

DEPARTMENT OF THE TREASURY

DEPARTMENTAL OFFICES

Federal Funds

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, \$250,141,000, of which not to exceed \$3,000,000, to remain available until September 30, 2009, for information technology modernization requirements; not to exceed \$200,000 for official reception and representation expenses; not to exceed \$258,000 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; \$5,114,000, to remain available until September 30, 2009, 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, That this transfer authority shall be in addition to any other provided in this Act; of which \$3,000,000, to remain available until September 30, 2009 is for secure space requirements; \$2,300,000, to remain available until September 30, 2009 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; and \$2,100,000, to remain available until September 30, 2010, is to develop and implement programs within the Office of Critical Infrastructure Protection and Compliance Policy, including entering into cooperative agreements.

Note.—A regular 2007 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 109-289, Division B, as amended). The amounts included for 2007 in this budget reflect the levels provided by the continuing resolution.

Program and Financing (in millions of dollars)

| Identification code 20-0101-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.01 Economic policies and programs | 32 | 32 | 45 |
| 00.02 Financial policies and programs | 25 | 25 | 29 |
| 00.03 Terrorism and Financial Intelligence | 39 | 39 | 56 |
| 00.04 Treasury-wide management policies and programs | 12 | 12 | 16 |
| 00.05 Treasury-wide financial statement audit | 4 | 4 | 5 |
| 00.07 Executive Direction | 16 | 16 | 20 |
| 00.08 Administration programs activities | 65 | 64 | 79 |
| 01.00 Subtotal, Direct programs | 193 | 192 | 250 |
| 09.11 Reimbursable program | 17 | 20 | 20 |
| 09.99 Subtotal, reimbursable program | 17 | 20 | 20 |
| 10.00 Total new obligations | 210 | 212 | 270 |
| Budgetary resources available for obligation: | | | |
| 21.40 Unobligated balance carried forward, start of year | 1 | 4 | 4 |
| 22.00 New budget authority (gross) | 214 | 212 | 270 |
| 23.90 Total budgetary resources available for obligation | 215 | 216 | 274 |
| 23.95 Total new obligations | -210 | -212 | -270 |
| 23.98 Unobligated balance expiring or withdrawn | -1 | ..... | ..... |
| 24.40 Unobligated balance carried forward, end of year | 4 | 4 | 4 |
| New budget authority (gross), detail: | | | |
| Discretionary: | | | |
| 40.00 Appropriation | 198 | 192 | 250 |
| 40.35 Appropriation permanently reduced | -2 | ..... | ..... |
| 43.00 Appropriation (total discretionary) | 196 | 192 | 250 |
| Spending authority from offsetting collections: | | | |
| 58.00 Offsetting collections (cash) | 16 | 20 | 20 |

| | | | |
|--|------|-------|-------|
| 58.10 Change in uncollected customer payments from Federal sources (unexpired) | 2 | ..... | ..... |
| 58.90 Spending authority from offsetting collections (total discretionary) | 18 | 20 | 20 |
| 70.00 Total new budget authority (gross) | 214 | 212 | 270 |
| Change in obligated balances: | | | |
| 72.40 Obligated balance, start of year | 52 | 51 | 51 |
| 73.10 Total new obligations | 210 | 212 | 270 |
| 73.20 Total outlays (gross) | -213 | -207 | -258 |
| 73.40 Adjustments in expired accounts (net) | -1 | -5 | -5 |
| 74.00 Change in uncollected customer payments from Federal sources (unexpired) | -2 | ..... | ..... |
| 74.10 Change in uncollected customer payments from Federal sources (expired) | 5 | ..... | ..... |
| 74.40 Obligated balance, end of year | 51 | 51 | 58 |
| Outlays (gross), detail: | | | |
| 86.90 Outlays from new discretionary authority | 181 | 175 | 221 |
| 86.93 Outlays from discretionary balances | 32 | 32 | 37 |
| 87.00 Total outlays (gross) | 213 | 207 | 258 |
| Offsets: | | | |
| Against gross budget authority and outlays: | | | |
| 88.00 Offsetting collections (cash) from: Federal sources | -21 | -20 | -20 |
| Against gross budget authority only: | | | |
| 88.95 Change in uncollected customer payments from Federal sources (unexpired) | -2 | ..... | ..... |
| 88.96 Portion of offsetting collections (cash) credited to expired accounts | 5 | ..... | ..... |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | 196 | 192 | 250 |
| 90.00 Outlays | 192 | 187 | 238 |
| Memorandum (non-add) entries: | | | |
| 92.01 Total investments, start of year: Federal securities: Par value | 1 | 1 | ..... |
| 92.02 Total investments, end of year: Federal securities: Par value | 1 | ..... | ..... |

Summary of Budget Authority and Outlays

| (in millions of dollars) | | | | |
|-------------------------------|-------------|-----------|-----------|--|
| | 2006 actual | 2007 est. | 2008 est. | |
| Enacted/requested: | | | | |
| Budget Authority | 196 | 192 | 250 | |
| Outlays | 192 | 187 | 238 | |
| Supplemental proposal: | | | | |
| Budget Authority ..... | ..... | 3 | ..... |  |
| Outlays ..... | ..... | 2 | 1 | |
| Total: | | | | |
| Budget Authority | 196 | 195 | 250 | |
| Outlays | 192 | 189 | 239 | |

Departmental Offices, as the headquarters bureau for the Department of the Treasury, provides leadership in such critical areas as economic and financial policy, terrorism and financial intelligence, financial crimes, and general management. The Secretary of the Treasury has the primary role in formulating and managing the domestic and international tax and financial policies of the Federal Government. Through effective management, policies, and leadership, the Treasury Department enables the use of financial tools in the war on terror, promotes the stability of the nation's financial markets, and ensures the government's ability to collect revenue.

The 2008 Budget for the Salaries and Expenses appropriation provides new resources to create a platform for global growth and security by fortifying economic relations with for-

SALARIES AND EXPENSES—Continued
(INCLUDING TRANSFER OF FUNDS)—Continued

eign countries and financial institutions, and increased resources for analysis of corporate mergers and acquisitions in the U.S. for national security concerns. The Budget also provides resources to combat attempts by Specially Designated Global Terrorists and their support networks to evade U.S. and international sanctions; track, identify, and designate the financiers and other supporters of Weapons of Mass Destruction proliferation; and allows for an increase in policy advisors dedicated to the Western Hemisphere, Africa and the Middle East-South Asia nexus, bringing together the U.S. government tools available to law enforcement and national security agencies.

The Budget proposes legislation to give the Secretary of the Treasury the ability to manage the government's short-term excess operating cash more efficiently. Under the current authority, which is codified at 31 U.S.C. 323, the Government is authorized to invest its short-term excess cash in obligations of the United States Government and depository institutions, principally, banks, savings and loan associations, and credit unions. This initiative would enable the Secretary of the Treasury to broaden investment options and improve earnings on investments while not increasing the level of risk of those investments. This initiative is expected to increase the interest earnings on the Treasury's investment of short-term excess cash by approximately \$10 million a year. Such earnings would be deposited in the general fund of the Treasury.

Object Classification (in millions of dollars)

| Identification code 20-0101-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Direct obligations: | | | |
| 11.1 Personnel compensation: Full-time permanent | 90 | 90 | 115 |
| 12.1 Civilian personnel benefits | 22 | 22 | 24 |
| 21.0 Travel and transportation of persons | 4 | 4 | 7 |
| 23.1 Rental payments to GSA | 6 | 6 | 5 |
| 23.3 Communications, utilities, and miscellaneous charges | 11 | 11 | 8 |
| 24.0 Printing and reproduction | 3 | 3 | 3 |
| 25.1 Advisory and assistance services | 23 | 23 | 53 |
| 25.2 Other services | 18 | 18 | 10 |
| 25.3 Other purchases of goods and services from Government accounts | 11 | 11 | 19 |
| 25.7 Operation and maintenance of equipment | 1 | 1 | 1 |
| 26.0 Supplies and materials | 3 | 3 | 4 |
| 31.0 Equipment | 1 | 1 | 1 |
| 99.0 Direct obligations | 193 | 192 | 250 |
| 99.0 Reimbursable obligations | 17 | 20 | 20 |
| 99.9 Total new obligations | 210 | 212 | 270 |

Employment Summary

| Identification code 20-0101-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Direct: | | | |
| 1001 Civilian full-time equivalent employment | 900 | 1,058 | 1,136 |
| Reimbursable: | | | |
| 2001 Civilian full-time equivalent employment | 97 | 90 | 90 |

shall be used to support or supplement "Internal Revenue Service, Information Systems" or "Internal Revenue Service, Business Systems Modernization".

Note.—A regular 2007 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 109-289, Division B, as amended). The amounts included for 2007 in this budget reflect the levels provided by the continuing resolution.

Program and Financing (in millions of dollars)

| Identification code 20-0115-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.01 Direct program activity | 25 | 24 | 19 |
| 10.00 Total new obligations | 25 | 24 | 19 |
| Budgetary resources available for obligation: | | | |
| 21.40 Unobligated balance carried forward, start of year | 15 | 15 | 15 |
| 22.00 New budget authority (gross) | 24 | 24 | 19 |
| 22.10 Resources available from recoveries of prior year obligations | 1 | | |
| 23.90 Total budgetary resources available for obligation | 40 | 39 | 34 |
| 23.95 Total new obligations | -25 | -24 | -19 |
| 24.40 Unobligated balance carried forward, end of year | 15 | 15 | 15 |
| New budget authority (gross), detail: | | | |
| Discretionary: | | | |
| 40.00 Appropriation | 24 | 24 | 19 |
| Change in obligated balances: | | | |
| 72.40 Obligated balance, start of year | 13 | 17 | 15 |
| 73.10 Total new obligations | 25 | 24 | 19 |
| 73.20 Total outlays (gross) | -20 | -26 | -27 |
| 73.45 Recoveries of prior year obligations | -1 | | |
| 74.40 Obligated balance, end of year | 17 | 15 | 7 |
| Outlays (gross), detail: | | | |
| 86.90 Outlays from new discretionary authority | 6 | 11 | 9 |
| 86.93 Outlays from discretionary balances | 14 | 15 | 18 |
| 87.00 Total outlays (gross) | 20 | 26 | 27 |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | 24 | 24 | 19 |
| 90.00 Outlays | 20 | 26 | 27 |

This account is authorized to be used by or on behalf of Treasury bureaus, at the Secretary's discretion, to modernize business processes and increase efficiency through technology investments. The 2008 Budget provides funds to begin work on a pilot Enterprise Content Management Solution, improve the capabilities and capacity of Treasury's Secure Data Network, and improve Treasury's Cyber Security.

Object Classification (in millions of dollars)

| Identification code 20-0115-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|-------------------------------------|-------------|-----------|-----------|
| Direct obligations: | | | |
| 23.1 Rental payments to GSA | 1 | 1 | 1 |
| 25.2 Other services | 21 | 20 | 14 |
| 31.0 Equipment | 3 | 3 | 4 |
| 99.9 Total new obligations | 25 | 24 | 19 |

DEPARTMENT-WIDE SYSTEMS AND CAPITAL INVESTMENTS PROGRAMS
(INCLUDING TRANSFER OF FUNDS)

For development and acquisition of automatic data processing equipment, software, and services for the Department of the Treasury, \$18,710,000, to remain available until September 30, 2010: 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

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, \$18,450,000, of which not to exceed \$2,000,000 for official travel expenses, including hire of passenger motor vehicles; 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; and of which not to exceed \$2,500 shall be available for official reception and representation expenses.

Note.—A regular 2007 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 109-289, Division B, as amended). The amounts included for 2007 in this budget reflect the levels provided by the continuing resolution.

Program and Financing (in millions of dollars)

| Identification code 20-0106-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.01 Audits | 12 | 12 | 12 |
| 00.02 Investigations | 6 | 5 | 6 |
| 09.01 Reimbursable program | 1 | 1 | 1 |
| 10.00 Total new obligations | 19 | 18 | 19 |
| Budgetary resources available for obligation: | | | |
| 21.40 Unobligated balance carried forward, start of year | | | 1 |
| 22.00 New budget authority (gross) | 19 | 19 | 19 |
| 23.90 Total budgetary resources available for obligation | 19 | 19 | 20 |
| 23.95 Total new obligations | -19 | -18 | -19 |
| 24.40 Unobligated balance carried forward, end of year | | 1 | 1 |
| New budget authority (gross), detail: | | | |
| Discretionary: | | | |
| 40.00 Appropriation | 17 | 17 | 18 |
| Spending authority from offsetting collections: | | | |
| 58.00 Offsetting collections (cash) | 1 | 2 | 1 |
| 58.10 Change in uncollected customer payments from Federal sources (unexpired) | 1 | | |
| 58.90 Spending authority from offsetting collections (total discretionary) | 2 | 2 | 1 |
| 70.00 Total new budget authority (gross) | 19 | 19 | 19 |
| Change in obligated balances: | | | |
| 72.40 Obligated balance, start of year | 2 | 1 | |
| 73.10 Total new obligations | 19 | 18 | 19 |
| 73.20 Total outlays (gross) | -20 | -19 | -19 |
| 74.00 Change in uncollected customer payments from Federal sources (unexpired) | -1 | | |
| 74.10 Change in uncollected customer payments from Federal sources (expired) | 1 | | |
| 74.40 Obligated balance, end of year | 1 | | |
| Outlays (gross), detail: | | | |
| 86.90 Outlays from new discretionary authority | 17 | 17 | 17 |
| 86.93 Outlays from discretionary balances | 3 | 2 | 2 |
| 87.00 Total outlays (gross) | 20 | 19 | 19 |
| Offsets: | | | |
| Against gross budget authority and outlays: | | | |
| 88.00 Offsetting collections (cash) from: Federal sources | -2 | -2 | -1 |
| Against gross budget authority only: | | | |
| 88.95 Change in uncollected customer payments from Federal sources (unexpired) | -1 | | |
| 88.96 Portion of offsetting collections (cash) credited to expired accounts | 1 | | |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | 17 | 17 | 18 |
| 90.00 Outlays | 18 | 17 | 18 |

The Office of Inspector General (OIG) conducts audits, evaluations, and investigations designed to: (1) promote economy, efficiency, and effectiveness and prevent fraud, waste, and abuse in Departmental programs and operations; and (2) keep the Secretary and the Congress fully and currently informed of problems and deficiencies in the administration of Departmental programs and operations. This office covers all Treasury activities except tax administration.

In 2008, the OIG Office of Audit will continue, as a first priority, to address mandated audits related to financial statements, information security, Treasury procurements on behalf of the Department of Defense, and as necessary, failed financial institutions resulting in material losses to the deposit insurance funds. OIG will provide audit oversight in a number of critical areas, in particular programs to Combat Ter-

rorist Financing and Money Laundering, efforts to ensure the integrity of Treasury's information systems, and Treasury's management of capital investments.

In 2008, the Office of Investigations will continue investigating all reports of fraud, waste and abuse and other criminal activity, such as financial programs where fraud and other crimes are involved in the issuance of licenses or benefits to citizens, will perform oversight or quality assurance reviews of Treasury's police operations at the Bureau of Engraving and Printing and the U.S. Mint, and will conduct proactive efforts to detect, investigate and deter electronic crimes and other threats to the Treasury's physical and cyber critical infrastructure. The Office of Investigations will continue current efforts to aggressively investigate, close, and refer cases for criminal prosecution, civil litigation or administrative action in a timely manner.

Object Classification (in millions of dollars)

| Identification code 20-0106-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Direct obligations: | | | |
| Personnel compensation: | | | |
| 11.1 Full-time permanent | 10 | 11 | 11 |
| 11.5 Other personnel compensation | 1 | 1 | 1 |
| 11.9 Total personnel compensation | 11 | 12 | 12 |
| 12.1 Civilian personnel benefits | 3 | 3 | 3 |
| 23.1 Rental payments to GSA | 1 | 2 | 2 |
| 25.3 Other purchases of goods and services from Government accounts | 1 | | 1 |
| 99.0 Direct obligations | 16 | 17 | 18 |
| 99.0 Reimbursable obligations | 2 | 1 | 1 |
| 99.5 Below reporting threshold | 1 | | |
| 99.9 Total new obligations | 19 | 18 | 19 |

Employment Summary

| Identification code 20-0106-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Direct: | | | |
| 1001 Civilian full-time equivalent employment | 116 | 115 | 115 |
| Reimbursable: | | | |
| 2001 Civilian full-time equivalent employment | 4 | 2 | |

**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; \$140,533,000, of which not to exceed \$6,000,000 for official travel expenses; of which not to exceed \$500,000 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.

Note.—A regular 2007 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 109-289, Division B, as amended). The amounts included for 2007 in this budget reflect the levels provided by the continuing resolution.

Program and Financing (in millions of dollars)

| Identification code 20-0119-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.01 Audit | 48 | 50 | 53 |
| 00.02 Investigations | 83 | 82 | 88 |
| 09.01 Reimbursable program | 2 | 1 | 1 |
| 10.00 Total new obligations | 133 | 133 | 142 |
| Budgetary resources available for obligation: | | | |
| 22.00 New budget authority (gross) | 134 | 134 | 142 |

TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION—
Continued
SALARIES AND EXPENSES—Continued

Program and Financing (in millions of dollars)—Continued

| Identification code 20-0119-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| 23.95 Total new obligations | -133 | -133 | -142 |
| New budget authority (gross), detail: | | | |
| Discretionary: | | | |
| 40.00 New budget authority (gross), detail | 133 | 132 | 141 |
| 40.35 Appropriation permanently reduced | -1 | | |
| 43.00 Appropriation (total discretionary) | 132 | 132 | 141 |
| 58.00 Spending authority from offsetting collections: Off- setting collections (cash) | 2 | 1 | 1 |
| Mandatory: | | | |
| 62.00 Transferred from other accounts | | 1 | |
| 70.00 Total new budget authority (gross) | 134 | 134 | 142 |
| Change in obligated balances: | | | |
| 72.40 Change in obligated balances | 9 | 9 | 9 |
| 73.10 Total new obligations | 133 | 133 | 142 |
| 73.20 Total outlays (gross) | -133 | -133 | -141 |
| 74.40 Obligated balance, end of year | 9 | 9 | 10 |
| Outlays (gross), detail: | | | |
| 86.90 Outlays (gross), detail | 124 | 123 | 131 |
| 86.93 Outlays from discretionary balances | 9 | 9 | 10 |
| 86.97 Outlays from new mandatory authority | | 1 | |
| 87.00 Total outlays (gross) | 133 | 133 | 141 |
| Offsets: | | | |
| Against gross budget authority and outlays: | | | |
| 88.00 Offsetting collections (cash) from: Offsets | -2 | -1 | -1 |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | 132 | 133 | 141 |
| 90.00 Outlays | 131 | 132 | 140 |

The Treasury Inspector General for Tax Administration (TIGTA) conducts independent audits and investigations of Treasury Department matters relating to the Internal Revenue Service (IRS), the IRS Oversight Board, and the IRS Office of Chief Counsel. TIGTA's oversight helps ensure that the IRS accomplishes its mission; improves its programs and operations; promotes economy, efficiency and effectiveness; and prevents and detects fraud, waste and abuse.

In 2008, TIGTA's investigative program will concentrate on three core areas: (1) employee integrity; (2) employee and infrastructure security; and (3) external attempts to corrupt tax administration. In 2006, TIGTA closed 3,412 criminal investigations.

In 2008, TIGTA will administer an audit program that strikes a balance between statutory audit coverage and discretionary audit work. The statutory coverage will include audits mandated by the IRS Restructuring and Reform Act of 1998, as well as reviews that address computer security, taxpayer privacy and rights, and financial management. In addition, TIGTA will continue to closely monitor the IRS' modernization efforts, its major management challenges, its response to the President's Management Agenda, and its progress in achieving its strategic goals and eliminating identified material weaknesses. TIGTA's 2006 highlights include: 171 final reports issued; \$1.8 billion in potential cost savings and increased and/or protected revenue identified; and 1.8 million taxpayer accounts potentially positively affected.

Object Classification (in millions of dollars)

| Identification code 20-0119-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|-------------------------------------|-------------|-----------|-----------|
| Direct obligations: | | | |

| | | | |
|--|-----|-----|-----|
| 11.1 Personnel compensation: | | | |
| 11.3 Full-time permanent | 75 | 71 | 76 |
| 11.5 Other than full-time permanent | 1 | 1 | 1 |
| 11.5 Other personnel compensation | 9 | 9 | 9 |
| 11.9 Total personnel compensation | 84 | 81 | 86 |
| 12.1 Civilian personnel benefits | 24 | 24 | 26 |
| 21.0 Travel and transportation of persons | 3 | 4 | 5 |
| 23.1 Rental payments to GSA | 8 | 8 | 8 |
| 23.3 Communications, utilities, and miscellaneous charges | 2 | 2 | 2 |
| 25.1 Advisory and assistance services | 1 | 1 | 1 |
| 25.2 Other services | 1 | 1 | 1 |
| 25.3 Other purchases of goods and services from Gov- ernment accounts | 3 | 6 | 7 |
| 25.7 Operation and maintenance of equipment | 1 | 1 | 1 |
| 26.0 Supplies and materials | 1 | 1 | 1 |
| 31.0 Equipment | 3 | 3 | 3 |
| 99.0 Direct obligations | 131 | 132 | 141 |
| 99.0 Reimbursable obligations | 2 | 1 | 1 |
| 99.9 Total new obligations | 133 | 133 | 142 |

Employment Summary

| Identification code 20-0119-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Direct: | | | |
| 1001 Civilian full-time equivalent employment | 835 | 817 | 835 |
| Reimbursable: | | | |
| 2001 Civilian full-time equivalent employment | 3 | 3 | 3 |

TREASURY BUILDING AND ANNEX REPAIR AND RESTORATION

Program and Financing (in millions of dollars)

| Identification code 20-0108-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.01 Repair and improvement of Main Treasury | 12 | | |
| 10.00 Total new obligations | 12 | | |
| Budgetary resources available for obligation: | | | |
| 21.40 Unobligated balance carried forward, start of year | 3 | 1 | 14 |
| 22.00 New budget authority (gross) | 10 | 12 | |
| 22.10 Resources available from recoveries of prior year obli- gations | | 1 | 1 |
| 23.90 Total budgetary resources available for obligation | 13 | 14 | 15 |
| 23.95 Total new obligations | -12 | | |
| 24.40 Unobligated balance carried forward, end of year | 1 | 14 | 15 |
| New budget authority (gross), detail: | | | |
| Discretionary: | | | |
| 40.00 Appropriation | 10 | 12 | |
| Change in obligated balances: | | | |
| 72.40 Obligated balance, start of year | 6 | 4 | |
| 73.10 Total new obligations | 12 | | |
| 73.20 Total outlays (gross) | -14 | -3 | -7 |
| 73.45 Recoveries of prior year obligations | | -1 | -1 |
| 74.40 Obligated balance, end of year | 4 | | -8 |
| Outlays (gross), detail: | | | |
| 86.90 Outlays from new discretionary authority | 8 | | |
| 86.93 Outlays from discretionary balances | 6 | 3 | 7 |
| 87.00 Total outlays (gross) | 14 | 3 | 7 |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | 10 | 12 | |
| 90.00 Outlays | 14 | 3 | 7 |

This appropriation funds repairs and selected improvements to the Main Treasury and Annex buildings.

The 2006 appropriation of \$10 million was the final investment in the Treasury Building and Annex Repair and Restoration (TBARR) project. Major repairs and restoration have

resulted in a more modernized working environment while preserving the historic integrity of the Treasury Building, and have ensured improved working conditions for the health and safety of Treasury employees and visitors. This schedule reflects remaining balances.

Object Classification (in millions of dollars)

| Identification code 20-0108-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|-------------------------------------|-------------|-----------|-----------|
| Direct obligations: | | | |
| 23.1 Rental payments to GSA | | | |
| 23.1 Rental payments to GSA | 1 | | |
| 32.0 Land and structures | 11 | | |
| 99.9 Total new obligations | 12 | | |

Employment Summary

| Identification code 20-0108-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Direct: | | | |
| 1001 Civilian full-time equivalent employment | 3 | | |

EXPANDED ACCESS TO FINANCIAL SERVICES

Program and Financing (in millions of dollars)

| Identification code 20-0121-0-1-808 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Budgetary resources available for obligation: | | | |
| 21.40 Unobligated balance carried forward, start of year | 1 | 2 | 2 |
| 22.10 Resources available from recoveries of prior year obligations | 1 | | |
| 23.90 Total budgetary resources available for obligation | 2 | 2 | 2 |
| 24.40 Unobligated balance carried forward, end of year | 2 | 2 | 2 |
| Change in obligated balances: | | | |
| 72.40 Obligated balance, start of year | 2 | 1 | 1 |
| 73.45 Recoveries of prior year obligations | -1 | | |
| 74.40 Obligated balance, end of year | 1 | 1 | 1 |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | | | |
| 90.00 Outlays | | | |

COUNTERTERRORISM FUND

Program and Financing (in millions of dollars)

| Identification code 20-0117-0-1-751 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.01 Counterterrorism-related activities | 2 | | |
| 10.00 Total new obligations (object class 25.2) | 2 | | |
| Budgetary resources available for obligation: | | | |
| 21.40 Unobligated balance carried forward, start of year | 3 | 1 | 1 |
| 23.95 Total new obligations | -2 | | |
| 24.40 Unobligated balance carried forward, end of year | 1 | 1 | 1 |
| Change in obligated balances: | | | |
| 72.40 Obligated balance, start of year | 7 | 5 | 5 |
| 73.10 Total new obligations | 2 | | |
| 73.20 Total outlays (gross) | -4 | | |
| 74.40 Obligated balance, end of year | 5 | 5 | 5 |
| Outlays (gross), detail: | | | |
| 86.93 Outlays from discretionary balances | 4 | | |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | | | |
| 90.00 Outlays | 4 | | |

Most of the balances in this account were transferred to the Department of Homeland Security in accordance with the Homeland Security Act of 2002 (P.L. 107-296). The remaining resources were used to fund projects related to domestic and international terrorism. This schedule reflects remaining balances in the account.

TERRORISM INSURANCE PROGRAM

Program and Financing (in millions of dollars)

| Identification code 20-0123-0-1-376 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.01 Administrative Expenses | 2 | 3 | 2 |
| 10.00 Total new obligations | 2 | 3 | 2 |
| Budgetary resources available for obligation: | | | |
| 21.40 Unobligated balance carried forward, start of year | 7 | 5 | 2 |
| 23.95 Total new obligations | -2 | -3 | -2 |
| 24.40 Unobligated balance carried forward, end of year | 5 | 2 | |
| Change in obligated balances: | | | |
| 72.40 Obligated balance, start of year | 1 | 1 | 1 |
| 73.10 Total new obligations | 2 | 3 | 2 |
| 73.20 Total outlays (gross) | -2 | -3 | -2 |
| 74.40 Obligated balance, end of year | 1 | 1 | 1 |
| Outlays (gross), detail: | | | |
| 86.98 Outlays from mandatory balances | 2 | 3 | 2 |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | | | |
| 90.00 Outlays | 2 | 3 | 2 |

The Terrorism Risk Insurance Extension Act of 2005 (P.L. 109-144) reauthorized and revised the program established by the Terrorism Risk Insurance Act of 2002 (P.L. 107-297). The Extension Act extended the Terrorism Insurance Program for two years, through December 31, 2007, and increases insurers' deductibles from 15 percent in calendar year 2005 to 17.5 percent in 2006 and 20 percent in 2007. Under previous law, once the deductible was reached, the Federal Government was responsible for paying 90 percent of insured losses arising from acts of terrorism above the applicable insurer deductible and below a \$100 billion annual aggregate cap. Under the revised program, the Federal Government is responsible for paying 85 percent of the insured losses during calendar year 2007. The Extension Act excludes the following lines of insurance previously covered by P.L. 107-297: commercial automobile; burglary and theft; surety; professional liability; and farm owners multiple peril. In addition, the trigger amounts for Federal payments increase from the original \$5 million in aggregate insured losses from an act of terrorism to \$100 million in calendar year 2007.

The Budget only includes estimates of the general administrative costs of the program through December 31, 2007. Given the uncertainty surrounding the risk of future terrorist attacks, the Budget does not include estimates of the timing or magnitude of potential insurance claims under the program. Any such claims would be paid from permanent, indefinite authority and would not require subsequent appropriations.

Object Classification (in millions of dollars)

| Identification code 20-0123-0-1-376 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Direct obligations: | | | |
| 11.1 Personnel compensation: Full-time permanent | 1 | 1 | 1 |
| 25.1 Advisory and assistance services | 1 | 2 | 1 |
| 99.9 Total new obligations | 2 | 3 | 2 |

TERRORISM INSURANCE PROGRAM—Continued

Employment Summary

| Identification code 20-0123-0-1-376 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Direct: | | | |
| 1001 Civilian full-time equivalent employment | 10 | 10 | 8 |

TREASURY FORFEITURE FUND

Special and Trust Fund Receipts (in millions of dollars)

| Identification code 20-5697-0-2-751 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| 01.00 Balance, start of year | 1 | 2 | 2 |
| 01.99 Balance, start of year | 1 | 2 | 2 |
| Receipts: | | | |
| 02.40 Earnings on investments, Treasury forfeiture fund | 27 | 20 | 20 |
| 02.60 Forfeited cash and proceeds from sale of forfeited property, Treasury forfeiture fund | 245 | 250 | 250 |
| 02.99 Total receipts and collections | 272 | 270 | 270 |
| 04.00 Total: Balances and collections | 273 | 272 | 272 |
| Appropriations: | | | |
| 05.00 Treasury forfeiture fund | -271 | -270 | -270 |
| 07.99 Balance, end of year | 2 | 2 | 2 |

Program and Financing (in millions of dollars)

| Identification code 20-5697-0-2-751 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.01 Asset forfeiture fund | 314 | 303 | 270 |
| 10.00 Total new obligations | 314 | 303 | 270 |
| Budgetary resources available for obligation: | | | |
| 21.40 Unobligated balance carried forward, start of year | 91 | 83 | 50 |
| 22.00 New budget authority (gross) | 271 | 270 | 270 |
| 22.10 Resources available from recoveries of prior year obligations | 35 | | |
| 23.90 Total budgetary resources available for obligation | 397 | 353 | 320 |
| 23.95 Total new obligations | -314 | -303 | -270 |
| 24.40 Unobligated balance carried forward, end of year | 83 | 50 | 50 |
| New budget authority (gross), detail: | | | |
| Mandatory: | | | |
| 60.20 Appropriation (special fund) | 271 | 270 | 270 |
| Change in obligated balances: | | | |
| 72.40 Obligated balance, start of year | 252 | 244 | 276 |
| 73.10 Total new obligations | 314 | 303 | 270 |
| 73.20 Total outlays (gross) | -287 | -271 | -270 |
| 73.45 Recoveries of prior year obligations | -35 | | |
| 74.40 Obligated balance, end of year | 244 | 276 | 276 |
| Outlays (gross), detail: | | | |
| 86.97 Outlays from new mandatory authority | 243 | 243 | 243 |
| 86.98 Outlays from mandatory balances | 44 | 28 | 27 |
| 87.00 Total outlays (gross) | 287 | 271 | 270 |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | 271 | 270 | 270 |
| 90.00 Outlays | 287 | 271 | 270 |
| Memorandum (non-add) entries: | | | |
| 92.01 Total investments, start of year: Federal securities: | | | |
| Par value | 179 | 275 | 126 |
| 92.02 Total investments, end of year: Federal securities: | | | |
| Par value | 275 | 126 | 126 |

The Treasury Forfeiture Fund is managed to support Federal, State, and local law enforcement's use of asset forfeiture as a powerful tool to punish and deter criminal activity. Non-tax forfeitures made by participating bureaus from the Treas-

ury and Homeland Security Departments are deposited into the Fund and are available to pay or reimburse certain costs and expenses related to seizures and forfeitures that occur pursuant to laws enforced by the bureaus and other expenses authorized by 31 U.S.C. 9703.

