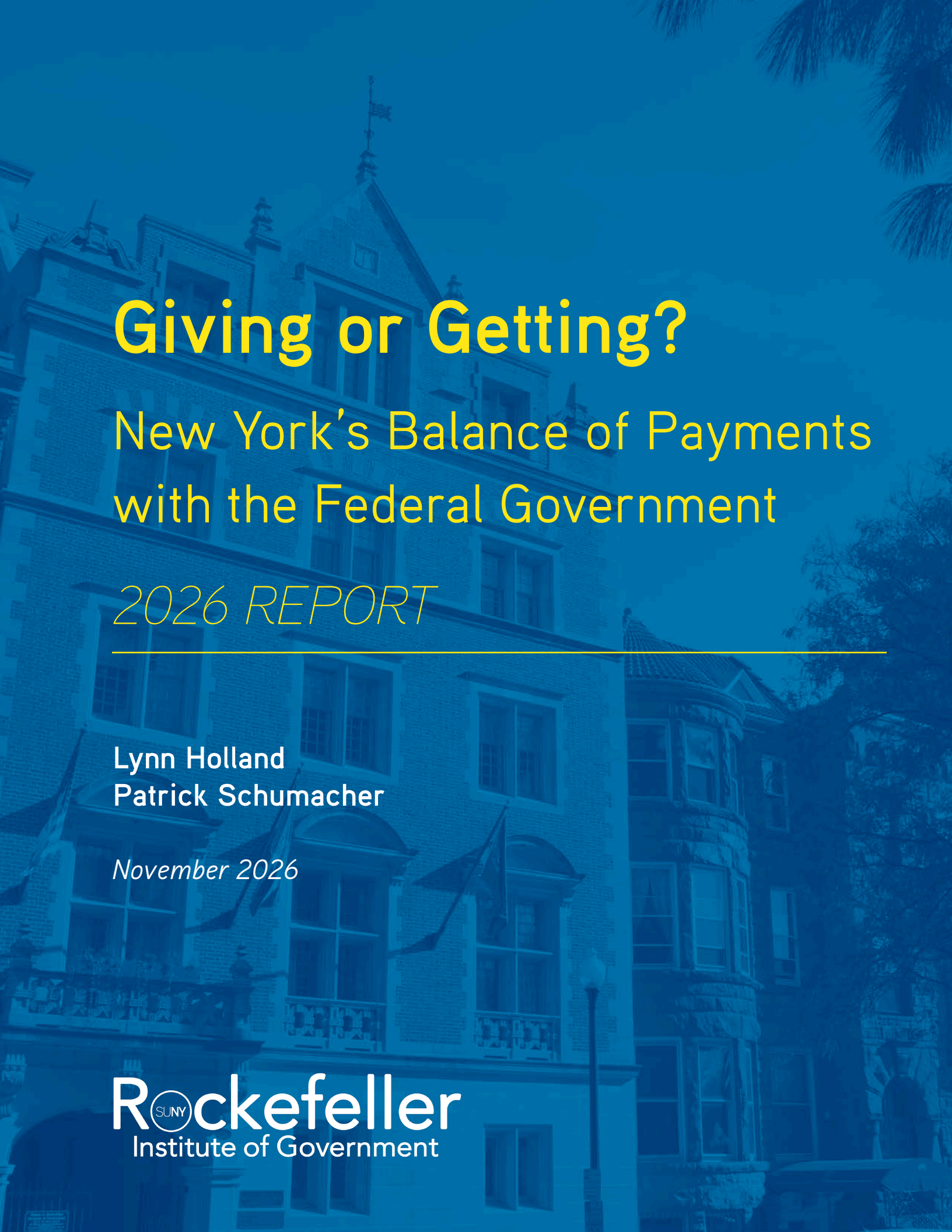


Giving or Getting?

New York's Balance of Payments with the Federal Government

2026 REPORT

Lynn Holland
Patrick Schumacher

November 2026

Rockefeller Institute of Government (SUNY)



ABOUT THE AUTHORS

Lynn Holland is a fellow at the Rockefeller Institute of Government

Patrick Schumacher is a policy analyst at the Rockefeller Institute of Government

KATHY HOCHUL
Governor

BLAKE G. WASHINGTON
Director of the Budget

November 2026

In the ninth edition of *Giving or Getting? New York's Balance of Payments with the Federal Government*, produced by the Rockefeller Institute of Government in collaboration with the New York State Division of the Budget, we delve into how New York State exited the pandemic period by releasing initial estimates for Federal Fiscal Year (FFY) 2024. As Federal funds distributed in response to the COVID-19 pandemic continue to decrease, New York State shifted back to its role as one of the largest overall net donor states to the Federal government.

The latest findings demonstrate continued post-pandemic volatility in New York's overall balance of payments with a shift of $32 billion, from an $13.6 billion positive balance in FFY 2023 to a negative $18.6 billion balance in FFY 2024. This is the largest negative balance of payments for the State since the pandemic began and is similar to the State's FFY 2019 figure. However, this swing in the State's overall balance of payments masks a truth that even the surge in COVID response outlays did not change: on a per-person basis, New Yorkers have never found themselves in even the top half of states. At the height of the pandemic response in FFY 2021, 36 states still received more per-capita from the Federal government than New York did.

As we go forward into our next 250 years, the results presented in this report reconfirm an issue that has plagued the State since our Country's bicentennial - New Yorkers face the same challenges as the rest of the country, from economic and trade instability to rising prices, but must do so with less support from the Federal government than all but two or three other states.

New York State continues to rise to these challenges, as evidenced by the State's Fiscal Year 2027 enacted budget, which includes investments in affordable housing and childcare, as well as the State's rainy day reserves. But New Yorkers know we are stronger together, and I am optimistic that the findings in this report will be heard when the 120th Congress convenes next year. We thank the Rockefeller Institute of Government for continuing to provide the resources necessary to inform lawmakers and constituents in New York State and throughout the country.

Sincerely,



Blake G. Washington
Budget Director



Executive Summary

Each year, trillions of dollars flow between the Federal government and the states, but not all states benefit equally. Some receive far more in federal spending than they pay in taxes, while others contribute substantially more than they get back. In its ninth annual analysis, the Rockefeller Institute of Government examines this redistribution by analyzing the balance of payments. A term popularized by the late Senator Daniel Patrick Moynihan, the balance of payments refers to the net difference between Federal revenue collected from a state and Federal expenditures spent within that state. This report strives to shed light on both the source of these differences and how they have changed over time.

The Rockefeller Institute's annual balance of payments (BOP) analysis is designed to aid policymakers as they deliberate whether there is too much redistribution of funding or too little. The consequences of budgetary decisions can have a profound impact on the economies of their states and the lives of their constituents. The report also explains how Federal policy, the economy, and emergency aid affect what each state pays and receives. This report presents detailed preliminary estimates of revenue and spending data for Federal Fiscal Year (FFY) 2024 and revised estimates for FFY 2023.[1] While the analysis is national in scope, it focuses squarely on New York.

New York has historically been one of the largest contributors to Federal revenues, but prior to the COVID-19 pandemic, the state's return on those tax dollars consistently fell below that of virtually every other state. From 2015 through 2019, New York's balance of payments averaged 49th among the states on a dollar basis and 48th per capita. The COVID-19 pandemic disrupted this pattern: New York posted large positive balances in 2020 and 2021, but saw its BOP fall back to a negative $6.3 billion in 2022 as Federal receipts grew and spending declined. Post-pandemic volatility continued to impact the state economy in 2023, causing New York's balance to again turn positive as receipts fell while pandemic spending continued, albeit at a much lower level. The spending and revenue data now point toward a return to pre-pandemic norms. Preliminary data for FFY 2024 indicate a negative balance for New York of $18.6 billion and a ranking of 48th relative to other states. This result follows a revised positive balance of $13.6 billion for 2023 and a ranking of 25th.

Preliminary analysis of New York 2024 data indicates:

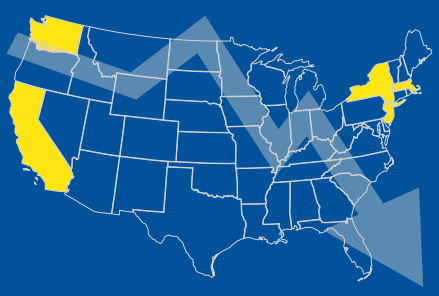
NEW YORK'S
BALANCE OF PAYMENTS

-$18.6 billion

**RANKING 48th
IN THE NATION**

*falling from
the 2023 rank of*

25th



THE BOTTOM FIVE STATES ARE

New Jersey (-$33.7B)
California (-$31.9B)
New York (-$18.6B)
Massachusetts (-$16.7B)
Washington (-$11.6B)

NEW YORK'S PER CAPITA
BALANCE OF PAYMENTS

-$928



DOWN FROM

45th

IN 2023

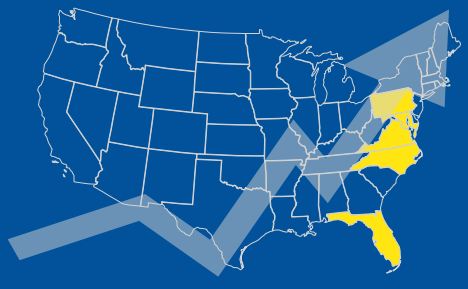
US AVERAGE PER CAPITA
BALANCE OF PAYMENTS

$3,283

New York received

$4,211

LESS THAN NATIONAL AVERAGE



THE TOP FIVE STATES ARE

Virginia ($141.6B)
Maryland ($81.6B)
North Carolina ($54.8B)
Pennsylvania ($54.5B)
Florida ($54.5B)

New York's reversal of fortune in 2024, including its 23-step drop in rank on a total dollar basis, was driven by a substantial increase in Federal revenue collections. Federal revenues collected from New Yorkers rose 11.4 percent between 2023 and 2024, slightly higher than the 11.1 percent increase in national collections allocable to the states. Because of New York's large revenue base, the third largest of the 50 states, its 11.4 percent growth increased the state's contribution to the Federal coffers by $36.6 billion in 2024. At the same time, Federal expenditures in New York grew only 1.3 percent, adding just $4.4 billion, with a $9.4 billion drop in COVID-19 relief spending offsetting most of the $13.8 billion increase in all other Federal spending in the state. The result is a $32.2 billion negative swing in New York's balance of payments for 2024. The wind-down of pandemic aid thus contributed to that swing, though far less than the revenue increase. And because pandemic spending fell in every state, its decline did little to change New York's relative ranking. Had COVID-19 spending in every state remained at 2023 levels, New York would have ranked 47th rather than 48th; and had receipts instead remained at 2023 levels, it would have ranked 26th, essentially unchanged from 25th in 2023.

The impact of Federal emergency COVID-19 spending, which previously had a profound impact on New York's BOP position relative to other states, is now more firmly in the rearview mirror. Pandemic-related spending is estimated to have dropped to approximately $118 billion in FFY 2024, down from $222 billion in 2023 and a peak of nearly $1.8 trillion in 2021. Over the four years from 2020 through 2023, pandemic spending totaled $4.0 trillion (year-by-year figures for New York appear in the discussion of Table 4, and Tables 10 and 11 show each state's balance over time). Because Federal pandemic recovery aid tended to be distributed commensurately with state population, New York's share of Federal spending and its BOP position improved considerably.

Table 1 below presents the average annual balance of payments over the 10 years that the Rockefeller Institute has conducted this analysis and highlights the profound impact that the COVID-19 pandemic has had on New York's balance of payments. The first two columns indicate that New York's average dollar-value balance over the entire period is a positive $11,054 million, yielding a rank of 28th. Only two states, Massachusetts and New Jersey, are net donors on average over the period. But Table 1 also indicates that when pandemic funding is excluded from the analysis, New York's BOP falls to a negative $22.3 billion and a rank of 48th. We conclude from these results that in the absence of the pandemic, New York would have consistently ranked at or near the bottom in all 10 years.

Although the Rockefeller Institute's balance of payments analysis dates only to FFY 2015 in its current form, an examination of the available data for the period from 1998 through 2010 leads to the conjecture that prior to 2020, New York had posted positive balances only in 2009 and 2010, i.e., during and immediately following the Great Recession.[2] That analysis leads us to conclude that for New York and a handful of other states (California, Illinois, Massachusetts, Minnesota, New Jersey, and Washington), only a severe economic contraction can invert their typically net-donor status. The 2024 results presented in this report are consistent with this historical pattern.

TABLE 1 | Average Annual Balance of Payments by Period, FFY 2015–24
(dollars in millions)

State	Actual		Excluding COVID-19 Spending	
	Average BOP	Rank	Average BOP	Rank
Alabama	$43,872	9	$38,816	5
Alaska	$7,837	34	$6,661	28
Arizona	$44,716	8	$36,289	9
Arkansas	$20,081	22	$16,868	22
California	$27,416	19	($32,305)	50
Colorado	$7,746	35	$1,274	38
Connecticut	$4,215	40	($96)	41
Delaware	$4,915	37	$3,678	33
Florida	$66,987	4	$42,887	3
Georgia	$43,308	10	$30,112	12
Hawaii	$11,472	27	$9,580	25
Idaho	$8,006	33	$6,271	30
Illinois	$12,859	26	($4,281)	45
Indiana	$27,005	20	$19,930	20
Iowa	$10,725	29	$7,180	27
Kansas	$9,618	31	$6,603	29
Kentucky	$40,195	12	$35,314	10
Louisiana	$33,121	15	$26,660	15
Maine	$10,074	30	$8,487	26
Maryland	$73,973	2	$66,684	2
Massachusetts	($2,562)	49	($12,248)	47
Michigan	$43,041	11	$29,533	13
Minnesota	$4,695	39	($2,025)	44
Mississippi	$29,217	17	$25,774	16
Missouri	$37,894	13	$31,496	11
Montana	$6,211	36	$4,918	31
Nebraska	$3,688	41	$1,554	37
Nevada	$8,279	32	$4,089	32
New Hampshire	$1,136	48	($423)	43
New Jersey	($15,785)	50	($28,058)	49
New Mexico	$27,835	18	$25,449	17
New York	**$11,054**	**28**	**($22,338)**	**48**
North Carolina	$49,347	7	$38,905	4
North Dakota	$2,303	46	$1,159	39
Ohio	$50,811	6	$37,305	7
Oklahoma	$25,324	21	$21,210	19
Oregon	$16,276	24	$11,403	23
Pennsylvania	$55,232	5	$38,532	6
Rhode Island	$4,765	38	$3,164	34
South Carolina	$33,871	14	$28,668	14
South Dakota	$3,600	43	$2,470	36
Tennessee	$31,673	16	$24,525	18
Texas	$69,240	3	$37,142	8
Utah	$2,592	45	($411)	42
Vermont	$3,610	42	$2,643	35
Virginia	$100,819	1	$92,225	1
Washington	$2,685	44	($6,011)	46
West Virginia	$19,297	23	$17,392	21
Wisconsin	$15,590	25	$9,629	24
Wyoming	$1,842	47	$1,084	40

NOTE: Balance of payments equals Federal expenditures minus Federal receipts; positive values mean a state received more than it paid. "Excluding COVID-19 spending" subtracts Federal COVID-19 relief expenditures from each state's expenditures in every year, 2015–24; receipts are unchanged. Ranks are among the 50 states (1 = largest positive balance).

SOURCE: Rockefeller Institute of Government staff estimates.

Looking ahead, Treasury Department data indicate that total Federal receipts grew 6.4 percent in 2025, while budgetary spending grew 4.1 percent. New York State taxpayers likely made a substantial contribution to that revenue growth based on historical patterns. As a result, New York is likely to post another negative balance of payments for 2025 and to remain near the bottom next year and, barring yet another catastrophic event, for many years going forward.

Key findings from this year's report include:

- Based on preliminary data, New York posted a negative balance of payments of $18.6 billion and a ranking of 48th for 2024; this compares with a positive balance of $13.6 billion and a rank of 25th for 2023. The swing in New York's balance of payments and ranking between the two years was a direct consequence of the swing from a decline in Federal revenue collected from state taxpayers to an increase, with the continued decline in pandemic-related spending playing a secondary role.
- On a per capita basis, New York's BOP swung from a positive $689 in 2023 to a negative $928 in 2024, resulting in a two-step drop in the state's ranking from 45th in 2023 to 47th in 2024. The national average per capita balance of payments for 2024 was $3,283, meaning that New York received $4,211 less than the national average.[3]
- Across all states, allocable Federal receipts rose 11.1 percent in 2024, while total allocable expenditures increased by 3.6 percent. In New York, Federal receipts grew a slightly larger 11.4 percent, and Federal expenditures rose 1.3 percent. On a dollar basis, New York was the third largest contributor of revenue and the fourth largest recipient of Federal spending.
- Nine states posted negative BOPs for 2024. The five states with the least favorable dollar balances in 2024 were New Jersey (-$33.7 billion), California (-$31.9 billion), New York (-$18.6 billion), Massachusetts (-$16.7 billion), and Washington (-$11.6 billion).
- The five states with the most favorable dollar balances in 2024 were Virginia ($141.6 billion), Maryland ($81.6 billion), North Carolina ($54.8 billion), Pennsylvania ($54.5 billion), and Florida ($54.5 billion).
- For every dollar New York sent to the Federal government in 2024, it received $0.95 in Federal expenditures. This compares with an average of $1.24 received for every dollar contributed across the 50 states. As a state with a high concentration of income and wealth, New York continued to contribute significantly more in receipts on a per capita basis ($17,809) than the national average ($13,939), a difference of $3,870.
- The five states with the least favorable BOPs in 2024 on a per capita basis were New Jersey (-$3,550), Massachusetts (-$2,346), Washington (-$1,468), New York (-$928), and California (-$811).
- The five states with the most favorable BOPs in 2024 on a per capita basis were New Mexico ($16,231), Virginia ($16,052), Alaska ($13,718), Maryland ($13,070), and West Virginia ($12,134).

- New York's expansive fiscal capacity is often cited as a reason for New York to subsidize other states, but this argument overlooks the extreme diversity of economic outcomes within the state and the equally diverse needs of its population. In 2024, New York's poverty rate was 14.0 percent (12.1 percent nationally),[4] 16.2 percent of its households received SNAP (11.8 percent nationally),[5] and 29.1 percent of its residents had Medicaid or other means-tested coverage (20.5 percent nationally).[6] The great wealth of a relative few easily masks that need.

Introduction

The revenue collected by the Federal government from each state, Federal spending in the states, and the difference between the two are the subjects of this report. This "balance of payments" (BOP) analysis examines the effects of Federal redistribution policies on states in relation to their contributions to the Federal budget. The report gives particular attention to New York and its standing relative to other states.

Traditionally, some states have received far more in Federal spending than their residents and businesses contribute through taxes, while other states have tended to give far more than they get back. Under the Federal system, grants and other funding flow to states with the highest poverty rates through programs that aid the needy, such as Medicaid, the Supplemental Nutrition Assistance Program (SNAP), and Temporary Assistance for Needy Families (TANF). Payments to individuals under the Social Security and Medicare programs disproportionately flow to states with the largest populations of older residents. States with large defense contracting sectors and more military bases receive more Federal defense spending, while Federal wages are disproportionately concentrated in states with many Federal employees.

On the other side of the ledger, revenue comes primarily from taxes. The most significant of which are personal income and employment taxes, which together account for about 90 percent of allocable Federal revenues. These revenues are raised disproportionately in states with more high-income residents, who pay the highest rates under the progressive Federal income tax. For example, in the 2023 tax year, the most recent year for which detailed Federal tax return data are available, taxpayers with adjusted gross incomes (AGI) of $1 million or more represented 0.5 percent of the total number of returns filed, 16.6 percent of total AGI reported, and 30.8 percent of total income tax liability.[7]

New York taxpayers with Federal AGI of $1 million or more represented 0.7 percent of the total number of tax returns filed, 24.2 percent of total AGI reported, and 40.5 percent of New York taxpayers' total Federal income tax liability. These data highlight the concentration of high-income earners in New York and help explain why the state's contribution to the Federal treasury is so disproportionately large. New York's 2024 population was 63.9 percent of that of Texas, but its contribution to Federal revenues was 87.0 percent of what Texas contributed.

Our analysis provides states and policymakers with detailed information about how Federal spending and revenue burdens are allocated across the states. Understanding

why some states receive more than they give, and vice versa, requires accurate data on how Federal spending and revenue are distributed. This information gives policymakers insight into the absolute and relative magnitudes of the gaps in each state's balance of payments with the Federal government, positive or negative, and can inform decisions about whether current and proposed funding allocations are fair and appropriate given their policy goals.

This report provides an estimate of the 2024 balance of payments based on available preliminary data. It also revises last year's analysis of preliminary 2023 data to reflect actual receipts and expenditures for that year and other updates to the source data.

The analysis consists of two steps:

1. Federal receipts and expenditures from the Federal budget are distributed into major categories and subcategories, all adding up to Federal budget totals.
2. Subcategory totals are allocated to states and US territories based on agency data documenting geographic distributions or appropriate proxies.

Data identifying the geographic source of receipts and location of spending were collected from relevant agencies wherever possible. Where complete data on the distribution of receipts and expenditures were not available, proxies were developed. The appendix details the full methodology and presents revisions to last year's estimates.

Based on preliminary data, New York posted a negative BOP of $18.6 billion in 2024, and its rank fell to 48th from a revised 25th in 2023. There were nine net donor states in 2024. New York's ranking has been less volatile on a per capita basis. New York's per capita balance of payments for 2024 was a negative $928, resulting in a rank of 47th, down from 45th for 2023, 43rd for 2022, 37th for 2021, and 39th for 2020. Thus, New York's per capita rank is on track to approach its average pre-pandemic rank of 48th for the five years from 2015 to 2019.

These results indicate that the Federal budget has largely transitioned away from the pandemic period—when Federal expenditures (and BOPs) were highly correlated with state population—toward more typical spending patterns. The 2020 and 2021 Federal Fiscal Years presented a stark contrast with prior years: after consistently posting negative balances of payments, New York posted large positive balances in both years, dramatically improving its rankings from near the bottom to fourth and fifth most favorable. Owing to an influx of Federal relief and the Federal government's willingness to run large budgetary deficits, there were no net donor states in those two years. However, as relief from the pandemic subsided, net donor states reappeared. The results for 2024 show a virtually complete return to patterns shaped by traditional factors such as state income levels, defense spending, and the geographic distribution of Federal agencies and employees.

New York's Balance of Payments: Preliminary Estimate for Federal Fiscal Year 2024

In Federal Fiscal Year (FFY) 2024, New York State received $18.6 billion less in Federal spending ($337.6 billion) than its taxpayers contributed in Federal revenues ($356.2 billion), resulting in a negative balance of payments (see Table 2). Calculating the balance of payments on a per capita basis controls for population size. By this measure, New York's per capita balance of payments for FFY 2024 is a negative $928, placing the state 47th among the 50 states.

