

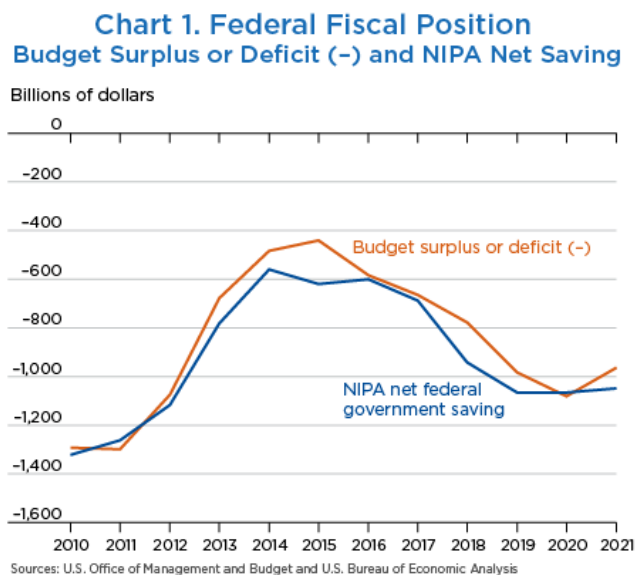
NIPA Translation of the Fiscal Year 2021 Federal Budget

By Mark S. Ludwick and Brendan I. Brankin

On February 10, 2020, the President submitted the *Budget of the United States Government for Fiscal Year 2021* to Congress. This article presents estimates of federal government receipts and expenditures for fiscal years 2020 and 2021 that are consistent with the projected receipts and outlays defined in the budget but measured on a National Income and Product Account (NIPA) basis. These estimates are presented to assist readers in interpreting what the effects of budgeted receipts and outlays would be on aggregate economic activity. They will also be used by the Bureau of Economic Analysis to inform estimates of federal government transactions for the coming year, including the federal government components of gross domestic product (GDP).

Comparison of Budget and NIPA Estimates

For both fiscal years 2020 and 2021, estimates of federal government current receipts measured on a NIPA basis are greater than budget estimates of receipts, and estimates of federal government current expenditures measured on a NIPA basis are greater than budget estimates of outlays.¹ Net federal government saving, defined as the difference between NIPA estimates of current receipts and current expenditures, is $-\$1,067.6$ billion for 2020 and $-\$1,051.0$ billion for 2021. The budget surplus, defined as the difference between budget estimates of receipts and outlays, is $-\$1,083.4$ billion for 2020 and $-\$966.1$ billion for 2021 (chart 1, table 1).



The adjustments made to “translate” budget estimates into NIPA estimates are presented in table 2 and table 3. Differences between NIPA estimates and budget estimates of spending on national defense are shown in table 4. For more information about the conceptual differences between NIPA measures and budget measures of government transactions, see “[NIPA Estimates of the Federal Sector and the Federal Budget Estimates](#)” at the end of this article.

Table 1. Budget Receipts and Outlays and NIPA Federal Government Current Receipts and Expenditures
[Billions of dollars]

| | Level for fiscal year | | | Change from preceding fiscal year | Change from preceding fiscal year |
|-------------------------------|-----------------------|-----------|----------|-----------------------------------|-----------------------------------|
| | Actual | Estimates | | | |
| | 2019 | 2020 | 2021 | 2020 | 2021 |
| Budget: | | | | | |
| Receipts | 3,464.2 | 3,706.3 | 3,863.3 | 242.1 | 157.0 |
| Outlays | 4,448.3 | 4,789.7 | 4,829.4 | 341.4 | 39.7 |
| Surplus or deficit (-) | -984.1 | -1,083.4 | -966.1 | -99.3 | 117.3 |
| NIPAs: | | | | | |
| Current receipts | 3,679.0 | 3,952.8 | 4,101.9 | 273.8 | 149.1 |
| Current expenditures | 4,747.2 | 5,020.4 | 5,152.9 | 273.2 | 132.5 |
| Net federal government saving | -1,068.2 | -1,067.6 | -1,051.0 | 0.6 | 16.6 |

NIPAs National Income and Product Accounts

Sources: *Budget of the United States, Fiscal Year 2021* and the Bureau of Economic Analysis.

Table 2. Relation of NIPA Federal Government Current Receipts to Budget Receipts

[Billions of dollars]

| | Fiscal year | | |
|-------------------------------------------------------------------------------------|----------------|----------------|----------------|
| | 2019 | 2020 | 2021 |
| Budget receipts | 3,464.2 | 3,706.3 | 3,863.3 |
| <i>Less: Coverage differences</i> | 31.1 | 35.5 | 36.9 |
| Contributions received by federal employee pension and insurance funds ¹ | 4.8 | 5.2 | 5.6 |
| Capital transfers received ² | 16.6 | 20.3 | 21.6 |
| Financial transactions | 0.0 | 0.0 | 0.0 |
| Other ³ | 9.7 | 10.0 | 9.8 |
| <i>Less: Netting and grossing differences</i> | -254.7 | -256.7 | -279.8 |
| Supplementary medical insurance premiums | -107.6 | -119.0 | -123.8 |
| Interest receipts | -46.7 | -33.1 | -38.0 |
| Current surplus of government enterprises | 3.3 | -2.1 | -1.8 |
| Other ⁴ | -103.6 | -102.5 | -116.2 |
| <i>Plus: Timing differences</i> | -8.8 | 25.4 | -4.3 |
| Taxes on corporate income | 6.4 | 9.7 | 8.8 |
| Federal and state unemployment insurance taxes | -1.1 | -0.5 | -0.4 |
| Withheld personal income tax and social security contributions | -7.2 | 10.8 | -19.3 |
| Excise taxes | -11.6 | 1.7 | 4.0 |
| Other | 4.7 | 3.6 | 2.6 |
| Equals: NIPA federal government current receipts | 3,679.0 | 3,952.8 | 4,101.9 |

NIPAs National Income and Product Accounts

1. In the NIPAs, pension plans are treated as "pass-through" institutions that hold financial assets on behalf of households, which are the effective owners. Pension plans are classified as financial corporations that receive contributions and property income on behalf of plan participants but do not have saving or net worth of their own. NIPA table 7.23 shows transactions of the federal government defined-benefit pension subsectors.
2. Consists of estate and gift taxes.
3. Beginning with 1996, other consists largely of Universal Service Fund receipts. Includes certain revenues collected from and repaid to U.S. territories and the Commonwealths of Puerto Rico and Northern Mariana Islands.
4. Includes proprietary receipts that are netted against outlays in the budget and that are classified as receipts in the NIPAs and some transactions that are not reflected in the budget but that are added to both receipts and expenditures in the NIPAs.

Sources: *Budget of the United States Government, Fiscal Year 2021* and the Bureau of Economic Analysis.

Table 3. Relation of NIPA Federal Government Current Expenditures to Budget Outlays

[Billions of dollars]

| | Fiscal year | | |
|-----------------------------------------------------------------------|----------------|----------------|----------------|
| | 2019 | 2020 | 2021 |
| Budget outlays | 4,448.3 | 4,789.7 | 4,829.4 |
| <i>Less: Coverage differences</i> | | | |
| Federal employee pension and insurance fund transactions ¹ | -5.8 | 58.3 | -12.0 |
| Interest accrued | -85.9 | -86.7 | -89.0 |
| Contributions accrued (employer) | -175.8 | -178.8 | -183.3 |
| Benefits paid | -77.9 | -82.2 | -82.5 |
| Administrative expenses | 167.5 | 174.1 | 176.7 |
| Financing disbursements from credit programs ² | 0.3 | 0.2 | 0.1 |
| Other differences in funds covered ³ | -68.5 | -9.6 | -66.8 |
| Net investment ⁴ | 11.9 | 13.0 | 12.1 |
| Capital transfers paid ⁵ | 11.9 | 15.5 | 25.4 |
| Financial transactions | 74.6 | 79.1 | 80.4 |
| Loan disbursements less loan repayments and sales | 58.2 | 56.4 | 51.6 |
| Deposit insurance | 60.8 | 59.5 | 41.2 |
| Net purchases of foreign currency | -1.2 | -0.7 | 4.6 |
| Other | 0.0 | 0.0 | 0.0 |
| Net purchases of nonproduced assets | -1.4 | -2.4 | 5.8 |
| Other ⁶ | -3.0 | -3.5 | -19.7 |
| <i>Less: Netting and grossing differences</i> | | | |
| Supplementary medical insurance premiums | -5.0 | -5.9 | -6.1 |
| Interest receipts | -254.7 | -256.7 | -279.8 |
| Current surplus of government enterprises | -107.6 | -119.0 | -123.8 |
| Other ⁷ | -46.7 | -33.1 | -38.0 |
| <i>Plus: Timing differences</i> | | | |
| Purchases (increase in payables net of advances) | 3.3 | -2.1 | -1.8 |
| Interest payments | 36.4 | 22.8 | 22.0 |
| Current transfer payments | 5.0 | 7.5 | 11.6 |
| Other ⁸ | 0.1 | 0.1 | 0.1 |
| | -3.2 | 1.9 | -1.9 |
| Equals: NIPA federal government current expenditures | 4,747.2 | 5,020.4 | 5,152.9 |

