Deficit drops to $845B this year

The federal budget deficit will drop to $845 billion this year after topping $1 trillion for four straight years, the Congressional Budget Office projects. It expects deficits will shrink to $430 billion by 2015.

Government borrowing has dropped to roughly 25 cents for every dollar spent, from more than 40 cents per dollar a few years ago. Tax receipts are rising and spending is moderating.