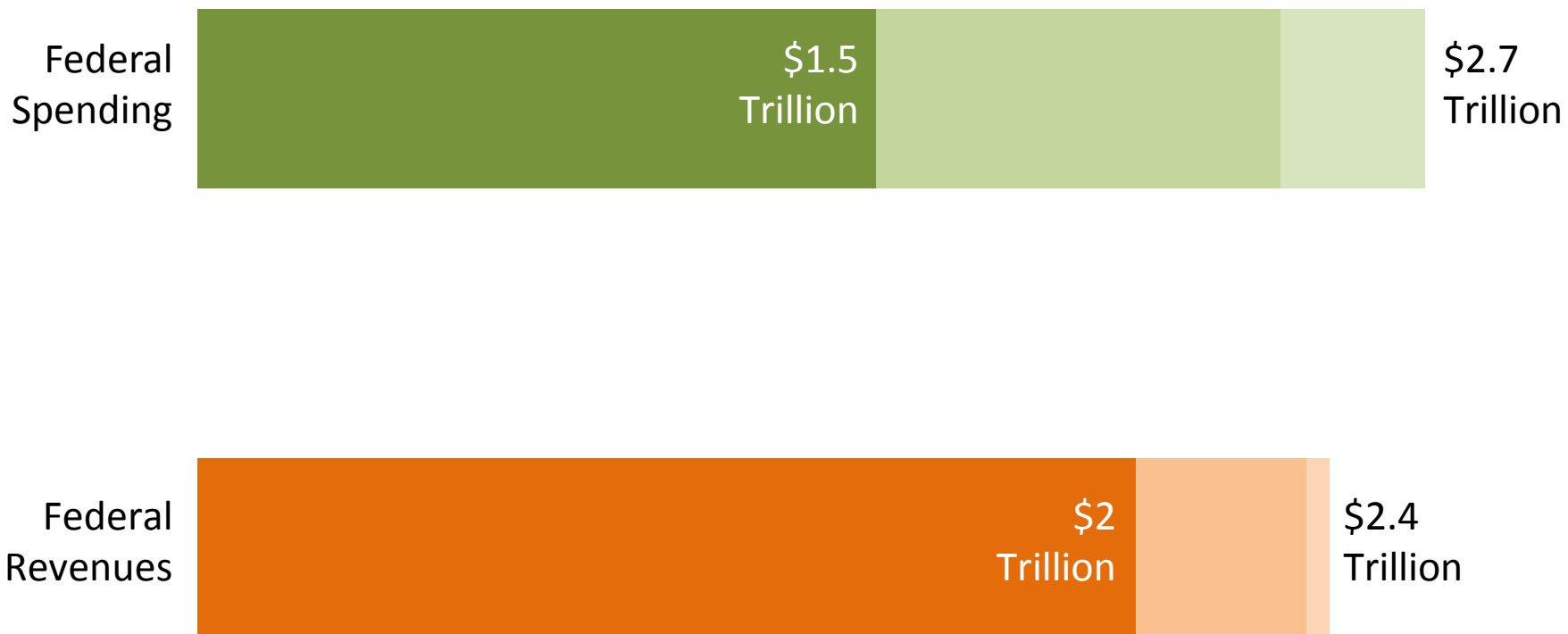
\$2.7
Trillion

Federal
Revenues

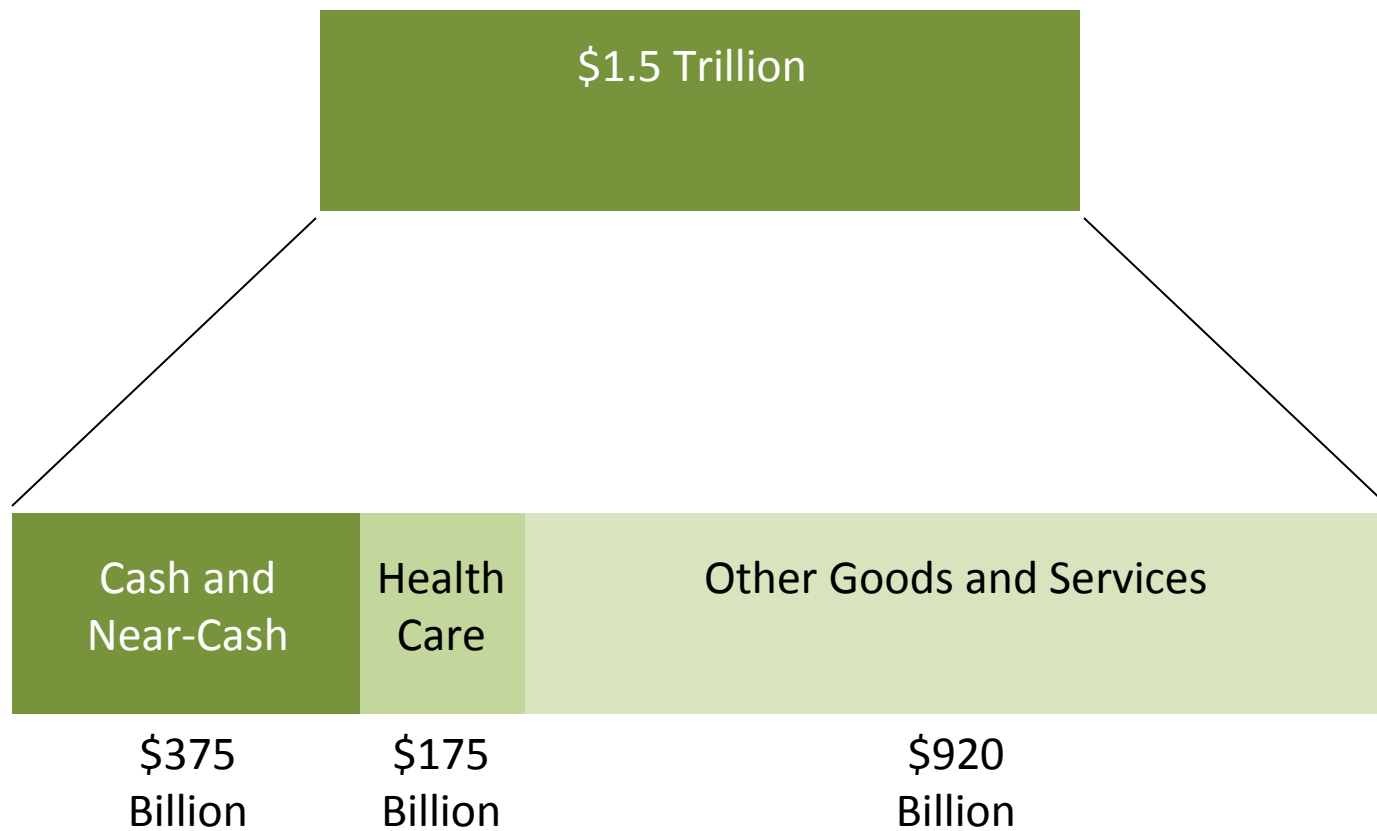


\$2.4
Trillion

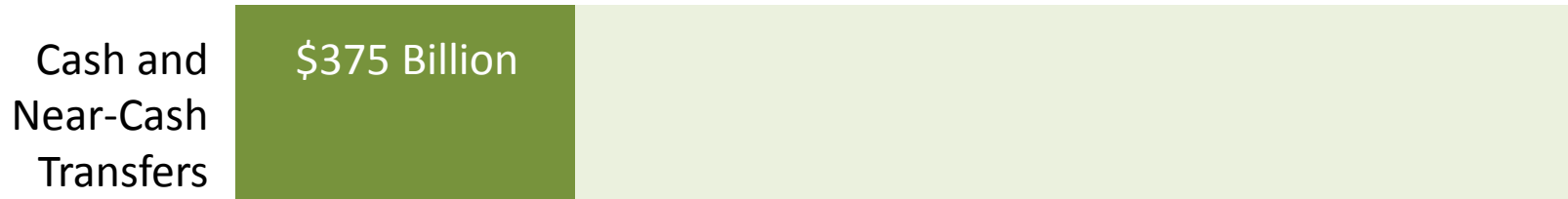
Spending and Revenues Allocated to Nonelderly Households



