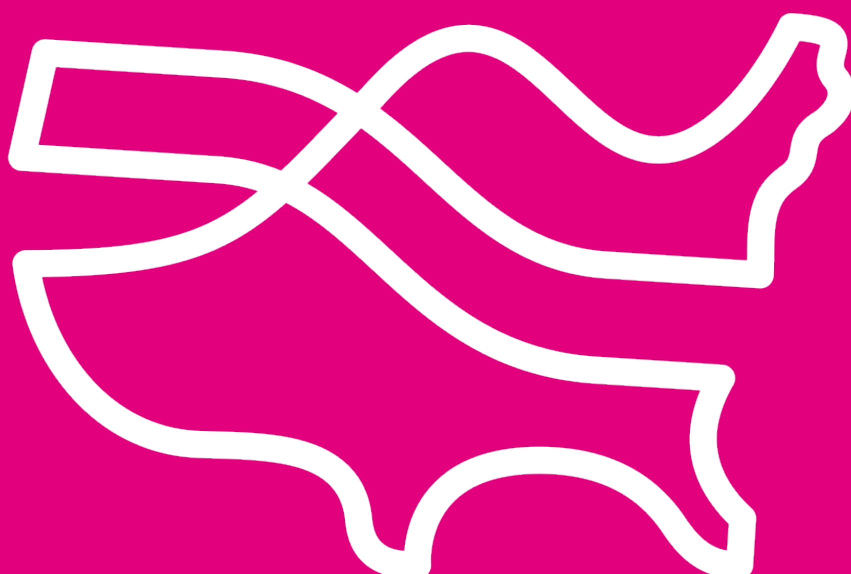

Financial analysis methodology

April 16, 2026

USAFacts financial analysis methodology

USAFacts strives to present data directly from government sources so people can decide for themselves if the country is going in the right direction. Our reports and data on government finances frequently rely upon advanced data analysis.

Transparency is one of our core principles at USAFacts; this page summarizes the methodologies we use to determine statistics on government revenue, spending, and debt, as well as on family and individual income and taxes.

Citations in articles, reports, and data visualizations always note when a source is USAFacts' technical analysis of government data.

This document describes in detail each line of government revenue depicted in the USAFacts reports and 10-K, and on USAFacts.org.

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Federal revenue methodology

Some revenue categories, such as the corporate income tax and estate and gift taxes, are self-explanatory. Others require further explanation as discussed below.

Individual Income Taxes – includes federal individual income taxes paid after credits, but it excludes that portion of the credit that is refundable. This category also includes the 3.8% Net Investment Income Tax (NIIT) on high-income tax returns that was part of the Affordable Care Act. This NIIT is sometimes referred to as a Medicare surtax, but it is counted as part of the individual income tax, not Medicare (HI).

Social Security Taxes - includes FICA and SECA taxes paid to the Federal Old-Aged and Survivors Insurance (OASI) Trust Fund and the Federal Disability Insurance (DI) Trust Fund. These taxes are imposed on employers and employees with the base being a worker's earnings. Taxes are only levied up to the payroll tax cap, which is $184,500 in 2026. The FICA Social Security tax rates in 2026 are 6.2% of taxable earnings on employers and 6.2% of taxable earnings on employees.

Railroad Retirement Taxes – includes employee and employer taxes paid to the Railroad Retirement Fund. Per IRS description: "Railroad employers are subject to a separate and distinct system of employment taxes from the Federal Insurance Contributions Act (FICA) and the Federal Unemployment Tax Act (FUTA) systems covering most other employers. Because this is a separate system for railroad employers, payments subject to railroad retirement taxes are specifically excepted from FICA, FUTA, and the Self- Employment Contributions Act (SECA)."
(https://www.irs.gov/businesses/railroad- retirement-tax-act-rrta-desk-guide-january-2009#2)

Medicare Taxes – includes FICA and SECA taxes paid to the Hospital Insurance (HI) Trust Fund. These taxes are imposed on employers and employees with the base being a worker's earnings. Unlike Social Security, Medicare taxes have been levied on all earnings since the cap on such taxes was removed in 1993. In 2026, the HI tax rate is 1.45% of taxable earnings on employers and 1.45% of taxable earnings on employees, plus an additional 0.9% tax on the earnings of workers on high-income tax returns, which went into effect in 2012.

Unemployment Insurance Taxes – includes taxes paid by employers (including governments acting as employers) for the unemployment insurance program that is jointly administered by the federal government and state governments. USAFacts classifies these taxes and the benefits they fund as federal.

Note: Payroll taxes include payments by the federal, state, and local governments to relevant trust funds on behalf of employees. In other words, they are treated like any other private employer. In the federal budget, these items are sometimes classified as negative outlays, but we reclassify them as taxes. This includes intragovernmental payments for this purpose to the trust funds of Social Security, Medicare, and Unemployment.

Sales and Excise Taxes (Selective Sales) – includes the following federal tax categories from the Public Budget Database Receipts file:

- Excise Taxes, Boat Safety, Aquatic Resources Trust Fund
- Excise Taxes, Sport Fish Restoration, Aquatic Resources Trust Fund
- Excise Taxes, Oil Spill Liability Trust Fund
- Transfer from the Trans-Alaska Pipeline Liability Fund
- Excise Taxes, Federal Aid to Wildlife Restoration Fund
- Recovery from Highway Trust Fund for Refunds of Taxes
- Recovery from Airport and Airway Trust Fund for Refunds of Taxes
- Recovery from Leaking Underground Storage Tank Trust Fund for Refunds of Taxes, EPA
- Corporate Stock Repurchase Excise Tax
- Land and Water Conservation Fund, Motorboat Fuels Tax
- Excise Taxes, Federal Aid to Wildlife Restoration Fund, Interior
- Tax on Fishing Rods, Creels, Reels, Artificial Lures, Baits and Flies
- Deposits, Internal Revenue Collections for Puerto Rico
- Aviation User Fees, Overflight Fees
- Other Federal Fund Excise Taxes
- Windfall profit tax
- Tobacco Excise Tax
- Alcohol Excise Tax
- Telephone Excise Tax
- Transportation Fuels Tax
- Fee on Health Insurance Providers
- Tax on Indoor Tanning Services
- Excise Tax on Medical Device Manufacturers
- Ozone Depleting Chemicals Tax
- Excise Taxes for Tobacco Assessments, Tobacco Trust Fund
- Fee on Branded Prescription Pharmaceutical Manufacturers and Importers, SMI
- Deposits, Vaccine Injury Compensation Trust Fund
- Transfer from General Fund, Black Lung Benefits Revenue Act Taxes
- Excise Taxes, Hazardous Substance Superfund
- Post-closure liability trust fund, Transfer from General fund
- Transfer from the General Fund Amounts Equivalent to Taxes, Leaking Underground Storage Tank Trust Fund

- Highway Trust Fund, Deposits (Highway Account)
- Highway Trust Fund, Deposits (Mass Transit Account)
- Excise Taxes, Airport and Airway Trust Fund
- 21st Century Clean Transportation Plan Receipts
- Transfer from General Fund, Inland Waterways Revenue Act Taxes
- Fees on Health Insurance and Self-insured Health Plans, PCORTF
- Penalties on Employers Who Do not Offer Health Coverage or Delay Eligibility for New Employees
- Penalties on Individuals Who Do not Have Health Coverage
- Concrete Masonry Products Assessments

Note: Some of these taxes were only collected in specific years and are no longer levied.

Within selective sales taxes, there are a few subcategories in the USAFacts tables, including the following:

- Alcohol Taxes – includes Alcohol Excise Tax
- Motor Fuel Taxes – includes the following:
    - (1) Land and Water Conservation Fund, Motorboat Fuels Tax
    - (2) Recovery from Highway Trust Fund for Refunds of Taxes
    - (3) Recovery from Leaking Underground Storage Tank Trust Fund for Refunds of Taxes, EPA
    - (4) Land and Water Conservation Fund, Motorboat Fuels Tax
    - (5) Transfer from the General Fund Amounts Equivalent to Taxes, Leaking Underground Storage Tank Trust Fund
    - (6) Highway Trust Fund, Deposits (Highway Account)
    - (7) Highway Trust Fund, Deposits (Mass Transit Account)
    - (8) Transportation Fuels Tax
- Tobacco Taxes – includes Tobacco Excise Tax and Excise Taxes for Tobacco Assessments, Tobacco Trust Fund
- Corporate Stock Repurchase Excise Tax

Note that some of the above excise taxes are no longer in effect but were at some point since 1980.

Customs Duties - includes general customs duties that are deposited into the Treasury, as well as specific customs duties such as those on imported wool and agricultural products. This includes the recently enacted *America First* tariffs that are listed as a separate item in the Public Budget Database receipts file.

Federal Reserve earnings – includes the net earnings of the Federal Reserve System that are deposited into the Treasury. Per the Federal Reserve's description: "The (Federal) Reserve Banks are required by law to transfer net earnings to the US Treasury, after providing for all necessary expenses of the Reserve Banks, legally required dividend payments, and maintaining a limited balance in a surplus fund." (https://www.federalreserve.gov/faqs/about_14986.htm). Note this also includes certain transfers from the Bureau of Consumer Financial Protection Fund and the Financial Research Fund.

Other Taxes – includes the following taxes:

- Federal tax withheld from payments to non-resident aliens, Army
- Federal tax withheld from payments to non-resident aliens, Air Force
- Miscellaneous taxes, not otherwise classified, Navy
- Federal tax withheld from payments to non-resident aliens
- Miscellaneous Taxes, not Otherwise Classified
- Deposits, Duties, and Taxes, Puerto Rico
- Hydraulic mining in California, tax, debris reservoirs
- Universal Service Fund
- Contributions for Telecommunications Relay Services, Telecommunications Relay Services Fund

Sales of Government Resources – includes offsetting receipts in the outlays portion of the budget from the following categories: Rents and Royalties on the Outer Continental Shelf (OMB functional category 953), Sales of Major Assets (OMB functional category 954), and Other undistributed offsetting receipts (OMB functional category 959). Rents and Royalties on the Outer Continental Shelf (953) constitute a large source of nontax income that is a windfall to the government. Since there are no major government programs that give rise to this income, it would be inappropriate to offset it against outlays in any function. Thus, the collections are undistributed. Sales of major assets (954) are large returns the government receives from such sales, the proceeds of which are recorded as such rather than in any major function.

Other undistributed offsetting receipts (959) - includes the following outlay categories, all related to spectrum auctions and licensing: Spectrum License User Fees, Auction Receipts, Digital Television Transition and Public Safety Fund, Spectrum Auction Subsidy Fund, Spectrum Relocation Receipts, TV Broadcaster Relocation Fund Receipts, Spectrum Auction Receipts, and the Public Safety Trust Fund.

Note: One item with code 959 - Arctic National Wildlife Refuge, Rent, Royalties and Bonuses, (Alaska Share) - is classified under the specific category of Rents and Royalties OCS.

Other Non-Tax Revenues – includes revenue from a variety of sources, including the following:

- Fees from Jukebox, Satellite and Cable Television for Operating Costs, Copyright Office
- Fees for Independent Counsel, Tax Court Independent Counsel, US Tax Court
- U.S. Tax Court Fees
- Referees' Salary and Expense Fund
- Filing Fees, US Courts, Judiciary
- Fees, Registry Administration, Judiciary
- Full Cost Recovery Fees Pursuant to OMB Circular A-25
- License Fees and Defaults, Perishable Agricultural Commodities Act Fund
- 1990 Food, Agricultural Quarantine Inspection Fees
- Fees, North Pacific Fisher Observer Fund
- Fees, Fishing Vessel and Gear Damage Compensation Fund
- Fees, Fishermen's Contingency Fund
- Fees, Foreign Fishing Observer's Fund
- Permit Title Registration Fees, Limited Access System Administration Fund
- Access Fees, Western Pacific Sustainable Fisheries Fund
- Fees, North Pacific Fishery Observer Fund
- Contributions, Host National Support for US Relocation Activities
- Contributions from Japan, Support for US Relocation to Guam Activities
- Receipts, Risk Adjustment Program
- Deposits, Collections for Child Support
- Contributions, Transitional Reinsurance Program
- FHI Trust Fund, Civil Penalties and Damages
- Coal mining reclamation fees
- Abandoned Mine Reclamation Fund, Reclamation Fees
- Civil Penalties, Office of Surface Mining Reclamation and Enforcement
- Migratory Bird Hunting Stamps
- Migratory Birds Hunting Stamps (Conservation Easements)
- National Indian Gaming Commission, Gaming Activity Fees
- Fines, Penalties, and Forfeitures from Migratory Bird Treaty Act, North American Wetlands Conservation Fund
- Indian Tribal Funds, Fines, Penalties, and Forfeitures, (including George C. Edgeter, Contributions for Advancement)
- Breached bond penalties
- Registration Fees, DEA
- Chapter Eleven Filing Fees, Bankruptcy, Department of Justice
- Fines, Penalties, and Forfeitures, Crime Victims Fund
- Forfeited Cash and Proceeds from the Sale of Forfeited Property, Assets Forfeiture Fund
- Fees for bankruptcy oversight, US trustees system

- Immigration Legalization, Justice
- Immigration User Fee, Justice (Governmental Receipt)
- Immigration examinations fee, TCJ (Governmental Receipt)
- Fines, Penalties, and Forfeitures, Domestic Trafficking Victims' Fund
- Fines, Penalties, and Forfeitures, United States Victims of State Sponsored Terrorism Fund
- Longshoremen's and Harbor Workers Compensation Act, Receipts
- Workmen's Compensation Act within District of Columbia, Receipts,
- Immigration, Passport, and Consular Fees
- Proceeds from Exercise of Warrants, Air Transportation Stabilization Board
- Patent, trademark, and copyright fees
- Registration, Filing, and Transaction Fees
- Registration, Filing, and Transaction Fees, SEC
- Charges for Expenses, Settlement of International Claims
- Filing Fees, P.L. 109-171, Title X
- Transitional Reinsurance Contributions to the General Fund
- Fees for Legal and Judicial Services, not Otherwise Classified
- Miscellaneous Fees for Regulatory and Judicial Services, not Otherwise Classified
- Fines, Penalties, and Forfeitures, Agricultural Laws
- Fines, Penalties, and Forfeitures, Economic Stabilization Laws
- Fines, Penalties, and Forfeitures, Immigration and Labor Laws
- Fines, Penalties, and Forfeitures, Customs, Commerce, and Antitrust Laws
- Fines, Penalties, and Forfeitures, Narcotic Prohibition and Alcohol Laws
- Forfeitures of Unclaimed Money and Property
- Fines, Penalties, and Forfeitures, Federal Coal Mine Health and Safety Laws
- Fines, Penalties, and Forfeitures, not Otherwise Classified
- Recoveries under Military Occupation
- User Fees for IRS
- Premiums, Terrorism Risk Insurance Program
- Refunds of Moneys Erroneously Received and Recovered (20X1807)
- Collections from Reimbursement State and Local Law Enforcements Agencies, IRS
- Sallie Mae Assessments
- Enrolled Agent Fee Increase, IRS Miscellaneous Retained Fees
- Tax Preparer Registration Fees, IRS Miscellaneous Retained Fees
- GSE Assessments, Hope Reserve Fund
- Antidumping and Countervailing Duties, Continued Dumping and Subsidy Offset
- Proceeds from the Sale of Forfeited or Seized Property or Monetary Instruments, Customs Forfeiture Fund
- Forfeited Monetary Assets
- Forfeited Cash and Proceeds from Sale of Forfeited Property, Treasury Forfeiture Fund

- Confiscated Iraqi Assets
- Administrative and Civil Penalties, Gulf Coast Restoration Trust Fund
- Recovery of beneficiary overpayments from SSI program (Governmental Receipt)
- Licenses under Federal Power Act, Improvements of Navigable Waters
- Licenses under Federal Power Act from Public Lands and National Forests, Payment to States (37 1/2%)
- Energy Security Reserve
- Assessments, Decontamination and Decommissioning Fund
- Registration, PMN, Other Services
- Exxon Valdez settlement fund
- Fines and Penalties, and Miscellaneous, Hazardous Substance Superfund
- Licensing and Insuring Fees, Motor Carrier Safety Operations and Programs
- Drug and Alcohol Clearinghouse Fees, Motor Carrier Safety Operations and Programs
- Breached Bond Penalties
- Immigration Fees, Border Security Act
- Temporary L-1 Visa Fee Increase
- Temporary H-1B Visa Fee Increase
- Fees, fines and penalties, Offshore Oil Pollution Comp. Fund
- Oil Pollution Fund, DOT
- Fees, Deepwater Port Liability Fund, DOT
- Electronic System for Travel Authorization (ESTA) Fees
- Penalties, Abandoned Seafarers Fund
- Electronic Visa Update System Fees
- Fines and Penalties, OSLTF
- Proceeds of the Sales of Unclaimed Abandoned, Seized Goods
- Interstate Land Sales Fund
- Mobile home inspection and monitoring
- Miscellaneous Fees and Charges, Consolidated Fee Fund
- Forfeited Cash and Proceeds from Sale of Forfeited Property Special Forfeiture Fund
- Fines and Forfeitures, Armed Forces Retirement Home
- Licenses under Federal Power Act, Improvements of Navigable Waters, Maintenance and Operation of Dams, Etc.
- Payment from Puerto Rico, Puerto Rico Oversight Board
- Practice registration fees, Court of Veterans Appeals
- District of Columbia Court Fees
- Fines and Fees, District of Columbia Crime Victims Compensation Fund
- Risk-Based Assessments, Orderly Liquidation Fund
- Registry Fees, Appraisal Subcommittee, Federal Institution Examination Council
- Assessments, Federal Financial Institutions Examination Council Activities

- Incremental Registry Fees (Dodd-Frank Act) Appraisal Subcommittee
- Registration Fees, Securities and Exchange Commission Reserve Fund
- Monetary Sanctions, Investor Protection Fund
- Christopher Columbus scholarship fund, surcharges from sale of CC coins
- Premiums, Combined Fund and 1992 Plan, UMWA
- Transfers from UMWA Pension Plan, Combined Benefit Fund, UMWA
- Accounting Support Fees, Public Company Accounting Oversight Board
- Registration Fees, Public Company Accounting Oversight Board
- Civil Penalties, Public Company Accounting Oversight Board
- Accounting Support Fees, Standard Setting Body
- Contributions, Federal Home Loan Banks, Affordable Housing Program
- Fees, Electric Reliability Organization
- FHFA, Fees on GSEs for Administrative Expenses
- Membership Fees, NARAB
- Fees, National Oilheat Research Alliance
- Assessments, SIPC
- Fees, Travel Promotion Fund
- Penalties and Fines, Consumer Financial Protection
- Other Federal fund miscellaneous receipts
- Trust fund miscellaneous receipts
- Civil Penalties, Failure to Depart and Document Fraud, Immigration Enforcement Account
- Concrete Masonry Products, Available
- Post Judgement Penalties

Source for OMB functional definitions: http://www.gao.gov/new.items/d05734sp.pdf

State and Local Revenue

Tax Revenue

Individual income tax – Equivalent to Census Code T40 (individual income taxes): Taxes on individuals measured by net income and taxes on special types of income (e.g., interest, dividends, income from intangible property, etc.). For local governments, this includes wages, salaries, and other compensation earned by both residents and nonresidents, that are subject to tax collections by the reporting government. Also includes reductions for any refunds of taxes from gross collections, even if they were recorded as tax revenue in a previous fiscal year.

Corporate income tax – Equivalent to Census Code T41 (corporation net income taxes): Taxes on corporations and unincorporated businesses (when taxed separately from individual income), measured by net income. Includes taxes on corporations in general and those on specific kinds of corporations, such as financial institutions. Also includes reductions for any refunds of taxes from gross collections, even if they were recorded as tax revenue in a previous fiscal year.

General sales tax – Equivalent to Census Code T09 (General Sales and Gross Receipts Taxes): Taxes on goods and services, measured on the basis of the volume or value of their transfer, upon gross receipts or gross income therefrom, or as an amount per unit sold (gallon, package, etc.); and related taxes based upon use, storage, production, importation, or consumption of goods and services. Includes licenses levied at more than minor rates. Taxes applicable with only specified exceptions (e.g., food and prescribed medicines) to sales of all types of goods and services or to all gross receipts, whether at a single rate or at classified rates; and sales-use taxes.

