





**Table 3.3. State and Local Government Current Receipts and Expenditures**  
[Billions of dollars]

	Line	2004	2005	2006	2007	Seasonally adjusted at annual rates															
						2004		2005				2006				2007				2008	
						IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	
<b>Current receipts</b> .....	1	<b>1,594.3</b>	<b>1,714.4</b>	<b>1,811.4</b>	<b>1,902.8</b>	<b>1,654.8</b>	<b>1,685.7</b>	<b>1,711.3</b>	<b>1,716.5</b>	<b>1,743.8</b>	<b>1,781.7</b>	<b>1,815.3</b>	<b>1,820.4</b>	<b>1,828.4</b>	<b>1,877.5</b>	<b>1,909.8</b>	<b>1,905.5</b>	<b>1,918.4</b>	<b>1,922.9</b>	.....	
Current tax receipts.....	2	1,061.2	1,162.3	1,242.2	1,304.1	1,101.6	1,132.1	1,153.9	1,167.6	1,195.8	1,221.2	1,246.6	1,244.8	1,256.2	1,285.9	1,311.5	1,305.3	1,313.7	1,317.0	.....	
Personal current taxes.....	3	249.0	277.1	303.3	325.4	264.1	268.9	274.9	278.0	286.7	297.2	309.5	300.2	306.4	320.0	332.3	323.5	325.8	333.7	344.2	
Income taxes.....	4	225.0	252.1	277.0	298.3	239.5	244.2	250.1	252.9	261.0	271.2	283.2	273.8	279.8	293.2	305.4	296.3	298.4	306.7	317.2	
Other.....	5	23.9	25.1	26.3	27.1	24.6	24.7	24.8	25.1	25.6	26.0	26.3	26.4	26.6	26.9	27.0	27.2	27.5	27.0	27.0	
Taxes on production and imports	6	769.2	829.0	878.2	917.8	790.1	807.4	822.8	837.4	848.3	864.9	875.5	881.5	890.9	905.0	915.4	921.0	929.7	929.9	936.5	
Sales taxes.....	7	370.0	399.1	421.5	436.5	379.8	389.4	397.1	404.4	405.4	416.5	420.5	423.0	426.1	432.2	435.7	438.4	439.8	438.5	442.5	
Property taxes.....	8	327.5	347.5	369.6	390.9	334.7	339.6	344.8	350.1	355.6	361.2	366.8	372.4	377.9	383.3	388.6	393.6	398.3	401.5	403.9	
Other.....	9	71.7	82.4	87.1	90.3	75.7	78.4	81.0	82.9	87.3	87.2	88.2	86.1	86.9	89.5	91.2	89.1	91.5	89.9	90.1	
Taxes on corporate income	10	43.0	56.3	60.7	60.9	47.3	55.8	56.2	52.2	60.8	59.2	61.7	63.1	59.0	60.8	63.7	60.9	58.2	53.3	.....	
Contributions for government social insurance.....	11	23.6	24.2	23.1	22.8	24.6	24.6	24.4	24.1	23.8	23.5	23.2	22.9	22.8	22.7	22.7	22.8	22.9	23.3	23.6	
Income receipts on assets.....	12	75.4	85.9	94.7	100.3	78.0	81.1	84.6	87.6	90.2	92.2	94.0	95.5	96.9	98.5	99.8	101.1	101.8	102.9	103.7	
Interest receipts.....	13	64.3	73.4	80.6	84.6	66.0	69.3	72.2	74.8	77.1	78.7	80.1	81.3	82.2	83.2	84.3	85.2	85.9	87.0	87.9	
Dividends.....	14	2.4	2.5	2.7	2.8	3.0	2.4	2.5	2.5	2.6	2.6	2.7	2.7	2.8	2.8	2.7	2.9	2.9	3.0	2.9	
Rents and royalties.....	15	8.7	10.0	11.4	12.8	8.9	9.4	9.8	10.2	10.5	10.8	11.1	11.5	12.0	12.5	12.8	13.0	13.0	12.8	12.9	
Current transfer receipts.....	16	437.2	450.3	456.5	481.3	455.1	451.7	453.4	456.7	439.2	449.6	456.3	462.6	457.6	476.3	481.5	481.6	485.9	486.4	491.8	
Federal grants-in-aid.....	17	349.1	360.9	358.0	376.3	359.8	358.5	361.1	359.7	364.3	354.2	358.7	363.0	356.2	372.9	376.8	375.9	379.6	379.9	384.4	
From business (net).....	18	32.2	31.7	38.3	40.9	37.2	35.6	34.8	39.5	16.9	36.6	37.9	38.9	39.7	40.4	40.8	41.1	41.3	41.4	41.6	
From persons.....	19	56.0	57.6	60.2	64.1	58.0	57.6	57.4	57.6	58.0	58.8	59.6	60.9	61.7	63.0	63.9	64.6	65.0	65.2	65.8	
Current surplus of government enterprises.....	20	-3.0	-8.3	-5.0	-5.7	-4.4	-3.9	-4.9	-19.5	-5.2	-4.7	-4.8	-5.5	-5.2	-5.8	-5.7	-5.3	-5.9	-6.6	-7.1	
<b>Current expenditures</b> .....	21	<b>1,592.8</b>	<b>1,684.9</b>	<b>1,765.3</b>	<b>1,892.4</b>	<b>1,626.5</b>	<b>1,644.5</b>	<b>1,673.1</b>	<b>1,697.3</b>	<b>1,724.7</b>	<b>1,724.2</b>	<b>1,752.2</b>	<b>1,788.1</b>	<b>1,796.6</b>	<b>1,854.3</b>	<b>1,874.0</b>	<b>1,900.7</b>	<b>1,940.7</b>	<b>1,975.3</b>	<b>2,021.1</b>	
Consumption expenditures.....	22	1,120.3	1,191.2	1,269.6	1,355.9	1,147.0	1,159.1	1,174.1	1,203.1	1,228.4	1,240.8	1,260.2	1,281.8	1,295.8	1,318.7	1,344.4	1,365.3	1,395.2	1,426.3	1,461.9	
Government social benefit payments to persons.....	23	383.8	403.5	401.0	430.8	390.8	396.3	409.4	403.7	404.5	390.3	397.7	410.6	405.3	436.8	420.7	427.6	438.3	444.2	454.4	
Interest payments.....	24	88.4	89.9	94.3	98.5	88.4	88.7	89.2	90.2	91.3	92.7	93.9	95.3	95.2	96.9	98.2	99.1	100.0	100.9	101.8	
Subsidies.....	25	0.4	0.4	0.4	7.1	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	1.9	10.7	8.8	7.3	4.0	3.0	
Less: Wage accruals less disbursements.....	26	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
<b>Net state and local government saving</b> .....	27	<b>1.5</b>	<b>29.5</b>	<b>46.2</b>	<b>10.4</b>	<b>28.3</b>	<b>41.2</b>	<b>38.3</b>	<b>19.3</b>	<b>19.1</b>	<b>57.5</b>	<b>63.1</b>	<b>32.2</b>	<b>31.8</b>	<b>23.2</b>	<b>35.8</b>	<b>4.7</b>	<b>-22.3</b>	<b>-52.4</b>	.....	
Social insurance funds.....	28	7.1	7.6	6.5	5.5	7.9	7.9	7.8	7.5	7.2	6.9	6.6	6.3	6.0	5.7	5.5	5.4	5.3	5.4	5.5	
Other.....	29	-5.6	21.9	39.7	4.9	20.3	33.3	30.5	11.8	11.9	50.6	56.5	25.9	25.8	17.5	30.3	-0.6	-27.6	-57.8	.....	
<b>Addenda:</b>																					
<b>Total receipts</b> .....	30	<b>1,646.4</b>	<b>1,768.6</b>	<b>1,868.6</b>	<b>1,961.5</b>	<b>1,705.2</b>	<b>1,738.5</b>	<b>1,766.5</b>	<b>1,771.8</b>	<b>1,797.5</b>	<b>1,838.2</b>	<b>1,871.2</b>	<b>1,880.1</b>	<b>1,885.1</b>	<b>1,929.9</b>	<b>1,968.0</b>	<b>1,969.6</b>	<b>1,978.6</b>	<b>1,979.8</b>	.....	
Current receipts.....	31	1,594.3	1,714.4	1,811.4	1,902.8	1,654.8	1,685.7	1,711.3	1,716.5	1,743.8	1,781.7	1,815.3	1,820.4	1,828.4	1,877.5	1,909.8	1,905.5	1,918.4	1,922.9	.....	
Capital transfer receipts.....	32	52.1	54.2	57.2	58.7	50.4	52.7	55.2	55.3	53.7	56.5	55.9	59.7	56.7	52.4	58.2	64.1	60.1	56.9	58.0	
<b>Total expenditures</b> .....	33	<b>1,738.1</b>	<b>1,829.7</b>	<b>1,918.8</b>	<b>2,065.5</b>	<b>1,771.1</b>	<b>1,788.9</b>	<b>1,821.4</b>	<b>1,831.2</b>	<b>1,877.3</b>	<b>1,871.7</b>	<b>1,907.7</b>	<b>1,943.5</b>	<b>1,952.5</b>	<b>2,020.5</b>	<b>2,045.8</b>	<b>2,076.7</b>	<b>2,118.9</b>	<b>2,146.2</b>	<b>2,195.3</b>	
Current expenditures.....	34	1,592.8	1,684.9	1,765.3	1,892.4	1,626.5	1,644.5	1,673.1	1,697.3	1,724.7	1,724.2	1,752.2	1,788.1	1,796.6	1,854.3	1,874.0	1,900.7	1,940.7	1,975.3	2,021.1	
Gross government investment	35	270.9	288.6	306.3	339.6	276.2	279.0	286.7	290.8	297.9	294.8	307.0	309.6	313.9	328.0	336.9	344.2	349.4	345.3	351.6	
Capital transfer payments.....	36	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	
Net purchases of nonproduced assets.....	37	10.5	9.4	9.6	11.0	10.4	9.9	9.5	9.2	9.1	9.2	9.4	9.7	10.1	10.6	10.9	11.1	11.2	11.1	11.0	
Less: Consumption of fixed capital.....	38	136.1	153.2	162.3	177.6	142.1	144.6	147.9	166.0	154.4	156.5	160.8	163.9	168.1	172.5	176.0	179.3	182.4	185.5	188.5	
<b>Net lending or net borrowing (-)</b>	39	<b>-91.7</b>	<b>-61.1</b>	<b>-50.2</b>	<b>-104.0</b>	<b>-65.9</b>	<b>-50.4</b>	<b>-54.9</b>	<b>-59.4</b>	<b>-79.8</b>	<b>-33.4</b>	<b>-36.5</b>	<b>-63.4</b>	<b>-67.4</b>	<b>-90.6</b>	<b>-77.8</b>	<b>-107.2</b>	<b>-140.3</b>	<b>-166.3</b>	.....	

