

# FY 2027 EXECUTIVE SUMMARY

## President's Budget Discretionary Appropriation Request

*Dollars in Thousands*

	FY 2025 Enacted (Pre IRS Transfer)	FY 2025 Enacted (Post IRS Transfer)	FY 2026 Enacted	FY 2027 President's Budget
<b>Management &amp; Financial</b>	<b>\$1,858,726</b>	<b>\$1,858,726</b>	<b>\$1,856,764</b>	<b>\$1,695,523</b>
Departmental Offices Salaries and Expenses <sup>1</sup>	\$287,576	\$287,576	\$287,576	\$301,250
Committee on Foreign Investment in the United States (CFIUS) Fund	\$21,000	\$21,000	\$21,000	\$21,000
CFIUS Fees	(\$21,000)	(\$21,000)	(\$21,000)	(\$21,000)
Office of Terrorism and Financial Intelligence <sup>1</sup>	\$227,770	\$227,770	\$237,662	\$252,852
Cybersecurity Enhancement Account	\$36,500	\$36,500	\$59,000	\$59,000
Department-wide Systems and Capital Investments Program	\$11,007	\$11,007	\$11,007	\$22,613
Office of Inspector General	\$48,389	\$48,389	\$48,389	\$43,550
Treasury Inspector General for Tax Administration <sup>1</sup>	\$172,508	\$172,508	\$165,000	\$137,661
Special Inspector General for Pandemic Recovery <sup>2</sup>	\$11,879	\$11,879	(\$9,967)	\$0
Community Development Financial Institutions Fund	\$324,000	\$324,000	\$324,000	\$119,500
Financial Crimes Enforcement Network	\$190,193	\$190,193	\$185,193	\$210,193
Alcohol and Tobacco Tax and Trade Bureau	\$157,795	\$157,795	\$157,795	\$157,795
Bureau of the Fiscal Service	\$391,109	\$391,109	\$391,109	\$391,109
<b>Tax Administration <sup>1,3,4</sup></b>				
<b>Internal Revenue Service Total</b>	<b>\$12,319,054</b>	<b>\$12,319,054</b>	<b>\$11,195,365</b>	<b>\$9,831,368</b>
Taxpayer Services	\$2,780,606	\$3,052,487	\$3,036,606	\$3,130,969
Enforcement	\$5,437,622	\$5,165,741	\$4,999,000	\$4,102,375
Technology and Operations Support	\$4,100,826	\$4,100,826	\$3,159,759	\$2,598,024
<b>Subtotal, Treasury Appropriations excluding TEOAF</b>	<b>\$14,177,780</b>	<b>\$14,177,780</b>	<b>\$13,052,129</b>	<b>\$11,526,891</b>
Treasury Executive Office of Asset Forfeiture (TEOAF) Permanent Rescission	(\$400,000)	(\$400,000)	(\$650,000)	(\$500,000)
<b>Subtotal, Treasury Appropriation including TEOAF</b>	<b>\$13,777,780</b>	<b>\$13,777,780</b>	<b>\$12,402,129</b>	<b>\$11,026,891</b>
<b>Treasury International Programs</b>				
Multilateral Development Banks	\$1,882,015	\$1,882,015	\$1,251,943	\$1,127,683
Energy and Environment Funds	\$275,200	\$275,200	\$150,200	\$0
Food Security	\$53,000	\$53,000	\$54,000	\$47,000
Office of Technical Assistance	\$38,000	\$38,000	\$30,000	\$35,000
Debt Restructuring and Relief	\$25,000	\$25,000	\$52,000	\$52,000
Treasury Int'l Assistance Programs	\$50,000	\$50,000	\$75,000	\$32,317
<b>Subtotal, excluding rescissions</b>	<b>\$2,323,215</b>	<b>\$2,323,215</b>	<b>\$1,613,143</b>	<b>\$1,294,000</b>
Rescission: Treasury International Accounts <sup>5</sup>	(\$236,000)	(\$236,000)	(\$63,975)	(\$387,200)
<b>Treasury International Programs Subtotal, including rescissions</b>	<b>\$2,087,215</b>	<b>\$2,087,215</b>	<b>\$1,549,168</b>	<b>\$906,800</b>
<b>Total, Treasury Appropriations excluding TEOAF and Debt Restructuring Rescissions</b>	<b>\$16,500,995</b>	<b>\$16,500,995</b>	<b>\$14,665,272</b>	<b>\$12,820,891</b>
<b>Total, Treasury</b>	<b>\$15,864,995</b>	<b>\$15,864,995</b>	<b>\$13,951,297</b>	<b>\$11,933,691</b>

<sup>1</sup>Excludes IRA resources, or one-time mandatory funding

<sup>2</sup>SIGPR ceased operations in fiscal year 2025; In FY 2026, P.L. 119.75 rescinded \$9.9M in unobligated balances.

<sup>3</sup>FY 2025 Enacted (post IRS transfer) includes a transfer of \$271.9 million from Enforcement to Taxpayer Services.

<sup>4</sup>The FY 2027 budget proposes a \$371.0 million cancellation of unobligated balances from the IRS Energy Security appropriation from P.L. 117-169.

<sup>5</sup>Amounts reflects total rescissions for international accounts by fiscal year: FY 2025 includes the Clean Technology Fund and G-20 Common Framework for Debt Treatments and Paris Club; FY 2026 includes G-20 Common Framework for Debt Treatments and Paris Club; and FY 2027 includes the African Development Fund, Global Environment Facility, Global Agriculture and Food Security Program, and Tropical Forest and Coral Reef Conservation Act.

## **MISSION STATEMENT**

Maintain a strong economy and create economic and job opportunities by promoting conditions that enable economic growth and stability at home and abroad; strengthen national security by combating threats and protecting the integrity of the financial system; and manage the U.S. government's finances and resources effectively.

## **OVERVIEW OF REQUEST**

The Budget requests \$11.5 billion in gross discretionary budget authority for Treasury's domestic programs for 2027, a \$1.5 billion or 12-percent decrease from the 2026 enacted level.

## Fiscal Year Comparison of Full-Time Equivalent (FTE) Staffing (Direct and Reimbursable)

Appropriation <sup>1</sup>	FY 2025 Operating Plan			FY 2026 Enacted			FY 2027 President's Budget		
	Direct	Reimb.	Total	Direct	Reimb.	Total	Direct	Reimb.	Total
Departmental Offices Salaries and Expenses <sup>2</sup>	843	100	943	894	63	957	904	63	967
<i>DO-IRA (non-add)</i>	62	0	62	74	0	74	80	0	80
Terrorism and Financial Intelligence	662	46	708	659	50	709	665	50	715
Cybersecurity Enhancement	28	0	28	68	0	68	68	0	68
Office of Inspector General	232	13	245	183	13	196	169	13	182
Treasury Inspector General for Tax Administration	761	3	764	711	2	713	737	2	739
<i>TIGTA-IRA (non-add)</i>	121	0	121	68	0	68	229	0	229
Special Inspector General for Pandemic Recovery	11	0	11	0	0	0	0	0	0
Community Development Financial Institutions Fund	86	0	86	76	0	76	27	0	27
Financial Crimes Enforcement Network	257	2	259	270	3	273	312	2	314
Alcohol and Tobacco Tax and Trade Bureau	502	11	513	443	11	454	443	11	454
Bureau of the Fiscal Service <sup>3</sup>	1,682	7	1,689	1,282	0	1,282	1,351	0	1,351
Internal Revenue Service <sup>4</sup>	95,226	641	95,867	68,553	889	69,442	66,905	933	67,838
<i>IRS-IRA (non-add)</i>	24,163	0	24,163	7,596	0	7,596	1,674	0	1,674
<i>IRS Energy Security (non-add)</i>	57	0	57	0	0	0	0	0	0
<b>Subtotal, Treasury Appropriated Level, Excluding IRA</b>	<b>75,887</b>	<b>823</b>	<b>76,710</b>	<b>65,401</b>	<b>1,031</b>	<b>66,432</b>	<b>69,598</b>	<b>1,074</b>	<b>70,672</b>
<b>Subtotal, Treasury Appropriated Level</b>	<b>100,290</b>	<b>823</b>	<b>101,113</b>	<b>73,139</b>	<b>1,031</b>	<b>74,170</b>	<b>71,581</b>	<b>1,074</b>	<b>72,655</b>
Office of Capital Access <sup>5</sup>	50	0	50	66	0	66	78	.	78
Community Development Financial Institutions Fund, Emergency Support	3	0	3	0	0	0	0	0	0
Capital Magnet Fund	6	0	6	5	0	5	5	0	5
Office of Financial Research	189	0	189	72	0	72	72	0	72
Financial Stability Oversight Council	33	0	33	30	0	30	30	0	30
Treasury Franchise Fund	0	1,766	1,766	0	2,201	2,201	0	2,294	2,294
Bureau of Engraving and Printing	0	1,912	1,912	0	1,650	1,650	0	1,650	1,650
United States Mint	0	1,542	1,542	0	1,335	1,335	0	1,335	1,335
Office of the Comptroller of the Currency	0	3,482	3,482	0	2,767	2,767	0	2,754	2,754
Terrorism Insurance Program	12	0	12	11	0	11	12	0	12
IRS Private Collection Agent Program <sup>4</sup>	1,155	0	1,155	1,200	0	1,200	1,200	0	1,200
<b>Subtotal, Treasury Non-Appropriated Level</b>	<b>1,448</b>	<b>8,702</b>	<b>10,150</b>	<b>1,384</b>	<b>7,953</b>	<b>9,337</b>	<b>1,397</b>	<b>8,033</b>	<b>9,430</b>
<b>Total, Treasury, Excluding IRA</b>	<b>77,335</b>	<b>9,525</b>	<b>86,860</b>	<b>66,785</b>	<b>8,984</b>	<b>75,769</b>	<b>70,995</b>	<b>9,107</b>	<b>80,102</b>
<b>Total, Treasury</b>	<b>101,738</b>	<b>9,525</b>	<b>111,263</b>	<b>74,523</b>	<b>8,984</b>	<b>83,507</b>	<b>72,978</b>	<b>9,107</b>	<b>82,085</b>

1/ Presentation for appropriated accounts include FTE funded with annual appropriated resources, user fees, carryover, multiyear authority, IRA, and supplemental funding.

2/ Departmental Offices presentation include Direct FTE funded from the Social Impact Demonstration Projects account, the Office of Technical Assistance account, and the Committee on Foreign Investment in the United States Fund.

3/ Direct FTE for the Bureaus of the Fiscal Service include FTE funded from the Debt Collection Fund.

4/ The IRS presentation includes FTE funded with user fees and multi-year authority.

5/ The Office of Capital Access presentation include FTE related to Transportation Services, Payroll Support Program, Air Carrier Worker Support & Pandemic Relief for Aviation Workers, Economic Stabilization Program, Coronavirus Relief Fund, Homeowner Assistance Fund, Emergency Rental Assistance, State Small Business Credit Initiative (SSBCI) and Emergency Capital Investment Program.