NIPAs National Income and Product Accounts

1. In the NIPAs, pension plans are treated as “pass-through” institutions that hold financial assets on behalf of households, which are the effective owners. Pension plans are classified as financial corporations that receive contributions and property income on behalf of plan participants but do not have saving or net worth of their own. NIPA table 7.23 shows transactions of the federal government defined-benefit pension subsectors. Contributions for publicly administered insurance funds are transactions with the household sector and include the Medicare-eligible Retiree Health Care Fund.
2. Consists of transactions (not included in the budget totals) that record all cash flows arising from post-1991 direct loan obligations and loan guarantee commitments. Many of these flows are for new loans or loan repayments; therefore, related entries are included in “Loan disbursements less loan repayments and sales.”
3. Consists largely of agencies or accounts, such as the Postal Service and the Federal Financing Bank, that were not included in the budget in some periods, and the Universal Service Fund. Includes repayments of certain collections from the U.S. territories and the Commonwealths of Puerto Rico and Northern Mariana Islands.
4. Net investment is gross investment less consumption of fixed capital for government enterprises and general government.
5. Consists of investment grants to state and local governments and maritime construction subsidies. Excludes the forgiveness of debts owed by foreign governments to the U.S. government or payments to the Uniformed Services Retiree Health Care Fund to amortize unfunded liability; both are classified as capital transfers paid by the United States and are excluded from both budget outlays and NIPA current expenditures.
6. Consists largely of net expenditures of foreign currencies.
7. Includes proprietary receipts that are netted against outlays in the budget and that are classified as receipts in the NIPAs and some transactions that are not reflected in the budget data but that are added to both receipts and expenditures in the NIPAs.
8. Primarily includes timing on subsidies and government enterprises.

Sources: *Budget of the United States Government, Fiscal Year 2021* and the Bureau of Economic Analysis.

Table 4. Relation of National Defense Consumption Expenditures and Gross Investment to National Defense Outlays

[Billions of dollars]

| | Fiscal year | | |
|------------------------------------------------------------------------------------|--------------|--------------|--------------|
| | 2019 | 2020 | 2021 |
| Budget outlays for national defense | 686.0 | 724.5 | 767.1 |
| Department of Defense, military | 654.0 | 689.6 | 729.3 |
| Military personnel | 156.3 | 162.1 | 173.9 |
| Operation and maintenance | 271.7 | 283.7 | 295.1 |
| Procurement | 124.7 | 135.1 | 142.0 |
| Aircraft | 35.6 | 39.5 | 42.1 |
| Missiles | 5.9 | 6.8 | 6.9 |
| Ships | 17.0 | 19.2 | 22.3 |
| Weapons | 5.6 | 6.6 | 7.9 |
| Ammunition | 2.2 | 3.0 | 3.7 |
| Other ¹ | 58.4 | 60.0 | 59.1 |
| Research, development, test, and evaluation | 89.3 | 97.5 | 104.6 |
| Other | 12.0 | 11.2 | 13.8 |
| Atomic energy and other defense-related activities | 32.0 | 34.9 | 37.8 |
| <i>Plus:</i> Consumption of general government fixed capital | 164.3 | 167.8 | 171.2 |
| Additional payments to military and civilian retirement funds | 102.6 | 106.8 | 109.6 |
| <i>Less:</i> Grants-in-aid to state and local governments and net interest paid | 0.6 | 0.6 | 0.6 |
| Timing differences | -2.0 | 2.5 | -0.5 |
| Other differences | 119.8 | 120.2 | 129.4 |
| Equals: NIPA national defense consumption expenditures and gross investment | 834.6 | 875.8 | 918.4 |
| <i>Less:</i> National defense gross investment ² | 165.4 | 172.4 | 184.8 |
| Equals: NIPA national defense consumption expenditures | 669.2 | 703.4 | 733.6 |

NIPAs National Income and Product Accounts

1. Includes outlays for military construction, family housing, and anticipated funding for war operations.
2. Gross investment consists of general government expenditures for fixed assets; inventory investment is included in federal government consumption expenditures.

Sources: *Budget of the United States Government, Fiscal Year 2021* and the Bureau of Economic Analysis.

Budget Estimates

The *Budget* projects increases in federal receipts of \$242.2 billion in 2020 and \$157.0 billion in 2021 (table 5). These increases are largely the result of budget assumptions about economic activity and growth in real GDP over these years.² Projected economic growth would result in an expansion of the personal income tax base and increased corporate profits that would increase individual and corporate tax revenues as well as social insurance and retirement receipts. The projected deceleration in federal receipts from 2019 to 2021 is driven by projected downturns in customs duties collections and deposits of earnings by the Federal Reserve System and by the repeal of several excise taxes that had been established by the 2010 Affordable Care Act.

Table 5. Budget Receipts by Source
[Billions of dollars]

| | Level for fiscal year | | | | Change from preceding year | | |
|------------------------------------------|-----------------------|----------------|----------------|----------------|----------------------------|--------------|--------------|
| | 2018 | 2019 | 2020 | 2021 | 2019 | 2020 | 2021 |
| Budget receipts | 3,329.9 | 3,464.2 | 3,706.3 | 3,863.3 | 134.3 | 242.2 | 157.0 |
| Individual income taxes | 1,683.5 | 1,717.9 | 1,812.0 | 1,931.7 | 34.3 | 94.2 | 119.6 |
| Corporation income taxes | 204.7 | 230.2 | 263.6 | 284.1 | 25.5 | 33.4 | 20.5 |
| Social insurance taxes and contributions | 1,170.7 | 1,243.4 | 1,312.0 | 1,373.6 | 72.7 | 68.7 | 61.6 |
| Excise taxes | 95.0 | 99.5 | 94.6 | 87.2 | 4.5 | -4.9 | -7.4 |
| Estate and gift taxes | 23.0 | 16.7 | 20.4 | 21.6 | -6.3 | 3.7 | 1.3 |
| Customs duties | 41.3 | 70.8 | 92.3 | 53.8 | 29.5 | 21.5 | -38.5 |
| Miscellaneous receipts | 111.7 | 85.8 | 111.3 | 111.3 | -25.9 | 25.6 | -0.1 |
| Other | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Source: *Budget of the United States Government, Fiscal Year 2021*.

