

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.

Executive Summary

FY 2018 President's Budget by Function

Dollars in Thousands

	FY 2016	FY 2017	FY 2018	FY 2017 CR to FY 2018	
	Enacted	Annualized CR Rate	Request	Increase/ Decrease	Percent Change
Management & Financial	\$1,404,653	\$1,401,983	\$1,122,000	(\$279,983)	-19.97%
Departmental Offices Salaries and Expenses	\$222,500	\$222,077	\$201,751	(\$20,326)	-9.15%
Terrorism and Financial Intelligence (TFI)	\$117,000	\$116,778	\$116,778	\$0	0.00%
Cybersecurity Enhancement	\$0	\$0	\$27,264	\$27,264	100.00%
Department-wide Systems and Capital Investments Program	\$5,000	\$4,990	\$4,426	(\$564)	-11.30%
Office of Inspector General	\$35,416	\$35,349	\$34,112	(\$1,237)	-3.50%
Treasury IG for Tax Administration	\$167,275	\$166,957	\$161,113	(\$5,844)	-3.50%
Special Inspector General for TARP	\$40,671	\$40,594	\$20,297	(\$20,297)	-50.00%
Community Development Financial Institutions Fund	\$233,523	\$233,079	\$14,000	(\$219,079)	-93.99%
Financial Crimes Enforcement Network	\$112,979	\$112,764	\$112,764	\$0	0.00%
Alcohol and Tobacco Tax and Trade Bureau	\$106,439	\$106,237	\$98,658	(\$7,579)	-7.13%
Bureau of the Fiscal Service	\$363,850	\$363,158	\$330,837	(\$32,321)	-8.90%
Tax Administration¹	\$11,235,000	\$11,213,642	\$10,975,000	(\$238,642)	-2.13%
IRS Taxpayer Services	\$2,333,376	\$2,328,940	\$2,212,311	(\$116,629)	-5.01%
IRS Enforcement	\$4,714,936	\$4,855,688	\$4,706,500	(\$149,188)	-3.07%
IRS Operations Support	\$3,896,688	\$3,739,565	\$3,946,189	\$206,624	5.53%
IRS Business Systems Modernization	\$290,000	\$289,449	\$110,000	(\$179,449)	-62.00%
Subtotal, Treasury Appropriations excluding TEOAF	\$12,639,653	\$12,615,625	\$12,097,000	(\$518,625)	-4.11%
Treasury Forfeiture Fund Total ²	(\$876,000)	(\$876,000)	(\$876,000)	\$0	0.00%
Temporary Rescission	(\$876,000)	(\$876,000)		\$876,000	-100.00%
Permanent Rescission			(\$876,000)	(\$876,000)	0.00%
Subtotal, Treasury Appropriations including TEOAF	\$11,763,653	\$11,739,625	\$11,221,000	(\$518,625)	-4.42%
Treasury International Programs	\$2,313,470	\$2,309,072	\$1,505,953	(\$803,119)	-34.78%
Multilateral Development Banks	\$1,816,477	\$1,813,024	\$1,348,123	(\$464,901)	-25.64%
Food Security	\$74,930	\$74,787	\$30,000	(\$44,787)	-59.89%
Environmental Trust Funds	\$398,563	\$397,806	\$102,375	(\$295,431)	-74.27%
Office of Technical Assistance (OTA)	\$23,500	\$23,455	\$25,455	\$2,000	8.53%
Total, Treasury Appropriations	\$14,077,123	\$14,048,697	\$12,726,953	(\$1,321,744)	-9.41%

1/ The IRS was provided with \$290 million in funding in its administrative provisions. This table shows that funding as allocated. FY 2016/2017: \$176.8 million Taxpayer Services, \$4.9 million Enforcement, and \$108.2 million Operations Support.

2/ In FY 2016 and FY 2017, total includes (\$176,000,000) of the DHS Rescission (temporary).

