



# Congressional Budget Office

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## The Distribution of Federal Spending and Taxes in 2006

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# Overview

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Extends prior CBO distributional analyses by including spending

Snapshot of a single year: calendar year 2006

Not a lifetime analysis

Household types

Elderly

Nonelderly with children

Nonelderly without children

Income groups among the nonelderly

Market income quintiles

# Federal Spending and Revenues, 2006

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Federal  
Spending

\$2.7  
Trillion

Federal  
Revenues

\$2.4  
Trillion

# Allocated Federal Spending and Revenues, 2006

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



# Categories of Federal Spending, 2006



## Cash Transfers

Social Security  
Refundable Tax Credits  
SSI  
UI  
TANF  
Means-Tested Veterans' Benefits  
Black Lung Disability

## Near-cash Transfers

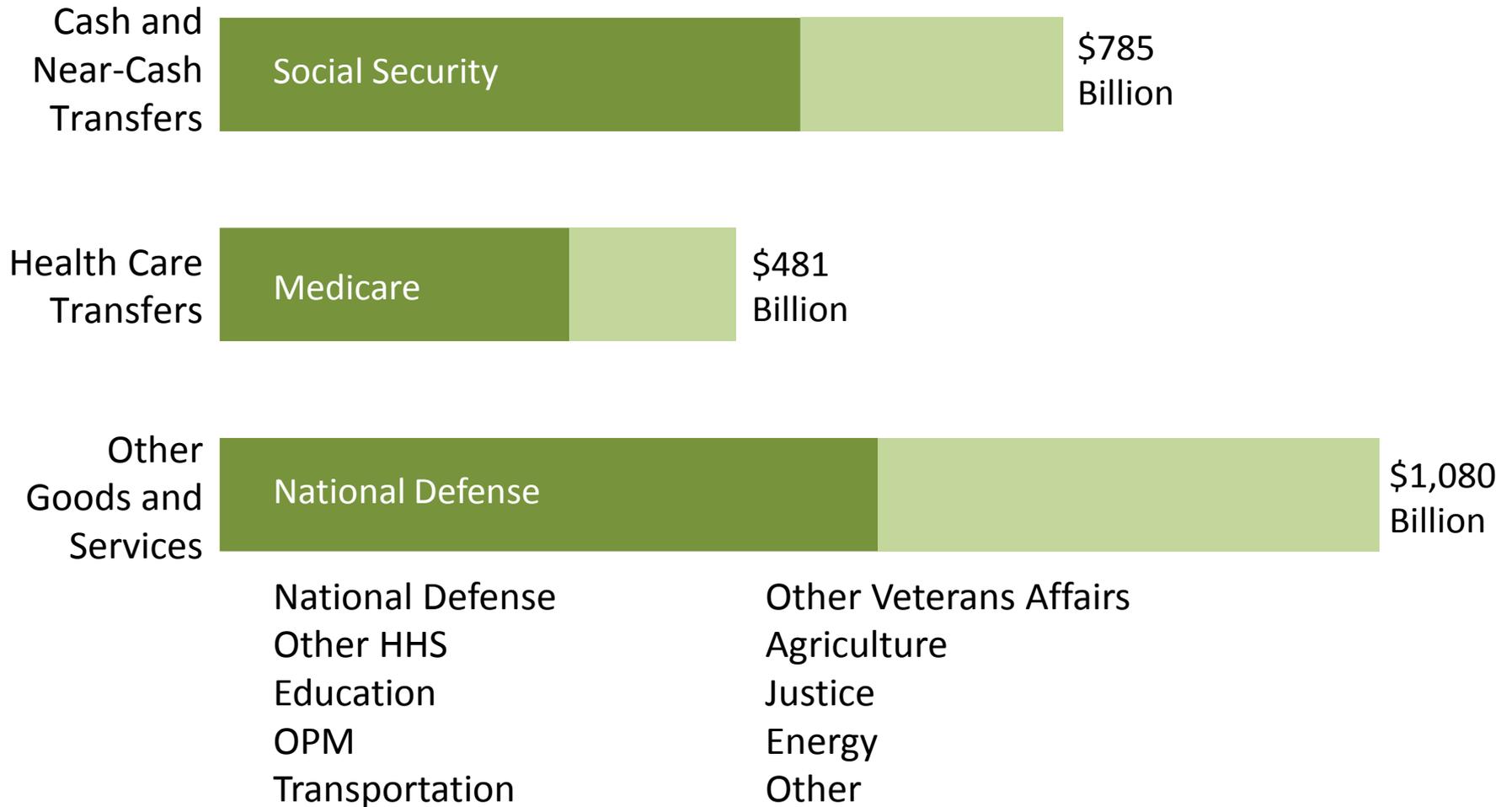
SNAP  
Housing Assistance  
Pell Grants  
Child Nutrition Programs  
WIC  
LIHEAP