Table 3.4. Personal Current Tax Receipts

[Billions of dollars]

	Line	2004	2005	2006	2007
<b>Personal current taxes</b> <sup>1</sup> .....	1	<b>1,046.3</b>	<b>1,207.8</b>	<b>1,353.2</b>	<b>1,492.8</b>
<b>Federal</b> .....	2	<b>797.4</b>	<b>930.7</b>	<b>1,049.9</b>	<b>1,167.3</b>
Income taxes.....	3	797.4	930.7	1,049.9	1,167.3
Withheld.....	4	746.5	802.0	864.9	951.0
Declarations and settlements.....	5	237.8	309.1	381.4	423.1
Less: Refunds.....	6	186.9	180.4	196.4	206.8
Other taxes <sup>2</sup> .....	7	0.0	0.0	0.0	0.0
<b>State and local</b> .....	8	<b>249.0</b>	<b>277.1</b>	<b>303.3</b>	<b>325.4</b>
Income taxes.....	9	225.0	252.1	277.0	298.3
Motor vehicle licenses.....	10	13.6	14.0	14.6	14.9
Property taxes.....	11	5.8	6.2	6.5	6.8
Other taxes <sup>3</sup> .....	12	4.5	4.9	5.2	5.4

1. Excludes estate and gift taxes, which are classified in the NIPAs as capital transfers.
2. Consists of the dividends tax in 1933-34 and of the automobile use tax in 1942-46.
3. Consists largely of hunting, fishing, and other personal licenses.

Table 3.5. Taxes on Production and Imports

[Billions of dollars]

	Line	2004	2005	2006	2007
<b>Taxes on production and imports</b> .....	1	<b>863.8</b>	<b>928.2</b>	<b>976.2</b>	<b>1,015.5</b>
<b>Federal</b> .....	2	<b>94.6</b>	<b>99.2</b>	<b>98.0</b>	<b>97.7</b>
Excise taxes.....	3	71.4	73.9	71.3	68.9
Gasoline.....	4	24.2	25.8	25.8	26.1
Alcoholic beverages.....	5	8.4	8.6	8.9	8.7
Tobacco.....	6	7.1	8.3	7.9	7.8
Diesel fuel.....	7	9.2	9.8	9.5	9.5
Air transport.....	8	12.1	12.6	12.9	13.9
Crude oil windfall profits tax.....	9				
Other <sup>1</sup> .....	10	10.4	8.9	6.3	3.0
Customs duties.....	11	23.3	25.3	26.7	28.8
Other <sup>2</sup> .....	12	0.0	0.0	0.0	0.0
<b>State and local</b> .....	13	<b>769.2</b>	<b>829.0</b>	<b>878.2</b>	<b>917.8</b>
Sales taxes.....	14	370.0	399.1	421.5	436.5
State.....	15	300.1	322.7	339.7	351.1
General.....	16	204.8	220.0	232.3	239.4
Gasoline.....	17	33.8	35.0	36.2	36.8
Alcoholic beverages.....	18	4.6	4.9	5.1	5.3
Tobacco.....	19	12.6	13.6	14.6	15.9
Public utilities.....	20	10.5	10.9	11.5	11.7
Insurance receipts.....	21	14.4	15.0	15.1	15.3
Other.....	22	19.2	23.3	24.9	26.7
Local.....	23	69.9	76.4	81.8	85.4
General.....	24	49.0	53.9	58.1	60.7
Public utilities.....	25	11.3	12.1	12.7	13.3
Other.....	26	9.6	10.4	11.0	11.4
Property taxes.....	27	327.5	347.5	369.6	390.9
Motor vehicle licenses.....	28	7.6	7.9	8.2	8.4
Severance taxes.....	29	6.9	9.0	10.4	11.5
Special assessments.....	30	6.2	6.7	7.3	8.0
Other taxes <sup>3</sup> .....	31	50.9	58.8	61.1	62.5

1. Consists largely of taxes on telephone services, tires, coal, nuclear fuel, and trucks, and of refunds other than those for alcoholic beverages and tobacco.
2. Consists of the capital stock tax in 1933-45.
3. Consists largely of business licenses and of documentary and stamp taxes.

Table 3.6. Contributions for Government Social Insurance

[Billions of dollars]

	Line	2004	2005	2006	2007
<b>Contributions for government social insurance</b> .....	1	<b>828.8</b>	<b>874.3</b>	<b>925.5</b>	<b>965.1</b>
<b>Employer contributions</b> .....	2	<b>408.3</b>	<b>428.1</b>	<b>448.5</b>	<b>464.7</b>
Federal social insurance funds.....	3	389.6	409.5	430.6	446.2
Old-age, survivors, disability, and hospital insurance.....	4	341.1	356.9	378.2	396.0
Old-age, survivors, and disability insurance.....	5	266.1	277.9	294.3	307.5
Hospital insurance.....	6	75.0	78.9	84.0	88.5
Unemployment insurance.....	7	40.3	43.8	43.1	40.8
State unemployment insurance.....	8	32.5	35.8	34.9	32.5
Federal unemployment tax.....	9	7.0	7.2	7.5	7.6
Railroad employees unemployment insurance.....	10	0.1	0.1	0.1	0.1
Federal employees unemployment insurance.....	11	0.7	0.7	0.7	0.6
Railroad retirement.....	12	2.5	2.6	2.7	2.7
Pension benefit guaranty.....	13	1.3	1.7	1.7	1.6
Veterans life insurance.....	14	0.0	0.0	0.0	0.0
Workers' compensation.....	15	2.5	2.5	2.4	2.6
Military medical insurance <sup>1</sup> .....	16	2.0	2.1	2.5	2.5
State and local social insurance funds.....	17	18.7	18.6	17.9	18.5
Temporary disability insurance.....	18	0.0	0.0	0.0	0.0
Workers' compensation.....	19	18.7	18.6	17.9	18.4
<b>Employee and self-employed contributions</b> .....	20	<b>420.5</b>	<b>446.2</b>	<b>477.0</b>	<b>500.4</b>
Federal social insurance funds.....	21	415.6	440.6	471.8	496.1
Old-age, survivors, disability, and hospital insurance.....	22	382.0	400.8	425.5	445.4
Employees.....	23	341.6	357.1	378.7	396.6
Old-age, survivors, and disability insurance.....	24	264.7	275.8	292.1	305.2
Hospital insurance.....	25	76.9	81.3	86.6	91.4
Self-employed.....	26	40.4	43.7	46.9	48.8
Supplementary medical insurance.....	27	31.3	37.4	43.8	48.2
State unemployment insurance.....	28	0.4	0.5	0.5	0.5
Railroad retirement.....	29	1.5	1.5	1.5	1.5
Veterans life insurance.....	30	0.5	0.4	0.4	0.4
State and local social insurance funds <sup>2</sup> .....	31	4.9	5.6	5.2	4.3

1. Consists of payments for medical services for dependents of active duty military personnel at nonmilitary facilities.
2. Consists of contributions for temporary disability insurance.