Funding Highlights

The President's Fiscal Year 2018 Budget provides \$11.2 billion in discretionary funding (a 4 percent reduction from FY 2017 annualized continuing resolution (CR) levels) for Treasury's operating accounts and \$1.5 billion for Treasury's international assistance programs. This includes:

- Investing in core administration functions at IRS, modernizing legacy systems and platforms for interacting with taxpayers. IRS will utilize technology, training, and internal efficiencies to achieve a modest \$239 million (two percent) reduction, in support of the President's commitment to deficit reduction.
- Eliminating funding for Community Development Financial Institutions (CDFI) Fund grants, a savings of \$210 million from the 2017 annualized CR level.
- Prioritizing investments in cybersecurity through a Department-wide plan to strategically enhance existing security systems and preempt fragmentation of information technology management across the bureaus and financial sector.
- Maintaining funding for Treasury's array of economic enforcement tools and key programs that freeze the accounts of terrorists and proliferators, implement sanctions on rogue nations, and link law enforcement agencies with financial institutions are critical to the continued safety and financial stability of the Nation.
- Preserving top donor status with international financial institutions while reducing Treasury International Programs funding by \$803 million, a 35 percent reduction from the FY 2017 annualized CR level.
- Targeted savings in nearly every Treasury program.

Key Initiatives and Reforms

- On February 3, 2017, the Administration issued the *Executive Order on Core Principles for Regulating the United States Financial System*. The Secretary of the Treasury, with the heads of the member agencies of the Financial Stability Oversight Council, is conducting a thorough review of the extent to which existing laws, regulations, and other Government policies promote (or inhibit) these Core Principles. The President's Budget includes \$35 billion in savings to be realized through reforms that prevent bailouts and reverse burdensome regulations that hinder financial innovation and reduce access to credit for hardworking American families.
- Treasury is developing a plan for responding to the *Executive Order on a Comprehensive Plan for Reorganizing the Executive Branch* which will:
 - identify activities and functions that should be eliminated or consolidated because they are not core to our mission, are redundant, or are ineffective;
 - guide Treasury's efforts to reshape its workforce;
 - determine processes and organizational structures that can be streamlined for greater efficiencies; and
 - align reform proposals with the priorities, including goals and objectives, under development for the FY 2018-2022 Strategic Plan and the FY 2018 and 2019 budgets.
- The Budget requests statutory authority for BEP to begin construction of a new currency production facility in the vicinity of Washington, D.C.
The Budget includes reauthorization and reforms to the CDFI Bond Guarantee Program to encourage provision of community development capital without requiring taxpayer subsidies.

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

Appropriation	2016 Actual			2017 Annualized CR Rate			2018 President's Budget		
	Direct	Reimb.	Total	Direct	Reimb.	Total	Direct	Reimb.	Total
Departmental Offices Salaries and Expenses	814	189	1,003	891	107	998	811	107	918
Terrorism and Financial Intelligence	383	31	414	391	31	422	386	31	417
Cybersecurity Enhancement	0	0	0	0	0	0	19	0	19
Office of Inspector General	164	6	170	194	19	213	175	5	180
Treasury Inspector General for Tax Administration	787	2	789	859	2	861	819	2	821
Special Inspector General for TARP	137	0	137	192	0	192	100	0	100
Community Development Financial Institutions Fund	77	0	77	77	0	77	42	0	42
Financial Crimes Enforcement Network	278	1	279	338	1	339	332	1	333
Alcohol and Tobacco Tax and Trade Bureau	470	10	480	494	10	504	456	10	466
Bureau of the Fiscal Service	1,626	417	2,043	1,693	427	2,120	1,680	427	2,107
Internal Revenue Service	77,925	640	78,565	77,008	684	77,692	71,199	711	71,910
Subtotal, Treasury Appropriated Level	82,661	1,296	83,957	82,137	1,281	83,418	76,019	1,294	77,313
Office of Financial Stability (Administrative Account)	67	0	67	53	0	53	43	0	43
Small Business Lending Fund Program	11	0	11	7	0	7	8	0	8
State Small Business Credit Initiative	10	0	10	9	0	9	0	0	0
Capital Magnet Fund	0	0	0	7	0	7	6	0	6
Office of Financial Research	208	0	208	223	0	223	139	0	139
Financial Stability Oversight Council	22	0	22	23	0	23	21	0	21
Treasury Franchise Fund	0	1,715	1,715	0	1,794	1,794	0	1,848	1,848
Bureau of Engraving and Printing	1,818	0	1,818	1,842	0	1,842	1,842	0	1,842
United States Mint	1,692	0	1,692	1,801	0	1,801	1,801	0	1,801
Office of the Comptroller of the Currency	0	3,845	3,845	0	3,938	3,938	0	4,041	4,041
Terrorism Insurance Program	3	0	3	10	0	10	10	0	10
IRS Private Collection Agent Program	5	0	5	17	0	17	84	0	84
Subtotal, Treasury Non-Appropriated Level	3,836	5,560	9,396	3,992	5,732	9,724	3,954	5,889	9,843
Total, Treasury	86,497	6,856	93,353	86,129	7,013	93,142	79,973	7,183	87,156

