



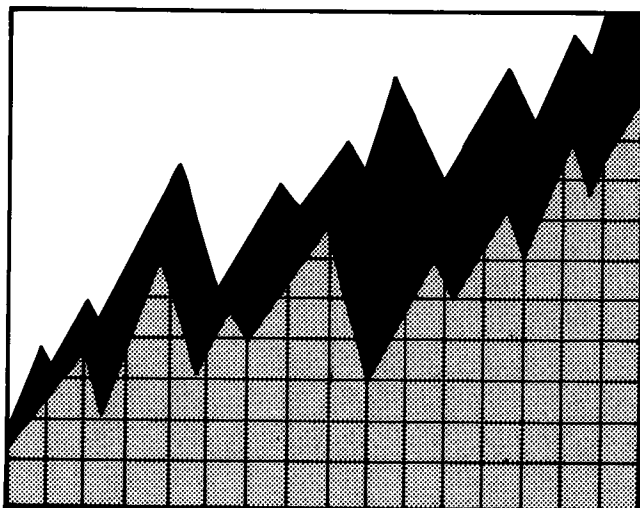
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U.S. DEPARTMENT OF THE TREASURY

UNITED STATES GOVERNMENT



ANNUAL

1984

REPORT

COMPILED BY THE
FINANCIAL MANAGEMENT
SERVICE

U.S. DEPARTMENT OF THE TREASURY

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Preface

Treasury Profile

The Treasury Department was created by an act of Congress approved on September 2, 1789 (1 Stat 65; 31 U.S.C. 1001). Many subsequent acts have influenced the development of the Department, delegating new duties and establishing numerous bureaus and divisions which now compose the Department. Today, the Treasury's mission can be categorized into four basic functions: formulating and recommending economic, financial, tax, and fiscal policies; serving as financial agent for the U.S. Government; enforcing the law; and manufacturing coins and currency.

Financial Management Service

The Financial Management Service of the Department of the Treasury performs a critical role in fulfilling the Treasury's mission as financial agent of the Government. Financial Management Service promotes the financial integrity of the Government through sound money management on behalf of the public. The Financial Management Service is responsible for the Government's delivery systems for payments and collections, the central accounting and reporting systems, the government's cash management programs and various other financial services.

In its role as financial agent for the Government, the Financial Management Service is continuing its effort to improve the Government's accounting and financial reporting with the publication of this annual report of the Government's receipts and outlays. This report presents an overview of the Government's cash basis financial position and results of operations. It summarizes selected data that are maintained in the central accounts based on data provided by Federal entities, disbursing officers and Federal Reserve banks. Details supporting the information presented in this report are contained in the Annual Report Appendix which is available from Financial Management Service's Financial Reporting Division. An order form for the Appendix is provided as the last page of this publication.

Legislative Requirement

The requirements for the preparation of a report on the receipts and outlays of the Government originated with Article I, Section 9 of the Constitution of the United States. It provides in part that "no money shall be drawn from the Treasury, but in consequence of appropriations made by law, *and a regular Statement and Account of the Receipts and Expenditures of all public money shall be published from time to time.*" (*Emphasis provided*). This requirement was followed by a standing order of the House of Representatives, dated December 31, 1791, which required an annual report on receipts and outlays of the Government. This requirement was superseded by the following:

- Section 15 of the Act of July 31, 1894 (31 U.S.C. 331c) which provides, "It shall be the duty of the Secretary of the Treasury annually to lay before Congress, on the first day of the regular session thereof, an accurate, combined statement of the receipts and expenditures during the last preceding fiscal year of all public moneys, including those of the United States Postal Service, designating the amount of the receipts, whenever practicable, by ports, districts, and States, and the expenditures, by each separate head of appropriation."
- Section 114 of the Act of September 12, 1950 (31 U.S.C. 3513a) which provides, "The Secretary of the Treasury shall prepare such reports for the information of the President, the Congress, and the public as will present the results of the financial operations of the Government . . ." Section 114 also provides that the duties imposed upon the Department of the Treasury by Section 15 of the Act of July 31, 1894, may be exercised and performed by the Secretary as a part of his broader authority and duties outlined in this section.

This Annual Report is recognized as the official publication of receipts and outlays with which all other reports containing similar data must be in agreement. It is used by the Congressional Budget Office in serving the needs of Congress; the Office of Management and Budget in reviewing the President's Budget programs; the General Accounting Office in performing its audit activities; the various departments and agencies of the Government in reconciling their accounts; and the general public in continually reviewing the operations of their Government. Other reports prepared by the Department of the Treasury that contain related information include: The Daily Treasury Statement; Monthly Treasury Statement of Receipts and Outlays of the United States Government; and the Treasury Bulletin.

SECRETARY'S LETTER



THE SECRETARY OF THE TREASURY
WASHINGTON 20220

December 21, 1984

To: The President of the Senate
Speaker of the House of Representatives
Citizens of the United States of America

In accordance with the provisions of Section 15 of the Act of July 31, 1894 (31 U.S.C. 331(c)) and Section 114 of the Act of September 12, 1950 (31 U.S.C. 3513), I am transmitting herewith the Annual Report of the United States Government for the Fiscal Year Ended September 30, 1984.

Significant financial results for the year include total budget receipts of \$666.5 billion, total budget outlays of \$841.8 billion and an on-budget deficit of \$175.3 billion. Total outlays for the year were \$851.8 billion and the total deficit amounted to \$185.3 billion, a decrease of \$22.3 billion from the total deficit for fiscal year 1983.

Sincerely,

A handwritten signature in cursive script that reads "Donald T. Regan".

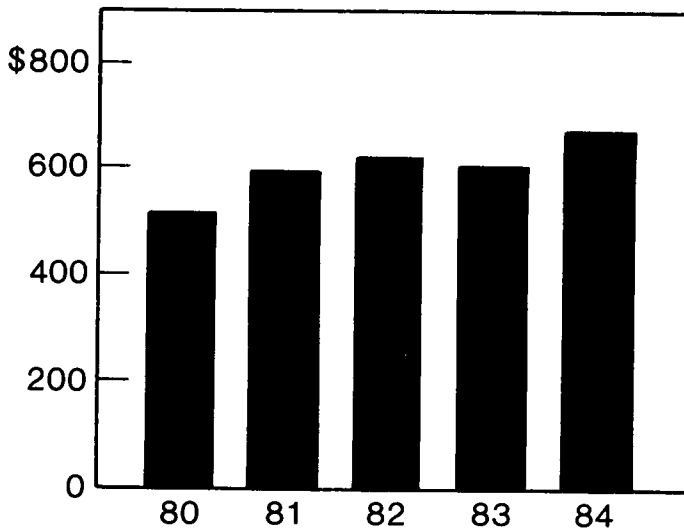
Donald T. Regan

*Financial
Highlights*

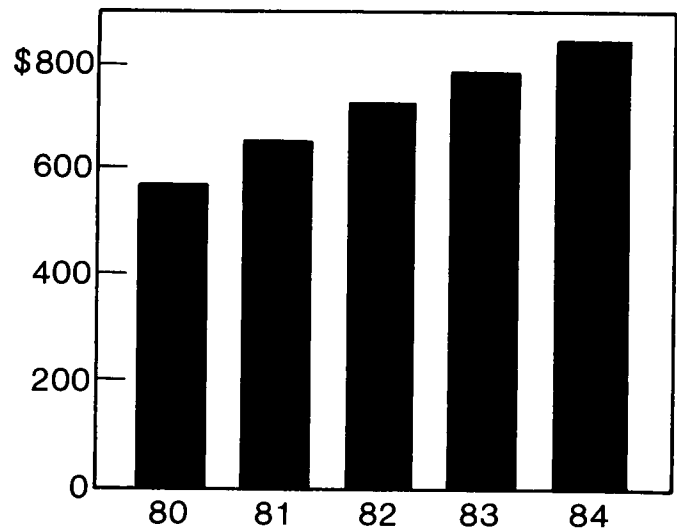
Financial Highlights (in Billions)