TABLE 2 | Receipts, Expenditures, and Balance of Payments, Federal Fiscal Year 2024

	New York	Average per State	New York Difference
Total Balance of Payments			
Balance of Payments ($ millions)	($18,569)	$22,534	($41,103)
Rank Among 50 States	48		

	New York	US Average	New York Difference
Per Capita Balance of Payments			
Balance of Payments (dollars per person)	($928)	$3,283	($4,211)
Rank Among 50 States	47		
Per Capita Receipts and Expenditures			
Receipts (dollars per person)	$17,809	$13,939	$3,870
Expenditures (dollars per person)	$16,881	$17,222	($341)
Federal Spending Received per Dollar of Taxes Paid	$0.95	$1.24	($0.29)

NOTE: National data are based only on amounts deemed allocable to states; calculations are based on preliminary data and are subject to revision.

SOURCE: Rockefeller Institute of Government analysis of data from the *Budget of the U.S. Government, Fiscal Year 2026*, and from federal agencies and other sources. See methodology appendix for details.

What Drives New York's Balance of Payments?

From 2015 through 2019, the first five years of this analysis, New York consistently posted negative BOPs, driven primarily by the disproportionately large volume of Federal taxes paid by state taxpayers. The COVID-19 pandemic temporarily disrupted this pattern by reducing revenue in 2020 and prompting quick passage of spending programs that tended to distribute funds across the states in proportion to population. For the first time in the history of the Rockefeller Institute's analysis, New York's per capita Federal expenditures exceeded the national average, highlighting the extraordinary need the state faced as the early epicenter of the pandemic.

Recent History of New York's Balance of Payments

Table 3 puts the preliminary results for 2024 into historical perspective by comparing New York's balance of payments, receipts, and expenditures with those of the US for the most recent six years (2019–24). FFY 2019 was generally representative of the first five years of this study, with New York's contribution to Federal receipts exceeding expenditures by $19.2 billion. But the COVID-19 pandemic injected far more volatility into New York's balance of payments over the next four years than had been seen in the previous five. With the declaration of a national emergency and the accompanying shutdown of the economy,[8] New York's contribution to Federal receipts fell 6.0 percent in 2020, while Federal spending in the state rose 63.7 percent. As indicated in Table 3, the state's BOP swung from a negative $19.2 billion in 2019 to a positive $149.6 billion in 2020, the fourth largest among the states.

TABLE 3 | New York's Balance of Payments: 2019–24

	2019	2020	2021	2022	2023	2024	Six-Year Average
Total ($ millions)							
New York							
Receipts	$259,708	$244,069	$294,793	$348,711	$319,653	$356,214	$303,858
Expenditures	$240,522	$393,699	$423,167	$342,369	$333,278	$337,645	$345,114
Balance of Payments	($19,186)	$149,630	$128,374	($6,342)	$13,625	($18,569)	$41,255
United States (Average of the States)							
Receipts	$65,919	$64,503	$76,418	$92,885	$86,144	$95,679	$80,258
Expenditures	$82,587	$123,898	$130,337	$112,304	$114,109	$118,213	$113,575
Balance of Payments	$16,668	$59,396	$53,919	$19,420	$27,965	$22,534	$33,317
Per Capita ($)							
New York							
Receipts	$12,844	$12,129	$14,862	$17,689	$16,155	$17,809	$15,248
Expenditures	$11,895	$19,565	$21,334	$17,368	$16,844	$16,881	$17,314
Balance of Payments	($949)	$7,436	$6,472	($322)	$689	($928)	$2,066
United States							
Receipts	$9,882	$9,631	$11,393	$13,772	$12,670	$13,939	$11,881
Expenditures	$12,381	$18,500	$19,432	$16,652	$16,783	$17,222	$16,828
Balance of Payments	$2,499	$8,869	$8,039	$2,879	$4,113	$3,283	$4,947
New York's Excess Burden	**($3,448)**	**($1,433)**	**($1,567)**	**($3,201)**	**($3,424)**	**($4,211)**	**($2,881)**

NOTE: US total reflects the amount that can be allocated among the 50 states. 2019-2023 are revised figures. 2024 shows preliminary figures.

SOURCE: Rockefeller Institute of Government analysis of data from the *Budget of the U.S. Government, Fiscal Year 2026*, from federal agencies, and other sources. See methodology appendix for details.

New York's Federal tax receipts grew 20.8 percent in 2021 and another 18.3 percent in 2022 as the state's economic recovery from the pandemic progressed and financial markets boomed. However, the pandemic recovery also subjected the US and the rest of the world to the highest rates of inflation since the 1970s, peaking in the US at 8.6 percent during the second quarter of 2022 on a year-ago basis.[9] The Federal Reserve's effort to stem the inflation tide triggered a historic round of monetary tightening that lasted from March 2022 to July 2023 and raised its short-term target interest rate by 525 basis points. Those increases, in turn, negatively impacted both the financial markets and the real economy, particularly its most interest-rate sensitive sectors, such as real estate and autos. The S&P 500 lost approximately 20 percent of its value over the first 10 months of 2022. Financial market fluctuations generally reverberate throughout the nation, but because of the importance of the financial sector to the state economy, their impact tends to be amplified in New York.

Financial market volatility affects individual income tax revenues primarily through two components of income: private sector bonus wages and capital gains realizations. Whether in the form of direct cash payments or stock grants, bonus payments are treated as ordinary wages for tax purposes. Therefore, these payments are subject to withholding, and their revenue impact is contemporaneous. A firm's financial performance over the course of a given calendar year is traditionally reflected in bonus payouts made in the fourth quarter of that year or the first quarter of the following calendar year. Thus, weak financial market performance in calendar year 2022 would have a negative impact on Wall Street bonuses paid and corresponding tax receipts collected in FFY 2023.[10] The New York State Division of the Budget (DOB) estimates that bonuses paid across all sectors of the state's economy fell 17.8 percent over the four quarters of FFY 2023, after two consecutive double-digit increases in 2021 and 2022. Because bonus income is typically taxed at the highest marginal rates, fluctuations in bonus income can have a large effect on tax collections.

Poor financial market performance also reduces income tax receipts through lower capital gains. In years of poor equity market performance, individuals may hold assets longer, and those who do sell realize smaller gains. According to the Congressional Budget Office (CBO), positive capital gains realizations fell 38.1 percent nationwide in tax year 2022, while DOB estimates that realizations by New York taxpayers fell an even steeper 46.7 percent, following two consecutive years of unusually strong growth.[11] Unlike wages, realized capital gains income is not subject to withholding. Although taxpayers can adjust their quarterly estimated payments, taxpayers who have realized substantial capital gains often delay reconciling with the Federal and state tax authorities until either the final estimated payment of the tax year or the tax filing season early the following year. Consequently, the revenue impact of policies aimed at curbing inflation and the resulting downturn in financial markets was felt almost entirely during the 2023 Federal Fiscal Year.

Consistent with these developments, New York's per capita receipts fell by $1,534 in 2023, compared to a national average decline of $1,102, based on revised data. As indicated in Table 3 above, by 2023, New York's excess burden (the amount by which its per capita BOP trails the national average) stood at $3,424, remaining high despite the state's positive balance for the year. By 2024, these trends had reversed

yet again. State bonus payouts are estimated to have swung from a 17.8 percent decline in FFY 2023 to 3.8 percent growth in FFY 2024. Net capital gains realizations continued to fall in 2023, though by much less (18.8 percent), before rebounding by an estimated 54.9 percent in 2024 as equity markets powered forward, while taxable interest and dividend income grew a combined 57.4 percent during the 2023 tax year and another 33.6 percent in 2024.[12] Wealthy taxpayers appear to have adjusted their quarterly estimated payments accordingly. New Yorkers' contribution to allocable Federal receipts grew an estimated 11.4 percent, based on preliminary data, compared to national growth of 11.1 percent. These trends resulted in the reversal of fortune shown in Table 3 and returned New York to its historical position near the bottom of the BOP ladder. Moreover, New York's excess burden is estimated to have risen to $4,211, the highest in the history of this analysis.

Dissecting New York's 2024 Balance of Payments

FIGURE 1 | New York: FFY 2024 Per Capita Revenues and Expenditures

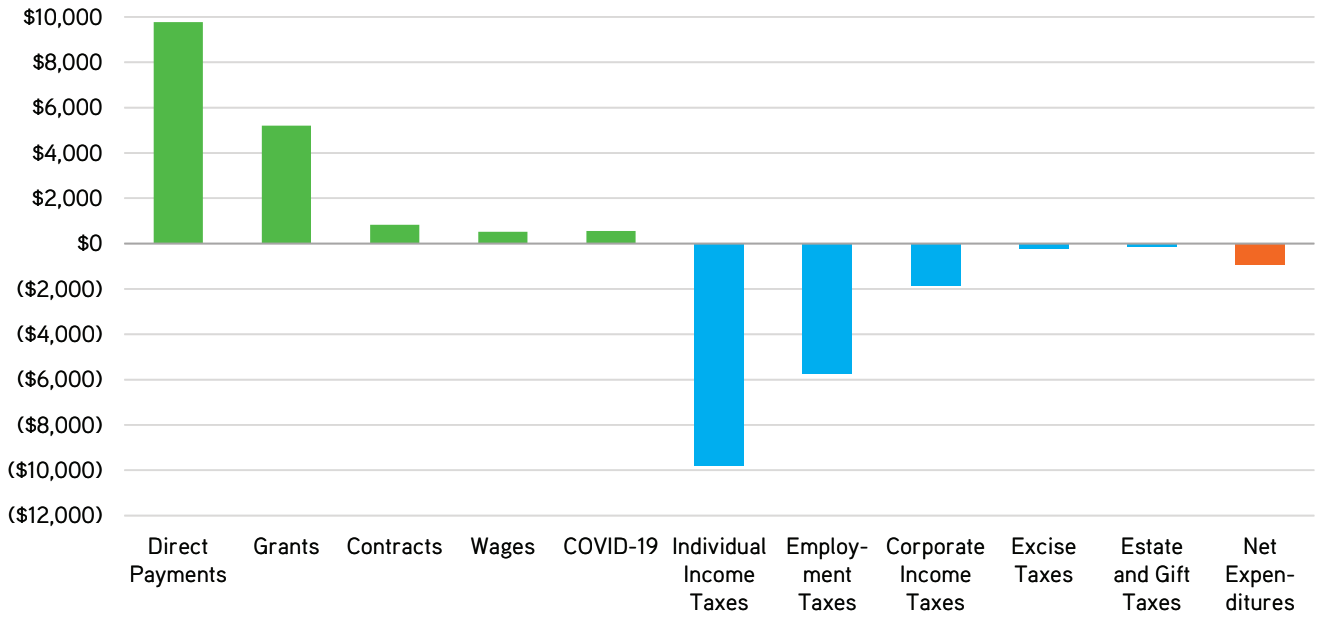


Figure 1 depicts the relative magnitudes of the major components of per capita revenues and expenditures for 2024. Table 4 provides a detailed breakdown of New York's per capita balance of payments compared to the national average for 2024. New York consistently ranks near the top of the states in per capita Federal receipts because of its large number of high-income households; it ranked fourth in 2024. Among the various categories of Federal receipts, individual income tax collections are the largest component and the most important driver of the difference between New York and the nation on a per capita basis. In 2024, New Yorkers paid $9,804 per capita in Federal individual income taxes, which is $2,761 or 39 percent above the national average of $7,043. The remainder of New York's difference with the nation stems from higher-than-average per capita payments for employment taxes ($764),

corporate income taxes ($348), and estate and gift taxes ($47). Only per capita excise tax collections are below the national average, almost entirely because New Yorkers pay less in Federal fuel taxes, owing to New Yorkers' heavy reliance on public transit relative to other states.

TABLE 4 | New York's Per Capita Balance of Payments with the Federal Government for FFY 2024, Estimates of Per Capita Federal Receipts, Expenditures, and Balance of Payments
(Only includes amounts deemed allocable to states)

	New York	United States	New York Difference	New York Indexed to US=100	New York Rank Among 50 States
Balance of Payments (Expenditures Minus Receipts)	**($928)**	**$3,283**	**($4,211)**	**—**	**47**
Ratio: Expenditures to Receipts	$0.95	$1.24	($0.29)	—	—
Receipts	**$17,809**	**$13,939**	**$3,870**	**128**	**4**
Individual Income Tax	$9,804	$7,043	$2,761	139	3
Employment Taxes	$5,731	$4,966	$764	115	7
Corporate Income Taxes	$1,890	$1,542	$348	123	5
Excise Taxes	$246	$295	($49)	83	49
Estate and Gift Taxes	$139	$92	$47	151	5
Expenditures	**$16,881**	**$17,222**	**($341)**	**98**	**28**
Direct Payments for Individuals	$9,774	$10,514	($740)	93	41
Grants	$5,200	$3,059	$2,141	170	3
Contracts and Procurement	$831	$2,282	($1,451)	36	43
Wages	$518	$1,026	($508)	50	45
COVID-19 Spending	$559	$341	$217	164	2

SOURCE: Rockefeller Institute of Government analysis of data from the *Budget of the U.S. Government, Fiscal Year 2026*, and from federal agencies and other sources. See methodology appendix for details.

Federal spending falls into five major categories: direct payments to individuals, grants, contracts, wages, and COVID-19 emergency spending. Direct payments to individuals, primarily Social Security and Medicare, remained the largest component nationally. Grants, driven by Medicaid and other social programs, were the second largest. These two categories generally correlate with population, while contracts and wages depend more on the location of Federal contractors and employees.

Table 4 also presents per capita Federal expenditures for New York compared to the nation. Unlike receipts, where the state consistently ranks near the top, New York ranked 28th as a destination for Federal expenditures for 2024, with per capita Federal spending in New York ($16,881) trailing the national average ($17,222) by $341, indicating a return to pre-pandemic norms, as anticipated in last year's report. The 2024 gap stemmed from lower-than-average expenditures in New York for direct payments to individuals, contracts, and Federal wages. These amounts were partially offset by grant spending, in which New York has traditionally had an advantage, and by remaining pandemic-related spending. Although it is now small, COVID-19 relief spending in New York still totaled $11.2 billion in 2024, or $559 per capita compared with a national average of $341. That total is down from $20.6 billion in 2023 and $35.8 billion in 2022, and it is a small fraction of the $123.1 billion and $143.2 billion the state received in 2020 and 2021.

The Balance of Payments Across the States

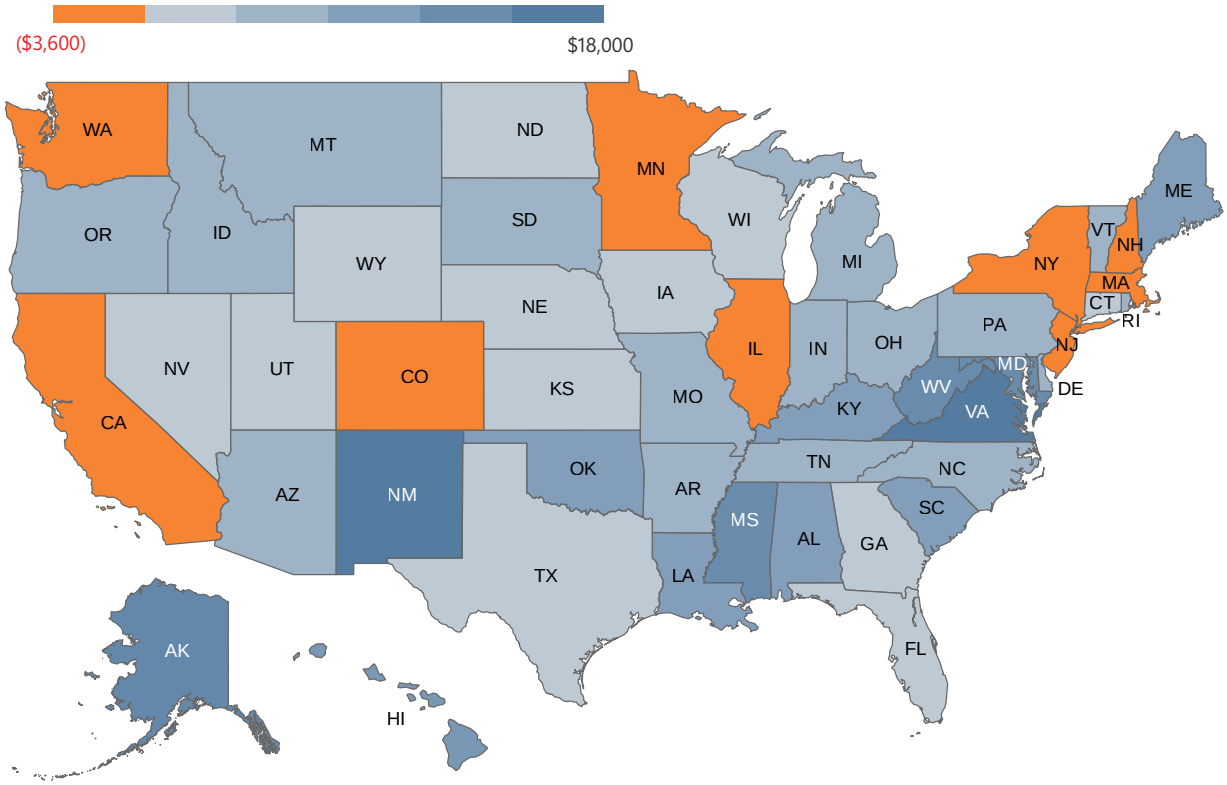
The annual balance of payments in any given state is influenced by several factors. States that have a disproportionately large percentage of high-income earners (such as New York, New Jersey, Connecticut, Massachusetts, California) will inherently pay more in Federal personal income taxes on a per capita basis. Higher Federal spending can offset the receipts side of the balance of payments equation. This is the case in Virginia, a relatively high-income state with disproportionately high spending on Federal employees, DC-area agencies, and government contractors. Other states, such as New Mexico and Alaska, have lower income levels but high levels of Federal spending due to large government and military facilities or large numbers of government contractors in the region. Structural factors such as these rarely shift dramatically from year to year, so they keep a state's balance of payments ranking relatively stable. Other factors, such as the timing of Federal expenditures for large initiatives, may be large enough to affect a state's ranking in a given year, though the effect may be temporary. The Federal response to the COVID-19 pandemic was precisely one of those large temporary initiatives that profoundly impacted states' balance of payments rankings, none more dramatically than for New York.[13]

Figure 2 maps the 2024 per capita balance of payments positions for each of the 50 states based on total Federal spending. Based on preliminary data, nine states (New Jersey, California, New York, Massachusetts, Washington, Illinois, Minnesota, New Hampshire, and Colorado) had negative total dollar BOPs for 2024. When the remaining COVID-19 spending is excluded from the analysis, one additional state, Connecticut, shows a negative balance. This result highlights how understanding a state's balance of payments requires considering both its underlying structural profile and the impact of major, time-bound Federal initiatives like the pandemic response.

Tables 5 and 6 illustrate the recent volatility in New York's balance of payments ranking on both a dollar and per capita basis. Table 5 shows how New York's dollar-basis ranking zig-zagged from 46th for 2022, to 25th for 2023, to 48th for 2024, based on preliminary data. The pandemic's effects reached beyond Federal spending. As described in the Recent History section, the inflation that followed and the Federal Reserve's response to it depressed financial markets in 2022. Lower capital gains and bonuses then reduced New Yorkers' Federal tax payments in 2023, and those payments rose again in 2024 as markets recovered.

› Explore this data with our interactive dashboard at rockinst.org/bop

FIGURE 2 | Per Capita Balance of Payments, FFY 2024



SOURCE: Rockefeller Institute of Government.

TABLE 5 | Estimated Distribution of Federal Receipts and Expenditures by State, FFY 2024
(Dollars in Millions)

State	Receipts	Expenditures	Expenditures per Dollar of Receipts	Balance of Payments	2024 Rank	2023 Rank	2022 Rank
Virginia	$133,996	$275,565	$2.06	$141,569	1	1	1
Maryland	$98,551	$180,180	$1.83	$81,629	2	3	2
North Carolina	$129,385	$184,154	$1.42	$54,769	3	7	4
Pennsylvania	$176,583	$231,103	$1.31	$54,520	4	5	5
Florida	$344,118	$398,635	$1.16	$54,517	5	4	24
Alabama	$49,950	$102,086	$2.04	$52,137	6	9	6
Ohio	$133,427	$184,143	$1.38	$50,716	7	6	3
Kentucky	$43,183	$91,118	$2.11	$47,935	8	10	8
Arizona	$92,574	$136,313	$1.47	$43,739	9	8	9
Texas	$409,423	$450,513	$1.10	$41,090	10	2	7
Missouri	$72,119	$113,012	$1.57	$40,892	11	13	12
South Carolina	$59,434	$100,255	$1.69	$40,822	12	14	15
Michigan	$118,798	$158,401	$1.33	$39,603	13	12	10
Louisiana	$43,768	$81,719	$1.87	$37,951	14	15	11
Georgia	$130,575	$168,303	$1.29	$37,728	15	11	13
New Mexico	$20,089	$54,608	$2.72	$34,519	16	16	14
Mississippi	$24,168	$56,307	$2.33	$32,139	17	17	18
Oklahoma	$40,904	$70,471	$1.72	$29,567	18	19	17
Tennessee	$88,297	$114,889	$1.30	$26,591	19	18	16
Indiana	$76,978	$102,926	$1.34	$25,948	20	20	19
West Virginia	$15,294	$36,739	$2.40	$21,445	21	21	21
Arkansas	$31,273	$50,761	$1.62	$19,487	22	22	20
Wisconsin	$75,180	$92,467	$1.23	$17,287	23	24	22
Oregon	$55,916	$72,403	$1.29	$16,487	24	23	23
Hawaii	$17,705	$33,341	$1.88	$15,636	25	26	25
Maine	$16,530	$27,950	$1.69	$11,420	26	27	28
Iowa	$37,821	$48,355	$1.28	$10,534	27	29	29
Alaska	$9,762	$19,866	$2.04	$10,104	28	32	27
Kansas	$35,642	$45,512	$1.28	$9,870	29	30	26
Idaho	$22,458	$31,021	$1.38	$8,564	30	34	30
Montana	$14,286	$20,136	$1.41	$5,849	31	36	31
Delaware	$13,369	$19,025	$1.42	$5,656	32	38	33
Nevada	$45,898	$50,491	$1.10	$4,593	33	35	38
Rhode Island	$15,063	$19,212	$1.28	$4,149	34	40	32
Vermont	$8,403	$12,273	$1.46	$3,870	35	42	35
South Dakota	$12,416	$15,994	$1.29	$3,578	36	43	34
Nebraska	$26,390	$28,537	$1.08	$2,148	37	41	37
North Dakota	$11,220	$12,772	$1.14	$1,552	38	45	36
Utah	$43,974	$45,182	$1.03	$1,208	39	44	40
Wyoming	$10,129	$11,195	$1.11	$1,066	40	46	39
Connecticut	$73,544	$74,358	$1.01	$814	41	31	42
Colorado	$98,048	$97,860	$1.00	($187)	42	37	41
New Hampshire	$24,449	$24,233	$0.99	($215)	43	47	43
Minnesota	$84,655	$83,506	$0.99	($1,149)	44	39	44
Illinois	$188,369	$187,219	$0.99	($1,150)	45	28	45
Washington	$140,076	$128,441	$0.92	($11,634)	46	48	47
Massachusetts	$140,154	$123,411	$0.88	($16,743)	47	49	48
New York	**$356,214**	**$337,645**	**$0.95**	**($18,569)**	**48**	**25**	**46**
California	$670,080	$638,150	$0.95	($31,930)	49	33	50
New Jersey	$171,486	$137,738	$0.80	($33,748)	50	50	49

SOURCE: Rockefeller Institute of Government analysis of data from the *Budget of the U.S. Government, Fiscal Year 2026*, and from federal agencies and other sources; see "Appendix: Objectives, Scope, and Methodology" for details.

