

Message from the Secretary of the Treasury

Dear Member:

The Fiscal Year (FY) 2021 President's Budget prioritizes Treasury's goals to maintain a strong economy and create job opportunities by promoting the conditions that enable economic growth and stability at home and abroad, to strengthen national security by combatting threats and protecting the integrity of the financial system, and to manage the U.S. Government's finances and resources effectively.

Treasury's request includes \$12 billion for the IRS for core tax administration, Taxpayer First Act implementation, and the third year of the integrated modernization business plan, which will transform the taxpayer experience and improve tax compliance with leading edge digital services and capabilities. The Budget requests a cap adjustment to protect the integrity of the tax system and reduce the tax gap, returning \$64 billion in net savings to taxpayers over ten years.

The Budget proposes increased resources for the Office of Terrorism and Financial Intelligence to counter illicit financial networks and the Financial Crimes Enforcement Network to strengthen the prevention, detection, and investigation of financial and cyber-crimes. The request includes funding for Treasury to identify and mitigate cybersecurity vulnerabilities in the financial services sector.

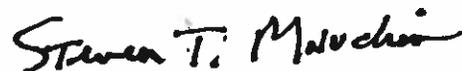
The Budget prioritizes U.S. leadership in International Financial Institutions by proposing to extend and increase the International Monetary Fund's New Arrangements to Borrow, as well as authorization and funding for the Multilateral Development Banks. It also seeks funding for bilateral technical assistance and critical bilateral debt relief for the nation of Somalia.

Treasury's request includes \$10 million to build off the \$25 million provided in FY 2020 for the digitization of savings bond information and the creation of an online tool that would allow individuals to verify ownership of unredeemed bonds dated after 1974.

The Budget proposes legislation to return the Secret Service to Treasury to create new efficiencies in the investigation of financial crimes and prepare the Nation to face the threats of tomorrow. Technological advancements in recent decades, such as cryptocurrencies and the increasing interconnectedness of the international financial marketplace, have resulted in more complex issues facing our country. Criminal organizations have varied means of obtaining financing, and we have observed stronger links between financial and electronic crimes and the financing of terrorists and rogue state actors.

The FY 2021 Budget includes the information required for the Annual Performance Report. I have validated the accuracy, completeness, and reliability of the performance data in this report.

Sincerely,



Steven T. Mnuchin