The *Budget* projects increases in federal outlays of \$341.4 billion in 2020 and \$39.6 billion in 2021 (table 6). The largest contributors to these increases are outlays for *medicare, social security, health*, which includes funding for Medicaid, and *national defense*. The projected deceleration in federal outlays from 2019 to 2021 is driven by the pattern of outlays for *education, training, employment, and social services*, which includes outlays for federal direct student loans; *income security*, which includes outlays for Supplemental Nutrition Assistance Program (SNAP) benefits; *health*, which includes funding for Medicaid; and *commerce and housing credit*, which includes costs associated with the 2020 Census.^{3, 4}

Table 6. Budget Outlays by Function

[Billions of dollars]

| | Level for fiscal year | | | | Change from preceding year | | |
|------------------------------------------------------|-----------------------|---------------|---------------|---------------|----------------------------|--------------|-------------|
| | 2018 | 2019 | 2020 | 2021 | 2019 | 2020 | 2021 |
| Budget outlays | 4109.0 | 4448.3 | 4789.7 | 4829.4 | 339.3 | 341.4 | 39.6 |
| National defense | 631.1 | 686.0 | 724.5 | 767.1 | 54.9 | 38.5 | 42.6 |
| International affairs | 49.0 | 52.7 | 58.3 | 60.7 | 3.7 | 5.6 | 2.4 |
| General science, space, and technology | 31.5 | 32.4 | 35.0 | 37.5 | 0.9 | 2.6 | 2.5 |
| Energy | 2.2 | 5.0 | 4.6 | 4.9 | 2.9 | -0.4 | 0.3 |
| Natural resources and environment | 39.1 | 37.8 | 42.8 | 43.9 | -1.3 | 5.0 | 1.1 |
| Agriculture | 21.8 | 38.3 | 38.3 | 27.5 | 16.5 | 0.1 | -10.8 |
| Commerce and housing credit | -9.5 | -25.7 | 0.7 | 0.7 | -16.2 | 26.4 | 0.0 |
| Transportation | 92.8 | 97.1 | 101.6 | 104.3 | 4.3 | 4.4 | 2.7 |
| Community and regional development | 42.2 | 26.9 | 30.3 | 33.8 | -15.3 | 3.4 | 3.5 |
| Education, training, employment, and social services | 95.5 | 136.8 | 195.5 | 112.0 | 41.2 | 58.8 | -83.5 |
| Health | 551.2 | 584.8 | 640.9 | 648.6 | 33.6 | 56.1 | 7.7 |
| Medicare | 588.7 | 651.0 | 699.3 | 728.5 | 62.3 | 48.3 | 29.2 |
| Income security | 495.3 | 514.8 | 529.3 | 523.8 | 19.5 | 14.5 | -5.5 |
| Social security | 987.8 | 1044.4 | 1097.2 | 1156.2 | 56.6 | 52.8 | 59.0 |
| Veterans benefits and services | 178.9 | 199.8 | 215.1 | 235.8 | 20.9 | 15.2 | 20.7 |
| Administration of justice | 60.4 | 65.7 | 79.6 | 75.8 | 5.3 | 13.8 | -3.8 |
| General government | 23.9 | 23.4 | 29.5 | 28.9 | -0.4 | 6.0 | -0.6 |
| Net interest | 325.0 | 375.2 | 376.2 | 378.2 | 50.2 | 1.0 | 2.0 |
| Allowances ¹ | 0.0 | 0.0 | 0.4 | 0.4 | 0.0 | 0.4 | 0.0 |
| Undistributed offsetting receipts ² | -97.9 | -98.2 | -109.2 | -139.1 | -0.3 | -11.0 | -29.9 |

1. Allowances are included in budget totals to cover certain budgetary transactions that are expected to increase or decrease outlays, receipts, or budget authority but are not reflected in the program details.

2. Undistributed offsetting receipts are two categories of collections that are governmental in nature and that are not credited to expenditure accounts: receipts from performing business-like activities, such as proceeds from selling federal assets or leases, and shifts from one account to another, such as agency payments to retirement funds.

Source: *Budget of the United States Government, Fiscal Year 2021*.

Proposed legislation

The budget projections discussed above include receipts and outlays that would result from the continuation of current policies as well as the effects of policies proposed in the budget that have not yet been enacted. The *Budget* also includes projected estimates of receipts and outlays that are consistent with the adjusted current services baseline. These estimates represent the expected deficit outlook in the absence of any policy changes and serve as the most appropriate benchmark against which to measure the effects of proposed policy changes. In the adjusted current services baseline, receipts are projected to increase \$154.0 billion and outlays are projected to increase \$83.8 billion in 2021 (table 7).

In this article, the term “proposed legislation” refers to any policies included in budget estimates that are not included in the adjusted current services baseline. If enacted, the net effect of proposed legislation on federal receipts and outlays would reduce the federal deficit for 2021 by \$48.2 billion (table 7). Legislative proposals that would have the largest effect on the federal deficit in 2021 include the following:

- A proposal to modernize welfare programs, including a reduction in outlays for SNAP benefits, would decrease the deficit by \$20.3 billion. In NIPA estimates, outlays associated with this proposal are recorded primarily as social benefits (table 10, line 46).
- A proposal to modernize Medicaid and the Children’s Health Insurance Program, including an expansion of work and community engagement requirements for Medicaid eligibility, would reduce the deficit by \$8.3 billion. In NIPA estimates, outlays associated with these state-run programs are recorded primarily as grants-in-aid to state and local governments (table 10, line 58).
- A proposal to eliminate wasteful Federal spending in Medicare would reduce the deficit by \$8.1 billion. In NIPA estimates, outlays associated with this proposal are recorded primarily as social benefits (table 10, line 41).
- A proposal to reform the U.S. Postal Service, including operational reforms and re-amortization of payments to the Retiree Health Benefits Fund, would reduce the deficit by \$7.0 billion. In NIPA estimates, outlays associated with this proposal are recorded primarily as current surplus of government enterprises (table 10, line 29).
- A proposal to reform student loans, including simplification of student loan repayment and elimination of the Public Service Loan Forgiveness Program, would reduce the deficit by \$6.0 billion. In NIPA estimates, loans are treated as an exchange of financial assets and do not significantly affect estimates of current receipts or expenditures.

Table 7. Proposed Legislative and Program Changes in the Budget
[Billions of dollars]

| | Fiscal Year | |
|-------------------------------------------------------------------------------------|----------------|----------------|
| | 2020 | 2021 |
| Current-services baseline surplus or deficit (-) | -1,084.5 | -1,014.3 |
| Receipts | 3,706.4 | 3,860.4 |
| Outlays | 4,790.9 | 4,874.7 |
| <i>Plus: Net effects of proposed legislation, receipts less outlays¹</i> | 1.1 | 48.2 |
| Reform welfare programs | 0.0 | 20.3 |
| Modernize Medicaid and CHIP | 0.0 | 8.3 |
| Eliminate wasteful Medicare spending | 0.0 | 8.1 |
| Reform the Postal Service | 2.2 | 7.0 |
| Reform Student loans | 0.0 | 6.0 |
| Support major investment in infrastructure | 0.0 | -4.8 |
| Other | -1.1 | 3.2 |
| <i>Equals: Administration budget surplus or deficit (-)</i> | -1,083.4 | -966.1 |
| Receipts | 3,706.3 | 3,863.3 |
| Outlays | 4,789.7 | 4,829.4 |

1. Consistent with the budget, proposed legislation excludes budget reform proposals that are included in the baseline.

Sources: *Budget of the United States Government, Fiscal Year 2021.*

NIPA Estimates

NIPA estimates of federal government current receipts that are consistent with the *Budget* increase by \$273.8 billion in 2020 and \$149.0 billion in 2021 (table 8 and chart 2). The deceleration in 2021 is due to a downturn in taxes on production and imports and decelerations in personal taxes and corporate taxes.

NIPA estimates of federal government current expenditures that are consistent with the *Budget* increase by \$273.3 billion in 2020 and \$132.5 billion in 2021 (table 9 and chart 3). The deceleration in 2021 is due to a downturn in nondefense consumption expenditures and decelerations in social benefits and grants-in-aid to state and local governments. The downturn in nondefense consumption expenditures reflects the effects of cuts to discretionary spending in 2021 as well as reductions in spending following the 2020 Census. The deceleration in social benefits reflects a deceleration in Medicare benefits and a downturn in SNAP benefits. The deceleration in grants-in-aid reflects downturns in funding for health and income security programs administered by state governments.