TABLE 6 | Estimated Per Capita Distribution of Federal Receipts and Expenditures by State, FFY 2024

(Dollars Per Capita)

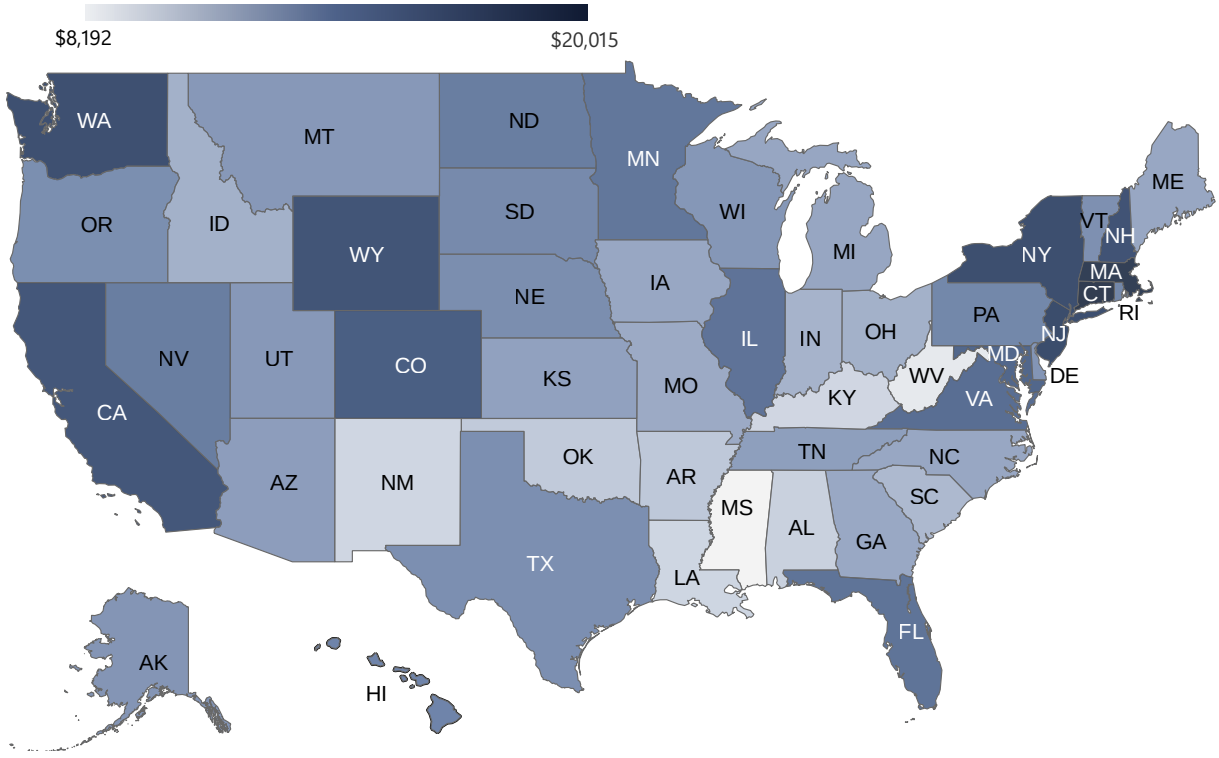
State	Receipts	Expenditures	Expenditures per Dollar of Receipts	Balance of Payments	2024 Rank	2023 Rank	2022 Rank
New Mexico	$9,446	$25,677	$2.72	$16,231	1	2	1
Virginia	$15,193	$31,244	$2.06	$16,052	2	1	3
Alaska	$13,253	$26,972	$2.04	$13,718	3	3	4
Maryland	$15,780	$28,850	$1.83	$13,070	4	4	2
West Virginia	$8,654	$20,787	$2.40	$12,134	5	5	5
Hawaii	$12,338	$23,235	$1.88	$10,897	6	9	10
Mississippi	$8,192	$19,086	$2.33	$10,894	7	6	6
Kentucky	$9,420	$19,877	$2.11	$10,457	8	7	7
Alabama	$9,674	$19,772	$2.04	$10,098	9	8	8
Louisiana	$9,484	$17,708	$1.87	$8,224	10	10	9
Maine	$11,736	$19,845	$1.69	$8,108	11	11	13
South Carolina	$10,825	$18,260	$1.69	$7,435	12	12	14
Oklahoma	$9,982	$17,197	$1.72	$7,215	13	13	11
Missouri	$11,551	$18,101	$1.57	$6,550	14	15	16
Arkansas	$10,101	$16,395	$1.62	$6,294	15	16	12
Vermont	$12,997	$18,984	$1.46	$5,986	16	17	17
Arizona	$12,251	$18,039	$1.47	$5,788	17	14	15
Delaware	$12,731	$18,117	$1.42	$5,386	18	19	19
Montana	$12,559	$17,701	$1.41	$5,142	19	18	18
North Carolina	$11,707	$16,662	$1.42	$4,956	20	20	21
Idaho	$11,224	$15,504	$1.38	$4,280	21	27	30
Ohio	$11,250	$15,526	$1.38	$4,276	22	21	24
Pennsylvania	$13,536	$17,715	$1.31	$4,179	23	22	28
Michigan	$11,762	$15,683	$1.33	$3,921	24	24	26
Oregon	$13,109	$16,975	$1.29	$3,865	25	23	31
South Dakota	$13,392	$17,252	$1.29	$3,860	26	31	25
Indiana	$11,100	$14,842	$1.34	$3,742	27	28	23
Rhode Island	$13,565	$17,301	$1.28	$3,737	28	25	22
Tennessee	$12,177	$15,844	$1.30	$3,667	29	26	20
Georgia	$11,654	$15,021	$1.29	$3,367	30	29	32
Kansas	$12,020	$15,348	$1.28	$3,328	31	30	27
Iowa	$11,708	$14,968	$1.28	$3,261	32	32	33
Wisconsin	$12,620	$15,522	$1.23	$2,902	33	36	34
Florida	$14,791	$17,134	$1.16	$2,343	34	33	38
North Dakota	$14,142	$16,098	$1.14	$1,956	35	38	29
Wyoming	$17,264	$19,081	$1.11	$1,817	36	34	35
Nevada	$14,107	$15,519	$1.10	$1,412	37	39	39
Texas	$13,073	$14,385	$1.10	$1,312	38	37	36
Nebraska	$13,158	$14,229	$1.08	$1,071	39	40	37
Utah	$12,553	$12,898	$1.03	$345	40	44	40
Connecticut	$20,015	$20,236	$1.01	$222	41	35	44
Colorado	$16,373	$16,341	$1.00	($31)	42	41	41
Illinois	$14,829	$14,738	$0.99	($91)	43	42	42
New Hampshire	$17,358	$17,205	$0.99	($153)	44	47	47
Minnesota	$14,602	$14,404	$0.99	($198)	45	43	45
California	$17,022	$16,211	$0.95	($811)	46	46	46
New York	**$17,809**	**$16,881**	**$0.95**	**($928)**	**47**	**45**	**43**
Washington	$17,669	$16,201	$0.92	($1,468)	48	48	48
Massachusetts	$19,633	$17,288	$0.88	($2,345)	49	49	49
New Jersey	$18,039	$14,489	$0.80	($3,550)	50	50	50

SOURCE: Rockefeller Institute of Government analysis of data from the *Budget of the U.S. Government, Fiscal Year 2026*, and from federal agencies and other sources. See methodology appendix for details.

Receipts

On one side of the balance of payments calculation is the amount a state pays in taxes to the Federal government. Figure 3 shows per capita Federal receipts by state for 2024. The more darkly shaded states post the highest per capita Federal tax payments, while the more lightly shaded states have the lowest payments. States paying the highest Federal taxes per capita tend to have high per capita incomes. New York is among the darker blue groups, ranking fourth highest in per capita receipts, behind only neighboring states Connecticut, Massachusetts, and New Jersey. Washington rounds out the top five.

FIGURE 3 | Per Capita Federal Receipts, FFY 2024



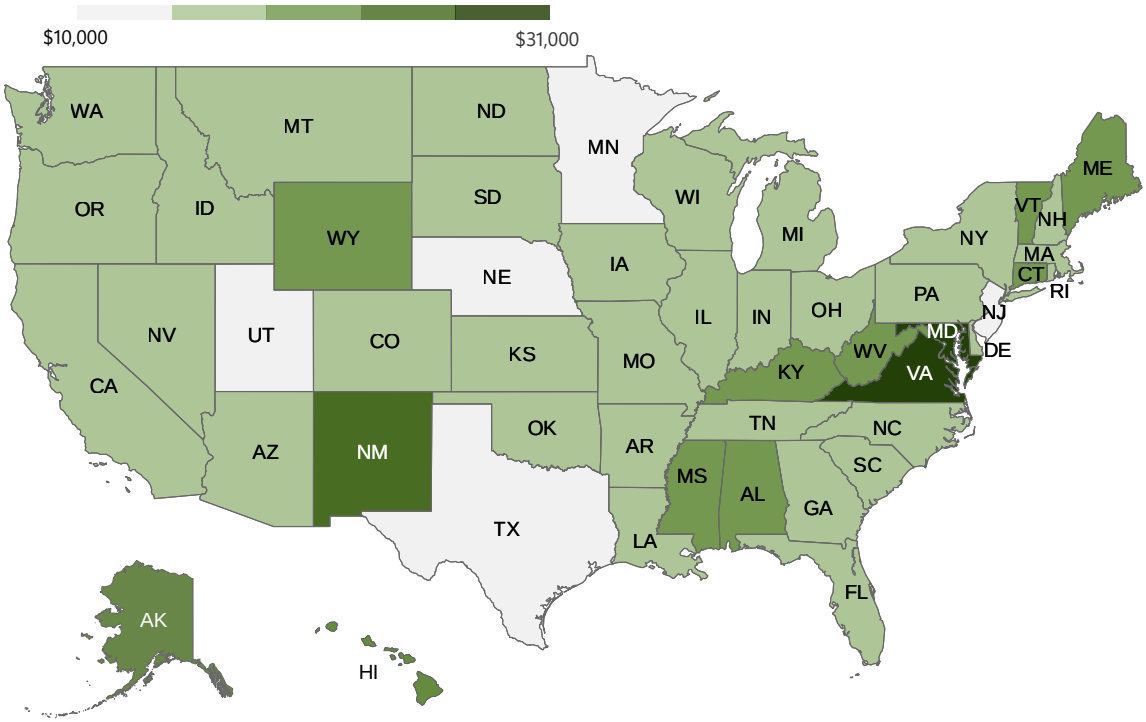
SOURCE: Rockefeller Institute of Government.

Expenditures

The other side of the balance of payments equation is Federal spending. Figure 4 shows per capita Federal expenditures by state for 2024. The darkly shaded states have the highest Federal spending per capita. Virginia and Maryland are geographically adjacent to the District of Columbia and account for disproportionately large amounts of Federal wages and procurement spending. Alabama, Connecticut, and Mississippi benefit from a disproportionately large volume of Federal contracts. Other dark-shaded states have relatively high poverty rates and receive considerable Federal spending under Medicaid and other social welfare programs. Prior to 2020, New York's per capita Federal spending was consistently below the US average by a modest $299 to $632 (3 to 6 percent), placing New York between 28th and 34th among the states. However, because pandemic relief was heavily weighted toward direct payments to individuals and grants to state and local governments, New York's per capita Federal

spending exceeded the national average in each of the four years from 2020 to 2023. By 2024, New York was back to pre-pandemic patterns, ranking 28th and falling short of the national average by $341.

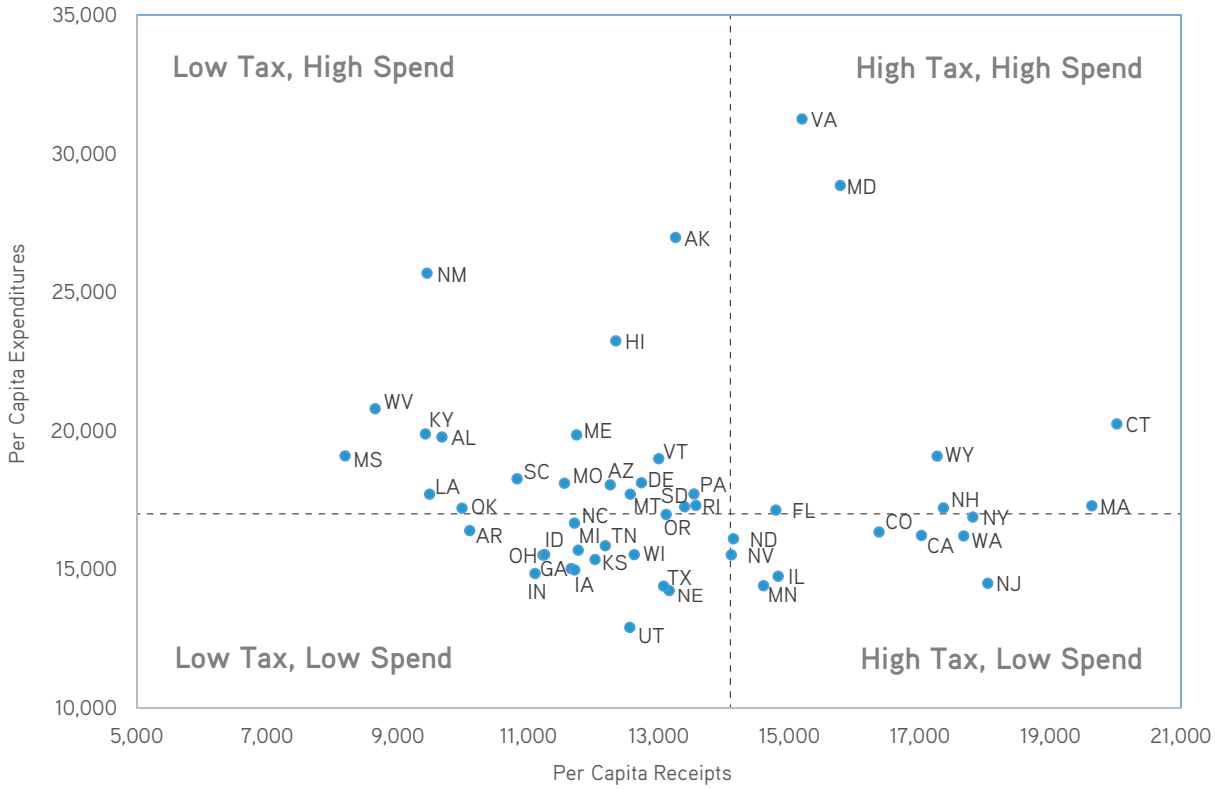
FIGURE 4 | Per Capita Federal Expenditures, FFY 2024



SOURCE: Rockefeller Institute of Government.

Figure 5 shows each state's position relative to other states based on per capita expenditures and receipts combined. The dashed lines indicate the national average for 2024. As discussed, New York's per capita receipts are substantially higher than the US average, while per capita spending is below average. Other states are high or low for various reasons: the outliers Maryland and Virginia, for example, both have dramatically higher Federal spending per capita than the average state, because they are near the headquarters of most of the Federal government and receive disproportionately large amounts of Federal spending for procurement and Federal wages. Per capita receipts for these two states are also above the national average due to their relatively high average incomes. Alaska and New Mexico also receive disproportionately high Federal spending, driven by infrastructure, defense, and social programs, but as lower-income states, they contribute below-average per capita receipts.

FIGURE 5 | Federal Receipts and Expenditures Per Capita, FFY 2024



SOURCE: Rockefeller Institute of Government.

A Closer Look at the Top Five and Bottom Five States

Table 7 shows per capita balance of payments data for the five states with the highest and lowest balances relative to the national average, including New York. The states posting the highest positive balances change little from year to year, with New Mexico, Virginia, Alaska, Maryland, and West Virginia almost always in the top five. These states receive substantially higher per capita Federal expenditures, primarily because of Federal procurement contracts, defense installations, and infrastructure spending. Of these, Virginia and Maryland also contribute above-average Federal receipts, reflecting relatively high incomes, while New Mexico, Alaska, and West Virginia provide below-average receipts.

TABLE 7 | Per Capita Balance of Payments: Top Five and Bottom Five States, FFY 2024
(dollars per capita)

State	Total Balance of Payments		Total Receipts		Total Expenditures	
	Level	Difference from US	Level	Difference from US	Level	Difference from US
New Mexico	$16,231	$12,948	$9,446	($4,493)	$25,677	$8,455
Virginia	$16,052	$12,769	$15,193	$1,254	$31,244	$14,023
Alaska	$13,718	$10,435	$13,253	($686)	$26,972	$9,750
Maryland	$13,070	$9,788	$15,780	$1,841	$28,850	$11,629
West Virginia	$12,134	$8,851	$8,654	($5,285)	$20,787	$3,565
United States	**$3,283**	**—**	**$13,939**	**—**	**$17,222**	**—**
California	($811)	($4,094)	$17,022	$3,083	$16,211	($1,011)
New York	**($928)**	**($4,211)**	**$17,809**	**$3,870**	**$16,881**	**($341)**
Washington	($1,468)	($4,750)	$17,669	$3,730	$16,201	($1,021)
Massachusetts	($2,345)	($5,628)	$19,633	$5,694	$17,288	$66
New Jersey	($3,550)	($6,833)	$18,039	$4,100	$14,489	($2,733)

NOTE: US data reflects allocable spending and receipts.
SOURCE: Rockefeller Institute of Government.

Prior to the pandemic, the five states at the bottom in 2024 (New Jersey, Massachusetts, Washington, New York, and California) consistently had negative balances due to their relatively high per capita contributions to Federal revenues. These states also posted below-average Federal expenditures, except for Massachusetts, which tended to receive higher expenditures than the national average on a per capita basis. All five states returned to their traditionally negative positions in 2024. New York had the fourth-highest per capita receipts in 2024 and below-average per capita expenditures.

Expenditures

Traditionally, the four major categories of Federal spending used in the balance of payments calculations have been direct payments for individuals under programs such as Social Security and Medicare, Federal grants to state and local governments, contracts and other forms of Federal procurement, and the wages of Federal workers. Although pandemic spending significantly altered the distribution of spending across these categories, by 2024, the distribution was starting to closely mirror its pre-pandemic profile.

Over the five fiscal years that preceded the pandemic, 2015 through 2019, direct payments for individuals accounted for an annual average of 61.9 percent of total Federal expenditures; in 2024, that share was 61.0 percent. As a result, this one category can exert the greatest influence on the expenditure side of the balance of payments calculation. The Old-Age, Survivors, and Disability Insurance Program (popularly known as Social Security) is the nation's largest direct payments program, providing monthly benefits designed to replace the loss of income due to retirement, disability, or death. The next largest direct payments program is Medicare, which funds medical care for qualifying Americans 65 and older and some people with disabilities who

receive Social Security Disability Insurance (SSDI). Together, Social Security and Medicare constituted an average of 69.7 percent of direct payments annually during the five-year period preceding the pandemic, with spending under these programs closely linked to the size of a state's population of older residents; in 2024, that share was 68.8 percent, slightly below that average.[14] A state's demographic composition tends to be stable, insulating direct payments from substantial annual flux. Variation across states in the three other expenditure categories (grants, contracts, and wages) can significantly affect which states have the highest and lowest total per capita expenditures.

Grants to state and local governments represent the second largest category of Federal expenditures after direct payments and accounted for an annual average of 17.7 percent of total spending over the five fiscal years preceding 2020; in 2024, that share was 17.8 percent. The largest component of this category is the Medicaid program, which is jointly funded by the Federal government and the states (and, in some instances, localities). Medicaid alone accounted for 9.1 percent of Federal spending in 2024. Due to Medicaid's joint financing arrangement, states are heavily reliant on Federal funding to support their Medicaid programs, which vary from state to state.[15] In 2024, the Federal government contributed more than $617 billion nationally to state Medicaid programs; New York received approximately 10 percent, roughly equal to its share of national enrollment. Other significant components include Federal highway spending, additional safety net programs such as TANF, SNAP, and Federal education grants, including the Title I program for K-12 education and Pell Grants for postsecondary education. The decision whether to participate in Medicaid expansion under the Affordable Care Act program appears to have had a significant impact on the variability of per capita Federal spending in this category across states.[16]

TABLE 8 | Per Capita Expenditures: Top-Five and Bottom-Five States, FFY 2024
(New York included for reference)

	Total Spending		Direct Payments		Grants		Contracts		Wages		COVID-19	
State	Level	Difference from US	Level	Difference from US	Level	Difference from US	Level	Difference from US	Level	Difference from US	Level	Difference from US
Virginia	$31,244	$14,023	$11,351	$837	$2,687	($372)	$14,506	$12,224	$2,447	$1,421	$253	($88)
Maryland	$28,850	$11,629	$11,111	$598	$3,078	$19	$10,160	$7,879	$4,172	$3,146	$329	($13)
Alaska	$26,972	$9,750	$9,608	($906)	$6,159	$3,100	$6,283	$4,001	$4,190	$3,164	$732	$391
New Mexico	$25,677	$8,455	$11,498	$984	$6,216	$3,157	$5,796	$3,515	$1,778	$752	$388	$47
Hawaii	$23,235	$6,013	$11,351	$838	$3,036	($24)	$4,974	$2,692	$3,521	$2,495	$353	$12
New York	**$16,881**	**($341)**	**$9,774**	**($740)**	**$5,200**	**$2,141**	**$831**	**($1,451)**	**$518**	**($508)**	**$559**	**$217**
United States	**$17,222**	**—**	**$10,514**	**—**	**$3,059**	**—**	**$2,282**	**—**	**$1,026**	**—**	**$341**	**—**
New Jersey	$14,489	($2,733)	$9,786	($728)	$2,814	($246)	$1,142	($1,139)	$391	($634)	$356	$14
Minnesota	$14,404	($2,818)	$9,761	($752)	$3,171	$112	$656	($1,626)	$579	($446)	$236	($105)
Texas	$14,385	($2,837)	$9,082	($1,432)	$2,001	($1,058)	$2,137	($145)	$832	($194)	$332	($9)
Nebraska	$14,229	($2,993)	$10,028	($486)	$2,392	($667)	$741	($1,541)	$908	($118)	$160	($181)
Utah	$12,898	($4,324)	$7,575	($2,939)	$2,029	($1,030)	$2,175	($107)	$907	($119)	$212	($129)

NOTE: US total reflects the amount that can be allocated among the 50 states.
SOURCE: Rockefeller Institute of Government.

The final two categories of expenditures, contracts and wages, vary significantly by state and help determine which states have the highest or lowest per capita Federal spending totals. Moreover, nationally these components change little from year to year, unlike spending on safety net programs, which rises and falls with the economy. For example, between 2015 and 2024, the period covered by this report, national spending on contracts and wages rose or held steady every year, while unemployment compensation more than quadrupled in 2020 as layoffs spread, then fell by more than half the following year.

