

DEPARTMENT OF THE TREASURY

DEPARTMENTAL OFFICES

SALARIES AND EXPENSES

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; not to exceed \$3,500,000 for official travel expenses; not to exceed \$3,000,000, to remain available until September 30, 2005 for information technology modernization requirements; not to exceed \$150,000 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, \$166,875,000: Provided, That of these amounts \$2,900,000 is for grants to State and local law enforcement groups to help fight money laundering: Provided further, That no less than \$21,855,000 is for the Office of Foreign Assets Control: Provided further: That of these amounts, \$3,393,000, to remain available until September 30, 2005, shall be for the Treasury-wide Financial Statement Audit Program, of which such amounts as may be necessary may be transferred to accounts of the Department's offices and bureaus to conduct audits: Provided further, That this transfer authority shall be in addition to any other provided in this Act.

Note.—A regular 2003 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. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code	2001-01-01-1-803	2002 actual	2003 est.	2004 est.
Obligations by program activity:				
Direct program:				
00.01	Economic policies and programs	56	56	59
00.02	Financial policies and programs	44	43	46
00.03	Enforcement policies and programs	61		
00.04	Treasury-wide management policies and programs	32	32	32
00.05	Treasury-wide financial statement audit		3	3
00.06	Office of Foreign Assets Control	20	22	22
01.00	Subtotal, Direct programs	213	156	162
09.11	Reimbursable program	13	20	20
09.99	Subtotal, reimbursable program	13	20	20
10.00	Total new obligations	226	176	182
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	71	4	9
22.00	New budget authority (gross)	162	181	187
22.10	Resources available from recoveries of prior year obligations	4		
23.90	Total budgetary resources available for obligation	237	185	196
23.95	Total new obligations	-226	-176	-182
23.98	Unobligated balance expiring or withdrawn	-7		
24.40	Unobligated balance carried forward, end of year	4	9	14
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	149	161	167
Spending authority from offsetting collections:				
68.00	Offsetting collections (cash)	14	20	20
68.10	Change in uncollected customer payments from Federal sources (unexpired)	-1		
68.90	Spending authority from offsetting collections (total discretionary)	13	20	20
70.00	Total new budget authority (gross)	162	181	187
Change in obligated balances:				
72.40	Obligated balance, start of year	64	82	51

73.10	Total new obligations	226	176	182
73.20	Total outlays (gross)	-200	-208	-187
73.40	Adjustments in expired accounts (net)	-3		
73.45	Recoveries of prior year obligations	-4		
74.00	Change in uncollected customer payments from Federal sources (unexpired)	1		
74.40	Obligated balance, end of year	82	51	46
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	147	161	166
86.93	Outlays from discretionary balances	53	47	21
87.00	Total outlays (gross)	200	208	187
Offsets:				
Against gross budget authority and outlays:				
88.00	Offsetting collections (cash) from: Federal sources	-14	-20	-20
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	149	161	167
90.00	Outlays	188	188	167
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		

Departmental Offices' function in the Department of the Treasury is to provide basic support to the Secretary of the Treasury, who is the chief operating executive of the Department. The Secretary of the Treasury maintains the primary role in formulating and managing the domestic and international tax and financial policies of the Federal Government. The Secretary's responsibilities funded by the Salaries and Expenses appropriation include: recommending and implementing United States domestic and international economic and tax policy; fiscal policy; governing the fiscal operations of the Government; maintaining foreign assets control; managing the public debt; managing development financial policy; representing the United States on international monetary, trade and investment issues; overseeing Department of the Treasury overseas operations; and directing the administrative operations of the Department of the Treasury.

In support of the Secretary, the Salaries and Expenses appropriation provides resources for policy formulation and implementation in the areas of domestic and international financial, investment, tax, economic, trade and financial operations and general fiscal policy. This appropriation also provides resources for administrative support to the Secretary and policy components, and coordination of Departmental administrative policies in financial and personnel management, procurement operations, and automated information systems and telecommunications.

Economic Policies and Programs.—The function of the Economic Policies and Programs Activity is to advise the Secretary and Deputy Secretary in economic areas such as: (1) monitors macro- and micro-economic developments and assists in determining appropriate economic policies; develops an overall appraisal of the current state of, and outlook for the economy; provides written and oral briefing materials for the Secretary, other officials, and outsiders; participates in inter-agency groups working on economic matters to develop and maintain a coordinated and consistent government-wide economic program; and (2) the formulation and execution of U.S. international economic and financial policies regarding a wide

SALARIES AND EXPENSES—Continued

range of international development and analysis functions involving: trade and investment, energy policy, monetary affairs, development financing, and general economic research into international financial issues. The Office of International Affairs works closely with other Federal agencies and international financial institutions, and coordinates international financial and macro-economic policy with the National Economic Council (Annual Economic Summit), the National Security Council, the Council of Economic Advisors, the Office of Management and Budget (foreign country risk review), the United States Trade Representative (financial services, investment, etc.), and all components of the Executive Office of the President. Under Presidential Executive order, the Office of International Affairs participates with the Department of State in the collection and analysis of economic information on foreign countries. In the areas of international monetary and foreign exchange policy, the Office of International Affairs shares responsibility with the Federal Reserve (principally, the Board of Governors, but also the Federal Reserve Bank of New York) in working closely with the International Monetary Fund. In the area of international development, the Office of International Affairs formulates resource needs, notably U.S. contributions, policies and programs for various Multilateral Development Banks. With the Export-Import Bank, the Office of International Affairs has responsibility for export credit finance. This activity includes the Office of the Assistant Secretary (Economic Policy), the immediate offices of the Under Secretary (International Affairs), the Assistant Secretary (International Affairs) and the Office of International Affairs.

Financial Policies and Programs.—The function of the Financial Policies and Programs Activity is to advise the Secretary and Deputy Secretary in areas of domestic finance, banking, fiscal policy and operations, and other related financial matters, including development of policies and guidance in the areas of financial institutions, federal debt finance, financial regulation, and capital markets. Specifically, this activity ensures that the management of the Federal government's cash minimizes risk and strikes a balance between cash needs and short-term investments. This activity provides decision makers and stakeholders with: (1) timely, concise and thorough policies, guidance and analysis in the areas of: financial institutions, financial regulation, the equitable and efficient delivery of financial services, the availability of credit, financial crimes, federal debt finance, capital markets, the privatization of government assets, and any other issues related to domestic finance and financial services; and (2) recommendations regarding the development and implementation of tax policies and programs; official estimates of all Government receipts for the President's Budget, fiscal policy decisions, and cash management decisions; policy criteria reflected in regulations and rulings to implement the Internal Revenue Code; negotiation of tax treaties for the United States; and economic and legal policy analysis for domestic and international tax policy decisions. This activity includes the immediate office of the Under Secretary (Domestic Finance), the Assistant Secretary (Financial Institutions), the Assistant Secretary (Financial Markets), the Fiscal Assistant Secretary, and the Deputy Assistant Secretary for Community Development Policy and the Assistant Secretary (Tax Policy).

Treasury-wide Management Policies and Programs.—The Treasury-wide Management Policies and Programs Activity provides policy advice on matters involving the internal management of the Department and its bureaus; coinage and currency production and security; the sale and retention of savings bonds; financial management, information systems, security, property management, human resources, procurement and contracting, strategic planning; and customer service. This activity is responsible for implementing the functions

of the Chief Financial Officer (CFO), the Government Performance Results Act (GPRA), and the Information Technology Management Reform Act which includes efficient and effective use of the Treasury's resources. This activity includes the Office of the Assistant Secretary (Management) and Chief Financial Officer and the Treasurer of the United States.

Treasury-wide Financial Statement Audit.—This activity has responsibility for contracting and funding all financial statement audit work that will be done by the OIG. The OIG would streamline the process, provide costs savings and accountability for getting these audits done, and ensure timeliness and consistency of financial statement audits in the Department. The audits would include those of the Financial Management Service, the Bureau of Public Debt, the Federal Financing Board, the Alcohol and Tobacco Tax and Trade Bureau, the Community Development Financial Institutions, and the Departmental Offices.

Office of Foreign Assets Control.—Manages and enforces economic sanctions and embargo programs against targeted foreign governments and groups that pose threats to the national security, foreign policy, or economy of the United States. These include sanctions programs administered under the International Emergency Economic Powers Act, the Trading with the Enemy Act, the United Nations Participation Act, the Anti-Terrorism and Effective Death Penalty Act, the Foreign Narcotics Kingpin Designation Act and other related Executive Orders and statutes.

PERFORMANCE MEASURES

	2004 est.
Economic conditions in developing countries (overall percent change in Gross Domestic Product from prior calendar year)	GDP Growth
Economic conditions in transitional economies (overall percent change in Gross Domestic Product from prior calendar year)	GDP Growth
Announce borrowing policies and borrowing requirements to financial market participants in a timely manner	100%
Number of open material weaknesses (significant management problems identified by GAO, the IGs, and/or the bureaus)	5%
Percent of new IT capital investments tracked that are within costs, on schedule, and meeting performance targets	100%

Object Classification (in millions of dollars)

Identification code 20-0101-0-1-803	2002 actual	2003 est.	2004 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	87	86	90
12.1 Civilian personnel benefits	20	15	17
21.0 Travel and transportation of persons	4	3	3
23.1 Rental payments to GSA	2	2	2
23.3 Communications, utilities, and miscellaneous charges	10	9	9
24.0 Printing and reproduction	2	2	2
25.2 Other services	81	32	32
26.0 Supplies and materials	2	2	2
31.0 Equipment	5	5	5
99.0 Direct obligations	213	156	162
99.0 Reimbursable obligations	13	20	20
99.9 Total new obligations	226	176	182

Personnel Summary

Identification code 20-0101-0-1-803	2002 actual	2003 est.	2004 est.
Direct:			
1001 Total compensable workyears: Civilian full-time equivalent employment	825	865	860
Reimbursable:			
2001 Total compensable workyears: Civilian full-time equivalent employment	92	112	112

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, \$36,928,000, to remain available until September 30, 2006: 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.

Note.—A regular 2003 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. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 20-0115-0-1-803	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct program activity	24	37	37
10.00 Total new obligations	24	37	37
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	10	27	27
22.00 New budget authority (gross)	37	37	37
22.10 Resources available from recoveries of prior year obligations	5		
23.90 Total budgetary resources available for obligation	52	64	64
23.95 Total new obligations	-24	-37	-37
24.40 Unobligated balance carried forward, end of year	27	27	27
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	44	37	37
41.00 Transferred to other accounts	-7		
43.00 Appropriation (total discretionary)	37	37	37
Change in obligated balances:			
72.40 Obligated balance, start of year	24	21	15
73.10 Total new obligations	24	37	37
73.20 Total outlays (gross)	-23	-43	-42
73.45 Recoveries of prior year obligations	-5		
74.40 Obligated balance, end of year	21	15	10
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	2	16	16
86.93 Outlays from discretionary balances	21	27	26
87.00 Total outlays (gross)	23	43	42
Net budget authority and outlays:			
89.00 Budget authority	37	37	37
90.00 Outlays	23	43	42

The 1997 Treasury Postal Appropriations Act established this account which 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.

Object Classification (in millions of dollars)

Identification code 20-0115-0-1-803	2002 actual	2003 est.	2004 est.
23.1 Rental payments to GSA	1	1	1
25.2 Other services	20	34	34
26.0 Supplies and materials	1		
31.0 Equipment	2	2	2
99.9 Total new obligations	24	37	37

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

Program and Financing (in millions of dollars)

Identification code 20-0106-0-1-803	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct program activity	11	11	
09.01 Reimbursable program	1	1	

09.99 Total reimbursable program	1	1	
10.00 Total new obligations	12	12	

Budgetary resources available for obligation:

21.40 Unobligated balance carried forward, start of year	1	1	
22.00 New budget authority (gross)	12	12	
22.21 Unobligated balance transferred to other accounts			-1
22.22 Unobligated balance transferred from other accounts	1		
23.90 Total budgetary resources available for obligation	13	13	
23.95 Total new obligations	-12	-12	
23.98 Unobligated balance expiring or withdrawn	-1		
24.40 Unobligated balance carried forward, end of year	1	1	

New budget authority (gross), detail:

Discretionary:			
40.00 Appropriation	11	11	
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	1	1	
70.00 Total new budget authority (gross)	12	12	

Change in obligated balances:

72.40 Obligated balance, start of year	2	2	2
73.10 Total new obligations	12	12	
73.20 Total outlays (gross)	-12	-11	-2
73.40 Adjustments in expired accounts (net)	-1		
74.40 Obligated balance, end of year	2	2	

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	11	9	
86.93 Outlays from discretionary balances	1	2	2
87.00 Total outlays (gross)	12	11	2

Offsets:

Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-1	-1	

Net budget authority and outlays:

89.00 Budget authority	11	11	
90.00 Outlays	11	10	2

Additional net budget authority and outlays to cover cost of fully accruing retirement:

99.00 Budget authority	1	1	
99.01 Outlays	1	1	

To maximize efficiencies and effectiveness, legislative language is being proposed which will merge the Treasury Inspector General and the Treasury Inspector General for Tax Administration into a new Inspector General office, called the Inspector General for Treasury. The new organization will have all of the same powers and authorities as its predecessors have under current law.

Object Classification (in millions of dollars)

Identification code 20-0106-0-1-803	2002 actual	2003 est.	2004 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	6	6	
12.1 Civilian personnel benefits	1	1	
21.0 Travel and transportation of persons	1	1	
23.1 Rental payments to GSA	1	1	
23.3 Communications, utilities, and miscellaneous charges	1	1	
25.2 Other services	1	1	
99.0 Direct obligations	11	11	
99.0 Reimbursable obligations	1	1	
99.9 Total new obligations	12	12	

Personnel Summary

Identification code 20-0106-0-1-803	2002 actual	2003 est.	2004 est.
Direct:			
1001 Total compensable workyears: Civilian full-time equivalent employment	87	87	

INSPECTOR GENERAL FOR TREASURY

SALARIES AND EXPENSES

For necessary expenses of the Inspector General for the Department of the Treasury in carrying out the provisions of 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; not to exceed \$7,000,000 for official travel expenses; and not to exceed \$600,000 for unforeseen emergencies of a confidential nature, to be allocated and expanded under the direction of the Inspector General for the Department of the Treasury, \$134,949,000: Provided, That unobligated balances available under the headings, "Office of the Inspector General" and "Inspector General for Tax Administration," shall be transferred to this heading.

Note.—A regular 2003 appropriation for activities financed by this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 20-0119-0-1-803	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Audit	49	50	56
00.02 Investigations	76	74	79
09.01 Reimbursable program	4	2	3
10.00 Total new obligations	129	126	138
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	130	126	138
22.22 Unobligated balance transferred from other accounts			1
23.90 Total budgetary resources available for obligation	130	126	139
23.95 Total new obligations	-129	-126	-138
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	126	124	135
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	4	2	3
70.00 Total new budget authority (gross)	130	126	138
Change in obligated balances:			
72.40 Obligated balance, start of year	15	11	12
73.10 Total new obligations	129	126	138
73.20 Total outlays (gross)	-133	-126	-138
74.40 Obligated balance, end of year	11	12	12
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	120	114	125
86.93 Outlays from discretionary balances	13	12	13
87.00 Total outlays (gross)	133	126	138
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-4	-2	-3
Net budget authority and outlays:			
89.00 Budget authority	126	124	135
90.00 Outlays	129	124	135
Additional net budget authority and outlays to cover cost of fully accruing retirement:			
99.00 Budget authority	7	8	9
99.01 Outlays	7	8	9

To maximize efficiencies and effectiveness, legislative language is being proposed which will merge the Treasury Inspector General and the Treasury Inspector General for Tax Administration into a new Inspector General office, called the Inspector General for Treasury. The new organization will have all of the same powers and authorities as its predecessors have under current law.

The Inspector General for Treasury conducts and supervises audits, investigations, and evaluations to assess the operations and programs of the bureaus and offices of the Depart-

ment of the Treasury. It (1) promotes the economy, efficiency, and effectiveness of Departmental programs and operations by preventing fraud, waste, and abuse in those programs and operations, (2) keeps the Secretary and the Congress fully and currently informed of these issues and the progress made toward resolving them, (3) reviews existing and proposed legislation and regulations relating to the programs and operations of the Department, and makes recommendations concerning the impact of such legislation and regulations on the economy and efficiency in the administration of programs and operations of the Department of the Treasury. The audit function provides program audit, contract audit, information technology audit, and financial statement audit services. Program audits review and audit all facets of agency programs and operations and related entities. Contract audits provide professional advice to agency contracting officials on accounting and financial matters relative to negotiation, award, administration, repricing, and settlement of contracts. Information technology audits review all aspects of the acquisition, implementation, and security of electronic systems. Financial statement audits assess whether financial statements fairly present the agency's financial condition and results of operations, the adequacy of accounting controls, and compliance with laws and regulations. These audits contribute significantly to improved financial management by helping Treasury managers identify improvements needed in their accounting and internal control systems. The evaluations function reviews program performance and issues critical to the mission of the Department of the Treasury, including assessing the Department's implementation of the Government Performance and Results Act. The investigative function provides for the detection, investigation of and protection against improper and illegal activities involving programs, personnel, and operations of Department of the Treasury including external attempts to corrupt or threaten their employees, systems and facilities.

Object Classification (in millions of dollars)

Identification code 20-0119-0-1-803	2002 actual	2003 est.	2004 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	68	68	75
11.5 Other personnel compensation	8	8	8
11.9 Total personnel compensation	76	76	83
12.1 Civilian personnel benefits	20	19	21
21.0 Travel and transportation of persons	5	5	5
23.1 Rental payments to GSA	8	9	10
23.3 Communications, utilities, and miscellaneous charges	2	2	2
25.1 Advisory and assistance services	4	4	4
25.2 Other services	1	2	2
25.3 Other purchases of goods and services from Government accounts		1	2
25.4 Operation and maintenance of facilities	1		
25.7 Operation and maintenance of equipment	1		
26.0 Supplies and materials	1	1	1
31.0 Equipment	6	5	5
99.0 Direct obligations	125	124	135
99.0 Reimbursable obligations	4	2	3
99.9 Total new obligations	129	126	138

Personnel Summary

Identification code 20-0119-0-1-803	2002 actual	2003 est.	2004 est.
Direct:			
1001 Total compensable workyears: Civilian full-time equivalent employment	928	947	987
Reimbursable:			
2001 Total compensable workyears: Civilian full-time equivalent employment	15	15	15

TREASURY BUILDING AND ANNEX REPAIR AND RESTORATION

For the repair, alteration, and improvement of the Treasury Building and Annex, \$25,000,000, to remain available until September 30, 2006.

Note.—A regular 2003 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. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 20-0108-0-1-803	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Repair and improvement of Main Treasury	27	33	25
10.00 Total new obligations	27	33	25
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	5	8	8
22.00 New budget authority (gross)	29	33	25
22.10 Resources available from recoveries of prior year obligations	1		
23.90 Total budgetary resources available for obligation	35	41	33
23.95 Total new obligations	-27	-33	-25
24.40 Unobligated balance carried forward, end of year	8	8	8
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	29	33	25
Change in obligated balances:			
72.40 Obligated balance, start of year	44	27	19
73.10 Total new obligations	27	33	25
73.20 Total outlays (gross)	-42	-41	-34
73.45 Recoveries of prior year obligations	-1		
74.40 Obligated balance, end of year	27	19	10
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority		15	11
86.93 Outlays from discretionary balances	42	26	23
87.00 Total outlays (gross)	42	41	34
Net budget authority and outlays:			
89.00 Budget authority	29	33	25
90.00 Outlays	42	41	34

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

Object Classification (in millions of dollars)

Identification code 20-0108-0-1-803	2002 actual	2003 est.	2004 est.
11.1 Personnel compensation: Full-time permanent	1	1	1
23.1 Rental payments to GSA	4	5	5
25.2 Other services	4	5	3
26.0 Supplies and materials	1	1	
31.0 Equipment	1	1	
32.0 Land and structures	16	20	16
99.9 Total new obligations	27	33	25

Personnel Summary

Identification code 20-0108-0-1-803	2002 actual	2003 est.	2004 est.
Direct:			
1001 Total compensable workyears: Civilian full-time equivalent employment	10	10	10

EXPANDED ACCESS TO FINANCIAL SERVICES

Program and Financing (in millions of dollars)

Identification code 20-0121-0-1-808	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Expanded access to financial services	9	2	1

10.00	Total new obligations (object class 41.0)	9	2	1
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	10	1	1
22.00	New budget authority (gross)		2	
23.90	Total budgetary resources available for obligation	10	3	1
23.95	Total new obligations	-9	-2	-1
24.40	Unobligated balance carried forward, end of year	1	1	

New budget authority (gross), detail:

Discretionary:				
40.00	Appropriation		2	

Change in obligated balances:

72.40	Obligated balance, start of year		9	2
73.10	Total new obligations	9	2	1
73.20	Total outlays (gross)		-9	-3
74.40	Obligated balance, end of year	9	2	

Outlays (gross), detail:

86.90	Outlays from new discretionary authority		1	
86.93	Outlays from discretionary balances		8	3
87.00	Total outlays (gross)		9	3

Net budget authority and outlays:

89.00	Budget authority		2	
90.00	Outlays		9	3

The Budget does not seek additional funding for Expanded Access to Financial Services, though the program will continue to operate on unobligated balances of budget authority. Appropriated amounts from 2002 remain unavailable, however, as the program lacks congressional authorization.

Personnel Summary

Identification code 20-0121-0-1-808	2002 actual	2003 est.	2004 est.
Direct:			
1001 Total compensable workyears: Civilian full-time equivalent employment	1	3	2

TERRORISM INSURANCE PROGRAM

Program and Financing (in millions of dollars)

Identification code 20-0123-0-1-376	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Administrative Expenses		8	9
10.00 Total new obligations		8	9
Budgetary resources available for obligation:			
22.00 New budget authority (gross)		8	9
23.95 Total new obligations		-8	-9
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation, P.L. 107-297		8	9
Change in obligated balances:			
73.10 Total new obligations		8	9
73.20 Total outlays (gross)		-7	-8
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority		7	7
86.98 Outlays from mandatory balances			1
87.00 Total outlays (gross)		7	8
Net budget authority and outlays:			
89.00 Budget authority		8	9
90.00 Outlays		7	8

On November 26, 2002, President Bush signed into law the Terrorism Risk Insurance Act of 2002 (P.L. 107-297). The Act establishes and provides mandatory funding for a

TERRORISM INSURANCE PROGRAM—Continued

temporary Terrorism Insurance Program to be administered by the Department of the Treasury. Under the program, the Federal Government is responsible for paying 90 percent of the insured losses arising from acts of terrorism above the applicable insurer deductible and below the \$100 billion annual cap.