	FY 1984	FY 1983	PERCENTAGE CHANGE
Total Budget Receipts	\$666.5	\$600.6	+11.0%
Total Budget Outlays	841.8	795.9	+5.8
Total Outlays	851.8	808.3	+5.4
Total On-Budget Deficit	175.3	195.4	-10.3
Total Deficit	185.3	207.7	-10.9
Total Assets	66.6	70.8	-5.9
Total Borrowing From The Public	1,312.6	1,141.8	+15.0
Excess of Liabilities Over Assets	\$1,301.2	\$1,116.6	+16.5%

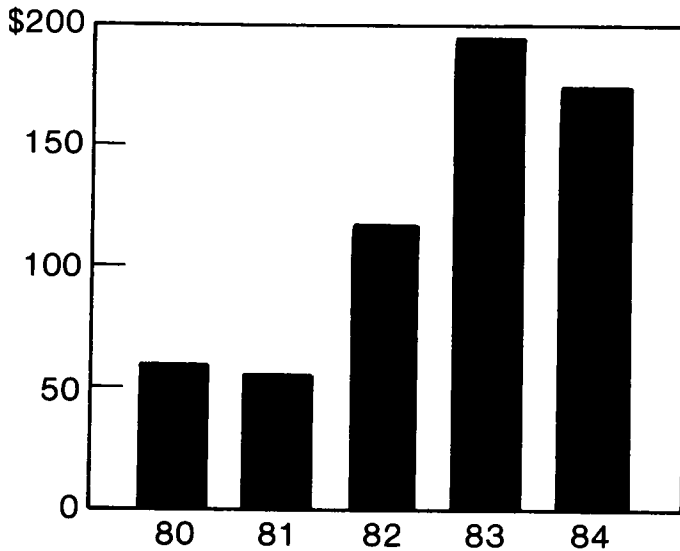
TOTAL BUDGET RECEIPTS



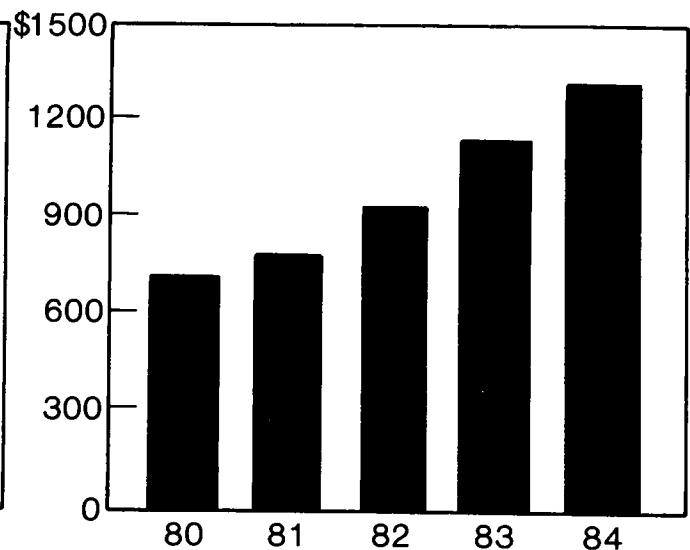
TOTAL BUDGET OUTLAYS



TOTAL ON-BUDGET DEFICIT



TOTAL BORROWING FROM THE PUBLIC

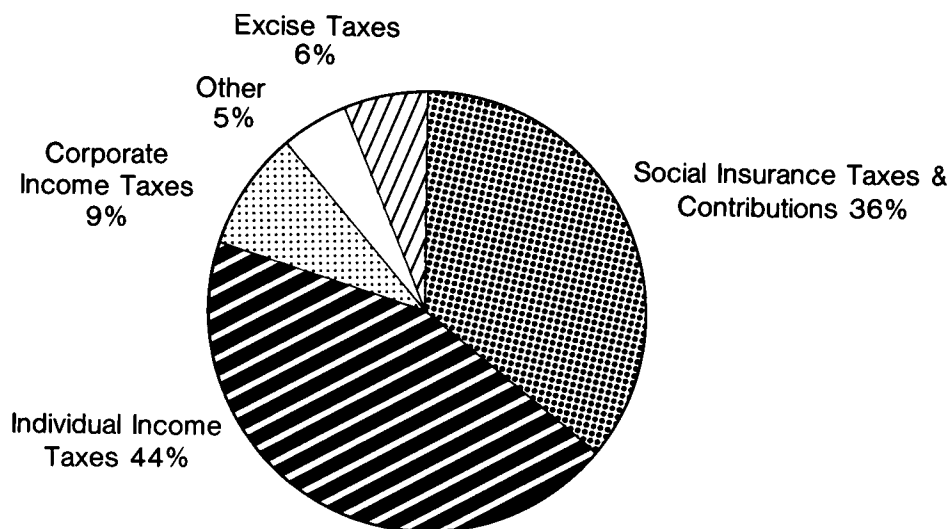


Financial Review

- Budget Receipts by Source Category
 - Budget Outlays by Department
 - Trust Fund Receipt and Outlay Summary
 - Revolving Fund Activity by Department
 - Appropriations, Outlays, and Balances by Department
 - Five-Year Summary of Financial Highlights
-

Receipts by Source Category

Total budget receipts amounted to \$666.5 billion in FY 1984, an increase of \$65.9 billion from FY 1983. The percentage distribution of 1984 budget receipts by source category is graphically depicted below.



Major changes in the amount of receipts by source category are described below. The table which follows shows the amount of budget receipts for FY 1984 and FY 1983 by source category, and the amount and percentage change from FY 1983.