Selective sales taxes are defined as: Taxes imposed on the sale of particular commodities or services or on gross receipts of particular businesses separately and apart from general sales or gross receipts taxes; and licenses measured by sales or gross receipts and producing more than minor amounts of revenue. These include the following categories:

- Alcohol Taxes – Census Code T10 defined by Census as alcoholic beverages taxes, part of Selective sales taxes
- Motor Fuel Taxes – Census Code T13 defined by Census as motor fuels sales tax, part of Selective sales taxes
- Tobacco Taxes – Census Code T16 defined by Census as tobacco-products sales tax, part of Selective sales taxes
- Other Selective sales taxes – Equivalent to the sum of T11 (amusement sales tax), T12 (insurance premiums sales tax), T14 (pari-mutuel sales tax), T15 (public-utilities sales tax), and T19 (other selective sales and gross receipts taxes).

Property tax – Equivalent to Census Code T01 (Property Taxes): Taxes imposed on ownership of property and measured by its value. There are three types of property taxes, all having in common the use of value as a basis for the tax: (1) General property taxes, relating to property as a whole, taxed at a single rate or at classified rates according to the class of property. Property refers to real property (e.g., land and structures) as well as personal property; personal property can be either tangible (e.g., automobiles and boats) or intangible (e.g., bank accounts and stocks and bonds). (2) Special property taxes, levied on selected types of property (e.g., oil and gas properties, house trailers, motor vehicles, and intangibles) and subject to rates not directly related to general property tax rates. (3) Taxes based on income produced by property as a measure of its value on the assessment date, including: Penalties and interest on delinquent property taxes; proceeds of tax sales and tax redemptions, up to the amount of taxes due plus penalties and interest (reporting excess amounts retained by the taxing government at Miscellaneous General Revenue, NEC, code U99, and excluding any amounts held for or returned to original property owner(s)). For governments collecting taxes as agents for another, includes any commissions, fees, or other items representing collection expenses retained from tax proceeds.

Estate and gift tax – Equivalent to Census Code T50 (death and gift taxes): Taxes imposed on the transfer of property at death, in contemplation of death, or as a gift (e.g., inheritance and estate taxes).

Severance taxes – Equivalent to Census Code T53 (severance taxes): Taxes imposed distinctively on removal (severance) of natural resources (e.g., oil, gas, coal, other minerals, timber, fish, etc.) from land or water and measured by the value or quantity of products removed or sold.

Licenses – Equivalent to the sum of Census Codes T20 (alcohol-beverages license), T21 (amusements license), T22 (corporations in general license), T23 (hunting and fishing license), T24 (motor-vehicles license), T25 (motor-vehicle operators license), T27 (public-utilities license), T28 (occupation and business license, NEC), and T29 (other license taxes). Taxes exacted (either for revenue raising or for regulation) as a condition to the exercise of a business or nonbusiness privilege. Can be levied at a flat rate or by such bases as capital stock or surplus, number of business units, or capacity. Generally, includes taxes on property levied on some basis other than assessed value (e.g., on corporate stock or bank deposits). Also includes fees related to licensing activities as well as license taxes producing substantial revenues.

Other taxes – Equivalent to the sum of Census Codes T51 (documentary and stock transfer taxes), T99 (taxes, NEC), and U01 (special assessments). Census Code T51 (documentary and stock transfer taxes): Taxes on the recording, registration, and transfer of documents, such as mortgages, deeds, and securities. Code T99 (taxes, NEC): Taxes not listed separately or provided for in categories above, such as taxes on land at a specified rate per acre (rather than on assessed value). Census code U01 (special assessments revenue): Compulsory contributions and reimbursements from owners of property who benefit from specific public improvements; and impact fees to fund extension of water, sewer, roads, and other infrastructure facilities in new developments. These contributions and reimbursements are designed to defray all or part of the cost of such improvements, either directly or through payment of principal and interest on debt issued to finance them. Generally, special assessments are apportioned according to assumed benefits to the property affected by the improvements. They cover not only general improvements – such as street paving, sidewalks, highway construction, sewer lines, drainage and irrigation projects – but also utility improvements, such as water lines.

Non-tax Revenue

Sales of government resources – Equivalent to the sum of Census Codes U11, U40, and U41. Census Code U11 (sale of property): Amounts received from sale of real property, buildings, improvements to them, land easements, rights-of-way, and other capital assets (buses, automobiles, etc.), including proceeds from sale of operating and non-operating property of utilities. Census Code U40 (rents): Revenue from allowing temporary possession of government-owned buildings, land, or other fixed properties, such as from grazing fees, timberland leases, rental of unused land or property (including non-operating property of a government utility), and revenue from leases (or lease bonus payments) of land relating to natural resource exploration and production. Census Code U41 (royalties): Compensation or portion of proceeds received by a state or local government for granting the privilege of using or developing property or operating under a right, primarily those related to natural resources, such as oil, gas, and mineral rights.

Earnings on investments – Equivalent to the sum of Census Codes Y12, X08, X09 (pre-1990) and Y52 for fiscal years prior to 2017. Equivalent to the sum of Census Codes Y12, Y52, X01, and X30 in fiscal years 2017 onward.

Census Code Y12 (earnings on investments for workers' compensation systems): Interest earnings on investment securities, deposits, and other interest-bearing accounts, including accrued interest on investment securities sold; dividends; recorded profits on investment transactions (minus any recorded losses); rentals; and other earnings on investments.

Census Code X08 (total earnings on investments for public employee retirement systems): Total earnings on investments, net of losses, as summed from all the earnings codes defined below. Includes interest earnings, dividends, recorded profits on investment transactions (minus any recorded losses), rentals, and other earnings on investments. Includes unrealized gains (and losses), as reported for accounting purposes. In pre-1990 fiscal years, only includes interest income.

Census Code X09 for fiscal years pre-1990: Earnings included in X08 other than interest income. Code was combined with X08 for fiscal years 1990 onward.

Census code Y52 (earnings on investments – social insurance trusts): Interest earnings on investment securities, deposits, and other interest-bearing accounts, including accrued interest on investment securities sold; dividends; recorded profits on investment transactions (minus any recorded losses); rentals; and other earnings on investments.

Census Code X01 for fiscal years 2017 onward: Earnings on investments (interest, dividends, and other earnings)

Census Code X30 for fiscal years 2017 onward: Gains/losses on investments
Other non-tax revenue – Equivalent to the sum of Census Codes U21, U30, U50, and U99. U30 (Fines and Forfeits): Revenue from penalties imposed for violations of law; civil penalties (e.g., for violating

court orders); court fees if levied upon conviction of a crime or violation; court-ordered restitutions to crime victims where government actually collects the monies; and forfeits of deposits held for performance guarantees or against loss or damage (such as forfeited bail and collateral). U50 (donations from private sources): Gifts of cash or securities from private individuals or corporations. U99 (general revenue, NEC): Recovery of losses charged off in a prior fiscal year; insurance adjustments; payments-in-lieu-of-taxes from private sources; voluntary contributions or reimbursements to defray construction costs of capital improvement projects such as in joint state construction projects; premiums on bonds issued; revenues from sponsorship agreements; unemployment compensation contributions from employers for servicing debt issued to cover deficits in these trust funds; recoveries of expenditures made in a prior fiscal year; receipts from escheats and other unclaimed monies; recorded profits from sale of investments; and any other receipts within the definition of general revenue but not classifiable as a Tax, Intergovernmental Revenue, or Current Charge.

Intergovernmental revenue from federal government (net) – Includes all Federal Intergovernmental Revenue (Census Codes B01 through B94) less Census code E73, S05, S67, S74 and S89. Census codes B01 through B94 are defined as: Amounts received directly from the Federal Government. For states, this includes Federal grants and aid, payments-in-lieu-of- taxes on Federal property, reimbursements for state activities, and revenue received but later transmitted through the state to local governments. Census Code E73 is state and local government payments to the federal government for the Medicare Trust Fund. Census Codes S05, S67, S74 and S89 are state and local government payments to the federal government for other purposes. In recent years, Census has consolidated intergovernmental revenue into fewer codes with less detail on specification.

References to this Census documentation:
http://www2.census.gov/govs/pubs/classification/2006_classification_manual.pdf

Combined Revenue

Combined revenue is calculated by adding together federal and state & local revenues and subtracting from the total the intragovernmental transfers from federal to state and local governments.

In some cases, categories are collapsed into broader categories due to one level of government having more refined data than the other.

Federal spending by mission

The functional categories include direct expenditures of the federal government (i.e., non-grant). Grants and non-grant assistance to other governments are included as one category with detail provided as a memo line.

Provide for the Common Defense

National Defense and Support for Veterans

- National defense – includes all national defense activities (OMB functional category 050). Common defense and security of the US encompasses the raising, equipping, and maintaining of armed forces (including civilian support activities); development and utilization of weapons systems (including nuclear weapons) and related programs; direct compensation and benefits paid to active military and civilian personnel and contributions to their retirement, health, and life insurance funds; defense research, development, testing, and evaluation; procurement, construction, stockpiling, and other activities undertaken to directly foster national security. This includes subfunction codes 051 (Department of Defense – Military), 053 (Atomic energy defense activities), and 054 (Defense-related activities).
- Support for Veterans
  - Veterans' housing – includes all outlays in OMB functional category 704 (veterans' housing), defined as: Housing loan and guarantee programs for veterans and dependents. The budget records pre-1992 housing loans and guarantees on a cash basis, but post-1991 loans and guarantees based on the credit subsidy cost of the activity.
  - Veterans' medical care – includes all outlays in OMB functional category 703 (hospital and medical care for veterans), defined as: Medical care and research financed by the Department of Veterans Affairs, with the exception of the Cost of War Toxic Exposures Fund, which is included with "Other veterans' services."
    - Veterans' pension and disability benefits – includes all outlays in OMB functional category 701 (income security for veterans), defined as: Veterans' compensation, life insurance, pensions, and burial benefits, with the exception of the Armed Forces Retirement Home.
    - Veterans' readjustment benefits – includes all outlays in OMB functional category 702 (veterans' education, training, and rehabilitation), composed primarily of the G.I. Bill readjustment, vocational rehabilitation benefits, and related programs.
    - Other veterans' services – includes all outlays in OMB functional category 705 (other veterans' benefits and services), defined as: Administrative expenses of the

Department of Veterans Affairs.

Foreign Affairs

- International development and humanitarian assistance – includes all outlays in OMB functional category 151 (international development and humanitarian assistance) . International development and humanitarian assistance is defined as: humanitarian assistance; development assistance; security-support assistance; grants to and investments in international financial and development institutions, and the budgetary costs associated with concessionary agricultural exports.
- International security assistance – includes all outlays in OMB functional category 152 (international security assistance). International security assistance is defined as: the transfer of defense articles and services to foreign governments, including grants, credit sales, and training.
- Other foreign affairs – includes all outlays in OMB functional categories 154 (foreign information and exchange activities) and 155 (international financial programs), offsetting receipts (negative outlays) of the Export-Import Bank and the Overseas Private Investment Corporation, and all outlays from OMB functional category 153 (conduct of foreign affairs) except those classified as immigration and border security (see below). Conduct of foreign affairs is defined as: diplomatic and consular operations of the Department of State; assessed contributions to international organizations, and closely related activities in other agencies (such as the Arms Control and Disarmament Agency). Foreign information and exchange activities is defined as: student and cultural exchange programs and foreign library, radio, or other media-information activities designed to promote mutual understanding between the people of the US and other nations. International financial programs are defined as: export credit; the Foreign Military Sales Trust Fund; international commodity agreements; international monetary programs, and other programs designed to improve the functioning of the international financial system. Pre-1992 direct loans or loan guarantees include the total cash flows on these loans and guarantees. Post-1991 loans or loan guarantees instead include the credit subsidy costs of the loans or guarantees.

Immigration and border security

Includes outlays for Consular and Border Security Programs, H&L Fraud Prevention and Detection, Customs and Border Protection, Office of Biometric Identity Management, Border Enforcement Program, Citizen and Immigration Services, US Immigration and Customs Enforcement, law enforcement outlays (functional code 751) of the Cybersecurity and Infrastructure Security Agency, and offsetting receipts/collections for immigration, customs, and visa program fees.

Establish Justice and Ensure Domestic Tranquility

Crime and Disaster

- Law enforcement and corrections – includes all outlays in OMB functional categories 753 (federal correctional activities) and 754 (criminal justice assistance), and all outlays in OMB functional category 751 (federal law enforcement activities) except those relating to immigration and border security (see above). Federal law enforcement activities are defined as: the costs of operating the Federal Bureau of Investigation, Drug Enforcement Administration, and police and crime-prevention activities in other programs. Also includes the readily identifiable enforcement cost of civil rights activities. Federal correctional activities are defined as: the costs of incarceration, supervision, parole, and rehabilitation of federal prisoners. Criminal justice assistance are defined as: grants to state and local governments to assist them in operating and improving their law enforcement and justice systems. Also includes outlays of First Responder Network Authority and Civil Rights Cold Case Records Review Board. Excludes Federal Payment to the District of Columbia Public Defender Service, which are included in Justice system (see below).
- Justice system – includes all outlays in OMB functional category 752 (federal litigation and judicial activities), defined as: The cost of the judiciary, the cost of prosecution, and federal expenses connected with financing legal-defense activities. Also includes Federal Payment to the District of Columbia Public Defender Service, which are in functional code 754.
- Disaster relief - includes all outlays in OMB functional category 453 (disaster relief), defined as: Helping communities and families recover from natural disasters. It includes primarily spending by FEMA and the Small Business Administration.

Safeguarding consumers and employees

- Consumer protection – includes Food and Drug Administration; Consumer Product Safety Commission; Bureau of Consumer Financial Protection; Food Safety and Inspection Service; Securities and Exchange Commission; Securities Investor Protection Corporation; HHS research related to product safety, and the Special Action Office for Drug Abuse Prevention.
- Employee protection – includes the Occupational Safety and Health Administration; the Mine Safety and Health Administration; the Office of the American Workplace; the Office of Workers' Compensation Programs; the Wage and Hour Division; the Employment Standards Administration; Office of Federal Contract Compliance Programs; Office of

Disability Employment Policy; Committee for Purchase From People Who Are Blind or Severely Disabled; Occupational Safety and Health Review Commission; Federal Mine Safety and Health Review Commission; Office of Labor Management Standards; federal mediation boards, and the Department of Labor management, such as the Office of Inspector General (among others).

- Patents and copyrights – includes Library of Congress outlays for the Copyright Office and payments to copyright owners; patent and trademark surcharges (negative outlays), and the US Patent and Trademark Office.
- Other business regulation – includes outlays for the operations of the Bureau of Industry and Security and of the Federal Trade Commission and the legislative boards pertaining to business regulation.

Promote the General Welfare

Economy and Infrastructure

- Transportation and Transportation Safety
- Air transportation – includes all outlays in OMB functional category 402 (air transportation), defined as: Aid for and/or regulation of air transportation, including aeronautical research conducted by the National Aeronautics and Space Administration.
- General and other transportation – includes all outlays in OMB functional category 407 (other transportation), defined as: General transportation programs and overhead not readily allocable to any of the preceding sub- functions.
- Highway & railroad transportation unallocated – includes all outlays in OMB functional category 401 (ground transportation) not allocated to either highway or railroad, except Border Enforcement Program, which is included with immigration and border security (see above). There is not enough information to allocate between highway and railroad; or, an agency/department engaged in ground transportation serves both highway and railroad.
- Highway transportation – includes those outlays in OMB functional category 401 (ground transportation) that are related to highway and road transportation.
- Railroad transportation – includes those outlays in OMB functional category 401 (ground transportation) that are related to railroad transportation, including mass transit and Amtrak. Includes the gross expenditures of Amtrak, which is calculated by adding the net outlay for Amtrak from the budget and the operating revenues reported by Amtrak.
- Water transportation – includes all outlays in OMB functional category 403 (water transportation), defined as: Aid for and/or regulation of maritime commerce.
- General commerce – activities of the Department of Commerce that have not been allocated to any specific area, such as the Census Bureau; loans to certain businesses

such as steel, oil, and gas; the Economics and Statistics Administration; the International Trade Administration; the Minority Business Development Agency; the United States Travel and Tourism Administration, and general departmental management. Also includes outlays of the Small Business Administration.

- Banking and Finance
    - Deposit insurance – includes all outlays in OMB functional category 373 (deposit insurance), defined as: Insurance programs protecting deposits in certain financial institutions and programs to resolve failed institutions. As deposit insurance activities are not subject to credit reform, the budget records them by cash flows rather than subsidy values.
    - Other banking and finance – includes net outlays from Treasury Department and a few other agencies designed to stabilize the financial system, such as: Terrorism Insurance Program, Office of Financial Stability, Troubled Asset Relief Program Account, Small Business Lending Fund Program Account, State Small Business Credit Initiative, Exchange Stabilization Fund-Money Market Mutual Fund Guaranty Facility, Financial Research Fund, Chrysler Corporation loan guarantee program, Commodity Futures Trading Commission, Federal Financial Institutions Examination Council Activities, Investment in National Consumer Cooperative Bank, National Consumer Cooperative Bank fund.
- General science and basic research – includes all outlays in OMB functional category 251 (general science and basic research), defined as: Conducting National Science Foundation programs and the general science activities of the Department of Energy.
- Space – includes all outlays in OMB functional category 252 (space flight, research, and supporting activities), defined as: Development and operation of space- transportation systems; basic scientific research connected with outer space; research and demonstrations designed to promote terrestrial applications of technology developed through space research, and development of new space technologies for future flight missions. Also includes costs of tracking and data-relay support for the National Aeronautics and Space Administration space science and applications for flight missions. Note: Space Force outlays are not counted here and are instead classified as National Defense.
- Technology infrastructure – includes outlays in OMB functional category 376 (other advancement of commerce), defined as: Various entities within the Department of Commerce, including the Technology Administration, National Technical Information Service, the National Institute of Standards and Technology, and National Telecommunications and Information Administration. Also includes outlays within OMB functional category 376 by the Federal Communications Commission and the

Telecommunications Development Fund.

- Postal Service – includes all outlays in OMB functional category 372 (postal service), defined as: Any net outlays of the Postal Service included in the budget (or off budget). This is effectively expenditures less receipts for the postal service on a cash basis. This may differ from the USPS Annual Financial Statement, which operates on an accrual basis.
- Community and regional development – includes all outlays in OMB categories 451 (community development) and 452 (area and regional development). The Tennessee Valley Authority is not included, even though OMB classified portions of it under "area and regional development." Instead, it is included in the Energy category. Similarly, some Indian Education programs are counted as Education even though OMB includes some of them in code 452. OMB defines community development as: Grants and related programs designed to aid largely urban community development. Includes community development block grants and predecessor activities, such as the urban renewal and model cities programs. These programs are generally carried out by the Department of Housing and Urban Development. OMB defines area and regional development as: Grants, loans, subsidies, and related aids for the economic development of depressed areas. For pre-credit reform loans, includes the total cash flows of the loans; for loans under credit reform, includes the credit subsidy cost of the loans. All these aids are generally for rural areas or are more regional than the community development programs. Area and regional development programs are generally carried out by agencies other than the Department of Housing and Urban Development, such as the Farmers Home Administration, Economic Development Administration, and Bureau of Indian Affairs. Also includes Energy Community Revitalization Program, which is functional category 302.

Health

- Medicare & Medicaid not allocable – includes all outlays by the Centers for Medicare & Medicaid Services that are not allocable to Medicare and Medicaid. In other words, it cannot be determined how much of the spending within a given category is for Medicare and Medicaid administration.
- Other health – includes primarily outlays for general departmental management of the Department of Health and Human Services.
- Other medical assistance to persons – includes medical assistance that is not included in other categories, such as: Negative subsidies of Consumer Operated and Oriented Plan Program; Pre-Existing Condition Insurance Plan Program; Early Retiree Reinsurance Program; Affordable Insurance Exchange Grants, and the Consumer Operated and

Oriented Plan Program. Also includes United Mine Workers of America Benefit Funds payments.

- Public health – includes all outlays in OMB functional category 552 (health research and training), defined as: All research programs – whether basic or applied – that are financed specifically as health or medical research. Excludes research that is an integral part of other functions (such as biomedical research in the space program). Also includes select outlays in OMB functional category 551 (health-care services), such as those by the Health Resources and Services Administration; HHS contributions to medical facilities; outlays of the Centers for Disease Control and Prevention, the Substance Abuse and Mental Health Services Administration, and other HHS outlays specifically for public-health causes such as the Public Health and Social Services Emergency Fund, the Prevention and Public Health Fund, Pregnancy Assistance Fund, etc., which were large during Covid. Also 551 includes biodefense and Health Activities Funds, as well as the newly reorganized Administration for a Healthy America, which replaced HRSA.