The budget includes estimates of the general administrative costs of the program. 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, which is scheduled to sunset on December 31, 2005. 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	2002 actual	2003 est.	2004 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent		1	1
25.1 Advisory and assistance services		7	7
99.0 Direct obligations		8	8
99.5 Below reporting threshold			1
99.9 Total new obligations		8	9

Personnel Summary

Identification code 20–0123–0–1–376	2002 actual	2003 est.	2004 est.
Direct:			
1001 Total compensable workyears: Civilian full-time equivalent employment		5	9

TREASURY FORFEITURE FUND

Unavailable Collections (in millions of dollars)

Identification code 20–5697–0–2–751	2002 actual	2003 est.	2004 est.
01.99 Balance, start of year			
Receipts:			
02.00 Forfeited cash and proceeds from the sale of forfeited property	172	213	213
02.00 Forfeited cash and proceeds from the sale of forfeited property			–213
Offsetting receipts (intragovernmental):			
02.40 Earnings on investments	6	8	8
02.40 Earnings on investments			–8
02.99 Total receipts and collections	178	221	
Appropriations:			
05.00 Department of the Treasury forfeiture fund	–178	–221	–221
05.00 Department of the Treasury forfeiture fund			221
05.99 Total appropriations	–178	–221	
07.99 Balance, end of year			

Program and Financing (in millions of dollars)

Identification code 20–5697–0–2–751	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Asset forfeiture fund	229	238	221
10.00 Total new obligations	229	238	221
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	90	59	52
22.00 New budget authority (gross)	178	221	221
22.10 Resources available from recoveries of prior year obligations	20	10	
23.90 Total budgetary resources available for obligation	288	290	273

23.95 Total new obligations	–229	–238	–221
24.40 Unobligated balance carried forward, end of year	59	52	52

New budget authority (gross), detail:

Mandatory:			
60.20 Appropriation (special fund)	178	221	221

Change in obligated balances:

72.40 Obligated balance, start of year	190	157	170
73.10 Total new obligations	229	238	221
73.20 Total outlays (gross)	–242	–215	–221
73.45 Recoveries of prior year obligations	–20	–10	
74.40 Obligated balance, end of year	157	170	170

Outlays (gross), detail:

86.97 Outlays from new mandatory authority	178	182	199
86.98 Outlays from mandatory balances	64	33	22
87.00 Total outlays (gross)	242	215	221

Net budget authority and outlays:

89.00 Budget authority	178	221	221
90.00 Outlays	242	215	221

Memorandum (non-add) entries:

92.01 Total investments, start of year: Federal securities:			
Par value	175	132	280
92.02 Total investments, end of year: Federal securities:			
Par value	132	280	280

Summary of Budget Authority and Outlays

(in millions of dollars)

Enacted/requested:	2002 actual	2003 est.	2004 est.
Budget Authority	178	221	221
Outlays	242	215	221
Legislative proposal, subject to PAYGO:			
Budget Authority			–221
Outlays			–221
Total:			
Budget Authority	178	221	
Outlays	242	215	

Public Law 102–393 authorized the establishment of the Treasury Forfeiture Fund. It is available to pay or reimburse certain costs and expenses related to seizures and forfeitures that occur pursuant to the Treasury Department's law enforcement activities. The Coast Guard also participates in the program. The Treasury Forfeiture Fund is being transferred to the Department of Justice Asset Forfeiture Fund in 2004. Proposed legislation to effect this transfer will follow.

The following performance measurements are provided in compliance with the Government Performance and Results Act of 1993 (GPRA).

Object Classification (in millions of dollars)

Identification code 20–5697–0–2–751	2002 actual	2003 est.	2004 est.
25.2 Other services	151	163	146
41.0 Grants, subsidies, and contributions	78	75	75
99.9 Total new obligations	229	238	221

TREASURY FORFEITURE FUND
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 20–5697–4–2–751	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Asset forfeiture fund			–221
10.00 Total new obligations			–221
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			–221

22.21	Unobligated balance transferred to other accounts	—52	
23.90	Total budgetary resources available for obligation	—273	
23.95	Total new obligations	221	
24.40	Unobligated balance carried forward, end of year	—52	
New budget authority (gross), detail:			
Mandatory:			
60.20	Appropriation (special fund)	—221	
Change in obligated balances:			
73.10	Total new obligations	—221	
73.20	Total outlays (gross)	221	
73.31	Obligated balance transferred to other accounts	—170	
74.40	Obligated balance, end of year	—170	
Outlays (gross), detail:			
86.97	Outlays from new mandatory authority	—199	
86.98	Outlays from mandatory balances	—22	
87.00	Total outlays (gross)	—221	
Net budget authority and outlays:			
89.00	Budget authority	—221	
90.00	Outlays	—221	

Object Classification (in millions of dollars)

Identification code 20–5697–4–2–751	2002 actual	2003 est.	2004 est.
25.2 Other services			—146
41.0 Grants, subsidies, and contributions			—75
99.9 Total new obligations			—221

PRESIDENTIAL ELECTION CAMPAIGN FUND**Unavailable Collections (in millions of dollars)**

Identification code 20–5081–0–2–808	2002 actual	2003 est.	2004 est.
01.99 Balance, start of year			
Receipts:			
02.00 Presidential election campaign fund	67	67	67
Appropriations:			
05.00 Presidential election campaign fund	—67	—67	—67
07.99 Balance, end of year			

Program and Financing (in millions of dollars)

Identification code 20–5081–0–2–808	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Matching Funds in Primaries			66
00.02 Nominating conventions for parties		29	1
00.03 General Elections			151
10.00 Total new obligations (object class 41.0)		29	218
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	72	140	178
22.00 New budget authority (gross)	67	67	67
23.90 Total budgetary resources available for obligation	139	207	245
23.95 Total new obligations	—29	—218	—218
24.40 Unobligated balance carried forward, end of year	140	178	27
New budget authority (gross), detail:			
Mandatory:			
60.20 Appropriation (special fund)	67	67	67
Change in obligated balances:			
73.10 Total new obligations		29	218
73.20 Total outlays (gross)		—29	—218
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority			67
86.98 Outlays from mandatory balances		29	151
87.00 Total outlays (gross)		29	218
Net budget authority and outlays:			
89.00 Budget authority	67	67	67

90.00 Outlays	29	218
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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 committee of a major party or a minor party which 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 2000, both parties received \$13.5 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 2000, this amounted to \$67.6 million for each candidate.

Also, provision is made for new parties, minor parties and candidates, who may receive in excess of 5 percent of the popular vote and therefore be entitled to reimbursement of qualified campaign expenditures.

SALLIE MAE ASSESSMENTS**Unavailable Collections (in millions of dollars)**

Identification code 20–5407–0–2–808	2002 actual	2003 est.	2004 est.
01.99 Balance, start of year			
Receipts:			
02.00 Sallie Mae assessments		1	1
Appropriations:			
05.00 Sallie Mae assessments		—1	—1
07.99 Balance, end of year			

Program and Financing (in millions of dollars)

Identification code 20–5407–0–2–808	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct program activity		1	1
10.00 Total new obligations (object class 99.5)		1	1
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year			1
22.00 New budget authority (gross)		1	1
23.90 Total budgetary resources available for obligation		1	2
23.95 Total new obligations		—1	—1
24.40 Unobligated balance carried forward, end of year		1	1
New budget authority (gross), detail:			
Discretionary:			
40.20 Appropriation (special fund)		1	1
Change in obligated balances:			
73.10 Total new obligations		1	1
73.20 Total outlays (gross)		—1	—2
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority		1	1
86.93 Outlays from discretionary balances			1
87.00 Total outlays (gross)		1	2

SALLIE MAE ASSESSMENTS—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 20-5407-0-2-808	2002 actual	2003 est.	2004 est.
Net budget authority and outlays:			
89.00 Budget authority		1	1
90.00 Outlays		1	2

The Secretary of the Treasury is authorized by the Higher Education Act of 1965, as amended to collect from the Student Loan Marketing Association 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.

Personnel Summary

Identification code 20-5407-0-2-808	2002 actual	2003 est.	2004 est.
Direct:			
1001 Total compensable workyears: Civilian full-time equivalent employment	3	4	4

Public enterprise funds:

EXCHANGE STABILIZATION FUND

Program and Financing (in millions of dollars)

Identification code 20-4444-0-3-155	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
01.01 Direct Program Activity	211	215	226
10.00 Total new obligations	211	215	226
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year:			
Unobligated balance carried forward, start of year (Special drawing rights)	22,829	23,138	23,444
21.40 Unobligated balance carried forward, start of year (Fund balance)			
21.40 Unobligated balance carried forward, start of year (US Securities)			
22.00 New budget authority (gross)	520	521	547
23.90 Total budgetary resources available for obligation	23,349	23,659	23,991
23.95 Total new obligations	-211	-215	-226
24.40 Unobligated balance carried forward, end of year:			
Unobligated balance carried forward, end of year (Fund Balance)	23,138	23,444	23,765
24.40 Unobligated balance carried forward, end of year (US Securities)			
New budget authority (gross), detail:			
69.00 Mandatory:			
Offsetting collections (cash)	520	521	547
Change in obligated balances:			
72.40 Obligated balance, start of year	13,924	14,135	14,350
73.10 Total new obligations	211	215	226
73.20 Total outlays (gross)			
74.40 Obligated balance, end of year	14,135	14,350	14,576
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.20 Interest on Federal securities	-184	-184	-193
88.40 Interest on foreign investments	-336	-337	-354
88.90 Total, offsetting collections (cash)	-520	-521	-547
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	-520	-521	-547

Memorandum (non-add) entries:

Total investments, start of year: Federal securities:				
Par value:				
92.01 Total investments, start of year: Federal securities:				
Par value	10,014	9,717	10,202	
Total investments, end of year: Federal securities:				
Par value:				
92.02 Total investments, end of year: Federal securities:				
Par value	9,717	10,202	10,713	

The Secretary of the Treasury is authorized to deal in gold and foreign exchange and other instruments of credit and securities as deemed 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 a 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.

The principal sources of the fund's income have been profits on foreign exchange transactions and earnings on investments held by the fund, including interest earned on fund holdings of U.S. Government securities.

The amounts reflected in the 2002 and 2003 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, exchange rate fluctuations can cause the dollar value of income received on foreign currency and SDR investments to fluctuate. Moreover, estimates make no attempt to forecast gains or losses reflecting SDR valuation or foreign currency valuation. As required by Public Law 95-612, the fund is not used to meet the administrative expenses.

Statement of Operations (in millions of dollars)

Identification code 20-4444-0-3-155	2001 actual	2002 actual	2003 est.	2004 est.
0101 Revenue	342	1,504	1,579	1,658
0102 Expense		-312	-328	-344
0105 Net income or loss (-)	342	1,192	1,251	1,314

Balance Sheet (in millions of dollars)

Identification code 20-4444-0-3-155	2001 actual	2002 actual	2003 est.	2004 est.
ASSETS:				
Federal assets:				
Investments in US securities:				
1102 Treasury securities, par	10,014	9,717	10,202	10,713
1106 Receivables, net	2			
Non-Federal assets:				
1201 Foreign Currency Investments	15,294	16,046	16,848	17,691
1206 Receivables, net	65	118	120	126
1801 Other Federal assets: Cash and other monetary assets	10,979	11,710	11,800	11,900
1999 Total assets	36,354	37,591	38,970	40,430
LIABILITIES:				
2207 Non-Federal liabilities: Other	8,660	8,705	9,140	9,597
2999 Total liabilities	8,660	8,705	9,140	9,597
NET POSITION:				
3100 Appropriated capital	200	200	200	200
3300 Cumulative results of operations	27,494	28,686	29,630	30,633
3999 Total net position	27,694	28,886	29,830	30,833
4999 Total liabilities and net position	36,354	37,591	38,970	40,430

Intragovernmental funds:**WORKING CAPITAL FUND****Program and Financing (in millions of dollars)**

Identification code 20-4501-0-4-803	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
09.10 Working capital fund	312	279	283
09.11 Administrative overhead	10	10	11
10.00 Total new obligations	322	289	294
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	30	27	27
22.00 New budget authority (gross)	278	289	294
22.10 Resources available from recoveries of prior year obligations	41		
23.90 Total budgetary resources available for obligation	349	316	321
23.95 Total new obligations	-322	-289	-294
24.40 Unobligated balance carried forward, end of year	27	27	27
New budget authority (gross), detail:			
Mandatory:			
69.00 Offsetting collections (cash)	308	289	294
69.10 Change in uncollected customer payments from Federal sources (unexpired)	-30		
69.90 Spending authority from offsetting collections (total mandatory)	278	289	294
Change in obligated balances:			
72.40 Obligated balance, start of year	159	190	190
73.10 Total new obligations	322	289	294
73.20 Total outlays (gross)	-278	-289	-294
73.45 Recoveries of prior year obligations	-41		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	30		
74.40 Obligated balance, end of year	190	190	190
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	278	289	294
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-308	-289	-294
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	30		
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	-28		

Central services in the Department of the Treasury working capital fund include: telecommunications, printing, reproduction, computer support/usage, personnel/payroll, automated financial management systems, training, centralized short-term management assistance, procurement information, information technology services, public education, an environmental health and safety program, and printing procurement 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	2002 actual	2003 est.	2004 est.
11.1 Personnel compensation: Full-time permanent	22	26	27
12.1 Civilian personnel benefits	5	6	6
21.0 Travel and transportation of persons	1	1	1
23.1 Rental payments to GSA	3	1	1
23.3 Communications, utilities, and miscellaneous charges	5	11	11
25.1 Advisory and assistance services	16	12	12
25.2 Other services	37	162	167
25.3 Other purchases of goods and services from Government accounts	205	52	52
26.0 Supplies and materials	1	2	2
31.0 Equipment	27	16	15

99.9	Total new obligations	322	289	294
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Personnel Summary

Identification code 20-4501-0-4-803	2002 actual	2003 est.	2004 est.
Reimbursable:			
2001 Total compensable workyears: Civilian full-time equivalent employment	283	327	322

TREASURY FRANCHISE FUND**Program and Financing (in millions of dollars)**

Identification code 20-4560-0-4-803	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
09.01 Reimbursable program	333	351	388
10.00 Total new obligations	333	351	388
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	104	139	139
22.00 New budget authority (gross)	354	347	384
22.10 Resources available from recoveries of prior year obligations	15	4	4
22.21 Unobligated balance transferred to other accounts	-1		
23.90 Total budgetary resources available for obligation	472	490	527
23.95 Total new obligations	-333	-351	-388
24.40 Unobligated balance carried forward, end of year	139	139	139
New budget authority (gross), detail:			
Spending authority from offsetting collections:			
Discretionary:			
68.00 Offsetting collections (cash)	323	353	390
68.10 Change in uncollected customer payments from Federal sources (unexpired)	31	-6	-6
68.90 Spending authority from offsetting collections (total discretionary)	354	347	384
Change in obligated balances:			
72.40 Obligated balance, start of year	-49	-74	-63
73.10 Total new obligations	333	351	388
73.20 Total outlays (gross)	-312	-342	-379
73.45 Recoveries of prior year obligations	-15	-4	-4
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-31	6	6
74.40 Obligated balance, end of year	-74	-63	-52
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	162	302	334
86.93 Outlays from discretionary balances	150	40	45
87.00 Total outlays (gross)	312	342	379
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-322	-353	-390
88.40 Non-Federal sources	-1		
88.90 Total, offsetting collections (cash)	-323	-353	-390
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	-31	6	6
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	-11	-11	-11

Department of the Treasury was chosen as a pilot Franchise Fund under P.L. 103-356, the Government Management and Reform Act of 1994. Begun in 1997, financial and administrative services included in the Franchise Fund (Fund) are financed on a fee-for-service basis. Treasury's Fund is a revolving fund used to supply financial and administrative services on the basis of services supplied. For 2004, service activities are expected to have spending authority of \$384 million and employ 543 people.

Intragovernmental funds—Continued**TREASURY FRANCHISE FUND—Continued**

Activities included in the Fund are financial training, accounting cross-servicing, and various administrative support services. The Fund concept is intended to increase competition for government and financial administrative services, resulting in lower costs and higher quality.

Object Classification (in millions of dollars)

Identification code 20-4560-0-4-803	2002 actual	2003 est.	2004 est.
11.1 Personnel compensation: Full-time permanent	27	30	30
12.1 Civilian personnel benefits	7	9	9
21.0 Travel and transportation of persons	1	1	1
23.3 Communications, utilities, and miscellaneous charges	3	3	3
24.0 Printing and reproduction	3	4	4
25.2 Other services	285	297	334
26.0 Supplies and materials	1	1	1
31.0 Equipment	6	6	6
99.9 Total new obligations	333	351	388

Personnel Summary

Identification code 20-4560-0-4-803	2002 actual	2003 est.	2004 est.
Reimbursable:			
2001 Total compensable workyears: Civilian full-time equivalent employment	473	530	543

Credit accounts:**AIR TRANSPORTATION STABILIZATION PROGRAM ACCOUNT**

For necessary expenses to administer the Air Transportation Stabilization Board, established by section 102 of the Air Transportation Safety and System Stabilization Act (Public Law 107-42), \$2,538,000, to remain until expended.

Note.—A regular 2003 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. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 20-0122-0-1-402	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.02 Loan guarantee subsidy	172	386	.....
00.07 Reestimates of loan guarantee subsidy .....	.....	113	.....
00.08 Interest on reestimates of loan guarantee subsidy .....	.....	1	.....
00.09 Administrative expenses	7	6	3
10.00 Total new obligations	179	506	3
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year .....	.....	2	2
22.00 New budget authority (gross)	172	506	3
22.22 Unobligated balance transferred from other accounts	9	.....	.....
23.90 Total budgetary resources available for obligation	181	508	5
23.95 Total new obligations	-179	-506	-3
24.40 Unobligated balance carried forward, end of year	2	2	2
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation .....	.....	6	3
Mandatory:			
60.00 Appropriation	172	500	.....
70.00 Total new budget authority (gross)	172	506	3
Change in obligated balances:			
72.40 Obligated balance, start of year .....	.....	4	1
73.10 Total new obligations	179	506	3
73.20 Total outlays (gross)	-175	-509	-5
74.40 Obligated balance, end of year	4	1	.....
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority .....	.....	5	3

86.93 Outlays from discretionary balances	3	4	2
86.97 Outlays from new mandatory authority	172	500	.....
87.00 Total outlays (gross)	175	509	5
Net budget authority and outlays:			
89.00 Budget authority	172	506	3
90.00 Outlays	175	509	5

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

Identification code 20-0122-0-1-402	2002 actual	2003 est.	2004 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215001 Airline loan guarantees	429	1,433	.....
215901 Total loan guarantee levels	429	1,433	.....
Guaranteed loan subsidy (in percent):			
232001 Airline loan guarantees	40.11	26.94	.....
232901 Weighted average subsidy rate	40.11	26.94	.....
Guaranteed loan subsidy budget authority:			
233001 Airline loan guarantees	172	386	.....
233901 Total subsidy budget authority	172	386	.....
Guaranteed loan subsidy outlays:			
234001 Airline loan guarantees	172	386	.....
234901 Total subsidy outlays	172	386	.....
Guaranteed loan upward reestimate subsidy budget authority:			
235001 Airline loan guarantees .....	.....	114	.....
235901 Total upward reestimate budget authority .....	.....	114	.....
Guaranteed loan upward reestimate subsidy outlays:			
236001 Airline loan guarantees .....	.....	114	.....
236901 Total upward reestimate subsidy outlays .....	.....	114	.....
Administrative expense data:			
351001 Budget authority	9	6	.....
358001 Outlays from balances	3	4	.....
359001 Outlays from new authority .....	.....	6	.....

On September 22, 2001, President Bush signed into law the Air Transportation Safety and System Stabilization Act, P.L. 107-42. The Act establishes the Air Transportation Stabilization Board. The Board may issue up to \$10 billion in loan guarantees.

Object Classification (in millions of dollars)

Identification code 20-0122-0-1-402	2002 actual	2003 est.	2004 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	1	1	1
25.2 Other services	6	4	1
41.0 Grants, subsidies, and contributions	172	500	.....
99.0 Direct obligations	179	505	2
99.5 Below reporting threshold .....	.....	1	1
99.9 Total new obligations	179	506	3

Personnel Summary

Identification code 20-0122-0-1-402	2002 actual	2003 est.	2004 est.
Direct:			
1001 Total compensable workyears: Civilian full-time equivalent employment	7	12	6

AIR TRANSPORTATION STABILIZATION GUARANTEED LOAN FINANCING ACCOUNT**Program and Financing** (in millions of dollars)

Identification code 20-4286-0-3-402	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.02 Claim payments		495	105

10.00	Total new obligations	495	105
Budgetary resources available for obligation:			
21.40	Unobligated balance carried forward, start of year	197	231
22.00	New financing authority (gross)	197	529
23.90	Total budgetary resources available for obligation	197	726
23.95	Total new obligations	—495	—105
24.40	Unobligated balance carried forward, end of year	197	231
New financing authority (gross), detail:			
Mandatory:			
67.10	Authority to borrow	10	.....
Offsetting collections (cash):			
69.00	Offsetting collections (cash)	172	500
69.00	Offsetting collections (cash)	25	10
69.00	Offsetting collections (cash) .....	.....	33
69.00	Offsetting collections (cash)	9	8
69.90	Spending authority from offsetting collections (total mandatory)	197	519
70.00	Total new financing authority (gross)	197	529
Change in obligated balances:			
73.10	Total new obligations	495	105
73.20	Total financing disbursements (gross)	—495	—105
87.00	Total financing disbursements (gross)	495	105
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00	Federal sources	—172	—500
88.25	Interest on uninvested funds .....	.....	—9
88.40	Non-Federal sources	—25	—10
88.90	Total, offsetting collections (cash)	—197	—519
Net financing authority and financing disbursements:			
89.00	Financing authority	10	.....
90.00	Financing disbursements	—197	—24

Status of Guaranteed Loans (in millions of dollars)

Identification code 20-4286-0-3-402	2002 actual	2003 est.	2004 est.
Position with respect to appropriations act limitation on commitments:			
2111	Limitation on guaranteed loans made by private lenders	10,000	.....
2121	Limitation available from carry-forward .....	.....	9,571
2143	Uncommitted limitation carried forward	—9,571	—8,138
2150	Total guaranteed loan commitments	429	1,433
2199	Guaranteed amount of guaranteed loan commitments	380	1,361
Cumulative balance of guaranteed loans outstanding:			
2210	Outstanding, start of year	429	1,367
2231	Disbursements of new guaranteed loans	429	1,433
2251	Repayments and prepayments .....	.....	—165
2261	Adjustments: Terminations for default that result in loans receivable .....	.....	—495
2290	Outstanding, end of year	429	1,367
Memorandum:			
2299	Guaranteed amount of guaranteed loans outstanding, end of year	380	1,230
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310	Outstanding, start of year .....	.....	495
2331	Disbursements for guaranteed loan claims	495	105
2351	Repayments of loans receivable .....	.....	—33
2361	Write-offs of loans receivable .....	.....	—462
2390	Outstanding, end of year	495	105

Numbers shown for 2003 include estimates for loan guarantees that have received either conditional or final approval. This presentation should not be construed as prejudging the outcome of the Air Transportation Stabilization Board's deliberations. The Board does not anticipate making any new loan guarantees in 2004.

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	2001 actual	2002 actual	2003 est.	2004 est.
ASSETS:				
1101	Federal assets: Fund balances with Treasury	301	231	176
Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:				
1501	Defaulted guaranteed loans receivable, gross .....	.....	495	105
1505	Allowance for subsidy cost (—) .....	.....	—464	—87
1599	Net present value of assets related to defaulted guaranteed loans .....	.....	31	18
1999	Total assets	301	262	194
LIABILITIES:				
2104	Federal liabilities: Resources payable to Treasury .....	.....	10	.....
2204	Non-Federal liabilities: Liabilities for loan guarantees	301	252	194
2999	Total liabilities	301	262	194
4999	Total liabilities and net position	301	262	194

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS**FUND PROGRAM ACCOUNT**

To carry out the Community Development Banking and Financial Institutions Act of 1994, 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, \$51,000,000, to remain available until September 30, 2005, of which \$3,000,000 shall be for financial and technical assistance and training programs designed to benefit Native American, Native Hawaiian, and Alaskan Native communities, and up to \$13,000,000 may be used for administrative expenses, including administration of the New Markets Tax Credit, up to \$6,000,000 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 \$11,000,000.

Note.—A regular 2003 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. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 20-1881-0-1-451	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01	Direct loan subsidy	3	2
00.05	Restimate of direct loan subsidy .....	.....	1
00.10	General administrative expenses	11	11
00.11	Bank enterprise awards program	23	17
00.12	Financial Assistance	37	28
00.13	Technical Assistance	3	10
00.14	Native American/Hawaiian Program	3	5
10.00	Total new obligations	80	74
Budgetary resources available for obligation:			
21.40	Unobligated balance carried forward, start of year	4	5
22.00	New budget authority (gross)	80	69
23.90	Total budgetary resources available for obligation	84	74
23.95	Total new obligations	—80	—74
24.40	Unobligated balance carried forward, end of year	5	.....