Object Classification (in millions of dollars)

| Identification code 20-5697-0-2-751 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Direct obligations: | | | |
| 25.2 Other services | 96 | 115 | 115 |
| 25.3 Other purchases of goods and services from Government accounts | 134 | 108 | 75 |
| 41.0 Grants, subsidies, and contributions | 84 | 80 | 80 |
| 99.9 Total new obligations | 314 | 303 | 270 |

PRESIDENTIAL ELECTION CAMPAIGN FUND

Special and Trust Fund Receipts (in millions of dollars)

| Identification code 20-5081-0-2-808 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| 01.00 Balance, start of year | | | |
| 01.99 Balance, start of year | | | |
| Receipts: | | | |
| 02.60 Presidential election campaign fund | 50 | 50 | 50 |
| 04.00 Total: Balances and collections | 50 | 50 | 50 |
| Appropriations: | | | |
| 05.00 Presidential election campaign fund | -50 | -50 | -42 |
| 07.99 Balance, end of year | | | 8 |

Program and Financing (in millions of dollars)

| Identification code 20-5081-0-2-808 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.02 Nominating conventions for parties | | 33 | 206 |
| 10.00 Total new obligations (object class 41.0) | | 33 | 206 |
| Budgetary resources available for obligation: | | | |
| 21.40 Unobligated balance carried forward, start of year | 97 | 147 | 164 |
| 22.00 New budget authority (gross) | 50 | 50 | 42 |
| 23.90 Total budgetary resources available for obligation | 147 | 197 | 206 |
| 23.95 Total new obligations | | -33 | -206 |
| 24.40 Unobligated balance carried forward, end of year | 147 | 164 | |
| New budget authority (gross), detail: | | | |
| Mandatory: | | | |
| 60.20 Appropriation (special fund) | 50 | 50 | 42 |
| Change in obligated balances: | | | |
| 73.10 Total new obligations | | 33 | 206 |
| 73.20 Total outlays (gross) | | -33 | -206 |
| Outlays (gross), detail: | | | |
| 86.97 Outlays from new mandatory authority | | | 42 |
| 86.98 Outlays from mandatory balances | | 33 | 164 |
| 87.00 Total outlays (gross) | | 33 | 206 |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | 50 | 50 | 42 |
| 90.00 Outlays | | 33 | 206 |

Matching funds in primaries.—Upon certification by the Federal Election Commission, every candidate eligible to receive payments is entitled to receive \$250 in Federal matching funds for each eligible \$250 private contribution received after the beginning of the calendar year immediately preceding the election year through the end of the calendar year of the election.

Nominating conventions of parties.—Upon certification by the Commission, payments may be made to the national com-

mittee of a major party or a minor party that elects to receive its entitlement. The total of such payments will be limited to the amount in the account at the time of payment. The national committee of each party may receive payments beginning on July 1 of the year immediately preceding the calendar year in which a presidential nominating convention of the political party is held. By statute, the two major parties receive \$4 million each, plus a cost-of-living increase. In 2004, both parties received \$14.9 million for their nominating conventions.

Candidates for general elections.—By statute, the eligible candidates of each major party in a presidential election are entitled to equal payments in an amount which, in the aggregate, shall not exceed \$20 million each, plus a cost-of-living increase. In 2004, this amounted to \$74.6 million for each candidate.

In addition, provision is made for new parties, minor parties and non-major party candidates who may receive in excess of 5 percent of the popular vote and therefore, be entitled to a pro rata portion of the major party grant in the general election.

SALLIE MAE ASSESSMENTS

The Secretary of the Treasury is authorized by the Higher Education Act of 1965, as amended, to collect from the Student Loan Marketing Association, commonly known as Sallie Mae or SLMA an annual assessment of up to \$800,000, adjusted by the Consumer Price Index, to cover the expenses relating to providing financial oversight of the Association.

On December 29, 2004, Treasury officials announced the formal separation of Sallie Mae from the Federal Government which terminated its status as a Government-Sponsored Enterprise. This action completed the transformation of Sallie Mae to a fully private corporation.

Employment Summary

| Identification code 20-5407-0-2-808 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Direct: | | | |
| 1001 Civilian full-time equivalent employment | 2 | | |

EXCHANGE STABILIZATION FUND

Program and Financing (in millions of dollars)

| Identification code 20-4444-0-3-155 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Budgetary resources available for obligation: | | | |
| 21.40 Unobligated balance carried forward, start of year (Special drawing rights) | 29,126 | 30,043 | 30,980 |
| 22.00 New budget authority (gross) | 917 | 937 | 958 |
| 23.90 Total budgetary resources available for obligation | 30,043 | 30,980 | 31,938 |
| 24.40 Unobligated balance carried forward, end of year | 30,043 | 30,980 | 31,938 |
| New budget authority (gross), detail: | | | |
| Mandatory: | | | |
| 69.00 Spending authority from offsetting collections: Offsetting collections (cash) | 917 | 937 | 958 |
| Change in obligated balances: | | | |
| 72.40 Obligated balance, start of year | 14,135 | 14,135 | 14,135 |
| 74.40 Obligated balance, end of year | 14,135 | 14,135 | 14,135 |
| Offsets: | | | |
| Against gross budget authority and outlays: | | | |
| Offsetting collections (cash) from: | | | |
| 88.20 Interest on Federal securities | -683 | -698 | -714 |
| 88.40 Interest on foreign investments | -234 | -239 | -244 |

| | | | | |
|--|--|--------|--------|--------|
| 88.90 | Total, offsetting collections (cash) | -917 | -937 | -958 |
| Net budget authority and outlays: | | | | |
| 89.00 | Budget authority | | | |
| 90.00 | Outlays | -917 | -937 | -958 |
| Memorandum (non-add) entries: | | | | |
| 92.01 | Total investments, start of year: Federal securities: | | | |
| | Par value | 15,238 | 15,711 | 16,057 |
| 92.02 | Total investments, end of year: Federal securities: | | | |
| | Par value | 15,711 | 16,057 | 16,410 |
| 92.03 | Total investments, start of year: non-Federal securities: Market value | | 19,812 | 20,248 |
| 92.04 | Total investments, end of year: non-Federal securities: Market value | 19,812 | 20,248 | 20,693 |

The Secretary of the Treasury is authorized to deal in gold and foreign exchange and other instruments of credit and securities as the Secretary considers necessary, consistent with U.S. obligations in the International Monetary Fund (IMF) regarding orderly exchange arrangements and a stable system of exchange rates. An Exchange Stabilization Fund, with capital of \$200 million, is authorized by law for this purpose (31 U.S.C. 5302). All earnings and interest accruing to this fund are available for the purposes thereof. Transactions in special drawing rights (SDR's) and U.S. holdings of SDR's are administered by the fund. U.S. drawings from the IMF, if any, are also advanced to the fund. As required by Public Law 95-612, the fund is not available to pay administrative expenses.

The principal sources of the fund's income are earnings on investments held by the fund, including interest earned on fund holdings of U.S. Government securities.

The amounts reflected in the 2007 and 2008 estimates entail only projected net interest earnings on Exchange Stabilization Fund (ESF) assets. The estimates are subject to considerable variance, depending on changes in the amount and composition of assets and the interest rates applied to investments. In addition, these estimates make no attempt to forecast gains or losses on SDR valuation or foreign currency valuation.

Balance Sheet (in millions of dollars)

| Identification code 20-4444-0-3-155 | 2005 actual | 2006 actual |
|---|-------------|-------------|
| ASSETS: | | |
| Federal assets: Investments in US securities: | | |
| 1102 Treasury securities, par | 15,238 | 15,711 |
| 1201 Non-Federal assets: Foreign Currency Investments | 19,256 | 19,812 |
| 1801 Other Federal assets: Special Drawing Rights | 8,392 | 8,655 |
| 1999 Total assets | 42,886 | 44,178 |
| LIABILITIES: | | |
| 2207 Non-Federal liabilities: Other | 9,334 | 9,480 |
| 2999 Total liabilities | 9,334 | 9,480 |
| NET POSITION: | | |
| 3100 Appropriated capital | 200 | 200 |
| 3300 Cumulative results of operations | 33,352 | 34,498 |
| 3999 Total net position | 33,552 | 34,698 |
| 4999 Total liabilities and net position | 42,886 | 44,178 |

WORKING CAPITAL FUND

Program and Financing (in millions of dollars)

| Identification code 20-4501-0-4-803 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 09.10 Working capital fund | 206 | 245 | 245 |
| 09.11 Administrative overhead | 7 | 8 | 8 |
| 10.00 Total new obligations | 213 | 253 | 253 |
| Budgetary resources available for obligation: | | | |
| 21.40 Unobligated balance carried forward, start of year | 46 | 62 | 54 |

WORKING CAPITAL FUND—Continued

Program and Financing (in millions of dollars)—Continued

| Identification code 20-4501-0-4-803 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| 22.00 New budget authority (gross) | 216 | 245 | 255 |
| 22.10 Resources available from recoveries of prior year obligations | 13 | | |
| 23.90 Total budgetary resources available for obligation | 275 | 307 | 309 |
| 23.95 Total new obligations | -213 | -253 | -253 |
| 24.40 Unobligated balance carried forward, end of year | 62 | 54 | 56 |
| New budget authority (gross), detail: | | | |
| Mandatory: | | | |
| 69.00 Spending authority from offsetting collections: Offsetting collections (cash) | 216 | 245 | 255 |
| Change in obligated balances: | | | |
| 72.40 Obligated balance, start of year | 98 | 101 | 109 |
| 73.10 Total new obligations | 213 | 253 | 253 |
| 73.20 Total outlays (gross) | -197 | -245 | -254 |
| 73.45 Recoveries of prior year obligations | -13 | | |
| 74.40 Obligated balance, end of year | 101 | 109 | 108 |
| Outlays (gross), detail: | | | |
| 86.97 Outlays from new mandatory authority | 151 | 233 | 242 |
| 86.98 Outlays from mandatory balances | 46 | 12 | 12 |
| 87.00 Total outlays (gross) | 197 | 245 | 254 |
| Offsets: | | | |
| Against gross budget authority and outlays: | | | |
| 88.00 Offsetting collections (cash) from: Federal sources | -216 | -245 | -255 |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | | | |
| 90.00 Outlays | -19 | | -1 |

Central services in the Department of the Treasury working capital fund include: telecommunications, printing, duplicating, graphics, computer support/usage, personnel/payroll, automated financial management systems, training, short-term management assistance, procurement, information technology services, equal employment opportunity services, and environmental health and safety services. These services are provided on a reimbursable basis at rates which will recover the fund's operating expenses, including accrual of annual leave and depreciation of equipment.

Object Classification (in millions of dollars)

| Identification code 20-4501-0-4-803 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Reimbursable obligations: | | | |
| 11.1 Personnel compensation: Full-time permanent | 22 | 21 | 21 |
| 12.1 Civilian personnel benefits | 4 | 6 | 6 |
| 21.0 Travel and transportation of persons | | 1 | 1 |
| 23.1 Rental payments to GSA | 5 | 3 | 3 |
| 23.3 Communications, utilities, and miscellaneous charges | 15 | 15 | 15 |
| 25.2 Other services | 161 | 186 | 186 |
| 25.3 Other purchases of goods and services from Government accounts | 2 | 2 | 2 |
| 25.7 Operation and maintenance of equipment | 3 | 3 | 3 |
| 26.0 Supplies and materials | | 2 | 2 |
| 31.0 Equipment | 1 | 14 | 14 |
| 99.9 Total new obligations | 213 | 253 | 253 |

Employment Summary

| Identification code 20-4501-0-4-803 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Reimbursable: | | | |
| 2001 Civilian full-time equivalent employment | 200 | 233 | 233 |

TREASURY FRANCHISE FUND

Program and Financing (in millions of dollars)

| Identification code 20-4560-0-4-803 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 09.01 Consolidated/Integrated Administrative Management .. | 540 | 595 | 689 |
| 09.02 Financial Management Administrative Support Service .. | 89 | 91 | 99 |
| 09.03 Financial Systems, Consulting and Training | 13 | 9 | 9 |
| 10.00 Total new obligations | 642 | 695 | 797 |
| Budgetary resources available for obligation: | | | |
| 21.40 Unobligated balance carried forward, start of year .. | 251 | 235 | 395 |
| 22.00 New budget authority (gross) | 574 | 805 | 824 |
| 22.10 Resources available from recoveries of prior year obligations | 53 | 50 | 50 |
| 22.21 Unobligated balance transferred to other accounts | -1 | | |
| 23.90 Total budgetary resources available for obligation | 877 | 1,090 | 1,269 |
| 23.95 Total new obligations | -642 | -695 | -797 |
| 24.40 Unobligated balance carried forward, end of year | 235 | 395 | 472 |
| New budget authority (gross), detail: | | | |
| Discretionary: | | | |
| Spending authority from offsetting collections: | | | |
| 58.00 Offsetting collections (cash) | 641 | 700 | 807 |
| 58.10 Change in uncollected customer payments from Federal sources (unexpired) | -67 | 105 | 17 |
| 58.90 Spending authority from offsetting collections (total discretionary) | 574 | 805 | 824 |
| Change in obligated balances: | | | |
| 72.40 Obligated balance, start of year | -168 | -183 | -408 |
| 73.10 Total new obligations | 642 | 695 | 797 |
| 73.20 Total outlays (gross) | -671 | -765 | -820 |
| 73.45 Recoveries of prior year obligations | -53 | -50 | -50 |
| 74.00 Change in uncollected customer payments from Federal sources (unexpired) | 67 | -105 | -17 |
| 74.40 Obligated balance, end of year | -183 | -408 | -498 |
| Outlays (gross), detail: | | | |
| 86.90 Outlays from new discretionary authority | 489 | 625 | 640 |
| 86.93 Outlays from discretionary balances | 182 | 140 | 180 |
| 87.00 Total outlays (gross) | 671 | 765 | 820 |
| Offsets: | | | |
| Against gross budget authority and outlays: | | | |
| 88.00 Offsetting collections (cash) from: Federal sources | -641 | -700 | -807 |
| Against gross budget authority only: | | | |
| 88.95 Change in uncollected customer payments from Federal sources (unexpired) | 67 | -105 | -17 |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | | | |
| 90.00 Outlays | 30 | 65 | 13 |

The Department of the Treasury was authorized to pilot a franchise fund under P.L. 103-356, the Government Management and Reform Act of 1994. The purpose of the franchise fund pilots was to bring about lower costs and higher quality for government and financial administrative services through greater competition. The Treasury Franchise Fund (The Fund) was established by P.L. 104-208, made permanent by P.L. 108-447 and codified as 31 U.S.C. 322, note.

The Fund is a revolving fund that is used to supply financial and administrative services to various Treasury bureaus on a fee-for-service basis. Activities include: Consolidated/Integrated Administrative Management; Financial Management Administrative Support; and Financial Systems, Consulting, and Training Services. The Fund was recognized as a Center of Excellence in the Financial Management Line of Business in 2005, making it eligible to enter into competitions to provide cross-agency financial management services on a Government-wide basis.

| Object Classification (in millions of dollars) | | | |
|---|-------------|-----------|-----------|
| Identification code 20-4560-0-4-803 | 2006 actual | 2007 est. | 2008 est. |
| Reimbursable obligations: | | | |
| Personnel compensation: | | | |
| 11.1 Full-time permanent | 37 | 41 | 46 |
| 11.5 Other personnel compensation | 2 | 2 | 2 |
| 11.9 Total personnel compensation | 39 | 43 | 48 |
| 12.1 Civilian personnel benefits | 11 | 15 | 17 |
| 21.0 Travel and transportation of persons | 1 | 1 | 1 |
| 23.1 Rental payments to GSA | 3 | 3 | 3 |
| 23.3 Communications, utilities, and miscellaneous charges | 1 | | |
| 25.1 Advisory and assistance services | 11 | 12 | 14 |
| 25.2 Other services | 513 | 555 | 641 |
| 25.3 Other purchases of goods and services from Government accounts | 47 | 51 | 59 |
| 25.7 Operation and maintenance of equipment | 3 | 3 | 3 |
| 26.0 Supplies and materials | 1 | 2 | 2 |
| 31.0 Equipment | 12 | 10 | 9 |
| 99.0 Reimbursable obligations | 642 | 695 | 797 |
| 99.9 Total new obligations | 642 | 695 | 797 |

Employment Summary

| Identification code 20-4560-0-4-803 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Reimbursable: | | | |
| 2001 Civilian full-time equivalent employment | 645 | 827 | 909 |

AIR TRANSPORTATION STABILIZATION PROGRAM ACCOUNT

Sections 101(a)(1), 102, 104, and 107(2) of the Air Transportation Safety and System Stabilization Act (title I, P.L. 107-42) are hereby repealed. All unobligated balances under this heading are cancelled.

Note.—A regular 2007 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 109-289, Division B, as amended). The amounts included for 2007 in this budget reflect the levels provided by the continuing resolution.

Program and Financing (in millions of dollars)

| Identification code 20-0122-0-1-402 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.09 Administrative expenses | 3 | 1 | |
| 10.00 Total new obligations (object class 25.2) | 3 | 1 | |
| Budgetary resources available for obligation: | | | |
| 21.40 Unobligated balance carried forward, start of year | 1 | 1 | 4 |
| 22.00 New budget authority (gross) | 3 | | -4 |
| 22.10 Resources available from recoveries of prior year obligations | | 4 | |
| 23.90 Total budgetary resources available for obligation | 4 | 5 | |
| 23.95 Total new obligations | -3 | -1 | |
| 24.40 Unobligated balance carried forward, end of year | 1 | 4 | |
| New budget authority (gross), detail: | | | |
| Discretionary: | | | |
| 40.00 Appropriation | 3 | | |
| 40.36 Unobligated balance permanently reduced | | | -4 |
| 43.00 Appropriation (total discretionary) | 3 | | -4 |
| Change in obligated balances: | | | |
| 72.40 Obligated balance, start of year | 4 | 4 | |
| 73.10 Total new obligations | 3 | 1 | |
| 73.20 Total outlays (gross) | -3 | -1 | |
| 73.45 Recoveries of prior year obligations | | -4 | |
| 74.40 Obligated balance, end of year | 4 | | |
| Outlays (gross), detail: | | | |
| 86.90 Outlays from new discretionary authority | 3 | | |
| 86.93 Outlays from discretionary balances | | 1 | |
| 87.00 Total outlays (gross) | 3 | 1 | |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | 3 | | -4 |

| | | | |
|---------------------|---|---|--|
| 90.00 Outlays | 3 | 1 | |
|---------------------|---|---|--|

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

| Identification code 20-0122-0-1-402 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Guaranteed loan downward reestimates: | | | |
| 237001 Airline loan guarantees | -115 | -42 | |
| 237999 Total downward reestimate subsidy budget authority | -115 | -42 | |
| Administrative expense data: | | | |
| 3510 Budget authority | 4 | 1 | |
| 3580 Outlays from balances | 3 | 1 | |

On September 22, 2001, President Bush signed into law the Air Transportation Safety and System Stabilization Act, P.L. 107-42. The Act established the Air Transportation Stabilization Board. The Board has met the requirements established under P.L. 107-42, has one loan remaining, and expects to complete its activities in 2007. Following termination of the Board in 2007, the Budget seeks to cancel all unobligated balances in 2008 to close out the program.

Employment Summary

| Identification code 20-0122-0-1-402 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Direct: | | | |
| 1001 Civilian full-time equivalent employment | 2 | | |

AIR TRANSPORTATION STABILIZATION GUARANTEED LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

| Identification code 20-4286-0-3-402 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.02 Interest payments to Treasury | 1 | 1 | |
| 00.03 Guarantee Fee Rebates | 5 | | |
| 00.04 Fee for Sale of Loan Assets | 5 | | |
| 00.91 Direct Program by Activities—Subtotal (1 level) | 11 | 1 | |
| 08.01 Payment of negative subsidy to receipt account | 538 | | |
| 08.02 Payment of downward reestimates to receipt account | 109 | 38 | |
| 08.04 Payment of Interest on Downward Reestimates to Receipt Account | 6 | 4 | |
| 08.91 Direct Program by Activities—Subtotal (1 level) | 653 | 42 | |
| 10.00 Total new obligations | 664 | 43 | |
| Budgetary resources available for obligation: | | | |
| 21.40 Unobligated balance carried forward, start of year | 698 | 24 | |
| 22.00 New financing authority (gross) | 46 | 31 | |
| 22.60 Portion applied to repay debt | -47 | -12 | |
| 22.70 Balance of authority to borrow withdrawn | -9 | | |
| 23.90 Total budgetary resources available for obligation | 688 | 43 | |
| 23.95 Total new obligations | -664 | -43 | |
| 24.40 Unobligated balance carried forward, end of year | 24 | | |
| New financing authority (gross), detail: | | | |
| Mandatory: | | | |
| 60.00 Appropriation | 1 | | |
| 67.10 Authority to borrow | 9 | 10 | |
| Spending authority from offsetting collections: | | | |
| 69.00 Offsetting collections—Federal | 3 | | |
| 69.00 Offsetting collections—Non-Federal | 34 | 21 | |
| 69.27 Capital transfer to general fund | -1 | | |
| 69.90 Spending authority from offsetting collections (total mandatory) | 36 | 21 | |
| 70.00 Total new financing authority (gross) | 46 | 31 | |
| Change in obligated balances: | | | |
| 73.10 Total new obligations | 664 | 43 | |
| 73.20 Total financing disbursements (gross) | -665 | -42 | |

AIR TRANSPORTATION STABILIZATION GUARANTEED LOAN FINANCING
ACCOUNT—Continued

Program and Financing (in millions of dollars)—Continued

| Identification code 20-4286-0-3-402 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Outlays (gross), detail: | | | |
| 87.00 Total financing disbursements (gross) | 665 | 42 | |
| Offsets: | | | |
| Against gross financing authority and financing disbursements: | | | |
| Offsetting collections (cash) from: | | | |
| 88.25 Interest on uninvested funds | -3 | | |
| 88.40 Non-Federal sources | -34 | -21 | |
| 88.90 Total, offsetting collections (cash) | -37 | -21 | |
| Net financing authority and financing disbursements: | | | |
| 89.00 Financing authority | 9 | 10 | |
| 90.00 Financing disbursements | 628 | 21 | |

Status of Guaranteed Loans (in millions of dollars)

| Identification code 20-4286-0-3-402 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Position with respect to appropriations act limitation on commitments: | | | |
| 2111 Limitation on guaranteed loans made by private lenders | | | |
| 2121 Limitation available from carry-forward | 8,258 | 8,258 | 8,258 |
| 2142 Uncommitted loan guarantee limitation | | | -8,258 |
| 2143 Uncommitted limitation carried forward | -8,258 | -8,258 | |
| 2150 Total guaranteed loan commitments | | | |
| Cumulative balance of guaranteed loans outstanding: | | | |
| 2210 Outstanding, start of year | 955 | | |
| 2251 Repayments and prepayments | -955 | | |
| 2264 Adjustments: Other adjustments, net | | | |
| 2290 Outstanding, end of year | | | |
| Memorandum: | | | |
| 2299 Guaranteed amount of guaranteed loans outstanding, end of year | | | |
| Addendum: | | | |
| Cumulative balance of defaulted guaranteed loans that result in loans receivable: | | | |
| 2310 Outstanding, start of year | 125 | 75 | |
| 2331 Disbursements for guaranteed loan claims | | | |
| 2351 Repayments of loans receivable | -11 | -21 | |
| 2361 Write-offs of loans receivable | -39 | -54 | |
| 2390 Outstanding, end of year | 75 | | |

The Board expects to complete its activities in 2007.

As required by the Federal Credit Reform Act of 1990, as amended, this non-budgetary account records all cash flows to and from the Government resulting from loan guarantees obligated in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

| Identification code 20-4286-0-3-402 | 2005 actual | 2006 actual |
|--|-------------|-------------|
| ASSETS: | | |
| 1101 Federal assets: Fund balances with Treasury | 698 | 24 |
| Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable: | | |
| 1501 Defaulted guaranteed loans receivable, gross | 125 | 75 |
| 1505 Allowance for subsidy cost (-) | -100 | -51 |
| 1599 Net present value of assets related to defaulted guaranteed loans | 25 | 24 |
| 1999 Total assets | 723 | 48 |
| LIABILITIES: | | |
| Federal liabilities: | | |
| 2103 Principal Payable to Bureau of Public Debt | 53 | 6 |

| | | |
|---|-----|----|
| 2104 Payable to Treasury for FY 2005 Downward Reestimates | 117 | 42 |
| 2204 Non-Federal liabilities: Liabilities for loan guarantees | 553 | |
| 2999 Total liabilities | 723 | 48 |
| 4999 Total liabilities and net position | 723 | 48 |

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND PROGRAM
ACCOUNT

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, \$28,557,000, to remain available until September 30, 2009, of which up to \$12,200,000 may be used for administrative expenses, including administration of the New Markets Tax Credit, up to \$2,500,000 may be used for the cost of direct loans, and 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, as amended: Provided further, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed \$5,000,000.

Note.—A regular 2007 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 109-289, Division B, as amended). The amounts included for 2007 in this budget reflect the levels provided by the continuing resolution.

Program and Financing (in millions of dollars)

| Identification code 20-1881-0-1-451 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.01 Direct loan subsidy | | 1 | 1 |
| 00.05 Upward Reestimate of Credit Subsidy | | 1 | |
| 00.09 General administrative expenses | 16 | 14 | 12 |
| 00.11 Bank enterprise awards program | 12 | 8 | |
| 00.12 Financial Assistance | 25 | 15 | 15 |
| 00.13 Technical Assistance | 2 | 2 | 2 |
| 00.14 Native American/Hawaiian Program | 4 | 2 | |
| 10.00 Total new obligations | 59 | 43 | 30 |
| Budgetary resources available for obligation: | | | |
| 21.40 Unobligated balance carried forward, start of year | 4 | 2 | 2 |
| 22.00 New budget authority (gross) | 55 | 42 | 29 |
| 22.10 Resources available from recoveries of prior year obligations | 2 | 1 | 1 |
| 23.90 Total budgetary resources available for obligation | 61 | 45 | 32 |
| 23.95 Total new obligations | -59 | -43 | -30 |
| 24.40 Unobligated balance carried forward, end of year | 2 | 2 | 2 |
| New budget authority (gross), detail: | | | |
| Discretionary: | | | |
| 40.00 Appropriation | 55 | 41 | 29 |
| 40.35 Appropriation permanently reduced | -1 | | |
| 43.00 Appropriation (total discretionary) | 54 | 41 | 29 |
| 58.00 Spending authority from offsetting collections: Offsetting collections (cash) | 1 | | |
| Mandatory: | | | |
| 60.00 Appropriation | | 1 | |
| 70.00 Total new budget authority (gross) | 55 | 42 | 29 |
| Change in obligated balances: | | | |
| 72.40 Obligated balance, start of year | 64 | 54 | 57 |
| 73.10 Total new obligations | 59 | 43 | 30 |
| 73.20 Total outlays (gross) | -65 | -38 | -42 |
| 73.40 Adjustments in expired accounts (net) | -2 | -1 | |
| 73.45 Recoveries of prior year obligations | -2 | -1 | -1 |
| 74.40 Obligated balance, end of year | 54 | 57 | 44 |
| Outlays (gross), detail: | | | |
| 86.90 Outlays from new discretionary authority | 22 | 5 | 3 |
| 86.93 Outlays from discretionary balances | 43 | 32 | 39 |
| 86.97 Outlays from new mandatory authority | | 1 | |
| 87.00 Total outlays (gross) | 65 | 38 | 42 |

Offsets:

Against gross budget authority and outlays:

| | | | | |
|-------|---|----|--|--|
| 88.40 | Offsetting collections (cash) from: Non-Federal sources | -1 | | |
|-------|---|----|--|--|

Net budget authority and outlays:

| | | | | |
|-------|------------------------|----|----|----|
| 89.00 | Budget authority | 54 | 42 | 29 |
| 90.00 | Outlays | 64 | 38 | 42 |

| | | | | |
|------|--|----|----|----|
| 12.1 | Civilian personnel benefits | 1 | 1 | 2 |
| 23.1 | Rental payments to GSA | 1 | 1 | 1 |
| 25.2 | Other services | 9 | 7 | 5 |
| 41.0 | Grants, subsidies, and contributions | 43 | 29 | 17 |
| 99.9 | Total new obligations | 59 | 43 | 30 |

Employment Summary

| | | | | |
|-------------------------------------|--|-------------|-----------|-----------|
| Identification code 20-1881-0-1-451 | | 2006 actual | 2007 est. | 2008 est. |
| Direct: | | | | |
| 1001 | Civilian full-time equivalent employment | 48 | 63 | 63 |

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

| Identification code 20-1881-0-1-451 | 2006 actual | 2007 est. | 2008 est. | |
|---|---|-----------|-----------|-------|
| Direct loan levels supportable by subsidy budget authority: | | | | |
| 115001 | Community Development Financial Institutions Prog Fin Assist. | 1 | 3 | 2 |
| 115999 | Total direct loan levels | 1 | 3 | 2 |
| Direct loan subsidy (in percent): | | | | |
| 132001 | Community Development Financial Institutions Prog Fin Assist. | 37.47 | 37.47 | 37.52 |
| 132999 | Weighted average subsidy rate | 37.47 | 37.47 | 37.52 |
| Direct loan subsidy budget authority: | | | | |
| 133001 | Community Development Financial Institutions Prog Fin Assist. | | 1 | 1 |
| 133999 | Total subsidy budget authority | | 1 | 1 |
| Direct loan subsidy outlays: | | | | |
| 134001 | Community Development Financial Institutions Prog Fin Assist. | 3 | 3 | |
| 134999 | Total subsidy outlays | 3 | 3 | |
| Direct loan upward reestimates: | | | | |
| 135001 | Community Development Financial Institutions Prog Fin Assist. | | 1 | |
| 135999 | Total upward reestimate budget authority | | 1 | |
| Direct loan downward reestimates: | | | | |
| 137001 | Community Development Financial Institutions Prog Fin Assist. | -2 | | |
| 137999 | Total downward reestimate budget authority | -2 | | |

The Riegle Community Development and Regulatory Improvement Act of 1994 established the Community Development Financial Institutions (CDFI) Fund. The CDFI Fund provides equity investments, grants, loans, and technical assistance to new and existing community development financial institutions (CDFIs) such as community development banks, community development credit unions, community development loan and venture capital funds, and microenterprise loan funds. Funds provided by the CDFI Fund are matched by private funds and will enhance the capacity of these institutions to finance economic development, including small businesses, community facilities, housing, and other community development initiatives in distressed urban, rural, Native American, Native Hawaiian, and Alaska Native communities. In addition, the CDFI Fund administers the New Markets Tax Credit Program by providing allocations of tax credits to Community Development Entities (CDEs) which in turn provide the tax credits to entities which invest in the CDEs. The 2008 Budget does not request funds for the Bank Enterprise Awards Program.

