



Timbre
Consultants

The Federal Budget and the States – fiscal year 2005 and 2008

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FOCUS AREA
Socioeconomics
Federal Government
Taxes
Agency Programming

SERVICES
Economic Analysis
Report Writing

Timbre Co-Founder Bradley Cantor was contracted by the Long Island Institute For Socioeconomic Development and Dowling College to conduct research and produce a narrative for a detailed economic report. The report, to be presented to Congress, broke down the flow of money between the states and the Federal government. The purpose was to better understand the fiscal responsibilities placed on individual states while also considering the cost of living and the changing needs of their respective populations.

As a basis for our research we used The FISC Report, developed by Former New York Senator Daniel Patrick Moynihan in 1977. In the ensuing years, the FISC report has become a standardized basis for discussion of the financial flows between the Federal Government and the states.

The transfer of taxes from the states to the Federal Government aggregated in the FISC Report data include: individual income tax; corporate income tax; estate and gift taxes; employment taxes; Social Security taxes; and, excise taxes. The report then examines payments from the Federal Treasury to: state and local governments; federal employee salaries and wages; individuals (Social Security retirement and disability payments); government procurement and contractors; and, grants and other distributions. The relationship between these two categories was primary to the balance of payments analysis