Credit accounts—Continued**COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS—Continued****FUND PROGRAM ACCOUNT—Continued****Program and Financing (in millions of dollars)—Continued**

Identification code 20-1881-0-1-451	2002 actual	2003 est.	2004 est.
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	80	68	51
Mandatory:			
60.00 Appropriation		1	
Discretionary:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	1		
70.00 Total new budget authority (gross)	81	69	51
Change in obligated balances:			
72.40 Obligated balance, start of year	173	114	79
73.10 Total new obligations	80	74	51
73.20 Total outlays (gross)	-138	-109	-59
73.40 Adjustments in expired accounts (net)	-2		
74.40 Obligated balance, end of year	114	79	71
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	16	9	7
86.93 Outlays from discretionary balances	122	99	52
86.97 Outlays from new mandatory authority		1	
87.00 Total outlays (gross)	138	109	59
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	79	69	51
90.00 Outlays	136	109	59

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

Identification code 20-1881-0-1-451	2002 actual	2003 est.	2004 est.
Direct loan levels supportable by subsidy budget authority:			
115001 Community Development Financial Institutions Program Financial Assistance Component- Direct Loans	8	5	5
115901 Total direct loan levels	8	5	5
Direct loan subsidy (in percent):			
132001 Community Development Financial Institutions Direct Loan	38.44	36.94	34.37
132901 Weighted average subsidy rate	38.44	36.94	34.37
Direct loan subsidy budget authority:			
133001 Community Development Financial Institutions Direct Loan	3	2	2
133901 Total subsidy budget authority	3	2	2
Direct loan subsidy outlays:			
134001 Community Development Financial Institutions Direct Loan	3	2	2
134901 Total subsidy outlays	3	2	2
Direct loan upward reestimate subsidy budget authority:			
135001 Community Development Financial Institutions Direct Loan		1	
135901 Total upward reestimate budget authority		1	
Direct loan upward reestimate subsidy outlays:			
136001 Community Development Financial Institutions Direct Loan		1	
136901 Total upward reestimate outlays		1	
Direct loan downward reestimate subsidy budget authority:			
137001 Community Development Financial Institutions Direct Loan		-1	
137901 Total downward reestimate budget authority		-1	

Direct loan downward reestimate subsidy outlays:

138001 Community Development Financial Institutions Direct Loan	-1		
138901 Total downward reestimate subsidy outlays	-1		

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 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. The CDFI Fund also provides grants to insured depository institutions to facilitate investment in CDFIs and increase community lending activities. 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 Fund is seeking reauthorization of its activities under the Community Development Banking and Financial Institutions Act.

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.

PERFORMANCE MEASURES

	2002 actual	2003 est.	2004 est.
Number of CDFIs selected to receive financial assistance (includes Core, and SECA)	74	N/A	N/A
Number of organizations that receive technical assistance	119	N/A	N/A

Object Classification (in millions of dollars)

Identification code 20-1881-0-1-451	2002 actual	2003 est.	2004 est.
11.1 Personnel compensation: Full-time permanent	4	5	5
12.1 Civilian personnel benefits	1	1	1
23.1 Rental payments to GSA	1	1	1
25.2 Other services	5	4	6
41.0 Grants, subsidies, and contributions	69	63	38
99.9 Total new obligations	80	74	51

Personnel Summary

Identification code 20-1881-0-1-451	2002 actual	2003 est.	2004 est.
Direct:			
1001 Total compensable workyears: Civilian full-time equivalent employment	59	68	71

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND DIRECT LOAN FINANCING ACCOUNT**Program and Financing (in millions of dollars)**

Identification code 20-4088-0-3-451	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct loans	8	5	5
08.02 Payment of a downward reestimate to a receipt account		1	
10.00 Total new obligations	8	6	5

Budgetary resources available for obligation:				
22.00	New financing authority (gross)	10	7	7
22.70	Balance of authority to borrow withdrawn	-1		
23.90	Total budgetary resources available for obligation	9	7	7
23.95	Total new obligations	-8	-6	-5
New financing authority (gross), detail:				
Discretionary:				
47.00	Authority to borrow	5	2	2
Spending authority from offsetting collections:				
68.00	Offsetting collections (cash)	10	5	5
68.10	Change in uncollected customer payments from Federal sources (unexpired)	-5		
68.90	Spending authority from offsetting collections (total discretionary)	5	5	5
70.00	Total new financing authority (gross)	10	7	7
Change in obligated balances:				
72.40	Obligated balance, start of year	18	12	9
73.10	Total new obligations	8	6	5
73.20	Total financing disbursements (gross)	-20	-10	-10
74.00	Change in uncollected customer payments from Federal sources (unexpired)	5		
74.40	Obligated balance, end of year	12	9	6
87.00	Total financing disbursements (gross)	20	10	10
Offsets:				
Against gross financing authority and financing disbursements:				
Offsetting collections (cash) from:				
88.00	Federal sources	-3	-3	-2
Non-Federal sources:				
88.40	Non-Federal sources interest repayments	-5	-1	-2
88.40	Non-Federal sources—Principal	-2	-1	-1
88.90	Total, offsetting collections (cash)	-10	-5	-5
Against gross financing authority only:				
88.95	Change in receivables from program accounts	5		
Net financing authority and financing disbursements:				
89.00	Financing authority	5	2	2
90.00	Financing disbursements	10	5	5

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.

Status of Direct Loans (in millions of dollars)

Identification code 20-4088-0-3-451	2002 actual	2003 est.	2004 est.
Position with respect to appropriations act limitation on obligations:			
1111	Limitation on direct loans	11	11
1150	Total direct loan obligations	11	11
Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year	24	41
1231	Disbursements: Direct loan disbursements	18	10
1251	Repayments: Repayments and prepayments	-1	-1
1263	Write-offs for default: Direct loans		
1290	Outstanding, end of year	41	50

Balance Sheet (in millions of dollars)

Identification code 20-4088-0-3-451	2001 actual	2002 actual	2003 est.	2004 est.
ASSETS:				
Investments in US securities:				
1106	Federal assets: Receivables, net	3		
Net value of assets related to post-1991 direct loans receivable:				
1401	Direct loans receivable, gross	24	41	50
1405	Allowance for subsidy cost (-)	-9	-16	-20

1499	Net present value of assets related to direct loans	15	25	32	39
1999	Total assets	18	25	32	39
LIABILITIES:					
2103	Federal liabilities: Debt	18	25	32	39
2999	Total liabilities	18	25	32	39
NET POSITION:					
3999	Total net position				
4999	Total liabilities and net position	18	25	32	39

Trust Funds**VIOLENT CRIME REDUCTION PROGRAMS****Program and Financing (in millions of dollars)**

Identification code 20-8526-0-1-751	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
Direct program:			
00.01	Departmental Offices	1	2
00.04	Bureau of Alcohol, Tobacco and Firearms	3	3
00.05	Customs Service	8	16
00.06	Secret Service	1	1
10.00	Total new obligations	13	22
Budgetary resources available for obligation:			
21.40	Unobligated balance carried forward, start of year	46	38
22.00	New budget authority (gross)	-1	
22.10	Resources available from recoveries of prior year obligations	5	
23.90	Total budgetary resources available for obligation	50	38
23.95	Total new obligations	-13	-22
24.40	Unobligated balance carried forward, end of year	38	16
New budget authority (gross), detail:			
Discretionary:			
40.73	Reduction pursuant to P.L. 107-206	-1	
Change in obligated balances:			
72.40	Obligated balance, start of year	81	39
73.10	Total new obligations	13	22
73.20	Total outlays (gross)	-50	-62
73.45	Recoveries of prior year obligations	-5	
74.40	Obligated balance, end of year	39	1
Outlays (gross), detail:			
86.93	Outlays from discretionary balances	50	62
Net budget authority and outlays:			
89.00	Budget authority	-1	
90.00	Outlays	50	62

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. The VCRTF was authorized through 2000. Spending of prior-year appropriations continues.

Object Classification (in millions of dollars)

Identification code 20-8526-0-1-751	2002 actual	2003 est.	2004 est.
12.1	Civilian personnel benefits	1	1
25.2	Other services	4	6
25.3	Other purchases of goods and services from Government accounts	5	12
26.0	Supplies and materials	1	1
31.0	Equipment	2	2
99.9	Total new obligations	13	22

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 expenses of non-Federal law enforcement personnel to attend meetings concerned with 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, \$57,571,000, of which not to exceed \$4,500,000 shall remain available until September 30, 2006; and of which \$8,152,000 shall remain available until September 30, 2005: Provided, That funds appropriated in this account may be used to procure personal services contracts.

Note.—A regular 2003 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. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 20-0173-0-1-751	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Investigative analysis, BSA administration, and international activities	39	43	50
00.02 Regulatory support programs, including money services businesses	7	8	8
09.01 Reimbursable program	4	4	1
10.00 Total new obligations	50	55	59
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	4	5	5
22.00 New budget authority (gross)	52	55	59
23.90 Total budgetary resources available for obligation	56	60	64
23.95 Total new obligations	-50	-55	-59
24.40 Unobligated balance carried forward, end of year	5	5	5
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	48	51	58
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash)	2	4	1
68.10 Change in uncollected customer payments from Federal sources (unexpired)	2		
68.90 Spending authority from offsetting collections (total discretionary)	4	4	1
70.00 Total new budget authority (gross)	52	55	59
Change in obligated balances:			
72.40 Obligated balance, start of year	8	11	10
73.10 Total new obligations	50	55	59
73.20 Total outlays (gross)	-46	-54	-57
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-2		
74.40 Obligated balance, end of year	11	10	12
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	37	44	46
86.93 Outlays from discretionary balances	9	10	11
87.00 Total outlays (gross)	46	54	57
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-2	-4	-1
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	-2		
Net budget authority and outlays:			
89.00 Budget authority	48	51	58
90.00 Outlays	44	50	56
Additional net budget authority and outlays to cover cost of fully accruing retirement:			
99.00 Budget authority	1	2	2
99.01 Outlays	1	2	2

FinCEN, created in 1990 and elevated to bureau status in 2001, supports law enforcement investigations to prevent and detect money laundering, terrorist financing, and other financial crimes. FinCEN links law enforcement, financial, and regulatory communities into a single information-sharing network. Using Bank Secrecy Act (BSA) information reported by banks and other financial institutions, FinCEN serves as the nation's central clearinghouse for broad-based financial intelligence and information sharing on money laundering. This information helps illuminate the financial trail for investigators to follow as they track criminals and their assets.

Investigative Analysis, BSA Administration, and International Activities.—Through their investigative analysis efforts, FinCEN provides support for the investigation and prosecution of law enforcement cases at the Federal, state, local and international levels, using financial data collected under the BSA, as well as other commercial and law enforcement information. FinCEN serves as a catalyst for research, analysis, and dissemination of information on money laundering methods and trends through joint case analysis with law enforcement, integration of all source information and the application of state-of-art data processing techniques. FinCEN also establishes policies to administer the BSA effectively while balancing the associated burden imposed on the regulated financial institutions. Internationally, FinCEN maintains in-depth, country-specific expertise concerning money laundering, terrorist financing, and other financial crimes around the world to assist decision makers in developing and promoting U.S. government anti-money laundering policies. FinCEN also uses this expertise to promote the development of Financial Intelligence Units (FIUs) in other countries, and to facilitate investigative exchanges with them.

Regulatory Support Program, including Money Services Businesses.—This program supports new requirements to strengthen anti-money laundering controls with the money services business industry, casino, broker/dealer, securities, and other industries with new program or reporting requirements under the Bank Secrecy Act (BSA). The USA Patriot Act has expanded anti-money laundering program and reporting requirements to a number of industries previously not covered by the BSA. FinCEN will undertake programs to reach these new industry groups, as necessary. FinCEN will also continue efforts with the IRS, especially related to the money service business industry, to assure compliance, respond to public inquiries, distribute forms and publications, and support information processing of the BSA data.

PERFORMANCE MEASURES

	2002 actual	2003 est.	2004 est.
Number of subjects in completed investigative analytical reports	30,840	34,000–40,000	36,000–42,000
Number of investigative cases networked among law enforcement agencies	1,600	2,000–3,000	4,000–5,000
Percent of customers satisfied with investigative analytical reports	79%	80–83%	85–90%
Average time to process a civil penalty case [calendar year]	1.5 years	1.5 years	1.5 years
Number of investigative information exchanges coordinated with foreign jurisdictions	760	500–600	500–600

Object Classification (in millions of dollars)

Identification code 20-0173-0-1-751	2002 actual	2003 est.	2004 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	15	19	21
11.5 Other personnel compensation	1	1	1
11.9 Total personnel compensation	16	20	22
12.1 Civilian personnel benefits	3	4	5
21.0 Travel and transportation of persons	1	1	1
23.1 Rental payments to GSA	3	3	4
23.3 Communications, utilities, and miscellaneous charges		1	1

25.2	Other services	3	6	8
25.3	Other purchases of goods and services from Government accounts	11	8	9
25.4	Operation and maintenance of facilities	1	1	1
25.7	Operation and maintenance of equipment	6	5	5
31.0	Equipment	2	2	2
99.0	Direct obligations	46	51	58
99.0	Reimbursable obligations	4	4	1
99.9	Total new obligations	50	55	59

Personnel Summary

Identification code 20-0173-0-1-751	2002 actual	2003 est.	2004 est.
Direct:			
1001 Total compensable workyears: Civilian full-time equivalent employment	200	254	277
Reimbursable:			
2001 Total compensable workyears: Civilian full-time equivalent employment	5	5	

INTERAGENCY LAW ENFORCEMENT**Federal Funds****General and special funds:****INTERAGENCY CRIME AND DRUG ENFORCEMENT****Program and Financing (in millions of dollars)**

Identification code 20-1501-0-1-751	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Internal Revenue Service	66	66	
00.02 Bureau of Alcohol, Tobacco and Firearms	11	11	
00.03 United States Customs Service	31	30	
00.04 Departmental Offices		1	
10.00 Total new obligations (object class 25.3)	108	108	
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	108	108	
23.95 Total new obligations	-108	-108	
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	108	108	
Change in obligated balances:			
72.40 Obligated balance, start of year	64	4	
73.10 Total new obligations	108	108	
73.20 Total outlays (gross)	-168	-112	
74.40 Obligated balance, end of year	4		
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	104	108	
86.93 Outlays from discretionary balances	64	4	
87.00 Total outlays (gross)	168	112	
Net budget authority and outlays:			
89.00 Budget authority	108	108	
90.00 Outlays	168	112	

The Interagency Crime and Drug Enforcement fund has been transferred from the Department of the Treasury to the Department of Justice.

FINANCIAL MANAGEMENT SERVICE**Federal Funds****General and special funds:****SALARIES AND EXPENSES**

For necessary expenses of the Financial Management Service, \$228,606,000, of which not to exceed \$9,220,000 shall remain available until September 30, 2006, for information systems modernization ini-

tiatives; and of which not to exceed \$2,500 shall be available for official reception and representation expenses.

Note.—A regular 2003 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. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Unavailable Collections (in millions of dollars)

Identification code 20-1801-0-1-803	2002 actual	2003 est.	2004 est.
01.99 Balance, start of year			
Receipts:			
02.20 Debt collection fund	35	28	30
Appropriations:			
05.00 Debt collection fund	-35	-28	-30
07.99 Balance, end of year			

Program and Financing (in millions of dollars)

Identification code 20-1801-0-1-803	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
Direct program:			
00.05 Payments	143	130	134
00.06 Collections	12	16	16
00.07 Debt collection	43	48	50
00.08 Governmentwide accounting and reporting	49	55	59
09.01 Reimbursable program	133	110	119
10.00 Total new obligations	380	359	378

Budgetary resources available for obligation:

21.40 Unobligated balance carried forward, start of year	41	38	38
22.00 New budget authority (gross)	367	359	378
22.10 Resources available from recoveries of prior year obligations	11		
23.90 Total budgetary resources available for obligation	419	397	416
23.95 Total new obligations	-380	-359	-378
23.98 Unobligated balance expiring or withdrawn	-1		
24.40 Unobligated balance carried forward, end of year	38	38	40

New budget authority (gross), detail:

Discretionary:			
40.00 Appropriation	213	221	229
40.36 Unobligated balance rescinded	-14		
43.00 Appropriation (total discretionary)	199	221	229
Mandatory:			
60.20 Appropriation (special fund)	35	28	30
Spending authority from offsetting collections:			
Discretionary:			
68.00 Offsetting collections (cash)	131	110	119
68.10 Change in uncollected customer payments from Federal sources (unexpired)	2		
68.90 Spending authority from offsetting collections (total discretionary)	133	110	119
70.00 Total new budget authority (gross)	367	359	378

Change in obligated balances:

72.40 Obligated balance, start of year	38	40	41
73.10 Total new obligations	380	359	378
73.20 Total outlays (gross)	-359	-358	-376
73.40 Adjustments in expired accounts (net)	-4		
73.45 Recoveries of prior year obligations	-11		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-2		
74.10 Change in uncollected customer payments from Federal sources (expired)	-2		
74.40 Obligated balance, end of year	40	41	41

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	301	289	304
86.93 Outlays from discretionary balances	40	41	42
86.97 Outlays from new mandatory authority	17	28	30
86.98 Outlays from mandatory balances	1		
87.00 Total outlays (gross)	359	358	376

Offsets:

Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-131	-110	-119

General and special funds—Continued**SALARIES AND EXPENSES—Continued****Program and Financing (in millions of dollars)—Continued**

Identification code 20-1801-0-1-803	2002 actual	2003 est.	2004 est.
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	-2		
Net budget authority and outlays:			
89.00 Budget authority	234	249	259
90.00 Outlays	230	248	257
Additional net budget authority and outlays to cover cost of fully accruing retirement:			
99.00 Budget authority	10	11	12
99.01 Outlays	10	11	12

1. *Payments.*—FMS 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). The control and financial integrity of the Federal payments and collections process includes reconciliation, accounting, and claims activities. The claims activity settles 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.

PERFORMANCE MEASURES

	2002 actual	2003 est.	2004 est.
FMS will make paper check and EFT payments on time	100%	100%	100%
FMS will make paper check and EFT payments accurately	100%	100%	100%

WORKLOAD STATISTICS

(Thousands)

	2002 actual	2003 est.	2004 est.
1. Number of check claims submitted	1,736	1,400	1,350
2. Number of check payments	252,849 *	244,000	238,000
3. Number of electronic payments	665,905	677,000	696,000

* Does not include approximately 86 million tax relief (rebate) checks.

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.

PERFORMANCE MEASURES

	2002 actual	2003 est.	2004 est.
FMS will collect electronically the total dollar amount of Federal government receipts	79%	80%	81%

3. *Debt Collection.*—FMS provides debt collection operational services to client agencies which includes collection of delinquent accounts, offset 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.

PERFORMANCE MEASURES

	2002	2003	2004
Amount of delinquent debt collected through all available tools	\$2.84 billion	\$2.8 billion	\$2.9 billion
Percentage of delinquent debt referred to FMS for collection compared to amount eligible for referral	93%	85%	90%

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 gener-

ating a series of daily, monthly, quarterly and annual Government-wide reports. FMS also works directly with agencies to help reconcile reporting differences.

PERFORMANCE MEASURES

	2002 actual	2003 est.	2004 est.
FMS will issue accurate government-wide accounting reports	100%	100%	100%
FMS will issue accurate government-wide accounting reports on time	100%	100%	100%
Percentage of reporting locations with reconciliation differences, for deposits and payments, less than four months old	N/A	95%	95%

Object Classification (in millions of dollars)

Identification code 20-1801-0-1-803	2002 actual	2003 est.	2004 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	117	123	127
11.3 Other than full-time permanent	1	1	2
11.5 Other personnel compensation	3	3	3
11.9 Total personnel compensation	121	127	132
12.1 Civilian personnel benefits	27	26	28
21.0 Travel and transportation of persons	2	2	2
23.1 Rental payments to GSA	15	18	18
23.3 Communications, utilities, and miscellaneous charges	13	15	15
24.0 Printing and reproduction	1	1	1
25.1 Advisory and assistance services	5	4	4
25.2 Other services	26	26	27
25.3 Other purchases of goods and services from Government accounts	4	5	5
25.4 Operation and maintenance of facilities	1	1	1
25.7 Operation and maintenance of equipment	7	8	8
26.0 Supplies and materials	4	5	6
31.0 Equipment	19	10	11
32.0 Land and structures	1		
99.0 Direct obligations	246	248	258
99.0 Reimbursable obligations	132	110	119
99.5 Below reporting threshold	2	1	1
99.9 Total new obligations	380	359	378

Personnel Summary

Identification code 20-1801-0-1-803	2002 actual	2003 est.	2004 est.
Direct:			
1001 Total compensable workyears: Civilian full-time equivalent employment	1,894	2,073	2,086
Reimbursable:			
2001 Total compensable workyears: Civilian full-time equivalent employment	92	39	39

PAYMENT TO DEPARTMENT OF JUSTICE, FIRREA RELATED CLAIMS**Program and Financing (in millions of dollars)**

Identification code 20-0177-0-1-752	2002 actual	2003 est.	2004 est.
Change in obligated balances:			
72.40 Obligated balance, start of year	2	2	2
74.40 Obligated balance, 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 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 FIRREA and its implementation.

PAYMENT TO THE RESOLUTION FUNDING CORPORATION

Program and Financing (in millions of dollars)

Identification code 20–1851–0–1–908	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct program activity	675	1,191	1,707
10.00 Total new obligations (object class 41.0)	675	1,191	1,707
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	675	1,191	1,707
23.95 Total new obligations	–675	–1,191	–1,707
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation	675	1,191	1,707
Change in obligated balances:			
73.10 Total new obligations	675	1,191	1,707
73.20 Total outlays (gross)	–675	–1,191	–1,707
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	675	1,191	1,707
Net budget authority and outlays:			
89.00 Budget authority	675	1,191	1,707
90.00 Outlays	675	1,191	1,707

The Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) 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, 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	2002 actual	2003 est.	2004 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
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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 Brule Sioux Tribe Terrestrial Wildlife Restoration Trust Fund) until a total of \$57.4 million has been deposited.

FEDERAL RESERVE BANK REIMBURSEMENT FUND

Program and Financing (in millions of dollars)

Identification code 20–1884–0–1–803	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct program activity	113	135	150
10.00 Total new obligations (object class 25.2)	113	135	150
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	29		
22.00 New budget authority (gross)	84	135	150
23.90 Total budgetary resources available for obligation	113	135	150
23.95 Total new obligations	–113	–135	–150
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation	84	135	150
Change in obligated balances:			
72.40 Obligated balance, start of year	28	47	47
73.10 Total new obligations	113	135	150
73.20 Total outlays (gross)	–93	–135	–139
74.40 Obligated balance, end of year	47	47	58
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	64	57	61
86.98 Outlays from mandatory balances	29	78	78
87.00 Total outlays (gross)	93	135	139
Net budget authority and outlays:			
89.00 Budget authority	84	135	150
90.00 Outlays	94	135	139

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 20–1802–2–1–803	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct program activity			386
10.00 Total new obligations (object class 25.1)			386
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			386
23.95 Total new obligations			–386
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation			386
Change in obligated balances:			
73.10 Total new obligations			386
73.20 Total outlays (gross)			–386

General and special funds—Continued

FINANCIAL AGENT SERVICES—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 20–1802–2–1–803	2002 actual	2003 est.	2004 est.
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority			386
Net budget authority and outlays:			
89.00 Budget authority			386
90.00 Outlays			386

The Budget includes a proposal to establish a permanent, indefinite appropriation to allow the Financial Management Service to reimburse financial institutions for services provided in their capacity as depositaries and fiscal agents for the United States. The services provided are authorized under numerous statutes, including, but not limited to, 12 U.S.C. 90 and 265. 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.

See Chapter 13, “Federal Borrowing and Debt,” of Analytical Perspectives for further discussion.

INTEREST ON UNINVESTED FUNDS

Program and Financing (in millions of dollars)

Identification code 20–1860–0–1–908	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct program activity	6	8	6
10.00 Total new obligations (object class 43.0)	6	8	6
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	6	8	6
23.95 Total new obligations	–6	–8	–6
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation	6	8	6
Change in obligated balances:			
72.40 Obligated balance, start of year			19
73.10 Total new obligations	6	8	6
73.20 Total outlays (gross)	–8	–8	–5
74.40 Obligated balance, end of year	19	19	20
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	6	8	5
86.98 Outlays from mandatory balances	2		
87.00 Total outlays (gross)	8	8	5
Net budget authority and outlays:			
89.00 Budget authority	6	8	6
90.00 Outlays	8	8	5

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). Pursuant to Public Law 101–510, commencing October 1, 1991, the Soldiers’ Home Permanent Fund will be invested in Treasury securities.