Virginia, Maryland, Alaska, New Mexico, and Hawaii had the highest per capita Federal spending in 2024 (see Table 8). In 2024, Virginia and Maryland ranked first and second in per capita contract spending, receiving amounts well above the national average. Proximity to Washington, DC, also contributes to the high concentration of Federal employees in both states, resulting in per capita wage totals above the US average. Alaska and Hawaii ranked first and third in per capita Federal spending on wages, respectively, due in part to large military and Federal research installations, while Maryland and Virginia ranked second and fourth in per capita wages due to the large presence of government agencies in those states.

Although COVID-19-related spending is now relatively small, its remnants remind us how substantially it affected New York's ranking when it was much larger. New York ranks 28th in per capita expenditures overall for 2024, but second in pandemic-related expenditures. Per capita, New York has consistently received more than the national average in grants but less in direct payments, contracts, and wages. Pandemic relief flowed largely through direct payments and grants, and New York received a disproportionate share: about 8 percent of the total from 2020 through 2023, compared with about 6 percent of the nation's population (see Table 25 for a detailed breakdown of pandemic spending for 2023 and 2024). That aid lifted the state's per capita Federal spending above the national average from 2020 through 2023. As that aid has faded, New York has returned to its pre-pandemic position below the national average.

Receipts

Table 9 shows per capita Federal receipts in 2024 by major category for the states with the five highest and five lowest levels. Individual income taxes remain the largest source of receipts paid to the Federal government, accounting for an average of 51.1 percent of total Federal revenues over the five fiscal years preceding the pandemic. A state's individual income tax liability typically has the greatest impact on whether it has relatively high or low per capita receipts. However, individual income tax receipts are highly cyclical, their variability exacerbated by the tax's progressive structure. The share of total receipts accounted for by these taxes fell to 49.7 percent in 2020 and rose as high as 56.4 percent in 2022, before stabilizing at 50.3 percent in 2023 and 50.5 percent in 2024. As discussed above, these fluctuations reflect the financial market volatility of the pandemic and its aftermath.

TABLE 9 | Per Capita Receipts: Top-Five and Bottom-Five States, FFY 2024

State	Total Receipts		Individual Income Taxes		Payroll Taxes		Corporate Income Taxes		Excise and Other Taxes	
	Level	Difference from US	Level	Difference from US	Level	Difference from US	Level	Difference from US	Level	Difference from US
Connecticut	$20,015	$6,076	$11,550	$4,507	$6,046	$1,079	$2,030	$488	$389	$1
Massachusetts	$19,633	$5,694	$11,115	$4,072	$6,132	$1,166	$2,061	$519	$325	($63)
New Jersey	$18,039	$4,100	$9,643	$2,600	$6,434	$1,468	$1,627	$85	$335	($52)
New York	**$17,809**	**$3,870**	**$9,804**	**$2,761**	**$5,731**	**$764**	**$1,890**	**$348**	**$385**	**($2)**
Washington	$17,669	$3,730	$9,257	$2,214	$6,264	$1,298	$1,838	$296	$309	($78)
United States	**$13,939**	—	**$7,043**	—	**$4,966**	—	**$1,542**	—	**$387**	—
Louisiana	$9,484	($4,455)	$4,165	($2,878)	$3,753	($1,213)	$1,220	($323)	$346	($41)
New Mexico	$9,446	($4,493)	$4,043	($3,000)	$3,855	($1,111)	$1,113	($430)	$435	$48
Kentucky	$9,420	($4,519)	$4,034	($3,009)	$3,945	($1,021)	$1,079	($464)	$363	($24)
West Virginia	$8,654	($5,285)	$3,536	($3,507)	$3,822	($1,144)	$926	($617)	$370	($17)
Mississippi	$8,192	($5,747)	$3,270	($3,773)	$3,589	($1,377)	$917	($626)	$416	$29

NOTE: US total reflects the amount that can be allocated among the 50 states.

SOURCE: Rockefeller Institute of Government.

Payroll taxes are the next largest source of Federal revenues, accounting for an average of 36.5 percent of total Federal revenues over the 2015 to 2019 period and 35.6 percent in 2024. Together, individual income taxes and payroll taxes account for 86.2 percent of Federal receipts for 2024. Corporate income taxes, excise taxes, and "other" taxes account for the remaining 13.8 percent of the US total and thus generally do not greatly affect a state's balance of payments.

Because New York is home to the world's financial capital, individual income taxes have historically made up a larger share of its total receipts than the national average. From 2015 through 2019, these taxes accounted for an average of 56.7 percent of the state's total payments to the Federal government, 5.6 percentage points above the national average for the period. Individual income taxes accounted for 55.1 percent of New York's contribution to the Federal treasury in 2024, essentially unchanged from 2023 (55.0 percent) and down from a peak of 60.8 percent in 2022, but 4.5 percentage points above the national average share for that year.

New York's contribution to Federal payroll taxes represented 32.2 percent of total receipts in 2024, matching its 2015–19 average and below the national share of 35.6 percent, a reflection of the outsized role of income taxes in New York's contribution. Corporate taxes are volatile but, as for the nation, have been growing as a share of the state's total contribution to the Treasury, accounting for 10.6 percent in 2024 compared to 8.4 percent over the 2015–19 period. Because large corporations operate in many states, fluctuations in New York's corporate tax collections generally mirror national patterns. Therefore, this component typically does not significantly impact New York's net BOP position.

TABLE 10 | Balance of Payments Over Time
(dollars in millions)

State	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Alabama	$29,763	$31,125	$31,974	$35,525	$39,787	$61,079	$61,498	$45,212	$50,616	$52,137
Alaska	$3,420	$4,223	$5,355	$6,100	$6,376	$10,883	$11,466	$9,887	$10,552	$10,104
Arizona	$22,694	$26,525	$31,727	$32,266	$35,796	$88,174	$71,466	$41,359	$53,415	$43,739
Arkansas	$13,311	$14,236	$14,692	$15,306	$17,595	$32,283	$30,912	$21,677	$21,312	$19,487
California	($24,130)	($17,627)	($22,274)	($37,903)	($23,502)	$278,343	$193,791	($49,568)	$8,959	($31,930)
Colorado	($67)	$1,484	$2,272	$1,774	$2,776	$36,763	$27,368	($561)	$5,842	($187)
Connecticut	($6,602)	($3,230)	($4,969)	($1,719)	$3,099	$28,289	$17,242	($1,722)	$10,950	$814
Delaware	$1,962	$2,296	$2,893	$3,068	$3,560	$10,405	$9,058	$4,489	$5,760	$5,656
Florida	$32,428	$49,922	$32,896	$45,577	$57,074	$163,114	$151,973	$11,633	$70,736	$54,517
Georgia	$20,844	$26,848	$23,414	$25,655	$27,961	$95,896	$95,897	$33,608	$45,229	$37,728
Hawaii	$6,884	$7,114	$7,208	$7,658	$8,098	$19,243	$18,630	$10,710	$13,540	$15,636
Idaho	$5,421	$6,017	$5,956	$5,845	$6,460	$14,482	$12,010	$6,702	$8,602	$8,564
Illinois	($16,866)	($10,442)	($7,394)	($7,130)	($2,797)	$79,518	$86,544	($3,349)	$11,655	($1,150)
Indiana	$11,897	$13,622	$15,414	$16,141	$20,103	$54,473	$55,050	$27,839	$29,561	$25,948
Iowa	$3,553	$4,124	$4,813	$6,313	$7,991	$25,112	$24,674	$8,607	$11,532	$10,534
Kansas	$2,915	$2,770	$4,175	$5,049	$6,520	$22,971	$19,918	$10,576	$11,416	$9,870
Kentucky	$26,173	$26,830	$28,204	$29,854	$33,809	$58,365	$58,883	$43,150	$48,749	$47,935
Louisiana	$14,188	$17,124	$21,328	$22,091	$25,052	$57,251	$60,111	$34,914	$41,202	$37,951
Maine	$6,153	$6,542	$7,867	$6,912	$9,216	$16,448	$14,418	$9,822	$11,946	$11,420
Maryland	$45,618	$49,472	$51,688	$54,919	$58,747	$112,148	$114,978	$88,526	$82,010	$81,629
Massachusetts	($12,429)	($12,105)	($13,072)	($12,541)	($11,066)	$48,726	$28,804	($19,136)	($6,053)	($16,743)
Michigan	$18,814	$20,705	$22,981	$23,687	$30,157	$101,437	$88,264	$39,545	$45,217	$39,603
Minnesota	($5,414)	($3,932)	($1,604)	($2,969)	($2,422)	$34,436	$28,343	($3,326)	$4,990	($1,149)
Mississippi	$19,412	$20,465	$23,847	$25,435	$26,889	$40,318	$40,491	$28,817	$34,361	$32,139
Missouri	$21,343	$25,411	$24,692	$31,120	$33,051	$64,723	$60,066	$34,162	$43,480	$40,892
Montana	$3,414	$4,123	$4,763	$5,147	$5,192	$11,299	$10,305	$5,720	$6,297	$5,849
Nebraska	($727)	($163)	$957	$1,457	$2,030	$12,471	$11,671	$2,616	$4,421	$2,148
Nevada	$3,746	$3,503	$4,376	$3,673	$5,390	$25,932	$22,848	$1,234	$7,492	$4,593
New Hampshire	($1,090)	($1,031)	$143	$997	$1,372	$8,710	$4,114	($1,820)	$182	($215)
New Jersey	($29,712)	($27,484)	($25,808)	($26,897)	($24,665)	$38,319	$27,723	($34,079)	($21,499)	($33,748)
New Mexico	$17,619	$19,100	$19,785	$20,985	$23,365	$35,520	$39,640	$33,016	$34,796	$34,519
New York	**($44,978)**	**($33,806)**	**($28,276)**	**($29,933)**	**($19,186)**	**$149,630**	**$128,374**	**($6,342)**	**$13,625**	**($18,569)**
North Carolina	$28,624	$28,250	$32,533	$33,756	$38,410	$91,404	$85,158	$46,463	$54,102	$54,769
North Dakota	($623)	$552	$746	$912	$1,039	$6,487	$7,546	$2,772	$2,043	$1,552
Ohio	$23,490	$26,174	$30,537	$31,149	$36,385	$106,705	$97,615	$47,363	$57,980	$50,716
Oklahoma	$11,309	$15,594	$17,016	$17,287	$19,804	$41,294	$40,624	$29,685	$31,055	$29,567
Oregon	$8,145	$8,200	$8,987	$9,038	$10,310	$35,475	$33,012	$13,950	$19,160	$16,487
Pennsylvania	$19,070	$26,440	$30,186	$32,427	$38,654	$127,794	$114,392	$46,460	$62,375	$54,520
Rhode Island	$2,190	$2,214	$2,390	$2,589	$2,880	$11,028	$10,760	$4,586	$4,864	$4,149
South Carolina	$21,599	$22,252	$23,195	$25,169	$26,847	$52,798	$52,822	$31,280	$41,926	$40,822
South Dakota	$950	$1,504	$2,201	$2,446	$3,177	$7,849	$7,272	$3,624	$3,400	$3,578
Tennessee	$18,576	$19,736	$22,246	$23,472	$25,188	$62,314	$56,177	$30,994	$31,436	$26,591
Texas	$675	$20,350	$22,031	$26,963	$33,828	$219,713	$199,675	$43,590	$84,486	$41,090
Utah	($9)	($620)	$279	$95	($108)	$13,371	$8,993	($78)	$2,792	$1,208
Vermont	$1,846	$2,303	$2,425	$2,447	$2,358	$7,227	$6,476	$3,520	$3,624	$3,870
Virginia	$59,092	$60,927	$62,821	$69,384	$76,389	$132,067	$143,148	$118,107	$144,682	$141,569
Washington	($1,854)	($564)	($1,186)	($2,416)	($2,057)	$37,921	$26,502	($14,349)	($3,515)	($11,634)
West Virginia	$13,517	$14,786	$15,830	$15,313	$16,546	$26,465	$25,510	$21,485	$22,072	$21,445
Wisconsin	$1,429	$2,601	$5,540	$7,157	$10,146	$42,171	$37,491	$14,454	$17,623	$17,287
Wyoming	$455	$1,439	$1,183	$1,553	$1,608	$4,612	$3,644	$1,057	$1,799	$1,066
US Average	**$7,961**	**$10,518**	**$11,380**	**$12,244**	**$15,105**	**$57,269**	**$51,667**	**$17,578**	**$26,056**	**$20,567**

TABLE 11 | Per Capita Balance of Payments Over Time
(in dollars)

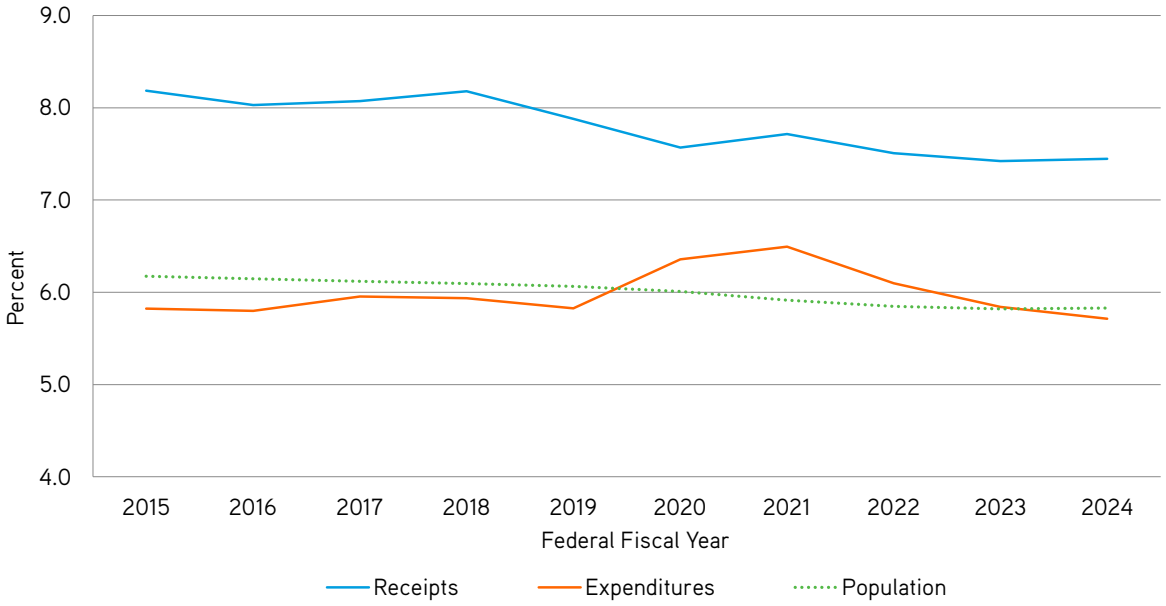
State	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Alabama	$6,063	$6,311	$6,455	$7,138	$7,951	$12,136	$12,178	$8,906	$9,890	$10,098
Alaska	$4,628	$5,680	$7,217	$8,269	$8,677	$14,849	$15,609	$13,477	$14,364	$13,718
Arizona	$3,384	$3,905	$4,617	$4,633	$5,065	$12,269	$9,825	$5,612	$7,168	$5,788
Arkansas	$4,482	$4,777	$4,913	$5,107	$5,857	$10,710	$10,212	$7,113	$6,942	$6,294
California	($619)	($449)	($565)	($959)	($594)	$7,042	$4,950	($1,267)	$229	($811)
Colorado	($12)	$268	$406	$313	$484	$6,353	$4,707	($96)	$988	($31)
Connecticut	($1,828)	($895)	($1,377)	($476)	$859	$7,903	$4,779	($476)	$3,007	$222
Delaware	$2,077	$2,409	$3,009	$3,159	$3,628	$10,491	$9,012	$4,400	$5,563	$5,386
Florida	$1,610	$2,431	$1,576	$2,157	$2,673	$7,555	$6,960	$519	$3,085	$2,343
Georgia	$2,045	$2,602	$2,245	$2,436	$2,627	$8,935	$8,885	$3,075	$4,088	$3,367
Hawaii	$4,760	$4,883	$4,943	$5,246	$5,558	$13,261	$12,876	$7,449	$9,436	$10,897
Idaho	$3,259	$3,546	$3,433	$3,304	$3,572	$7,831	$6,305	$3,449	$4,365	$4,280
Illinois	($1,301)	($807)	($572)	($553)	($218)	$6,215	$6,813	($266)	$923	($91)
Indiana	$1,795	$2,046	$2,305	$2,400	$2,973	$8,022	$8,079	$4,069	$4,296	$3,742
Iowa	$1,133	$1,309	$1,522	$1,991	$2,510	$7,869	$7,713	$2,688	$3,587	$3,261
Kansas	$997	$946	$1,426	$1,722	$2,222	$7,818	$6,777	$3,600	$3,870	$3,328
Kentucky	$5,890	$6,019	$6,301	$6,653	$7,516	$12,946	$13,061	$9,544	$10,714	$10,457
Louisiana	$3,038	$3,655	$4,559	$4,730	$5,371	$12,306	$12,987	$7,589	$8,959	$8,224
Maine	$4,606	$4,881	$5,849	$5,117	$6,789	$12,054	$10,455	$7,058	$8,521	$8,108
Maryland	$7,540	$8,136	$8,455	$8,946	$9,531	$18,152	$18,617	$14,317	$13,217	$13,070
Massachusetts	($1,810)	($1,752)	($1,878)	($1,793)	($1,577)	$6,976	$4,117	($2,724)	($856)	($2,345)
Michigan	$1,884	$2,067	$2,287	$2,352	$2,992	$10,071	$8,789	$3,937	$4,494	$3,921
Minnesota	($983)	($708)	($286)	($525)	($426)	$6,030	$4,960	($581)	$867	($198)
Mississippi	$6,503	$6,858	$7,993	$8,550	$9,057	$13,628	$13,737	$9,798	$11,678	$10,894
Missouri	$3,512	$4,170	$4,039	$5,078	$5,380	$10,515	$9,731	$5,528	$7,006	$6,550
Montana	$3,300	$3,943	$4,501	$4,825	$4,827	$10,394	$9,314	$5,100	$5,570	$5,142
Nebraska	($382)	($85)	$495	$749	$1,039	$6,352	$5,940	$1,326	$2,224	$1,071
Nevada	$1,312	$1,206	$1,481	$1,220	$1,756	$8,320	$7,257	$388	$2,333	$1,412
New Hampshire	($811)	($763)	$105	$731	$1,000	$6,317	$2,964	($1,303)	$130	($153)
New Jersey	($3,273)	($3,013)	($2,812)	($2,917)	($2,664)	$4,133	$2,992	($3,665)	($2,288)	($3,550)
New Mexico	$8,406	$9,097	$9,416	$9,978	$11,073	$16,767	$18,722	$15,626	$16,418	$16,231
New York	**($2,239)**	**($1,678)**	**($1,401)**	**($1,480)**	**($949)**	**$7,436**	**$6,472**	**($322)**	**$689**	**($928)**
North Carolina	$2,873	$2,805	$3,198	$3,286	$3,704	$8,747	$8,060	$4,340	$4,976	$4,956
North Dakota	($817)	$722	$973	$1,182	$1,338	$8,320	$9,700	$3,553	$2,596	$1,956
Ohio	$2,012	$2,237	$2,602	$2,648	$3,086	$9,044	$8,300	$4,026	$4,910	$4,276
Oklahoma	$2,899	$3,981	$4,341	$4,400	$5,022	$10,414	$10,175	$7,375	$7,644	$7,215
Oregon	$2,027	$2,003	$2,167	$2,160	$2,445	$8,360	$7,759	$3,285	$4,508	$3,865
Pennsylvania	$1,478	$2,047	$2,332	$2,498	$2,975	$9,834	$8,788	$3,578	$4,795	$4,179
Rhode Island	$2,032	$2,046	$2,202	$2,371	$2,631	$10,058	$9,805	$4,176	$4,417	$3,737
South Carolina	$4,453	$4,534	$4,673	$5,014	$5,288	$10,288	$10,169	$5,914	$7,777	$7,435
South Dakota	$1,115	$1,747	$2,530	$2,794	$3,600	$8,841	$8,113	$3,986	$3,705	$3,860
Tennessee	$2,809	$2,958	$3,301	$3,448	$3,670	$8,995	$8,064	$4,388	$4,395	$3,667
Texas	$25	$731	$782	$946	$1,172	$7,515	$6,752	$1,447	$2,750	$1,312
Utah	($3)	($202)	$89	$30	($33)	$4,072	$2,693	($23)	$809	$345
Vermont	$2,903	$3,619	$3,795	$3,819	$3,675	$11,240	$10,006	$5,436	$5,595	$5,986
Virginia	$7,043	$7,214	$7,388	$8,118	$8,885	$15,290	$16,530	$13,605	$16,569	$16,052
Washington	($258)	($77)	($159)	($320)	($269)	$4,908	$3,422	($1,843)	($448)	($1,468)
West Virginia	$7,321	$8,054	$8,685	$8,458	$9,190	$14,771	$14,284	$12,111	$12,470	$12,134
Wisconsin	$247	$447	$949	$1,222	$1,725	$7,151	$6,374	$2,448	$2,972	$2,902
Wyoming	$780	$2,473	$2,054	$2,702	$2,795	$7,983	$6,286	$1,818	$3,077	$1,817
US Average	**$2,158**	**$2,567**	**$2,851**	**$3,057**	**$3,509**	**$9,550**	**$8,821**	**$4,270**	**$5,300**	**$4,678**

Table 10 presents the total dollar balance of payments for each state for the most recent 10 years. Table 11 reprises these data on a per capita basis. The 10-year averages appear in Table 1 above. These tables highlight the profound impact that the COVID-19 pandemic had on New York's balance from 2020 to 2023. Pandemic-related spending is estimated to have dropped to approximately $118 billion in FFY 2024, from a combined $4.0 trillion spent over the 2020–23 period, 83.6 percent of which was spent in 2020 and 2021. Thus, the pandemic's long tail appears to have finally petered out, with New York regaining its historical position at or near the bottom relative to other states.

New York's Balance of Payments: Emerging Trends

Based on the 10 years of data analyzed by the Rockefeller Institute, some trends have begun to emerge. New York consistently remains one of the largest contributors to the Federal treasury on both a total dollar and a per capita basis. However, as indicated by the light blue line in Figure 6, the revenues New York sends to the Federal government have been generally falling as a percent of the national total. The Tax Cuts and Jobs Act of 2017 increased New York's individual income tax share in 2018, likely due to the capping of the state and local tax (SALT) deduction at $10,000.[17] As discussed above, the bump in 2021 is due to strong growth in capital gains and bonus growth, underlining the extraordinary financial market volatility induced by the pandemic. The overarching downward trend is likely due at least in part to the state's high net rate of outmigration relative to many other states.

FIGURE 6 | New York Receipts, Expenditures, and Population as Percent of National Total



SOURCE: US Department of the Treasury and US Census Bureau. Rockefeller Institute of Government staff estimates.