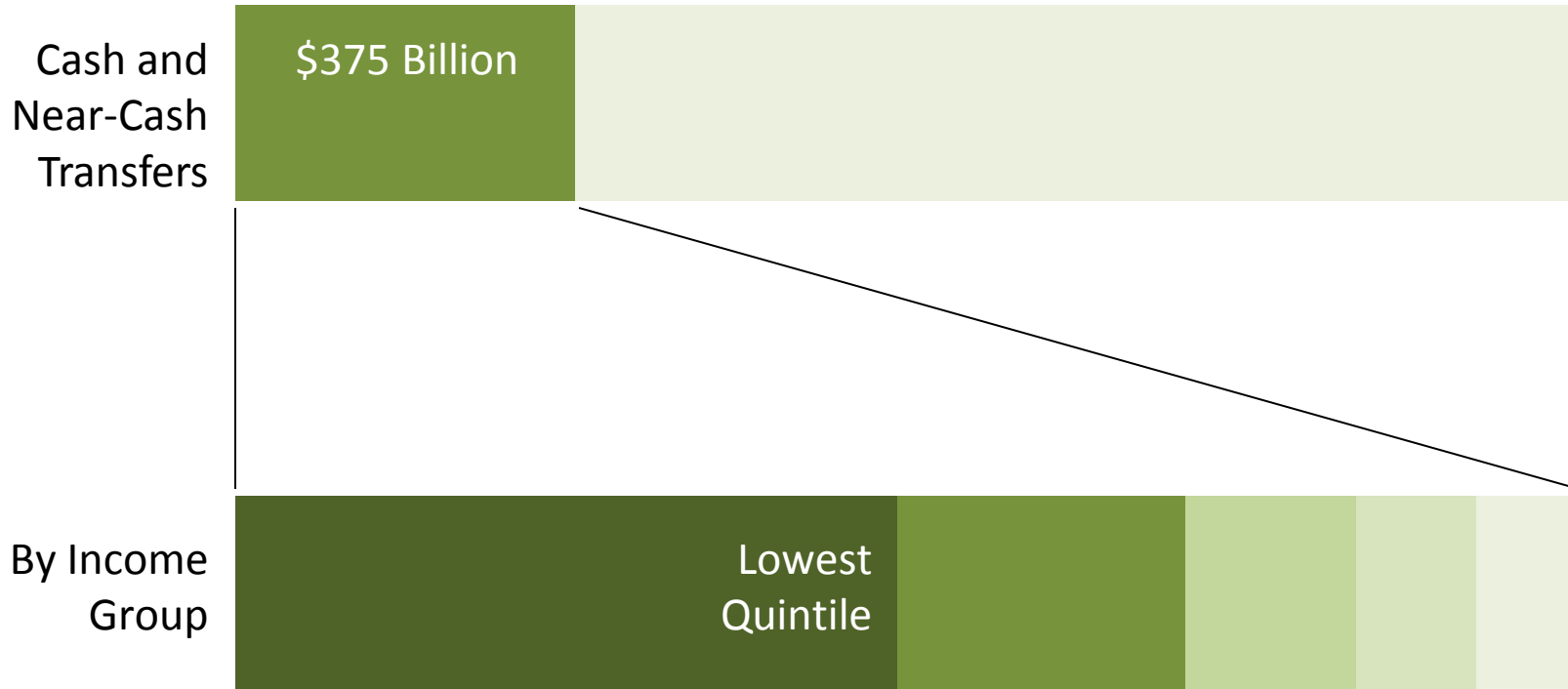
Spending on Nonelderly Households



Spending on Cash and Near-Cash Transfers for Nonelderly Households

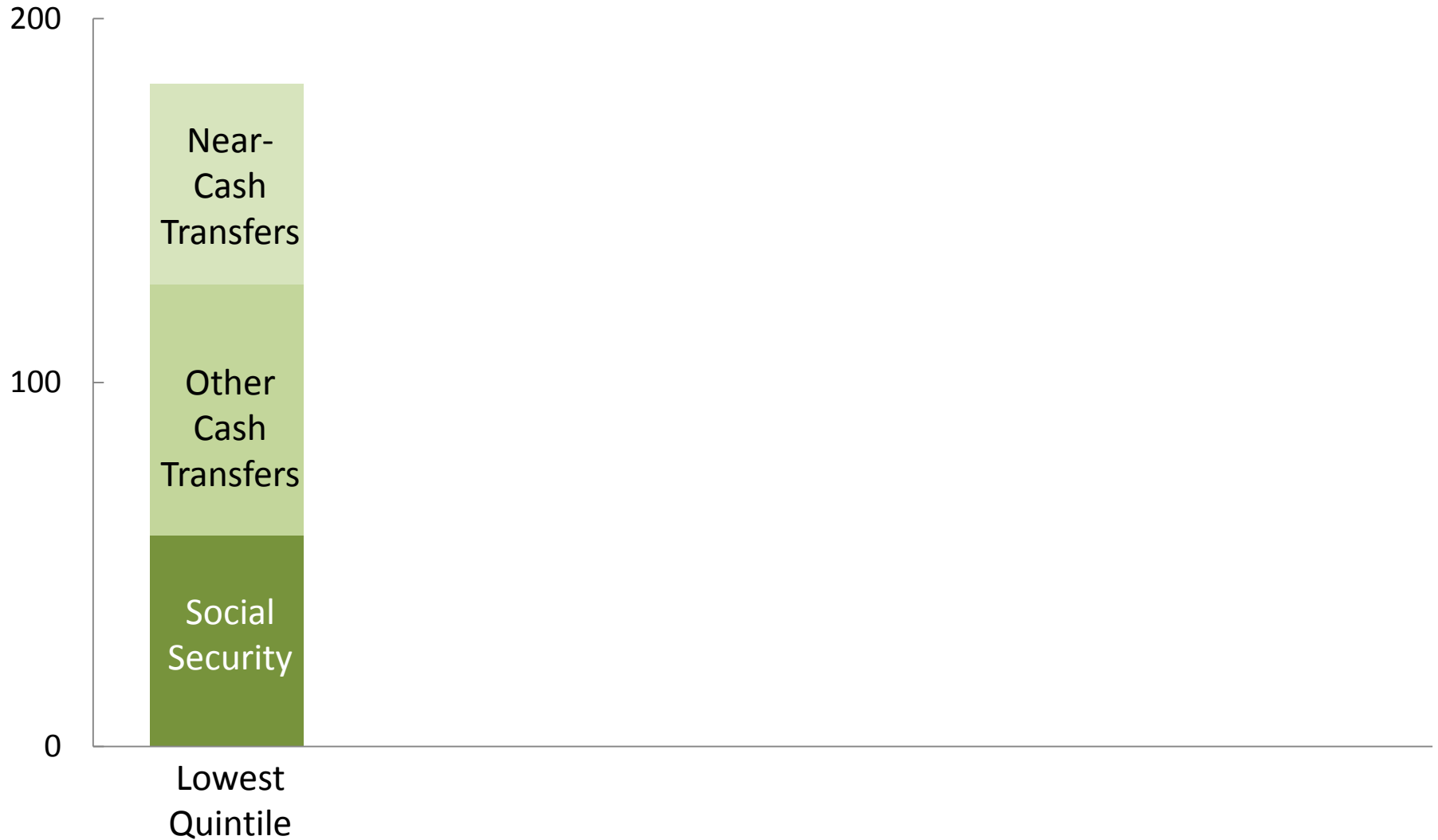


Spending on Cash and Near-Cash Transfers for Nonelderly Households

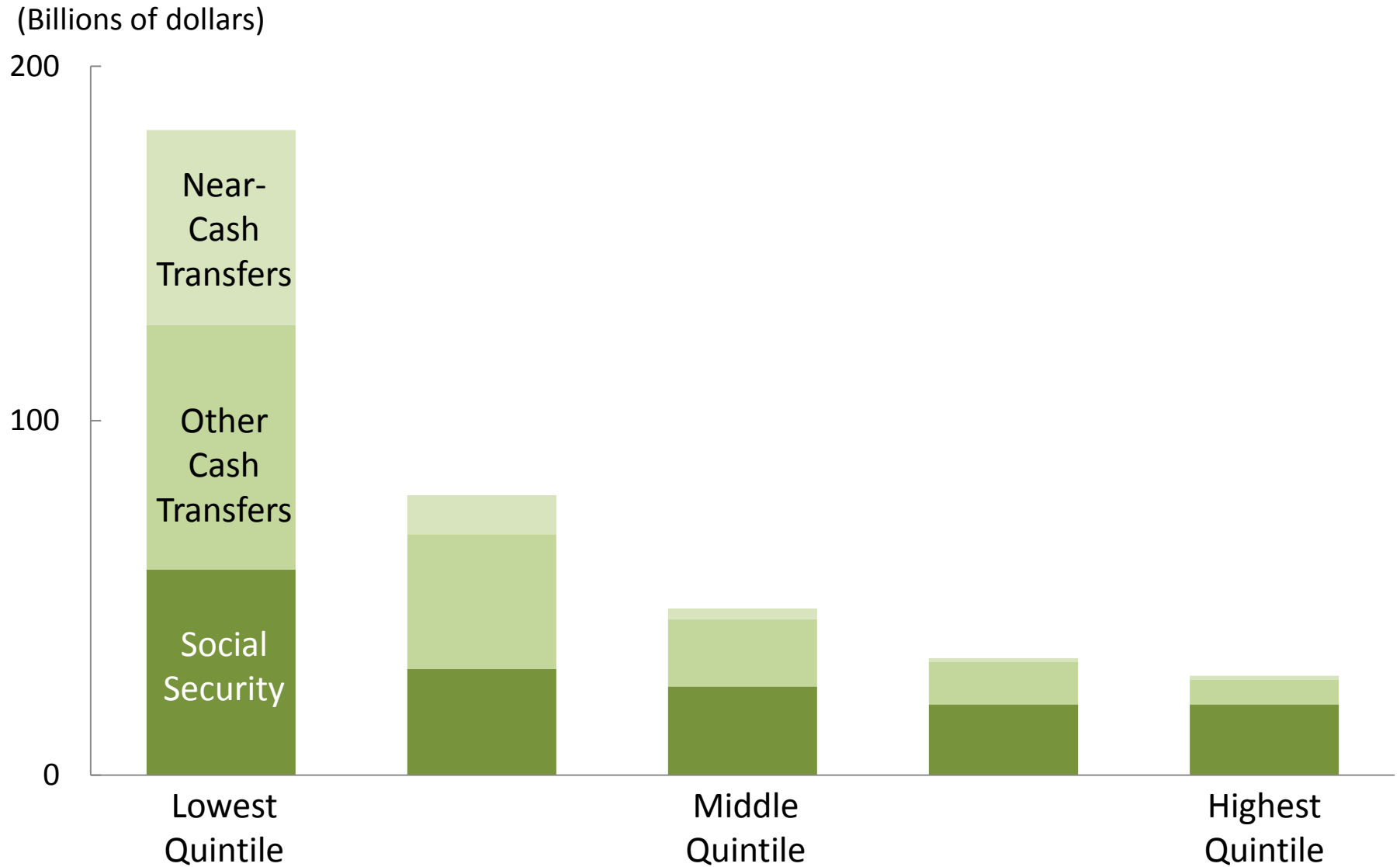


Spending on Cash and Near-Cash Transfers for Nonelderly Households, by Income Group and Transfer

(Billions of dollars)



