

A Look At Federal Tax Revenues

As the tax debate progresses, we will hear more about federal tax revenues, and the extent to which current levels of revenues are sufficient or if tax increases are needed. Democrats are saying that Republican tax cuts have deprived the federal government of needed revenues.

Let's take a look at the current revenue intake, and you can judge for yourself. The chart below shows revenue totals from the [Congressional Budget Office](#) from 2017 forward. (The Tax Cuts and Jobs Act was passed in December 2017.) Even during the COVID pandemic, revenues increased from 3.421 trillion in 2020 up to 4.897 trillion in 2022. Revenues hit a peak 4.918 trillion in 2024, marking a 44% increase from 2020-2024.

Federal Revenues (source: CBO)	
2017	3.316 trillion
2018	3.330 trillion
2019	3.463 trillion
2020	3.421 trillion
2021	4.047 trillion
2022	4.897 trillion
2023	4.441 trillion
2024	4.918 trillion
2020-2024 increase in revenues	1.497 trillion

Unfortunately, these revenues were offset by the record spending of \$6 trillion every year since 2020. This isn't to say that the federal government couldn't use more revenues. But it does show that the argument that revenues have suffered as a result of the 2017 Tax Cuts and Jobs Act simply does not reflect the actual revenue intake to the federal government.

Have a good week.

David & Myra