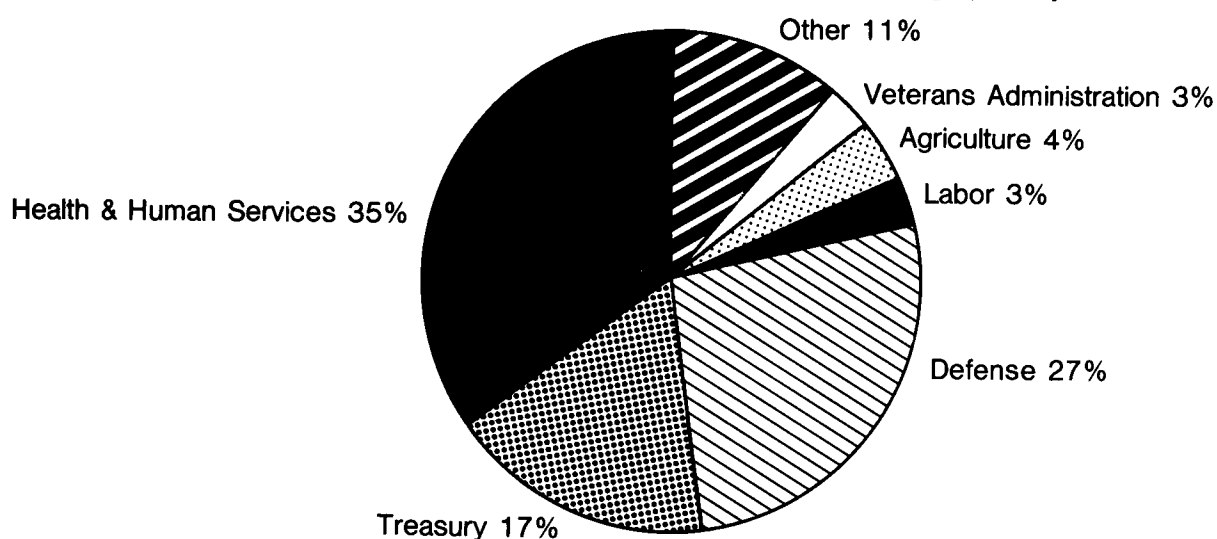
- Individual Income Taxes—Individual income taxes were \$295.9 billion in FY 1984, an increase of \$7 billion.
- Corporation Income Taxes—Corporation income taxes increased \$19.9 billion from FY 1983 to FY 1984.
- Social Insurance Taxes and Contributions—Receipts from the three major forms of social insurance taxes and contributions increased from \$209 billion in FY 1983 to \$242 billion in FY 1984, an increase of \$33 billion, or 15.7%.
 - Employment Taxes and Contributions—Receipts from this source totaled \$212.2 billion, a change of \$26.4 billion, or 14.2%, over the prior year.
 - Unemployment Insurance—Unemployment insurance receipts were \$25.1 billion in FY 1984, an increase over FY 1983 of \$6.3 billion, or 33.7%.
 - Other Retirement Contributions—Receipts in this category increased by \$0.2 billion to a total \$4.6 billion in FY 1984.
- Excise Taxes—Receipts of excise taxes in FY 1984, were \$37.4 billion, an increase of \$2.1 billion from the prior year.
- The Other Receipts category consisting of Estate and Gift Taxes, Customs Duties, and Miscellaneous Receipts increased from \$30 billion in FY 1983 to \$34 billion in FY 1984. A discussion of the level of receipts for each of the components of this category are presented below.
 - Estate and Gift Taxes—Receipts in the estate and gift category decreased by \$0.04 billion in FY 1984 to \$6 billion.
 - Customs Duties—Customs duties increased by \$2.7 billion in FY 1984 to \$11.4 billion.
 - Miscellaneous Receipts—These receipts totaled \$17 billion in FY 1984, an increase of \$1.4 billion over the FY 1983 level.

BUDGET RECEIPTS BY SOURCE CATEGORY
(IN MILLIONS)

	FY 1984	FY 1983	CHANGE FROM 1983	PERCENTAGE CHANGE
Individual Income Taxes	\$295,955	\$288,938	\$7,018	2.4%
Corporate Income Taxes	56,893	37,022	19,871	53.7
Total Income Taxes	352,848	325,959	26,889	8.2
Social Insurance Taxes and Contributions:				
Employment Taxes and Contributions	212,184	185,766	26,418	14.2
Unemployment Insurance	25,138	18,799	6,339	33.7
Other Retirement Contributions	4,580	4,429	152	3.4
Total Social Insurance Taxes and Contributions	241,902	208,994	32,908	15.7
Excise Taxes	37,361	35,300	2,061	5.8
Other				
Estate and Gift Taxes	6,010	6,053	(43)	(0.7)
Customs Duties	11,370	8,655	2,715	31.4
Miscellaneous Receipts	16,965	15,601	1,364	8.7
Total Other	34,345	30,309	4,037	13.3
Total Budget Receipts	\$666,457	\$600,562	\$65,895	11.0%
Details may not add to totals due to rounding.				

Budget Outlays by Department

Total outlays in FY 1984 were \$841.8 billion compared with \$795.9 billion in FY 1983. The percentage distribution of outlays among the major departments of the Government is shown graphically below.



The table that follows shows the amount of outlays by department for FY 1984 and FY 1983 and the amount and percentage change from FY 1983. Major changes in outlays by department are discussed below.

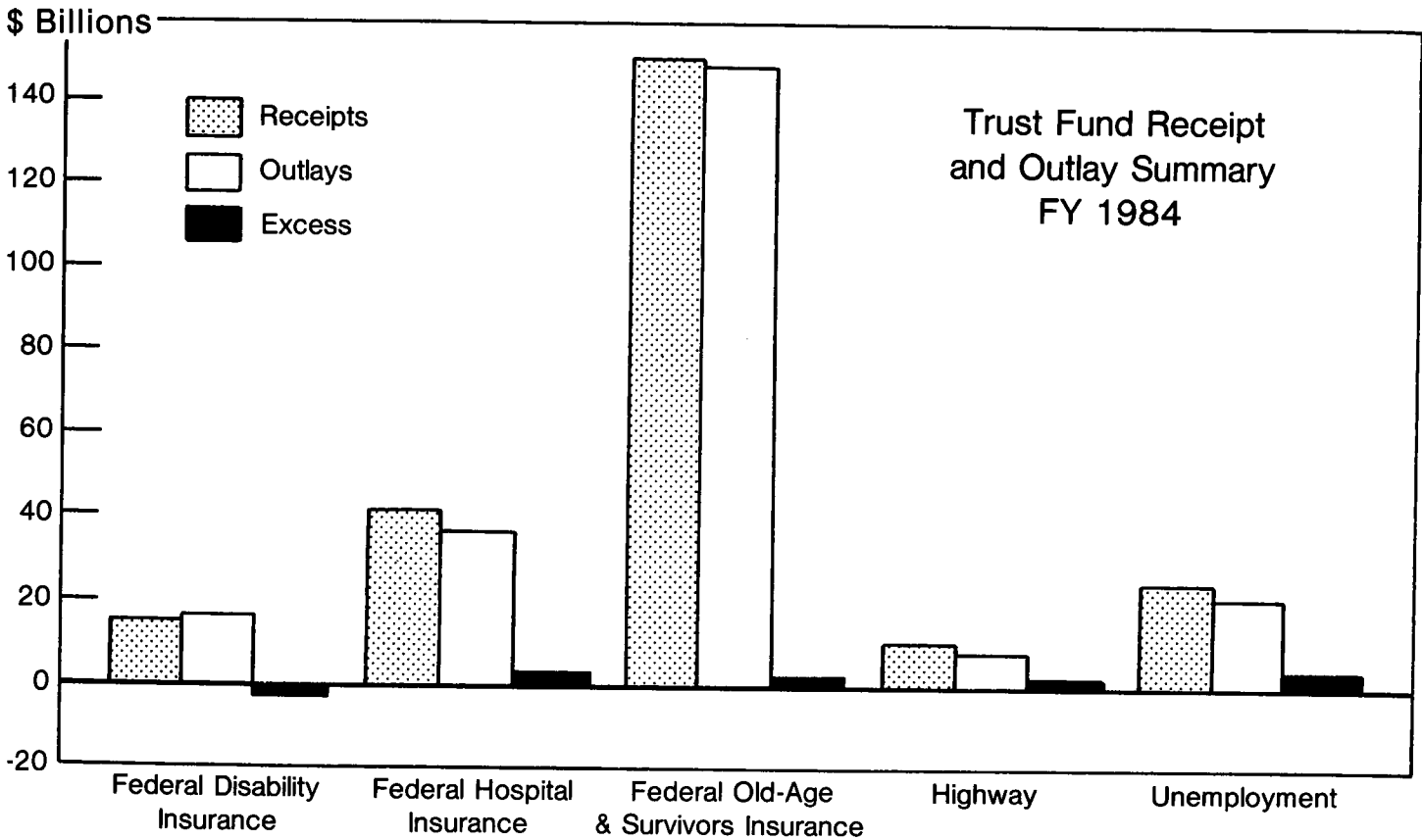
- Department of Agriculture—Agriculture's outlays were \$37.5 billion in FY 1984, a decrease of \$8.9 billion from the FY 1983 level.
- Department of Defense—In FY 1984, outlays by the Department of Defense were \$223.9 billion, \$15.9 billion more than the FY 1983 outlays of \$208 billion.
- Health and Human Services—Health and Human Services outlays were \$292.2 billion in FY 1984, \$15.8 billion more than the FY 1983 level.
- Department of Labor—The outlays for the Labor Department decreased by \$13.7 billion to \$24.5 billion in FY 1984.
- Department of the Treasury—The Department of the Treasury's outlays increased by \$24.7 billion to a total of \$141 billion in FY 1984.
- Veterans Administration—Outlays by the Veterans Administration rose by \$0.8 billion to \$25.6 billion in FY 1984.
- Other Outlays—Outlays of Federal departments not identified above totaled \$97.1 billion in FY 1984, an increase of \$11.3 billion from the FY 1983 level.

