

Summary of FY 2011 Appropriations Language

Below is a summary of appropriations language changes in the bills being marked up by the House and Senate Appropriations Committees. Please note that brackets indicate which material will be deleted, and italics indicate which material will be inserted.

Departmental Offices

Salaries and Expenses

(Including Transfer of Funds)

For necessary expenses of the Departmental Offices including operation and maintenance of the Treasury Building and Annex; 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, [\$304,888,000, of which not to exceed \$21,983,000 is for executive direction program activities; not to exceed \$47,249,000 is for economic policies and programs activities, including \$1,000,000 that shall be transferred to the National Academy of Sciences for a study by the Board on Mathematical Sciences and Their Applications on the long-term economic effects of the aging population in the United States, to remain available until September 30, 2011, and \$1,500,000 that shall be transferred to the National Academy of Sciences for a carbon audit of the tax code as authorized in section 117 of the Energy Improvement and Extension Act of 2008 (Public Law 110-343), to remain available until September 30, 2011; not to exceed \$48,580,000 is for financial policies and programs activities; not to exceed \$64,611,000 is for terrorism and financial intelligence activities; not to exceed \$22,679,000 is for Treasury-wide management policies and programs activities; and not to exceed \$99,786,000 is for administration programs activities: Provided, That the Secretary of the Treasury is

authorized to transfer funds appropriated for any program activity of the Departmental Offices to any other program activity of the Departmental Offices upon notification to the House and Senate Committees on Appropriations: Provided further, That no appropriation for any program activity shall be increased or decreased by more than 4 percent by all such transfers: Provided further, That any change in funding greater than 4 percent shall be submitted for approval to the House and Senate Committees on Appropriations] \$346,401,000: *Provided* [further], *That notwithstanding any other provision of law, of the amount appropriated under this heading, up to \$1,000,000, may be contributed to the Global Forum on Transparency and Exchange of Information for Tax Purposes, a Part II Program of the Organization for Economic Cooperation and Development, to cover the cost assessed by that organization for Treasury's participation therein: Provided further, That of the amount appropriated under this heading, not to exceed \$3,000,000, to remain available until September 30, [2011] 2012, is for information technology modernization requirements; not to exceed \$200,000 is for official reception and representation expenses; \$400,000 is to support increased international representation commitments of the Secretary; and 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 his certificate: Provided further, That of the amount appropriated under this heading, \$6,787,000, to remain available until September 30, [2011] 2012, is for the Treasury-wide Financial Statement Audit and Internal Control Program, of which such amounts as may be necessary may be transferred to accounts of the Department's offices and bureaus to*

conduct audits: *Provided further*, That this transfer authority shall be in addition to any other provided in this Act: *Provided further*, That of the amount appropriated under this heading, \$500,000, to remain available until September 30, [2011] 2012, is for secure space requirements: *Provided further*, That of the amount appropriated under this heading, \$1,100,000 to remain available until September 30, 2012, is for salary and benefits for hiring of personnel whose work will require completion of a security clearance investigation in order to perform highly classified work to further the activities of the Office of Terrorism and Financial Intelligence: *Provided further*, That of the amount appropriated under this heading, up to \$3,400,000, to remain available until September 30, [2012] 2013, is to develop and implement programs within the Office of Critical Infrastructure Protection and Compliance Policy, including entering into cooperative agreements: *Provided further*, That of the amount appropriated under this heading, \$3,000,000, to remain available until September 30, [2012] 2013, is for modernizing the Office of Debt Management's information technology. (*Department of the Treasury Appropriations Act, 2010.*)

Department-wide Systems and Capital Investments Programs

(Including Transfer of Funds)

For development and acquisition of automatic data processing equipment, soft-ware, and services for the Department of the Treasury, [\$9,544,000] \$22,000,000, to remain available until September 30, [2012] 2013: *Provided*, [That \$4,544,000 is for repairs to the Treasury Annex Building: *Provided further*,] 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"']. (*Department of the Treasury Appropriations Act, 2010.*)

Office of Inspector General

Salaries and Expenses

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, *as amended*, \$30,269,000, of which not to exceed \$2,000,000 for official travel expenses, including hire of passenger motor vehicles; and of which not to exceed \$100,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Inspector General of the Treasury [, \$29,700,000, of which not to exceed \$2,500 shall be available for official reception and representation expenses]. (*Department of the Treasury Appropriations Act, 2010.*)

Treasury Inspector General for Tax Administration

Salaries and Expenses

For necessary expenses of the Treasury Inspector General for Tax Administration in carrying out the Inspector General Act of 1978, *as amended*, including purchase (not to exceed 150 for replacement only for police-type use) and hire of passenger motor vehicles (31 U.S.C. 1343(b)); services authorized by 5 U.S.C. 3109, at such rates as may be determined by the Inspector General for Tax Administration; [\$152,000,000] \$155,452,000, 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]. (*Department of the Treasury Appropriations Act, 2010.*)

Treasury Forfeiture Fund

[(Rescission) (Cancellation)]

