New York State Comptroller
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New York's Balance of Payments in the Federal Budget

Federal Fiscal Year 2024

September 2026

Prepared by the Office of Budget and Policy Analysis

Message from the Comptroller

September 2026

The distribution of federal resources, and the fiscal relationship between the states and the federal government, is complex and has significant implications for New York's economy, the State Budget, and the health and well-being of New Yorkers. Federal funding supports essential programs and services, including public health programs, higher and lower education, income security, and other pieces of the social safety net that are relied upon by millions of New Yorkers.

This report, the tenth in a series by the Office of the State Comptroller, outlines the differences among the 50 states with respect to what is paid in federal taxes and how much is received through federal spending, with a particular emphasis on New York State. In Federal Fiscal Year (FFY) 2024, 40 states had a positive balance of payments, while New York – along with nine other states – had a negative balance of payments.

The multi-year impact of the federal government's significant response to the COVID-19 pandemic lifted all states into positive territory in FFYs 2021 and 2022, but that is now behind us. New York generated $353.5 billion in federal taxes in FFY 2024, an increase of $33.4 billion from FFY 2023, while receiving $341.1 billion in federal spending, an increase of only $3.2 billion – resulting in a negative balance of payments of $12.4 billion (negative $618 per capita). For every dollar in federal tax paid to Washington, New York received $0.97 in return, compared to the national level of $1.21.

Federal policy decisions are restructuring the federal-state relationship. New York has historically received comparatively high federal support for safety net programs, but recent federal statutory and regulatory changes affecting those programs could result in a disproportionate reduction in federal funding, further worsening New York's balance of payments. Moreover, net interest on the public debt is placing increased pressure on the federal budget – it accounted for almost one in seven dollars spent in FFY 2024 and increased by over 30 percent from FFY 2023. As a growing share of federal resources is devoted to debt service, the federal government may have less flexibility to support programs and investments important to New York and the other states.

The late Daniel Patrick Moynihan pioneered the concept of this balance of payments analysis while representing New York in the U.S. Senate, and we are proud to carry on his work. Senator Moynihan believed that making the facts clear about how the federal budget distributes money among the states could help produce a more equitable outcome. I hope this report contributes to a constructive dialogue about the nation's fiscal priorities and how best to structure the relationship between the federal government and the states to support all Americans.

Thomas P. DiNapoli
New York State Comptroller

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Executive Summary

The budget of the United States government plays a major role in the finances of New York State and its local governments, as well as in the lives of New Yorkers. Federal spending provides Social Security income and Medicare, helps fund Medicaid health coverage and other social safety net programs, and provides numerous other benefits for millions of state residents, schools, universities, local governments and private sector employers. Nearly 4 of every 10 dollars in the New York State Budget comes from federal sources. Spending from Washington also supports tens of thousands of New York jobs.

This report examines the flow of funds between the federal government and the states for the Federal Fiscal Year (FFY) ending September 30, 2024, with special attention to its impact on New York State. The analysis is based on data from federal budget documents, the Internal Revenue Service and other sources identified in Appendix E.

New York has historically been a state that experiences a negative balance of payments with the federal government – meaning New Yorkers pay more in federal taxes than they receive in federal spending on their behalf. The substantial increase in federal spending authorized during FFYs 2020 and 2021 spurred by the COVID-19 pandemic, which spanned across multiple years, temporarily reversed this pattern, with all states benefiting from a positive balance of payments in FFYs 2020 and 2021, and New York continued to have a positive balance of payments through FFY 2023. In FFY 2024, New York reverted to having a negative balance of payments.

Key findings include:

- For every dollar New York generated in federal tax receipts, the State received $0.97 in return, compared to the national per capita level of $1.21.
- New York's balance of payments was negative $618 per capita, ranking it 45th among the states.
    - New York generated $17,674 per capita in federal taxes, 3rd highest in the nation.
    - New York received $17,056 per capita in federal spending, 25th among the states.
- New York continued to rank high in per capita federal funding for public health programs and the social safety net, while ranking comparatively low in federal spending tied to federal employees and veterans' benefits.
- These results reflect long-standing structural factors: New York's strong economy and higher incomes contribute to high federal tax receipts, while its federal spending share – though substantial in areas such as Medicaid – remains below what would be expected if spending were distributed proportionally.

The Balance of Payments Between the Federal Government and the States

In Federal Fiscal Year (FFY) 2024, which ended September 30, 2024, the federal government spent approximately $6.8 trillion and brought in a little over $4.9 trillion in revenue, resulting in a federal deficit of $1.8 trillion. This report examines how revenues and outlays by the federal government are received from and distributed across the 50 states.[1] Approximately 96.8 percent of the federal revenues and 85.6 percent of the federal outlays for FFY 2024 are allocated by state in this report.[2] Most of the unallocated expenditures is the $879.9 billion in net interest on the federal public debt, which is included in federal expenditures but is not allocated by state in this report. A full description of the methodology can be found in a prior year report.

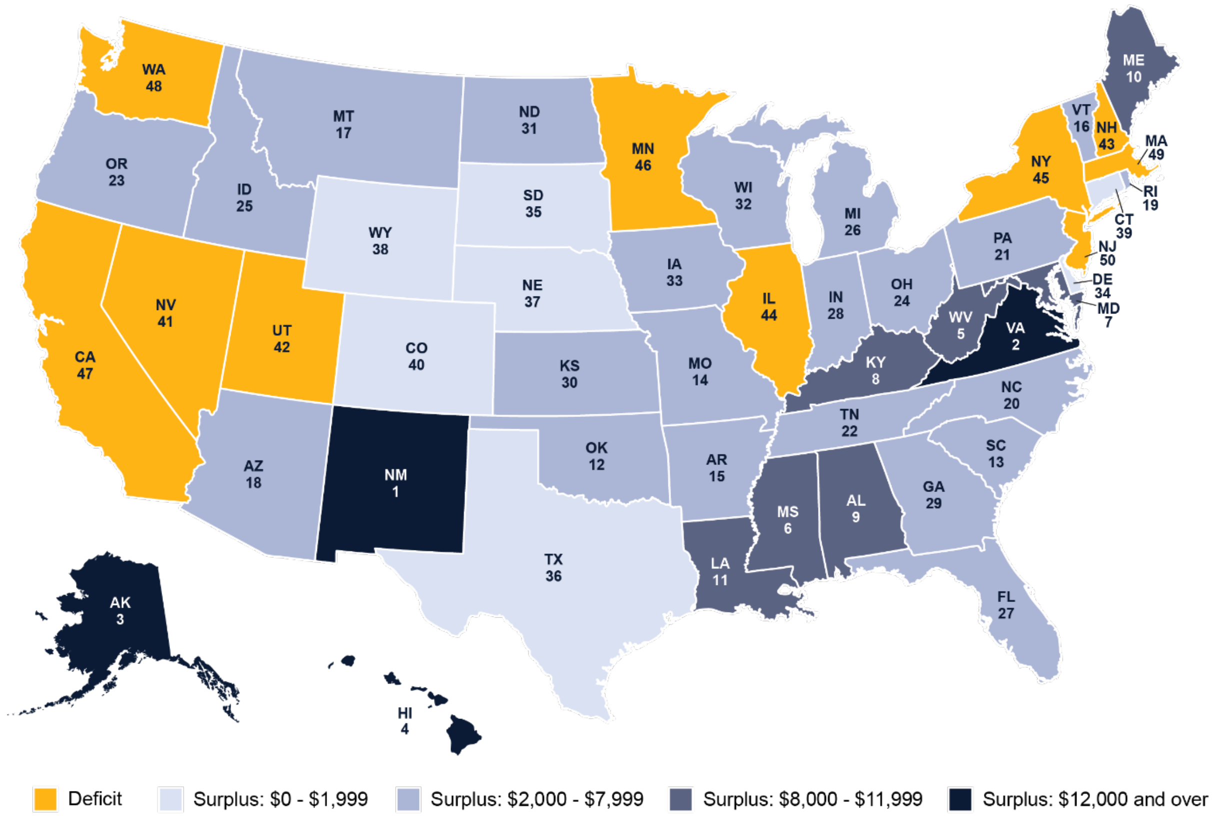
In the aggregate, New York contributed $353.5 billion to the federal treasury and received $341.1 billion in federal spending in FFY 2024. Put simply, for every dollar New York generated in federal tax receipts, it received $0.97 in federal spending – well below the national level of $1.21.

