

Balancing federal budget

[Government](#)



**ASSIGN
BUSTER**

| Revenues (in millions of dollars) | Individual Income Taxes | Corporate Income Taxes | Social Insurance and Retirement Receipts | | | Excise Taxes | Other | |
|---------------------------------------|-------------------------|-----------------------------------|--|-------------|--------------|---------------------|---------------------|-----------------------------------|
| 2011 Federal Budget | 1, 091, 473 | 181, 085 | 818, 792 | | | 72, 381 | 139, 735 | |
| Your Budget | \$1, 391, 473 | \$187, 946 | \$800, 000 | | | \$65, 256 | \$159, 000 | |
| Difference | +\$300, 000 | +\$6, 861 | -\$18, 792 | | | -\$7, 125 | +\$126, 265 | |
| Expenditures (in millions of dollars) | 050 National Defense | Total-Spending categories 150-450 | 500 Education | 550 Health | 570 Medicare | 600 Income Security | 650 Social Security | Total Spending categories 700-900 |
| 2011 Federal Budget | 705, 625 | 257, 662 | 101, 233 | 372, 500 | 485, 653 | 597, 352 | 730, 811 | 352, 000 |
| Your Budget | \$505, 644 | \$200, 632 | \$110, 000 | \$250, 500 | \$479, 222 | \$407, 123 | \$450, 351 | 200, 000 |
| Difference | -\$199, 644 | -\$57, 030 | +\$8, 767 | -\$122, 500 | -\$6, 431 | -\$190, 229 | -\$280, 460 | -\$152, 000 |

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|--|-----|--|--|-----|-----|-----|-----|--|
| | 981 | | | 000 | 431 | 229 | 460 | |
|--|-----|--|--|-----|-----|-----|-----|--|

I am going to raise the individual income tax which might anger people; however, I am lowering the excise taxes which is for gas, etc.

I am also raising corporate income taxes because big franchise companies can afford to give up some of their income to be able to give more elsewhere. I thought lowering the social insurance and retirement receipts was a good idea because there are programs and benefits that are already implemented into this and the extramoney will be put in areas that do not have extra help and rely just on the money inflow. I increased the other category because since it incorporates multiple programs, the big increase will be spread across a lot of different programs, therefore, to each individual program it will not be a big increase.

I lowered the National Defense spending because since we won the war overseas, we are bringing more and more troops home and even though it is not "total peacetime," we do not have to spend as much as the year before. I actually increased what is spend on education because that is very important to our country and the more educated people there are, the more jobs people will be able to get which in turn means they make more money then they would without education. This means that more money will increase the GDP and make the economy grow.

Unfortunately, I had to cut some spending in the health and medicare areas but there are programs and benefits that help these areas so it is not as much as a loss and the plain numbers show. I decreased social security

because this government spending does not count towards the GDP which means it does nothing for the economy. These people can afford to take a minor pay cut in order for that money to be used in other areas that will help the economy grow. I decreased the income security because of the different acts such as The Employee Retirement Income Security Act of 1974 which protects these people in said programs.

The decrease in both total spending categories is appropriate, again, because they include multiple areas that already have benefits implemented in them. This means that a small decrease in many areas will give a bigger sum of money to be spent in other areas. In conclusion, the areas that need to be changed are the ones that will make the population spend more in our country to increase our GDP and in turn get our economy back on track. By doing this, we are getting our economy under control which will lead to it becoming easier to balance the federal budget.