If New York's share of income tax collections is shrinking, as Figure 6 indicates, then some other states' shares must be growing. Table 12 lists the top 10 destination states for taxpayers migrating out of New York between 2022 and 2023 based on the most recent IRS personal income tax return data available.[18] States are ordered in Table 12 by the amount of AGI lost due to net domestic outmigration from New York, after subtracting the AGI inflow from in-migrants from each of those states. Since states that are popular destination states for New Yorkers likely attract migrants from other states as well, Table 12 may yield a clue as to which states are collecting the revenue that otherwise would have been collected in New York. California is added to Table 12 due to its large size, and Massachusetts is added since it is a neighboring state. Together, these 12 states account for 94.6 percent of New York's net AGI loss due to outmigration during the previous year.

TABLE 12 | Top New York Net Domestic Outmigration Destinations Between 2022 and 2023

State	Net Outflow of Individuals	Net Outflow of AGI ($ 000s)	State's 2015 Share of Total US AGI-Millionaires	State's 2023 Share of Total US AGI-Millionaires
Florida	39,343	$3,775,943	7.501%	9.127%
New Jersey	34,749	$2,142,716	4.467%	4.010%
Connecticut	12,048	$1,208,433	2.621%	2.059%
North Carolina	13,219	$617,951	1.941%	2.153%
South Carolina	8,216	$514,290	0.812%	1.052%
Pennsylvania	13,961	$379,849	3.253%	3.166%
Texas	7,932	$235,820	8.614%	8.684%
Georgia	7,097	$209,862	2.347%	2.470%
Tennessee	2,979	$161,746	1.314%	1.700%
Virginia	3,721	$126,473	2.263%	2.382%
Massachusetts	624	($15,826)	3.673%	3.434%
California	(985)	$7,503	16.532%	16.604%
Remainder of States	15,066	$529,355	33.239%	34.192%
New York Total	**157,970**	**$9,894,115**	**11.424%**	**8.968%**

SOURCE: "SOI tax stats—Migration data 2022–23," IRS, updated March 20, 2026.

Four of the 12 states that appear in Table 12 are neighboring states, with New Jersey and Connecticut accounting for 78.3 percent of the net outmigration of those states. Many of the individuals the IRS identifies as having migrated from New York into those states likely continue to participate in the New York workforce. Of the approximately 10.8 million returns filed in New York for the 2023 tax year, about 1.4 million are either nonresident or part-year resident returns, representing growth of 16.4 percent since 2015. In the IRS Statistics of Income data, these nonresident New York taxpayers are counted as residents of the states in which they live. Similarly, when the US Bureau of Economic Analysis (BEA) calculates state personal income, the wages of individuals that commute to jobs outside of the state in which they reside must be subtracted from the total amount of wages earned in that state. The amount subtracted is referred

to by BEA as the residential adjustment. Washington, DC, has the largest residential adjustment, fully 79.1 percent of total DC personal income. New York has the second largest at 7.0 percent. Correspondingly, the two states with the largest positive adjustments are New Jersey at 10.7 percent and Connecticut at 7.9 percent. These data highlight the extent to which Federal receipts data understate the New York State economy's contribution to Federal government revenues.

Table 12 indicates that New York lost approximately 158,000 individuals and $9.9 billion in AGI due to net outmigration in just one year. To infer the impact on state liability and collections, it is helpful to know from which income brackets income is being lost. The last two columns in Table 12 isolate each state's share of all filers with AGI of $1 million and above in both 2015 and 2023. These filers tend to be taxed at the highest average tax rates and therefore punch well above their weight.[19] States whose millionaire share fell between 2015 and 2023 appear in red. Table 12 presents a clear geographic pattern: all of the Northeastern states saw declines in their millionaire shares, with the largest decline exhibited by New York, a loss of 2.5 percentage points. Indeed, even New Jersey and Connecticut, which ranked second and third in net AGI lost to outmigration, saw declines in their millionaire shares. The remaining states saw relatively small increases in their shares of 0.39 percentage point or less, except for Florida, which saw an increase of 1.6 percentage points.

TABLE 13 | Selected States' Share of Personal Income Tax Liability, 2015–23

State	2015	2016	2017	2018	2019	2020	2021	2022	2023	Eight-Year Net Percentage Point Change
California	14.605%	14.945%	14.823%	15.691%	15.547%	16.147%	16.206%	14.908%	15.043%	0.438%
Connecticut	2.015%	1.923%	1.862%	1.868%	1.825%	1.831%	1.785%	1.744%	1.749%	-0.266%
Florida	6.524%	6.115%	7.395%	6.879%	7.050%	7.571%	7.481%	8.437%	7.851%	1.328%
Georgia	2.381%	2.400%	2.510%	2.440%	2.482%	2.510%	2.562%	2.579%	2.522%	0.140%
Massachusetts	3.401%	3.428%	3.430%	3.478%	3.452%	3.435%	3.509%	3.276%	3.271%	-0.130%
New Jersey	4.015%	4.056%	3.944%	3.930%	3.925%	3.797%	3.656%	3.744%	3.778%	-0.236%
New York	**9.092%**	**8.801%**	**8.903%**	**9.101%**	**8.623%**	**8.339%**	**8.419%**	**8.054%**	**8.083%**	**-1.009%**
North Carolina	2.270%	2.370%	2.307%	2.337%	2.389%	2.399%	2.407%	2.538%	2.452%	0.182%
Pennsylvania	3.852%	3.853%	3.722%	3.666%	3.654%	3.555%	3.515%	3.493%	3.556%	-0.295%
South Carolina	0.967%	1.036%	1.014%	1.010%	1.065%	1.059%	1.068%	1.124%	1.147%	0.180%
Tennessee	1.525%	1.616%	1.541%	1.529%	1.544%	1.574%	1.633%	1.665%	1.746%	0.221%
Texas	8.352%	7.645%	8.407%	7.935%	8.231%	7.852%	7.942%	8.644%	8.373%	0.021%
Virginia	2.788%	2.830%	2.769%	2.773%	2.811%	2.776%	2.676%	2.738%	2.797%	0.009%
Sum	**61.785%**	**61.017%**	**62.627%**	**62.639%**	**62.598%**	**62.846%**	**62.858%**	**62.944%**	**62.367%**	**0.582%**

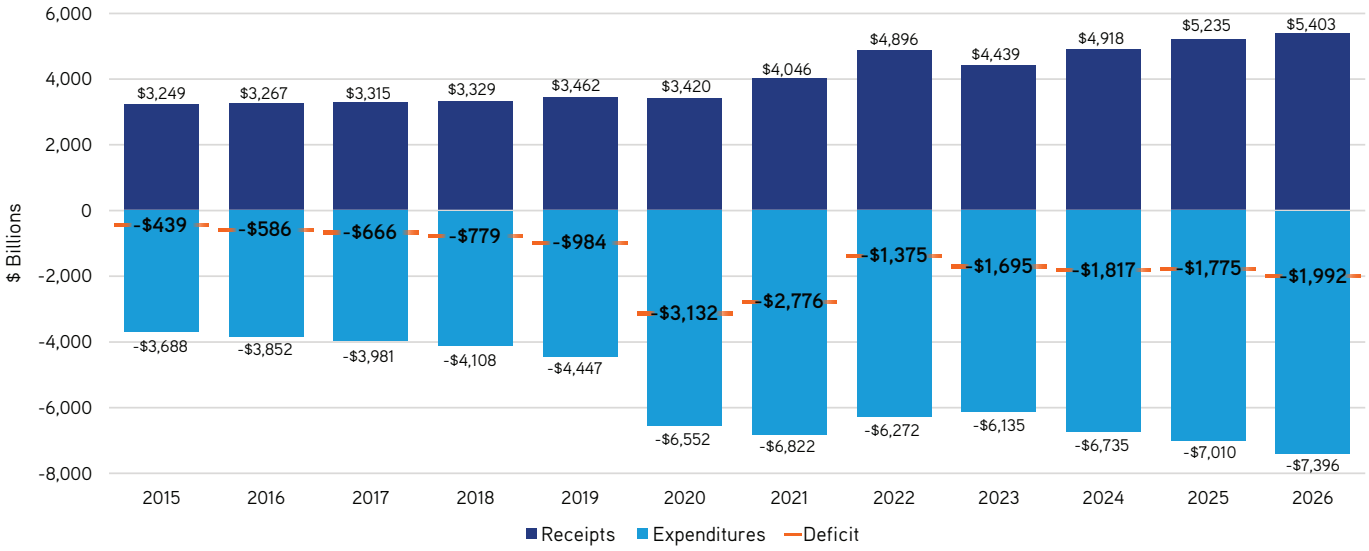
SOURCE: US Internal Revenue Service, SOI Tax Stats—Historic table 2, various years.

Table 13 tabulates the share of national personal income tax liability for each of the states listed in Table 12, for the nine years from 2015 through 2023. The final column indicates the change in each state's share over the entire period; states whose share has fallen over the period are highlighted in red. Excluding New York, these 12 states

accounted for 52.7 percent of liability in 2015 and 54.3 percent in 2023. Their combined gain of 1.6 percentage points more than offset New York's decline of 1.0 percentage point. Shares also shifted within the group. Most notable again is the geographic pattern. All the states that saw their shares fall over the period are in the Northeast. Moreover, only two states saw a net change in their shares in either direction of more than 1 percentage point—New York (–1.01 percentage points) and Florida (+1.33 percentage points). Florida was indeed the top destination state, not only for New York, but also for each of the other four Northeastern states in Tables 12 and 13.

As Federal pandemic spending has continued to fall, so too has New York's share of total allocable Federal expenditures. As indicated in Figure 6, New York's share of expenditures peaked in 2021 at the height of the pandemic, as New York benefited disproportionately from the $4.1 trillion estimated to have been spent since 2020. At 5.7 percent, New York's share of allocable Federal expenditures in 2024 was the lowest in the history of this study.

FIGURE 7 | Federal Deficits Remain Large



NOTE: The data for FFY 2026 are based on the first 11 months of the fiscal year.
SOURCE: US Department of the Treasury.

Figure 7 indicates that even with pandemic-related spending down to a trickle and healthy growth in Federal receipts in both 2024 and 2025, Federal budgetary deficits have remained historically large. Moreover, 11 months into FFY 2026, with the nation embroiled in military conflict and inflation remaining elevated, there is little reason to expect a significant change any time soon.[20] In August 2026, the nation's outstanding public debt surpassed yet another milestone, exceeding $40 trillion for the first time.[21] Looking ahead, persistent Federal deficits leave little room for new spending in the states. House of Representatives Bill 1 (H.R. 1) is expected to reduce Federal health spending by $1.1 trillion over 10 years, mostly but not only in Medicaid. Current Employment Statistics data indicate that New York has lost 8,500 Federal jobs since early 2025.[22] But H.R. 1 also cut taxes, including raising the SALT deduction cap from

$10,000 to $40,000.[23] While raising the SALT cap could modestly reverse the step-up in New York's income tax share observed for 2018, anticipating how H.R. 1's other changes to tax law, particularly corporate tax law, will affect the distribution of Federal receipts across the states is extremely challenging. As a result, it is unlikely that New York's share of Federal expenditures will rise significantly, if at all, in the near future.[24]

A Tale of Two States

New York ranks consistently among the top five in total dollar and per capita revenues paid to the Federal government. Over the period from 2015 to 2024, New York ranked among the top four in total dollar Federal receipts and among the top five in per capita receipts. But per capita and statewide measures mask the distribution of wealth across the state's households. For the 2023 tax year, the most recent year for which detailed Federal tax return data are available, the 0.9 percent of New York taxpayers with personal income tax liability and Federal adjusted gross incomes of $1 million or more accounted for 40.5 percent of the state's total Federal tax liability.[25] Meanwhile, the 72.6 percent of taxpayers with incomes below $100,000 accounted for 19.2 percent of New York's total Federal income tax liability.

For the 2023 tax year, New York represented 5.9 percent of the national population, but 8.1 percent of national personal income tax liability. New York's expansive fiscal capacity is often pointed to as a justification for New York to be subsidizing other states.[26] While this argument has merit under our progressive Federal tax system, it also has limits, as it fails to account for the extreme diversity of economic outcomes within the state and the equally diverse needs of its population. While there are numerous indicators of need, produced by various Federal agencies, New York tends to score high on all of them relative to other states.

Perhaps the most commonly cited measure of need is the Official Poverty Measure (OPM) constructed and published annually by the US Census Bureau.[27] The OPM is derived from a set of income thresholds developed by the Census Bureau that vary by family size and composition. These thresholds are based on a family's "money income," defined as before-tax income excluding capital gains and noncash government-funded benefits. For example, for a family of four with two children under 18, the 2024 poverty threshold is $31,812; if a family's income is below its corresponding threshold, all of the individuals living in the family are said to be living in poverty.[28] These thresholds apply uniformly throughout the nation, without regard to cost-of-living differences.

The OPM poverty rates for the nation as a whole and for each state for the 2024 calendar year are presented in the first column of Table 14. The Census Bureau reports that 12.1 percent of the national population was living at or below the poverty threshold in 2024. And, although New York had the fourth highest level of per capita receipts in FFY 2024 (see the last column), the state's OPM poverty rate was 14.0 percent, 1.9 percentage points above the national rate. These data reflect that having a high per capita income does not preclude having large numbers of individuals living in poverty. As Table 14 indicates, however, only eight states had an OPM poverty rate higher than New York, and those eight states are also the states with the lowest levels of per capita receipts in FFY 2024.

The Supplemental Poverty Measure (SPM), developed by the US Census Bureau with support from the US Bureau of Labor Statistics, represents a more comprehensive alternative measure of poverty.[29] The SPM, as the name suggests, supplements the definition of income used in the calculation of the OPM by including income from government programs that provide financial assistance to low-income families. The SPM calculation also includes the impact of Federal and state taxes, as well as work and medical expenses. Finally, the SPM accounts for geographic cost-of-living differences, which are unaccounted for in the calculation of the official poverty thresholds. Since the state-level data underlying the SPM are based on a smaller sample size than national measures, the Census Bureau averages the data over three years (2022–24) to obtain the measures that appear in Table 14. A comparison of the OPM-generated poverty rate with the SPM-generated rate (see the second and third columns of Table 14) indicates that the SPM rate exceeds the official rate for the nation and for most states. Some of the widest gaps occur in high-cost states such as New York, because SPM's adjustment for housing costs and its deductions for taxes and necessary expenses outweigh the government benefits it adds to income. This comparison also indicates that under the SPM methodology, only five states have a higher poverty rate than New York.

The US Census Bureau constructs another comprehensive measure of need, known as the Community Resilience Estimates (CRE), which estimates the number of individuals in a jurisdiction that are at risk of being socially vulnerable to disasters.[30] The Census Bureau identifies 10 risk factors associated with social vulnerability based on American Community Survey (ACS) data.[31] A household is determined to be at low risk of social vulnerability if zero risk factors apply to the household, medium risk if one to two risk factors apply, and high risk if three or more apply. By extending the level of household risk to all of the individuals living in the household, the CRE yields a measure of the percentage of individuals in each jurisdiction that are at low, medium, and high risk. Table 15 ranks the 50 states by the percentage of individuals at low risk of social vulnerability and at high risk based on data for 2024. Based on the CRE methodology, 34.6 percent of the US population lives in low-risk households, but for New York, that share is only 29.0 percent. The first column of Table 15 indicates that only three states have a smaller share of individuals living at low risk. But when states are ranked by the percentage of individuals at high risk (see column 2 of Table 15), New York places second only to Mississippi at 25.7 percent. Here again, we see that New York finds itself at both extremes of the spectrum.

Data pertaining to publicly funded healthcare coverage provide further evidence that New York has a large population of low-income individuals in need of public services. After peaking at over 8 million during the pandemic period, Medicaid enrollment stood at approximately 6.4 million State residents, or 32 percent of the population, as of July 2026.[32] When combined with the almost 2 million individuals expected to be covered under Child Health Plus and the Essential Plan as of the end of the current state fiscal year, about 8.4 million New Yorkers—42 percent of the state's population—are enrolled in publicly subsidized health insurance programs.[33] Quarterly Census of Employment and Wage data indicate that New York's three lowest average wage sectors—healthcare and social services, retail trade, and leisure and hospitality—

represent a growing share of overall private sector employment.[34] Consequently, the need for publicly subsidized health insurance is likely to remain high.

These data, in combination with state revenue collections, portray New York as a state endowed with some of the highest- and lowest-income households in the nation. The third column in Table 15 displays the Gini Coefficient, a widely cited measure of income inequality, also published by the Census Bureau based on ACS data.[35] The Gini index varies from zero to one, where an index value of zero indicates perfect equality, which is defined as every household having the same income in proportion to its size; a Gini index value of one indicates perfect inequality, defined as one household having all the income. New York posts the highest value of any US state, based on 2024 data.

Because the distribution of income in New York is so highly skewed, median income is a more representative measure of income than the average. The final column of Table 15 presents the US Census Bureau measure of median household income, adjusted for cost-of-living differences across states using BEA's regional price parities.[36] New York ranks 32nd by this measure. If the state's 2024 level of per capita receipts is adjusted for cost-of-living differences, New York's rank remains high at fifth place. These data indicate that incorporating median measures of state income into program distribution formulas that currently use per capita measures, such as the formula used to determine the Federal Medical Assistance Percentage (FMAP), has the potential to produce very different results that are more representative of need, particularly after adjusting for state-level cost-of-living differences.

TABLE 14 | Alternative Poverty Measures and Per Capita Receipts

Official: 2024 (Percent)		Official: 2022-24 Three-Year Average (Percent)		SPM: 2022-24 Three-Year Average (Percent)		Per Capita Receipts: FY 2024 (Dollars)	
United States	**12.1**	**United States**	**11.1**	**United States**	**12.7**	**United States**	**$13,939**
Louisiana	18.6	Louisiana	19.4	California	17.7	Connecticut	$20,015
Mississippi	17.8	Mississippi	17.4	Louisiana	17.7	Massachusetts	$19,633
West Virginia	16.2	New Mexico	17.2	Mississippi	16.4	New Jersey	$18,039
New Mexico	15.8	Kentucky	15.5	Florida	16.0	**New York**	**$17,809**
Kentucky	15.4	Alabama	14.7	Nevada	14.7	Washington	$17,669
Arkansas	15.3	Arkansas	14.5	**New York**	**14.4**	New Hampshire	$17,358
Alabama	15.2	North Carolina	14.0	Kentucky	14.3	Wyoming	$17,264
Oklahoma	14.8	West Virginia	13.9	Texas	14.3	California	$17,022
New York	**14.0**	Oklahoma	13.7	North Carolina	14.0	Colorado	$16,373
Michigan	13.4	Nevada	12.6	Arkansas	13.6	Maryland	$15,780
Texas	13.4	Georgia	12.4	Alabama	13.5	Virginia	$15,193
South Carolina	13.3	Texas	12.3	Georgia	13.5	Illinois	$14,829
Tennessee	13.3	Florida	12.1	Arizona	12.9	Florida	$14,791
Georgia	12.8	Michigan	11.9	West Virginia	12.5	Minnesota	$14,602
North Carolina	12.6	South Carolina	11.9	New Jersey	12.4	North Dakota	$14,142
Ohio	12.6	Arizona	11.6	New Mexico	12.4	Nevada	$14,107
Missouri	12.2	**New York**	**11.6**	Massachusetts	11.7	Rhode Island	$13,565
Florida	12.1	California	11.2	South Carolina	11.7	Pennsylvania	$13,536
Indiana	12.1	Ohio	10.5	Oklahoma	11.6	South Dakota	$13,392
Rhode Island	12.0	Illinois	10.3	Maryland	11.2	Alaska	$13,253
Arizona	11.9	Missouri	10.2	Illinois	11.1	Nebraska	$13,158
California	11.8	Pennsylvania	10.2	Oregon	11.1	Oregon	$13,109
Nevada	11.8	Tennessee	10.1	Hawaii	10.8	Texas	$13,073
Oregon	11.7	Alaska	9.7	Washington	10.8	Vermont	$12,997
Pennsylvania	11.6	Oregon	9.6	Pennsylvania	10.6	Delaware	$12,731
Illinois	11.5	North Dakota	9.3	Michigan	10.5	Wisconsin	$12,620
Iowa	11.2	Rhode Island	9.3	Virginia	10.5	Montana	$12,559
Kansas	10.9	Connecticut	9.2	Alaska	10.4	Utah	$12,553
North Dakota	10.8	Massachusetts	9.2	Colorado	10.3	Hawaii	$12,338
Maine	10.6	Washington	9.2	Tennessee	10.1	Arizona	$12,251
Nebraska	10.6	Indiana	9.1	Missouri	10.0	Tennessee	$12,177
South Dakota	10.5	New Jersey	9.1	Connecticut	9.9	Kansas	$12,020
Idaho	10.4	Kansas	8.9	Vermont	9.5	Michigan	$11,762
Montana	10.4	Montana	8.7	Montana	9.4	Maine	$11,736
Alaska	10.3	Hawaii	8.6	Delaware	9.3	Iowa	$11,708
Wisconsin	10.3	South Dakota	8.6	Indiana	9.3	North Carolina	$11,707
Connecticut	10.1	Virginia	8.6	Ohio	9.3	Georgia	$11,654
Delaware	10.1	Delaware	8.5	Kansas	9.1	Missouri	$11,551
Hawaii	10.0	Idaho	8.5	Rhode Island	9.1	Ohio	$11,250
Washington	10.0	Iowa	8.4	New Hampshire	8.6	Idaho	$11,224
Wyoming	10.0	Maryland	8.3	Idaho	8.4	Indiana	$11,100
Massachusetts	9.8	Wisconsin	8.3	Utah	8.4	South Carolina	$10,825
Virginia	9.8	Colorado	8.1	Wyoming	8.3	Arkansas	$10,101
Colorado	9.6	Maine	8.1	Nebraska	8.2	Oklahoma	$9,982
Minnesota	9.3	Wyoming	8.1	North Dakota	8.2	Alabama	$9,674
Vermont	9.3	Nebraska	8.0	South Dakota	7.9	Louisiana	$9,484
Maryland	9.2	Vermont	7.6	Iowa	7.7	New Mexico	$9,446
New Jersey	9.2	Minnesota	7.2	Wisconsin	7.7	Kentucky	$9,420
Utah	8.4	New Hampshire	6.8	Minnesota	7.5	West Virginia	$8,654
New Hampshire	7.3	Utah	6.6	Maine	6.7	Mississippi	$8,192

TABLE 15 | Share of the Population at Low and High Risk of Social Vulnerability and Income Inequality