Compared to FFY 2023, revenues paid by New York to the federal government increased by $33.4 billion (10.4 percent), while federal spending in the State increased by only $3.2 billion (1.0 percent). As a result, New York's balance of payments shifted from a positive $17.8 billion in FFY 2023 to a negative $12.4 billion in FFY 2024.

In FFY 2024, every U.S. resident, on average, benefitted from approximately $16,999 in federal spending and paid approximately $14,008 on average in federal taxes, yielding a positive per capita level of $2,991. In contrast, for New Yorkers, the per capita level was negative $618. New York was one of only ten states with a negative balance of payments in FFY 2024, as shown in Figure 1, and ranked 45th in per capita balance of payments, as shown in Figure 2.

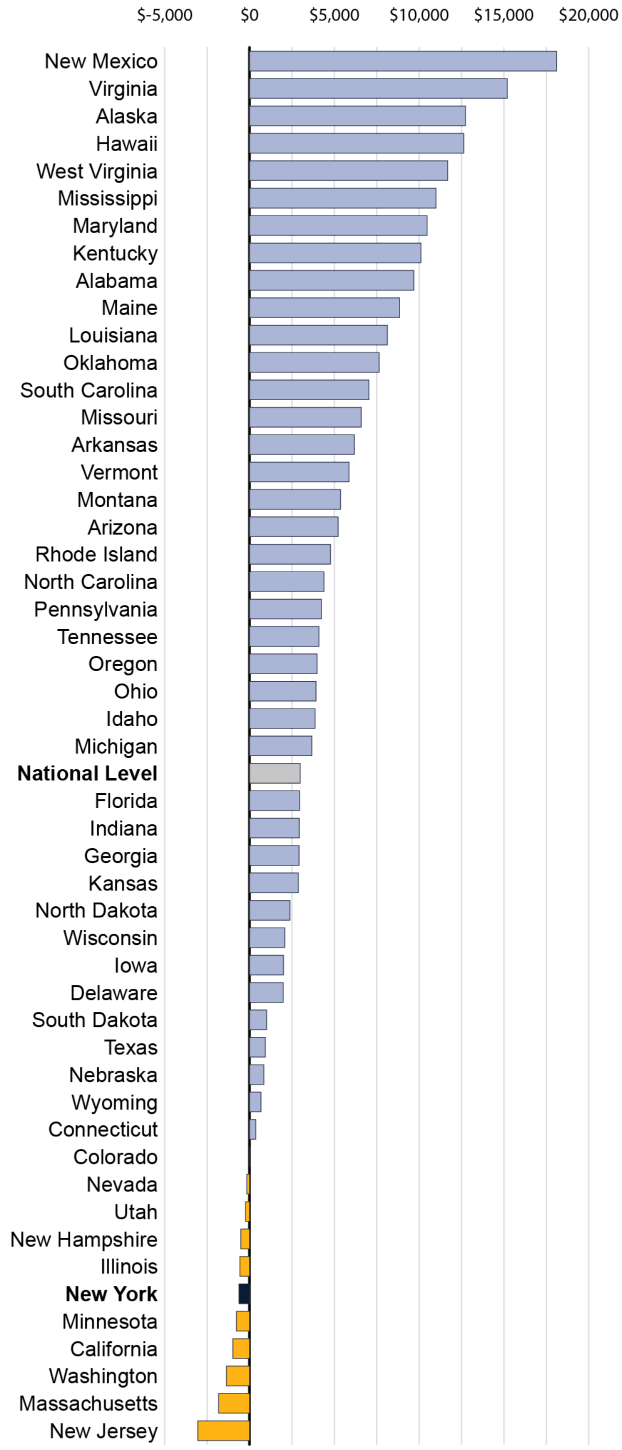
These findings reflect some longstanding structural differences among states, including economic strength, income levels, the size of the federal workforce, and the distribution of federally supported programs, that influence the distribution of revenues and expenditures.

Figure 1
Per Capita Balance of Payments Between the Federal Government and States, Ranked for FFY 2024



Note: The numbers shown in the map reflect each state's ranking in per capita balance of payments for FFY 2024, from most favorable (1) to least favorable (50).

Figure 2
Per Capita Balance of Payments Between the Federal Government and States, FFY 2024



Revenues Paid to the Federal Government: New York

For the 50 states and the District of Columbia, tax collections generated approximately $4.8 trillion, or $14,008 per capita, in FFY 2024. New York State's contributions, in total, were 7.4 percent ($353.5 billion) of the total amount, greater than the state's 5.9 percent share of the nation's population.[3] At $17,674, New York's per capita contribution to the federal treasury was 26.2 percent more than the national per capita amount of $14,008. Compared to FFY 2023, New York's contributions increased by $33.4 billion (10.4 percent).

As shown in Figure 3, New York's per capita tax contribution ranks highly in most tax categories, except for excise taxes, for which New York ranks 49th.