Of the unobligated balances available under this heading, [\$90,000,000] \$62,000,000 are [rescinded] *hereby permanently cancelled.* (*Department of the Treasury Appropriations Act, 2010.*)

Community Development Financial Institutions Fund

Program Account

[(Including Transfer of Funds)]

To carry out the Community Development Banking and Financial Institutions Act of 1994 (Public Law 103-325), including services authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for ES-3, [notwithstanding sections 4707(d) and 4707(e) of title 12, United States Code, \$166,750,000] \$250,000,000, to remain available until September 30, [2011] 2012; of which \$12,000,000 shall be for financial assistance, technical assistance, training and outreach programs, *under sections 105 through 109 of the Community Development Banking and Financial Institutions Act of 1994 (12 U.S.C. 4704-4708), designed to benefit Native [American, Native Hawaiian, and Alaskan Native] communities and provided primarily through qualified community development lender organizations with experience and expertise in community development banking and lending in Indian country, Native American organizations, tribes and tribal organizations and other suitable providers; of which [\$1,000,000 shall be available for the pilot project grant program under section 1132(d) of division A of the Housing and*

Economic Recovery Act of 2008 (Public Law 110-289); of which \$3,150,000 shall be for an additional pilot project grant to an eligible organization located in the State of Hawaii for financial education and pre-home ownership counseling as authorized in section 1132(d) of division A of the Housing and Economic Recovery Act of 2008 (Public Law 110-289), and], notwithstanding section 4707(d), up to \$25,000,000 shall be for a Healthy Food Financing Initiative to provide grants and loans to community development financial institutions for the purpose of offering affordable financing and technical assistance to expand the availability of healthy food options in distressed communities; of which [up to \$18,000,000 may] \$50,000,000 shall be for financial assistance, technical assistance, training and outreach programs to community development financial institutions, other financial service organizations, non-profit organizations, states, and local governments, and partnerships of such entities (or a financial service organization designated as a fiscal agent on behalf of such entity) for the purpose of seeding local initiatives to establish bank accounts for low and moderate-income persons who do not have bank accounts with financial institutions, and providing appropriate financial products and services to underbanked persons, and for the purpose of encouraging such persons to enter into formal banking relationships and access financial services and development services, and to evaluate the results of such efforts; of which up to \$23,000,000 may be used for administrative expenses, including administration of the New Markets Tax Credit; of which up to \$10,200,000 may be used for the cost of direct loans; and of which up to \$250,000 may be used for administrative expenses to carry out the direct loan program: Provided, That the cost of direct loans, including the cost of modifying such loans, shall be as defined in section 502 of the

Congressional Budget Act of 1974: Provided further, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed \$25,000,000. [For an additional amount to be transferred to the ``Capital Magnet Fund", as authorized by section 1339 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 1301 et seq.), as amended by section 1131 of the Housing and Economic Recovery Act of 2008 (Public Law 110-289), to support financing for affordable housing and economic development projects, \$80,000,000, to remain available until September 30, 2011: Provided, That, for fiscal year 2010, section 1339(h)(3) of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992, as amended by section 1131 of the Housing and Economic Recovery Act of 2008 (Public Law 110-289), shall be applied by substituting the term "at least 10 times the grant amount or such other amount that the Secretary may require" for "at least 10 times the grant amount".] (Department of the Treasury Appropriations Act, 2010.)

Special Inspector General for the Troubled Asset Relief Program

Salaries and Expenses

For necessary expenses of the Office of the Special Inspector General in carrying out the provisions of the Emergency Economic Stabilization Act of 2008 (Public Law 110-343), *as amended*, [\$23,300,000] \$49,600,000. (Department of the Treasury Appropriations Act, 2010.)

Financial Crimes Enforcement Network

Salaries and Expenses

For necessary expenses of the Financial Crimes Enforcement Network, including hire of passenger motor vehicles; travel and training expenses, including for course development, 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; not to exceed \$14,000 for official reception and representation expenses; and for assistance to Federal law enforcement agencies, with or without reimbursement, [\$111,010,000] \$100,419,000, of which not to exceed \$26,085,000 shall remain available until September 30, [2012] 2013; and of which [\$9,316,000] \$9,268,000 shall remain available until September 30, [2011] 2012: *Provided*, That funds appropriated in this account may be used to procure personal services contracts. (Department of the Treasury Appropriations Act, 2010.)

Financial Management Service

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Salaries and Expenses

For necessary expenses of the Financial Management Service, [\$244,132,000] \$235,253,000 of which not to exceed \$9,220,000 shall remain available until September 30, [2012] 2013, for information systems modernization initiatives; and of which not to exceed \$2,500 shall be available for official reception and representation expenses. (Department of the Treasury Appropriations Act, 2010.)

