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## Federal Money on the Rise in Florida, Nevada

National Priorities Project examines federal money in state budgets and direct federal support to individuals.

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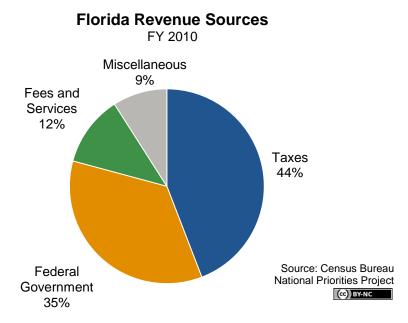
As the 2012 presidential election moves forward and another federal budget cycle begins, National Priorities Project offers a look at how federal dollars are currently spent in order to help voters decide how future tax dollars should be allocated.

NPP's <u>Federal Priorities Database</u> (data.nationalpriorities.org) shows how much individuals and businesses in every state pay in federal taxes and how much they receive in direct federal assistance. The <u>Federal Tax Collection</u> and <u>Federal Aid to Individuals</u> data provide an overview of taxes paid versus benefits received, and the database also has spending information for specific programs like Medicare and Social Security.

We've used these data to explore how federal money flows into Florida and Nevada, the sites of the next two presidential primary contests.

## Federal Money Supplemented Declining Florida Revenue

In 2010, 35 cents of every revenue dollar in Florida's budget came from federal money, an increase of nearly 13 percent from 2009. That federal money funds roads, health care, public safety, and other kinds of projects in the state. This increasing federal support accompanied a decline in the 2010 state tax dollars that Florida collected.

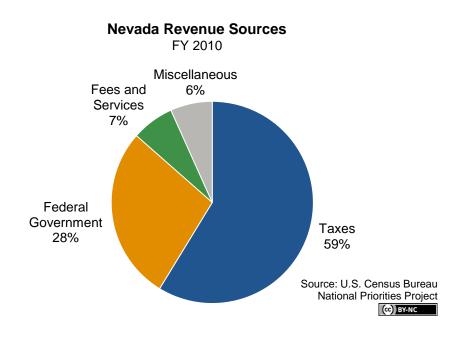


The federal government also received fewer tax dollars from Floridians in 2010—about \$5,500 per person, down from \$5,600 in 2009. At the same time, Florida residents benefited from direct federal assistance, receiving an average of \$6,620, a slight increase from 2009. That direct assistance came through programs like Medicare, Pell grants for students, unemployment compensation, retirement benefits, and food stamps.

Which programs comprise the bulk of that \$6,620? The top three are <u>Social Security retirement</u> insurance, Medicare supplementary medical insurance, and Medicare hospital insurance.

## Nevada Residents Received \$4,426 from Federal Programs

The state of Nevada is less reliant on the federal government than Florida. In Nevada's 2010 budget,



federal money supplied 28 cents of every dollar, while state taxpayers supplied 59 cents. i ii

The average Nevada resident paid \$4,450 in federal taxes<sup>iii</sup> and received slightly less in direct federal assistance: \$4,426. iv Like Florida, the bulk of federal assistance to Nevada residents came from Social Security and Medicare benefits.

Nevada residents also collected substantial federal assistance in the form of unemployment benefits. That's not surprising

since Nevada's 2010 <u>unemployment rate</u> was the highest in the country, at 14.9 percent.<sup>v</sup>

Top Direct Federal Assistance Programs FY 2010 Per State Resident <sup>iv</sup>			
Florida		Nevada	
Social Security Retirement Insurance	\$1,760	Social Security Retirement Insurance	\$1,318
Medicare B - Medical Insurance	\$1,008	Medicare A - Hospital Insurance	\$429
Medicare A - Hospital Insurance	\$987	Medicare B - Medical Insurance	\$396
Medicare D - Prescription Drug Coverage	\$479	Unemployment Compensation Benefits <sup>vi</sup>	\$333
Social Security Survivors Insurance	\$444	Social Security Survivors Insurance	\$321

<sup>&</sup>lt;sup>1</sup> U.S. Census Bureau, <u>State Government Finances</u>, 25 January 2012. State revenue figures are derived from the "general revenue" category which does not include "business-type activities."

<sup>&</sup>quot;U.S. Census Bureau, <u>State Government Finances Summary: 2010</u>, December 2011. Appendix A contains states' total federal revenue.

Internal Revenue Service Data Book, <u>Gross Collections by Type of Tax and State and Fiscal Year</u>, 31 March 2011. Note: the IRS includes employers' FICA contribution in its calculation of federal taxes paid by individuals.

<sup>&</sup>lt;sup>iv</sup> U.S. Census Bureau, <u>Consolidated Federal Funds Report</u>, 2009 and 2010. 27 September 2011. Direct assistance to individuals in the CFFR is all payments coded DR and DO.

<sup>&</sup>lt;sup>v</sup> Bureau of Labor Statistics, <u>Unemployment Rates for States 2010</u>, 25 February 2011.

vi Federal benefits only. Does not include state unemployment benefits.