

It is a common misconception that Puerto Rico doesn't pay federal taxes.

Residents of the island generally do not pay federal income taxes, but they do pay:

- Medicare
- Social security
- Self-employment
- Unemployment
- Customs
- Merchandise taxes

All of them added up to \$5.14 billion dollars in 2023.



Espacios Abiertos (EA) is an organization that seeks to strengthen the capacity of individuals, organizations and communities to act effectively in the political, social and institutional framework. We promote citizen participation and the transparency and accountability of all public resources and assets because we believe that an open society will be more just and equitable.

Espacios Abiertos
867 Ave Muñoz Rivera
Suite D101
San Juan, Puerto Rico 00925-2127

info@espaciosabiertos.org

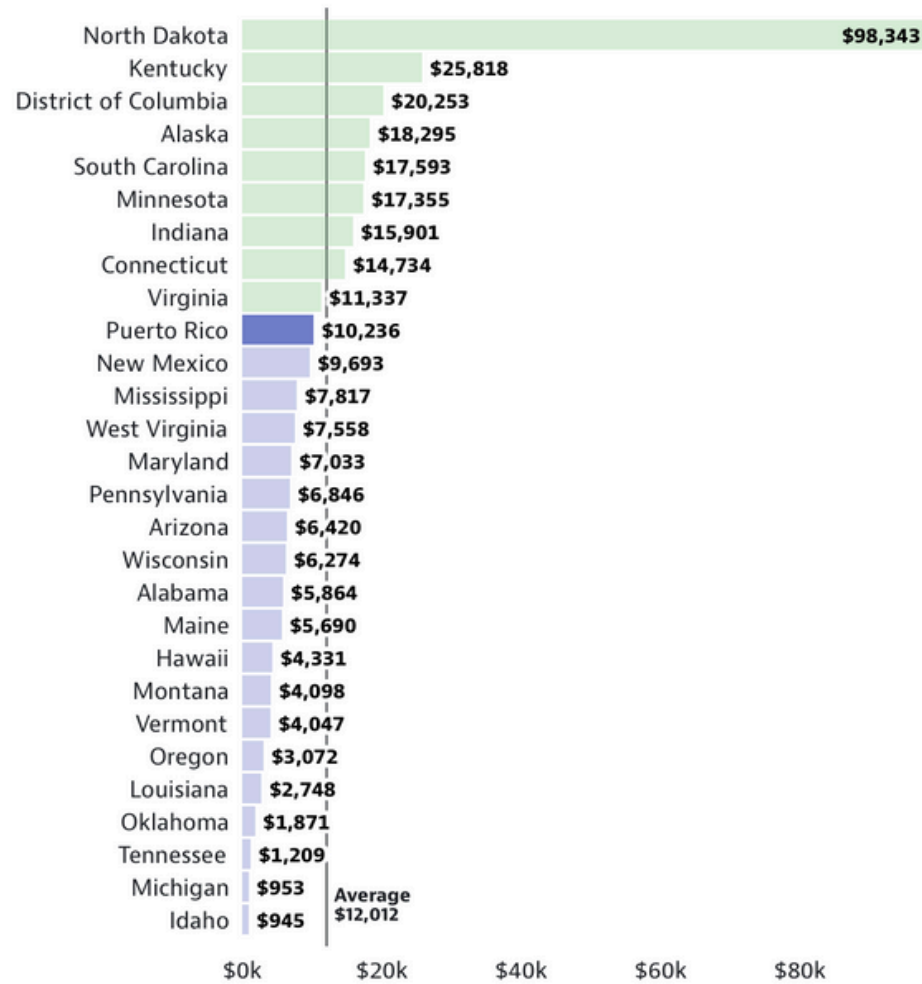
espaciosabiertos.org



DOES PUERTO RICO REALLY NOT PAY FEDERAL TAXES?



NET DEFICIT PER CAPITA WITH THE FEDERAL GOVERNMENT



Sources: (2023) Internal Revenue Service (IRS). "SOI Tax Stats – Gross Collections, by Type of Tax and State – IRS Data Book Table 5"; Accessed on February 10, 2025 for (2023) USA Spending; U.S. Census. State Population Totals. Analysis by Espacios Abiertos.

Twenty-eight jurisdictions have a net deficit per capita with the federal government. Nine of them have a greater per capita deficit than Puerto Rico.

