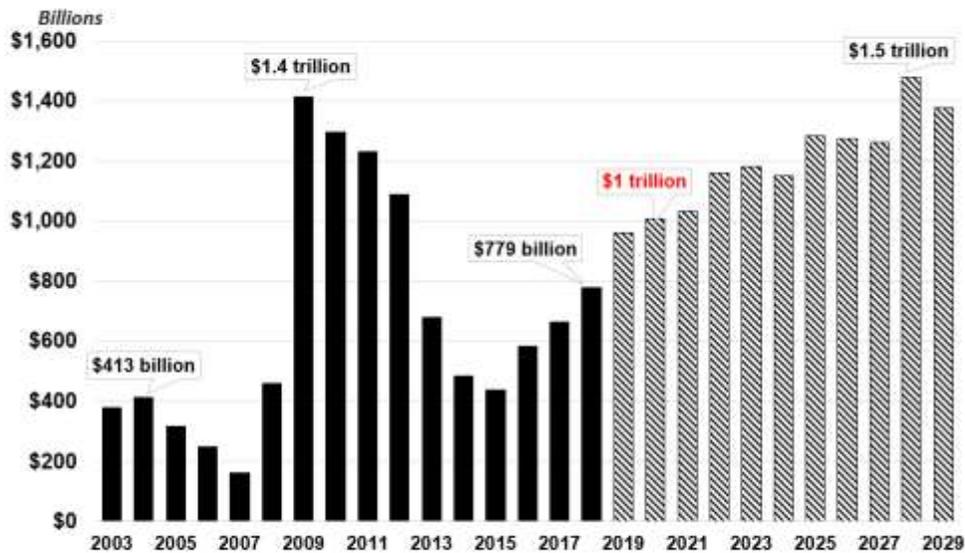


What the Latest Budget Numbers Mean

The latest official numbers, including the [budget and economic forecast](#) for the next decade from the nonpartisan Congressional Budget Office (CBO), show national debt rising well past historical norms and warns of serious consequences. Here are the key figures and what they mean.

TRILLION-DOLLAR DEFICITS RETURN BY 2020



Source: Congressional Budget Office August 2019 Baseline



Budget Deficits Will Soar Over the Next Decade

- The federal budget deficit is projected to be \$960 billion this fiscal year.
- The deficit is projected to top \$1 trillion next year, with annual deficits staying above that level indefinitely.
- Spending will be above its 50-year average as a share of GDP throughout the decade. Revenue is currently below its average and will remain so if tax policies currently set to expire are extended.

National Debt Will Continue to Grow Towards Record Levels

- National debt held by the public, which excludes what the federal government owes itself, will grow by nearly \$13 trillion over the next decade, reaching just over \$29 trillion in 2029.
- Debt held by the public will nearly equal the size of the U.S. economy in ten years, at 95 percent of GDP in 2029.
- If current tax cuts and other policies are extended, debt will exceed the size of the economy at 101 percent of GDP in 2029.
- The growth in the debt going forward will be largely driven by rising health costs and an aging population.
- Interest on the debt is the fastest growing part of the federal budget. It will double in dollar terms in ten years.

The Consequences of Rising Debt Are Severe

- CBO warns that high and rising debt would negatively affect the economy by dampening economic output over time and reducing the income of U.S. households through increased interest payments to foreign debt holders.
- Mounting debt would also increase the risk of a fiscal crisis and make it more difficult to respond to unforeseen events.