Chart 2. Federal Government Current Receipts

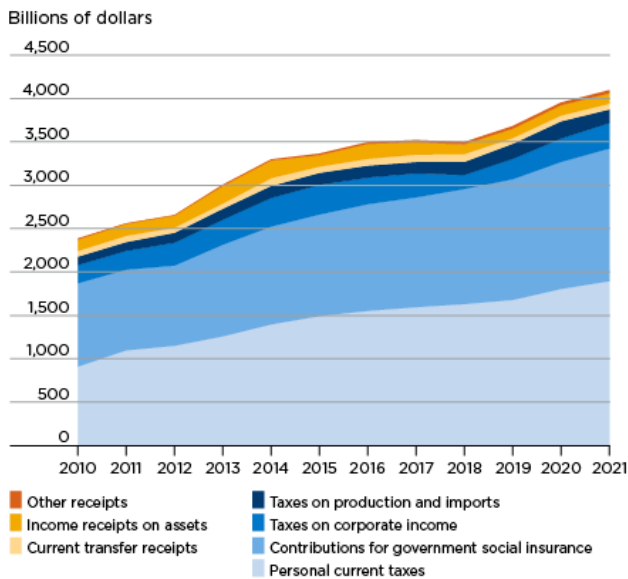


Chart 3. Federal Government Current Expenditures

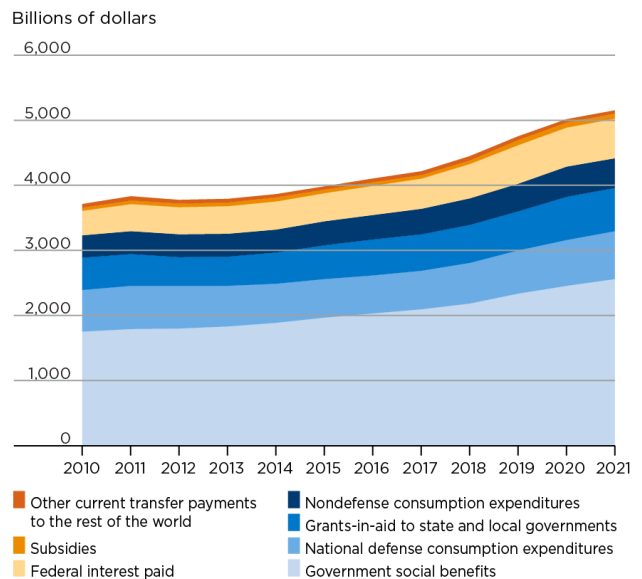


Table 8. Sources of Change in NIPA Federal Government Current Receipts

[Billions of dollars]

| | Change from preceding fiscal year | | |
|-----------------------------------------------|-----------------------------------|--------------|--------------|
| | 2019 | 2020 | 2021 |
| Total current receipts | 180.5 | 273.8 | 149.0 |
| Current tax receipts | 146.4 | 187.0 | 65.8 |
| Personal current taxes | 52.1 | 122.5 | 89.1 |
| Due to proposed legislation | 0.0 | 0.0 | 2.6 |
| Taxes on production and imports | 23.4 | 27.8 | -42.8 |
| Due to proposed legislation | 0.0 | 0.0 | 0.0 |
| Taxes on corporate income | 69.5 | 36.2 | 19.5 |
| Due to proposed legislation | 0.0 | 0.0 | -0.2 |
| Taxes from the rest of the world | 1.3 | 0.4 | 0.0 |
| Contributions for government social insurance | 62.0 | 74.2 | 70.5 |
| Due to proposed legislation | 0.0 | 0.0 | 0.0 |
| Income receipts on assets | -5.6 | 6.2 | 2.9 |
| Current transfer receipts | -20.4 | -0.5 | 10.1 |
| Current surplus of government enterprises | -2.0 | 7.0 | -0.3 |
| Addenda: | | | |
| Total due to proposed legislation | 0.0 | 0.0 | 2.4 |

NIPAs National Income and Product Accounts

Sources: *Budget of the United States Government, Fiscal Year 2021* and the Bureau of Economic Analysis.**Table 9. Sources of Change in NIPA Federal Government Current Expenditures**

[Billions of dollars]

| | Change from preceding fiscal year | | |
|---------------------------------------------------------------|-----------------------------------|--------------|--------------|
| | 2019 | 2020 | 2021 |
| Total current expenditures | 305.5 | 273.3 | 132.5 |
| Consumption expenditures | 51.2 | 78.9 | 22.8 |
| National defense | 42.6 | 34.2 | 30.2 |
| Nondefense | 8.6 | 44.7 | -7.5 |
| Current transfer payments | 167.9 | 188.5 | 101.7 |
| Government social benefits to persons | 147.7 | 123.1 | 104.0 |
| Government social benefits to the rest of the world | 2.5 | 1.4 | 1.5 |
| Grants-in-aid to state and local governments | 21.3 | 59.8 | 0.0 |
| Other current transfer payments paid to the rest of the world | -3.6 | 4.3 | -3.6 |
| Federal interest paid | 65.4 | 11.1 | 7.3 |
| Subsidies | 21.0 | -5.3 | 0.7 |

NIPAs National Income and Product Accounts

Source: Bureau of Economic Analysis.

Seasonally adjusted quarterly NIPA estimates for 2020 and 2021 are displayed in table 10. These quarterly estimates are extrapolated from NIPA estimates currently published for the fourth quarter of 2019, which were released on February 27, 2020.⁵ The quarterly patterns of these NIPA estimates are based on economic assumptions from the *Budget* and on expectations about

the timing of receipts and expenditures related to specific government programs or policy proposals. For example, the quarterly pattern of estimates of some tax receipts are based on the Administration's projected pattern of wages, while cost-of-living increases for social security and certain other programs are incorporated into estimates of social benefits in the first quarter of each calendar year.

Because these quarterly projections are based on budget estimates and assumptions, they should be viewed as approximations. Improvements will be made to these estimates as actual receipts and spending occur, as economic conditions change, as new laws are enacted, and as more source data become available. More accurate, contemporaneous estimates will be published monthly in [NIPA table 3.2](#) and in related underlying tables.

Table 10. NIPA Federal Government Current Receipts and Expenditures

[Billions of dollars; calendar year and quarters at seasonally adjusted annual rates]

