

# FY 2023 EXECUTIVE SUMMARY

## President's Budget Discretionary Appropriation Request

Dollars in Thousands

	FY 2021 Enacted (post IRS transfer) <sup>2</sup>	FY 2022 Annualized CR	FY 2022 Enacted	FY 2023 President's Budget	FY 2023 President's Budget (with IRS Technical Adjustments) <sup>3</sup>
<b>Management &amp; Financial</b>	<b>\$1,554,281</b>	<b>\$1,554,281</b>	<b>\$1,704,947</b>	<b>\$2,056,804</b>	<b>\$2,056,804</b>
Departmental Offices Salaries and Expenses	\$233,000	\$233,000	\$243,109	\$293,242	\$293,242
Committee on Foreign Investment in the United States (CFIUS)	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
CFIUS Fees	(\$20,000)	(\$20,000)	(\$20,000)	(\$20,000)	(\$20,000)
<b>Subtotal CFIUS Fund (non add)</b>	<b>\$20,000</b>	<b>\$20,000</b>	<b>\$20,000</b>	<b>\$20,000</b>	<b>\$20,000</b>
Office of Terrorism and Financial Intelligence	\$175,000	\$175,000	\$195,192	\$212,059	\$212,059
Cybersecurity Enhancement Account	\$18,000	\$18,000	\$80,000	\$215,000	\$215,000
Department-wide Systems and Capital Investments Program	\$6,118	\$6,118	\$6,118	\$11,118	\$11,118
Office of Inspector General	\$41,044	\$41,044	\$42,275	\$43,878	\$43,878
Treasury Inspector General for Tax Administration	\$170,250	\$170,250	\$174,250	\$182,409	\$182,409
Special Inspector General for TARP	\$19,000	\$19,000	\$16,000	\$9,000	\$9,000
Special Inspector Pandemic Recovery	\$0	\$0	\$8,000	\$25,000	\$25,000
Community Development Financial Institutions Fund	\$270,000	\$270,000	\$295,000	\$331,420	\$331,420
Financial Crimes Enforcement Network	\$126,963	\$126,963	\$161,000	\$210,330	\$210,330
Alcohol and Tobacco Tax and Trade Bureau	\$124,337	\$124,337	\$128,067	\$150,863	\$150,863
Bureau of the Fiscal Service	\$345,569	\$345,569	\$355,936	\$372,485	\$372,485
Digitization of Unredeemed Matured Savings Bonds Records	\$25,000	\$25,000	\$0	\$0	\$0
<b>Tax Administration<sup>1</sup></b>					
<b>Internal Revenue Service Total</b>	<b>\$11,919,054</b>	<b>\$11,919,054</b>	<b>\$12,594,054</b>	<b>\$14,100,667</b>	<b>\$14,100,667</b>
Taxpayer Services	\$2,587,606	\$2,763,606	\$2,780,606	\$3,385,723	\$3,684,593
Enforcement	\$5,004,622	\$5,004,622	\$5,437,622	\$5,861,649	\$6,272,313
Operations Support	\$4,104,102	\$3,928,102	\$4,100,826	\$4,543,268	\$3,833,734
Business Systems Modernization	\$222,724	\$222,724	\$275,000	\$310,027	\$310,027
<b>Subtotal, Treasury Appropriations excluding TEOAF</b>	<b>\$13,473,335</b>	<b>\$13,473,335</b>	<b>\$14,299,001</b>	<b>\$16,157,471</b>	<b>\$16,157,471</b>
<b>Treasury Forfeiture Fund Total</b>	<b>(\$75,000)</b>	<b>(\$75,000)</b>	<b>(\$175,000)</b>	<b>\$0</b>	<b>\$0</b>
Permanent Rescission	(\$75,000)	(\$75,000)	(\$175,000)	\$0	\$0
<b>Subtotal, Treasury Appropriation including TEOAF</b>	<b>\$13,398,335</b>	<b>\$13,398,335</b>	<b>\$14,124,001</b>	<b>\$16,157,471</b>	<b>\$16,157,471</b>
<b>Treasury International Programs</b>	<b>\$1,890,319</b>	<b>\$1,942,319</b>	<b>\$2,056,460</b>	<b>\$4,374,515</b>	<b>\$4,374,515</b>
Multilateral Development Banks	\$1,481,244	\$1,481,244	\$1,527,172	\$1,906,315	\$1,906,315
Food Security	\$32,500	\$32,500	\$48,000	\$43,000	\$43,000
IMF PRGT Grant	\$0	\$0	\$102,000	\$0	\$0
IMF Resilience and Sustainability Trust Subsidy Cost	\$0	\$0	\$0	\$20,000	\$20,000
Environmental Trust Funds	\$139,575	\$139,575	\$274,288	\$2,300,200	\$2,300,200
Office of Technical Assistance	\$33,000	\$33,000	\$38,000	\$38,000	\$38,000
Debt Restructuring	\$297,000	\$401,000	\$134,000	\$134,000	\$134,000
<b>Total, Treasury Appropriations excluding TEOAF</b>	<b>\$15,363,654</b>	<b>\$15,415,654</b>	<b>\$16,355,461</b>	<b>\$20,531,986</b>	<b>\$20,531,986</b>
<b>Total, Treasury</b>	<b>\$15,288,654</b>	<b>\$15,340,654</b>	<b>\$16,180,461</b>	<b>\$20,531,986</b>	<b>\$20,531,986</b>