Alcohol and Tobacco Tax and Trade Bureau

Salaries and Expenses

For necessary expenses of carrying out section 1111 of the Homeland Security Act of 2002, including hire of passenger motor vehicles, [\$103,000,000] \$106,168,000; of which not to exceed \$5,500,000 for administrative expenses related to implementation of the fees authorized by the Federal Alcohol Administration Act (27 U.S.C. 202), as amended by this Act, to remain available until September 30, 2012; not to exceed \$6,000 for official reception and representation expenses;

not to exceed \$50,000 for cooperative research and development programs for laboratory services; and provision of laboratory assistance to State and local agencies with or without reimbursement: *Provided*, That [of the amount appropriated under this heading, \$3,000,000, to remain available until September 30, 2011, shall be for the hiring, training, and equipping of special agents and related support personnel] *the sum herein appropriated from the general fund shall be reduced as offsetting collections assessed and collected pursuant to the Federal Alcohol Administration Act (27 U.S.C. 201 et seq.), as amended by this Act, are received during fiscal year 2011, so as to result in a fiscal year 2011 appropriation from the general fund estimated at \$0: Provided further, That any amount received in excess of \$106,168,000 in fiscal year 2011 shall be available only to the extent provided in subsequent appropriations acts.*

(Department of the Treasury Appropriations Act, 2010.)

United States Mint

Public Enterprise Fund

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. The aggregate amount of new liabilities and obligations incurred during fiscal year [2010] 2011 under such section 5136 for circulating coinage and protective service capital investments of the United States Mint shall not exceed [\$26,700,000] \$25,000,000. *(Department of the Treasury Appropriations Act, 2010.)*

Bureau of the Public Debt

Administering the Public Debt

For necessary expenses connected with any public-debt issues of the United States, [\$192,244,000] \$185,985,000, of which not to exceed \$2,500 shall be available for official reception and representation expenses, and of which not to exceed \$2,000,000 shall remain available until September 30, [2012] 2013, for systems modernization: *Provided*, That the sum appropriated herein from the general fund for fiscal year [2010] 2011 shall be reduced by not more than \$10,000,000 as definitive security issue fees and Legacy Treasury Direct Investor Account Maintenance fees are collected, so as to result in a final fiscal year [2010] 2011 appropriation from the general fund estimated at [\$182,244,000] \$175,985,000. In addition, [\$90,000] \$110,000 to be derived from the Oil Spill Liability Trust Fund to reimburse the Bureau for administrative and personnel expenses for financial management of the Fund, as authorized by section 1012 of Public Law 101-380. *(Department of the Treasury Appropriations Act, 2010.)*

Internal Revenue Service

Taxpayer Services

(Including Transfer of Funds)

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, [\$2,278,830,000] \$2,321,975,000, of which not less than [\$6,100,000] \$5,100,000 shall be for the Tax Counseling for the Elderly Program, of which not less than [\$10,000,000] \$9,500,000 shall be available for low-income taxpayer clinic grants, of which not less than [\$12,000,000] \$8,000,000, to remain available until September 30, [2011] 2012, shall be available for a Community Volunteer Income Tax Assistance matching grants [demonstration] program for tax return

preparation assistance, and of which [not less than \$205,954,000 shall be available for operating expenses of the Taxpayer Advocate Service] up to \$6,000,000 may be transferred as necessary from this account to "Health Insurance Tax Credit Administration" upon advance notification of the Committees on Appropriations: *Provided, That this transfer authority shall be in addition to any other transfer authority provided in this Act. (Department of the Treasury Appropriations Act, 2010.)*

Enforcement

(Including Transfer of Funds)

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 (for police-type use, not to exceed 850) 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, [\$4,904,000,000] \$5,007,400,000, of which not less than [\$59,206,000] \$60,257,000 shall be for the Interagency Crime and Drug Enforcement program; and of which not to exceed \$126,500 shall be for official reception and representation expenses associated with hosting the Leeds Castle Meeting in the United States during 2010]: *Provided, That up to \$10,000,000 may be transferred as necessary from this account to "Operations Support" solely for the purposes of the Interagency Crime and Drug Enforcement program: Provided further, That this transfer authority shall be in addition to any other transfer authority provided in this Act. In addition to amounts made available above, [\$600,000,000] \$790,000,000 shall be made available for additional and/or enhanced tax*

enforcement activities. *(Department of the Treasury Appropriations Act, 2010.)*

Health Insurance Tax Credit Administration

For expenses necessary to implement the health insurance tax credit included in the Trade Act of 2002 (Public Law 107-210), [\$15,512,000] \$18,987,000. *(Department of the Treasury Appropriations Act, 2010.)*

Operations Support

For necessary expenses of 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)); and other services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner; [\$4,083,884,000] \$4,108,000,000, of which up to \$75,000,000 shall remain available until September 30, [2011] 2012, for information technology support; *of which up to \$65,000,000 shall remain available until expended for acquisition of real property, equipment, construction and renovation of facilities;* of which not to exceed \$1,000,000 shall remain available until September 30, [2012] 2013, for research; of which not [less than] to exceed \$2,000,000 shall be for the Internal Revenue Service Oversight Board; of which not to exceed \$25,000 shall be for official reception and representation; and of which \$290,000,000 shall be made available to support enhanced tax enforcement activities]; *Provided, That of the amounts provided under this heading, such sums as are necessary shall be available to fully support tax enforcement [and enhanced tax enforcement] activities,*

including not less than \$325,000,000 to support additional and/or enhanced tax enforcement activities.