# Categories of Federal Spending, 2006

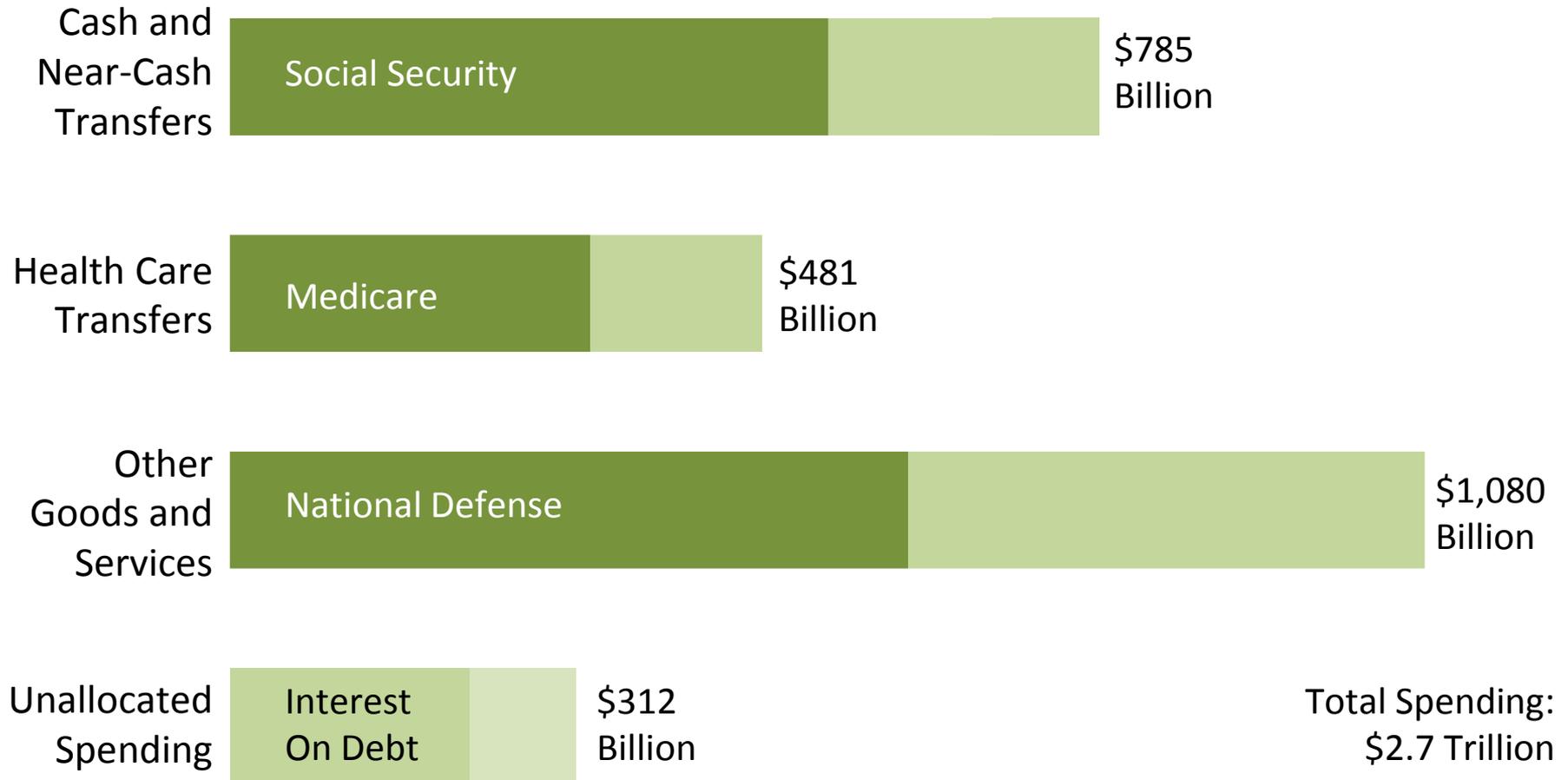


Medicare  
Medicaid and CHIP  
Means-Tested Veterans' Health Benefits

# Categories of Federal Spending, 2006

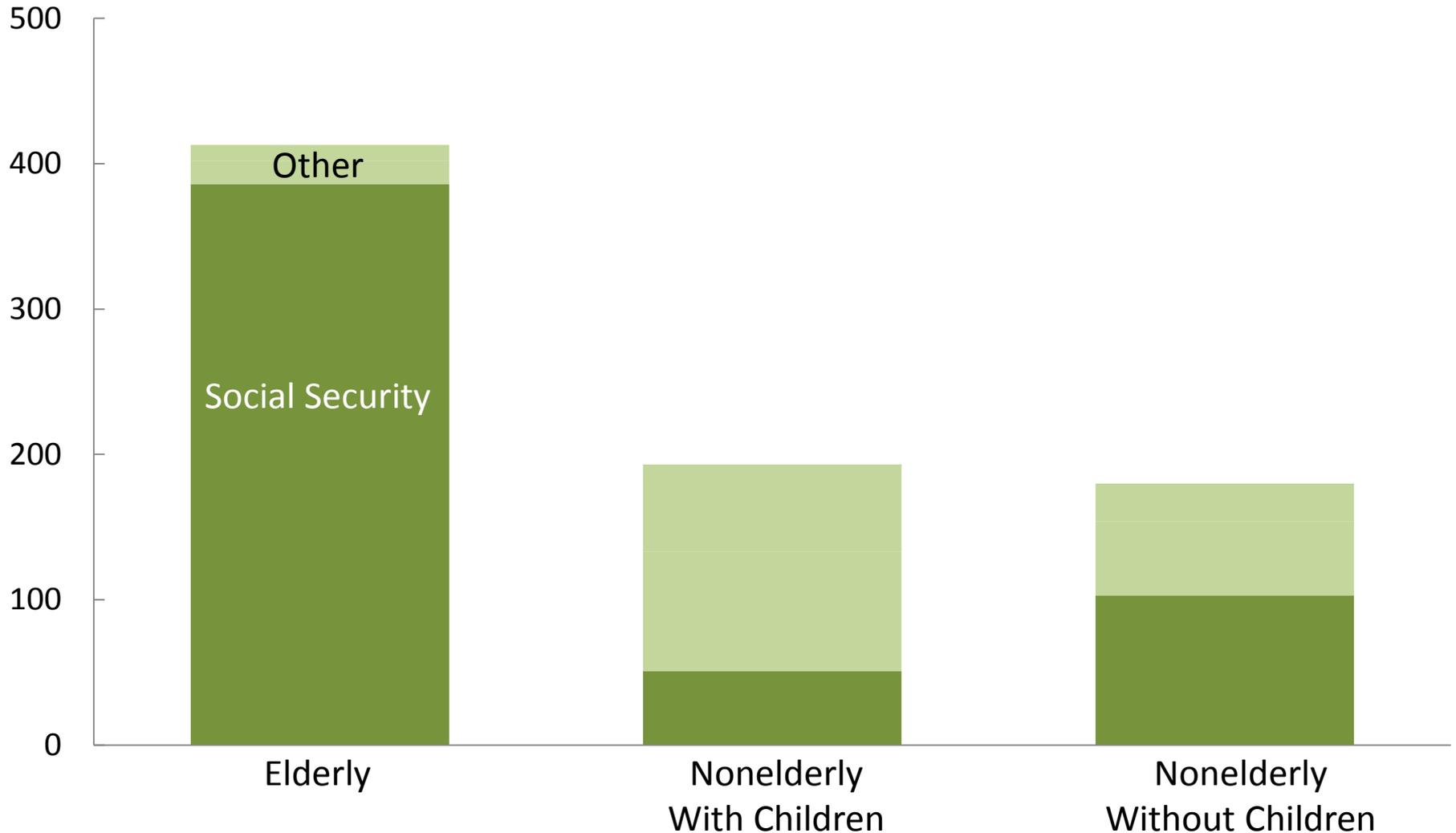


# Categories of Federal Spending, 2006



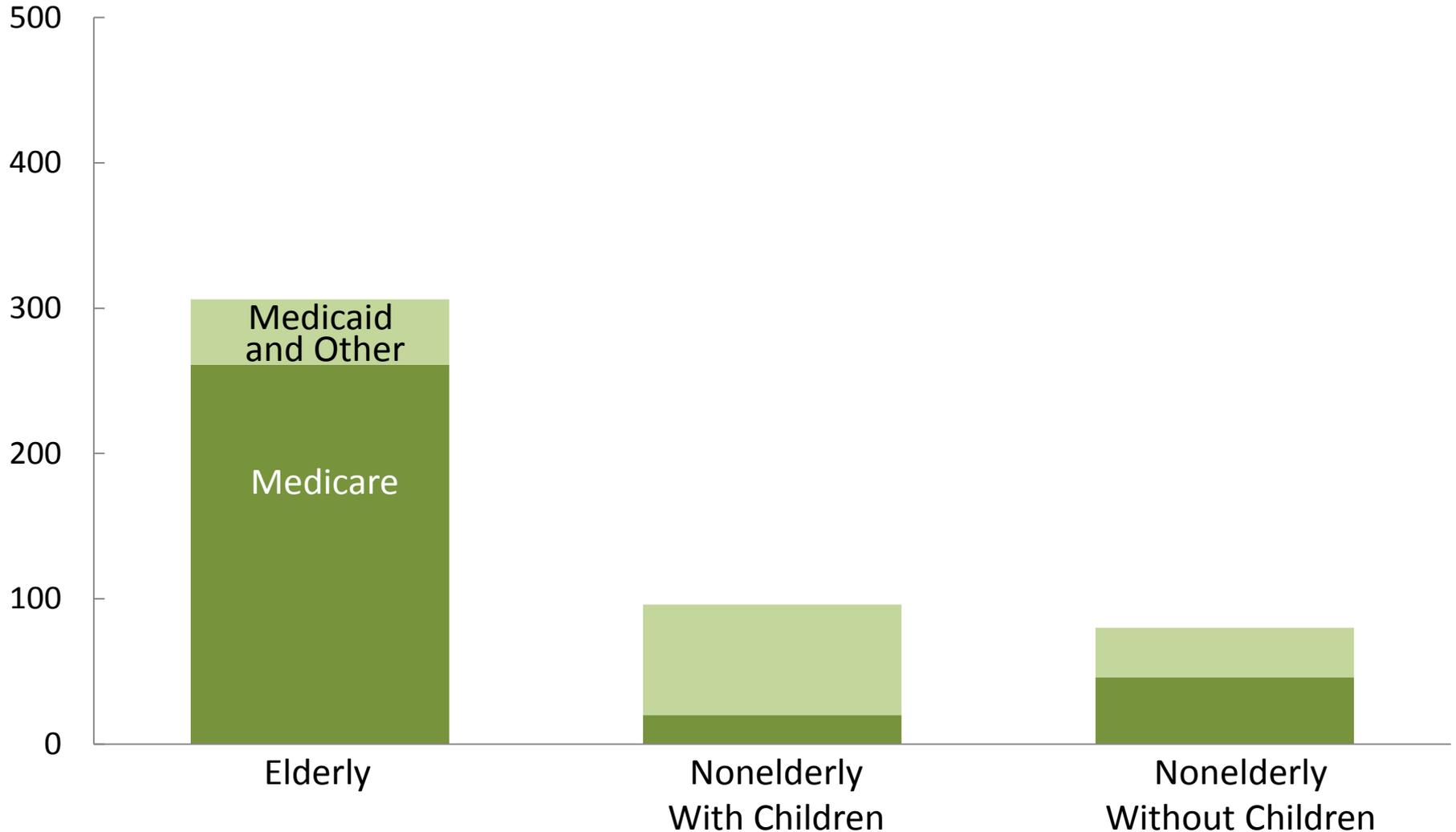
# Spending on Cash and Near-Cash Transfers, by Type of Household, 2006

(Billions of dollars)