<sup>1</sup>FY 2021 Enacted (post IRS transfer) includes a transfer of \$208 million from Enforcement to Taxpayer Services (\$32 million) and Operations Support (\$176 million).

<sup>2</sup>Excludes funding provided for COVID-19 Pandemic response.

<sup>3</sup>The 2023 Budget includes changes to IRS appropriation language that allow the IRS to move certain support activities from the Operations Support appropriation to charge the full cost of mission activities to the Taxpayer Services and Enforcement appropriations. In the 2023 budget, the IRS proposes to move Rent and CFO expenses. These proposed changes are reflected here.

<sup>4</sup>In FY 2021, Congress also appropriated \$120 million to Treasury's debt restructuring account for clearing Sudan's arrears with the IMF on an emergency basis.

## MISSION STATEMENT

Maintain a strong economy by promoting conditions that enable equitable and sustainable economic growth at home and abroad, combating threats to, and protecting the integrity of the financial system, and managing the U.S. Government's finances and resources effectively.

## OVERVIEW OF REQUEST

The Budget requests \$16.2 billion in base discretionary resources for the Department of the Treasury's domestic programs.

- **Improves Taxpayer Experience and Supports a Fair and Equitable Tax System.** Last year, the IRS delivered more than \$600 billion in direct economic relief to American households and businesses through Economic Impact Payments, monthly advance child tax credit payments, and more. Yet the agency's funding and staffing levels have not kept pace with its expanding scope. To ensure that taxpayers receive the highest quality customer service and that all Americans are treated fairly by the U.S. tax system, the Budget provides a total of \$14.1 billion for the Internal Revenue Service (IRS). This includes an increase of \$798 million above FY 2021 to improve the taxpayer experience and expand customer service outreach to underserved communities and the taxpaying public at large. The Budget also provides \$310 million for IRS Business Systems Modernization to accelerate the development of new digital tools to enable better communication between taxpayers and the IRS. Increased funding for the IRS will also facilitate more effective oversight of high income and corporate tax returns. In addition to these resources, the Administration continues to support multiyear investments in IRS tax enforcement to increase tax compliance and revenues that the President has previously proposed. This investment reflects decades of analysis demonstrating that program integrity investments to enforce existing tax laws will increase revenues in a progressive way by closing the tax gap—the difference between taxes owed and taxes paid.
- **Expands Lending in Disadvantaged Communities and Increases Affordable Housing Supply.** The Budget provides \$331 million for the Treasury Community Development Financial Institutions (CDFI) Fund. To address the critical shortage of affordable housing in communities, the Budget also proposes \$5 billion in long-term mandatory funding for CDFI financing of new construction and substantial rehabilitation that creates net new units of affordable rental and for sale housing. CDFIs provide historically underserved and often low-income communities access to credit, capital, and financial support to grow businesses, increase affordable housing, and reinforce healthy neighborhood development.
- **Increases Corporate Transparency and Safeguards the Financial System.** Treasury plays a leading role in monitoring and disrupting corruption, money laundering, terrorist financing, and the use of the financial system by malicious actors domestically and abroad. Investment in Treasury staff and technical capabilities is critical to these efforts, including closing financial reporting loopholes that allow illicit actors to evade scrutiny, mask their dealings, and undermine corporate accountability. The Budget provides \$210 million for the Financial Crimes Enforcement Network (FinCEN) to increase oversight of the financial sector, strengthen corporate accountability, and provide adequate support to law enforcement and investigative entities. In addition, the Budget provides \$212 million

to the Office of Terrorism and Financial Intelligence (TFI) to modernize and update the sanctions process consistent with the findings of the Treasury 2021 Sanctions Review.