## Summary of FY 2027 Increases and Decreases

Dollars in Thousands

	DO	CFIUS <sup>1</sup>	TFI	Cyber <sup>2</sup>	DSCIP	OIG	TIGTA	CDFI	FinCEN	TTB	BFS	IRS <sup>3</sup>	Total
<b>FY 2026 Enacted</b>	<b>\$287,576</b>	<b>\$0</b>	<b>\$237,662</b>	<b>\$59,000</b>	<b>\$11,007</b>	<b>\$48,389</b>	<b>\$165,000</b>	<b>\$324,000</b>	<b>\$185,193</b>	<b>\$157,795</b>	<b>\$391,109</b>	<b>\$11,195,365</b>	<b>\$13,062,096</b>
Maintaining Current Levels (MCLs)	\$440	\$0	\$338	\$15	\$0	\$88	\$354	\$28	\$0	\$223	\$6,219	\$22,969	\$30,674
Pay Annualization	\$440		\$338	15		\$88	\$354	\$28	\$170	\$223	\$6,219	\$22,969	\$30,844
Pay Raise	\$0		\$0	-		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Pay	\$0		\$0	-		\$0	\$0	\$0	(\$170)	\$0	\$0	\$0	-\$170
Non-Recurring Costs					(\$11,007)								(\$11,007)
Artificial Intelligence/Cyber Engineers Center of Excellence				\$10,000									
Realignment of non-labor resources				(\$10,000)									
Efficiency Savings								(28)					(\$28)
<b>Adjustments to Base</b>	<b>\$440</b>	<b>\$0</b>	<b>\$338</b>	<b>\$15</b>	<b>(\$11,007)</b>	<b>\$88</b>	<b>\$354</b>	<b>\$0</b>	<b>\$0</b>	<b>\$223</b>	<b>\$6,219</b>	<b>\$22,969</b>	<b>\$19,639</b>
<b>FY 2027 Base</b>	<b>\$288,016</b>	<b>\$0</b>	<b>\$238,000</b>	<b>\$59,015</b>	<b>\$0</b>	<b>\$48,477</b>	<b>\$165,354</b>	<b>\$324,000</b>	<b>\$185,193</b>	<b>\$158,018</b>	<b>\$397,328</b>	<b>\$11,218,334</b>	<b>\$13,081,735</b>
Program Decreases				(15)		(\$4,927)	(\$27,693)	(\$304,500)		(\$223)	(\$13,114)	(\$1,481,329)	(\$1,831,801)
CFIUS Fund Appropriation		\$21,000											\$21,000
CFIUS User Fees		(\$21,000)											(\$21,000)
Program Increases/Reinvestments	\$13,234		\$14,852		\$22,613			100,000	\$25,000		\$6,894	\$94,363	\$276,956
<b>Subtotal, Program Changes</b>	<b>\$13,234</b>	<b>\$0</b>	<b>\$14,852</b>	<b>(\$15)</b>	<b>\$22,613</b>	<b>(\$4,927)</b>	<b>(\$27,693)</b>	<b>(\$204,500)</b>	<b>\$25,000</b>	<b>(\$223)</b>	<b>(\$6,220)</b>	<b>(\$1,386,966)</b>	<b>(\$1,554,845)</b>
<b>FY 2027 President's Budget funded from discretionary resources</b>	<b>\$301,250</b>	<b>\$0</b>	<b>\$252,852</b>	<b>\$59,000</b>	<b>\$22,613</b>	<b>\$43,550</b>	<b>\$137,661</b>	<b>\$119,500</b>	<b>\$210,193</b>	<b>\$157,795</b>	<b>\$391,109</b>	<b>\$9,831,368</b>	<b>\$11,526,890</b>

1/ CFIUS Fund Annualized CR levels are net appropriations including CFIUS Fees.

2/ Cyber refers to the Treasury Cybersecurity Enhancement Account (CEA).

3/ IRS includes the Taxpayer Services, Enforcement and Technology and Operations Support appropriations.

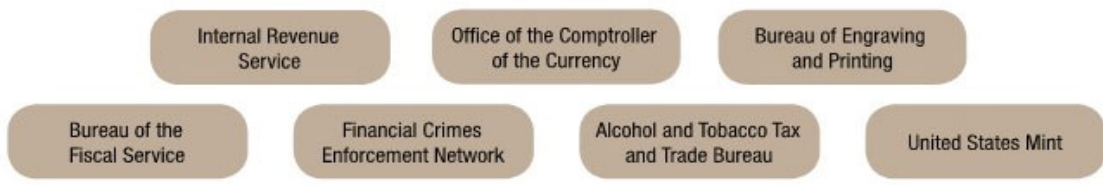
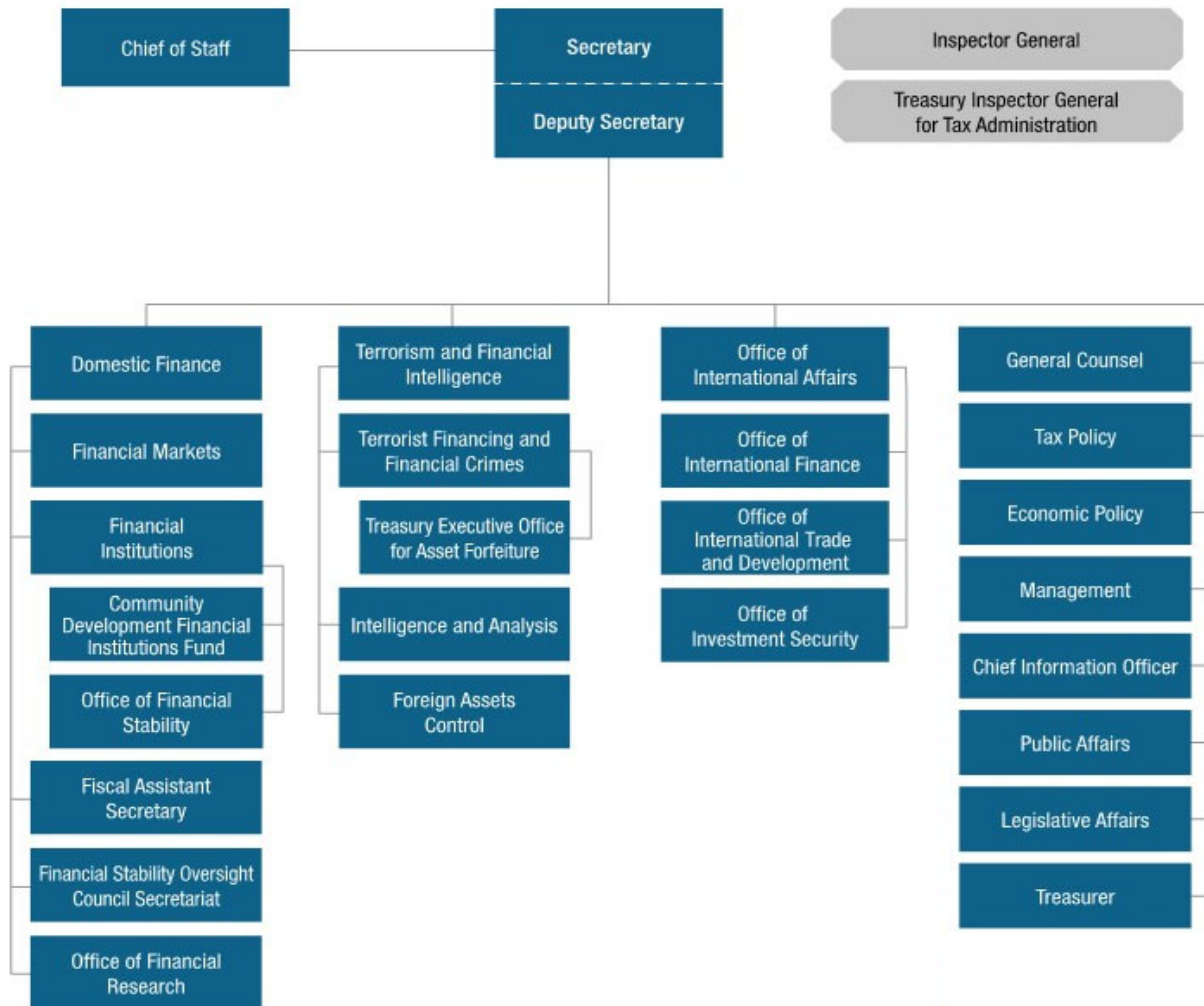
## FY 2027 President's Budget Discretionary Appropriations by Strategic Goal

Dollars in Thousands

Treasury Goal/Objective	Increase Main Street Growth and Access to Capital	Improve Stewardship of Taxpayer Dollars	Enhance National Security	Improve the Efficiency and Effectiveness of Treasury Operations	Celebrate American Achievement and Be a Model Host	Total
<b>Management &amp; Financial</b>	320,131	266,172	546,626	509,855	52,738	1,695,523
Departmental Offices Salaries and Expenses	72,300	57,238	69,288	72,300	30,125	301,250
Committee on Foreign Investment in the United States Fund			21,000			21,000
CFIUS Fees			(21,000)			(21,000)
Office of Terrorism and Financial Intelligence			252,852			252,852
Cybersecurity Enhancement Account			59,000			59,000
Department-wide Systems and Capital Investments Program					22,613	22,613
Office of Inspector General	38,324	2,178	1,698	1,350		43,550
Treasury Inspector General for Tax Administration		112,882		24,779		137,661
Community Development Financial Institutions Fund	100,022			19,479		119,500
Financial Crimes Enforcement Network	7,357	7,357	149,447	46,032		210,193
Alcohol and Tobacco Tax and Trade Bureau	102,129	31,763	2,608	21,295		157,795
Bureau of the Fiscal Service		54,755	11,733	324,620		391,109
<b>Tax Administration</b>		9,831,368				9,831,368
IRS Taxpayer Services		3,130,969				3,130,969
IRS Enforcement		4,102,375				4,102,375
IRS Technology and Operations Support		2,598,024				2,598,024
<b>Total, Treasury</b>	<b>320,131</b>	<b>10,097,540</b>	<b>546,626</b>	<b>509,855</b>	<b>52,738</b>	<b>11,526,891</b>

# ORGANIZATION

Treasury is organized into the Departmental Offices, seven bureaus, and two offices of the Inspectors General. The Departmental Offices are primarily responsible for headquarters operations and formulating policy, while the bureaus are the operating divisions within the organization. Our organizational information is available on our website: <https://home.treasury.gov/about/general-information/role-of-the-treasury>.



Departmental Office
  Bureau
  Inspector General

## DEPARTMENTAL OFFICES



[Domestic Finance](#) works to unleash the full potential of the U.S. economy to improve the lives of Americans on every rung of the economic ladder. It seeks to foster economic growth through regulatory reforms that ensure the financial system delivers for both Wall Street and Main Street. Domestic Finance also manages the finances of the U.S. government, including the Treasury's debt management and the collections and disbursement of public monies.



[Terrorism and Financial Intelligence](#) uses unique policy, intelligence, enforcement, and regulatory tools and authorities to disrupt and disable terrorists, criminals, and other national security threats while also safeguarding the financial system against abuse by illicit actors.



[International Affairs](#) protects economic prosperity and national security by working to foster a most favorable external environment for sustained jobs and economic growth. It also supports open investment policies through the Committee on Foreign Investment in the United States.



[Tax Policy](#) develops and implements tax policies, reviews regulations and guidance to administer the Internal Revenue Code, and provides revenue estimates for proposals and receipt estimates for the President's Budget.



[Economic Policy](#) reports on economic developments and assists in the determination of appropriate economic policies. It also reviews and analyzes domestic economic issues and financial market developments.



The [Treasurer of the United States](#) serves as a principal advisor to the Secretary, including coordinating Tribal relations across the Department, directly overseeing the U.S. Mint and the Bureau of Engraving and Printing, and liaising with the Federal Reserve.



The [Office of Management and Chief Financial Officer](#) manages the Department's financial resources and oversees Treasury-wide programs, including human capital, organizational performance, enterprise risk management, information technology, real property management and emergency preparedness, acquisition, and data.



Other offices within Departmental Offices include [General Counsel](#), [Legislative Affairs](#), and [Public Affairs](#).

## INSPECTORS GENERAL



Two Inspectors General—the [Office of Inspector General \(OIG\)](#) and the [Treasury Inspector General for Tax Administration \(TIGTA\)](#)—provide independent audits, investigations, and oversight of Treasury and our programs.

## BUREAUS



The [Alcohol and Tobacco Tax and Trade Bureau \(TTB\)](#) collects federal excise taxes on alcohol, tobacco, firearms, and ammunition, while enforcing and administering laws covering the production, use, and distribution of alcohol and tobacco products.



The [Bureau of Engraving and Printing \(BEP\)](#) develops and produces U.S. currency notes, as well as secure documents for government use.



The [Financial Crimes Enforcement Network \(FinCEN\)](#) safeguards the financial system from illicit activity, combats money laundering and the financing of terrorism, and promotes national security through the strategic use of financial authorities and the collection, analysis, and dissemination of financial intelligence.



The [Bureau of the Fiscal Service \(BFS\)](#) promotes financial integrity and operational efficiency by operating the U.S. government’s collections and deposit systems and providing central payment services to the American public on behalf of federal agencies. It also manages the collection of delinquent debt, borrows funds needed to operate the U.S. government through the sale of marketable and special-purpose U.S. Treasury securities, and accounts for the resulting debt. Additionally, it delivers administrative shared financial management services to federal agencies and conducts government-wide accounting and reporting.

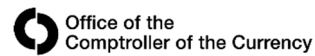


The [Internal Revenue Service \(IRS\)](#) determines, assesses, and collects U.S. tax revenue and helps taxpayers understand their tax responsibilities, while aiming to prevent tax-related fraud.



UNITED STATES MINT

The [United States Mint \(U.S. Mint\)](#) designs, mints, and issues U.S. circulating coins, as well as numismatic and bullion coins and strikes, Congressional gold medals, and other medals of national significance. It maintains physical custody and protection of most of the nation’s gold and silver assets.



The [Office of the Comptroller of the Currency \(OCC\)](#) charters, regulates, and supervises national banks and federal savings associations, as well as federal branches and agencies of foreign banks, to ensure that they operate in a safe and sound manner, provide fair access to financial services, treat customers fairly, and comply with applicable laws and regulations.