| | Line | Fiscal year estimates ¹ | | | Calendar year | | Quarter | | | | | | | | | | |
|--------------------------------------------------------|-----------|------------------------------------|----------------|----------------|------------------------|----------------|------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | | | | | Published ² | Estimated | Published ² | | | | Estimated | | | | | | |
| | | 2019 | 2020 | 2021 | 2019 | 2020 | 2019 | | | | 2020 | | | | 2021 | | |
| | | | | | | | I | II | III | IV | I | II | III | IV | I | II | III |
| Current receipts | 1 | 3,679.0 | 3,952.8 | 4,101.9 | 3,604.6 | 3,801.6 | 3,576.7 | 3,606.3 | 3,608.3 | 3,627.0 | 3,730.2 | 3,783.9 | 3,828.0 | 3,864.4 | 3,854.4 | 3,895.7 | 3,951.9 |
| Current tax receipts | 2 | 2,115.5 | 2,302.4 | 2,368.3 | 2,031.1 | 2,151.7 | 2,018.6 | 2,027.6 | 2,028.4 | 2,049.9 | 2,111.6 | 2,142.4 | 2,167.4 | 2,185.5 | 2,150.7 | 2,178.0 | 2,220.4 |
| Personal current taxes | 3 | 1,680.1 | 1,802.7 | 1,891.7 | 1,698.9 | 1,790.2 | 1,688.0 | 1,691.3 | 1,698.4 | 1,718.0 | 1,750.2 | 1,775.4 | 1,803.5 | 1,831.7 | 1,824.1 | 1,854.5 | 1,893.2 |
| Withheld income taxes | 4 | 1,304.7 | 1,402.6 | 1,483.5 | 1,312.1 | 1,380.4 | 1,301.8 | 1,307.3 | 1,312.5 | 1,326.9 | 1,352.1 | 1,369.2 | 1,389.6 | 1,410.6 | 1,423.7 | 1,447.5 | 1,479.6 |
| Declarations and final settlements less refunds | 5 | 375.4 | 400.1 | 408.3 | 386.8 | 409.9 | 386.2 | 384.0 | 385.9 | 391.1 | 398.1 | 406.3 | 413.9 | 421.1 | 400.4 | 407.0 | 413.6 |
| Taxes on production and imports | 6 | 172.0 | 199.8 | 157.0 | 169.1 | 186.5 | 166.1 | 161.7 | 171.5 | 177.2 | 196.3 | 193.7 | 184.9 | 171.2 | 142.9 | 135.4 | 131.7 |
| Taxes on corporate income | 7 | 234.9 | 271.1 | 290.6 | 134.5 | 145.7 | 136.6 | 146.0 | 130.1 | 125.4 | 135.8 | 143.9 | 149.8 | 153.4 | 154.5 | 158.8 | 166.2 |
| Taxes from the rest of the world | 8 | 28.5 | 28.9 | 28.9 | 28.6 | 29.3 | 28.0 | 28.6 | 28.5 | 29.3 | 29.3 | 29.3 | 29.3 | 29.3 | 29.3 | 29.3 | 29.3 |
| Contributions for social insurance | 9 | 1,388.6 | 1,462.7 | 1,533.2 | 1,402.2 | 1,467.1 | 1,390.4 | 1,399.2 | 1,404.0 | 1,415.1 | 1,444.8 | 1,459.3 | 1,474.8 | 1,489.3 | 1,514.2 | 1,529.2 | 1,543.4 |
| Domestic | 10 | 1,382.1 | 1,455.9 | 1,526.1 | 1,396.7 | 1,461.5 | 1,385.1 | 1,393.7 | 1,398.5 | 1,409.6 | 1,439.3 | 1,453.8 | 1,469.2 | 1,483.6 | 1,508.4 | 1,523.3 | 1,537.5 |
| Old age, survivors, disability, and hospital insurance | 11 | 1,218.3 | 1,278.4 | 1,340.2 | 1,229.1 | 1,281.1 | 1,216.9 | 1,225.8 | 1,231.1 | 1,242.5 | 1,260.1 | 1,273.6 | 1,288.4 | 1,302.3 | 1,322.4 | 1,336.7 | 1,350.1 |
| Tax on wages and salaries (FICA, gross) | 12 | 1,150.6 | 1,209.8 | 1,267.8 | 1,160.8 | 1,211.6 | 1,149.4 | 1,157.9 | 1,162.6 | 1,173.3 | 1,191.4 | 1,204.7 | 1,218.9 | 1,231.5 | 1,250.4 | 1,263.2 | 1,275.2 |
| FICA refunds | 13 | -3.5 | -3.8 | -4.0 | -3.5 | -3.8 | -3.5 | -3.5 | -3.5 | -3.5 | -3.8 | -3.8 | -3.8 | -3.8 | -4.0 | -4.0 | -4.0 |
| Voluntary hospital insurance | 14 | 3.8 | 3.8 | 3.8 | 3.7 | 3.7 | 3.6 | 3.6 | 3.7 | 3.7 | 3.7 | 3.6 | 3.6 | 3.7 | 3.7 | 3.7 | 3.7 |
| Tax on self-employment earnings (SECA) | 15 | 67.4 | 68.6 | 72.6 | 68.1 | 69.6 | 67.3 | 67.8 | 68.4 | 69.0 | 68.8 | 69.0 | 69.6 | 70.9 | 72.3 | 73.7 | 75.2 |
| Supplementary medical insurance | 16 | 102.6 | 113.5 | 119.8 | 105.0 | 116.8 | 104.9 | 105.0 | 105.1 | 105.2 | 116.4 | 116.8 | 117.0 | 117.2 | 120.9 | 121.1 | 121.4 |
| Unemployment insurance | 17 | 40.5 | 42.0 | 43.3 | 43.1 | 43.8 | 43.5 | 43.3 | 42.9 | 42.8 | 43.4 | 43.7 | 43.9 | 44.1 | 44.9 | 45.0 | 45.2 |
| Other | 18 | 20.7 | 22.0 | 22.9 | 19.5 | 19.8 | 19.8 | 19.7 | 19.5 | 19.1 | 19.4 | 19.7 | 19.9 | 20.1 | 20.3 | 20.5 | 20.7 |
| Rest of the world | 19 | 6.4 | 6.8 | 7.1 | 5.4 | 5.6 | 5.4 | 5.4 | 5.4 | 5.5 | 5.5 | 5.5 | 5.6 | 5.7 | 5.8 | 5.9 | 6.0 |
| Income receipts on assets | 20 | 111.6 | 117.8 | 120.7 | 107.2 | 114.6 | 106.3 | 119.7 | 97.7 | 104.9 | 111.6 | 115.3 | 115.9 | 115.5 | 114.8 | 114.4 | 114.5 |
| Interest receipts | 21 | 34.1 | 36.4 | 38.6 | 35.2 | 37.1 | 34.0 | 35.2 | 35.7 | 36.0 | 36.3 | 36.8 | 37.3 | 37.9 | 38.5 | 39.1 | 39.7 |
| Dividends | 22 | 68.7 | 73.5 | 74.3 | 61.5 | 67.7 | 61.9 | 73.9 | 51.8 | 58.6 | 65.2 | 68.6 | 68.9 | 67.9 | 66.4 | 65.5 | 64.9 |
| Rents and royalties | 23 | 8.8 | 8.0 | 7.9 | 10.4 | 9.9 | 10.5 | 10.6 | 10.2 | 10.3 | 10.0 | 9.8 | 9.8 | 9.8 | 9.8 | 9.9 | 9.9 |
| Current transfer receipts | 24 | 66.2 | 65.7 | 75.8 | 71.6 | 70.8 | 68.5 | 68.2 | 86.3 | 63.6 | 65.6 | 69.3 | 71.7 | 76.5 | 77.9 | 78.0 | 78.4 |
| From business | 25 | 34.5 | 38.6 | 48.6 | 38.6 | 42.7 | 34.6 | 36.2 | 51.6 | 32.0 | 37.8 | 41.5 | 43.6 | 47.9 | 49.0 | 48.9 | 49.2 |
| From persons | 26 | 24.8 | 20.8 | 20.8 | 25.9 | 22.2 | 26.0 | 25.9 | 25.8 | 25.8 | 22.1 | 21.9 | 22.1 | 22.7 | 23.0 | 23.2 | 23.3 |
| From the rest of the world | 27 | 6.8 | 6.4 | 6.4 | 7.1 | 5.9 | 7.8 | 6.1 | 9.0 | 5.7 | 5.8 | 5.9 | 5.9 | 5.9 | 5.9 | 5.9 | 5.9 |
| Current surplus of government enterprises | 28 | -2.9 | 4.1 | 3.8 | -7.5 | -2.5 | -7.2 | -8.3 | -8.1 | -6.5 | -3.5 | -2.3 | -1.9 | -2.4 | -3.1 | -3.9 | -4.8 |
| Postal Service | 29 | -3.5 | -0.9 | -0.4 | -3.1 | -0.5 | -3.2 | -3.3 | -3.3 | -2.7 | -1.0 | -0.5 | -0.2 | -0.1 | -0.2 | -0.3 | -0.5 |
| Federal Housing Administration | 30 | -1.7 | 4.0 | 4.6 | -6.5 | -2.8 | -6.2 | -7.3 | -7.0 | -5.8 | -3.9 | -2.7 | -2.2 | -2.2 | -2.6 | -3.3 | -4.2 |
| Tennessee Valley Authority | 31 | 2.1 | 2.3 | 2.2 | 2.2 | 2.3 | 2.3 | 2.2 | 2.2 | 2.3 | 2.3 | 2.4 | 2.4 | 2.3 | 2.3 | 2.2 | 2.2 |
| Other | 32 | 0.1 | -1.3 | -2.7 | -0.1 | -1.6 | -0.2 | 0.0 | 0.0 | -0.3 | -0.9 | -1.4 | -1.9 | -2.4 | -2.6 | -2.6 | -2.3 |
| Current expenditures | 33 | 4,747.2 | 5,020.4 | 5,152.9 | 4,800.5 | 4,995.0 | 4,699.6 | 4,794.2 | 4,833.5 | 4,874.8 | 4,966.2 | 4,981.3 | 5,002.6 | 5,029.8 | 5,095.9 | 5,102.2 | 5,127.6 |
| Consumption expenditures | 34 | 1,089.5 | 1,168.4 | 1,191.2 | 1,114.0 | 1,170.1 | 1,091.6 | 1,110.5 | 1,121.1 | 1,133.0 | 1,165.0 | 1,172.2 | 1,172.4 | 1,170.8 | 1,183.4 | 1,187.8 | 1,192.5 |
| National defense | 35 | 669.2 | 703.4 | 733.6 | 677.9 | 710.7 | 666.6 | 676.9 | 680.2 | 687.9 | 707.9 | 709.3 | 710.1 | 715.3 | 733.2 | 741.0 | 747.4 |
| Nondefense | 36 | 420.3 | 465.0 | 457.6 | 436.1 | 459.5 | 425.0 | 433.6 | 440.9 | 445.1 | 457.2 | 462.9 | 462.3 | 455.4 | 450.3 | 446.8 | 445.1 |
| Current transfer payments | 37 | 2,984.7 | 3,173.3 | 3,275.0 | 3,034.1 | 3,168.7 | 2,992.7 | 3,017.4 | 3,045.7 | 3,080.7 | 3,144.3 | 3,154.5 | 3,175.9 | 3,200.1 | 3,250.5 | 3,248.3 | 3,263.5 |
| Government social benefits | 38 | 2,330.0 | 2,454.5 | 2,559.9 | 2,366.1 | 2,474.9 | 2,330.4 | 2,353.9 | 2,377.3 | 2,402.9 | 2,443.6 | 2,465.5 | 2,485.5 | 2,504.9 | 2,554.4 | 2,571.5 | 2,588.5 |
| To persons | 39 | 2,304.9 | 2,428.0 | 2,531.9 | 2,342.2 | 2,449.7 | 2,307.0 | 30.1 | 2,353.1 | 2,378.7 | 2,419.0 | 2,440.5 | 2,460.2 | 2,479.2 | 2,528.3 | 2,545.0 | 2,561.7 |