Table 3.7. Government Current Transfer Receipts

[Billions of dollars]

	Line	2004	2005	2006	2007
<b>Current transfer receipts</b> .....	1	117.0	104.3	134.2	142.6
<b>From business (net)</b> .....	2	48.1	31.8	57.9	61.4
Federal.....	3	15.9	0.1	19.6	20.5
Deposit insurance premiums.....	4	2.6	2.4	2.5	3.2
Other <sup>1</sup> .....	5	13.3	-2.3	17.1	17.3
State and local (net).....	6	32.2	31.7	38.3	40.9
Fines.....	7	12.0	12.0	12.3	12.8
Net insurance settlements.....	8	-4.6	-6.3	-0.5	-0.3
Other <sup>2</sup> .....	9	24.7	25.9	26.5	28.4
<b>From persons</b> .....	10	68.9	72.5	76.2	81.2
Federal <sup>3</sup> .....	11	12.9	14.9	16.0	17.1
State and local.....	12	56.0	57.6	60.2	64.1
Fines.....	13	18.1	18.0	18.4	19.2
Other <sup>4</sup> .....	14	37.9	39.6	41.8	44.9

1. Consists of fines and fees, less net insurance settlements from the National Flood Insurance Program (NFIP).

2. Consists largely of donations. Beginning with 1997, includes settlements of lawsuits with tobacco companies.

3. Consists of fines, immigration fees, certain penalty taxes, and excise taxes paid by nonprofit institutions serving households.

4. Consists largely of donations and other miscellaneous transfers, including unclaimed bank deposits.

Table 3.8. Current Surplus of Government Enterprises

[Billions of dollars]

	Line	2004	2005	2006	2007
<b>Current surplus of government enterprises</b> .....	1	-4.2	-13.4	-8.6	-7.9
<b>Federal</b> .....	2	-1.2	-5.0	-3.6	-2.2
Postal Service.....	3	-3.4	-5.2	-5.6	-4.3
Federal Housing Administration.....	4	2.6	1.9	2.1	2.6
Tennessee Valley Authority.....	5	1.9	1.9	2.2	2.2
Other <sup>1</sup> .....	6	-2.2	-3.7	-2.3	-2.7
<b>State and local</b> .....	7	-3.0	-8.3	-5.0	-5.7
Water and sewerage.....	8	6.2	4.9	7.2	7.7
Gas and electricity.....	9	5.2	5.4	6.0	5.9
Toll facilities.....	10	2.3	2.1	2.4	2.1
Liquor stores.....	11	1.1	1.1	1.2	1.3
Air and water terminals.....	12	2.6	2.4	2.9	2.8
Housing and urban renewal.....	13	-14.6	-17.0	-17.9	-19.0
Public transit.....	14	-22.7	-25.1	-26.6	-28.9
Other <sup>2</sup> .....	15	16.9	17.8	19.9	22.5

1. Consists largely of the Bonneville Power Administration, other electric power agencies, and insurance agencies other than those insuring deposits in financial institutions.

2. Consists of lotteries, gaming administered by Indian tribal governments, off-track betting, local parking, and miscellaneous activities.

Table 3.9.1. Percent Change From Preceding Period in Real Government Consumption Expenditures and Gross Investment

[Percent]

	Line	2004	2005	2006	2007	Seasonally adjusted at annual rates															
						2004		2005				2006				2007				2008	
						IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	
<b>Government consumption expenditures and gross investment</b> .....	1	1.4	0.4	1.7	2.1	-1.8	-0.2	0.9	3.4	-1.7	3.9	1.2	1.7	1.6	0.9	3.9	3.8	0.8	1.9	3.4	
Consumption expenditures <sup>1</sup> .....	2	1.5	0.3	1.6	1.9	-1.4	0.4	-0.2	3.5	-3.1	5.6	0.0	2.5	1.1	1.2	2.9	3.9	0.5	3.2	2.1	
Gross investment <sup>2</sup> .....	3	0.9	0.6	2.1	3.0	-4.0	-3.1	6.7	3.2	5.4	-4.0	7.3	-2.1	4.1	-0.4	8.9	3.3	2.3	-3.8	10.3	
Structures.....	4	-2.2	-2.9	-1.3	3.8	-7.7	-2.5	0.5	-2.1	4.6	-11.5	7.3	-1.5	-0.4	7.3	5.3	5.1	3.1	-9.4	4.1	
Equipment and software.....	5	6.6	6.8	8.1	1.7	2.8	-4.1	18.2	12.7	6.9	9.8	7.5	-3.1	12.2	-12.5	15.7	0.0	1.0	7.3	22.1	
<b>Federal</b> .....	6	4.2	1.2	2.3	1.6	-4.6	1.1	1.1	9.7	-7.2	10.0	-1.5	1.9	1.8	-3.6	6.7	7.2	-0.5	5.8	6.7	
Consumption expenditures.....	7	3.8	0.7	1.4	1.7	-5.1	3.1	-0.8	8.1	-9.3	10.8	-2.5	2.5	-1.0	-0.2	4.9	7.8	-1.2	6.0	3.8	
Gross investment.....	8	7.1	5.1	8.2	1.2	-0.9	-12.1	16.2	21.4	8.3	4.7	5.5	-2.3	22.7	-23.9	20.2	2.8	4.7	4.9	28.9	
Structures.....	9	-7.6	-13.0	6.2	7.4	-22.9	-35.1	-24.9	64.3	27.4	-26.9	-11.9	39.8	63.1	-39.5	7.3	34.6	42.0	-13.8	4.8	
Equipment and software.....	10	10.1	8.4	8.6	0.2	3.4	-7.8	23.8	16.3	5.6	10.6	8.2	-7.4	17.0	-20.8	22.4	-1.8	-1.1	8.9	33.7	
<b>National defense</b> .....	11	5.8	1.5	1.6	2.5	-9.7	3.1	4.0	12.3	-14.2	8.8	1.9	-0.9	7.0	-5.9	8.5	10.2	-0.9	7.3	7.3	
Consumption expenditures.....	12	5.2	1.0	0.8	2.6	-10.2	5.5	1.6	11.3	-15.6	10.4	-0.6	0.1	3.4	-1.9	6.7	10.9	-1.4	7.4	3.6	
Gross investment.....	13	10.3	5.5	7.0	1.6	-5.7	-12.6	23.4	19.4	-4.0	-1.8	21.1	-7.5	34.6	-29.3	21.7	5.4	3.0	6.0	36.7	
Structures.....	14	0.3	-2.1	-1.5	12.8	-7.5	-9.1	-18.9	72.4	-12.4	-49.7	-15.4	144.3	80.4	-57.8	6.9	78.1	94.8	-45.1	23.2	
Equipment and software.....	15	11.3	6.2	7.8	0.6	-5.6	-12.9	27.9	15.6	-3.2	4.0	24.4	-14.6	30.8	-25.7	23.1	0.3	-4.1	14.0	38.1	
<b>Nondefense</b> .....	16	1.1	0.6	3.6	-0.2	6.5	-2.7	-4.5	4.4	8.9	12.4	-8.1	7.7	-8.1	1.2	3.1	1.2	0.4	2.9	5.3	
Consumption expenditures.....	17	1.1	0.0	2.6	-0.2	6.0	-1.5	-5.4	1.6	5.1	11.6	-6.3	7.5	-9.6	3.3	1.2	1.7	-0.8	2.9	4.1	
Gross investment.....	18	1.3	4.4	10.7	0.2	9.9	-11.1	2.9	25.8	37.3	17.8	-18.9	8.7	2.0	-11.6	17.2	-2.2	8.1	2.8	14.0	
Structures.....	19	-11.8	-19.5	11.8	4.0	-31.0	-48.3	-29.0	58.4	66.3	-8.3	-10.0	-1.2	51.8	-23.0	7.5	11.7	12.1	19.6	-6.1	
Equipment and software.....	20	7.2	14.0	10.4	-1.0	30.7	6.0	14.4	18.0	29.5	27.3	-21.4	12.0	-10.7	-7.2	20.7	-6.7	6.7	-3.0	22.9	
<b>State and local</b> .....	21	-0.2	-0.1	1.3	2.3	-0.1	-1.0	0.8	-0.1	1.6	0.5	2.9	1.6	1.5	3.6	2.4	1.9	1.6	-0.3	1.6	
Consumption expenditures.....	22	0.1	0.1	1.7	2.0	1.2	-1.3	0.2	0.6	1.0	2.4	1.7	2.5	2.4	2.0	1.7	1.5	1.6	1.4	1.0	
Gross investment.....	23	-1.2	-1.1	-0.2	3.7	-5.1	0.5	3.4	-3.0	4.4	-7.2	8.1	-2.1	-2.4	10.3	5.1	3.5	1.5	-6.8	3.9	
Structures.....	24	-1.8	-2.2	-1.8	3.6	-6.6	-0.1	2.2	-5.0	3.3	-10.4	8.6	-3.6	-3.7	11.5	5.2	3.5	0.9	-9.1	4.1	
Equipment and software.....	25	1.2	4.1	7.2	4.6	1.9	2.8	8.9	6.5	9.4	8.3	6.1	5.5	3.7	4.9	4.7	3.4	4.7	4.5	3.0	

1. Government consumption expenditures are services (such as education and national defense) produced by government that are valued at their cost of production. Excludes government sales to other sectors and government own-account investment (construction and software).

2. Gross government investment consists of general government and government enterprise expenditures for fixed assets; inventory investment is included in government consumption expenditures.