# TREASURY STRATEGIC MANAGEMENT

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## FRAMEWORK

*The Government Performance and Results Act (GPRA)* and the *GPRA Modernization Act of 2010* require agencies to identify goals, report progress against targets, and conduct data-driven reviews. These practices allow stakeholders within and outside the organization to assess the organization's health and impact, as well as promote effective decision-making and improve the execution of its strategies and resource allocations. In this spirit, we developed a framework using best-in-class organizational performance practices to help achieve our strategic goals and objectives.

## ORGANIZATIONAL PERFORMANCE REVIEW CYCLE

Our organizational performance reviews provide a regular forum for open dialogue and coordination between the bureaus and the Departmental Offices' management and leadership. We bring together different perspectives to set and align priorities, identify and solve problems, review agency performance, and drive results. We review agency results quarterly to measure progress on our goals. Also, as required by the *Program Management Improvement Accountability Act*, we integrate portfolio

reviews of programs within our performance review cycle activities. As Required by the *Federal Agency Performance Act*, we use our Strategic Objective Annual Review (SOAR) process to conduct an annual exercise to validate our supporting objectives as well as analyze performance results across Treasury components to identify critical leadership actions for the following year. The *Foundation for Evidence-Based Policy Act* further advances the U.S. government's evidence-building functions. In this past fiscal year, we continued to implement the evidence-building requirements by leveraging our strategic management framework, including developing the FY 2026-2030 Treasury Strategic Plan to discuss our evidence-building efforts and learning agenda.

At designated points throughout the fiscal year, we assess annual priorities, evaluate progress against goals and objectives, identify enterprise risks, discuss new strategies to improve program outcomes, and align our available funding to maximize results for the agency. We describe our process and framework for managing our strategic objectives and performance outcomes in Table 1 on the following page.

**TABLE 1: TREASURY ANNUAL ORGANIZATIONAL PERFORMANCE REVIEW CYCLE**

Sessions	Fall (October – November)	Winter (February – March)	Spring (April – May)	Summer (June – July)
Focus	<b>Bureau Organizational Health &amp; Priorities</b>	<b>Strategic Objective Annual Review (SOAR)*</b>	<b>Cross-cutting Risks/Challenges; Critical Programs and Projects</b>	<b>Budget; Check-In for Critical Program and Projects</b>
Chair	Deputy Secretary, Assistant Secretary for Management/Performance Improvement Officer (ASM/PIO); Strategic Goal Leads	Deputy Secretary; Strategic Goal Leads	ASM/PIO	ASM/PIO and Budget Officer
Goals/Outcomes	<ul style="list-style-type: none"> <li>Discuss key issues identified in organizational health assessment</li> <li>Align on bureau’s priorities and departmental coordination cadence of touch points for the year ahead</li> </ul>	<ul style="list-style-type: none"> <li>Assess progress toward strategic goals and objectives (including progress of critical programs and projects)</li> <li>Update strategy and identify emerging resource priorities</li> <li>Identify Enterprise Risks</li> <li>Outline potential topics for OMB annual review and support</li> </ul>	<ul style="list-style-type: none"> <li>Issue-based sessions: deep dives on cross-cutting issues identified in the SOAR and enterprise risks</li> <li>Identify near-term improvement strategies</li> </ul>	<ul style="list-style-type: none"> <li>Align funding to priorities, performance impacts, and risk mitigation</li> <li>Strengthen IT acquisition, budgeting, and accountability</li> </ul>

\* For FY 2025 the Winter session was the environmental scan for the FY 2026-2030 Treasury Strategic Plan. See page 46 of the [Strategic Plan](#) for the results.

## FY 2026 – 2030 STRATEGIC FRAMEWORK

The strategic framework provides the foundation for the Department’s FY 2026 – 2030 strategic goals and objectives. Bureaus and offices align their programs and performance within this framework. Our updated goals and objectives are reflected below. See individual chapters for performance results. Table 2 shows the alignment of offices and bureaus to each strategic goal.

**TABLE 2: ALIGNMENT OF OFFICES AND BUREAUS TO STRATEGIC GOALS**

Strategic Goals	Strategic Objectives	Contributing Bureaus/Offices
<b>Goal 1:</b> Increase Main Street Growth and Access to Credit	1.1: Grow the Economy by Expanding Work, Wealth, and Ownership 1.2: Modernize the U.S. Financial System 1.3: Rebalance Global Trade and End Unfair Practices	Departmental Offices Tax Policy Economic Policy Domestic Finance International Affairs Terrorism and Financial Intelligence Management IRS TTB FinCEN BFS OCC
<b>Goal 2:</b> Improve Stewardship of Taxpayer Dollars	2.1: Improve Fiscal Sustainability 2.2: Improve Payment Integrity 2.3: Deliver a Modern taxpayer Experience to Improve Service, Privacy, and Collections	Departmental Offices Domestic Finance Economic Policy Public Affairs Legislative Affairs Tax Policy Management BFS IRS FinCEN TTB
<b>Goal 3:</b> Enhance National Security	3.1: Monitor Foreign Transaction Flows to Identify and Curtail Illicit Finance and Terrorist Organizations 3.2: Secure the Homeland Through Strategic Use of Treasury Financial Tools 3.3: Expand Investment Security 3.4: Strengthen Cyber Defense and Accelerate Recovery from Attacks	Departmental Offices Terrorism and Financial Intelligence International Affairs Economic Policy Domestic Finance Management FinCEN IRS OCC All Bureaus
<b>Goal 4:</b> Improve the Efficiency and Effectiveness of Treasury Operations	4.1: Improve Enterprise Problem-solving 4.2: Improve Processes and Project Management Capability 4.3: Reshape and Optimize the Workforce 4.4: Deliver High-quality Common Services to the Treasury Enterprise	Management All Bureaus/Offices
<b>Goal 5:</b> Celebrate American Achievement and Be a Model Host		Treasurer Public Affairs International Affairs Mint BEP

# PERFORMANCE OVERVIEW

We carry great responsibility for fostering prosperity and security for the American people. We play a critical role both in the U.S. economy and globally to meet the needs of the nation. The *Treasury Strategic Plan 2026 – 2030* charts a course to guide our responsibilities to the public. The following performance overview reflects our accomplishments and challenges in fostering Main Street growth and access to capital for the American people, safeguarding, stewarding taxpayer dollars, strengthening national security, and improving the efficiency and effectiveness of Treasury operations. It also reflects our role in promoting American achievement and serving as a model host during international events, including the International Federation of Association Football World Cup, Olympics and Paralympics, and the U.S. presidencies of the G20 and G7, all in service to our country.

## Goal 1: Increase Main Street Growth and Access to Credit

Treasury plays an important role in unleashing the full potential of the U.S. economy and improving the lives of Americans on every rung of the economic ladder. We aim to help the Administration increase prosperity and abundance for the American people.

Our first priority is growing the American economy. By sustaining three percent annual real gross domestic product growth, we will build wealth that creates a prosperous society for all Americans.

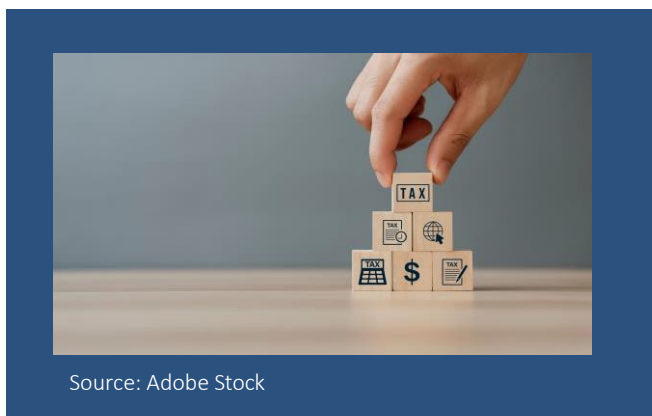
In the financial sector, we are pursuing a fundamental reset of financial regulation to ensure the financial system delivers for both Wall Street and Main Street.

Internationally, Treasury plays a leadership role in global financial forums; we will use our votes and economic strength to protect our sovereignty and restore balance to our economic relationships.

### **GROW THE ECONOMY BY EXPANDING WORK, WEALTH AND OWNERSHIP**

We developed the Administration’s tax legislative proposals and worked closely with Congress through the legislative process to draft, refine, and negotiate tax provisions of the *Working Families Tax Cuts*, P.L. 119-21 (WFTC) to ensure alignment with sound tax policy principles.

We analyzed the revenue effects of legislative tax proposals and assisted the Administration in its negotiations with Congress leading up to the passage of the WFTC. Our analyses helped to optimize the design of the legislative



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### **Tax Legislation**

We developed the Administration’s tax legislative proposals and worked closely with Congress through the legislative process to draft, refine, and negotiate tax provisions of the *Working Families Tax Cuts* to ensure alignment with sound tax policy principles.

In addition to supporting the passage and implementation of the WFTC in FY 2025, we implemented other Administration priorities, including Executive Order (EO) 14219, *Ensuring Lawful Governance and Implementing the President’s “Department of Government Efficiency” Deregulatory Initiative*, taking deregulatory action on 105 unnecessary, obsolete, or superseded items of tax guidance.

## MODERNIZE THE U.S. FINANCIAL SYSTEM

We are leading a comprehensive and assertive effort across the Administration to empower our nation's financial system to finance the economy's pursuit of job growth, wealth creation, and prosperity for all Americans.

To that end, we play an important role in coordinating with banking regulators to ensure that regulation supports sustainable economic growth while fostering safety and soundness and financial stability.

In addition to these efforts, pursuant to the President's EOs, we took key actions to strengthen American leadership in digital financial technology. We played a leading role in the work of the President's Working Group on Digital Asset Markets, including developing the working group's report that laid out a roadmap to position America as the leader in digital asset markets. We took several actions to clarify the permissibility of digital asset activities in the U.S. banking system to foster a dynamic and diverse financial system that serves all. We supported the passage of the *Guiding and Establishing National Innovation for U.S. Stablecoins Act*, P.L. 119-27 (GENIUS Act) and have been charged with implementing key elements of this legislation to create a federal regulatory framework for payment stablecoins.

As the largest user of the U.S. payments system, issuing nearly 1.3 billion payments per year totaling more than \$5.4 trillion, we have taken further steps to digitize the nation's payments. Our initiatives under EO 14247,

*Modernizing Payments To and From America's Bank Account*, will impact how millions of Americans receive and make payments to the government. This EO promotes operational efficiency by requiring the transition to electronic payments with limited exceptions and accommodations. In collaboration with federal agencies, we have successfully launched a public awareness campaign and are piloting electronic payment options to serve unbanked and underbanked communities. In FY 2026, we expect to see measurable decreases in check disbursements.

## REBALANCE GLOBAL TRADE AND END UNFAIR PRACTICES

Across the international economic system today, we see trade imbalance. Throughout FY 2025, we took significant steps alongside partner agencies to restore equilibrium to the global financial system and the institutions designed to uphold it by expanding U.S. leadership and bringing back fairness to the international economic system. We are working closely with interagency partners on all ongoing agreements on reciprocal trade to secure favorable outcomes, and this effort is expected to continue through FY 2026.

On December 1, 2025, the U.S. assumed the presidency of the G20, and will cohost the Finance Track with the Federal Reserve. We have twin aims of streamlining the G20 and advancing policy goals that unleash economic growth and prosperity by limiting the burdens of regulations, unlocking affordable energy, and pioneering new technologies.

## Goal 2: Improve Stewardship of Taxpayer Dollars

Treasury manages the finances of the U.S. government, including raising funding for government programs. We are committed to working to restore the U.S. government to a fiscally sustainable trajectory; reduce fraud, waste, and abuse in government payments; and modernize the systems we use to administer taxes.

### IMPROVE FISCAL SUSTAINABILITY

Borrowing amounts necessary for expenditures authorized by law is our core responsibility. We engage with global investors and other market participants, including the primary dealers—a group of large financial institutions that are authorized to trade directly with the Federal Reserve and play a key role in Treasury auctions— and the Treasury Borrowing Advisory Committee, to inform our borrowing plans. In FY 2025, we issued \$30 trillion of securities. After paying off maturing securities, we raised \$2 trillion of new cash to finance the continued operations of the U.S. government. In FY 2025, we also successfully navigated a debt limit impasse, which ended when the WFTC raised the debt limit by \$5 trillion, avoiding a costly default.

In addition, we support market liquidity through a buyback program that provides regular opportunities for dealers to sell back to Treasury off-the-run Treasury securities—those issued in previous auction cycles and which are now less actively traded. In FY 2025, we announced plans to further enhance the buyback program. The buyback program also provides us with an additional tool for cash management.