(Department of the Treasury Appropriations Act, 2010.)

Business Systems Modernization

For necessary expenses of the Internal Revenue Service's business systems modernization program, [\$263,897,000] \$386,908,000, to remain available until September 30, [2012] 2013, for the capital asset acquisition of information technology systems, including management and related contractual costs of said acquisitions, including related Internal Revenue Service labor costs, and contractual costs associated with operations authorized by 5 U.S.C. 3109: *Provided*, That, with the exception of labor costs, none of these funds may be obligated until the Internal Revenue Service submits to the Committees on Appropriations [, and such Committees ap-prove,] a plan for expenditure that: (1) meets the capital planning and investment control review requirements established by the Office of Management and Budget, including Circular A-11; (2) complies with the Internal Revenue Service's enterprise architecture, including the modernization blueprint; (3) conforms with the Internal Revenue Service's enterprise life cycle methodology; (4) is approved by the Internal Revenue Service, the Department of the Treasury, and the Office of Management and Budget; (5) has been [reviewed] *received* by the Government Accountability Office; and (6) complies with the acquisition rules, requirements, guidelines, and systems acquisition management practices of the Federal Government. *(Department of the Treasury Appropriations Act, 2010.)*

Administrative Provisions – Internal Revenue Service

(Including Transfer of Funds)

SEC. 101. Not to exceed 5 percent of any appropriation made available in this Act to the Internal Revenue Service or not to exceed 3 percent of appropriations under the heading "Enforcement" may be transferred to any other Internal Revenue Service appropriation upon the advance [approval] *notification* of the Committees on Appropriations.

SEC. 102. The Internal Revenue Service shall maintain a training program to ensure that Internal Revenue Service employees are trained in taxpayers' rights, in dealing courteously with taxpayers, and in cross-cultural relations.

SEC. 103. The Internal Revenue Service shall institute and enforce policies and procedures that will safeguard the confidentiality of taxpayer information.

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 the improvement of the Internal Revenue Service 1-800 help line service a priority and allocate resources necessary to increase phone lines and staff to improve the Internal Revenue Service 1-800 help line service.

SEC. 105. Of the funds made available by this Act to the Internal Revenue Service, not less than [\$7,100,000,000] \$8,235,000,000 shall be available only for tax enforcement[. In addition, of the funds made available by this Act to the Internal Revenue Service, and subject to the same terms and conditions, \$890,000,000], *of which not less than \$1,115,000,000 shall be available for additional and/or enhanced tax law enforcement, to be expended subject to the periods of availability applicable under each account.*

[SEC. 106. None of the funds made available in this Act may be used to enter into, renew, extend, administer, implement, enforce, or provide oversight of any qualified tax collection contract (as defined in section 6306 of the Internal Revenue Code of 1986).] (*Department of the Treasury Appropriations Act, 2010.*)

Administrative Provisions—Department of the Treasury

(Including Transfer of Funds)

SEC. 107. 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. 108. Not to exceed 2 percent of any appropriations in this Act made available to the Departmental Offices--Salaries and Expenses, Office of Inspector General, Financial Management Service, Alcohol and Tobacco Tax and Trade Bureau, Financial Crimes Enforcement Network, and Bureau of the Public Debt, may be transferred between such appropriations upon the advance [approval of] *notification to* the Committees on Appropriations: *Provided*, That no transfer may increase or decrease any such appropriation by more than 2 percent.

SEC. 109. 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 [approval of] *notification to* the Committees on Appropriations: *Provided*, That no transfer may increase or decrease any such appropriation by more than 2 percent.

SEC. 110. Of the funds available for the purchase of law enforcement vehicles, no funds may be obligated until the Secretary of the Treasury certifies that the purchase by the respective Treasury bureau is consistent with departmental vehicle management principles: *Provided*, That the Secretary may delegate this authority to the Assistant Secretary for Management.

SEC. 111. 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. 112. The Secretary of the Treasury may transfer funds from Financial Management 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. 113. Section 122(g)(1) of Public Law 105-119 (5 U.S.C. 3104 note), is further amended by striking “[11] 12 years” and inserting “[12] 13 years”.

[SEC. 114. 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 explicit approval of 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. 115. 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 explicit approval of the House Committee on Financial Services; the Senate Committee on Banking, Housing, and Urban Affairs; the House Committee on Appropriations; and the Senate Committee on Appropriations.]

SEC. [116]114. 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 [2010] 2011 until the enactment of the Intelligence Authorization Act for Fiscal Year [2010] 2011.

SEC. [117]115. 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. 116. Section 5114(c) of Title 31, United States Code (relating to engraving and printing currency and security documents), is amended by striking "for a period of not more than 4 years".