Spending on Cash and Near-Cash Transfers for Nonelderly Households, by Income Group and Transfer



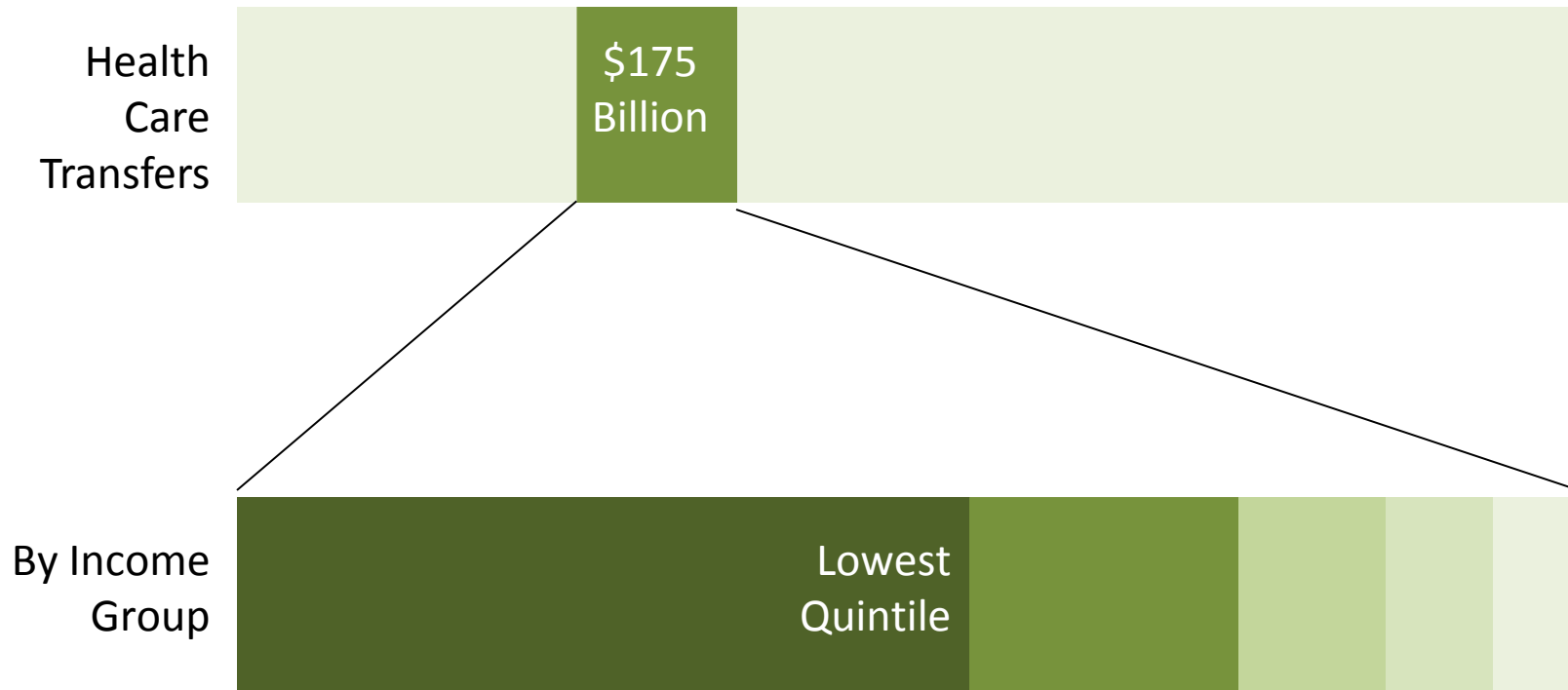
Spending on Health Care Transfers for Nonelderly Households

Health
Care
Transfers



\$175
Billion

Spending on Health Care Transfers for Nonelderly Households



Spending on Health Care Transfers for Nonelderly Households, by Income Group and Transfer

(Billions of dollars)