- On a per capita basis, individual income taxes represented the largest source of taxes paid per New Yorker at $9,527 – 34.7 percent higher than the national level of $7,075.
- The second-largest component of federal revenues from New Yorkers are from payments for social insurance taxes and contributions, including sources that finance programs for Social Security and Medicare, among others.[4] New York's per capita contribution of these payments is $5,686, the 8th highest in the nation and 13.8 percent higher than the national per capita level of $4,995.
- On per capita corporate income taxes, New York ranked 2nd at $2,098, 35.4 percent higher than the national per capita level of $1,549.

Figure 3
Federal Taxes Paid: Nation and New York, FFY 2024

	50 States		New York			
	Total (millions)	**Per Capita**	**Total** (millions)	**Share of Total**	**Per Capita**	**Rank** (per capita)
Total	**$4,762,751**	**$14,008**	**$353,503**	**7.4%**	**$17,674**	**3**
Individual Income	$2,405,546	$7,075	$190,562	7.9%	$9,527	4
Social Insurance	$1,698,213	$4,995	$113,734	6.7%	$5,686	8
Corporate Income	$526,755	$1,549	$41,964	8.0%	$2,098	2
Excise	$101,267	$298	$4,521	4.5%	$226	49
Estate and Gift	$30,970	$91	$2,722	8.8%	$136	6

Overall, New York's tax profile reflects a higher-income economy, strong corporate presence, and substantial employment revenues, which significantly increase federal tax receipts generated within the state and contribute to New York's longstanding position as a major net donor to federal fiscal flows.

Spending by the Federal Government: New York

In FFY 2024, the federal government spent $6.8 trillion, of which this report allocates approximately $5.8 trillion (85.6 percent) among the states. Most of the unallocated portion is net interest on the federal public debt; this share of federal expenditure is sizeable and growing, representing almost one in every seven federal dollars spent in FFY 2024.[5]

Figure 4
Federal Spending by Major Category: Nation and New York, FFY 2024

	50 States		New York			
	Total (millions)	Per Capita	Total (millions)	Share of Total	Per Capita	Rank (per capita)
Total	**$5,779,842**	**$16,999**	**$341,146**	**5.9%**	**$17,056**	**25**
Direct Payments	$3,582,466	$10,537	$198,301	5.5%	$9,914	39
Grants	$1,118,899	$3,291	$117,324	10.5%	$5,866	3
Procurement	$695,465	$2,045	$15,083	2.2%	$754	44
Wages and Salaries	$349,151	$1,027	$9,713	2.8%	$486	43
Other Identified Federal Spending	$33,861	$100	$725	2.1%	$36	41

As the recipient of $17,056 in per capita federal spending, New York is slightly higher (0.3 percent) than the national level of $16,999 per capita. New York's rank dropped by four positions in FFY 2024 to 25th, despite an increase of $3.2 billion in spending as compared to FFY 2023.

New York's middle-of-the-pack ranking indicates a reversion to pre-pandemic norms. The significant government intervention and financial support to states and individuals during the COVID-19 pandemic, as well as ancillary increases in spending (e.g., procurement) that benefitted the State, boosted New York's per capita ranking to a high of 8th in FFY 2021, whereas, in FFY 2019, New York ranked 24th among the states.

Expenditure Areas Where New York Does Well

Figure 5 identifies federal expenditure areas or programs where New York continues to receive a comparatively higher per capita share of federal spending, which have generally been in programs supporting the health and well-being of New Yorkers.

Figure 5
Areas of Spending Where New York Ranks High (per capita), FFY 2024

	50 States		New York			
	Total (millions)	Per Capita	Total (millions)	Share of Total	Per Capita	Rank (per capita)
Medicaid (G)	$613,395	$1,804	$60,814	9.9%	$3,040	3
Basic Health Program (G)	$17,020	$50	$12,607	74.1%	$630	1
Supplemental Nutrition Assistance Program (DP)	$95,693	$281	$7,579	7.9%	$379	6
Rental Assistance and Public Housing (G)	$41,681	$123	$6,616	15.9%	$331	1
Supplemental Security Income (DP)	$54,391	$160	$3,956	7.3%	$198	7
Temporary Assistance for Needy Families (G)	$17,560	$52	$2,635	15.0%	$132	1
Child Nutrition (G)	$32,389	$95	$2,160	6.7%	$108	11
Transit (G)	$13,556	$40	$2,079	15.3%	$104	3
Pell Grants (DP)	$33,897	$100	$2,143	6.3%	$107	10
Elementary and Secondary Education Act, Title I (G)	$18,342	$54	$1,516	8.3%	$76	5
Children's Health Insurance Program (G)	$19,203	$56	$1,450	7.6%	$73	10
Children and Family Services (G)	$13,742	$40	$1,062	7.7%	$53	8
Low-Income Home Energy Assistance Program (G)	$4,925	$14	$488	9.9%	$24	11
Homeless Assistance Grants (G)	$3,189	$9	$363	11.4%	$18	5

Notes: DP signifies Direct Payments and G signifies Grants.

Medicaid

Medicaid remains one of the most significant sources of federal support for New York. In FFY 2024, the State received $60.8 billion in Medicaid funding, or $3,040 per capita, 68.5 percent higher than the national level of $1,804. New York ranked 3rd on the per capita measure after New Mexico and Kentucky. The federal share of Medicaid is based partly on the Federal Medical Assistance Percentage (FMAP), which is the rate at which the federal government reimburses state Medicaid expenditures. FMAP is higher in states with relatively low per capita personal income; since New York has a higher per capita income than most states, its FMAP is at 50 percent, which is the minimum level.

Despite the low FMAP, New York receives relatively high per capita federal funding for Medicaid. The level of federal reimbursement is affected by many other factors, such as the number of Medicaid beneficiaries in a state (New York has a higher proportion of its population enrolled in

Medicaid), the breadth of benefits available to Medicaid enrollees (New York generally offers more expansive benefits), and the costs of providing care (New York has a higher cost of care) and special agreements with the federal government ("waivers") that may provide targeted support for New York's health care system.

Basic Health Program

New York is one of the few states that established a Basic Health Program – a low-cost health insurance option for individuals meeting certain income and other requirements – under the federal Affordable Care Act. The State's program, called the Essential Plan,[6] has been available since November 15, 2015, with coverage beginning January 1, 2016. As of FFY 2024, only two other states, Minnesota and Oregon, have a Basic Health Program. New York receives an overwhelming share of this funding. In addition, states are also authorized to apply for innovation waivers under the Affordable Care Act, which require federal approval and allow states to try new ways to provide health insurance.

