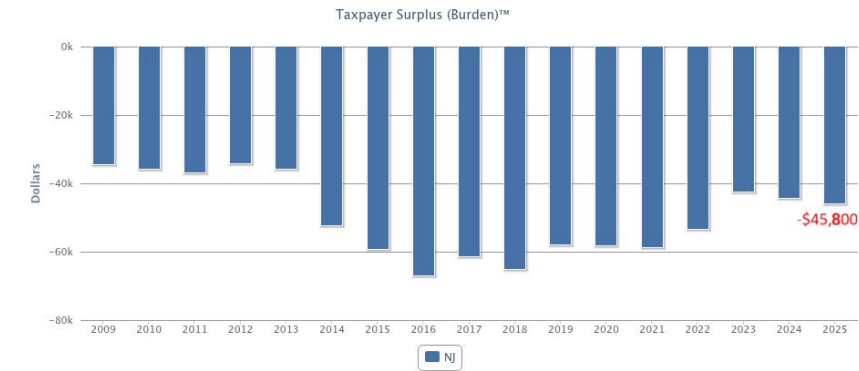


NEW JERSEY'S FINANCIAL BREAKDOWN

Money Needed to Pay Bills	\$162.3 billion	Ranking (Out of 50)	50
Taxpayer Burden™	\$45,800	Financial Grade	F

New Jersey needed more money to pay its bills in 2025, with the shortfall rising to \$162.3 billion. This resulted in a Taxpayer Burden™ of \$45,800, which led to an “F” grade from Truth in Accounting.

New Jersey continued its historical trend of limited available resources, with a \$5.5 billion increase in the amount of money needed to meet its obligations. The persistent shortfall is primarily driven by substantial net pension and retiree health care liabilities. Net retiree health care liabilities increased by \$10.4 billion, reaching a reported total of \$91.8 billion. This increase further constrained financial flexibility, while changes in assumptions used to estimate future benefit payments contributed to fluctuations in unfunded retiree health care benefits.



New Jersey received approximately \$41.3 billion in federal grants, which represented 34 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. Auditors found repeated problems with federal grant management, including inaccurate reporting, missing documentation, weak oversight of organizations receiving federal funds, and unresolved problems from previous audits. These weaknesses made it harder to ensure federal funds were properly managed and requirements were followed.

The data in this report is derived from New Jersey’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.

NEW JERSEY'S FINANCIAL FACTS

- FACT #1:**
New Jersey had \$56.8 billion available to pay \$219.1 billion worth of bills.
- FACT #2:**
The outcome was a \$162.3 billion shortfall, which breaks down to a burden of \$45,800 per taxpayer.
- FACT #3:**
New Jersey received 34 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

\$150,997,537,000	→	Total Assets
- \$68,766,188,000	→	Minus: Capital Assets
- \$25,406,887,000	→	Minus: Restricted Assets
= \$56,824,462,000	→	Assets Available to Pay Bills
- \$219,081,336,000	→	Minus: Total Bills*
= \$162,256,874,000	→	Money Needed to Pay Bills
/ Divide by the estimated number of taxpayers		
= \$45,800	→	Each Taxpayer's Share of This Burden

*BREAKDOWN OF TOTAL BILLS

\$56,621,423,000	→	Bonds
+ \$33,834,663,000	→	Other Liabilities
- \$42,441,082,000	→	Minus: Debt Related to Capital Assets
+ \$79,262,580,000	→	Unfunded Pension Benefits
+ \$91,803,752,000	→	Unfunded Retiree Health Care Benefits
= \$219,081,336,000	→	Total Bills



Bottom line:
New Jersey would need \$45,800 from each of its taxpayers to pay all of its outstanding bills and received an “F” grade for its finances. According to Truth in Accounting’s grading scale, any government with a Taxpayer Burden greater than \$20,000 is given an “F”