The CDFI Fund helps to address the urgent problems of declining economic and social infrastructure, loss of jobs, lack of private enterprise, and deteriorating housing facing many American communities today. Government investment and technical assistance supplements private funds and expertise to ensure that CDFIs are effective in restoring and creating healthy economies.

Object Classification (in millions of dollars)

| | | | | |
|-------------------------------------|---|-------------|-----------|-----------|
| Identification code 20-1881-0-1-451 | | 2006 actual | 2007 est. | 2008 est. |
| Direct obligations: | | | | |
| 11.1 | Personnel compensation: Full-time permanent | 5 | 5 | 5 |

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

| | | | | |
|---|---|-------------|-----------|-----------|
| Identification code 20-4088-0-3-451 | | 2006 actual | 2007 est. | 2008 est. |
| Obligations by program activity: | | | | |
| 00.01 | Direct loans | 1 | 3 | 2 |
| 00.02 | Interest paid to Treasury | 2 | 2 | 1 |
| 00.91 | Direct Program by Activities—Subtotal (1 level) | 3 | 5 | 3 |
| 08.02 | Downward Reestimate—Credit Subsidy | 2 | 1 | |
| 10.00 | Total new obligations | 5 | 6 | 3 |

| | | | | |
|--|---|----|----|----|
| Budgetary resources available for obligation: | | | | |
| 21.40 | Unobligated balance carried forward, start of year | | 1 | |
| 22.00 | New financing authority (gross) | 7 | 7 | 3 |
| 22.10 | Resources available from recoveries of prior year obligations | 1 | 1 | |
| 22.60 | Portion applied to repay debt | -2 | -3 | |
| 23.90 | Total budgetary resources available for obligation | 6 | 6 | 3 |
| 23.95 | Total new obligations | -5 | -6 | -3 |
| 24.40 | Unobligated balance carried forward, end of year | 1 | | |

| | | | | |
|---|--|----|----|----|
| New financing authority (gross), detail: | | | | |
| Mandatory: | | | | |
| 67.10 | Authority to borrow | 3 | 3 | 2 |
| Spending authority from offsetting collections: | | | | |
| 69.00 | Offsetting collections (cash) | 6 | 6 | 3 |
| 69.10 | Change in uncollected customer payments from Federal sources (unexpired) | -2 | -2 | -2 |
| 69.90 | Spending authority from offsetting collections (total mandatory) | 4 | 4 | 1 |
| 70.00 | Total new financing authority (gross) | 7 | 7 | 3 |

| | | | | |
|--------------------------------------|--|-----|----|----|
| Change in obligated balances: | | | | |
| 72.40 | Obligated balance, start of year | 5 | | 2 |
| 73.10 | Total new obligations | 5 | 6 | 3 |
| 73.20 | Total financing disbursements (gross) | -11 | -5 | -5 |
| 73.45 | Recoveries of prior year obligations | -1 | -1 | |
| 74.00 | Change in uncollected customer payments from Federal sources (unexpired) | 2 | 2 | 2 |
| 74.40 | Obligated balance, end of year | | 2 | 2 |

| | | | | |
|---------------------------------|---|----|---|---|
| Outlays (gross), detail: | | | | |
| 87.00 | Total financing disbursements (gross) | 11 | 5 | 5 |

| | | | | |
|--|---|----|----|----|
| Offsets: | | | | |
| Against gross financing authority and financing disbursements: | | | | |
| Offsetting collections (cash) from: | | | | |
| 88.00 | Federal sources | -3 | -4 | -1 |
| 88.40 | Non-Federal sources Interest repayments | -3 | -2 | -2 |
| 88.40 | Non-Federal sources—Principal | | | |
| 88.90 | Total, offsetting collections (cash) | -6 | -6 | -3 |
| Against gross financing authority only: | | | | |
| 88.95 | Change in receivables from program accounts | 2 | 2 | 2 |

| | | | | |
|---|-------------------------------|---|----|---|
| Net financing authority and financing disbursements: | | | | |
| 89.00 | Financing authority | 3 | 3 | 2 |
| 90.00 | Financing disbursements | 5 | -1 | 2 |

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND DIRECT
LOAN FINANCING ACCOUNT—Continued

Status of Direct Loans (in millions of dollars)

| Identification code 20-4088-0-3-451 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Position with respect to appropriations act limitation on obligations: | | | |
| 1111 Limitation on direct loans | 11 | 8 | 6 |
| 1142 Unobligated direct loan limitation (-) | -10 | -5 | -4 |
| 1150 Total direct loan obligations | 1 | 3 | 2 |
| Cumulative balance of direct loans outstanding: | | | |
| 1210 Outstanding, start of year | 62 | 67 | 70 |
| 1231 Disbursements: Direct loan disbursements | 7 | 5 | 5 |
| 1251 Repayments: Repayments and prepayments | -2 | -2 | -1 |
| 1263 Write-offs for default: Direct loans | | | |
| 1290 Outstanding, end of year | 67 | 70 | 74 |

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and beyond (including modifications of direct loans that resulted from obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

| Identification code 20-4088-0-3-451 | 2005 actual | 2006 actual |
|---|-------------|-------------|
| ASSETS: | | |
| Net value of assets related to post-1991 direct loans receivable: | | |
| 1401 Direct loans receivable, gross | 62 | 67 |
| 1405 Allowance for subsidy cost (-) | -22 | -22 |
| 1499 Net present value of assets related to direct loans | 40 | 45 |
| 1999 Total assets | 40 | 45 |
| LIABILITIES: | | |
| 2103 Federal liabilities: Debt | 40 | 45 |
| 2999 Total liabilities | 40 | 45 |
| 4999 Total liabilities and net position | 40 | 45 |

VIOLENT CRIME REDUCTION PROGRAM

Program and Financing (in millions of dollars)

| Identification code 20-8526-0-1-751 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Change in obligated balances: | | | |
| 72.40 Obligated balance, start of year | 1 | 1 | 1 |
| 74.40 Obligated balance, end of year | 1 | 1 | 1 |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | | | |
| 90.00 Outlays | | | |

Amounts for the Department of the Treasury's portion of crime control programs are derived from transfers from the Violent Crime Reduction Trust Fund (VCRTF) as authorized by the Crime Control and Law Enforcement Act of 1994. This schedule reflects the only remaining balances in the account.

FINANCIAL CRIMES ENFORCEMENT
NETWORK

Federal Funds

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 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, \$85,844,000, of which not to exceed \$16,340,000 shall remain available until September 30, 2010; and of which \$8,955,000 shall remain available until September 30, 2009: Provided, That funds appropriated in this account may be used to procure personal services contracts.

Note.—A regular 2007 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 109-289, Division B, as amended). The amounts included for 2007 in this budget reflect the levels provided by the continuing resolution.

Program and Financing (in millions of dollars)

| Identification code 20-0173-0-1-751 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.01 BSA administration and Analysis | 62 | 62 | 77 |
| 00.02 Regulatory support programs, including money services businesses | 9 | 9 | 9 |
| 09.01 Reimbursable program | 3 | 2 | 2 |
| 10.00 Total new obligations | 74 | 73 | 88 |
| Budgetary resources available for obligation: | | | |
| 21.40 Unobligated balance carried forward, start of year | 7 | 8 | 8 |
| 22.00 New budget authority (gross) | 76 | 73 | 88 |
| 23.90 Total budgetary resources available for obligation | 83 | 81 | 96 |
| 23.95 Total new obligations | -74 | -73 | -88 |
| 23.98 Unobligated balance expiring or withdrawn | -1 | | |
| 24.40 Unobligated balance carried forward, end of year | 8 | 8 | 8 |
| New budget authority (gross), detail: | | | |
| Discretionary: | | | |
| 40.00 Appropriation | 74 | 71 | 86 |
| 40.35 Appropriation permanently reduced | -1 | | |
| 43.00 Appropriation (total discretionary) | 73 | 71 | 86 |
| 58.00 Spending authority from offsetting collections: Offsetting collections (cash) | 3 | 2 | 2 |
| 70.00 Total new budget authority (gross) | 76 | 73 | 88 |
| Change in obligated balances: | | | |
| 72.40 Obligated balance, start of year | 23 | 20 | 20 |
| 73.10 Total new obligations | 74 | 73 | 88 |
| 73.20 Total outlays (gross) | -75 | -73 | -89 |
| 73.40 Adjustments in expired accounts (net) | -2 | | |
| 74.40 Obligated balance, end of year | 20 | 20 | 19 |
| Outlays (gross), detail: | | | |
| 86.90 Outlays from new discretionary authority | 57 | 56 | 67 |
| 86.93 Outlays from discretionary balances | 18 | 17 | 22 |
| 87.00 Total outlays (gross) | 75 | 73 | 89 |
| Offsets: | | | |
| Against gross budget authority and outlays: | | | |
| 88.00 Offsetting collections (cash) from: Federal sources | -3 | -2 | -2 |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | 73 | 71 | 86 |
| 90.00 Outlays | 72 | 71 | 87 |

The mission of the Financial Crimes Enforcement Network (FinCEN) is to safeguard the U.S. financial system from the abuses of financial crime, including terrorist financing and

money laundering. FinCEN is responsible for administering and ensuring compliance with the Bank Secrecy Act (BSA), a law that requires financial institutions to file reports on certain types of financial activity and to establish appropriate internal controls to guard against terrorist financing, money laundering, and other types of illicit finance. FinCEN fulfills its responsibility to safeguard the financial system through administration of the BSA, supporting law enforcement, intelligence, and regulatory agencies through sharing and analysis of financial intelligence, building global cooperation with counterpart financial intelligence units, and by networking people, ideas, and information.

The 2008 Budget provides FinCEN with additional resources to improve its project management capability, including information technology and non-information technology projects. This funding will assist FinCEN in achieving consistent project results by standardizing processes and procedures and implementing best practices.

In 2006 two FinCEN programs underwent PART evaluations. First, an evaluation of the BSA Analysis program found that although FinCEN produces both routine and advanced analysis of BSA data in support of law enforcement, more work is needed to increase the percentage of advanced analytical products, such as reports, that are produced. Also, FinCEN will begin to measure the impact of its efforts to strengthen anti-terrorist financing and anti-money laundering programs worldwide. Second, an evaluation of the BSA Administration activities found that FinCEN has annual performance measures that focus on the implementation of the BSA, but more work is needed to measure the impact of program activities on preventing the misuse of the financial system by those engaged in illicit activities.

Object Classification (in millions of dollars)

| Identification code 20-0173-0-1-751 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Direct obligations: | | | |
| Personnel compensation: | | | |
| 11.1 Full-time permanent | 27 | 28 | 29 |
| 11.5 Other personnel compensation | 1 | 1 | 1 |
| 11.9 Total personnel compensation | 28 | 29 | 30 |
| 12.1 Civilian personnel benefits | 7 | 7 | 8 |
| 21.0 Travel and transportation of persons | 1 | 1 | 2 |
| 23.1 Rental payments to GSA | 5 | 5 | 5 |
| 23.3 Communications, utilities, and miscellaneous charges | 1 | 2 | 1 |
| 25.1 Advisory and assistance services | 1 | 1 | 1 |
| 25.2 Other services | 8 | 8 | 16 |
| 25.3 Other purchases of goods and services from Government accounts | 12 | 9 | 10 |
| 25.4 Operation and maintenance of facilities | 1 | 1 | 1 |
| 25.7 Operation and maintenance of equipment | 2 | 6 | 6 |
| 31.0 Equipment | 6 | 2 | 6 |
| 99.0 Direct obligations | 71 | 71 | 86 |
| 99.0 Reimbursable obligations | 3 | 2 | 2 |
| 99.9 Total new obligations | 74 | 73 | 88 |

Employment Summary

| Identification code 20-0173-0-1-751 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Direct: | | | |
| 1001 Civilian full-time equivalent employment | 296 | 334 | 356 |
| Reimbursable: | | | |
| 2001 Civilian full-time equivalent employment | 1 | 1 | 1 |

FINANCIAL MANAGEMENT SERVICE

Federal Funds

SALARIES AND EXPENSES

For necessary expenses of the Financial Management Service, \$235,191,000, of which not to exceed \$9,220,000 shall remain available

until September 30, 2010, for information systems modernization initiatives; and of which not to exceed \$2,500 shall be available for official reception and representation expenses.

Note.—A regular 2007 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 109-289, Division B, as amended). The amounts included for 2007 in this budget reflect the levels provided by the continuing resolution.

Special and Trust Fund Receipts (in millions of dollars)

| Identification code 20-1801-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| 01.00 Balance, start of year | | | 11 |
| 01.99 Balance, start of year | | | 11 |
| Receipts: | | | |
| 02.20 Debt collection | 47 | 57 | 56 |
| 02.21 Debt collection—legislative proposal subject to PAYGO | | | 22 |
| 02.99 Total receipts and collections | 47 | 57 | 78 |
| 04.00 Total: Balances and collections | 47 | 57 | 89 |
| Appropriations: | | | |
| 05.00 Salaries and expenses | —47 | —46 | —57 |
| 05.01 Salaries and expenses—legislative proposal subject to PAYGO | | | —22 |
| 05.99 Total appropriations | —47 | —46 | —79 |
| 07.99 Balance, end of year | | 11 | 10 |

Program and Financing (in millions of dollars)

| Identification code 20-1801-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.05 Payments | 143 | 144 | 148 |
| 00.06 Collections | 18 | 17 | 20 |
| 00.07 Debt collection | 55 | 56 | 57 |
| 00.08 Government-wide accounting and reporting | 67 | 63 | 67 |
| 09.01 Reimbursable program | 134 | 149 | 158 |
| 10.00 Total new obligations | 417 | 429 | 450 |
| Budgetary resources available for obligation: | | | |
| 21.40 Unobligated balance carried forward, start of year | 25 | 24 | 23 |
| 22.00 New budget authority (gross) | 415 | 428 | 450 |
| 22.10 Resources available from recoveries of prior year obligations | 2 | | |
| 23.90 Total budgetary resources available for obligation | 442 | 452 | 473 |
| 23.95 Total new obligations | —417 | —429 | —450 |
| 23.98 Unobligated balance expiring or withdrawn | —1 | | |
| 24.40 Unobligated balance carried forward, end of year | 24 | 23 | 23 |
| New budget authority (gross), detail: | | | |
| Discretionary: | | | |
| 40.00 Appropriation | 236 | 233 | 235 |
| 40.35 Appropriation permanently reduced | —2 | | |
| 43.00 Appropriation (total discretionary) | 234 | 233 | 235 |
| Spending authority from offsetting collections: | | | |
| 58.00 Offsetting collections (cash) | 116 | 149 | 158 |
| 58.10 Change in uncollected customer payments from Federal sources (unexpired) | 18 | | |
| 58.90 Spending authority from offsetting collections (total discretionary) | 134 | 149 | 158 |
| Mandatory: | | | |
| 60.20 Appropriation (special fund) | 47 | 46 | 57 |
| 70.00 Total new budget authority (gross) | 415 | 428 | 450 |
| Change in obligated balances: | | | |
| 72.40 Obligated balance, start of year | 49 | 38 | 33 |
| 73.10 Total new obligations | 417 | 429 | 450 |
| 73.20 Total outlays (gross) | —417 | —434 | —448 |
| 73.40 Adjustments in expired accounts (net) | —3 | | |
| 73.45 Recoveries of prior year obligations | —2 | | |
| 74.00 Change in uncollected customer payments from Federal sources (unexpired) | —18 | | |
| 74.10 Change in uncollected customer payments from Federal sources (expired) | 12 | | |
| 74.40 Obligated balance, end of year | 38 | 33 | 35 |

SALARIES AND EXPENSES—Continued

Program and Financing (in millions of dollars)—Continued

| Identification code 20-1801-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Outlays (gross), detail: | | | |
| 86.90 Outlays from new discretionary authority | 344 | 349 | 360 |
| 86.93 Outlays from discretionary balances | 23 | 32 | 32 |
| 86.97 Outlays from new mandatory authority | 22 | 27 | 27 |
| 86.98 Outlays from mandatory balances | 28 | 26 | 29 |
| 87.00 Total outlays (gross) | 417 | 434 | 448 |
| Offsets: | | | |
| Against gross budget authority and outlays: | | | |
| 88.00 Offsetting collections (cash) from: Federal sources | -135 | -149 | -158 |
| Against gross budget authority only: | | | |
| 88.95 Change in uncollected customer payments from Federal sources (unexpired) | -18 | | |
| 88.96 Portion of offsetting collections (cash) credited to expired accounts | 19 | | |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | 281 | 279 | 292 |
| 90.00 Outlays | 282 | 285 | 290 |

Summary of Budget Authority and Outlays

(in millions of dollars)

| | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Enacted/requested: | | | |
| Budget Authority | 281 | 279 | 292 |
| Outlays | 282 | 285 | 290 |
| Legislative proposal, subject to PAYGO: | | | |
| Budget Authority | | | 22 |
| Outlays | | | 22 |
| Total: | | | |
| Budget Authority | 281 | 279 | 314 |
| Outlays | 282 | 285 | 312 |

For the 2008 Budget, the Financial Management Service will focus its efforts on the following four areas:

1. Payments.—FMS develops and implements payment policy and procedures for the Federal Government, issues and distributes payments, promotes the use of electronics in the payment process, and assists agencies in converting payments from paper checks to electronic funds transfer (EFT). This includes controlling and providing financial integrity to the Federal payments and collections process through reconciliation, accounting, and claims activities. The claims activities settle claims against the United States resulting from Government checks which have been forged, lost, stolen, or destroyed, and collects monies from those parties liable for fraudulent or otherwise improper negotiation of Government checks. The Payments activity received an “effective” rating on a 2005 evaluation using OMB’s Program Assessment Rating Tool (PART).

WORKLOAD STATISTICS

(Thousands)

| | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| 1. Number of check claims submitted | 1,500 | 1,300 | 1,200 |
| 2. Number of check payments | 219,054 | 214,167 | 208,039 |
| 3. Number of electronic payments | 744,980 | 765,970 | 786,666 |

2. Collections.—FMS implements collections policy, regulations, standards, and procedures for the Federal Government, facilitates collections, promotes the use of electronics in the collections process, and assists agencies in converting collections from paper to electronic media. The Collections activity received an “effective” PART rating in 2004.

3. Debt Collection.—FMS provides debt collection operational services to client agencies that include collection of delinquent accounts, child support debt, offsets of Federal payments against debts owed the Government, post-judgment enforcement, consolidation of information reported to credit

bureaus, reporting for discharged debts or vendor payments, and disposition of foreclosed property. The Debt Collection activity received an “effective” PART rating in 2003.

As a result of the PART analysis, the 2005 Budget sought legislative authority for following debt collection initiatives: 1) Allow Treasury to match information about persons who owe delinquent debt to the Government with information contained in the HHS National Directory of New Hires; 2) Increase amounts levied from vendor payments (from 15 percent to 100 percent) to collect outstanding debts; 3) Allow the offset of Federal tax refunds to collect delinquent State UI overpayments; and 4) Eliminate the 10-year limitations period applicable to the offset of Federal non-tax payments to collect debt owed to Federal agencies. Initiatives 1 and 2 were enacted by the 2005 Omnibus Appropriations Act (P.L. 108-447) and the Jumpstart Our Business Strength Act (P.L. 108-357), respectively. Initiatives 3 and 4 were repropoed in the 2006 and 2007 Budget and are repropoed in 2008. In addition, the Budget proposes legislation to revise an existing exception to the Right to Financial Privacy Act to allow the Federal Government to trace and recover federal payments sent electronically to the wrong account.

4. Government-wide Accounting and Reporting.—FMS provides financial accounting, reporting, and financing services to the Federal Government and the Government’s agents who participate in the payments and collections process by generating a series of daily, monthly, quarterly and annual Government-wide reports. FMS also works directly with agencies to help reconcile reporting differences. The Government-wide Accounting activity received a “moderately effective” PART rating in 2006.

Object Classification (in millions of dollars)

| Identification code 20-1801-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Direct obligations: | | | |
| Personnel compensation: | | | |
| 11.1 Full-time permanent | 134 | 134 | 136 |
| 11.3 Other than full-time permanent | 3 | 3 | 4 |
| 11.5 Other personnel compensation | 4 | 4 | 5 |
| 11.9 Total personnel compensation | 141 | 141 | 145 |
| 12.1 Civilian personnel benefits | 36 | 36 | 36 |
| 21.0 Travel and transportation of persons | 3 | 2 | 2 |
| 23.1 Rental payments to GSA | 17 | 17 | 17 |
| 23.2 Rental payments to others | 1 | 1 | 1 |
| 23.3 Communications, utilities, and miscellaneous charges | 12 | 12 | 12 |
| 24.0 Printing and reproduction | 1 | 1 | 1 |
| 25.1 Advisory and assistance services | 10 | 10 | 12 |
| 25.2 Other services | 20 | 19 | 20 |
| 25.3 Other purchases of goods and services from Gov- ernment accounts | 8 | 8 | 8 |
| 25.4 Operation and maintenance of facilities | 1 | 1 | 1 |
| 25.7 Operation and maintenance of equipment | 18 | 18 | 20 |
| 26.0 Supplies and materials | 4 | 4 | 5 |
| 31.0 Equipment | 10 | 9 | 11 |
| 32.0 Land and structures | 1 | 1 | 1 |
| 99.0 Direct obligations | 283 | 280 | 292 |
| 99.0 Reimbursable obligations | 134 | 149 | 158 |
| 99.9 Total new obligations | 417 | 429 | 450 |

Employment Summary

| Identification code 20-1801-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Direct: | | | |
| 1001 Civilian full-time equivalent employment | 1,793 | 1,936 | 2,023 |
| Reimbursable: | | | |
| 2001 Civilian full-time equivalent employment | 184 | 195 | 97 |

SALARIES AND EXPENSES
(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

| Identification code 20-1801-2-1-803 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 09.01 Reimbursable program | | | -22 |
| 10.00 Total new obligations | | | -22 |
| Budgetary resources available for obligation: | | | |
| 22.00 New budget authority (gross) | | | -22 |
| 23.95 Total new obligations | | | 22 |
| New budget authority (gross), detail: | | | |
| Discretionary: | | | |
| 58.00 Spending authority from offsetting collections: Offsetting collections (cash) | | | -22 |
| Change in obligated balances: | | | |
| 73.10 Total new obligations | | | -22 |
| 73.20 Total outlays (gross) | | | 22 |
| Outlays (gross), detail: | | | |
| 86.90 Outlays from new discretionary authority | | | -22 |
| Offsets: | | | |
| Against gross budget authority and outlays: | | | |
| 88.00 Offsetting collections (cash) from: Federal sources | | | 22 |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | | | |
| 90.00 Outlays | | | |

Under current law, when the Financial Management Service (FMS) levies a payment to collect a delinquent tax debt referred by the Internal Revenue Service (IRS), the IRS pays a fee out of its annual appropriation to FMS to process the transaction. The Budget proposes to instead have the debtor pay the transaction costs in addition to their original debt. This would allow the IRS to refer all appropriate tax debts for offset, maximize revenue, and shift the cost of enforcement to delinquent tax debtors. These schedules reflect the elimination of discretionary spending and collections as a result of this proposal.

Object Classification (in millions of dollars)

| Identification code 20-1801-2-1-803 | 2006 actual | 2007 est. | 2008 est. |
|-------------------------------------|-------------|-----------|-----------|
| 99.0 Reimbursable obligations | | | -22 |
| 99.9 Total new obligations | | | -22 |

Employment Summary

| Identification code 20-1801-2-1-803 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Reimbursable: | | | |
| 2001 Civilian full-time equivalent employment | | | -144 |

SALARIES AND EXPENSES
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

| Identification code 20-1801-4-1-803 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.07 Debt collection | | | 22 |
| 10.00 Total new obligations | | | 22 |
| Budgetary resources available for obligation: | | | |
| 22.00 New budget authority (gross) | | | 22 |
| 23.95 Total new obligations | | | -22 |

New budget authority (gross), detail:

| Mandatory: | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| 60.20 Appropriation (special fund) | | | 22 |

Change in obligated balances:

| | | | |
|-----------------------------------|--|--|-----|
| 73.10 Total new obligations | | | 22 |
| 73.20 Total outlays (gross) | | | -22 |

Outlays (gross), detail:

| | | | |
|--|--|--|----|
| 86.97 Outlays from new mandatory authority | | | 22 |
|--|--|--|----|

Net budget authority and outlays:

| | | | |
|------------------------------|--|--|-----|
| 89.00 Budget authority | | | 22 |
| 90.00 Outlays | | | -22 |

Under current law, when the Financial Management Service (FMS) levies a payment to collect a delinquent tax debt referred by the Internal Revenue Service (IRS), the IRS pays a fee out of its annual appropriation to FMS to process the transaction. The Budget proposes to instead have the debtor pay the transaction costs in addition to their original debt. This would allow the IRS to refer all appropriate tax debts for offset, maximize revenue, and shift the cost of enforcement to delinquent tax debtors. These schedules reflect an increase in mandatory spending as a result of this proposal. This additional spending is paid for by additional collections, resulting in a net deficit impact of zero.

Object Classification (in millions of dollars)

| Identification code 20-1801-4-1-803 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Direct obligations: | | | |
| 11.1 Personnel compensation: Full-time permanent | | | 9 |
| 12.1 Civilian personnel benefits | | | 3 |
| 25.1 Advisory and assistance services | | | 1 |
| 25.2 Other services | | | 8 |
| 31.0 Equipment | | | 1 |
| 99.9 Total new obligations | | | 22 |

Employment Summary

| Identification code 20-1801-4-1-803 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Direct: | | | |
| 1001 Civilian full-time equivalent employment | | | 144 |

PAYMENT TO JUSTICE, FIRREA RELATED CLAIMS

Program and Financing (in millions of dollars)

| Identification code 20-0177-0-1-752 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Budgetary resources available for obligation: | | | |
| 21.40 Unobligated balance carried forward, start of year | 2 | 2 | 2 |
| 24.40 Unobligated balance carried forward, end of year | 2 | 2 | 2 |

Net budget authority and outlays:

| | | | |
|------------------------------|--|--|--|
| 89.00 Budget authority | | | |
| 90.00 Outlays | | | |

In 1998, the Secretary of the Treasury was authorized to use funds made available to the Federal Savings and Loan Insurance Corporation (FSLIC) Resolution Fund to reimburse the Department of Justice for the reasonable expenses of litigation that were incurred in the defense of claims against the U.S. arising from the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) and its implementation.

PAYMENT TO THE RESOLUTION FUNDING CORPORATION

Program and Financing (in millions of dollars)

| Identification code 20-1851-0-1-908 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.01 Interest on REFCORP obligations | 1,979 | 2,140 | 2,140 |
| 10.00 Total new obligations (object class 41.0) | 1,979 | 2,140 | 2,140 |
| Budgetary resources available for obligation: | | | |
| 22.00 New budget authority (gross) | 1,979 | 2,140 | 2,140 |
| 23.95 Total new obligations | -1,979 | -2,140 | -2,140 |
| New budget authority (gross), detail: | | | |
| Mandatory: | | | |
| 60.00 Appropriation | 1,979 | 2,140 | 2,140 |
| Change in obligated balances: | | | |
| 73.10 Total new obligations | 1,979 | 2,140 | 2,140 |
| 73.20 Total outlays (gross) | -1,979 | -2,140 | -2,140 |
| Outlays (gross), detail: | | | |
| 86.97 Outlays from new mandatory authority | 1,979 | 2,140 | 2,140 |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | 1,979 | 2,140 | 2,140 |
| 90.00 Outlays | 1,979 | 2,140 | 2,140 |

The Financial Institutions Reform, Recovery, and Enforcement Act of 1989 authorized and appropriated to the Secretary of the Treasury, such sums as may be necessary to cover interest payments on obligations issued by the Resolution Funding Corporation (REFCORP). REFCORP was established under the Act to raise \$31.2 billion for the Resolution Trust Corporation (RTC) in order to resolve savings institution insolvencies.

Sources of payment for interest due on REFCORP obligations include REFCORP investment income, proceeds from the sale of assets or warrants acquired by the RTC, and annual contributions by the Federal Home Loan Banks. If these payment sources are insufficient to cover all interest costs, indefinite, mandatory funds appropriated to the Treasury shall be used to meet the shortfall.

