**THE FEDERAL BUDGET IN 2018**

**Mandatory Spending**
- 12.5% of GDP
- $2.5 Trillion

**Outlays**
- 20.3% of GDP
- $4.1 Trillion

**Discretionary Spending**
- 6.2% of GDP
- $1.3 Trillion

**Net Interest**
- 1.5% of GDP
- $32.9 Billion

**Revenue**
- 16.5% of GDP
- $3.3 Trillion

**Categories of the Budget**
- Mandatory Spending
- Primarily payments for benefit programs for which laws set eligibility rules and benefit formulas
- Discretionary Spending
- Spending that lawmakers control through annual appropriation acts
- Net Interest
- The government’s interest payments on debt held by the public, offset by interest income the government receives
- Revenues
- Funds collected from the public that arise from the government’s exercise of its sovereign powers

**Federal Deficits or Surpluses, 1969 to 2018**
- Deficit as a percentage of GDP, on average, over the past 50 years: 2.9%
- Deficit as a percentage of GDP in 2018: 3.9%
- Deficit in 2018: $0.8 Trillion
- Debt held by the public as a percentage of GDP at the end of 2018: 78%

**Federal Debt Held by the Public, 1969 to 2018**
- Average Debt, 1969 to 2018
- Debt held by the public is roughly equal to the sum of annual deficits and surpluses

**PREPARED BY**: Leigh Argyros and Jorge Salazar
**SOURCE**: Congressional Budget Office, June 2019

Numbers may not add up to totals because of rounding.