FEDERAL INTEREST LIABILITIES TO THE STATES

Program and Financing (in millions of dollars)

Identification code 20–1877–0–1–908	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct program activity	6	4	6
10.00 Total new obligations (object class 25.2)	6	4	6
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	6	4	6
22.10 Resources available from recoveries of prior year obligations	1		
23.90 Total budgetary resources available for obligation	7	4	6
23.95 Total new obligations	–6	–4	–6
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation	6	4	6
Change in obligated balances:			
72.40 Obligated balance, start of year	1		
73.10 Total new obligations	6	4	6
73.20 Total outlays (gross)	–6	–4	–6
73.45 Recoveries of prior year obligations	–1		
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	6	4	6
Net budget authority and outlays:			
89.00 Budget authority	6	4	6
90.00 Outlays	6	4	6

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	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct program activity	4,276	3,787	3,812
10.00 Total new obligations (object class 43.0)	4,276	3,787	3,812
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	4,276	3,787	3,812
23.95 Total new obligations	–4,276	–3,787	–3,812
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation	4,276	3,787	3,812
Change in obligated balances:			
73.10 Total new obligations	4,276	3,787	3,812
73.20 Total outlays (gross)	–4,276	–3,787	–3,812
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	4,276	3,787	3,812
Net budget authority and outlays:			
89.00 Budget authority	4,276	3,787	3,812
90.00 Outlays	4,276	3,787	3,812

Loan guarantee financing accounts receive various payments and fees and make payments on defaults. When cash balances result from an excess of receipts over outlays, these balances are deposited at the Treasury and earn interest. This account pays such interest to credit loan guarantee financing accounts from the general fund of the Treasury in accordance with section 505(c) of the Federal Credit Reform Act of 1990. The estimates of interest paid by this fund are

derived from the estimates of interest received in the various financing accounts.

CLAIMS, JUDGMENTS, AND RELIEF ACTS

Program and Financing (in millions of dollars)

Identification code 20—1895—0—1—808	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Claims adjudicated administratively:			
00.03 Claims for damages	6	6	7
00.03 Claims for contract disputes	338	126	128
00.91 Total claims adjudicated administratively	344	132	135
Court judgments:			
01.01 Judgments, Court of Claims	313	30	35
01.02 Judgments, U.S. courts	1,193	759	765
01.91 Total court judgments	1,506	789	800
09.01 Reimbursable program	5		
10.00 Total new obligations	1,855	921	935
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	1,855	921	935
23.95 Total new obligations	—1,855	—921	—935
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation	1,850	921	935
69.00 Offsetting collections (cash)	5		
70.00 Total new budget authority (gross)	1,855	921	935
Change in obligated balances:			
72.40 Obligated balance, start of year	126	154	
73.10 Total new obligations	1,855	921	935
73.20 Total outlays (gross)	—1,827	—1,075	—935
74.40 Obligated balance, end of year	154		
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	1,827	921	935
86.98 Outlays from mandatory balances		154	
87.00 Total outlays (gross)	1,827	1,075	935
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources	—5		
Net budget authority and outlays:			
89.00 Budget authority	1,850	921	935
90.00 Outlays	1,822	1,075	935

Appropriations are made 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	2002 actual	2003 est.	2004 est.
42.0 Direct obligations: Insurance claims and indemnities	1,850	921	935
99.0 Reimbursable obligations: Reimbursable obligations ...	5		
99.9 Total new obligations	1,855	921	935

PAYMENT OF ANTI-TERRORISM JUDGMENTS

Program and Financing (in millions of dollars)

Identification code 20—1811—0—1—808	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct program activity	146	23	

10.00	Total new obligations (object class 42.0)	146	23
Budgetary resources available for obligation:			
21.40	Unobligated balance carried forward, start of year	169	23
23.95	Total new obligations	—146	—23
24.40	Unobligated balance carried forward, end of year	23	

Change in obligated balances:

73.10	Total new obligations	146	23
73.20	Total outlays (gross)	—146	—23

Outlays (gross), detail:

86.98	Outlays from mandatory balances	146	23
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Net budget authority and outlays:

89.00	Budget authority		
90.00	Outlays	146	23

This account was established pursuant to section 2002 of the Victims of Trafficking and Violence Protection Act, Public Law 106–386, for the purpose of making payments to persons who hold certain categories of judgments against Iran in suits brought under 28 U.S.C. 1605a(7).

RESTITUTION OF FOREGONE INTEREST

Program and Financing (in millions of dollars)

Identification code 20—1875—0—1—908	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01	Direct Program Activity	183	
10.00	Total new obligations (object class 43.0)	183	
Budgetary resources available for obligation:			
22.00	New budget authority (gross)	183	
23.95	Total new obligations	—183	
New budget authority (gross), detail:			
Mandatory:			
60.00	Appropriation	183	
Change in obligated balances:			
73.10	Total new obligations	183	
73.20	Total outlays (gross)	—183	
Outlays (gross), detail:			
86.97	Outlays from new mandatory authority	183	
Net budget authority and outlays:			
89.00	Budget authority	183	
90.00	Outlays	183	

The payment of interest on investments in Treasury securities that the Secretary of the Treasury suspended or redeemed during the “debt limit suspension period” that he declared during 2002. The statutes permit this action when Treasury is constrained by the statutory debt limit. They require that the Treasury 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 to the Civil Service Retirement and Disability Fund for \$15 million and the G-Fund within the Thrift Savings Fund for \$168 million.

BIOMASS ENERGY DEVELOPMENT

Program and Financing (in millions of dollars)

Identification code 20—0114—0—1—271	2002 actual	2003 est.	2004 est.
Budgetary resources available for obligation:			
21.40	Unobligated balance carried forward, start of year	11	15
22.00	New budget authority (gross)	4	4
23.90	Total budgetary resources available for obligation	15	19

General and special funds—Continued**BIOMASS ENERGY DEVELOPMENT—Continued****Program and Financing (in millions of dollars)—Continued**

Identification code 20-0114-0-1-271	2002 actual	2003 est.	2004 est.
23.98 Unobligated balance expiring or withdrawn		-19	-5
24.40 Unobligated balance carried forward, end of year	15		
New budget authority (gross), detail:			
Discretionary:			
68.00 Spending authority from offsetting collections			
(gross): Offsetting collections (cash)	4	4	5
Change in obligated balances:			
72.40 Obligated balance, start of year	1	2	2
74.40 Obligated balance, end of year	2	2	2
Offsets:			
Against gross budget authority and outlays:			
88.45 Offsetting collections (cash) from: Offsetting gov-			
ernmental collections (from non-Federal sources)	-4	-4	-5
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	-4	-4	-5

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. 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.

CONTINUED DUMPING AND SUBSIDY OFFSET**Unavailable Collections (in millions of dollars)**

Identification code 20-5688-0-2-376	2002 actual	2003 est.	2004 est.
01.99 Balance, start of year			
Receipts:			
02.00 Continued dumping receipts	312	321	331
Appropriations:			
05.00 Continued dumping appropriations	-312	-321	-331
07.99 Balance, end of year			

Program and Financing (in millions of dollars)

Identification code 20-5688-0-2-376	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct program activity	543	305	314
10.00 Total new obligations (object class 41.0)	543	305	314
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	247	16	32
22.00 New budget authority (gross)	312	321	331
23.90 Total budgetary resources available for obligation	559	337	363
23.95 Total new obligations	-543	-305	-314
24.40 Unobligated balance carried forward, end of year	16	32	49
New budget authority (gross), detail:			
Mandatory:			
60.20 Appropriation (special fund)	312	321	331
Change in obligated balances:			
72.40 Obligated balance, start of year		312	296
73.10 Total new obligations	543	305	314
73.20 Total outlays (gross)	-231	-321	-331
74.40 Obligated balance, end of year	312	296	279
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority		305	314

86.98 Outlays from mandatory balances	231	16	17
87.00 Total outlays (gross)	231	321	331
Net budget authority and outlays:			
89.00 Budget authority	312	321	331
90.00 Outlays	231	321	331

The U.S. Customs Service 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 Customs Service currently distributes these duties to affected domestic producers. These distributions provide a significant additional benefit to procedures that already gain protection from the increased import prices provided by the tariffs. While the Administration does not believe that these payments are inconsistent with U.S. treaty obligations, legislative repeal of the provision would allow the funds to be directed to higher priority uses.

Public enterprise revolving fund:**CHECK FORGERY INSURANCE FUND****Program and Financing (in millions of dollars)**

Identification code 20-4109-0-3-803	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct program		3	3
09.01 Reimbursable program	23	20	17
10.00 Total new obligations	23	23	20
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	11	11	11
22.00 New budget authority (gross)	23	23	20
23.90 Total budgetary resources available for obligation	34	34	31
23.95 Total new obligations	-23	-23	-20
24.40 Unobligated balance carried forward, end of year	11	11	11
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation		3	3
69.00 Offsetting collections (cash)	23	20	17
70.00 Total new budget authority (gross)	23	23	20
Change in obligated balances:			
72.40 Obligated balance, start of year	1		
73.10 Total new obligations	23	23	20
73.20 Total outlays (gross)	-24	-23	-20
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	23	12	20
86.98 Outlays from mandatory balances	1	11	
87.00 Total outlays (gross)	24	23	20
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-23	-20	-17
Net budget authority and outlays:			
89.00 Budget authority		3	3
90.00 Outlays	1	3	3

This fund was established as a permanent, indefinite appropriation in order to maintain adequate funding of the Check Forgery Insurance Fund (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 endorers of the checks. If the U.S. Treasury is unable to recover funds through reclamation procedures, the Fund sustains the loss.

Object Classification (in millions of dollars)				
Identification code	2002 actual	2003 est.	2004 est.	
20-4109-0-3-803				
42.0 Direct obligations: Insurance claims and indemnities		3	3	
42.0 Reimbursable obligations: Insurance claims and indemnities	23	20	17	
99.9 Total new obligations	23	23	20	

Trust Funds**CHEYENNE RIVER SIOUX TRIBE TERRESTRIAL WILDLIFE HABITAT RESTORATION TRUST FUND**

Unavailable Collections (in millions of dollars)				
Identification code	2002 actual	2003 est.	2004 est.	
20-8209-0-7-306				
01.99 Balance, start of year	16	21	26	
Receipts:				
02.40 General fund payments, Cheyenne river sioux tribe terrestrial wildlife habitat restoration	4	4	4	
02.41 Earnings on investments			1	
02.42 General fund payments, Lower bruel sioux tribe terrestrial wildlife habitat restoration	1	1	1	
02.99 Total receipts and collections	5	5	6	
04.00 Total: Balances and collections	21	26	32	
Appropriations:				
05.00 Cheyenne river sioux tribe terrestrial wildlife habitat restoration				
07.99 Balance, end of year	21	26	32	

Program and Financing (in millions of dollars)

Identification code	2002 actual	2003 est.	2004 est.	
20-8209-0-7-306				
New budget authority (gross), detail:				
Mandatory:				
60.26 Appropriation (trust fund)	5	5	5	
60.45 Portion precluded from obligation	-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	16	22	27	
92.02 Total investments, end of year: Federal securities: Par value	22	27	33	

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 ACTIVITIES**Federal Funds****Intragovernmental funds:****FEDERAL FINANCING BANK****Program and Financing (in millions of dollars)**

Identification code	2002 actual	2003 est.	2004 est.	
20-4521-0-4-803				
Obligations by program activity:				
09.01 Administrative expenses	3	3	3	
09.02 Interest on borrowings from Treasury	2,040	2,268	2,482	
09.03 Interest on borrowings from civil service retirement trust fund	1,337	403		

10.00	Total new obligations	3,380	2,674	2,485
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	1	1	1
22.00	New budget authority (gross)	3,380	2,673	2,485
23.90	Total budgetary resources available for obligation	3,381	2,674	2,486
23.95	Total new obligations	-3,380	-2,674	-2,485
24.40	Unobligated balance carried forward, end of year	1	1	1

New budget authority (gross), detail:

Mandatory:				
67.10	Authority to borrow	139	50	58
69.00	Offsetting collections (cash)	3,329	2,623	2,427
69.47	Portion applied to repay debt	-88		
69.90	Spending authority from offsetting collections (total mandatory)	3,241	2,623	2,427
70.00	Total new budget authority (gross)	3,380	2,673	2,485

Change in obligated balances:

72.40	Obligated balance, start of year	337	337	337
73.10	Total new obligations	3,380	2,674	2,485
73.20	Total outlays (gross)	-3,380	-2,673	-2,485
74.40	Obligated balance, end of year	337	337	337

Outlays (gross), detail:

86.97	Outlays from new mandatory authority	3,380	2,673	2,485
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Offsets:

Against gross budget authority and outlays:				
88.00	Offsetting collections (cash) from: Federal sources	-3,329	-2,623	-2,427

Net budget authority and outlays:

89.00	Budget authority	51	50	58
90.00	Outlays	51	50	58

The Federal Financing Bank (FFB) was created in 1973 to reduce the costs of 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 meeting the financing requirements 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 is set at 1/8 percent above Treasury rates and 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.

Under a provision in the 1987 enabling legislation for the Agriculture Department's Cushion of credit payments program, the FFB receives substantially less interest each year on certain loans that it holds than it is contractually entitled

Intragovernmental funds—Continued**FEDERAL FINANCING BANK—Continued**

to receive. This provision, however, does not reduce the amount of interest the FFB owes on its corresponding loans from Treasury. The shortfalls in interest received by the FFB as a result of the provision resulted in substantial losses to the FFB in the past. The FFB will likely experience future losses due to this provision.

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. In October 2002, the FFB redeemed \$15 billion of debt that it had issued to the Civil Service Retirement and Disability Fund. The FFB repaid this debt by borrowing from the Treasury.

NET LENDING AND LOANS OUTSTANDING, END OF YEAR

(in millions of dollars)

	2002 actual	2003 est.	2004 est.
A. Department of Agriculture:			
1. Rural housing loans:			
Lending, net	-1,470	-1,075	.....
Loans outstanding	2,905	1,830	1,830
2. Rural development loans:			
Lending, net	-1,485	-145	-605
Loans outstanding	950	805	200
3. Rural Utilities Service:			
Lending, net	459	437	400
Loans outstanding	18,325	18,762	18,162
B. Department of Defense:			
1. Defense working capital funds:			
Lending, net	-160	-160	-115
Loans outstanding	781	621	506
C. Department of Education:			
1. Historically black colleges and universities:			
Lending, net	37	20	40
Loans outstanding	69	89	129
D. Department of Housing and Urban Development:			
1. Section 108 guaranteed loans:			
Lending, net	-3	-2	-2
Loans outstanding	5	3	1
2. Low-rent public housing:			
Lending, net	-71	-71	-71
Loans outstanding	1,207	1,136	1,065
E. Department of the Interior:			
1. Territory of the Virgin Islands:			
Lending, net	-2	-1	-2
Loans outstanding	11	10	8
F. Department of Transportation:			
1. Railroad Revitalization and Regulatory Reform Act:			
Lending, net .....	.....	.....	.....
Loans outstanding	3	3	3
G. General Services Administration:			
1. Federal buildings fund:			
Lending, net	-62	-10	10
Loans outstanding	2,206	2,198	2,206
H. International Assistance Programs:			
1. Foreign military sales credit:			
Lending, net	-234	-234	-223
Loans outstanding	1,923	1,689	1,466
I. Small Business Administration:			
1. Section 503 guaranteed loans:			
Lending, net	-30	-15	-11
Loans outstanding	102	87	76
J. Postal Service:			
Lending, net	-199	-4,291	-3,046
Loans outstanding	11,114	6,823	3,777
Total lending:			
Lending, net	-3,220	-5,547	-3,625
Loans outstanding	39,601	34,054	30,429

Summary of Budget Authority and Outlays

(in millions of dollars)

	2002 actual	2003 est.	2004 est.
Enacted/requested:			
Budget Authority	51	50	58
Outlays	51	50	58
Legislative proposal, not subject to PAYGO:			
Budget Authority .....	.....	2	5
Outlays .....	.....	2	5

Total:			
Budget Authority	51	52	63
Outlays	51	52	63

Balance Sheet (in millions of dollars)

Identification code 20-4521-0-4-803	2001 actual	2002 actual	2003 est.	2004 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	577	577	577	577
Investments in US securities:				
1104 Agency securities, par	42,609	39,230	37,175	36,218
1106 Receivables, net	873	529	457	382
1999 Total assets	44,059	40,336	38,209	37,177
LIABILITIES:				
Federal liabilities:				
2101 Accounts payable	1,198	858	786	711
Debt:				
2103 Borrowing from Treasury	27,979	24,792	37,787	36,889
2103 Borrowing from the Civil service retirement trust fund	15,000	15,000	.....	.....
2999 Total liabilities	44,177	40,650	38,573	37,600
NET POSITION:				
3300 Cumulative results of operations	-118	-314	-364	-423
3999 Total net position	-118	-314	-364	-423
4999 Total liabilities and net position	44,059	40,336	38,209	37,177

Object Classification (in millions of dollars)

Identification code 20-4521-0-4-803	2002 actual	2003 est.	2004 est.
25.2 Other services	3	3	3
43.0 Interest and dividends	3,377	2,671	2,482
99.9 Total new obligations	3,380	2,674	2,485

FEDERAL FINANCING BANK

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 20-4521-2-4-803	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Interest on Borrowing from Treasury		2	5
09.01 Interest on Borrowing from Treasury		-25	-78
10.00 Total new obligations		-23	-73
Budgetary resources available for obligation:			
22.00 New budget authority (gross)		-23	-73
23.95 Total new obligations		23	73
New budget authority (gross), detail:			
Mandatory:			
67.10 Authority to borrow		2	5
69.00 Offsetting collections (cash)		-25	-78
70.00 Total new budget authority (gross)		-23	-73
Change in obligated balances:			
73.10 Total new obligations		-23	-73
73.20 Total outlays (gross)		23	73
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority		-23	-73
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources		25	78
Net budget authority and outlays:			
89.00 Budget authority		2	5
90.00 Outlays		2	5

Two of the Administration's legislative proposals would affect the FFB's interest payments and balances of outstanding

debt. First, proposed legislation reducing payments from the Postal Service to the Civil Service Retirement and Disability Fund would allow the Postal Service Fund to repay its loans from the FFB earlier than projected under current law. Second, proposed legislation in the Native American and Transitional Housing Direct Loan Program would eliminate its need to borrow through the FFB.

Balance Sheet (in millions of dollars)

Identification code 20-4521-2-4-803	2001 actual	2002 actual	2003 est.	2004 est.
ASSETS:				
Federal assets:				
Investments in US securities:				
1104 Agency securities, par			-3,499	-6,194
1106 Receivables, net			-8	-23
1999 Total assets			-3,507	-6,217
LIABILITIES:				
Federal liabilities:				
2101 Accounts payable			-8	-23
2103 Borrowing from Treasury			-3,497	-6,187
2999 Total liabilities			-3,505	-6,210
NET POSITION:				
3300 Cumulative results of operations			-2	-7
3999 Total net position			-2	-7
4999 Total liabilities and net position			-3,507	-6,217

Object Classification (in millions of dollars)

Identification code 20-4521-2-4-803	2002 actual	2003 est.	2004 est.
43.0 Direct obligations: Interest and dividends		2	5
43.0 Reimbursable obligations: Interest and dividends		-25	-78
99.9 Total new obligations		-23	-73

ALCOHOL AND TOBACCO TAX AND TRADE BUREAU

Federal Funds**General and special 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, \$80,000,000; of which not to exceed \$2,000 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.

Program and Financing (in millions of dollars)

Identification code 20-1008-0-1-803	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Protect the Public	21	23	23
00.02 Collect revenue	52	57	57
01.92 Total direct program	73	80	80
09.01 Reimbursable program	1	1	1
10.00 Total new obligations	74	81	81
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	74	81	81
23.95 Total new obligations	-74	-81	-81

New budget authority (gross), detail:

Discretionary:			
40.00 Appropriation	73	80	80
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	1	1	1
70.00 Total new budget authority (gross)	74	81	81

Change in obligated balances:

72.40 Obligated balance, start of year	6	7
73.10 Total new obligations	74	81
73.20 Total outlays (gross)	-68	-79
74.40 Obligated balance, end of year	6	7

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	68	73	73
86.93 Outlays from discretionary balances		6	8
87.00 Total outlays (gross)	68	79	81

Offsets:

Against gross budget authority and outlays:

Offsetting collections (cash) from:

Federal sources:			
88.00 Drug enforcement			
88.00 Other Federal sources	-1	-1	-1
88.90 Total, offsetting collections (cash)	-1	-1	-1

Net budget authority and outlays:

89.00 Budget authority	73	80	80
90.00 Outlays	67	78	80

Additional net budget authority and outlays to cover cost of fully accruing retirement:

99.00 Budget authority	3	3	3
99.01 Outlays	3	3	3

The Homeland Security Act created a new bureau within the United States Department of the Treasury charged with collecting revenue and protecting the public. This new bureau enforces the Federal laws and regulations relating to alcohol and tobacco by working directly and in cooperation with others to: (1) Maintain a sound revenue management and regulatory system that continues reducing taxpayer burden, improving service, collecting the revenue due and preventing tax evasion and other criminal conduct; and (2) Protect the public and prevent consumer deception in regulated commodities.

Performance measurements continue to be refined and improved in order to provide viable output and outcome measures for the bureau. The organization is participating in the American Customer Satisfaction Index with the University of Michigan to benchmark customer services satisfaction (e.g. Certificates of Label Approvals).

Object Classification (in millions of dollars)

Identification code 20-1008-0-1-803	2002 actual	2003 est.	2004 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	27	30	33
11.5 Other personnel compensation	6	5	1
11.9 Total personnel compensation	33	35	34
12.1 Civilian personnel benefits	12	13	10
21.0 Travel and transportation of persons	2	2	5
23.1 Rental payments to GSA	5	5	7
23.3 Communications, utilities, and miscellaneous charges	2	3	2
25.2 Other services	11	11	19
26.0 Supplies and materials	1	2	1
31.0 Equipment	7	7	2
32.0 Land and structures		2	
99.0 Direct obligations	73	80	80
99.0 Reimbursable obligations	1	1	1
99.9 Total new obligations	74	81	81

Personnel Summary

Identification code 20-1008-0-1-803	2002 actual	2003 est.	2004 est.
Direct:			
1001 Total compensable workyears: Civilian full-time equivalent employment	543	544	544
Reimbursable:			
2001 Total compensable workyears: Civilian full-time equivalent employment	16	15	15

General and special funds—Continued

INTERNAL REVENUE COLLECTIONS FOR PUERTO RICO

Unavailable Collections (in millions of dollars)

Identification code 20-5737-0-2-806	2002 actual	2003 est.	2004 est.
01.99 Balance, start of year			
Receipts:			
02.00 Deposits, internal revenue collections for Puerto Rico	341	355	307
02.00 Legislative proposal subject to PAYGO			57
02.99 Total receipts and collections	341	355	364
Appropriations:			
05.00 Internal revenue collections for Puerto Rico	-341	-355	-307
05.00 Legislative proposal subject to PAYGO			-57
05.99 Total appropriations	-341	-355	-364
07.99 Balance, end of year			

Program and Financing (in millions of dollars)

Identification code 20-5737-0-2-806	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct program activity	341	355	307
10.00 Total new obligations (object class 41.0)	341	355	307
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	341	355	307
23.95 Total new obligations	-341	-355	-307
New budget authority (gross), detail:			
Mandatory:			
60.20 Appropriation (special fund)	341	355	307
Change in obligated balances:			
73.10 Total new obligations	341	355	307
73.20 Total outlays (gross)	-341	-355	-307
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	341	355	307
Net budget authority and outlays:			
89.00 Budget authority	341	355	307
90.00 Outlays	341	355	307

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).