Puerto Rico is poorer than all of the states in the United States. While its residents contribute a significant amount in federal taxes, they do not receive the same federal benefits as their state-side counterparts.

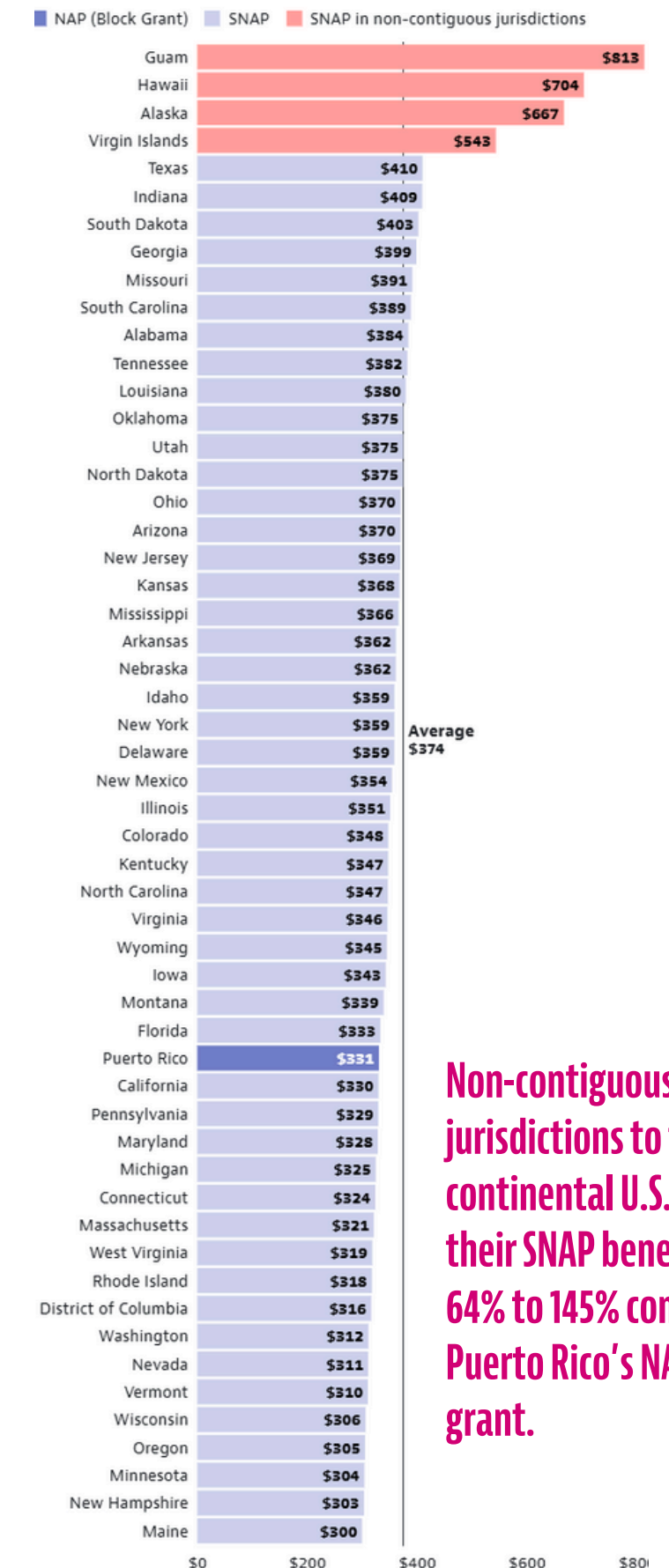
- **EITC, Medicare, and Medicaid: with spending cap**
- **SNAP vs NAP: \$1.6 billion less for nutritional assistance**
- **SSI: excluded from participation**

For more information access the Puerto Rico Fiscal Observatory:



observatoriofiscalpr.com

SNAP/ NAP AVERAGE MONTHLY BENEFIT PER HOME



Non-contiguous jurisdictions to the continental U.S. increase their SNAP benefits from 64% to 145% compared to Puerto Rico's NAP block grant.

Sources: (FY24) United States Department of Agriculture (USDA). "SNAP Data Tables"; (FY24) Department of the Family of Puerto Rico. Analysis by Espacios Abiertos.