

# What is the national deficit?

A deficit occurs when the federal government's spending exceeds its revenues. The federal government has spent \$1.52 trillion more than it has collected in [fiscal year \(FY\) !\[\]\(d66ff64371a51729ac8c1cdaa685ba6f\_img.jpg\) 2023](#), resulting in a national deficit.

\$ **1.52**  
TRILLION

Fiscal year-to-date (since October 2022) total updated monthly using the [Monthly Treasury Statement \(MTS\)](#) dataset.

Compared to the national deficit of \$946 billion for the same period last year (Oct 2021 - Aug 2022), our national deficit has increased by \$578 billion.

\$578 B



61%



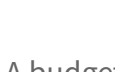
## Key Takeaways



A budget deficit occurs when the money going out exceeds the money coming in for a given period. On this page, we calculate the deficit by the government's fiscal year.



In the last 50 years, the federal government budget has run a surplus five times, most recently in 2001.



To pay for government programs while operating under a deficit, the federal government borrows money by selling U.S. Treasury bonds, bills, and other securities. The [national debt](#) is the accumulation of this borrowing along with associated interest owed to investors who purchased these securities.

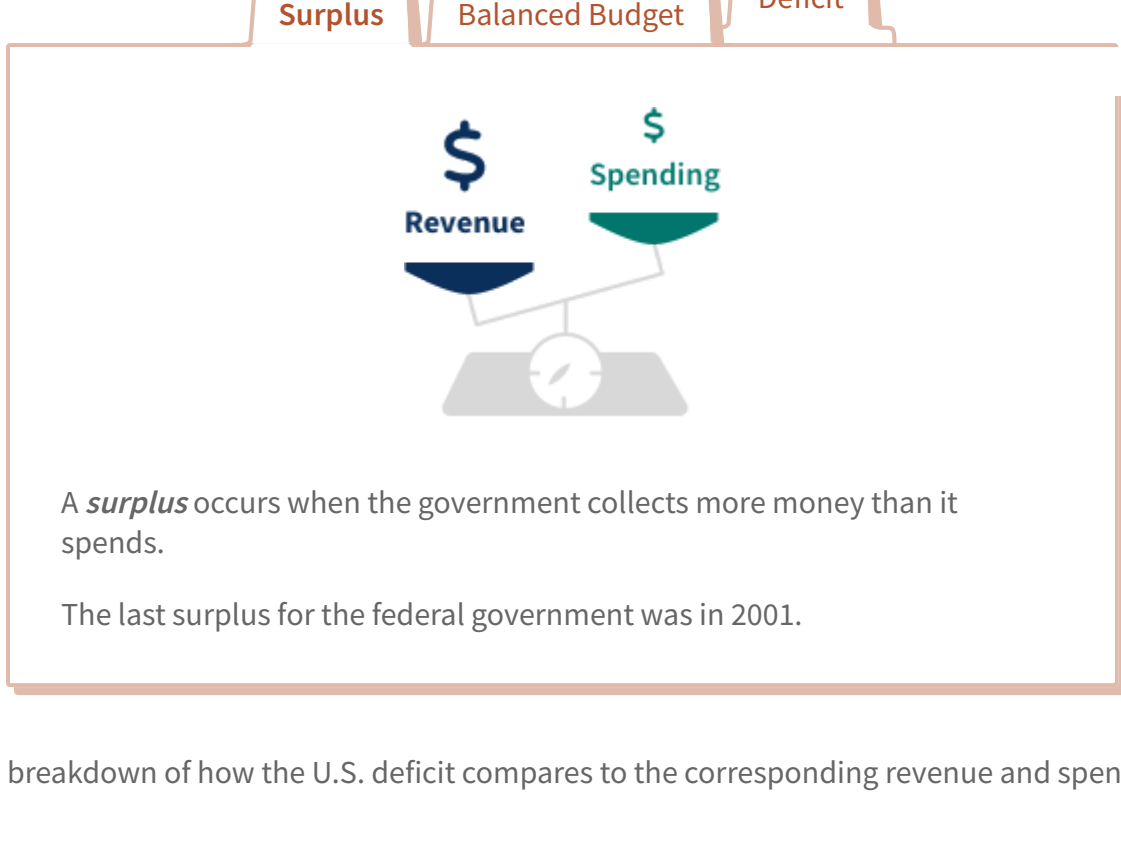
## Understanding the National Deficit

A budget deficit occurs when money going out ( [spending !\[\]\(206536f97fdb267876a3a10ea42b0254\_img.jpg\)](#) ) exceeds money coming in ( [revenue !\[\]\(0a97c303ab0f1db4c2ac6786237bbdb9\_img.jpg\)](#) ) during a defined period. In FY 2022, the federal government spent \$6.27 trillion and collected \$4.90 trillion in revenue, resulting in a deficit. The amount by which spending exceeds revenue, \$1.38 trillion in 2022, is referred to as deficit spending.

