

Money Needed
\$9.5 billion



Taxpayer Burden™
\$900



Financial Grade

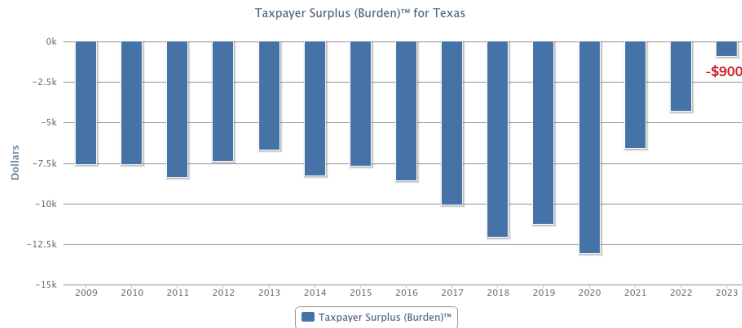


Ranking
24 out of 50



Texas, like most other states, improved its financial condition in 2023. This is a positive development, and Truth in Accounting applauds the state's commitment to improving its fiscal solvency. The state increased its money available to pay bills by \$28.9 billion. However, Texas still needed \$9.5 billion to pay all its bills.

Texas reported \$49 billion of revenues in excess of expenses with tax revenues increasing, but federal revenues decreasing by \$11.8 billion. The state saw an \$11.5 billion overall reduction in unfunded retiree healthcare benefits, primarily because of a decrease in estimated benefit payments due to revised demographic and economic assumptions based on a Teacher Retirement System experience study.



However, unfunded pensions and other post-retirement benefits continued to impair Texas' ability to pay its bills. As outlined in the comprehensive 2024 Financial State of the States report, inflation, market volatility, and other economic factors could further impact the state's financial situation. Based upon the state's latest audited financial report for the fiscal year 2023, Texas had a Taxpayer Burden™ of \$900, earning it a "C" grade from Truth in Accounting.

- Texas had \$171.6 billion available to pay \$181.1 billion worth of bills.
- The outcome was a \$9.5 billion shortfall, which breaks down to a burden of \$900 per taxpayer.
- While Texas reported revenues in excess of expenses, its unfunded retiree healthcare benefits decreased by \$11.8 billion and the state saw a significant decline in COVID-related funding.

The State's Bills Exceeded Its Assets

Total Assets	\$517,578,465,000
Minus: Capital Assets	-\$186,777,729,000
Restricted Assets	-\$159,222,071,000
Assets Available to Pay Bills	\$171,578,665,000
Minus: Total Bills*	\$181,091,760,000
Money needed to pay bills	\$9,513,095,000
Each taxpayer's share of this burden	\$900

*Breakdown of Total Bills

Bonds	\$62,059,503,000
Other Liabilities	\$64,754,374,000
Minus: Debt Related to Capital Assets	-\$51,758,262,000
Unfunded Pension Benefits	\$58,315,465,000
Unfunded Retiree Health Care Benefits	\$47,720,680,000
Total Bills	\$181,091,760,000

Grade:

C

Bottom line: Texas would need \$900 from each of its taxpayers to pay all of its outstanding bills and received a "C" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Burden between \$0 and \$4,999 is given a "C" grade.