### IMPROVE PAYMENT INTEGRITY

Financial fraud and improper payments threaten the integrity of federal programs and undermine trust in government. In FY 2025, the Bureau of the Fiscal Service (BFS) began implementing EOs 14247, *Modernizing Payments To and From America's Bank Account*, and 14249, *Protecting America's Bank Account Against Fraud, Waste, and Abuse*. To assist agencies in preventing and detecting fraud and improper payments, BFS, in collaboration with OMB advanced policy and



Source: Adobe Stock

### Financial Stewardship

In FY 2025, we issued \$30 trillion of securities. After paying off maturing securities, we raised \$2 trillion of new cash to finance the continued operations of the U.S. government.

streamlined the process to expand agency use of the Do Not Pay Working System (Do Not Pay).

Specifically, on June 17, 2025, OMB delegated to the Secretary of the Treasury the authority to designate additional databases to Do Not Pay for the purposes of assisting in preventing improper payments. To implement this delegated authority, BFS has developed a standard operating procedure that expedites the onboarding of Do Not Pay databases while meeting the applicable privacy, security, and legal requirements. With this delegated authority, BFS will prioritize acquiring and integrating high-value databases that will substantially assist in preventing improper payments. On August 20, 2025, OMB issued M-25-32, *Preventing Improper Payments and Protecting Privacy Through Do Not Pay*, to further strengthen agencies' abilities to expeditiously and flexibly access Do Not Pay while preserving important privacy safeguards. Accordingly, BFS has updated the Do Not Pay agency onboarding process—streamlining every step to better ensure that agencies can access Do Not Pay services more efficiently and effectively while safeguarding privacy and security.

Moreover, in FY 2025, BFS implemented payment verification processes, per EO 14249, and enhanced its research and development of analytic capabilities to

identify anomalies in federal payments and detect fraud risk in the end-to-end payment process as early as possible. These efforts, together with broader reforms addressing the federal payments process, advance both the integrity and efficiency of government disbursements.



Source: Adobe Stock

### Electronic Payments

BFS has advanced the elimination of paper checks for federal disbursements by conducting executive outreach to the largest check-producing agencies, providing solutions to overcome barriers, and driving meaningful progress toward greater use of electronic payments.

Building on this foundation, BFS has also focused on reducing Non-Treasury Disbursing Office (NTDO) payments. Consolidating disbursing functions within Treasury strengthens accountability and fraud prevention and also generates economies of scale and improves the government's cash management. In FY 2025, we issued revocation notices to the three remaining agencies with delegated authority to act as NTDOs—the U.S. Department of State, U.S. Department of Defense's Defense Finance and Accounting Service, and Department of Health and Human Services. BFS is working with these agencies to execute transition plans to Treasury disbursing, including staffing and system changes.

In addition, BFS has advanced the elimination of paper checks for federal disbursements by conducting executive outreach to the largest check-producing agencies, providing solutions to overcome barriers, and driving meaningful progress toward greater use of electronic payments. This engagement has led to robust agency outreach to check payees through mailers and Treasury check inserts as well as procedural and policy updates

emphasizing electronic payments as the government's primary payment method.

In FY 2025, BFS also made significant progress to enhance controls and partner with agencies to more readily track transactions in the General Fund. Specifically, BFS created and released the Daily Treasury Account Symbol (TAS) Balance Report, which provides agencies with daily information on their transactions to make informed decisions, improve operational efficiency, and strengthen fiscal accountability. Agencies consistently monitor the Daily TAS Balance Report to ensure funds are available before incurring obligations and certifying disbursements. BFS conducts account analyses to identify those that are consistently negative and may not have adequate funding to continue disbursing, and alerts agencies when uncorrected negative fund balances could result in the rejection of payment vouchers, per the requirements of Section 4(b)(i) of EO 14249.

### DELIVER A MODERNIZED TAXPAYER EXPERIENCE TO IMPROVE SERVICE, PRIVACY, AND COLLECTIONS

We delivered a successful 2025 tax filing season, which began on January 27, 2025, and ended April 19, 2025.

We responded to 8.9 million Accounts Management phone calls, accomplished an average wait time of three minutes, achieved a Customer Service Representative Level of Service of 87 percent, and offered the customer callback feature to about 2.6 million taxpayers, saving taxpayers over 742,000 hours of phone hold time.

Beyond these improvements, we continued to improve service time and reliability. Automation reduced the time needed to process amended returns from 16 weeks to three days.

In FY 2025, we continued IRS modernization efforts, which will improve taxpayer experience. Specifically, we made progress with the planning and phased development of several strategic initiatives that will modernize our technology infrastructure and core operations. This effort includes the Unified Application Program Interface initiative to enhance data

discoverability, accelerate system development, and improve information sharing across our programs. We are also building the Developer Experience Platform, which will standardize and automate software development, testing, and deployment across the enterprise.

Through the Zero Paper initiative, we are preparing to reduce the physical handling of incoming tax documents by shifting paper submissions to third-party processing sites, where documents will be scanned and converted to metadata using artificial intelligence and robotic automation. These initiatives, combined with ongoing efforts to enhance cybersecurity, modernize infrastructure, and expand digital intake, underscore our commitment to becoming more agile, resilient, and data-driven.

Additionally, we implemented new screening tools to detect potential identity theft and prevent the issuance of fraudulent refunds. As of May 2025, we confirmed more than 91,000 identity theft tax returns and prevented the issuance of approximately \$1 billion in fraudulent refunds.



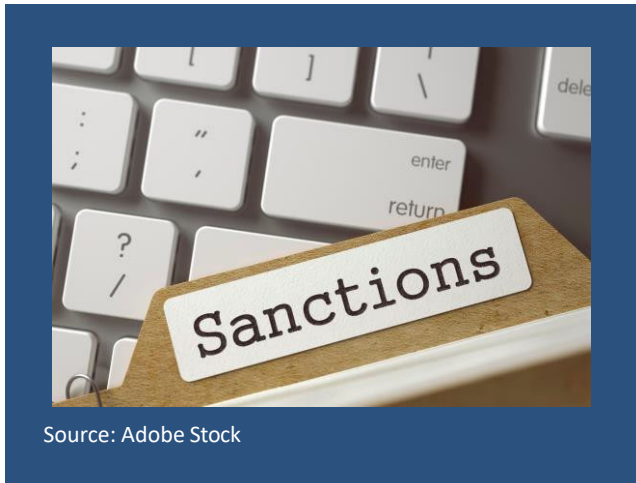
Source: Adobe Stock

### Payment Integrity

We implemented new screening tools to detect potential identity theft and prevent the issuance of fraudulent refunds. As of May 2025, we confirmed more than 91,000 identity theft tax returns and prevented the issuance of approximately \$1 billion in fraudulent refunds.

## Goal 3: Enhance National Security

We disrupt global and domestic threats by deploying our national security tools, including policy, enforcement, intelligence, and regulatory tools and authorities. We aim to disrupt threats quickly and effectively, while more explicitly measuring and articulating our successes and sharing information with public and private partners.



### Targeting Adversaries

In FY 2025, we took key targeted actions against adversaries. To undermine Russia's war economy, we imposed sanctions targeting the Russian energy industry.

To dismantle threats beyond our borders, we use our tools and authorities to bankrupt rogue states and terrorist organizations, while also preserving the U.S. dollar as the world's preeminent reserve currency.

To dismantle threats within our borders, we close regulatory gaps, and use shared intelligence supported by prosecutorial actions to bankrupt cartels and disrupt trafficking and other criminal organizations.

We monitor inbound and outbound investments to curtail the flow of U.S. dollars to adversaries generating threats to national security in critical industries. Specifically, we enhanced our programs, implemented a Known Investor program, and enhanced risk assessments.

In addition, we manage the risk of and response to cyber and virtual threats to protect Treasury's assets and those

of the financial sector by increasing engagement with partners and enhancing Treasury systems' resiliency.

### MONITOR FOREIGN TRANSACTION FLOWS TO IDENTIFY AND CURTAIL ILLICIT FINANCE AND TERRORIST ORGANIZATIONS

Strengthening the global financial system requires several lines of effort, including, but not limited to, working with international partners, coordinating global Anti-Money Laundering/Countering the Financing of Terrorism standards, and increasing transparency in both the domestic and international financial systems to combat abuse. In FY 2025, as the chair of the U.S. delegation to the Financial Action Task Force (FATF), we worked closely with FATF to improve responses to terrorist financing risks, financing of weapons of mass destruction, and combatting sanctions evasion schemes. In addition, we strengthened responses to financial inclusion and improved standards for domestic and cross-border payments. We also worked through FATF to revise recommendations related to a risk-based approach to assessing and mitigating money laundering and terrorist financing risks, including ensuring preventive or mitigation measures are commensurate with the risks identified.

In FY 2025, we took key targeted actions against adversaries. To undermine Russia's war economy, we imposed sanctions targeting the Russian energy industry, specifically major Russian oil companies. These actions covered more than 180 vessels, oil traders, oilfield service providers, and maritime insurers. We also placed 275 individuals and entities related to Russia's military base or sanctions evasion on the Specially Designated Nationals and Blocked Persons List.

In addition, we targeted Iran's oil smuggling and shadow banking network, including an international network tied to a front company for Iran's Ministry of Defense. Our response affected dozens of individuals, companies, and vessels that facilitate illicit shipments, denting Iran's ability to raise revenue for its malign activities and foreign proxies.



SOURCE: ADOBE STOCK

## Illicit Proceeds Funding Criminal Enterprises

We issued guidance to financial institutions (in the form of advisories and financial trend analysis reports) highlighting the various ways cartels generate and launder illicit proceeds to fund their criminal enterprises, including through bulk cash smuggling, crude oil smuggling, and exploiting Chinese money laundering networks.

To address the Iran-backed Houthis, we sanctioned dozens of targets, including companies and vessels supplying oil and gas to Yemen's Houthis. In addition, we took targeted action to disrupt fentanyl supply chains globally.

## SECURE THE HOMELAND THROUGH STRATEGIC USE OF TREASURY FINANCIAL TOOLS

In FY 2025, the Financial Crimes Enforcement Network (FinCEN) advanced our objective to secure the homeland by harnessing the full scope of authorities under the *Bank Secrecy Act* and other legal authorities to implement the Administration's priorities related to pursuing the elimination of international cartels, securing our borders, combating terrorist financing, and disrupting cyber-enabled fraud and other illicit activity.

We issued guidance to financial institutions (in the form of advisories and financial trend analysis reports) highlighting the various ways cartels generate and launder illicit proceeds to fund their criminal enterprises, including through bulk cash smuggling, crude oil smuggling, and exploiting Chinese money laundering networks. Financial institutions file highly useful Suspicious Activity Reports that we and our law

enforcement and national security partners use to target cartel activity.

We also deployed our tools to gather information critical to law enforcement efforts. For example, we issued a Geographic Targeting Order to further monitor the money laundering and other illicit activities of Mexico-based cartels and other criminal actors operating along the southwest border of the United States.

We also issued unprecedented orders identifying three Mexico-based financial institutions as being of primary money laundering concern in connection with illicit opioid trafficking, prohibiting certain transmittals of funds. These orders were the first actions by Treasury pursuant to the *Fentanyl Sanctions Act* and the *FEND Off Fentanyl Act*.

We also deployed our tools to protect Americans from various fraudulent schemes, including elder financial exploitation, financial fraud (e.g., pig butchering), and business email compromise. For example, we issued a notice of proposed rulemaking pursuant to Section 311 of the *USA PATRIOT Act* that identifies a Cambodia-based group as a financial institution of primary money laundering concern related to fraud and proposes imposing special measures intended to sever its access to the U.S. financial system. Through the Rapid Response Program at FinCEN, in FY 2025 alone, we interdicted \$182.2 million and repatriated \$95.5 million to victims of cyber-enabled fraud.

## EXPAND INVESTMENT SECURITY

The Committee on Foreign Investment in the United States (CFIUS) and the Outbound Investment Security Program (Outbound) play critical roles in protecting national security while upholding the nation's commitment to an open investment policy that strengthens the economy. Among other things, these programs play a key role in protecting technologies, sensitive data, and critical infrastructure from foreign investment that could be detrimental to our national security, and preventing other countries from exploiting our investment to develop sensitive technologies that counter our capabilities. Both CFIUS and Outbound operate through rules-based processes, so their reviews

are predictable and not based on arbitrary decisions. These processes provide transparency and predictability for foreign investors, U.S. businesses, and U.S. investors. These programs are instrumental in encouraging allies and partners to similarly prioritize efficient and effective investment security tools. In FY 2025, we announced plans to establish a fast-track process to facilitate greater investment in U.S. businesses from ally and partner sources. This process will include the launch of a Known Investor portal where CFIUS can collect information from foreign investors before a filing.

## **STRENGTHEN CYBER DEFENSE AND ACCELERATE RECOVERY FROM ATTACKS**

Reducing cybersecurity risk across the financial sector requires a shared understanding of critical services, recognition of sector-specific security and resilience challenges, and strong collaboration among stakeholders.