This section refers to repealing the limit on the contract term for the manufacture of distinctive currency paper to four years and open up the supply of U.S. currency paper to increased competition.

SEC. 117.

(a) Section 5112 of Title 31, United States Code, is amended as follows:

(1) Subsection (a)(2) is amended by striking "and weighs 11.34 grams".

(2) Subsection (a)(3) is amended by striking "and weighs 5.67 grams".

(3) Subsection (a)(4) is amended by striking "and weighs 2.268 grams".

(4) Subsection (a)(5) is amended by striking "and weighs 5 grams".

(5) Subsection (a)(6) is amended by --

(A) Striking "except as provided under subsection (c) of this section,"; and

(B) Striking "and weighs 3.11 grams".

(6) Subsection (b) is amended by striking the first, second, third, fourth, sixth, seventh, and eighth sentences.

(7) Subsection (c) is amended to read as follows: "The Secretary shall prescribe the weight and the composition of the dollar, half-dollar, quarter-dollar, dime, 5-cent, and one-cent coins. In addition, the Secretary shall consider such factors that the Secretary deems, in the Secretary's sole discretion, to be appropriate."

(b) Section 5113(a) of Title 31, United States Code, is amended by --

(1) Striking "and" and inserting after "dime", ", 5-cent, and one-cent"; and

(2) Striking the second and third sentences.

This section refers to authorizing the Secretary of the Treasury to approve alternative coinage materials to mitigate the effect of high metals prices.

SEC. 118. Section 3716(h)(3) of Title 31, United States Code, is amended by inserting ", other than past-due support being enforced by a State" after "State".

This section refers to allowing the offset of federal income tax refunds to collect

delinquent state income taxes for debtors who currently reside in other states.

(Department of the Treasury Appropriations Act, 2010.)

General Provisions—This Act

SEC. 617. The Federal Alcohol Administration Act (27 U.S.C. 201 et seq.) is amended by inserting immediately after “Title II--Alcoholic Beverage Labeling” a new Title III that provides as follows:

“Title III--ANNUAL FEES, ETC.

“Section 301--Authority to Collect Fees.

“Section 302--Reduced fees.

“Section 303--Exemptions and exceptions.

“Section 304--Administrative provisions.

“Section 305--Definitions.

“* * * * *

“Annual Fees, Etc.

“§301 AUTHORITY TO COLLECT FEES.

“(a) GENERAL RULE.—The Secretary of the Treasury is authorized to collect a fee for services rendered to the regulated community at levels not lower than those provided in subsections (b), (c), and (d), to the extent provided in advance by an appropriations act, to be credited as offsetting collections to the Alcohol and Tobacco Tax and Trade Bureau Salaries and Expenses account, to fund the operations of the Alcohol and Tobacco Tax and Trade Bureau as authorized by 6 U.S.C. 531.

“(b) FEE CATEGORY 1.—Each of the following shall pay a fee of \$1,000 per year in respect of each such premises under his control--

“(1) proprietors of a distilled spirits plant;

“(2) proprietors of a bonded wine cellar;

“(3) proprietors of a bonded wine warehouse;

“(4) proprietors of a taxpaid wine bottling house; or

“(5) proprietors of a brewery;

“(6) manufacturers of processed tobacco.

“(c) FEE CATEGORY 2.—Each of the following shall pay a fee of \$500 per year--

“(1) wholesale dealers in liquor;

“(2) wholesale dealers in beer;

“(3) wholesale dealers in tobacco products;

“(4) wholesale dealers in processed tobacco;

“(5) importers of tobacco products;

“(6) importers of processed tobacco;

“(7) every person intending to claim eligibility for drawback under section 5131 of the Internal Revenue Code of 1986;

“(d) FEE CATEGORY 3.—Each of the following shall pay a fee of \$350 per year--

“(1) retail dealers in liquors;

“(2) retail dealers in beer;

“(3) retail dealers in tobacco products;

“(4) except that every holder of a permit issued under section 5271 of the Internal Revenue Code of 1986, shall be subject to a fee of \$300.

“(e) FEE ADJUSTMENT.—The Secretary shall provide for automatic annual fee increases in accordance with the Consumer Price Index, and shall publish a notice of the fee increases in the Federal Register 60 days prior to their effective date.

“§302 REDUCED FEES.—

“(a) IN GENERAL.—Section 301(b) shall be applied by substituting “\$500” for “\$1,000” with respect to any person (other than one described in section 303(a)) the gross receipts of which (for the most recent taxable year ending before the 1st day of the taxable period to which the fee imposed by section 301(b) relates) are less than \$500,000.

“(b) CONTROLLED GROUP RULES.—All persons treated as 1 taxpayer under section 5061(e)(3) of the Internal Revenue Code of 1986 shall be treated as 1 fee payer for purposes of subsection (a).

“(c) CERTAIN RULES TO APPLY.—For purposes of determining gross receipts under subsection (a), the rules contained in subparagraphs (B) and (C) of section 448(c)(3) of the Internal Revenue Code of 1986 shall apply.

