



## DEPARTMENT OF THE TREASURY

The Department of the Treasury (Treasury) is responsible for maintaining a strong economy, promoting economic conditions that enable inclusive growth and stability, protecting the integrity of the financial system, combating global financial crime and corruption, and managing the U.S. Government's finances and resources effectively. The President's 2025 Budget for Treasury: supports a fair and robust tax system that ensures the wealthy and large corporations pay the taxes they owe; maintains improved taxpayer experience and service; combats terrorism and financial crime; promotes community development and access to credit in disadvantaged communities; strengthens corporate transparency; and builds institutional capacity to address emerging issues and advance equity across all Treasury programs.

The Budget requests \$14.4 billion in discretionary budget authority for 2025, a \$0.2 billion or a 1.2-percent increase from the 2023 level.

### The President's 2025 Budget:

- **Protects Improvements to Taxpayer Experience and Supports Ensuring the Wealthy and Big Corporations Pay the Taxes They Owe.** The Inflation Reduction Act addressed long-standing Internal Revenue Service (IRS) funding deficiencies by providing stable, multi-year funding to improve tax compliance by finally cracking down on high-income individuals and corporations who have too often avoided paying their lawfully owed taxes, and improving service for the millions of Americans who do pay their taxes. The IRS is using Inflation Reduction Act funding to modernize its information technology infrastructure, administer new clean energy tax credits, rebuild the administrative capacity of the Agency to better assist taxpayers, and crack down on tax evasion by the wealthy and big corporations. These goals can only be realized if annual discretionary appropriations are provided to maintain and protect current services. To ensure that taxpayers continue to receive high-quality customer service and that all Americans are treated fairly by the U.S. tax system, the Budget maintains annual funding at the 2023 level for all IRS activities and provides a total of \$12.3 billion for the Agency. In addition to annual discretionary funding, the Budget proposes to restore the full Inflation Reduction Act investment and provide new funding over the long-term to maintain progress on service enhancements and deficit-reducing tax compliance initiatives. This proposal reflects a robust research base demonstrating that program integrity investments to enforce existing tax laws increase revenues in a progressive way and, in doing so, shrink the tax gap—the difference between taxes owed and taxes paid.
- **Promotes Access to Capital to Underserved Communities.** The Budget provides \$325 million for the Community Development Financial Institutions (CDFI) Fund, an increase of \$1 million above the 2023 level, and \$55 million, or a 20-percent increase above the 2021 level, to provide access to credit and technical assistance to historically underserved

and often low-income communities. To address the shortage of long-term affordable credit for development projects in disadvantaged communities, the Budget also includes a \$10 million subsidy for the CDFI Fund's Bond Guarantee Program and proposes changes to broaden participation while still minimizing the risk of loss to the Federal Government. The Budget would also broaden access to the Small Dollar Loan Program, allowing more organizations to participate in the program that supports individuals seeking affordable credit building loans and alternatives to costly payday loans.

- **Combats Terrorism and Corruption and Increases Corporate Transparency.** Treasury plays a leading role in monitoring and disrupting corruption, money laundering, terrorist financing, the use of the financial system by malicious actors domestically and abroad, and combatting the trafficking of illicit substances such as fentanyl in American communities. The Budget provides \$231 million to the Office of Terrorism and Financial Intelligence, \$15 million above the 2023 level, to expand Treasury's capacity to provide financial intelligence and conduct sanctions-related economic analysis while continuing to modernize the sanctions process. These investments would expand Treasury's ability to craft, implement, and enforce sanctions, including the historic sanctions program targeting Russia's illegal war in Ukraine, and sanctions on key Hamas terrorist group members and financial facilitators in Gaza. The Budget also provides \$216 million for the Financial Crimes Enforcement Network, \$26 million above the 2023 level, to support Beneficial Ownership Information reporting which will be required for existing covered companies beginning in 2025. This reporting will provide investigative tools making it harder for bad actors to hide or benefit from their ill-gotten gains through shell companies or other opaque ownership structures.
- **Builds Critical Agency Capacity to Address Emerging Threats.** The Budget provides \$312 million for Treasury's Departmental Offices, an increase of \$38 million, or a 14-percent increase above the 2023 level, to continue to rebuild staffing levels for Treasury's core policy offices and support Treasury's role in promoting investment security in sensitive technologies and products critical to the national security of the United States. The increase in funding would also allow Treasury to support a Chief Artificial Intelligence Officer to ensure responsible use and development of artificial intelligence capabilities. The Budget builds institutional capacity to support Treasury-wide coordination of program evaluation and expand engagement with historically underrepresented and underserved groups to advance equity across all Treasury programs.
- **Strengthens Enterprise Cybersecurity.** The Budget provides \$150 million for the Cybersecurity Enhancement Account, an increase of \$50 million above the 2023 level, to protect and defend sensitive agency systems and information, including those designated as high-value assets. The Budget increases centralized funding to strengthen Treasury's overall cybersecurity efforts and to continue the implementation of a Zero Trust Architecture. These investments would protect Treasury's systems, and the American public's sensitive data safeguarded within these systems, from future attacks. The Budget also provides \$396 million for the Bureau of the Fiscal Service, \$24 million above the 2023 level. This includes funding to enhance the security posture of core Government financial systems by modernizing and transitioning all mainframe applications to the secure cloud.