

Summary of FY 2007 Appropriations Language Changes

Below is a summary of changes in the appropriations language in the bills being marked up by the House and Senate. Please note that brackets indicate which material will be deleted, and italics indicate which material will be inserted.

Departmental Offices

Salaries and Expenses

(Including Transfer of Funds)

For necessary expenses of the Departmental Offices including operation and maintenance of the Treasury Building and Annex; hire of passenger motor vehicles; maintenance, repairs, and improvements of, and purchase of commercial insurance policies for, real properties leased or owned overseas, when necessary for the performance of official business, [not to exceed \$3,000,000 for official travel expenses; \$196,592,000] *\$223,874,000*, of which not to exceed [\$8,642,000] *\$17,501,000* is for executive direction program activities; [not to exceed \$7,852,000 is for general counsel program activities;] not to exceed [\$32,011,000] *\$41,947,000* is for economic policies and programs activities; not to exceed [\$26,574,000] *\$25,336,000* is for financial policies and programs activities; [pursuant to section 3004 (b) of the Exchange Rates and International Economic Policy Coordination Act of 1988 (22 U.S.C. 5304 (b)), not to exceed \$1,000,000, to remain available until expended, is for the Secretary of the Treasury, in conjunction with the President, to implement said subsection as it pertains to governments and trade violations involving currency manipulation and other trade violations;] not to exceed [\$39,939,000] *\$45,401,000* is for [financial crimes policies and programs] *terrorism and financial intelligence* activities; not to exceed [\$16,843,000] *\$20,372,000* is for Treasury-wide management policies and programs activities; and not to exceed [\$63,731,000] *\$73,317,000* is for administration programs activities: [Provided, That of the amount appropriated for financial crimes policies and programs activities, \$22,032,016 is for the Office of Foreign Assets Control and shall support

no less than 125 full time equivalent positions:] *Provided [further]*, That the Secretary of the Treasury is authorized to transfer funds appropriated for any program activity of the Departmental Offices to any other program activity of the Departmental Offices upon notification to the House and Senate Committees on Appropriations: [Provided further, That no appropriation for any program activity shall be increased or decreased by more than two percent by all such transfers: Provided further, That any change in funding greater than two percent shall be submitted for approval to the House and Senate Committees on Appropriations:] *Provided further*, That of the amount appropriated under this heading, not to exceed \$3,000,000, to remain available until September 30, [2007] *2008*, for information technology modernization requirements; not to exceed [\$100,000] *\$150,000* for official reception and representation expenses; and 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: *Provided further*, That of the amount appropriated under this heading, [\$5,173,000] *\$5,114,000* to remain available until September 30, [2007] *2008*, is for the Treasury-wide Financial Statement Audit *and Internal Control* Program, of which such amounts as may be necessary may be transferred to accounts of the Department's offices and bureaus to conduct audits: *Provided further*, That this transfer authority shall be in addition to any other provided in this Act. (Department of the Treasury Appropriations Act, 2006.)

Department-wide Systems and Capital Investment Programs

(Including Transfer of Funds)

For development and acquisition of automatic data processing equipment, software, and services for the Department of the Treasury, [\$24,412,000] \$34,032,000, to remain available until September 30, [2008] 2009: *Provided*, that these funds shall be transferred to accounts and in amounts as necessary to satisfy the requirements of the Department's offices, bureaus, and other organizations: *Provided further*, That this transfer authority shall be in addition to any other transfer authority provided in this Act: *Provided further*, That none of the funds appropriated shall be used to support or supplement "Internal Revenue Service, Information Systems" or "Internal Revenue Service, Business Systems Modernization." (Department of the Treasury Appropriations Act, 2006.)

Office of the Inspector General

Salaries and Expenses

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, not to exceed \$2,000,000 for official travel expenses, including hire of passenger motor vehicles; and not to exceed \$100,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Inspector General of the Treasury, [\$17,000,000] \$17,352,000, of which not to exceed \$2,500 shall be available for official reception and representation expenses. (Department of the Treasury Appropriations Act, 2006.)