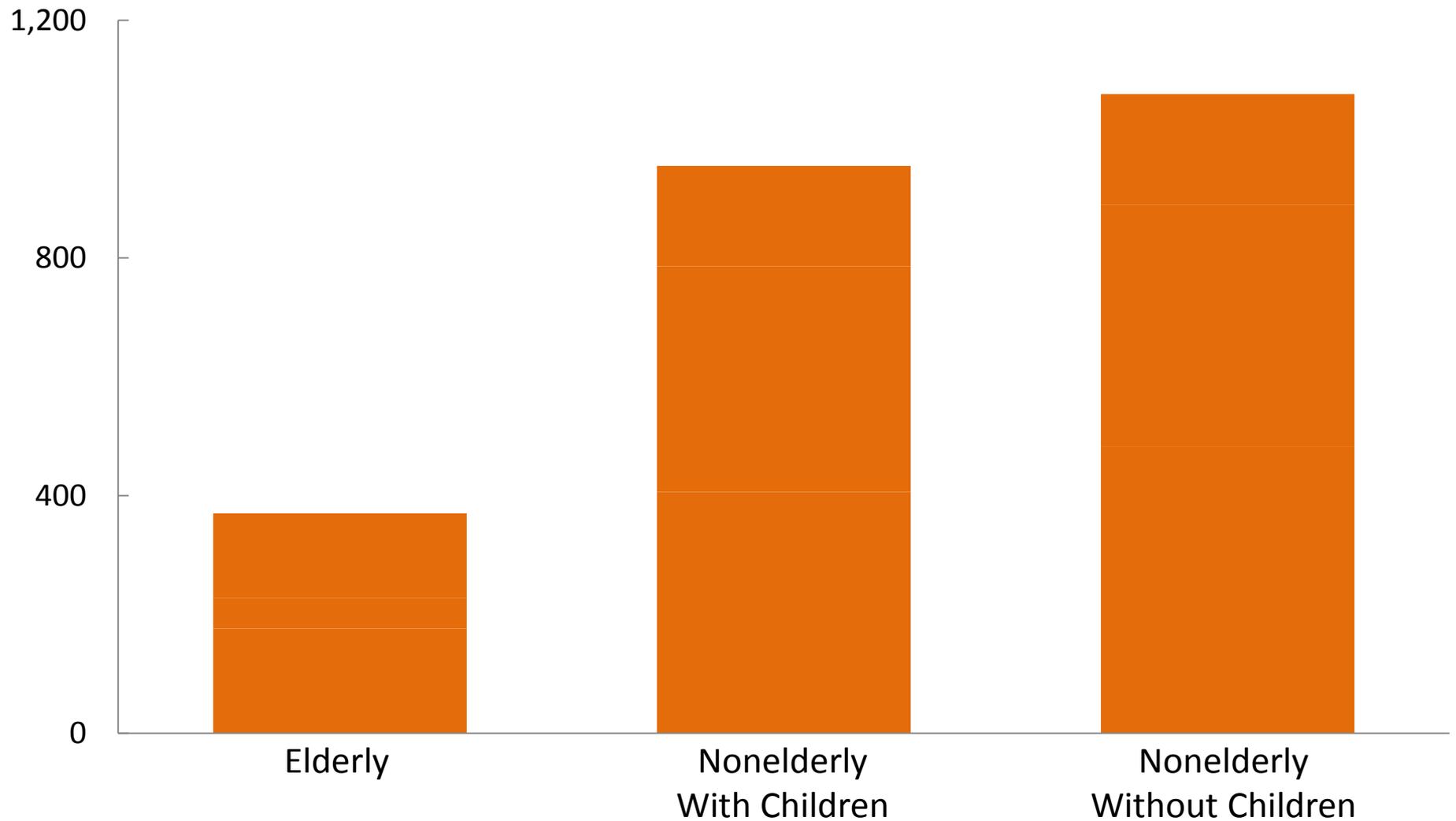
# Spending on Health Care Transfers, by Type of Household, 2006

(Billions of dollars)



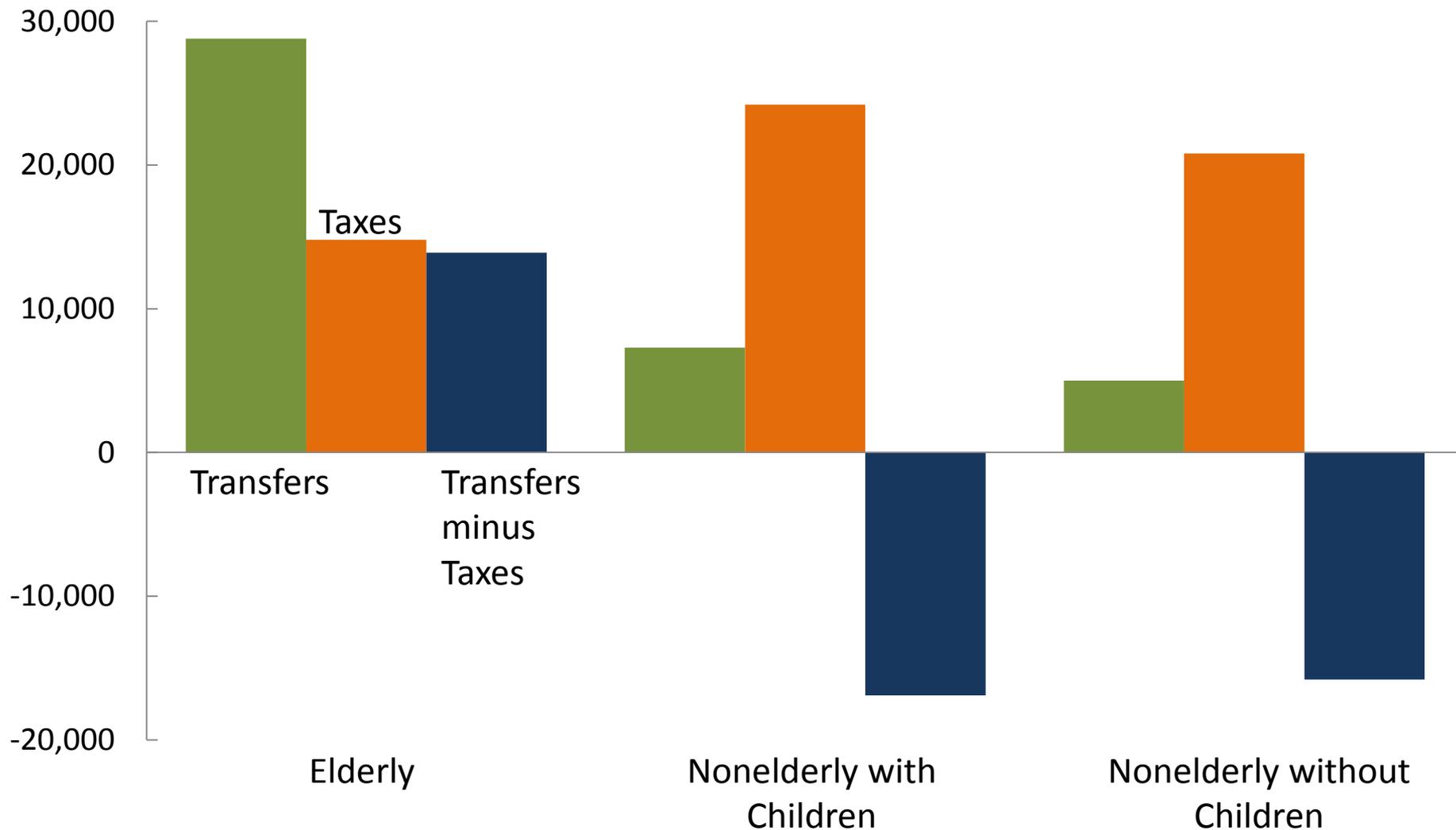
# Federal Taxes, by Type of Household, 2006

(Billions of dollars)

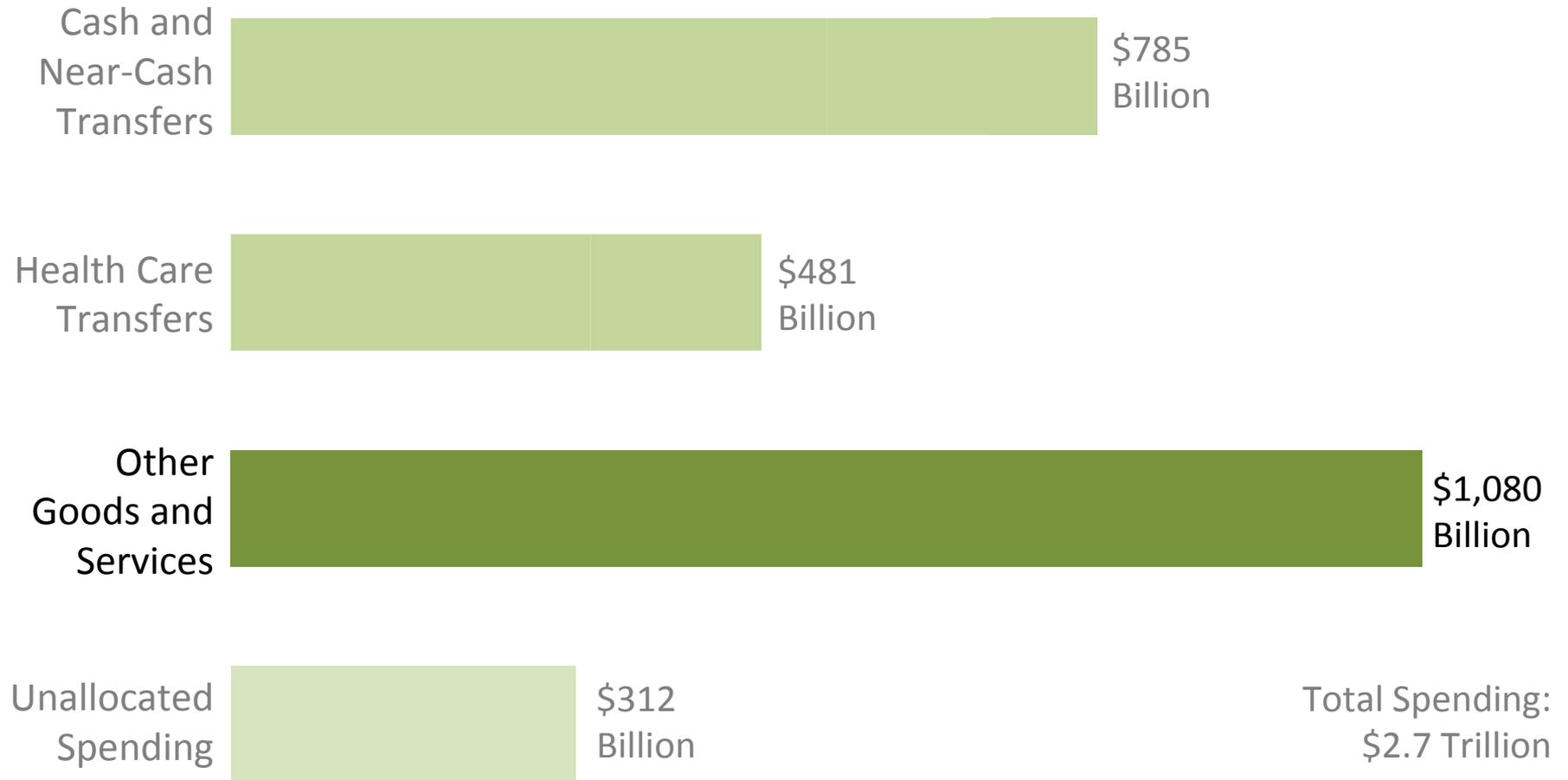


# Average Transfers, Taxes, and Transfers Minus Taxes, by Type of Household, 2006

(Dollars per household)