Table 3.9.6. Real Government Consumption Expenditures and Gross Investment, Chained Dollars

[Billions of chained (2000) dollars]

	Line	2004	2005	2006	2007	Seasonally adjusted at annual rates															
						2004		2005				2006				2007				2008	
						IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	
<b>Government consumption expenditures and gross investment.....</b>	<b>1</b>	<b>1,931.8</b>	<b>1,939.0</b>	<b>1,971.2</b>	<b>2,012.1</b>	<b>1,930.6</b>	<b>1,929.6</b>	<b>1,934.0</b>	<b>1,950.4</b>	<b>1,941.9</b>	<b>1,960.5</b>	<b>1,966.6</b>	<b>1,974.9</b>	<b>1,982.7</b>	<b>1,987.1</b>	<b>2,006.4</b>	<b>2,025.3</b>	<b>2,029.4</b>	<b>2,039.1</b>	<b>2,056.3</b>	
Consumption expenditures <sup>1</sup> .....	2	1,585.7	1,590.9	1,616.0	1,646.3	1,586.4	1,587.9	1,587.1	1,600.7	1,588.0	1,609.7	1,609.9	1,620.0	1,624.3	1,629.0	1,640.8	1,656.7	1,658.8	1,671.7	1,680.3	
Gross investment <sup>2</sup> .....	3	346.1	348.0	355.3	366.0	344.0	341.3	346.9	349.6	354.3	350.6	356.9	355.0	358.5	358.2	365.9	368.9	371.0	367.4	376.5	
Structures.....	4	204.2	198.2	195.6	203.0	199.3	198.0	198.3	197.2	199.4	193.4	196.9	196.1	195.9	199.4	202.0	204.5	206.1	201.1	203.2	
Equipment and software.....	5	143.4	153.1	165.5	168.3	147.0	145.5	151.7	156.4	159.0	162.8	165.7	164.4	169.2	163.7	169.7	169.8	170.2	173.2	182.0	
<b>Federal.....</b>	<b>6</b>	<b>715.9</b>	<b>724.5</b>	<b>741.0</b>	<b>752.9</b>	<b>716.0</b>	<b>718.0</b>	<b>720.1</b>	<b>736.8</b>	<b>723.2</b>	<b>740.6</b>	<b>737.7</b>	<b>741.1</b>	<b>744.4</b>	<b>737.5</b>	<b>749.6</b>	<b>762.7</b>	<b>761.7</b>	<b>772.6</b>	<b>785.2</b>	
Consumption expenditures.....	7	614.4	618.5	627.3	637.8	612.5	617.2	615.9	628.0	612.9	628.8	624.8	628.7	627.0	626.7	634.2	646.3	644.3	653.7	659.8	
Gross investment.....	8	101.9	107.1	115.9	117.3	104.4	101.0	104.9	110.1	112.3	113.6	115.1	114.5	120.5	112.5	117.8	118.7	120.0	121.5	129.4	
Structures.....	9	13.1	11.4	12.1	13.0	12.3	11.1	10.3	11.7	12.4	11.5	11.1	12.1	13.6	12.0	12.2	13.2	14.4	13.9	14.0	
Equipment and software.....	10	89.2	96.7	105.0	105.1	92.6	90.8	95.8	99.5	100.8	103.4	105.5	103.4	107.6	101.5	106.8	106.3	106.0	108.3	116.4	
<b>National defense.....</b>	<b>11</b>	<b>475.0</b>	<b>482.2</b>	<b>490.0</b>	<b>502.1</b>	<b>472.7</b>	<b>476.3</b>	<b>481.0</b>	<b>495.1</b>	<b>476.5</b>	<b>486.7</b>	<b>489.0</b>	<b>487.9</b>	<b>496.3</b>	<b>488.8</b>	<b>498.8</b>	<b>511.0</b>	<b>509.9</b>	<b>518.9</b>	<b>528.2</b>	
Consumption expenditures.....	12	407.6	411.6	415.0	425.8	403.7	409.2	410.7	421.9	404.4	414.5	414.0	414.1	417.6	415.6	422.4	433.5	431.9	439.7	443.7	
Gross investment.....	13	68.0	71.7	76.7	78.0	69.9	67.6	71.2	74.4	73.7	73.3	76.9	75.4	81.3	74.5	78.3	79.3	79.9	81.0	87.6	
Structures.....	14	4.8	4.7	4.6	5.2	4.7	4.6	4.4	5.0	4.9	4.1	3.9	4.9	5.7	4.6	4.7	5.4	6.4	5.5	5.8	
Equipment and software.....	15	63.3	67.2	72.5	72.9	65.3	63.1	67.1	69.6	69.1	69.7	73.6	70.8	75.7	70.3	74.0	74.1	73.3	75.8	82.1	
<b>Nondefense.....</b>	<b>16</b>	<b>240.7</b>	<b>242.0</b>	<b>250.8</b>	<b>250.4</b>	<b>243.2</b>	<b>241.5</b>	<b>238.8</b>	<b>241.4</b>	<b>246.5</b>	<b>253.8</b>	<b>248.5</b>	<b>253.1</b>	<b>247.8</b>	<b>248.6</b>	<b>250.5</b>	<b>251.2</b>	<b>251.5</b>	<b>253.2</b>	<b>256.6</b>	
Consumption expenditures.....	17	206.7	206.7	212.2	211.7	208.6	207.8	205.0	205.8	208.4	214.2	210.7	214.5	209.2	210.9	211.5	212.4	212.0	213.5	215.6	
Gross investment.....	18	34.0	35.5	39.3	39.3	34.5	33.5	33.8	35.8	38.7	40.4	38.3	39.1	39.3	38.1	39.6	39.4	40.2	40.5	41.8	
Structures.....	19	8.2	6.6	7.4	7.7	7.6	6.4	5.9	6.6	7.5	7.4	7.2	7.2	8.0	7.4	7.6	7.8	8.0	8.4	8.3	
Equipment and software.....	20	25.9	29.5	32.6	32.3	27.3	27.7	28.7	29.9	31.9	33.8	31.9	32.8	31.9	31.3	32.8	32.2	32.7	32.5	34.2	
<b>State and local.....</b>	<b>21</b>	<b>1,215.8</b>	<b>1,214.3</b>	<b>1,230.2</b>	<b>1,259.0</b>	<b>1,214.4</b>	<b>1,211.4</b>	<b>1,213.8</b>	<b>1,213.6</b>	<b>1,218.5</b>	<b>1,219.9</b>	<b>1,228.8</b>	<b>1,233.7</b>	<b>1,238.2</b>	<b>1,249.3</b>	<b>1,256.6</b>	<b>1,262.6</b>	<b>1,267.5</b>	<b>1,266.7</b>	<b>1,271.7</b>	
Consumption expenditures.....	22	970.8	971.9	988.2	1,008.0	973.5	970.2	970.7	972.2	974.6	980.4	984.6	990.8	996.8	1,001.9	1,006.1	1,010.0	1,013.9	1,017.6	1,020.1	
Gross investment.....	23	245.0	242.3	241.8	250.9	240.8	241.1	243.1	241.2	243.8	239.3	244.0	242.7	241.2	247.2	250.3	252.5	253.4	249.0	251.4	
Structures.....	24	191.2	186.9	183.5	190.1	187.0	186.9	187.9	185.5	187.0	182.0	185.7	184.0	182.3	187.3	189.7	191.4	191.8	187.3	189.2	
Equipment and software.....	25	54.0	56.2	60.3	63.1	54.2	54.6	55.8	56.6	57.9	59.1	60.0	60.8	61.3	62.1	62.8	63.3	64.0	64.8	65.2	
Residual.....	26	-0.7	-2.3	-5.1	-4.7	-1.3	-0.9	-2.2	-2.7	-3.8	-4.7	-5.0	-5.0	-5.8	-4.3	-5.2	-4.8	-4.6	-6.0	-7.9	

1. Government consumption expenditures are services (such as education and national defense) produced by government that are valued at their cost of production. Excludes government sales to other sectors and government own-account investment (construction and software).

2. Gross government investment consists of general government and government enterprise expenditures for fixed assets; inventory investment is included in government consumption expenditures.

Note. Chained (2000) dollar series are calculated as the product of the chain-type quantity index and the 2000 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines.













