

Message from the Secretary of the Treasury

Dear Member:

The Fiscal Year (FY) 2020 President's Budget (Budget) prioritizes Treasury's goals to maintain a strong economy and create economic and job opportunities by promoting economic growth and stability at home and abroad, and to strengthen national security by combating threats and protecting the integrity of the financial system. In particular, the Budget requests \$12.7 billion for Treasury's operating bureaus and \$1.6 billion for our international programs.

Consistent with the Administration's priorities, the Budget provides \$35 million to support implementation of the Foreign Investment Risk Review Modernization Act (FIRRMA). FIRRMA, enacted in 2018, expands the Committee on Foreign Investment in the United States' jurisdiction and strengthens its authorities to protect critical U.S. technologies and infrastructure from new and evolving threats, while preserving an open investment environment.

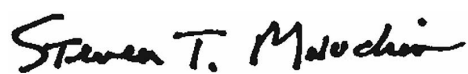
Treasury's request includes \$11.5 billion for the Internal Revenue Service (IRS) and provides \$290 million in funding for the first installment in a multi-year plan to greatly modernize IRS systems and operations and deliver a customer experience comparable to the best financial institutions in the world. I cannot emphasize enough the long-term critical need we have to invest in the modernization of IRS information technology systems and infrastructure. The integrity of the voluntary tax compliance system depends on it. In addition, the Budget requests a program integrity cap adjustment to protect the integrity of the tax system and reduce the tax gap, returning \$32 billion in measurable net savings to taxpayers over ten years.

Treasury's request also includes increased resources for the Office of Terrorism and Financial Intelligence and the Financial Crimes Enforcement Network (FinCEN) to continue their critical work safeguarding the financial system from abuse and combating other national security threats using non-kinetic economic tools. These resources continue important investments in the Terrorist Financing Targeting Center, address sanctions workload increases and demand for staffing, and build core information technology infrastructure. The Budget provides funding to expand FinCEN's role in fighting cybercrime and the exploitation of emerging payment systems such as cryptocurrency.

The Budget includes funding increases for the Office of Critical Infrastructure Protection and Compliance Policy to enhance Treasury's capacity to identify and remediate new threats and vulnerabilities.

The FY 2020 Congressional Budget Justification 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,

A handwritten signature in black ink that reads "Steven T. Mnuchin". The signature is written in a cursive, flowing style.

Steven T. Mnuchin