

# INTERNAL REVENUE SERVICE

## I. RESOURCE SUMMARY

(Budget Authority in Millions)

	<b>2004 Final</b>	<b>2005 Enacted</b>	<b>2006 Request</b>
<b>Drug Resources by Function</b>			
Investigations	\$0.000	\$0.000	\$55.584
<b>Total</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$55.584</b>
<b>Drug Resources by Decision Unit</b>			
Interagency Crime and Drug Enforcement <sup>/1</sup>	\$0.000	\$0.000	\$55.584
<b>Total</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$55.584</b>
<b>Drug Resources Personnel Summary</b>			
Total FTEs (direct only)	N/A	N/A	329
<b>Information</b>			
Total Agency Budget	N/A	N/A	\$10,679.3
Drug Percentage	N/A	N/A	0.5%

<sup>/1</sup> The FY 2006 estimates shown above reflect the Interagency Crime and Drug Enforcement resources transferred to the IRS Tax Administration and Operations Appropriation.

## II. PROGRAM SUMMARY

- The mission of the Internal Revenue Service (IRS) in federal law enforcement's anti-drug efforts is to utilize the financial expertise of its special agents to identify and impede the transfer of illegal proceeds generated by the manufacture and distribution of illegal drugs. The mission focuses on the investigation, disruption and dismantling of the country's major domestic and international narcotic and narcotic money laundering organizations through investigation, prosecution, and asset forfeiture proceedings. Prosecutions involve the criminal statutes contained in the Internal Revenue Code (Title 26), the Bank Secrecy Act (Title 31), and the Money Laundering Control Act (Title 18) of the United States Code.
- The IRS promulgated an international strategy that placed special agents in strategic foreign posts to facilitate the development and use of information obtained in host nations in support of criminal investigations. The international strategy provides for direct foreign source support to the investigations over which IRS has investigative jurisdiction.

- The IRS supports the mission by the investigation of criminal violations under its jurisdiction through three program areas: the Legal Income Tax Crimes Program, the Illegal Income Financial Crimes Program, and the Narcotic-Related Financial Crimes Program (Narcotics Program). The Narcotics Program supports the *Strategy* and the National Money Laundering Strategy through continued support to joint agency task forces including the Organized Crime and Drug Enforcement Task Force (OCDETF), High Intensity Drug Trafficking Area (HIDTA), and the High Risk Money Laundering and Financial Crimes Areas (HIFCA). Additionally, IRS is identifying emerging issues and establishing initiatives to be used as a catalyst for the development of significant tax, narcotic, and non-narcotic money laundering cases. The IRS also assists other nations in developing money laundering and asset forfeiture legislation through international training and assistance programs.

### **III. BUDGET SUMMARY**

#### **2006 Request**

- The IRS is requesting a total of \$55.6 million and 329 FTE in FY 2006. This represents the transfer of ICDE resources into the IRS Tax Administration and Operations appropriation. Of this amount, \$53.9 million is the FY 2005 enacted level transferred from Justice and \$1.7 million is an increase for pay and other cost increases.
- Criminal Investigation will use these resources in support of the FY 2006 OCDETF/ICDE programs.

### **IV. PERFORMANCE**

- FY 2004 performance measures are included in the Department of Justice OCDETF program.