**Table 3.11.1. Percent Change From Preceding Period in Real National Defense Consumption Expenditures and Gross Investment by Type**  
[Percent]

	Line	Seasonally adjusted at annual rates																					
		2004	2005	2006	2007	2004				2005				2006				2007				2008	
						IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II			
<b>National defense consumption expenditures and gross investment</b>	<b>1</b>	<b>5.8</b>	<b>1.5</b>	<b>1.6</b>	<b>2.5</b>	<b>-9.7</b>	<b>3.1</b>	<b>4.0</b>	<b>12.3</b>	<b>-14.2</b>	<b>8.8</b>	<b>1.9</b>	<b>-0.9</b>	<b>7.0</b>	<b>-5.9</b>	<b>8.5</b>	<b>10.2</b>	<b>-0.9</b>	<b>7.3</b>	<b>7.3</b>			
<b>Consumption expenditures</b> <sup>1</sup>	<b>2</b>	<b>5.2</b>	<b>1.0</b>	<b>0.8</b>	<b>2.6</b>	<b>-10.2</b>	<b>5.5</b>	<b>1.6</b>	<b>11.3</b>	<b>-15.6</b>	<b>10.4</b>	<b>-0.6</b>	<b>0.1</b>	<b>3.4</b>	<b>-1.9</b>	<b>6.7</b>	<b>10.9</b>	<b>-1.4</b>	<b>7.4</b>	<b>3.6</b>			
Gross output of general government	3	5.1	1.1	0.9	2.6	-11.2	6.4	1.5	11.5	-16.2	11.0	0.2	-0.4	2.4	-0.7	5.9	11.8	-2.5	7.0	3.6			
Value added	4	1.8	0.9	-0.5	0.5	2.2	0.7	-1.1	0.5	0.9	-4.5	-0.6	4.0	0.9	-2.5	-0.7	4.2	1.2	3.1	3.0			
Compensation of general government employees	5	1.8	0.3	-1.6	-0.4	2.1	0.1	-2.2	-0.2	0.3	-6.8	-1.6	4.2	0.2	-4.3	-1.8	4.7	0.7	3.3	2.8			
Military	6	1.1	-0.6	-2.4	-0.8	3.8	0.1	-4.7	-1.7	1.3	-8.3	-2.3	5.0	-1.6	-4.6	-2.4	6.0	-1.0	5.7	2.8			
Civilian	7	3.3	2.3	0.0	0.6	-1.4	0.1	3.2	3.2	-1.8	-3.4	-0.1	2.7	4.3	-3.7	-0.6	1.9	4.5	-1.9	2.8			
Consumption of general government fixed capital <sup>2</sup>	8	1.8	2.5	3.0	3.1	2.3	2.7	2.8	2.8	2.9	3.2	2.9	3.1	3.1	3.3	3.1	2.9	2.8	2.6	3.5			
Intermediate goods and services purchased <sup>3</sup>	9	9.3	1.3	2.6	5.2	-24.7	13.7	4.7	25.8	-32.9	33.1	1.1	-5.3	4.2	1.5	14.2	21.0	-6.5	11.6	4.3			
Durable goods	10	10.4	1.6	8.4	8.5	-10.5	-12.6	12.5	18.3	9.4	-2.4	2.1	21.0	23.4	-23.8	26.5	34.4	4.6	11.5	12.6			
Aircraft	11	4.9	-10.7	0.0	4.4	-14.7	-39.3	-1.2	-3.6	14.1	-16.3	-16.9	19.4	76.4	-55.0	42.4	40.9	27.8	-30.3	40.0			
Missiles	12	8.1	20.4	20.5	7.4	13.9	69.5	60.9	-17.6	82.0	25.7	39.3	-39.9	28.2	0.9	21.8	12.5	24.6	-13.4	-16.0			
Ships	13	8.4	-5.8	4.9	2.1	-56.9	-2.4	22.7	52.4	-66.8	85.4	4.0	87.5	-54.7	13.0	1.7	108.8	-45.1	12.6	-2.0			
Vehicles	14	-4.2	33.3	43.4	34.4	40.2	2.6	42.1	122.1	3.9	41.0	40.4	71.5	30.3	-7.0	115.0	17.8	22.3	3.6	80.4			
Electronics	15	17.9	25.4	16.0	22.0	12.9	0.5	50.2	101.3	7.5	-16.6	-0.2	62.2	20.3	4.4	42.2	36.3	-15.6	103.6	43.7			
Other durable goods	16	19.1	-1.9	4.3	-0.9	-15.4	4.7	-7.7	6.7	4.4	0.6	7.9	18.7	-10.5	-8.2	-11.5	31.0	-5.6	35.1	-36.0			
Nondurable goods	17	13.9	-0.3	-3.6	2.8	-65.8	62.5	44.9	6.9	-30.5	2.1	-21.8	74.7	-37.2	34.6	-4.9	34.8	-49.1	12.3	10.0			
Petroleum products	18	5.6	-5.4	-2.6	2.3	-92.5	187.7	203.6	-2.7	-44.2	-7.0	-7.8	141.5	-60.3	36.5	14.6	43.7	-59.5	-8.7	28.8			
Ammunition	19	31.2	5.7	-4.8	-3.7	-1.5	-15.9	23.3	29.6	-2.9	-15.2	-41.6	40.4	18.6	-11.2	-40.5	96.6	-44.3	68.4	-41.4			
Other nondurable goods	20	14.3	3.1	-4.4	7.6	-1.1	44.5	-35.0	12.3	-17.9	29.0	-28.8	7.0	-6.3	70.6	-7.3	-1.5	-26.2	29.6	12.8			
Services	21	8.7	1.5	2.4	4.9	-20.9	14.8	0.0	29.4	-38.3	44.6	3.7	-15.4	7.2	3.5	14.6	17.4	-1.8	11.6	2.2			
Research and development	22	0.0	2.1	8.6	-3.0	-0.1	7.9	7.6	3.8	-0.3	40.8	-3.5	-18.2	37.6	-9.5	-10.1	-19.6	16.1	-5.8	19.8			
Installation support	23	-3.4	-6.1	-2.5	-0.2	-32.9	-16.7	13.5	37.6	-32.0	5.9	13.9	-28.5	4.2	-2.4	10.3	16.4	-10.4	28.4	-8.9			
Weapons support	24	31.8	8.9	-4.2	11.8	-37.5	28.2	15.2	101.6	-68.4	40.3	51.0	-54.4	30.5	3.6	60.4	45.8	-15.9	25.4	-4.4			
Personnel support	25	23.3	6.1	5.9	6.5	-23.1	10.1	2.2	58.9	-32.7	23.4	37.5	-27.2	0.5	3.1	23.0	30.7	2.0	21.5	6.8			
Transportation of material	26	-10.9	-17.9	-2.2	50.5	-32.2	120.3	-30.2	-62.4	-92.6	2,100.7	-87.2	1,272.2	-65.8	170.6	63.3	106.1	-1.2	-18.0	-27.8			
Travel of persons	27	17.0	3.0	-16.1	9.6	15.5	169.5	-62.7	-23.7	-72.8	290.3	-84.2	444.4	-40.7	45.5	0.8	44.5	-41.8	-6.4	-18.6			
Less: Own-account investment <sup>4</sup>	28	-7.9	-5.4	-2.0	-4.5	4.4	-30.0	3.9	2.2	4.0	-17.3	3.2	3.4	7.9	-15.8	-7.5	-5.0	-4.8	-12.7	-10.2			
Sales to other sectors	29	0.9	25.1	6.7	7.4	-88.6	596.5	-5.2	51.3	-80.4	235.3	180.3	-46.6	-81.5	746.0	-62.6	264.4	-80.4	-39.2	0.3			
<b>Gross investment</b> <sup>5</sup>	<b>30</b>	<b>10.3</b>	<b>5.5</b>	<b>7.0</b>	<b>1.6</b>	<b>-5.7</b>	<b>-12.6</b>	<b>23.4</b>	<b>19.4</b>	<b>-4.0</b>	<b>-1.8</b>	<b>21.1</b>	<b>-7.5</b>	<b>34.6</b>	<b>-29.3</b>	<b>21.7</b>	<b>5.4</b>	<b>3.0</b>	<b>6.0</b>	<b>36.7</b>			
Structures	31	0.3	-2.1	-1.5	12.8	-7.5	-9.1	-18.9	72.4	-12.4	-49.7	-15.4	144.3	80.4	-57.8	6.9	78.1	94.8	-45.1	23.2			
Equipment and software	32	11.3	6.2	7.8	0.6	-5.6	-12.9	27.9	15.6	-3.2	4.0	24.4	-14.6	30.8	-25.7	23.1	0.3	-4.1	14.0	38.1			
Aircraft	33	23.1	25.5	1.5	-5.8	76.7	-30.3	44.8	21.0	2.2	-26.2	82.9	-64.4	132.0	-47.4	84.8	-30.2	-42.6	-36.7	326.1			
Missiles	34	17.8	-2.3	14.5	-6.7	-11.7	-69.9	279.1	-65.8	301.0	-7.6	3.0	-74.2	490.6	-2.6	-59.3	-27.4	-23.8	-3.7	168.9			
Ships	35	-3.8	-7.8	0.5	-6.2	-55.7	6.2	-12.5	57.2	-50.1	15.2	59.1	-24.4	1.2	-30.3	5.5	-0.8	40.8	-45.0	32.1			
Vehicles	36	-9.9	43.5	30.8	20.5	19.8	37.8	445.9	40.4	-61.7	149.6	23.8	59.8	-16.5	-14.0	197.7	7.9	-40.5	276.2	-5.9			
Electronics and software	37	10.8	13.4	12.4	17.4	11.1	-2.2	32.6	39.9	8.0	-7.8	-1.8	53.5	24.2	-12.9	40.7	28.0	12.3	35.9	29.6			
Other equipment	38	15.8	-3.2	7.1	-5.0	-14.5	-3.6	-8.0	4.4	7.4	14.3	6.3	10.7	-3.8	-24.0	-4.1	7.4	10.4	27.7	-12.5			

1. National defense consumption expenditures are defense services produced by government that are valued at their cost of production. Excludes government sales to other sectors and government own-account investment (construction and software).

