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(Original Signature of Member)

119TH CONGRESS
1ST SESSION

H. R. _____

To assess the State by State impact of Federal taxation and spending.

IN THE HOUSE OF REPRESENTATIVES

Mr. FOSTER introduced the following bill; which was referred to the
Committee on _____

A BILL

To assess the State by State impact of Federal taxation
and spending.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Payer State Trans-
5 parency Act of 2025”.

6 **SEC. 2. CALCULATION OF FEDERAL TAX BURDENS AND**
7 **OUTLAYS.**

8 (a) STATE BY STATE CALCULATION OF FEDERAL
9 TAX BURDENS.—

1 (1) IN GENERAL.—The Secretary of Commerce,
2 acting through the Director of the Bureau of Eco-
3 nomic Analysis, shall calculate the Federal tax bur-
4 den of each State for each calendar year.

5 (2) CALCULATION OF FEDERAL TAX BUR-
6 DEN.—For purposes of calculating the Federal tax
7 burden of each State under paragraph (1), the Sec-
8 retary shall—

9 (A) treat Federal taxes paid by an indi-
10 vidual as a burden on the State in which such
11 individual resides; and

12 (B) treat Federal taxes paid by a legal
13 business entity as a burden on each State in
14 which economic activity of such entity is per-
15 formed in the same proportion that the eco-
16 nomic activity of such entity in such State
17 bears to the economic activity of such entity in
18 all the States.

19 (b) STATE BY STATE CALCULATION OF FEDERAL
20 OUTLAYS.—

21 (1) IN GENERAL.—The Director of the Office of
22 Management and Budget, in coordination with the
23 Council of Economic Advisers and the Secretary of
24 the Treasury, shall calculate the total amount of

1 Federal outlays received by each State in each fiscal
2 year.

3 (2) TREATMENT OF CONTRACT AWARDS.—For
4 purposes of calculating the amount of Federal out-
5 lays received by a State under paragraph (1), a Fed-
6 eral contract award shall be treated as a Federal
7 outlay received by each State in which performance
8 under the award takes place in the same proportion
9 that such performance in such State bears to such
10 performance in all the States.

11 (c) STATE DEFINED.—In this section the term
12 “State” means each of the several States.

13 **SEC. 3. JOINT REPORT.**

14 Not later than the date that is 180 days after the
15 beginning of each calendar year, the Secretary of Com-
16 merce and the Director of the Office of Management and
17 Budget shall—

18 (1) jointly submit to Congress a report con-
19 taining the results of the calculations described in
20 section 2 with respect to such calendar year; and

21 (2) publish the report on a publicly accessible
22 website of the Bureau of Economic Analysis.