100

0

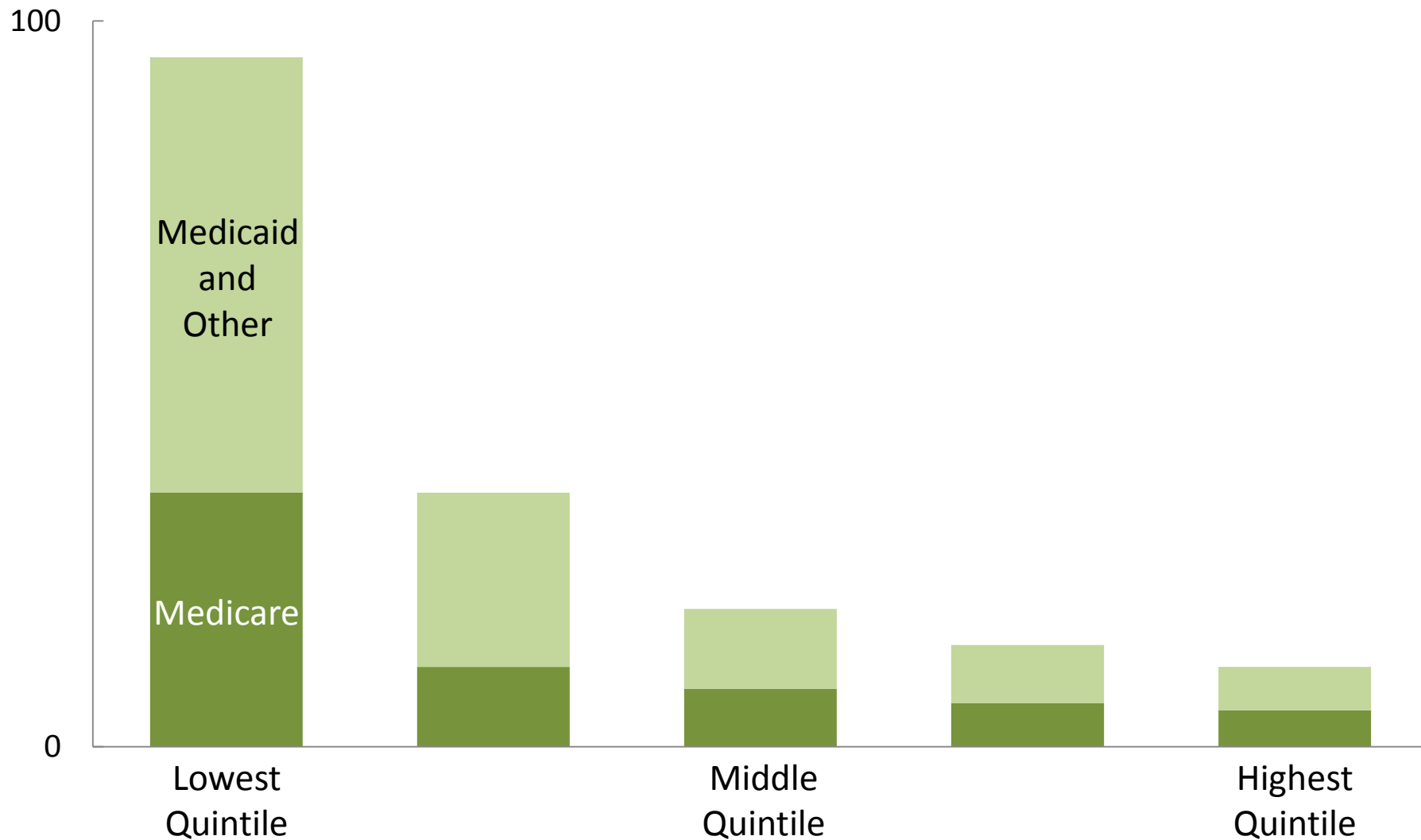
Medicaid
and
Other

Medicare

Lowest
Quintile

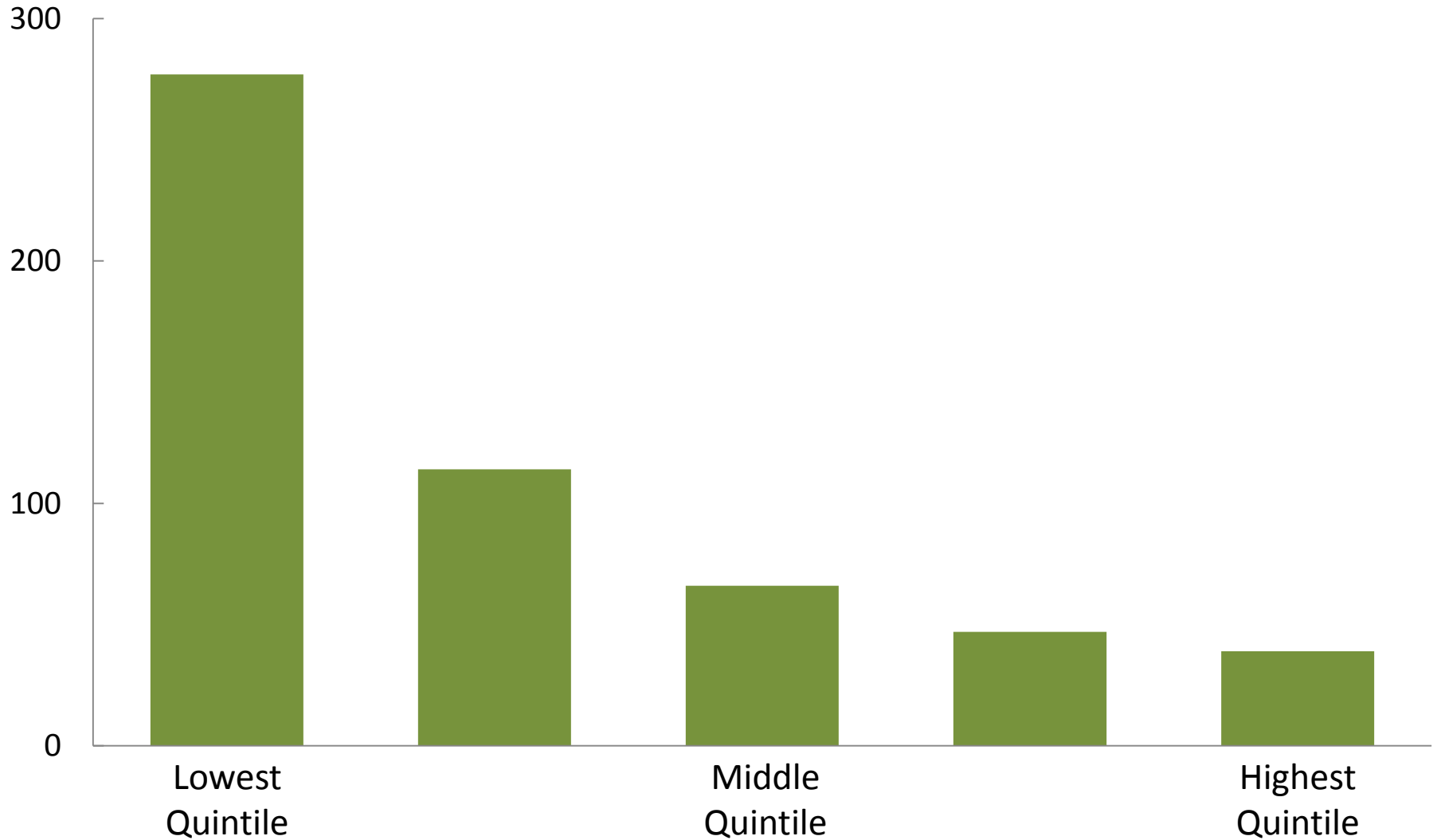
Spending on Health Care Transfers for Nonelderly Households, by Income Group and Transfer

(Billions of dollars)