Summary of Budget Authority and Outlays

(in millions of dollars)	2002 actual	2003 est.	2004 est.
Enacted/requested:			
Budget Authority	341	355	307
Outlays	341	355	307
Legislative proposal, subject to PAYGO:			
Budget Authority			57
Outlays			57
Total:			
Budget Authority	341	355	364
Outlays	341	355	364

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	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct program activity			57
10.00 Total new obligations (object class 41.0)			57
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			57
23.95 Total new obligations			-57
New budget authority (gross), detail:			
Mandatory:			
60.20 Appropriation (special fund)			57
Change in obligated balances:			
73.10 Total new obligations			57
73.20 Total outlays (gross)			-57
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority			57
Net budget authority and outlays:			
89.00 Budget authority			57
90.00 Outlays			57

Excise taxes 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 are transferred (covered over) to Puerto Rico and the Virgin Islands under a permanent provision at a rate of \$10.50 per proof gallon. A temporary cover-over rate of \$13.25 a proof gallon applies until the end of 2003. The Budget proposes to extend the temporary cover-over rate through the end of 2005.

BUREAU OF ENGRAVING AND PRINTING

Federal Funds

Intragovernmental funds:

BUREAU OF ENGRAVING AND PRINTING FUND

Program and Financing (in millions of dollars)

Identification code 20-4502-0-4-803	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
09.01 Currency program	384	465	488
09.02 Postage program	46	40	38
09.03 Other programs	13	8	7
09.11 Purchase of operating equipment	44	99	99
09.12 Plant alterations and experimental equipment	1	1	1
10.00 Total new obligations	488	613	633
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	154	109	9
22.00 New budget authority (gross)	443	513	533
23.90 Total budgetary resources available for obligation	597	622	542
23.95 Total new obligations	-488	-613	-633
24.40 Unobligated balance carried forward, end of year	109	9	-91
New budget authority (gross), detail:			
Discretionary:			
68.00 Spending authority from offsetting collections (gross): Offsetting collections (cash)	443	513	533
Change in obligated balances:			
72.40 Obligated balance, start of year	81	25	105
73.10 Total new obligations	488	613	633
73.20 Total outlays (gross)	-544	-533	-533

74.40	Obligated balance, end of year	25	105	205
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	443	513	533
86.93	Outlays from discretionary balances	101	20	
87.00	Total outlays (gross)	544	533	533
Offsets:				
Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
Federal sources:				
88.00	Postage	-46	-40	-38
88.00	Other	-13	-8	-7
88.40	Currency	-384	-465	-488
88.90	Total, offsetting collections (cash)	-443	-513	-533
Net budget authority and outlays:				
89.00	Budget authority			
90.00	Outlays	101	20	

The Bureau of Engraving and Printing designs, manufactures, and supplies Federal Reserve notes, various public debt instruments, as well as most evidences of a financial character issued by the United States, such as postage and internal revenue stamps. The Bureau executes certain printings for various territories administered by the United States, particularly postage and revenue stamps.

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 2003 and 2004 are estimated to be 8.2 and 8.5 billion respectively. During 2002, the Bureau delivered 7.0 billion Federal Reserve notes.

Stamps.—This category of work is comprised of postal and internal revenue stamps. The projected requirements of 2003 and 2004 are estimated to be 9.0 billion and 7.5 billion stamps, respectively. In 2002, the Bureau delivered 12.2 billion stamps.

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.

Space utilized by other agencies.—Other agencies are charged for services provided in the space occupied in the Bureau's buildings.

Other miscellaneous services.—A wide variety of miscellaneous services are performed by Bureau personnel for other agencies, which are charged on an actual cost basis.

Purchase of operating equipment.—This category consists of new purchases and replacement of printing equipment and other related printing items.

Plant alterations and experimental equipment.—This category encompasses alterations made on the Bureau's buildings and purchases of experimental equipment.

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 2002 resulted in a decrease to retained earnings of \$29 million.

PERFORMANCE MEASURES

	2002 actual	2003 est.	2004 est.
Manufacturing workyears	1,775	1,820	1,780
Protection and accountability of assets	452	460	460
Resource management workyears	345	340	330
Total workyears	2,572	2,620	2,570
Manufacturing:			
Federal Reserve orders met as requested	100%	100%	100%
USPS orders met as requested	100%	Discontinued	Discontinued
Change in productivity from prior year	-6.3%	0%	Discontinued
Manufacturing cost for currency (cost per 1000 notes)	\$30.03	\$31.00	\$35.00
Manufacturing cost for stamps 100 stamp flag coil pressure sensitive (cost per 1000 stamps)	\$1.48	Discontinued	Discontinued
Notes returned by Federal Reserve due to manufacturing defect (per million notes)	.006	.025	Discontinued
Stamps returned by USPS due to manufacturing defect (per million stamps)	.02	Discontinued	Discontinued
Notes returned by Federal Reserve because of counterfeit deterrence defect (per million notes)	.0142	Discontinued	Discontinued
Maintain/Upgrade ISO Certification	Certified	Certified	Certified
Workload Measure:			
Federal Reserve note deliveries (in billions)	7.0	8.2	8.5
Postage stamp deliveries (in billions)	12.2	9.0	7.5
Protection and Accountability of Assets:			
Currency shipment discrepancies (per million notes)	0.0	0.01	0.01
Postage Stamp discrepancies (per million stamps)	2.11	Discontinued	Discontinued
Resource Management:			
Annual financial statement audit opinion	Unqualified	Unqualified	Unqualified

¹ Unqualified opinion received.

² Unqualified opinion expected.

Statement of Operations (in millions of dollars)

Identification code 20-4502-0-4-803	2001 actual	2002 actual	2003 est.	2004 est.
0101 Revenue	391	443	513	533
0102 Expense	-436	-472	-533	-533
0105 Net income or loss (-)	-45	-29	-20	

Balance Sheet (in millions of dollars)

Identification code 20-4502-0-4-803	2001 actual	2002 actual	2003 est.	2004 est.
ASSETS:				
Non-Federal assets:				
1206 Receivables, net	22	71	30	20
1207 Advances and prepayments	2	4	1	1
Other Federal assets:				
1801 Cash and other monetary assets	238	137	168	100
1802 Inventories and related properties	73	79	49	30
1803 Property, plant and equipment, net	299	307	337	350
1901 Other assets—Machinery repair parts	21	21	20	15
1999 Total assets	655	619	605	516
LIABILITIES:				
Federal liabilities: Accounts payable				
2101	8	16	20	10
Non-Federal liabilities:				
2201 Accounts payable	39	26	25	20
2206 Pension and other actuarial liabilities	59	57	60	65
2999 Total liabilities	106	99	105	95
NET POSITION:				
3100 Appropriated capital	32	32	32	32
3300 Cumulative results of operations	517	488	468	389
3999 Total net position	549	520	500	421
4999 Total liabilities and net position	655	619	605	516

Object Classification (in millions of dollars)

Identification code 20-4502-0-4-803	2002 actual	2003 est.	2004 est.
Personnel compensation:			
11.1 Full-time permanent	148	162	168
11.3 Other than full-time permanent	2	5	5
11.5 Other personnel compensation	12	23	24
11.9 Total personnel compensation	162	190	197
12.1 Civilian personnel benefits	42	55	56
21.0 Travel and transportation of persons	1	5	5
23.1 Rental payments to GSA	2	3	3
23.3 Communications, utilities, and miscellaneous charges	15	30	35
24.0 Printing and reproduction		1	1
25.2 Other services	46	51	60

Intragovernmental funds—Continued**BUREAU OF ENGRAVING AND PRINTING FUND—Continued****Object Classification** (in millions of dollars)—Continued

Identification code 20-4502-0-4-803	2002 actual	2003 est.	2004 est.
26.0 Supplies and materials	157	178	176
31.0 Equipment	63	100	100
99.9 Total new obligations	488	613	633

Personnel Summary

Identification code 20-4502-0-4-803	2002 actual	2003 est.	2004 est.
Reimbursable:			
2001 Total compensable workyears: Civilian full-time equivalent employment	2,400	2,627	2,627

UNITED STATES MINT**Federal Funds****Public enterprise revolving 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 2004 under such section 5136 for circulating coinage and protective service capital investments of the United States Mint shall not exceed \$40,652,000.

Program and Financing (in millions of dollars)

Identification code 20-4159-0-3-803	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
09.01 Circulating coinage	176	236	244
09.02 Commemorative states quarters	158	226	236
09.03 Numismatic and investment products	362	445	450
09.04 Protection	42	39	41
10.00 Total new obligations	738	946	971
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	15	64	64
22.00 New budget authority (gross)	827	946	971
22.40 Capital transfer to general fund	-40		
23.90 Total budgetary resources available for obligation	802	1,010	1,035
23.95 Total new obligations	-738	-946	-971
24.40 Unobligated balance carried forward, end of year	64	64	64
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	13		
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash)	804	946	971
68.10 Change in uncollected customer payments from Federal sources (unexpired)	10		
68.90 Spending authority from offsetting collections (total discretionary)	814	946	971
70.00 Total new budget authority (gross)	827	946	971
Change in obligated balances:			
72.40 Obligated balance, start of year	250	237	237
73.10 Total new obligations	738	946	971
73.20 Total outlays (gross)	-741	-946	-971
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-10		
74.40 Obligated balance, end of year	237	237	237
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	741	946	971

Offsets:

Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
Non-Federal sources:			
88.40 Circulating coinage	-206	-254	-262
88.40 Commemorative quarters	-194	-247	-259
88.40 Numismatic and investment products	-404	-445	-450
88.90 Total, offsetting collections (cash)	-804	-946	-971
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	13		
90.00 Outlays	-63		

The United States Mint manufactures coins, sells numismatic and investment products, and provides for 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 Fund encompasses the previous Salaries and Expenses, Coinage Profit Fund, Coinage Metal Fund, and the Numismatic Public Enterprise 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 activities: 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 coins that are put into circulation, including 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 the costs of production and distribution. The difference between the face value of the coins and these costs are profit, which is deposited as seigniorage to the general fund. In 2002, the Mint transferred \$1,030 million to the general fund. Any seigniorage used to finance the Mint's capital acquisitions is recorded as budget authority in the year that funds are obligated for this purpose, and as receipts over the life of the asset.

Circulating Coinage.—This activity funds the manufacture of circulating coins for sale to the Federal Reserve System as determined by public demand. In 2004, this activity will manufacture 13.8 billion coins for sale to the Federal Reserve System. In 1996, with the merger of the former Coinage Metal Fund into the Mint Public Enterprise Fund, the Mint began including the cost of metal in the Circulating Coinage activity.

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, and national and historic medals. The activity also includes nonrecurring programs for coins and medals which are legislated to commemorate specific events or individuals. In 2004, this activity will fund the Thomas A. Edison Commemorative Coin Program and the Lewis and Clark Expedition Commemorative Coin Program. 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 will be issued in the order of each state's admission to the Union. The Mint will produce five different state quarter designs each year resulting in a 10-year program. All coins produced for this program are considered to be numismatic products (Public Law 105-124).

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.

	2002 actual	2003 est.	2004 est.
Lost Time Accident Rate	2.24	1.44	1.24
Workforce Climate**	N/A	TBD	TBD
Cycle Time	112	150	128
Inventory Turnover	1.59	2.4	3.3
Machine Availability	52%	51%	57%
Yield	86%	96%	97%
Conversion Cost per 1000 Coin Equivalents	\$8.69	\$10.25	\$9.75
SG&A Costs as a % of Revenue (excl. Bullion)	12.7%	7.7%	7.7%
Customer Satisfaction Index	51%	90%	90%
Threat Index	1	0	0

**The United States Mint will begin collecting new data in January 2003.

Statement of Operations (in millions of dollars)

Identification code 20-4159-0-3-803	2001 actual	2002 actual	2003 est.	2004 est.
0101 Revenue	1,120	802	1,010	1,035
0102 Expense	-1,053	-738	-946	-971
0105 Net income or loss (-)	67	64	64	64

Balance Sheet (in millions of dollars)

Identification code 20-4159-0-3-803	2001 actual	2002 actual	2003 est.	2004 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	279	301	480	550
Investments in US securities:				
1106 Receivables, net	7	17	6	6
1107 Advances and prepayments	7	5	7	7
Other Federal assets:				
1802 Inventories and related properties	468	336	275	201
1803 Property, plant and equipment, net	327	314	376	398
1901 Other assets	5	13	5	5
1999 Total assets	1,093	986	1,149	1,167
LIABILITIES:				
2101 Federal liabilities: Accounts payable	160	167	179	182
Non-Federal liabilities:				
2201 Accounts payable	28	27	7	7
2207 Other	62	60	62	65
2999 Total liabilities	250	254	248	254
NET POSITION:				
3300 Cumulative results of operations	843	732	901	913
3999 Total net position	843	732	901	913
4999 Total liabilities and net position	1,093	986	1,149	1,167

Object Classification (in millions of dollars)

Identification code 20-4159-0-3-803	2002 actual	2003 est.	2004 est.
Personnel compensation:			
11.1 Full-time permanent	113	135	141
11.3 Other than full-time permanent	1		
11.5 Other personnel compensation	15	12	12
11.9 Total personnel compensation	129	147	153
12.1 Civilian personnel benefits	37	39	40
13.0 Benefits for former personnel	3	1	1
21.0 Travel and transportation of persons	3	3	4
22.0 Transportation of things	27	26	27
23.1 Rental payments to GSA	1	1	
23.2 Rental payments to others	18	18	17
23.3 Communications, utilities, and miscellaneous charges	12	15	18
24.0 Printing and reproduction	2	8	8
25.2 Other services	85	124	131
26.0 Supplies and materials	367	511	512
31.0 Equipment	30	42	53
32.0 Land and structures	24	11	7
99.9 Total new obligations	738	946	971

Personnel Summary

Identification code 20-4159-0-3-803	2002 actual	2003 est.	2004 est.
Reimbursable:			
2001 Total compensable workyears: Civilian full-time equivalent employment	2,428	2,467	2,610

BUREAU OF THE PUBLIC DEBT

Federal Funds

General and special funds:

ADMINISTERING THE PUBLIC DEBT

For necessary expenses connected with any public-debt issues of the United States, \$178,098,000, 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 expended for systems modernization: Provided, That the sum appropriated herein from the General Fund for fiscal year 2004 shall be reduced by not more than \$4,400,000 as definitive security issue fees and Treasury Direct Investor Account Maintenance fees are collected, so as to result in a final fiscal year 2004 appropriation from the General Fund estimated at \$173,698,000. In addition, \$40,000, 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 2003 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. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 20-0560-0-1-803	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
Direct program:			
00.01 Savings and retirement securities	135	137	127
00.02 Marketable and special securities	50	54	47
00.03 Reimbursements to Federal Reserve Banks	135	133	131
09.01 Reimbursable program	8	10	10
10.00 Total new obligations	328	334	315

Budgetary resources available for obligation:

21.40 Unobligated balance carried forward, start of year	6	5	5
22.00 New budget authority (gross)	328	334	315
22.10 Resources available from recoveries of prior year obligations	2		
23.90 Total budgetary resources available for obligation	336	339	320
23.95 Total new obligations	-328	-334	-315
23.98 Unobligated balance expiring or withdrawn	-2		
24.40 Unobligated balance carried forward, end of year	5	5	5

New budget authority (gross), detail:

Discretionary:			
40.00 Appropriation	188	191	174
Mandatory:			
60.00 Appropriation	131	133	131
Spending authority from offsetting collections:			
Discretionary:			
Offsetting collections (cash):			
68.00 Offsetting collections (cash)	5	6	6
68.00 Offsetting collections (user fees)	3	4	4
68.10 Change in uncollected customer payments from Federal sources (unexpired)	1		
68.90 Spending authority from offsetting collections (total discretionary)	9	10	10
70.00 Total new budget authority (gross)	328	334	315

Change in obligated balances:

72.40 Obligated balance, start of year	82	86	90
73.10 Total new obligations	328	334	315
73.20 Total outlays (gross)	-322	-330	-317
73.45 Recoveries of prior year obligations	-2		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-1		

General and special funds—Continued**ADMINISTERING THE PUBLIC DEBT—Continued****Program and Financing (in millions of dollars)—Continued**

Identification code 20-0560-0-1-803	2002 actual	2003 est.	2004 est.
74.40 Obligated balance, end of year	86	90	88
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	173	178	163
86.93 Outlays from discretionary balances	19	22	23
86.97 Outlays from new mandatory authority	66	98	100
86.98 Outlays from mandatory balances	64	32	31
87.00 Total outlays (gross)	322	330	317
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-5	-6	-6
88.40 Non-Federal sources	-3	-4	-4
88.90 Total, offsetting collections (cash)	-8	-10	-10
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	319	324	305
90.00 Outlays	314	320	307
Additional net budget authority and outlays to cover cost of fully accruing retirement:			
99.00 Budget authority	8	9	9
99.01 Outlays	8	9	9

This appropriation provides funds for the conduct of all public debt operations and the promotion of the sale of U.S. savings-type securities.

Processing and accounting for:

Savings securities.—This activity involves the issuance, servicing, and retirement of savings bonds and notes and retirement-type securities, including: (1) the maintenance and servicing of individual accounts of owners of series H and HH bonds and the authorization of interest payments; and (2) the maintenance of accounting control over financial transactions, securities transactions and accountability, and interest cost. These functions are performed directly by the Bureau of the Public Debt, by the Federal Reserve Banks as fiscal agents of the United States, and by the qualified agents which issue and redeem savings bonds and notes.

The 2004 Budget does not seek funding for Public Debt to market and advertise savings securities.

	2002 actual	2003 est.	2004 est.
Provide accurate and timely public debt accounting information:			
Receive unqualified audit opinions on the public debt outstanding	n/a	n/a	Unqualified Opinion
Number of Savings Securities Redemptions (000)	41,410	42,000	42,000
Number of Savings Securities Issued (000)	44,001	52,500	52,500
Provide quality service to purchasers of savings bonds:			
Percent over-the-counter issued within three weeks	99.93%	99.95%	99.95%
Percent of customer service transactions within three weeks	95%	90%	n/a
Percent of customer service transactions within 13 business days	n/a	n/a	90%
Percent of customers rating their overall satisfaction as good or excellent	n/a	n/a	90%
Maintain a high quality workforce:			
Percent of employees rating the job satisfaction as satisfied or better	n/a	n/a	70%

Marketable and special securities.—This activity involves all securities of the United States, other than savings and retirement securities, including securities of Government corporations for which the Bureau of the Public Debt provides services. Functions performed relate to the issuance, serv-

icing, and retirement of these securities, both directly by the Bureau and through the Federal Reserve Banks, as fiscal agents, including: (1) The maintenance and servicing of individual accounts of owners of registered securities and book-entry Treasury bills; (2) the authorization of interest and principal payments; and (3) the maintenance of accounting control over financial transactions, securities transactions and accountability, and interest cost.

	2002 actual	2003 est.	2004 est.
Provide accurate and timely public debt accounting information:			
Receive unqualified audit opinions on the public debt outstanding	n/a	n/a	Unqualified Opinion
Meet the borrowing needs of the Federal Government:			
Percent completed within one hour	n/a	n/a	n/a
Percent completed within 25 minutes	99%	n/a	n/a
Percent completed within six minutes	n/a	80%	n/a
Percent completed within 2 minutes +/- 30 seconds	n/a	n/a	95%
Quality service to investors:			
Percent of Treasury Direct (TD) transactions within 3 weeks	97%	90%	90%
Percent of TD payments timely	100%	100%	n/a
Percent of TD payments accurately	100%	100%	n/a
Percent of TD payments timely and accurately	n/a	n/a	100%
Percent Commercial Book Entry payments accurately and timely	100%	100%	100%
Process Government Securities Investment Program transactions timely	100%	100%	n/a
Process Government Securities Investment Program transactions accurately	99%	99%	n/a
Percent of Federal Investment Program transactions timely and accurately	n/a	n/a	100%
Percent of customers rating their overall satisfaction as good or excellent	n/a	n/a	90%
Maintain a high quality workforce:			
Percent of employees rating the job satisfaction as satisfied or better	n/a	n/a	70%

Object Classification (in millions of dollars)

Identification code 20-0560-0-1-803	2002 actual	2003 est.	2004 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	70	76	66
11.5 Other personnel compensation	4	4	4
11.9 Total personnel compensation	74	80	70
12.1 Civilian personnel benefits	18	18	16
21.0 Travel and transportation of persons	2	2	2
23.1 Rental payments to GSA	6	6	5
23.3 Communications, utilities, and miscellaneous charges	17	18	17
24.0 Printing and reproduction	3	6	4
25.2 Other services	26	35	33
25.3 Other purchases of goods and services from Government accounts	161	147	146
25.7 Operation and maintenance of equipment	3	2	2
26.0 Supplies and materials	2	3	3
31.0 Equipment	7	7	7
99.0 Direct obligations	319	324	305
99.0 Reimbursable obligations	8	10	10
99.5 Below reporting threshold	1		
99.9 Total new obligations	328	334	315

Personnel Summary

Identification code 20-0560-0-1-803	2002 actual	2003 est.	2004 est.
Direct:			
1001 Total compensable workyears: Civilian full-time equivalent employment	1,453	1,478	1,333
Reimbursable:			
2001 Total compensable workyears: Civilian full-time equivalent employment	5	5	5

PAYMENT OF GOVERNMENT LOSSES IN SHIPMENT

Program and Financing (in millions of dollars)

Identification code 20–1710–0–1–803	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct program activity		2	
10.00 Total new obligations (object class 42.0)		2	
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year		1	
22.00 New budget authority (gross)	1	1	
23.90 Total budgetary resources available for obligation	1	2	
23.95 Total new obligations		–2	
24.40 Unobligated balance carried forward, end of year	1		
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation	1	1	
Change in obligated balances:			
73.10 Total new obligations		2	
73.20 Total outlays (gross)		–1	
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority		1	
Net budget authority and outlays:			
89.00 Budget authority	1	1	
90.00 Outlays		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 150 claims are paid annually.

INTERNAL REVENUE SERVICE

The mission of the Internal Revenue Service is to provide America's 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.

To achieve this mission, the Service has established three strategic goals. In order to achieve the first goal "Service to Each Taxpayer," the IRS will make filing easier, provide first quality service to each taxpayer needing help with his or her return or account, provide prompt, professional, helpful treatment to taxpayers in cases where additional taxes may be due, and improve taxpayer access to toll-free telephone assistance. Second, to achieve the goal of "Service to All Taxpayers," the IRS will increase fairness of compliance, and increase overall compliance. The Service will meet its third goal "Productivity Through a Quality Work Environment," by increasing employee job satisfaction and productivity while the economy grows and service improves.

Ensuring Fair Compliance: The IRS is shifting enforcement resources from lower income individual and small corporate returns to focus on higher income individual returns, tax shelters and abusive schemes. In addition, the Budget includes a \$133 million initiative for 1,700 staff to help insure that compliance is enforced fairly for all taxpayers.

Reengineering of the Collection Process: The IRS goal is to collect all unpaid tax assessments that can be reasonably collected while protecting taxpayer rights through efficient, least burdensome techniques. The key to this goal is to identify taxpayer accounts with a high risk of non-payment as early as possible and to intervene immediately. To achieve this, the Budget proposes legislation to allow the use of contract collection agents. In addition, IRS is completely reengineering the collection process using new technology.

The IRS is changing the way it uses measures to focus attention on priorities, assess organizational performance and identify improvement opportunities. Management processes and activities are being realigned to ensure that they support the mission of the IRS and incorporate the principles of a balanced measurement system. Under this new approach, the framework for measuring organizational performance is aligned with its strategic goals and balances the Service's focus across three major areas: business results, customer satisfaction, and employee satisfaction, with business results being comprised of measures of quality and quantity.

The IRS has a long-term plan to raise performance in all dimensions of its mission by modernizing and reengineering all basic activities to conform to known best practices. In FY 2004, the IRS will improve performance primarily through better management and fundamental reengineering of business processes, and secondarily by increases in resources.

