

## IF YOUR BUDGET RESEMBLED THE U.S. GOVERNMENT'S

Figures adjusted to various income levels

The United States is outspending revenues, creating a rising deficit and higher debt levels. The numbers are so large that it is difficult to comprehend their size.

The chart below scales the federal numbers down to a more manageable size. It shows what would happen if U.S. households were to run their finances the same way the government runs its own. Here is what their balance sheet would look like.

<b>Federal budget challenge</b>					
	U.S. government	Real median household	Hypothetical household A	Hypothetical household B	Hypothetical household C
<b>Tax revenue/Income</b>	\$2,302,000,000,000.00 <sup>1</sup>	\$49,445.00 <sup>3</sup>	\$100,000.00	\$250,000.00	\$500,000.00
<b>Current spending</b>	\$3,598,000,000,000.00 <sup>1</sup>	\$77,281.98	\$156,298.87	\$390,747.18	\$781,494.35
<b>Annual deficit</b>	\$1,296,000,000,000.00 <sup>1</sup>	\$27,836.98	\$56,298.87	\$140,747.18	\$281,494.35
<b>Accumulated debt</b>	\$15,222,940,045,451.09 <sup>2</sup>	\$326,975.79	\$661,291.92	\$1,653,229.81	\$3,306,459.61

### Methodology

Due to the sheer size of the numbers, the U.S. federal budget was scaled down by dividing the U.S. median household income level for 2010 (the most recent figure available) by the actual 2011 federal tax revenue, computing a rate of 0.000002148%. This factor was then applied to the actual current federal spending, deficit, and accumulated debt for 2011. The same concept was applied to the three alternative hypothetical household income levels.

<sup>1</sup> United States government numbers taken from the Congressional Budget Office, *The Budget and Economic Outlook: Fiscal Years 2012 to 2022 Summary* Table 1, page xii.

<sup>2</sup> Accumulated debt taken from TreasuryDirect.gov for December 31, 2011.

<sup>3</sup> United States median household income level taken from U.S. Census Bureau, *Income, Poverty, and Health Insurance Coverage in the United States: 2010*.