



March 2, 2022
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Financial State of the Union 2022





FAST FACTS

Money Needed to Pay Bills

-\$133 trillion

Taxpayer Burden™

-\$836,000

Financial Grade

F

Federal Government's Financial Condition Worsened by \$10 Trillion



March 2022

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Financial State of the Union

A new analysis of the latest available audited financial report found the U.S. Government's overall financial condition worsened by \$10.27 trillion in 2021. The COVID-19 pandemic and related stimulus packages contributed to \$2.8 trillion of the deficit. Unfunded Social Security and Medicare promises accounted for the remaining \$7 trillion primarily due to increases in expected costs, including those related to outpatient services and drugs prices.

Truth in Accounting's measure of the government's financial condition includes reported federal assets and liabilities, as well as promised, but not funded, Social Security and Medicare benefits. Government officials have made repeated financial decisions that have left the federal government with a debt burden of \$133.38 trillion, including unfunded Social Security and Medicare promises. That equates to a \$836,000 burden for every federal taxpayer. Because the federal government would need such a vast amount of money from taxpayers to cover this debt, it received an "F" grade for its financial condition.

The Treasury Department only includes \$187.60 billion of Social Security and Medicare liabilities on the federal balance sheet. According to government documents, recipients do not have the right to any benefits beyond the benefits currently being paid and laws to reduce or stop future benefits can be passed at any time. Our analysis includes the total unfunded amounts, which are \$58.10 trillion in unfunded Medicare benefits and \$45.40 trillion in unfunded Social Security benefits.

Fast Facts

- The federal government has \$4.89 trillion in assets compared to \$138.28 trillion worth of bills.
- The outcome is a \$133.38 trillion shortfall, which breaks down to a burden of \$836,000 per federal taxpayer.
- This means that each taxpayer would have to pay \$836,000 to get the United States Government out of debt.

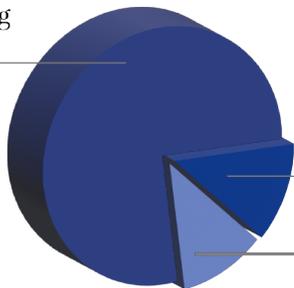
Data included in this report is derived from the *Financial Report of the U.S. Government* for the fiscal year ending September 30, 2021.

United States Government Financial Breakdown

What the Federal Government Owns	
Assets	\$4.89 trillion
What the Federal Government Owes	
Medicare benefits	\$58.1 trillion
Social Security promises	\$45.4 trillion
Publicly held debt	\$22.34 trillion
Military & civilian retirement benefits	\$10.18 trillion
Other liabilities	\$2.25 trillion
Total debt	\$138.28 trillion
Where the Federal Government Stands	
Net Position	-\$133.38 trillion

What Came In?

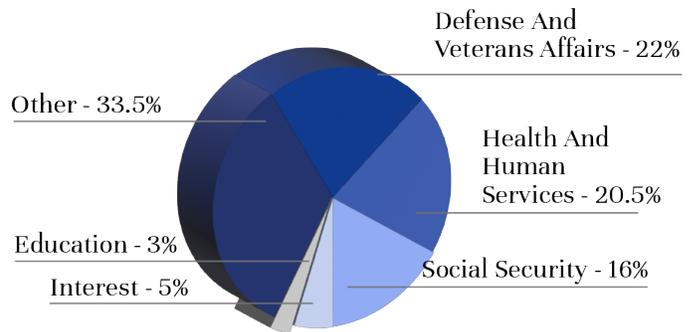
Individual Income Tax and Withholding Taxes - 77%



Excise, Estate, Gift Taxes, and Other Revenue - 12%

Corporate Taxes - 11%

What Went Out?



The Outcome	
Total revenue	\$4.26 trillion
Total expenses	\$7.35 trillion
Reported net operating cost (revenue less expense)	-\$3.09 trillion
Other changes in Net Position, including increases in Social Security and Medicare liabilities	-\$7.18 trillion
Decline in Net Position	-\$10.27 trillion

Truth in Accounting is a 501(c)(3) nonprofit organization committed to educating and empowering citizens with understandable, reliable and transparent government financial information. To be knowledgeable participants in their government and its budget process, citizens need truthful and transparent financial information.