In FY 2025, we expanded Project Fortress, a “whole-of-sector” effort to improve the security and resiliency of the financial services sector. The program leverages existing capabilities and new offerings, such as the Automated Threat Information Feed. It provides financial institutions with tailored cyber threat data from the U.S. government, offering members deeper insight into sector-specific risks. We also developed a new sub-feed on cyber-enabled fraud to help participants detect and disrupt fraudulent activity earlier in its lifecycle.

As part of Project Fortress, our Office of Intelligence and Analysis leads the T-Suite, which facilitates cooperation between government and cleared industry representatives to address cyber threats to financial infrastructure. We also expanded participation in the Cybersecurity and Infrastructure Security Agency’s Cyber Hygiene program, which scans internet-facing systems for known vulnerabilities and provides actionable feedback. These efforts resulted in a 20 percent increase in financial sector participation.

Our Office of Cybersecurity and Critical Infrastructure Protection (OCCIP) also works with organizations, including the Conference of State Bank Supervisors (CSBS) and the National Credit Union Administration, to tailor exercises that emphasize cross-state and regional coordination. In May 2025, we, along with CSBS,

developed a multistate exercise to test how financial institutions and state regulators would coordinate response and recovery following a cross-border cyber incident. OCCIP and the FSOC Secretariat also hosted an interagency exercise in June focusing on agency preparedness for a major cyber incident targeting critical market infrastructure.

In accordance with EO 14306, *Sustaining Select Efforts to Strengthen the Nation's Cybersecurity and Amending Executive Order 13964 and Executive Order 14144*, OCCIP refocused its strategic priorities on combating foreign state cyber threats, cyber fraud, and advancing technologies, such as post-quantum cryptography and artificial intelligence, for the financial sector.

On the global stage, we continue to play a leading role in the G7 Cyber Experts Group (CEG), a multi-year forum for coordinating cybersecurity policy across G7 jurisdictions. In FY 2025, we helped develop a CEG statement on the risks and opportunities of artificial intelligence in financial sector cybersecurity, along with a road map for migrating to post-quantum cryptography.

In FY 2025, our Office of the Chief Information Officer (OCIO) continued to consolidate cybersecurity operations and processes to strengthen incident response and



Source: Adobe Stock

### **Strengthening Cybersecurity**

In accordance with EO 14306, *Sustaining Select Efforts to Strengthen the Nation's Cybersecurity and Amending Executive Order 13964 and Executive Order 14144*, OCCIP refocused its strategic priorities on combating foreign state cyber threats, cyber fraud, and advancing technologies, such as post-quantum cryptography and artificial intelligence, for the financial sector.

improve efficiency. The Departmental Offices Security Operations Center (SOC) and Computer Incident Response Center transitioned into the Treasury SOC (TSOC). OCIO also unified enterprise cybersecurity functions under one organization, streamlining assessment and authorization processes. To advance this effort, we awarded the Providing Treasury Enterprise Cybersecurity Technology and Services (PROTECTS) blanket purchase agreement, the enterprise vehicle for cybersecurity operations across the Department. PROTECTS provides a flexible, streamlined acquisition framework under Treasury’s Resiliency initiative.

During FY 2025, OCIO also increased Multi-Factor Authentication implementation to 89.3 percent—our

highest level to date. We also prioritized High Value Assets—critical systems and data whose compromise could significantly affect national security, the economy, or public trust—by migrating several to the cloud to enhance protection against evolving threats. To strengthen cross-bureau resilience, OCIO partnered with a large cybersecurity firm to conduct a Treasury-wide cyber tabletop exercise with more than 100 participants.

We continued to support government, domestic, and international partners by releasing two Treasury Early Warning Indicators, providing advanced threat intelligence on nation-state actors.

## Goal 4: Improve Efficiency and Effectiveness of Treasury Operations

Treasury serves a critical role in the lives of all Americans. We must honor the trust that our citizens place in us by doing our work as efficiently and effectively as possible – by improving our governance, core processes, workforce, and the way we do business.

On governance, we are working to change how we collaborate with our partners to solve the long-standing systemic challenges this country faces and nimbly tackle new and emerging opportunities. To do so, we are removing information siloes and improving coordination among our experts to improve our decision-making and build healthier organizations.

On core processes, we are taking steps to reduce waste and increase quality for the functions on which our customers rely most—including tax administration, payments, and other key services that we provide to citizens and other agencies.

Regarding the workforce, we are optimizing the composition and skill level of our workforce to build a culture of collaboration, reward success, and support modernized operations. We provide tools and resources to help employees develop additional knowledge, skills, and experience to deliver for the American people.

We are improving the way we do business, to lower costs and increase service levels for common administrative functions. To achieve our goals, we are building better tools for our organizations, creating spaces that enable the mission, and making it easier for employees to do their critical work.

### IMPROVE ENTERPRISE PROBLEM-SOLVING

We improved our organizational health data and tools, enabling leadership to make better decisions, develop effective response strategies to risk, and resolve shared challenges. Our quarterly organizational performance reviews provide a regular forum for open dialogue and coordination between Department, bureau, and office leadership. They bring together different perspectives to set and align priorities, identify and solve problems, review performance goals, and drive evidence-based

decisions and results. Through an assessment of our organizational health, we identified enterprise strengths and challenges, areas for targeted improvements, and areas where we needed to better explore and define issues. In FY 2025, we began developing an organizational health business intelligence tool, which will strengthen our organizational health analysis, leading to enhanced enterprise problem-solving and a healthier department.

### IMPROVE PROCESSES AND PROJECT MANAGEMENT CAPABILITY

To optimize our core processes that underpin the success of primary programs, operation, or mission, we developed a tool to identify and prioritize the core processes that we should address first. We also developed a maturity model framework to assess and improve our core processes, as well as create a prioritization and assessment tool to assess core processes maturity levels.

We continued efforts to strengthen continuous improvement practices for core processes and policies through process improvement capability building. In FY 2025, 336 individuals completed a Fundamentals of Continuous Process Improvement training, and achieved an 81 percent certification rate of eligible Green Belt candidates.

### RESHAPE AND OPTIMIZE WORKFORCE

To build and maintain a workforce capable of meeting current and future challenges, we led change through targeted human capital initiatives driven by Administration priorities. EO 14210, *Implementing the President's "Department of Government Efficiency" Cost Efficiency Initiative*, drove our workforce reshaping efforts. We effectively and efficiently established an enterprise program and IT solution to deploy the Office of Personnel Management's (OPM) Deferred Resignation Program (DRP) as well as a supplemental Treasury DRP. These two programs reduced our workforce size by 20 percent, minimizing the need to conduct extensive workforce reshaping activities. We partnered with OPM

to acquire authorization for voluntary early retirement authority to support workforce reshaping efforts.

As part of optimizing the workforce, the IRS is aligning its organizational structure to support strategic goals, optimize staffing levels, and use team-based models to improve flexibility and responsiveness. At the same time, the IRS is investing in programs to help employees adapt to new tools, processes, and expectations. These efforts are part of a broader strategy to improve compliance outcomes while building a modern, data-driven, and taxpayer-focused enforcement environment.

Additionally, our workforce optimization efforts included support of return to in-person work. After adjusting for the DRP participants and approved in-person exemptions, 92.8 percent of the total workforce now reports to physical office locations. We also made significant advancements to comply with updated performance management requirements, limiting performance improvement periods to 30 business days, implementing new supervisory standards and new Senior Executive Service certification requirements, and converting the performance rating cycle to a fiscal year. We also developed guidance, training, and process and system updates to certify the fitness of employees at the end of their probationary period.

We modernized our human capital management system by better aligning human capital and budget processes to ensure we address leadership priorities in the highest-needed areas.

## **DELIVER HIGH-QUALITY COMMON SERVICES TO THE TREASURY ENTERPRISE**

In FY 2025, we established the Treasury Common Services Center (TCSC) within the Office of Management. The TCSC will bring together human resources processing, common information technology functions, and operational services, such as acquisition and travel, into a unified service delivery model. By centralizing and elevating these critical mission enablers, we share best practices across the agency, leading to a common “Treasury Way” of providing support services. This

centralized approach will enable us to focus even more intently on our core mission, which will increase operational efficiency, customer satisfaction with administrative services, resiliency, and our organizational capacity.

Additionally, we continue to advance a comprehensive, data-driven approach to managing our nationwide portfolio of real property assets. This strategy is closely aligned with federal requirements under OMB Memorandum M-25-25, which sets a 60 percent space utilization goal, and the *Utilizing Space Efficiently and Improving Technologies Act*, which emphasizes modernization and efficient workspace usage across government agencies. Our approach balances mission readiness with fiscal responsibility, building efficiency, and evolving workforce needs. With an average occupancy rate of 48 percent across our portfolio, we are making measurable progress toward our 60 percent utilization target. These outcomes reflect our commitment to real property optimization and the responsible stewardship of taxpayer resources.



Source: Adobe Stock

### **Workforce Optimization**

Additionally, our workforce optimization efforts included support of return to in-person work. After adjusting for the DRP participants and approved in-person exemptions, 92.8 percent of the total workforce now reports to physical office locations.

## Goal 5: Celebrate American Achievement and Be a Model Host

The 250th anniversary of the signing of the Declaration of Independence is a historic milestone and an opportunity to celebrate American manufacturing and instill national pride through the sales of numismatics products and public outreach events that reflect on our nation's past and honor the contributions of all Americans. Treasury has unique opportunities to showcase American achievement through the U.S. presidencies of the G20 and G7, and will leverage hosting responsibilities for the FIFA World Cup and the Olympics and Paralympics to further celebrate America250. These major events, along with other anniversary activities, will also allow the Secretary to continue actively engaging with the public through outreach to broaden Americans' understanding of economic policies.

In the past years, we produced and sold several commemorative coins recognizing pivotal moments and individuals in American history. In FY 2025, we recognized the Marine Corps' significant contributions to the security and protection of the U.S. Additionally, we developed designs in support of our FY 2026 coin/medal programs that highlight Americans and American accomplishments, to include the 2026 FIFA World Cup commemorative coin program, Semi-quincentennial coins and medals and several Congressional Gold Medals—the nation's highest civilian honor. Additionally, we produced and sold 2024 and 2025 American Innovation \$1 Coin sets, as well as bags and rolls of the individual \$1 coins.

## FY 2025 Operational Performance Measures

In FY 2025, we continued to deliver value to our customers, the American taxpayer. Our performance measures present data on service and operational outcomes for our core programs. Table 3 contains performance results for key measures we use to assess our performance in core services and operations—programs that are critical to the proper functioning of the U.S. government. A full discussion of performance for all our programs is included in the Annual Performance Report.

**TABLE 3: SELECT PERFORMANCE MEASURES**

Bureau/Office	Measure (Responsible Bureau/Office)	FY 25 Result	FY 25 Target	FY 25 Result vs Target
IRS	<b>Timeliness of Critical Individual Filing Season Tax Products to the Public (%)</b>	<b>97.3%</b>	<b>91%</b>	<b>Exceeded</b>
	This measure represents the percent of on-time release of critical individual filing season (CIFS) tax products to the public, such as forms, schedules, instructions, and publications. Timeliness of CIFS tax products to the public was 97.3 percent and exceeded plan of 91 percent because no major tax legislation impacting filing season preparation was passed. 110 out of 113 CIFS tax products were available to the public seven calendar days before the official IRS start of the (individual) filing season. In most years, the Tuesday after the Martin Luther King Jr. holiday is the official IRS tax season start date. This year, the official IRS tax season start date was pushed to January 27, allowing an additional week to complete and release tax products to the public.			
	<b>Enterprise Self-Assistance Participation Rate (ESAPR)</b>	<b>96.6%</b>	<b>94%</b>	<b>Exceeded</b>
	This measure represents the percent where a taxpayer uses one of the IRS's self-assistance service channels ( <i>e.g.</i> , automated calls, web services) versus needing support from an IRS employee ( <i>e.g.</i> , face-to-face, telephone, paper correspondence).			
	The ESAPR of 96.6 percent exceeded the fiscal year plan of 94 percent. In FY 2025 total self-assisted services were 2.3 billion, assisted services were 99.1 million, and total FY 2025 services rose to 2.9 billion. The increase in self-assisted services was due to growth in taxpayer's use of Where's My Refund and the Interactive Tax Assistance tools, and third-party transcript requests. Using the self-assistance services, taxpayers made almost 234.8 million electronic payments and set up nearly 2.8 million online payment agreements.			
	<b>Percent of Aged Hardware</b>	<b>13.1%</b>	<b>&lt;20.0%</b>	<b>Exceeded</b>
This measure shows the quantity of IT hardware in operation past its useful life as a percentage of total hardware in use. The percent of aged hardware was 13.1 percent which surpassed the target ceiling of 20 percent for FY 2025. The program anticipates sustaining its existing portfolio balance, maintaining risk alignment, and delivering end-of-year risk outcomes consistent with current fiscal year results.				
TTB	<b>Customer Service Representative (CSR) Level of Service (LOS) (%)</b>	<b>60.5%</b>	<b>60%</b>	<b>Exceeded</b>
	This measure shows the relative success rate of taxpayers that call for Customer Account Services seeking assistance from a Customer Service Representative. Customer Service Representative Level of Service includes telephone lines answered by Accounts Management Customer Service Representatives only. From October 1, 2024, through September 30, 2025, Customer Service Representative Level of Service was 60.5 percent, above the annual target of 60 percent. The level of service for the 2025 filing season was 87.0 percent. Customer service representatives answered around 18.6 million calls in FY 2025. Customer service representative phone demand, which includes services offered and disconnects, was around 33.7 million. In FY 2025, around 13.8 million taxpayers were offered a callback and 8.6 million (62.3 percent) accepted. This resulted in around 4.1 million hours saved for the taxpayer, providing a better experience.			
	<b>Percentage of Permit Applications Processed within Service Standards</b>	<b>82%</b>	<b>85%</b>	<b>Unmet</b>