Standard of living and aid to the disadvantaged

- Unemployment insurance – includes outlays for benefits paid and administration of unemployment-insurance programs through the Department of Labor in association with states. Benefit outlays are classified as direct spending by the federal government and not grants to state governments. This includes all unemployment insurance programs, including extended and emergency program benefits. This is OMB functional category 603.
- Employment and training – includes all outlays in OMB functional category 504 (training and employment), as well as outlays by the President's Council on Youth Opportunities. Training and employment includes job or skill training; employment services and placement, and payments to employers to subsidize employment.
- Other tax credits – includes refundable portion of tax credits that are not included in other categories, such as: payment where tax credit for certain government retirees exceeds liability for tax; Payment Where Adoption Credit Exceeds Liability for Tax; and payment where alternative minimum tax credit exceeds liability for tax.
- Housing assistance – includes mortgage credit for Office of Public and Indian Housing programs and all outlays included in OMB functional category 604 (housing assistance), defined as: Federal income support and related expenses that are specifically for financing or providing housing for individuals and families. Excludes loans, loan guarantees, and insurance.
- Other – includes outlays for other assistance programs included in Standard of Living category, which includes the following cash and non-cash programs:

- Child and social services – Includes all outlays in OMB functional category 506 (social services) and some select items within the "other income security" functional category, including enforcement for child support, payments for foster care and permanency, and children's research and technical assistance. OMB functional category 506 (social services) is defined as: Programs that provide a broad range of services to individuals to help them improve their vocational capabilities (such as vocational rehabilitation) or family status; services to the poor and elderly that are not primarily for income support and that are not an integral part of some other function (such as social-services block grants). Also includes a few items in OMB functional category 609, specifically: Payments to States for the Child Care and Development Block Grant, Child Care Entitlement to States, and Child and Dependent Care Tax Credit.
- Child Tax Credit (refundable portion) – includes the outlay portion of the Child Tax Credit, commonly referred to as the Additional Child Tax Credit. Defined in the budget as "payment where child tax credit exceeds liability for tax."
- EITC (refundable portion) – includes the outlay portion of the Earned Income Tax Credit. Defined in the budget as "payment where earned income credit exceeds liability for tax."
- Refugee assistance – includes Refugee and Entrant Assistance from the Administration for Children and Families; gifts and donations for refugee assistance, and special assistance to refugees from Cambodia and Vietnam.
- SSI – includes outlays for both benefits and administration of the Supplemental Security Income program to assist low-income Americans who are aged, blind or disabled.
- TANF – includes outlays for both benefits and administration of programs under Temporary Assistance for Needy Families. This includes the Contingency Fund account.
- Other cash programs – includes outlays from OMB functional category 609 (other income security), including: payment where recovery rebate exceeds liability for tax (Treasury Department), coronavirus payments (Treasury Department), coronavirus refundable tax credits (Treasury Department), refundable savers credit (Treasury Department), and payment where making work pay credit exceeds liability for tax (Treasury Department).
- Medicaid and CHIP – includes outlays by the Medicaid and CHIP Payment and Access Commission (legislative board), and outlays from the following accounts: Grants to states for Medicaid; Children's Health Insurance Fund; State Grants and Demonstrations, and Child Enrollment Contingency Fund.

    - Other medical assistance to persons – includes outlays for the Indian Health Service; Health Maintenance Organization Loan and Loan Guarantee Fund; risk adjustment program payments and Transitional Reinsurance Program. Also includes the refundable portion of tax credits for health-care tax credits, including health-insurance supplement to earned income credit; payment where health-coverage tax credit exceeds liability for tax; payment where COBRA credit exceeds liability for tax; refundable premium tax credit and cost-sharing reductions, and payment where small business health insurance tax credit exceeds liability for tax.
    - Pell Grants – includes outlays for student financial assistance from the Office of Federal Student Aid.
    - SNAP (and other nutritional programs) – includes all outlays in OMB functional category 605 (food and nutrition assistance), defined as providing food or nutritional assistance to individuals and families. This category includes outlays from the following accounts: General Fund Payment; Funds for Strengthening Markets, Income, and Supply (section 32); the Agricultural Marketing Service; Food Donations Programs; Supplemental Nutrition Assistance Program; Commodity Assistance Program; Nutrition Programs Administration; Special Supplemental Nutrition Program for Women, Infants, and Children (WIC); Child Nutrition Programs from the Food and Nutrition Service, and Emergency Food and Shelter from FEMA.
    - Other noncash programs – includes outlays for: program administration within the Administration for Children and Families; Low Income Home Energy Assistance, and general departmental management and the Office of Inspector General within Health and Human Services falling in OMB functional category 609 (other income security).

Securing the Blessings of Liberty

Education

- Education Inside the Classroom
    - Elementary and secondary education – includes preschool, elementary, and secondary-education programs. This includes most outlays in functional category 501 in addition to Indian Education programs that are mostly included as part of functional category 452. This includes Education Stabilization Fund outlays that were part of the Covid relief packages.
    - Higher education – includes net subsidy amounts for student loans (which can be negative or positive), and other payments to students for enrollment in colleges and universities (including scholarships and the refundable portion of the American Opportunity Credit) or directly to institutions.

Note that this category can be fairly volatile due to the net subsidy amounts of student loans, especially between 2022 and 2024 when student loans went through significant changes back and forth. For more information on how OMB treats federal credit programs, see the Credit and Insurance report from *Analytical Perspectives* here: https://www.whitehouse.gov/wp-content/uploads/2026/04/ap_4_credit_fy2027.pdf

- Excludes health education programs that are administered by HHS. Excludes Pell Grants, which are included as their own item in Standard of Living - Other.
  - Vocational education – includes outlays from the Office of Vocational and Adult Education.
- Education outside the classroom – includes Library of Congress; National Commission on Libraries and Information Science; National Endowment for the Arts; Smithsonian Institution; National Endowment for the Humanities; United States Holocaust Museum; Corporation for Public Broadcasting; Institute of Museum and Library Sciences, and select educational initiatives from certain departments and agencies such as NASA and other small educational initiatives such as the Commission of Fine Arts.

Sustainability and Self-Sufficiency

- Energy – includes Tennessee Valley Authority activities, all outlays in OMB functional categories 271 (energy supply), 272 (energy conservation), 274 (emergency energy preparedness), and 276 (energy information, policy, and regulation). Energy supply is defined as increasing the supply of energy through the development of domestic resources and systems capable of using them. Includes the costs of research and demonstration of supply systems. Energy conservation is defined as encouraging the prudent use of energy resources. Emergency energy preparedness is defined as developing and maintaining a stockpile of energy resources (currently confined to petroleum) to meet emergency needs and associated contingency planning activities. Energy, information, policy, and regulation is defined as non-allocable overhead activities of the Department of Energy plus the costs of energy information and regulation activities.
- Environment – includes all outlays in OMB functional categories 301 (water resources), 302 (conservation and land management), 303 (recreational resources), 304 (pollution control and abatement) and OMB functional category 306 (other natural resources) with a few exceptions. This category excludes Commodity Credit Corporation Fund outlays, Urban Agriculture and Innovative Production outlays, and Energy Community Revitalization Program outlays. OMB functional category 301 (water resources) is defined as: Water protection, conservation, irrigation, and related activities, including the total costs of multipurpose water projects where it is not feasible to separate the transportation (navigation) or energy (power) segments of these projects. Functional category 302 (conservation and land management) is defined as: Maintaining the public

domain and national forests, encouraging conservation of private land, and reclaiming surface-mining areas. Functional category 303 (recreational resources) is defined as: Acquisition, improvement, and operation of recreational lands and facilities, including fish, wildlife, and parks; and preserving historic areas. Functional category 304 (pollution control and abatement) is defined as: Controlling and reducing air, water, and land pollution, or enhancing the environment. Excludes water-resources programs, water-treatment plants, and similar programs that are not funded as part of an environmental enhancement activity. Functional category 306 (other natural resources) is defined as: Miscellaneous natural-resources programs, not classified under other sub-functions, such as marine-, earth-, and atmosphere-related research and geological surveys and mapping. Added to this category other than outlays in 301, 302, 303, 304, and 306 are outlays from the Fishermen's Protective Fund, Fishermen's Guaranty Fund, Consumer Assistance to Recycle and Save Program, and all outlays of the National Oceanic and Atmospheric Administration, which is housed in the Commerce Department.

- Agriculture – includes all outlays from OMB functional categories 351 (farm income stabilization), and 352 (agricultural research and services), and Commodity Credit Corporation Fund expenditures. Farm-income stabilization is defined by OMB as: Subsidies and other payments to stabilize agricultural prices at an equitable level. Includes acquiring and storing agricultural-commodity stockpiles but not foreign agricultural-export losses (classified in the international affairs function) or domestic donations of food (part of an income support, rather than a farm-price support, program). Includes the total cash flows of farm-price support loans (that is, loans that can be repaid in cash or by surrendering title to the crop used as security for the loan) that are not subject to credit reform. For all other agricultural loans and loan guarantees, includes either the total cash flows (for pre-1992 loans and loan guarantees) or the subsidy cost (for loans and loan guarantees subject to credit reform). Agricultural research and services is defined as all other agricultural programs, such as agricultural research and extension services.

Wealth and Savings

- Housing Support
    - General housing support – includes outlays from OMB functional category 371 (mortgage credit), excluding those 371 items that are rural housing (see below), Indian Housing and GSEs (see below), which is included in its own category. Mortgage credit is defined to include cash transactions for homeownership and related loan and insurance programs for pre-credit reform activity; under credit reform, includes the credit-subsidy cost of any homeownership loan or guarantee. This includes outlays by the Government National Mortgage Association (Ginnie

Mae) and certain outlays to support and regulate manufactured housing from OMB functional category 376 (other advancement of commerce) and Federal Financing Bank finances classified within category 803 (central fiscal operations).

    - GSE – includes net government outlays to support two government-sponsored entities, Freddie Mac and Fannie Mae. Note that this net outlay amount deducts any repayments of debt on loans made to the GSEs or sale of stock. This category's only outlays are related to the 2007-2009 financial crisis.
    - Rural housing – includes certain outlays to support rural housing by the Department of Agriculture within OMB functional category 371 (mortgage credit). These include outlays via Rural Housing Insurance, the Rural Housing Service, and the Fund for Rural America.
- Social Security
    - FOASI – includes benefits paid and cost of administration of the Old Age and Survivors Insurance program.
    - FDI – includes benefits and administrative costs for the federal disability insurance program and SSA administrative costs that are specifically allocable to FDI. Note that some Social Security administrative costs are not allocable to FDI or Federal Old Age and Survivors Insurance. These non-allocable costs are included as a separate category within the savings category.
    - Other Social Security – includes the portion of Social Security program administration that is not allocable to specific FOASI or FDI portions of the program.
- Medicare – includes benefits paid to providers for Medicare services (Parts A, B, C, and D) and the cost of administration of the Medicare program less premiums paid by Medicare enrollees for certain coverage, such as SMI premiums and Part D drug premiums. This is all outlays in functional code 571.
- General retirement programs (excluding Social Security) – includes benefits and administrative costs of various general retirement programs, including the Abandoned Mine Reclamation Fund, the Pension Benefit Guaranty Corporation, Black Lung benefits, the District of Columbia pension fund, the Railroad Retirement Fund, UMWA Funds, and other workers' compensation benefits (such as those administered by the Office of Workers Compensation). Also includes administration of Employee Benefits Security Administration.

Obligations

- Federal employee retirement and disability benefits – all funded retirement and disability programs restricted to federal employees. Includes military retirement benefits for all years, not just the years since the military retirement program began as a funded trust (1985). In cases where retirement benefits are not funded (such as in the case of Coast Guard retired pay), includes the cash benefits where the employees were employed (in the Coast Guard case, transportation), to ensure that those functions are charged for the retirement costs of their employees. Excludes payment where tax credit for certain government retirees exceeds liability for tax enacted in 2009, which is classified here in "other tax credits" in the "employment, income and taxes" category.

- Offset for government employee contributions for retirement and disability – total contributions from government employees to federal government retirement funds (excludes Thrift Savings Plan). Although this is counted by OMB as receipts, it is included as a negative outlay here to be consistent with employer contributions.
- Offset for government employer contributions for retirement and disability – total contributions from departments and agencies to federal government retirement and disability funds (such as FERS and CSRS) are included in this category. Such contributions are classified as negative outlays because the compensation is initially included as spending by the department or agency. Later, the retirement contributions are netted out of the federal budget entirely because the government is essentially paying itself. That is the case until an individual retires, when the distributions are classified as outlays in the category of federal-employee retirement and disability benefits (see above).
- Net interest on debt – identical to the net interest on debt category from federal budget, defined as: Transactions that directly give rise to interest payments or income (lending) and the general shortfall or excess of outgo over income arising out of fiscal, monetary, and other policy considerations and leading to the creation of interest-bearing debt instruments (normally the public debt). Includes interest paid on the public debt, on funds not invested, and on tax refunds, offset by interest collections.

General Government

Includes activities that support government overall, as well as many activities that are not classified in other categories, such as outlays for the legislative branch (i.e., Congress); the Executive Office of the President; Department of the Treasury general revenue-collection efforts; National Archives; General Services Administration, and the Office of Personnel Management.

How is federal government spending by state determined?

Each state's share of a given federal spending category depends on its share of different allocators. Allocators are chosen based on whether dollars spent in a state are for the purpose of that state or for the benefit of the nation. Spending categories are deemed to be on behalf of the nation if spending would not materially change if another state were added to the country. In these cases, spending is distributed to states on a per capita basis with the population as an allocator. For national defense, the allocator is population. For most transfer programs such as social security and SNAP, the allocator is the benefit amount the federal government provides to each state's residents. For some, usage of a given service is the criterion.

Spending is allocated using various government data sources, including USASpending.gov, the Bureau of Economic Analysis, and individual department program statistics by geography.

For federal spending in the form of grants to states, such spending simply allocated to the recipient state.

State and Local Spending

To be consistent with the federal budget, expenditures of government-run enterprises are quoted on a net basis. In other words, charges for services provided (such as by a business) are netted out of expenditures. For many expenditure items, the net expenditure is negative, which implies that the government made a profit on these businesses. (For example, government-run liquor stores have net expenditures that are negative, which means expenditures were less than revenues.)

It should be noted that some of these Census Bureau codes are no longer in use. And a handful of the codes changed meaning at some point. USAFacts has done its best to create consistency across years given these changes.

Establish Justice and Ensure Domestic Tranquility

Crime and Disaster

- Law enforcement and corrections – Equivalent to the sum of Census codes E04, F04, G04, E05, F05, G05, E62, F62, and G62. Census Code Category 04 (correctional institutions): Residential institutions or facilities for the confinement, correction, and rehabilitation of convicted adults, or juveniles adjudicated, delinquent or in need of supervision, and for the detention of adults and juveniles charged with a crime and awaiting trial. Census Code Category 05 (other corrections): Correctional activities other than Federal, state and local residential institutions or facilities, as described under Correctional Institutions. Includes probation offices (whether operated by courts or correctional agencies) boards of parole, boards of pardon, and similar boards; non-institutional activities such as administration of a correctional agency, training of correctional employees, and nonresidential halfway houses and community corrections centers. Census Code Category 62 (police protection): Expenditures for general police, sheriff, state police, and other governmental departments that preserve law and order, protect persons and property from illegal acts, and work to prevent, control, investigate, and reduce crime.

- Justice system – Equivalent to the sum of Census codes E25, F25, and G25. Census Code Category 25 (judicial and legal) is defined as: Courts (criminal and civil) and activities associated with courts, legal services, and legal counseling of indigent or other needy persons. Includes expenditures for criminal and civil courts of limited and general jurisdiction; appellate courts; juries; court reporters; witness fees; law libraries; medical and social service activities of courts (except probation); court activities of sheriff offices (bailiffs or civil functions); registers of wills and other probate activities; legal departments, general counsels, solicitors, prosecuting and district attorneys; attorneys providing government-wide services; public defenders; payments for court-appointed lawyers; indigent defense; child support enforcement; and contributions to legal aid societies.
- Fire protection – Equivalent to the sum of Census codes E24, F24, and G24. Census Code Category 24 (local fire protection) is defined as: Prevention, avoidance, and suppression of fires and provision of ambulance, medical, rescue, or auxiliary services provided by fire protection agencies.

Safeguarding consumers and employees

Equivalent to the sum of Census codes E66, F66, and G66 (Protective inspection and regulation, NEC). Census defines Code 66 as: Regulation and inspection of private establishments for the protection of the public or to prevent hazardous conditions NOT classified under another Census Bureau function, and the regulation of professional occupational licensing. Includes inspection of plans, permits, construction, or installations related to buildings, housing, plumbing, electrical systems, gas, air conditioning, boilers, elevators, electric power plant sites, nuclear facilities, weights and measures, etc.; regulation of financial institutions, taxicabs, public service corporations, insurance companies, private utilities (telephone, electric, etc.), and other corporations; licensing, examination, and regulation of professional occupations, including health- related ones like doctors, nurses, etc.; inspection and regulation of working conditions and occupational hazards; motor vehicle inspection and weighing unless handled by a police agency; regulation and enforcement of liquor laws and sale of alcoholic beverages unless handled by a police department.

Provide for the Common Defense

National Defense and Support for Veterans

- Support for Veterans
  - Other veterans' services – Equivalent to the sum of Census Codes E84, E85, F85, G85, and J85. This includes state veterans' bonus payments and the administration thereof.

Promote the General Welfare

Economy and Infrastructure

- Transportation and Transportation Safety
  - Air transportation – Equivalent to the sum of Census codes E01, F01, and G01 less Census code A01. Census Code Category 01 (air transportation) is defined as: Provision, operation, construction, and support of airport facilities serving the public at large on a scheduled or unscheduled basis. Also includes the regulation of airline industry, if applicable. Census code A01 (current charges for air transportation) is defined as: Hangar rentals, landing fees, terminal and concession rents, sale of aircraft fuel and oil, parking fees at airport lots, and other charges for use of airport facilities or for services associated with their use.
- Highway Transportation
  - Regular highways – Equivalent to the sum of Census Codes E44, F44, G44 less Census code A44. Census Code 44 (regular highways) is defined as: Maintenance, operation, repair, and construction of highways, streets, roads, alleys, sidewalks, bridges, tunnels, ferry boats, viaducts, and related non-toll structures. Census code A44 (current charges for regular highways) is defined as: Reimbursements for street construction and repairs; fees for street cuts and special traffic signs; and maintenance assessments for street lighting, snow plowing, and other highway or street services unrelated to toll facilities.
  - Toll highways – Equivalent to the sum of Census Codes E45, F45, and G45 less Census code A45. Census Code 45 (toll highways) is defined as: Maintenance, operation, repair, and construction of highways, roads, bridges, ferries, and tunnels operated on a fee or toll basis. Census code A45 (current charges for toll highways) is defined as: Fees from turnpikes, toll roads, bridges, ferries, and tunnels; rents and other revenue from
  - concessions (service stations, restaurants, etc.); and other charges for use of toll facilities.
  - Parking facilities – Equivalent to the sum of Census Codes E60, F60, and G60 less

Census code A60. Census code 60 (parking facilities) is defined as: Provision, construction, maintenance, and operation of public parking facilities operated on a commercial basis. Includes public parking lots and garages. Includes the purchase and maintenance of parking meters, on streets or in parking lots, and the collection of monies from them. Census code A60 (current charges for parking facilities) is defined as: Revenue from on-street and off-street parking meters and charges and rentals from government-owned parking lots or public garages.

- Railroad Transportation (mass transit) – Equivalent to the sum of Census Codes E94, F94, and G94 less Census code A94. Census code 94 (Public Mass Transit Systems) is defined as: Operation, maintenance, and construction of public mass-transit systems, including subways, surface rails, and buses. Census code A94 (charges for mass transit) is defined as: Revenue from operations of public mass transportation systems (rapid transit, subway, bus, street railway, and commuter rail services), such as fares, charter fees, advertising income, and other operations revenues.
- Water Transportation (sea and inland port facilities) – Equivalent to the sum of Census Codes E87, F87, and G87 less Census code A87. Census Code 87 (sea and inland port facilities) is defined as: Provision, construction, operation, maintenance, and support of public waterways and harbors, docks, wharves, and related marine-terminal facilities and the regulation of the water-transportation industry. Census code A87 (charges for sea and inland port facilities) is defined as: Canal tolls, rents from leases, concession rents, and other charges for use of commercial or industrial water transport and port terminal facilities and related services.
- General Commerce
    - Liquor stores – Equivalent to sum of Census codes E90, F90, and G90 less Census code A90. Census code category 90 (liquor stores) is defined as: Establishment and operation of alcoholic-beverage distribution facilities and retail outlets owned and operated by state and selected local governments. Includes activities associated with both retail and wholesale government control of alcoholic beverages. Often referenced are: alcoholic beverage monopolies, ABC stores, liquor-control boards, and state liquor stores. Census code A90 (charges for liquor stores) is defined as: Gross receipts (less discounts and any sales taxes included in receipts) from sale of alcoholic beverages and related operations revenue of publicly-owned and operated liquor stores, Alcoholic Beverage Control (ABC) stores, and their variously- named equivalents.
    - Lotteries – The net expenditures of lottery systems, which is equal to administrative expenditures (census code Z53) less net lottery revenue (census code U95). Census code Z53 is defined as: The cost of administering the lottery,

except for prizes. Includes salaries of officials as well as advertising, supplies, and the like. Census code U95 is defined as: Proceeds from the operation of government-sponsored lotteries after deducting the cost of prizes. Z53 administrative expenditures are deducted from E23 in General Government category. (See below)

- Other government businesses – Includes gross expenditures of government- run businesses that are not listed separately. This is equivalent to the sum of Census codes E03, F03, and G03 less Census code A03. Census defines this category (miscellaneous commercial activities, NEC) as: Provision and operation of publicly owned commercial facilities not classified under particular functions, utilities, or social-insurance trust activities. Includes expenditures for operating public markets, cemeteries, grain elevators, or disaster-insurance systems if classified as part of the general government. Census code A03 (charges for miscellaneous commercial activities) is defined as: Charges of publicly-owned commercial enterprises not classified elsewhere, such as markets, cement plants, cemeteries, etc.