Treasury Inspector General for Tax Administration

Salaries and Expenses

For necessary expenses of the Treasury Inspector General for Tax Administration in carrying out the Inspector General Act of 1978, as amended, including purchase (not to exceed 150 for replacement only for police-type use) and hire of passenger motor

vehicles (31 U.S.C. 1343(b)); services authorized by 5 U.S.C. 3109, at such rates as may be determined by the Inspector General for Tax Administration; not to exceed \$6,000,000 for official travel expenses; and not to exceed \$500,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Inspector General for Tax Administration, [\$133,286,000] \$136,469,000; and of which not to exceed \$1,500 shall be available for official reception and representation expenses. (Department of the Treasury Appropriations Act, 2006.)

Treasury Building and Annex Repair and Restoration

[For the repair, alteration, and improvement of the Treasury Building and Annex, \$10,000,000, to remain available until September 30, 2008.] (Department of the Treasury Appropriations Act, 2006.)

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), \$2,750,000, to remain available until expended.] *In fiscal year 2007, the Air Transportation Stabilization Board may charge fees to a borrower for the costs to the ATSB associated with bankruptcy proceedings of the borrower. Such fees shall be collected and deposited in the Air Transportation Stabilization Board account, to be available for such costs.* (Department of the Treasury Appropriations Act, 2006.)

Community Development Financial Institutions Fund

Program Account

To carry out the Community Development Banking and Financial Institutions Act of 1994 (Public Law 103-325), including services authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for ES-3, [\$55,000,000, to remain available until September 30, 2007, of

which \$4,000,000 shall be for financial assistance, technical assistance, training and outreach programs designed to benefit Native American, Native Hawaiian, and Alaskan Native communities and provided primarily through qualified community development lender organizations with experience and expertise in community development banking and lending in Indian country, Native American organizations, tribes and tribal organizations and other suitable providers, and up to \$13,500,000 may] \$7,821,000, to 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] program and for management of the existing portfolio of awards to Community Development Financial Institutions and insured financial institutions. (Department of the Treasury Appropriations Act, 2006.)

Financial Crimes Enforcement Network

Salaries and Expenses

For necessary expenses of the Financial Crimes Enforcement Network, including hire of passenger motor vehicles; travel and training expenses of non-Federal [law enforcement] and foreign government personnel to attend meetings and training concerned with domestic and foreign financial intelligence activities, law enforcement, and financial regulation; not to exceed \$14,000 for official reception and representation expenses; and for assistance to Federal law enforcement agencies, with or without reimbursement, [\$73,630,000] \$89,794,000 of which not to exceed [\$6,944,000] \$19,740,000 shall remain available until September 30, [2008] 2009; and of which [\$8,521,000] \$8,651,000 shall remain available until September 30, [2007] 2008: *Provided*, That funds appropriated in this account may be used to procure

personal services contracts. (Department of the Treasury Appropriations Act, 2006.)

Financial Management Service

Salaries and Expenses

For necessary expenses of the Financial Management Service, [\$236,243,000] \$233,654,000, of which not to exceed \$9,220,000 shall remain available until September 30, [2008] 2009, for information systems modernization initiatives; and of which not to exceed \$2,500 shall be available for official reception and representation expenses. (Department of the Treasury Appropriations Act, 2006.)

Alcohol and Tobacco Tax and Trade Bureau

Salaries and Expenses

For necessary expenses of carrying out section 1111 of the Homeland Security Act of 2002, including hire of passenger motor vehicles, [\$91,126,000] \$63,964,000; of which not to exceed \$6,000 for official reception and representation expenses; not to exceed \$50,000 for cooperative research and development programs for laboratory services; and provision of laboratory assistance to State and local agencies with or without reimbursement. (Department of the Treasury Appropriations Act, 2006.)