The opposite of a budget deficit is a budget [surplus !\[\]\(a551b0630a928855fed2157a11076906\_img.jpg\)](#) , which occurs when the federal government collects more money than it spends. The U.S. has experienced a fiscal year-end budget surplus five times in the last 50 years, most recently in 2001.

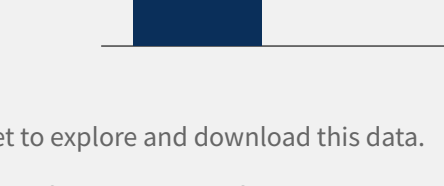
When there is no deficit or surplus due to spending and revenue being equal, the budget is considered [balanced !\[\]\(241407ae374027aec4b030ca93d07b05\_img.jpg\)](#) .

*The terms “national deficit”, “federal deficit” and “U.S. deficit” have the same meaning and are used interchangeably by the U.S. Treasury.*



The chart below shows a breakdown of how the U.S. deficit compares to the corresponding revenue and spending.

### U.S. Deficit Compared to Revenue and Spending, FY 2022



Visit the [Monthly Treasury Statement \(MTS\)](#) dataset to explore and download this data.

Please note: This data visual only includes completed fiscal years. The following year will be displayed at the end of the fiscal year.

Last Updated: September 30, 2022

*In FY 2022 total government spending was \$6.27 trillion and total revenue was \$4.90 trillion, resulting in a deficit of \$1.38 trillion, a decrease of \$1.40 trillion from the previous fiscal year.*

## The Causes of Deficits and Surpluses

The size of the national deficit or surplus is largely influenced by the health of the economy and spending and revenue policies set by Congress and the President. The health of the economy is often evaluated by the growth in the country's [gross domestic product \(GDP\) !\[\]\(564cd820867798afb0e971f95b7a11a1\_img.jpg\)](#) , fluctuations in the nation's employment rates, and the stability of prices. Simply put, when the country's people and businesses are making less money, the amount collected by the government also decreases. Similarly, when the economy is doing well and people and businesses are earning more money, the government collects more. On the spending side, the increase or decrease of spending also impacts the budget, creating deficits or surpluses.

Legislation increasing [spending](#) on Social Security, health care, and defense that outpace [revenue](#) can increase the deficit. While revenue increased during the COVID-19 pandemic, from approximately \$3.5 trillion in 2019 to \$4 trillion in 2021, increased government spending related to widespread unemployment and health care caused spikes in the deficit. Visit [USAspending.gov](#) to learn more about [the federal response to COVID-19](#).