PAYMENT TO TERRESTRIAL WILDLIFE HABITAT RESTORATION TRUST FUND

Program and Financing (in millions of dollars)

| Identification code 20-1738-0-1-306 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.01 Cheyenne River Sioux Tribe terrestrial wildlife habitat restoration trust fund | 4 | 4 | 4 |
| 00.02 Lower Breul Sioux Tribe terrestrial wildlife habitat restoration trust fund | 1 | 1 | 1 |
| 10.00 Total new obligations (object class 41.0) | 5 | 5 | 5 |
| Budgetary resources available for obligation: | | | |
| 22.00 New budget authority (gross) | 5 | 5 | 5 |
| 23.95 Total new obligations | -5 | -5 | -5 |
| New budget authority (gross), detail: | | | |
| Mandatory: | | | |
| 60.00 Appropriation | 5 | 5 | 5 |
| Change in obligated balances: | | | |
| 73.10 Total new obligations | 5 | 5 | 5 |
| 73.20 Total outlays (gross) | -5 | -5 | -5 |
| Outlays (gross), detail: | | | |
| 86.97 Outlays from new mandatory authority | 5 | 5 | 5 |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | 5 | 5 | 5 |
| 90.00 Outlays | 5 | 5 | 5 |

Section 604(b) of the Water Resources Development Act of 1999 (P.L. 106-53) requires that the Secretary of the Treasury, beginning in 1999, deposit \$5 million annually (74 percent into the Cheyenne River Sioux Tribe Terrestrial Wildlife Restoration Trust Fund and 26 percent into the Lower Breul Sioux Tribe Terrestrial Wildlife Restoration Trust Fund) until a total of \$57.4 million has been deposited. At the end of FY 2006, \$40 million in payments had been deposited in the Trust Funds.

FEDERAL RESERVE BANK REIMBURSEMENT FUND

Program and Financing (in millions of dollars)

| Identification code 20-1884-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.01 Federal Reserve Bank services | 288 | 256 | 295 |
| 10.00 Total new obligations (object class 25.2) | 288 | 256 | 295 |
| Budgetary resources available for obligation: | | | |
| 21.40 Unobligated balance carried forward, start of year | 19 | 11 | ..... |
| 22.00 New budget authority (gross) | 280 | 245 | 295 |
| 23.90 Total budgetary resources available for obligation | 299 | 256 | 295 |
| 23.95 Total new obligations | -288 | -256 | -295 |
| 24.40 Unobligated balance carried forward, end of year | 11 | ..... | ..... |
| New budget authority (gross), detail: | | | |
| Mandatory: | | | |
| 60.00 Appropriation | 280 | 245 | 295 |
| Change in obligated balances: | | | |
| 72.40 Obligated balance, start of year | 57 | 69 | 69 |
| 73.10 Total new obligations | 288 | 256 | 295 |
| 73.20 Total outlays (gross) | -276 | -256 | -295 |
| 74.40 Obligated balance, end of year | 69 | 69 | 69 |
| Outlays (gross), detail: | | | |
| 86.97 Outlays from new mandatory authority ..... | ..... | 245 | 295 |
| 86.98 Outlays from mandatory balances | 276 | 11 | ..... |
| 87.00 Total outlays (gross) | 276 | 256 | 295 |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | 280 | 245 | 295 |
| 90.00 Outlays | 276 | 256 | 295 |

This fund was established as a permanent, indefinite appropriation to allow the Financial Management Service to reimburse the Federal Reserve Banks for services provided in their capacity as depositaries and fiscal agents for the United States.

FINANCIAL AGENT SERVICES

Program and Financing (in millions of dollars)

| Identification code 20-1802-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.01 Financial agent services | 399 | 416 | 426 |
| 10.00 Total new obligations (object class 25.1) | 399 | 416 | 426 |
| Budgetary resources available for obligation: | | | |
| 21.40 Unobligated balance carried forward, start of year | 38 | 30 | ..... |
| 22.00 New budget authority (gross) | 391 | 386 | 426 |
| 23.90 Total budgetary resources available for obligation | 429 | 416 | 426 |
| 23.95 Total new obligations | -399 | -416 | -426 |
| 24.40 Unobligated balance carried forward, end of year | 30 | ..... | ..... |
| New budget authority (gross), detail: | | | |
| Mandatory: | | | |

| | | | | |
|---|---|------|------|------|
| 60.00 | Appropriation | 390 | 386 | 426 |
| 69.00 | Spending authority from offsetting collections: Offsetting collections (cash) | 1 | | |
| 70.00 | Total new budget authority (gross) | 391 | 386 | 426 |
| Change in obligated balances: | | | | |
| 72.40 | Obligated balance, start of year | 2 | 51 | 51 |
| 73.10 | Total new obligations | 399 | 416 | 426 |
| 73.20 | Total outlays (gross) | -350 | -416 | -426 |
| 74.40 | Obligated balance, end of year | 51 | 51 | 51 |
| Outlays (gross), detail: | | | | |
| 86.97 | Outlays from new mandatory authority | 313 | 386 | 426 |
| 86.98 | Outlays from mandatory balances | 37 | 30 | |
| 87.00 | Total outlays (gross) | 350 | 416 | 426 |
| Offsets: | | | | |
| Against gross budget authority and outlays: | | | | |
| 88.40 | Offsetting collections (cash) from: Non-Federal sources | -1 | | |
| Net budget authority and outlays: | | | | |
| 89.00 | Budget authority | 390 | 386 | 426 |
| 90.00 | Outlays | 349 | 416 | 426 |

This permanent, indefinite appropriation was established to reimburse financial institutions for the services they provide as depositaries and financial agents of the Federal Government. The services include the acceptance and processing of deposits of public money, as well as services essential to the disbursement of and accounting for public monies. The services provided are authorized under numerous statutes including, but not limited to, 12 U.S.C. 90 and 265. This permanent, indefinite appropriation is authorized by P.L. 108-100, the "Check Clearing for the 21st Century Act," and permanently appropriated by P.L. 108-199, the "Consolidated Appropriations Act of 2004."

INTEREST ON UNINVESTED FUNDS

Program and Financing (in millions of dollars)

| | | | | |
|--|---|-----------|-----------|----|
| Identification code 20-1860-0-1-908 | 2006 actual | 2007 est. | 2008 est. | |
| Obligations by program activity: | | | | |
| 00.01 | Interest of uninvested funds | 7 | 8 | 8 |
| 10.00 | Total new obligations (object class 43.0) | 7 | 8 | 8 |
| Budgetary resources available for obligation: | | | | |
| 22.00 | New budget authority (gross) | 7 | 8 | 8 |
| 23.95 | Total new obligations | -7 | -8 | -8 |
| New budget authority (gross), detail: | | | | |
| Mandatory: | | | | |
| 60.00 | Appropriation | 7 | 8 | 8 |
| Change in obligated balances: | | | | |
| 72.40 | Obligated balance, start of year | 18 | 18 | 18 |
| 73.10 | Total new obligations | 7 | 8 | 8 |
| 73.20 | Total outlays (gross) | -7 | -8 | -8 |
| 74.40 | Obligated balance, end of year | 18 | 18 | 18 |
| Outlays (gross), detail: | | | | |
| 86.97 | Outlays from new mandatory authority | 7 | 8 | 8 |
| Net budget authority and outlays: | | | | |
| 89.00 | Budget authority | 7 | 8 | 8 |
| 90.00 | Outlays | 7 | 8 | 8 |

Under conditions of the law creating each trust, interest accruing and payable from the general fund of the Treasury is appropriated for payment to the proper fund receipt accounts (31 U.S.C. 1321; 2 U.S.C. 158; 20 U.S.C. 74a and 101; 24 U.S.C. 46; and 69 Stat. 533).

FEDERAL INTEREST LIABILITIES TO THE STATES

Program and Financing (in millions of dollars)

| | | | | |
|--|---|-----------|-----------|----|
| Identification code 20-1877-0-1-908 | 2006 actual | 2007 est. | 2008 est. | |
| Obligations by program activity: | | | | |
| 00.01 | Federal interest liabilities to States | 1 | 3 | 3 |
| 10.00 | Total new obligations (object class 25.2) | 1 | 3 | 3 |
| Budgetary resources available for obligation: | | | | |
| 22.00 | New budget authority (gross) | 1 | 3 | 3 |
| 23.95 | Total new obligations | -1 | -3 | -3 |
| New budget authority (gross), detail: | | | | |
| Mandatory: | | | | |
| 60.00 | Appropriation | 1 | 3 | 3 |
| Change in obligated balances: | | | | |
| 73.10 | Total new obligations | 1 | 3 | 3 |
| 73.20 | Total outlays (gross) | -1 | -3 | -3 |
| Outlays (gross), detail: | | | | |
| 86.97 | Outlays from new mandatory authority | 1 | 3 | 3 |
| Net budget authority and outlays: | | | | |
| 89.00 | Budget authority | 1 | 3 | 3 |
| 90.00 | Outlays | 1 | 3 | 3 |

As provided by statute and regulation, interest is paid to States when Federal funds are not transferred in a timely manner.

INTEREST PAID TO CREDIT FINANCING ACCOUNTS

Program and Financing (in millions of dollars)

| | | | | |
|--|---|-----------|-----------|--------|
| Identification code 20-1880-0-1-908 | 2006 actual | 2007 est. | 2008 est. | |
| Obligations by program activity: | | | | |
| 00.01 | Interest paid to credit financing accounts | 7,258 | 5,067 | 4,787 |
| 10.00 | Total new obligations (object class 43.0) | 7,258 | 5,067 | 4,787 |
| Budgetary resources available for obligation: | | | | |
| 22.00 | New budget authority (gross) | 7,258 | 5,067 | 4,787 |
| 23.95 | Total new obligations | -7,258 | -5,067 | -4,787 |
| New budget authority (gross), detail: | | | | |
| Mandatory: | | | | |
| 60.00 | Appropriation | 5,200 | 5,067 | 4,787 |
| 69.00 | Spending authority from offsetting collections: Offsetting collections (cash) | 2,058 | | |
| 70.00 | Total new budget authority (gross) | 7,258 | 5,067 | 4,787 |
| Change in obligated balances: | | | | |
| 73.10 | Total new obligations | 7,258 | 5,067 | 4,787 |
| 73.20 | Total outlays (gross) | -7,258 | -5,067 | -4,787 |
| Outlays (gross), detail: | | | | |
| 86.97 | Outlays from new mandatory authority | 7,258 | 5,067 | 4,787 |
| Offsets: | | | | |
| Against gross budget authority and outlays: | | | | |
| 88.00 | Offsetting collections (cash) from: Federal sources | -2,058 | | |
| Net budget authority and outlays: | | | | |
| 89.00 | Budget authority | 5,200 | 5,067 | 4,787 |
| 90.00 | Outlays | 5,200 | 5,067 | 4,787 |

This account pays interest on the invested balances of guaranteed and direct loan financing accounts. For guaranteed loan financing accounts, balances result when the accounts receive up-front payments and fees to be held in reserve to make payments on defaults. Direct loan financing accounts normally borrow from Treasury to disburse loans and receive interest and principal payments and other payments from

INTEREST PAID TO CREDIT FINANCING ACCOUNTS—Continued

borrowers. Because direct loan financing accounts generally repay borrowing from Treasury at the end of the year, they can build up balances of payments received during the year. Interest on invested balances is paid to the financing accounts from the general fund of the Treasury, in accordance with section 505(c) of the Federal Credit Reform Act of 1990.

CLAIMS, JUDGMENTS, AND RELIEF ACTS

Program and Financing (in millions of dollars)

| Identification code 20-1895-0-1-808 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.01 Claims for damages | 9 | 11 | 11 |
| 00.03 Claims for contract disputes | 82 | 99 | 99 |
| 00.91 Total claims adjudicated administratively | 91 | 110 | 110 |
| 01.01 Judgments, Court of Claims | 177 | 215 | 213 |
| 01.02 Judgments, U.S. courts | 412 | 500 | 496 |
| 01.91 Total court judgments | 589 | 715 | 709 |
| 10.00 Total new obligations | 680 | 825 | 819 |
| Budgetary resources available for obligation: | | | |
| 22.00 New budget authority (gross) | 680 | 825 | 819 |
| 23.95 Total new obligations | -680 | -825 | -819 |
| New budget authority (gross), detail: | | | |
| Mandatory: | | | |
| 60.00 Appropriation | 677 | 825 | 819 |
| 69.00 Spending authority from offsetting collections: Offsetting collections (cash) | 3 | | |
| 70.00 Total new budget authority (gross) | 680 | 825 | 819 |
| Change in obligated balances: | | | |
| 72.40 Obligated balance, start of year | 16 | 7 | 7 |
| 73.10 Total new obligations | 680 | 825 | 819 |
| 73.20 Total outlays (gross) | -689 | -825 | -819 |
| 74.40 Obligated balance, end of year | 7 | 7 | 7 |
| Outlays (gross), detail: | | | |
| 86.97 Outlays from new mandatory authority | 673 | 825 | 819 |
| 86.98 Outlays from mandatory balances | 16 | | |
| 87.00 Total outlays (gross) | 689 | 825 | 819 |
| Offsets: | | | |
| Against gross budget authority and outlays: | | | |
| 88.40 Offsetting collections (cash) from: Non-Federal sources | -3 | | |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | 677 | 825 | 819 |
| 90.00 Outlays | 686 | 825 | 819 |

Appropriations are made for cases in which the Federal Government is found by courts to be liable for payment of claims and interest for damages not chargeable to appropriations of individual agencies and for payment of private and public relief acts. Public Law 95-26 authorized a permanent, indefinite appropriation to pay certain judgments from the general funds of the Treasury.

Object Classification (in millions of dollars)

| Identification code 20-1895-0-1-808 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| 42.0 Direct obligations: Insurance claims and indemnities | 677 | 825 | 819 |
| 99.0 Reimbursable obligations: reimbursable obligations | 3 | | |
| 99.9 Total new obligations | 680 | 825 | 819 |

RESTITUTION OF FOREGONE INTEREST

Program and Financing (in millions of dollars)

| Identification code 20-1875-0-1-908 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.01 Restitution of foregone interest | 157 | | |
| 10.00 Total new obligations (object class 43.0) | 157 | | |
| Budgetary resources available for obligation: | | | |
| 22.00 New budget authority (gross) | 157 | | |
| 23.95 Total new obligations | -157 | | |
| New budget authority (gross), detail: | | | |
| Mandatory: | | | |
| 60.00 Appropriation | 157 | | |
| Change in obligated balances: | | | |
| 73.10 Total new obligations | 157 | | |
| 73.20 Total outlays (gross) | -157 | | |
| Outlays (gross), detail: | | | |
| 86.97 Outlays from new mandatory authority | 157 | | |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | 157 | | |
| 90.00 Outlays | 157 | | |

This account provides funds for the payment of interest on investments in Treasury securities that the Secretary of the Treasury suspended or redeemed during the "debt limit suspension period" declared during 2006. The statutes permit this action when Treasury is constrained by the statutory debt limit. They require Treasury to restore all due interest and principal to these funds as soon as this can be done without exceeding the debt limit. A payment of interest was made in 2006 to the Civil Service Retirement and Disability Fund for approximately \$16 million and the G-Fund within the Thrift Savings Fund for \$140 million.

BIOMASS ENERGY DEVELOPMENT

Program and Financing (in millions of dollars)

| Identification code 20-0114-0-1-271 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Budgetary resources available for obligation: | | | |
| 21.40 Unobligated balance carried forward, start of year | 25 | 4 | |
| 22.00 New budget authority (gross) | 6 | 5 | 9 |
| 22.40 Capital transfer to general fund | -27 | -9 | -9 |
| 23.90 Total budgetary resources available for obligation | 4 | | |
| 24.40 Unobligated balance carried forward, end of year | 4 | | |
| New budget authority (gross), detail: | | | |
| Mandatory: | | | |
| 69.00 Spending authority from offsetting collections: Offsetting collections (cash) | 6 | 5 | 9 |
| Change in obligated balances: | | | |
| 72.40 Obligated balance, start of year | 1 | 1 | 1 |
| 74.40 Obligated balance, end of year | 1 | 1 | 1 |
| Offsets: | | | |
| Against gross budget authority and outlays: | | | |
| 88.40 Offsetting collections (cash) from: Non-Federal sources | -6 | -5 | -9 |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | | | |
| 90.00 Outlays | -6 | -5 | -9 |

Status of Guaranteed Loans (in millions of dollars)

| Identification code 20-0114-0-1-271 | 2006 actual | 2007 est. | 2008 est. |
|-------------------------------------|-------------|-----------|-----------|
| Addendum: | | | |

| Cumulative balance of defaulted guaranteed loans that result in loans receivable: | | | | |
|---|--------------------------------------|----|----|----|
| 2310 | Outstanding, start of year | 51 | 50 | 48 |
| 2351 | Repayments of loans receivable | -1 | -2 | -7 |
| 2390 | Outstanding, end of year | 50 | 48 | 41 |

This account was created to provide loan guarantees for the construction of biomass-to-ethanol facilities, as authorized under Title II of the Energy Security Act of 1980. All of the loans guaranteed by this account went into default. The guarantees have been paid off, and the assets of all but one of the projects have been liquidated. The one remaining project, the New Energy Company of Indiana, continues to make payments to the Treasury on their loan, which the Government acquired after paying off the guarantee.

Balance Sheet (in millions of dollars)

| Identification code 20-0114-0-1-271 | 2005 actual | 2006 actual | |
|-------------------------------------|---|-------------|----|
| ASSETS: | | | |
| 1701 | Defaulted guaranteed loans, gross | | 50 |

CONTINUED DUMPING AND SUBSIDY OFFSET

Special and Trust Fund Receipts (in millions of dollars)

| Identification code 20-5688-0-2-376 | 2006 actual | 2007 est. | 2008 est. |
|-------------------------------------|---|-----------|-----------|
| 01.00 | Balance, start of year | 293 | |
| Adjustments: | | | |
| 01.91 | Adjustment to 2003 SOY balance | -293 | |
| 01.99 | Balance, start of year | | |
| Receipts: | | | |
| 02.60 | Antidumping and countervailing duties, Continued dumping and subsidy offset | 476 | 356 |
| 04.00 | Total: Balances and collections | 476 | 356 |
| Appropriations: | | | |
| 05.00 | Continued dumping and subsidy offset | -476 | -356 |
| 05.99 | Total appropriations | -476 | -356 |
| 07.99 | Balance, end of year | | |

Program and Financing (in millions of dollars)

| Identification code 20-5688-0-2-376 | 2006 actual | 2007 est. | 2008 est. |
|--|--|-----------|-----------|
| Obligations by program activity: | | | |
| 00.01 | Continued dumping and subsidy offset | 226 | 452 |
| 10.00 | Total new obligations (object class 41.0) | 226 | 452 |
| Budgetary resources available for obligation: | | | |
| 21.40 | Unobligated balance carried forward, start of year | 316 | 566 |
| 22.00 | New budget authority (gross) | 476 | 356 |
| 23.90 | Total budgetary resources available for obligation | 792 | 922 |
| 23.95 | Total new obligations | -226 | -452 |
| 24.40 | Unobligated balance carried forward, end of year | 566 | 470 |
| New budget authority (gross), detail: | | | |
| Mandatory: | | | |
| 60.20 | Appropriation (special fund) | 476 | 356 |
| Change in obligated balances: | | | |
| 73.10 | Total new obligations | 226 | 452 |
| 73.20 | Total outlays (gross) | -226 | -452 |
| Outlays (gross), detail: | | | |
| 86.98 | Outlays from mandatory balances | 226 | 452 |
| Net budget authority and outlays: | | | |
| 89.00 | Budget authority | 476 | 356 |
| 90.00 | Outlays | 226 | 452 |

The Bureau of Customs and Border Protection, Department of Homeland Security, collects duties assessed pursuant to a countervailing duty order, an antidumping duty order, or a finding under the Antidumping Act of 1921. Under a provision enacted in 2000, the Bureau of Customs and Border Protection, through the Treasury, currently distributes these duties to affected domestic producers. These distributions provide a significant additional subsidy to producers that already gain protection from the increased import prices provided by the tariffs. The authority to distribute assessments collected after October 1, 2007 has been repealed. Assessments collected before October 1, 2007 will be disbursed as if the authority had not been repealed.

CHECK FORGERY INSURANCE FUND

Program and Financing (in millions of dollars)

| Identification code 20-4109-0-3-803 | 2006 actual | 2007 est. | 2008 est. |
|--|---|-----------|-----------|
| Obligations by program activity: | | | |
| 09.01 | Reimbursable program | 18 | 18 |
| 10.00 | Total new obligations (object class 42.0) | 18 | 18 |
| Budgetary resources available for obligation: | | | |
| 21.40 | Unobligated balance carried forward, start of year | 6 | 3 |
| 22.00 | New budget authority (gross) | 15 | 18 |
| 23.90 | Total budgetary resources available for obligation | 21 | 21 |
| 23.95 | Total new obligations | -18 | -18 |
| 24.40 | Unobligated balance carried forward, end of year | 3 | 3 |
| New budget authority (gross), detail: | | | |
| Mandatory: | | | |
| 69.00 | Spending authority from offsetting collections: Offsetting collections (cash) | 15 | 18 |
| Change in obligated balances: | | | |
| 73.10 | Total new obligations | 18 | 18 |
| 73.20 | Total outlays (gross) | -18 | -18 |
| Outlays (gross), detail: | | | |
| 86.97 | Outlays from new mandatory authority | 12 | 15 |
| 86.98 | Outlays from mandatory balances | 6 | 3 |
| 87.00 | Total outlays (gross) | 18 | 18 |
| Offsets: | | | |
| Against gross budget authority and outlays: | | | |
| 88.40 | Offsetting collections (cash) from: Non-Federal sources | -15 | -18 |
| Net budget authority and outlays: | | | |
| 89.00 | Budget authority | | |
| 90.00 | Outlays | 3 | |

This fund was established as a permanent, indefinite appropriation in order to maintain adequate funding of the Check Forgery Insurance Fund. The Fund facilitates timely payments for replacement Treasury checks necessitated due to a claim of forgery. The Fund recoups disbursements through reclamations made against banks negotiating forged checks.

To reduce hardships sustained by payees of Government checks that have been stolen and forged, settlement is made in advance of the receipt of funds from the endorsers of the checks. If the U.S. Treasury is unable to recover funds through reclamation procedures, the Fund sustains the loss.

P.L. 108-447 expanded the use of the fund to include payments made via electronic funds transfer (EFT). The Budget proposes a technical correction to the Fund's statutes to ensure and clarify that the Fund can be utilized as a funding source for relief of administrative disbursing errors (see the "Administrative Provisions—Department of the Treasury" at the end of the Treasury Chapter of this Appendix).

Trust Funds

CHEYENNE RIVER SIOUX TRIBE TERRESTRIAL WILDLIFE HABITAT RESTORATION TRUST FUND

Special and Trust Fund Receipts (in millions of dollars)

| Identification code 20-8209-0-7-306 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| 01.00 Balance, start of year | 37 | 43 | 51 |
| 01.99 Balance, start of year | 37 | 43 | 51 |
| Receipts: | | | |
| 02.00 General fund payments, Lower Brule Sioux Tribe terrestrial wildlife habitat restoration trust fund | 1 | 1 | 1 |
| 02.01 Earnings on investments, Lower Brule Sioux Tribe terrestrial wildlife habitat restoration trust fund | | 1 | 1 |
| 02.02 General fund payments, Cheyenne River Sioux Tribe terrestrial wildlife habitat restoration trust fund | 4 | 4 | 4 |
| 02.03 Earnings on investments, Cheyenne River Sioux Tribe terrestrial wildlife habitat restoration trust fund | 1 | 2 | 2 |
| 02.99 Total receipts and collections | 6 | 8 | 8 |
| 04.00 Total: Balances and collections | 43 | 51 | 59 |
| Appropriations: | | | |
| 05.00 Cheyenne River Sioux Tribe terrestrial wildlife habitat restoration trust fund | -5 | -5 | -5 |
| 05.01 Cheyenne River Sioux Tribe terrestrial wildlife habitat restoration trust fund | 5 | 5 | 5 |
| 05.99 Total appropriations | | | |
| 07.99 Balance, end of year | 43 | 51 | 59 |

Program and Financing (in millions of dollars)

| Identification code 20-8209-0-7-306 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| New budget authority (gross), detail: | | | |
| Mandatory: | | | |
| 60.26 Appropriation (trust fund) | 5 | 5 | 5 |
| 60.45 Portion precluded from balances | -5 | -5 | -5 |
| 62.50 Appropriation (total mandatory) | | | |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | | | |
| 90.00 Outlays | | | |
| Memorandum (non-add) entries: | | | |
| 92.01 Total investments, start of year: Federal securities: Par value | 38 | 45 | 51 |
| 92.02 Total investments, end of year: Federal securities: Par value | 45 | 51 | 57 |

This schedule reflects the payments made to the Cheyenne River Sioux Tribe Terrestrial Wildlife Restoration Trust Fund and the Lower Brule Sioux Tribe Terrestrial Wildlife Restoration Trust Fund. After the funds are fully capitalized (at a total level of \$57.4 million), interest earned will be available to carry out the purposes of the funds.

FEDERAL FINANCING BANK

Federal Funds

FEDERAL FINANCING BANK

Program and Financing (in millions of dollars)

| Identification code 20-4521-0-4-803 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 09.01 Administrative expenses | 4 | 4 | 4 |
| 09.02 Interest on borrowings from Treasury | 391 | 765 | 1,023 |
| 09.03 Interest on borrowings from civil service retirement and disability fund | 651 | 651 | 653 |
| 10.00 Total new obligations | 1,046 | 1,420 | 1,680 |
| Budgetary resources available for obligation: | | | |
| 21.40 Unobligated balance carried forward, start of year | 361 | 779 | 1,212 |

| | | | |
|--|--------|--------|--------|
| 22.00 New budget authority (gross) | 1,464 | 1,853 | 1,697 |
| 23.90 Total budgetary resources available for obligation | 1,825 | 2,632 | 2,909 |
| 23.95 Total new obligations | -1,046 | -1,420 | -1,680 |
| 24.40 Unobligated balance carried forward, end of year | 779 | 1,212 | 1,229 |

New budget authority (gross), detail:

| | | | |
|---|-------|-------|-------|
| Mandatory: | | | |
| 69.00 Spending authority from offsetting collections: Offsetting collections (cash) | 1,464 | 1,853 | 1,697 |

Change in obligated balances:

| | | | |
|-----------------------------------|--------|--------|--------|
| 73.10 Total new obligations | 1,046 | 1,420 | 1,680 |
| 73.20 Total outlays (gross) | -1,047 | -1,420 | -1,680 |

Outlays (gross), detail:

| | | | |
|--|-------|-------|-------|
| 86.97 Outlays from new mandatory authority | 1,047 | 1,420 | 1,680 |
|--|-------|-------|-------|

Offsets:

| | | | |
|---|--------|--------|--------|
| Against gross budget authority and outlays: | | | |
| 88.00 Offsetting collections (cash) from: Federal sources | -1,464 | -1,853 | -1,697 |

Net budget authority and outlays:

| | | | |
|------------------------------|------|------|-----|
| 89.00 Budget authority | | | |
| 90.00 Outlays | -417 | -433 | -17 |

The Federal Financing Bank (FFB) was created in 1973 to reduce the costs of certain Federal and federally assisted borrowing and to ensure the coordination of such borrowing from the public in a manner least disruptive to private financial markets and institutions. Prior to that time, many agencies borrowed directly from the private market to finance credit programs involving lending to the public at higher rates than on comparable Treasury securities. With the implementation of the Federal Credit Reform Act in 1992, however, agencies simply finance such loan programs through direct loan financing accounts that borrow directly from the Treasury. Therefore, FFB loans are now used primarily to finance direct agency activities such as construction of Federal buildings by the General Services Administration and activities of the U.S. Postal Service. In certain cases, the FFB finances Federal direct loans to the public that would otherwise be made by private lenders and fully guaranteed by a Federal agency.

Lending by the FFB may take one of three forms, depending on the authorizing statutes pertaining to a particular agency or program: (1) the FFB may purchase agency financial assets; (2) the FFB may acquire debt securities that the agency is otherwise authorized to issue to the public; and (3) the FFB may originate direct loans on behalf of an agency by disbursing loans directly to private borrowers and receiving repayments from the private borrower on behalf of the agency. Because law requires that transactions by the FFB be treated as a means of financing agency obligations, the budgetary effect of the third type of transaction is reflected in the budget in the following sequence: a loan by the FFB to the agency, a loan by the agency to a private borrower, a repayment by a private borrower to the agency, and a repayment by the agency to the FFB.

By law, the FFB receives substantially less interest each year on certain Department of Agriculture loans that it holds than it is contractually entitled to receive. For example, during 2006, as a result of this provision, the FFB received \$234 million less than it was contractually entitled to receive. This law, however, does not reduce the amount of interest the FFB owes on its corresponding loans from Treasury. Treasury intends to submit legislation designed to correct this situation without impacting the Department of Agriculture's Cushion of Credit payments program or the Rural Economic Development loan and grant programs.

A change in the method of accounting for losses associated with the Cushion of Credit payments program, together with net income of \$556 million, resulted in an increase in the

net position of the FFB to \$1.2 billion for 2005. In 2006, the FFB's net income was \$533 million, further increasing the net position to \$1.8 billion.

In addition to its authority to borrow from the Treasury, the FFB has the statutory authority to borrow up to \$15 billion from other sources. Any such borrowing is exempt from the statutory ceiling on Federal debt. FFB exercised this authority most recently in November 2004. In order to prolong Treasury's ability to operate under the then-\$7.4 trillion debt ceiling, the FFB issued \$14 billion of its own debt securities to the Civil Service Retirement and Disability Fund (CSRDF) in exchange for \$14 billion in special issue Treasury securities held by CSRDF. The FFB simultaneously redeemed these special issue Treasury securities with Treasury. This transaction extinguished \$14 billion in securities that Treasury had issued to Government accounts (the CSRDF). An equivalent amount of the FFB's own debt to Treasury was reduced. The FFB debt held by the CSRDF will be redeemed beginning in 2009.

The following table shows the annual net lending by the FFB by agency and program and the amount outstanding at the end of each year.

