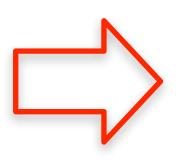
Government Budget Deficit/Surplus

If Spending + Transfers > Tax revenue

has a Budget Deficit

The Government



has a Budget If Tax Revenue > Spending + Transfers Surplus

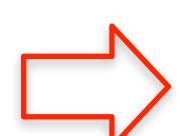
The Government

Careful! To calculate the Budget Deficit include transfer payments!!

Deficit/Surplus= Government Spending + Transfers - Tax Revenue

Government Budget Deficit/Surplus

If Spending + Transfers > Tax revenue



The Government has a Budget Deficit

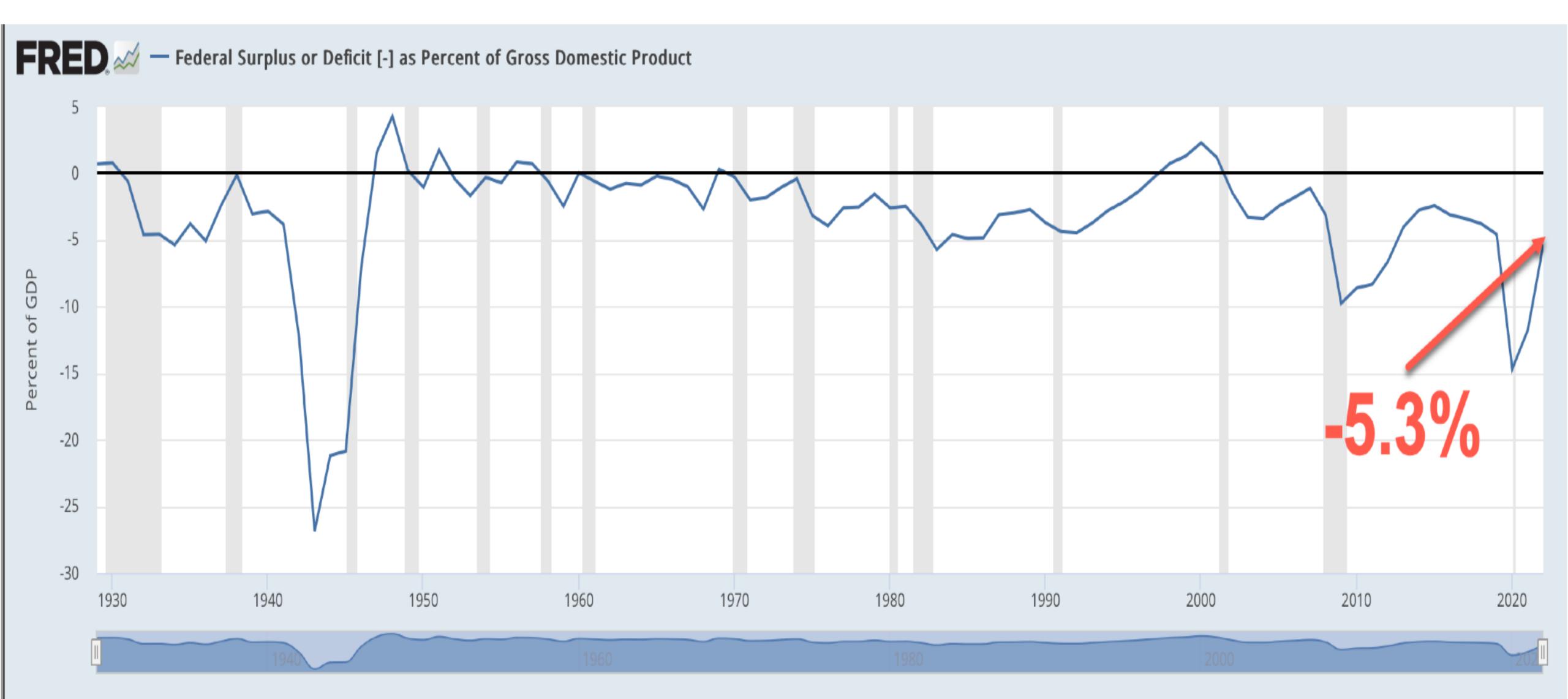
Careful! To calculate the Budget Deficit include transfer payments!!

The Government has a Budget

If Tax Revenue > Spending + Transfers

Deficit/Surplus= Government Spending + Transfers - Tax Revenue

Fiscal Deficit



Shaded areas indicate U.S. recessions.

Sources: OMB; St. Louis Fed fred.stlouisfed.org