Health

- Public health – Equivalent to the sum of Census codes E27, E32, F32 and G32. Census code 32 (health) is defined as: Provision of services for the conservation and improvement of public health, other than hospital care, and financial support of other government health programs. Includes expenditures for general-health activities; categorical-health activities and programs; health-related inspections; community health-care programs; regulation of air and water quality; rabies and animal control; and ambulance and emergency-medical services only if handled separately from the local fire department. Also includes state or local expenditures financed by the federal government Superfund for cleanup of hazardous-waste sites. Census code E27 is entitled "Environmental Health."
- Other medical assistance to persons (public hospitals) – Includes hospitals only. Equivalent to the sum of Census codes E36, F36 and G36 less Census Codes A36, M67, and N67. Census Code Category 36 (hospitals) is defined as: Expenditures related to a government's own hospitals as well as expenditures for the provision of care in other hospitals (public or private). Own hospitals are facilities directly administered by the government, including those operated by public universities. Other expenditures cover the provision of care in other hospitals and support of other public and private hospitals. This function also covers direct payments for acquisition or construction of hospitals (whether or not the government will operate the completed facility) and payments to private corporations that lease and operate government-owned hospitals. Census code

A36 (charges for public hospitals) is defined as: Charges from patients, private insurance companies, and public insurance programs (such as Medicare) of public hospitals and of institutions for care and treatment of the handicapped; and receipts of hospital canteens, cafeterias, gift shops, etc. Census codes M67/N67, revenues of local hospitals from state governments for Medicaid, are subtracted from this category to avoid double- counting Medicaid expenditures, which are counted once under "Non-Cash aid to the disadvantaged".

Standard of living and Aid to the disadvantaged

- Housing assistance – Equivalent to the sum of Census codes E50, E77, F50, and F77 less Census code A50. Census Code Category 50 is defined as: Construction, operation, and support of housing and redevelopment projects and other activities to promote or aid public and private housing and community development. Census Code Category 77 is defined as: Provision, construction, and maintenance of nursing homes and welfare institutions owned and operated by a government for the benefit of needy persons (contingent upon their financial or medical need), and veterans. Census code A50 (charges for housing and community development) is defined as: Gross rentals, tenant charges, and other revenue from operation of public housing projects.
- Other – this category includes all other aid to the disadvantaged. Unfortunately, changes in Census methodology have reduced the granularity of this category. Medicaid is the largest item in this category, but Census does not break out that program's expenses. So this large category includes the following:

- Census Codes E67, E68, J67, J68, S67, E74, E75, E79, F79, G79, M67, N67. Census Code J67 includes expenditures associated with Supplemental Security Income (SSI) and Temporary Assistance for Needy Families (TANF). Census Code Category 68 is defined as: Cash payments made directly to individuals contingent upon their need, other than those under federal categorical assistance programs. Includes poor relief; general relief; home relief; emergency relief; general assistance; refugee assistance; medical assistance; housing-expense relief; energy assistance (e.g., Federal Low Income Home Energy Assistance Program, or LIHEAP); emergency assistance, etc. paid directly to individuals and not to vendors; other direct assistance to needy persons not covered by or eligible for federal categorical assistance; payments to other governments in support of, or as reimbursement for costs of, these types of assistance programs.

  E74 (current operations public welfare, vendor payments for medical care) is defined as: Public welfare payments made directly to private vendors for medical assistance and hospitals or health care, including Medicaid (Title XIX), plus mandatory state payments to the Federal Government to offset costs of prescription drugs under Medicare Part D. Payments to vendors or the Federal Government must be made on behalf of low-income or means tested beneficiaries, or other medically qualified persons. M67 and N67 include payments by state governments to local government hospitals on behalf of Medicaid recipients. E74 is no longer broken out beginning with FY 2022 data. Instead, the expenditures are lumped with E79.

Census Code E75 (current operations public welfare, vendor payments for other purposes), defined as: Payments under public welfare programs made directly to private vendors (i.e., individuals or nongovernmental organizations furnishing goods and services) for services and commodities, other than medical, hospital, and health care, on behalf of low-income or other means-tested beneficiaries. Includes payments to private vendors for funeral or burial services, food, clothing, home- heating fuel, winter energy assistance, and the like. E75 is no longer broken out beginning with FY 2022 data. Instead, the expenditures are lumped with E79.

- Unemployment insurance – Includes state and local administrative costs for the joint federal-state unemployment insurance program. Equivalent to the sum of Census codes E22, F22, and G22.

Secure the Blessings of Liberty

Education

- Education Inside the Classroom
    - Elementary and secondary education – Equivalent to the sum of the Census codes E12, F12, G12, and J19 less Census codes A09, A10, and A12. Census category code 12 is defined as: The operation, maintenance, and construction of public schools and facilities for elementary and secondary education (kindergarten through high school), vocational-technical education, and other educational institutions except those for higher education. Covers operations by independent governments (school districts) as well as those operated as integral agencies of state, county, municipal, or township governments. Also covers financial support of public elementary and secondary schools. Census code J19 is defined as: State government direct cash payments to individuals for tuition, scholarships, and other financial aid to meet educational expenses (other than loans), whether based on academic merit, financial need, athletic ability, or educational disadvantage. This function also includes direct cash subsidies to private schools and colleges. Census code A09 (current charges for elementary-secondary school lunch) is defined as: Gross receipts from sale of milk and school

lunches. Census code A10 (current charges for elementary-secondary school tuition) is defined as: Amounts from pupils and parents for tuition and transportation. Census code A12 (Current charges for other elementary-secondary education) is defined as: Revenues from athletic contests, sale or rental of textbooks, student activity funds, and the like.

- Higher education – Equivalent to the sum of the following Census Codes for higher education expenditures (E16, E18, E19, F16, F18, G16, G18) less charges for higher education (Census Codes A16, A18). Census Codes E16 (expenditures for current operations), F16 (expenditures for construction), and G16 (expenditures for land and existing structures) are Higher Education Auxiliary Enterprises and are defined as: Higher education activities and facilities that provide supplementary services to students, faculty or staff, and which are self-supported (wholly or largely through charges for services) and operated on a commercial basis. Includes dormitories; cafeterias; bookstores; athletic facilities; contests or events; student activities; lunchrooms; student-health services; college unions; college stores, and the like. Census Code E19 (state government scholarships and other subsidies) is defined as: State government direct cash payments to individuals for tuition, scholarships, and other financial aid to meet educational expenses (other than loans), whether based on academic merit, financial need, athletic ability, or educational disadvantage. This function also includes direct cash subsidies to private schools and colleges. Census Codes E18 (expenditures for current operations), F18 (expenditures for construction), and G18 (expenditures for land and existing structures) are other higher education and are defined as: Degree-granting institutions (associate, bachelor, master, or doctorate) operated by state or local governments that provide academic training beyond the high school (grade 12) level, other than for auxiliary enterprises of the state or local institution. Census Code A16 (current charges for higher education auxiliary enterprises) is defined to include gross receipts from sales and charges by dormitories, cafeterias, athletic contests, lunchrooms, student activities, bookstores, and similar commercial activities financed wholly or largely through these charges. Census Code A18 (other higher education charges) is defined to include tuition, laboratory fees, and other charges of higher education facilities other than auxiliary enterprises.
- Education unallocable between elementary/secondary and higher education. Equivalent to the sum of Census codes E21, F21, and G21 less Census code A21. Census code category 21 is defined as: State government special programs and institutions primarily for training and education (rather than care) of the blind, deaf, or other handicapped; programs for adult, vocational, or special education that

operate outside school systems; and activities not assignable to other education functions. Census code A21 (federal and state education charges, NEC) is defined as: Fees of state schools for blind, deaf, and handicapped; and tuition and fees of state vocational- technical schools which award certificates equal to less than two years of college.

- Education outside the classroom
    - Equivalent to the sum of Census Codes E52, F52, and G52. Census Code Category 52 (libraries) is defined as: Establishment and provision of libraries for use by the general public and the technical and financial support of privately operated libraries. Includes expenditures for general public libraries, community libraries, consolidated libraries, regional libraries, and their variously named equivalents. Also includes library-extension services (including bookmobiles), public library (special) districts, state library commissions and boards, and programs to promote, develop, and coordinate library services and facilities. Also included is aid for the construction or operation of other governmental or private libraries.

Sustainability and Self-Sufficiency

- Energy
    - Gas and electric utilities – Equivalent to the sum of Census Codes E92, E93, F92, F93, G92, and G93 less Census codes A92 and A93. Census Code Category 92 (electric power) is defined as: Operation, maintenance, and construction of public electric power systems, including production, acquisition, and distribution of electricity to general public or to other public or private utilities. This function covers government electric-power activities for residential, commercial, and industrial electrical usage. Census Code Category 93 (gas supply) is defined as: Operation, maintenance, and construction of public natural gas supply systems, including production, acquisition, and distribution of gas to the general public or to other public or private utilities. This function covers government gas supply activities for residential, commercial, and industrial gas usage. Census code A92 (current charges for electric power systems) is defined as: Revenue from operations of public electric power supply systems, such as sale of electricity to residential, commercial, and industrial customers (including electricity for resale by other private or public electric utilities); and other operations revenues. Census code A93 (current charges for gas supply systems) is defined as: Revenue from operations of public gas supply systems, such as sale of natural gas to residential, commercial, and industrial customers (including natural gas for

resale by other private or public gas supply utilities); connection fees; and other operations revenues.

- Environment and Natural Resources
    - Sewerage and waste management – Equivalent to the sum of Census Codes E80, F80, G80, E81, F81, and G81 less Census codes A80 and A81. Census Code Category 80 (sewerage) is defined as: Provision, maintenance, and operation of sanitary and storm-sewer systems and sewage-disposal and treatment facilities, as well as all intergovernmental payments for such activities. Census Code Category 81 (solid waste management) is defined as: Collection, removal, and disposal of garbage, refuse, hazardous, and other solid wastes and the cleaning of streets, alleys, and sidewalks. Census code A80 (current charges for sewerage) is defined as: Charges for sewage collection and disposal, including sewer connection fees. Census Code A81 (current charges for solid waste management) is defined as: Fees for garbage collection and disposal; operation of landfills; sale of recyclable materials; cleanup of hazardous wastes; and sale of electricity, gas, steam, or other by-products of waste resource recovery or cogeneration facilities.
    - Water utilities – Equivalent to the sum of Census Codes E91, F91, and G91 less Census code A91. Census Code Category 91 (water supply) is defined as: Operation, maintenance, and construction of public water-supply systems, whether for distribution of water to the general public or to other public or private utilities. This function covers government water-supply activities for residential, commercial, and industrial water usage. Census code A91 (current charges for water supply systems) is defined as: Revenue from operations of public water supply systems, such as sale of water to residential, industrial, and commercial customers (including bulk water for resale by other private or public water utilities); connection and "tap" fees; sprinkler fees; meter inspection fees; late payment penalties; and other operations revenues.
    - Other Environmental and Natural Resources – Equivalent to the sum of Census codes E55, F55, G55, E56, F56, G56, E59, F59, G59, E61, F61, G61, E54, F54, and G54 less Census code A61. Census code category 55 (state fish and game) is defined as: Conservation, improvement, development, and propagation of fish and game resources, as well as the regulation and enforcement of fish and game laws. Census code category 56 (state forestry) is defined as: State government expenditures for the conservation, development, management, and protection of forests and forest resources. This function includes regulation and inspection of forest products and industries, as well as the provision of assistance to private or local government owners of woodlands. Census code category 59 (natural

resources, other) is defined as: Expenditures related to water resources, mineral resources, agriculture, and the regulation of industries which develop, utilize, or affect natural resources, as well as the regulation of agricultural products and establishments. Includes conservation, promotion, and development activities related to agriculture and natural resources (soil, water, energy, minerals, etc.). Census code category 61 (parks and recreations) is defined as: Provision and support of recreational and cultural-scientific facilities maintained for the benefit of residents and visitors. Census code A61 (current charges for parks and recreation) is defined as: Gross revenue of facilities operated by a government (swimming pools, recreational marinas and piers, golf courses, skating rinks, museums, zoos, etc.); auxiliary facilities in public recreation areas (camping areas, refreshment stands, gift shops, etc.); lease or use fees from stadiums, auditoriums, and community and convention centers; and rentals from concessions at such facilities.

Wealth and Savings

- Obligations
    - State and local employee retirement and disability benefits – Equivalent to the sum of Census Code X11 and X40 (employee retirement benefit payments), Census Code X12 and X80 (employee retirement withdrawals), Census Code Y14 (Workers Compensation Benefit Payments), Census Code Y53 (benefit payments for other state social insurance trust systems). Codes X11/X40 and X12/X80 are defined as: Distribution of cash benefits to, or withdrawals by, eligible persons under government-administered employee-retirement systems covering public employees. Includes benefits, withdrawals, and other payments. Benefits include: Cash payments to, or on behalf of, participants for retirement benefits and annuities, death and disability benefits, life and disability insurance on behalf of retirees, pre-retirement death benefit premiums, benefits due on termination of employment, survivors benefits, and other benefits as allowed. Withdrawals include: Cash withdrawals of employees, former employees, or their survivors as return of contributions made during employment, plus any interest on such amounts. Includes transfers of investment holdings and reimbursements for benefits paid when another pension fund assumes responsibility for paying retirement benefits. Other Payments include: Exhibit- only codes for expenditure statistics. Census Code Y14 is defined as: Distribution of cash benefits to eligible persons under state-administered plans for compulsory accident and injury insurance of workers. Includes benefits such as: Claims paid directly to, or on behalf of, injured beneficiaries for compensation of wages lost, medical care,

rehabilitation, funeral expenses, and other eligible benefits. Includes payments made from regular workers' compensation funds as well as from subsequent-injury funds, second-injury funds, and the like. Also includes other Payments such as: Exhibit-only codes for expenditure statistics. Census Code Y53 is defined as: Distribution of cash benefits to eligible persons under state-administered plans for compulsory or voluntary social insurance programs not elsewhere classified, or withdrawals from such systems, as allowed by law. Benefits include claims paid directly to, or on behalf of, beneficiaries for lost income, medical care, disaster reimbursement, and other eligible expenses.

- Offset for state and local government employee contributions for retirement and disability – Equivalent to the sum of Census Codes X01 (contributions from state government employees), X02/X50 (contributions from local government employees), Y11 (Workers' compensation systems – contributions), and Y51 (Other state social insurance systems – contributions). Census defines employee contributions (X01 and X02/X50) as: Amounts contributed or withheld from salaries and wages of employees, and voluntary employee contributions, to provide for retirement or survivors' benefits. Includes reimbursements for disability payments, interest on employee loans, and interest on buyback contributions. Also includes contributions from general employees as well as those of public colleges and other institutions or dependent agencies. Census code Y11 is defined as: Premiums, assessments, payroll "taxes" or other contributions collected from employers and employees to provide for workers' compensation benefits, including contributions from local governments as employers on behalf of their own employees. Also includes amounts received from employees of either state or local governments. Census code Y51 is defined as: Premiums, assessments, or contributions collected from members to provide for benefits, including contributions from local governments as employers on behalf of their own employees. Also includes amounts received from employees of either state or local governments.
- Net interest on debt – Equivalent to the sum of Census Codes I89, I91, I92, I93, and I94 less Census Code U20. Census Code I89 (general interest on debt) is defined as: amounts paid for use of borrowed monies, except those on utility debt, paid by all funds of the government. Includes interest on both short- and long-term debt for non-utility purposes, whether general obligation or nonguaranteed, including public debt for private purposes and debt to cover deficits of unemployment compensation or other insurance trust funds. Census Code I91 (water utilities interest on debt) includes the interest paid on debt of water utilities. Census Code I92 (electric utilities interest on debt) includes the interest paid on debt of electric

utilities. Census Code I93 (gas utilities interest on debt) includes the interest paid on debt of gas utilities. Census Code I94 (transit utilities interest on debt) includes the interest paid on debt of transit utilities. Census Code U20 (interest earnings) is defined as: Amounts from interest on all interest-bearing deposits and accounts; accrued interest on investment securities sold; interest on funds held for construction; and interest related to public debt for private purposes.

General government

Equivalent to the sum of Census Codes E23, F23, G23, E26, F26, G26, E29, F29, G29, E31, F31, G31, E89, F89, and G89 less Census codes A89 and Z53. Census Code Category 23 (financial administration) is defined as: Officials and central-staff agencies concerned with tax assessment and collection, accounting, auditing, budgeting, purchasing, custody of funds, and other finance activities. Census Code Category 26 (state legislative) is defined as: Legislative bodies and related activities involved in the making, enacting, and repeal of law. Census Code Category 29 (central staff services) is defined as: Government-wide executive, administrative, and staff service agencies other than financial, judicial, legal, and state legislative activities. Census Code Category 31 (general public buildings) is defined as: Construction, equipping, maintenance, and operation of general public buildings not related to specific functions or agencies. Includes general county offices buildings, city halls, multi-purpose office buildings and annexes; and lighting, janitorial, custodial, and other services furnished for general public buildings.
Census Code Category 89 (other and unallocable) is defined as: Activities not applicable to other general functions, or multi-functional general sector activities that cannot be separated into specific functions. Includes the following types of expenditure activity: State-local military activities (militia, National Guard, armories, civil defense, etc.); lump- sum contributions for employee benefits (retirement, unemployment and workers' compensation, health and life insurances, etc.) other than transfers to own insurance trusts; premiums for government-wide fire, auto, liability, and other such insurances; judgments and compensation for injury to persons or property; recorded losses on the sale of investments (except those assigned to a specific insurance trust category); central service agencies (e.g., public works, motor pools, communications) other than financial administration and government-wide executive services; administration of multi-functional agencies; purchase of computer equipment for government-wide use; general economic development promotional activities; voter registration and elections; job training and employment programs (e.g., WIA); programs for senior citizens not based on need; crime victim compensation; geo-mapping services of a government agency; refund of receipts reported as revenue in prior fiscal years (other than taxes); nuclear-waste disposal; activities for which a specific function is not applicable to that type of government (although this is of limited use subsequent to the 2005 redesign of the government finance statistics program), e.g. state-government fire protection. Census code A89 (all other general current charges) is

defined as: Charges not covered by any of the above categories, such as those derived from court and recording fees, police, fire, correction, defense, public welfare, public nursing homes, public libraries, and health activities. Lottery administrative expenditures (Z53) are subtracted from this general government category to avoid double-counting.

Sales of Government-Run Businesses

- Air transportation – Equivalent to Census Code A01 - Current Charges for Air Transportation (airports), including: Hangar rentals, landing fees, terminal and concession rents, sale of aircraft fuel and oil, parking fees at airport lots, and other charges for use of airport facilities or for services associated with their use.
- Hospitals – Equivalent to Census Code A36 - Current Charges for Public Hospitals, including: Charges from patients, private insurance companies, and public insurance programs (such as Medicare) of public hospitals and of institutions for care and treatment of the handicapped; and receipts of hospital canteens, cafeterias, gift shops, etc.
- Toll highways – Equivalent to Census Code A45 - Current Charges for Toll Highways, including: Fees from turnpikes, toll roads, bridges, ferries, and tunnels; rents and other revenue from concessions (service stations, restaurants, etc.); and other charges for use of toll facilities.
- Parking facilities – Equivalent to Census Code A60 - Current Charges for Parking Facilities, including: Revenue from on street and off-street parking meters and charges and rentals from government-owned parking lots or public garages.
- Transit – Equivalent to Census Code A94 - Current Charges for Public Mass Transit Systems, including: Revenue from operations of public mass transportation systems (rapid transit, subway, bus, street railway, and commuter rail services), such as fares, charter fees, advertising income, and other operations revenues.
- Liquor stores – Equivalent to Census Code A90 - Current Charges for Liquor Stores, including: Gross receipts (less discounts and any sales taxes included in receipts) from sale of alcoholic beverages and related operations revenue of publicly-owned and operated liquor stores, Alcoholic Beverage Control (ABC) stores, and their variously-named equivalents.
- Sewerage and waste management – Equivalent to the sum of Census Codes A80 and A81. Census Code A80 (current charges for sewerage) includes: Charges for sewage collection and disposal, including sewer connection fees. Census Code A81 (current charges for solid waste management) includes: Fees for garbage collection and disposal; operation of landfills; sale of recyclable materials; cleanup of hazardous wastes;

and sale of electricity, gas, steam, or other by-products of waste resource recovery or cogeneration facilities.