NET LENDING AND LOANS OUTSTANDING, END OF YEAR

(in millions of dollars)

| | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| A. Department of Agriculture: | | | |
| 1. Rural Utilities Service: | | | |
| Lending, net | 2,477 | 1,754 | 1,238 |
| Loans outstanding | 25,284 | 27,037 | 28,275 |
| B. Department of Defense: | | | |
| 1. Defense working capital funds: | | | |
| Lending, net | -205 | -82 | -66 |
| Loans outstanding | 171 | 89 | 23 |
| C. Department of Education: | | | |
| 1. Historically black colleges and universities: | | | |
| Lending, net | 29 | 165 | 244 |
| Loans outstanding | 154 | 319 | 563 |
| D. Department of Housing and Urban Development: | | | |
| 1. Section 108 guaranteed loans: | | | |
| Lending, net | * | * | |
| Loans outstanding | * | | |
| 2. Low-rent public housing: | | | |
| Lending, net | -88 | -93 | -99 |
| Loans outstanding | 884 | 791 | 692 |
| E. Department of the Interior: | | | |
| 1. Territory of the Virgin Islands: | | | |
| Lending, net | -2 | -3 | * |
| Loans outstanding | 3 | * | |
| F. Department of Transportation: | | | |
| 1. Railroad Revitalization and Regulatory Reform Act: | | | |
| Lending, net | * | * | * |
| Loans outstanding | 2 | 2 | 2 |
| G. Department of Veterans Affairs: | | | |
| 1. Transitional housing for homeless veterans: | | | |
| Lending, net | 2 | 3 | 2 |
| Loans outstanding | 2 | 5 | 7 |
| H. General Services Administration: | | | |
| 1. Federal buildings fund: | | | |
| Lending, net | 4 | 1 | -51 |
| Loans outstanding | 2,147 | 2,148 | 2,097 |
| I. International Assistance Programs: | | | |
| 1. Foreign military sales credit: | | | |
| Lending, net | -221 | -187 | -156 |
| Loans outstanding | 1,024 | 837 | 681 |
| J. Small Business Administration: | | | |
| 1. Section 503 guaranteed loans: | | | |
| Lending, net | -13 | -11 | -9 |
| Loans outstanding | 27 | 16 | 7 |
| K. Postal Service: | | | |
| Lending, net | 2,100 | 900 | -900 |
| Loans outstanding | 2,100 | 3,000 | 2,100 |
| Total lending: | | | |
| Lending, net | 4,083 | 2,447 | 203 |
| Loans outstanding | 31,799 | 34,245 | 34,448 |

* \$500,000 or less

Balance Sheet (in millions of dollars)

| Identification code 20-4521-0-4-803 | 2005 actual | 2006 actual |
|--|-------------|-------------|
| ASSETS: | | |
| Federal assets: | | |
| 1101 Fund balances with Treasury | 361 | 901 |
| Investments in US securities: | | |
| 1104 Agency securities, par | 27,774 | 31,844 |
| 1106 Receivables, net | 183 | 446 |
| 1999 Total assets | 28,318 | 33,191 |
| LIABILITIES: | | |
| Federal liabilities: | | |
| 2101 Accounts payable | 197 | 322 |
| 2103 Borrowing from Treasury | 12,426 | 16,709 |
| 2103 Borrowing from Civil Service Retirement & Disability Fund ... | 14,000 | 14,000 |
| 2105 Unamortized Premium | 474 | 406 |
| 2999 Total liabilities | 27,097 | 31,437 |
| NET POSITION: | | |
| 3300 Cumulative results of operations | 1,221 | 1,754 |
| 3999 Total net position | 1,221 | 1,754 |
| 4999 Total liabilities and net position | 28,318 | 33,191 |

Object Classification (in millions of dollars)

| Identification code 20-4521-0-4-803 | 2006 actual | 2007 est. | 2008 est. |
|-------------------------------------|-------------|-----------|-----------|
| Reimbursable obligations: | | | |
| 25.2 Other services | 4 | 4 | 4 |
| 43.0 Interest and dividends | 1,042 | 1,416 | 1,676 |
| 99.9 Total new obligations | 1,046 | 1,420 | 1,680 |

ALCOHOL AND TOBACCO TAX AND TRADE
BUREAU

Federal Funds

SALARIES AND EXPENSES

For necessary expenses of carrying out section 1111 of the Homeland Security Act of 2002, including hire of passenger motor vehicles, \$93,515,000; of which 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.

Note.—A regular 2007 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 109-289, Division B, as amended). The amounts included for 2007 in this budget reflect the levels provided by the continuing resolution.

Program and Financing (in millions of dollars)

| Identification code 20-1008-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.01 Protect the Public | 44 | 44 | 46 |
| 00.02 Collect revenue | 46 | 46 | 48 |
| 01.92 Total direct program | 90 | 90 | 94 |
| 09.01 Reimbursable program | 2 | 2 | 2 |
| 10.00 Total new obligations | 92 | 92 | 96 |
| Budgetary resources available for obligation: | | | |
| 22.00 New budget authority (gross) | 91 | 92 | 96 |
| 23.95 Total new obligations | -92 | -92 | -96 |
| New budget authority (gross), detail: | | | |
| Discretionary: | | | |
| 40.00 Appropriation | 91 | 90 | 94 |
| 40.35 Appropriation permanently reduced | -1 | | |
| 43.00 Appropriation (total discretionary) | 90 | 90 | 94 |
| 58.00 Spending authority from offsetting collections: Offsetting collections (cash) | 1 | 2 | 2 |
| 70.00 Total new budget authority (gross) | 91 | 92 | 96 |
| Change in obligated balances: | | | |
| 72.40 Obligated balance, start of year | 20 | 19 | 21 |

SALARIES AND EXPENSES—Continued

Program and Financing (in millions of dollars)—Continued

| Identification code 20-1008-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| 73.10 Total new obligations | 92 | 92 | 96 |
| 73.20 Total outlays (gross) | -93 | -90 | -95 |
| 74.40 Obligated balance, end of year | 19 | 21 | 22 |
| Outlays (gross), detail: | | | |
| 86.90 Outlays from new discretionary authority | 76 | 76 | 79 |
| 86.93 Outlays from discretionary balances | 17 | 14 | 16 |
| 87.00 Total outlays (gross) | 93 | 90 | 95 |
| Offsets: | | | |
| Against gross budget authority and outlays: | | | |
| Offsetting collections (cash) from: | | | |
| 88.00 Other Federal sources | | | -2 |
| 88.40 Non-Federal Sources | -2 | -2 | |
| 88.90 Total, offsetting collections (cash) | -2 | -2 | -2 |
| Against gross budget authority only: | | | |
| 88.96 Portion of offsetting collections (cash) credited to expired accounts | 1 | | |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | 90 | 90 | 94 |
| 90.00 Outlays | 91 | 88 | 93 |

The Alcohol and Tobacco Tax and Trade Bureau (TTB) enforces the Federal laws and regulations relating to alcohol and tobacco by working directly and in cooperation with others to: (1) Provide the most effective and efficient system for the collection of all revenue that is rightfully due, eliminate or prevent tax evasion and other criminal conduct, and provide high quality service while imposing the least regulatory burden; and (2) Prevent consumer deception, ensure that regulated alcohol and tobacco products comply with Federal commodity, safety, and distribution requirements, and provide high quality customer service.

Object Classification (in millions of dollars)

| Identification code 20-1008-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Direct obligations: | | | |
| Personnel compensation: | | | |
| 11.1 Full-time permanent | 39 | 42 | 44 |
| 11.5 Other personnel compensation | 1 | 1 | 1 |
| 11.9 Total personnel compensation | 40 | 43 | 45 |
| 12.1 Civilian personnel benefits | 11 | 10 | 11 |
| 21.0 Travel and transportation of persons | 3 | 4 | 4 |
| 23.1 Rental payments to GSA | 5 | 5 | 5 |
| 23.3 Communications, utilities, and miscellaneous charges | 4 | 5 | 5 |
| 25.1 Advisory and assistance services | 8 | | |
| 25.2 Other services | 2 | 20 | 21 |
| 25.3 Other purchases of goods and services from Government accounts | 9 | | |
| 25.7 Operation and maintenance of equipment | 1 | | |
| 26.0 Supplies and materials | 1 | 1 | 1 |
| 31.0 Equipment | 6 | 2 | 2 |
| 99.0 Direct obligations | 90 | 90 | 94 |
| 99.0 Reimbursable obligations | 1 | 2 | 2 |
| 99.5 Below reporting threshold | 1 | | |
| 99.9 Total new obligations | 92 | 92 | 96 |

Employment Summary

| Identification code 20-1008-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Direct: | | | |
| 1001 Civilian full-time equivalent employment | 524 | 544 | 544 |
| Reimbursable: | | | |
| 2001 Civilian full-time equivalent employment | 10 | 15 | 15 |

INTERNAL REVENUE COLLECTIONS FOR PUERTO RICO

Special and Trust Fund Receipts (in millions of dollars)

| Identification code 20-5737-0-2-806 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| 01.00 Balance, start of year | | | |
| 01.99 Balance, start of year | | | |
| Receipts: | | | |
| 02.60 Deposits, Internal revenue collections for Puerto Rico | 360 | 448 | 408 |
| 02.61 Deposits, Internal revenue collections for Puerto Rico—legislative proposal subject to PAYGO | | | 76 |
| 02.99 Total receipts and collections | 360 | 448 | 484 |
| 04.00 Total: Balances and collections | 360 | 448 | 484 |
| Appropriations: | | | |
| 05.00 Internal revenue collections for Puerto Rico | -360 | -448 | -408 |
| 05.01 Internal revenue collections for Puerto Rico—legislative proposal subject to PAYGO | | | -76 |
| 05.99 Total appropriations | -360 | -448 | -484 |
| 07.99 Balance, end of year | | | |

Program and Financing (in millions of dollars)

| Identification code 20-5737-0-2-806 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.01 Internal revenue collections for Puerto Rico | 360 | 448 | 408 |
| 10.00 Total new obligations (object class 41.0) | 360 | 448 | 408 |

Budgetary resources available for obligation:

| | | | |
|--|------|------|------|
| 22.00 New budget authority (gross) | 360 | 448 | 408 |
| 23.95 Total new obligations | -360 | -448 | -408 |

New budget authority (gross), detail:

| | | | |
|--|-----|-----|-----|
| Mandatory: | | | |
| 60.20 Appropriation (special fund) | 360 | 448 | 408 |

Change in obligated balances:

| | | | |
|-----------------------------------|------|------|------|
| 73.10 Total new obligations | 360 | 448 | 408 |
| 73.20 Total outlays (gross) | -360 | -448 | -408 |

Outlays (gross), detail:

| | | | |
|--|-----|-----|-----|
| 86.97 Outlays from new mandatory authority | 360 | 448 | 408 |
|--|-----|-----|-----|

Net budget authority and outlays:

| | | | |
|------------------------------|-----|-----|-----|
| 89.00 Budget authority | 360 | 448 | 408 |
| 90.00 Outlays | 360 | 448 | 408 |

Summary of Budget Authority and Outlays

(in millions of dollars)

| | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Enacted/requested: | | | |
| Budget Authority | 360 | 448 | 408 |
| Outlays | 360 | 448 | 408 |
| Legislative proposal, subject to PAYGO: | | | |
| Budget Authority | | | 76 |
| Outlays | | | 76 |
| Total: | | | |
| Budget Authority | 360 | 448 | 484 |
| Outlays | 360 | 448 | 484 |

Excise taxes collected under the Internal Revenue laws of the United States on articles produced in Puerto Rico and either transported to the United States or consumed on the island are paid to Puerto Rico (26 U.S.C. 7652).

INTERNAL REVENUE COLLECTIONS FOR PUERTO RICO

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

| Identification code 20-5737-4-2-806 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.01 Internal revenue collections for Puerto Rico | | | 76 |
| 10.00 Total new obligations (object class 41.0) | | | 76 |

| | |
|--|---|
| Budgetary resources available for obligation: | |
| 22.00 | New budget authority (gross) 76 |
| 23.95 | Total new obligations -76 |
| New budget authority (gross), detail: | |
| Mandatory: | |
| 60.20 | Appropriation (special fund) 76 |
| Change in obligated balances: | |
| 73.10 | Total new obligations 76 |
| 73.20 | Total outlays (gross) -76 |
| Outlays (gross), detail: | |
| 86.97 | Outlays from new mandatory authority 76 |
| Net budget authority and outlays: | |
| 89.00 | Budget authority 76 |
| 90.00 | Outlays 76 |

| | | | | |
|---|---|------|------|------|
| 87.00 | Total outlays (gross) | 501 | 556 | 602 |
| Offsets: | | | | |
| Against gross budget authority and outlays: | | | | |
| 88.00 | Offsetting collections (cash) from: Federal sources | -484 | -556 | -602 |
| Against gross budget authority only: | | | | |
| 88.95 | Change in uncollected customer payments from Federal sources (unexpired) | 10 | | |
| Net budget authority and outlays: | | | | |
| 89.00 | Budget authority | | | |
| 90.00 | Outlays | 17 | | |

Excise taxes are imposed on rum at the generally applicable distilled spirits rate of \$13.50 per proof gallon imported from places other than Puerto Rico and the Virgin Islands and on rum coming into the United States from Puerto Rico or the Virgin Islands. These excise tax collections less estimated refunds, drawbacks and certain administrative expenses are transferred (cover over) to Puerto Rico and the Virgin Islands under a permanent provision at the lesser of a rate of \$10.50 per proof gallon or the current rate of tax imposed on a proof gallon. The Budget proposes to extend a temporary cover-over rate of \$13.25 a proof gallon through December 31, 2008.

The Bureau of Engraving and Printing (BEP) designs, manufactures, and supplies Federal Reserve notes and other security instruments for various Federal agencies. Beginning in 2005, the BEP was given legal authority to print currency for foreign countries upon approval of the State Department.

In 2008, BEP plans to introduce the new design of the \$5 note as part of its ambitious multi-year initiative to redesign and enhance the security of United States currency. The redesign of the \$5 note will be followed by the introduction of the redesigned \$100 note in 2009.

The anticipated work volume is based on estimates of requirements submitted by agencies served. The program comprises the following activities:

Engraving and printing-

Currency.—Total deliveries of currency for 2007 and 2008 are estimated to be 9.1 and 9.7 billion respectively. During 2006, the Bureau delivered 8.2 billion Federal Reserve notes.

Securities.—This program encompasses the production of a wide variety of bonds, notes, and debentures for the Bureau of Public Debt and certain other agencies of the Government.

Commissions, certificates, etc.—This program is comprised primarily of Presidential and Department of Defense commissions and certificates, White House invitations, and identification cards for various Government agencies. It represents a small portion of the Bureau's total workload and is reimbursed by the respective agencies.

The operations of the Bureau are currently financed by means of a revolving fund established in accordance with the provisions of Public Law 656, August 4, 1950 (31 U.S.C. 181), which requires the Bureau to be reimbursed by customer agencies for all costs of manufacturing products and services performed. The Bureau is also authorized to assess amounts to acquire capital equipment and provide for working capital needs. Bureau operations during 2006 resulted in a decrease to retained earnings of \$8.6 million.

Balance Sheet (in millions of dollars)

BUREAU OF ENGRAVING AND PRINTING

Federal Funds

BUREAU OF ENGRAVING AND PRINTING FUND

Program and Financing (in millions of dollars)

| Identification code 20-4502-0-4-803 | 2006 actual | 2007 est. | 2008 est. | |
|--|---|-----------|-----------|------|
| Obligations by program activity: | | | | |
| 09.01 | Currency program | 475 | 500 | 546 |
| 09.03 | Other programs | 2 | 6 | 6 |
| 09.11 | Purchase of operating equipment | 15 | 35 | 35 |
| 09.12 | Plant alterations and experimental equipment | 4 | 15 | 15 |
| 10.00 | Total new obligations | 496 | 556 | 602 |
| Budgetary resources available for obligation: | | | | |
| 21.40 | Unobligated balance carried forward, start of year | 118 | 96 | 96 |
| 22.00 | New budget authority (gross) | 474 | 556 | 602 |
| 23.90 | Total budgetary resources available for obligation | 592 | 652 | 698 |
| 23.95 | Total new obligations | -496 | -556 | -602 |
| 24.40 | Unobligated balance carried forward, end of year | 96 | 96 | 96 |
| New budget authority (gross), detail: | | | | |
| Discretionary: | | | | |
| Spending authority from offsetting collections: | | | | |
| 58.00 | Offsetting collections (cash) | 484 | 556 | 602 |
| 58.10 | Change in uncollected customer payments from Federal sources (unexpired) | -10 | | |
| 58.90 | Spending authority from offsetting collections (total discretionary) | 474 | 556 | 602 |
| Change in obligated balances: | | | | |
| 72.40 | Obligated balance, start of year | 63 | 68 | 68 |
| 73.10 | Total new obligations | 496 | 556 | 602 |
| 73.20 | Total outlays (gross) | -501 | -556 | -602 |
| 74.00 | Change in uncollected customer payments from Fed- eral sources (unexpired) | 10 | | |
| 74.40 | Obligated balance, end of year | 68 | 68 | 68 |
| Outlays (gross), detail: | | | | |
| 86.90 | Outlays from new discretionary authority | 474 | 556 | 602 |
| 86.93 | Outlays from discretionary balances | 27 | | |

| Identification code 20-4502-0-4-803 | 2005 actual | 2006 actual | |
|-------------------------------------|---|-------------|-----|
| ASSETS: | | | |
| Non-Federal assets: | | | |
| 1206 | Receivables, net | 42 | 33 |
| 1207 | Advances and prepayments | 4 | 4 |
| Other Federal assets: | | | |
| 1801 | Cash and other monetary assets | 183 | 165 |
| 1802 | Inventories and related properties | 75 | 84 |
| 1803 | Property, plant and equipment, net | 249 | 250 |
| 1901 | Other assets—Machinery repair parts | 17 | 17 |
| 1999 | Total assets | 570 | 553 |
| LIABILITIES: | | | |
| 2101 | Federal liabilities: Accounts payable | 28 | 29 |
| Non-Federal liabilities: | | | |
| 2201 | Accounts payable | 14 | 12 |
| 2206 | Pension and other actuarial liabilities | 68 | 60 |
| 2999 | Total liabilities | 110 | 101 |
| NET POSITION: | | | |
| 3100 | Appropriated capital | 32 | 32 |
| 3300 | Cumulative results of operations | 428 | 420 |
| 3999 | Total net position | 460 | 452 |

BUREAU OF ENGRAVING AND PRINTING FUND—Continued

Balance Sheet (in millions of dollars)—Continued

| Identification code 20-4502-0-4-803 | 2005 actual | 2006 actual |
|---|-------------|-------------|
| 4999 Total liabilities and net position | 570 | 553 |

Object Classification (in millions of dollars)

| Identification code 20-4502-0-4-803 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Reimbursable obligations: | | | |
| Personnel compensation: | | | |
| 11.1 Full-time permanent | 167 | 170 | 175 |
| 11.3 Other than full-time permanent | 1 | 1 | 2 |
| 11.5 Other personnel compensation | 11 | 11 | 14 |
| 11.9 Total personnel compensation | 179 | 182 | 191 |
| 12.1 Civilian personnel benefits | 43 | 46 | 48 |
| 21.0 Travel and transportation of persons | 2 | 2 | 2 |
| 23.1 Rental payments to GSA | 3 | 3 | 3 |
| 23.3 Communications, utilities, and miscellaneous charges | 13 | 14 | 14 |
| 24.0 Printing and reproduction | 1 | 1 | 1 |
| 25.2 Other services | 71 | 70 | 76 |
| 26.0 Supplies and materials | 124 | 188 | 207 |
| 31.0 Equipment | 60 | 50 | 60 |
| 99.9 Total new obligations | 496 | 556 | 602 |

Employment Summary

| Identification code 20-4502-0-4-803 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Reimbursable: | | | |
| 2001 Civilian full-time equivalent employment | 2,190 | 2,300 | 2,250 |

UNITED STATES MINT

Federal Funds

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 2008 under such section 5136 for circulating coinage and protective service capital investments of the United States Mint shall not exceed \$33,200,000.

Note.—A regular 2007 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 109-289, Division B, as amended). The amounts included for 2007 in this budget reflect the levels provided by the continuing resolution.

Program and Financing (in millions of dollars)

| Identification code 20-4159-0-3-803 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 09.06 Total Operating | 1,506 | 1,949 | 1,899 |
| 09.07 Circulating and Protection Capital | 12 | 27 | 25 |
| 09.08 Numismatic Capital | 9 | 13 | 14 |
| 10.00 Total new obligations | 1,527 | 1,989 | 1,938 |
| Budgetary resources available for obligation: | | | |
| 21.40 Unobligated balance carried forward, start of year | 62 | 108 | 108 |
| 22.00 New budget authority (gross) | 1,657 | 1,989 | 1,938 |
| 22.40 Capital transfer to general fund | -84 | | |
| 23.90 Total budgetary resources available for obligation | 1,635 | 2,097 | 2,046 |
| 23.95 Total new obligations | -1,527 | -1,989 | -1,938 |
| 24.40 Unobligated balance carried forward, end of year | 108 | 108 | |
| New budget authority (gross), detail: | | | |
| Discretionary: | | | |
| Spending authority from offsetting collections: | | | |
| 58.00 Offsetting collections (cash) | 1,611 | 1,989 | 1,938 |
| 58.10 Change in uncollected customer payments from Federal sources (unexpired) | 46 | | |

| | | | | |
|-------|--|-------|-------|-------|
| 58.90 | Spending authority from offsetting collections (total discretionary) | 1,657 | 1,989 | 1,938 |
|-------|--|-------|-------|-------|

Change in obligated balances:

| | | | | |
|-------|--|--------|--------|--------|
| 72.40 | Obligated balance, start of year | 217 | 118 | 118 |
| 73.10 | Total new obligations | 1,527 | 1,989 | 1,938 |
| 73.20 | Total outlays (Gross) | -1,580 | -1,989 | -1,938 |
| 74.00 | Change in uncollected customer payments from Federal sources (unexpired) | -46 | | |
| 74.40 | Obligated balance, end of year | 118 | 118 | 118 |

Outlays (gross), detail:

| | | | | |
|-------|--|-------|-------|-------|
| 86.90 | Outlays from new discretionary authority | 1,580 | 1,989 | 1,938 |
|-------|--|-------|-------|-------|

Offsets:

| | | | | |
|---|--|--------|--------|--------|
| Against gross budget authority and outlays: | | | | |
| Offsetting collections (cash) from: | | | | |
| 88.00 | Federal sources | -8 | | |
| 88.40 | Total Operating | -1,586 | -1,989 | -1,938 |
| 88.45 | Offsetting governmental collections (from non-Federal sources) | -17 | | |
| 88.90 | Total, offsetting collections (cash) | -1,611 | -1,989 | -1,938 |
| Against gross budget authority only: | | | | |
| 88.95 | Change in uncollected customer payments from Federal sources (unexpired) | -46 | | |

Net budget authority and outlays:

| | | | | |
|-------|------------------------|-----|--|--|
| 89.00 | Budget authority | | | |
| 90.00 | Outlays | -31 | | |

The United States Mint manufactures coins, sells numismatic and investment products, and provides security and asset protection. Public Law 104-52, dated November 19, 1995, enacted 5136, of Subchapter III of chapter 51 of subtitle IV of title 31, United States Code established the United States Mint Public Enterprise Fund (the Fund). The Mint submits annual audited business-type financial statements to the Secretary of the Treasury and to Congress in support of the operations of the revolving fund.

The operations of the Mint are divided into three major components: Circulating Coinage; Numismatic and Investment Products; and Protection. The Mint is credited with receipts from its circulating coinage operations equal to the full cost of producing and distributing the coins that are put into circulation, plus the depreciation of the Mint's plant and equipment on the basis of current replacement value. From that, the Mint pays its cost of operations, which includes production and distribution costs. The difference between the face value of the coins and these costs is considered an "other financing source" and is deposited as seigniorage to the general fund. In 2006, the Mint transferred \$750 million to the general fund. If any seigniorage was used to finance the Mint's capital acquisitions it would be recorded as budget authority in the year that funds are obligated for this purpose and as receipts over the life of the asset. No seigniorage has been used for this purpose in recent years.

Circulating Coinage.—This activity funds the manufacture of circulating coins for sale to the Federal Reserve System as determined by public demand. In 2008, this activity will manufacture 12.4 billion coins for sale to the Federal Reserve System.

In 2007, the United States Mint will introduce a new Presidential \$1 Coin Program as authorized by the Presidential \$1 Coin Act of 2005 (Public Law 109-145). As required by legislation, the Presidential dollar coin specifications will be similar to the Golden Dollar featuring Sacagawea and will be released into circulation at the rate of four different coin designs per year beginning in 2007 through 2018. Each coin design will honor former presidents of the United States in the order in which they served the nation.

Numismatic and Investment Products.—This activity funds the manufacture of numismatic and bullion coins, medals, and other products for sale to collectors and the general public. These coins include annual recurring programs such as

proof and uncirculated sets, silver proof coins, the American Eagle gold and silver bullion uncirculated and proof coins, American Eagle platinum coins, 24-Karat gold coins, and national and historic medals. The activity also includes non-recurring programs for coins and medals which are legislated to commemorate specific events or individuals. In 2008, this activity will fund any pending commemorative coin program as legislated by Congress. In addition, the Fifty States Commemorative Coin Program Act authorized, beginning in 1999, the issuance of quarters for sale to the public and to the Federal Reserve System honoring each of the 50 states with a design emblematic of that state. These quarters are issued in the order of each state's admission to the Union. The Mint is producing five different state quarter designs each year resulting in a 10-year program. In 2008, the final year of this program, the Mint will manufacture 2.7 billion quarters for sale to the public and the Federal Reserve System. All coins produced for this program are considered to be numismatic products.

Protection.—This activity funds protection of the Government's stock of gold and silver bullion, coins, Mint employees and visitors, plant facilities and equipment, and all other Mint property against abuse, theft, damage, disorders, and all other unsafe or illegal practices by utilizing police officers and modern protective devices.

Balance Sheet (in millions of dollars)

| Identification code 20-4159-0-3-803 | 2005 actual | 2006 actual |
|---|-------------|-------------|
| ASSETS: | | |
| Federal assets: | | |
| 1101 Fund balances with Treasury | 279 | 226 |
| Investments in US securities: | | |
| 1106 Receivables, net | 15 | 28 |
| 1107 Advances and prepayments | 6 | 6 |
| Other Federal assets: | | |
| 1802 Inventories and related properties | 328 | 253 |
| 1803 Property, plant and equipment, net | 273 | 233 |
| 1901 Other assets | | 10,509 |
| 1999 Total assets | 901 | 11,255 |
| LIABILITIES: | | |
| Federal liabilities: Accounts payable | | |
| 2101 | 129 | 62 |
| Non-Federal liabilities: | | |
| 2201 Accounts payable | 31 | 21 |
| 2207 Other | 72 | 10,529 |
| 2999 Total liabilities | 232 | 10,612 |
| NET POSITION: | | |
| 3300 Cumulative results of operations | 669 | 643 |
| 3999 Total net position | 669 | 643 |
| 4999 Total liabilities and net position | 901 | 11,255 |

Object Classification (in millions of dollars)

| Identification code 20-4159-0-3-803 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Reimbursable obligations: | | | |
| Personnel compensation: | | | |
| 11.1 Full-time permanent | 119 | 125 | 129 |
| 11.5 Other personnel compensation | 13 | 16 | 16 |
| 11.9 Total personnel compensation | 132 | 141 | 145 |
| 12.1 Civilian personnel benefits | 37 | 45 | 45 |
| 21.0 Travel and transportation of persons | 1 | 4 | 4 |
| 22.0 Transportation of things | 42 | 28 | 28 |
| 23.1 Rental payments to GSA | 1 | 1 | 1 |
| 23.2 Rental payments to others | 19 | 28 | 25 |
| 23.3 Communications, utilities, and miscellaneous charges | 17 | 26 | 25 |
| 24.0 Printing and reproduction | 3 | 8 | 7 |
| 25.2 Other services | 139 | 207 | 168 |
| 26.0 Supplies and materials | 1,115 | 1,462 | 1,451 |
| 31.0 Equipment | 16 | 25 | 27 |
| 32.0 Land and structures | 5 | 14 | 12 |
| 99.0 Reimbursable obligations | 1,527 | 1,989 | 1,938 |
| 99.9 Total new obligations | 1,527 | 1,989 | 1,938 |

Employment Summary

| Identification code 20-4159-0-3-803 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Reimbursable: | | | |
| 2001 Civilian full-time equivalent employment | 1,927 | 1,975 | 1,975 |

BUREAU OF THE PUBLIC DEBT

Federal Funds

ADMINISTERING THE PUBLIC DEBT

For necessary expenses connected with any public-debt issues of the United States, \$182,871,000, 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, 2010 for systems modernization: Provided, That the sum appropriated herein from the general fund for fiscal year 2008 shall be reduced by not more than \$10,000,000 as definitive securities issue fees and Legacy Treasury Direct Investor Account Maintenance fees are collected, so as to result in a final fiscal year 2008 appropriation from the general fund estimated at \$172,871,000. In addition, \$70,000 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.

Note.—A regular 2007 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 109-289, Division B, as amended). The amounts included for 2007 in this budget reflect the levels provided by the continuing resolution.

Program and Financing (in millions of dollars)

| Identification code 20-0560-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.01 Wholesale Securities Services | 18 | 12 | 13 |
| 00.02 Government Agency Investment Services | 15 | 13 | 13 |
| 00.03 Retail Securities Services | 135 | 145 | 141 |
| 00.04 Summary Debt Accounting | 6 | 6 | 6 |
| 09.01 Wholesale Securities Services | 2 | 1 | 1 |
| 09.02 Government Agency Investment Services | 3 | 3 | 3 |
| 09.03 Retail Securities Services | 15 | 14 | 21 |
| 09.04 Summary Debt Accounting | 1 | | 1 |
| 10.00 Total new obligations | 195 | 194 | 199 |
| Budgetary resources available for obligation: | | | |
| 21.40 Unobligated balance carried forward, start of year | 4 | 3 | 3 |
| 22.00 New budget authority (gross) | 195 | 194 | 199 |
| 23.90 Total budgetary resources available for obligation | 199 | 197 | 202 |
| 23.95 Total new obligations | -195 | -194 | -199 |
| 23.98 Unobligated balance expiring or withdrawn | -1 | | |
| 24.40 Unobligated balance carried forward, end of year | 3 | 3 | 3 |
| New budget authority (gross), detail: | | | |
| Discretionary: | | | |
| 40.00 Appropriation | 177 | 176 | 173 |
| 40.35 Appropriation permanently reduced | -2 | | |
| 41.00 Transferred to other accounts | -2 | | |
| 42.00 Transferred from other accounts | 2 | | |
| 43.00 Appropriation (total discretionary) | 175 | 176 | 173 |
| Spending authority from offsetting collections: | | | |
| 58.00 Offsetting collections (cash) | 17 | 15 | 16 |
| 58.00 Offsetting collections (user fees) | 3 | 3 | 10 |
| 58.90 Spending authority from offsetting collections (total discretionary) | 20 | 18 | 26 |
| 70.00 Total new budget authority (gross) | 195 | 194 | 199 |
| Change in obligated balances: | | | |
| 72.40 Obligated balance, start of year | 32 | 29 | 30 |
| 73.10 Total new obligations | 195 | 194 | 199 |
| 73.20 Total outlays (gross) | -197 | -193 | -199 |
| 73.40 Adjustments in expired accounts (net) | -1 | | |
| 74.40 Obligated balance, end of year | 29 | 30 | 30 |
| Outlays (gross), detail: | | | |
| 86.90 Outlays from new discretionary authority | 175 | 173 | 178 |

ADMINISTERING THE PUBLIC DEBT—Continued

Program and Financing (in millions of dollars)—Continued

| Identification code 20-0560-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| 86.93 Outlays from discretionary balances | 22 | 20 | 21 |
| 87.00 Total outlays (gross) | 197 | 193 | 199 |
| Offsets: | | | |
| Against gross budget authority and outlays: | | | |
| Offsetting collections (cash) from: | | | |
| 88.00 Federal sources | -17 | -15 | -16 |
| 88.40 Non-Federal sources | -3 | -3 | -10 |
| 88.90 Total, offsetting collections (cash) | -20 | -18 | -26 |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | 175 | 176 | 173 |
| 90.00 Outlays | 177 | 175 | 173 |

The Bureau of the Public Debt (BPD) borrows the money needed to operate the Federal Government, accounts for the resulting debt, and provides reimbursable support services to federal agencies. In 2008, BPD will complete its transition to a new wholesale securities auction system, as well as make several improvements to the infrastructure supporting the TreasuryDirect online retail accounts offered to the general public.

