Tax Freedom Day 2019 is April 16th

Key Findings

- This year, Tax Freedom Day falls on April 16, or 105 days into the year.

- In 2019, Americans will pay $3.4 trillion in federal taxes and $1.8 trillion in state and local taxes, for a total bill of over $5.2 trillion, or 29 percent of the nation's income.

- Americans will collectively spend more on taxes in 2019 than they will on food, clothing, and housing combined.

- If you include annual federal borrowing, which represents future taxes owed, Tax Freedom Day would occur 22 days later, on May 8.
What Is Tax Freedom Day?

Tax Freedom Day® is the day when the nation as a whole has earned enough money to pay its total tax bill for the year. Tax Freedom Day takes all federal, state, and local taxes and divides them by the nation's income. In 2019, Americans will pay $3.42 trillion in federal taxes and $1.86 trillion in state and local taxes, for a total tax bill of $5.29 trillion, or 29 percent of national income. This year, Tax Freedom Day falls on April 16, or 105 days into the year.

What Taxes Do We Pay?

This year, Americans will work the longest to pay federal, state, and local individual income taxes (42 days). Payroll taxes will take 26 days to pay, followed by sales and excise taxes (15 days), corporate income taxes (5 days), and property taxes (11 days). The remaining six days are spent paying estate and inheritance taxes, customs duties, and other taxes.

The Number of Days in 2019 that Americans as a Whole Worked to Pay Off Each Tax Type

America’s Tax Bill By Type/Source in Days

Source: Tax Foundation calculations.
America Will Spend More on Taxes in 2019 than It Will on Food, Clothing, and Housing Combined

In 2019, America will pay $3.4 trillion in federal taxes and $1.9 trillion in state and local taxes, for a total tax bill of $5.29 trillion, or 29 percent of national income.

When Is Tax Freedom Day if You Include Federal Borrowing?

Since 2002, federal expenses have surpassed federal revenues, with the budget deficit exceeding $1 trillion annually from 2009 to 2012. In calendar year 2019, the deficit is expected to increase from $981 billion to $1.09 trillion. If we include this annual federal borrowing, which represents future taxes owed, Tax Freedom Day would occur on May 8, 22 days later. The latest ever deficit-inclusive Tax Freedom Day occurred during World War II, on May 25, 1945.
When Is My State's Tax Freedom Day?

The total tax burden borne by residents of different states varies considerably due to differing state tax policies and the progressivity of the federal tax system. This means that states with higher incomes and higher taxes celebrate TFD later: New York (May 3), New Jersey (April 30), and Connecticut (April 25). Residents of Alaska will bear the lowest average tax burden in 2019, with Tax Freedom Day arriving on March 25. Also early are Oklahoma (March 30), Florida (April 4), and Louisiana (April 4).

When Does Tax Freedom Day® 2019 Arrive in Your State?

Notes: Each state’s Tax Freedom Day® is the day when taxpayers in the state have collectively earned enough money to pay their federal, state, and local tax bill for the year.

Source: Tax Foundation, Tax Freedom Day® 2019
How Has Tax Freedom Day Changed over Time?

The latest ever Tax Freedom Day was May 1, 2000; in that year, Americans paid 33 percent of their total income in taxes. A century earlier, in 1900, Americans paid only 5.9 percent of their income in taxes, meaning that Tax Freedom Day came on January 22.

*How Has Tax Freedom Day® Changed over Time?*

*Tax Freedom Day, 1900 to 2019*

![Graph showing the change in Tax Freedom Day and Deficit Inclusive Tax Freedom Day over time from 1900 to 2019.](image)

Source: Tax Foundation calculations.

**TABLE 1.**

Tax Freedom Day Over the Last 5 Years

<table>
<thead>
<tr>
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<th>2015</th>
<th>2016</th>
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<th>2018</th>
<th>2019</th>
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<td>Tax Freedom Day</td>
<td>April 24</td>
<td>April 22</td>
<td>April 21</td>
<td>April 16</td>
<td>April 16</td>
</tr>
<tr>
<td>Deficit Inclusive Tax Freedom Day</td>
<td>May 7</td>
<td>May 8</td>
<td>May 6</td>
<td>May 6</td>
<td>May 8</td>
</tr>
</tbody>
</table>

Source: Tax Foundation calculations.
Methodology

In the denominator, we count every dollar that is officially part of net national income according to the Department of Commerce's Bureau of Economic Analysis. In the numerator, we count every payment to the government that is officially considered a tax. Taxes at all levels of government—federal, state, and local—are included in the calculation. In calculating Tax Freedom Day for each state, we look at taxes borne by residents of that state, whether paid to the federal government, their own state or local governments, or governments of other states. Where possible, we allocate tax burdens to each taxpayer's state of residence. Leap days are excluded, to allow comparison across years, and any fraction of a day is rounded up to the next calendar day.

In 2018, the methodology for calculating each state's Tax Freedom Day was significantly updated. As a result, the date of Tax Freedom Day for each state after the 2018 change is not strictly comparable to the date of Tax Freedom Day for states in previous years. In addition, calculations of the date of Tax Freedom Day for states in 2019 may not take full account of the secondary effects of the recently passed federal tax bill on state and local tax collections.