Low Risk (Percent)		High Risk (Percent)		Gini Coefficient (Index)		Median Household Income (COL Adjusted Dollars*)	
United States	**34.6**	**United States**	**20.3**	**United States**	**0.481**	**United States**	**$81,604**
Hawaii	26.7	Mississippi	25.8	**New York**	**0.519**	Massachusetts	$99,122
New Mexico	28.1	**New York**	**25.7**	Connecticut	0.499	Maryland	$98,043
California	28.3	Louisiana	24.4	Louisiana	0.492	Utah	$97,769
New York	**29.0**	New Mexico	24.1	California	0.485	New Jersey	$95,854
Alaska	30.2	Arkansas	23.3	Massachusetts	0.482	New Hampshire	$95,792
Florida	30.9	Alabama	23.0	Illinois	0.480	Colorado	$94,237
Mississippi	31.1	Kentucky	22.2	Florida	0.480	Alaska	$93,460
Nevada	31.1	Oklahoma	22.1	Texas	0.479	Washington	$92,876
Texas	31.4	West Virginia	21.9	North Carolina	0.478	Connecticut	$92,702
Oklahoma	31.5	Texas	21.8	Mississippi	0.477	Hawaii	$91,627
Arizona	32.0	Florida	21.8	Pennsylvania	0.475	Virginia	$91,084
Louisiana	32.1	Tennessee	21.3	Tennessee	0.475	California	$90,452
Arkansas	32.1	Rhode Island	20.7	Alabama	0.475	Minnesota	$88,335
Oregon	33.6	South Carolina	20.7	Georgia	0.473	Delaware	$87,702
Alabama	34.5	New Jersey	20.6	Washington	0.473	North Dakota	$87,536
Montana	34.8	Alaska	20.6	New Mexico	0.472	South Dakota	$86,787
West Virginia	35.2	Pennsylvania	20.5	Arkansas	0.472	Iowa	$86,029
Delaware	35.2	Delaware	20.3	Rhode Island	0.472	Idaho	$84,996
New Jersey	35.3	Illinois	20.2	New Jersey	0.471	Nebraska	$84,765
South Carolina	35.5	Nevada	20.0	Kentucky	0.471	Vermont	$84,455
Washington	35.7	Michigan	19.9	Oklahoma	0.470	Kansas	$83,841
Kentucky	36.0	Arizona	19.9	Virginia	0.469	Illinois	$83,246
Idaho	36.1	Ohio	19.9	Michigan	0.468	Georgia	$83,070
Tennessee	36.2	California	19.6	West Virginia	0.467	Oregon	$82,449
North Carolina	36.4	North Carolina	19.5	South Carolina	0.466	Wisconsin	$82,351
Wyoming	36.4	Indiana	19.4	Nevada	0.465	Texas	$82,138
Rhode Island	36.8	Missouri	19.2	Missouri	0.463	Rhode Island	$81,643
Illinois	36.8	Maine	19.2	Ohio	0.463	Wyoming	$81,488
Georgia	36.9	Montana	19.1	Arizona	0.462	Nevada	$81,151
Maine	37.8	Hawaii	19.0	Colorado	0.461	Arizona	$80,938
Michigan	37.9	Georgia	18.9	Wyoming	0.461	Montana	$79,603
Pennsylvania	38.2	Oregon	18.9	Montana	0.458	**New York**	**$79,521**
Maryland	38.5	South Dakota	18.7	North Dakota	0.457	Pennsylvania	$79,475
Indiana	39.0	Wyoming	18.5	Maine	0.457	Missouri	$78,828
Missouri	39.1	Wisconsin	18.4	Maryland	0.456	Maine	$78,766
Ohio	39.1	Connecticut	18.2	Kansas	0.456	North Carolina	$78,407
Virginia	39.2	Maryland	18.1	Oregon	0.456	Tennessee	$78,368
Connecticut	39.3	Iowa	18.0	Vermont	0.455	Ohio	$77,836
Massachusetts	39.6	Massachusetts	18.0	Hawaii	0.454	South Carolina	$77,174
South Dakota	39.8	Kansas	18.0	Indiana	0.452	Indiana	$77,103
Vermont	40.0	Nebraska	17.8	Minnesota	0.452	Oklahoma	$75,303
Wisconsin	40.0	North Dakota	17.7	Delaware	0.448	Michigan	$75,235
Colorado	40.1	Virginia	17.7	New Hampshire	0.448	Florida	$75,169
Kansas	40.2	Vermont	17.2	Nebraska	0.446	Alabama	$75,047
Iowa	41.1	Idaho	17.2	South Dakota	0.443	New Mexico	$73,544
Nebraska	41.4	Washington	17.1	Wisconsin	0.442	Kentucky	$71,569
Utah	42.1	Minnesota	17.0	Alaska	0.440	Arkansas	$71,438
Minnesota	42.3	Colorado	15.9	Iowa	0.436	Louisiana	$69,140
New Hampshire	42.5	New Hampshire	15.7	Idaho	0.435	Mississippi	$67,999
North Dakota	42.7	Utah	13.2	Utah	0.422	West Virginia	$67,933

*Cost-of-living adjustments are based on BEA regional price parities.

Conclusion

As Senator Daniel Patrick Moynihan long emphasized, New York's high Federal tax burden—driven by a progressive tax system and a concentration of high-income earners—typically outpaces the Federal spending it receives. At the same time, the state receives disproportionately low levels of Federal investment in areas such as defense contracts, Federal employee wages, and discretionary grants. This pattern was only temporarily disrupted by the COVID-19 pandemic.

The gap created by the structural inequities Senator Moynihan pointed to can only be filled by state revenues. In that context, Moynihan reminded readers of the FFY 1995 version of the balance of payments report of the important difference between fiscal capacity and fiscal effort.[37] In that report, Senator Moynihan defined tax capacity as a state's relative ability to raise revenue and defined "tax effort" as the extent to which a state taps into that capacity, both measured on a per capita basis. Because of New York's generous endowment of very high-income residents relative to other states, New York had then as it does now solid fiscal capacity, as represented by its high per capita income. But by 1995, the state had already stretched its fiscal effort to the limit.

New York's high-income taxpayers continue to pay some of the highest tax rates in the nation. An overreliance on a relatively narrow segment of the tax base at the top of the income ladder can result in excessive volatility in tax collections over the course of the business cycle.[38] In addition, tax rate differentials across states, if sufficiently large, can create tax migration risk.[39] As demonstrated above, New York is already seeing some of the highest outmigration rates in the nation. Given the fiscal portrait painted herein, New York and two of its Northeastern neighbors with the nation's highest levels of per capita receipts, Massachusetts and New Jersey, are all likely to post negative balances of payments for many years to come.



Objectives, Scope, and Methodology

This report addresses questions of how Federal revenue and spending are distributed across states and selected other geographies. This analysis aims to further an understanding of how much individual states, through their residents, employers, and private businesses, contribute to the Federal budget through the payment of Federal taxes and other remittances, and how much individuals, governments, and other economic actors receive in Federal spending. A state's "balance of payments" (BOP) is Federal spending in a state minus revenue paid to the Federal government. A negative balance means that a state's residents and economy pay more than they receive, effectively subsidizing those states that are on the positive side of the BOP ledger.

Overview

A state's balance of payments rests on Federal receipts and expenditures allocated to individual states in two steps.

1. Federal receipts and expenditures from the Federal budget are broken down into major categories and subcategories that sum to the Federal budget totals.
2. Amounts are allocated to states and other geographic areas using data on where receipts were actually raised and where expenditures were actually spent. When actual data on the distribution of receipts and expenditures are not available, best available proxies are identified.

The approach ensures that the sum of the amounts allocated to the individual states and other geographic areas, plus a small amount of unallocable receipts or

expenditures, equals the Federal budget totals. As a result, all numbers allocated to states are consistent with Federal budget data.

Geographic Scope

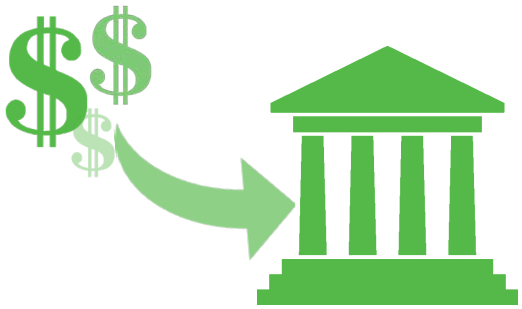
The primary focus of this analysis is the 50 states. Adjustments account for receipts and expenditures in the District of Columbia, Puerto Rico, US territories, and other areas outside that focus. Where specific data for Puerto Rico and other territories existed, we used them to allocate a share of Federal spending and receipts. Where data covered only the 50 states and the District of Columbia but a revenue source or expenditure category was likely attributable to such an area, we allocated by the area's share of total population.

Estimates for these other areas are not the focus of our analysis and are not published. The removal of receipts and expenditures from these geographies is the reason the Federal budget data presented in this document that are deemed to be "allocable" to the 50 states often do not exactly match the US Federal budget totals.

Step 1: Categorizing the Federal Budget

The primary data source for nationwide Federal spending and receipts is the budget of the US Government, Fiscal Year 2026, whose Historical Tables were published by the Office of Management and Budget in June 2025. These tables provide final receipt and spending amounts through Federal Fiscal Year 2024. The data used in this analysis are taken from the Historical Tables, the Object Class Analysis, and the Federal budget database that accompany the Federal budget.[40]

Categories of the Federal Budget



Receipts:

- Personal income tax.
- Employment taxes, such as Social Security and Medicare.
- Corporate income tax.
- Excise taxes, such as those on motor fuel, tobacco, alcohol, and other taxes, consisting primarily of estate and gift taxes.



Expenditures:

- Direct payments for individuals, such as Social Security and Medicare.
- Grants such as Medicaid and grants from the Federal Highway Trust Fund.
- Contractual and procurement spending.
- Wages and salaries of Federal workers.
- COVID-19 relief spending.

TABLE 16 | Federal Receipts and Expenditures by Major Category
(dollars in millions)

	FFY 2023	FFY 2024
Receipts	**$4,440,948**	**$4,919,883**
Allocable Receipts	**$4,319,991**	**$4,797,912**
Income and Employment Taxes	$3,790,937	$4,134,993
Individual income Taxes	$2,176,481	$2,426,067
Social Insurance and Retirement Receipts	$1,614,456	$1,708,926
Corporate Income Taxes	$419,584	$529,867
Excise Taxes	$75,802	$101,436
Other Allocable Receipts	$33,668	$31,616
Unallocable Receipts	**$120,957**	**$121,971**
Expenditures	**$6,134,673**	**$6,750,856**
Allocable Expenditures	**$5,730,915**	**$5,929,933**
Direct Payments to Individuals	$3,418,942	$3,612,698
Grants	$991,183	$1,061,036
Contracts	$770,224	$785,834
Wages	$328,483	$352,440
COVID-19 Relief	$222,083	$117,926
Unallocable Expenditures	**$403,758**	**$820,923**
Deficit	($1,693,725)	($1,830,973)
Deficit reflected in allocable numbers	($1,410,924)	($1,132,021)

In Federal Fiscal Year 2024, the Federal government had receipts of $4.92 trillion and expenditures of $6.75 trillion, creating a deficit of $1.83 trillion (Historical Table 1.1). Using categories generally used in the Federal budget, Federal receipts were broken down into the major categories displayed in Table 16. The categories were disaggregated further as discussed below. The tables show the actual amounts for FFY 2024, which is the primary year of analysis for this report. We also include revised numbers from FFY 2023 as a point of comparison.

Receipts Details

Table 17 shows a breakdown of Federal receipts by major category and subcategory. The data come from the "Historical Tables" published with the Federal budget for fiscal year 2026. The source table for each receipt is provided. Use of the term "calculated" indicates the value has been constructed from other data in the table.

The bulk of Federal receipts are generated from individual income and employment taxes. Tax expenditures that are embedded in the overall tax system, such as the mortgage interest deduction, are part of the overall tax that is allocated to the states.

TABLE 17 | Detailed Breakdown of Federal Receipts

(dollars in millions)

	FFY 2023	FFY 2024	Source*
Receipts	**$4,440,948**	**$4,919,883**	**Calculated**
Income and Employment Taxes	**$3,790,937**	**$4,134,993**	**Calculated**
Individual income tax	$2,176,481	$2,426,067	Table 2.1
Social Insurance and Retirement Receipts	$1,614,456	$1,708,926	Table 2.1
Employment and General Retirement	$1,558,147	$1,652,997	Table 2.4
Old-Age, Survivors Insurance, and Disability Insurance	$1,193,755	$1,259,882	Calculated
Old-Age and Survivors Insurance (Off-Budget)	$1,020,442	$1,076,984	Table 2.4
Disability Insurance (Off-Budget)	$173,313	$182,898	Table 2.4
Hospital Insurance	$357,762	$386,857	Table 2.4
Railroad Retirement (summed)	$6,630	$6,258	Table 2.4
Unemployment Insurance (Trust Funds)	$49,404	$47,975	Table 2.4
Other Retirement (Federal and Non-Federal Employees)	$6,905	$7,954	Table 2.4
Corporate Income Taxes	**$419,584**	**$529,867**	**Table 2.1**
Excise Taxes	**$75,802**	**$101,436**	**Table 2.1**
Transportation (Trust Fund)	$42,216	$42,507	Table 2.4
Tobacco	$10,299	$9,378	Table 2.4
Airport and Airway	$22,277	$18,293	Table 2.4
Health Insurance Providers	—	—	Table 2.4
Alcohol	$9,501	$8,929	Table 2.4
Other Excises	($8,491)	$22,329	Calculated
Estate and Gift Taxes	**$33,668**	**$31,616**	**Table 2.5**
Unallocable Receipts	$120,957	$121,971	Table 2.5
Customs Duties and Fees	$80,338	$77,036	Table 2.5
Federal Reserve Deposits	$581	$3,131	Table 2.5
All Other Miscellaneous Receipts	$40,038	$41,804	Table 2.5

* Table numbers refer to Historical Tables, *Budget of the United States Government, Fiscal Year 2026.*

Some categories of receipts are unallocable, meaning money the Federal government receives that cannot be attributed to a state or territory. These include Federal Reserve deposits of earnings (earnings beyond those needed to fund operations and other requirements) and customs payments. They were 2.5 percent of total receipts collected in FFY 2024. This is a standard practice in the calculation of the balance of payments.

Overview of Expenditures

Expenditures are broken down into five large categories: direct payments to individuals, grants, contracts, wages, and COVID-19 relief spending. A subset of expenditure categories is also classified as unallocable, representing 12.2 percent of total expenditures in FFY 2024. Expenditures that could not be allocated to individual states include spending on international assistance programs and interest on Federal debt. The largest share of unallocable expenditures is net interest on the Federal debt, which amounted to $879.9 billion in FFY 2024, according to OMB Historical Table 3.1. These expenditures are partially offset by undistributed offsetting receipts.

Direct payments include Social Security payments, retirement, and education, housing, food, and other public assistance programs (see Table 18). Tax expenditures are treated as expenditures when they are specifically enumerated in the Federal budget. Under this treatment, the portion of tax credits that are direct payments in the Federal budget includes, among others, the refundable Earned Income Tax Credits and the refundable child credit.

TABLE 18 | Detailed Breakdown of Federal Direct Payments Expenditures

(dollars in millions)

	FFY 2023	FFY 2024	Source*
Direct Payments for Individuals	**$3,418,942**	**$3,612,698**	**Table 11.3**
Social Security and Railroad Retirement	**$1,357,344**	**$1,463,372**	**Table 11.3**
Social Security: Old-Age and Survivors Insurance	$1,197,696	$1,299,604	Table 11.3
Social Security: Disability Insurance	$149,705	$153,994	Table 11.3
Railroad Retirement (excluding Social Security)	$9,943	$9,774	Table 11.3
Federal Employees Retirement and Insurance	**$331,538**	**$343,050**	**Table 11.3**
Civil Service Retirement	$104,068	$107,564	Table 11.3
Veterans Service-Connected Compensation	$148,428	$158,771	Table 11.3
Military Retirement	$74,680	$72,160	Table 11.3
Other	$4,362	$4,555	Table 11.3
Unemployment Assistance (1)	**$30,976**	**$37,677**	**Table 11.3**
Medical Care	**$1,238,281**	**$1,313,735**	**Table 11.3**
Medicare: SMI plus HI (2)	$994,863	$1,031,015	calculated
Medicare: Supplementary Medical Insurance	$604,180	$634,382	Table 11.3
Medicare: Hospital Insurance	$390,683	$396,633	Table 11.3
Hospital and Medical Care for Veterans	$124,474	$138,063	Table 11.3
Refundable Premium Tax Credit and Cost Sharing Reductions	$68,998	$93,175	Table 11.3
Uniformed Services Retiree Health Care Fund (TRICARE)	$11,568	$12,285	Table 11.3
Medical Care—Other	$38,378	$39,197	calculated
Assistance to Students	**$170,480**	**$174,586**	**Table 11.3**
Student Assistance—Department of Education and Other (3)	$157,821	$160,956	Table 11.3
Veterans Education Benefits	$12,659	$13,630	Table 11.3
Housing Assistance	**$17,740**	**$19,295**	**Table 11.3**
Food and Nutrition Assistance	**$110,127**	**$95,662**	**Table 11.3**
SNAP (formerly Food Stamps)(including Puerto Rico) (4)	$110,024	$95,547	Table 11.3
Food and Nutrition Assistance—Other	$103	$115	calculated
Public Assistance and Related Programs	**$146,246**	**$144,422**	**Table 11.3**
Earned Income Tax Credit	$55,468	$60,011	Table 11.3
Supplemental Security Income Program	$57,675	$54,400	Table 11.3
Payment Where Child Tax Credit and Child and Dependent Care Tax Credit Exceed Tax Liability	$28,995	$26,247	Table 11.3
Advance Child Tax Credit Payments and Other Pandemic Payments and Credits (5)	$53,488	$1,008	Table 11.3
Public Assistance—Other	$4,108	$3,764	calculated
All Other Payments for Individuals	**$16,210**	**$20,899**	**Table 11.3**

(1) Excludes benefits paid through the Pandemic Unemployment Assistance and Federal Pandemic Unemployment Compensation programs, which are classified as COVID-19 relief and were negligible in FFYs 2023 and 2024.

(2) The COVID-19 Medicare 2% reimbursement rate add-on ended in FFY 2022 and does not affect the amounts shown.

(3) Excludes COVID-19 relief provided through the Education Stabilization Fund (HEERF) and student loan deferrals, which are reported in Table 25.

(4) Excludes payments made through the SNAP Pandemic EBT program, which are reported in Table 25.

(5) Classified as COVID-19 relief (see Table 25) and excluded from the public assistance and overall totals in this table.

* Table numbers refer to Historical Tables, Budget of the United States Government, Fiscal Year 2026. Amounts shown exclude COVID-19 relief payments, which are reported separately in Table 25.

Step 2: Allocating the Federal Budget to States and Other Geographic Areas

Federal receipts and spending are allocated to individual states using a broad array of data sources. When available, data that directly indicate where Federal receipts originated or where Federal expenditures occurred were used. Federal agency data were considered ideal and were used when available.

Receipts Allocations

Table 19 summarizes the data used to allocate Federal receipts. It also indicates the availability of the data for each year of analysis.

TABLE 19 | Federal Receipts Allocators

Program	Source	2023	2024
Individual Income Taxes	IRS Statistics of Income, Historic Table 2	✓	2023
Old-Age, Survivors Insurance, and Disability Insurance	Social Security Administration OASDI Contributions	✓	2023
Hospital Insurance	Social Security Administration Hospital Insurance Contributions	✓	2023
Railroad Retirement	IRS Gross Collections, Table 5	✓	✓
Unemployment Insurance (Trust Funds)	US DOL Unemployment Insurance Financial Transaction Summary	✓	✓
Other Retirement	Census Bureau population estimates	✓	✓
Corporate Income Taxes	BEA Weighted average of capital and wages	✓	✓
Transportation (Trust Fund)	FHWA payments into the FHTF Highway Account	✓	✓
Tobacco	Census Bureau population estimates	✓	✓
Airport and Airway	Census Bureau population estimates	✓	✓
Alcohol	NIAAA alcohol consumption	✓	2023
Other Excise Taxes	Census Bureau population estimates	✓	✓
Estate and Gift Taxes	IRS Gross Collections, Table 5, net of refunds (Table 8)	✓	✓

NOTE: A checkmark indicates that the data used to construct the allocators for the states was available for the reference year; in the absence of reference year data, data for the prior year was used as a proxy.

Individual Income Tax

Income tax receipts were allocated using income tax liability from the Statistics of Income branch of the Internal Revenue Service for the latest tax liability year available, 2023. Final Statistics of Income data are compiled only after all extensions have expired, and all returns are collected. Data were collected from "Table 2. Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 2023."[41]

To obtain total liability, the following variables are summed:

- A06500 Income tax amount;
- A85530 Additional Medicare tax; and
- A85300 Net investment income tax.

This definition of total income tax liability excludes the Federal Insurance Contributions Act (FICA) and the Self-Employment Contributions Act (SECA) employment taxes, which are accounted for elsewhere. The state shares from 2023 were applied to both 2023 and 2024.

Social Insurance and Retirement

Employment and General Retirement

Old-age and Survivors Insurance, Disability Insurance receipts, and Hospital Insurance were allocated using Table 1 and Table 4, respectively, from the Social Security Administration: "Earnings and Employment Data for Workers Covered Under Social Security and Medicare, by State and County, 2023."[42] Data for 2023 were the most recent information available at the time of the analysis and were applied for FFY 2023 and 2024.

Railroad retirement tax was taken from the "Statistics of Income Gross Collections" data. The data have been published for 2024.[43]

Unemployment Insurance

Unemployment insurance receipts were allocated using net unemployment insurance contributions from the Department of Labor ETA 2112 Unemployment Insurance Financial Transaction Summary.

Other Retirement

The "other retirement" category was allocated according to the population data from the US Census Bureau.

Corporate Income Tax

Corporate income tax was allocated based on the assumption that 75 percent of the burden falls on the owner of capital and 25 percent falls on wage earners. These numbers were calculated based on the US Bureau of Economic Analysis (BEA) State and Personal Income dataset. Sensitivity analysis using alternative plausible assumptions did not have a significant impact on conclusions for New York.

Excise Taxes

Transportation trust fund receipts, primarily gasoline excise taxes, were allocated based on information published by the Federal Highway Administration (FHWA): "Federal Highway Trust Fund Receipts Attributable to Highway Users in Each State."[44]

Alcoholic beverage excise taxes were allocated based on analysis of consumption data from the National Institute on Alcohol Abuse and Alcoholism (NIAAA).[45]

Other excise taxes, including tobacco taxes, airport and airway taxes, and a small amount of miscellaneous excise taxes, were allocated to states in proportion to their population.

Expenditure Allocations

Direct Payments

Allocators for direct payment programs were developed using agency data when available. When they were not, reliable third-party proxies were identified. Table 20 shows how each direct payment program was allocated to the states and provides an indicator as to the availability of data for FFY 2023 and FFY 2024.

Social Security and Railroad Retirement

Social Security old-age and survivors insurance and disability insurance were allocated to states in accordance with the corresponding direct payment amounts posted on USAspending.gov. Railroad Retirement and disability benefits were allocated to states

TABLE 20 | Federal Direct Payments Allocators

Program	Source	2023	2024
Social Security and Retirement			
SSA Old-Age and Survivors Insurance	USASpending.gov	✓	✓
SSA: Disability Insurance	USASpending.gov	✓	✓
Railroad Retirement	BEA State Personal Income	✓	✓
Civil Service Retirement	Office of Personnel Management	✓	✓
Military Retirement	Statistical Report on Military Retirement	2022	2022
Unemployment Assistance			
Unemployment Assistance	US DOL Unemployment Insurance Financial Transaction Summary	✓	✓
Medical Care			
Medicare: SMI plus HI	BEA State Personal Income	✓	✓
Hospital and Medical Care for Veterans	Geographic Distribution of VA Expenditures	✓	✓
Refundable Premium Tax Credit and Cost Sharing Reductions	CMS Effectuated Enrollment data	✓	✓
Uniformed Services Retiree Health Care Fund (TRICARE)	TRICARE Beneficiaries by location	✓	✓
Medical Care—Other	Census Bureau population estimates	✓	✓
Assistance to Students			
Department of Education	BEA State Personal Income	✓	✓
Veterans Education Benefits	Geographic Distribution of VA Expenditures	✓	✓
Housing Assistance			
Housing Assistance	USAspending.gov—Section 8 Housing Choice Vouchers (ALN 14.871)	✓	✓
Food and Nutrition Assistance			
Food and Nutrition Assistance	Federal Funds Information for States	✓	✓
Public Assistance and Related Programs			
Earned Income Tax Credit	IRS Statistics of Income	✓	2023
Supplemental Security Income Program	SSA Annual Statistical Supplement, Table 7B	✓	✓
Payment Where Child Credit Exceeds Tax Liability	IRS Statistics of Income	✓	2023

in proportion to the corresponding component of personal income from the Bureau of Economic Analysis (Table SA35, Line 2121).