BUDGET OUTLAYS BY DEPARTMENT
(IN MILLIONS)

	FY 1984	FY 1983	CHANGE FROM 1983	PERCENTAGE CHANGE
Legislative Branch	\$1,584	\$1,438	\$146	10.1%
The Judiciary	866	787	79	10.1
Executive Office of the President	95	94	1	1.3
Funds Appropriated to the President	8,538	5,427	3,111	57.3
Department of Agriculture	37,482	46,384	(8,903)	(19.2)
Department of Commerce	1,892	1,929	(37)	(1.9)
Department of Defense	223,877	207,956	15,921	7.7
Department of Education	15,494	14,567	926	6.4
Department of Energy	8,358	8,356	2	0
Department of Health and Human Services	292,224	276,453	15,771	5.7
Department of Housing and Urban Development	16,517	15,315	1,202	7.8
Department of the Interior	4,889	4,569	320	7.0
Department of Justice	3,171	2,849	322	11.3
Department of Labor	24,522	38,194	(13,672)	(35.8)
Department of State	2,428	2,267	160	7.1
Department of Transportation	23,904	20,616	3,289	16.0
Department of the Treasury	140,964	116,248	24,717	21.3
Environmental Protection Agency	4,057	4,299	(241)	(5.6)
General Services Administration	277	145	132	90.7
National Aeronautics and Space Administration	7,048	6,664	384	5.8
Office of Personnel Management	22,590	21,278	1,312	6.2
Small Business Administration	255	479	(224)	(46.7)
Veterans Administration	25,596	24,816	780	3.1
Independent Agencies	10,977	10,350	627	6.1
Undistributed Offsetting Receipts	(35,805)	(35,565)	(240)	0.7
 Total Budget Outlays	 \$841,800	 \$795,916	 \$45,883	 5.8%
Details may not add to totals due to rounding.				

Trust Fund Receipt and Outlay Summary

Trust fund accounts are maintained to record the receipt and outlay of moneys held in trust by the Government for use in carrying out specific purposes or programs in accordance with the terms of a trust agreement or statute. This section summarizes how trust fund operations contribute to the overall level of receipts and outlays of the Federal Government. This section also demonstrates the variety of trust funds and their operations. Some trust funds such as the Federal Hospital Insurance Fund, Federal Old Age & Survivors Insurance Fund and Unemployment Fund accumulated sizable excess receipts in FY 1984, while others such as the Federal Disability Insurance Fund accumulated excess outlays. The chart presented below summarizes the operations of the major trust funds in FY 1984.



The table on the following page summarizes trust fund operations for FY 1984 and FY 1983 and the dollar change between these two fiscal years. Presented below is a description of the receipt and outlay levels of the major trust funds for FY 1984.

- Federal Disability Insurance—In FY 1984, the receipts of the Federal Disability Insurance Fund were \$15.9 billion. The fund's outlays were \$16.5 billion for an excess of outlays over receipts of \$0.6 billion.
- Federal Hospital Insurance—The FY 1984 Federal Hospital Insurance Fund receipts were \$40.2 billion while outlays totalled \$36.8 for an excess of receipts over outlays of \$3.4 billion.
- Federal Old Age & Survivors Insurance—In FY 1984, outlays in this fund were \$149.1 billion and receipts were \$152.4 billion. The excess of receipts over outlays amounted to \$3.3 billion.
- Unemployment—The FY 1984 receipts of the Unemployment Trust Fund were \$25.1 billion and outlays were \$21.3 billion for an excess of receipts over outlays of \$3.8 billion.
- Highway—In FY 1984, the Highway Trust Fund accumulated \$11.7 billion in receipts and \$9.3 billion in outlays for an excess of receipts over outlays of \$2.5 billion.

TRUST FUND RECEIPT AND OUTLAY SUMMARY
(IN MILLIONS)