Salaries and Expenses (legislative proposal not subject to PAYGO)

In addition, \$28,640,000 from the General Fund: Provided, That such amount shall be reduced by such sums as may be deposited to the Alcohol and Tobacco Regulatory Fund, so as to result in a final fiscal year 2007 appropriation from the General Fund under this paragraph estimated at \$0: Provided further, That amounts from the Alcohol and Tobacco Regulatory Fund may be transferred to this account, to be merged with and available for the same purposes as this account, to remain available until expended.

United States Mint

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 [2006] 2007 under such section 5136 for circulating coinage and protective service capital investments of the United States Mint shall not exceed [\$26,768,000] \$30,200,000. (Department of the Treasury Appropriations Act, 2006.)

Bureau of the Public Debt

Administering the Public Debt

For necessary expenses connected with any public-debt issues of the United States, [\$179,923,000] \$180,789,000, 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] September 30, 2009 for systems modernization: *Provided*, That the sum appropriated herein from the general fund for fiscal year [2006] 2007 shall be reduced by not more than \$3,000,000 as definitive security issue fees and Treasury Direct Investor Account Maintenance fees are collected, so as to result in a final fiscal year [2006] 2007 appropriation from the general fund estimated at [\$176,923,000] \$177,789,000. In addition, \$70,000 to be derived from the Oil Spill Liability Trust Fund to reimburse the Bureau for administrative and personnel expenses for financial management of the Fund, as authorized by section 1012 of Public Law 101-380. (Department of the Treasury Appropriations Act, 2006.)

Internal Revenue Service

Processing, Assistance and Management [(Including Rescission of Funds)]

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 services as authorized by 5 U.S.C. 3109, at such

rates as may be determined by the Commissioner, [\$4,136,578,000] \$4,045,122,000, of which up to \$4,100,000 shall be for the Tax Counseling for the Elderly Program, of which \$8,000,000 shall be available for low-income taxpayer clinic grants, [of which \$1,500,000 shall be for the Internal Revenue Service Oversight Board;] and of which not to exceed \$25,000 shall be for official reception and representation expenses[: *Provided*, That of unobligated amounts available under this heading from previous appropriations Acts, \$20,000,000 shall be rescinded]. (Department of the Treasury Appropriations Act, 2006.)

Tax Law Enforcement (Including Transfer of Funds)

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; expanded customer service and public outreach programs, strengthened enforcement activities, and enhanced research efforts to reduce erroneous filings associated with the earned income tax credit; 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, [\$4,725,756,000] \$4,762,327,000, of which not to exceed \$1,000,000 shall remain available until September 30, [2008] 2009, for research; and of which \$55,584,000 shall be for the Interagency Crime and Drug Enforcement program[: *Provided*, That up to \$10,000,000 may be transferred as necessary from this account to the IRS Processing, Assistance, and Management appropriation or the IRS Information Systems appropriation solely for the purposes of management of the Interagency Crime and Drug Enforcement Program: *Provided further*, That up to

\$10,000,000 may be transferred as necessary from this account to the IRS Processing, Assistance, and Management appropriation or the IRS Information Systems appropriation solely for the purposes of management of the Earned Income Tax Credit compliance program and to reimburse the Social Security Administration for the cost of implementing section 1090 of the Taxpayer Relief Act of 1997 (Public Law 105-33): *Provided further*, That this transfer authority shall be in addition to any other transfer authority provided in this Act]. (Department of the Treasury Appropriations Act, 2006.)

Health Insurance Tax Credit Administration *[(Including Rescission of Funds)]*

For expenses necessary to implement the health insurance tax credit included in the Trade Act of 2002 (Public Law 107-210), [\$20,210,000: *Provided*, That of unobligated amounts available under this heading from previous appropriations acts, \$9,000,000 shall be rescinded] \$14,846,000. (Department of the Treasury Appropriations Act, 2006.)