Other Safety Net Spending

New York's strong social safety net goes beyond public health programs and includes support from many other federal funding programs, including the Supplemental Nutrition Assistance Program (SNAP), public housing and rental assistance, Temporary Assistance for Needy Families (TANF), and the Low-Income Home Energy Assistance Program (LIHEAP). On a per capita basis, New York ranks 1st in spending on rental assistance and public housing and TANF, 5th on homeless assistance grants, 6th on SNAP and 8th on grants for children and family services. All of these programs are monitored by the Office of the State Comptroller, with a particular emphasis on how recent changes to federal laws and rules will affect eligibility, utilization, and availability of federal funding in upcoming years.

Education

Education funding also plays an important role. Pell grants are need-based federal grants that are intended to make college and career education more affordable for students with limited financial resources; unlike student loans, they do not require repayment. New York's per capita rank continues to be high for Pell Grants (10th per capita, the same as in FFY 2023). Title I funding under the federal Elementary and Secondary Education Act authorizes federal grants to school districts and schools serving high numbers or concentrations of children from low-income families; in FFY 2024, New York ranked 5th per capita (the same as in FFY 2023).

Expenditure Areas Where New York Does Not Do Well

Figure 6 identifies areas where New York receives fewer federal expenditures than would otherwise be expected if these were distributed equally per capita throughout the states. As has been the case in prior analyses by the Office of the State Comptroller, New York's per capita share tends to be low in areas related to the size of its federal workforce, civilian retirement payments, and veterans' benefits.

Figure 6
Areas of Spending Where New York Ranks Low (per capita), FFY 2024

	50 States		New York			
	Total (millions)	Per Capita	Total (millions)	Share of Total	Per Capita	Rank (per capita)
Federal Employee Wages and Salaries	$349,151	$1,027	$9,713	2.8%	$879	43
Procurement	$695,465	$2,045	$15,083	2.2%	$754	44
Veterans Benefits (DP)	$310,854	$914	$9,093	2.9%	$455	49
Federal Employee Retirement (DP)	$178,958	$526	$4,310	2.4%	$215	50
Highways (G)	$53,028	$156	$2,257	4.3%	$113	49
Vocational Rehabilitation (G)	$3,949	$12	$167	4.2%	$8	45
Airports (G)	$5,436	$16	$169	3.1%	$8	45

Notes: DP signifies Direct Payments and G signifies Grants.

New York also ranked poorly on per capita highway spending (49th) driven by factors including population density, transportation patterns, and the distribution formulas for federal highway funds, and on procurement (44th). During the height of the pandemic, New York's ranking on per capita procurement spending was 17th in FFY 2021 and 20th in FFY 2022, which helped New York achieve a positive balance of payments.

These categories highlight areas where New York's characteristics limit federal spending relative to national per capita levels. They reflect structural limits rather than policy-driven factors that contribute to New York's overall balance of payments.

Other Expenditure Areas of Note

Figure 7
Notable Areas of Federal Spending

	50 States		New York			
	Total (millions)	Per Capita	Total (millions)	Share of Total	Per Capita	Rank (per capita)
Social Security (DP)	$1,432,523	$4,213	$83,235	5.8%	$4,161	38
Medicare (DP)	$1,042,231	$3,065	$65,742	6.3%	$3,287	16
Earned Income Tax Credit (DP)	$59,983	$176	$3,435	5.7%	$172	21
Child Tax Credit (DP)	$26,088	$77	$1,446	5.5%	$72	23
Special Education (G)	$15,812	$47	$1,034	6.5%	$52	18

Two well-known programs continue to be central sources of federal support for New Yorkers: Medicare and Social Security. In FFY 2024, New York's per capita Medicare payments were $3,287, which ranked 16th among the states. New York ranked 38th for Social Security, or a per capita amount of $4,161,which is about 1.2 percent under the national level of $4,213. As with all other per capita amounts, New York's per capita Social Security amount is the total amount of Social Security payments allocated to New York divided by New York's population; this number does not represent the average Social Security benefit per individual recipient.

The federal government also provides assistance to New Yorkers through tax credit programs, two of which – the Earned Income Tax Credit (EITC) and the Child Tax Credit (CTC) – are aimed at helping individuals and/or families. New York's per capita refunded EITC amount was $172, ranking it 21st, and $72 for the CTC, ranking it 23rd. Note that for these tax credits, the allocations represent the amounts refunded to tax filers and, accordingly, do not capture any credit amounts that offset any federal tax liability.

Together, these federal expenditures contribute significantly to household income and family stability for millions of New Yorkers. While some categories show New York receiving relatively less per capita than the national average, they still represent vital revenue streams benefitting families and communities across the state.

Conclusion

For FFY 2024, New York returned to its pre-pandemic status, once again among the minority of states experiencing a negative balance of payments.

Figure 8
New York's Balance of Payments, FFY 2013 – FFY 2024 (Select Years)

	2013	2016	2017	2018	2019	2020	2021	2022	2023	2024
Per Capita	($1,011)	($2,070)	($1,216)	($1,363)	($1,219)	$7,236	$7,455	$1,076	$912	($618)
Rank	46	47	47	48	49	40	30	39	42	45
Total Dollars (billions)	($19.9)	($40.9)	($24.1)	($26.6)	($23.7)	$146.2	$147.9	$21.2	$17.8	($12.4)
Rank	49	50	49	50	50	4	4	23	24	47
Return on Each One Dollar of Taxes Paid	$0.91	$0.84	$0.90	$0.90	$0.91	$1.59	$1.51	$1.06	$1.06	$0.97
Rank	49	47	46	48	49	44	38	39	43	44

Prior to the COVID-19 pandemic, New York paid more in federal taxes than it benefitted from federal spending; however, the federal government's significant and robust pandemic response and fiscal stimulus changed this well-established pattern. In fact, all states had a positive balance of payments with the federal government in FFY 2020 and FFY 2021; New York continued to have a positive balance of payments in FFY 2023. However, in FFY 2024, New York returned to having a negative balance of payments. On a per capita basis, New York's national ranking slipped from 42nd in FFY 2023 to 45th in FFY 2024. While New York received a share of federal expenditure commensurate with its share of the nation's population (5.9 percent), it provided a far greater share of federal revenue (7.4 percent).

The federal budget plays an important role in state budgets and economies, supporting critical services for millions of New Yorkers, including health care, the social safety net, education, transportation and retirement income. Future federal tax and spending decisions could materially affect New York's balance of payments, particularly as federal policy decisions, such as those enacted under Public Law 119-21 (P.L. 119-21), begin to restructure the federal-state relationship. New York has historically received comparatively significant federal support through programs such as Medicaid, the Basic Health Program (Essential Plan) and SNAP, which have helped offset the State's relatively high contribution to federal revenues. Because P.L. 119-21 makes substantial changes to these programs, New York could experience a disproportionate reduction in federal funding. As these provisions are implemented, they could further worsen New York's balance of payments in future years.