- Sea and inland port facilities – Equivalent to Census Code A87 (current charges for sea and inland port facilities), including: Canal tolls, rents from leases, concession rents, and other charges for use of commercial or industrial water transport and port terminal facilities and related services.
- Lotteries – Equivalent to Census Code U95 (net lottery revenue), including: Proceeds from the operation of government sponsored lotteries after deducting the cost of prizes.
- Gas and electric utilities – Equivalent to the sum of Census Codes A92, A93. Census Code A92 (current charges for electric power systems) includes: Revenue from operations of public electric power supply systems, such as sale of electricity to residential, commercial, and industrial customers (including electricity for resale by other private or public electric utilities); and other operations revenues. Census Code A93 (current charges for gas supply systems) includes: Revenue from operations of public gas supply systems, such as sale of natural gas to residential, commercial, and industrial customers (including natural gas for resale by other private or public gas supply utilities); connection fees; and other operations revenues.
- Water utilities – Equivalent to Census Code A91 (current charges for water supply systems), including: Revenue from operations of public water supply systems, such as sale of water to residential, industrial, and commercial customers (including bulk water for resale by other private or public water utilities); connection and tap fees; sprinkler fees; meter inspection fees; late payment penalties, and other operations revenues.
- Other businesses – Equivalent to Census Code A03 (current charges for miscellaneous commercial activities), including: Charges of publicly owned commercial enterprises not classified elsewhere, such as markets, cement plants, cemeteries, etc.

Federal spending by function

Spending

- Compensation for past government employees – Includes the following from OMB Historical Table 11.3 "Outlays for Payments to Individuals by Category and Major Program":
    - Federal employees' retirement and insurance – military retirement and civil service retirement
    - Uniformed Services retiree health care fund
    - Postal Service retiree health benefits fund
    - Energy employees' compensation fund
    - Other federal retirement. In addition, payments to individuals in the Armed Forces Retirement Home, which are part of the "Refugee assistance and other" line in Table 11.3, are included. Also, Government Payment for Annuitants, Employees Health Benefits, which are part of. "Other medical care" in Table 11.3 are included.
- Compensation for present government employees – Includes the following from the Bureau of Economic Analysis (BEA) National Income and Product Accounts (NIPA):
    - Table 6.2D Line 87 Compensation of Employees by Industry (Federal Government)
    - Less Table 6.11 Line 28 – Employer contributions for employee pension and insurance funds (Federal government)
- Offset for government employee contributions for retirement and disability – Includes total contributions from government employees to federal government retirement funds (excludes Thrift Savings Plan). Although this is counted by OMB as receipts, it is included as a negative outlay here to be consistent with employer contributions. Source is NIPA Table 7.23.
- Capital expenditures – Includes non-grant totals for defense and non-defense from OMB Table
- 9.2 – "Major Public Physical Capital Investment Outlays in Current and Constant Dollars"
    - Defense and Non-Defense breakout is same as that from OMB Historical Table 9.2.
- Transfer Payments to Individuals – Includes all non-grant outlays from OMB Historical Table 11.3 "Outlays for Payments to Individuals by Category and Major Program" EXCEPT those included in the category above "Compensation for past government employees."
    - Breakout by program/area is consistent with OMB. Veterans benefits includes benefits from five different program types: pension and disability benefits, education benefits, hospital and medical care, non-service connected pensions, and insurance and burial benefits.
- Intergovernmental transfers to state and local governments – Includes all grant outlays from OMB Historical Table 6.1 "Composition of Outlays." This includes grants for

payments to individuals and all other grants. Also includes some non-grant intergovernmental transfers entitled "General Purpose Fiscal Assistance to S&L Governments & Territories." This item is typically small with a notable large amount in FY 2020 for some Covid assistance programs.

- Net interest on debt – Includes "Net Interest" line from OMB Historical Table 6.1 "Composition of Outlays."
- Payments to Others for Goods and Services – This category is a residual category that equals federal government spending as defined by USAFacts (see expenditures by segment) less the categories above (compensation for government employees, capital expenditures, transfer payments to individuals (non-grant), grants to state and local governments, and net interest). USAFacts total federal government spending is slightly different from OMB outlays as there are a few items that USAFacts classifies as revenues that OMB considers outlays (specifically offsetting receipts).

State and Local

Revenues

Tax Revenues include all state and local tax revenues as defined by USAFacts (see expenditures by segment). This differs slightly from Census's tax revenues figure. USAFacts includes Special Assessments (Census Code U01) as tax revenue instead of non-tax revenue. It is included in the "Other Taxes" category. This is consistent with BEA methodology which includes this item as a tax.

Non-tax revenues include all state and local non-tax revenues as defined by USAFacts (see expenditures by segment), including intergovernmental revenue from the federal government. This differs noticeably from Census revenues due to USAFacts counting receipts of government business-like operations as negative expenditures instead of revenues to assure consistency between the federal and state/local methodologies.

Spending

- Compensation for Personnel (past & present)
- Past Employees – Includes the following expenditure codes from the Census Bureau's State and Local Government Finances report: X11 and X40 – Public Employee Retirement Systems – Benefits Paid, X12 and X80 – Public Employee Retirement Systems – Withdrawals, Y14 – Workers' Compensation Systems – Benefits Paid, Y53 – Other State Social Insurance Systems – Benefits Paid.
- Present Employees – Includes the following from the Bureau of Economic Analysis (BEA):
    - Table 6.2B Line 82 Compensation of Employees by Industry (Federal Government)
    - Less Table 6.11 Line 29 – Employer contributions for employee pension and insurance funds (Federal government)

- Offset for state and local government employee contributions for retirement and disability – Equivalent to the sum of Census Codes X01 pre-2017 and X50 2017-onward (contributions from state government employees), X02 (contributions from local government employees), Y11 (Workers' compensation systems – contributions), and Y51 (Other state social insurance systems – contributions). Census defines employee contributions (X01 pre-2017 and X02) as: Amounts contributed or withheld from salaries and wages of employees, and voluntary employee contributions, to provide for retirement or survivors' benefits. Includes reimbursements for disability payments, interest on employee loans, and interest on buyback contributions. Also includes contributions from general employees as well as those of public colleges and other institutions or dependent agencies. Census code Y11 is defined as Premiums, assessments, payroll "taxes" or other contributions collected from employers and employees to provide for workers' compensation benefits, including contributions from local governments as employers on behalf of their own employees. Also includes amounts received from employees of either state or local governments. Census code Y51 is defined as: Premiums, assessments, or contributions collected from members to provide for benefits, including contributions from local governments as employers on behalf of their own employees. Also includes amounts received from employees of either state or local governments.
- Capital Expenditures
- Education – Includes the following expenditure codes from the Census Bureau's State and Local Government Finances report: F12 – Construction – Elementary and Secondary Education, F16 – Construction – Higher Education Auxiliary Expenditure, F18 – Construction – Higher Education Other, F21 – Construction – Other Education, F52 – Construction – Libraries, G12 – Other Capital Outlay – Elementary and Secondary Education, G16 – Other Capital Outlay – Higher Education Auxiliary Expenditure, G18 – Other Capital Outlay – Higher Education Other, G21 – Other Capital Outlay – Other Education, G52 – Other Capital Outlay – Libraries
- Transportation – Includes the following expenditure codes from the Census Bureau's State and Local Government Finances report: F01 – Construction – Airports, F44 – Construction – Regular Highways, F45 – Construction – Toll Highways, F60 – Construction – Parking Facilities, F87 – Construction – Sea and Inland Port Facilities, F94 – Construction – Mass Transit, G01 – Other Capital Outlays – Airports, G44 – Other Capital Outlays – Regular Highways, FG5 – Other Capital Outlays – Toll Highways, G60 – Other Capital Outlays – Parking Facilities, G87 – Other Capital Outlays – Sea and Inland Port Facilities, G94 – Other Capital Outlays – Mass Transit.
- Other Capital Expenditures – Includes all other expenditures for Construction and Other Capital Outlays from the Census Bureau's State and Local Government Finances report.
- Transfer Payments to Individuals & Subsidies
- Medicaid & CHIP – Includes the following expenditure codes from the Census Bureau's

State and Local Government Finances report: E74 – Current Operations – Public Welfare – Vendor Payments for Medical Care, M67/N67 – Intergovernmental Payments from State to Local – Federal Categorical Assistance Programs. Note that for local hospital expenditures, which are included in payments to others for goods and services (see below), the amount from M67/N67 is deducted to avoid double-counting medical care expenditures.

- Other – Includes the following expenditure codes from the Census Bureau's State and Local Government Finances report: E67 - Current Operations - Public Welfare - Federal Categorical Assistance Programs, E68 - Current Operations - Public Welfare - Other Cash Assistance Programs, E75 - Current Operations - Public Welfare - Vendor Payments for Other Purposes, E77 - Current Operations - Public Welfare - Institutions, E79 - Current Operations - Public Welfare - Other, E84 - Current Operations - Veterans' Payments, E85 - Current Operations - Veterans' Services, J19 - Assistance and Subsidies - State Scholarships and Other Subsidies - Education, J67 - Assistance and Subsidies - Public Welfare, Federal Categorical Assistance Programs, J68 - Assistance and Subsidies - Public Welfare, Cash Assistance Programs - Other, J85 - Assistance and Subsidies - State Other Veterans' Services
- Payments to Others for Goods & Services -- This is a residual category that equals state and local government spending as defined by USAFacts (see segment spending P&L) less the categories above (compensation for government employees, capital expenditures, transfer payments to individuals (non-grant), and net interest). USAFacts total state and local government spending differs from Census expenditures as USAFacts nets out revenues from government business-like operations expenditures, thereby counting them as a net expenditure. This is done to be consistent with the OMB's treatment of the federal budget.
- Net Interest Paid – Equals the sum of the following Census expenditure codes: I89 (General – Interest on Debt), I91 (Water Utilities – Interest on Debt), I92 (Electric Utilities – Interest on Debt), I93 (Gas Utilities – Interest on Debt), I94 (Transit Utilities – Interest on Debt) less Census revenue code U20 (Misc. General Revenue – Interest). Interest revenue is subtracted from interest expenditure to arrive at "Net Interest Paid." This adjustment is also done to the Census data to be consistent with the federal budget category of "Net Interest."

Total Government

The total government section combines federal, state, and local governments. Each of the total categories is equal to the sum of the respective federal and state/local categories except for grants from federal government to state and local governments.

Total revenue is equal to federal revenue plus state and local revenue less state and local revenue reported as intergovernmental from federal.

Total expenditures equal federal expenditures plus state and local expenditures less federal expenditures reported as intergovernmental expenditures, with an adjustment to account for the fact that Census state and local intergovernmental revenue is not equal to federal intergovernmental transfers to state and local governments for various reasons, such as timing. This is called "Discrepancy Between State and Local Receipts and Federal Government Transfers to State and Local Governments."

Balance sheets

The USAFacts balance sheets, presented on USAFacts.org and in the summary and annual reports, comes exclusively from the Federal Reserve's Financial Accounts of the United States, which releases quarterly data on the Flow of Funds, Balance Sheets, and Integrated Macroeconomic Accounts. This is also known as Z1 data. See the latest report here: https://www.federalreserve.gov/releases/z1/. The Federal Reserve describes this publication as follows:

The Financial Accounts of the United States includes data on the flow of funds and levels of financial assets and liabilities, by sector and financial instrument; full balance sheets, including net worth, for households and nonprofit organizations, nonfinancial corporate businesses, and nonfinancial noncorporate businesses; Integrated Macroeconomic Accounts; and additional supplemental detail.

The USAFacts 10-K report (available at USAFacts.org) also uses a different source, the Treasury Department's Financial Report of the United States, for the federal government's balance sheet. The 10-K uses the Z1 data for state and local balance sheet data. The 10-K contains more information on the differences between these two data sources.

Government Balance Sheets

In constructing the USAFacts government balance sheets, we manipulate some of the government tables provided in the Z1 data. These mainly pertain to the treatment of government pension funds. While the Z1 data has separate tables for government pension funds, we combine them into one table and identify which item pertains to a pension when appropriate. In the process, we net out pension fund assets that are liabilities of the parent government. For example, the Z1 data will include as assets of the pension fund Treasury securities in the federal government defined benefit pension table. We show them as liabilities of the federal government owed to pension recipients. In summary, the Z1 data treats government pension funds as an intermediary between the government and pension recipients; we eliminate that intermediary. The bottom line net worth numbers for government remain unaffected by our manipulations. We feel our treatment is more intuitive to the average reader.

In constructing the combined government balance sheets, we treat government as one entity with no layers (i.e., federal, state and local). First, for each category, we add the amounts from the federal and state/local balance sheets. Then we net out intergovernmental transactions involving federal to state/local and vice versa. This includes the following:

- Federal government loans to state and local governments
- Federal Treasury debt held by state and local governments (including pension funds)

In the state and local government tables from the Z1 data, municipal securities are counted as both an asset and a liability. This includes, for example, California municipal bonds held by the state of Georgia. We net this out because we treat state and local governments as one entity, thereby reducing both assets and liabilities by the same amount. Note that we do include municipal securities held by the public in the form of pension liabilities.

For government balance sheets, some assets are excluded, such as land and certain structures that are not considered to be marketable. For example, the Washington Monument is not counted as an asset. This is consistent with the Z1 treatment.

Other Balance Sheets

Balance sheets for U.S. households, government-sponsored enterprises (GSEs), and the Federal Reserve are taken directly from Z1 data.
Note that the Federal Reserve, also known as the monetary authority, is not considered to be part of government.

Federal Government Balance Sheet Line-by-Line Sources in Balance Sheet Data

For more information on each Z1 series, visit the Financial Accounts Guide:
https://www.federalreserve.gov/apps/fof/Default.aspx?ck=d

Balance Sheet Item	Z1 Series (or Formula)
Assets (excluding land)	
Financial Assets	
U.S. Official Reserve Assets	

Monetary Gold	FL313011205.Q
SDR Holdings	FL313011303.Q
Reserve Position at IMF (Net)	FL313011405.Q
Foreign Deposits	FL313091005.Q
Repurchase Agreements	FL313011545.Q
Checkable Deposits and Currency	FL313020005.Q
Checkable Deposits and Currency (pension)	FL343020033.Q
Time and Savings Deposits	FL313030003.Q
Debt Securities	
Agency and GSE-backed Securities	FL313061703.Q
Agency and GSE-backed Securities held by National Railroad Retirement Investment Trust (pension fund)	FL343061733.Q
Corporate and Foreign Bonds	FL313063763.Q
Corporate and Foreign Bonds held by National Railroad Retirement-Investment Trust (pension fund)	FL343063033.Q
Municipal Securities held by National Railroad Retirement Investment Trust (Pension)	LM343062033.Q
Trade receivables (Advances and prepayments by the U.S. government)	FL313070000.Q
Taxes receivable (Gross taxes receivable)	FL313078000.Q
Loans	
Short-Term	
Policy Loans	FL313069403.Q
U.S. Government Loans	
Nonfinancial corporate business	
Loans to Automakers	FL313069213.Q
Loans to Corporate Farms	FL183169205.Q
Loans to other nonfinancial corporate business	FL103169203.Q
Nonfinancial noncorporate business	

Loans to Noncorporate Farms	FL233169205.Q
Loans to other nonfinancial noncorporate businesses	FL113169203.Q
Households and nonprofits	FL153169203.Q
Funding corporations	FL503169205.Q
State and local governments	FL213169203.Q
Rest of the world (excluding capital subscriptions and contributions to international financial institutions and IMF)	FL263169205.Q
Sallie Mae	FL403169283.Q
Loans to finance companies (Chrysler Financial)	FL313069223.Q
Long-Term	
Long-Term (Mortgages)	FL313065005.Q
Student Loans	FL313066220.Q
Corporate equities	
Corporate equities of commercial banks (acquired during financial crisis)	FL313064173.Q
Corporate equities issued of AIG (acquired during financial crisis)	FL313064153.Q
Corporate equities of GMAC (acquired during financial crisis)	FL313064163.Q
Corporate equities issued by nonfinancial corporations - automakers (acquired during financial crisis)	FL313064133.Q
Corporate equities issued by nonfinancial corporations – non-automakers (acquired during financial crisis)	FL313064143.Q
Corporate Equities held by the National Railroad Retirement Investment Trust (pension fund)	LM343064135.Q
Corporate equities issued by Fannie Mae	FL313064113.Q

(acquired during financial crisis)	
Corporate equities issued by Freddie Mac (acquired during financial crisis)	FL313064123.Q
Nonofficial foreign currencies	FL313091105.Q
Equity in Private-Public Investment Program	FL313094303.Q
U.S. equity in IBRD, etc.	FL313092803.Q
Equity in GSEs (non-corporate equities)	FL313092403.Q
Total Exchange Stabilization Fund Economic Recovery Programs equity investments in Federal Reserve credit facilities	FL313094205.Q
Unidentified miscellaneous assets	FL313093003.Q
Nonfinancial Assets (excluding land)	
Structures	LM315015605.Q
Equipment	FL315013265.Q
Intellectual Property	FL315013765.Q
Equipment	FL315013265.Q
Liabilities	
SDR allocations	FL313111303.Q
SDR certificates	FL713014003.Q
Currency and Deposits	FL313112003.Q
Debt Securities	
Treasury Securities	
Treasury Securities Held by the Public (excluding National Railroad Retirement Trust)	FL313161100.Q
Treasury Securities Held by the Public via National Railroad Retirement Trust (Pension)	FL343061133.Q
Special U.S. Treasury securities held by Federal Home Loan Bank	FL403061193.Q

Treasury Securities Held by Federal Defined Benefit Pension Plans (Pension)	FL343061165.Q - FL34061133.Q
Agency-Backed Securities	FL313161705.Q
Loans	
Multifamily Residential Mortgages	FL313165403.Q
Nonmarketable Treasury Securities	FL313169205.Q
Nonmarketable Treasury Securities (Pension)	FL343069245.Q
Other loans and advances due to federal government defined contribution retirement funds (Pension)	FL313169003.Q
Trade Payables	FL313170005.Q
Life Insurance Reserves	FL313140003.Q
Liability due to FICO	FL313193013.Q
Retiree Health Care Funds	
Uniform Services Retiree Health Care Fund	FL313195100.Q
Postal Services Retiree Health Benefits Fund	FL313195113.Q
Postal System Savings Deposits	FL313131003.Q
Unfunded Pension Entitlements (i.e., not explicitly backed by assets held in pension fund account) (pension)	FL343073045.Q
Paycheck Protection Program Payables	FL313172003.Q
Other Pension Liabilities (pension)	FL343061733.Q + FL343063033.Q + LM343064135.Q

State and Local Government Balance Sheet Line-by-Line

For more information on each Z1 series, visit the Financial Accounts Guide:
https://www.federalreserve.gov/apps/fof/Default.aspx?ck=d

Balance Sheet Item	Z1 Series (or Formula)
Assets (excluding land)	
Financial Assets	
Checkable Deposits and Currency	FL213020005.Q
Checkable Deposits and Currency (Pensions)	FL223020043.Q
Time and Savings Deposits	FL213030000.Q
Time and Savings Deposits (Pensions)	FL223030043.Q
Money Market Fund Shares	FL213034003.Q
Money Market Fund Shares (Pensions)	FL223034043.Q
Security Repurchase Agreements	FL212051003.Q
Security Repurchase Agreements (Pensions)	FL222051043.Q
Debt Securities	
Commercial Paper	FL213069103.Q
Commercial Paper (Pensions)	FL223069143.Q
Treasury Securities	LM213061103.Q
Treasury Securities (Pensions)	FL223061143.Q
Agency and GSE-backed Securities	FL223061703.Q
Agency and GSE-backed Securities	FL213061703.Q

Agency and GSE-backed Securities (Pensions)	FL223061743.Q
Corporate and Foreign Bonds	FL213063003.Q
Corporate and Foreign Bonds (Pensions)	FL223063045.Q
Trade Receivables	FL213070003.Q
Taxes Receivable	FL213078005.Q
Loans	
Nonmarketable Treasury Securities classified as loans	FL213069200.Q
Mortgages	FL213065005.Q
Mortgages (Pensions)	FL223065043.Q
Corporate Equities	LM213064103.Q
Corporate Equities (Pensions)	LM223064145.Q
Mutual Fund Shares	LM213064203.Q
Mutual Fund Shares (Pensions)	LM223064243.Q
Unidentified Miscellaneous Assets	FL213093003.Q
Other Miscellaneous Assets (Pensions)	FL223093043.Q
Nonfinancial Assets (excluding land)	
Structures	LM215015605.Q
Equipment	FL215013265.Q
Intellectual Property	FL215013765.Q
Liabilities	
Debt Securities (Municipal Securities)	
Municipal Securities	FL213162005.Q - FL213062003.Q - FL223062043.Q
Municipal Securities (Pension)	FL223062043.Q
Loans	
Loans from U.S. Government	FL213169203.Q
Depository institution loans (nec.)	FL213168003.Q
Trade Payables	FL213170003.Q
Unfunded Pension Entitlements (i.e., not explicitly backed by assets held in pension fund account) (Pension)	FL223073045.Q
Other Pension Liabilities (Pension)	FL224190043.Q - FL223062043.Q - FL223073045.Q

Families and individuals methodology

The Families & Individuals tables presented by USAFacts show how key economic and demographic statistics vary according to three key variables: market income, family type, and elderly/non-elderly status. These groupings are not available consistently, and therefore we produced estimates using only government data.