This appropriation provides funds for the conduct of all public debt operations, which is comprised of four main activities:

Wholesale Securities Services.—This program ensures that Treasury's critical financing needs are met and that the integrity and efficiency of primary and secondary markets for Treasury securities are maintained. It encompasses all activities related to the regulation, auction, issue, servicing and redemption of Treasury marketable securities that are owned by institutional investors and their customers. The Federal Reserve, acting as Treasury's fiscal agent, maintains the top tier of accounts for financial institutions who, in turn, hold and service accounts for their customers.

Government Agency Investment Services.—This program supports Federal, State and local government agencies' investments in non-marketable Treasury securities as well as borrowings from Treasury. There are more than 200 federal trust and investment funds and, for 18 of the funds, Public Debt also acts for the Secretary in his role as managing trustee. These include some of the more recognizable Federal trust funds such as Social Security, Medicare, Unemployment, and Highway.

Retail Securities Services.—This program manages marketable and non-marketable securities held directly with Treasury by more than 50 million citizens. Besides the issuance and redemption of securities, services include processing customer service requests of varying complexity. These functions are performed directly by Public Debt, by Federal Reserve Banks as fiscal agents of the United States, and by qualified agents that issue and redeem savings bonds and notes. The account maintenance fees that BPD charges to account holders in the Legacy Treasury Direct system with an account balance of more than \$100,000 in par value, will be raised from \$25 to \$100 per year in 2008. The increased fees will help to partially offset the cost to the Treasury of providing these services. Although the fees may induce some customers to transfer their account holdings to the new internet-accessed TreasuryDirect system, the expected receipts are adjusted to reflect this possibility.

Summary Debt Accounting.—This program involves the timely and accurate accounting and reporting of the outstanding public debt and related interest expense incurred to finance the Federal Government. The program provides daily information on the balance and composition of the public

debt and Public Debt's summary level accounts represent the control totals for dozens of subordinate securities systems.

Object Classification (in millions of dollars)

| Identification code 20-0560-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Direct obligations: | | | |
| Personnel compensation: | | | |
| 11.1 Full-time permanent | 75 | 86 | 89 |
| 11.3 Other than full-time permanent | 1 | | |
| 11.5 Other personnel compensation | 3 | 3 | 3 |
| 11.9 Total personnel compensation | 79 | 89 | 92 |
| 12.1 Civilian personnel benefits | 21 | 23 | 24 |
| 21.0 Travel and transportation of persons | 1 | 1 | 2 |
| 23.1 Rental payments to GSA | 6 | 6 | 6 |
| 23.3 Communications, utilities, and miscellaneous charges | 16 | 17 | 15 |
| 24.0 Printing and reproduction | 2 | 2 | 2 |
| 25.1 Advisory and assistance services | 1 | | 1 |
| 25.2 Other services | 27 | 22 | 15 |
| 25.3 Other purchases of goods and services from Government accounts | 8 | 8 | 7 |
| 25.4 Operation and maintenance of facilities | 1 | | 1 |
| 25.7 Operation and maintenance of equipment | 3 | 2 | 2 |
| 26.0 Supplies and materials | 2 | 2 | 2 |
| 31.0 Equipment | 7 | 3 | 3 |
| 99.0 Direct obligations | 174 | 175 | 172 |
| 99.0 Reimbursable obligations | 20 | 18 | 26 |
| 99.5 Below reporting threshold | 1 | 1 | 1 |
| 99.9 Total new obligations | 195 | 194 | 199 |

Employment Summary

| Identification code 20-0560-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Direct: | | | |
| 1001 Civilian full-time equivalent employment | 1,299 | 1,390 | 1,390 |
| Reimbursable: | | | |
| 2001 Civilian full-time equivalent employment | 69 | 18 | 21 |

REIMBURSEMENTS TO FEDERAL RESERVE BANKS

Program and Financing (in millions of dollars)

| Identification code 20-0562-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.01 Payments to Federal Reserve Banks | 112 | 130 | 96 |
| 10.00 Total new obligations (object class 25.3) | 112 | 130 | 96 |
| Budgetary resources available for obligation: | | | |
| 21.40 Unobligated balance carried forward, start of year | 3 | | |
| 22.00 New budget authority (gross) | 100 | 128 | 96 |
| 22.10 Resources available from recoveries of prior year obligations | 9 | 2 | |
| 23.90 Total budgetary resources available for obligation | 112 | 130 | 96 |
| 23.95 Total new obligations | -112 | -130 | -96 |
| New budget authority (gross), detail: | | | |
| Mandatory: | | | |
| 60.00 Appropriation | 100 | 128 | 96 |
| Change in obligated balances: | | | |
| 72.40 Obligated balance, start of year | 37 | 32 | 44 |
| 73.10 Total new obligations | 112 | 130 | 96 |
| 73.20 Total outlays (gross) | -108 | -116 | -104 |
| 73.45 Recoveries of prior year obligations | -9 | -2 | |
| 74.40 Obligated balance, end of year | 32 | 44 | 36 |
| Outlays (gross), detail: | | | |
| 86.97 Outlays from new mandatory authority | 80 | 96 | 72 |
| 86.98 Outlays from mandatory balances | 28 | 20 | 32 |
| 87.00 Total outlays (gross) | 108 | 116 | 104 |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | 100 | 128 | 96 |

| | | | | |
|-------|---------------|-----|-----|-----|
| 90.00 | Outlays | 108 | 116 | 104 |
|-------|---------------|-----|-----|-----|

This fund was established by the Treasury, Postal Service and General Government Appropriations Act of 1991 (P.L. 101–509, 104 Stat. 1394) as a permanent, indefinite appropriation to allow the Bureau of the Public Debt to reimburse the Federal Reserve Banks for acting as fiscal agents of the Federal Government in support of financing the public debt.

PAYMENT OF GOVERNMENT LOSSES IN SHIPMENT

Program and Financing (in millions of dollars)

| Identification code 20–1710–0–1–803 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.01 Government losses in shipment | 1 | 2 | 1 |
| 10.00 Total new obligations (object class 42.0) | 1 | 2 | 1 |
| Budgetary resources available for obligation: | | | |
| 21.40 Unobligated balance carried forward, start of year | | 1 | |
| 22.00 New budget authority (gross) | 2 | 1 | 1 |
| 23.90 Total budgetary resources available for obligation | 2 | 2 | 1 |
| 23.95 Total new obligations | –1 | –2 | –1 |
| 24.40 Unobligated balance carried forward, end of year | 1 | | |
| New budget authority (gross), detail: | | | |
| Mandatory: | | | |
| 60.00 Appropriation | 2 | 1 | 1 |
| Change in obligated balances: | | | |
| 73.10 Total new obligations | 1 | 2 | 1 |
| 73.20 Total outlays (gross) | –1 | –2 | –1 |
| Outlays (gross), detail: | | | |
| 86.97 Outlays from new mandatory authority | | 1 | 1 |
| 86.98 Outlays from mandatory balances | 1 | 1 | |
| 87.00 Total outlays (gross) | 1 | 2 | 1 |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | 2 | 1 | 1 |
| 90.00 Outlays | 1 | 2 | 1 |

This account was created as self-insurance to cover losses in shipment of Government property such as coins, currency, securities, certain losses incurred by the Postal Service, and losses in connection with the redemption of savings bonds. Approximately 1,100 claims are paid annually.

INTERNAL REVENUE SERVICE

The Internal Revenue Service (IRS) provides taxpayers top-quality service by helping them understand and meet their tax responsibilities and by applying the tax law with integrity and fairness to all. This mission demands a safe and modernized infrastructure and capabilities to effectively and efficiently collect taxes while minimizing taxpayer burden. The IRS strategic goals are: *Improve Taxpayer Service*.— Help people understand their tax obligations and make it easier for them to pay their taxes; *Enhance Enforcement of the Tax Law*.— Ensure all taxpayers meet their tax obligations, so that when they pay their taxes, they can be confident their neighbors and competitors are also doing the same; and *Modernize the IRS through its People, Processes and Technology*.— Manage resources and technology to achieve service and enforcement strategic goals.

One of the priorities of the Administration is reducing the tax gap (the difference between taxes paid and taxes owed). In September 2006, the Department of the Treasury published A Comprehensive Strategy for Reducing the Tax Gap (see

www.ustreas.gov/press/releases/hp111.htm and chapter 13, Stewardship in the Analytical Perspectives volume of the 2008 Budget). These documents lay out a multi-year seven-part strategy to improve compliance without imposing undue burdens on taxpayers. The Budget provides \$410 million in new initiatives and \$248 million for cost increases for the IRS to make progress in implementing this strategy.

Tax Enforcement Program: The IRS continues its emphasis on tax enforcement, increasing collections of delinquent tax debt from \$34 billion in 2002 to \$49 billion in 2006, an increase of 44 percent. Since 2003, Federal Government receipts have also increased by over \$600 billion (35 percent). Revenue growth has been greatest in the areas of corporate taxes and high-income individual taxes. In 2008, as part of the tax gap reduction effort, the Budget increases funding for enforcement by \$440 million. This includes \$291 million for new enforcement initiatives and \$149 million in cost increases. The IRS estimates that once fully implemented (2010), these new initiatives will result in an additional \$699 million per year in collections of delinquent tax debt. Improved enforcement will also encourage voluntary compliance, which will further increase revenue. As in 2006 and 2007, the Administration proposes to include these enforcement increases as a Budget Enforcement Act program integrity cap adjustment (see chapter 15, Budget Reform Proposals in the Analytical Perspectives volume of the 2008 Budget). The IRS' Enforcement Program is funded in the Enforcement and Operations Support appropriations.

The IRS will continue efforts to improve enforcement efficiency through streamlining and centralizing work processes, improving workload selection techniques, and implementing initiatives to reduce cycle time by refining case selection criteria. The IRS will enhance coverage of high-risk compliance areas, as well as further address the tax gap associated with small business and self-employed taxpayers. Enforcement efforts will focus on critical reporting, filing and payment compliance programs, and will highlight abusive tax avoidance transactions and high income individual examinations involving pass-through entities (e.g., partnerships, trusts). The IRS will continue to reengineer its examination and collection procedures to reduce time, increase yield, and expand coverage.

Taxpayer Service Program: Helping the public understand its tax reporting and payment obligations is a cornerstone of taxpayer compliance. In 2008, as part of the tax gap reduction effort, the Budget increases funding for taxpayer service by \$131 million. This includes \$56 million for new service initiatives and \$75 million in cost increases. The IRS' Service Program is funded in the Taxpayer Service and Operations Support appropriations.

In 2008, the IRS will continue with its efforts to increase and improve the services offered to taxpayers. The IRS will increase self-service applications, continue to ensure web navigation is user-friendly, while also improving the quality and accuracy of its telephone responses. The IRS will expand its research and evaluate information regarding taxpayer service needs, priorities, and preferences in order to improve delivery services. The IRS will invest in technology, process improvements, and training to achieve consistent repeatable quality service with reduced costs. As a result of recent technology enhancements, including using e-File and payment, e-services, and the IRS' website, more taxpayers reach the IRS through the internet. For example, in 2006, more than 1.3 billion web pages were viewed on the www.irs.gov website and more than 24.7 million taxpayers checked their refund status by accessing "Where's My Refund?" on the IRS website. They also can use automated features found at 1–800–829–1040. In addition, efforts to increase electronic filing will continue by adding new forms and schedules to the business electronic portfolio, leveraging partner organizations such as

state taxing authorities, and increasing the use of volunteers to better serve taxpayer needs.

Modernization Program: The Budget continues funding for the Business Systems Modernization program to give IRS employees the technology tools they need to continue to administer and improve both service and enforcement. The Budget increases funding in this program by \$85 million.

Budget Structure: Congress established a new appropriations structure for the IRS (included in the continuing resolution and effective in 2007). The detailed tables that follow present the old budget structure for 2006, since the budget was executed in that structure, and the new structure for 2007 and 2008. The table below presents all three years in the new structure to allow comparisons across fiscal years.

Three Year Comparable Summary by Appropriations Account

| Appropriation | (Dollars in millions) | | |
|--|-----------------------|----------|----------|
| | 2006 | 2007 | 2008 |
| | Enacted | CR Rate | Request |
| Taxpayer Services | \$2,142 | \$2,059 | \$2,103 |
| Enforcement | 4,708 | \$4,708 | \$4,925 |
| Operations Support | 3,461 | \$3,459 | \$3,770 |
| Business Systems Modernization | 242 | \$197 | \$282 |
| Health Insurance Tax Credit Administration | 20 | \$15 | \$15 |
| Total Appropriated Resources | \$10,574 | \$10,438 | \$11,095 |

2006 excludes rescissions of prior year balances.

Federal Funds

TAXPAYER SERVICES

For necessary expenses of the Internal Revenue Service to provide taxpayer services, including pre-filing taxpayer assistance and education, filing and account services, taxpayer advocacy services, and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner, \$2,103,089,000, of which up to \$4,100,000 shall be for the Tax Counseling for the Elderly Program, and of which \$8,000,000 shall be for low-income taxpayer clinic grants.

Note.—A regular 2007 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 109-289, Division B, as amended). The amounts included for 2007 in this budget reflect the levels provided by the continuing resolution.

Special and Trust Fund Receipts (in millions of dollars)

| Identification code 20-0912-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| 01.00 Balance, start of year | 18 | 99 | 9 |
| 01.99 Balance, start of year | 18 | 99 | 9 |
| Receipts: | | | |
| 02.20 New installment agreements, IRS miscellaneous retained fees | 65 | 85 | 101 |
| 02.21 Restructured installment agreements, IRS miscellaneous retained fees | 14 | 19 | 21 |
| 02.22 General user fees, IRS miscellaneous retained fees | 15 | 44 | 46 |
| 02.60 Enrolled agent fee increase, IRS miscellaneous retained fees | 6 | 4 | 5 |
| 02.99 Total receipts and collections | 100 | 152 | 173 |
| 04.00 Total: Balances and collections | 118 | 251 | 182 |
| Appropriations: | | | |
| 05.00 Taxpayer services | | -168 | -108 |
| 05.01 Operations support | -19 | -74 | -72 |
| 05.99 Total appropriations | -19 | -242 | -180 |
| 07.99 Balance, end of year | 99 | 9 | 2 |

Program and Financing (in millions of dollars)

| Identification code 20-0912-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.01 Pre-filing taxpayer assistance and education | 322 | 647 | 654 |
| 00.02 Filing and account services | 1,677 | 1,580 | 1,557 |
| 00.03 Shared Service support | 1,465 | 9 | |
| 00.04 General management and administration | 571 | | |

| | | | |
|---------------------------------------|-------|-------|-------|
| 01.00 Subtotal, direct programs | 4,035 | 2,236 | 2,211 |
| 09.01 Reimbursable program | 42 | 27 | 27 |
| 10.00 Total new obligations | 4,077 | 2,263 | 2,238 |

Budgetary resources available for obligation:

| | | | |
|---|--------|--------|--------|
| 21.40 Unobligated balance carried forward, start of year | 13 | 16 | 7 |
| 22.00 New budget authority (gross) | 4,057 | 2,254 | 2,238 |
| 22.10 Resources available from recoveries of prior year obligations | 2 | | |
| 22.30 Expired unobligated balance transfer to unexpired account | 31 | | |
| 23.90 Total budgetary resources available for obligation | 4,103 | 2,270 | 2,245 |
| 23.95 Total new obligations | -4,077 | -2,263 | -2,238 |
| 23.98 Unobligated balance expiring or withdrawn | -10 | | |
| 24.40 Unobligated balance carried forward, end of year | 16 | 7 | 7 |

New budget authority (gross), detail:

| | | | |
|--|-------|-------|-------|
| Discretionary: | | | |
| 40.00 Appropriation | 4,137 | 2,059 | 2,103 |
| 40.35 Appropriation permanently reduced | -41 | | |
| 40.36 Unobligated balance permanently reduced | -20 | | |
| 41.00 Transferred to other accounts | -61 | | |
| 43.00 Appropriation (total discretionary) | 4,015 | 2,059 | 2,103 |
| Spending authority from offsetting collections: | | | |
| 58.00 Offsetting collections (cash) | 41 | 27 | 27 |
| 58.10 Change in uncollected customer payments from Federal sources (unexpired) | 1 | | |
| 58.90 Spending authority from offsetting collections (total discretionary) | 42 | 27 | 27 |
| Mandatory: | | | |
| 60.20 Appropriation (special fund) | | 168 | 108 |
| 70.00 Total new budget authority (gross) | 4,057 | 2,254 | 2,238 |

Change in obligated balances:

| | | | |
|--|--------|--------|--------|
| 72.40 Obligated balance, start of year | 478 | 449 | 310 |
| 73.10 Total new obligations | 4,077 | 2,263 | 2,238 |
| 73.20 Total outlays (gross) | -4,037 | -2,402 | -2,239 |
| 73.40 Adjustments in expired accounts (net) | -66 | | |
| 73.45 Recoveries of prior year obligations | -2 | | |
| 74.00 Change in uncollected customer payments from Federal sources (unexpired) | -1 | | |
| 74.40 Obligated balance, end of year | 449 | 310 | 309 |

Outlays (gross), detail:

| | | | |
|--|-------|-------|-------|
| 86.90 Outlays from new discretionary authority | 3,727 | 1,920 | 1,961 |
| 86.93 Outlays from discretionary balances | 310 | 324 | 166 |
| 86.97 Outlays from new mandatory authority | | 158 | 102 |
| 86.98 Outlays from mandatory balances | | | 10 |
| 87.00 Total outlays (gross) | 4,037 | 2,402 | 2,239 |

Offsets:

| | | | |
|--|-----|-----|-----|
| Against gross budget authority and outlays: | | | |
| Offsetting collections (cash) from: | | | |
| 88.00 Federal sources | -24 | -23 | -23 |
| 88.40 Non-Federal sources | -20 | -4 | -4 |
| 88.90 Total, offsetting collections (cash) | -44 | -27 | -27 |
| Against gross budget authority only: | | | |
| 88.95 Change in uncollected customer payments from Federal sources (unexpired) | -1 | | |
| 88.96 Portion of offsetting collections (cash) credited to expired accounts | 3 | | |

Net budget authority and outlays:

| | | | |
|------------------------------|-------|-------|-------|
| 89.00 Budget authority | 4,015 | 2,227 | 2,211 |
| 90.00 Outlays | 3,993 | 2,375 | 2,212 |

This appropriation provides resources for taxpayer service programs, including forms and publications; processing of tax returns and related documents; filing and account services; taxpayer advocacy services; and assisting taxpayers to understand their tax obligations, correctly file their returns, and pay taxes due in a timely manner. 2006 numbers are presented as they were executed in the old IRS budget structure. They are not comparable to 2007 and 2008 numbers which are presented in the new structure.

| Object Classification (in millions of dollars) | | | | |
|--|--|-----------|-----------|-------|
| Identification code 20-0912-0-1-803 | 2006 actual | 2007 est. | 2008 est. | |
| Direct obligations: | | | | |
| Personnel compensation: | | | | |
| 11.1 | Full-time permanent | 1,520 | 1,198 | 1,207 |
| 11.3 | Other than full-time permanent | 343 | 310 | 304 |
| 11.5 | Other personnel compensation | 102 | 76 | 79 |
| 11.9 | Total personnel compensation | 1,965 | 1,584 | 1,590 |
| 12.1 | Civilian personnel benefits | 583 | 450 | 451 |
| 13.0 | Benefits for former personnel | 43 | 3 | 9 |
| 21.0 | Travel and transportation of persons | 57 | 28 | 29 |
| 22.0 | Transportation of things | 23 | 4 | 4 |
| 23.1 | Rental payments to GSA | 606 | | |
| 23.2 | Rental payments to others | 1 | | |
| 23.3 | Communications, utilities, and miscellaneous charges | 166 | 15 | 5 |
| 24.0 | Printing and reproduction | 62 | 8 | 8 |
| 25.1 | Advisory and assistance services | 49 | 3 | 2 |
| 25.2 | Other services | 76 | 85 | 74 |
| 25.3 | Other purchases of goods and services from Government accounts | 141 | 11 | 11 |
| 25.4 | Operation and maintenance of facilities | 134 | 4 | |
| 25.6 | Medical care | 12 | | |
| 25.7 | Operation and maintenance of equipment | 1 | 9 | 1 |
| 25.8 | Subsistence and support of persons | | 1 | 1 |
| 26.0 | Supplies and materials | 13 | 11 | 12 |
| 31.0 | Equipment | 52 | 3 | 1 |
| 32.0 | Land and structures | 38 | 5 | |
| 41.0 | Grants, subsidies, and contributions | 12 | 12 | 12 |
| 42.0 | Insurance claims and indemnities | 1 | | |
| 99.0 | Direct obligations | 4,035 | 2,236 | 2,210 |
| 99.0 | Reimbursable obligations | 42 | 27 | 27 |
| 99.5 | Below reporting threshold | | | 1 |
| 99.9 | Total new obligations | 4,077 | 2,263 | 2,238 |

Employment Summary

| Identification code 20-0912-0-1-803 | 2006 actual | 2007 est. | 2008 est. | |
|-------------------------------------|--|-----------|-----------|--------|
| Direct: | | | | |
| 1001 | Civilian full-time equivalent employment | 36,404 | 30,561 | 30,160 |
| Reimbursable: | | | | |
| 2001 | Civilian full-time equivalent employment | 997 | 331 | 339 |

ENFORCEMENT

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses 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 of passenger motor vehicles (31 U.S.C. 1343(b)), and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner, \$4,925,498,000, of which not less than \$57,252,000 shall be for the Interagency Crime and Drug Enforcement program: Provided, That up to \$10,000,000 may be transferred as necessary from this account to Internal Revenue Service, "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.

Note.—A regular 2007 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 109-289, Division B, as amended). The amounts included for 2007 in this budget reflect the levels provided by the continuing resolution.

Program and Financing (in millions of dollars)

| Identification code 20-0913-0-1-999 | 2006 actual | 2007 est. | 2008 est. | |
|---|---|-----------|-----------|-------|
| Obligations by program activity: | | | | |
| 00.01 | Compliance services | 4,390 | | |
| 00.02 | Research and statistics of income | 94 | | |
| 00.03 | Earned income tax credit compliance | 167 | | |
| 00.04 | Investigations | | 584 | 603 |
| 00.05 | Exam and Collections | | 3,978 | 4,165 |
| 00.06 | Regulatory | | 150 | 157 |
| 01.00 | Subtotal, Direct program | 4,651 | 4,712 | 4,925 |

| | | | | |
|--|--|--------|--------|--------|
| 09.01 | Reimbursable program | 44 | 48 | 49 |
| 10.00 | Total new obligations | 4,695 | 4,760 | 4,974 |
| Budgetary resources available for obligation: | | | | |
| 21.40 | Unobligated balance carried forward, start of year | 2 | 3 | 3 |
| 22.00 | New budget authority (gross) | 4,712 | 4,760 | 4,974 |
| 22.30 | Expired unobligated balance transfer to unexpired account | 10 | | |
| 23.90 | Total budgetary resources available for obligation | 4,724 | 4,763 | 4,977 |
| 23.95 | Total new obligations | -4,695 | -4,760 | -4,974 |
| 23.98 | Unobligated balance expiring or withdrawn | -26 | | |
| 24.40 | Unobligated balance carried forward, end of year | 3 | 3 | 3 |
| New budget authority (gross), detail: | | | | |
| Discretionary: | | | | |
| 40.00 | Appropriation | 4,726 | 4,708 | 4,925 |
| 40.35 | Appropriation permanently reduced | -47 | | |
| 41.00 | Transferred to other accounts | -11 | | |
| 43.00 | Appropriation (total discretionary) | 4,668 | 4,708 | 4,925 |
| Spending authority from offsetting collections: | | | | |
| 58.00 | Offsetting collections (cash) | 30 | 48 | 49 |
| 58.10 | Change in uncollected customer payments from Federal sources (unexpired) | 14 | | |
| 58.90 | Spending authority from offsetting collections (total discretionary) | 44 | 48 | 49 |
| Mandatory: | | | | |
| 62.00 | Transferred from other accounts | | 4 | |
| 70.00 | Total new budget authority (gross) | 4,712 | 4,760 | 4,974 |
| Change in obligated balances: | | | | |
| 72.40 | Obligated balance, start of year | 305 | 316 | 319 |
| 73.10 | Total new obligations | 4,695 | 4,760 | 4,974 |
| 73.20 | Total outlays (gross) | -4,661 | -4,757 | -4,960 |
| 73.40 | Adjustments in expired accounts (net) | -25 | | |
| 74.00 | Change in uncollected customer payments from Federal sources (unexpired) | -14 | | |
| 74.10 | Change in uncollected customer payments from Federal sources (expired) | 16 | | |
| 74.40 | Obligated balance, end of year | 316 | 319 | 333 |
| Outlays (gross), detail: | | | | |
| 86.90 | Outlays from new discretionary authority | 4,379 | 4,471 | 4,675 |
| 86.93 | Outlays from discretionary balances | 282 | 283 | 285 |
| 86.97 | Outlays from new mandatory authority | | 3 | |
| 87.00 | Total outlays (gross) | 4,661 | 4,757 | 4,960 |
| Offsets: | | | | |
| Against gross budget authority and outlays: | | | | |
| Offsetting collections (cash) from: | | | | |
| 88.00 | Federal sources | -43 | -46 | -47 |
| 88.40 | Non-Federal sources | -3 | -2 | -2 |
| 88.90 | Total, offsetting collections (cash) | -46 | -48 | -49 |
| Against gross budget authority only: | | | | |
| 88.95 | Change in uncollected customer payments from Federal sources (unexpired) | -14 | | |
| 88.96 | Portion of offsetting collections (cash) credited to expired accounts | 16 | | |
| Net budget authority and outlays: | | | | |
| 89.00 | Budget authority | 4,668 | 4,712 | 4,925 |
| 90.00 | Outlays | 4,615 | 4,709 | 4,911 |

This appropriation provides resources for the examination of tax returns, both domestic and international; the administrative and judicial settlement of taxpayer appeals of examination findings; technical rulings; monitoring employee pension plans; determining qualifications of organizations seeking tax-exempt status; examining tax returns of exempt organizations; enforcing statutes relating to detection and investigation of criminal violations of the internal revenue laws; identifying under reporting of tax obligations; securing unfiled tax returns; and collecting unpaid accounts. 2006 numbers are presented as they were executed in the old IRS budget structure. They are not comparable to 2007 and 2008 numbers which are presented in the new structure.

ENFORCEMENT—Continued
(INCLUDING TRANSFER OF FUNDS)—Continued

Object Classification (in millions of dollars)

| Identification code 20-0913-0-1-999 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Direct obligations: | | | |
| Personnel compensation: | | | |
| 11.1 Full-time permanent | 3,101 | 3,215 | 3,382 |
| 11.3 Other than full-time permanent | 84 | 94 | 97 |
| 11.5 Other personnel compensation | 140 | 137 | 146 |
| 11.8 Special personal services payments | 19 | 17 | 17 |
| 11.9 Total personnel compensation | 3,344 | 3,463 | 3,642 |
| 12.1 Civilian personnel benefits | 874 | 906 | 953 |
| 13.0 Benefits for former personnel | 23 | | |
| 21.0 Travel and transportation of persons | 151 | 139 | 163 |
| 22.0 Transportation of things | 4 | 4 | 5 |
| 23.3 Communications, utilities, and miscellaneous charges | 54 | 45 | 7 |
| 24.0 Printing and reproduction | 3 | 5 | 5 |
| 25.1 Advisory and assistance services | 34 | 24 | 21 |
| 25.2 Other services | 71 | 72 | 67 |
| 25.3 Other purchases of goods and services from Government accounts | 34 | 12 | 15 |
| 25.4 Operation and maintenance of facilities | | | 1 |
| 25.5 Research and development contracts | 6 | 3 | 3 |
| 25.7 Operation and maintenance of equipment | 7 | 4 | 4 |
| 25.8 Subsistence and support of persons | | 3 | 3 |
| 26.0 Supplies and materials | 25 | 24 | 25 |
| 31.0 Equipment | 15 | 4 | 6 |
| 42.0 Insurance claims and indemnities | 2 | | |
| 91.0 Unvouchered | 4 | 4 | 4 |
| 99.0 Direct obligations | 4,651 | 4,712 | 4,924 |
| 99.0 Reimbursable obligations | 44 | 47 | 48 |
| 99.5 Below reporting threshold | | 1 | 2 |
| 99.9 Total new obligations | 4,695 | 4,760 | 4,974 |

Employment Summary

| Identification code 20-0913-0-1-999 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Direct: | | | |
| 1001 Civilian full-time equivalent employment | 48,501 | 47,885 | 48,667 |
| Reimbursable: | | | |
| 2001 Civilian full-time equivalent employment | 122 | 191 | 194 |

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), \$15,235,000.

Note.—A regular 2007 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 109-289, Division B, as amended). The amounts included for 2007 in this budget reflect the levels provided by the continuing resolution.