Bureau/Office	Measure (Responsible Bureau/Office)	FY 25 Result	FY 25 Target	FY 25 Result vs Target
	This measure represents the overall rate at which the TTB is meeting its annual service standard (75 days for FYs 2020 – 2025) for all original permit applications and registrations. The measure reflects the efficiency and consistency of TTB’s permitting process and supports effective communication with industry members regarding TTB’s level of service. In FY 2025, TTB issued 82 percent of applications within its 75-day service standard, falling shy of its 85 percent target. With sustained high application volume, to restore performance to target levels, TTB is undertaking a major initiative to simplify permit application requirements, streamline internal processes, and migrate its legacy IT system to a modern platform. The initial release is planned for FY 2026.			
BFS	<b>Percentage of Treasury Payments Made Electronically</b>	<b>96.96%</b>	<b>97.03%</b>	<b>Unmet</b>
	This measure provides the percentage of the total payments disbursed electronically. In FY 2026, BFS will continue to identify, test, and expand digital payment options, making them available to people and businesses interacting with federal agencies. This will include revising guidance, processes, and regulations as necessary to allow for limited paper exceptions for government payments.			
	<b>Percentage of Total Federal Government Receipts Initiated Electronically</b>	<b>88.8%</b>	<b>84.5%</b>	<b>Met</b>
	This measure provides the percentage of total federal government revenue collection dollars initiated electronically.			
Mint	<b>Seigniorage per Dollar Issued</b>	<b>0.06</b>	<b>0.10</b>	<b>Unmet</b>
	Seigniorage per dollar issued is the seigniorage generated from each dollar of circulating coinage face-value shipped to the Federal Reserve Banks. Seigniorage per dollar issued fell short of the target primarily due to the circulating product denomination mix ordered by the Federal Reserve Banks, coupled with increased metal costs during FY 2025.			
BEP	<b>Manufacturing Costs – Dollar Costs per Thousand Notes Produced</b>	<b>\$70.35</b>	<b>\$81.04</b>	<b>Exceeded</b>
	Manufacturing Costs for Currency (dollar cost per 1,000 notes produced) is an indicator of manufacturing efficiency and effectiveness of program management. The measure is based on contracted price factors, productivity improvements, as well as the mix of denominations ordered. Actual performance against standard costs depends on BEP’s ability to meet spoilage, efficiency, and capacity utilization goals.			
Management	<b>Percent of Procurement Dollars spent on Small Business</b>	<b>38.22%</b>	<b>36.8%</b>	<b>Exceeded</b>
	This measure is the percentage of eligible small business procurement dollars obligated toward small businesses (or our overall small business goal) and highlights our efforts to ensure that small businesses have the maximum practicable opportunity to provide goods and services to the federal government. We exceeded meeting our FY 2025 small business goal of 37 percent. We overperformed and exceeded the socio-economic small business goal.			
Office of International Affairs	<b>Percentage of CFIUS Cases Reviewed within Statutory Timeframes, reported by calendar year</b>	<b>N/A</b>	<b>100%</b>	<b>N/A</b>
	This measure tracks compliance with statutory deadlines for completing national security reviews of transactions notified to the CFIUS to ensure that the CFIUS process is timely and efficient. We report results on a calendar-year basis, at which time the comparison can be made of actual results versus target.			

Bureau/Office	Measure (Responsible Bureau/Office)	FY 25 Result	FY 25 Target	FY 25 Result vs Target
Office of Terrorism and Financial Intelligence	<b>Number of New or Modified Sanctions Programs Established by Executive Order or Congressional Mandate</b>	5	N/A	N/A
	<p>This indicator tracks the number of new or modified sanctions programs that we implement and enforce. However, the indicator does not capture the levels of relative complexity for each sanction program or the complexity of individual national security objectives that sanctions attempt to achieve. We do not set targets for new or modified sanctions programs since the existence of a sanctions program is not itself a measure of success.</p>			

# ENTERPRISE RISK MANAGEMENT

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OMB Circular No. A-11, *Preparation, Submission, and Execution of the Budget*, provides guidance to federal managers to effectively manage risks to achieve strategic objectives. Management, together with the Chief Risk Officer (CRO), is responsible for establishing a governance structure to implement a robust process of risk management and internal control, as well as an enterprise-wide risk profile. Successful implementation requires us to establish and foster an open and transparent culture that encourages personnel to communicate information about potential risks and other concerns that impact our programs and operations.

The CRO meets regularly with senior leaders to discuss top risks to critical programs, systems, projects, and priorities, including response strategies. This includes the Bureau Deputies Council, which serves as the Department's Enterprise Risk Management (ERM) Committee. The ERM Council, chaired by the Deputy CRO, brings together risk managers from each of our bureaus on a bimonthly basis to share best practices and discuss risks. The Enterprise Strategy, Performance and Risk team in the Office of Strategy, Planning, and Performance Improvement works with our bureaus and policy offices to monitor and annually update our risk profile and helps ensure our risk profile is well integrated with Treasury's strategic direction.

The Deputy CRO also leads an interagency ERM community of practice, including officials from more than 50 federal agencies. This group originated from our efforts to support agencies' implementation of ERM. This government-wide working group meets bimonthly to discuss common risks and various methods of implementing ERM programs.

## RISKS AND CHALLENGES

We have identified the following cross-cutting risks.

**Eroding Mission Capability:** Human capital challenges related to knowledge management and workforce planning, if not adequately addressed, will erode our mission capability.

**Evolving Cyber Risks:** We and financial sector partners face increasing attacks from cyber criminals and state actors attempting to disrupt operations, extort, or steal data from sensitive systems. The tactics, techniques, and procedures these threat actors employ are constantly evolving.

**Limited Data Accessibility:** If we are not able to leverage data as a strategic asset, then poor data quality may deteriorate our decision-making and impede our ability to generate evidence for effective use. Lack of accessibility and reliability of data, and the inability to interpret data compounded by process inefficiencies may hinder our ability to use and share data and evidence to support decision-making.

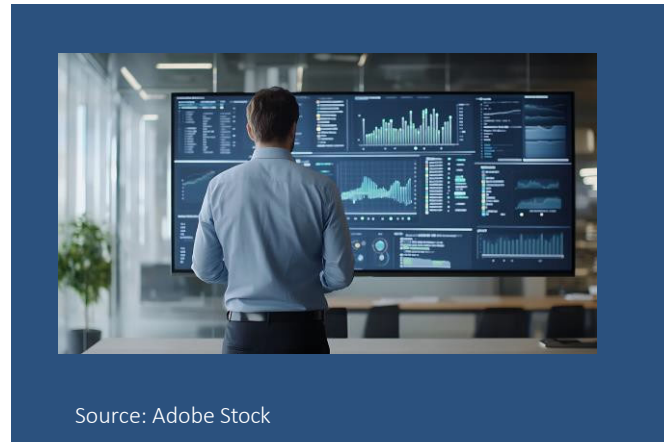
**Vendor Management:** If our offices and bureaus are unable to effectively monitor contract execution and budget, we may fail to execute our mission, lose funding, and lose the public's confidence in us.

**Organizational Change Management:** If we are unable to build a resilient leadership and culture, we may be unable to respond to significant change without affecting core mission delivery. Given budget constraints and the rapid pace of change, both predictable and unexpected changes could significantly impact critical projects and priorities.

## FY 2026 STRATEGIC OUTLOOK

Our FY 2026 – 2030 Strategic Plan has just been published. It describes the long-term goals and objectives we aim to achieve during this Administration, building from the progress made and challenges identified in FY 2025. We plan to update the Strategic Plan annually to reflect our progress, including updating our goals and objectives to reflect the most relevant initiatives and stakeholder feedback, as well as further specifying our desired outcomes and measures/indicators of success.

As we conduct our FY 2026 SOAR we will outline several critical leadership actions where we will select targeted initiatives to make progress.



Source: Adobe Stock

### Looking Ahead

Our FY 2026 – 2030 Strategic Plan is now published on [Treasury.gov](https://www.treasury.gov). The plan describes the long-term goals and objectives we aim to achieve during this Administration, building from the progress made and challenges identified in FY 2025.

# ADDITIONAL INFORMATION

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## HUMAN CAPITAL PLAN IMPLEMENTATION

- In FY 2027, Treasury’s Human Capital Community will advance from implementation to optimization of enterprise-wide workforce management initiatives launched in prior years. Building on foundational reforms in workforce planning, data integration, and operational standardization, Treasury will focus on institutionalizing enterprise workforce analytics, strengthening operational oversight, and scaling shared service delivery to drive measurable improvements in mission execution and resource stewardship. Key efforts include: Operationalizing Position Budget Management (PBM): Expanding and fully integrating PBM capabilities across bureaus to support real-time workforce forecasting, enhanced position control, improved cost modeling, and centralized reporting of budget and workforce data.
- Improving Workforce Utilization and Productivity: Leveraging standardized workforce metrics, time and attendance analytics, and workload visibility tools to better align staffing resources with mission requirements, strengthen supervisory oversight, and reduce operational inefficiencies.
- Advancing Enterprise Data Integration and Analytics: Enhancing integration of HR systems with budget, IT, facilities, and other operational platforms to enable comprehensive workforce dashboards and support data-driven decision-making.
- Modernizing Human Capital Service Delivery: Scaling shared service delivery models and streamlining HR processes to reduce duplication, improve service consistency, and strengthen internal controls.
- Enhancing Workforce Planning and Organizational Design: Utilizing enterprise workforce data to refine organizational structures, support succession planning, and ensure alignment of workforce capacity with evolving mission priorities.

## SUMMARY OF MANAGEMENT AND PERFORMANCE CHALLENGES

In accordance with the Reports Consolidation Act of 2000, the Inspectors General are required to provide the Secretary of the Treasury with their perspective on the most serious management and performance challenges facing the Department of the Treasury. At the end of each fiscal year, the Treasury Office of Inspector General (OIG) and Treasury Inspector General for Tax Administration (TIGTA) send an update of these management challenges to the Secretary of the Treasury (hereafter referred to as “Secretary”) and cite any new challenges for the upcoming fiscal year. This section contains the OIG and TIGTA identified management and performance challenges and management’s response.<sup>1</sup>

In this year’s memorandum, OIG reported five challenges, two of which are new and reports on the challenges faced with resource optimization and artificial intelligence adoption. As shown below, three challenges are repeated and updated from last year to include cyber threats, anti-money laundering enforcement, and crypto and digital asset growth. The new challenges present both opportunity and risk for Treasury’s operations.

- Resource Optimization (New)
- Cyber Threats (Repeat)
- Artificial Intelligence Adoption (New)
- Anti-Money Laundering/ Terrorist Financing and Bank Secrecy Act Enforcement (Repeat)
- Crypto and Digital Assets Growth (Repeat)

OIG identified challenges based on the threat they pose to Treasury’s mission and stakeholders’ interests. OIG also acknowledges

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<sup>1</sup> The FY 2025 AFR is available at [Agency Financial Report FY 2025 \(treasury.gov\)](https://www.treasury.gov). The response letters are on pages 163-183 (OIG) and 184-198 (TIGTA).

the Department's accomplishments and efforts over the past year to address critical matters as noted within each challenge. As noted throughout this memorandum, Treasury will need to continue to act swiftly and draw on its existing resources to meet economic needs.