The numbers in the Families & Individuals tables are estimates based on data collected from a variety of government sources, the two most important being microdata from the Current Population Survey (March Supplement) **issued** by the Census Bureau of the Public Use File **issued** by the Internal Revenue Service's Statistics of Income Division (IRS-SOI). The CPS is a sample of households representing the US civilian noninstitutionalized population. It contains information on topics such as housing, health insurance, labor status, family arrangement, etc. Unfortunately, the CPS does not contain everything we want, so we supplement that file with data from elsewhere via statistical processes. In the case of income data, we statistically match the IRS Public Use File with the CPS. The IRS data is superior to the CPS income data. In other cases, we impute variables in the CPS from other sources such as the American Community Survey using regression techniques for variables that are common to both files. Because some income is not reported to the IRS, we use government studies estimating underreporting by income group and add them to reported market income.

There are two types of economic units: families and individuals. We use the Census Bureau's definition for each. If there are two or more related individuals living together, they are a family economic unit. If a person is living alone or in a household with no other related persons, that person is considered an individual economic unit. Therefore, some economic units have only one person, while other economic units have multiple persons.

We rank these economic units, which we call FIUs (family and individual units) by market income to place each in a percentile that shows the unit relative to other units in the population. (There are approximately 158 million family and individual units). After determining each unit's market income percentile relative to all other units, we then place each unit into one of five categories:

1. Single person under 65 with no children under 18
2. Single person under 65 with children under 18

3. Married couple with head under 65 with no children under 18
4. Married couple with head under 65 with children under 18
5. Head aged 65 or over

It should be the noted that although we divide the families based on presence of children under 18, if a person is aged 18+ and still living in the family with relatives, she would NOT be her own economic unit unless she had her own subfamily.

Below are descriptions of the various profiles (tables) we have calculated using the above process.

Cohort Profile

The *Cohort* (or *Family Unit*) *Profile* table provides a demographic profile of each of the FIU groups. It includes data on family size and age, sex, race, ethnicity and geography.

Description of Statistics

- # of Family and Individual Units: The aggregate number of family and individual units falling into each FIU group.
- Average persons per FIU: Equals the aggregate number of persons residing in FIUs in that group divided by the aggregate number of FIUs in that group.
- Average children per FIU: Equals the aggregate number of persons under the age of 18 residing in FIUs in that group divided by the aggregate number of FIUs in that group. For the two family types of "Married without Children" and "Single without Children," this figure is zero.
- Average age of primary persons: Equals the aggregate age of primary persons in the FIUs divided by the aggregate number of primary persons in that FIU group. Primary persons are defined as the head of the FIU and the spouse of that FIU head, if applicable. Therefore, for married couples, it accounts for the age of both husband and wife. For non-married couples, it only accounts for the age of the FIU head.
- Top Earner by Sex - Male: Equals the percentage of FIUs in that group with a male having the highest income of the primary persons. Note: For those where two primary persons have the same income, a "tie" is declared and they are split evenly. For single FIUs, this statistic is simply a reflection of the sex of the FIU head. For married families, this statistic shows which sex is the higher earner. For same-sex couples, the top earner sex is simply the sex of the couple.
- Top Earner by Sex - Female: Equals the percentage of FIUs in that group with a female having the highest income of the primary persons. Note: For those where two opposite-sex primary persons have the same income, a "tie" is declared and they are split evenly between male and family. For single FIUs, this statistic is simply a reflection of the sex of the FIU head. For married families, this statistic shows which sex is the higher earner. For same- sex couples, the top earner sex is simply the sex of the couple.

- Race, Ethnicity of FIU Head – White: Equals the percentage of FIUs in groups where the FIU head is white. Note that this is solely the race of the FIU head and does not account for the race of spouses or children. Therefore, interracial population may not be fully reflected if the head of interracial families is disproportionately from one race. For individuals identifying as more than one race, the individual was randomly assigned a race within that mixed-race group he/she identified with the Census Bureau. For example, for those persons identifying as being both white and black, half were designated as white and half as black.
- Race, Ethnicity of FIU Head – Black: Equals the percentage of FIUs in groups where the FIU head is black. Note that this is solely the race of the FIU head and does not account for the race of spouses or children. Therefore, interracial population may not be fully reflected if the head of interracial families is disproportionately from one race. For individuals identifying as more than one race, the individual was randomly assigned a race within that mixed-race group he/she identified with the Census Bureau. For example, for those persons identifying as being both white and black, half were designated as white and half as black.
- Race, Ethnicity of FIU Head – Asian: Equals the percentage of FIUs in groups where the FIU head is black. Note that this is solely the race of the FIU head and does not account for the race of spouses or children. Therefore, interracial population may not be fully reflected if the head of interracial families is disproportionately from one race. For individuals identifying as more than one race, the individual was randomly assigned a race within that mixed-race group he/she identified with the Census Bureau. For example, for those persons identifying as being both white and Asian, half were designated as white and half as Asian.
- Race, Ethnicity of FIU Head – Other Race: Equals the percentage of FIUs in groups where the FIU head is some race other than white, black, or Asian. This includes most notably American Indians. Note that this is solely the race of the FIU head and does not account for the race of spouses or children. Therefore, interracial population may not be fully reflected if the head of interracial families is disproportionately from one race. For individuals identifying as more than one race, the individual was randomly assigned a race within that mixed-race group he/she identified with the Census Bureau. For example, for those persons identifying as being both other race and Asian, half were designated as other and half as Asian.
- % Hispanic: Equals the percentage of FIUs in groups where the FIU head is Hispanic (any race). Note that this solely reflects the ethnicity of the FIU head and does not account for the ethnicity of spouses or children.
- % US-Born: Equals the percentage of FIUs in groups where the FIU head was born in the United States, Puerto Rico, another outlying US area, or abroad with American parent(s). This is determined by the CPS variable PRCITSHP (US born equals 1, 2, or 3). This statistic should not be interpreted as being the same as citizenship.
- % Urban: Equals the percentage of FIUs residing in a geographic region that is urban. This is determined by the CPS variable *GTCBSASZ* (Metropolitan status). Those FIUs living in a household identifying as having a metropolitan size of 100,000 or more were considered

urban.

- % Rural: Equals the percentage of FIUs residing in a geographic region that is not urban. This is determined by the CPS variable *GTCBSASZ* (Metropolitan status). Those FIUs who do not identify as having a metropolitan size of 100,000 or more were considered rural.
- % Northeast: Equals the percentage of FIUs residing in a household in a state in the Northeast as defined by the Census Bureau. This includes Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont.
- % Midwest: Equals the percentage of FIUs residing in a household in a state in the Midwest as defined by the Census Bureau. This includes Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.
- % South: Equals the percentage of FIUs residing in a household in a state in the South as defined by the Census Bureau. This includes Alabama, Arkansas, Delaware, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, West Virginia, and the District of Columbia. The South is the largest of the four regions in terms of population.
- % West: Equals the percentage of FIUs residing in a household in a state in the West as defined by the Census Bureau. This includes Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.

Incomes

The *Incomes* table provides an income profile of each of the FIU groups. It shows the relative importance of each income source for each family and economic unit (FIU) group. For each income category, the economy-wide aggregate income is allocated to each FIU using an allocation process. An allocator is chosen from the microdata set (either via CPS, IRS SOI Public Use File, or imputed from another source) and then the economy-wide total amount is distributed based on each FIU's share of the allocator. The allocator for each income source is discussed below.

Readers should note that the averages in the *Incomes* table are for all families in that FIU group and not just for those families claiming that income source. Therefore, if a lot of families in a group have a value of 0 for an income source, this will weigh down the average for that group.

Description of Statistics

We distribute the reported amount simply based on the sum of sole proprietor (all of schedule C) and partnership income (part of schedule E) reported on the IRS Public Use File. The unreported self-employment income is imputed to each tax return that claims self-employment income, as well as that small portion earned by the non-filing population. (We are essentially assuming that there is simply underreporting and not a full absence of reporting for any tax unit.) The unreported portion among tax filers is imputed for each tax return using results from a study conducted by SOI employee Andrew Johns and University of Michigan

economist Joel Slemrod.
(http://webuser.bus.umich.edu/jslemrod/pdf/Tax_Noncompliance.pdf) We used the study's estimates of rates of underreporting by AGI group for business income. Finally, the other subcategory from BEA proprietors' income, which is a collection of small items that BEA includes in its proprietors' income that the IRS does not include, is allocated to each family based on the sum of the reported and unreported self-employment income.

- Average interest income: Equals aggregate interest income allocated to the FIU group divided by the number of families in the FIU group. Interest income includes BEA's monetary interest received by households excluding that portion received via individual retirement accounts or pension funds. (It excludes any imputed interest.) The total adjusted-BEA amount is allocated to each FIU based on IRS reported interest income (taxable and non- taxable) for tax filing units and the CPS interest variable (INT) for non-filing units.
- Average dividend income: Equals aggregate dividend income allocated to the FIU group divided by the number of families in the FIU group. Divided income includes BEA's personal dividend income excluding the portion derived from s-corps and the portion earned by individual retirement accounts and pension funds. The total adjusted-BEA amount is allocated to each FIU based on IRS reported dividend income for tax filing units and the CPS dividends variable (DIV_VAL) for non-filing units.
- Average rental income: Equals aggregate rental income allocated to the FIU group divided by the number of families in the FIU group. Total rental income is allocated to each FIU based on IRS reported rental and royalty income for tax filing units and the CPS rental income variable (TRNT_VAL) for non-filing units.
- Average s-corp income: Equals aggregate s-corp income allocated to the FIU group divided by the number of families in the FIU group. Total s-corp income is allocated to each FIU based on IRS reported s-corp income. None is assumed to be earned by non-filing tax units.
- Average capital gains income: Equals aggregate capital gains income allocated to the FIU group divided by the number of families in the FIU group. Total capital gains income is allocated to each FIU based on IRS reported net capital gains realizations. None is assumed to be earned by non-filing tax units. One limitation to this allocation method is the fact that capital losses are limited by the IRS, and we do not attempt to adjust for this limitation.
- Average net retirement income: Equals average retirement income less average individual retirement contributions.
- Average retirement income: Equals aggregate retirement income allocated to the FIU group divided by the number of families in the FIU group. Total retirement income is allocated to each FIU based on IRS reported retirement income plus nontaxable Roth IRA distributions simulated for tax filers and retirement income reported on the CPS by non-filing tax units (CPS variable DBTN_VAL). The Roth simulation is done using a logit regression from the Survey of Consumer Finances predicting Roth share of retirement income and then imputing those values into our microdata file.

- Average retirement contributions: Equals aggregate retirement contributions allocated to the FIU group divided by the number of families in the FIU group. Total retirement contributions are allocated to each FIU based on an imputed contributions amount. There are two categories of contributions: individual retirement accounts and retirement plans via employer. For IRA contributions, the imputation is done using IRS data by AGI income group and age group that shows the probability that a person would make IRA contributions and the average amount contributed. ([https://www.irs.gov/uac/soi-tax-stats-special-studies- on-individual-tax-return-data#ira](https://www.irs.gov/uac/soi-tax-stats-special-studies-on-individual-tax-return-data#ira)) For employee retirement plans offered through their place of employment, the probability an employee would make a contribution to his/her own plan was imputed using data by age and income group from the Survey of Consumer Finances. The fraction of the employee's wages that was contributed was also imputed using SCF data. Adjustments were made so that no single employee's contributions exceeded IRS limits.
- Average other market income: Equals the sum of average life insurance distributions, average workers' compensation distributions, average supplemental unemployment benefits, average net business transfers, and average capital transfers less average life insurance contributions.
- Average life insurance distributions: Equals aggregate life insurance distributions for each FIU group divided by the aggregate number of FIUs in the FIU group. Life insurance distributions is derived from an allocation of the total life insurance distributions in the US to each FIU in the microdata using an imputation. The imputation method is as follows. First, those families in which a spouse reports receiving a life insurance distribution (SUR_SC1 or SUR_SC2 = 9) are given a 1. Then, using logit regression results from regressions run in the Survey of Consumer Finances predicting life insurance distributions, we impute probabilities of claiming life insurance benefits in our microdata. The total life insurance distributions are allocated evenly to each family claiming benefits. While such a method is far from perfect, we must acknowledge that there is little data on the distribution of life insurance claims.
- Average life insurance contributions: Equals aggregate life insurance contributions allocated to the FIU group divided by the number of families in the FIU group. Aggregate life insurance contributions is allocated to each FIU after first dividing contributions into employer-provided contributions and individual contributions. For employer-provided contributions, coverage is imputed to workers based on wages and industry using data from the Bureau of Labor Statistics. For individual contributions, imputations are made using life insurance contributions data from the Survey of Consumer Finances.
- Aggregate workers' compensation distributions for each FIU group is derived based on an allocation of BEA's workers' compensation total benefits to each FIU in the microdata. The allocator used is the amount of workers' compensation benefits reported by the unit in the CPS (variable WC_VAL) or simulated to be used after an adjustment for underreporting of workers' compensation benefits. An adjustment is made based on the fact that the number of individuals reporting workers' compensation benefits in the CPS is lower than that reported by other sources, such as BLS. This adjustment is as follows: perform a logit regression to determine what factors predict WC benefit claims in the CPS and then simulate probability that

someone not currently reporting actually has workers' compensation benefits. Using a random number generator and the probabilities, some families are then given workers' compensation benefits even though they did not report receiving any.

- Aggregate supplemental unemployment benefits for each FIU group is derived by an allocation of total supplemental unemployment benefits from BEA to each FIU in the microdata. The allocator in the microdata is the number of individuals in the unit claiming supplemental unemployment in the CPS (variable SUBUC).
- Aggregate net business transfers is derived for each FIU group by randomly assigning net business transfers to 4% of the population, which is based on the percentage of the population making insurance claims. The BEA business transfers total is then allocated to these families.
- Aggregate capital transfers is derived for each FIU group by randomly assigning capital transfers to 1% of the population. The BEA capital transfers total is then allocated to these families.
- Average total government transfers equals the sum of average cash and cash-like transfers and non-cash transfers.
- Average cash and cash-like transfers equals the sum of the following average transfers per FIU categories: Social Security, unemployment, TANF, SSI, Refundable Tax Credits, SNAP, Railroad Retirement, PBGC benefits, veterans life insurance benefits, federal workers' compensation benefits, veterans pension and disability benefits, veterans readjustment benefits, disaster relief, payments to September 11 victims, periodic stimulus benefits, state and local temporary disability benefits, state and local workers' compensation benefits, energy assistance benefits, foster care and adoption assistance, state and local veterans benefits, Alaska Permanent Fund benefits, Covid relief payments, and crime victim payments. More information about these transfer categories can be found in the transfers section of this methodology.
- Average non-cash transfers equals the sum of the following average transfers per FIU categories: Medicare, Medicaid, Black Lung, education assistance, Military Medical retirees, CHIP, General Assistance, WIC food, employment and training benefits, periodic stimulus benefits, other Affordable Care Act benefits besides refundable credits, and other federal/state transfer benefits. More information can be found in the transfers section of this methodology.
- Average disposable income equals total income less the following average per FIU categories: payroll taxes (both employer and employee), personal current taxes, taxes less subsidies on owner-occupied housing, estate and gift taxes, non-tax contributions for government social insurance, and net transfers to the rest of the world. The tax categories are discussed in the taxes section of this methodology. Non-tax contributions for government social insurance includes each of the employer contributions categories included in the supplements to wages and salaries category (state and local temporary disability contributions, state and local workers' compensation contributions, PBGC contributions, veterans life insurance contributions, and federal workers' compensation contributions) plus

individual contributions for certain non-tax CGSI programs, including Supplementary Medical Insurance (SMI) contributions by Medicare recipients, veterans life insurance contributions by individuals, and state and local social insurance contributions by individuals. Supplementary Medical Insurance contributions are simulated using the premiums formula, which requires higher-income Medicare participants to pay more for SMI. Veterans life insurance contributions by individuals are allocated to those participating in other veterans programs. State and local social insurance contributions by individuals are allocated in the same manner as employer contributions to state and local temporary disability.

Government Transfers (Averages)

The *Government Transfers (Averages)* cohort table provides a profile of each of the FIU group's receipts of government transfers. It breaks out key government transfer programs, including both cash/cash-like transfers and non-cash transfers.

For each transfers category, the economy-wide total amount from the Household P&L (see here) is allocated to each FIU using an allocation process. An allocator is chosen from the microdata set (either via CPS, IRS SOI Public Use File, or imputed from another source or calculated), and then the economy-wide total amount from BEA Table 3.12 (Government Social Benefits) is distributed based on each FIU's share of the allocator. The allocator for each transfer income category is discussed below.

Readers should note that the averages in the transfers table are according to <u>all</u> families in that FIU group and <u>not</u> just for those families receiving that transfer.

Description of Statistics

- Average Total Government Transfers: Equals the sum of average total cash/cash-like transfers and average total non-cash transfers.
- Average Total Cash & Cash-Like: Equals the sum of the following transfer categories: average Social Security, average unemployment, average TANF, average SSI, average refundable tax credits, average SNAP, and average other cash & cash-like.
- Average Social Security: Equals aggregate Social Security transfers for each FIU group divided by total number of families in the FIU group. Social Security total is allocated to each FIU based on reported Social Security benefits on tax returns for filing tax units and the CPS- reported amount (variable SS_VAL) for non-filing tax units.

- Average Unemployment Benefits: Equals aggregate unemployment benefits for each FIU group divided by total number of families in the FIU group. Unemployment benefits reported by BEA is allocated to each FIU based on reported unemployment compensation benefits in the CPS (variable UC_VAL).
- Average TANF: Equals aggregate TANF benefits for each FIU group divided by total number of families in the FIU group. TANF total reported by BEA is allocated to each FIU based on reported public assistance income in the CPS (variable PAW_VAL).
- Average SSI: Equals aggregate SSI transfers for each FIU group divided by total number of families in the FIU group. SSI is allocated to each FIU based on SSI benefits reported in the CPS (variable SSI_VAL).
- Average Refundable Tax Credits: Equals aggregate refundable tax credits for each FIU group divided by total number of families in the FIU group. Refundable tax credits is the sum of six separate tax credit categories: earned income tax credit (EITC), additional child tax credit, American opportunity credit (AOC), ACA premium tax credits, Covid refundable credits, and other refundable tax credits. Earned income tax credit and additional child tax credit are distributed to each FIU based on simulations from NBER's TaxSim model. More information on this process is contained in the tax section of the methodology. American opportunity credit and ACA premium tax credits are distributed to each FIU based on our own calculated credit amounts. These calculations take into account various participation rules and phase-outs. It should be noted that we use the BEA refundable credit total amounts from NIPA Table 3.12 and national totals in SAINC35 in Regional Data. Per a recent methodology change by BEA, this includes both the refundable and nonrefundable portions of those tax credits that are refundable. This is different from OMB's treatment of refundable credits in the federal budget, where only the refundable portion is classed as an outlay. Because of this change, BEA's federal income tax figure (personal current taxes) is larger than before, as the nonrefundable portion is no longer considered to be a tax reduction. In 2021, the child tax credit was fully refundable and thereby the entire child tax credit is included in this category for that year.
- Average SNAP: Equals aggregate SNAP benefits for each FIU group divided by total number of families in the FIU group. SNAP total reported by BEA is allocated to each FIU based on reported market value of SNAP in the CPS (variable F_MV_FS).