# Federal Spending, 2006



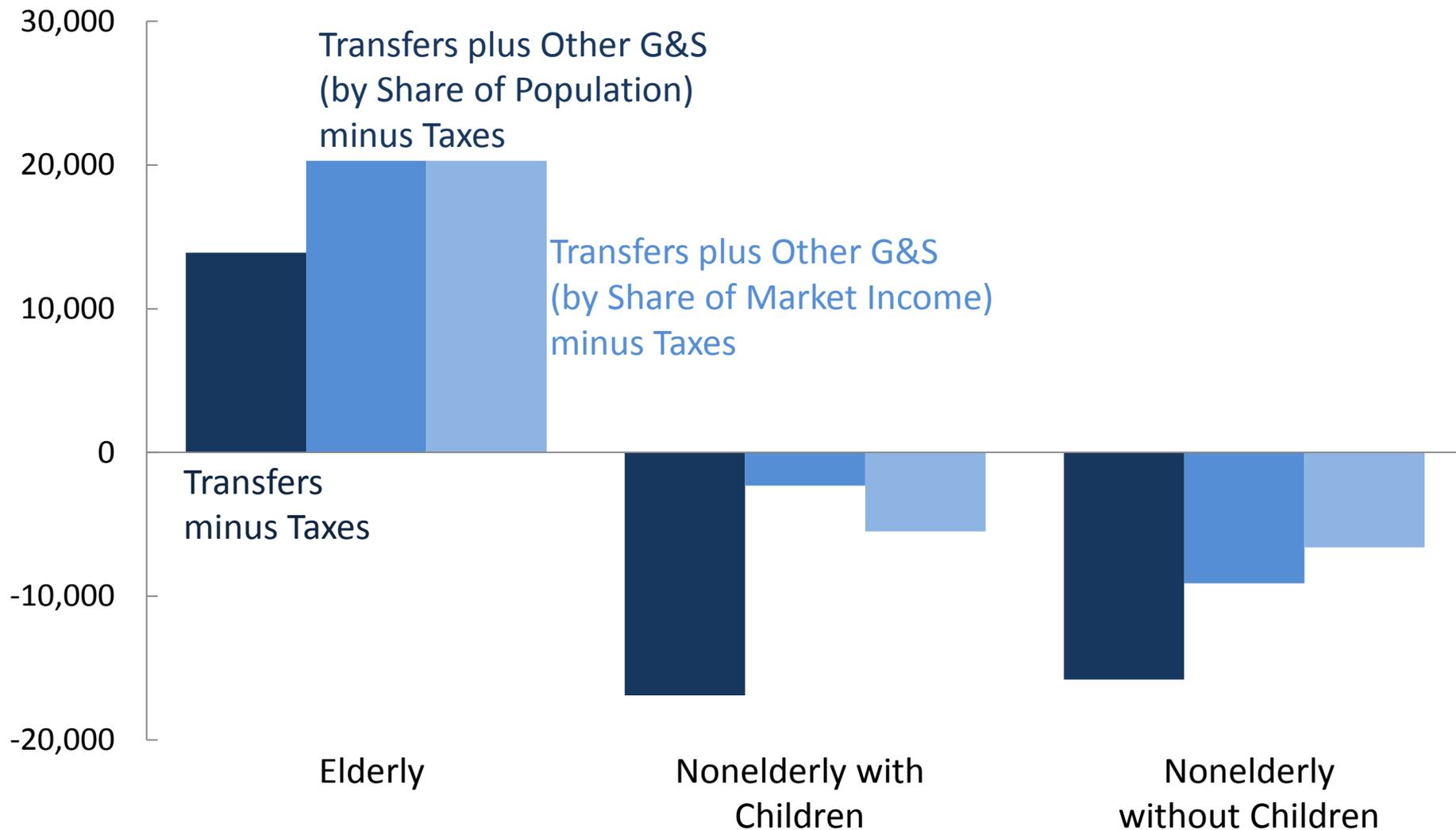
# Federal Spending on Other Goods and Services, by Type of Household, 2006

(Billions of dollars)