| | Line | Fiscal year estimates ¹ | | | | | Calendar year | | Quarter | | | | | | | | | | |
|---------------------------------------------------------------|-----------|------------------------------------|-----------------|-----------------|-----------------|-----------------|------------------------|-----------------|------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|--|--|
| | | | | | | | Published ² | Estimated | Published ² | | | | Estimated | | | | | | |
| | | 2019 | 2020 | 2021 | 2019 | 2020 | 2019 | | | | 2020 | | | | | | 2021 | | |
| | | | | | | | I | II | III | IV | I | II | III | IV | I | II | III | | |
| Social security | 40 | 1,016.0 | 1,067.9 | 1,126.5 | 1,034.7 | 1,087.4 | 1,022.9 | 1,030.5 | 1,037.7 | 1,047.5 | 1,074.0 | 1,083.2 | 1,092.0 | 1,100.5 | 1,135.3 | 1,143.5 | 1,151.7 | | |
| Medicare | 41 | 783.2 | 832.6 | 870.8 | 800.5 | 848.2 | 774.9 | 793.6 | 809.9 | 823.8 | 834.3 | 844.1 | 853.1 | 861.3 | 870.9 | 881.8 | 894.0 | | |
| Unemployment benefits | 42 | 28.5 | 28.6 | 30.7 | 26.1 | 26.7 | 26.9 | 25.9 | 25.8 | 26.0 | 26.2 | 26.4 | 26.9 | 27.5 | 28.1 | 28.8 | 29.5 | | |
| Veterans benefits | 43 | 133.4 | 142.2 | 156.7 | 119.2 | 129.7 | 116.4 | 118.3 | 120.0 | 122.2 | 124.2 | 127.2 | 131.2 | 136.3 | 140.0 | 142.6 | 143.9 | | |
| Railroad retirement | 44 | 13.0 | 13.7 | 13.3 | 13.0 | 13.3 | 13.0 | 13.0 | 13.0 | 13.1 | 13.4 | 13.4 | 13.2 | 13.0 | 13.1 | 12.8 | 12.5 | | |
| Military medical insurance | 45 | 14.1 | 14.5 | 15.0 | 14.9 | 15.2 | 14.8 | 15.0 | 15.0 | 14.9 | 15.0 | 15.1 | 15.3 | 15.4 | 15.5 | 15.6 | 15.7 | | |
| Supplemental Nutrition Assistance Program benefits | 46 | 56.1 | 56.3 | 40.9 | 54.2 | 49.1 | 55.1 | 53.7 | 53.8 | 54.0 | 53.3 | 51.2 | 47.7 | 44.1 | 39.0 | 33.5 | 27.9 | | |
| Black lung benefits | 47 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.3 | | |
| Supplemental security income | 48 | 53.9 | 54.6 | 54.9 | 53.4 | 53.7 | 53.4 | 53.7 | 53.6 | 53.1 | 53.9 | 53.8 | 53.6 | 53.4 | 54.4 | 54.1 | 53.8 | | |
| Refundable tax credits | 49 | 149.2 | 151.9 | 147.5 | 167.5 | 158.0 | 173.9 | 169.7 | 165.3 | 161.2 | 159.9 | 159.0 | 157.6 | 155.6 | 157.3 | 154.9 | 152.5 | | |
| All other | 50 | 57.3 | 65.4 | 75.4 | 58.4 | 68.2 | 55.5 | 56.6 | 58.8 | 62.6 | 64.7 | 66.9 | 69.3 | 71.9 | 74.5 | 77.2 | 80.0 | | |
| To rest of the world | 51 | 25.0 | 26.5 | 27.9 | 23.9 | 25.2 | 23.4 | 23.7 | 24.2 | 24.3 | 24.6 | 25.0 | 25.3 | 25.7 | 26.1 | 26.4 | 26.8 | | |
| Grants-in-aid to state and local governments | 52 | 601.3 | 661.1 | 661.0 | 611.4 | 638.6 | 600.5 | 614.1 | 614.3 | 616.6 | 632.4 | 641.2 | 643.0 | 637.8 | 633.9 | 631.3 | 630.0 | | |
| General public service | 53 | 3.4 | 2.8 | 3.0 | 1.6 | -0.1 | 1.7 | 2.2 | 2.2 | 0.3 | 0.0 | -0.1 | -0.1 | 0.0 | 0.2 | 0.3 | 0.3 | | |
| National defense | 54 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | | |
| Public order and safety | 55 | 3.2 | 3.2 | 3.2 | 2.9 | 2.7 | 3.3 | 3.0 | 2.8 | 2.6 | 2.7 | 2.7 | 2.7 | 2.8 | 2.8 | 2.8 | 2.8 | | |
| Economic affairs | 56 | 10.3 | 13.2 | 12.5 | 10.6 | 12.8 | 9.4 | 9.8 | 11.5 | 11.7 | 12.6 | 13.0 | 13.0 | 12.4 | 12.0 | 11.7 | 11.6 | | |
| Housing and community services | 57 | 16.3 | 19.3 | 22.5 | 15.6 | 17.5 | 15.5 | 16.3 | 15.9 | 14.9 | 16.0 | 17.0 | 18.0 | 18.9 | 19.6 | 20.0 | 20.3 | | |
| Health | 58 | 429.6 | 470.8 | 470.2 | 439.1 | 453.8 | 434.5 | 441.2 | 441.6 | 439.3 | 449.8 | 455.6 | 456.7 | 453.0 | 450.3 | 448.4 | 447.5 | | |
| Recreation and culture | 59 | 0.4 | 0.7 | 0.6 | 0.5 | 0.7 | 0.5 | 0.5 | 0.5 | 0.7 | 0.7 | 0.8 | 0.7 | 0.7 | 0.6 | 0.6 | 0.6 | | |
| Education | 60 | 38.6 | 42.0 | 41.0 | 37.2 | 39.2 | 34.6 | 37.3 | 38.3 | 38.5 | 39.2 | 39.5 | 39.3 | 38.7 | 38.2 | 37.9 | 37.8 | | |
| Income security | 61 | 98.8 | 108.6 | 107.4 | 103.2 | 111.4 | 100.6 | 103.3 | 100.8 | 108.0 | 110.7 | 112.1 | 112.1 | 110.7 | 109.6 | 108.9 | 108.6 | | |
| Other current transfer payments paid to the rest of the world | 62 | 53.5 | 57.8 | 54.1 | 56.6 | 55.3 | 61.8 | 49.4 | 54.1 | 61.2 | 68.3 | 47.8 | 47.4 | 57.4 | 62.2 | 45.5 | 45.1 | | |
| Federal interest paid | 63 | 592.7 | 603.9 | 611.1 | 578.3 | 580.0 | 543.4 | 605.1 | 584.8 | 579.8 | 579.2 | 579.3 | 580.0 | 581.4 | 584.2 | 588.2 | 593.5 | | |
| Subsidies | 64 | 80.2 | 74.9 | 75.6 | 74.1 | 76.2 | 72.0 | 61.3 | 82.0 | 81.4 | 77.6 | 75.3 | 74.3 | 77.5 | 77.8 | 78.0 | 78.1 | | |
| Agricultural | 65 | 22.0 | 17.1 | 17.1 | 22.1 | 25.4 | 19.9 | 9.3 | 30.1 | 29.2 | 26.5 | 25.0 | 24.7 | 25.6 | 26.2 | 26.7 | 26.9 | | |
| Housing | 66 | 39.8 | 40.6 | 42.6 | 39.4 | 40.4 | 39.5 | 39.4 | 39.3 | 39.4 | 39.6 | 40.0 | 40.6 | 41.3 | 41.8 | 42.1 | 42.3 | | |
| Other | 67 | 18.5 | 17.1 | 15.9 | 12.6 | 10.3 | 12.5 | 12.6 | 12.5 | 12.7 | 11.5 | 10.2 | 9.0 | 10.7 | 9.8 | 9.2 | 8.9 | | |
| Net federal government saving | 68 | -1,068.2 | -1,067.6 | -1,051.1 | -1,196.0 | -1,193.4 | -1,122.9 | -1,188.0 | -1,225.2 | -1,247.8 | -1,236.0 | -1,197.4 | -1,174.7 | -1,165.5 | -1,241.5 | -1,206.6 | -1,175.7 | | |
| Addenda: | | | | | | | | | | | | | | | | | | | |
| Gross investment ³ | 69 | 299.8 | 310.5 | 326.6 | 309.5 | 318.7 | 303.1 | 304.7 | 311.2 | 318.9 | 311.3 | 315.4 | 319.9 | 328.1 | 331.9 | 334.4 | 335.7 | | |
| National defense | 70 | 165.4 | 172.4 | 184.8 | 168.8 | 173.5 | 165.2 | 164.8 | 169.1 | 176.2 | 167.8 | 170.8 | 174.2 | 181.3 | 184.1 | 186.1 | 187.1 | | |
| Nondefense | 71 | 134.4 | 138.1 | 141.8 | 140.6 | 145.2 | 137.9 | 139.9 | 142.1 | 142.6 | 143.6 | 144.6 | 145.7 | 146.9 | 147.8 | 148.3 | 148.6 | | |
| Consumption expenditures and gross investment | 72 | 1,389.3 | 1,478.9 | 1,517.8 | 1,423.5 | 1,488.8 | 1,394.7 | 1,415.2 | 1,432.2 | 1,451.9 | 1,476.4 | 1,487.6 | 1,492.3 | 1,498.9 | 1,515.3 | 1,522.2 | 1,528.2 | | |
| National defense | 73 | 834.6 | 875.8 | 918.4 | 846.7 | 884.1 | 831.8 | 841.6 | 849.3 | 864.1 | 875.6 | 880.1 | 884.2 | 896.6 | 917.3 | 927.0 | 934.5 | | |
| Nondefense | 74 | 554.8 | 603.1 | 599.4 | 576.8 | 604.6 | 562.9 | 573.5 | 583.0 | 587.7 | 600.7 | 607.5 | 608.0 | 602.3 | 598.0 | 595.1 | 593.7 | | |
| Total receipts | 75 | 3,695.6 | 3,973.1 | 4,123.4 | 3,623.8 | 3,821.4 | 3,598.1 | 3,625.9 | 3,626.6 | 3,644.4 | 3,749.1 | 3,803.8 | 3,884.3 | 3,884.6 | 3,874.6 | 3,916.1 | 3,972.6 | | |
| Current receipts | 76 | 3,679.0 | 3,952.8 | 4,101.9 | 3,604.6 | 3,801.6 | 3,576.7 | 3,606.3 | 3,608.3 | 3,627.0 | 3,730.2 | 3,783.9 | 3,828.0 | 3,864.4 | 3,854.4 | 3,895.7 | 3,951.9 | | |
| Capital transfer receipts | 77 | 16.6 | 20.3 | 21.6 | 19.2 | 19.8 | 21.4 | 19.7 | 18.3 | 17.4 | 18.9 | 19.9 | 20.3 | 20.2 | 20.2 | 20.4 | 20.7 | | |
| Total expenditures | 78 | 4,826.4 | 5,107.2 | 5,234.9 | 4,890.2 | 5,091.5 | 4,781.5 | 4,880.1 | 4,925.2 | 4,974.0 | 5,056.9 | 5,075.3 | 5,100.2 | 5,133.5 | 5,202.4 | 5,145.7 | 5,236.1 | | |
| Current expenditures | 79 | 4,747.2 | 5,020.4 | 5,152.9 | 4,800.5 | 4,995.0 | 4,699.6 | 4,794.2 | 4,833.5 | 4,874.8 | 4,966.2 | 4,981.3 | 5,002.6 | 5,029.8 | 5,095.9 | 5,102.2 | 5,127.6 | | |
| Gross government investment | 80 | 299.8 | 310.5 | 326.6 | 309.5 | 318.7 | 303.1 | 304.7 | 311.2 | 318.9 | 311.3 | 315.4 | 319.9 | 328.1 | 331.9 | 334.4 | 335.7 | | |
| Capital transfer payments | 81 | 74.6 | 79.1 | 80.4 | 77.4 | 80.2 | 77.5 | 76.0 | 77.7 | 78.6 | 79.4 | 80.2 | 81.0 | 80.4 | 81.0 | 81.4 | 81.6 | | |
| Net purchases of nonproduced assets | 82 | -3.0 | -3.5 | -19.7 | -3.1 | -0.9 | -6.8 | -2.3 | -2.2 | -0.9 | -0.9 | -0.9 | -0.9 | -0.9 | -0.9 | -65.5 | -0.9 | | |
| Less: Consumption of fixed capital | 83 | 292.1 | 299.2 | 305.4 | 294.2 | 301.5 | 291.8 | 292.6 | 295.1 | 297.4 | 299.1 | 300.7 | 302.4 | 304.0 | 305.5 | 306.8 | 308.0 | | |

