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This doc shows the calculation of the 2022 U.S. fiscal gap. Discounting is at 6.5 percent real, which is the postwar return on U.S. national wealth. The economy's assumed long-run growth rate is 2.0 percent.

The fiscal gap is calculated as the present value of future non-interest spending less the present value of future taxes. The 2022 fiscal gap is 7.68 percent of the present value of future GDP. Closing the fiscal gap requires a stream of additional taxes of 7.68 percent of GDP, a stream of non-interest spending cuts of 7.68 percent of GDP or some combination.

Generating 7.68 percent more of GDP each year through time requires an immediate and permanent 41.3 percent increase in all federal taxes. Reducing the path of non-interest spending by 7.68 percent requires an immediate and permanent 35.3 percent cut in all non-interest federal spending.

Data source: The Congressional Budget Office February 2023 Long-Term Budget Projections (<https://www.cbo.gov/data/budget-economic-data>)

The U.S. Fiscal Gap 2022																												
Year	Nominal GDP	Inflation Rate	Real GDP Deflator	Real GDP	Real GDP Growth	Revenue s/GDP	Spending g/GDP	Net Spending/GDP	Discounted Non-Interest Spending	Continuation Value	Federal Debt/GDP	Fiscal Gap	Discounted GDP	Continuation Value	Total Discounted GDP	Fiscal Gap/Discounted GDP	Discounted Revenues	Continuation Value	Total Discounted Revenues	Fiscal Gap/PV Revenues	Fiscal Gap/PV Revenues from 2030 On	Total Discounted Non-Interest Spending	Continuation Value	Total Discounted Non-Interest Spending	Fiscal Gap/PV Non-Interest Spending from 2030 On	Fiscal Gap/PV Non-Interest Spending from 2040 On		
2022	24,694	6.3	1,000	24,694	1	19.6	21.9	0.023	568.95	5025.60	97.70	41000.00	24694.00	130163.11	533996.94	0.076779464	4836.07296	24901.50	99342.30	0.41271	0.67806	1.05834	5405.023	29927.10	116216.26	0.3527905	0.567731	0.8800188
2023	26,240	3.2	1.063	24,685	1.00	18.6	20.7	0.020	467.74				23178.27				4319.038243							4786.776				
2024	27,291	2.1	1.087	24,877	1.01	18.0	20.3	0.022	491.09				21933.47				3957.233593							4448.326				
2025	28,271	2.1	1.120	25,241	1.01	17.6	20.1	0.025	527.82				20895.54				3682.003479							4209.825				
2026	29,268	2.1	1.144	25,592	1.01	18.0	20.4	0.023	464.10				19893.01				3588.698923							4052.803				
2027	30,332	2.1	1.168	25,978	1.02	18.3	20.4	0.022	408.23				18961.07				3468.358755							3876.591				
2028	31,487	2.1	1.192	26,413	1.02	18.2	20.6	0.024	442.58				18101.63		Fiscal Gap/GDP		3285.989073							3728.574				
2029	32,716	2.1	1.217	26,879	1.02	18.1	20.7	0.026	443.50				17297.02		1.66		3137.333381							3580.829				
2030	33,996	2.1	1.243	27,356	1.02	18.1	20.8	0.027	439.85				16529.65		Fiscal Gap/Debt		2995.832981							3435.687				
2031	35,318	2.0	1.269	27,836	1.02	18.1	20.9	0.027	433.35				15792.70		2.1286183		2862.585397							3295.937				
2032	36,680	2.0	1.294	28,342	1.02	18.2	21.1	0.029	436.20				15098.71				2742.379186							3178.581				
2033	38,081	2.0	1.320	28,848	1.02	18.2	21.2	0.030	426.12				14430.09				2629.018818							3055.139				
2034	39,519	2.0	1.346	29,350	1.02	18.3	21.3	0.030	417.28				13785.32				2517.338037							2934.62				
2035	40,996	2.0	1.373	29,850	1.02	18.3	21.4	0.031	408.76				13164.45				2410.14762							2818.904				
2036	42,514	2.0	1.401	30,349	1.02	18.4	21.6	0.032	403.41				12567.34				2306.107311							2709.519				
2037	44,074	2.0	1.429	30,845	1.02	18.4	21.7	0.033	396.50				11993.45				2206.914911							2603.418				
2038	45,680	2.0	1.457	31,342	1.02	18.4	21.8	0.034	388.60				11442.95				2110.080037							2498.683				
2039	47,335	2.0	1.487	31,841	1.02	18.5	22.0	0.035	378.55				10915.52				2017.62513							2396.175				
2040	49,035	2.0	1.516	32,338	1.02	18.5	22.1	0.036	370.57				10409.23				1927.89319							2298.462				
2041	50,782	2.0	1.547	32,833	1.02	18.6	22.2	0.036	360.82				9923.67				1842.031903							2202.857				
2042	52,581	2.0	1.578	33,330	1.02	18.6	22.3	0.037	349.98				9458.92				1759.643243							2109.623				
2043	54,443	2.0	1.609	33,833	1.02	18.7	22.4	0.038	339.54				9015.82				1682.171057							2021.707				
2044	56,372	2.0	1.641	34,345	1.02	18.7	22.5	0.038	327.25				8593.63				1606.579246							1933.825				
2045	58,371	2.0	1.674	34,866	1.02	18.7	22.6	0.039	316.35				8191.45				1535.077055							1851.431				
2046	60,444	2.0	1.708	35,396	1.02	18.8	22.7	0.039	303.52				7808.49				1467.448914							1770.965				
2047	62,594	2.0	1.742	35,937	1.02	18.8	22.7	0.039	287.93				7443.83				1403.013596							1690.941				
2048	64,824	2.0	1.777	36,487	1.02	18.9	22.8	0.039	276.13				7096.59				1342.178785							1618.307				
2049	67,132	2.0	1.812	37,045	1.02	19.0	22.8	0.039	262.23				6765.41				1282.518203							1544.745				
2050	69,514	2.0	1.848	37,608	1.02	19.0	22.9	0.039	248.93				6448.92				1226.132743							1475.061				
2051	71,970	2.0	1.885	38,173	1.02	19.1	22.9	0.038	236.33				6146.34				1172.782339							1409.109				
2052	74,505	2.0	1.923	38,743	1.01	19.1	23.0	0.039	226.15				5857.34				1120.567685							1346.72				