2. Consumption of fixed capital, or depreciation, is included in government gross output as a partial measure of the services of general government fixed assets; the use of depreciation assumes a zero net return on these assets.

3. Includes general government intermediate inputs for goods and services sold to other sectors and for own-account investment.

4. Own-account investment is measured in current dollars by compensation of general government employees and related expenditures for goods and services and is classified as investment in structures and in software.

5. Gross government investment consists of general government and government enterprise expenditures for fixed assets; inventory investment is included in government consumption expenditures.







**Table 3.11.5. National Defense Consumption Expenditures and Gross Investment by Type**  
[Billions of dollars]

	Line	Seasonally adjusted at annual rates																			
		2004	2005	2006	2007	2004		2005				2006				2007				2008	
						IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	
<b>National defense consumption expenditures and gross investment</b> .....	1	550.7	588.1	624.1	662.2	555.0	576.1	584.4	606.3	585.4	613.6	623.1	624.0	635.9	636.9	656.8	675.6	679.3	699.9	722.8	
<b>Consumption expenditures</b> <sup>1</sup> .....	2	482.9	515.2	544.6	580.1	484.5	507.5	512.1	530.8	510.3	538.3	543.6	545.3	551.2	559.0	574.8	591.9	594.7	613.8	628.8	
Gross output of general government .....	3	487.5	520.5	550.3	586.3	488.7	512.9	517.6	536.7	514.9	543.9	550.2	551.4	555.9	565.6	580.4	598.9	600.0	618.8	633.8	
Value added .....	4	264.8	284.0	298.8	314.5	268.8	283.4	282.7	284.6	285.3	295.7	297.2	299.5	302.6	310.1	313.1	316.3	318.4	326.4	331.4	
Compensation of general government employees .....	5	200.4	216.2	226.5	237.9	202.8	216.6	215.4	216.5	216.1	225.2	225.3	226.4	228.9	235.0	237.1	239.1	240.3	247.4	250.9	
Military .....	6	136.1	147.4	154.8	162.7	137.5	148.8	147.1	146.9	147.0	154.3	153.9	154.8	156.4	160.2	161.9	164.1	164.6	170.3	173.0	
Civilian .....	7	64.3	68.7	71.6	75.2	65.4	67.9	68.3	69.6	69.1	70.9	71.5	71.6	72.6	74.8	75.2	75.0	75.7	77.2	77.9	
Consumption of general government fixed capital <sup>2</sup> .....	8	64.4	67.8	72.3	76.6	66.0	66.8	67.3	68.1	69.2	70.5	71.8	73.1	73.6	75.1	76.0	77.2	78.1	79.0	80.5	
Intermediate goods and services purchased <sup>3</sup> .....	9	222.7	236.5	251.6	271.8	219.9	229.5	234.8	252.1	229.6	248.2	253.0	251.9	253.3	255.5	267.3	282.6	281.6	292.4	302.3	
Durable goods .....	10	28.9	29.9	33.1	36.0	29.1	28.3	29.3	30.6	31.3	31.3	31.9	33.7	35.7	33.2	35.0	37.6	38.0	39.1	40.6	
Aircraft .....	11	11.9	10.7	11.0	11.3	12.1	10.7	10.7	10.6	10.9	10.6	10.3	10.8	12.5	10.1	10.9	11.8	12.5	11.4	12.4	
Missiles .....	12	2.7	3.3	4.1	4.4	2.5	2.9	3.3	3.2	3.7	3.9	4.3	3.9	4.2	4.2	4.3	4.5	4.8	4.6	4.4	
Ships .....	13	1.4	1.4	1.5	1.5	1.3	1.3	1.4	1.6	1.2	1.4	1.4	1.7	1.4	1.4	1.4	1.7	1.5	1.5	1.5	
Vehicles .....	14	0.9	1.3	1.8	2.5	1.1	1.1	1.2	1.4	1.4	1.6	1.7	1.9	2.1	2.1	2.5	2.6	2.8	2.8	3.3	
Electronics .....	15	4.4	5.5	6.5	7.9	4.6	4.6	5.1	6.1	6.2	5.9	6.0	6.8	7.1	7.2	7.8	8.4	8.1	9.6	10.6	
Other durable goods .....	16	7.6	7.7	8.2	8.3	7.5	7.7	7.6	7.7	7.8	7.9	8.1	8.5	8.3	8.1	7.9	8.5	8.5	9.2	8.3	
Nondurable goods .....	17	17.1	21.0	22.0	23.7	16.1	18.0	21.0	23.2	21.6	21.4	24.9	20.7	22.0	23.2	25.7	23.9	25.7	30.5		
Petroleum products .....	18	7.0	10.1	11.2	12.2	5.7	6.9	10.4	12.2	10.8	9.9	11.2	14.1	9.7	10.2	12.0	13.7	13.0	13.6	18.6	
Ammunition .....	19	3.6	4.0	4.1	4.1	3.8	3.7	4.0	4.2	4.2	4.1	3.7	4.2	4.4	4.2	3.7	4.4	3.9	4.5	4.1	
Other nondurable goods .....	20	6.4	6.8	6.7	7.4	6.6	7.3	6.6	6.8	6.6	7.0	6.5	6.7	6.6	7.6	7.5	7.5	7.0	7.5	7.9	
Services .....	21	176.7	185.7	196.4	212.1	174.7	183.2	184.6	198.3	176.7	195.8	199.7	193.2	196.9	200.3	209.1	219.4	219.7	227.6	231.3	
Research and development .....	22	48.9	52.3	59.0	58.8	48.9	50.7	52.1	53.0	53.4	58.9	59.1	56.6	61.6	60.4	59.3	56.5	59.1	58.9	62.2	
Installation support .....	23	36.5	35.8	36.1	37.3	35.2	34.2	35.2	38.4	35.2	36.3	37.7	35.0	35.5	35.6	36.9	38.8	37.9	40.7	40.4	
Weapons support .....	24	22.5	25.1	24.6	28.1	22.1	23.7	24.8	29.7	22.3	24.5	27.3	22.5	24.2	24.6	27.7	30.7	29.5	31.4	31.1	
Personnel support .....	25	52.1	56.6	61.7	68.1	52.3	54.2	54.7	61.7	56.1	59.7	65.1	60.8	61.2	62.5	66.4	71.4	72.2	75.9	77.2	
Transportation of material .....	26	9.0	7.6	7.6	11.6	8.1	9.9	9.3	7.4	3.8	8.3	5.1	9.9	7.3	9.4	10.8	13.1	13.2	12.7	12.5	
Travel of persons .....	27	7.7	8.3	7.3	8.1	8.0	10.5	8.5	8.1	5.9	8.3	5.4	8.4	7.0	7.8	8.0	8.9	7.8	7.9	8.0	
Less: Own-account investment <sup>4</sup> .....	28	2.1	2.1	2.1	2.1	2.1	2.0	2.0	2.1	2.1	2.1	2.1	2.1	2.2	2.1	2.1	2.1	2.0	2.0	2.0	
Sales to other sectors .....	29	2.5	3.3	3.6	4.1	2.1	3.4	3.4	3.8	2.5	3.5	4.6	3.9	2.6	4.5	3.6	4.9	3.3	3.0	3.0	
<b>Gross investment</b> <sup>5</sup> .....	30	67.8	72.9	79.5	82.1	70.5	68.6	72.3	75.5	75.2	79.6	78.7	84.7	77.9	82.1	83.7	84.6	86.1	94.0		
Structures .....	31	5.6	6.0	6.3	7.5	5.7	5.5	6.4	6.3	5.4	5.3	6.7	7.9	6.5	6.6	7.7	9.2	7.9	8.4		
Equipment and software .....	32	62.2	66.9	73.2	74.6	64.7	63.0	66.8	69.1	68.8	69.8	74.3	72.0	76.8	71.5	75.4	76.0	75.4	78.2	85.6	
Aircraft .....	33	11.1	13.5	13.6	12.8	13.8	12.6	13.5	14.0	14.1	13.0	15.2	11.9	14.3	12.1	14.1	13.2	11.7	10.5	15.1	
Missiles .....	34	3.9	3.9	4.5	4.3	4.2	3.1	4.4	3.4	4.8	4.7	4.7	3.4	5.3	5.3	4.2	3.9	3.7	4.7		
Ships .....	35	10.0	9.8	10.7	10.5	9.5	9.9	9.5	10.6	9.2	9.8	11.3	10.9	10.9	10.0	10.4	10.4	11.3	10.0	11.2	
Vehicles .....	36	2.7	3.9	5.0	6.3	2.6	2.8	4.3	4.6	3.7	4.6	4.8	5.3	5.3	5.2	6.7	7.0	6.2	8.7	8.5	
Electronics and software .....	37	11.5	12.8	14.3	16.6	11.8	11.7	12.5	13.5	13.7	13.4	14.9	15.7	15.1	16.4	17.2	17.6	18.9	20.1		
Other equipment .....	38	23.0	22.9	25.1	24.1	22.8	22.9	22.6	22.9	23.4	24.9	25.6	25.4	23.8	23.6	24.2	24.9	26.5	26.0		

1. National defense consumption expenditures are defense services produced by government that are valued at their cost of production. Excludes government sales to other sectors and government own-account investment (construction and software).