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, [\$1,598,967,000] \$1,602,232,000, of which \$75,000,000 shall remain available until September 30, [2007] 2008. (Department of the Treasury Appropriations Act, 2006.)

Business Systems Modernization

For necessary expenses of the Internal Revenue Service, [\$199,000,000] \$167,310,000, to remain available until September 30, [2008] 2009, 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[, and such Committees approve,] a plan for expenditure that: (1) meets the capital planning and investment control review requirements established by the Office of Management and Budget, including Circular A-11; (2) complies with the Internal Revenue Service's enterprise architecture, including the modernization blueprint; (3) conforms with the Internal Revenue Service's enterprise life cycle methodology; (4) is approved by the Internal Revenue Service, the Department of the Treasury, and the Office of Management and Budget; (5) has been reviewed by the Government Accountability Office; and (6) complies with the acquisition rules, requirements, guidelines, and systems acquisition management practices of the Federal Government. (Department of the Treasury Appropriations Act, 2006.)

Administrative Provisions – Internal Revenue Service (Including Transfer of Funds)

SEC. 201. Not to exceed 5 percent of any appropriation made available in this Act to the Internal Revenue Service or not to exceed 3 percent of appropriations under the heading "Tax Law Enforcement" may be transferred to any other Internal Revenue Service appropriation upon the advance [approval] *notification* of the Committees on Appropriations.

SEC. 202. The Internal Revenue Service shall maintain a training program to ensure that Internal Revenue Service employees are trained in taxpayers' rights, in dealing courteously with taxpayers, and in cross-cultural relations.

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

[SEC. 204. 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.]

[SEC. 205. None of the funds appropriated or otherwise made available in this or any other Act or source to the Internal Revenue Service may be used to reduce taxpayer services as proposed in fiscal year 2006 until the Treasury Inspector General for Tax Administration completes a study detailing the impact of such proposed reductions on taxpayer compliance and taxpayer services, and the Internal Revenue Service's plans for providing adequate alternative services, and submits such study and plans to the Committees on Appropriations of the House of Representatives and the Senate for approval: *Provided*, That no funds shall be obligated by the Internal Revenue Service for such purposes for 60 days after receipt of such study: *Provided further*, That the Internal Revenue Service shall consult with stakeholder organizations, including but not limited to, the National Taxpayer Advocate, the Internal Revenue Service Oversight Board, the Treasury Inspector General for Tax Administration, and Internal Revenue Service employees with respect to any proposed or planned efforts by the Internal Revenue Service to terminate or reduce significantly any taxpayer service activity.]

SEC. [206] 204. Of the funds made available by this Act to the Internal Revenue Service, not less than [\$6,447,000,000] \$6,824,070,000 shall be available only for tax enforcement. In addition, of the funds made available by this Act to the Internal Revenue Service, and subject to the same terms and conditions, *an additional* [\$446,000,000] \$137,275,000 shall be available for [enhanced] tax enforcement.

[SEC. 207. Of the funds made available by this Act to the Internal Revenue Service, not less than

\$166,249,000 shall be available for operating expenses of the Taxpayer Advocate Service, of which not less than \$141,311,650 shall be made available from the "Tax Law Enforcement" account.]

[SEC. 208. The Internal Revenue Service shall submit its fiscal year 2007 congressional budget justifications to the Committees on Appropriations of the House of Representatives and the Senate using the identical structure provided under this Act and only in accordance with the direction specified in the report accompanying this Act.]

[SEC. 209. Section 3 under the heading "Administrative Provisions—Internal Revenue Service" of title I of Public Law 103-329 is amended by striking the last proviso.] (Department of the Treasury Appropriations Act, 2006.)