- **Strengthens Enterprise Cybersecurity.** The Budget provides \$215 million to protect and defend sensitive agency systems and information, including those designated as high-value assets. The Budget increases centralized funding to strengthen Treasury’s overall cybersecurity efforts and establish a Zero Trust Architecture. These investments will protect Treasury systems from future attacks and accelerate Treasury’s response to the SolarWinds incident and Log4j vulnerabilities.
- **Restores Critical Agency Capacity.** The Budget provides \$293 million for Treasury’s Departmental Offices to rebuild institutional capacity and strengthen the role of Treasury policy offices. Additional funding for Treasury’s Climate Hub will support a sustainable economic recovery and advance climate goals both domestically and internationally, including domestic coal transition and engagement with international financial institutions. Increased staffing will also support assessments of climate-related financial risk arising from private insurance coverage gaps in regions of the country particularly vulnerable to climate change impacts. The Budget also builds institutional capacity to expand engagement with historically underrepresented and underserved groups and develop actionable goals to advance equity across all Treasury programs.

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

Appropriation	2021 Actual			2022 Annualized CR			2023 President's Budget		
	Direct	Reimb.	Total	Direct	Reimb.	Total	Direct	Reimb.	Total
Departmental Offices Salaries and Expenses	672	40	712	740	41	781	869	41	910
Terrorism and Financial Intelligence	524	35	559	561	41	602	624	41	665
Cybersecurity Enhancement	4		4	10		10	21		21
Office of Inspector General	189		189	190		190	190		190
Treasury Inspector General for Tax Administration	739	2	741	760	2	762	760	2	762
Special Inspector General for TARP	70		70	68		68	45		45
Special Inspector General for Pandemic Recovery	35		35	38		38	66		66
Community Development Financial Institutions Fund	67		67	82		82	89		89
Financial Crimes Enforcement Network	269	2	271	285	3	288	420	3	423
Alcohol and Tobacco Tax and Trade Bureau	487	14	501	508	12	520	548	12	560
Bureau of the Fiscal Service	1,922	15	1,937	1,866	9	1,875	1,896	9	1,905
Internal Revenue Service <sup>1</sup>	78,661	694	79,355	80,327	585	80,912	84,839	614	85,453
<b>Subtotal, Treasury Appropriated Level</b>	<b>83,639</b>	<b>802</b>	<b>84,441</b>	<b>85,435</b>	<b>693</b>	<b>86,128</b>	<b>90,367</b>	<b>722</b>	<b>91,089</b>
Office of Financial Stability (Administrative Account)	10		10	10		10	8		8
Small Business Lending Fund Program	2		2	2		2	2		2
Office of Recovery Programs <sup>2</sup>	42		42	193		193	178		178
Community Development Financial Institutions Fund, Emergency Support	3		3	12		12	12		12
Capital Magnet Fund	4		4	6		6	9		9
Office of Financial Research	111		111	143		143	163		163
Financial Stability Oversight Council	14		14	23		23	27		27
Treasury Franchise Fund		2,036	2,036		2,212	2,212		2,210	2,210
Bureau of Engraving and Printing		1,821	1,821		1,869	1,869		1,869	1,869
United States Mint		1,566	1,566		1,705	1,705		1,705	1,705
Office of the Comptroller of the Currency		3,491	3,491		3,555	3,555		3,555	3,555
Terrorism Insurance Program	7		7	8		8	10		10
IRS Private Collection Agent Program	334		334	460		460	821		821
<b>Subtotal, Treasury Non-Appropriated Level</b>	<b>527</b>	<b>8,914</b>	<b>9,441</b>	<b>857</b>	<b>9,341</b>	<b>10,198</b>	<b>1,230</b>	<b>9,339</b>	<b>10,569</b>
<b>Total, Treasury</b>	<b>84,166</b>	<b>9,716</b>	<b>93,882</b>	<b>86,292</b>	<b>10,034</b>	<b>96,326</b>	<b>91,597</b>	<b>10,061</b>	<b>101,658</b>

1/ Amounts for the IRS include FTE funded from user fees, carryover, multiyear authority, and ARP supplemental funding.