Program and Financing (in millions of dollars)

| Identification code 20-0928-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.01 Health Coverage Tax Credit | 20 | 15 | 15 |
| 10.00 Total new obligations | 20 | 15 | 15 |
| Budgetary resources available for obligation: | | | |
| 22.00 New budget authority (gross) | 11 | 15 | 15 |
| 22.30 Expired unobligated balance transfer to unexpired account | 9 | | |
| 23.90 Total budgetary resources available for obligation | 20 | 15 | 15 |
| 23.95 Total new obligations | -20 | -15 | -15 |
| 24.40 Unobligated balance carried forward, end of year | | | |
| New budget authority (gross), detail: | | | |
| Discretionary: | | | |
| 40.00 Appropriation | 20 | 15 | 15 |
| 40.36 Unobligated balance permanently reduced | -9 | | |
| 43.00 Appropriation (total discretionary) | 11 | 15 | 15 |

Change in obligated balances:

| | | | |
|--|-----|-----|-----|
| 72.40 Obligated balance, start of year | 18 | 19 | 20 |
| 73.10 Total new obligations | 20 | 15 | 15 |
| 73.20 Total outlays (gross) | -19 | -14 | -15 |
| 74.40 Obligated balance, end of year | 19 | 20 | 20 |

Outlays (gross), detail:

| | | | |
|--|----|----|----|
| 86.90 Outlays from new discretionary authority | 2 | 11 | 11 |
| 86.93 Outlays from discretionary balances | 17 | 3 | 4 |
| 87.00 Total outlays (gross) | 19 | 14 | 15 |

Net budget authority and outlays:

| | | | |
|------------------------------|----|----|----|
| 89.00 Budget authority | 11 | 15 | 15 |
| 90.00 Outlays | 19 | 14 | 15 |

This appropriation provides operating resources to administer the advance payment feature of the Trade Adjustment Assistance health insurance tax credit program, which assists dislocated workers with their health insurance premiums. The tax credit program was enacted by the Trade Act of 2002 (P.L. 107-210) and became effective in August of 2003.

Object Classification (in millions of dollars)

| Identification code 20-0928-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Direct obligations: | | | |
| 11.1 Personnel compensation: Full-time permanent | 1 | 2 | 2 |
| 24.0 Printing and reproduction | 1 | | |
| 25.2 Other services | 18 | 12 | 12 |
| 99.0 Direct obligations | 20 | 14 | 14 |
| 99.5 Below reporting threshold | | 1 | 1 |
| 99.9 Total new obligations | 20 | 15 | 15 |

Employment Summary

| Identification code 20-0928-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Direct: | | | |
| 1001 Civilian full-time equivalent employment | 10 | 17 | 17 |

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 services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commission; \$3,769,587,000 of which \$75,000,000 shall remain available until September 30, 2009, for information technology support; of which not to exceed \$1,000,000 shall remain available until September 30, 2010, for research; of which not to exceed \$1,600,000 shall be for the Internal Revenue Service Oversight Board; and of which not to exceed \$25,000 shall be for official reception and representation.

Note.—A regular 2007 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 109-289, Division B, as amended). The amounts included for 2007 in this budget reflect the levels provided by the continuing resolution.

Program and Financing (in millions of dollars)

| Identification code 20-0919-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.01 Information systems improvement programs | 49 | | |
| 00.02 Information services | 1,636 | 1,519 | 1,701 |
| 00.03 Shared Services and Support | | 1,141 | 1,233 |
| 00.04 Infrastructure | | 873 | 908 |
| 01.00 Subtotal, direct programs | 1,685 | 3,533 | 3,842 |
| 09.01 Reimbursable program | 4 | 51 | 57 |
| 10.00 Total new obligations | 1,689 | 3,584 | 3,899 |

| | | | | |
|--|---|--------|--------|--------|
| Budgetary resources available for obligation: | | | | |
| 21.40 | Unobligated balance carried forward, start of year | 38 | 28 | 28 |
| 22.00 | New budget authority (gross) | 1,678 | 3,584 | 3,899 |
| 22.10 | Resources available from recoveries of prior year obligations | 4 | | |
| 22.30 | Expired unobligated balance transfer to unexpired account | 3 | | |
| 23.90 | Total budgetary resources available for obligation | 1,723 | 3,612 | 3,927 |
| 23.95 | Total new obligations | -1,689 | -3,584 | -3,899 |
| 23.98 | Unobligated balance expiring or withdrawn | -6 | | |
| 24.40 | Unobligated balance carried forward, end of year | 28 | 28 | 28 |

| | | | | |
|--|---|-------|-------|-------|
| New budget authority (gross), detail: | | | | |
| Discretionary: | | | | |
| 40.00 | Appropriation | 1,599 | 3,459 | 3,770 |
| 40.35 | Appropriation permanently reduced | -16 | | |
| 42.00 | Transferred from other accounts | 72 | | |
| 43.00 | Appropriation (total discretionary) | 1,655 | 3,459 | 3,770 |
| 58.00 | Spending authority from offsetting collections: Offsetting collections (cash) | 4 | 51 | 57 |
| Mandatory: | | | | |
| 60.20 | Appropriation (special fund) | 19 | 74 | 72 |
| 70.00 | Total new budget authority (gross) | 1,678 | 3,584 | 3,899 |

| | | | | |
|--------------------------------------|--|--------|--------|--------|
| Change in obligated balances: | | | | |
| 72.40 | Obligated balance, start of year | 533 | 572 | 877 |
| 73.10 | Total new obligations | 1,689 | 3,584 | 3,899 |
| 73.20 | Total outlays (gross) | -1,637 | -3,279 | -3,819 |
| 73.40 | Adjustments in expired accounts (net) | -10 | | |
| 73.45 | Recoveries of prior year obligations | -4 | | |
| 74.10 | Change in uncollected customer payments from Federal sources (expired) | 1 | | |
| 74.40 | Obligated balance, end of year | 572 | 877 | 957 |

| | | | | |
|---------------------------------|--|-------|-------|-------|
| Outlays (gross), detail: | | | | |
| 86.90 | Outlays from new discretionary authority | 1,181 | 3,020 | 3,294 |
| 86.93 | Outlays from discretionary balances | 437 | 200 | 452 |
| 86.97 | Outlays from new mandatory authority | 15 | 59 | 58 |
| 86.98 | Outlays from mandatory balances | 4 | | 15 |
| 87.00 | Total outlays (gross) | 1,637 | 3,279 | 3,819 |

| | | | | |
|---|---|----|-----|-----|
| Offsets: | | | | |
| Against gross budget authority and outlays: | | | | |
| Offsetting collections (cash) from: | | | | |
| 88.00 | Federal sources | -5 | -38 | -43 |
| 88.40 | Non-Federal sources | -4 | -13 | -14 |
| 88.90 | Total, offsetting collections (cash) | -9 | -51 | -57 |
| Against gross budget authority only: | | | | |
| 88.96 | Portion of offsetting collections (cash) credited to expired accounts | 5 | | |

| | | | | |
|--|------------------|-------|-------|-------|
| Net budget authority and outlays: | | | | |
| 89.00 | Budget authority | 1,674 | 3,533 | 3,842 |
| 90.00 | Outlays | 1,628 | 3,228 | 3,762 |

This appropriation provides resources for support functions that are considered overhead but are essential to the successful operation of IRS programs. These functions include: overall planning and direction of the IRS; shared service support related to facilities maintenance, rent payments, printing, postage and security; resources for headquarters management activities such as IRS-wide strategic planning, communications and liaison, finance, human resources, Equal Employment Opportunity and diversity; research and statistics of income; and necessary expenses for telecommunication support and the development and maintenance of IRS operational information systems. 2006 numbers are presented as they were executed in the old IRS budget structure. They are not comparable to 2007 and 2008 numbers which are presented in the new structure.

Object Classification (in millions of dollars)

| | | | |
|-------------------------------------|-------------|-----------|-----------|
| Identification code 20-0919-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
| Direct obligations: | | | |

| | | | | |
|--------------------------------|--|-------|-------|-------|
| Personnel compensation: | | | | |
| 11.1 | Full-time permanent | 542 | 971 | 1,002 |
| 11.3 | Other than full-time permanent | 6 | 11 | 11 |
| 11.5 | Other personnel compensation | 19 | 31 | 35 |
| 11.9 | Total personnel compensation | 567 | 1,013 | 1,048 |
| 12.1 | Civilian personnel benefits | 131 | 303 | 314 |
| 13.0 | Benefits for former personnel | 1 | 51 | 53 |
| 21.0 | Travel and transportation of persons | 15 | 33 | 34 |
| 22.0 | Transportation of things | | 19 | 20 |
| 23.1 | Rental payments to GSA | | 640 | 666 |
| 23.3 | Communications, utilities, and miscellaneous charges | 173 | 319 | 368 |
| 24.0 | Printing and reproduction | 1 | 53 | 54 |
| 25.1 | Advisory and assistance services | 56 | 30 | 36 |
| 25.2 | Other services | 352 | 409 | 447 |
| 25.3 | Other purchases of goods and services from Government accounts | 21 | 60 | 62 |
| 25.4 | Operation and maintenance of facilities | | 179 | 182 |
| 25.5 | Research and development contracts | | 4 | 5 |
| 25.6 | Medical care | | 10 | 10 |
| 25.7 | Operation and maintenance of equipment | 74 | 60 | 67 |
| 26.0 | Supplies and materials | 23 | 21 | 23 |
| 31.0 | Equipment | 270 | 270 | 392 |
| 32.0 | Land and structures | 1 | 58 | 59 |
| 42.0 | Insurance claims and indemnities | | 1 | 1 |
| 99.0 | Direct obligations | 1,685 | 3,533 | 3,841 |
| 99.0 | Reimbursable obligations | 4 | 51 | 57 |
| 99.5 | Below reporting threshold | | | 1 |
| 99.9 | Total new obligations | 1,689 | 3,584 | 3,899 |

Employment Summary

| | | | | |
|-------------------------------------|--|-----------|-----------|--------|
| Identification code 20-0919-0-1-803 | 2006 actual | 2007 est. | 2008 est. | |
| Direct: | | | | |
| 1001 | Civilian full-time equivalent employment | 6,802 | 12,942 | 12,957 |
| Reimbursable: | | | | |
| 2001 | Civilian full-time equivalent employment | 10 | 160 | 163 |

BUSINESS SYSTEMS MODERNIZATION

For necessary expenses of the Internal Revenue Service's business systems modernization program, \$282,090,000, to remain available until September 30, 2010, 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, 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 by the Government Accountability Office; and (6) complies with the acquisition rules, requirements, guidelines, and systems acquisition management practices of the Federal Government.

Note.—A regular 2007 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 109-289, Division B, as amended). The amounts included for 2007 in this budget reflect the levels provided by the continuing resolution.

Program and Financing (in millions of dollars)

| | | | | |
|---|--------------------------------|-----------|-----------|-----|
| Identification code 20-0921-0-1-803 | 2006 actual | 2007 est. | 2008 est. | |
| Obligations by program activity: | | | | |
| 00.01 | Business Systems Modernization | 215 | 201 | 242 |
| 10.00 | Total new obligations | 215 | 201 | 242 |

| | | | | |
|--|---|-----|-----|-----|
| Budgetary resources available for obligation: | | | | |
| 21.40 | Unobligated balance carried forward, start of year | 116 | 101 | 97 |
| 22.00 | New budget authority (gross) | 197 | 197 | 282 |
| 22.10 | Resources available from recoveries of prior year obligations | 4 | | |

BUSINESS SYSTEMS MODERNIZATION—Continued

Program and Financing (in millions of dollars)—Continued

| Identification code 20-0921-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| 23.90 Total budgetary resources available for obligation | 317 | 298 | 379 |
| 23.95 Total new obligations | -215 | -201 | -242 |
| 23.98 Unobligated balance expiring or withdrawn | -1 | | |
| 24.40 Unobligated balance carried forward, end of year | 101 | 97 | 137 |
| New budget authority (gross), detail: | | | |
| Discretionary: | | | |
| 40.00 Appropriation | 199 | 197 | 282 |
| 40.35 Appropriation permanently reduced | -2 | | |
| 43.00 Appropriation (total discretionary) | 197 | 197 | 282 |
| Change in obligated balances: | | | |
| 72.40 Obligated balance, start of year | 172 | 158 | 201 |
| 73.10 Total new obligations | 215 | 201 | 242 |
| 73.20 Total outlays (gross) | -225 | -158 | -222 |
| 73.45 Recoveries of prior year obligations | -4 | | |
| 74.40 Obligated balance, end of year | 158 | 201 | 221 |
| Outlays (gross), detail: | | | |
| 86.90 Outlays from new discretionary authority | 49 | 79 | 113 |
| 86.93 Outlays from discretionary balances | 176 | 79 | 109 |
| 87.00 Total outlays (gross) | 225 | 158 | 222 |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | 197 | 197 | 282 |
| 90.00 Outlays | 225 | 158 | 222 |

This appropriation provides resources for revamping IRS business practices and acquiring new technology. The IRS uses a formal methodology to evaluate, prioritize, approve, and fund its portfolio of business systems modernization investments. This methodology provides a documented, repeatable, and measurable process for managing investments throughout their life cycle. The process is reviewed by the Government Accountability Office on a regular basis as part of the submission requirements for expenditure plans submitted to the House and Senate Committees on Appropriations.

In 2008, the IRS' business systems modernization efforts will continue to focus on key tax administration systems that provide additional benefits to taxpayers and IRS employees: the Customer Account Data Engine (CADE) project; Accounts Management Services (AMS); and Modernized e-File. The Budget also invests in the infrastructure such as user portals which support these modernized systems. Expansion of CADE will allow IRS to process 50 million returns on modernized systems. AMS will create an interface to allow IRS employees to manage more complex returns in CADE and will improve productivity for service and enforcement employees. Finally, Modernized e-File will begin to bring 1040 returns into the new electronic filing platform.

2006 numbers are presented as they were executed in the old IRS budget structure. They are not comparable to 2007 and 2008 numbers which are presented in the new structure.

Object Classification (in millions of dollars)

| Identification code 20-0921-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Direct obligations: | | | |
| Personnel compensation: | | | |
| 11.1 Full-time permanent | | 21 | 35 |
| 11.5 Other personnel compensation | | 1 | 1 |
| 11.9 Total personnel compensation | | 22 | 36 |
| 12.1 Civilian personnel benefits | | 7 | 10 |
| 25.2 Other services | 192 | 149 | 168 |
| 25.7 Operation and maintenance of equipment | 7 | 5 | 9 |
| 31.0 Equipment | 16 | 17 | 19 |

| | | | |
|--------------------------------|-----|-----|-----|
| 99.0 Direct obligations | 215 | 200 | 242 |
| 99.5 Below reporting threshold | | 1 | |
| 99.9 Total new obligations | 215 | 201 | 242 |

Employment Summary

| Identification code 20-0921-0-1-803 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Direct: | | | |
| 1001 Civilian full-time equivalent employment | | 317 | 317 |

PAYMENT WHERE EARNED INCOME CREDIT EXCEEDS LIABILITY FOR TAX

Program and Financing (in millions of dollars)

| Identification code 20-0906-0-1-609 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.01 Direct program activity | 36,166 | 36,461 | 37,573 |
| 10.00 Total new obligations (object class 41.0) | 36,166 | 36,461 | 37,573 |
| Budgetary resources available for obligation: | | | |
| 22.00 New budget authority (gross) | 36,166 | 36,461 | 37,573 |
| 23.95 Total new obligations | -36,166 | -36,461 | -37,573 |
| New budget authority (gross), detail: | | | |
| Mandatory: | | | |
| 60.00 Appropriation | 36,166 | 36,461 | 37,573 |
| Change in obligated balances: | | | |
| 73.10 Total new obligations | 36,166 | 36,461 | 37,573 |
| 73.20 Total outlays (gross) | -36,166 | -36,461 | -37,573 |
| Outlays (gross), detail: | | | |
| 86.97 Outlays from new mandatory authority | 36,166 | 36,461 | 37,573 |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | 36,166 | 36,461 | 37,573 |
| 90.00 Outlays | 36,166 | 36,461 | 37,573 |

Summary of Budget Authority and Outlays

(in millions of dollars)

| | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Enacted/requested: | | | |
| Budget Authority | 36,166 | 36,461 | 37,573 |
| Outlays | 36,166 | 36,461 | 37,573 |
| Legislative proposal, subject to PAYGO: | | | |
| Budget Authority | | | -337 |
| Outlays | | | -337 |
| Total: | | | |
| Budget Authority | 36,166 | 36,461 | 37,236 |
| Outlays | 36,166 | 36,461 | 37,236 |

As provided by law, there are instances wherein the earned income tax credit (EITC) exceeds the amount of tax liability owed through the individual income tax system, resulting in an additional payment to the tax filer. The EITC was originally authorized by the Tax Reduction Act of 1975 (Public Law 94-12) and made permanent by the Revenue Adjustment Act of 1978 (Public Law 95-600). The Tax Reform Act of 1986 and the Omnibus Budget Reconciliation Acts of 1990 and 1993 increased the credit amount and expanded the eligibility for the EITC.

The Budget proposes to permanently extend the EITC provisions in the Economic Growth and Tax Relief Reconciliation Act of 2001, which sunset on December 31, 2010. These provisions reduce EITC-related marriage penalties, simplify certain eligibility criteria for the credit, and allow the IRS to use more cost-efficient procedures to deny questionable EITC claims. The Budget also proposes to clarify the definition of qualifying child for child-related tax benefits, including the EITC and the child tax credit. In addition, the Budget proposes to simplify requirements regarding filing status, pres-

ence of children, and immigration status for EITC eligibility. Finally, the Budget proposes to extend through 2007 a provision, which would otherwise expire on December 31, 2006, allowing military personnel to elect to include combat pay in earned income for purposes of computing the EITC.

PAYMENT WHERE EARNED INCOME CREDIT EXCEEDS LIABILITY FOR TAX

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

| Identification code 20-0906-4-1-609 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.01 Direct program activity | | | -337 |
| 10.00 Total new obligations (object class 41.0) | | | -337 |
| Budgetary resources available for obligation: | | | |
| 22.00 New budget authority (gross) | | | -337 |
| 23.95 Total new obligations | | | 337 |
| New budget authority (gross), detail: | | | |
| Mandatory: | | | |
| 60.00 Appropriation | | | -337 |
| Change in obligated balances: | | | |
| 73.10 Total new obligations | | | -337 |
| 73.20 Total outlays (gross) | | | 337 |
| Outlays (gross), detail: | | | |
| 86.97 Outlays from new mandatory authority | | | -337 |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | | | -337 |
| 90.00 Outlays | | | -337 |

PAYMENT WHERE CHILD CREDIT EXCEEDS LIABILITY FOR TAX

Program and Financing (in millions of dollars)

| Identification code 20-0922-0-1-609 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.01 Direct program activity | 15,473 | 14,931 | 14,367 |
| 10.00 Total new obligations (object class 41.0) | 15,473 | 14,931 | 14,367 |
| Budgetary resources available for obligation: | | | |
| 22.00 New budget authority (gross) | 15,473 | 14,931 | 14,367 |
| 23.95 Total new obligations | -15,473 | -14,931 | -14,367 |
| New budget authority (gross), detail: | | | |
| Mandatory: | | | |
| 60.00 Appropriation | 15,473 | 14,931 | 14,367 |
| Change in obligated balances: | | | |
| 73.10 Total new obligations | 15,473 | 14,931 | 14,367 |
| 73.20 Total outlays (gross) | -15,473 | -14,931 | -14,367 |
| Outlays (gross), detail: | | | |
| 86.97 Outlays from new mandatory authority | 15,473 | 14,931 | 14,367 |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | 15,473 | 14,931 | 14,367 |
| 90.00 Outlays | 15,473 | 14,931 | 14,367 |

Summary of Budget Authority and Outlays

(in millions of dollars)

| | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Enacted/requested: | | | |
| Budget Authority | 15,473 | 14,931 | 14,367 |
| Outlays | 15,473 | 14,931 | 14,367 |
| Legislative proposal, subject to PAYGO: | | | |
| Budget Authority | | | -55 |
| Outlays | | | -55 |

| | | | |
|------------------|--------|--------|--------|
| Total: | | | |
| Budget Authority | 15,473 | 14,931 | 14,312 |
| Outlays | 15,473 | 14,931 | 14,312 |

As provided by law, there are instances wherein the child credit exceeds the amount of tax liability owed through the individual income tax system, resulting in an additional payment to the tax filer. The child credit was originally authorized by the Taxpayer Relief Act of 1997 (Public Law 105-34).

The Budget proposes to accelerate and permanently extend the child tax credit provisions in the Economic Growth and Tax Relief Reconciliation Act of 2001, which sunset on December 31, 2010. The Budget also proposes to clarify the definition of qualifying child for child-related tax benefits, including the EITC and the child tax credit. In addition, the Budget proposes to simplify eligibility and computation of the additional child tax credit.

PAYMENT WHERE CHILD CREDIT EXCEEDS LIABILITY FOR TAX
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

| Identification code 20-0922-4-1-609 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.01 Direct program activity | | | -55 |
| 10.00 Total new obligations (object class 41.0) | | | -55 |
| Budgetary resources available for obligation: | | | |
| 22.00 New budget authority (gross) | | | -55 |
| 23.95 Total new obligations | | | 55 |
| New budget authority (gross), detail: | | | |
| Mandatory: | | | |
| 60.00 Appropriation | | | -55 |
| Change in obligated balances: | | | |
| 73.10 Total new obligations | | | -55 |
| 73.20 Total outlays (gross) | | | 55 |
| Outlays (gross), detail: | | | |
| 86.97 Outlays from new mandatory authority | | | -55 |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | | | -55 |
| 90.00 Outlays | | | -55 |

PAYMENT WHERE HEALTH CARE CREDIT EXCEEDS LIABILITY FOR TAX

Program and Financing (in millions of dollars)

| Identification code 20-0923-0-1-551 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.01 Direct program activity | 94 | 102 | 110 |
| 10.00 Total new obligations (object class 41.0) | 94 | 102 | 110 |
| Budgetary resources available for obligation: | | | |
| 22.00 New budget authority (gross) | 94 | 102 | 110 |
| 23.95 Total new obligations | -94 | -102 | -110 |
| New budget authority (gross), detail: | | | |
| Mandatory: | | | |
| 60.00 Appropriation | 94 | 102 | 110 |
| Change in obligated balances: | | | |
| 73.10 Total new obligations | 94 | 102 | 110 |
| 73.20 Total outlays (gross) | -94 | -102 | -110 |
| Outlays (gross), detail: | | | |
| 86.97 Outlays from new mandatory authority | 94 | 102 | 110 |

PAYMENT WHERE HEALTH CARE CREDIT EXCEEDS LIABILITY FOR TAX—Continued

Program and Financing (in millions of dollars)—Continued

| Identification code 20-0923-0-1-551 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | 94 | 102 | 110 |
| 90.00 Outlays | 94 | 102 | 110 |

Summary of Budget Authority and Outlays

(in millions of dollars)

| | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Enacted/requested: | | | |
| Budget Authority | 94 | 102 | 110 |
| Outlays | 94 | 102 | 110 |
| Legislative proposal, subject to PAYGO: | | | |
| Budget Authority | | | 4 |
| Outlays | | | 4 |
| Total: | | | |
| Budget Authority | 94 | 102 | 114 |
| Outlays | 94 | 102 | 114 |

The Trade Act of 2002 established the Health Coverage Tax Credit (HCTC), an advanceable, refundable tax credit for 65 percent of the cost of qualified insurance. This credit is available to certain recipients of trade adjustment assistance (TAA) and Pension Benefit Guaranty Corporation pension beneficiaries who are aged 55-64.

This schedule reflects the effects of HCTC and other Administration health-related tax proposals in cases where the credit exceeds the tax liability resulting in payment to the tax filer.

PAYMENT WHERE HEALTH CARE CREDIT EXCEEDS LIABILITY FOR TAX

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

| Identification code 20-0923-4-1-551 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.01 Provide refundable credit for the purchase of high-deductible health insurance | | | 4 |
| 10.00 Total new obligations (object class 41.0) | | | 4 |
| Budgetary resources available for obligation: | | | |
| 22.00 New budget authority (gross) | | | 4 |
| 23.95 Total new obligations | | | -4 |
| New budget authority (gross), detail: | | | |
| Mandatory: | | | |
| 60.00 Appropriation | | | 4 |
| Change in obligated balances: | | | |
| 73.10 Total new obligations | | | 4 |
| 73.20 Total outlays (gross) | | | -4 |
| Outlays (gross), detail: | | | |
| 86.97 Outlays from new mandatory authority | | | 4 |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | | | 4 |
| 90.00 Outlays | | | 4 |

PAYMENT WHERE ALTERNATIVE MINIMUM TAX CREDIT EXCEEDS LIABILITY FOR TAX

Program and Financing (in millions of dollars)

| Identification code 20-0929-0-1-609 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Obligations by program activity: | | | |

| | | | |
|---|--|--|-----|
| 00.01 Direct program activity | | | 349 |
| 10.00 Total new obligations (object class 41.0) | | | 349 |

Budgetary resources available for obligation:

| | | | |
|--|--|--|------|
| 22.00 New budget authority (gross) | | | 349 |
| 23.95 Total new obligations | | | -349 |

New budget authority (gross), detail:

| | | | |
|---------------------------|--|--|-----|
| Mandatory: | | | |
| 60.00 Appropriation | | | 349 |

Change in obligated balances:

| | | | |
|-----------------------------------|--|--|------|
| 73.10 Total new obligations | | | 349 |
| 73.20 Total outlays (gross) | | | -349 |

Outlays (gross), detail:

| | | | |
|--|--|--|-----|
| 86.97 Outlays from new mandatory authority | | | 349 |
|--|--|--|-----|

Net budget authority and outlays:

| | | | |
|------------------------------|--|--|-----|
| 89.00 Budget authority | | | 349 |
| 90.00 Outlays | | | 349 |

The Tax Relief and Health Care Act of 2006 (P.L. 109-432) allows certain taxpayers to claim a refundable credit for 20 percent of their unused long-term alternative minimum tax (AMT) credits (up to \$5,000) per year. The refundable credit phases out for high-income taxpayers; the phase-out is based on the personal exemption phase-out. The refundable AMT credits can generally only be claimed for tax years 2007-2012.

REFUNDING INTERNAL REVENUE COLLECTIONS, INTEREST

Program and Financing (in millions of dollars)

| Identification code 20-0904-0-1-908 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.01 Direct program activity | 4,172 | 4,580 | 4,124 |
| 10.00 Total new obligations (object class 43.0) | 4,172 | 4,580 | 4,124 |
| Budgetary resources available for obligation: | | | |
| 22.00 New budget authority (gross) | 4,172 | 4,580 | 4,124 |
| 23.95 Total new obligations | -4,172 | -4,580 | -4,124 |
| New budget authority (gross), detail: | | | |
| Mandatory: | | | |
| 60.00 Appropriation | 4,172 | 4,580 | 4,124 |
| Change in obligated balances: | | | |
| 73.10 Total new obligations | 4,172 | 4,580 | 4,124 |
| 73.20 Total outlays (gross) | -4,172 | -4,580 | -4,124 |
| Outlays (gross), detail: | | | |
| 86.97 Outlays from new mandatory authority | 4,172 | 4,580 | 4,124 |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | 4,172 | 4,580 | 4,124 |
| 90.00 Outlays | 4,172 | 4,580 | 4,124 |

Under certain circumstances, as provided in 26 U.S.C. 6611, interest is paid on Internal Revenue collections that must be refunded. The Tax Equity and Fiscal Responsibility Act of 1982 (Public Law 97-248) provides for daily compounding of interest. Under the Tax Reform Act of 1986 (Public Law 99-514), interest paid on Internal Revenue collections will equal the Federal short-term rate plus two percentage points, such rate to be adjusted quarterly.

GIFTS TO THE UNITED STATES FOR REDUCTION OF THE PUBLIC DEBT

Special and Trust Fund Receipts (in millions of dollars)

| Identification code 20-5080-0-2-808 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| 01.00 Balance, start of year | | | |
| 01.99 Balance, start of year | | | |
| Receipts: | | | |
| 02.60 Gifts to the United States for reduction of the public debt | 2 | 1 | 1 |
| 04.00 Total: Balances and collections | 2 | 1 | 1 |
| Appropriations: | | | |
| 05.00 Gifts to the United States for reduction of the public debt | -2 | -1 | -1 |
| 07.99 Balance, end of year | | | |

Program and Financing (in millions of dollars)

| Identification code 20-5080-0-2-808 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| New budget authority (gross), detail: | | | |
| Mandatory: | | | |
| 60.20 Appropriation (special fund) | 2 | 1 | 1 |
| 60.47 Portion applied to repay debt | -2 | -1 | -1 |
| 62.50 Appropriation (total mandatory) | | | |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | | | |
| 90.00 Outlays | | | |

31 U.S.C. 3113 authorizes the Secretary of the Treasury to accept conditional gifts to the United States for the purpose of reducing the public debt.

PRIVATE COLLECTION AGENT PROGRAM

Special and Trust Fund Receipts (in millions of dollars)

| Identification code 20-5510-0-2-803 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| 01.00 Balance, start of year | | | 24 |
| 01.99 Balance, start of year | | | 24 |
| Receipts: | | | |
| 02.60 Private collection agent program | | 46 | 88 |
| 04.00 Total: Balances and collections | | 46 | 112 |
| Appropriations: | | | |
| 05.00 Private collection agent program | | -22 | -42 |
| 07.99 Balance, end of year | | 24 | 70 |

Program and Financing (in millions of dollars)

| Identification code 20-5510-0-2-803 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.01 Collection Enforcement Activities | | 11 | 21 |
| 00.02 Payments to Private Collection Agencies | | 11 | 21 |
| 10.00 Total new obligations (object class 25.2) | | 22 | 42 |
| Budgetary resources available for obligation: | | | |
| 22.00 New budget authority (gross) | | 22 | 42 |
| 23.95 Total new obligations | | -22 | -42 |
| New budget authority (gross), detail: | | | |
| Mandatory: | | | |
| 60.20 Appropriation (special fund) | | 22 | 42 |
| Change in obligated balances: | | | |
| 73.10 Total new obligations | | 22 | 42 |
| 73.20 Total outlays (gross) | | -22 | -42 |
| Outlays (gross), detail: | | | |
| 86.97 Outlays from new mandatory authority | | 22 | 42 |

Net budget authority and outlays:

| | | |
|------------------------|----|----|
| 89.00 Budget authority | 22 | 42 |
| 90.00 Outlays | 22 | 42 |

The American Jobs Creation Act of 2004 (Public Law 108-357) allows the IRS to use private collection contractors to supplement its own collection staff's efforts to ensure that all taxpayers pay what they owe. The legislation ensures contractors respect taxpayer rights. The statute further authorizes the Secretary of the Treasury to retain and use an amount not in excess of 25 percent of the amount collected under any qualified tax collection contract for payments to private collection agents, and an amount not in excess of 25 percent of the amount collected for collection enforcement activities of the IRS. The schedule above shows this spending. The Department of the Treasury estimates these contractors will collect \$1.4 billion in delinquent taxes over the next ten years.