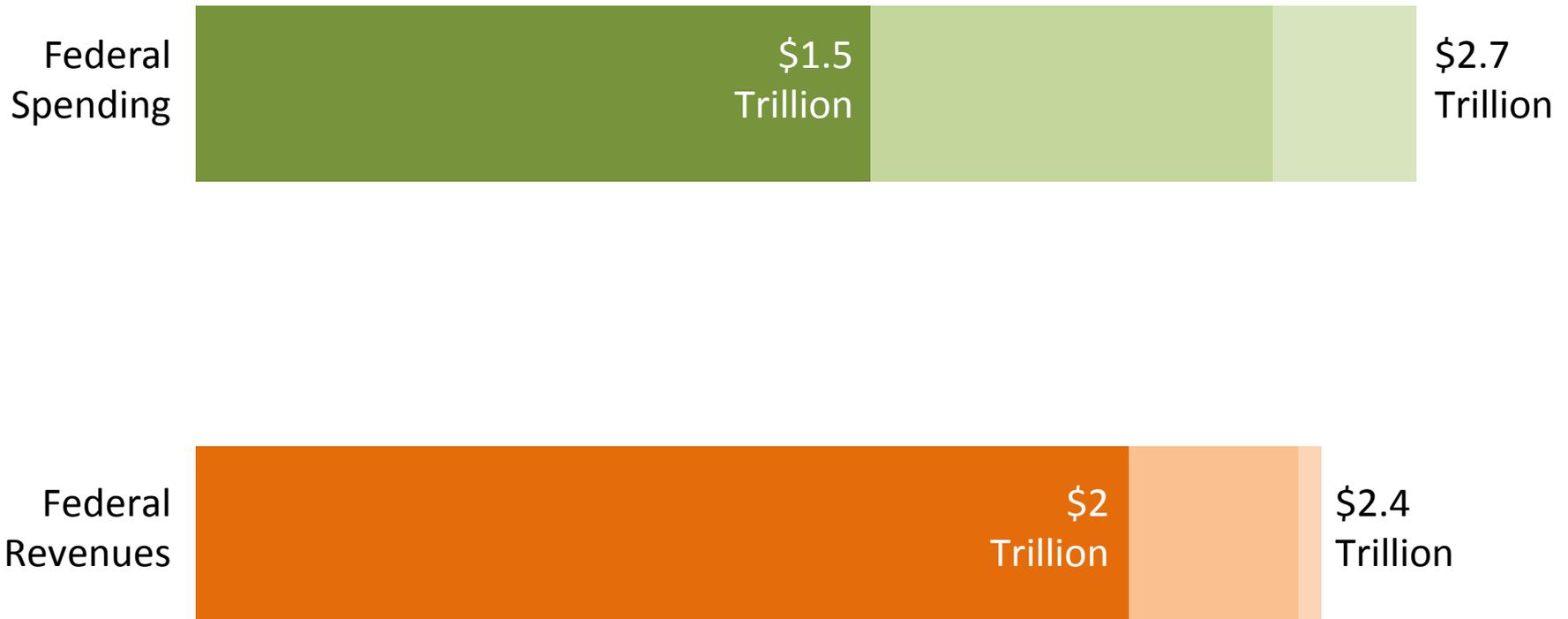


# Average Spending Minus Taxes, by Type of Household, 2006

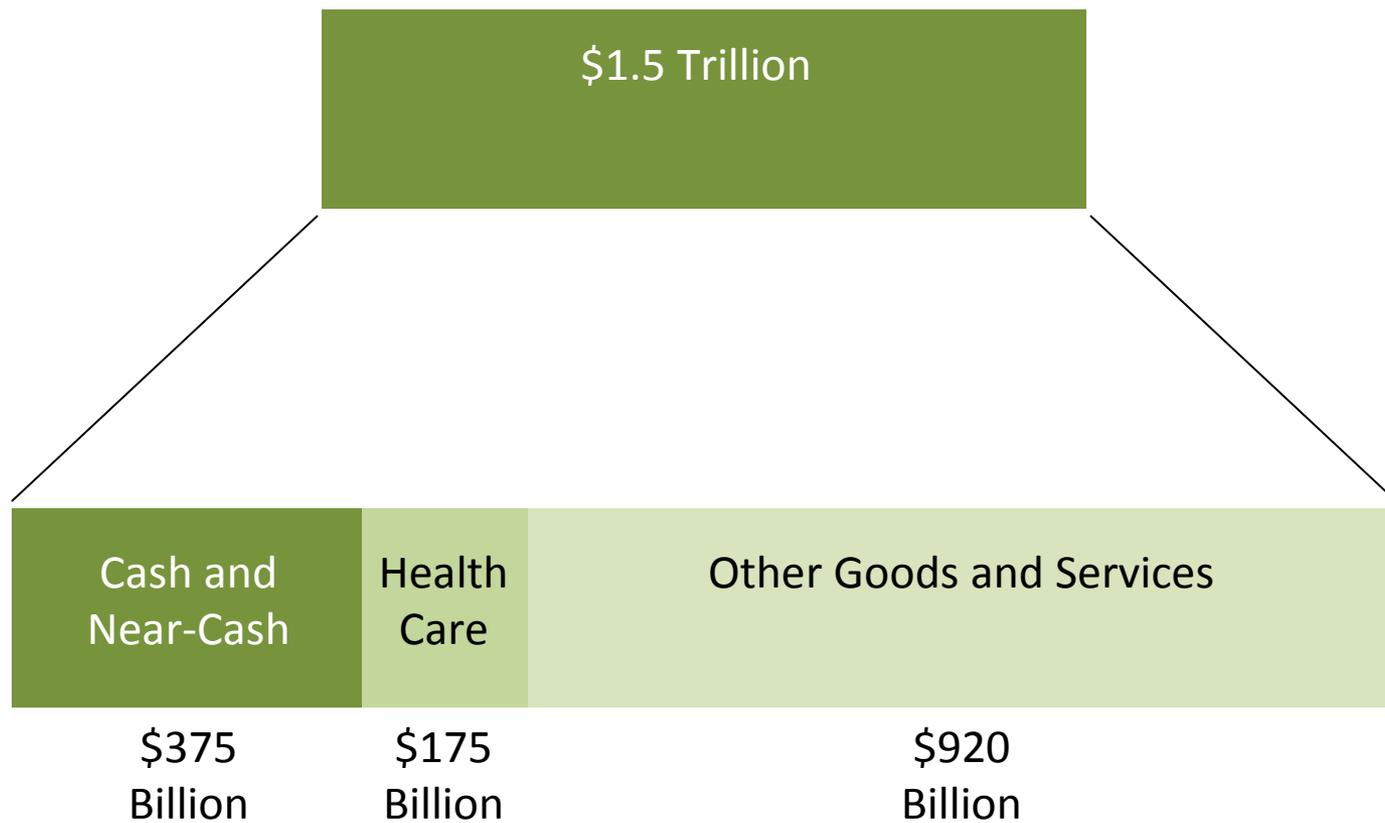
(Dollars per household)



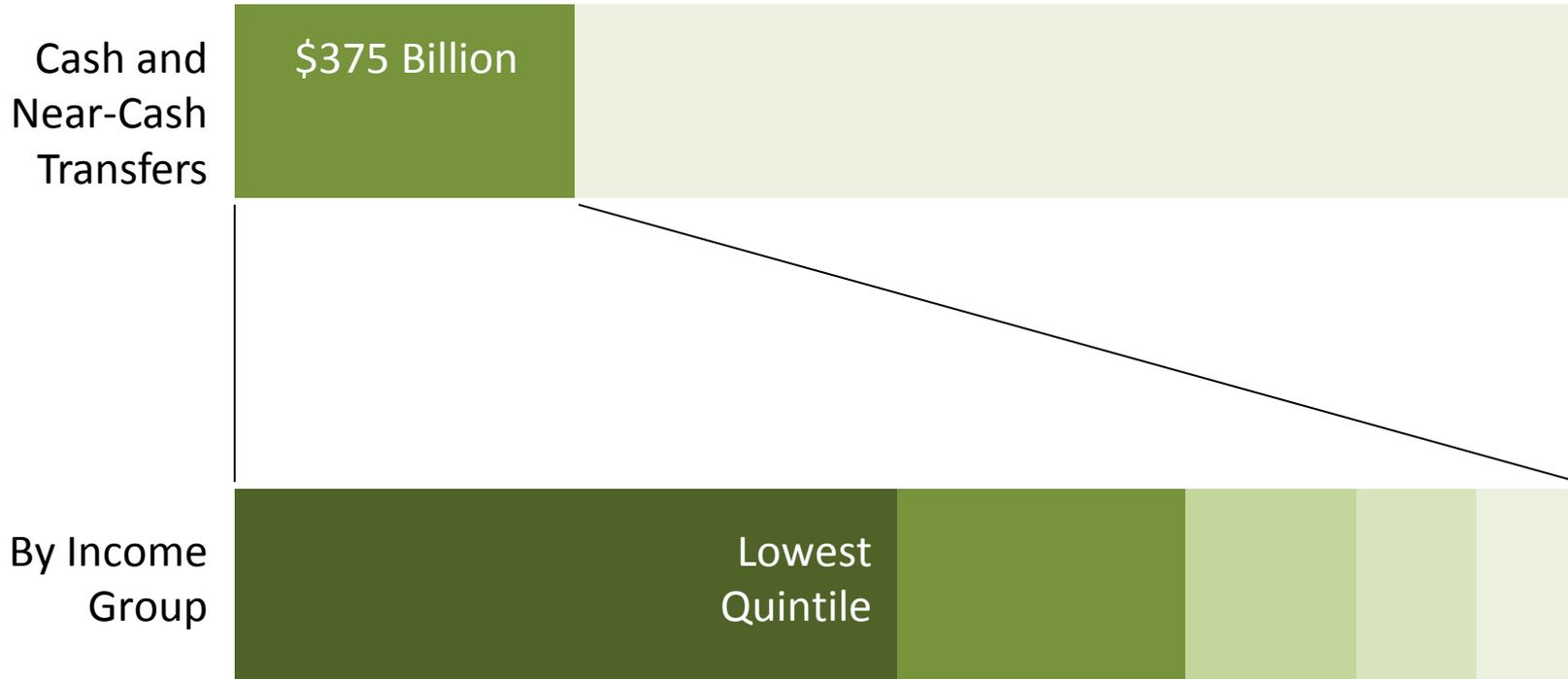
# Spending and Revenues Allocated to Nonelderly Households