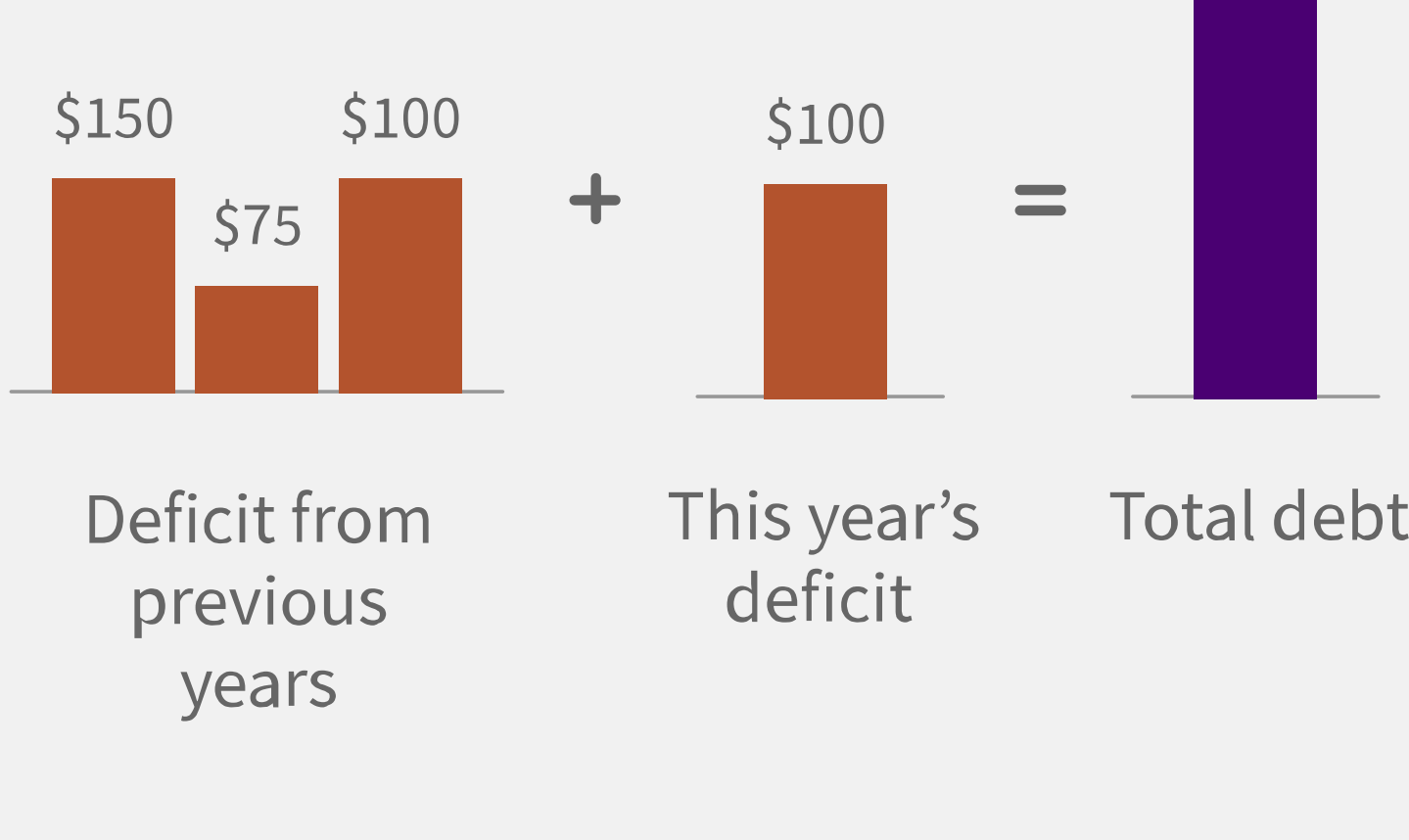
## The Difference Between the National Deficit and the National Debt

The terms deficit and debt are frequently used when discussing the nation's finances and are often confused with one another.

To pay for a deficit, the federal government borrows money by selling Treasury [bonds !\[\]\(e2a6b4bae6b82cf7b2468d27b5ff76c0\_img.jpg\)](#) , [bills !\[\]\(2e79a931d0ee9fbc58e802dd208ccf27\_img.jpg\)](#) , and other securities. The national debt is the accumulation of this borrowing along with associated interest owed to the investors who purchased these securities. As the federal government experiences reoccurring deficits, which are common, the national debt grows. To learn more about the national debt, visit the [National Debt Explainer](#).

The visualization below shows how deficits from previous years are added to the current year's deficit to equal total debt. This illustration is simplified to show how debt and deficit are different. In reality, the U.S. government must pay interest on the national debt. This interest expense increases spending each year, increasing spending (and thus, deficits) as the debt grows.

## Visualizing Deficit vs. Debt



\* Please note this illustration uses fictional data.

How else does the federal government finance a deficit?