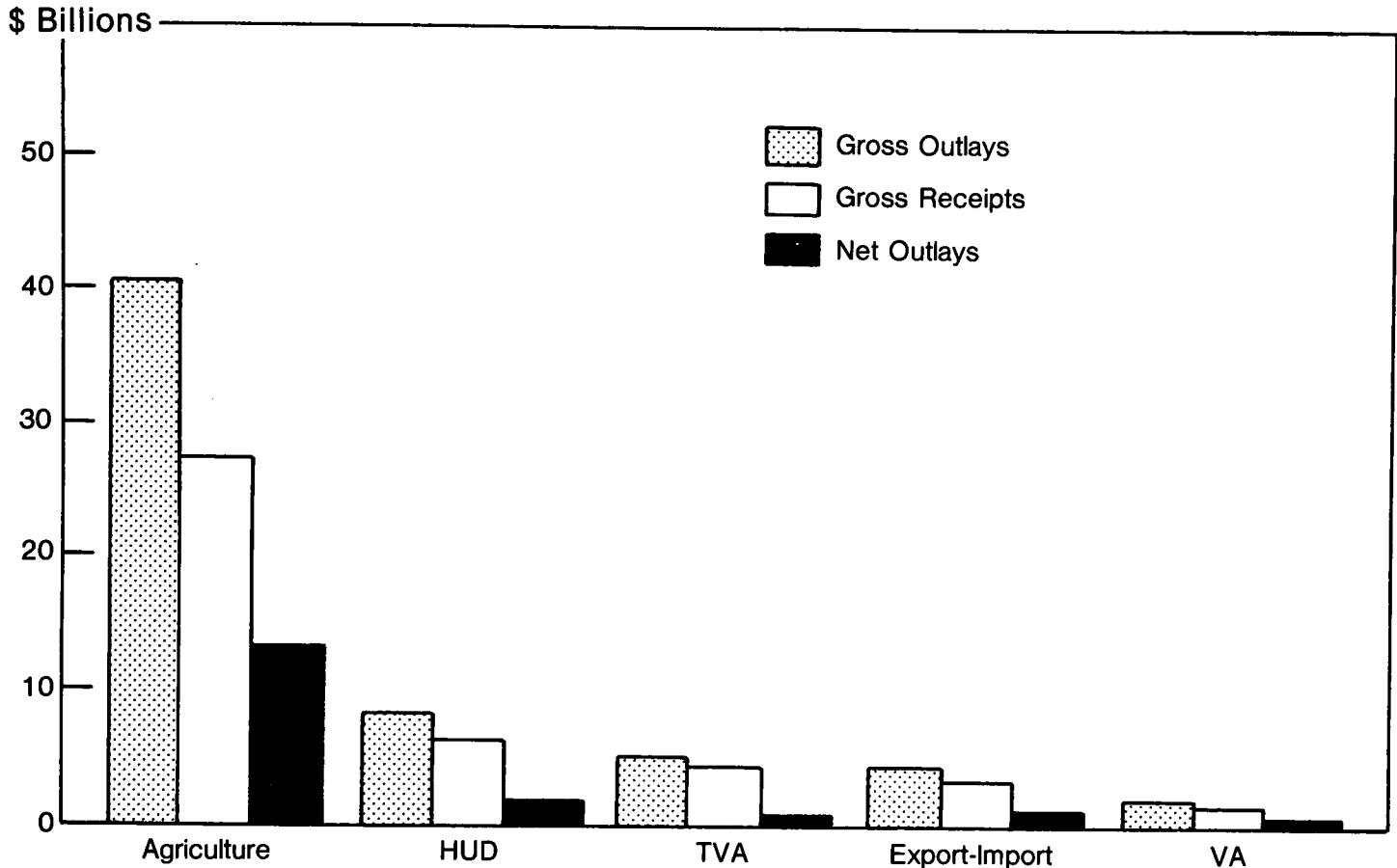
TRUST FUND	FY 1984			FY 1983			CHANGE		
	RECEIPTS	OUTLAYS	EXCESS	RECEIPTS	OUTLAYS	EXCESS	RECEIPTS	OUTLAYS	EXCESS
Airport and Airway	\$2,499	\$819	\$1,680	\$2,165	\$1,259	\$906	\$334	\$(440)	\$774
Black Lung Disability	518	519	(**)	494	493	(**)	24	26	1
Federal Deposit Insurance Corporation	—	(248)	248	—	(613)	613	—	365	(365)
Federal Disability Insurance	15,907	16,532	(625)	18,348	14,703	3,644	(2,441)	1,829	(4,269)
Federal Life and Health Benefits	—	(754)	754	—	(776)	776	—	22	(22)
Federal Employees Retirement	4,609	(10,076)	14,685	4,429	(9,461)	13,889	180	(615)	796
Federal Hospital Insurance	40,262	36,825	3,437	35,641	30,252	5,389	4,621	6,573	(1,952)
Federal Old-Age and Survivors Insurance	152,444	149,131	3,313	128,972	130,125	(1,152)	23,472	19,006	4,465
Federal Supplementary Medical Insurance	—	(2,151)	2,151	—	(840)	840	—	(1,311)	1,311
General Revenue Sharing	4,567	4,567	(**)	4,567	4,614	(48)	—	(47)	47
Highway	11,743	9,264	2,478	8,297	7,757	540	3,446	1,507	1,938
Military Assistance Advances	—	(300)	300	—	(776)	776	—	476	(476)
Railroad Retirement	3,572	5,563	(1,991)	2,805	5,609	(2,805)	767	(46)	814
Unemployment	25,138	21,334	3,804	18,799	19,834	(1,035)	6,339	1,500	4,839
Veterans Life Insurance	—	(356)	356	—	(334)	334	—	(22)	22
All Other Trust	436	460	(24)	399	10	389	37	450	(413)
Total Trust Fund Receipts and Outlays	\$261,694	\$231,129	\$30,565	\$224,915	\$201,859	\$23,056	\$36,779	\$29,270	\$7,509
Total Federal Government Receipts and Outlays	\$666,457	\$841,800	\$(175,342)	\$600,563	\$795,917	\$(195,354)	\$65,894	\$45,883	\$20,012

Details may not add to totals due to rounding.

**Less than \$500,000

Revolving Fund Activity by Department

Public enterprise revolving funds are authorized by specific provisions of law to finance a continuing cycle of operations in which outlays generate receipts and the receipts are available for outlays without further action by the Congress. The following chart summarizes FY 1984 receipt and outlay activity for the departments of the Government that have the most sizable revolving fund operations.



The table on the following page presents revolving fund activity by department for FY 1984. Summarized below are the receipt and outlay levels of those departments with the most sizable revolving fund operations.

- Department of Agriculture—FY 1984 gross outlays of revolving funds operated by Agriculture totalled \$40.5 billion and gross receipts totalled \$27.4 billion. The net outlays were \$13.1 billion.
- Veterans Administration—The net outlays of revolving funds maintained by the Veterans Administration amounted to \$0.3 billion in FY 1984. This consisted of \$2 billion in gross outlays and \$1.7 billion in gross receipts.
- Department of Housing and Urban Development—In FY 1984, the gross outlays of revolving funds of this Department totalled \$8.5 billion while gross receipts were \$6.5 billion. Net revolving fund outlays in FY 1984 were \$2 billion.
- Export-Import Bank of the United States—FY 1984 gross outlays of revolving funds operated by the Export-Import Bank totalled \$4.5 billion and gross receipts totalled \$3.4 billion. The net revolving fund outlays were \$1.1 billion.
- Tennessee Valley Authority—In FY 1984, revolving funds of the Tennessee Valley Authority generated \$5.2 billion in gross outlays, \$4.8 billion in gross receipts and net outlays of \$0.4 billion.