| | Line | Fiscal year estimates ¹ | | | Calendar year | | Quarter | | | | | | | | | | |
|-------------------------------------|------|------------------------------------|----------|----------|------------------------|-----------|------------------------|----------|----------|----------|-----------|----------|----------|----------|----------|----------|----------|
| | | | | | Published ² | Estimated | Published ² | | | | Estimated | | | | | | |
| | | 2019 | 2020 | 2021 | 2019 | 2020 | 2019 | | | | 2020 | | | | 2021 | | |
| | | | | | | | I | II | III | IV | I | II | III | IV | I | II | III |
| Net lending or net borrowing (-) | 84 | -1,130.8 | -1,134.1 | -1,111.5 | -1,266.4 | -1,270.0 | -1,183.4 | -1,254.1 | -1,298.6 | -1,329.6 | -1,307.8 | -1,271.5 | -1,251.9 | -1,248.9 | -1,327.7 | -1,229.7 | -1,263.5 |

FICA Federal Insurance Contributions Act
SECA Self-Employment Contributions Act
NIPAs National Income and Product Accounts

1. Fiscal year estimates are the sum of quarterly estimates that are not seasonally adjusted and that are consistent with budget proposals.
2. These estimates are published in the NIPA tables 3.2 and 3.9.5.
3. Gross investment consists of general government and government enterprise expenditures for fixed assets; inventory investment is included in federal government consumption expenditures.