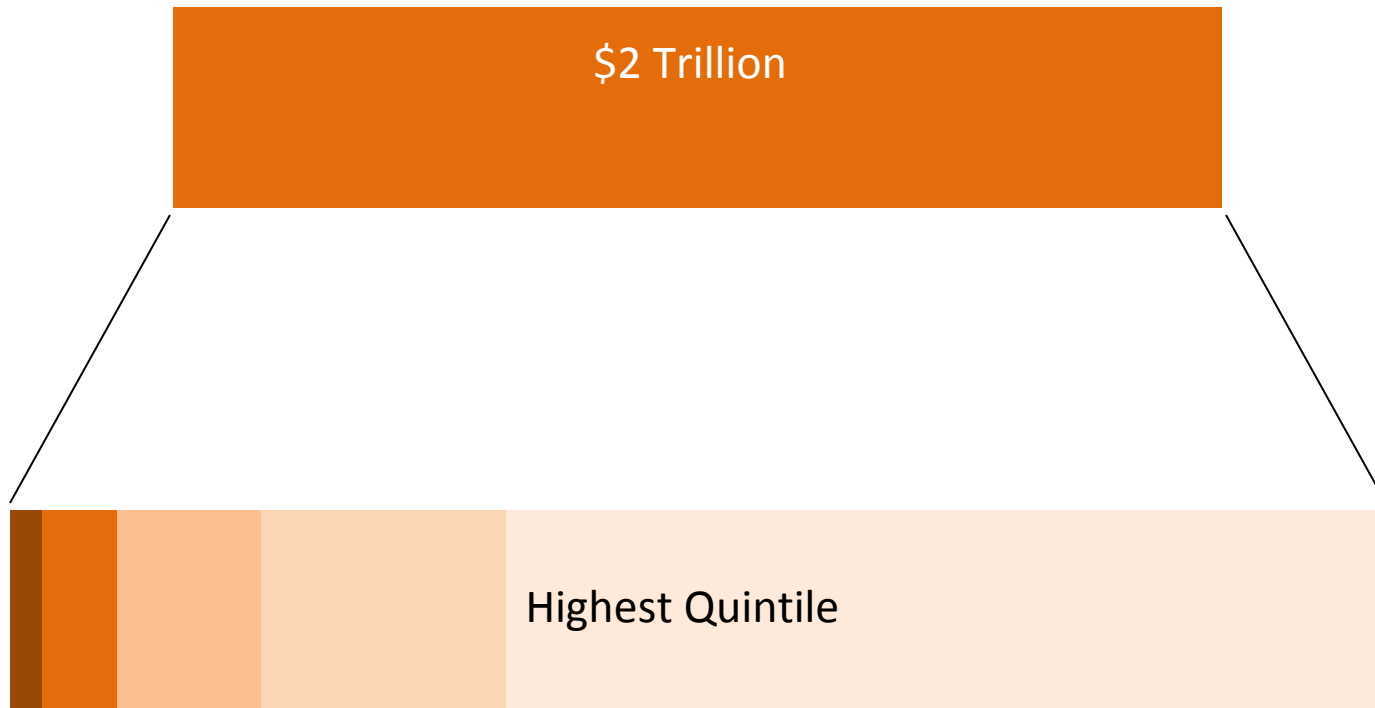


Spending on Transfers for Nonelderly Households, by Income Group

(Billions of dollars)

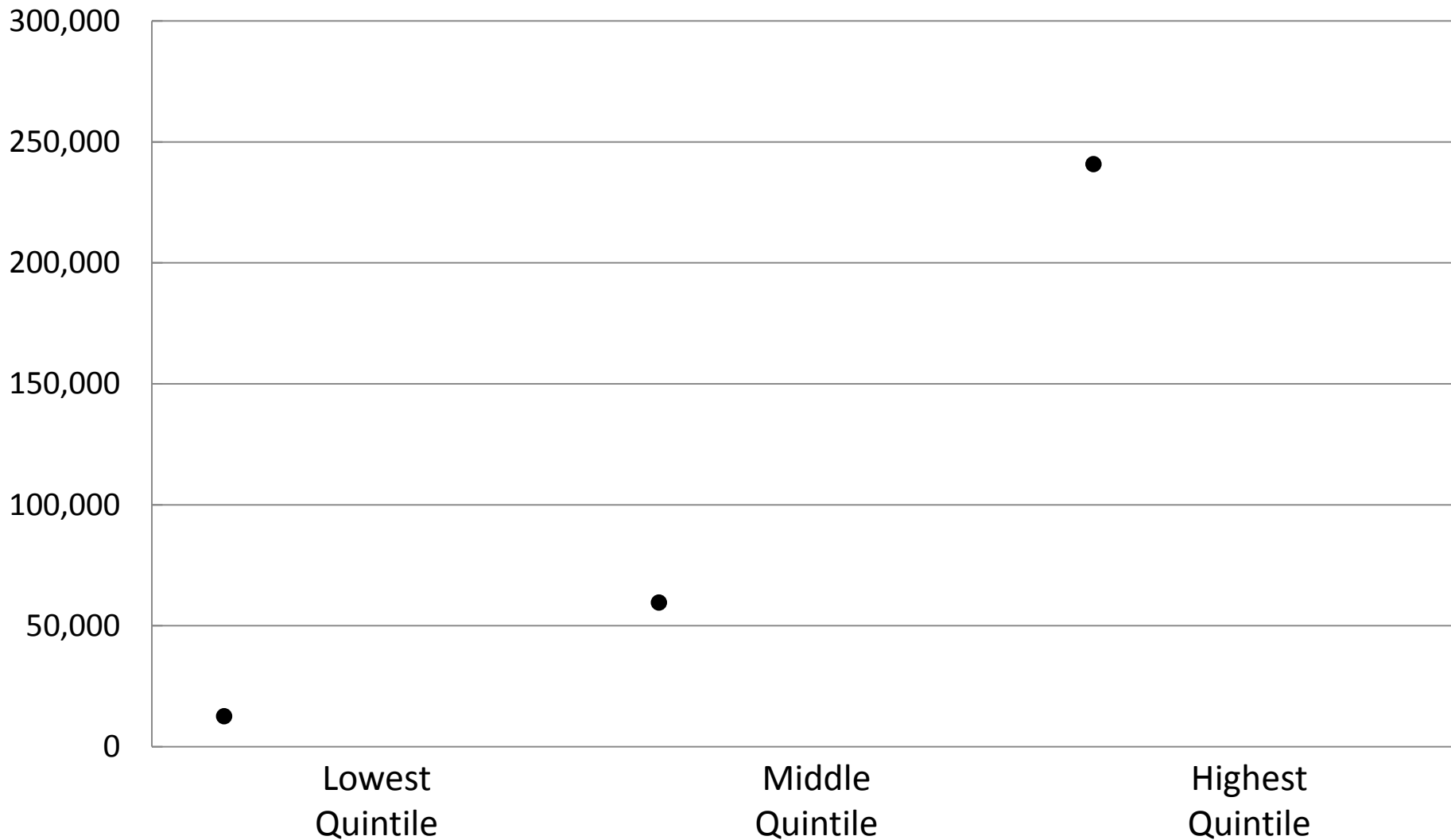


Taxes Paid by Nonelderly Households



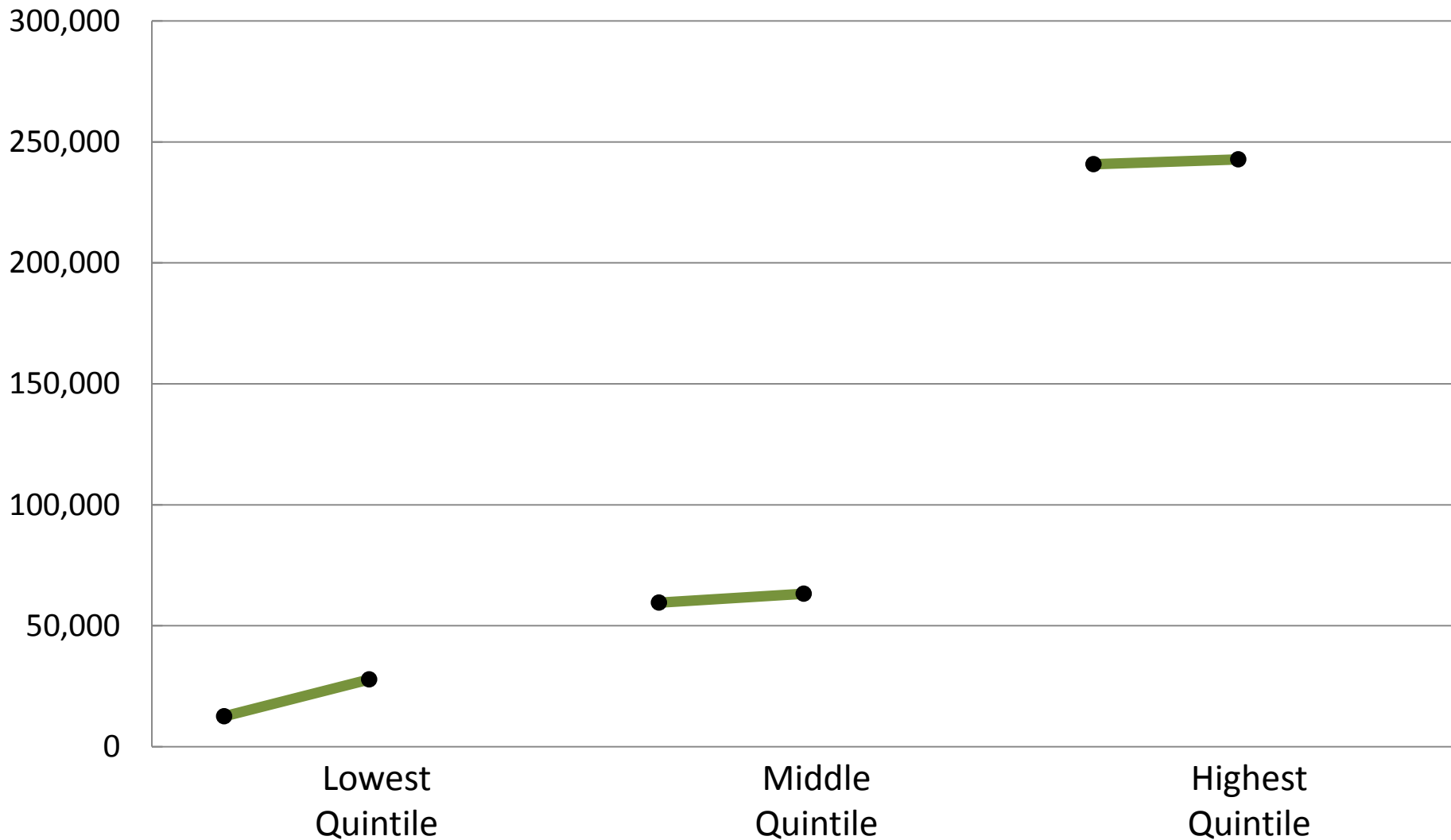
Average Market Income Plus Transfers Minus Taxes for Nonelderly Households