- Average Other Cash & Cash-Like: Equals aggregate other cash & cash-like transfers for each FIU group divided by total number of families in the FIU group. Aggregate other cash & cash-like transfers includes the following transfer categories: Railroad Retirement, PBGC benefits, veterans life insurance benefits, federal workers' compensation benefits, veterans' pension and disability benefits, veterans' readjustment benefits, disaster relief benefits, September 11 victims benefits, periodic stimulus benefits, state and local temporary disability benefits, state and local workers' compensation benefits, energy assistance benefits, foster care and adoption benefits, state and local veterans' benefits, Alaska Permanent Fund benefits, and state and local crime victim payments. The BEA amount for each of these is allocated to each FIU in the microdata file using a chosen allocator.
- Average Total Non-Cash Transfers: Equals the sum of average Medicare, average Medicaid, and average other noncash.
- Average Medicare: Equals aggregate Medicare for each FIU group divided by total number of families in the FIU group. Medicare total reported by BEA is allocated to each FIU based on each FIU's reported number of Medicare enrollees. This is based on CPS health insurance coverage variables. Each Medicare recipient is allocated the same amount even though, of course, some Medicare recipients use more Medicare services than others.
- Average Medicaid: Equals aggregate Medicaid for each FIU group divided by total number of families in the FIU group. Medicaid total reported by BEA is allocated to each FIU based on each FIU's reported number of Medicaid enrollees. This is based on CPS health insurance coverage variables. Each Medicaid recipient is allocated the same amount even though, of course, some Medicaid recipients use more Medicaid services than others.
- Average Other Noncash: Equals aggregate other noncash transfers for each FIU group divided by total number of families in the FIU group. Aggregate other noncash transfers includes the following transfer categories: Black Lung, federal education assistance, military medical insurance for retirees, other Affordable Care Act transfers, other federal transfers, CHIP (state Children's Health Insurance Program), general assistance, WIC food benefits, state and local education assistance, state and local employment and training programs, and other state and local transfers. The BEA amount for each of these is allocated to each FIU in the microdata file using a chosen allocator.

Taxes

There are two USAFacts Families & Individuals tables pertaining to taxes. One shows all taxes along with detail of direct taxes paid by Families & Individuals. The other table shows indirect taxes assumed to be paid by Families & Individuals in their roles as consumers, workers, and owners of capital.

All taxes are ultimately borne by Families & Individuals. The question of which party ultimately bears the burden of a tax has been the subject of economic research for hundreds of years. If a tax is imposed on a business's production process, to what extent will that cause prices to rise for consumers of that product (or other products), workers' wages to fall, or owners' profits to fall? For each tax, we must make an assumption about which party bears the burden of the tax. This is called tax incidence. We then choose an allocator that best fits that incidence assumption and use that allocator to distribute the BEA tax amount to each FIU in our microdata set. For some taxes such as federal individual income taxes, we simply assume that the party whose name is on the 1040 form bears the burden. For other taxes such as corporate income taxes, we assume that some portion is born by workers and some by owners of capital. The allocation process for each tax is discussed in this section.

Readers should note that the averages in the *Taxes* tables are per <u>all</u> families in that FIU group and <u>not</u> just for those families paying that tax.

Description of Statistics

- Average Total Taxes: Equals average total federal taxes plus average total state and local taxes.
- Average Total Federal Taxes: Equals the sum of the following: average federal income taxes, average federal payroll taxes (direct), average other federal taxes (direct), and average indirect federal taxes.
- Average Federal Income Taxes: Equals aggregate federal individual incomes allocated to each FIU group divided by total number of FIUs in FIU group. Federal income taxes refers to federal individual income taxes. The BEA total for federal individual income taxes is allocated to FIUs based on simulated federal individual taxes paid (excluding refundable tax credits). The simulation is done using the *TAXSIM* model of the National Bureau of Economic Research (NBER), which allows for us to feed our microdata file through their tax simulator in order to estimate federal income and payroll tax liabilities, as well as state income tax liabilities, for each tax unit in our microdata. For more information on *TAXSIM:* http://nber.org/~taxsim/
- Average Federal Payroll Taxes (Direct): Equals aggregate federal payroll taxes (employee portion) divided by total number of FIUs in the FIU group. The employee portion of BEA total Medicare and Social Security taxes is allocated to FIUs based on simulated payroll taxes from the *TAXSIM* model, which includes the new 0.9% Medicare tax on high-income taxpayers that was enacted in the Affordable Care Act and went into effect in tax year 2012. The *TAXSIM* model produces the combined employer and employee payroll tax. Therefore, we estimate the additional 0.9% tax and subtract it from the *TAXSIM* model and then divide the residual by two to split up employer/employee portion. We then add the additional 0.9% tax to the employee split portion.
- Average Other Federal Taxes (Direct): Equals aggregate other federal taxes (direct) allocated to FIU group divided by total number of FIUs in the FIU group. Average other federal taxes (direct) includes federal estate and gift taxes, federal excise taxes on alcohol and tobacco, and that portion of the federal excise taxes on air travel and gasoline that are paid directly by consumers of those products (i.e., not businesses using those products). BEA tax amount for federal alcohol taxes is distributed to FIUs based on imputed alcohol consumption. Alcohol consumption is imputed for each FIU using data from the Consumer Expenditures Survey done

by BLS. Tobacco, gasoline, and air travel all follow the same process using Consumer Expenditures Survey (CEX) data. CEX crosstabs by income, age, and unit size are used to impute consumption of each item for each FIU. Federal estate and gift taxes are allocated based on family wealth and estate tax law. Family wealth is imputed using data from the Survey of Consumer Finances.

- Average Indirect Federal Taxes: Equals aggregate indirect federal taxes allocated to FIU group divided by total number of FIUs in the FIU group. Indirect federal taxes include employer portion of federal payroll taxes (including Social Security, Medicare, and unemployment taxes), federal corporate income taxes, federal customs and duties, and the portion of federal excise taxes that are paid by businesses. Each of these business taxes is allocated to FIUs using an allocation method. More information on each of these indirect taxes is discussed elsewhere in the methodology.
- Average Federal Employer Payroll Taxes: Equals aggregate employer payroll taxes allocated to FIU group divided by total number of FIUs in the FIU group. Employer payroll taxes are allocated using the *TAXSIM* estimated federal payroll taxes. The employer portion is calculated as half of the NBER simulated amount less the calculated extra 0.9% Medicare tax. Also added is the employer unemployment tax, which is calculated for each worker in the microdata using unemployment tax rates/rules.
- Average Federal Corporate Income Taxes: Equals aggregate federal corporate income taxes allocated to FIU group divided by total number of FIUs in the FIU group. Corporate income tax total amount from BEA is allocated to FIUs under the assumption that the tax is borne half by workers in the form of reduced wages and half by owners of capital.
- Therefore, the tax is distributed to FIUs in proportion to each FIU's share of overall labor income (half of CIT) and overall capital income (half of CIT). Labor income includes wages and salaries, benefits, and part of business and retirement income. Capital income includes dividends, interest, capital gains, and part of business and retirement income.
- Average Other Federal Indirect Taxes: Equals aggregate other federal indirect taxes allocated to FIU group divided by total number of FIUs in the FIU group. This category includes the business portion of gasoline and airport taxes, as well as the full amount of federal diesel fuel taxes paid. Also included are customs and duties and new taxes on medical device manufacturers, pharmaceutical companies, and health insurers implemented in the Affordable Care Act. For each of these business taxes, it is assumed that they are fully passed forward to consumers in the form of higher prices of either specific goods/services (health care taxes) or all consumer goods (gasoline, airport, customs/duties). Consumption for health care is calculated using CPS data on both health care expenditures and enrollment along with National Health Expenditure Accounts data on health expenditures by type of service/end-product. Total FIU consumption is estimated using data from the Consumer Expenditures Survey.
- Average Total State and Local Taxes: Equals the sum of the following: average state and local income taxes, average state and local sales taxes (direct), average state and local property taxes

(direct), average other state and local taxes (direct), and average indirect state and local taxes.

- Average State and Local Income Taxes: Equals aggregate state and local income taxes allocated to FIU group divided by total number of FIUs in the FIU group. State and local income taxes are simulated using the *TAXSIM* model and the CPS variable identifying state of residence for the FIU.
- Average State and Local Sales Taxes (Direct): Equals aggregate state and local sales taxes allocated to FIU group divided by total number of FIUs in the FIU group. This category includes some general and selective sales taxes. General sales taxes comprise the largest tax within this category, and the total amount to be allocated excludes taxes on business-to- business transactions, which are included in the indirect taxes category. General sales taxes on items sold directly to end-use consumers are allocated to each FIU based on the FIU's imputed consumption of items that are generally subject to sales taxes by state governments. Selective sales taxes in this category include alcohol, tobacco, pari-mutuel, and amusement taxes, which are allocated to FIUs based on imputed alcohol, tobacco, gambling, and recreation consumption, respectively. Such imputations are based on CEX data. Only 55% of state and local gasoline taxes are assumed to be paid on direct-to- consumer gasoline purchases, based on data from the Department of Energy's Energy Information Administration. These gasoline taxes are allocated to FIUs based on imputed gasoline consumption for the FIU. This imputation is based on CEX data.
- Average State and Local Property Taxes (Direct): Equals aggregate state and local property taxes (direct) allocated to FIU group divided by total number of FIUs in the FIU group. This includes two taxes: (1) personal property taxes and (2) real estate taxes. Personal property
- tax amount from BEA NIPA Table 3.3 is allocated to FIUs in proportion to the value of the vehicles the FIU owns. In the aggregate, personal property taxes are relatively small compared to real estate taxes. In the aggregate, that portion of property taxes that are deemed to be real estate of owner-occupied housing is allocated in proportion to real estate taxes paid variable in the CPS for non-itemizing tax units and non-filing units and the real estate taxes deduction for those tax units that itemize. The total property taxes on owner- occupied housing figure comes from BEA's taxes on production and imports on owner- occupied housing from NIPA Table 7.12.
- Average Other State and Local Taxes (Direct): Equals aggregate other state and local taxes (direct) allocated to FIU group divided by total number of FIUs in the FIU group. This includes personal motor vehicle licenses, state and local estate and gift taxes, and other personal taxes (such as personal licenses). Personal motor vehicle licenses are allocated based on the number of vehicles in the FIU. State and local estate and gift taxes are allocated based on family wealth and typical state and local state and local estate/gift/inheritance tax law. Wealth is imputed from Survey of Consumer Finances data. Personal licenses are allocated based on the number of persons in the FIU.
- Average Indirect State and Local Taxes: Equals aggregate indirect state and local taxes allocated to FIU group divided by total number of FIUs in the FIU group. Indirect state and local

taxes include corporate income taxes, indirect sales taxes, indirect property taxes, severance taxes, business licenses, special assessments, business vehicle licenses, and others.

- Average State and Local Corporate Income Taxes: Equals aggregate state and local corporate income taxes allocated to FIU group divided by total number of FIUs in the FIU group. Corporate income tax total amount from BEA is allocated to FIUs under the assumption that the tax is borne half by workers in the form of reduced wages and half by owners of capital. Therefore, the tax is distributed to FIUs in proportion to each FIU's share of overall labor income (half of CIT) and overall capital income (half of CIT). Labor income includes wages and salaries, benefits, and part of business and retirement income. Capital income includes dividends, interest, capital gains, and part of business and retirement income.
- Average State and Local Sales Taxes (Indirect): Equals aggregate state and local sales taxes (indirect) allocated to FIUs in the FIU group divided by total number of FIUs in the FIU group. Included here are the following general and selective sales taxes: general sales taxes paid on business-to-business transactions, gasoline taxes paid on gasoline consumed by businesses, insurance receipts taxes, and public utility taxes. The sales tax paid on business- to-business transactions is assumed to be passed forward to end-use consumers of all consumer goods generally. Therefore, the total amount is allocated to FIUs based on total FIU consumption. Sales taxes paid on gasoline consumed by businesses are also assumed to be passed forward to end-use consumers of all consumer goods generally. For insurance receipts taxes, the portion that is paid on insurance policies held directly by individuals/households is assumed to be borne by the individual/household and is allocated in proportion to insurance expenditures. Insurance expenditures are imputed from the Consumer Expenditures Survey. Like gasoline taxes paid by businesses, that portion that is on insurance policies held by businesses is assumed to be passed forward to end-use consumers of all goods generally. For public utility taxes, the portion that is paid on public utilities consumption of individuals/households is assumed to be borne by the individual/household and is allocated in proportion to utilities expenditures. Utilities expenditures are imputed from the Consumer Expenditures Survey. That portion of public utilities taxes that is paid on utility services provided to businesses (such as electricity used by a grocery store or factory) is assumed to be passed forward to end-use consumers of all consumer goods generally. Therefore, this portion of public utilities taxes is allocated to FIUs based on overall FIU expenditures.
- Average State and Local Property Taxes (Indirect): Equals aggregate state and local property taxes (indirect) allocated to FIUs in the FIU group divided by the total number of FIUs in the FIU group. The total amount allocated in this category is property taxes excluding those on owner-occupied housing and personal property. This category is divided into two subcategories: residential and non-residential property. Taxes on residential property (tenant-occupied) are assumed to be borne fully by owners of capital. This follows the methodology of a Congressional Budget Office paper on the topic (https://www.cbo.gov/publication/54685). Some research in the past has found that a

small portion of tenant property taxes are borne by renters. For example, Carroll and Yinger (1994) analyzed the effect of property taxes on rent and found that approximately 20% of the property tax is borne by renters. But USAFacts follows the CBO methodology. The owners of capital burden is allocated based on each FIU's share of overall capital income. Taxes on non-residential property (i.e., general business property) is also allocated to FIUs based on capital income.

- Average Other State and Local Indirect Taxes: Equals aggregate other state and local indirect taxes allocated to FIUs in the FIU group divided by the total number of FIUs in the FIU group. This category includes the following state and local taxes paid by businesses: motor vehicle license on business-owned vehicles, severance taxes, special assessments, and a few minor tax sources.

Tax Expenditures

This table presents a distributional analysis for Families & Individuals of the tax savings associated with various key tax provisions in the federal income tax code. Federal law defines tax expenditures as "revenue losses attributable to provisions of the Federal tax laws which allow a special exclusion, exemption, or deduction from gross income or which provide a special credit, a preferential rate of tax, or a deferral of tax liability."

Each tax expenditure is done in isolation, which means that it is assumed that the only tax provision that is changing is that one and no other provision. For each tax expenditure, the estimate of the tax expenditure's total amount from the Joint Committee on Taxation is allocated to each FIU based on simulated tax savings amount using NBER's *TAXSIM* model. For each tax expenditure, we simulate federal individual income tax liabilities for each tax unit in our microdata under two states of the world: (1) current law (including the tax expenditure), and (2) a hypothetical tax code where that provision was eliminated. The difference between the two for each FIU is then the allocator used to distribute the JCT's total amount to each FIU.

For each tax expenditure, the average is per all families and is not restricted to those families who have reduced tax liabilities due to the provision.

Description of Statistics

- Average state and local tax deduction: Equals the aggregate amount of tax savings for FIUs in the group from the tax code's itemized deduction for state and local taxes paid divided by the total number of FIUs in the FIU group. This includes the deduction for personal property, real estate taxes, and one of state/local income and sales taxes that is allowed for those itemizing on their federal income tax. To estimate the tax savings from the state and local tax deduction, we zero out the state and local deduction for each tax unit and run the tax units through the *TAXSIM* model. We then compare the individual income tax liabilities for each unit with and without the deduction in effect. The JCT total amount for the state and local tax deduction is allocated to each FIU in proportion to the simulated tax savings. The model does account for the new TCJA limitation on most state and local taxes.
- Average mortgage interest deduction: Equals the aggregate amount of tax savings for FIUs in the group from the tax code's itemized deduction for mortgage interest paid divided by the total number of FIUs in the FIU group. To estimate the tax savings from the state and local tax deduction, we zero out the mortgage interest deduction for each tax unit and run the tax units through the *TAXSIM* model. We then compare the individual income tax liabilities for each unit with and without the deduction in effect. The JCT total amount for the mortgage interest deduction is allocated to each FIU in proportion to the simulated tax savings.
- Average charitable deduction: Equals the aggregate amount of tax savings for FIUs in the group from the tax code's itemized deduction for charitable contributions divided by the total number of FIUs in the FIU group. To estimate the tax savings from the charitable deduction, we zero out the charitable contributions for each tax unit and run the tax units through the *TAXSIM* model. We then compare the individual income tax liabilities for each unit with and without the deduction in effect. The JCT total amount for the charitable deduction is allocated to each FIU in proportion to the simulated tax savings.
- Average Exclusion of Employer-Provided Health Insurance: Equals the aggregate amount of tax savings for FIUs in that group from the exclusion of employer-provided health insurance divided by the total number of FIUs in that FIU group. The exclusion of employer-provided health insurance results from the fact that health insurance premiums paid by employers on behalf of their employees is not subject to income taxation like wages paid. We add to each

- tax unit's income the amount of health benefits paid by the employer. If both the head and spouse receive health benefits from their employer, both are added to the tax unit's income. The JCT total amount for the exclusion is allocated to each FIU in proportion to the simulated tax savings.
- Average child tax credit: Equals the aggregate amount of tax savings for FIUs in the group from the tax code's child tax credit – both the regular child tax credit and the additional child tax credit – divided by the total number of FIUs in the FIU group. To estimate the tax savings from the child tax credit, we choose the option in the *TAXSIM* model that allows users to turn off the child tax credit. We then run the tax units through the *TAXSIM* model under the alternative policy option. We then compare the individual income tax liabilities for each unit with and without the child tax credit in effect. The JCT total amount for the child tax credit is allocated to each FIU in proportion to the simulated tax savings.
- Average earned income tax credit (EITC): Equals the aggregate amount of tax savings for FIUs in the group from the tax code's earned income tax credit (includes refundable and nonrefundable) divided by the total number of FIUs in the FIU group. To estimate the tax savings from the EITC, we choose the option in the *TAXSIM* model that allows users to turn off the EITC. We then run the tax units through the *TAXSIM* model under the alternative policy option. We then compare the individual income tax liabilities for each unit with and without the EITC in effect. The JCT total amount for the EITC is allocated to each FIU in proportion to the simulated tax savings.
- Average benefit from preferential rate on capital gains and dividend income: Equals the aggregate amount of tax savings for FIUs in the group from the tax code's preferential rate for capital gains and dividends divided by the total number of FIUs in the FIU group. To estimate the tax savings from this provision, we assumed an alternative scenario whereby currently preferred income (qualified dividends and long-term capital gains) were treated as ordinary income. We then calculated the difference between the current law (preferential treatment) to the hypothetical alternative scenario (no preferential treatment) to use as our tax savings allocator. Finally, the JCT total amount for this tax expenditure is allocated to each FIU in proportion to the simulated tax savings.

Employment Profile

The *Employment Profile* table provides a look at key labor force statistics within each of the FIU groups. It shows key statistics such as the labor force participation rate, unemployment rate, number of hours worked, and number of earners. Each of the statistics in the table comes from CPS labor force variables. The specific CPS variable used for each item is discussed below.

Description of Statistics

- Population 16 and Over: The aggregate number of persons aged 16 and over in the FIU group who are civilian and non-institutionalized in March of the following year.
- Employed: The aggregate number of persons from the population 16 and over who were employed in March of the following year per the CPS. An individual in the CPS is deemed employed if the variable PEMLR equals 1 or 2.
- Unemployed: The aggregate number of persons from the population aged 16 and over who were unemployed in March of the following year. This is U-3 definition of unemployed, which means not working and looking for a job at some point over the past four weeks. An individual in the CPS is deemed unemployed if the variable PEMLR equals 3 or 4.
- Employment-Population Ratio: Equals number employed divided by the population 16 and over.
- Labor Force Participation Rate: Equals number in the labor force (employed + unemployed) divided by the population 16 and over.
- Unemployment Rate: Equals number unemployed divided by the labor force (employed + unemployed). This is the traditional unemployment rate (U-3).
- Average Hours Worked by Primary Earners: Equals aggregate number of hours worked by primary earners in the year (head and spouse if applicable) divided by 52. Hours worked for each person is calculated using the CPS variables WKSWORK and HRSWK.
- Average All Hours Worked: Equals aggregate number of hours worked by all earners in the year (primary and non-primary such as children) divided by 52. Hours worked for each person is calculated using the CPS variables WKSWORK and HRSWK.
- Percent of Units with 0 Primary Earners: Equals aggregate number of FIUs with 0 primary earners in the FIU group divided by the aggregate number of FIUs in the FIU group. This is based on the CPS variable EARNER.
- Percent of Units with 1 Primary Earner: Equals aggregate number of FIUs with exactly 1 primary earner in the FIU group divided by the aggregate number of FIUs in the FIU group. This is based on the CPS variable EARNER.
- Percent of Units with 2 Primary Earners: Equals aggregate number of FIUs with exactly 2 primary earners in the FIU group divided by the aggregate number of FIUs in the FIU group. This is based on the CPS variable EARNER.