“§303. EXEMPTIONS AND EXCEPTIONS.

“(a) EXEMPTION FOR SMALL

PRODUCERS.—Section 301(b) shall not apply with respect to any person who is a proprietor of an eligible distilled spirits plant.

“(b) SALES BY PROPRIETORS OF CONTROLLED PREMISES.—No proprietor of a distilled spirits plant, bonded wine cellar, taxpaid wine bottling house, or brewery, shall be required to pay the fee under section 301(c) on account of the sale at his principal business office as designated in writing to the Secretary, or at his distilled spirits plant, bonded wine cellar, taxpaid wine bottling house, or brewery, as the case may be, of distilled spirits, wines, or beer, which, at the time of sale, are stored at his distilled spirits plant, bonded wine cellar, taxpaid wine bottling house, or brewery, as the case may be, or had been removed from such premises to a taxpaid storeroom operated in connection therewith and are stored therein. However, no such proprietor shall have more than one place of sale, as to each distilled spirits plant, bonded wine cellar, taxpaid wine bottling house, or brewery, that shall be exempt from fee by reason of the sale of distilled spirits, wines, or beer stored at such premises (or removed therefrom and stored as provided in this section), by reason of this subsection.

“(c) SALES BY LIQUOR STORES OPERATED BY STATES, POLITICAL SUBDIVISIONS, ETC.—No liquor store engaged in the business of selling to persons other than dealers, which is operated by a State, by a political subdivision of a State or by the District of Columbia, shall be required to pay any fee under this section 301(c), by reason of selling distilled spirits, wines, or beer to dealers qualified to do business as such in such State, subdivision, or District, if such State, political sub-division, or District has paid the applicable fee under section 301(d)(1) and 301(d)(2) as appropriate, and if such State, political subdivision, or District has paid fee under section 301(c)(1) and 301(c)(2) as appropriate, at its principal place of business.

“(d) CASUAL SALES.—

“(1) SALES BY CREDITORS, FIDUCIARIES, AND OFFICERS OF COURT.—No person shall be deemed to be a dealer by reason of the sale of distilled spirits, wines, beer or tobacco products which have been received by him as security for or in payment of a debt, or as an executor, administrator, or other fiduciary, or which have been levied on by any officer under order or process of any court or magistrate, if such distilled spirits, wines, or beer are sold by such person in one parcel only or at public auction in parcels of not less than 20 wine gallons, or in the case of tobacco products parcels of not less than 50 cartons.

“(2) SALES BY RETIRING PARTNERS OR REPRESENTATIVES OF DECEASED PARTNERS TO INCOMING OR REMAINING PARTNERS.—No person shall be deemed to be a dealer by reason of a sale of distilled spirits, wines, beer or tobacco products made by such person as a retiring partner or the representative of a deceased partner to the incoming, remaining, or surviving partner or partners of a firm.

“(3) RETURN OF LIQUORS OR TOBACCO PRODUCTS FOR CREDIT, REFUND, OR EXCHANGE.—No person shall be deemed to be a dealer by reason of the bona fide return of distilled spirits, wines, beer or tobacco products to the dealer from whom purchased (or to the successor of the vendor's business or line of merchandise) for credit, refund, or exchange.

“(e) DEALERS MAKING SALES ON PURCHASER DEALER'S PREMISES.—

“(1) WHOLESALE DEALERS IN LIQUORS.—No wholesale dealer in liquors who has paid the fee as such dealer shall again be required to pay a fee as such dealer on account of sales of wines or beer to wholesale or retail dealers in liquors, or to limited retail dealers, or of beer to wholesale or retail dealers in beer, consummated at the purchaser's place of business.

“(2) WHOLESALE DEALERS IN BEER.—No

wholesale dealer in beer who has paid the fee as such a dealer shall again be required to pay a fee as such dealer on account of sales of beer to wholesale or retail dealers in liquors or beer, or to limited retail dealers, consummated at the purchaser's place of business.

"(3) WHOLESALE DEALERS IN TOBACCO PRODUCTS OR PROCESSED TOBACCO.—*No wholesale dealer in tobacco products or processed tobacco who has paid the fee as such dealer shall again be required to pay a fee as such dealer on account of sales of tobacco products or processed tobacco consummated at the purchasers place of business.*

"(f) SALES BY RETAIL DEALERS IN LIQUIDATION.—*No retail dealer in liquors, retail dealer in beer or retail dealer in tobacco products, selling in liquidation his entire stock of liquors or tobacco products in one parcel or in parcels embracing not less than his entire stock of distilled spirits, of wines, of beer or of tobacco products to any other dealer, shall be deemed to be a wholesale dealer in liquors, a wholesale dealer in beer, or a wholesaler dealer in tobacco products, as the case may be, by reason of such sale or sales.*

"(g) SALES TO LIMITED RETAIL DEALERS AND SALES BY RETAIL DEALERS OF TOBACCO PRODUCTS.—

"(1) RETAIL DEALERS IN LIQUORS.—*No retail dealer in liquors who has paid the fee as such dealer under section 301(d) shall be required to pay additional fee under section 301(c) on account of the sale at his place of business of distilled spirits, wines, or beer to limited retail dealers as defined in section 305(d).*

"(2) RETAIL DEALERS IN BEER.—*No retail dealer in beer who has paid the fee as such dealer under section 301(d) shall be required to pay additional fee under section 301(c) on account of the sale at his place of business of beer to limited retail dealers as defined in*

section 305(d).