2. Consumption of fixed capital, or depreciation, is included in government gross output as a partial measure of the services of general government fixed assets; the use of depreciation assumes a zero net return on these assets.

3. Includes general government intermediate inputs for goods and services sold to other sectors and for own-account investment.

4. Own-account investment is measured in current dollars by compensation of general government employees and related expenditures for goods and services and is classified as investment in structures and in software.

5. Gross government investment consists of general government and government enterprise expenditures for fixed assets; inventory investment is included in government consumption expenditures.

Table 3.11.6. Real National Defense Consumption Expenditures and Gross Investment by Type, Chained Dollars

[Billions of chained (2000) dollars]

	Line	Seasonally adjusted at annual rates																			
		2004	2005	2006	2007	2004		2005				2006				2007				2008	
						IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	
<b>National defense consumption expenditures and gross investment</b> .....	1	<b>475.0</b>	<b>482.2</b>	<b>490.0</b>	<b>502.1</b>	<b>472.7</b>	<b>476.3</b>	<b>481.0</b>	<b>495.1</b>	<b>476.5</b>	<b>486.7</b>	<b>489.0</b>	<b>487.9</b>	<b>496.3</b>	<b>488.8</b>	<b>498.8</b>	<b>511.0</b>	<b>509.9</b>	<b>518.9</b>	<b>528.2</b>	
<b>Consumption expenditures</b> <sup>1</sup> .....	2	<b>407.6</b>	<b>411.6</b>	<b>415.0</b>	<b>425.8</b>	<b>403.7</b>	<b>409.2</b>	<b>410.7</b>	<b>421.9</b>	<b>404.4</b>	<b>414.5</b>	<b>414.0</b>	<b>414.1</b>	<b>417.6</b>	<b>415.6</b>	<b>422.4</b>	<b>433.5</b>	<b>431.9</b>	<b>439.7</b>	<b>443.7</b>	
Gross output of general government.....	3	411.5	415.9	419.5	430.4	407.2	413.6	415.1	426.6	408.1	418.9	419.1	418.7	421.3	420.6	426.6	438.7	435.9	443.4	447.3	
Value added.....	4	213.4	215.2	214.1	215.1	215.0	215.4	214.8	215.1	215.6	213.2	212.9	214.9	215.4	214.1	213.7	216.0	216.6	218.3	219.9	
Compensation of general government employees....	5	151.5	152.0	149.6	149.0	152.6	152.7	151.8	151.7	151.9	149.2	148.6	150.2	150.2	148.6	147.9	149.6	149.9	151.1	152.1	
Military.....	6	100.9	100.3	97.9	97.2	101.3	101.3	100.1	99.7	100.0	97.9	97.3	98.5	98.1	97.0	96.4	97.8	97.5	98.9	99.6	
Civilian.....	7	50.6	51.7	51.7	52.0	51.3	51.3	51.7	52.1	51.9	51.4	51.4	51.7	52.3	51.8	51.7	52.0	52.5	52.3	52.6	
Consumption of general government fixed capital <sup>2</sup>	8	61.6	63.2	65.1	67.1	62.1	62.5	62.9	63.4	63.8	64.3	64.8	65.3	65.8	66.3	66.8	67.3	67.8	68.2	68.8	
Intermediate goods and services purchased <sup>3</sup> .....	9	200.1	202.8	208.0	218.8	193.8	200.2	202.5	214.4	194.1	208.5	209.0	206.2	208.4	209.2	216.2	226.8	223.0	229.2	231.6	
Durable goods.....	10	28.3	28.8	31.2	33.8	28.3	27.4	28.2	29.4	30.1	29.9	30.1	31.5	33.2	31.1	32.9	35.5	35.9	36.9	38.0	
Aircraft.....	11	11.5	10.2	10.2	10.7	11.6	10.2	10.2	10.1	10.4	10.0	9.5	10.0	11.5	9.4	10.3	11.2	11.9	10.9	11.8	
Missiles.....	12	2.6	3.1	3.7	4.0	2.4	2.8	3.1	3.0	3.5	3.7	4.0	3.5	3.7	3.7	3.9	4.0	4.3	4.1	3.9	
Ships.....	13	1.4	1.3	1.4	1.4	1.3	1.3	1.3	1.5	1.1	1.3	1.3	1.5	1.3	1.3	1.3	1.6	1.4	1.4	1.4	
Vehicles.....	14	0.8	1.1	1.5	2.1	0.9	0.9	1.0	1.2	1.2	1.3	1.4	1.7	1.8	1.7	2.1	2.2	2.3	2.3	2.7	
Electronics.....	15	4.7	5.8	6.8	8.3	4.9	4.9	5.4	6.5	6.6	6.3	6.3	7.1	7.4	7.5	8.2	8.9	8.5	10.1	11.1	
Other durable goods.....	16	7.5	7.4	7.7	7.7	7.4	7.4	7.3	7.4	7.5	7.5	7.6	8.0	7.8	7.6	7.4	7.9	7.8	8.4	7.5	
Nondurable goods.....	17	15.3	15.3	14.7	15.1	12.8	14.4	15.8	16.1	14.7	14.8	13.9	16.0	14.2	15.3	15.1	16.3	13.8	14.2	14.5	
Petroleum products.....	18	5.8	5.5	5.3	5.5	3.5	4.6	6.1	6.0	5.2	5.1	5.0	6.2	5.0	5.4	5.5	6.1	4.8	4.7	5.0	
Ammunition.....	19	3.4	3.6	3.4	3.3	3.5	3.4	3.5	3.8	3.8	3.6	3.2	3.4	3.6	3.5	3.1	3.6	3.1	3.6	3.1	
Other nondurable goods.....	20	6.1	6.3	6.0	6.5	6.2	6.8	6.1	6.3	6.0	6.4	5.9	6.0	5.9	6.7	6.6	6.6	6.1	6.5	6.7	
Services.....	21	156.1	158.4	162.1	170.1	152.5	157.9	157.9	168.4	149.3	163.7	165.2	158.4	161.2	162.6	168.2	175.1	174.3	179.2	180.2	
Research and development.....	22	44.2	45.1	49.0	47.5	43.5	44.3	45.1	45.5	45.5	49.6	49.1	46.7	50.6	49.3	48.0	45.5	47.2	46.5	48.7	
Installation support.....	23	31.8	29.8	29.1	29.0	30.0	28.7	29.6	32.0	29.1	29.5	30.5	28.0	28.3	28.2	28.9	30.0	29.2	31.0	30.3	
Weapons support.....	24	20.3	22.1	21.2	23.7	19.8	21.1	21.9	26.1	19.5	21.3	23.6	19.4	20.7	20.9	23.5	25.8	24.7	26.2	25.9	
Personnel support.....	25	45.8	48.6	51.5	54.8	45.7	46.8	47.0	52.8	47.8	50.4	54.6	50.4	50.8	50.8	53.5	57.3	57.5	60.4	61.4	
Transportation of material.....	26	7.5	6.1	6.0	9.0	6.7	8.2	7.5	5.9	3.1	6.6	4.0	7.6	5.8	7.5	8.4	10.1	10.1	9.6	8.8	
Travel of persons.....	27	6.5	6.7	5.6	6.2	6.9	8.9	6.9	6.5	4.7	6.6	4.1	6.3	5.6	6.1	6.1	6.7	5.9	5.8	5.5	
Less: Own-account investment <sup>4</sup> .....	28	1.7	1.6	1.6	1.5	1.8	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.5	1.5	1.5	1.4	1.4	
Sales to other sectors.....	29	2.2	2.7	2.9	3.1	1.7	2.8	2.8	3.1	2.1	2.8	3.6	3.1	2.0	3.5	2.7	3.7	2.5	2.2	2.2	
<b>Gross investment</b> <sup>5</sup> .....	30	<b>68.0</b>	<b>71.7</b>	<b>76.7</b>	<b>78.0</b>	<b>69.9</b>	<b>67.6</b>	<b>71.2</b>	<b>74.4</b>	<b>73.7</b>	<b>73.3</b>	<b>76.9</b>	<b>75.4</b>	<b>81.3</b>	<b>74.5</b>	<b>78.3</b>	<b>79.3</b>	<b>79.9</b>	<b>81.0</b>	<b>87.6</b>	
Structures.....	31	4.8	4.7	4.6	5.2	4.7	4.6	4.4	5.0	4.9	4.1	3.9	4.9	5.7	4.6	4.7	5.4	6.4	5.5	5.8	
Equipment and software.....	32	63.3	67.2	72.5	72.9	65.3	63.1	67.1	69.6	69.7	69.7	73.6	70.8	75.7	70.3	74.0	74.1	73.3	75.8	82.1	
Aircraft.....	33	12.7	16.0	16.2	15.2	15.9	14.5	15.9	16.7	16.8	15.5	18.1	14.0	17.2	14.7	17.1	15.6	13.6	12.1	17.4	
Missiles.....	34	3.9	3.8	4.4	4.1	4.1	3.1	4.3	3.3	4.6	4.5	4.6	3.3	5.1	5.0	4.0	3.7	3.5	3.4	4.4	
Ships.....	35	9.0	8.3	8.3	7.8	8.2	8.4	8.1	9.1	7.6	7.9	8.9	8.3	8.3	7.6	7.7	7.7	8.3	7.2	7.7	
Vehicles.....	36	2.7	3.9	5.1	6.2	2.6	2.9	4.4	4.7	3.7	4.7	5.0	5.6	5.3	5.1	6.7	6.9	6.0	8.4	8.3	
Electronics and software.....	37	12.7	14.4	16.2	19.0	13.1	13.0	13.9	15.2	15.5	15.1	16.8	17.7	17.1	18.6	19.8	20.4	22.0	23.5		
Other equipment.....	38	22.4	21.7	23.2	22.1	22.0	21.8	21.4	21.6	22.0	22.7	23.1	23.7	23.4	21.9	21.7	22.1	22.6	24.0	23.3	
Residual.....	39	-2.3	-4.2	-6.6	-8.9	-3.4	-3.0	-3.7	-5.6	-5.6	-6.2	-8.1	-5.3	-8.5	-6.8	-9.2	-9.6	-9.5	-11.0	-13.4	

1. National defense consumption expenditures are defense services produced by government that are valued at their cost of production. Excludes government sales to other sectors and government own-account investment (construction and software).

