WHERE YOUR **INCOME TAX** MONEY REALLY GOES

**The United States Federal Budget for Fiscal Year 2003**

**Total Federal Funds Outlays $1,696 Billion**

- **$540 Billion**
  - Education, Health/Human Services, HUD, Food Stamps, Labor Department, Soc. Sec. Admin.

- **$278 Billion**
  - Legislative, Justice Dept., State Dept., International Affairs, Treasury, Gov’t. Personnel, 20% interest on national debt, 50% of NASA, Bipart. Econ. Plan

- **$102 Billion**
  - Agriculture, Commerce, Energy, Interior Dept., Transportation, Environmental Protection, Army Corps Engineers, FCC, 50% FEMA

- **$339 Billion**
  - Veterans’ Benefits $57B; Interest on National Debt (80% estimated to be created by military spending) $282B

- **$437 Billion**

**HOW THESE FIGURES WERE DETERMINED**

War Resisters League creates this leaflet each year after the President releases a proposed budget. The figures here are from a line-by-line analysis of projected figures in the “Analytical Perspectives” book of the *Budget of the United States Government, Fiscal Year 2003*. The percentages are federal funds, which do not include trust funds such as Social Security that are raised and spent separately from income taxes. What you pay (or don’t pay) by April 15, 2002, goes only to the federal funds portion of the budget. The government practice of combining trust and federal funds (the so-called “Unified Budget”) began in the 1960s during the Vietnam War. The government presentation makes the human needs portion of the budget seem larger and the military portion smaller.

“Current military” spending adds together money allocated for the Dept. of Defense ($362 billion) plus the military portion from other parts of the budget. Spending on nuclear weapons (without their delivery systems) amounts to about 1% of the total budget. “Past military” represents veterans’ benefits plus 80% of the interest on the debt. Analysts differ on how much of the debt stems from the military; other groups estimate 50% to 60%. We use 80% because we believe if there had been no military spending most (if not all) of the national debt would have been eliminated. The government willingly borrows for war, but finds nothing extra for crises in human needs.

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**The Government Deception**

The pie chart below is the government view of the budget. This is a distortion of how our income tax dollars are spent because it includes trust funds (e.g., Social Security), and the expenses of past military spending are not distinguished from nonmilitary spending. For a more accurate representation of how your Federal income tax dollar is really spent, see the large chart.

- **Military** 17%
- **Social Security & Medicare** 4%
- **Nonmilitary Discretionary Spending** 19%
- **Interest on the debt** 9%
- **Other** 1%


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**War Resisters League**
339 Lafayette Street • NY, NY 10012 • 800-975-9688 • www.warresisters.org
**Dramatic Rise in Military Spending**

The Bush Administration and Congress use the war on terrorism to justify huge increases in military spending, but most of the projected increases have nothing to do with stopping terrorism, including:

- $2 billion for the dangerous and accident-prone Osprey tiltrotor aircraft
- $2.5 billion for unnecessary and expensive “Virginia” attack submarines
- $910 million for Comanche helicopters, a program plagued with delays and cost overruns
- $475 million for the Crusader artillery systems, too heavy for a mobile force.

While waste continues unabated in the Pentagon, social programs are underfunded and valuable programs are cut, including:

- $700 million in job training and employment programs
- $85 million to train doctors in children’s hospitals
- $596 million from Dept. of Education after inflation
- $9 million from worker safety programs
- $268 million from Community Block Grants to states, as they face $40 billion in deficits
- $417 million to repair public housing

**THE WAR IN AFGHANISTAN**

The real costs of the war in Afghanistan—both human and monetary—may not be known for months or years. For those who sought revenge, an “eye-for-an-eye” has been met and surpassed, with estimates of up to 4,000 innocent civilians killed in Afghanistan along with unknown numbers of Taliban or Al Qaeda fighters. We like to believe in the good our country does, but how will historians judge the richest country in the world attacking one of the poorest, whose people were not responsible for the September 11 attacks?

Early estimates of the monetary cost of the war range from $1 billion to $2 billion per month. President Bush and Congress authorized $29 billion in Fiscal Year 2002 emergency money to pay for the war, and Bush wants authority to spend another $10 billion. This borrowing will haunt the U.S. taxpayer with increased debt for years to come.

**HOMELAND DEFENSE**

Further costs of the war on terrorism will some day be tallied in lost civil liberties. Homeland Defense spending of about $38 billion is hidden throughout the budget, in nearly every department. Some of this spending represents legitimate measures to prevent or respond to future attacks like the one on Sept. 11: airport security, disaster response, an improved medical crisis network. Some of it will lead to a more militarized society, relying on enhanced secretive agencies like the CIA and FBI, which stir up trouble rather than prevent it, increased monitoring of communications, and unwarranted arrests based on vague suspicions.

The best way to improve our national security is to redirect money from the military and arms trade to social programs at home and massive humanitarian aid abroad.


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**WHAT YOU CAN DO**

- Demonstrate and leaflet during tax season and on the last day of filing, Monday, April 15, 2002, at the IRS or a post office.
- Write the President and your representative and senators and demand that the military budget be cut. Write letters to the editor of your local paper. Send all of them copies of this flyer.
- Refuse to pay the 3% federal excise tax on your phone bills. This tax has been used symbolically as a war tax since World War I. Non-payment of the federal tax is between you and the IRS and should not result in cutoff of phone service. Though illegal, nonpayment of the tax is almost risk-free. Contact us for details.
- Refuse to pay all or part of your income tax. Though illegal, thousands of Americans are openly participating in this form of protest. You can take control of your paycheck and avoid contributing to the military. Contact us for information or referral to a counselor near you.
- Contribute resisted tax money to an organization working to help people (e.g., day care centers, health clinics, food banks, housing programs, human rights organizations) or to an alternative fund that pools tax money from resisters and gives grants to human needs and peace groups.
- Contact the group(s) to the right or the National War Tax Resistance Coordinating Committee, PO Box 6512, Ithaca, NY 14851, (800) 269-7464; www.nwtrcc.org. Support the Peace Tax Fund bill to allow 100% of your taxes to fund nonmilitary programs: (888) 732-2382; www.peacetax.com.

**RESOURCES**

- Additional copies of this leaflet are available for 10¢ each (1-199), 7¢ each (200 or more), 6¢ each (500+) plus 20% postage.
- For sample brochures and resources on war tax resistance, send a self-addressed stamped (55¢) envelope to War Resisters League at the New York address below.
- War Tax Resistance: A Guide to Withholding Your Support from the Military, 130-page handbook with history, methods and resources. $12 plus $1.25 bookrate or $3.95 priority mail.

**LOCAL CONTACT:**

**WAR RESISTERS LEAGUE**

339 Lafayette Street, New York, NY 10012

Tel (800) 269-7464
Fax (212) 228-6193
wrl@warresisters.org
www.warresisters.org