"(3) RETAIL DEALERS IN TOBACCO PRODUCTS.—*No retail dealer in tobacco products who has paid the fee under section 301(d) shall be required to an additional fee as a retail dealer in liquors or a retail dealer in beer under section 301(d).*

"(h) COORDINATION OF FEES UNDER SECTIONS 301(C).—*No fee as a wholesale dealer in liquor shall be charged with respect to a person's activities at any place during a year if such person has paid the fee as a wholesale dealer in beer with respect to such place for such year.*

"(i) WHOLESALE DEALERS IN LIQUORS, BEER, TOBACCO PRODUCTS AND PROCESSED TOBACCO AND IMPORTERS OF TOBACCO PRODUCTS AND PROCESSED TOBACCO.—

"(1) WHOLESALE DEALERS IN LIQUORS.—*No fee shall be charged as a retail dealer in liquor or a retailer dealer in beer on any dealer by reason of the selling, or offering for sale, of distilled spirits, wines, or beer at any location where such dealer is required to pay the fee as a wholesale dealer in liquors.*

"(2) WHOLESALE DEALERS IN BEER.—*No fee shall be charged as a retail dealer in beer on any dealer by reason of the selling, or offering for sale, of beer at any location where such dealer is required to pay the fee as a wholesale dealer in beer.*

"(3) WHOLESALE DEALERS IN TOBACCO PRODUCTS AND IMPORTER OF TOBACCO PRODUCTS.—*No fee shall be charged as a retail dealer in tobacco products on any dealer by reason of the selling or offering for sale of tobacco products at any location where such dealer is required to pay the fee as a wholesale dealer in tobacco products or as an importer of tobacco products.*

"(4) IMPORTERS OF TOBACCO PRODUCTS AND PROCESSED TOBACCO.—*No fee shall be charged as an importer of processed tobacco at any location*

where such person is required to pay the fee as an importer of tobacco products.

“(5) MANUFACTURERS OF PROCESSED TOBACCO AND IMPORTERS OF PROCESSED TOBACCO.—No fee shall be charged as an importer of processed tobacco at any location where such person is required to pay the fee as a manufacturer of processed tobacco or pay the special tax as a manufacturer of tobacco products under section 5731 of the Internal Revenue Code of 1986.

“(j) BUSINESS CONDUCTED IN MORE THAN ONE LOCATION.—

“(1) RETAIL DEALERS AT LARGE.—Any retail dealer in liquors or retailer dealer in beer whose business is such as to require him to travel from place to place in different States of the United States may, under regulations prescribed by the Secretary, cover his activities throughout the United States with the payment of but one fee as a retail dealer in liquors or as a retail dealer in beer, as the case may be.

“(2) DEALERS ON TRAINS, AIRCRAFT, AND BOATS.—Nothing contained in this chapter shall prevent the payment, under such regulations as the Secretary may prescribe, of the fee by--

“(A) persons carrying on the business of retail dealers in liquors, retail dealers in beer or retail dealer in tobacco products on trains, aircraft, boats or other vessels, engaged in the business of carrying passengers; or

“(B) persons carrying on the business of retail dealers in liquors, retail dealers in beer or retail dealers in tobacco products on boats or other vessels operated by them, when such persons operate from a fixed address in a port or harbor and supply exclusively boats or other vessels, or persons thereon, at such port or harbor.

“(3) LIQUOR STORES OPERATED BY STATES, POLITICAL SUBDIVISIONS, ETC.—A State, a political subdivision of a State, or the District of Columbia shall not be

required to pay more than one fee as a retail dealer in liquors under section 301(d) regardless of the number of locations at which such State, political subdivision, or District carries on business as a retail dealer in liquors.

“(k)Exception for the United States--Section 301(d)(4) shall not apply to any permit issued to any agency or instrumentality of the United States.

“(l)Exception for certain educational institutions--Section 301(d)(4) shall not apply with respect to any scientific university, college of learning, or institution of scientific research which is issued a permit under section 5271 of the Internal Revenue Code of 1986 and, with respect to any calendar year during which such permit is in effect, procures less than 25 gallons of distilled spirits free of tax for experimental or research use but not for consumption (other than organoleptic tests) or sale.

“§304. ADMINISTRATIVE PROVISIONS.

“(a) COMPUTATION AND PAYMENT OF THE FEES.—All fees charged under this part shall be paid no later than the first day of July in each year, or on commencing any trade or business on which such fee is charged. In the former case, the fee shall be computed for 1 year, and in the latter case it shall be computed from the first day of the month in which the trade or business commenced, to and include the 30th day of June following. The fee shall be paid in the mode and manner that the Secretary shall by regulation prescribe.