REVOLVING FUND ACTIVITY BY DEPARTMENT
(IN MILLIONS)

	FY 1984 GROSS OUTLAYS	FY 1984 GROSS RECEIPTS	FY 1984 NET OUTLAYS	FY 1983 NET OUTLAYS	DIFFERENCE
Legislative Branch	\$16	\$15	\$1	\$1	\$0
The Judiciary	0	0	0	0	0
Executive Office of the President	0	0	0	0	0
Funds Appropriated to the President	657	633	24	343	(319)
Department of Agriculture	40,501	27,353	13,149	22,865	(9,716)
Department of Commerce	45	108	(63)	17	(80)
Department of Defense—Military	3	3	**	**	**
Department of Defense—Civil	0	0	0	0	0
Department of Education	123	362	(239)	(17)	(222)
Department of Energy	1,234	1,464	(229)	87	(316)
Department of Health and Human Services	37	5	32	40	(8)
Department of Housing and Urban Development	8,526	6,522	2,003	1,626	377
Department of the Interior	351	108	243	279	(36)
Department of Justice	**	0	**	**	**
Department of Labor	152	161	(10)	(10)	0
Department of State	0	0	0	0	0
Department of Transportation	337	271	66	70	(4)
Department of the Treasury	(243)	3	(246)	(517)	271
Environmental Protection Agency	**	1	**	**	**
General Services Administration	(1)	**	(1)	(2)	1
National Aeronautics and Space Administration	0	0	0	0	0
Office of Personnel Management	0	0	0	0	0
Small Business Administration	1,638	1,641	(3)	192	(195)
Veterans Administration	1,981	1,704	276	26	250
Independent Agencies:					
Export-Import Bank of the United States	4,485	3,418	1,068	578	490
Tennessee Valley Authority	5,192	4,840	351	820	(469)
Others	2,398	2,610	(212)	(480)	268
Total Revolving Fund Receipts and Outlays	\$67,433	\$51,223	\$16,210	\$25,918	\$(9,708)

Details may not add to totals due to rounding.

**Less than \$500,000

Appropriations, Outlays and Balances by Department

The following table summarizes the FY 1984 appropriations, outlays and balances for each major department of the Federal Government.

APPROPRIATIONS, OUTLAYS AND BALANCES BY DEPARTMENT (IN MILLIONS)

	Unobligated Balances Beginning of Fiscal Year	Appropriation and Other Obligational Authority	Transfers Borrowings and Investments	Outlays	Balances Withdrawn and Other Transactions	Unobligated Balances End of Fiscal Year
Legislative Branch	\$272	\$1,772	-0-	\$1,584	\$213	\$385
The Judiciary	86	904	-0-	866	38	97
Executive Office of the President	-0-	109	-0-	95	14	**
Funds Appropriated to the President	23,600	13,350	-0-	8,538	4,812	26,960
Department of Agriculture	2,541	55,133	-\$25,303	37,482	-7,652	3,436
Department of Commerce	370	2,014	27	1,892	149	379
Department of Defense	44,144	261,014	-110	223,877	37,027	52,273
Department of Education	2,469	15,406	-263	15,494	-351	1,239
Department of Energy	1,640	9,964	-20	8,358	1,586	2,321
Department of Health and Human Services	40,631	299,458	-1	292,224	7,234	46,573
Department of Housing and Urban Development	60,348	29,248	-38	16,517	12,692	11,858
Department of the Interior	2,001	4,840	18	4,889	-31	1,793
Department of Justice	276	3,386	1	3,171	216	328
Department of Labor	10,378	34,829	96	24,522	10,403	18,373
Department of State	1,816	3,005	-0-	2,428	577	2,244
Department of Transportation	25,765	31,494	-1,537	23,904	6,053	28,751
Department of the Treasury	19,573	141,366	-5	140,964	396	19,747
Environmental Protection Agency	1,608	3,981	-0-	4,057	-76	1,008
General Services Administration	1,139	345	-0-	277	68	937
National Aeronautics and Space Administration	803	7,316	-0-	7,048	268	1,001
Office of Personnel Management	108,636	37,695	-0-	22,590	15,105	122,976
Small Business Administration	1,218	598	-19	255	324	1,417
Veterans Administration	12,729	26,472	-27	25,596	849	13,266
Independent Agencies	21,948	13,333	1,084	10,977	3,440	24,895
Total Appropriations, Outlays and Balances	\$383,992	\$997,031	\$-26,097	\$877,605	\$93,353	\$382,257

Details may not add to totals due to rounding.

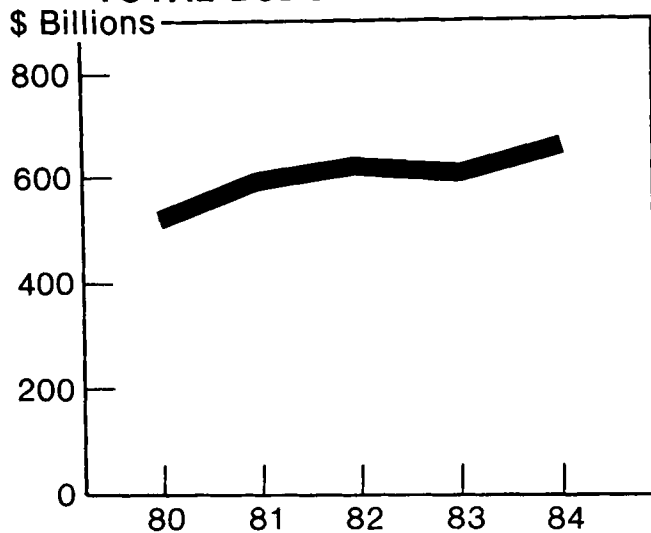
**Less than \$500,000

Five-Year Summary of Financial Highlights

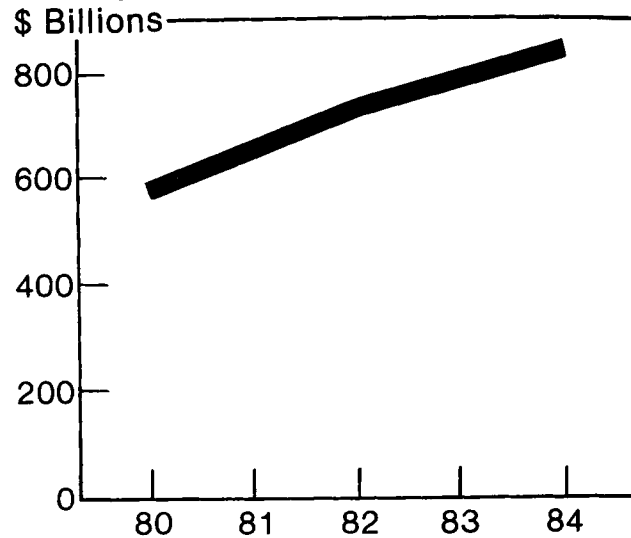
(In Millions)

	FY 1984	FY 1983	FY 1982	FY 1981	FY 1980
Total Budget Receipts	\$666,457	\$ 600,562	\$ 617,766	\$ 599,272	\$ 520,056
Total Budget Outlays	841,800	795,916	728,424	657,204	579,603
Total Outlays	851,796	808,274	745,755	678,209	593,848
Total On-Budget Deficit	175,342	195,354	110,658	57,932	59,547
Total Deficit	185,339	207,711	127,989	78,936	73,792
Total Assets	66,600	70,760	57,778	44,783	38,628
Total Borrowing from the Public	1,312,589	1,141,770	929,346	794,434	715,105
Excess of Liabilities Over Assets	1,301,228	1,116,629	909,583	782,009	703,733