### **TIGTA – Identified Management Challenges**

For FY 2026, TIGTA identified the IRS's top management and performance challenges as:

- Managing a Reduced Workforce and Budget;
- Improving Operational Efficiencies;
- Protecting Taxpayer Data;
- Implementing Tax Law Changes;
- Improving Taxpayer Service and Protecting Taxpayer Rights;
- Modernizing Information Technology; and
- Ensuring Tax Compliance

### **GAO – Identified High-Risk Areas**

- Reducing Billions in Significant Improper Payments and Fraud
- National Flood Insurance Program
- Resolving the Federal Role in Housing Finance
- Enforcement of Tax Laws
- Protecting Technologies Critical to U.S. National Security
- Modernizing the U.S. Financial Regulatory System

## **GOOD ACCOUNTING OBLIGATION IN GOVERNMENT ACT (GAO-IG ACT)**

The Good Accounting Obligation in Government Act (the Act) requires each Federal agency to include, in its annual budget justification, a report that identifies each public recommendation issued by the Government Accountability Office (GAO) and the agency's inspector(s) general (IGs) that has remained unimplemented for one year or more from the budget justification submission date. In compliance with the Act, Treasury has included a report listing each public recommendation issued by GAO, Treasury Office of Inspector General (OIG), and Treasury Inspector General for Tax Administration (TIGTA). For recommendations with which Treasury agreed, this report provides timelines for full implementation of the corrective action plans (CAPs). For recommendations with completed CAPs, this report indicates the status as "*Implemented and Awaiting Auditor Verification*." For recommendations with which Treasury disagreed or did not implement corrective actions due to budgetary constraints or other factors, this report indicates their status as either "*Rejected*," or "*On Hold*," respectively. For recommendations where Treasury did not formally respond, take action, or update the corrective action plan due date, this report indicates "*No Action Taken*," "*No further action will be taken*" or "*Corrective Action Plan: TBD*".

The Act also requires a reconciliation between the agency records of unimplemented recommendations and each IGs' Semiannual Report to Congress (SAR). Treasury IGs use the same system (Treasury's Joint Audit Management Enterprise System (JAMES)) for the reporting of unimplemented recommendations in the SAR. In addition, Treasury IGs have direct access to JAMES and regularly review and validate the recommendation implementation status recorded in JAMES by conducting corrective action verifications and follow-up audits. A reconciliation table is provided as part of this report to illustrate that the discrepancies between this report and the SAR are due to differences in reporting criteria.

The information used to create this report is based on JAMES and GAO's recommendations database available on [www.gao.gov](http://www.gao.gov).

### **Reporting Methodology and Report Structure**

This report includes GAO, OIG, and TIGTA recommendations issued up through 01/31/2025 that remained unimplemented for one year or more from the planned fiscal year 2027 budget justification submission date.

The report has five parts:

Appendix 1: A report listing GAO recommendations and their implementation status.

Appendix 2: A report listing OIG recommendations and their implementation status.

Appendix 3: A report listing TIGTA recommendations and their implementation status.

Appendix 4: A reconciliation of this report and the IGs' SARs.

Appendix 5: A listing of acronyms used throughout this report.

This year's report with executive summaries and other detailed reports are available on Treasury's website at <https://home.treasury.gov/about/budget-financial-reporting-planning-and-performance/good-accounting-obligation-in-government-act-gao-ig-act-reports>

## **EVIDENCE ACT**

The Foundations for Evidence-Based Policymaking Act ("Evidence Act"), Public Law 115-435, takes steps to advance evidence-building functions in the Federal government. The law builds on existing Federal policies and data infrastructure investments to support information quality, access, and use. Treasury's Learning Agenda is set of priority questions designed to generate evidence through research, evaluation, and analysis to inform agency decision-making on policy development or program administration. The Learning Agenda includes questions about program performance and potential strategies or approaches to improve performance and meet agency goals and administration priorities.

The FY 2027 Learning Agenda was developed in conjunction with the development of the FY 2026-2030 Treasury strategic plan to ensure that research activity is aligned to strategic priorities. Additionally, the FY 2027 Learning Agenda identifies significant evaluations and research projects that Treasury plans to conduct in FY 2027 with anticipated results at the end of the fiscal year. This year's research and evaluation plan features research and evaluations that will advance our understanding of taxpayer experience, modernization efforts, and payment integrity. As Treasury works to strengthen its overall capacity for evidence-building and enterprise governance, the agency will continue to consider how evidence can be used to inform performance planning and reporting.<sup>[1]</sup>

## **IDEA ACT**

Utilizing the framework established in the Office of Management and Budget's M-23-22, Delivering a Digital-First Public Experience memo, Treasury continues its work on implementing Public Law 115-336, the 21st Century Integrated Digital Experience Act (IDEA). Treasury has a responsibility to manage customer experience and mature service delivery to ensure ease of use, trustworthiness, and accessibility for the American public. Treasury's ongoing commitment to modernizing operations will continue modernization, digitization of services, standardization, and customer experience enhancements. Through these efforts, Treasury and its high impact service providers will adhere to policy guidance and reporting requirements while providing transparency in assessment of its 21st Century IDEA progress.

## **MACHINE READABLE SUMMARY TABLES**

Treasury has developed, for online posting, machine-readable files of the budget summary tables in the executive summary chapter of the FY 2027 Congressional Budget Justification. Please see the following link for more information: <https://home.treasury.gov/about/budget-financial-reporting-planning-and-performance/budget-requestannual-performance-plan-and-reports>.

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<sup>[1]</sup> The Treasury Learning Agenda and Capacity Assessment and the Annual Evaluation Plan are available at: <https://home.treasury.gov/about/budget-financial-reporting-planning-and-performance/budget-requestannual-performance-plan-and-reports>

# SUMMARY OF FY 2027 APPROPRIATIONS LANGUAGE

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## **DEPARTMENTAL OFFICES**

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### **SALARIES AND EXPENSES**

*For necessary expenses of the Departmental Offices including operation and maintenance of the Treasury Building and Freedman's Bank Building; hire of passenger motor vehicles; maintenance, repairs, and improvements of, and purchase of commercial insurance policies for, real properties leased or owned overseas, when necessary for the performance of official business; executive direction program activities; international affairs and economic policy activities; domestic finance and tax policy activities, including technical assistance to State, local, and territorial entities; and Treasury-wide management policies and programs activities, \$301,250,000: Provided, That of the amount appropriated under this heading—*

*(1) not to exceed \$2,100,000 is for official reception and representation expenses of which \$1,750,000 is for hosting for the G7 Financial Summit and other G7-related activities;*

*(2) not to exceed \$258,000 is for unforeseen emergencies of a confidential nature to be allocated and expended under the direction of the Secretary of the Treasury and to be accounted for solely on the Secretary's certificate; and*

*(3) not to exceed \$43,000,000 shall remain available until September 30, 2028, for—*

*(A) the Treasury-wide Financial Statement Audit and Internal Control Program;*

*(B) information technology modernization requirements;*

*(C) the audit, oversight, and administration of the Gulf Coast Restoration Trust Fund;*

*(D) the development and implementation of programs within the Office of Cybersecurity and Critical Infrastructure Protection, including entering into cooperative agreements;*

*(E) operations and maintenance of facilities; and*

*(F) international operations.*

## **OFFICE OF TERRORISM AND FINANCIAL INTELLIGENCE**

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### **SALARIES AND EXPENSES**

*For the necessary expenses of the Office of Terrorism and Financial Intelligence to safeguard the financial system against illicit use and to combat rogue nations, terrorist facilitators, weapons of mass destruction proliferators, human rights abusers, money launderers, drug kingpins, and other national security threats, \$252,852,000, of which not less than \$3,000,000 shall be available for addressing human rights violations and corruption, including activities authorized by the Global Magnitsky Human Rights Accountability Act (22 U.S.C. 2656 note): Provided, That of the amounts appropriated under this heading, up to \$16,000,000 shall remain available until September 30, 2028.*

## **CYBERSECURITY ENHANCEMENT ACCOUNT**

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*For salaries and expenses for enhanced cybersecurity for systems operated by the Department of the Treasury, \$59,000,000, to remain available until September 30, 2029: Provided, That such funds shall supplement and not supplant any other amounts made available to the Treasury offices and bureaus for cybersecurity: Provided further, That of the total amount made available under this heading \$6,500,000 shall be available for administrative expenses for the Treasury Chief Information Officer to provide oversight of the investments made under this heading: Provided further, That such funds shall supplement and not supplant any other amounts made available to the Treasury Chief Information Officer.*

## **DEPARTMENT-WIDE SYSTEMS AND CAPITAL INVESTMENTS PROGRAM**

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*For development and acquisition of automatic data processing equipment, software, and services and for repairs, security improvements, and renovations to buildings owned by the Department of the Treasury, \$22,613,000, to remain available until September 30, 2029: Provided, That these funds shall be transferred to accounts and in amounts as necessary to satisfy the requirements of the Department's offices, bureaus, and other organizations: Provided further, That this transfer authority shall be in addition to any other transfer authority provided in this Act: Provided further, That none of the funds appropriated under this heading shall be used to support or supplement "Internal Revenue Service, Operations Support" or "Internal Revenue Service, Business Systems Modernization".*

## **OFFICE OF THE INSPECTOR GENERAL**

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### **SALARIES AND EXPENSES**

*For necessary expenses of the Office of Inspector General in carrying out the provisions of chapter 4 of title 5, United States Code, \$43,550,000, including hire of passenger motor vehicles; of which not to exceed \$100,000 shall be available for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Inspector General of the Treasury; of which up to \$2,800,000 to remain available until September 30, 2028, shall be for audits and investigations conducted pursuant to section 1608 of the Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act of 2012 (33 U.S.C. 1321 note); and of which not to exceed \$1,000 shall be available for official reception and representation expenses.*

## **COMMITTEE ON FOREIGN INVESTMENT IN THE UNITED STATES**

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*For necessary expenses of the Committee on Foreign Investment in the United States, \$21,000,000, to remain available until expended: Provided, That the chairperson of the Committee may transfer such amounts to any department or agency represented on the Committee (including the Department of the Treasury) subject to advance notification to the Committees on Appropriations of the House of Representatives and the Senate: Provided further, That amounts so transferred shall remain available until expended for expenses of implementing section 721 of the Defense Production Act of 1950, as amended (50 U.S.C. 4565), and shall be available in addition to any other funds available to any department or agency: Provided further, That fees authorized by section 721(p) of such Act shall be credited to this appropriation as offsetting collections: Provided further, That the total amount appropriated under this heading from the general fund shall be reduced as such offsetting collections are received during*

*fiscal year 2027, so as to result in a total appropriation from the general fund estimated at not more than \$0.*

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**TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION**

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**SALARIES AND EXPENSES**

*For necessary expenses of the Treasury Inspector General for Tax Administration in carrying out chapter 4 of title 5, United States Code, including purchase and hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services authorized by 5 U.S.C. 3109, at such rates as may be determined by the Inspector General for Tax Administration; \$137,661,000, of which \$5,000,000 shall remain available until September 30, 2028; of which not to exceed \$6,000,000 shall be available for official travel expenses; of which not to exceed \$500,000 shall be available for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Inspector General for Tax Administration; and of which not to exceed \$1,500 shall be available for official reception and representation expenses.*

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**FINANCIAL CRIMES ENFORCEMENT NETWORK**

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**SALARIES AND EXPENSES**

*For necessary expenses of the Financial Crimes Enforcement Network, including hire of passenger motor vehicles; travel and training expenses of non-Federal and foreign government personnel to attend meetings and training concerned with domestic and foreign financial intelligence activities, law enforcement, and financial regulation; services authorized by 5 U.S.C. 3109; not to exceed \$25,000 for official reception and representation expenses; and for assistance to Federal law enforcement agencies, with or without reimbursement, \$210,193,000 of which not to exceed \$55,000,000 shall remain available until September 30, 2029.*

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**BUREAU OF THE FISCAL SERVICE**

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**SALARIES AND EXPENSES**

*For necessary expenses of operations of the Bureau of the Fiscal Service, \$391,109,000 of which not to exceed \$8,000,000, to remain available until September 30, 2029, is for information systems modernization initiatives; and of which \$5,000 shall be available for official reception and representation expenses.*

*In addition, \$225,000, to be derived from the Oil Spill Liability Trust Fund to reimburse administrative and personnel expenses for financial management of the Fund, as authorized by section 1012 of Public Law 101-380.*

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**ALCOHOL AND TOBACCO TAX AND TRADE BUREAU**

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**SALARIES AND EXPENSES**

*For necessary expenses of carrying out section 1111 of the Homeland Security Act of 2002, including hire of passenger motor vehicles, \$157,795,000; of which not to exceed \$6,000 shall be available for official reception and representation expenses; and of which not to exceed \$50,000 shall be available for cooperative research and development programs for laboratory services; and provision of laboratory assistance to State and local agencies with or without reimbursement.*