2/ Amounts 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 2023 Increases and Decreases

(Dollars in Thousands)

	DO	CFIUS <sup>2</sup>	TFI	Cyber	DSCIP	OIG	TIGTA	SIGTARP	SIGPR <sup>3</sup>	CDFI	FinCEN	TTB	FS	IRS	Total
<b>FY 2022 Annualized CR<sup>1</sup></b>	<b>\$233,000</b>	<b>\$0</b>	<b>\$175,000</b>	<b>\$18,000</b>	<b>\$6,118</b>	<b>\$41,044</b>	<b>\$170,250</b>	<b>\$19,000</b>	<b>\$0</b>	<b>\$270,000</b>	<b>\$126,963</b>	<b>\$124,337</b>	<b>\$370,569</b>	<b>\$11,919,054</b>	<b>\$13,473,335</b>
SIGPR Operating Level									\$13,000						\$13,000
Maintaining Current Levels (MCLs)	\$9,728	\$0	\$6,567	\$0	\$0	\$1,516	\$6,619	\$537	\$445	\$0	\$5,401	\$4,604	\$12,276	\$436,363	\$484,056
Pay Annualization	\$1,179		\$746			\$211	\$975	\$62	\$58		\$462	\$572	\$1,593	\$62,546	\$68,404
Pay Raise	\$6,108		\$4,142			\$1,083	\$5,018	\$319	\$299		\$2,377	\$2,942	\$8,197	\$321,837	\$352,322
FERS Contribution Increase															\$0
Labor Adjustment															\$0
Non-Pay	\$2,441		\$1,679			\$222	\$626	\$156	\$88		\$2,562	\$1,090	\$2,486	\$51,980	\$63,330
Non-Recurring Costs	(3,868)			(\$18,000)	(\$6,118)								(\$25,000)		(\$52,986)
Efficiency Savings/Reinvestment															\$0
Other Adjustment/Initiative Annualization	\$17,365		\$10,192			1,321	5,540		\$7,000		\$28,887	\$4,493	\$6,940	438,882	\$520,620
<b>Adjustments to Base</b>	<b>\$23,225</b>	<b>\$0</b>	<b>\$16,759</b>	<b>(\$18,000)</b>	<b>(\$6,118)</b>	<b>\$2,837</b>	<b>\$12,159</b>	<b>\$537</b>	<b>\$7,445</b>	<b>\$0</b>	<b>\$34,288</b>	<b>\$9,097</b>	<b>(\$5,784)</b>	<b>\$875,245</b>	<b>\$951,690</b>
<b>FY 2023 Base</b>	<b>\$256,225</b>	<b>\$0</b>	<b>\$191,759</b>	<b>\$0</b>	<b>\$0</b>	<b>\$43,881</b>	<b>\$182,409</b>	<b>\$19,537</b>	<b>\$20,445</b>	<b>\$270,000</b>	<b>\$161,251</b>	<b>\$133,434</b>	<b>\$364,785</b>	<b>\$12,794,299</b>	<b>\$14,438,025</b>
Program Decreases								(\$10,537)							(\$10,537)
CFIUS Fund Appropriation		\$20,000													\$20,000
CFIUS User Fees		(\$20,000)													(\$20,000)
Program Increases/Reinvestments	\$37,017		\$20,300	\$215,000	\$11,118				4,555	61,420	\$49,079	\$17,429	\$7,700	\$1,306,368	\$1,729,986
<b>Subtotal, Program Changes</b>	<b>\$37,017</b>	<b>\$0</b>	<b>\$20,300</b>	<b>\$215,000</b>	<b>\$11,118</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$10,537)</b>	<b>\$4,555</b>	<b>\$61,420</b>	<b>\$49,079</b>	<b>\$17,429</b>	<b>\$7,700</b>	<b>\$1,306,368</b>	<b>\$1,719,449</b>
<b>FY 2023 President's Budget funded from discretionary</b>	<b>\$293,242</b>	<b>\$0</b>	<b>\$212,059</b>	<b>\$215,000</b>	<b>\$11,118</b>	<b>\$43,881</b>	<b>\$182,409</b>	<b>\$9,000</b>	<b>\$25,000</b>	<b>\$331,420</b>	<b>\$210,330</b>	<b>\$150,863</b>	<b>\$372,485</b>	<b>\$14,100,667</b>	<b>\$16,157,474</b>

1/ Excludes funding provided for COVID-19 Pandemic response.

2/ CFIUS Fund enacted levels are net appropriations including user fees.

3/ In FY 2022 SIGPR did not receive funds under an annualized CR. The funds represented are the bureau's operating level.