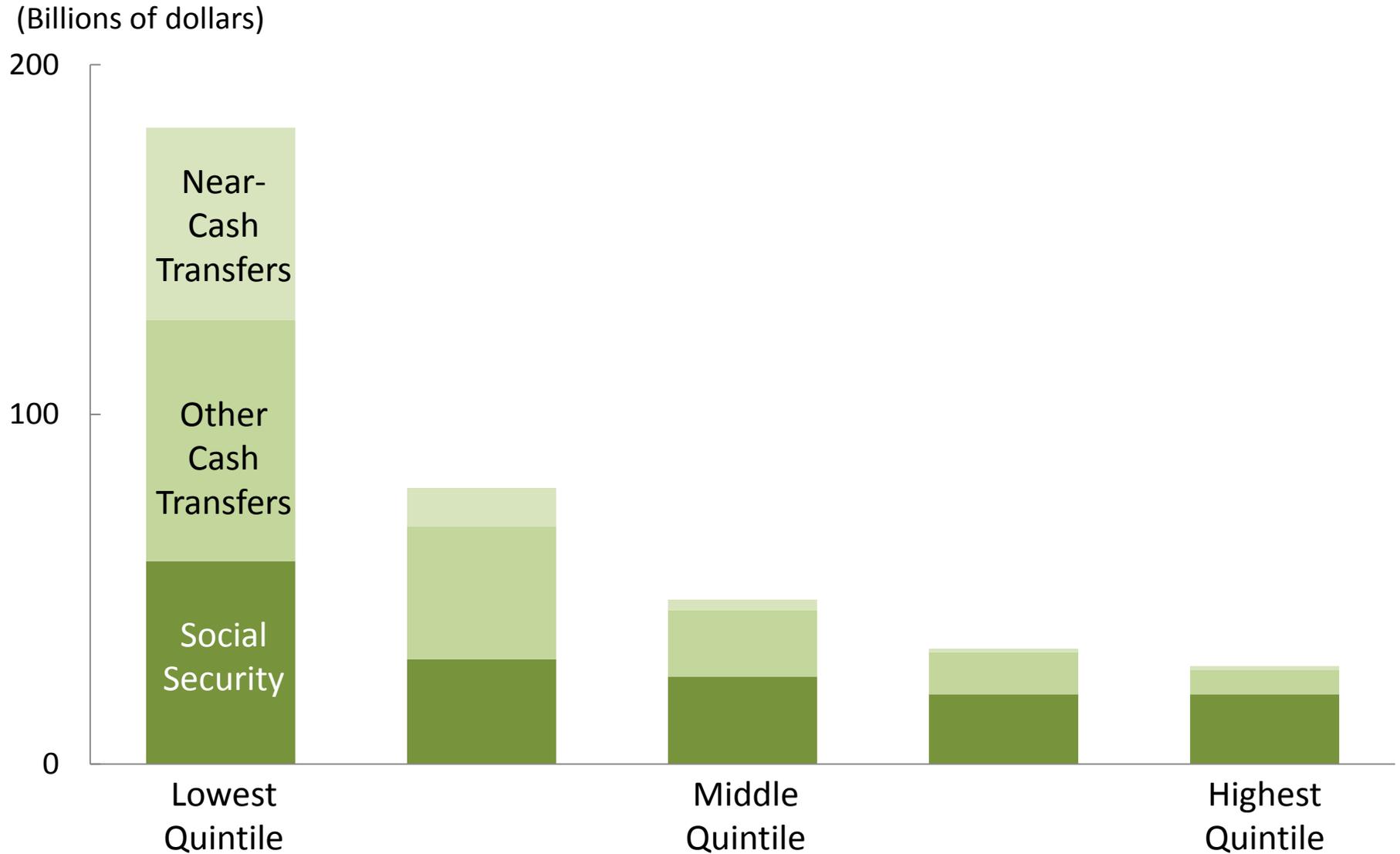
# Spending on Nonelderly Households



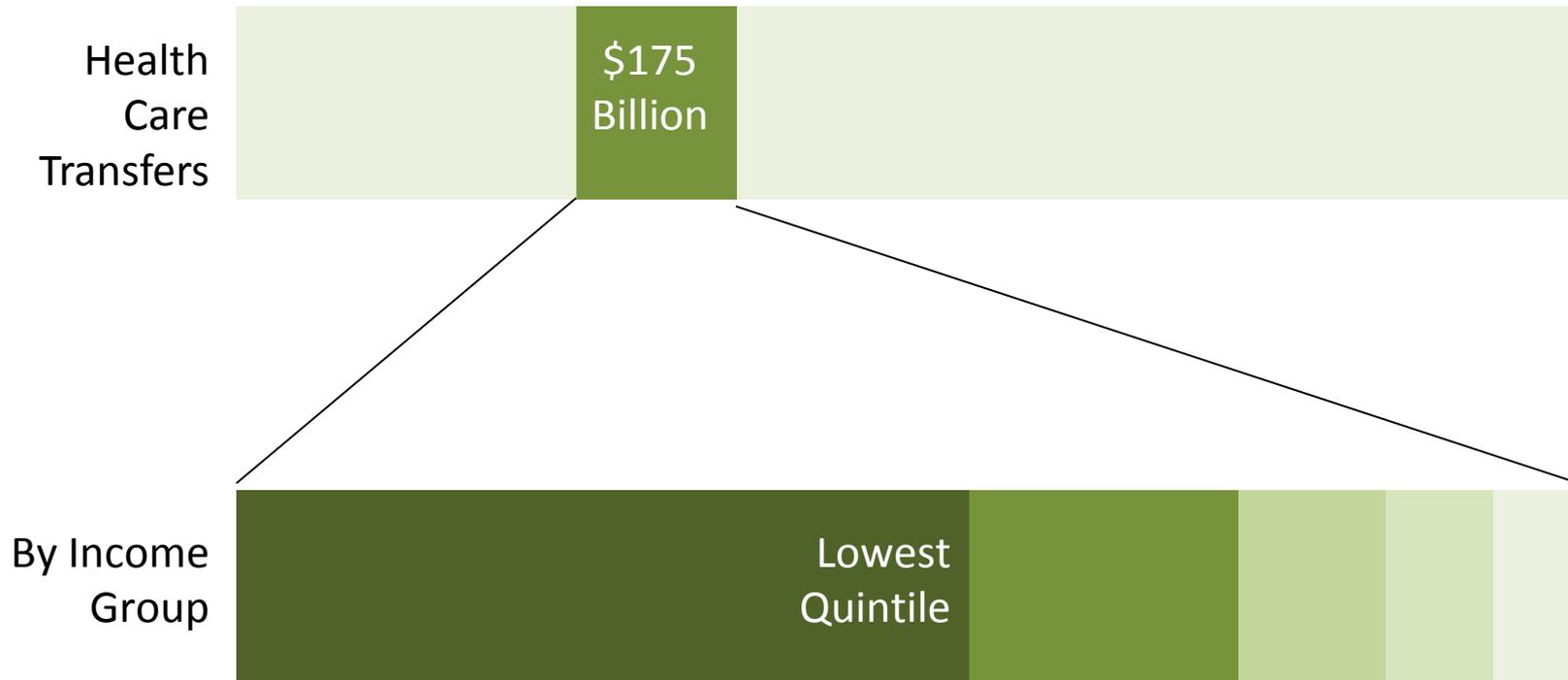
# Spending on Cash and Near-Cash Transfers for Nonelderly Households