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**UNITED STATES MINT PUBLIC ENTERPRISE FUND**

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*Pursuant to section 5136 of title 31, United States Code, the United States Mint is provided funding through the United States Mint Public Enterprise Fund for costs associated with the production of circulating coins, numismatic coins, and protective services, including both operating expenses and capital investments: Provided, That the aggregate amount of new liabilities and obligations incurred during fiscal year 2027 under such section 5136 for circulating coinage and protective service capital investments of the United States Mint shall not exceed \$50,000,000.*

## **INTERNAL REVENUE SERVICE**

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### **TAXPAYER SERVICES**

*For necessary expenses of the Internal Revenue Service to provide taxpayer services, including pre-filing assistance and education, filing and account services, taxpayer advocacy services, and other services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner, \$3,130,969,000: Provided, That not to exceed \$206,500,000 of the amounts provided under this heading shall remain available until September 30, 2028, of which not less than \$17,000,000 shall be for the Tax Counseling for the Elderly Program; not less than \$22,000,000 shall be available for low-income taxpayer clinic grants, including grants to individual clinics of up to \$200,000; not less than \$62,500,000 shall be available for the Community Volunteer Income Tax Assistance (VITA) Matching Grants Program for tax return preparation assistance; and not more than \$5,000,000 shall be available for the VITA Incubator Grant Program: Provided further, That not less than \$251,600,000 of the amounts provided under this heading shall be available for operating expenses of the Taxpayer Advocate Service, of which not less than \$7,000,000 shall be for identity theft and refund fraud casework.*

### **ENFORCEMENT**

*For necessary expenses for tax enforcement activities of the Internal Revenue Service to determine and collect owed taxes, to provide legal and litigation support, to conduct criminal investigations, to enforce criminal statutes related to violations of internal revenue laws and other financial crimes, to purchase and hire passenger motor vehicles (31 U.S.C. 1343(b)), and to provide other services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner, \$4,102,375,000; of which not to exceed \$250,000,000 shall remain available until September 30, 2028; of which not less than \$60,257,000 shall be for the Interagency Crime and Drug Enforcement program; and of which not to exceed \$35,000,000 shall be for investigative technology for the Criminal Investigation Division: Provided, That the amount made available for investigative technology for the Criminal Investigation Division shall be in addition to amounts made available for the Criminal Investigation Division under the "Technology and Operations Support" heading.*

### **TECHNOLOGY AND OPERATIONS SUPPORT**

*For necessary expenses to operate the Internal Revenue Service to support taxpayer services and enforcement programs, including rent payments; facilities services; printing; postage; physical security; headquarters and other IRS-wide administration activities; research and statistics of income; telecommunications; information technology development, enhancement, operations, maintenance and security; the hire of passenger motor vehicles (31 U.S.C. 1343(b)); the operations of the Internal Revenue Service Oversight Board; and other services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner; \$2,598,024,000, of*

*which not to exceed \$275,000,000 shall remain available until September 30, 2028; of which not to exceed \$10,000,000 shall remain available until expended for acquisition of equipment and construction, repair and renovation of facilities; of which not to exceed \$1,000,000 shall remain available until September 30, 2029, for research; and of which not to exceed \$70,000 shall be for official reception and representation expenses: Provided, That not later than 30 days after the end of each quarter, the Internal Revenue Service shall submit a report to the Committees on Appropriations of the House of Representatives and the Senate and the Comptroller General of the United States detailing major information technology investments in the Internal Revenue Service portfolio, including detailed, plain language summaries on the status of plans, costs, and results; prior results and actual expenditures of the prior quarter; upcoming deliverables and costs for the fiscal year; risks and mitigation strategies associated with ongoing work; reasons for any cost or schedule variances; and total expenditures by fiscal year: Provided further, That the Internal Revenue Service shall include, in its budget justification for fiscal year 2028, a summary of cost and schedule performance information for its major information technology systems.*

#### **ADMINISTRATIVE PROVISIONS— INTERNAL REVENUE SERVICE**

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**SEC. 101.** *Not to exceed 5 percent of any funds made available to the Internal Revenue Service in this Act or any other provision of law may be transferred to any other Internal Revenue Service appropriation upon the advance notification to the Committees on Appropriations of the House of Representatives and the Senate.*

**SEC. 102.** *The Internal Revenue Service shall maintain an employee training program, which shall include the following topics: taxpayers' rights, dealing courteously with taxpayers, cross-cultural relations, ethics, and the impartial application of tax law.*

**SEC. 103.** *The Internal Revenue Service shall institute and enforce policies and procedures that will safeguard the confidentiality of taxpayer information and protect taxpayers against identity theft.*

**SEC. 104.** *Funds made available by this or any other Act to the Internal Revenue Service shall be available for improved facilities and increased staffing to provide sufficient and effective 1–800 help line service for taxpayers. The Commissioner shall continue to make improvements to the Internal Revenue Service 1–800 help line service a priority and allocate resources necessary to enhance the response time to taxpayer communications, particularly with regard to victims of tax-related crimes.*

**SEC. 105.** *The Internal Revenue Service shall issue a notice of confirmation of any address change relating to an employer making employment tax payments, and such notice shall be sent to both the employer's former and new address and an officer or employee of the Internal Revenue Service shall give special consideration to an offer-in-compromise from a taxpayer who has been the victim of fraud by a third party payroll tax preparer.*

**SEC. 106.** *None of the funds made available under this Act may be used by the Internal Revenue Service to target citizens of the United States for exercising any right guaranteed under the First Amendment to the Constitution of the United States.*

**SEC. 107.** *None of the funds made available in this Act may be used by the Internal Revenue Service to target groups for regulatory scrutiny based on their ideological beliefs.*

**SEC. 108.** *None of funds made available by this Act to the Internal Revenue Service shall be obligated or expended on conferences that do not adhere to the procedures, verification processes, documentation requirements, and policies issued by the Chief Financial Officer,*

*Human Capital Office, and Agency-Wide Shared Services as a result of the recommendations in the report published on May 31, 2013, by the Treasury Inspector General for Tax Administration entitled "Review of the August 2010 Small Business/Self-Employed Division's Conference in Anaheim, California" (Reference Number 2013–10–037).*

**SEC. 109.** *None of the funds made available in this Act to the Internal Revenue Service may be obligated or expended— (1) to make a payment to any employee under a bonus, award, or recognition program; or (2) under any hiring or personnel selection process with respect to re-hiring a former employee; unless such program or process takes into account the conduct and Federal tax compliance of such employee or former employee.*

**SEC. 110.** *None of the funds made available by this Act may be used in contravention of section 6103 of the Internal Revenue Code of 1986 (relating to confidentiality and disclosure of returns and return information).*

**SEC. 111.** *The Secretary of the Treasury (or the Secretary's delegate) may use the funds made available in this Act, subject to such policies as the Secretary (or the Secretary's delegate) may establish, to utilize direct hire authority to recruit and appoint qualified applicants, without regard to any notice or preference requirements, directly to positions in the competitive service to process backlogged tax returns and return information.*

**SEC. 112.** *Notwithstanding section 1344 of title 31, United States Code, funds appropriated to the Internal Revenue Service in this Act may be used to provide passenger carrier transportation and protection between the Commissioner of Internal Revenue's residence and place of employment. Not to exceed 8 percent of any funds made available in this Act or any other provision of law to the Internal Revenue Service may be transferred to any other Internal Revenue Service appropriation upon the advance notification to the Committees on Appropriations of the House of Representatives and the Senate.*

**SEC. 113.** *None of the funds made available by this Act may be used to purchase firearms or ammunition for the Internal Revenue Service above the levels in the possession of the Internal Revenue Service on December 22, 2022.*

#### **ADMINISTRATIVE PROVISIONS—DEPARTMENT OF THE TREASURY (INCLUDING TRANSFERS OF FUNDS)**

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**SEC 113.** *Appropriations to the Department of the Treasury in this Act shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901), including maintenance, repairs, and cleaning; purchase of insurance for official motor vehicles operated in foreign countries; purchase of motor vehicles without regard to the general purchase price limitations for vehicles purchased and used overseas for the current fiscal year; entering into contracts with the Department of State for the furnishing of health and medical services to employees and their dependents serving in foreign countries; and services authorized by 5 U.S.C. 3109.*

**SEC 114.** *Not to exceed 4 percent of any appropriations in this title made available under the headings "Departmental Offices--Salaries and Expenses", "Office of Inspector General", "Financial Crimes Enforcement Network", "Bureau of the Fiscal Service", and "Alcohol and Tobacco Tax and Trade Bureau" may be transferred between such appropriations upon the advance notification to the Committees on Appropriations of the House of Representatives and the Senate: Provided, That no transfer under this section may increase or decrease any such appropriation by more than 10 percent.*

**SEC 115.** *Not to exceed 2 percent of any appropriation made available in this Act to the Internal Revenue Service may be transferred to the Treasury Inspector General for Tax Administration's appropriation upon the advance notification to the Committees on Appropriations of the House of Representatives and the Senate: Provided, That no transfer may increase or decrease any such appropriation by more than 2 percent.*

**SEC 116.** *None of the funds appropriated in this Act or otherwise available to the Department of the Treasury or the Bureau of Engraving and Printing may be used to redesign the \$1 Federal Reserve note.*

**SEC 117.** *The Secretary of the Treasury may transfer funds from the "Bureau of the Fiscal Service--Salaries and Expenses" to the Debt Collection Fund as necessary to cover the costs of debt collection: Provided, That such amounts shall be reimbursed to such salaries and expenses account from debt collections received in the Debt Collection Fund.*

**SEC 118.** *None of the funds appropriated or otherwise made available by this or any other Act may be used by the United States Mint to construct or operate any museum without the advance notification to the Committees on Appropriations of the House of Representatives and the Senate, the House Committee on Financial Services, and the Senate Committee on Banking, Housing, and Urban Affairs.*

**SEC 119.** *None of the funds appropriated or otherwise made available by this or any other Act or source to the Department of the Treasury, the Bureau of Engraving and Printing, and the United States Mint, individually or collectively, may be used to consolidate any or all functions of the Bureau of Engraving and Printing and the United States Mint without the advance notification to the House Committee on Financial Services; the Senate Committee on Banking, Housing, and Urban Affairs; and the Committees on Appropriations of the House of Representatives and the Senate.*

**SEC 120.** *Funds appropriated by this Act, or made available by the transfer of funds in this Act, for the Department of the Treasury's intelligence or intelligence related activities are deemed to be specifically authorized by the Congress for purposes of section 504 of the National Security Act of 1947 (50 U.S.C. 414) during fiscal year 2027 until the enactment of the Intelligence Authorization Act for Fiscal Year 2027.*

**SEC 121.** *Not to exceed \$5,000 shall be made available from the Bureau of Engraving and Printing's Industrial Revolving Fund for necessary official reception and representation expenses.*

**SEC 122.** *Within 45 days after the date of enactment of this Act, the Secretary of the Treasury shall submit an itemized report to the Committees on Appropriations of the House of Representatives and the Senate on the amount of total funds charged to each office by the Franchise Fund including the amount charged for each service provided by the Franchise Fund to each office, a detailed description of the services, a detailed explanation of how each charge for each service is calculated, and a description of the role customers have in governing in the Franchise Fund.*

**SEC 123.** *(a) Not later than 60 days after the end of each quarter, the Office of Financial Research shall submit reports on their activities to the Committees on Appropriations of the House of Representatives and the Senate, the Committee on Financial Services of the House of Representatives, and the Senate Committee on Banking, Housing, and Urban Affairs.(b) The*

reports required under subsection (a) shall include—(1) the obligations made during the previous quarter by object class, office, and activity; (2) the estimated obligations for the remainder of the fiscal year by object class, office, and activity; (3) the number of full-time equivalents within each office during the previous quarter; (4) the estimated number of full-time equivalents within each office for the remainder of the fiscal year; and (5) actions taken to achieve the goals, objectives, and performance measures of each office. (c) At the request of any such Committees specified in subsection (a), the Office of Financial Research shall make officials available to testify on the contents of the reports required under subsection (a).

**SEC 124.** Not to exceed 5 percent of any appropriation made available in this Act for the Department of the Treasury may be transferred to the Department's information technology system modernization and working capital fund (IT WCF), as authorized by section 1077(b)(1) of title X of division A of the National Defense Authorization Act for Fiscal Year 2018 (Public Law 115-91), for the purposes specified in section 1077(b)(3) of such Act, upon the prior notification to the Committees on Appropriations of the House of Representatives and the Senate: Provided, That amounts transferred to the IT WCF under this section shall remain available for obligation through September 30, 2030.

**SEC 125.** Of the unobligated balances available in the Department of the Treasury Forfeiture Fund, established by section 9705 of title 31, United States Code, \$500,000,000 are hereby permanently cancelled not later than September 30, 2027.

**SEC 126.** The remaining unobligated balances of amounts made available to the Internal Revenue Service under section 13802 of Public Law 117-169 are hereby permanently cancelled.