1/ A portion of Fiscal Services Reimbursable/Fee FTE is funded by fee revenue as authorized by the Debt Collection Improvement Act (DCIA) of 1996.

2/ IRS FY 2018 Total FTE is overstated in the President's Budget Appendix by 102 FTE as a result of a reporting error in the Business Systems Modernization account.

Summary of FY 2018 Increases and Decreases

(Dollars in Thousands)

	DO	TFI	Cyber	DSCIP	OIG	TIGTA	SIGTAR P	CDFI	FINCEN	TTB	FS	IRS	Subtotal	TEOAF	Total
FY 2017 Annualized CR Rate	\$222,077	\$116,778	\$0	\$4,990	\$35,349	\$166,957	\$40,594	\$233,079	\$112,764	\$106,237	\$363,158	\$11,213,642	\$12,615,625	(\$876,000)	\$11,739,625
Maintaining Current Levels (MCLs)	\$4,284	\$2,375	-	-	\$729	\$3,335	\$809	-	\$2,276	\$2,102	\$6,971	\$220,035	\$242,856	-	\$242,856
Non-Recurring Costs	-	-	-	(\$4,990)	-	-	-	-	-	-	(\$14,890)	-	(\$19,880)	-	(\$19,880)
Efficiency Savings	-	(\$2,375)	-	-	-	-	-	-	(\$1,206)	(\$570)	(\$1,935)	-	(\$6,026)	-	(\$6,026)
Adjustments to Base	\$4,284	\$0	\$0	(\$4,990)	\$729	\$3,335	\$809	\$0	\$1,070	\$1,532	(\$9,854)	\$220,035	\$216,950	\$0	\$216,950
FY 2018 Base	\$226,361	\$116,778	\$0	\$0	\$36,078	\$170,292	\$41,403	\$233,079	\$113,834	\$107,769	\$353,304	\$11,433,677	\$12,832,575	(\$876,000)	\$11,956,575
Program Decreases	(\$24,610)	-	-	-	(\$1,966)	(\$9,179)	(\$21,106)	(\$28,079)	(\$1,070)	(\$9,111)	(\$22,467)	(\$638,126)	(\$946,714)	-	(\$946,714)
Program Increases	-	-	\$27,264	\$4,426	-	-	-	-	-	-	-	\$79,449	\$21,139	-	\$21,139
Subtotal, Program Changes	(\$24,610)	\$0	\$27,264	\$4,426	(\$1,966)	(\$9,179)	(\$21,106)	(\$28,079)	(\$1,070)	(\$9,111)	(\$22,467)	(\$458,677)	(\$735,575)	\$0	(\$735,575)
FY 2018 President's Budget	\$201,751	\$116,778	\$27,264	\$4,426	\$34,112	\$161,113	\$20,297	\$14,000	\$112,764	\$98,658	\$330,837	\$10,975,000	\$12,097,000	(\$876,000)	\$11,221,000