



## ANNUAL REPORT TO TAXPAYERS



U.S. House of Representatives Congressman Paul D. Ryan

December 2016

Dear Fellow Taxpayer:

It has been an eventful year to say the least. In the House, my colleagues and I passed long-overdue reforms and put together an agenda that we'll pursue with the next president in 2017. And through it all, I've done my best to serve you, my employers in the First District—to put your interests and your priorities front and center.

Last October, my colleagues elected me Speaker of the House, and together we hit the ground running. We passed the biggest transportation bill since the mid-1990s, the biggest rewrite of our education laws in 25 years, and the biggest reform of our customs laws in decades. We continued to build on these gains all year. For instance, this summer, we passed a comprehensive response to the opioid epidemic that has been sweeping across our country.

But we knew it wasn't enough to address the problems of the day. So many Americans disagreed with the direction our country was going in—and rightly so. That's why we put together a complete agenda to tackle some of the biggest challenges facing our country—what we're calling *A Better Way*. In it, we show how we would fight poverty person to person, strengthen our national security, rebuild a healthy economy, restore the Constitution, repeal and replace Obamacare with patient-centered reforms, and fix our tax code once and for all. All of these ideas would help create jobs and expand opportunity for hardworking Wisconsinites. To read more about *A Better Way*, visit our website: *abetterway.speaker.gov*.

I am honored to be able to continue to serve as your congressman. Much was accomplished this year. I'm proud of everything we've achieved. I'm looking forward to making even greater progress in 2017.

Please don't hesitate to contact me if I can be of assistance to you in dealing with the federal government. I am always happy to be of service.

**CONTACT PAUL:** 

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Paul D. Ryan

Serving Wisconsin's First District

## 2016 ANNUAL REPORT



on the
UNITED STATES
GOVERNMENT



CONGRESSMAN PAUL D. RYAN SERVING WISCONSIN'S 1<sup>ST</sup> DISTRICT

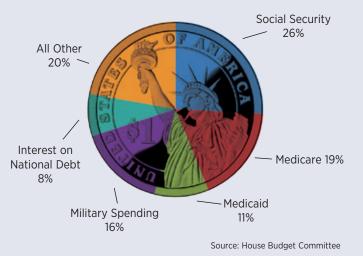
#### **A BETTER WAY**

Six out of ten Americans do not think America is headed in the right direction—and I agree. However, I believe I owe to you—my employers—more than complaints. I owe you principled solutions to the problems facing our nation. And that is what my colleagues and I have done as part of our agenda, called *A Better Way*.

This bold, clear agenda consists of six policy areas that take timeless principles—liberty, freedom, free enterprise, self-determination, government by consent of the governed—and apply them to create real solutions to our country's most pressing problems. It is our vision for a confident America, at home and abroad.

As part of this agenda, we look to advance smart policies that lift people out of poverty and get them back to work. We offer a better way to secure our homeland, especially our border, and provide for the men and women who serve our nation. We offer regulatory relief so that business have the certainty they need to create jobs. We make sure the people's elected representatives write our laws—not unelected bureaucrats. We propose solutions for patient-centered health care so that patients and their doctors make the decisions, not insurance

# Composition of Federal Spending—2016



companies or Washington bureaucrats. And finally, we offer true tax reform that will allow for a simpler, fairer tax code that promotes economic growth.

If you're interested in learning more, visit our website: abetterway.speaker.gov.

### **TAX REFORM UPDATE**

In a confident America, the tax code and IRS work for the taxpayers, not the tax collectors. With multiple brackets, high rates, and more regulations than anyone can understand, our tax code is a mess. This makes it more costly just to do your taxes each year, let alone pay them, and businesses are buried in paperwork and compliance problems.

Instead of promoting growth, our tax code is pushing jobs overseas. And the agency charged with overseeing all of this—the IRS—has repeatedly violated the trust of the American taxpayer.

We need a new tax code that is fair and simple for everyone. It should be built for growth to help make the United States the best place in the world to hire and invest. And if we're going to have a better tax code, we need a better IRS, one that puts the taxpayers first. Our blueprint, *A Better Way*, offers dramatic reform—without increasing the deficit. It does so by fueling job creation and delivering opportunity for all Americans, simplifying the tax code and making it less burdensome, and transforming the broken IRS into an agency focused on customer service.