Sources: *Budget of the United States Government, Fiscal Year 2021* and the Bureau of Economic Analysis.

Translating Budget Estimates into a NIPA Framework

Budget estimates of government receipts are allocated into five major NIPA receipts categories: (1) current tax receipts, (2) contributions for government social insurance, (3) income receipts on assets, (4) current transfer receipts, and (5) current surplus of government enterprises. These allocations are consistent with national accounting standards and are based on information and assumptions from the *Budget* and on projections of the effects of specific budget proposals from the U.S. Department of the Treasury Office of Tax Analysis.

Budget estimates of government outlays are organized by appropriation in the *Budget Appendix*. These data and supplemental data from the U.S. Office of Management and Budget are used to allocate federal budget outlays into four major NIPA expenditures categories: (1) current transfer payments, (2) interest payments, (3) subsidies, and (4) consumption expenditures and gross investment.

The allocation of budget receipts and outlays into NIPA categories will be used, along with supplemental administrative data, to inform how federal government receipts and spending reported by the U.S. Department of the Treasury are allocated into NIPA categories to produce monthly and quarterly NIPA estimates.

When quarterly NIPA estimates are published, estimates of defense consumption expenditures and gross investment will be reconciled with outlays reported in the *Monthly Treasury Statement* using financial, delivery, and other information from the U.S. Department of Defense. For nondefense expenditures, extrapolations of budget data will be used in the estimation of some categories of spending, including expenditures for durable goods, nondurable goods, services, and equipment for which no quarterly source data are available. Other categories of spending will incorporate quarterly source data, such as data for construction from the U.S. Census Bureau and data for compensation from the U.S. Office of Personnel Management and the U.S. Bureau of Labor Statistics.

NIPA Estimates of the Federal Sector and Federal Budget Estimates

The Bureau of Economic Analysis prepares estimates of the federal sector in the framework of the National Income and Product Accounts. Unlike the federal budget, which is a financial plan of the government, the NIPA federal sector estimates are designed to facilitate macroeconomic analyses of the effects of federal government activity on aggregate economic activity.¹

In translating budget estimates into the framework of the NIPAs, three primary types of adjustments are made. The following adjustments result in NIPA estimates of current receipts and expenditures that differ from corresponding estimates of receipts and outlays in the budget:

- **Coverage adjustments** are necessary because certain transactions that are included in the budget are excluded from the NIPAs (and vice versa).
- **Netting and grossing adjustments** are necessary because certain transactions that are recorded as offsets to outlays (receipts) in the budget are recorded as receipts (expenditures) in the NIPAs.
- **Timing adjustments** are necessary because certain receipts and outlays that are recorded on a cash basis in the budget are recorded on an accrual basis in the NIPAs.

The arrangement of federal transactions in NIPA statistics differs from that in budget estimates. One difference is in the treatment of capital transactions. Unlike budget estimates, the NIPAs distinguish between current transactions for production, income, and consumption and capital transactions, which include expenditures to acquire, improve, or dispose of nonfinancial assets, such as property, equipment, or certain intangible assets.² The following types of transactions are not included in NIPA federal government current receipts and current expenditures but are shown in the NIPA domestic capital account:

- **Government investment in fixed assets.** In the NIPAs, government consumption expenditures exclude investment in fixed assets but include consumption of fixed capital, a depreciation charge on fixed assets that are used in production.
- **Transfers involving the acquisition or disposal of assets.** In the NIPAs, these transactions are classified as capital transfers and are presented in the domestic capital account.³
- **Transactions involving nonproduced assets.** In the NIPAs, purchases and sales of nonproduced assets, such as land and radio spectrum licenses, are included in capital account transactions (net) in the domestic capital account.

NIPA estimates also differ from budget estimates because of different definitions of the scope and coverage of the federal government sector:

- **Federal employee pension and insurance funds.** In NIPA estimates, pension plans are treated as “pass-through” institutions that hold financial assets on behalf of households.⁴ Contributions to government employee pension and insurance funds, which are included in budget receipts, are excluded from NIPA federal government receipts because these contributions are included in NIPA personal income as part of employee income. Similarly, federal employee retirement benefit payments, which are included in budget outlays, are excluded from NIPA current expenditures because these benefits are paid from assets that are held in the pension subsector of the corporate financial sector.
- **Other differences.** NIPA estimates also exclude contributions by telecommunications providers into the Federal Communications Commission Universal Service Fund and outlays from this fund. In the NIPAs, this fund is treated as a nonprofit institution serving business, and these transactions are included in the NIPA business sector.

Receipts

For most years, the differences between NIPA current receipts and budget receipts primarily reflect capital transfers received, supplementary medical insurance premiums, and personal and business current transfer receipts that are classified as receipts in the NIPAs but are netted against outlays in the budget.

Expenditures

For most years, the differences between NIPA current expenditures and budget outlays primarily reflect capital transfers paid, federal employee retirement plan transactions, personal and business current transfer receipts, and net investment.

Budget outlays for national defense and nondefense are included in NIPA estimates of both consumption expenditures and gross investment. For national defense, budget outlays differ from the NIPA estimates for the following several reasons:

- The NIPA measure includes general government consumption of fixed capital.
- The budget records contributions into military and civilian retirement funds and the receipts of these contributions by the retirement funds as intragovernmental transactions. The NIPAs include an accrual measure of contributions for military and civilian retirement benefits in defense consumption expenditures, but contributions into these funds are excluded from government receipts.
- Budget outlays are recorded on a cash basis, but NIPA expenditures are recorded on a delivery (accrual) basis. In the NIPAs, work in progress, except for work on ships and structures, is recorded as a change in private inventories.

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1. For a comparison of budget estimates and NIPA estimates, see [table 2](#) and [table 3](#) in this article and [NIPA table 3.18B](#).
 2. Current transactions are presented in the “Domestic Income and Product Account,” “Private Enterprise Income Account,” “Personal Income and Outlay Account,” “Government Receipts and Expenditures Account,” and “Foreign Transactions Current Account.” Capital transactions are presented in the “Domestic Capital Account” and the “Foreign Transactions Capital Account.” See “[Results of the 2018 Comprehensive NIPA Update](#)” *Survey of Current Business* 98 (September 2018). The federal government components of the domestic capital account are often shown as addenda in tables presenting federal government current receipts and expenditures.
 3. The flow of funds accounts of the Federal Reserve Board present detailed information on the acquisition and disposal of financial assets and liabilities by U.S. economic sectors, including the federal government. Capital transfers include transactions such as investment grants-in-aid to state and local governments, investment subsidies to businesses, lump-sum payments to amortize the unfunded liabilities of the U.S. Department of Defense Medicare-Eligible Retiree Health Care Fund and the U.S. Postal Service Retiree Health Benefits Fund, payments to retroactively reimburse veterans for the costs of some past medical treatments, the implied subsidy costs of financial stabilization equity purchases, the payments of insurance benefits related to catastrophes, and estate and gift taxes.
 4. For more information about the treatment of pension plans in the NIPAs, see “[Preview of the 2013 Comprehensive Revision of the National Income and Product Accounts](#),” *Survey* 93 (March 2013): 21–25.

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1. For a historical perspective of the relationship between budget receipts and outlays and NIPA receipts and expenditures, see [NIPA table 3.18B](#).
2. A more detailed accounting of the economic assumptions that underlie budget estimates is described in the “[Economic Assumptions and Interactions with the Budget](#),” chapter of the *Analytical Perspectives* volume of the *Budget*.
3. Items in italics correspond to budget functional classifications, as defined in the “[Budget Concepts](#)” chapter of the *Analytical Perspectives* volume of the *Budget*.
4. Projected reductions in defense and nondefense discretionary spending in 2021 include the effects spending caps that were mandated by the Bipartisan Budget Act of 2019.
5. Because quarterly NIPA estimates are extrapolated from published estimates, the average of the four fiscal year quarters may not equal the displayed fiscal year values, which are consistent with fiscal year budget data.