Debate over policies that affect the overall balance of payments – whether through changes to federal tax policy and/or federal spending programs – should consider their fiscal, economic and human effects in New York and across the states.

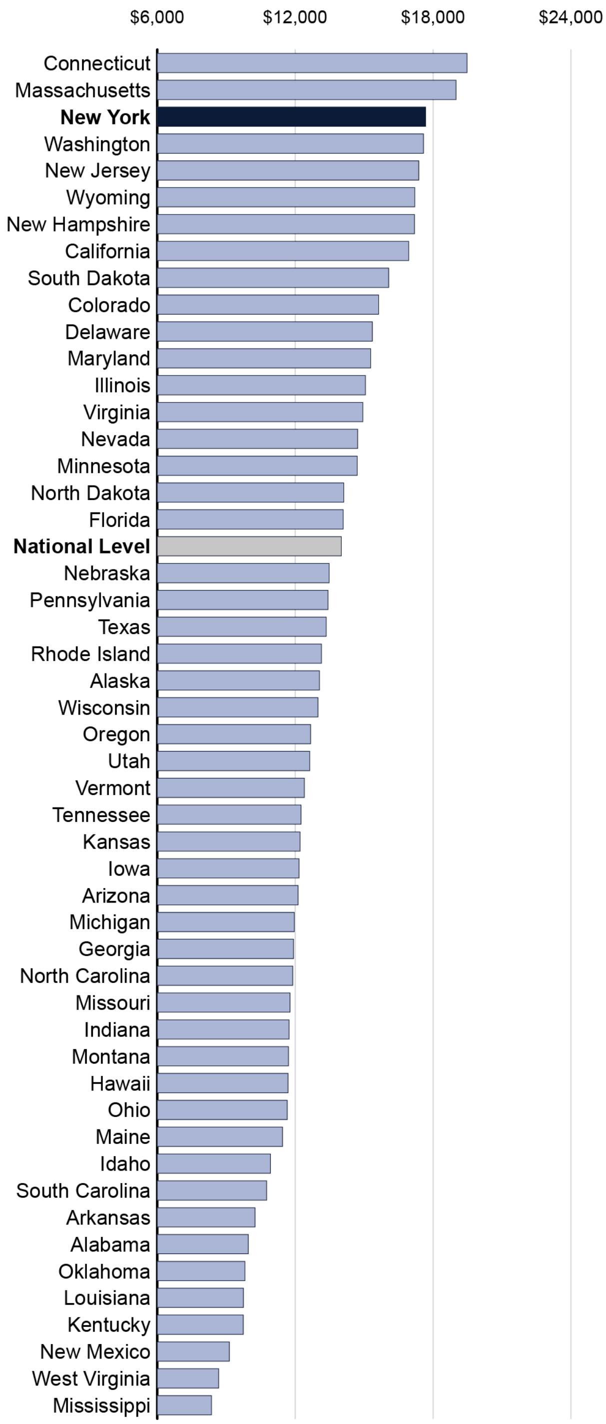
Appendix A: Balance of Payments

Balance of Payments (Expenditures minus Revenues), FFY 2024

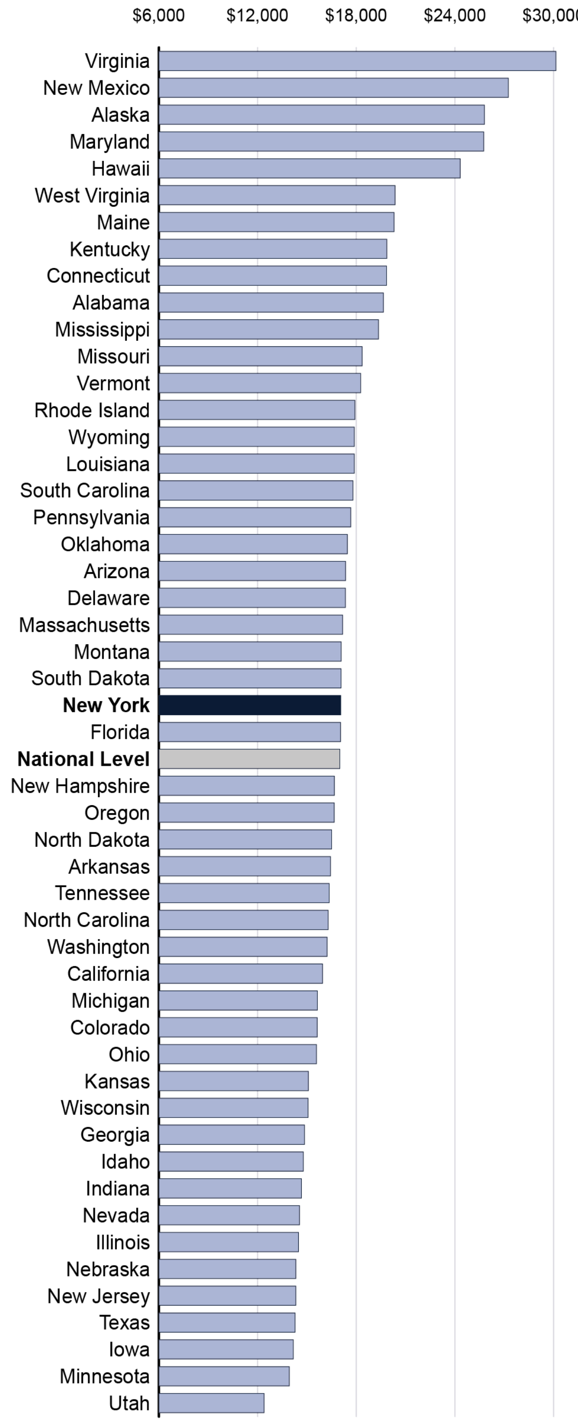
	Total (millions)	Per Capita	Variation from National Per Capita	Percentage Variation from National Per Capita	Rank (per capita)
National Level	**$1,017,091**	**$2,991**			
Alabama	$50,041	$9,692	$6,701	224.0%	9
Alaska	$9,380	$12,735	$9,744	325.7%	3
Arizona	$39,489	$5,226	$2,234	74.7%	18
Arkansas	$19,132	$6,179	$3,188	106.6%	15
California	($38,879)	($988)	($3,979)	-133.0%	47
Colorado	$8	$1	($2,990)	-100.0%	40
Connecticut	$1,349	$367	($2,624)	-87.7%	39
Delaware	$2,083	$1,983	($1,008)	-33.7%	34
Florida	$68,797	$2,957	($34)	-1.2%	27
Georgia	$32,795	$2,927	($64)	-2.2%	29
Hawaii	$18,130	$12,634	$9,643	322.4%	4
Idaho	$7,732	$3,864	$873	29.2%	25
Illinois	($7,232)	($569)	($3,561)	-119.0%	44
Indiana	$20,362	$2,936	($55)	-1.8%	28
Iowa	$6,475	$2,004	($987)	-33.0%	33
Kansas	$8,535	$2,878	($113)	-3.8%	30
Kentucky	$46,378	$10,117	$7,126	238.2%	8
Louisiana	$37,522	$8,131	$5,139	171.8%	11
Maine	$12,464	$8,849	$5,858	195.8%	10
Maryland	$65,396	$10,471	$7,480	250.0%	7
Massachusetts	($13,043)	($1,827)	($4,819)	-161.1%	49
Michigan	$37,143	$3,677	$686	22.9%	26
Minnesota	($4,473)	($771)	($3,763)	-125.8%	46
Mississippi	$32,439	$10,996	$8,004	267.6%	6
Missouri	$41,123	$6,587	$3,595	120.2%	14
Montana	$6,111	$5,372	$2,381	79.6%	17
Nebraska	$1,702	$849	($2,143)	-71.6%	37
Nevada	($537)	($165)	($3,156)	-105.5%	41
New Hampshire	($732)	($520)	($3,511)	-117.4%	43
New Jersey	($29,060)	($3,057)	($6,048)	-202.2%	50
New Mexico	$38,518	$18,111	$15,120	505.4%	1
New York	**($12,357)**	**($618)**	**($3,609)**	**-120.7%**	**45**
North Carolina	$48,567	$4,394	$1,403	46.9%	20
North Dakota	$1,891	$2,383	($608)	-20.3%	31
Ohio	$46,564	$3,926	$935	31.2%	24
Oklahoma	$31,346	$7,649	$4,658	155.7%	12
Oregon	$16,998	$3,985	$994	33.2%	23
Pennsylvania	$55,276	$4,237	$1,246	41.6%	21
Rhode Island	$5,303	$4,776	$1,784	59.6%	19
South Carolina	$38,680	$7,045	$4,054	135.5%	13
South Dakota	$935	$1,008	($1,983)	-66.3%	35
Tennessee	$29,703	$4,096	$1,105	36.9%	22
Texas	$29,119	$930	($2,062)	-68.9%	36
Utah	($840)	($240)	($3,231)	-108.0%	42
Vermont	$3,793	$5,866	$2,875	96.1%	16
Virginia	$134,015	$15,195	$12,204	408.0%	2
Washington	($10,786)	($1,361)	($4,352)	-145.5%	48
West Virginia	$20,667	$11,693	$8,702	290.9%	5
Wisconsin	$12,383	$2,079	($913)	-30.5%	32
Wyoming	$398	$679	($2,313)	-77.3%	38
District of Columbia	$56,291	$81,426	$78,435	2622.0%	