“(b) CONDITION PRECEDENT TO CARRY ON BUSINESS.—No person shall be engaged in or carry on any trade or business subject to the fee under this section until he has paid the fee.

“(c) PROCEDURES.—Unless otherwise specified by the Secretary, rules similar to those in section 5733 of the Internal Revenue Code of 1986 shall apply with respect to fees assessed under this part.

“(d) **APPLICABLE RULES.**—The fees imposed by section 301(b) shall be assessed, collected, and paid in the same manner as taxes, as provided in section 6665(a) of the Internal Revenue Code of 1986.

“(e) **CLAIMS COLLECTION.**—In addition to the authority in section 304(d), the unpaid fees that are due and owing may be collected pursuant to the Federal Claims Collection Act, 31 U.S.C. Chapter 37.

“(f) **REGULATIONS.**—The Secretary may issue such regulations as are necessary to carry out this title.

“§305. DEFINITIONS

“(a) **BREWER.**—Every person who brews beer (except a person who produces only beer exempt from tax under section 5053(e) of the Internal Revenue Code of 1986) and every person who produces beer for sale shall be deemed a brewer.

“(b) **DEALER.**—When used in sections 301 to 305, the term “dealer” means any person who sells, or offers for sale, any distilled spirits, wines, beer, tobacco products or processed tobacco.

“(c) **ELIGIBLE DISTILLED SPIRITS PLANT.**—A plant which is used to produce distilled spirits exclusively for fuel use and the production from which does not exceed 10,000 proof gallons per year.

“(d) **LIMITED RETAIL DEALER.**—When used in sections 301 to 305, the term ‘limited retail dealer’ means any fraternal, civic, church, labor, charitable, benevolent, or ex-servicemen's organization making sales of distilled spirits, wine, or beer on the occasion of any kind of entertainment, dance, picnic, bazaar, or festival held by it, or any person making sales of distilled spirits, wine, or beer to the members, guests, or patrons of bona fide fairs, reunions, picnics, carnivals, or other similar outings, if such organization or person is not otherwise engaged in business as a dealer.

“(e) **RETAIL DEALER IN LIQUORS.**—When used in sections 301 to 305, the term ‘retail

dealer in liquor’ means any dealer, other than a retail dealer in beer or a limited retail dealer, who sells, or offers for sale, any distilled spirits, wines, or beer, to any person other than a dealer.

“(f) **RETAIL DEALER IN BEER.**—When used in sections 301 to 305, the term ‘retail dealer in beer’ means any dealer, other than a limited retail dealer, who sells, or offers for sale, beer, but not distilled spirits or wines, to any person other than a dealer.

“(g) **WHOLESALE DEALER IN LIQUORS.**—When used in sections 301 to 305, the term ‘wholesale dealer in liquors’ means any dealer, other than a wholesale dealer in beer, who sells, or offers for sale, distilled spirits, wines, or beer, to another dealer.

“(h) **WHOLESALE DEALER IN BEER.**—When used in sections 301 to 305, the term ‘wholesale dealer in beer’ means a dealer who sells, or offers for sale, beer, but not distilled spirits or wines, to another dealer.

“(i) **WHOLESALE DEALER IN TOBACCO PRODUCTS.**—When used in sections 301 to 305, the term ‘wholesale dealer in tobacco products’ means a dealer who sells, or offers for sale, tobacco products to another dealer.;

“(j) **WHOLESALE DEALER IN PROCESSED TOBACCO.**—When used in sections 301 to 305, the term ‘wholesale dealer in processed tobacco’ means a dealer who sells, or offers for sale, processed tobacco to another dealer.;

“(k) **IMPORTER OF TOBACCO PRODUCTS.**—When used in sections 301 to 305, the term ‘importer of tobacco products’ means an importer as defined within section 5702(k) of the Internal Revenue Code of 1986 who imports tobacco products.;

“(l) **RETAIL DEALER IN TOBACCO PRODUCTS.**—When used in sections 301 to 305, the term ‘retail dealer in tobacco products’ means any dealer who sells, or offers for sale, tobacco products to any person other than a dealer.;

“(m) **MANUFACTURER OF PROCESSED TOBACCO.**—When used in sections 301 to

305, the term ‘manufacturer of processed tobacco’ means a manufacturer as defined within section 5702(p) of the Internal Revenue Code of 1986;

*“(n) **IMPORTER OF PROCESSED TOBACCO.**—When used in sections 301 to 305, the term ‘importer of processed tobacco’ means an importer defined within section 5702(k) who imports processed tobacco.”*

This section refers to the implementation of annual Licensing and Registration Fees that would require members of the alcohol and tobacco industries to pay annual licensing and registration fees in order to support the Alcohol, Tobacco Tax and Trade Bureau’s core mission and continue to provide benefits to members of the regulated community.