Business Systems Modernization: The Business Systems Modernization (BSM) appropriation provides for revamping business practices and acquiring new technology by a formal process of prioritization, approval, funding, and evaluation of an investment portfolio.

Telephone Level of Service: The goal is to provide service comparable to the best quality telephone based customer service organizations. This is measured by access, quality, and customer satisfaction. Success in these areas can be achieved by continuing implementation of our long-term plan which includes using technology to route telephone calls automatically to employees with specialized training.

Increased e-File/e-Services: Additional electronic filing options continue to produce long-term resource savings as we promote e-filed returns. Further savings will be realized during migration to an information- and transaction-based web site, facilitating more efficient communication with stakeholders.

Health Insurance Tax Credit Administration: The Budget includes a new account to fund the administrative costs of administering the new Trade Adjustment Assistance health insurance tax credit.

KEY OPERATIONAL MEASURES AND PERFORMANCE INDICATORS

	2002 actual	2003 Performance Plan	2004 President's Budget
Performance goal A: Provide assistance to taxpayers in understanding their tax responsibilities and preparing accurate returns			
Performance measures:			
1. Number of taxpayers assisted (direct)	NA	7,000,000	6,000,000
2. EP/EO determination letters	129,680	189,000	128,000
3. Advanced pricing agreements and negotiated positions	176	140	160
4. Number of taxpayers assisted (indirect)	NA	17,000,000	23,000,000
5. Total Published Guidance Items Published	367	330	400
Performance goal B: Provide assistance to taxpayers in filing returns, receiving refunds, making payments and resolving questions about their accounts			
Performance measures:			
1. Individual 1040 returns (paper) (thousands)	84,740	79,000	75,000
2. Business returns (thousands) (paper)	37,126	34,000	33,000
3. Individual 1040 returns (thousands) (electronic)	46,785	54,000	60,000
4. Total primary electronic returns (thousands)	53,026	61,000	68,000
5. Total primary paper returns filed (thousands)	174,892	174,000	176,000
6. Percent of individual returns filed electronically	36%	41%	44%
7. Information returns filed electronically (thousands)	367,063	TBD	TBD
8. Information returns filed electronically (%)	26%	TBD	TBD
9. IRS digital daily hits (billions)	3.11	4.00	4.70
10. Customer account correspondence (millions)	22.5	22.6	23.2
11. Teletax and toll-free automated calls (thousands)	63,796	50,000	50,000
13. Assistor call answered (thousands)	30,525	33,700	35,000
14. Toll-free customer satisfaction:			
% satisfied	56%	56%	57%
% dissatisfied	2%	2%	2%
15. Toll-free level of service	68%	72%	73%
16. Toll-free tax law quality	81%	tbd	tbd
17. Toll-free account quality	74%	77%	tbd

KEY OPERATIONAL MEASURES AND PERFORMANCE INDICATORS—Continued

	2002 actual	2003 Performance Plan	2004 President's Budget
18. Customer Satisfaction Walk-in:			
% satisfied	86%	88%	88%
% dissatisfied	8%	7%	7%
19. Total returns prepared (thousands)	886.8	737	589
20. Payment received electronically (thousands)	66,029	66,200	67,100
21. IRS Digital daily downloads (millions)	438	496	579
22. Tax law contracts	1,843,000	1,900,000	2,000,000
23. Customer accounts correspondence quality	75%	79%	TBD
24. Accounts contacts	3,110,000	3,300,000	3,600,000
25. Toll-free tax law accuracy	NA	86%	89%
26. Toll-free accounts accuracy	NA	91%	93%
Performance goal C: Bring taxpayers into compliance with the law			
Performance measures:			
1. Telephone customer satisfaction (ACS)			
% satisfied	53%	45%	48%
% dissatisfied	3%	7%	6%
2. ACS closures—Taxpayer delinquent accounts	950,696	1,050,000	1,138,000
3. ACS closures—Taxpayer delinquent investigations	190,411	202,000	220,000
4. Automated collection system (ACS) level of service	69%	74%	80%
5. Customer satisfaction—collection field			
% satisfied	51%	50%	51%
% dissatisfied	23%	15%	14%
6. Field collection—number of cases closed (TDA)	724,430	714,000	769,000
7. Field collection—number of cases closed TDI	140,737	113,000	122,000
8. Field collection quality	84%	87%	89%
9. Offers in compromise processed	110,205	100,000	125,000
10. Automated underreporter closures	2,922,182	2,900,000	3,100,000
11. Automated underreporter quality	95%	95%	tbd
12. Correspondence examination customer satisfaction			
% satisfied	33%	33%	34%
% dissatisfied	41%	35%	33%
13. Correspondence returns examined			
EITC	367,799	349,000	364,000
Non EITC	177,447	246,000	227,000
14. Correspondence examination quality	71%	73%	tbd
15. Field exam customer satisfaction			
% satisfied	47%	52%	53%
% dissatisfied	27%	17%	17%
16. Individual return examinations >\$100,000	64,911	62,000	82,000
17. Individual return examinations <\$100,000	140,350	121,000	148,000
18. Field exam quality SBSE			
Quality—Office	74%	73%	74%
Quality—Field	71%	76%	78%
19. Field exam quality LMSB			
quality—industry cases	69%	75%	77%
quality—coordinated industry cases	78%	85%	85%
20. Business returns examined	21,159	18,000	18,000
21. Corporate cases examined (large case)	528	486	486
22. Number of returns closed (large case)	4,851	4,100	4,100
23. EP and EO exam customer satisfaction			
% satisfied	70%	71%	71%
% dissatisfied	8%	7%	7%
24. EP/EO examination closed	13,549	15,000	20,400
25. EP and EO examination quality	75%	79%	82%
26. Innocent spouse determinations made claimant notified	60,730	52,000	51,000
27. Appeals cases closed (disposals)	68,015	77,000	77,000
28. Criminal Investigations completed	3,201	3,250	3,400
29. Total Tax court cases (beginning inventory and receipts)	36,141	30,000	31,000
30. Taxpayer advocate closure to receipt ratio	n/a	105%	105%
31. Taxpayer advocate casework quality index	72%	90%	90%
32. Total enforcement revenue (billions)	tbd	\$33.9	\$34.5
33. Agency-wide employee satisfaction	55%	58%	62%
34. Individual return examinations	205,261	183,000	230,000
35. Number of tax court receipts	17,371	18,000	18,500
36. Taxpayer contact full-time equivalent positions (with EITC)	68,243	67,534	69,290
37. Full-time equivalent positions per billion dollars of real gross domestic product	10.17	9.98	tbd
38. Employee health and safety—lost workday case rate	0.98%	0.49%	tbd

Federal Funds

General and special fund:

PROCESSING, ASSISTANCE, AND MANAGEMENT

For necessary expenses of the Internal Revenue Service for pre-filing taxpayer assistance and education, filing and account services, shared services support, general management and administration; and serv-

ices as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner, \$4,074,694,000, of which up to \$3,950,000 shall be for the Tax Counseling for the Elderly Program, of which \$7,000,000 shall be available for low-income taxpayer clinic grants, and of which not to exceed \$25,000 shall be for official reception and representation expenses.

Note.—A regular 2003 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. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Unavailable Collections (in millions of dollars)

Identification code 20-0912-0-1-803	2002 actual	2003 est.	2004 est.
01.99 Balance, start of year	5	6	6
Receipts:			
02.00 Enrolled agent fee increase	2	2	2
02.20 New installment agreements fees	54	53	53
02.21 Restructured installment agreements fees	8	8	8
02.22 General user fees, miscellaneous retained fees	7	7	7
02.99 Total receipts and collections	71	70	70
04.00 Total: Balances and collections	76	76	76
Appropriations:			
05.00 Processing, assistance, and management	—18	—40	—29
05.01 Tax law enforcement	—19	—1	—10
05.02 Information systems	—33	—29	—31
05.99 Total appropriations	—70	—70	—70
07.99 Balance, end of year	6	6	6

Program and Financing (in millions of dollars)

Identification code 20-0912-0-1-803	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
Direct program:			
00.01 Pre-filing taxpayer assistance and education	568	634	652
00.02 Filing and account services	1,590	1,637	1,668
00.03 Shared services support	1,215	1,203	1,240
00.04 General management and administration	479	526	544
01.00 Subtotal, direct programs	3,852	4,000	4,104
09.01 Reimbursable program	31	31	31
10.00 Total new obligations	3,883	4,031	4,135
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	38	30	30
22.00 New budget authority (gross)	3,874	4,031	4,135
22.10 Resources available from recoveries of prior year obligations	5		
23.90 Total budgetary resources available for obligation	3,917	4,061	4,165
23.95 Total new obligations	—3,883	—4,031	—4,135
23.98 Unobligated balance expiring or withdrawn	—4		
24.40 Unobligated balance carried forward, end of year	30	30	30
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	3,811	3,958	4,075
50.00 Reappropriation	14	2	
Mandatory:			
60.20 Appropriation (special fund)	18	40	29
Discretionary:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	31	31	31
70.00 Total new budget authority (gross)	3,874	4,031	4,135
Change in obligated balances:			
72.40 Obligated balance, start of year	559	447	432
73.10 Total new obligations	3,883	4,031	4,135
73.20 Total outlays (gross)	—4,001	—4,046	—4,122
73.40 Adjustments in expired accounts (net)	11		
73.45 Recoveries of prior year obligations	—5		
74.40 Obligated balance, end of year	447	432	445
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	3,423	3,554	3,656
86.93 Outlays from discretionary balances	560	452	437
86.97 Outlays from new mandatory authority	18	40	29

87.00	Total outlays (gross)	4,001	4,046	4,122
Offsets:				
Against gross budget authority and outlays:				
88.00	Offsetting collections (cash) from: Federal sources	- 31	- 31	- 31
Net budget authority and outlays:				
89.00	Budget authority	3,843	4,000	4,104
90.00	Outlays	3,970	4,015	4,091
Additional net budget authority and outlays to cover cost of fully accruing retirement:				
99.00	Budget authority	173	191	204
99.01	Outlays	173	191	204

This appropriation provides for: processing tax returns and related documents; assisting taxpayers in the filing of their returns, paying taxes that are due, and complying with tax laws; issuing technical rulings; revenue accounting, conducting background investigations; managing financial resources, rent and utilities.

Pre-Filing Taxpayer Assistance and Education.—This activity includes resources to support services provided before a return is filed to assist the taxpayer in filing a correct return. Included in this activity are staffing, training and direct support for (1) pre-filing services operational management; (2) tax law interpretation and published guidance; (3) taxpayer communication and education to research customer needs, develop and manage education programs, establish partnerships with stakeholder groups, and disseminate tax information to taxpayers and the general public; (4) media and publications to supply notices and printed and electronic tax materials to taxpayers; (5) rulings and agreements to apply the tax law to specific taxpayers in the form of pre-filing agreements, determination letters, advance pricing agreements and other pre-filing determinations and advice; (6) marketing of electronic tax administration products and services; and (7) ensuring that taxpayers have an advocate to prevent future problems by identifying the underlying causes of taxpayers' problems and to participate in the development of systemic and/or procedural remedies.

Filing and Account Services.—This activity provides resources to support services provided to a taxpayer in the process of filing returns and paying taxes in addition to issuance of refunds and maintenance of taxpayers accounts. Included in this activity are staffing, training and direct support for (1) filing and account services operational management; (2) submission processing of paper and electronically submitted tax returns and supplemental documents which account for tax revenues, and issue refunds and tax notices; (3) electronic/correspondence assistance to taxpayers to resolve account and notice inquiries, either electronically or by telephone; (4) face-to-face assistance to taxpayers, including return preparation, answering tax questions, resolving account and notice inquiries, and supplying forms and publications to taxpayers; and (5) processing of information documents which enables the Service to match this information with that provided by taxpayers on their returns.

Shared Services Support.—This activity provides staffing, training and direct support for: (1) services and supplies to manage IRS facilities; (2) human resources programs including recruitment, labor and employee relations, workforce planning and evaluation, performance management, employee benefits, personnel security and transactional processing; (3) procurement; (4) the Servicewide EEO and Diversity program; (5) financial services including relocation, travel, imprest fund, purchase cards, corporate express and employee clearance; and (6) Treasury complaint centers. This activity also provides resources for (1) building rent; (2) IRS building services, maintenance space alterations, guard services, custodial overtime, utility services, and non-information technology equipment; (3) shared support such as copiers, postage meters, shredders, courier services, P.O. boxes, etc.; and (4)

cleaning, maintenance, utilities, security and repair costs of delegated buildings.

General Management and Administration.—This activity provides staffing, training and direct support for (1) business unit headquarters management activities of strategic planning, communications and liaison, finance, human resources, EEO and diversity, and business systems planning; (2) national headquarters management and administration of policy making and goal setting, leadership and direction for the IRS, building partner relationships with key stakeholders (e.g., Congress, OMB, etc.); (3) strategic direction Servicewide for communications, government liaison and disclosure, legislative affairs and public liaison; (4) general legal advice to the IRS on non-tax legal issues including procurement, personnel, labor relations, equal employment opportunity, fiscal law, tort claims and damages, ethics, and conflict of interest; and (5) payments for workmen's compensation benefits and unemployment compensation payments.

Object Classification (in millions of dollars)

Identification code 20-0912-0-1-803	2002 actual	2003 est.	2004 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	1,431	1,522	1,550
11.3 Other than full-time permanent	393	361	356
11.5 Other personnel compensation	105	124	134
11.9 Total personnel compensation	1,929	2,007	2,040
12.1 Civilian personnel benefits	527	546	566
13.0 Benefits for former personnel	33	32	33
21.0 Travel and transportation of persons	63	68	75
22.0 Transportation of things	23	18	19
23.1 Rental payments to GSA	588	595	621
23.2 Rental payments to others	1		
23.3 Communications, utilities, and miscellaneous charges	133	152	155
24.0 Printing and reproduction	82	85	87
25.1 Advisory and assistance services	61	17	17
25.2 Other services	125	259	264
25.3 Other purchases of goods and services from Government accounts	97	11	11
25.4 Operation and maintenance of facilities	116	137	140
25.6 Medical care	11	2	2
25.8 Subsistence and support of persons		3	3
26.0 Supplies and materials	23	24	25
31.0 Equipment	27	33	35
41.0 Grants, subsidies, and contributions	11	11	11
42.0 Insurance claims and indemnities	2		
99.0 Direct obligations	3,852	4,000	4,104
99.0 Reimbursable obligations	31	31	31
99.9 Total new obligations	3,883	4,031	4,135

Personnel Summary

Identification code 20-0912-0-1-803	2002 actual	2003 est.	2004 est.
Direct:			
1001 Total compensable workyears: Civilian full-time equivalent employment	43,866	43,246	42,407
Reimbursable:			
2001 Total compensable workyears: Civilian full-time equivalent employment	531	546	510

TAX LAW ENFORCEMENT

For necessary expenses of the Internal Revenue Service for determining and establishing tax liabilities; providing litigation support; conducting criminal investigation and enforcement activities; securing unfiled tax returns; collecting unpaid accounts; conducting a document matching program; resolving taxpayer problems through prompt identification, referral and settlement; compiling statistics of income and conducting compliance research; 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, \$3,976,641,000 of which not to

General and special fund—Continued**TAX LAW ENFORCEMENT—Continued**

exceed \$1,000,000 shall remain available until September 30, 2006, for research.

Note.—A regular 2003 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. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 20-0913-0-1-999	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
Direct program:			
00.01 Compliance services	3,481	3,639	3,894
00.02 Research and statistics of income	81	90	93
01.00 Subtotal, Direct program	3,562	3,729	3,987
09.01 Reimbursable program	99	99	99
10.00 Total new obligations	3,661	3,828	4,086
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	1	1	.....
22.00 New budget authority (gross)	3,662	3,829	4,086
23.90 Total budgetary resources available for obligation	3,663	3,830	4,086
23.95 Total new obligations	-3,661	-3,828	-4,086
24.40 Unobligated balance carried forward, end of year	1	.....	.....
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	3,543	3,729	3,977
40.73 Reduction pursuant to P.L. 107-206	-6	.....	.....
42.00 Transferred from other accounts	1	.....	.....
43.00 Appropriation (total discretionary)	3,538	3,729	3,977
50.00 Reappropriation	6	.....	.....
Mandatory:			
60.20 Appropriation (special fund)	19	1	10
Discretionary:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	99	99	99
70.00 Total new budget authority (gross)	3,662	3,829	4,086
Change in obligated balances:			
72.40 Obligated balance, start of year	299	161	298
73.10 Total new obligations	3,661	3,828	4,086
73.20 Total outlays (gross)	-3,804	-3,691	-4,067
73.40 Adjustments in expired accounts (net)	5	.....	.....
74.40 Obligated balance, end of year	161	298	317
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	3,485	3,529	3,758
86.93 Outlays from discretionary balances	300	161	299
86.97 Outlays from new mandatory authority	19	1	10
87.00 Total outlays (gross)	3,804	3,691	4,067
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-99	-99	-99
Net budget authority and outlays:			
89.00 Budget authority	3,563	3,730	3,987
90.00 Outlays	3,705	3,592	3,968
Additional net budget authority and outlays to cover cost of fully accruing retirement:			
99.00 Budget authority	244	259	277
99.01 Outlays	244	259	277

This appropriation funds IRS's ability to provide equitable application and enforcement of the tax laws, identify possible nonfilers for investigations, investigate violations of criminal statutes, and supports the Statistics of Income program.

Compliance Services.—This activity funds services provided to a taxpayer after a return is filed to identify and correct possible errors or underpayment. Included in this activity are staffing, training and support for: (1) compliance services operational management; (2) the centralized automated collec-

tion system (ACS) and collection by correspondence in service centers; (3) field investigations and collection efforts associated with delinquent taxpayer and business entity liabilities; (4) documents matching; (5) examination of taxpayer returns at service centers; (6) field exam to determine corresponding tax liabilities; (7) enforcement of criminal statutes related to violations of internal revenue laws and other financial crimes; (8) processing of reports for current transactions over \$10,000; (9) case settlement through the appeals process; (10) litigation; and (11) taxpayer advocate case processing.

Research and Statistics of Income.—This activity funds research and statistical analysis support for the Service. It provides annual income, financial, and tax data from tax returns filed by individuals, corporations, and tax-exempt organizations. Likewise it provides resources for market-based research to identify compliance issues, for conducting tests of treatments to address non-compliance, and for the implementation of successful treatments of taxpayer non-compliant behavior.

Object Classification (in millions of dollars)

Identification code 20-0913-0-1-999	2002 actual	2003 est.	2004 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	2,462	2,566	2,717
11.3 Other than full-time permanent	103	110	114
11.5 Other personnel compensation	98	109	115
11.8 Special personal services payments	6	8	9
11.9 Total personnel compensation	2,669	2,793	2,955
12.1 Civilian personnel benefits	627	651	714
21.0 Travel and transportation of persons	109	100	113
22.0 Transportation of things	2	2	2
23.3 Communications, utilities, and miscellaneous charges	41	41	42
24.0 Printing and reproduction	1	2	2
25.1 Advisory and assistance services	24	28	38
25.2 Other services	38	74	82
25.3 Other purchases of goods and services from Government accounts	20	1	1
25.4 Operation and maintenance of facilities	1	.....	.....
25.5 Research and development contracts	2	5	5
25.7 Operation and maintenance of equipment	1	6	6
25.8 Subsistence and support of persons .....	.....	3	3
26.0 Supplies and materials	18	19	20
31.0 Equipment	6	.....	.....
42.0 Insurance claims and indemnities	1	1	1
91.0 Unvouchered	2	3	3
99.0 Direct obligations	3,562	3,729	3,987
99.0 Reimbursable obligations	99	99	99
99.9 Total new obligations	3,661	3,828	4,086

Personnel Summary

Identification code 20-0913-0-1-999	2002 actual	2003 est.	2004 est.
Direct:			
1001 Total compensable workyears: Civilian full-time equivalent employment	45,174	45,531	46,656
Reimbursable:			
2001 Total compensable workyears: Civilian full-time equivalent employment	495	700	650

EARNED INCOME TAX CREDIT COMPLIANCE INITIATIVE

For funding essential earned income tax credit compliance and error reduction initiatives \$251,167,000, of which not to exceed \$10,000,000 may be used to reimburse the Social Security Administration for the costs of implementing section 1090 of the Taxpayer Relief Act of 1997 (Public Law 105-33).

Note.—A regular 2003 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. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 20–0917–0–1–803	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Earned income tax credit	146	146	251
10.00 Total new obligations	146	146	251
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	146	146	251
23.95 Total new obligations	–146	–146	–251
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	146	146	251
40.73 Reduction pursuant to P.L. 107–206	–1		
43.00 Appropriation (total discretionary)	145	146	251
50.00 Reappropriation	1		
70.00 Total new budget authority (gross)	146	146	251
Change in obligated balances:			
72.40 Obligated balance, start of year	28	23	22
73.10 Total new obligations	146	146	251
73.20 Total outlays (gross)	–151	–147	–230
74.40 Obligated balance, end of year	23	22	43
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	123	117	201
86.93 Outlays from discretionary balances	28	30	29
87.00 Total outlays (gross)	151	147	230
Net budget authority and outlays:			
89.00 Budget authority	146	146	251
90.00 Outlays	153	147	230
Additional net budget authority and outlays to cover cost of fully accruing retirement:			
99.00 Budget authority	8	8	9
99.01 Outlays	8	8	9

This appropriation provides for expanded customer service and public outreach programs, strengthened enforcement activities, and enhanced research efforts to reduce overclaims and erroneous filings associated with the Earned Income Tax Credit (EITC).

The budget includes a \$100 million initiative to implement an integrated approach to enhancing EITC administration. This approach recommended by Treasury's EITC Task Force would have claimants provide additional information to the IRS to validate eligibility before payment. Two principles underlie this approach: (1) the IRS will only refund EITC after there is clear information that the EITC filer is entitled to the EITC and (2) the IRS will use compliance and other available data to determine whether specific groups of claimants can be eliminated from certain certification requirements because they pose less risk. This approach promises to reduce non-compliance while minimizing burden and providing certainty to eligible claimants. A significant portion of the FY 2004 request will be used to develop new business processes and supporting technology infrastructure. Remaining funds will be used to begin the certification proposal with the recommendation of the EITC Task Force.

Object Classification (in millions of dollars)

Identification code 20–0917–0–1–803	2002 actual	2003 est.	2004 est.
Personnel compensation:			
11.1 Full-time permanent	79	82	121
11.3 Other than full-time permanent	17	14	15
11.5 Other personnel compensation	8	7	7
11.9 Total personnel compensation	104	103	143
12.1 Civilian personnel benefits	27	27	38
21.0 Travel and transportation of persons	1	1	1
23.3 Communications, utilities, and miscellaneous charges	1		
24.0 Printing and reproduction	3	3	3
25.1 Advisory and assistance services	2	1	1

25.2 Other services	7	10	64
25.3 Other purchases of goods and services from Government accounts	1		
31.0 Equipment		1	1
99.9 Total new obligations	146	146	251

Personnel Summary

Identification code 20–0917–0–1–803	2002 actual	2003 est.	2004 est.
Direct:			
1001 Total compensable workyears: Civilian full-time equivalent employment	2,467	2,353	2,994

COLLECTION CONTRACTOR SUPPORT
(Legislation proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 20–0929–4–1–803	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Collection Contractor Support			2
10.00 Total new obligations (object class 25.2)			2
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			2
23.95 Total new obligations			–2
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation			2
Change in obligated balances:			
73.10 Total new obligations			2
73.20 Total outlays (gross)			–2
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority			2
Net budget authority and outlays:			
89.00 Budget authority			2
90.00 Outlays			2

The Budget proposes legislation to allow IRS to employ private collection agents (PCAs) to help collect known tax debt and to pay PCA fees. Many states and other federal agencies already use private collectors, with impressive results. This legislation includes strong protections for taxpayer's rights.

HEALTH INSURANCE TAX CREDIT ADMINISTRATION

For expenses necessary to implement the health insurance tax credit included in the Trade Act of 2002 (P.L. 107–210), \$35,000,000, to remain available until September 30, 2005.