Appendix B: Per Capita Taxes and Expenditures

Per Capita Taxes Paid to the Federal Government, FFY 2024



Per Capita Federal Expenditures, FFY 2024

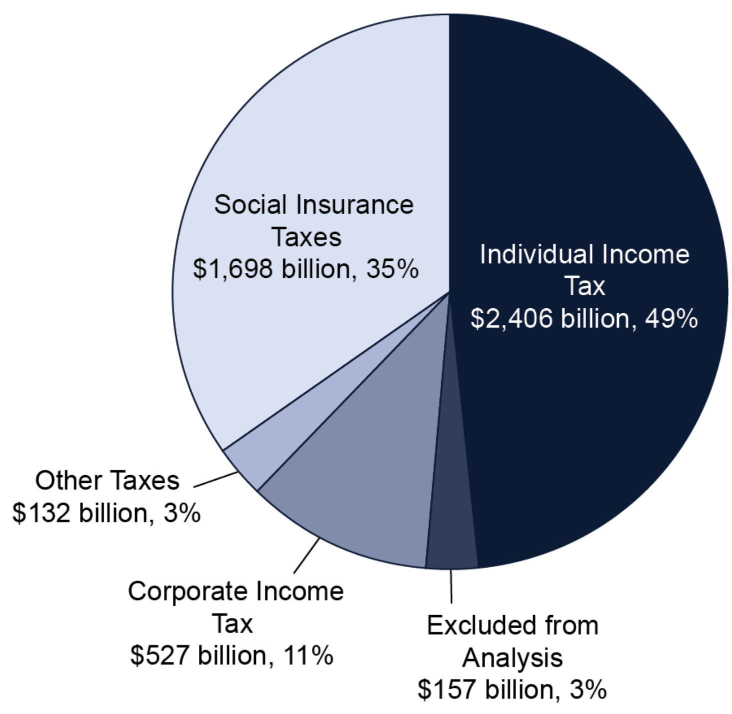


Appendix C: Federal Revenues and Spending

Revenues

In FFY 2024, all revenues paid to the federal government totaled over $4.9 trillion. For the 50 states and the District of Columbia, collections from these taxes generated a total of almost $4.8 trillion, or $14,008 per capita in FFY 2024.