Jobs Profile

The *Jobs Profile* table provides an industry breakdown of the employment of primary persons within each of the FIU groups. It shows the percentage of primary persons within each FIU group that fall into each industry or are not working. The industries are defined using CPS variables WEMIND and INDUSTRY.

Example: The % retail equals the aggregate number of primary persons (FIU head and spouse if applicable) employed in the agricultural sector divided by the aggregate number of primary persons (whether working or not).

Education Profile

The *Education Profile* table provides a look at how educational attainment of the FIU head and the enrollment of members of the FIU compares across FIU groups. The educational attainment statistics come from the CPS, while educational enrollment statistics use a combination of CPS data and ACS data due to a lack of certain enrollment data in the CPS. The imputations from the ACS into the CPS were done using logit regressions being run in the ACS and then probabilities imputed into the CPS. These probabilities along with random numbers imputed the enrollment status of individuals within constraints imposed by the CPS (such as college enrollment/attainment variables in the CPS).

Descriptions of Statistics:

- Percent No High School: Equals the aggregate number of FIUs in the FIU group with the head person not having at least a high school diploma or equivalent divided by the total number of FIUs in the FIU group.
- Percent High School Grad: Equals the aggregate number of FIUs in the FIU group with the head person having an educational attainment of high school diploma or equivalence with no college coursework taken.
- Percent Some College: Equals the aggregate number of FIUs in the FIU group with the head person having an educational attainment of some college but no bachelor's degree. This includes those with an associate's degree but no bachelor's degree.
- Percent College Grad: Equals the aggregate number of FIUs in the FIU group with the head person having an educational attainment of a bachelor's degree or higher. This includes also those with master's degrees, doctorate degrees, etc.
- Number Preschool Public: Equals the aggregate number of persons aged 3+ in the FIU group who are enrolled in public preschool. This figure is imputed into the CPS using data from the ACS.

- Number Preschool Private: Equals the aggregate number of persons aged 3+ in the FIU group who are enrolled in private preschool. This figure is imputed into the CPS using data from the ACS.
- Number K-12 Public: Equals the aggregate number of persons in the FIU group who are enrolled in public schools in grades K-12. This figure is imputed into the CPS using data from the ACS.
- Number K-12 Private: Equals the aggregate number of persons in the FIU group who are enrolled in private schools in grades K-12. This figure is imputed into the CPS using data from the ACS.
- Number College Full-Time: Equals the aggregate number of persons in the FIU group who are enrolled in public and private colleges on a full-time basis. For persons aged 16-55, this number is estimated using the variable A_ENRLW in the CPS. For those outside the age 16-55 range, an imputation of the probability of college enrollment, which is typically low, was made using ACS data.
- Number College Part-Time: Equals the aggregate number of persons in the FIU group who are enrolled in public and private colleges on a part-time basis. For persons aged 16-55, this number is estimated using the variable A_ENRLW in the CPS. For those outside the age 16-55 range, an imputation of the probability of college enrollment, which is typically low, was made using ACS data.

Health Expenditures

The *Health Expenditures* table provides a look at how various health coverage and expenditure statistics compare across FIU groups. The CPS is the source of the health insurance status variables. The expenditure statistics are allocated to FIUs using BEA/NHEA data along with CPS data and some imputations.

For health insurance status, readers should note that the rows will often sum to greater than 1 because individuals can be covered by more than one health insurance (such as Medicare and Medicaid).

Description of Statistics

- Percent Health Insurance Employer: Equals the aggregate number of persons in the FIU group covered by health insurance through an employer (whether his/her own or another person's employment) divided by the total number of persons in the FIU group. This includes all persons (not just head or primary). Those covered by CHAMPUS/TRICARE are included as being covered by an employer. Based on CPS variables GRP, MIL, NOW_GRP, NOW_MIL, VACARE, NOW_CHAMPVA and NOW_VACARE.
- Percent Health Insurance Medicare: Equals the aggregate number of persons in the FIU group covered by Medicare divided by the total number of persons in the FIU group. This includes all

persons (not just head or primary). Based on CPS variables MCARE and NOW_MCARE.

- Percent Health Insurance Medicaid: Equals the aggregate number of persons in the FIU group covered by Medicaid divided by the total number of persons in the FIU group. This includes all persons (not just head or primary). Based on CPS variables MCAID and NOW_MCAID.
- Percent Health Insurance CHIP: Equals the aggregate number of persons in the FIU group covered by State Children Health Insurance Program (CHIP) divided by the total number of persons in the FIU group. This includes all persons (not just head or primary). Based on CPS variables PCHIP and NOW_PCHIP.
- Percent Health Insurance Private: Equals the aggregate number of persons in the FIU group covered by private health insurance that is not acquired through employer divided by the total number of persons in the FIU group. This includes all persons (not just head or primary). Typically, private insurance is purchased by an individual or family through the private marketplace (or through an exchange post-ACA). Based on CPS variables PRIV and NOW_PRIV.
- Percent Health Insurance Uninsured: Equals the aggregate number of persons in the FIU group that do not have any health insurance coverage (public or private) divided by the total number of persons in the FIU group. This includes all persons (not just head or primary). Uninsured status for a person is based on the CPS variable COV equaling a value of 2. Note that a disproportionate number of non-citizens (especially those undocumented) is included in the uninsured number.
- Total Government Subsidies: Equals the sum of average Medicare per FIU, average Medicaid per FIU, and average other government health transfers per FIU.
- Average Subsidy Health Medicare: Equals the aggregate Medicare transfers allocated to the FIU group divided by the total number of FIUs in the FIU group. As explained in the transfer programs section of the methodology, Medicare transfers are allocated to FIUs based solely on Medicare enrollment.
- Average Subsidy Health Medicaid: Equals the aggregate Medicaid transfers allocated to the FIU group divided by the total number of FIUs in the FIU group. As explained in the transfer programs section of the methodology, Medicaid transfers are allocated to FIUs based solely on Medicaid enrollment.
- Average Subsidy Health Other Government: Equals aggregate government health transfers for CHIP and ACA allocated to the FIU group divided by the total number of FIUs in the FIU group. CHIP is allocated to FIUs solely on the basis of CHIP enrollment, while ACA is allocated to FIUs based on the simulated ACA premium tax credit and other ACA transfers.
- Average Total Premiums: Equals the sum of average employer-paid premiums, average premiums paid by individuals, and average Medicare premiums. CPS variables for healthcare premiums are used, including most notably the FHIP_VAL variable for private or employer-based health insurance.
- Average Employer-Paid Premiums: Equals the aggregate employer subsidy for health

insurance to employees allocated to the FIU group divided by the total number of FIUs in the FIU group. For earlier years, figure was estimated using CPS variable EMCONTRB. Unfortunately, this variable was capped at $9,999 when CPS included it and now the CPS does not include this variable at all. Therefore, imputations using data from the Medical Expenditures Panel Survey (MEPS) conducted by HHS are necessary. Common variables from MEPS and CPS are used for the imputation.
- Average Premiums Private Insurance: Equals aggregate individual/employee premiums for employer-provided and private insurance allocated to the FIU group divided by the total number of FIUs in the FIU group. For the FIU group, this is calculated as the difference between total health expenditures paid for by private insurers less employer paid premiums.
- Average Premiums Medicare: Equals aggregate premiums for Supplementary Medical Insurance (SMI) allocated to the FIU group divided by the total number of FIUs in the FIU group. Supplementary Medical Insurance premiums are simulated using the premiums formula, which requires higher-income Medicare participants to pay more for SMI. The BEA total from NIPA Table 3.6 is allocated to each FIU based on the simulation.
- Average Out-of-Pocket Expenditures: Equals aggregate out-of-pocket health expenditures allocated to the FIU group divided by the total number of persons in the FIU group. Out-of-pocket health expenditures are allocated based on CPS variables POTC_VAL and PMED_VAL. Does not include premiums.

Housing Profile and Housing Subsidies

The *Housing Profile* and *Housing Subsidies* table provides a look at how housing tenure status and housing costs differ across FIU groups. The CPS is the source of the tenure status variables. The housing expenditure amounts are estimated using ACS imputations. Specifically, logit regressions for each tenure status are performed in the ACS predicting rent and mortgage expenditures as a percentage of income or home value. These regression results are then used in the CPS to impute rent paid and mortgage paid. Participation in certain government housing assistance programs uses variables directly from the CPS.

Description of Statistics

- Percent Homeowner With Mortgage: Equals the aggregate number of FIUs in the FIU group residing in a household where the householder has an outstanding mortgage divided by the total number of FIUs in the FIU group. This is determined by the CPS variables H_TENURE and HPRES_MORT. For households with multiple families, each family is effectively given the tenure status of the householder (or primary family).
- Percent Homeowner Without Mortgage: Equals the aggregate number of FIUs in the FIU group residing in a household where the householder owns the house and has no outstanding

mortgage divided by the total number of FIUs in the FIU group. This is determined by the CPS variables H_TENURE and HPRES_MORT. For households with multiple families, each family is effectively given the tenure status of the householder (or primary family).

- Percent Renter: Equals the aggregate number of FIUs in the FIU group residing in a household where the householder rents (either for payment or for free) divided by the total number of FIUs in the FIU group. This is determined by the CPS variable H_TENURE. For households with multiple families, each family is effectively given the tenure status of the householder (or primary family).
- Average Annual Mortgage Payments for Owners: Equals the aggregate mortgage payments made by the FIU group divided by the total number of FIUs that are classified as homeowners. Mortgage payments are derived by allocating the BEA total mortgage payments (including both interest and principal) to each FIU based on imputed mortgage payments made using the ACS-to-CPS imputation process described earlier. Note that all owners are included in the denominator, whether they have a mortgage or not.
- Average Annual Rent Paid by Renters: Equals the aggregate rent paid by the FIU group divided by the total number of FIUs in the FIU group that are classified as renters. Rent paid is derived by allocating the BEA total rent paid from the personal consumption expenditures publication to each FIU based on imputed rent paid made using the ACS-to-CPS imputation process described earlier.
- Percent Subsidized Rent: Equals the aggregate number of FIUs in the FIU group residing in a household for which the government subsidizes part or all of the rent divided by the total number of FIUs in the FIU group. (This is the percentage of all FIUs – not just renters.) The CPS variable HLORENT is the determinant for this statistic.
- Percent Public Housing: Equals the aggregate number of FIUs in the FIU group residing in public housing divided by the total number of FIUs in the FIU group. The CPS variable HPUBLIC is the determinant for this statistic.
- Number Receiving Housing Assistances: Equals the aggregate number of FIUs residing in a household receiving subsidized rent or residing in public housing.
- Average Family Housing Subsidy equals aggregate subsidies divided by FIUs. Subsidy is based on the CPS variable SPM_CapHouseSub.
- Average Housing Costs for Owner equals aggregate mortgage payments made divided by the number of FIUs. If a household has multiple FIUs, only the head FIU is assumed to have housing expenditures. Mortgage expenditures equals principal and interest.
- Average Housing Cost for Renters equals aggregate rent payments made divided by the number of FIUs.

Technology Profile

The *Technology Profile* table provides a look at how access and usage of certain technologies differs among subgroups of population. There are three key sources for the data in this table: the CPS, the ACS, and the National Health Interview Survey.

Internet access and computer access is imputed into the CPS by running logit regressions in the ACS and then using the logit regression results to estimate probabilities of various internet access for each FIU. Phone usage is imputed into the CPS using data from the National Health Interview Survey conducted by the CDC.

Description of Statistics

- Percent Computer: Equals the number of FIUs in the FIU group that reside in a household with a computer divided by the total number of FIUs in the FIU group. A FIU is classified as having access to a computer if any FIU in the household has a computer. (This is due to the fact that data exists solely on a household basis.)
- Percent Phone Only Landline: Equals the number of FIUs in the FIU group that reside in a household with only a landline telephone and no cellular phones divided by the total number of FIUs in the FIU group.
- Percent Phone Only Cell: Equals the number of FIUs in the FIU group that reside in a household with only cellular phone access and no landline access divided by the total number of FIUs in the FIU group.
- Percent Phone Both Landline and Cell: Equals the number of FIUs in the FIU group that reside in a household with both cellular phone access and landline access divided by the total number of FIUs in the FIU group.
- Note that the percentage of FIUs with landline access (with or without cell) can be calculated by simply adding the percent only landline and the percent landline and cell. And the percentage of FIUs with cellular access (with or without landline) can be calculated by simply adding the percent only cell and the percent landline and cell.
- Percent Internet High Speed: Equals the number of FIUs in the FIU group that reside in a household with high-speed Internet access divided by the total number of FIUs in the FIU group. High-speed Internet includes the following ACS Internet categories:
- HISPEED. HISPEED is defined by ACS as follows: Broadband (high speed) Internet service such as cable, fiber optic, or DSL service
- Percent Internet Low Speed: Equals the number of FIUs in the FIU group that reside in a household with low-speed Internet access divided by the total number of FIUs in the FIU group. Low-speed Internet includes the following ACS Internet categories: Satellite Internet access (ACS variable SATELLITE) and dial-up (ACS variable DIALUP).
- Other: If household has internet access (ACCESS = 1 or ACCESS = 2) but HISPEED = 2 (no), SATELLITE = 2(no) and DIALUP = 2 (no). This would include households whose internet

access is only via a cell phone data plan.

- Percent Internet None: Equals the number of FIUs in the FIU group that reside in a household with no Internet access divided by the total number of FIUs in the FIU group.

Consumption Profile

The consumption profile table presents estimates of how much each FIU group spends on various personal consumption expenditure categories. These estimates are generally made by allocating total personal consumption expenditures from BEA (with some adjustments) to each FIU. For health and housing, we use CPS and ACS data to allocate the totals. For most other categories, we use imputed consumption for each FIU. These imputations are done using cohort data provided by the Consumer Expenditures Survey.

USAFacts is currently making improvements to the consumption table estimates using other sources in addition to the Consumer Expenditures Survey.

Poverty Profile Tables

Poverty profile tables present a demographic profile of the Census Bureau's two poverty measures – the Official Poverty Measure and the Supplemental Poverty Measure. Unlike other cohort tables on our website, we use the Census Bureau's income and poverty data for each unit directly from the CPS. In other words, we do not supplement the microdata with IRS or other income data sources, and we do not do a formal allocation of BEA aggregates to each family and individual unit like we do in the percentile cohorts. It is done in this way so that we are directly comparable to the Census Bureau's published numbers.

The Official Poverty Measure (OPM) is the Census Bureau's long-standing poverty measure whose thresholds are based on the amount of food necessary for a unit. These thresholds depend on the number and age distribution of persons in the unit. The Supplemental Poverty Measure (SPM) is a new alternative poverty measure that seeks to better reflect the economic resources and necessary expenses of Families & Individuals. More information can be found here: OPM (https://www.census.gov/topics/income- poverty/poverty/guidance/poverty-measures.html) and SPM (https://www.census.gov/hhes/povmeas/methodology/supplemental/overview.html)

The FIU groups are based on the ratio of each FIU's income (as defined by Census) to the poverty threshold (OPM or SPM) for that unit. For example, if a family has an income of $75,000 and the poverty threshold for the family is $15,000, they would be 500% of the poverty threshold. And they would be in the 400%+ FIU cohort of their respective group type.

The SPM poverty metric varies depending on a variety of factors, such as location, housing expenses, family size, etc. Each of these variables is included in the CPS ASEC file, and some of those variables are used elsewhere for this analysis. Description of Statistics for the OPM/SPM poverty cohort tables:

- # of Family and Individual Units: The aggregate number of family and individual units falling into each FIU group.
- Average persons per FIU: Equals aggregate number of persons residing in FIUs in that group divided by the aggregate number of FIUs in that group.
- Average children per FIU: Equals aggregate number of persons under the age of 18 residing in FIUs in that group divided by the aggregate number of FIUs in that group. For the two family types of "Married without Children" and "Single without Children," this figure is zero.
- Average age of primary persons: Equals the aggregate age of primary persons in the FIUs divided by the aggregate number of primary persons in that FIU group. Primary persons are defined as the head of the FIU, and the spouse of that FIU head, if applicable. Therefore, for married couples, it accounts for the age of both husband and wife. For non-married couples, it only accounts for the age of the FIU head.
- Top Earner by Sex - Male: Equals the percentage of FIUs in that group with a male as having the highest income of the primary persons. Note: For those where two primary persons have the same income, a "tie" is declared and they are split evenly. For single FIUs, this statistic is simply a reflection of the sex of the FIU head. For married families, this statistic shows which sex is the higher earner. For same-sex couples, the top earner sex is simply the sex of the couple.
- Top Earner by Sex - Female: Equals the percentage of FIUs in that group with a female as having the highest income of the primary persons. Note: For those where two opposite-sex primary persons have the same income, a "tie" is declared and they are split evenly between male and family. For single FIUs, this statistic is simply a reflection of the sex of the FIU head. For married families, this statistic shows which sex is the higher earner. For same- sex couples, the top earner sex is simply the sex of the couple.
- Race, Ethnicity of FIU Head – White: Equals the percentage of FIUs in that group where the FIU head is white. Note that this is solely the race of the FIU head and does not account for the race of spouses or children. Therefore, interracial population may not be fully reflected if the head of interracial families is disproportionately from one race. For individuals identifying as more than one race, the individual was randomly assigned a race within that mixed race group he/she identified with the Census Bureau. For example, for those persons identifying as being both white and black, half were designated as white and half as black.
- Race, Ethnicity of FIU Head – Black: Equals the percentage of FIUs in that group where the FIU head is black. Note that this is solely the race of the FIU head and does not account for the race of spouses or children. Therefore, interracial population may not be fully reflected if the head of interracial families is disproportionately from one race. For individuals identifying as more than one race, the individual was randomly assigned a race within that mixed race group he/she identified with the Census Bureau. For example, for those persons identifying as being both

white and black, half were designated as white and half as black.

- Race, Ethnicity of FIU Head – Asian: Equals the percentage of FIUs in that group where the FIU head is black. Note that this is solely the race of the FIU head and does not account for the race of spouses or children. Therefore, interracial population may not be fully reflected if the head of interracial families is disproportionately from one race. For individuals identifying as more than one race, the individual was randomly assigned a race within that mixed race group he/she identified with the Census Bureau. For example, for those persons identifying as being both white and Asian, half were designated as white and half as Asian.
- Race, Ethnicity of FIU Head – Other Race: Equals the percentage of FIUs in that group where the FIU head is some race other than white, black, or Asian. This includes most notably American Indians. Note that this is solely the race of the FIU head and does not account for the race of spouses or children. Therefore, interracial population may not be fully reflected if the head of interracial families is disproportionately from one race. For individuals identifying as more than one race, the individual was randomly assigned a race within that mixed race group he/she identified with the Census Bureau. For example, for those persons identifying as being both other race and Asian, half were designated as other and half as Asian.
- % Hispanic: Equals the percentage of FIUs in that group where the FIU head is Hispanic (any race). Note that this solely reflects the ethnicity of the FIU head and does not account for the ethnicity of spouses or children.
- % US-Born: Equals the percentage of FIUs in that group where the FIU head was born in the United States, in Puerto Rico or another outlying US area, or was born abroad of American parent(s). This is determined by CPS variable PRCITSHP (US born equals 1, 2, or 3). This statistic should not be interpreted as being the same as citizenship.
- % Urban: Equals the percentage of FIUs residing in a geographic region that is urban. This is determined by the CPS variable GTCBSASZ (Metropolitan status). Those FIUs living in a household identifying as having a metropolitan size of 100,000 or more were considered urban.
- % Urban: Equals the percentage of FIUs residing in a geographic region that is non-urban. This is determined by the CPS variable GTCBSASZ (Metropolitan status). Those FIUs who do not identify as having a metropolitan size of 100,000 or more were considered rural.
- % Northeast: Equals the percentage of FIUs residing in a household in a state in the Northeast as defined by the Census Bureau. This includes Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont.
- % Midwest: Equals the percentage of FIUs residing in a household in a state in the Midwest as defined by the Census Bureau. This includes Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.
- % South: Equals the percentage of FIUs residing in a household in a state in the South as defined by the Census Bureau. This includes Alabama, Arkansas, Delaware, Florida, Georgia,

Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, West Virginia, and the District of Columbia. The South is the largest of the four regions in terms of population.

- % West: Equals the percentage of FIUs residing in a household in a state in the West as defined by the Census Bureau. This includes Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.

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