Program and Financing (in millions of dollars)

Identification code 20–0928–0–1–803	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Health Care Tax Administration		70	35
10.00 Total new obligations (object class 25.2)		70	35
Budgetary resources available for obligation:			
22.00 New budget authority (gross)		70	35
23.95 Total new obligations		–70	–35
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation		70	35
Change in obligated balances:			
72.40 Obligated balance, start of year			17
73.10 Total new obligations		70	35

General and special fund—Continued**HEALTH INSURANCE TAX CREDIT ADMINISTRATION—Continued****Program and Financing (in millions of dollars)—Continued**

Identification code 20-0928-0-1-803	2002 actual	2003 est.	2004 est.
73.20 Total outlays (gross)		-53	-50
74.40 Obligated balance, end of year		17	
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority		53	32
86.93 Outlays from discretionary balances			18
87.00 Total outlays (gross)		53	50
Net budget authority and outlays:			
89.00 Budget authority		70	35
90.00 Outlays		53	50

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

INFORMATION SYSTEMS

For necessary expenses of the Internal Revenue Service for information systems and telecommunications support, including developmental information systems and operational information systems; 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 Commissioner, \$1,670,039,000, of which \$200,000,000 shall remain available until September 30, 2005.

Note.—A regular 2003 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. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 20-0919-0-1-803	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
Direct program:			
00.01 Information systems improvement programs	39	50	50
00.02 Information services	1,589	1,611	1,651
01.00 Subtotal, Direct program	1,628	1,661	1,701
09.01 Reimbursable program	8	8	8
10.00 Total new obligations	1,636	1,669	1,709
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	18	21	21
22.00 New budget authority (gross)	1,605	1,669	1,709
22.10 Resources available from recoveries of prior year obligations	34		
23.90 Total budgetary resources available for obligation	1,657	1,690	1,730
23.95 Total new obligations	-1,636	-1,669	-1,709
24.40 Unobligated balance carried forward, end of year	21	21	21
New budget authority (gross), detail:			
Discretionary:			
Appropriation:			
40.00 Appropriation	1,558	1,632	1,670
40.00 Appropriation	16		
40.73 Reduction pursuant to P.L. 107-206	-10		
43.00 Appropriation (total discretionary)	1,564	1,632	1,670
Mandatory:			
60.20 Appropriation (special fund)	33	29	31
Discretionary:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	8	8	8
70.00 Total new budget authority (gross)	1,605	1,669	1,709
Change in obligated balances:			
72.40 Obligated balance, start of year	559	411	363

73.10 Total new obligations	1,636	1,669	1,709
73.20 Total outlays (gross)	-1,750	-1,717	-1,759
73.45 Recoveries of prior year obligations	-34		
74.40 Obligated balance, end of year	411	363	313

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	1,163	1,313	1,344
86.93 Outlays from discretionary balances	554	375	384
86.97 Outlays from new mandatory authority	33	29	31
87.00 Total outlays (gross)	1,750	1,717	1,759

Offsets:

Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-8	-8	-8

Net budget authority and outlays:

89.00 Budget authority	1,597	1,661	1,701
90.00 Outlays	1,742	1,709	1,751

Additional net budget authority and outlays to cover cost of fully accruing retirement:

99.00 Budget authority	42	43	46
99.01 Outlays	42	43	46

This appropriation provides for Servicewide information systems operations and maintenance, and investments to enhance or develop business applications for the IRS Business Units. The appropriation includes staffing, telecommunications, hardware and software (including commercial-off-the-shelf), and contractual services.

Information services.—This activity provides the salaries, benefits, and related costs to manage, maintain, and operate the information systems that support tax administration. The Service's business activities rely on these information systems to process tax and information returns, account for tax revenues collected, send bills for taxes owed, issue refunds, assist in the selection of tax returns for audit, and provide telecommunications services for all business activities including the public's toll free access to tax information. These systems are located in a variety of sites including the Martinsburg, Tennessee and Detroit Computing Centers; Service Centers; and in other field office operations. Staffing in this activity develops and maintains the millions of lines of programming code supporting all aspects of tax-processing; as well as operating and administering the Service's hardware infrastructure of mainframes, minicomputers, personal computers, networks, and a variety of management information systems.

Information systems improvement programs.—This activity funds improvements or enhancements to business applications. These investments conform to the modernized IRS architecture. These projects differ in scope from those funded by the Business Systems Modernization Program, which addresses major common tax administration systems.

Object Classification (in millions of dollars)

Identification code 20-0919-0-1-803	2002 actual	2003 est.	2004 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	542	556	580
11.3 Other than full-time permanent	5	3	3
11.5 Other personnel compensation	21	23	24
11.9 Total personnel compensation	568	582	607
12.1 Civilian personnel benefits	120	125	128
21.0 Travel and transportation of persons	20	22	22
23.3 Communications, utilities, and miscellaneous charges	211	210	208
25.1 Advisory and assistance services	2	4	4
25.2 Other services	337	343	351
25.3 Other purchases of goods and services from Government accounts	9	13	13
25.4 Operation and maintenance of facilities	3	1	1
25.7 Operation and maintenance of equipment	85	93	84
26.0 Supplies and materials	15	17	17
31.0 Equipment	258	251	266
99.0 Direct obligations	1,628	1,661	1,701
99.0 Reimbursable obligations	8	8	8

99.9	Total new obligations	1,636	1,669	1,709
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Personnel Summary

Identification code 20-0919-0-1-803	2002 actual	2003 est.	2004 est.
Direct:			
1001 Total compensable workyears: Civilian full-time equivalent employment	7,674	8,025	7,986
Reimbursable:			
2001 Total compensable workyears: Civilian full-time equivalent employment	10	10	10

BUSINESS SYSTEMS MODERNIZATION

For necessary expenses of the Internal Revenue Service, \$429,000,000, to remain available until September 30, 2006, for the capital asset acquisition of information technology systems, including management and related contractual costs of said acquisitions, including contractual costs associated with operations authorized by 5 U.S.C. 3109: Provided, That 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 part 3; (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 General Accounting Office; and (6) complies with the acquisition rules, requirements, guidelines, and systems acquisition management practices of the Federal Government.

Note.—A regular 2003 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. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 20-0921-0-1-803	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Information technology investments	320	450	500
10.00 Total new obligations	320	450	500
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	77	171	101
22.00 New budget authority (gross)	406	380	429
22.10 Resources available from recoveries of prior year obligations	8		
23.90 Total budgetary resources available for obligation	491	551	530
23.95 Total new obligations	-320	-450	-500
24.40 Unobligated balance carried forward, end of year	171	101	30
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	392	380	429
50.00 Reappropriation	14		
70.00 Total new budget authority (gross)	406	380	429
Change in obligated balances:			
72.40 Obligated balance, start of year	192	183	205
73.10 Total new obligations	320	450	500
73.20 Total outlays (gross)	-321	-428	-444
73.45 Recoveries of prior year obligations	-8		
74.40 Obligated balance, end of year	183	205	261
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	176	228	257
86.93 Outlays from discretionary balances	145	200	187
87.00 Total outlays (gross)	321	428	444
Net budget authority and outlays:			
89.00 Budget authority	406	380	429
90.00 Outlays	321	428	444

Object Classification (in millions of dollars)

Identification code 20-0921-0-1-803	2002 actual	2003 est.	2004 est.
25.2 Other services	271	450	500
25.7 Operation and maintenance of equipment	7		
31.0 Equipment	42		
99.9 Total new obligations	320	450	500

This appropriation provides for revamping business practices and acquiring new technology. The agency is using a formal methodology to prioritize, approve, fund, and evaluate its portfolio of business systems modernization investments. This methodology enforces a documented, repeatable, and measurable process for managing investments throughout their life cycle. Investment decisions are approved by the IRS Core Business System Executive Steering Committee, chaired by the Commissioner.

PAYMENT WHERE EARNED INCOME CREDIT EXCEEDS LIABILITY FOR TAX**Program and Financing (in millions of dollars)**

Identification code 20-0906-0-1-609	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct program activity	27,826	30,606	31,375
10.00 Total new obligations (object class 41.0)	27,826	30,606	31,375
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	27,826	30,606	31,375
23.95 Total new obligations	-27,826	-30,606	-31,375
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation	27,826	30,606	31,375
Change in obligated balances:			
73.10 Total new obligations	27,826	30,606	31,375
73.20 Total outlays (gross)	-27,826	-30,606	-31,375
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	27,826	30,606	31,375
Net budget authority and outlays:			
89.00 Budget authority	27,826	30,606	31,375
90.00 Outlays	27,826	30,606	31,375

As provided by law, there will be instances wherein the earned income tax credit will exceed the amount of tax liability owed through the individual income tax system, resulting in an additional payment to the tax filer. The Earned Income Credit 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 have increased the credit amount and expanded the eligibility for earned income credit.

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 allows the IRS to use more cost-efficient procedures to deny questionable EITC claims.

General and special fund—Continued**PAYMENT WHERE ALTERNATIVE TO FAILING SCHOOL CREDIT
EXCEEDS LIABILITY FOR TAX**

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 20–0927–4–1–501	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct program activity			213
10.00 Total new obligations (object class 44.0)			213
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			213
23.95 Total new obligations			–213
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation			213
Change in obligated balances:			
73.10 Total new obligations			213
73.20 Total outlays (gross)			–213
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority			213
Net budget authority and outlays:			
89.00 Budget authority			213
90.00 Outlays			213

PAYMENT WHERE CHILD CREDIT EXCEEDS LIABILITY FOR TAX**Program and Financing** (in millions of dollars)

Identification code 20–0922–0–1–609	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct program activity	5,060	5,870	5,863
10.00 Total new obligations (object class 41.0)	5,060	5,870	5,863
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	5,060	5,870	5,863
23.95 Total new obligations	–5,060	–5,870	–5,863
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation	5,060	5,870	5,863
Change in obligated balances:			
73.10 Total new obligations	5,060	5,870	5,863
73.20 Total outlays (gross)	–5,060	–5,870	–5,863
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	5,060	5,870	5,863
Net budget authority and outlays:			
89.00 Budget authority	5,060	5,870	5,863
90.00 Outlays	5,060	5,870	5,863

As provided by law, there will be instances wherein the child credit will exceed 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).

Summary of Budget Authority and Outlays

(in millions of dollars)

Enacted/requested:	2002 actual	2003 est.	2004 est.
Budget Authority	5,060	5,870	5,863
Outlays	5,060	5,870	5,863
Legislative proposal, subject to PAYGO:			
Budget Authority		300	1,074

Outlays		300	1,074
Total:			
Budget Authority	5,060	6,170	6,937
Outlays	5,060	6,170	6,937

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	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct program activity		300	1,074
10.00 Total new obligations (object class 41.0)		300	1,074
Budgetary resources available for obligation:			
22.00 New budget authority (gross)		300	1,074
23.95 Total new obligations		–300	–1,074
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation		300	1,074
Change in obligated balances:			
73.10 Total new obligations		300	1,074
73.20 Total outlays (gross)		–300	–1,074
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority		300	1,074
Net budget authority and outlays:			
89.00 Budget authority		300	1,074
90.00 Outlays		300	1,074

The President's Growth Package proposes to permanently extend the Child Tax Credit provisions in the Economic Growth and Tax Relief Reconciliation Act of 2001, which sunset on December 31, 2010. These provisions increase the amount of the child tax credit to \$1,000, and make the credit partially refundable for many families with earned income.

**PAYMENT WHERE HEALTH CARE CREDIT EXCEEDS LIABILITY FOR
TAX****Program and Financing** (in millions of dollars)

Identification code 20–0923–0–1–551	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct Program Activity		4	212
10.00 Total new obligations (object class 41.0)		4	212
Budgetary resources available for obligation:			
22.00 New budget authority (gross)		4	212
23.95 Total new obligations		–4	–212
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation		4	212
Change in obligated balances:			
73.10 Total new obligations		4	212
73.20 Total outlays (gross)		–4	–212
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority		4	212
Net budget authority and outlays:			
89.00 Budget authority		4	212
90.00 Outlays		4	212

The Trade Act of 2002 established an advanceable, refundable tax credit for 65 percent of cost of qualified insurance. This credit is available to recipients of trade adjustment as-

sistance (TAA) and Pension Benefit Guaranty Corporation pension benefits who are aged 55–64 and have lost their employer health benefits.

To help lower income families purchase private health insurance, the budget includes a proposed new refundable tax credit for health insurance purchased by individuals and families who are neither covered by employer-sponsored insurance nor enrolled in public programs. This schedule reflects the effects of this proposed credit in cases where the credit exceeds the individual tax liability resulting in payment to the tax filer.

REFUNDING INTERNAL REVENUE COLLECTIONS, INTEREST

Program and Financing (in millions of dollars)

Identification code 20–0904–0–1–908	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Direct program activity	4,208	3,219	2,689
10.00 Total new obligations (object class 43.0)	4,208	3,219	2,689
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	4,208	3,219	2,689
23.95 Total new obligations	–4,208	–3,219	–2,689
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation	4,208	3,219	2,689
Change in obligated balances:			
73.10 Total new obligations	4,208	3,219	2,689
73.20 Total outlays (gross)	–4,208	–3,219	–2,689
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	4,208	3,219	2,689
Net budget authority and outlays:			
89.00 Budget authority	4,208	3,219	2,689
90.00 Outlays	4,208	3,219	2,689

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

Program and Financing (in millions of dollars)

Identification code 20–5080–0–2–808	2002 actual	2003 est.	2004 est.
New budget authority (gross), detail:			
Mandatory:			
60.20 Appropriation (special fund)	1	1	1
60.47 Portion applied to repay debt	–1	–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.

INFORMANT PAYMENTS

Unavailable Collections (in millions of dollars)

Identification code 20–5433–0–2–803	2002 actual	2003 est.	2004 est.
01.99 Balance, start of year			4
Receipts:			
02.40 Underpayment and fraud collection	9	7	7
04.00 Total: Balances and collections	9	7	11
Appropriations:			
05.00 Informant payments	–9	–3	–3
07.99 Balance, end of year		4	8

Program and Financing (in millions of dollars)

Identification code 20–5433–0–2–803	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Informant Payments	9	3	3
10.00 Total new obligations (object class 91.0)	9	3	3
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	9	3	3
23.95 Total new obligations	–9	–3	–3
New budget authority (gross), detail:			
Mandatory:			
60.20 Appropriation (special fund)	9	3	3
Change in obligated balances:			
73.10 Total new obligations	9	3	3
73.20 Total outlays (gross)	–9	–3	–3
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	9	3	3
Net budget authority and outlays:			
89.00 Budget authority	9	3	3
90.00 Outlays	9	3	3

As provided by law (26 U.S.C. 7623), the Treasury Secretary 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).

Public enterprise funds:

FEDERAL TAX LIEN REVOLVING FUND

Program and Financing (in millions of dollars)

Identification code 20–4413–0–3–803	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
09.01 Reimbursable program	7	6	6
10.00 Total new obligations (object class 32.0)	7	6	6
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	6	5	4
22.00 New budget authority (gross)	5	6	6
22.10 Resources available from recoveries of prior year obligations	1		
23.90 Total budgetary resources available for obligation	12	11	10
23.95 Total new obligations	–7	–6	–6
24.40 Unobligated balance carried forward, end of year	5	4	4

Public enterprise funds—Continued**FEDERAL TAX LIEN REVOLVING FUND—Continued****Program and Financing** (in millions of dollars)—Continued

Identification code 20-4413-0-3-803	2002 actual	2003 est.	2004 est.
New budget authority (gross), detail:			
Mandatory:			
69.00 Offsetting collections (cash)	5	6	6
Change in obligated balances:			
73.10 Total new obligations	7	6	6
73.20 Total outlays (gross)	-6	-4	-6
73.45 Recoveries of prior year obligations	-1		
Outlays (gross), detail:			
86.98 Outlays from mandatory balances	6	4	6
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources	-5	-6	-6
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	1	-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 to 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 lienholder'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 are 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.

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 2004 Oversight Board budget recommendation for the Internal Revenue Service is \$10,724 million.

ADMINISTRATIVE PROVISIONS—INTERNAL REVENUE SERVICE

SEC. 101. Not to exceed 5 percent of any appropriation made available in this Act to the Internal Revenue Service may be transferred to any other Internal Revenue Service appropriation fifteen days after notification of the Committees on Appropriations.

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

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

SEC. 104. Funds made available by this or any other Act to the Internal Revenue Service shall be available for improved facilities and increased manpower to provide sufficient and effective 1-800 help line service for taxpayers. The Commissioner shall continue to make the improvement of the Internal Revenue Service 1-800 help line service a priority and allocate resources necessary to increase phone lines and staff to improve the Internal Revenue Service 1-800 help line service.

COMPTROLLER OF THE CURRENCY**Trust Funds****ASSESSMENT FUNDS****Unavailable Collections** (in millions of dollars)

Identification code 20-8413-0-8-373	2002 actual	2003 est.	2004 est.
01.99 Balance, start of year			
Receipts:			
02.80 Assessment funds, offsetting collections	449	456	476
Appropriations:			
05.00 Assessment funds	-449	-456	-476
07.99 Balance, end of year			

Program and Financing (in millions of dollars)

Identification code 20-8413-0-8-373	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
09.00 Bank supervision	417	439	459
10.00 Total new obligations	417	439	459
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	281	313	330
22.00 New budget authority (gross)	449	456	476
23.90 Total budgetary resources available for obligation	730	769	806
23.95 Total new obligations	-417	-439	-459
24.40 Unobligated balance carried forward, end of year	313	330	347
New budget authority (gross), detail:			
Mandatory:			
69.00 Offsetting collections (cash)	449	456	476
Change in obligated balances:			
72.40 Obligated balance, start of year	63	67	71
73.10 Total new obligations	417	439	459
73.20 Total outlays (gross)	-413	-435	-454
74.40 Obligated balance, end of year	67	71	76
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	413	435	454
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.20 Interest on Federal securities	-17	-16	-17
88.40 Non-Federal sources: Assessments	-432	-440	-459
88.90 Total, offsetting collections (cash)	-449	-456	-476
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	-36	-21	-22

Memorandum (non-add) entries:

92.01 Total investments, start of year: Federal securities:			
Par value	345	378	403
92.02 Total investments, end of year: Federal securities:			
Par value	378	403	418

The Office of the Comptroller of the Currency 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 in this connection. The income of the bureau is derived principally from assessments paid by national banks and interest on investments in U.S. Government securities.

As the Administrator of National Banks, the Office of the Comptroller of the Currency 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 1,900 national bank examiners. At present, there are approximately 2,100 national banks and 52 Federal branches with total assets of more than \$3.8 trillion.

In addition, the Comptroller considers applications for mergers in which the resulting bank will be a national bank and applications from banks to establish branches. The Comptroller of the Currency 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	2002 actual	2003 est.	2004 est.
Personnel compensation:			
11.1 Full-time permanent	227	243	256
11.3 Other than full-time permanent	5	5	6
11.5 Other personnel compensation	2	2	2
11.9 Total personnel compensation	234	250	264
12.1 Civilian personnel benefits	61	65	70
21.0 Travel and transportation of persons	26	27	27
22.0 Transportation of things	1	1	1
23.2 Rental payments to others	26	27	27
23.3 Communications, utilities, and miscellaneous charges	9	9	9
24.0 Printing and reproduction	1	1	1
25.2 Other services	42	45	47
26.0 Supplies and materials	4	4	4
31.0 Equipment	12	6	5
32.0 Land and structures	1	4	4
99.9 Total new obligations	417	439	459

Personnel Summary

Identification code 20-8413-0-8-373	2002 actual	2003 est.	2004 est.
Reimbursable:			
2001 Total compensable workyears: Civilian full-time equivalent employment	2,792	2,813	2,813

OFFICE OF THRIFT SUPERVISION

Federal Funds

Public enterprise funds:

OFFICE OF THRIFT SUPERVISION

Program and Financing (in millions of dollars)

Identification code 20-4108-0-3-373	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
09.01 Office of Thrift Supervision	148	157	161
10.00 Total new obligations	148	157	161
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	122	136	147
22.00 New budget authority (gross)	163	168	168
23.90 Total budgetary resources available for obligation	285	304	315
23.95 Total new obligations	-148	-157	-161
24.40 Unobligated balance carried forward, end of year	136	147	154

New budget authority (gross), detail:

69.00 Mandatory:			
Offsetting collections (cash)	163	168	168
Change in obligated balances:			
72.40 Obligated balance, start of year	27	23	11
73.10 Total new obligations	148	157	161
73.20 Total outlays (gross)	-153	-168	-168
74.40 Obligated balance, end of year	23	11	4

Outlays (gross), detail:

86.97 Outlays from new mandatory authority	153	168	168
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Offsets:

Against gross budget authority and outlays:

Offsetting collections (cash) from:			
88.00 Federal sources	-3	-3	-3
88.20 Interest on Federal securities	-2	-5	-5
88.40 Non-Federal sources	-158	-160	-160
88.90 Total, offsetting collections (cash)	-163	-168	-168

Net budget authority and outlays:

89.00 Budget authority			
90.00 Outlays	-10		

Memorandum (non-add) entries:

92.01 Total investments, start of year: Federal securities:			
Par value	148	158	158
92.02 Total investments, end of year: Federal securities:			
Par value	158	158	158

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

The OTS charters, regulates and examines Federal thrifts, all of which are insured by the Savings Association Insurance Fund. In addition, the OTS cooperates in the examination and supervision of State-chartered thrifts insured by the Savings Association Insurance Fund. The OTS sets capital standards for Federal and State thrifts and reviews applications of State-chartered thrifts for conversion to Federal thrifts. It also reviews applications for establishment of branch offices.

Income of the bureau is derived principally from assessments on thrifts, examination fees and interest on investments in U.S. Government obligations. As of September 30, 2002, OTS oversees 983 thrifts with total assets of \$987 billion.

Object Classification (in millions of dollars)

Identification code 20-4108-0-3-373	2002 actual	2003 est.	2004 est.
Personnel compensation:			
11.1 Full-time permanent	88	85	88
11.5 Other personnel compensation	1		
11.8 Special personal services payments	1	1	1
11.9 Total personnel compensation	90	86	89
12.1 Civilian personnel benefits	26	33	33
21.0 Travel and transportation of persons	10	9	10
23.2 Rental payments to others	6	7	7
23.3 Communications, utilities, and miscellaneous charges	3	4	4
25.2 Other services	10	13	13
26.0 Supplies and materials	1	1	1
31.0 Equipment	2	4	4
99.9 Total new obligations	148	157	161

Personnel Summary

Identification code 20-4108-0-3-373	2002 actual	2003 est.	2004 est.
Reimbursable:			
2001 Total compensable workyears: Civilian full-time equivalent employment	1,087	959	959

INTEREST ON THE PUBLIC DEBT*Federal Funds***General and special funds:****INTEREST ON TREASURY DEBT SECURITIES (GROSS)****Program and Financing (in millions of dollars)**

Identification code 20-0550-0-1-901	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Interest on Treasury Securities	332,537	328,292	352,765
10.00 Total new obligations (object class 43.0)	332,537	328,292	352,765
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	332,537	328,292	352,765
23.95 Total new obligations	-332,537	-328,292	-352,765
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation	332,537	328,292	352,765
Change in obligated balances:			
73.10 Total new obligations	332,537	328,292	352,765
73.20 Total outlays (gross)	-332,537	-328,292	-352,765
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	332,537	328,292	352,765
Net budget authority and outlays:			
89.00 Budget authority	332,537	328,292	352,765
90.00 Outlays	332,537	328,292	352,765

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.