(Dollars per household)



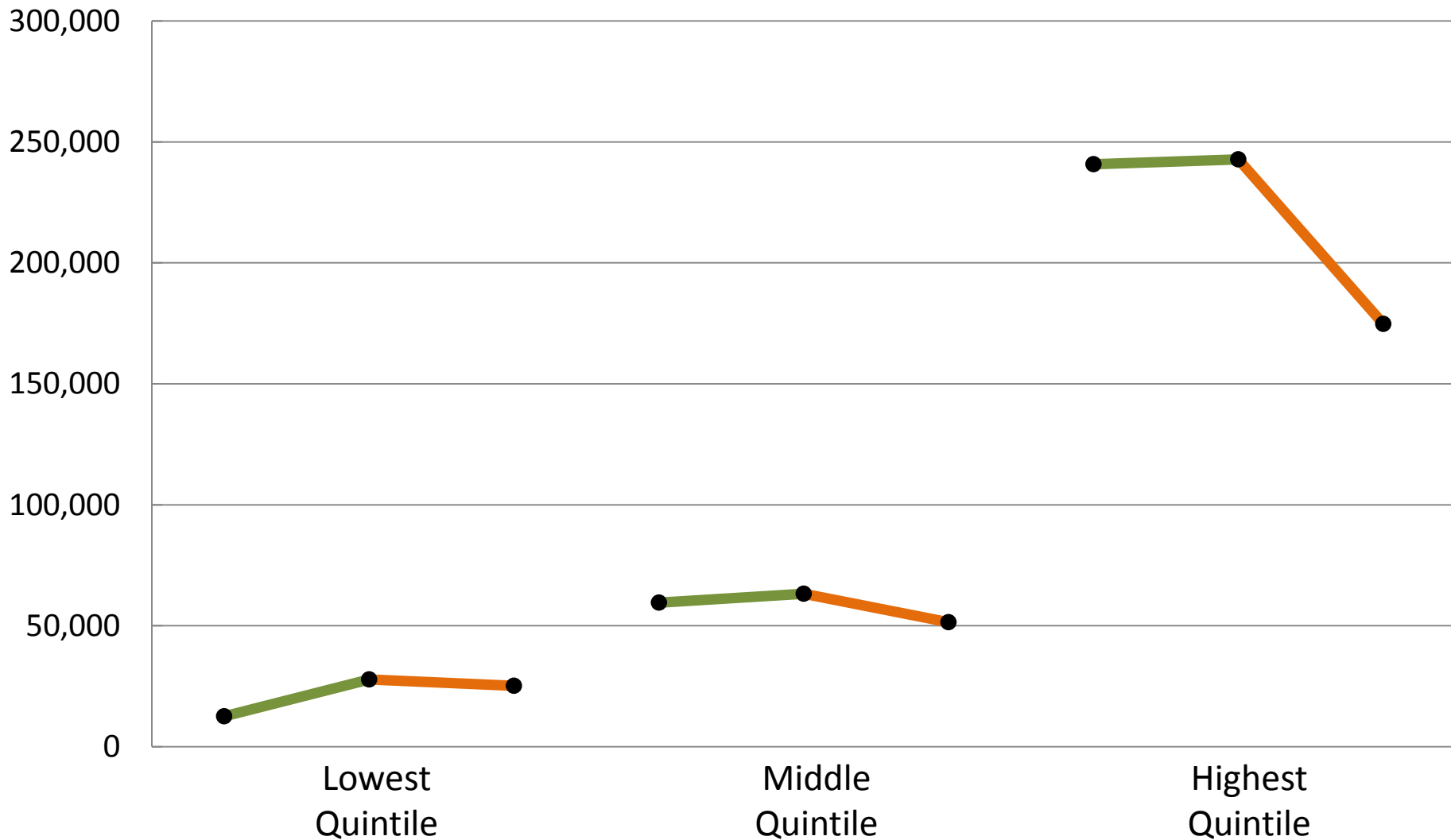
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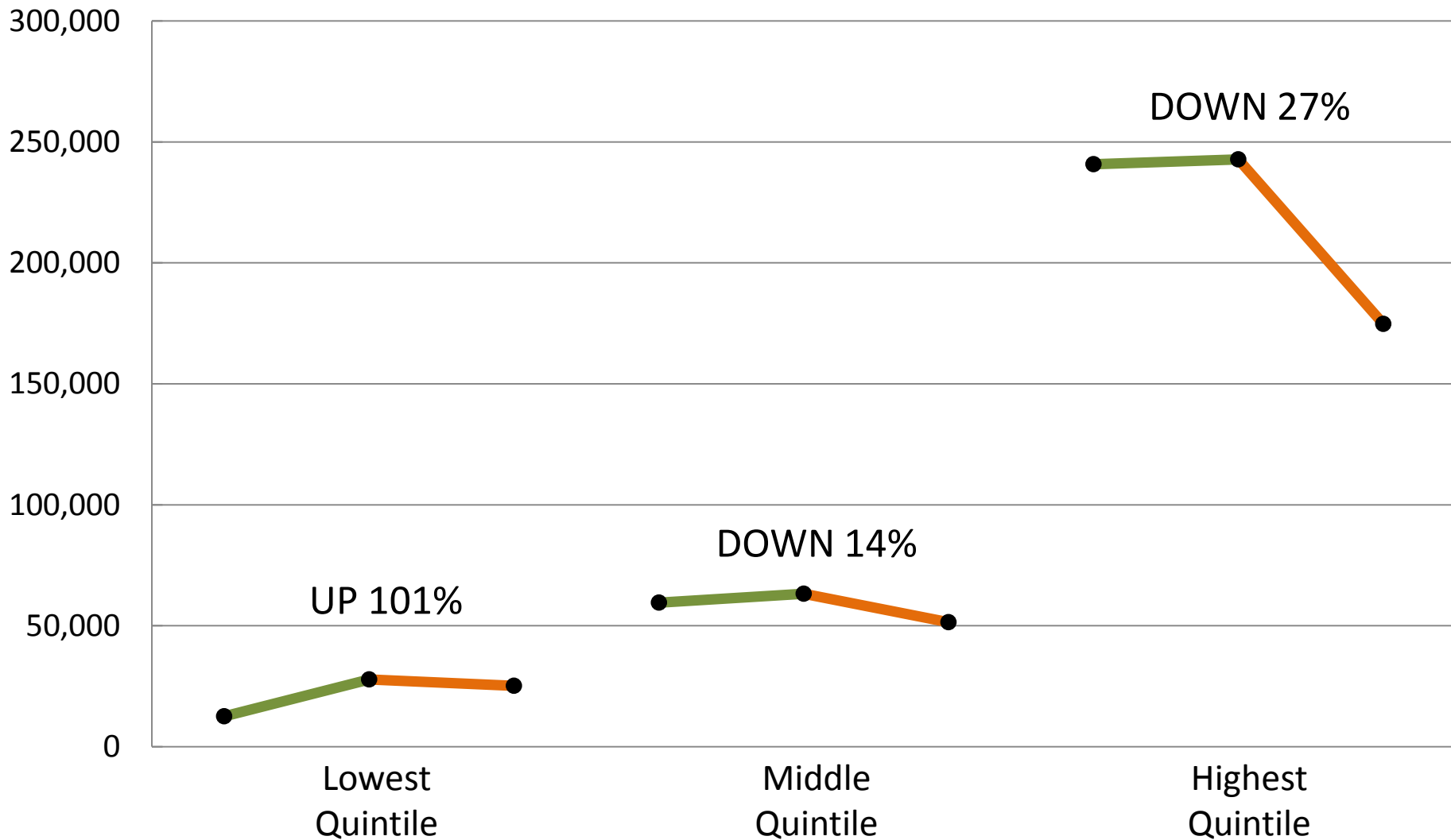
Average Market Income Plus Transfers Minus Taxes for Nonelderly Households

