



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

SECRETARY OF THE TREASURY

March 4, 2024

Dear Member:

On behalf of President Biden, it is my pleasure to submit the Department of the Treasury's Budget request for Fiscal Year (FY) 2025. The President's 2025 Budget for Treasury supports a fair and robust tax system that ensures large corporations and the wealthy pay their fair share; maintains improved taxpayer experience and service; combats terrorism and financial crime; promotes community development and access to capital in disadvantaged communities; strengthens corporate transparency; helps address cybersecurity risks; and builds institutional capacity to address emerging issues and advance equity across all Treasury programs. The FY 2025 budget request of \$14.4 billion aligns resources to the Department's long-term goals and objectives, as described in Treasury's FY 2022-2026 Strategic Plan. The plan can be found on Treasury's website [here](#).

Treasury's IRS request includes \$12.3 billion in discretionary resources to ensure that taxpayers receive the highest quality customer service and that all Americans are treated fairly by the U.S. tax system. These regular appropriations are essential to maintaining current "steady-state" operations, allowing the IRS to improve service, process returns in a timely manner, and continue reducing paper inventory.

The robust multi-year funding provided by the Inflation Reduction Act (IRA), which supplements the annual budget, is being used to make long-term investments to transform customer service, modernize technology, and allow the IRS to reduce our Nation's deficits by ensuring wealthy individuals, large corporations and partnerships pay the Federal taxes they legally owe. The Budget proposes new long-term funding to sustain service enhancements and deficit-reducing tax compliance initiatives funded by the Inflation Reduction Act. This proposal builds on already realized service improvements and decades of analysis demonstrating that program integrity investments to enforce existing tax laws increase revenues by closing the tax gap—the difference between taxes owed and taxes paid.

The Budget provides \$150 million for the Department to protect and defend sensitive agency systems and information, including high-value assets. The request provides \$325 million for the Community Development Financial Institutions with the goal of improving historically underserved and often low-income communities' access to credit, capital, and financial support to grow businesses. The Budget includes \$312 million for Treasury's Departmental Offices to address their expanding role in promoting investment security, support artificial intelligence policy development, and continue to restore staffing levels.

Additionally, the request includes \$231 million for the Office of Terrorism and Financial Intelligence (TFI) to expand Treasury's capacity to provide financial intelligence and conduct sanctions-related economic analysis and \$216 million for FinCEN to continue addressing anti-money laundering and corporate transparency requirements.

The FY 2025 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,

A handwritten signature in black ink, reading "Janet L. Yellen". The signature is fluid and cursive, with the first name "Janet" being the most prominent.

Janet L. Yellen

Enclosure