## FY 2023 President's Budget by Strategic Goal

Dollars in Thousands

Treasury Goal/Objective	Promote Equitable Economic Growth and Recovery	Enhance National Security	Protect Financial Stability and Resiliency	Combat Climate Change	Modernize Treasury Operations	Other Critical Priorities <sup>1</sup>	Total
<b>Management &amp; Financial</b>	\$701,234	\$671,936	\$173,361	\$98,935	\$370,795	\$40,543	\$2,056,804
Departmental Offices Salaries and Expenses	\$104,824	\$51,240	\$41,688	\$36,986	\$58,504		\$293,242
Committee on Foreign Investment in the United States Fund		\$20,000					\$20,000
CFIUS Fees		(\$20,000)					(\$20,000)
Office of Terrorism and Financial Intelligence		\$175,293	\$23,536	\$4,329	\$8,901		\$212,059
Cybersecurity Enhancement Account		\$215,000					\$215,000
Department-wide Systems and Capital Investments Program				\$7,141	\$3,977		\$11,118
Office of Inspector General <sup>2</sup>		\$1,711		\$439	\$1,185	\$40,543	\$43,878
Treasury Inspector General for Tax Administration	\$138,631	\$9,120		\$1,824	\$32,834		\$182,409
Special Inspector General for TARP	\$2,250	\$1,800	\$4,500		\$450		\$9,000
Special Inspector General for Pandemic Recovery	\$23,750			\$500	\$750		\$25,000
Community Development Financial Institutions Fund	\$296,289				\$35,131		\$331,420
Financial Crimes Enforcement Network		\$161,954	\$10,517	\$21,033	\$16,826		\$210,330
Alcohol and Tobacco Tax and Trade Bureau	\$131,764	\$3,669		\$608	\$14,821		\$150,863
Bureau of the Fiscal Service	\$3,725	\$52,148	\$93,121	\$26,074	\$197,417		\$372,485
<b>Tax Administration<sup>3</sup></b>	\$13,794,596	\$56,732			\$249,339		\$14,100,667
IRS Taxpayer Services	\$3,347,689				\$38,034		\$3,385,723
IRS Enforcement	\$5,761,666	\$45,652			\$54,331		\$5,861,649
IRS Operations Support	\$4,375,214	\$11,080			\$156,974		\$4,543,268
Business Systems Modernization	\$310,027						\$310,027
<b>Total, Treasury</b>	<b>\$14,495,830</b>	<b>\$728,668</b>	<b>\$173,361</b>	<b>\$98,935</b>	<b>\$620,134</b>	<b>\$40,543</b>	<b>\$16,157,471</b>
<b>Non-Appropriated Accounts</b>							
Office of Financial Stability (Administrative Account)	\$33,612						\$33,612
Terrorism Risk Insurance (Administrative)	\$851	\$2,268	\$1,985		\$567		\$5,670
Financial Stability Oversight Council			\$10,568	\$1,865			\$12,433
Office of Financial Research		\$1,762	\$59,916		\$26,434		\$88,112
Bureau of Engraving and Printing			\$1,878,069	\$8,148	\$150,734		\$2,036,951
United States Mint <sup>4</sup>		\$16,114	\$402,859	\$69,829	\$48,343	\$2,860,000	\$3,397,145
Office of the Comptroller of the Currency		\$122,516	\$943,370	\$61,258	\$98,012		\$1,225,156
Federal Reserve Bank		\$54,800	\$356,200	\$34,250	\$239,750		\$685,000
Reimbursable to the Federal Reserve Banks		\$15,040	\$97,760	\$9,400	\$65,800		\$188,000
Financial Agent Services		\$80,960	\$546,480	\$50,600	\$333,960		\$1,012,000
<b>Total, Non-Appropriated Level</b>	<b>\$34,463</b>	<b>\$293,460</b>	<b>\$4,297,206</b>	<b>\$235,349</b>	<b>\$963,601</b>	<b>\$2,860,000</b>	<b>\$8,684,079</b>
<b>Grand Total</b>	<b>\$14,530,292</b>	<b>\$1,022,128</b>	<b>\$4,470,568</b>	<b>\$334,284</b>	<b>\$1,583,734</b>	<b>\$2,900,543</b>	<b>\$24,841,550</b>

<sup>1</sup> Other critical priorities include activities that are operationally focused and as such are not currently covered by specific strategies in the FY 2022-2026 Strategic Plan.

<sup>2</sup> The amounts in Other Critical Priorities for the Office of Inspector General are related to promoting the integrity, efficiency, and effectiveness in programs and operations within the Treasury Department and across OIG jurisdictional boundaries.

<sup>3</sup> This table does not include the proposed technical adjustment that would move certain support activities from Operation Support and charge the full cost of certain mission activities to the Taxpayer Services and Enforcement appropriations. The adjustment would reduce the Operation Support appropriation by \$709.5 million for rent and CFO adjustments and increase the Taxpayer Services appropriation by \$298.9 million and the Enforcement appropriation by \$410.7 million.

<sup>4</sup> The amounts in Other Critical Priorities for the United States Mint represent the cost of metal.