



## Press Release

# CBO: FY 2026 Budget Deficit Totaled \$2 Trillion

**ALLIE WATSON | OCTOBER 8, 2026**

The Congressional Budget Office (CBO) has released its final Monthly Budget Review for fiscal year (FY) 2026. In a new insight, Director of Fiscal Policy Jordan Haring walks through the details of the report.

Key points:

- *CBO shows the federal budget deficit totaled \$2.0 trillion during FY 2026 – \$218 billion higher than the \$1.8 trillion deficit recorded in FY 2025 and \$140 billion above the \$1.9 trillion deficit CBO projected in its latest baseline.*
- *The FY 2026 deficit was the net effect of \$7.4 trillion of spending and \$5.4 trillion of revenue collections.*
- *The \$218 billion increase in the deficit can be explained by a \$386 billion increase in spending that more than offset the \$169 billion of higher revenue collections.*

[Read the analysis.](#)