[Section 5021, For the purposes of compliance with section 205 of Public Law 109-115, a reduction in taxpayer service shall include, but not be limited to, any reduction in available hours of telephone taxpayer assistance on a daily, weekly and monthly basis below the levels in existence during the month of October 2005.] (Emergency Supplemental Appropriations Act to Address Hurricanes in the Gulf of Mexico and Pandemic Influenza, 2006)

Administrative Provisions – Department of the Treasury (Including Transfer of Funds)

SEC. 210. Appropriations to the Department of the Treasury in this Act shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901), including maintenance, repairs, and cleaning; purchase of insurance for official motor vehicles operated in foreign countries; purchase of motor vehicles without regard to the general purchase price limitations for vehicles purchased and used overseas for the current fiscal year; entering into contracts with the Department of State for the furnishing of health and medical services to employees and their dependents serving in foreign countries; and services authorized by 5 U.S.C. 3109.

SEC. 211. Not to exceed 2 percent of any appropriations in this Act made available to the Departmental Offices—Salaries and Expenses, Office of Inspector General, Financial Management Service, Alcohol and Tobacco Tax and Trade Bureau, Financial Crimes Enforcement Network, and Bureau of the Public Debt, may be transferred between such appropriations upon the advance [approval] *notification* of the Committees on Appropriations: *Provided*, That no transfer may increase or decrease any such appropriation by more than 2 percent.

SEC. 212. Not to exceed 2 percent of any appropriation made available in this Act to the Internal Revenue Service may be transferred to the Treasury Inspector General for Tax Administration's appropriation upon the advance [approval] *notification* of the Committees on Appropriations: *Provided*, That no transfer may increase or decrease any such appropriation by more than 2 percent.

SEC. 213. Of the funds available for the purchase of law enforcement vehicles, no funds may be obligated until the Secretary of the Treasury certifies that the purchase by the respective Treasury bureau is consistent with Departmental vehicle management principles: *Provided*, That the Secretary may delegate this authority to the Assistant Secretary for Management.

SEC. 214. None of the funds appropriated in this Act or otherwise available to the Department of the Treasury or the Bureau of Engraving and Printing may be used to redesign the \$1 Federal Reserve note.

SEC. 215. The Secretary of the Treasury may transfer funds from Financial Management Services, Salaries and Expenses to Debt Collection Fund as necessary to cover the costs of debt collection: *Provided*, That such amounts shall be reimbursed to such salaries and expenses account from debt collections received in the Debt Collection Fund.

SEC. 216. Section 122(g)(1) of Public Law 105-119, as amended (5 U.S.C. 3104 note), is further amended

by striking ["7 years"] "8 years" and inserting ["8 years"] "9 years".

[SEC. 217. 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 the explicit approval of the House Committee on Financial Services and the Senate Committee on Banking, Housing, and Urban Affairs.]

[SEC. 218. None of the funds appropriated or otherwise made available by this or any other Act or source to the Department of the Treasury, the Bureau of Engraving and Printing, and the United States Mint, individually or collectively, may be used to consolidate any or all functions of the Bureau of Engraving and Printing and the United States Mint without the explicit approval of the House Committee on Financial Services; the Senate Committee on Banking, Housing, and Urban Affairs; the House Committee on Appropriations; and the Senate Committee on Appropriations.]

[SEC. 219. None of the funds appropriated or otherwise made available by this or any other Act or source to the Secretary of the Treasury may be expended to develop, study, or implement any plan to reallocate the resources of, or merge the Financial Crimes Enforcement Network into the Departmental Offices—Salaries and Expenses, or any other office within the Department of the Treasury.]

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

"(3) The amount of the relief, and the amount of any relief granted to an official or agent of the Department of the Treasury under 31 U.S.C. 3527, shall be charged to the Check Forgery Insurance Fund (31 U.S.C. 3343). A recovery or repayment of a loss for which replacement is made out of the fund shall be credited to the fund and is available for the purposes for which the fund was established." (Department of the Treasury Appropriations Act, 2006.)