Federal Revenues by Source in FFY 2024: $4.9 trillion

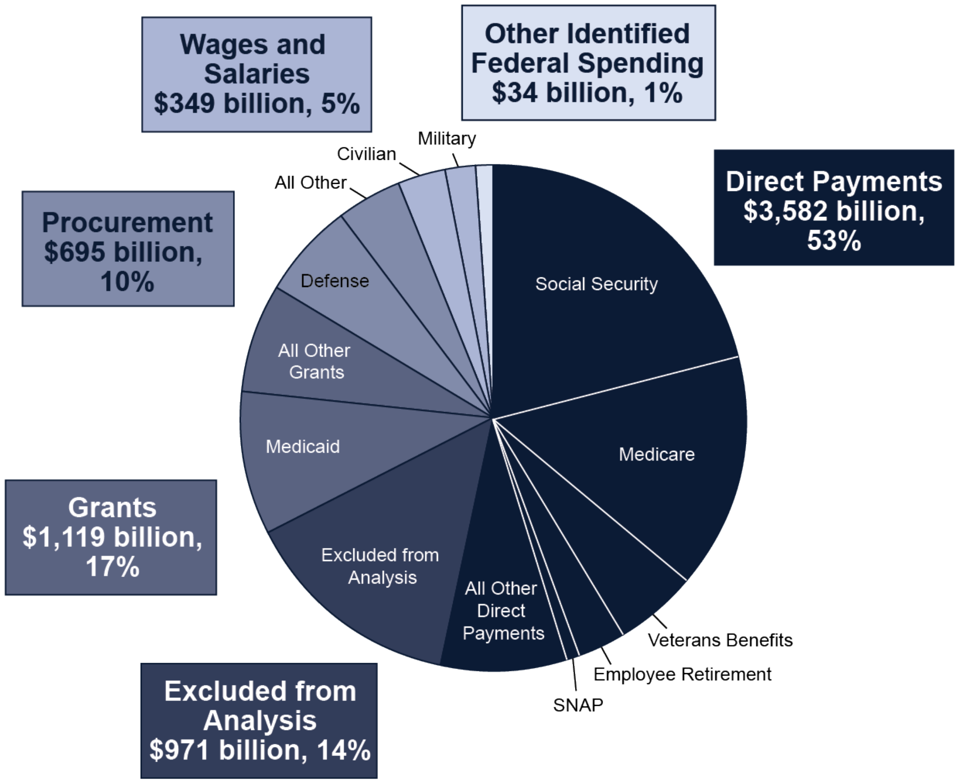


Note: Social Insurance Taxes include the Federal Insurance Contribution Act (FICA) tax, the Self-Employment Contributions Act (SECA) tax, the Federal Unemployment Tax Act (FUTA) tax, Railroad Retirement Act and the Railroad Unemployment Insurance Act taxes, and other receipts, primarily pension contributions from federal employees. Other taxes include excise taxes, which are primarily imposed on production, sale or consumption of fuel, tobacco and alcohol products, among others, as well as estate and gift taxes. “Excluded from Analysis” represents miscellaneous receipts and customs duties and fees, along with revenues from Puerto Rico and other outlying areas. Percentages do not add to 100 due to rounding.

Spending

In FFY 2024, the federal government spent approximately $6.8 trillion, including almost $5.8 trillion in expenditures that could be allocated among the states. Among the amount not allocated among the states is the net interest on the public debt, which is becoming an increasing share of federal government spending. Below is a breakdown of overall FFY 2024 federal spending.

Federal Spending by Category in FFY 2024: $6.8 trillion



Note: Veterans' service-connected compensation is included with Veterans' Benefits, not Employee Retirement. "Excluded from Analysis" consists primarily of undistributed offsetting receipts, net interest of the federal government debt, and overseas procurement, along with expenditures in Puerto Rico and other outlying areas.

Totaling almost $3.6 trillion (53 percent), the largest category of federal expenditure was direct payments to or on behalf of individuals, which increased by nearly $95 billion (2.7 percent) from FFY 2023. Of this amount, approximately $1.4 trillion (40.0 percent) was for Social Security and approximately $1.0 trillion (29.1 percent) was for Medicare; when combined, these two programs accounted for 69.1 percent of all direct payments and 36.7 percent of total federal spending. The combined spending grew by $132.1 billion (5.6 percent) from FFY 2023. Federal spending on veterans' benefits was $310.9 billion, which was $24.3 billion (8.5 percent) higher than it was in FFY 2023.

Federal grant spending – primarily through federal programs that provide funding to states and local governments – totaled approximately $1.1 trillion, which was $54.8 billion (5.1 percent) higher than in FFY 2023. Medicaid comprised $613.4 billion (54.8 percent) of this category of spending in FFY 2024 and increased by $1.5 billion (0.3 percent) from FFY 2023. During FFY 2024, and due to federal legislation, states that were previously required to maintain Medicaid enrollment for individuals enrolled and/or covered during the COVID-19 pandemic were required to start the process of "unwinding" pandemic-era Medicaid enrollees who were no longer eligible, which affected the year-over-year change in federal Medicaid spending.

Appendix D: The Federal Budget Deficit

This report uses the same methodology as used and described in previous reports. The figure below indicates the total amount of receipts and outlays that were allocated during this analysis and the amounts that were not allocable or excluded.

Federal Government Receipts and Outlays, FFY 2024
Amounts Allocated and Not Allocated in this Report
(amounts in millions)

			Allocated	
	Total	Not Allocable	Outside the 50 States and D.C.	50 States and D.C.
Receipts	$4,919,883	$121,982	$35,150	$4,762,751
Outlays	$6,750,856	$921,130	$49,977	$5,779,842
Deficit	($1,830,973)			

The data presented in this report are based on actual expenditures and revenues as reported by the federal government, with certain estimates and adjustments made by the Office of the State Comptroller. Since the overall level of federal outlays exceeded federal receipts, the federal budget operated at a $1.8 trillion deficit for FFY 2024, which was an increase of approximately $138 billion (8.1 percent) from FFY 2023.[7]

A growing share of federal budget expenditures is on the net interest on the public debt. Based on data used by this analysis, such expenditures accounted for $879.9 billion of federal expenditures in FFY 2024. Spending on net interest was approximately $266.5 billion (43.4 percent) higher than the entire U.S. spending on Medicaid for FFY 2024 ($613.4 billion) and accounted for almost one out of every seven dollars in federal expenditures in FFY 2024.

Appendix E: Sources

Department of Commerce

Bureau of Economic Analysis

Real Gross Domestic Product (GDP) by State. See also Interactive Data Tables.

Regional Data, GDP & Personal Income, Quarterly Personal Income by State. See *Quarterly Personal Income by State/Personal Current Transfer Receipts (SQINC35)* using the Medicare benefits statistic; and *Quarterly Personal Income by State/ Wages and Salaries by Industry (SQINC7) using the NAICS option.* See also Interactive Data Tables.

Census Bureau

Population Division, Annual Estimates of Resident Population Change for the United States, States, District of Columbia, Puerto Rico, and State Rankings: April 1, 2020 to July 1, 2025, released January 2026.

2024 Quarterly Summary of State & Local Tax Revenue Tables - Table 3: State Tax Collections by State and Type of Tax.

Department of Education

Federal Student Loan Portfolio under *Direct Loan Portfolio by Location, Portfolio by Location and Debt Size* and *Federal Student Aid Portfolio by Loan Type*.

Education Stabilization Fund (see Annual reports and data downloads); and *Data Download*.

Center for Medicare and Medicaid Services

Effectuated Enrollment: Early 2025 Snapshot and Full Year 2024 Average, as of March 15, 2025, for premium tax credit data.

Expenditure Reports from MBES/CBES (Medicaid Budget and Expenditure System/State Children's Health Insurance Program Budget and Expenditure System), *Financial Management Report for FY 2024*.

Department of Labor

Bureau of Labor Statistics, *Quarterly Census of Employment and Wages: Employment and Wages Data Viewer* under Federal Government (Ownership), NAICS 491 Postal Service (Industry).

Bureau of Labor Statistics, *Quarterly Census of Employment and Wages for Ownership: Employment and Wages Data Viewer* under Federal Government (Ownership), Total, all industries.

Employment Training Administration, *ETA 2112: UI Financial Transaction Summary*.