### What You Paid For

A 2016 taxpayer receipt for a married couple with two children making \$75,240 a year and paying \$12,927 in federal income tax and FICA taxes (including employer and employee)\*

Social Security	\$3,418.04
Medicare	2,505.41
Military Spending	2,115.79
Medicaid	1,378.23
Interest on the National Debt	1,061.24
Veterans Programs and Military Retirement	892.63
Welfare and Income Support	860.75
Administrative and Independent Agencies	471.96
Treasury (not including interest on the debt)	359.84
Transportation	293.47

Source: Final Monthly Treasury Statement of Receipts and Outlays of the United States Government for FY2016, Department of Treasury;

### Statement of Federal Revenues and Expenses

	Fiscal Year			
	2015	2016	% of total	% change
Individual Income Tax	\$1,540,802,000,000	\$1,546,075,000,000	47%	0%
Social Insurance Taxes				
Social Security Payroll Tax	770,372,000,000	810,180,000,000	25%	5%
Medicare Payroll Tax	240,055,000,000	252,125,000,000	8%	5%
Unemployment Insurance	51,177,000,000	48,853,000,000	1%	-5%
Railroad Retirement/Federal Employee Retirement	3,651,000,000	3,905,000,000	**%	7%
Corporate Income Taxes	343,797,000,000	299,571,000,000	9%	-13%
Excise Taxes and Customs Receipts	133,320,000,000	129,882,000,000	4%	-3%
Miscellaneous Receipts	146,294,000,000	154,743,000,000	5%	6%
Estate Taxes	19,232,000,000	21,354,000,000	1%	11%
Total	\$3,248,701,000,000	\$3,266,688,000,000		
Expenses				
Social Security	\$885,220,000,000	\$913,342,000,000	26%	3%
Military Spending	562,506,000,000	565,364,000,000	16%	1%
Medicare	618,189,000,000	669,475,000,000	19%	8%
Medicaid	349,762,000,000	368,280,000,000	11%	5%
Interest on National Debt	260,391,000,000	283,576,000,000	8%	9%
Welfare and Income Support	222,183,000,000	238,523,000,000	7%	7%
Veterans Programs and Military Retirement	222,335,000,000	230,002,000,000	7%	3%
Administrative and Independent Agencies	126,148,000,000	126,113,000,000	4%	0%
Γreasury (not including interest on debt)	83,449,000,000	96,153,000,000	3%	15%
Transportation	75,453,000,000	78,419,000,000	2%	4%
Education <sup>1</sup>	90,031,000,000	76,981,000,000	2%	-14%
Agriculture, Conservation, and Interior	47,502,000,000	49,305,000,000	1%	4%
State and International Assistance	47,656,000,000	45,689,000,000	1%	-4%
Homeland Security	42,564,000,000	45,195,000,000	1%	6%
,	45,218,000,000	41,371,000,000	1%	-9%
Labor	34,094,000,000	37,070,000,000	1%	-9% 9%
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Housing <sup>2</sup>	35,521,000,000	26,393,000,000	1%	-26%
Energy	25,424,000,000	25,852,000,000	1%	2%
NASA	18,272,000,000	18,829,000,000	1%	3%
Environmental Protection Agency	7,005,000,000	8,729,000,000	**%	25%
Congress	4,277,000,000	4,294,000,000	**%	0%
The President	394,000,000	396,000,000	**%	1%
Total Expenses	\$3,687,790,000,000	\$3,854,100,000,000		
Deficit(-)/Surplus(+)	-\$439,089,000,000	-\$587,412,000,000	Spending is 117% of revenues.	
Other Undistributed Offsetting Receipts <sup>3</sup>	-\$115,804,000,000	-\$95,251,000,000		

Education outlays saw a reduction due to a decrease in federal direct student loan outlays.
 Housing saw a reduction in outlays due to an expected improvement in the performance of FHA loans.

Totals may not add due to rounding



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<sup>\*</sup> Taxpayer Receipt is for illustrative purposes only. Individuals' tax situations will vary

Offsetting receipts are receipts to the federal government that come from sources other than its sovereign power to tax. For example, fees to enter into the National Park System are considered offsetting receipts.

<sup>\*\*</sup> Less than 1%