2. Consumption of fixed capital, or depreciation, is included in government gross output as a partial measure of the services of general government fixed assets; the use of depreciation assumes a zero net return on these assets.

3. Includes general government intermediate inputs for goods and services sold to other sectors and for own-account investment.

4. Own-account investment is measured in current dollars by compensation of general government employees and related expenditures for goods and services and is classified as investment in structures and in software.

5. Gross government investment consists of general government and government enterprise expenditures for fixed assets; inventory investment is included in government consumption expenditures.

NOTE: Chained (2000) dollar series are calculated as the product of the chain-type quantity index and the 2000 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines.

Table 3.12. Government Social Benefits

[Billions of dollars]

	Line	2004	2005	2006	2007
<b>Government social benefits</b> .....	1	<b>1,399.1</b>	<b>1,485.0</b>	<b>1,581.4</b>	<b>1,685.0</b>
<b>To persons</b> .....	2	<b>1,396.1</b>	<b>1,481.9</b>	<b>1,578.1</b>	<b>1,681.4</b>
<b>Federal</b> .....	3	<b>1,012.3</b>	<b>1,078.5</b>	<b>1,177.1</b>	<b>1,250.6</b>
Benefits from social insurance funds.....	4	842.0	894.2	987.7	1,051.2
Old-age, survivors, and disability insurance.....	5	485.2	512.6	544.1	575.7
Hospital and supplementary medical insurance.....	6	302.8	331.9	394.8	423.7
Unemployment insurance.....	7	36.4	31.8	30.4	32.7
State.....	8	34.3	31.0	29.6	32.0
Railroad employees.....	9	0.1	0.1	0.1	0.1
Federal employees.....	10	0.7	0.7	0.7	0.6
Special unemployment benefits.....	11	1.4	0.0	0.0	0.0
Railroad retirement.....	12	9.0	9.2	9.5	9.8
Pension benefit guaranty.....	13	2.4	2.6	2.5	2.6
Veterans life insurance.....	14	1.7	1.6	1.6	1.5
Workers' compensation.....	15	2.5	2.5	2.4	2.6
Military medical insurance <sup>1</sup> .....	16	2.0	2.1	2.5	2.5
Veterans benefits.....	17	32.4	34.8	37.2	40.0
Pension and disability.....	18	30.2	32.5	34.9	37.6
Readjustment.....	19	2.2	2.3	2.3	2.4
Other <sup>2</sup> .....	20				
Food stamp benefits.....	21	25.6	29.5	29.4	30.9
Black lung benefits.....	22	0.7	0.7	0.6	0.6
Supplemental security income.....	23	32.1	33.1	34.7	36.7
Direct relief.....	24				
Earned income credit.....	25	41.9	49.2	51.6	54.7
Other <sup>3</sup> .....	26	37.5	37.1	35.9	36.5
<b>State and local</b> .....	27	<b>383.8</b>	<b>403.5</b>	<b>401.0</b>	<b>430.8</b>
Benefits from social insurance funds.....	28	16.2	16.4	16.4	16.7
Temporary disability insurance.....	29	3.8	4.1	4.4	4.6
Workers' compensation.....	30	12.4	12.3	12.0	12.1
Public assistance.....	31	347.6	365.3	360.5	387.8
Medical care.....	32	300.1	315.3	311.4	336.6
Medicaid.....	33	289.7	304.4	299.1	323.7
Other medical care <sup>4</sup> .....	34	10.4	11.0	12.3	12.9
Family assistance <sup>5</sup> .....	35	18.4	18.2	18.3	18.8
Supplemental security income.....	36	5.2	5.2	5.2	5.4
General assistance.....	37	7.3	9.5	8.0	9.0
Energy assistance.....	38	2.1	2.4	3.0	2.7
Other <sup>6</sup> .....	39	14.5	14.6	14.6	15.2
Education.....	40	17.2	18.9	20.9	23.1
Employment and training.....	41	1.3	1.2	1.3	1.0
Other <sup>7</sup> .....	42	1.5	1.6	1.9	2.2
<b>To the rest of the world</b> <sup>8</sup> .....	43	<b>3.0</b>	<b>3.1</b>	<b>3.3</b>	<b>3.6</b>

1. Consists of payments for medical services for dependents of active duty military personnel at nonmilitary facilities.

2. Consists of mustering out pay, terminal leave pay, and adjusted compensation benefits.

3. Consists largely of payments to nonprofit institutions, aid to students, and payments for medical services for retired military personnel and their dependents at nonmilitary facilities.

4. Consists of general medical assistance and state child health care programs.

5. Consists of aid to families with dependent children and, beginning with 1996, assistance programs operating under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

6. Consists of expenditures for food under the supplemental program for women, infants, and children; foster care; adoption assistance; and payments to nonprofit welfare institutions.

7. Consists largely of veterans benefits, Alaska dividends, and crime-victim payments.

8. Consists of federal government social benefits to the rest of the world.

Table 3.13. Subsidies

[Billions of dollars]

	Line	2004	2005	2006	2007
<b>Subsidies</b> .....	1	<b>44.6</b>	<b>59.3</b>	<b>49.7</b>	<b>52.3</b>
<b>Federal</b> .....	2	<b>44.2</b>	<b>58.9</b>	<b>49.4</b>	<b>45.2</b>
Agricultural.....	3	13.3	25.1	16.5	12.7
Housing.....	4	27.2	27.7	28.6	29.5
Maritime.....	5	0.9	0.5	0.6	0.5
Air carriers.....	6	0.0	0.1	0.1	0.1
Other <sup>1</sup> .....	7	2.8	5.6	3.6	2.4
<b>State and local</b> .....	8	<b>0.4</b>	<b>0.4</b>	<b>0.4</b>	<b>7.1</b>

1. Consists largely of subsidies to railroads and mass transit systems.

Table 3.14. Government Social Insurance Funds Current Receipts and Expenditures

[Billions of dollars]

	Line	2004	2005	2006	2007
<b>Federal</b>					
<b>Current receipts</b> .....	1	<b>915.0</b>	<b>965.8</b>	<b>1,028.6</b>	<b>1,075.7</b>
Contributions for government social insurance.....	2	805.2	850.0	902.4	942.3
Employee and self-employed contributions.....	3	415.6	440.6	471.8	496.1
Employer contributions.....	4	389.6	409.5	430.6	446.2
Government.....	5	58.6	60.6	63.5	66.5
Other.....	6	331.0	348.9	367.1	379.7
Interest received.....	7	109.8	115.8	126.2	133.5
<b>Current expenditures</b> .....	8	<b>858.2</b>	<b>911.7</b>	<b>1,005.7</b>	<b>1,069.4</b>
Administrative expenses (consumption expenditures).....	9	13.2	14.4	14.7	14.5
Government social benefits.....	10	845.0	897.3	991.0	1,054.8
To persons.....	11	842.0	894.2	987.7	1,051.2
To the rest of the world.....	12	3.0	3.1	3.3	3.6
<b>Net saving</b> .....	13	<b>56.8</b>	<b>54.1</b>	<b>22.9</b>	<b>6.4</b>
<b>State and local</b>					
<b>Current receipts</b> .....	14	<b>27.9</b>	<b>28.7</b>	<b>27.8</b>	<b>27.7</b>
Contributions for government social insurance.....	15	23.6	24.2	23.1	22.8
Employee and self-employed contributions.....	16	4.9	5.6	5.2	4.3
Employer contributions.....	17	18.7	18.6	17.9	18.5
Government.....	18	3.2	3.9	4.2	4.3
Other.....	19	15.5	14.8	13.8	14.1
Interest received.....	20	4.3	4.5	4.7	4.9
<b>Current expenditures</b> .....	21	<b>20.8</b>	<b>21.1</b>	<b>21.3</b>	<b>22.2</b>
Administrative expenses (consumption expenditures).....	22	4.6	4.7	5.0	5.5
Government social benefit payments to persons.....	23	16.2	16.4	16.4	16.7
<b>Net saving</b> .....	24	<b>7.1</b>	<b>7.6</b>	<b>6.5</b>	<b>5.5</b>