Federal Highway Administration

Office of Highway Policy Information, Highway Statistics Series, Highway Statistics 2024, Federal Highway Trust Fund Receipts Attributable to Highway Users in Each State, Table FE-9.

Department of the Treasury

Internal Revenue Service

Statistics of Income (SOI) Tax Stats – Historic Table 2, Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2023.

Statistics of Income (SOI) Tax Stats – IRS Data Book, Table 5: Gross Collections, by Type of Tax and State, Fiscal Year 2024 and *Table 8: Amount of Refunds Issued, Including Interest, by State*, Fiscal Year 2024.*Statistics of Income (SOI) Tax Stats – Corporation Income Tax Returns Complete Report*, see Table 1: Returns of Active Corporations, Selected Income Statement, Balance Sheet, and Tax Items, 2022.

Executive Office of the President, Office of Management and Budget: President's Budget **(as accessed on GovInfo for FFY 2024 actuals)**

Budget Appendix.

Historical Tables, see: *Table 1.1 – Summary of Receipts, Outlays, and Surpluses or Deficits (-): 1789 – 2024*; *Table 2.1 – Receipts by Source: 1934 – 2024*; *Table 2.4 – Composition of Social Insurance and Retirement Receipts and of Excise Taxes: 1940 – 2024*; *Table 2.5 – Composition of "Other Receipts": 1940 – 2024*; *Table 3.2 – Outlays by Function and Subfunction: 1962 – 2024*; *1976 – 2024*; *Table 6.1 – Composition of Outlays: 1940 – 2024*; *Table 11.3 – Outlays for Payments for Individuals by Category and Major Program: 1940 – 2024*; *Table 12.3 – Total Outlays for Grants to State and Local Governments by Function, Agency, and Program: 1940-2024*.

Object Class Analysis.

Social Security Administration

Annual Statistical Supplement, 2024 – *Old-Age, Survivors, and Disability Insurance: Benefits in Current-Payment Status, Geographic Data (5.J)*; and *Supplemental Security Income: State Data (7.B)*, December 2024.

Earnings and Employment Data for Workers Covered Under Social Security and Medicare, by State and County, 2023.

Other

Department of Agriculture, *SNAP* (Supplemental Nutrition Assistance Program) *Data Tables*, under National and/or State Level Monthly and/or Annual Data*: FY 69 through FY 25.*

Defense Health Agency/Military Health System (Health.mil), *TRICARE* by the Numbers, 2024.

Department of Veterans Affairs, *National Center for Veterans Analysis and Statistics, Fiscal Year 2024 Expenditures data* for the Geographic Distribution of VA Expenditures for Fiscal Year 2024.

National Institute of Alcoholism and Alcohol Abuse, *Surveillance Report #12*, Table 2. Apparent alcohol consumption for States, census regions, and the United States, 2023.

Office of Personnel Management (OPM), Civil Service Retirement and Disability Program, *Exhibit R14: Fiscal Year 2024 Annuitants on the Retirement Roll – CSRS/FERS Employees and Survivor Annuitants: Geographic Distribution by Number on Roll and Monthly Annuities,* provided on November 18, 2025.

Railroad Retirement Board, *Annual Railroad Retirement Act and Railroad Unemployment Insurance Act Data, Statistical Tables, Section A – Financial Statistics* see *Table A6.– Retirement, survivor, unemployment, and sickness benefit payments, by class of benefit and state of residence of beneficiary, fiscal year 2023 (In thousands), cash basis*.

USAspending.gov, see A*ward Search/Advanced Search and Download/Award Data Archive*.

Federal Funds Information for States, *FFIS Grants Database*.

Congressional Research Service, "Education Stabilization Fund: Expenditures for Elementary and Secondary Education," updated November 5, 2024.

Endnotes

[1] References to the states as a group in this report include the District of Columbia, unless otherwise noted. For data consistency, national totals and averages in this report included expenditures in and revenues from the District of Columbia in addition to the states. However, because it is an outlier in many categories, the District of Columbia is not included in the rankings of the states. Rankings and figures in tables, charts and text in this report and related materials are based on unrounded amounts.

[2] For this analysis, as in previous reports by the Office of the State Comptroller, certain revenue and spending amounts were excluded, resulting in an allocation of $5.8 trillion in outlays and $4.8 trillion in revenues that are relevant and practical to allocate to the states. Customs duties and fees (including tariffs) and miscellaneous receipts, such as deposits of earnings by the Federal Reserve, are revenues that are not allocated. Undistributed offsetting receipts, net interest on the federal government debt, spending for international affairs and overseas procurement (military- and non-military-related) and unidentified spending represent most of the outlays excluded from this analysis. Receipts from and outlays to Puerto Rico and other outlying areas are also excluded.

[3] According to the United States' Census Bureau's Vintage 2025 National and State Population Estimates, as of July 1, 2024 (the applicable data for Federal Fiscal Year 2024), New York State had a population of 20,001,419 as compared to the United States' population of 340,003,797.

[4] Social insurance taxes and contributions include: (1) FICA (the Federal Insurance Contributions Act tax), withheld for Social Security and Medicare; (2) SECA (the Self-Employment Contributions Act tax), paid by self-employed small business owners on their net earnings to cover their Social Security, Medicare, and Old-Age, Survivors and Disability Insurance (OASDI) costs; (3) FUTA (the Federal Unemployment Tax Act tax), withheld for unemployment compensation; (4) RRA and the RUIA (the Railroad Retirement Act and the Railroad Unemployment Insurance Act taxes), used in place of FICA, SECA and FUTA for railroad employees, and (5) other receipts, primarily pension contributions from federal employees.

[5] The data used to account for the net interest for this report are from the federal Office of Management and Budget's Table 6.1—Composition of Outlays data, which indicate approximately $879.9 billion in net interest in Federal Fiscal Year 2024, including some off-budget amounts, most of which are direct payments for individuals (e.g., Social Security benefits). The Congressional Budget Office calculates that the net interest on the public debt for Federal Fiscal Year 2024 was $949 billion. Both sources show an increase of over $200 billion from the prior year, representing the growing share of federal expenditure on net interest expenses.

[6] Beginning April 1, 2024, New York State shifted the federal authority for the Essential Plan from the Affordable Care Act's Section 1331 Basic Health Program to a Section 1332 State Innovation Waiver, which allowed the State to expand eligibility and health coverage. Following changes resulting from Public Law 119-21 that changed eligibility – and consequently affected the availability of federal funding – the State requested in FFY 2026 to terminate the Section 1332 waiver and return to the Basic Health Program. The federal Centers for Medicare and Medicaid Services approved the request in March 2026, effective July 1, 2026.

[7] Congressional Budget Office, "Monthly Budget Review: Summary for Fiscal Year 2024" (accessed September 1, 2026).

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