

Tax Dollar at Work

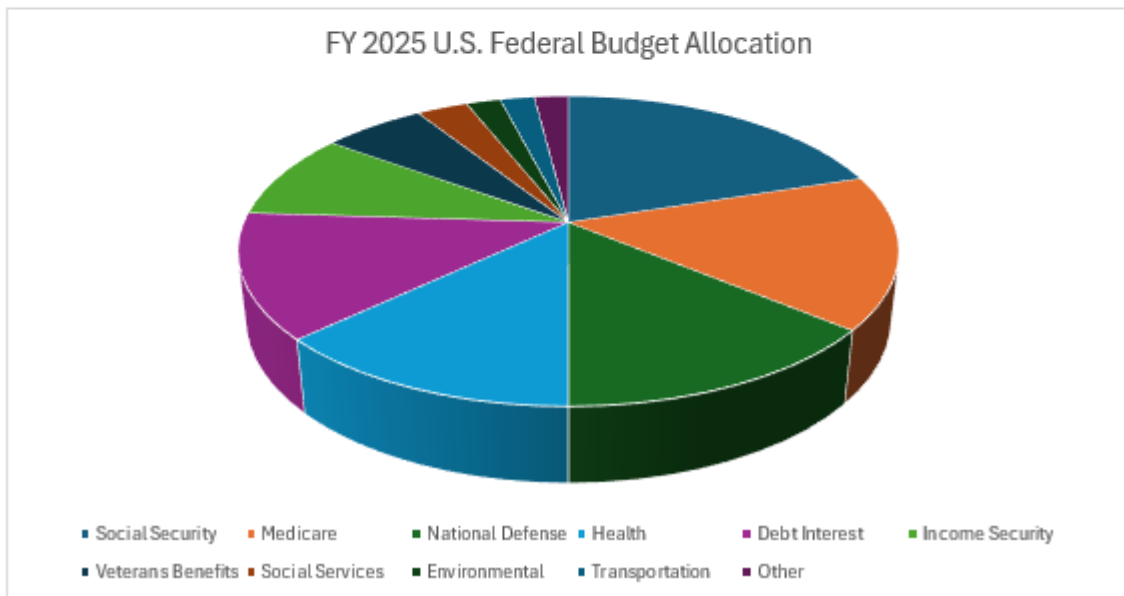
Discover Where Your Tax Dollars Go

January 25th, 2025

The United States federal budget for fiscal year 2025, which spans from October 1, 2024, to September 30, 2025, is projected to have total outlays of approximately \$7.0 trillion, accounting for 23.3% of the Gross Domestic Product (GDP).

2025 US Federal Budget \$ 7,000,000,000.00

Social Security	\$	1,400,000,000.00	20%
Medicare	\$	1,120,000,000.00	16%
National Defense	\$	980,000,000.00	14%
Health	\$	910,000,000.00	13%
Debt Interest	\$	910,000,000.00	13%
Income Security	\$	630,000,000.00	9%
Veterans Benefits	\$	420,000,000.00	6%
Social Services	\$	210,000,000.00	3%
Environmental	\$	140,000,000.00	2%
Transportation	\$	140,000,000.00	2%
Other	\$	140,000,000.00	2%
Total			100%



These expenditures encompass mandatory spending on programs like Social Security and Medicare, discretionary spending on defense and other government operations, and interest payments on the national debt.

On the revenue side, the federal government is expected to collect about \$5.5 trillion in fiscal year 2025, which is 18.7% of GDP.

This revenue primarily comes from individual income taxes, payroll taxes, corporate income taxes, and other sources.

The resulting budget deficit—the difference between total spending and total revenue—is projected to be approximately \$1.5 trillion for fiscal year 2025. This deficit contributes to the national debt and reflects the ongoing fiscal challenges faced by the federal government.

It's important to note that these figures are projections and may be subject to change based on economic conditions, legislative actions, and other factors influencing federal revenues and expenditures.

Sources

[Congressional Budget Office](#)

[House Budget Committee Democrats](#)