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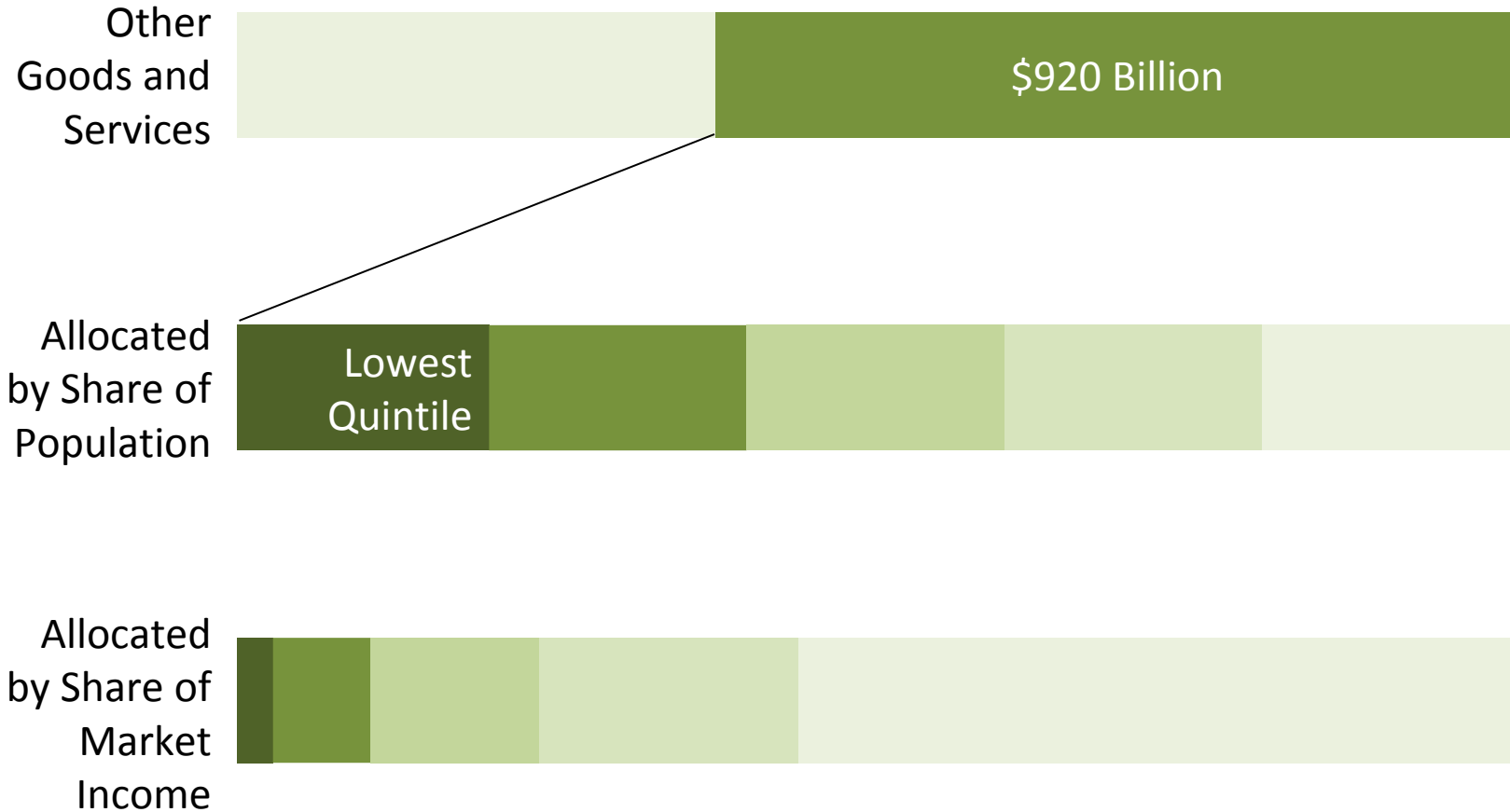
(Dollars per household)