Summary of Budget Authority and Outlays

(in millions of dollars)

	2002 actual	2003 est.	2004 est.
Enacted/requested:			
Budget Authority	332,537	328,292	352,765
Outlays	332,537	328,292	352,765
Legislative proposal, not subject to PAYGO:			
Budget Authority		24	-430
Outlays		24	-430
Total:			
Budget Authority	332,537	328,316	352,335
Outlays	332,537	328,316	352,335

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	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Interest on Treasury Securities		24	-430
10.00 Total new obligations (object class 43.0)		24	-430
Budgetary resources available for obligation:			
22.00 New budget authority (gross)		24	-430
23.95 Total new obligations		-24	430
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation		24	-430
Change in obligated balances:			
73.10 Total new obligations		24	-430

73.20 Total outlays (gross)	-24	430
Outlays (gross), detail:		
86.97 Outlays from new mandatory authority	24	-430
Net budget authority and outlays:		
89.00 Budget authority	24	-430
90.00 Outlays	24	-430

GENERAL FUND RECEIPT ACCOUNTS

(in millions of dollars)

	2002 actual	2003 est.	2004 est.
Governmental receipts:			
20-015800 Transportation fuels tax: Enacted/requested ...	814	869	939
Legislative proposal, subject to PAYGO			-643
20-065000 Deposit of earnings, Federal Reserve System: Enacted/requested	23,683	23,565	27,078
20-085000 Registration, filing, and transaction fees: Enacted/requested	5	5	5
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	72	72	72
20-089100 Miscellaneous fees for regulatory and judicial services, not otherwise classified: Enacted/requested	8	8	8
20-101000 Fines, penalties, and forfeitures, agricultural laws: Enacted/requested	2	2	2
20-102000 Fines, penalties, and forfeitures, economic stabilization laws: Enacted/requested	9	9	9
20-103000 Fines, penalties, and forfeitures, immigration and labor laws: Enacted/requested	72	72	72
20-104000 Fines, penalties, and forfeitures, customs, commerce, and antitrust laws: Enacted/requested	100	100	100
20-105000 Fines, penalties, and forfeitures, narcotic prohibition and alcohol laws: Enacted/requested	2	2	2
20-106000 Forfeitures of unclaimed money and property: Enacted/requested	25	36	36
20-108000 Fines, penalties, and forfeitures, Federal coal mine health and safety laws: Enacted/requested	18	18	18
20-129900 Gifts to the United States, not otherwise classified: Enacted/requested	6	1	1
20-241100 User fees for IRS: Enacted/requested	59	66	5
Legislative proposal, subject to PAYGO			68
20-309200 Recovery from highway trust fund for refunds of taxes: Enacted/requested	1,195	988	1,015
20-309400 Recovery from airport and airway trust fund for refunds of taxes: Enacted/requested	60	47	50
20-309500 Recovery from leaking underground storage tank trust fund for refunds of taxes, EPA: Enacted/requested	6	5	5
20-309990 Refunds of moneys erroneously received and recovered (20X1807): Enacted/requested	-336	-312	-324
95-085015 Registration, filing, and transaction fees, SEC: Enacted/requested	1		
95-109900 Fines, penalties, and forfeitures, not otherwise classified: Enacted/requested	667	399	399
99-011050 Individual income taxes: Enacted/requested ...	858,278	877,144	953,574
Legislative proposal, subject to PAYGO		-28,158	-103,761
99-011100 Corporation income and excess profits taxes: Enacted/requested	148,037	145,799	173,659
Legislative proposal, subject to PAYGO		-2,613	-4,599
99-015250 Other Federal fund excise taxes: Enacted/requested	-519	164	106
Legislative proposal, subject to PAYGO		-16	-264
99-015300 Estate and gift taxes: Enacted/requested	26,507	20,209	23,913
Legislative proposal, subject to PAYGO			-534
99-015500 Tobacco excise tax: Enacted/requested	8,274	8,158	8,015
99-015600 Alcohol excise tax: Enacted/requested	7,764	7,840	7,979
Legislative proposal, subject to PAYGO			-57
99-015700 Telephone excise tax: Enacted/requested	5,829	6,205	6,611
99-031050 Other Federal fund customs duties: Enacted/requested	12,080	12,519	13,651
Legislative proposal, subject to PAYGO			-34
General Fund Governmental receipts	1,092,718	1,073,204	1,107,177
Offsetting receipts from the public:			
20-143500 General fund proprietary interest receipts, not otherwise classified: Enacted/requested	294	221	221
20-145000 Interest payments from States, cash management improvement: Enacted/requested	47	35	40

20-146310 Interest on quota in International Monetary Fund: Enacted/requested	481	481	481
20-146400 Interest received on loans and credits to foreign nations: Enacted/requested	131	117	111
20-148400 Interest on deposits in tax and loan accounts: Enacted/requested	341	225	450
20-149900 Interest received from credit financing accounts: Enacted/requested	11,050	11,147	11,747
20-276330 Community Development Financial Institutions Fund, downward re-estimate of subsidies: Enacted/requested		1	
20-286800 Dollar conversion of foreign currency loan repayments: Enacted/requested	3	4	4
20-286900 Repayment of loans and credits to foreign nations: Enacted/requested	71	85	88
20-322000 All other general fund proprietary receipts: Enacted/requested	1,088	1,092	1,092
20-387500 Budget clearing account (suspense): Enacted/requested	-223		
General Fund Offsetting receipts from the public	13,283	13,408	14,234
Intragovernmental payments:			
13-141000 Interest on investment, economic development revolving fund: Enacted/requested	2	2	2
14-142400 Interest on investment, Colorado River projects: Enacted/requested	4	4	4
14-142700 Interest on advances to Colorado River Dam fund, Boulder Canyon project: Enacted/requested	12	12	11
20-133800 Interest on loans to the Presidio: Enacted/requested	3	3	3
20-135100 Interest on loans to BPA: Enacted/requested	547	502	481
20-135400 Interest on loans for housing for the elderly or handicapped: Enacted/requested	274	229	188
20-136100 Interest on loans to the Secretary of Transportation, railroad rehabilitation and improvement fund: Enacted/requested	5	5	5
20-136300 Interest on loans for college housing and academic facilities loans, Education: Enacted/requested	16	11	10
20-140100 Interest on loans to Commodity Credit Corporation: Enacted/requested	283	206	333
20-140500 Interest on loans to H.U.D., college housing loans, Education: Enacted/requested	3	2	1
20-141700 Interest on loans to Tennessee Valley Authority: Enacted/requested			2
20-141800 Interest on loans to Federal Financing Bank: Enacted/requested	2,040	2,268	2,482
Legislative proposal, not subject to PAYGO		-23	-72
20-142500 Interest on loans to rural development insurance fund: Enacted/requested	34	20	12
20-143300 Interest on loans to national flood insurance fund, DHS: Enacted/requested	14		
20-149500 Interest payments on repayable advances to the black lung disability trust fund: Enacted/requested	596	621	640
Legislative proposal, not subject to PAYGO			1,851
20-149700 Payment of interest on advances to the Railroad Retirement Board: Enacted/requested	222	194	160
20-241600 Charges for administrative expenses of Social Security Act as amended: Enacted/requested	321	327	328
20-310100 Recoveries from Federal agencies for settlement of claims for contract disputes: Enacted/requested	196		
20-320000 Receivables from cancelled accounts: Enacted/requested	320	100	100
20-330600 Transfer of excess receipts to the general fund, Federal fund payments: Enacted/requested		2	
20-388500 Undistributed intragovernmental payments: Enacted/requested	-293		
73-142800 Interest on advances to Small Business Administration: Enacted/requested	45	25	9
91-142200 Interest on loans, higher education facilities loan fund: Enacted/requested	2	1	1
General Fund Intragovernmental payments	4,646	4,511	6,551

OTHER CONSOLIDATED RECEIPT ACCOUNTS

(in millions of dollars)

	2002 actual	2003 est.	2004 est.
20-977920 Interest, Miscellaneous trust funds, government-wide	1	1	1

GENERAL PROVISIONS—DEPARTMENT OF THE TREASURY

SEC. 110. 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. 111. Not to exceed 2 percent of any appropriations in this Act made available to the Departmental Offices, Inspector General for Treasury, 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 advance notification of the Committees on Appropriations. No transfer may increase or decrease any such appropriation by more than 2 percent.

SEC. 112. Not to exceed 2 percent of any appropriation made available in this Act to the Internal Revenue Service may be transferred to the Inspector General for Treasury appropriation upon advance notification of the Committees on Appropriations. No transfer may increase or decrease any such appropriation by more than 2 percent.

SEC. 113. 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. 114. The Secretary of the Treasury may transfer funds from "Salaries and Expenses", Financial Management Service, to the Debt Services Account 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 Services Account.

SEC. 115. None of the funds appropriated or otherwise made available by this or any other Act may be used by the United States Mint to construct or operate any museum without advance notification of the House Committee on Financial Services and the Senate Committee on Banking, Housing, and Urban Affairs.

SEC. 116. The Treasury Department Appropriations Act, 1997 (as contained in section 101(f), Division A of Public Law 104-208), under the heading "Treasury Franchise Fund", as amended by section 120 of the Treasury Department Appropriations Act, 2001 (as enacted into law by section 1(a)(3) of Public Law 106-554), is further amended by replacing "October 1, 2002" with "October 1, 2004".

SEC. 117. Section 122 of Public Law 105-119 (5 U.S.C. 3104 note), as amended, is further amended in subsection (g)(1), by striking "4 years" and inserting "5 years".

SEC. 118. (a) SHORT TITLE.—This Act may be cited as the "Department of the Treasury Inspector General Consolidation Act of 2003".

(b) CONSOLIDATION OF OFFICES.—Beginning in fiscal year 2004 and thereafter, the Office of Treasury Inspector General for Tax Administration established by the Internal Revenue Service Restructuring and Reform Act of 1998, and the Office of Inspector General of the Department of the Treasury established by the Inspector General Act Amendments of 1988, are consolidated. The consolidated entity shall be established as the Office of Inspector General of the Department of the Treasury, and all powers, duties and responsibilities assigned to each entity shall be transferred to the consolidated entity. Effective upon such consolidation and consistent with section 3 of this Act, the Office of Treasury Inspector General for Tax Administration established by the Internal Revenue Service Restructuring and Reform Act of 1998, and the Office of Inspector General of the Department of the Treasury established by the Inspector General Act Amendments of 1988 are abolished.

(c) AMENDMENTS TO THE INSPECTOR GENERAL ACT OF 1978.—The Inspector General Act of 1978, as amended, is further amended—

(1) in section 2 (5 U.S.C. app. 3 §2), by striking the matter following "there is established" and inserting the following: "in each of such establishments an Office of Inspector General";

(2) in section 8D (5 U.S.C. app. 3 §8D), by striking the matter following the title ("Special provisions concerning the Department of the Treasury") and inserting the following:

“(a)(1) Notwithstanding the last two sentences of section 3(a) [5 U.S.C. app. 3 §3(a)], the Inspector General of the Department of the Treasury shall be under the authority, direction, and control of the Secretary of the Treasury with respect to audits or investigations, or the issuance of subpoenas, which require access to sensitive information concerning—

(A) ongoing criminal investigations or proceedings;

(B) undercover operations;

(C) the identity of confidential sources, including protected witnesses;

(D) deliberations and decisions on policy matters, including documented information used as a basis for making policy decisions, the disclosure of which could reasonably be expected to have a significant influence on the economy or market behavior;

(E) intelligence or counterintelligence matters; or

(F) other matters the disclosure of which would constitute a serious threat to national security.

(2) With respect to the information described under paragraph (1), the Secretary of the Treasury may prohibit the Inspector General of the Department of the Treasury from carrying out or completing any audit or investigation, or from issuing any subpoena, after such Inspector General has decided to initiate, carry out, or complete such audit or investigation or to issue such subpoena, if the Secretary of the Treasury determines that such prohibition is necessary to prevent the disclosure of any information described under paragraph (1) or to prevent significant impairment to the national interests of the United States.

(3) If the Secretary of the Treasury exercises any power under paragraph (1) or (2), the Secretary of the Treasury shall notify the Inspector General of the Department of the Treasury in writing stating the reasons for such exercise. Within 30 days after receipt of any such notice, the Inspector General of the Department of the Treasury shall transmit a copy of such notice to the Committees on Governmental Affairs and Finance of the Senate and the Committees on Government Reform and Ways and Means of the House of Representatives, and to other appropriate committees or subcommittees of the Congress.

(4) The Secretary of the Treasury may not exercise any power under paragraph (1) or (2) with respect to the duties and responsibilities of the Inspector General of the Department of the Treasury concerning the Internal Revenue Service, the Internal Revenue Service Oversight Board, or the Office of Chief Counsel of the Internal Revenue Service.

(b)(1) The Inspector General of the Department of the Treasury shall exercise all duties and responsibilities of an Inspector General of an establishment with respect to the Department of the Treasury and the Secretary of the Treasury.

(2) Subject to subsection (a), the Inspector General of the Department of the Treasury may initiate, conduct and supervise such audits and investigations in the Department of the Treasury as the Inspector General of the Department of the Treasury considers appropriate.

(3) If the Inspector General of the Department of the Treasury initiates an audit or investigation under subsection (b), the Inspector General of the Department of the Treasury may provide the head of the affected bureau or office which is the subject of the audit or investigation with written notice that the Inspector General of the Department of the Treasury has initiated such audit or investigation. If the Inspector General of the Department of the Treasury issues a notice under the preceding sentence, no other audit or investigation shall be initiated into the matter under audit or investigation by the Inspector General of the Department of the Treasury and any other audit or investigation of such matter shall cease.

(c)(1) The Inspector General of the Department of the Treasury shall have access to returns and return information, as defined in section 6103(b) of the Internal Revenue Code of 1986 [26 U.S.C. §6103(b)], only in accordance with the provisions of section 6103 of such Code [26 U.S.C. §6103] and this Act.

(2) The Internal Revenue Service shall maintain the same system of standardized records or accounting of all requests from the Inspector General of the Department of the Treasury for inspection or disclosure of returns and return information (including the reasons for and dates of such requests), and of returns and return information inspected or disclosed pursuant to such requests, as described under section 6103(p)(3)(A) of the Internal Revenue Code of 1986 [26 U.S.C. §6103(p)(3)(A)]. Such system of standardized records or accountings shall also be available for examination in the same manner as provided under section 6103(p)(3) of the Internal Revenue Code of 1986 [26 U.S.C. §6103(p)(3)(A)].

(3) The Inspector General of the Department of the Treasury shall be subject to the same safeguards and conditions for receiving returns and return information as are described under section 6103(p)(4) of the Internal Revenue Code of 1986 [26 U.S.C. §6103(p)(4)].

(d) An audit or investigation conducted by the Inspector General of the Department of the Treasury shall not affect a final decision of the Secretary of the Treasury or the Secretary's delegate under section 6406 of the Internal Revenue Code of 1986 [26 U.S.C. §6406].

(e)(1) Any report required to be transmitted by the Secretary of the Treasury to the appropriate committees or subcommittees of the Congress under section 5(d) [5 U.S.C. app. 3 §5(d)] shall also be transmitted, within the seven-day period specified under such section, to the Committees on Governmental Affairs and Finance of the Senate and the Committees in Government Reform and Ways and Means of the House of Representatives.

(2) Any report made by the Inspector General of the Department of the Treasury concerning the Internal Revenue Service, the Internal Revenue Service Oversight Board, or the Office of Chief Counsel of the Internal Revenue Service that is required to be transmitted by the Secretary of the Treasury to the appropriate committees or subcommittees of Congress under section 5(d) [5 U.S.C. app. 3 §5(d)] shall also be transmitted, within the seven-day period specified under such subsection, to the Internal Revenue Service Oversight Board and the Commissioner of Internal Revenue.

(f) In addition to the requirements of the first sentence of section 3(a) [5 U.S.C. app. §3(a)], the Treasury Inspector General of the Department of the Treasury should have demonstrated ability to lead a large and complex organization.

(g) An individual appointed to the position of Inspector General of the Department of the Treasury may not be an employee of the Internal Revenue Service—

(1) during the two-year period preceding the date of appointment to such position; or

(2) during the five-year period following the date such individual ends service in such position.

(h)(1) In addition to the duties and responsibilities exercised by an inspector general of an establishment, the Inspector General of the Department of the Treasury—

(A) shall have the authority and duty to enforce the criminal provisions within the scope of the Inspector General of the Department of the Treasury's jurisdiction, powers, duties and responsibilities as an Inspector General of an establishment under this Act;

(B) in enforcing the criminal provisions described in subparagraph (A), shall have the authority to:

(1) execute and serve search warrants and arrest warrants, and serve subpoenas and summonses issued under authority of the United States;

(2) make arrests without warrant for any offense against the United States relating to the laws under the jurisdiction, powers, duties and responsibilities of the Inspector General of the Department of the Treasury committed in the presence of an employee of the Inspector General of the Department of the Treasury authorized to enforce such laws, or for any felony cognizable under such laws if there is a reasonable ground to believe that the person to be arrested has committed or is committing any such felony;

(3) make seizures of property subject to forfeiture under such laws; and

(4) carry firearms.

(C) shall be responsible for protecting the Internal Revenue Service against external attempts to corrupt or threaten employees of the Internal Revenue Service, but shall not be responsible for the conducting of background checks and the providing of physical security; and

(D) may designate any employee in the Office of the Inspector General of the Department of the Treasury to enforce such laws and perform such functions referred to under subparagraphs (A), (B) and (C).

(2)(A) In performing a law enforcement function under paragraph (h)(1), the Inspector General of the Department of the Treasury shall report any reasonable grounds to believe there has been a violation of Federal criminal law to the Attorney General at an appropriate time as determined by the Inspector General of the Department of the Treasury, notwithstanding section 4(d) [5 U.S.C. app. 3 §4(d)].

(B) in the administration of section 5(d) [5 U.S.C. app. 3 §5(d)] and subsection (e)(2) of this section, the Secretary of the Treasury may transmit the required report at an appropriate time as deter-

mined by the Secretary, if the problem, abuse, or deficiency relates to—

(i) the performance of a law enforcement function under paragraph (h)(1); and

(ii) sensitive information concerning matters under subsection (a)(1)(A) through (F).

(3) Nothing in this subsection shall be construed to affect the authority of any other person to carry out or enforce any provision specified in paragraph (h)(1).

(i)(1) The Commission of Internal Revenue or the Internal Revenue Service Oversight Board may request, in writing, the Inspector General of the Department of the Treasury to conduct an audit or investigation concerning the Internal Revenue Service. If the Inspector General of the Department of the Treasury determines not to conduct such audit or investigation, the Inspector General shall timely provide a written explanation for such determination to the person making the request.

(2)(A) Any final report of an audit conducted by the Inspector General of the Department of the Treasury concerning the Internal Revenue Service, the Internal Revenue Service Oversight Board, and the Office of the Chief Counsel of the Internal Revenue Service, shall be timely submitted by the Inspector General to the Commissioner of Internal Revenue and the Internal Revenue Service Oversight Board.

(B) The Inspector General of the Department of the Treasury shall periodically submit to the Commissioner and Board a list of investigations concerning the Internal Revenue Service, the Internal Revenue Service Oversight Board, and the Office of the Chief Counsel of the Internal Revenue Service, for which a final report has been completed by the Inspector General and shall provide a copy of any such report upon request of the Commissioner or Board.

(C) This paragraph applies regardless of whether the applicable audit or investigation is requested under paragraph (i)(1)."

(3) in section §9(a)(1)(L) 95 U.S.C. app. 3 §9(a)(1)(L)), by striking the matter following "(L)" and inserting the following: "of the Department of the Treasury, the offices of that department referred to as the "Office of Inspector General" and the "Treasury Inspector General for Tax Administration.""

(d) SAVINGS PROVISIONS.—(1) Completed or pending administrative actions, proceedings, orders, determinations, rules, regulations, personnel actions, permits, agreements, grants, contracts, certificates, licenses, registrations, privileges, or civil actions, of either the Inspector General of the Department of the Treasury or the Treasury Inspector General for Tax Administration shall not be affected by the enactment of this Act or the consolidation of the entities, but shall continue in effect according to their terms until amended, modified, superseded, terminated, set aside, or revoked, in accordance with law by an officer of the United States or a court of competent jurisdiction, or by operation of law.

(2) References to either the Inspector General of the Department of the Treasury or the Treasury Inspector General for Tax Administration in statutes, Executive Orders, rules, regulations, directives, or delegations of authority that precede the effective date of this Act shall be deemed to refer to the Inspector General of the Department of the Treasury established by this Act, unless otherwise provided by this Act.

(e) AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986.—The Internal Revenue Code of 1986 (I.R.C.), as amended, is further amended—

(1) in I.R.C. §6103(h)(6)(A), by replacing "Treasury Inspector General for Tax Administration" with "Inspector General of the Department of the Treasury";

(2) in I.R.C. §6103(h)(6)(B)(i), by replacing "Treasury Inspector General for Tax Administration" with "Inspector General of the Department of the Treasury";

(3) in I.R.C. §6103(k)(6), by replacing "Treasury Inspector General for Tax Administration" with "Inspector General of the Department of the Treasury";

(4) in I.R.C. §7803(c)(2)(B)(iv), by replacing both "treasury inspector general for tax administration" and "Treasury Inspector General for Tax Administration" with "Inspector General of the Department of the Treasury";

(5) in the heading of I.R.C. §7803(d), by replacing "Treasury Inspector General for Tax Administration" with "Inspector General of the Department of the Treasury";

(6) in I.R.C. §7803(d)(1), by replacing "Treasury Inspector General for Tax Administration" with "Inspector General of the Department of the Treasury";

(7) in I.R.C. §7803(d)(2)(A), by replacing "Treasury Inspector General for Tax Administration" with "Inspector General of the Department of the Treasury"; and

(8) in I.R.C. §7803(d)(3), by replacing "Treasury Inspector General for Tax Administration" with "Inspector General of the Department of the Treasury";

(f) TRANSITION PROVISION.—The President may designate an individual to serve as the Inspector General of the Department of the Treasury established by this Act until an Inspector General of the Department of the Treasury is appointed pursuant to section 3 of the Inspector General Act of 1978, as amended.

TITLE V—GENERAL PROVISIONS

THIS ACT

SEC. 501. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 502. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 503. No funds appropriated pursuant to this Act may be expended by an entity unless the entity agrees that in expending the assistance the entity will comply with sections 2 through 4 of the Act of March 3, 1933 (41 U.S.C. 10a–10c, popularly known as the "Buy American Act").

SEC. 504. (a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or products that may be authorized to be purchased with financial assistance provided under this Act, it is the sense of the Congress that entities receiving such assistance should, in expending the assistance, purchase only American-made equipment and products.

(b) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance under this Act, the Secretary of the Treasury shall provide to each recipient of the assistance a notice describing the statement made in subsection (a) by the Congress.

SEC. 505. No funds appropriated by this Act shall be available to pay for an abortion, or the administrative expenses in connection with any health plan under the Federal employees health benefit program which provides any benefits or coverage for abortions.

SEC. 506. The provision of section 505 shall not apply where the life of the mother would be endangered if the fetus were carried to term, or the pregnancy is the result of an act of rape or incest.

SEC. 507. None of the funds made available in this Act may be used by the Executive Office of the President to request from the Federal Bureau of Investigation any official background investigation report on any individual, except when—

(1) such individual has given his or her express written consent for such request not more than 6 months prior to the date of such request and during the same presidential administration; or

(2) such request is required due to extraordinary circumstances involving national security.

SEC. 508. The cost accounting standards promulgated under section 26 of the Office of Federal Procurement Policy Act (Public Law 93–400; 41 U.S.C. 422) shall not apply with respect to a contract under the Federal Employees Health Benefits Program established under chapter 89 of title 5, United States Code.

SEC. 509. For the purpose of resolving litigation and implementing any settlement agreements regarding the nonforeign area cost-of-living allowance program, the Office of Personnel Management may accept and utilize (without regard to any restriction on unanticipated travel expenses imposed in an Appropriations Act) funds made available to the Office pursuant to court approval.

SEC. 510. Sections 2471 and 2471a of Title 42, U.S. Code, are hereby repealed.

SEC. 511. Beginning in fiscal year 2004 and thereafter, (a) section 754 of the Tariff Act of 1930 (19 U.S.C. 1675c) is repealed; Provided, That duties assessed and collected in fiscal year 2003 pursuant to such section shall be distributed as provided in that section; and (b) the Commissioner of Customs shall deposit into the miscellaneous receipts of the Treasury all antidumping or countervailing duties (including interest earned on such duties) that are collected after September 30, 2003 under the antidumping orders or findings of the countervailing duty orders.

