

# A Guide to Understanding How You Pay for Government

The annual Texas state budget is a little over \$216 billion!

Since that is a lot to keep track of, the budget is generally divided into 10 “articles” or chapters. This allows advocates, elected officials, and the public to understand where the various sources of funding are utilized within the broad categories.

ARTICLE I  
General  
Government  
**2.8%**

ARTICLE II  
Health and  
Human Services  
**36.4%**

ARTICLE III  
Agencies of Education  
**37.4%**

ARTICLE V  
Public Safety /  
Criminal Justice  
**5.7%**

ARTICLE VII  
Business / Econ  
Development  
**14.7%**

ARTICLES  
IV, VI,  
VIII, IX, X\*  
**2.9%**

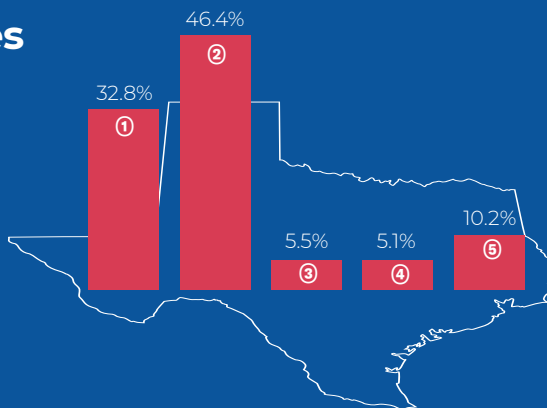


**TOTAL: \$216,450,355,863**

\* The Judiciary, Natural Resources, Regulatory, General Provisions, The Legislature

## Funding Sources

Texas does not have a state income tax, which means that our government is funded exclusively from other sources.



### ① Total In-State Tax Collections

The largest of these sources is the state sales tax, followed by other specific sources like the corporate tax known as the franchise tax. In 2019, oil and natural gas accounted for 9.3% of in-state tax collections

### ② Federal Income

To administer federal programs such as Medicaid or food stamps

### ③ State Health Service Fees

### ④ Licenses, Fines, Fees

### ⑤ Other

Includes interest, land income, escheated estates, claim settlements

## How a budget is passed