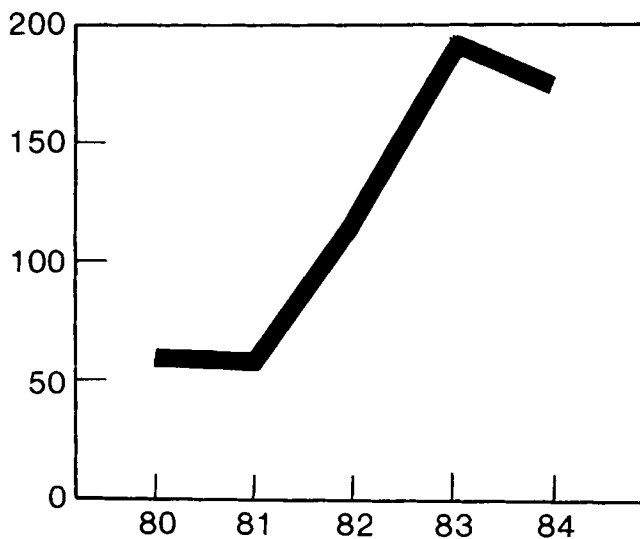
TOTAL BUDGET RECEIPTS



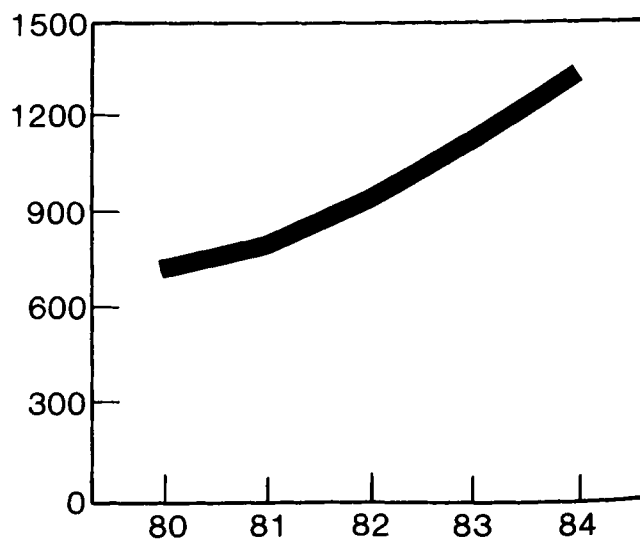
TOTAL BUDGET OUTLAYS



TOTAL ON-BUDGET DEFICIT



TOTAL BORROWING FROM THE PUBLIC



Financial Statements

- *Balance Sheet*
 - *Statement of Operations*
 - *Statement of Sources and
Applications of Funds*
-

Balance Sheet

(This financial statement is confined to showing only those assets and liabilities of the United States Government which are directly related to the cash operations of the Department of the Treasury and the rest of the Federal Government.)

	September 30, 1984	September 30, 1983
(in millions)		
ASSETS		
Cash and Monetary Assets:		
U.S. Treasury Operating Cash:		
Federal Reserve Account	\$8,514	\$16,557
Treasury Tax and Loan Note Accounts	21,913	20,500
Special Drawing Rights	5,554	5,628
Less: Special Drawing Rights Certificates		
Issued to Federal Reserve Banks	4,618	4,618
Monetary Assets with International Monetary Fund	11,601	9,403
Other Cash and Monetary Assets:		
U.S. Treasury Monetary Assets	807	1,596
Cash and Other Assets held Outside the Treasury Account	6,740	7,079
Time Deposits Supported by 2% Depository Bonds	2	3
Total Cash and Monetary Assets	50,512	56,148
Miscellaneous Asset Accounts	16,088	14,611
TOTAL ASSETS	66,600	70,760
EXCESS OF LIABILITIES OVER ASSETS		
Excess of Liabilities Over Assets at Beginning of Fiscal Year	1,116,629	909,583
Add: Budget Deficit for Fiscal Year	175,342	195,354
Deficit of Off-Budget Federal Entities for Fiscal Year	9,996	12,357
Subtotal	1,301,967	1,117,294
Deduct: Other Transactions not Applied to Surplus or Deficit	740	666
Excess of Liabilities Over Assets at Close of Fiscal Year	1,301,228	1,116,629
TOTAL ASSETS AND EXCESS OF LIABILITIES OVER ASSETS	1,367,827	1,187,389
LIABILITIES		
Borrowing from the Public:		
Public Debt Securities Outstanding	1,572,267	1,377,211
Agency Securities Outstanding	4,481	4,675
Total Federal Securities Outstanding	1,576,748	1,381,886
Deduct: Federal Securities held by Government Accounts	264,159	240,114
Total Borrowing from the Public	1,312,589	1,141,771
Accrued Interest Payable to the Public	27,359	18,260
Special Drawing Rights Allocated by International Monetary Fund	4,895	5,178
Deposit Fund Liabilities	12,292	10,362
Miscellaneous Liability Accounts (Checks Outstanding, Etc.)	10,693	11,817
TOTAL LIABILITIES	1,367,828	1,187,389
Details may not add to totals due to rounding.		

Statement of Operations

(in Millions)

	Fiscal Year 1984	Fiscal Year 1983
BUDGET RECEIPTS		
Individual Income Taxes	\$295,955	\$288,938
Corporation Income Taxes	56,893	37,022
Social Insurance Taxes and Contributions:		
Employment Taxes and Contributions	212,184	185,766
Unemployment Insurance	25,138	18,799
Contributions for Other Insurance and Retirement	4,580	4,429
Excise Taxes	37,361	35,300
Estate and Gift Taxes	6,010	6,053
Customs Duties	11,370	8,655
Miscellaneous Receipts	16,965	15,601
Total Budget Receipts	666,457	600,562
BUDGET OUTLAYS		
Legislative Branch	1,584	1,438
The Judiciary	866	787
Executive Office of the President	95	94
Funds Appropriated to the President	8,538	5,427
Agriculture	37,482	46,384
Commerce	1,892	1,929
Defense—Military	220,805	205,011
Defense—Civil	3,072	2,945
Education	15,494	14,567
Energy	8,358	8,356
Health and Human Services	292,224	276,453
Housing and Urban Development	16,517	15,315
Interior	4,889	4,569
Justice	3,171	2,849
Labor	24,522	38,194
State	2,428	2,267
Transportation	23,904	20,616
Treasury	140,965	116,247
Environmental Protection Agency	4,057	4,299
General Services Administration	277	145
National Aeronautics and Space Administration	7,048	6,664
Office of Personnel Management	22,590	21,278
Small Business Administration	255	479
Veterans Administration	25,596	24,816
Independent Agencies	10,977	10,350
Undistributed offsetting receipts	-35,805	-35,566
Total Budget Outlays	841,800	795,916
BUDGET DEFICIT	175,342	195,354
DEFICIT OF OFF-BUDGET FEDERAL ENTITIES		
Synthetic Fuels Corporation Fund	—	—
Federal Financing Bank	7,277	10,404
Postal Service	360	322
Rural Electrification and Telephone Revolving Fund	-1	-2
Rural Telephone Bank	45	59
Petroleum Acquisition and Transportation, Strategic Petroleum Reserve	2,329	1,641
U.S. Railway Association	-14	-67
Total Deficit of Off-Budget Entities	9,996	12,357
Total Deficit	185,339	207,711
OTHER TRANSACTIONS NOT APPLIED TO CURRENT YEAR'S SURPLUS OR DEFICIT		
Seigniorage (Gain on Coin Production)	-498	-477
Profit on Sale of Gold	-242	-188
Total Other Transactions not Applied to Current Year's Surplus or Deficit	-740	-666
Details may not add to totals due to rounding.		