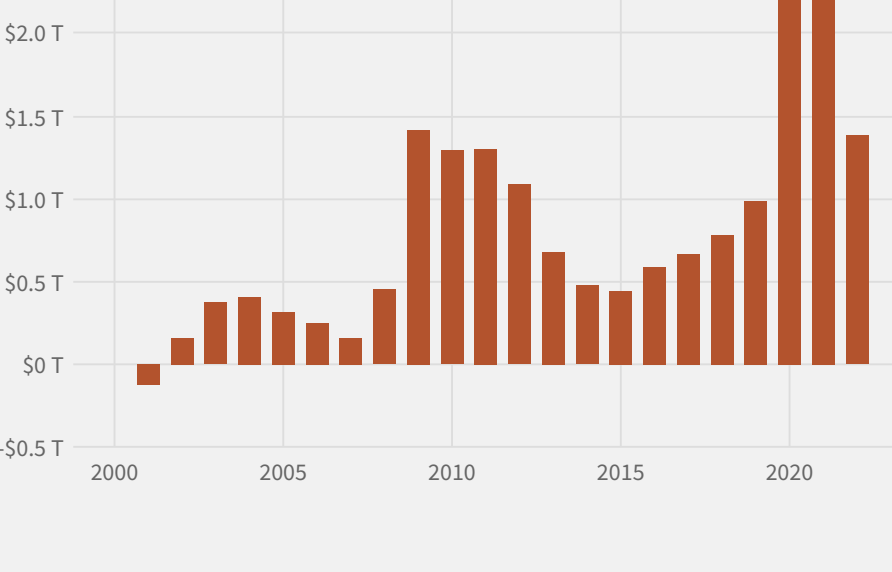
## U.S. Deficit by Year

Since 2001, the federal government's budget has run a deficit each year. Starting in 2016, increases in spending on Social Security, health care, and interest on federal debt have outpaced the growth of [federal revenue](#).

From FY 2019 to FY 2021, [federal spending](#) increased by about 50 percent [in response to the COVID-19 pandemic](#).

### Federal Deficit Trends Over Time, FY 2001-2022

**2022** Fiscal Year  
**\$1.38 T** Total Deficit



Visit the [Monthly Treasury Statement \(MTS\)](#) dataset to explore and download this data.

Please note: This data visual only includes completed fiscal years.

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*The last surplus for the federal government was in 2001.*

## Learn More about the Deficit

For more information about the national deficit, please explore more of Fiscal Data and check out the extensive resources listed below.

America's Fiscal Future  
<https://www.gao.gov/americas-fiscal-future>

An Update to the Budget and Economic Outlook: 2021 to 2031  
<https://www.cbo.gov/publication/57339>

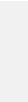
Congressional Budget Office Topics – Budget  
<https://www.cbo.gov/topics/budget>

Federal Deficits, Growing Debt, and the Economy in the Wake of COVID 19  
<https://csrcreports.congress.gov/product/pdf/R/R46729>

President's Budget – Historical Tables  
<https://www.whitehouse.gov/omb/historical-tables/>

FY 2022 Final Monthly Treasury Statement  
[https://fiscaldata.treasury.gov/static-data/published-reports/mts/MonthlyTreasuryStatement\\_202209.pdf](https://fiscaldata.treasury.gov/static-data/published-reports/mts/MonthlyTreasuryStatement_202209.pdf)

### Data Sources & Methodologies



## See the datasets behind the national deficit

### Monthly Treasury Statement (MTS)

The Monthly Treasury Statement (MTS) dataset provides information on receipt...

03/31/2015 - 08/31/2023

Updated Monthly

Last Updated 09/13/2023

CSV, JSON, XML

Data Dictionary

TOPICS:  
Debt, Financial Summaries, Revenue,...

[DATASET DETAILS](#)

### U.S. Treasury Savings Bonds: Issues, Redemptions, and...

Number of Treasury savings bonds that are issued, redeemed, or outstanding i...

09/30/1998 - 08/31/2023

Updated Monthly

Last Updated 09/15/2023

CSV, JSON, XML

Data Dictionary

TOPICS:  
Debt, Savings Bonds

[DATASET DETAILS](#)

### Financial Report of the U.S. Government

Machine-readable data for the U.S. government's annual financial...

09/30/1995 - 09/30/2022

Updated Annually

Last Updated 02/16/2023

CSV, JSON, XML

Data Dictionary

TOPICS:  
Financial Summaries, Revenue, Spending

[DATASET DETAILS](#)

### Daily Treasury Statement (DTS)

Get data on the daily cash and debt operations of the U.S. Treasury, includi...

10/03/2005 - 10/06/2023

Updated Daily

Last Updated 10/10/2023

CSV, JSON, XML

Data Dictionary

TOPICS:  
Debt, Financial Summaries, Revenue,...

[DATASET DETAILS](#)