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

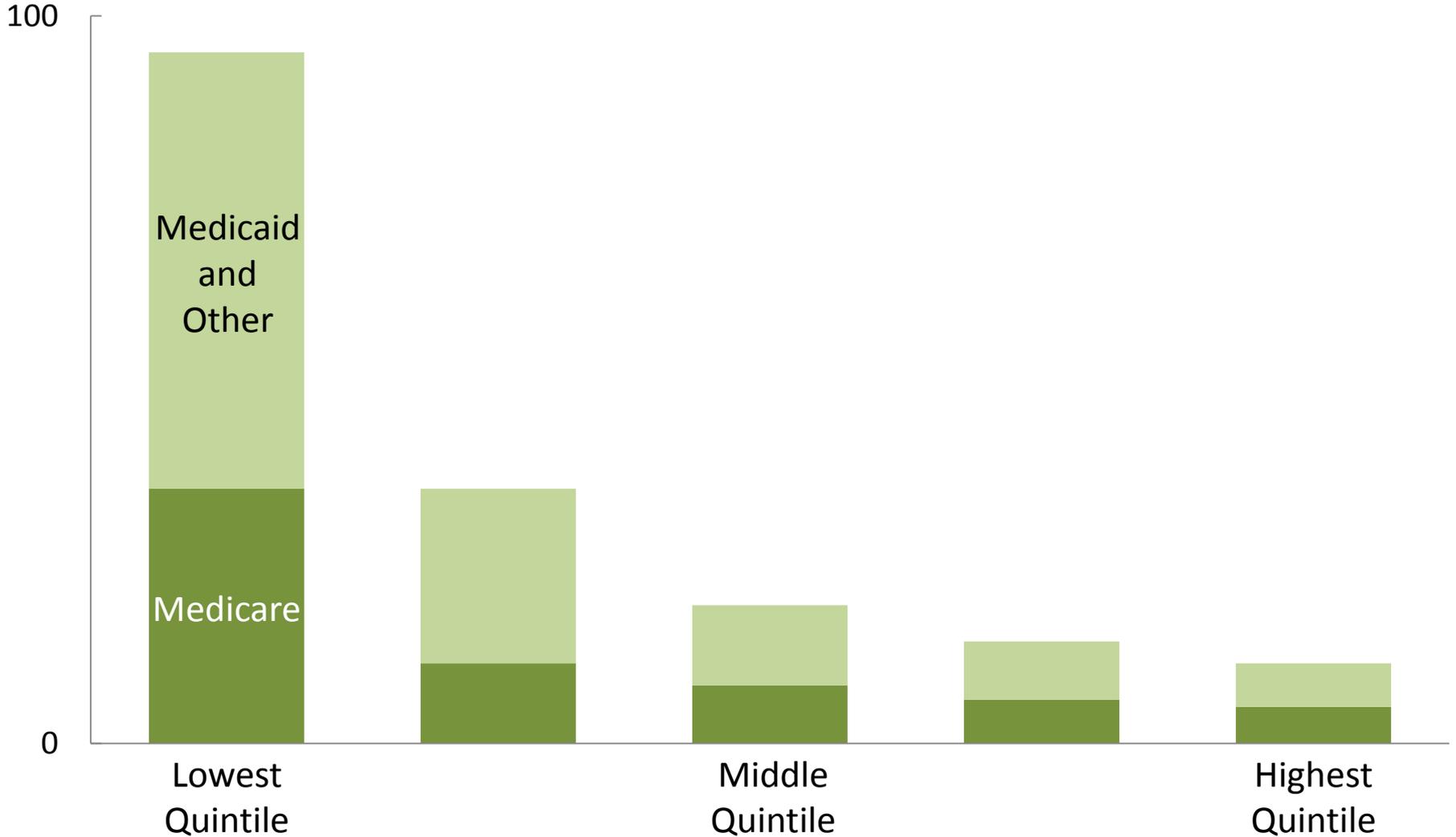


# Spending on Health Care Transfers for Nonelderly Households



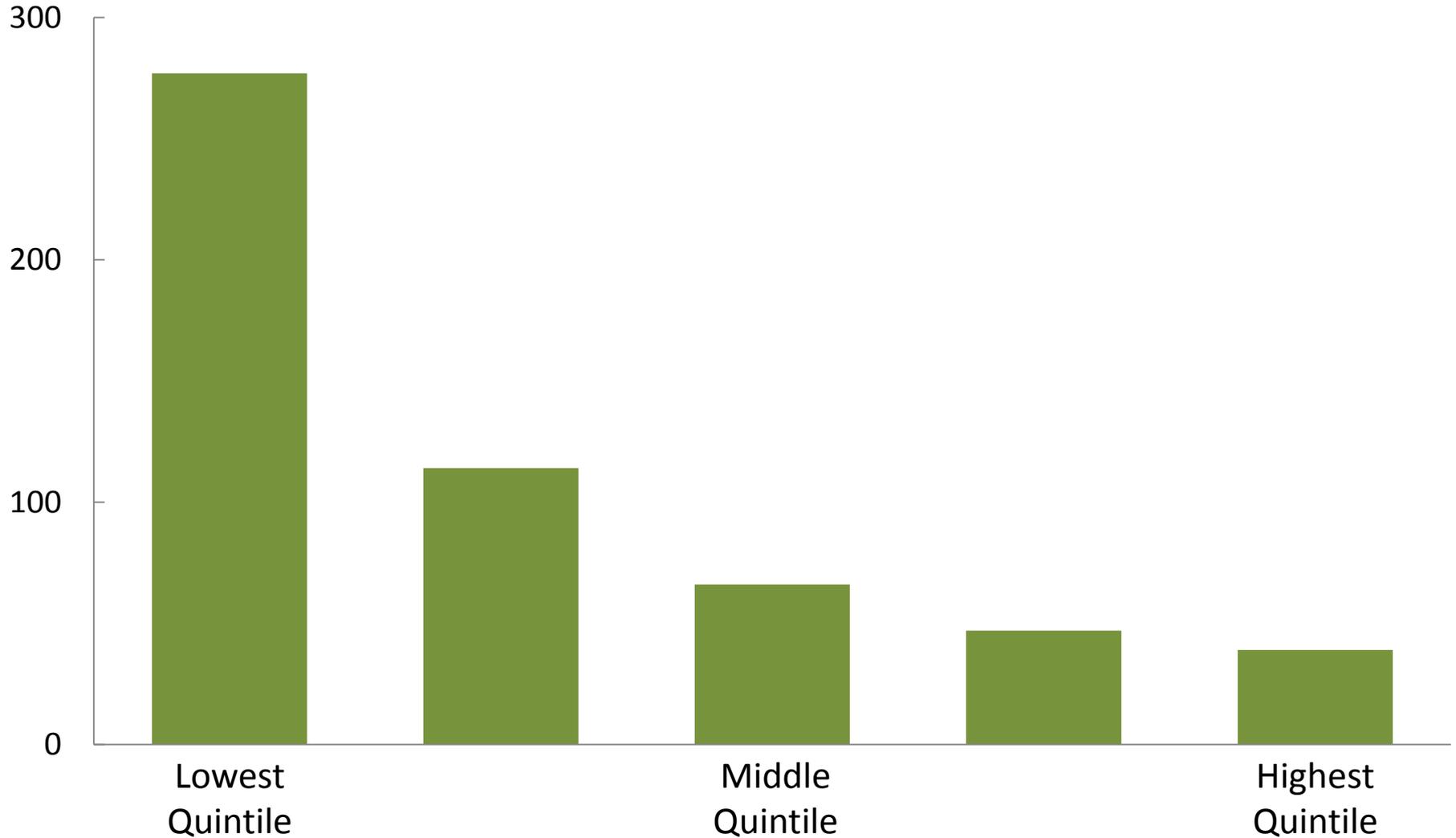
# Spending on Health Care Transfers for Nonelderly Households, by Income Group and Transfer

(Billions of dollars)

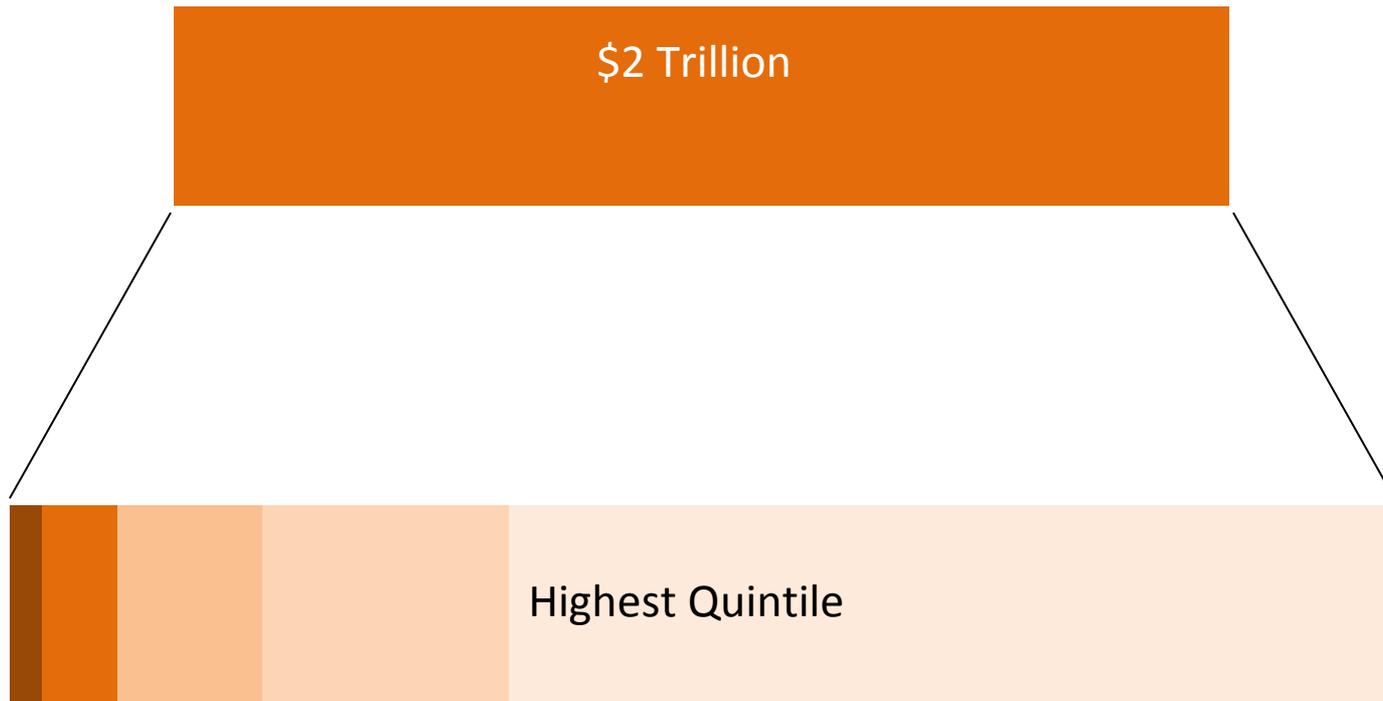


# Spending on Transfers for Nonelderly Households, by Income Group

(Billions of dollars)

