



DEPARTMENT *of the* TREASURY

The Department of the Treasury (Treasury) operates nine bureaus that carry out a vast array of activities that are critical to the core functions of the Federal Government, including administering the tax code, collecting revenue, managing the Nation's debt portfolio, and protecting the financial system from threats and money laundering. Under the Trump Administration, Treasury's domestic programs have continued to foster economic growth, protect the domestic financial system from threats, and create new job opportunities for all Americans. The 2027 Budget puts American taxpayers first by prioritizing investments that return dollars to hardworking Americans and eliminating activities that place undue burden on American businesses.

The Budget requests \$11.5 billion in gross discretionary budget authority for Treasury's domestic programs for 2027, a \$1.5 billion or 12-percent decrease from the 2026 enacted level.

THE PRESIDENT'S 2027 BUDGET:

Investments

- **Treasury Departmental Offices (+\$13.7 million).** The Budget includes targeted investments in Treasury's international finance work to maintain American leadership in trade, fiscal, and sanction policies. This includes a \$9.9 million investment to support Group of Seven, known as G7, host responsibilities in 2027, including planning and security costs, and \$0.5 million to increase Treasury's global financial markets coverage. This funding would provide Treasury the necessary resources to advance the Administration's America First Investment and international finance policies, including coordination on global economic security and transnational trade and tariff policies.
- **Office of Terrorism and Financial Intelligence (+\$15.2 million).** The Budget prioritizes America's national security by making key investments in critical cyber capabilities, sanctions targeting, and combating illicit financial activity. Additional resources would expand Treasury's ability to trace, disrupt, and sanction the financial networks that enable major narcotics trafficking organizations, allowing the Administration to more forcefully target cartels and keep Americans safe from illicit drugs.

Program Cuts and Eliminations

- **Community Development Financial Institutions (CDFI) Fund (-\$204.5 million).** The Budget continues to redirect CDFI Fund awards, which were abused to advance a partisan agenda under prior

administrations, to the rural communities where the awards are most beneficial. Past awards enabled lender practices in which race was a key determinant in access to loans, and provided funds for products and services that advanced immigration, gender, and climate radicalism. By refocusing CDFI Fund awards to expand access to capital, finance infrastructure, and bolster Main Street business development in rural America, the Budget allocates resources efficiently and prevents taxpayer dollars from again supporting:

- “Immigration detention bonds,” which allow a noncitizen’s release from U.S. Immigration and Customs Enforcement custody while their case proceeds;
 - Gender extremism, such as lesbian, gay, bisexual, transgender, queer, plus clinics that provide “gender-affirming hormone therapy” and other services to young patients; and
 - Green New Scam climate policies, such as wind farms that degrade America’s natural landscape and fail to serve American energy consumers.
- **Internal Revenue Service (IRS) (–\$1.4 billion).** The IRS has grown massively in recent years—in fact, from 2018 to 2024, the size of the IRS workforce increased by over 23 percent to 90,000 Full Time Equivalents. The bureaucratic morass at this bloated agency has been weaponized against the American people, small businesses, and non-profit organizations. Examples of IRS weaponization include:
 - Targeting the non-profit status of organizations based off of their presumed political affiliations; and
 - A history of failing to protect taxpayer privacy and there have been multiple allegations of IRS employees and findings of contract agents unlawfully releasing confidential information to the public.

The Budget proposes to streamline IRS operations utilizing technology improvements to help focus the IRS on providing high-quality customer service while ensuring the tax laws are fairly administered. The Working Families Tax Cut Act (WFTC) eliminated several complex tax credits and the proposed Budget level would support WFTC implementation and protects Taxpayer Services functions. Since January 2025, the Administration has:

- Closed the Direct File program. This program cost over \$41 million but yielded fewer than 300,000 IRS-accepted returns for tax year 2024—a cost of nearly \$140 per return, when existing programs allow many taxpayers to file for free; and
- Reduced total IRS end of year staffing by 27 percent, unwinding the previous administration’s 20,000 person increase in the IRS workforce. 🐦