Federal Employees Retirement and Insurance

State allocations for civil service retirement expenditures were obtained from the table titled "Exhibit R14: Fiscal Year 2024 Annuitants on the Retirement Roll" from the Statistical Abstracts Fiscal Year 2024, Federal Employee Benefit Programs, published by the Office of Personnel Management. Data for prior years were obtained from the corresponding reports for those years.

State allocations for veterans service-connected compensation for FFY 2024 were obtained from the Compensation and Pension data from the "Geographic Distribution of the Department of Veterans Affairs Expenditures (GDX) FY 2024" published by the US Department of Veterans Affairs, Office of Policy, Planning and Preparedness. Data for prior years were obtained from the corresponding reports for those years. Beginning with the FY 2024 report, VA revised its GDX methodology, aggregating individual-level expenditure data linked to the addresses of veterans and reporting direct and indirect expenditures separately. To preserve comparability with prior years, FY 2024 compensation and pension amounts combine the Compensation and Pension and the DIC and Survivors Pension categories of the report.[46]

State allocations for Military Retirement benefits were estimated using (1) the number of retired and (2) monthly payment information collected from Statistical Report on the *Military Retirement System—Fiscal Year Ended September 30, 2022, published by the Department of Defense, Office of the Actuary, October 2023*. Data from 2022 were used in place of 2024, as it is the most recent year for which the report is available. Data for prior years were obtained from the corresponding reports for those years.[47]

State shares of other Federal employees' retirement expenditures were allocated using the US Census Bureau population share.

Unemployment Assistance

Key data files and links:[48]

- ar2112.csv
- ETHand401_4th_s02.pdf—documentation, describes data
- 4024c6ar2112.pdf—maps variable names to data elements

The Department of Labor publishes monthly data on Net Unemployment Insurance benefits (variable c52). The value is the total of regular unemployment benefits paid to claimants. The total paid is then reduced by any refunds received from claimants and administrative banking costs incurred. Monthly data are summed to calculate annual fiscal year spending.

Medical Care

State allocations for Medicare Supplementary medical insurance (SMI) plus Hospital insurance (HI) were obtained from Medicare Benefits data from BEA Table SA35, Line

2210. Allocations for Puerto Rico and "Unallocated" were estimated using population shares.

State allocations for Hospital and Medical Care for Veterans for FFY 2024 were obtained from the Medical Care data from "Geographic Distribution of the Department of Veterans Affairs Expenditures (GDX) FY 2024" published by the US Department of Veterans Affairs, Office of Policy, Planning and Preparedness. Data for prior years were obtained from the corresponding reports for those years.[49]

State allocations for the ACA refundable Premium Tax Credits are based on enrollment data published by KFF in *Estimated Total Premium Tax Credits Received by Marketplace Enrollees. This source draws from the Effectuated Enrollment: Early 2024 Snapshot and Full Year 2023 Average* reports by the Centers for Medicare & Medicaid Services (CMS).[50]

State allocations for the Uniformed Services Retiree Health Care Fund, also known as the US Department of Defense Medicare-Eligible Retiree Health Care Fund or "TRICARE for Life," were based on the number of TRICARE beneficiaries by state obtained from *Evaluation of the TRICARE Program FY 2025 Report to Congress*.[51] Beneficiary totals by state from this source include other TRICARE programs but are deemed the best available proxy.

Other medical care expenditures were deemed immaterial; in the absence of specific agency information, amounts were allocated using state population data from the US Census Bureau.

Assistance to Students

State shares for Department of Education expenditures were allocated using "Education and training assistance" from BEA Table SA35. Allocations for Puerto Rico and "Unallocated" were estimated using population share.

State shares for Veterans Education Benefits were allocated using Education & Vocational Rehabilitation/Employment data from the "General Description of Geographic Distribution of the Department of Veterans Affairs Expenditures (GDX)."[52]

Housing Assistance

Housing assistance expenditures were allocated using obligations for Section 8 Housing Choice Vouchers (Assistance Listing 14.871) reported through the USAspending.gov spending-by-geography interface, by state, for FFYs 2015 to 2024. This source replaces the state allocation table formerly published in the Analytical Perspectives volume of the President's Budget, which is no longer produced.[53] The two sources track each other closely. Annual national totals agree within 0.3 to 2.4 percent, while state shares correlate at 0.997 or higher in every year both are available.

Food and Nutrition Assistance

Food and nutrition assistance was allocated to states using Federal Funds Information for States (FFIS) grant data for Assistance Listing (formerly CFDA) 10.551, the Supplemental Nutrition Assistance Program.

Public Assistance and Related Programs

The earned income tax credit was allocated using data from line-item A59720 in the "SOI Tax Stats" provided by the Statistics of Income branch of the Internal Revenue Service for tax year 2023.[54] The refundable childcare tax credits were allocated based on the same data set using line-item A07225, which replaced A07220 beginning in tax year 2018.

Supplemental Security Income Program expenditures were allocated using Federal SSI data from "Table 7.B7 – Total Federally administered payments by state and other area, 2024." Data for prior years were obtained from the corresponding reports for those years.[55]

State shares for all other payments for individuals were allocated using state population estimates.

Grants

Table 21 lists the detailed categories of Federal grant expenditures as they appear in the public Federal budget database that accompanies the Federal budget and Historical Table 12.3.

TABLE 21 | Detailed Breakdown of Federal Grants Expenditures
(dollars in millions)

Description	FFY 2023	FFY 2024	Source*
Grants	**$991,183**	**$1,061,036**	**Table 12.3**
Department of Homeland Security			
Federal Emergency Management Agency Disaster Relief Fund**	$23,819	$29,498	Table 12.3
DHS Other	$3,720	$3,679	Table 12.3
Department of the Interior	**$8,479**	**$8,819**	**Table 12.3**
Department of Justice			**Table 12.3**
DOJ Office of Justice Programs Crime Victims Fund Criminal Justice Assistance	$1,991	$2,000	Table 12.3
DOJ Other	$3,348	$3,513	Table 12.3
Department of Labor			
DOL Employment and Training Administration Training and Employment Services Training and Employment	$3,100	$3,191	Table 12.3
DOL Employment and Training Administration Unemployment Trust Fund Unemployment Compensation	$3,432	$4,071	Table 12.3
DOL Other	$1,723	$1,616	Table 12.3
Department of Transportation			
DOT Federal Aviation Administration Grants-in-aid for Airports (Airport and Airway Trust Fund) Air Transportation**	$4,319	$3,871	Table 12.3
DOT Federal Highway Administration Federal-Aid Highways Ground Transportation	$47,688	$53,262	Table 12.3
DOT Federal Railroad Administration Capital Assistance for High Speed Rail Corridors and Intercity Passenger Rail Service Ground Transportation	$18	$1	Table 12.3

TABLE 21 | Detailed Breakdown of Federal Grants Expenditures, *continued*
(dollars in millions)

Description	FFY 2023	FFY 2024	Source*
Department of Transportation			
DOT Federal Transit Administration Transit Formula Grants Ground Transportation	$9,966	$13,666	Table 12.3
DOT Other**	$25,571	$24,458	Table 12.3
Department of Education			
ED Office of Elementary and Secondary Education, Education for the Disadvantaged Elementary, Secondary, and Vocational Education	$17,857	$18,856	Table 12.3
ED Office of Elementary and Secondary Education School Improvement Programs Elementary, Secondary, and Vocational Education	$5,493	$5,824	Table 12.3
ED Office of Innovation and Improvement Innovation and Improvement Elementary, Secondary, and Vocational Education	$812	$866	Table 12.3
ED Office of Special Education and Rehabilitative Services Rehabilitation Services Social Services	$3,528	$4,028	Table 12.3
ED Office of Special Education and Rehabilitative Services Special Education Elementary, Secondary, and Vocational Education	$15,114	$16,027	Table 12.3
ED Other**	$24,720	$60,833	Table 12.3
Environmental Protection Agency			
EPA Environmental Protection Agency State and Tribal Assistance Grants Pollution Control and Abatement	$7,069	$7,315	Table 12.3
EPA Other	$344	$193	Table 12.3
FCC Universal Service Fund	**$2,471**	**$2,658**	**Table 12.3**
Department of Health and Human Services			
HHS Administration for Children and Families Child Care Entitlement to States Other Income Security	$3,628	$3,566	Table 12.3
HHS Administration for Children and Families Children and Families Services Programs Social Services	$14,637	$14,145	Table 12.3
HHS Administration for Children and Families Low Income Home Energy Assistance Other Income Security	$5,875	$4,950	Table 12.3
HHS Administration for Children and Families Payments for Foster Care and Permanency Other Income Security	$9,799	$10,135	Table 12.3
HHS Administration for Children and Families Payments to States for Child Support Enforcement and Family Support Programs Other Income Security	$4,617	$4,875	Table 12.3
HHS Administration for Children and Families Payments to States for the Child Care and Development Block Grant Other Income Security	$22,875	$16,286	Table 12.3
HHS Administration for Children and Families Temporary Assistance for Needy Families Other Income Security	$16,459	$17,640	Table 12.3
HHS Administration for Community Living Aging and Disability Services Programs Social Services	$2,237	$2,195	Table 12.3
HHS Centers for Medicare and Medicaid Services Children's Health Insurance Fund Health Care Services	$17,588	$19,449	Table 12.3
HHS Centers for Medicare and Medicaid Services Grants to States for Medicaid Health Care Services**	$615,772	$617,517	Table 12.3
HHS Health Resources and Services Administration Health Resources and Services Health Care Services	$2,971	$2,962	Table 12.3
HHS Substance Abuse and Mental Health Services Administration Substance Abuse and Mental Health Services Administration Health Care Services	$7,144	$7,942	Table 12.3
HHS Other	$11,592	$11,225	Table 12.3
Department of Housing and Urban Development			
HUD Community Planning and Development Community Development Fund Community Development	$8,774	$9,373	Table 12.3
HUD Public and Indian Housing Programs Public Housing Operating Fund Housing Assistance	$19	$5	Table 12.3

TABLE 21 | Detailed Breakdown of Federal Grants Expenditures, *continued*
(dollars in millions)

Description	FFY 2023	FFY 2024	Source*
Department of Housing and Urban Development			
HUD Public and Indian Housing Programs Tenant Based Rental Assistance Housing Assistance	$29,559	$33,976	Table 12.3
HUD Other	$15,201	$15,852	Table 12.3
Department of the Treasury			
Refundable Premium Tax Credit	$13,599	$17,020	Table 12.3
Coronavirus Relief Fund/State and Local Fiscal Recovery Fund**	$2,998	$602	Table 12.3
Emergency Rental Assistance**	$3,161	($389)	Table 12.3
Department of Agriculture			
USDA Food and Nutrition Service Child Nutrition Programs Food and Nutrition Assistance	$29,126	$32,619	Table 12.3
USDA Food and Nutrition Service Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) Food and Nutrition Assistance	$6,819	$7,257	Table 12.3
USDA Food and Nutrition Service Supplemental Nutrition Assistance Program Food and Nutrition Assistance	$10,848	$10,848	Table 12.3
USDA Other	$4,501	$4,576	Table 12.3
Department of Veterans Affairs	**$2,418**	**$2,559**	**Table 12.3**
Other Agencies	**$6,585**	**$6,488**	**Table 12.3**
Sum of Line Items Above	**$1,083,384**	**$1,141,918**	**Calculated**
Less: COVID-19 Relief Included in ** Items (see Table 25)	**($92,201)**	**($80,882)**	**Calculated**
Equals: Grants	**$991,183**	**$1,061,036**	**Table 12.3**

* Table numbers refer to the Historical Tables, *Budget of the United States Government, Fiscal Year 2026*.

** Line item includes COVID-19 relief funding. Seven items combine regular and COVID-19 funding (FEMA Disaster Relief Fund; DOT Airports; DOT other; ED other; HHS Medicaid; State and Local Fiscal Recovery Fund; Emergency Rental Assistance).

NOTE: Table 12.3 includes pandemic aid within the regular grant lines shown above. This report analyzes COVID-19 relief separately, using pandemic-specific state allocations detailed in Table 25; the Grants total therefore excludes these amounts. Together, Tables 21 and 25 count each federal dollar once.

Medicaid

Medicaid was allocated to the states based on the Federal share of total Medicaid expenditures reported by the states on Centers for Medicare & Medicaid Services (CMS) Form 64, which reflects all state expenditures.[56] State expenditures were calculated by summing programmatic expenditures, known as "total computable" spending, and administrative reimbursement. Data were available for FFYs 2015 to 2024.

Basic Health Program (BHP)

In addition to Federal funding from Medicaid, certain states receive Federal funds through the Affordable Care Act's Basic Health Program (BHP) and through pass-through payments under Section 1332 waivers. The BHP allows states to provide health insurance to low-income residents who would otherwise qualify for coverage under the Health Insurance Marketplace but who have income between 133 percent and 200 percent of the federal poverty level (FPL).[57] In FFY 2024, New York, Minnesota,

and Oregon received BHP or equivalent funding, and 17 states received Section 1332 reinsurance pass-through payments. New York converted its Essential Plan from a BHP to a Section 1332 waiver program on April 1, 2024. The state's allocation in 2024 reflects the full-year 1332 pass-through. The legacy BHP stream, which overlaps, is excluded to avoid double counting. Oregon began a new BHP on July 1, 2024, and enters at a partial-year amount. These funds are included in the Treasury refundable Premium Tax Credit grants line and are allocated using program payment data compiled by the New York State Division of the Budget from CMS pass-through records and data from USASpending (Assistance Listing 93.640).

Federal Highway Grants

Federal highway grants were allocated using data from the Federal Funds Information for States (FFIS) for the National Highway Performance Program, Assistance Listing (formerly CFDA) 20.205. FFIS data were available for FFYs 2015 to 2024.

Other Grants

Most other grants were allocated based on the most closely corresponding FFIS grant. Where no single grant appeared to correspond closely, they were allocated based on the average allocation of grants for the Federal agency as a whole.

Contracts and Procurement

TABLE 22 | Detailed Breakdown of Federal Contracts and Procurements

	FFY 2023	FFY 2024
Contracts (obligations)	**$770,224**	**$785,834**
Department of Defense—Military Programs	$413,009	$432,776
Department of Veterans Affairs	$71,891	$80,205
Department of Energy	$40,098	$40,334
Department of Health and Human Services	$51,011	$40,756
Department of Homeland Security	$35,675	$34,472
Social Security Administration	$17,501	$17,766
National Aeronautics and Space Administration	$20,001	$18,959
Department of Justice	$20,514	$15,882
Department of Agriculture	$23,193	$22,089
Other (does not include International Assistance)	$77,331	$82,595

SOURCE: Object Class Analysis, *Budget of the U.S. Government, Fiscal Year 2026*.

Data for contracts and procurements are obtained for each agency from the tables found in *Object Class Analysis, Budget of the U.S. Government, Fiscal Year 2026*, which, unlike the Historical Tables, are obligations-based. The data were allocated to the states based on procurement data obtained from USASpending by agency.

TABLE 23 | Detailed Breakdown of Federal Wages
(dollars in millions)

	FY 2023	FY 2024
Wages (obligations)	**$328,483**	**$352,440**
Military	$121,022	$125,047
Nonmilitary	$207,461	$227,393

SOURCE: Object Class Analysis, *Budget of the U.S. Government, Fiscal Year 2026*.

Wages

Data on Federal obligations for wages and salaries were taken from the object class data accompanying the Federal budget and adjusted to estimate total military and nonmilitary wages.

Military Wages

Military wages were allocated to states based on each state's share of military wages as reported in US Bureau of Economic Analysis Table SAINC7N. The share for Puerto Rico (absent from the file) was estimated based on its population as reported by the US Census Bureau. These data were available for all years of analysis.

Civilian Wages

Civilian wages were allocated to states by multiplying the number of Federal employees in each state by the average Federal salary in that state, using data from the Office of Personnel Management Enterprise Human Resources Integration (EHRI) (September snapshot of each fiscal year, by duty-station state). The EHRI covers executive branch civilian employees, but it excludes the US Postal Service and certain other agencies; because the budget total for civilian wages includes a small amount of Postal Service compensation, that amount is distributed according to the geography of the non-postal Federal workforce. In addition, these data cover only the 50 states and the District of Columbia. Values for Puerto Rico and the US outlying areas were estimated from their population shares. Data were available for FFYs 2015 to 2024.[58]

COVID-19 Relief Funding

In FFY 2020 the Federal government passed four appropriations bills that allocated funds to address the public and economic impacts of the COVID-19 pandemic. Together, these four pieces of legislation provided an additional $2.27 trillion to Federal agencies

TABLE 24 | COVID-19 Relief Supplemental Funding

Law	Date Signed	Amount
Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020 P.L. 116-123	March 6, 2020	$7.8 billion
Families First Coronavirus Response Act P.L. 116-127	March 18, 2020	$22.3 billion
Coronavirus Aid, Relief, and Economic Security Act (CARES Act) P.L. 116-136	March 27, 2020	$1,760.0 billion
Paycheck Protection Program and Health Care Enhancement Act P.L. 116–139	April 24, 2020	$483.4 billion
Coronavirus Response and Relief Supplemental Appropriations Act P.L. 116-260	December 27, 2020	$991.3 billion
American Rescue Plan Act of 2021 P.L. 117-2	March 11, 2021	$1,961.9 billion

SOURCE: "Funding Overview," Pandemic Oversight, Pandemic Response Accountability Committee (PRAC), updated September 29, 2025.

(see Table 24). In FFY 2021, the government passed two additional bills allocating an additional $3.0 trillion to Federal agencies to address the pandemic and recovery. Over the course of FFYs 2020 and 2021, the Federal government is estimated to have disbursed $1.6 trillion and $1.8 trillion, respectively, in COVID-19 relief funds.[59] Another estimated $437.9 billion was disbursed in FFY 2022, $222.1 billion in FFY 2023, and $117.9 billion in FFY 2024.

COVID-19 relief funding was distributed to individuals, businesses, health care providers, and state and local governments, primarily in two forms. The first was through new programs created explicitly to distribute funds. These programs include the Paycheck Protection Program for small businesses, Economic Impact Payments deposited into bank accounts, and the Coronavirus Relief Fund for state and local governments. COVID-19 also resulted in higher-than-average expenditures for existing programs. The dramatic number of job losses resulted in a record-breaking number of claims filed for Unemployment Insurance. The increases in Medicare reimbursement rates resulted in higher-than-normal expenditures for the program. The growth in expenditures in these programs can be attributed to the pandemic, but the portion of spending allocated to COVID-19 relief can be difficult to separate.

In FFY 2024, the state of COVID-19 funding transitioned towards completion, but allocations from previous legislative acts continued to be disbursed. Despite the bulk of emergency funding measures being enacted in FFYs 2020 and 2021, residual funding remained in distribution, supporting the lingering impacts of the pandemic.

A category of expenditures was created to account for the new spending programs initiated to provide pandemic relief. While hundreds of programs were created through the six bills signed into law, the bulk of expenditures can be attributed to 14 programs (see Table 25).

TABLE 25 | Detailed Breakdown of COVID-19 Spending
(dollars in millions)

	FFY 2023	FFY 2024	Source
COVID-19 Relief Spending (Expenditures)	**$222,083**	**$117,926**	**calculated**
Direct Payments to Individuals			
Paycheck Protection Program	$348	$545	Small Business Administration
Economic Injury Disaster Loan Program	$30,450	$34,569	Small Business Administration
Coronavirus payments and credits	$53,488	$1,008	Table 11.3, IRS
SNAP Pandemic EBT Program	$13,763	$359	USDA
Education Stabilization Fund HEERF (Students)	$881	$36	Table 11.3, ed.gov
Education Stabilization Fund HEERF (Higher Education)	$4,868	$526	Table 11.3, ed.gov
Student Loan Deferrals	$26,084	$0	Table 11.3, ed.gov
Subtotal, Direct Payments to Individuals	$129,882	$37,043	calculated
Grants			
Medicaid FFCRA Sections 6008 and 6004	$34,985	$3,268	CMS
FEMA Disaster Relief Authorization	$15,342	$14,965	dhs.gov
State and Local Fiscal Recovery Fund (SLFRF)	$2,998	$602	Table 12.3
Emergency Rental Assistance†	$3,161	($389)	Table 12.3
Transportation Funding	$16,352	$7,881	DOT
Governor's Education Stabilization Fund	$751	$1,931	Table 12.3, ed.gov
Education Stabilization Fund Grants to Governments	$18,612	$52,624	Table 12.3, ed.gov
Subtotal, Grants	$92,201	$80,882	calculated

* Table numbers refer to Historical Tables, *Budget of the United States Government, Fiscal Year 2026*.

† Emergency Rental Assistance is negative in FFY 2024, reflecting the deobligation and recapture of funds awarded in prior years rather than negative spending.

NOTE: The items shown under Grants are also included in the line items marked ** in Table 21, where they are deducted from the Grants total so that each federal dollar is counted only once. Detail may not sum to totals due to rounding.

Business Loan Programs

The Small Business Administration (SBA) published data on the loans awarded to small businesses through the Paycheck Protection Program[60] and the Economic Injury Disaster Loan program.[61] Lending through the PPP ended in May 2021, so the FFY 2023 and 2024 amounts, which largely reflect loan forgiveness and subsidy reestimates, were allocated using the FFY 2022 state distribution of PPP lending, the most recent year with data showing disbursement. EIDL amounts were allocated using each state's share of COVID-19 EIDL loans and advances from the SBA; the FFY 2024 national total comes from the Monthly Treasury Statement.

Pandemic Unemployment

Two temporary programs paid pandemic unemployment benefits: Pandemic Unemployment Assistance and Federal Pandemic Unemployment Compensation. Historical Table 11.3 reports them together with regular unemployment insurance on a single line, Unemployment Assistance. We separate the two pandemic programs from that line and report them as COVID-19 relief.[62] They paid $342.6 billion in FFY

2020, $332.4 billion in FFY 2021, and $2.2 billion in FFY 2022, and nothing thereafter. Regular unemployment insurance accounted for the remainder, totaling $129.5 billion in FFY 2020, $55.3 billion in FFY 2021, and $45.8 billion in FFY 2022. All unemployment payments in FFY 2023 and FFY 2024 were regular unemployment insurance, $31.0 billion and $37.7 billion.