Federal Spending on Other Goods and Services for Nonelderly Households

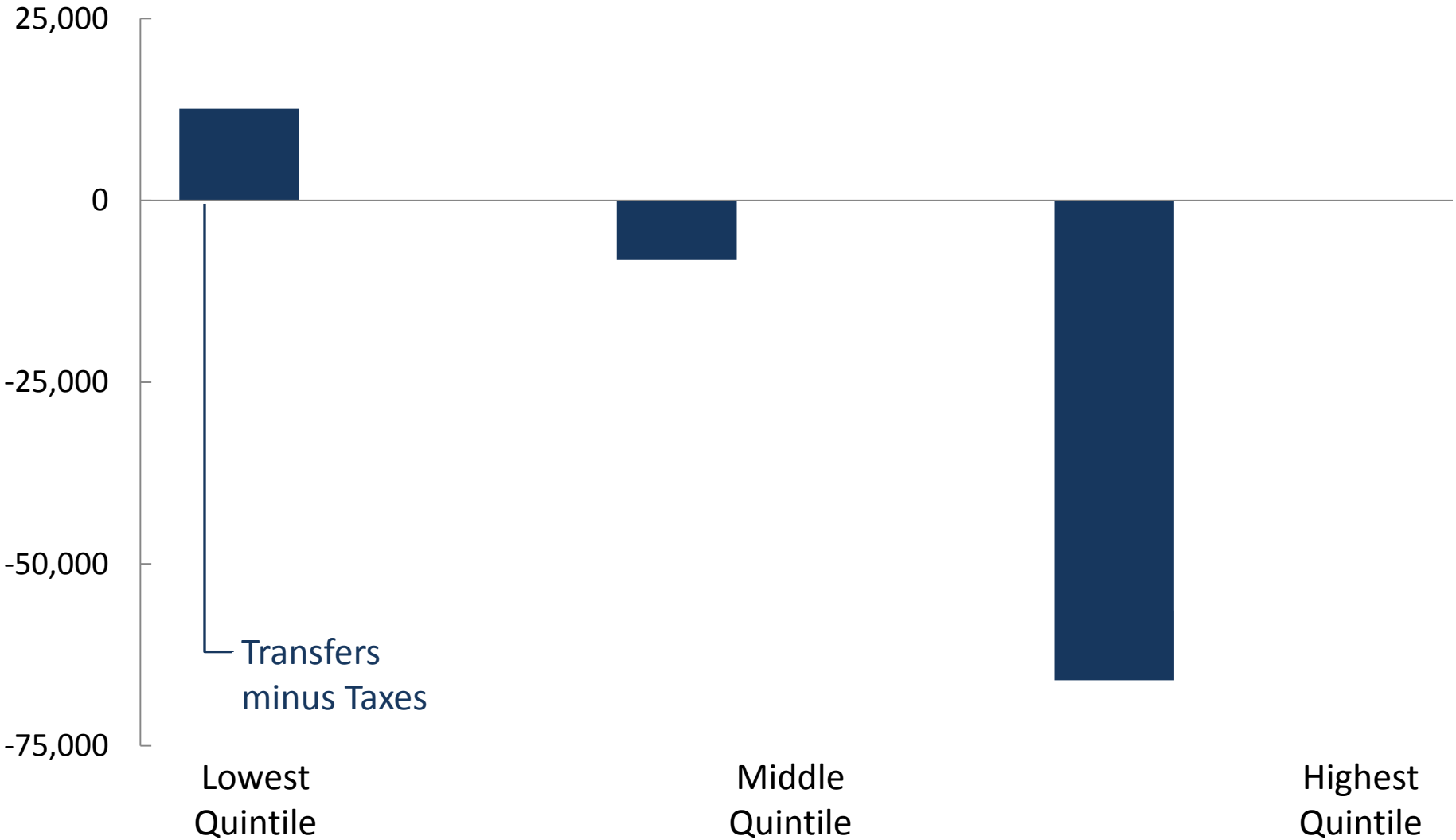


Federal Spending on Other Goods and Services for Nonelderly Households



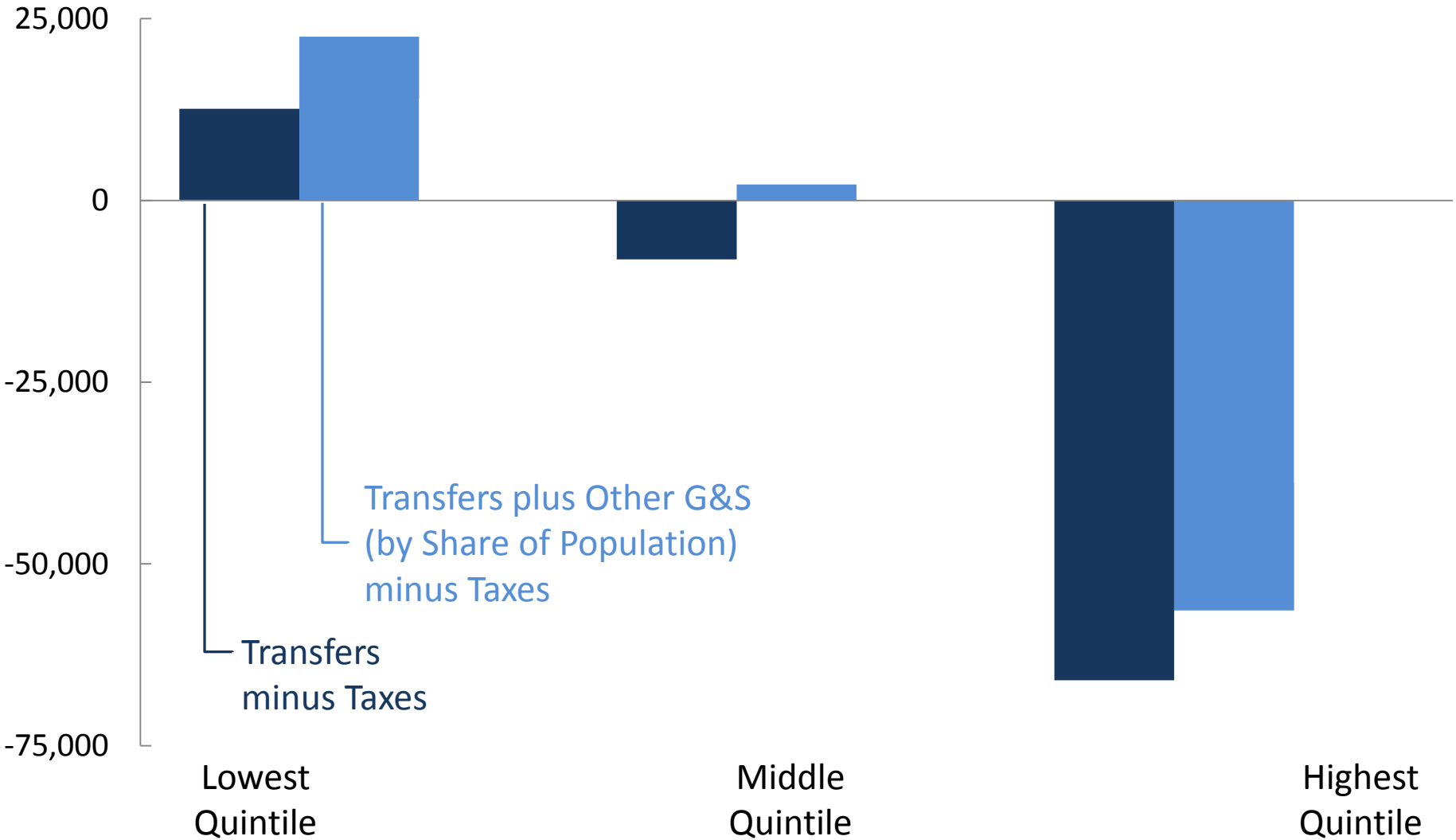
Average Spending Minus Taxes for Nonelderly Households

(Dollars per household)

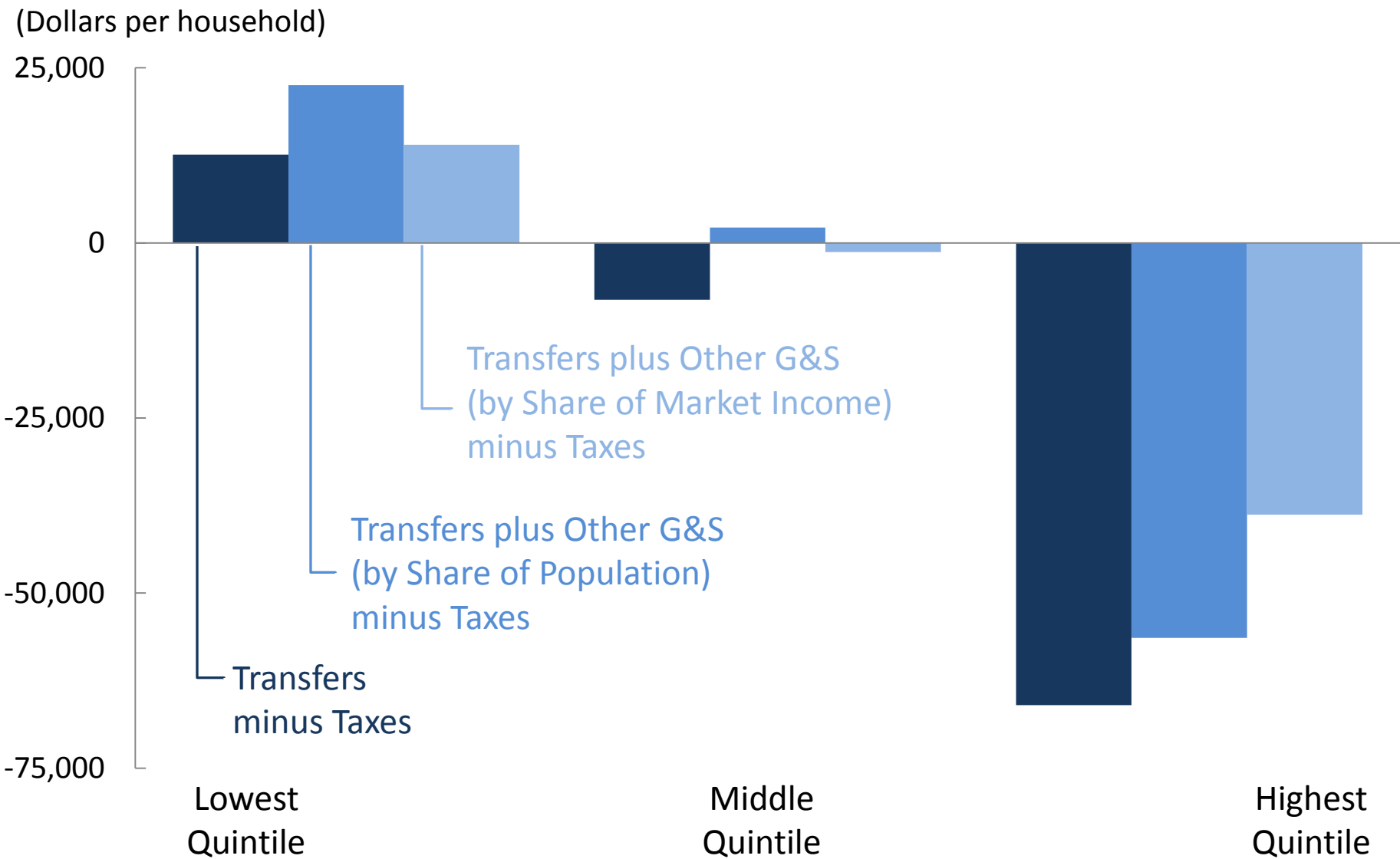


Average Spending Minus Taxes for Nonelderly Households

(Dollars per household)



Average Spending Minus Taxes for Nonelderly Households



Recap

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More spending on elderly households than taxes paid by those households in 2006; the opposite was true for nonelderly households

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More spending on elderly households than taxes paid by those households in 2006; the opposite was true for nonelderly households

Among the nonelderly, more spending on lower income households than taxes paid by those households in 2006; the opposite was true for higher income households