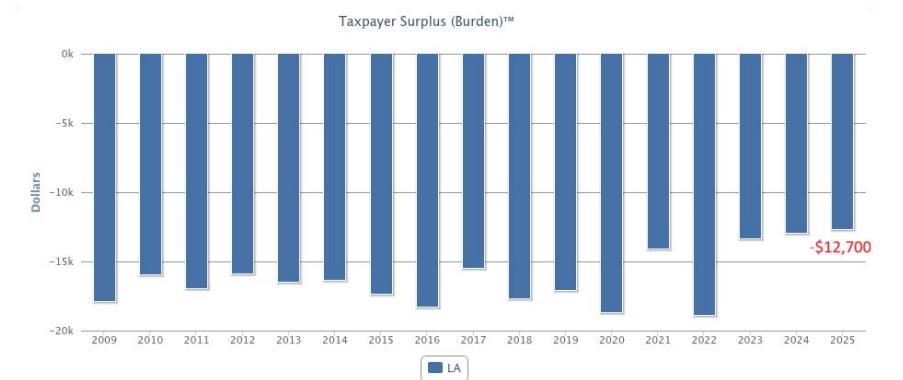


LOUISIANA'S FINANCIAL BREAKDOWN

Money Needed to Pay Bills	\$15.9 billion	Ranking (Out of 50)	44
Taxpayer Burden™	\$12,700	Financial Grade	D

In 2025, Louisiana’s financial situation improved, but it still didn’t have enough money to pay all of its bills and needed \$15.9 billion to fill the gap. That means each taxpayer would have to contribute \$12,700 to help pay off the state’s debt. As a result, Louisiana earned a “D” grade from Truth in Accounting.

Louisiana reported revenues in excess of expenses. Primary government operating grants have remained at historic highs since 2020 and represent over 50 percent of total revenues, demonstrating how emergency-driven federal spending can become embedded in ongoing budgets long after the emergency has ended. The state’s unfunded pension liability declined due to 12 percent investment returns increasing assets, but the aggregate increase of pension assets was partially offset by rising retiree health care obligations with no assets set aside for future promised benefits.



Louisiana received approximately \$27.7 billion in federal grants, which represented 50 percent of its revenue. The federal government mandates that entities receiving significant federal funds undergo a Single Audit. These audits are intended to be the taxpayers’ first line of defense against potential fraud and abuse. Louisiana’s audit found that state agencies did not consistently review financial records, eligibility decisions, billing, and payments. Staff also did not always follow existing procedures, which led to reporting errors, unsupported eligibility decisions, unauthorized transactions, and improper payments going undetected or uncorrected.

The data in this report is derived from Louisiana’s audited 2025 Annual Comprehensive Financial Report and its retirement systems’ reports. To explore prior years or compare financial, demographic, and economic data across other states and cities, visit Data-Z.org.

LOUISIANA'S FINANCIAL FACTS

FACT #1: Louisiana had \$34.1 billion available to pay \$50 billion worth of bills.	FACT #2: The outcome was a \$15.9 billion shortfall, which breaks down to a burden of \$12,700 per taxpayer.
FACT #3: Louisiana received 50 percent of its revenue from federal grants and was required to undergo a Single Audit, which identified potential fraud and abuse.	

THE STATE'S BILLS EXCEEDED ITS ASSETS

\$88,914,587,000	→	Total Assets
- \$37,522,464,000	→	Minus: Capital Assets
- \$17,311,761,000	→	Minus: Restricted Assets
= \$34,080,362,000	→	Assets Available to Pay Bills
- \$50,011,782,000	→	Minus: Total Bills*
= \$15,931,420,000	→	Money Needed to Pay Bills
/ Divide by the estimated number of taxpayers		
= \$12,700	→	Each Taxpayer's Share of This Burden

*BREAKDOWN OF TOTAL BILLS

\$14,673,570,000	→	Bonds
+ \$27,171,505,000	→	Other Liabilities
- \$6,721,109,000	→	Minus: Debt Related to Capital Assets
+ \$6,413,552,000	→	Unfunded Pension Benefits
+ \$8,474,264,000	→	Unfunded Retiree Health Care Benefits
= \$50,011,782,000	→	Total Bills



Bottom line:
Louisiana would need \$12,700 from each of its taxpayers to pay all of its outstanding bills and received a “D” grade for its finances. According to Truth in Accounting’s grading scale, any government with a Taxpayer Burden between \$5,000 and \$20,000 is given a “D” grade.