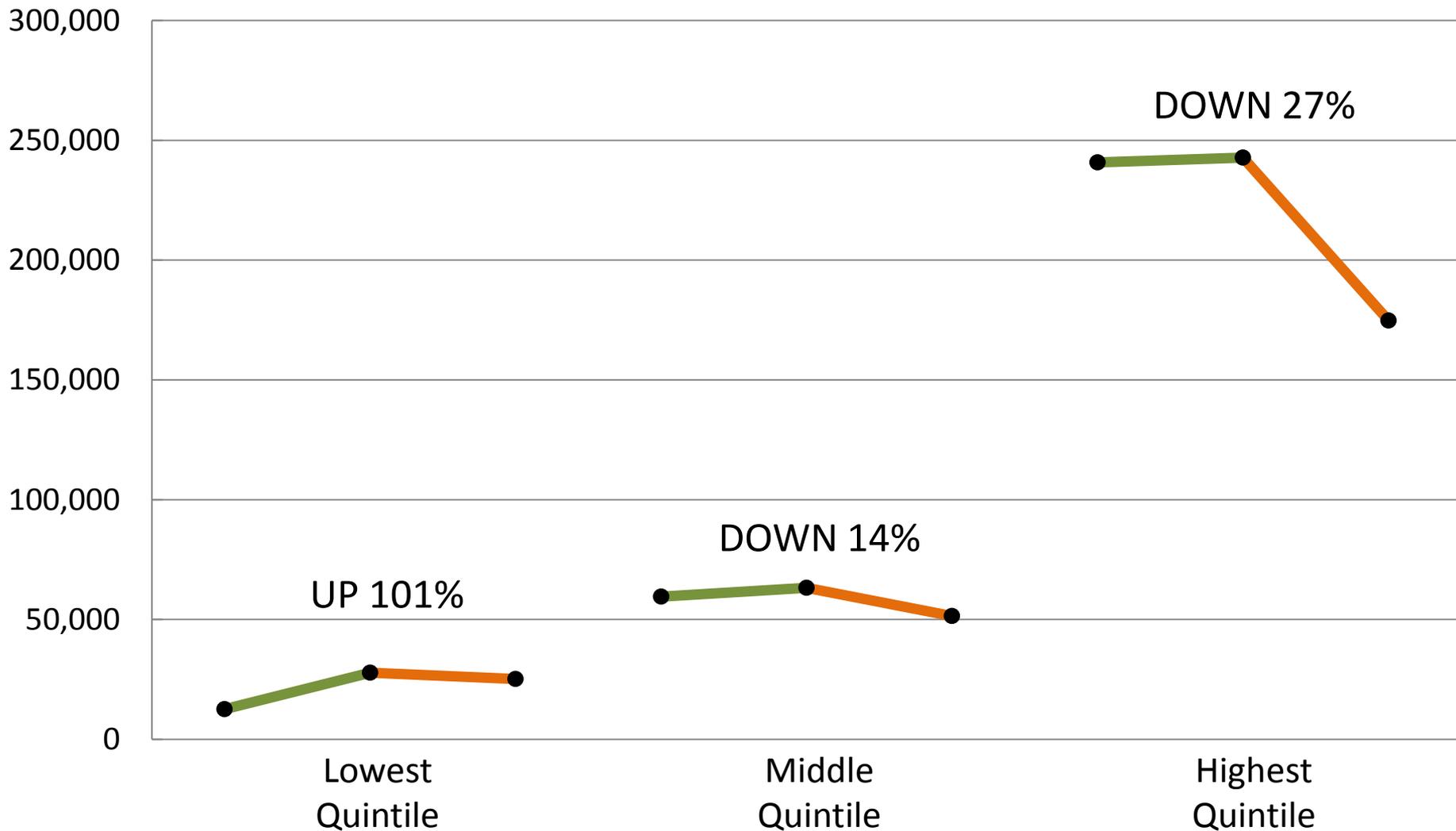


# Taxes Paid by Nonelderly Households

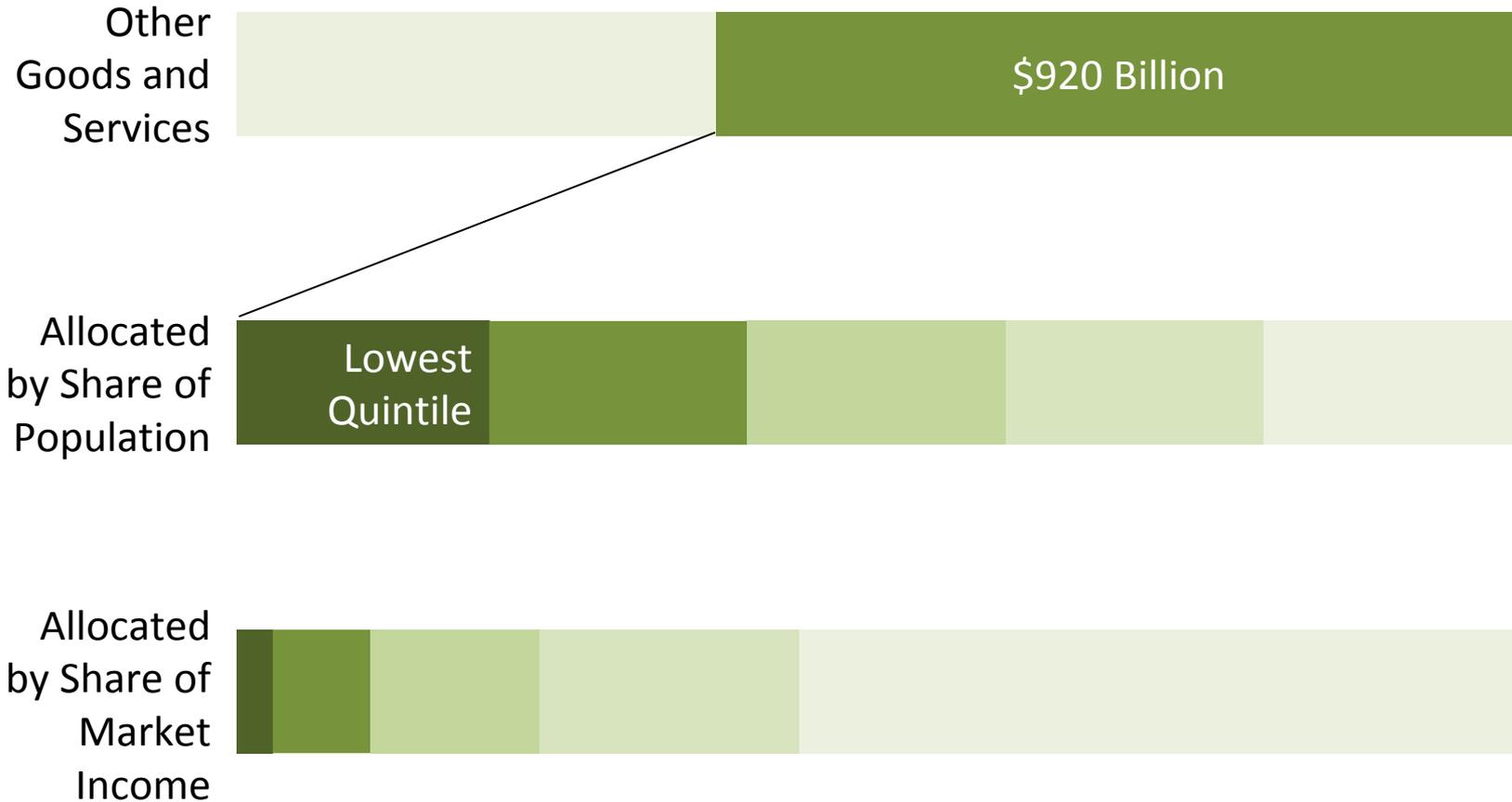


# Average Market Income Plus Transfers Minus Taxes for Nonelderly Households

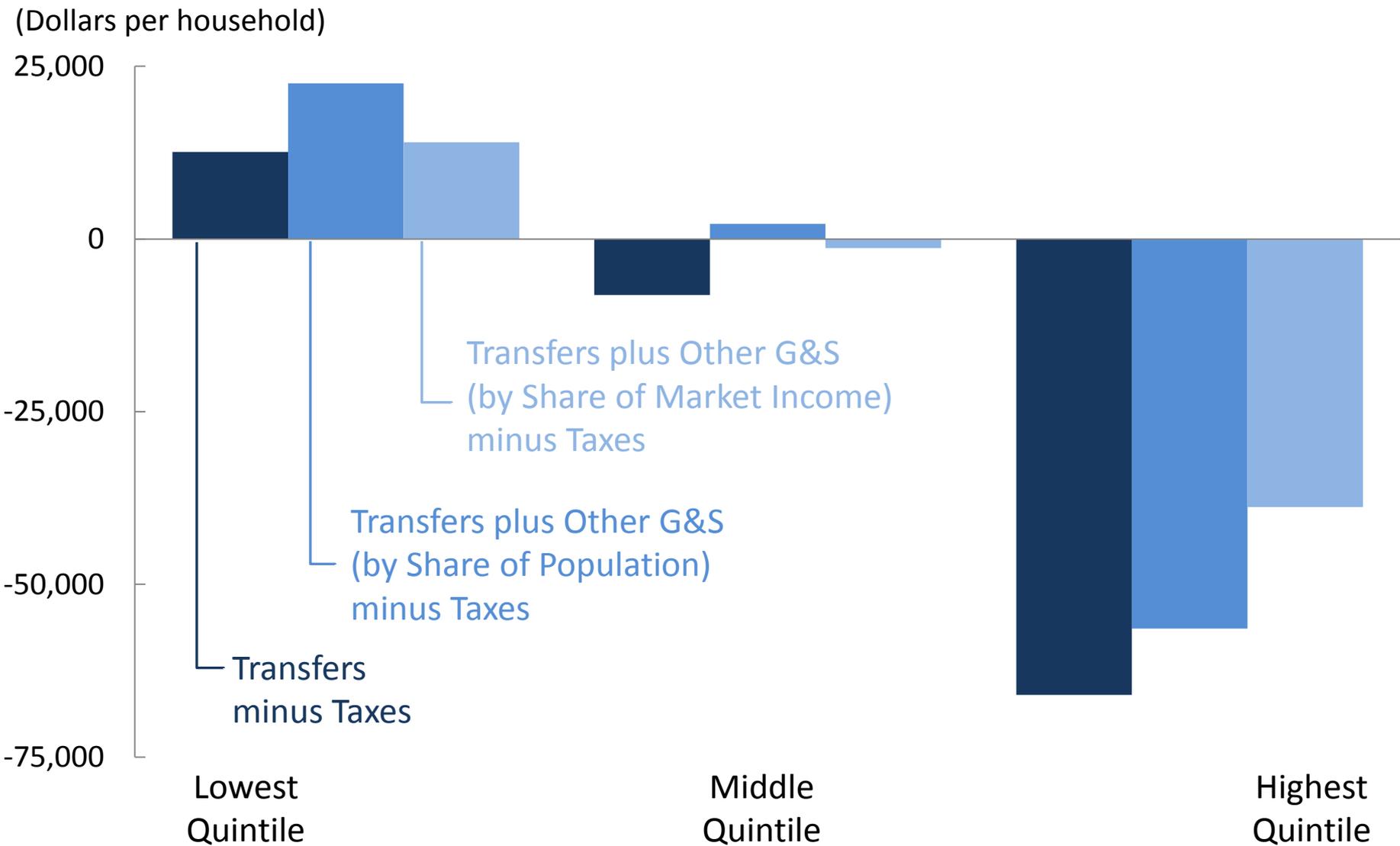
(Dollars per household)



# Federal Spending on Other Goods and Services for Nonelderly Households



# Average Spending Minus Taxes for Nonelderly Households



# Recap

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Extends prior CBO distributional analyses by including spending

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

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