Coronavirus Payments and Credits

Historical Table 11.3 reports a single amount combining the Economic Impact Payments and Advance Child Tax Credit payments created under the emergency pandemic relief programs. The distribution of the Table 11.3 total between the two programs and its allocation across the states are derived from IRS Data Book Table 8, which reports refundable credit payments by state through FFY 2022. Table 8 provides no breakout after FFY 2022. The FFY 2023 and 2024 amounts are allocated using the FFY 2022 distribution as a proxy.[63]

SNAP Pandemic EBT Program

Historical Table 11.3 of the Federal budget reports total food and nutrition assistance direct payments. The US Department of Agriculture separately publishes data on Pandemic EBT program participation and benefits. The total amount spent on Pandemic EBT was removed from the total level of SNAP funding and reclassified as COVID-19 relief spending. Traditional SNAP funding was allocated to the states using Federal Funds Information for States (FFIS) grant data for Assistance Listing 10.551, the Supplemental Nutrition Assistance Program. Pandemic EBT funding was allocated using the state-level P-EBT participation and benefits data published by the US Department of Agriculture. The FFY 2024 amount of $359 million is the final tail of the program, consisting largely of retroactive issuance concentrated in a few late-issuing states, and was taken from the monthly state-level P-EBT tables.

Coronavirus Relief Fund/State and Local Fiscal Recovery Fund

Under the CARES Act, the Coronavirus Relief Fund provided payments to state, local, and tribal governments in FFY 2020. This funding was continued under the American Rescue Plan into 2021 and 2022 under the aegis of the State and Local Fiscal Recovery Fund. Total spending for this program is taken from Historical Table 12.3. The Department of the Treasury publishes data on the distribution of the funding by state. For FFY 2021 and 2022, expenditures were allocated using the annual obligations reported in the state-by-state tables of the Analytical Perspectives volume and from the state, local, territorial, and tribal allocation published by the Treasury.[64]

Provider Relief Fund

State allocations for the Provider Relief Fund are based on the payments database published on Pandemic Oversight, the website of the Pandemic Response Accountability Committee. Because the database reports cumulative rather than annual payments, the share of each state in cumulative FFY 2020–22 payments was applied to the annual budget totals for those years to estimate yearly distributions. The program had no material expenditures in FFYs 2023 and 2024.[65]

Emergency Rental Assistance

The Emergency Rental Assistance program was funded under the Consolidated Appropriations Act and the American Rescue Plan. The Treasury Department provides grants to states, territories, and local governments to be distributed to eligible households; the Treasury also publishes data on the distribution of this funding by state. No state-level data were published for FFY 2024; the FFY 2024 amount, negative because of recaptures of prior-year awards, was allocated using the FFY 2023 distribution.[66]

American Rescue Plan Act Transportation Funding

The American Rescue Plan Act created rescue grants for public transportation and airports to provide relief from the economic impact of the COVID-19 pandemic. No COVID-19-specific state distributions are published for these funds. Transit amounts were allocated using the state distribution of all Federal Transit Administration Transit Formula Grant obligations (Assistance Listing 20.507), and airport amounts using the distribution of all Airport Improvement Program obligations (Assistance Listing 20.106), from the state-by-state tables of the Analytical Perspectives volume of the Budget of the United States Government, most recently the Fiscal Year 2025 Budget. No FFY 2024 state tables were published, so FFY 2024 amounts use the FFY 2023 distributions.[67]

Federal Emergency Management Agency (FEMA)

The Federal Emergency Management Agency (FEMA) provided financial resources and logistical support to help states manage the public health crisis. State allocations are based on the Federal share of obligations in FEMA's Public Assistance Funded Projects Details dataset from OpenFEMA, restricted to biological-incident projects and assigned to fiscal years by obligation date.[68]

Education Relief

The Education Stabilization Fund was created as part of the CARES Act and further funded through the Consolidated Appropriations Act and the American Rescue Plan Act. In total the fund provided approximately $278 billion in relief to higher education institutions and their students, school districts, and state governments. We build state allocations for Elementary and Secondary School Emergency Relief (ESSER), Governor's Emergency Education Relief (GEER, including Emergency Assistance to Non-Public Schools), and Higher Education Emergency Relief (HEERF) from the US Department of Education's annual public-use performance reporting files for 2020 through 2023. FFY 2024 amounts mostly reflect spending of ESSER funds obligated earlier, before the September 30, 2024, deadline; we allocated them using the 2023 geographic distributions.[69]

The Department also reports student relief as loan deferrals for 2020 through 2023, including $26.1 billion in 2023, and none for FFY 2024. We allocated this funding by state using BEA data on education and training assistance.

In fiscal year 2022, the Biden administration proposed broad-based student loan debt relief for millions of borrowers. The Supreme Court blocked it, and the funds were never disbursed (see *Biden v. Nebraska*, 600 U.S. 477). No money reached the states. We therefore exclude the proposed debt relief from state allocations in this balance of payments analysis.

Unallocable Expenditures

A subset of expenditure categories is classified as unallocable. These are monies spent by the Federal government that cannot be attributed to a specific state. Unallocable Federal expenditures include net interest expenditures and payments for international assistance programs. This is a standard practice in the calculation of balance of payments. Unallocable expenditures rose from $403.8 billion in FFY 2023 to $820.9 billion in FFY 2024, driven by net interest expenditures of $879.9 billion and by the FFY 2023 reversal of broad-based student debt relief, which reduced that year's total by $332.9 billion and had no counterpart in FFY 2024.

TABLE 26 | Unallocable Federal Expenditures
(dollars in millions)

	FY 2023	FY 2024
Total Unallocable	**$403,758**	**$820,923**
Net Interest Expenditures	$658,267	$879,879
International Assistance Programs	$55,116	$58,755
Undistributed Offsetting Receipts	($131,927)	($146,736)
Broad-Based Student Debt Relief	($332,858)	$0
Unexplained (S/B Obligations/Expenditures Difference)	$155,160	$29,025

SOURCE: Historical Table 3.1, Budget of the United States Government, Fiscal Year 2026; Object Class Analysis, *Budget of the U.S. Government, Fiscal Year 2026*; US Department of Education, FY 2023 Agency Financial Report.

Revisions to Estimates

The calculation of the balance of payments relies on data from over a dozen agencies and third-party suppliers. Each data set has a unique release and revision cycle. Ideally, our calculations would use final data from each of the sources, but these are not always available. Despite limitations in the availability of some source data, the Rockefeller Institute of Government and New York State Division of the Budget believe there is value in generating estimates in a timely manner even if these calculations are based on preliminary data or reasonable estimates.

Changes in Allocators

Tables 19 and 20 present the allocators used and their availability for each of the Federal Fiscal Years studied. For datasets in which there were no data available, the values from the next closest year were used. This report uses the most recent data from the IRS Statistics of Income for the 2023 tax year to determine individual income

tax liability. Elements of the FFY 2024 and FFY 2023 balance of payments estimates are based on the distribution of 2023 individual income tax liability across the states.

Several pandemic aid programs wound down in FFY 2024. The cost of the pause on student loan payments falls to zero; no deferral cost was reported for FFY 2024. The enhanced Medicaid matching rate under the Families First Coronavirus Response Act declines from $35.0 billion to $3.3 billion. We continue to report it as a dedicated COVID-19-Medicaid line and allocate it using the CMS Form 64 distribution of total Medicaid expenditures that we use for regular Medicaid grants. SNAP Pandemic-EBT retains a $0.4 billion tail. We draw this year's figure from the Food and Nutrition Service's monthly state-level P-EBT series.[70]

Labelling Conventions

Preliminary estimates—Preliminary estimates are those values calculated for the immediately preceding Federal Fiscal Year. In this report, preliminary FFY 2024 estimates are presented. Typically, preliminary estimates are calculated based on finalized data released with the Historical Tables of the Federal budget for the Federal Fiscal Year. Nine of the 13 required receipts allocators are specific to the study year (FFY 2024); the remaining four are extrapolated from the prior year (FFY 2023). Similarly, three of the required expenditures allocators are extrapolated from prior years (military retirement, the earned income tax credit, and the payment where the child credit exceeds tax liability).

Revised estimates—Revised estimates are updates to preliminary estimates calculated in the previous year. In this report, revised FFY 2023 estimates are presented. These estimates incorporate more recent data from the Census, IRS, CMS, and the Social Security Administration. These revisions affect the state distributions; national totals for FFY 2023 are retained as published in the prior edition.



ENDNOTES

If you are reading a printed version of this PDF, use this QR code to access the links in these references.

ENDNOTES

1 Federal Fiscal Year (FFY) 2024 started on October 1, 2023, and concluded on September 30, 2024. For convenience, in referring to the 2024 Federal fiscal year, "FFY 2024" and "2024" are used interchangeably. This convenience is extended to all fiscal year references; calendar year 2024 is specified as CY 2024 and all calendar year references are specified as such. The final outlays and receipts values for FFY 2024 used in this report were published in the *Budget of the United States Government, Fiscal Year 2026*. Revisions to 2023 estimates are based on data not yet available as of last year's report's publication date, particularly related to the distribution of revenues and funding across the states and the identification of outlays as authorized under emergency COVID-19 relief spending.

2 For Federal Fiscal Years 1998 through 2010, Rockefeller Institute staff used a simplified methodology based on spending data from the US Census Bureau's *Consolidated Federal Fiscal Reports* (CFFR, since discontinued), as well as revenue data found in IRS Data Book Table 5 and Table 8. Because of the difference in methodologies, the two sets of balance of payments estimates are only loosely comparable.

3 All per capita values are based on the most current US Census Bureau population estimates for the associated calendar year. National per capita estimates are based on amounts allocated to the 50 states, the District of Columbia, and Puerto Rico, divided by the total population over those areas.

4 "Poverty Status in the Past 12 Months," American Community Survey 1-Year Estimates, Table S1701, US Census Bureau, accessed September 28, 2026.

5 "Food Stamps/Supplemental Nutrition Assistance Program (SNAP)," American Community Survey 1-Year Estimates, Table S2201, US Census Bureau, accessed September 28, 2026.

6 "Public Health Insurance Coverage by Type and Selected Characteristics," American Community Survey 1-Year Estimates, Table S2704, US Census Bureau, accessed September 28, 2026.

7 Tax liability is the total amount of tax that a taxpayer is legally obligated to pay to a government as circumscribed by the tax laws that were binding during the specific tax year in which the tax debt was incurred. The payments made by the taxpayer to satisfy that debt often occur during that same tax year but could occur during a subsequent year as part of the settlement process. The actual payments made by the taxpayer to the government are referred to in this report as collections or receipts.

8 Donald J. Trump, "Proclamation on Declaring a National Emergency Concerning the Novel Coronavirus Disease (COVID-19) Outbreak," Proclamation 9994, The White House, March 13, 2020.

9 Drew DeSilver, "In the U.S. and Around the World, Inflation Is High and Getting Higher," Pew Research Center, June 15, 2022.

10 Although there is no official estimate of bonus income on a national basis, the New York State Division of the Budget constructs bonus series for 12 of the state's industrial sectors. See *FY 2027 Executive Budget Economic, Revenue, and Spending Methodologies* (Albany: New York State Division of the Budget, 2026): 50–2.

11 "Revenue Projections, by Category," Table 6, Capital Gains Realizations and Tax Receipts, Congressional Budget Office, February 2026; New York positive capital gains realizations data available from the New York State Department of Taxation and Finance, "Personal Income Tax Filers, Summary Dataset 3 - Statewide Major Items and Income & Deduction Components by Liability Status and Detail Income Range: Beginning Tax Year 2015."

12 *FY 2027 Economic and Revenue Outlook* (Albany: New York State Division of the Budget, January 2026), 99–100.

13 Past versions of this report provide more detailed analyses of the impact of COVID-19 emergency spending programs on New York's balance of payments and those of other states. For example, see Lynn Holland and Patrick Schumacher, *Giving or Getting? New York's Balance of Payments with the Federal Government, 2025 Report* (Albany, NY: Rockefeller Institute of Government, August 2025), 17–8.

14 Prior editions of this report put this share at 76.0 percent. That figure also counted railroad retirement and all other Federal direct payments for medical care, including veterans' medical care, the premium tax credit, and TRICARE. The underlying data are unchanged.

15 Elizabeth Williams et al., "Medicaid Financing: The Basics," KFF, March 4, 2026.

16 For each state's expansion status and implementation date, see "Status of State Medicaid Expansion Decisions," KFF, October 16, 2026. For evidence that expansion raised per capita state spending from federal funds, see Jenny Markell and Mark Katz Meiselbach, "The Impact of Medicaid Expansion on State Expenditures through the COVID-19 Era," *Health Services Research* 59, no. 5 (October 2024), which finds that in 2022, states that expanded Medicaid before 2020 spent an average of $3,897 per capita from federal funds, compared with $2,624 in nonexpansion states.

17 The enactment of the FY 2021 New York State budget implemented a new elective tax paid by partnerships and S-corporations, known as the Pass-through Entity Tax (PTET), as an alternative to the Personal Income Tax. The Budget Division estimates that the PTET is reducing New York's share of federal income tax receipts by about one tenth of a percent per year.

18 See "SOI tax stats - Migration data 2022–2023," Internal Revenue Service, updated March 20, 2026.

19 Under a progressive income tax structure, filers with higher AGI will tend to be subject to a higher average tax rate, but a filer's income composition also matters, since positive capital gains realizations are often taxed at a lower rate than ordinary income. A more detailed study is left for future analysis.

20 For a discussion of DOB's current inflation outlook, see *FY 2027 NYS Enacted Budget Financial Plan* (Albany: New York State Division of the Budget, June 2026): 73–4.

21 "Debt to the Penny," Fiscal Data, US Department of the Treasury, Bureau of the Fiscal Service, accessed October 2, 2026.

22 "Federal Employment Loss in NY in 2025," Federal Funding and New York, Office of the New York State Comptroller, accessed October 8, 2026, The estimate (8,500 jobs, a 7.3 percent decline between January and December 2025) is based on seasonally adjusted Current Employment Statistics data from the New York State Department of Labor and the US Bureau of Labor Statistics.

23 Public Law 119-21 (H.R. 1, 119th Congress), enacted July 4, 2025, amending 26 U.S.C. § 164(b)(6). The $40,000 cap applies for tax year 2025 and rises 1 percent annually through 2029; it phases down toward $10,000 for filers with modified adjusted gross income above $500,000 and reverts to $10,000 for all filers in 2030.

24 For a comprehensive view of the risks to health care coverage specific to New York from federal actions contained in H.R. 1, see Jillian Kirby Bronner, *How Health Policy Changes in Washington Could Affect New York* (Albany, NY: Rockefeller Institute of Government, June 2025).

25 Statistics derived from 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," updated August 21, 2026.

26 See "Why Should States and Localities Have Progressive Tax Systems?" Institute on Taxation and Economic Policy, accessed October 26, 2026.

27 See "How the Census Bureau Measures Poverty," US Census Bureau, updated January 13, 2026.

28 For national poverty thresholds by year, see "Poverty Thresholds," Current Population Survey, US Census Bureau, updated September 15, 2026.

29 For a description of the Supplemental Poverty Measure, see Emily A. Shrider and Christina Bijou, *Poverty in the United States: 2024*, Report No. P60-287 (Washington, DC: US Census Bureau, September 2025).

30 See "Methodology," Community Resilience Estimates Technical Documentation, US Census Bureau, updated December 11, 2025.

31 The 10 risk factors are: (1) a household income-to-poverty ratio of less than 130 percent; (2) zero or one caregiver living in the household (defined as an individual age 18–64); (3) household overcrowding defined as 0.75 persons or more per room; (4) a communication barrier defined as no one in the household with at least a high school diploma or no one in the household speaks English "very well"; (5) at least one person in the household is aged 65 years or older; (6) no one in the household is employed full-time, year-round (unless all residents of the household are aged 65 years or older); (7) someone in the household has a disability that poses a serious constraint to significant life activities; (8) no health insurance coverage; (9) no one in the household has access to a vehicle; and (10) no one in the household has broadband internet access.

32 See "NYS Medicaid Enrollment Databook by Month: Enrollment by County, August 2026," New York State Department of Health, updated August 7, 2026.

33 See *FY 2027 NYS Enacted Budget Financial Plan* (Albany: New York State Division of the Budget, June 2026): 97.

34 See "Quarterly Census of Employment and Wages," US Bureau of Labor Statistics, accessed October 19, 2026.

35 See Gloria G. Guzman, *Household Income in States and Metropolitan Areas: 2024*, ACSBR-025 (Washington, DC: US Census Bureau, September 2025).

36 Median household income for 2024 is from US Census Bureau, Household Income in States and Metropolitan Areas; regional price parities for 2024 are from US Bureau of Economic Analysis, "Regional Price Parities by State and Metro Area," February 19, 2026.

37 Daniel Patrick Moynihan, "Introduction," in *The Federal Budget and the States, Fiscal Year 1995*, by Monica E. Friar, Herman B. Leonard, and Jay H. Walder (Washington, DC: Taubman Center for State and Local Government, January 1996), p. 19.

38 For a discussion of the relationship between the distribution of income and revenue volatility, see *FY 2025 NYS Executive Budget Economic and Revenue Outlook* (Albany: New York State Division of the Budget, January 2024): 86–90.

39 For a recent survey of the literature surrounding tax migration risk, see Michael Mazerov, "State Taxes Have a Minimal Impact on People's Interstate Moves," Center on Budget and Policy Priorities, August 9, 2023.

40 See *Budget of the United States Government, Fiscal Year 2026* (Washington, DC: Office of Management and Budget, 2026), available through the US Government Publishing Office's govinfo site, for links to all federal budget documents. The fiscal year 2026 edition did not include an *Analytical Perspectives* volume; the Historical Tables were released as a standalone volume on June 20, 2025.

41 "SOI Tax Stats—Historic Table 2: Individual Income and Tax Data, by State and Size of Adjusted Gross Income," Internal Revenue Service, Statistics of Income, updated August 21, 2026.

42 *Earnings and Employment Data for Workers Covered Under Social Security and Medicare, by State and County, 2023* (Washington, DC: Social Security Administration, January 2026).

43 "SOI tax stats – Gross collections, by type of tax and state – IRS data book table 1–5," in Internal Revenue Service Data Book, fiscal year 2015–24 editions (Washington, DC: Internal Revenue Service): Table 5.

44 "Comparison of Federal Highway Trust Fund Highway Account Receipts Attributable to the States and Federal-Aid Apportionments and Allocations from the Highway Account," Table FE-221B, Highway Statistics 2024, Federal Highway Administration, Office of Highway Policy Information, January 2026.

45 Megan E. Slater and Hillel R. Alpert, *Apparent Per Capita Alcohol Consumption: National, State, and Regional Trends, 1977–2023*, Surveillance Report no. 122 (Bethesda, MD: National Institute on Alcohol Abuse and Alcoholism, National Institutes of Health, April 2025).

46 *Geographic Distribution of VA Expenditures (GDX) Report*, fiscal year 2015–2024 expenditure tables (Washington, DC: US Department of Veterans Affairs, National Center for Veterans Analysis and Statistics, 2026).

47 *Statistical Report on the Military Retirement System, Fiscal Year 2022* (Washington, DC: US Department of Defense, Office of the Actuary, October 6, 2023).

48 "ETA 2112—UI Financial Transaction Summary," Unemployment Insurance Data Downloads, US Department of Labor, Employment and Training Administration, accessed July 15, 2026.

49 *Geographic Distribution of VA Expenditures (GDX) Report*, fiscal year 2015–2024 expenditure tables.

50 "Estimated Total Premium Tax Credits Received by Marketplace Enrollees," KFF, accessed July 15, 2026.

51 *Evaluation of the TRICARE Program, annual editions through the Fiscal Year 2024 TRICARE Program Evaluation Report* (Washington, DC: Chief Data and Analytics Office, Defense Health Agency, September 23, 2025).

52 *Geographic Distribution of VA Expenditures (GDX) Report*, fiscal year 2015–2024 expenditure tables.

53 Section 8 Housing Choice Voucher (Assistance Listing 14.871) obligations downloaded from the USASpending.gov application programming interface (US Department of the Treasury), accessed July 15, 2026.

54 Statistics derived from 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."

55 *Annual Statistical Supplement, 2024* (Washington, DC: Social Security Administration, December 2024): Table 7.B7.

56 "Expenditure Reports from MBES/CBES," Financial Management Reports for fiscal years 2015–2024, Centers for Medicare & Medicaid Services, accessed July 15, 2026.

57 "Basic Health Program," Centers for Medicare & Medicaid Services, accessed August 31, 2026.

58 "Federal workforce data, open to everyone," Enterprise Human Resources Integration status custom table, US Office of Personnel Management, accessed May 16, 2026.

59 "Funding Overview," Pandemic Response Accountability Committee, Pandemic Oversight, accessed August 29, 2026.

60 "Paycheck Protection Program (PPP) FOIA," dataset, US Small Business Administration, updated October 21, 2024.

61 Economic Injury Disaster Loan state shares from Federal Funds Information for States, *State Funding for Coronavirus Pandemic*, reproducing *Disaster Assistance Update: Nationwide COVID EIDL, Targeted EIDL Advances, Supplemental Targeted Advances* (Washington, DC: US Small Business Administration, April 28, 2022); the fiscal year 2024 national total is from the US Department of the Treasury, *Monthly Treasury Statement*.

62 "ETA 2112—UI Financial Transaction Summary," Unemployment Insurance Data Downloads, US Department of Labor, Employment and Training Administration, accessed July 15, 2026. Pandemic unemployment assistance is reported in column c130 and federal pandemic unemployment compensation in column c125.

63 "SOI tax stats - Amount of refunds issued, including interest, by state – IRS data book table 1–8," Table 8, in Internal Revenue Service Data Book, fiscal year 2015–2024 editions, Internal Revenue Service.

64 "Payments to States and Eligible Units of Local Government," US Department of the Treasury, accessed August 25, 2026; and "State and Local Fiscal Recovery Funds," US Department of the Treasury, accessed August 25, 2026.

65 "Provider Relief Fund" data, Pandemic Oversight, Pandemic Response Accountability Committee, accessed August 25, 2026.

66 "Emergency Rental Assistance Program," US Department of the Treasury, accessed August 25, 2026.

67 *Analytical Perspectives, Budget of the United States Government, Fiscal Year 2025* (Washington, DC: Office of Management and Budget, March 11, 2024).

68 "Public Assistance Funded Projects Details," OpenFEMA dataset, Federal Emergency Management Agency, accessed March 20, 2025.

69 "Education Stabilization Fund," transparency portal, US Department of Education, accessed August 25, 2026.

70 "Monthly State Level P-EBT Participation & Benefits (P-EBT/Other Only)," SNAP data tables, US Department of Agriculture, accessed August 25, 2026.



ABOUT THE ROCKEFELLER INSTITUTE

Created in 1981, the Rockefeller Institute of Government is a public policy think tank that conducts cutting-edge, nonpartisan research and policy analysis. Our mission is to improve the capacities of communities, state and local governments, and the federal system to work toward genuine solutions to the nation's problems. Through rigorous, objective, and accessible analysis and outreach, the Institute gives citizens and governments facts and tools relevant to public decisions.

Learn more at www.rockinst.org.



LEARN MORE

www.rockinst.org

@rockefellerinst

Rockefeller Institute of Government