



The Budget and Economic Outlook: 2025 to 2035

By the Numbers

JANUARY | 2025

The Budget Outlook, by Fiscal Year

	Average, 1975–2024	Percentage of GDP				Billions of dollars			
		Actual, 2024	2025	2026	2035	Actual, 2024	2025	2026	2035
Revenues	17.3	17.1	17.1	17.8	18.3	4,918	5,163	5,580	8,031
Individual income taxes	8.0	8.4	8.7	9.5	10.0	2,426	2,621	2,968	4,413
Payroll taxes	6.0	5.9	5.8	5.9	5.9	1,709	1,759	1,840	2,605
Corporate income taxes	1.8	1.8	1.7	1.6	1.2	530	524	495	517
Other	1.5	0.9	0.9	0.9	1.1	253	259	277	496
Outlays	21.1	23.7	23.3	23.3	24.4	6,826	7,028	7,294	10,730
Mandatory	11.1	14.3	14.0	14.0	15.1	4,130	4,228	4,386	6,626
Social Security	4.4	5.0	5.2	5.3	6.0	1,454	1,572	1,664	2,624
Major health care programs	3.5	5.8	5.8	5.8	6.7	1,669	1,754	1,832	2,949
Medicare	2.1	3.2	3.1	3.2	4.0	910	942	1,000	1,753
Medicaid, CHIP, and marketplace subsidies	1.3	2.6	2.7	2.7	2.7	759	812	831	1,196
Other mandatory	3.2	3.5	3.0	2.8	2.4	1,006	902	891	1,053
Discretionary	7.9	6.3	6.1	6.1	5.3	1,815	1,848	1,897	2,322
Defense	4.2	3.0	2.9	2.8	2.4	855	859	866	1,053
Nondefense	3.7	3.3	3.3	3.3	2.9	960	989	1,031	1,268
Net interest	2.1	3.1	3.2	3.2	4.1	881	952	1,010	1,783
Total deficit (-)	-3.8	-6.6	-6.2	-5.5	-6.1	-1,907	-1,865	-1,713	-2,699
Primary deficit (-)	-1.7	-3.6	-3.0	-2.2	-2.1	-1,026	-913	-703	-916
Debt held by the public at the end of each period	49.7	97.8	99.9	101.7	118.5	28,199	30,103	31,883	52,056

See Appendix B of the report. When October 1 (the first day of the fiscal year) falls on a weekend, certain payments that ordinarily would have been made on that day are instead made at the end of September and thus are shifted into the previous fiscal year. Outlays and deficits have been adjusted to remove the effects of those shifts. CHIP = Children’s Health Insurance Program; GDP = gross domestic product.

The Economic Outlook, by Calendar Year

	Estimated, 2024	2025	2026	2027	Annual average	
					2028– 2029	2030– 2035
Change from fourth quarter to fourth quarter (percent)						
Real (inflation-adjusted) GDP	2.3	1.9	1.8	1.8	1.8	1.8
Inflation						
PCE price index	2.5	2.2	2.1	2.0	2.0	2.0
Consumer price index	2.7	2.3	2.4	2.3	2.2	2.2
Payroll employment (net monthly change, in thousands)	187	90	58	46	52	57
Annual average (percent)						
Unemployment rate	4.0	4.3	4.4	4.4	4.4	4.4
Interest rates						
Effective federal funds rate	5.1	4.0	3.5	3.3	3.3	3.2
3-month Treasury bills	5.0	3.8	3.3	3.2	3.2	3.1
10-year Treasury notes	4.2	4.1	3.9	3.9	3.9	3.8
Tax bases (percentage of GDP)						
Wages and salaries	42.6	42.8	43.1	43.2	43.5	43.6
Domestic corporate profits	11.4	11.1	10.7	10.3	9.6	9.5

See Appendix C of the report. GDP = gross domestic product; PCE = personal consumption expenditures.