INFORMANT PAYMENTS

Special and Trust Fund Receipts (in millions of dollars)

| Identification code 20-5433-0-2-803 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| 01.00 Balance, start of year | | | |
| 01.99 Balance, start of year | | | |
| Receipts: | | | |
| 02.40 Underpayment and fraud collection | 25 | 12 | 12 |
| 04.00 Total: Balances and collections | 25 | 12 | 12 |
| Appropriations: | | | |
| 05.00 Informant payments | -25 | -12 | -12 |
| 07.99 Balance, end of year | | | |

Program and Financing (in millions of dollars)

| Identification code 20-5433-0-2-803 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.01 Informant Payments | 25 | 12 | 12 |
| 10.00 Total new obligations (object class 91.0) | 25 | 12 | 12 |
| Budgetary resources available for obligation: | | | |
| 22.00 New budget authority (gross) | 25 | 12 | 12 |
| 23.95 Total new obligations | -25 | -12 | -12 |
| New budget authority (gross), detail: | | | |
| Mandatory: | | | |
| 60.20 Appropriation (special fund) | 25 | 12 | 12 |
| Change in obligated balances: | | | |
| 73.10 Total new obligations | 25 | 12 | 12 |
| 73.20 Total outlays (gross) | -25 | -12 | -12 |
| Outlays (gross), detail: | | | |
| 86.97 Outlays from new mandatory authority | 25 | 12 | 12 |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | 25 | 12 | 12 |
| 90.00 Outlays | 25 | 12 | 12 |

As provided by law (26 U.S.C. 7623), the Secretary of the Treasury may make payments to individuals resulting from information given that leads to the collection of Internal Revenue taxes. The Taxpayer Bill of Rights of 1996 (Public Law 104-168) provides for payments of such sums to individuals from the proceeds of amounts (other than interest) collected by reason of the information provided, and any amount collected shall be available for such payments. This information must lead to the detection of underpayments of taxes, or detection and bringing to trial and punishment persons guilty of violating the internal revenue laws (in cases where such expenses are not otherwise provided for by law). This provi-

INFORMANT PAYMENTS—Continued

sion was further amended by the Tax Relief and Health Care Act of 2006 (P.L. 109–432) to encourage use of the program. The amendments generally set a reward payment range of between 15 and 30 percent of the collected proceeds for cases involving high income non-compliant taxpayers. They allow for lower payments where information is provided that was already available from another source.

FEDERAL TAX LIEN REVOLVING FUND

Program and Financing (in millions of dollars)

| Identification code 20–4413–0–3–803 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 09.01 Reimbursable program | 11 | 6 | 6 |
| 10.00 Total new obligations (object class 32.0) | 11 | 6 | 6 |
| Budgetary resources available for obligation: | | | |
| 21.40 Unobligated balance carried forward, start of year | 5 | 2 | 2 |
| 22.00 New budget authority (gross) | 8 | 6 | 6 |
| 23.90 Total budgetary resources available for obligation | 13 | 8 | 8 |
| 23.95 Total new obligations | –11 | –6 | –6 |
| 24.40 Unobligated balance carried forward, end of year | 2 | 2 | 2 |
| New budget authority (gross), detail: | | | |
| Mandatory: | | | |
| 69.00 Spending authority from offsetting collections: Offsetting collections (cash) | 8 | 6 | 6 |
| Change in obligated balances: | | | |
| 72.40 Obligated balance, start of year | 2 | 3 | 3 |
| 73.10 Total new obligations | 11 | 6 | 6 |
| 73.20 Total outlays (gross) | –10 | –6 | –6 |
| 74.40 Obligated balance, end of year | 3 | 3 | 3 |
| Outlays (gross), detail: | | | |
| 86.97 Outlays from new mandatory authority | 8 | 2 | 2 |
| 86.98 Outlays from mandatory balances | 2 | 4 | 4 |
| 87.00 Total outlays (gross) | 10 | 6 | 6 |
| Offsets: | | | |
| Against gross budget authority and outlays: | | | |
| 88.40 Offsetting collections (cash) from: Non-Federal sources | –8 | –6 | –6 |
| Net budget authority and outlays: | | | |
| 89.00 Budget authority | | | |
| 90.00 Outlays | 2 | | |

This revolving fund was established pursuant to section 112(a) of the Federal Tax Lien Act of 1966, to serve as the source of financing the redemption of real property by the United States. During the process of collecting unpaid taxes, the government places a tax lien on real estate in order to protect the government’s interest. Situations arise where property of this nature is collateral for other indebtedness and the tax lien is subordinate to the original indebtedness. In this circumstance, it is often in the government’s interest to purchase the property during the foreclosure sale. The advantage arises when the property is worth substantially more than the first lien-holder’s equity but is being sold for an amount that barely covers that equity, thereby leaving no proceeds to apply against delinquent taxes. Under these circumstances, if the government buys the property and subsequently puts it up for sale under more advantageous conditions, it is possible to realize sufficient profit on the transaction to fully or partially collect the amount of taxes due. The revolving fund is reimbursed from the proceeds of the sale in an amount equal to the amount expended from the

fund for the redemption. The balance of the proceeds is applied against the amount of the tax, interest, penalties, and additions thereto, and for the costs of sale. The remainder, if any, would revert to the parties legally entitled to it.

ADMINISTRATIVE PROVISIONS
(INCLUDING TRANSFER OF FUNDS)

SEC. 201. 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 notification of the Committees on Appropriations.

SEC. 202. 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. 203. The Internal Revenue Service shall institute and enforce policies and procedures that will safeguard the confidentiality of taxpayer information.

SEC. 204. Of the funds made available by this Act to the Internal Revenue Service, not less than \$6,787,950,000 shall be available only for tax enforcement and related support activities funded in Internal Revenue Service, “Enforcement” and “Operations Support.” In addition, of the funds made available by this Act to the Internal Revenue Service, and subject to the same terms and conditions, an additional \$440,264,000 shall be available for tax enforcement and related support activities.

SEC. 205. Section 9503(a) of title 5, United States Code, is amended by striking the clause “for a period of 10 years after the date of enactment of this section” and replacing it with “before July 23, 2013”.

SEC. 206. Sections 9504(a) and (b), and 9505(a) of title 5, United States Code, are amended by striking the clause “For a period of 10 years after the date of enactment” each place it occurs, and replacing it with “Before July 23, 2013”.

SEC. 207. Section 9502(a) of title 5, United States Code, is further amended by striking “Office of Management and Budget” and replacing it with “Office of Personnel Management”.

As directed by the Internal Revenue Service Restructuring and Reform Act of 1998 (section 7802(d) 26 U.S.C.), the Internal Revenue Service Oversight Board shall annually review and approve a budget request for the Internal Revenue Service. The Oversight Board’s approved request shall be submitted to the President by the Secretary without revision, and the President shall submit the request, without revision, to Congress together with the President’s Budget request for the Internal Revenue Service. The 2008 Oversight Board budget recommendation for the Internal Revenue Service is \$11,641 million.

COMPTROLLER OF THE CURRENCY

Trust Funds

ASSESSMENT FUNDS

Program and Financing (in millions of dollars)

| Identification code 20–8413–0–8–373 | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 09.00 Bank supervision | 557 | 671 | 706 |
| 10.00 Total new obligations | 557 | 671 | 706 |
| Budgetary resources available for obligation: | | | |
| 21.40 Unobligated balance carried forward, start of year | 507 | 598 | 614 |
| 22.00 New budget authority (gross) | 648 | 687 | 731 |
| 23.90 Total budgetary resources available for obligation | 1,155 | 1,285 | 1,345 |
| 23.95 Total new obligations | –557 | –671 | –706 |
| 24.40 Unobligated balance carried forward, end of year | 598 | 614 | 639 |

| | | | | |
|---|--|-------|-------|-------|
| New budget authority (gross), detail: | | | | |
| Mandatory: | | | | |
| Spending authority from offsetting collections: | | | | |
| 69.00 | Offsetting collections (cash) | 649 | 687 | 731 |
| 69.10 | Change in uncollected customer payments from Federal sources (unexpired) | - 1 | | |
| 69.90 | Spending authority from offsetting collections (total mandatory) | 648 | 687 | 731 |
| Change in obligated balances: | | | | |
| 72.40 | Obligated balance, start of year | 94 | 114 | 129 |
| 73.10 | Total new obligations | 557 | 671 | 706 |
| 73.20 | Total outlays (gross) | - 538 | - 656 | - 690 |
| 74.00 | Change in uncollected customer payments from Federal sources (unexpired) | 1 | | |
| 74.40 | Obligated balance, end of year | 114 | 129 | 145 |
| Outlays (gross), detail: | | | | |
| 86.97 | Outlays from new mandatory authority | 473 | 577 | 607 |
| 86.98 | Outlays from mandatory balances | 65 | 79 | 83 |
| 87.00 | Total outlays (gross) | 538 | 656 | 690 |
| Offsets: | | | | |
| Against gross budget authority and outlays: | | | | |
| Offsetting collections (cash) from: | | | | |
| 88.20 | Interest on Federal securities | - 23 | - 25 | - 27 |
| 88.40 | Non-Federal sources: Assessments | - 626 | - 662 | - 704 |
| 88.90 | Total, offsetting collections (cash) | - 649 | - 687 | - 731 |
| Against gross budget authority only: | | | | |
| 88.95 | Change in uncollected customer payments from Federal sources (unexpired) | 1 | | |
| Net budget authority and outlays: | | | | |
| 89.00 | Budget authority | | | |
| 90.00 | Outlays | - 111 | - 31 | - 41 |
| Memorandum (non-add) entries: | | | | |
| 92.01 | Total investments, start of year: Federal securities: Par value | 600 | 705 | 736 |
| 92.02 | Annual Measure: | 705 | 736 | 777 |

The Office of the Comptroller of the Currency (OCC) was created for the purpose of establishing and regulating a national banking system. The National Currency Act of 1863 (12 U.S.C. 1 et seq., 12 Stat. 665), rewritten and reenacted as the National Bank Act of 1864, provided for the chartering and supervising functions of OCC. The income of the bureau is derived principally from assessments paid by national banks and interest on investments in U.S. Government securities. OCC receives no appropriated funds from Congress.

OCC charters new banking institutions only after investigation and due consideration of charter applications. Supervision of existing national banks is aided by the required submission of periodic reports and detailed onsite examinations, which are conducted by a staff of approximately 2,000 national bank examiners. At present, OCC supervises more than 1,830 institutions with national charters and 49 Federal branches with total assets of nearly \$6.5 trillion.

In addition, OCC considers applications for mergers in which the resulting bank will be a national bank and applications from banks to establish branches. OCC also promulgates rules and regulations for the guidance of national banks and bank directors.

Object Classification (in millions of dollars)

| | | | | |
|-------------------------------------|--|-----------|-----------|-----|
| Identification code 20-8413-0-8-373 | 2006 actual | 2007 est. | 2008 est. | |
| Reimbursable obligations: | | | | |
| Personnel compensation: | | | | |
| 11.1 | Full-time permanent | 275 | 321 | 343 |
| 11.3 | Other than full-time permanent | 7 | 8 | 9 |
| 11.5 | Other personnel compensation | 1 | 2 | 2 |
| 11.9 | Total personnel compensation | 283 | 331 | 354 |
| 12.1 | Civilian personnel benefits | 95 | 106 | 115 |
| 21.0 | Travel and transportation of persons | 36 | 42 | 46 |

| | | | | |
|------|--|-----|-----|-----|
| 22.0 | Transportation of things | 2 | 3 | 2 |
| 23.1 | Rental payments to GSA | | 2 | 30 |
| 23.2 | Rental payments to others | 24 | 29 | 30 |
| 23.3 | Communications, utilities, and miscellaneous charges | 9 | 13 | 13 |
| 24.0 | Printing and reproduction | 1 | 1 | 1 |
| 25.2 | Other services | 70 | 106 | 102 |
| 26.0 | Supplies and materials | 5 | 6 | 6 |
| 31.0 | Equipment | 27 | 14 | 15 |
| 32.0 | Land and structures | 4 | 18 | 19 |
| 42.0 | Insurance claims and indemnities | 1 | | |
| 99.9 | Total new obligations | 557 | 671 | 706 |

Employment Summary

| | | | | |
|-------------------------------------|--|-----------|-----------|-------|
| Identification code 20-8413-0-8-373 | 2006 actual | 2007 est. | 2008 est. | |
| Reimbursable: | | | | |
| 2001 | Civilian full-time equivalent employment | 2,812 | 2,977 | 3,041 |

OFFICE OF THRIFT SUPERVISION

Federal Funds

OFFICE OF THRIFT SUPERVISION

Program and Financing (in millions of dollars)

| | | | | |
|--|---|-----------|-----------|-------|
| Identification code 20-4108-0-3-373 | 2006 actual | 2007 est. | 2008 est. | |
| Obligations by program activity: | | | | |
| 09.01 | Office of Thrift Supervision | 201 | 232 | 238 |
| 10.00 | Total new obligations | 201 | 232 | 238 |
| Budgetary resources available for obligation: | | | | |
| 21.40 | Unobligated balance carried forward, start of year | 195 | 239 | 256 |
| 22.00 | New budget authority (gross) | 242 | 246 | 256 |
| 22.10 | Resources available from recoveries of prior year obligations | 3 | 3 | 3 |
| 23.90 | Total budgetary resources available for obligation | 440 | 488 | 515 |
| 23.95 | Total new obligations | - 201 | - 232 | - 238 |
| 24.40 | Unobligated balance carried forward, end of year | 239 | 256 | 277 |
| New budget authority (gross), detail: | | | | |
| Mandatory: | | | | |
| 69.00 | Spending authority from offsetting collections: Offsetting collections (cash) | 242 | 246 | 256 |
| Change in obligated balances: | | | | |
| 72.40 | Obligated balance, start of year | 39 | 39 | 22 |
| 73.10 | Total new obligations | 201 | 232 | 238 |
| 73.20 | Total outlays (gross) | - 198 | - 246 | - 256 |
| 73.45 | Recoveries of prior year obligations | - 3 | - 3 | - 3 |
| 74.40 | Obligated balance, end of year | 39 | 22 | 1 |
| Outlays (gross), detail: | | | | |
| 86.97 | Outlays from new mandatory authority | 198 | 246 | 256 |
| Offsets: | | | | |
| Against gross budget authority and outlays: | | | | |
| Offsetting collections (cash) from: | | | | |
| 88.00 | Federal sources | - 5 | - 5 | - 5 |
| 88.20 | Interest on Federal securities | - 9 | - 9 | - 9 |
| 88.40 | Non-Federal sources | - 7 | - 8 | - 8 |
| 88.45 | Offsetting governmental collections (from non-Federal sources) | - 221 | - 224 | - 234 |
| 88.90 | Total, offsetting collections (cash) | - 242 | - 246 | - 256 |
| Net budget authority and outlays: | | | | |
| 89.00 | Budget authority | | | |
| 90.00 | Outlays | - 44 | | |
| Memorandum (non-add) entries: | | | | |
| 92.01 | Total investments, start of year: Federal securities: Par value | 234 | 280 | 280 |
| 92.02 | Total investments, end of year: Federal securities: Par value | 280 | 280 | 280 |

OFFICE OF THRIFT SUPERVISION—Continued

The Office of Thrift Supervision (OTS) was established by Congress as a bureau of the Department of the Treasury as part of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1811 note). OTS assumed the regulatory functions of the Federal Home Loan Bank Board dissolved by the same act.

OTS charters, examines, supervises, and regulates federal savings associations insured by the Federal Deposit Insurance Corporation (FDIC). OTS also examines, supervises, and regulates state-chartered, FDIC-insured savings associations and provides for the registration, examination, and regulation of savings association affiliates and holding companies. OTS sets capital standards for Federal and State savings associations and reviews applications of state-chartered thrifts for conversion to federal thrifts.

OTS receives no appropriated funds from Congress. Income of the bureau is derived principally from assessments on thrifts and holding companies, examination fees, and interest on investments in U.S. Government obligations. As of September 30, 2006, OTS oversees 853 thrifts with total assets of \$1.6 trillion; OTS also supervises 481 holding company enterprises with approximately \$7.7 trillion in consolidated assets.

Object Classification (in millions of dollars)

| Identification code 20-4108-0-3-373 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Reimbursable obligations: | | | |
| Personnel compensation: | | | |
| 11.1 Full-time permanent | 106 | 115 | 118 |
| 11.5 Other personnel compensation | 1 | 2 | 2 |
| 11.9 Total personnel compensation | 107 | 117 | 120 |
| 12.1 Civilian personnel benefits | 57 | 67 | 69 |
| 21.0 Travel and transportation of persons | 13 | 14 | 14 |
| 23.2 Rental payments to others | 4 | 5 | 5 |
| 23.3 Communications, utilities, and miscellaneous charges | 3 | 3 | 3 |
| 25.1 Advisory and assistance services | 4 | 2 | 2 |
| 25.2 Other services | 1 | 6 | 6 |
| 25.3 Other purchases of goods and services from Government accounts | 4 | 4 | 4 |
| 25.4 Operation and maintenance of facilities | 3 | 5 | 6 |
| 26.0 Supplies and materials | 1 | 2 | 2 |
| 31.0 Equipment | 3 | 6 | 6 |
| 32.0 Land and structures | 1 | 1 | 1 |
| 99.9 Total new obligations | 201 | 232 | 238 |

Employment Summary

| Identification code 20-4108-0-3-373 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Reimbursable: | | | |
| 2001 Civilian full-time equivalent employment | 918 | 1,046 | 1,046 |

INTEREST ON THE PUBLIC DEBT

Federal Funds

INTEREST ON TREASURY DEBT SECURITIES (GROSS)

Program and Financing (in millions of dollars)

| Identification code 20-0550-0-1-901 | 2006 actual | 2007 est. | 2008 est. |
|---|-------------|-----------|-----------|
| Obligations by program activity: | | | |
| 00.01 Interest on Treasury Securities | 405,872 | 433,004 | 469,802 |
| 10.00 Total new obligations (object class 43.0) | 405,872 | 433,004 | 469,802 |
| Budgetary resources available for obligation: | | | |
| 22.00 New budget authority (gross) | 405,872 | 433,004 | 469,802 |
| 23.95 Total new obligations | -405,872 | -433,004 | -469,802 |
| New budget authority (gross), detail: | | | |
| Mandatory: | | | |

| | | | | |
|--|--|----------|----------|----------|
| 60.00 | Appropriation | 405,872 | 433,004 | 469,802 |
| Change in obligated balances: | | | | |
| 73.10 | Total new obligations | 405,872 | 433,004 | 469,802 |
| 73.20 | Total outlays (gross) | -405,872 | -433,004 | -469,802 |
| Outlays (gross), detail: | | | | |
| 86.97 | Outlays from new mandatory authority | 405,872 | 433,004 | 469,802 |
| Net budget authority and outlays: | | | | |
| 89.00 | Budget authority | 405,872 | 433,004 | 469,802 |
| 90.00 | Outlays | 405,872 | 433,004 | 469,802 |

Such amounts are appropriated as may be necessary to pay the interest each year on the public debt (31 U.S.C. 1305, 3123). Interest on Government account series securities is generally computed on a cash basis. Interest is generally computed on an accrual basis on all other types of securities.

INTEREST ON TREASURY DEBT SECURITIES (GROSS)

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

| Identification code 20-0550-2-1-901 | 2006 actual | 2007 est. | 2008 est. |
|--|---|-----------|-----------|
| Obligations by program activity: | | | |
| 00.01 | Interest on Treasury Securities | | 117 |
| 10.00 | Total new obligations (object class 43.0) | | 117 |
| Budgetary resources available for obligation: | | | |
| 22.00 | New budget authority (gross) | | 117 |
| 23.95 | Total new obligations | | -117 |
| New budget authority (gross), detail: | | | |
| Mandatory: | | | |
| 60.00 | Appropriation | | 117 |
| Change in obligated balances: | | | |
| 73.10 | Total new obligations | | 117 |
| 73.20 | Total outlays (gross) | | -117 |
| Outlays (gross), detail: | | | |
| 86.97 | Outlays from new mandatory authority | | 117 |
| Net budget authority and outlays: | | | |
| 89.00 | Budget authority | | 117 |
| 90.00 | Outlays | | 117 |

GENERAL FUND RECEIPT ACCOUNTS

(in millions of dollars)

| | 2006 actual | 2007 est. | 2008 est. |
|--|-------------|-----------|-----------|
| Governmental receipts: | | | |
| 10-086400 Filing fees, P.L. 109-171, Title X: Enacted/requested | 21 | 76 | 77 |
| 20-015800 Transportation fuels tax: Enacted/requested | -2,386 | -2,960 | -3,459 |
| Legislative proposal, not subject to PAYGO | | | -74 |
| 20-040110 Proceeds from exercise of warrants, Air Transportation Stabilization Board: Enacted/requested | 118 | | |
| 20-065000 Deposit of earnings, Federal Reserve System: Enacted/requested | 29,945 | 32,638 | 36,115 |
| 20-085000 Registration, filing, and transaction fees: Enacted/requested | 4 | | |
| 20-086100 Charges for expenses, settlement of international claims: Enacted/requested | | 1 | 1 |
| 20-086900 Fees for legal and judicial services, not otherwise classified: Enacted/requested | 59 | 74 | 74 |
| 20-089100 Miscellaneous fees for regulatory and judicial services, not otherwise classified: Enacted/requested | 7 | 8 | 8 |
| 20-101000 Fines, penalties, and forfeitures, agricultural laws: Enacted/requested | 2 | 1 | 1 |
| 20-102000 Fines, penalties, and forfeitures, economic stabilization laws: Enacted/requested | | 9 | 9 |
| 20-103000 Fines, penalties, and forfeitures, immigration and labor laws: Enacted/requested | 92 | 71 | 71 |
| 20-104000 Fines, penalties, and forfeitures, customs, commerce, and antitrust laws: Enacted/requested | 119 | 118 | 118 |

| | | | | |
|--|--|-----------|-----------|-----------|
| 20-105000 | Fines, penalties, and forfeitures, narcotic prohibition and alcohol laws: Enacted/requested | 6 | 4 | 4 |
| 20-106000 | Forfeitures of unclaimed money and property: Enacted/requested | 9 | 25 | 25 |
| 20-108000 | Fines, penalties, and forfeitures, Federal coal mine health and safety laws: Enacted/requested | 24 | 19 | 19 |
| 20-129900 | Gifts to the United States, not otherwise classified: Enacted/requested | 35 | 1 | 1 |
| 20-241100 | User fees for IRS: Enacted/requested | 39 | 40 | 40 |
| 20-309200 | Recovery from highway trust fund for refunds of taxes: Enacted/requested | 904 | 1,141 | 1,155 |
| 20-309400 | Recovery from airport and airway trust fund for refunds of taxes: Enacted/requested | 113 | 92 | 97 |
| 20-309500 | Recovery from leaking underground storage tank trust fund for refunds of taxes, EPA: Enacted/requested | 3 | 5 | 5 |
| 20-309990 | Refunds of moneys erroneously received and recovered (20X1807): Enacted/requested | -62 | -62 | -62 |
| 95-109900 | Fines, penalties, and forfeitures, not otherwise classified: Enacted/requested | 608 | 603 | 603 |
| 99-011050 | Individual income taxes: Enacted/requested | 1,043,858 | 1,177,607 | 1,294,498 |
| Legislative proposal, not subject to PAYGO | | | | 14 |
| Legislative proposal, subject to PAYGO | | | | -8,857 |
| 99-011100 | Corporation income and excess profits taxes: Enacted/requested | 353,914 | 341,867 | 318,385 |
| Legislative proposal, not subject to PAYGO | | | | 3 |
| Legislative proposal, subject to PAYGO | | | | -3,447 |
| 99-015250 | Other Federal fund excise taxes: Enacted/requested | 2,047 | -531 | -72 |
| Legislative proposal, subject to PAYGO | | | | -61 |
| 99-015300 | Estate and gift taxes: Enacted/requested | 27,877 | 25,260 | 26,786 |
| Legislative proposal, subject to PAYGO | | | | 17 |
| 99-015500 | Tobacco excise tax: Enacted/requested | 7,710 | 7,605 | 7,496 |
| 99-015600 | Alcohol excise tax: Enacted/requested | 8,484 | 8,614 | 8,798 |
| Legislative proposal, subject to PAYGO | | | | -76 |
| 99-015700 | Telephone excise tax: Enacted/requested | 4,897 | -10,892 | -1,712 |
| Legislative proposal, subject to PAYGO | | | | -736 |
| 99-031050 | Other Federal fund customs duties: Enacted/requested | 16,150 | 17,363 | 19,204 |
| Legislative proposal, subject to PAYGO | | | | -322 |
| General Fund Governmental receipts | | 1,494,597 | 1,589,411 | 1,654,589 |

| | | | | |
|--|---|--------|--------|--------|
| Offsetting receipts from the public: | | | | |
| 20-143500 | General fund proprietary interest receipts, not otherwise classified: Enacted/requested | 7 | 7 | 7 |
| 20-145000 | Interest payments from States, cash management improvement: Enacted/requested | 30 | 61 | 79 |
| 20-146310 | Interest on quota in International Monetary Fund: Enacted/requested | 210 | 210 | 210 |
| 20-146400 | Interest received on loans and credits to foreign nations: Enacted/requested | 75 | | |
| 20-148400 | Interest on deposits in tax and loan accounts: Enacted/requested | 924 | 1,022 | 871 |
| Legislative proposal, not subject to PAYGO | | | | 10 |
| 20-149900 | Interest received from credit financing accounts: Enacted/requested | 10,552 | 12,257 | 13,376 |
| 20-168200 | Gain by exchange on foreign currency denominated public debt securities: Enacted/requested | 6 | | |
| 20-276330 | Community Development Financial Institutions Fund, Downward re-estimate of subsidies: Enacted/requested | 2 | | |
| 20-276610 | Air Transportation Safety and System Stabilization Act, Negative subsidies: Enacted/requested | 538 | | |
| 20-277130 | Air Transportation Stabilization guaranteed loan, Downward reestimates of subsidies: Enacted/requested | 115 | 42 | |
| 20-286800 | Dollar conversion of foreign currency loan repayments: Enacted/requested | 2 | 4 | 4 |
| 20-286900 | Repayment of loans and credits to foreign nations: Enacted/requested | 328 | | |
| 20-322000 | All other general fund proprietary receipts: Enacted/requested | 540 | 688 | 688 |
| 20-387500 | Budget clearing account (suspense): Enacted/requested | -2 | | |
| General Fund Offsetting receipts from the public | | 13,327 | 14,291 | 15,245 |

| | | | | |
|-----------------------------|--|-----|-----|-----|
| Intragovernmental payments: | | | | |
| 13-141000 | Interest on investment, economic development revolving fund: Enacted/requested | 1 | 1 | 1 |
| 14-142400 | Interest on investment, Colorado River projects: Enacted/requested | 3 | 4 | 4 |
| 14-142700 | Interest on advances to Colorado River Dam fund, Boulder Canyon project: Enacted/requested | 12 | 11 | 11 |
| 20-133700 | Interest on loans to the Helium Fund, Department of Interior: Enacted/requested | 160 | 106 | 157 |
| 20-133800 | Interest on loans to the Presidio: Enacted/requested | 3 | 3 | 3 |

| | | | | |
|--|---|-------|-------|-------|
| 20-135000 | Interest on loans to the Secretary of Transportation, ocean freight differential: Enacted/requested | 3 | 1 | 1 |
| 20-135100 | Interest on loans to BPA: Enacted/requested | 329 | 304 | 323 |
| 20-135400 | Interest on loans for housing for the elderly or handicapped: Enacted/requested | 51 | | |
| 20-136100 | Interest on loans to the Secretary of Transportation, railroad rehabilitation and improvement fund: Enacted/requested | 1 | 1 | 1 |
| 20-136300 | Interest on loans for college housing and academic facilities loans, Education: Enacted/requested | 6 | 7 | 7 |
| 20-140100 | Interest on loans to Commodity Credit Corporation: Enacted/requested | 453 | 546 | 337 |
| 20-141700 | Interest on loans to Tennessee Valley Authority: Enacted/requested | 5 | 6 | 4 |
| 20-141800 | Interest on loans to Federal Financing Bank: Enacted/requested | 391 | 765 | 1,023 |
| 20-143300 | Interest on loans to national flood insurance fund, DHS: Enacted/requested | 172 | 718 | 800 |
| 20-149500 | Interest payments on repayable advances to the black lung disability trust fund: Enacted/requested | 695 | 717 | 739 |
| Legislative proposal, not subject to PAYGO | | | | 2,315 |
| 20-149700 | Payment of interest on advances to the Railroad Retirement Board: Enacted/requested | 170 | 179 | 172 |
| 20-241600 | Charges for administrative expenses of Social Security Act as amended: Enacted/requested | 887 | 890 | 906 |
| 20-310100 | Recoveries from Federal agencies for settlement of claims for contract disputes: Enacted/requested | 136 | | |
| 20-311200 | Reimbursement from Federal agencies for payments made as a result of discriminatory conduct: Enacted/requested | 17 | 17 | 17 |
| 20-320000 | Receivables from cancelled accounts: Enacted/requested | 31 | 1 | 1 |
| 20-388500 | Undistributed intragovernmental payments and receivables from cancelled accounts: Enacted/requested | -271 | | |
| 73-142800 | Interest on advances to Small Business Administration: Enacted/requested | 8 | 7 | 4 |
| 91-142200 | Interest on loans, higher education facilities loan fund: Enacted/requested | 1 | 1 | 1 |
| General Fund Intragovernmental payments | | 3,264 | 4,285 | 6,827 |

**ADMINISTRATIVE PROVISIONS—
DEPARTMENT OF THE TREASURY**

(INCLUDING TRANSFER OF FUNDS)

SEC. 210. 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. 211. 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 notification of the Committees on Appropriations: Provided, That no transfer may increase or decrease any such appropriation by more than 2 percent.

SEC. 212. 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 of the Committees on Appropriations: Provided, That no transfer may increase or decrease any such appropriation by more than 2 percent.

SEC. 213. 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. 214. 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. 215. *The Secretary of the Treasury may transfer funds from Financial Management Services, Salaries and Expenses, to 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. 216. *Section 122(g)(1) of Public Law 105–119, as amended (5 U.S.C. 3104 note), is further amended by striking “8 years” and inserting “10 years”.*

SEC. 217. *Section 3333(a) of Title 31, United States Code, is amended by deleting paragraph (3) and inserting in lieu thereof the following:*

“(3) The amount of the relief, and the amount of any relief granted to an official or agent of the Department of the Treasury under 31 U.S.C. 3527, shall be charged to the Check Forgery Insurance Fund (31 U.S.C. 3343). A recovery or repayment of a loss for which replacement is made out of the fund shall be credited to the fund and is available for the purposes for which the fund was established.”