Statement of Sources and Applications of Funds (in Millions)

	Fiscal Year 1984	Fiscal Year 1983
SOURCES		
Increases in Liabilities:		
Borrowing from the Public	\$170,817	\$212,424
Accrued Interest Payable to the Public	9,098	3,052
Deposit Fund Liabilities	1,930	2,209
Miscellaneous Liabilities (Checks Outstanding Etc.)	-1,124	2,418
Special Drawing Rights Allocated by International Monetary Fund	-283	-76
Decreases in Assets:		
Other Cash and Monetary Assets:		
Other U.S. Treasury Monetary Assets	789	-269
Cash and Other Assets held Outside the Treasury Account	340	1,811
Special Drawing Rights (SDRs)	74	—
Less: SDR Certificates Issued to Federal Reserve Banks	—	—
Net Change, SDRs	74	—
Other Transactions not Applied to Surplus or Deficit	740	666
Total Sources	182,382	222,236
APPLICATIONS		
Deficits:		
Budget Deficit	175,342	195,354
Deficit of Off-Budget Entities	9,996	12,357
Total Deficits	185,339	207,711
Increases in Assets		
U.S. Treasury Operating Cash:		
Federal Reserve Account	-8,043	5,583
Tax and Loan Note Accounts	1,413	2,311
Other Cash and Monetary Assets:		
Other U.S. Treasury Monetary Assets	—	—
Cash and Other Assets held Outside the Treasury Account	—	—
Special Drawing Rights (SDRs)	—	819
Less: SDR Certificates Issued to Federal Reserve Banks	—	-400
Net Change, SDRs	—	419
Funds Available with International Monetary Fund	2,365	2,530
Loans to International Monetary Fund	-167	589
Miscellaneous Assets	1,476	3,093
Total Applications	182,382	222,236
Details may not add to totals due to rounding.		

*Notes to the
Financial Statements*

Notes to the Financial Statements

1. Description of Accounts Related to Cash Operations

The classes of accounts maintained in connection with the cash operations of the Government include:

- The accounts of fiscal officers or agents who receive money for deposit in the U.S. Treasury or for other authorized disposition or who make expenditures by drawing checks on the Treasury;
- The accounts of administrative agencies which classify receipt and outlay transactions according to the individual receipt, appropriation or fund account; and
- The accounts of the Treasury of the United States which office is responsible for the receipt and custody of money deposited by fiscal officers or agents.

A set of central accounts is maintained in the Department of the Treasury for the purpose of consolidating financial data reported periodically from these three sources in order to permit the results of cash operations in central financial reports, for the Government as a whole and as a means of internal control.

The central accounts relating to cash operations disclose monthly and fiscal year information on:

- The Government's receipts by principal sources, and its outlays according to the different appropriations and other funds involved; and
- The cash transactions, classified by type, together with certain directly related assets and liabilities which underlie such receipts and outlays.

Accounting for receipts is on the basis of collections; accounting for outlays is on the basis of checks issued and cash payments made (cash basis). However, the interest on the public debt, public issues, is on the accrual basis while the interest on special issues is on the cash basis. The structure of the accounts provides for a reconciliation, on a firm accounting basis, between the published reports of receipts and outlays for the Government as a whole and changes in the Treasury cash balance by means of such factors as checks outstanding, deposits in transit, and cash held outside the Treasury. Within the central accounts, receipts and outlay accounts are classified as:

- General fund receipt accounts;
- Special fund receipt accounts;
- General fund expenditure accounts;
- Special fund expenditure accounts;
- Revolving fund accounts;
- Consolidated working fund accounts;
- Management fund accounts;
- Trust fund accounts; and
- Transfer appropriation accounts.

These accounts are described in detail in the Annual Report Appendix.

2. U.S. Treasury Operating Cash

Major sources of information used to determine Treasury's operating cash include the Daily Balance Wires from the Federal Reserve Banks, reporting from the Bureau of the Public Debt, electronic transfers through the Treasury Financial Communications System and reconciling wires from Internal Revenue Service Centers. Operating cash is presented on a modified cash basis: deposits are reflected as received; and withdrawals are reflected as processed.

3. Special Drawing Rights (SDRs)

The Special Drawing Rights Act of 1968 and the Bretton Woods Agreements Act of 1945 authorize the United States to participate in the Special Drawing Rights Department of the International Monetary Fund and accept the resulting financial obligations in the Fund. The Special Drawing Rights Act provides the permanent authority for the United States to meet its financing requirements in connection with the acquisition and use of SDRs (which is the unit of account for Fund transactions), by the issuance of SDR certificates to Federal Reserve Banks.

4. Miscellaneous Asset Accounts

Included in miscellaneous assets are gold assets and their related certificates in the following amounts:

	FY 1984	FY 1983
Gold assets	\$11,097 million	\$11,128 million
Liabilities (certificates)	\$11,097 million	\$11,128 million

5. Off-Budget Federal Entities

These are federally owned and controlled entities whose transactions (e.g., budget authority or outlays) have been excluded from budget totals under provisions of law. The fiscal activities of these entities, therefore, are not reflected in either budget authority or outlay totals. However, the outlays of off-budget Federal entities are added to the budget deficit to derive the total Government deficit that has to be financed by borrowing from the public or by other means.

The cash transactions of the Synthetic Fuels Corporation net to zero in Fiscal Years 1983 and 1984. The deficit of the Rural Electrification and Telephone Revolving Fund amounted to less than \$500,000.

6. Other Transactions not Applied to Surplus or Deficit

Seigniorage is the difference between the value of coins as money and their cost of production. Seigniorage on coins arises from the exercise of the Government's monetary powers and differs from receipts coming from the public, since there is no corresponding payment by another party. Therefore, seigniorage is excluded from receipts and treated as a means of financing a deficit or as a supplementary amount to be applied to reduce debt or to increase the cash in the Treasury in a year with a surplus.

Profit resulting from the sale of gold as a monetary asset is treated like seigniorage, since the value of gold is determined by its value as a monetary asset rather than as a commodity.

7. Federal Securities Outstanding

These consist of public debt and agency debt and include all public and agency debt issues outstanding.

- Public Debt—That portion of the Federal debt incurred when the Treasury or the Federal Financing Bank (FFB) borrows funds directly from the public or another fund or account. To avoid double counting, FFB borrowing from the Treasury is not included in the public debt. (The Treasury borrowing required to obtain the money to lend to the FFB is already part of the public debt.)
- Agency Debt—That portion of the Federal debt incurred when a Federal agency, other than the Treasury or the Federal Financing Bank, is authorized by law to borrow funds directly from the public or another fund or account. To avoid double counting, agency borrowing from Treasury or the FFB and Federal

fund advances to trust funds are not included in the Federal debt. (The Treasury or FFB borrowing required to obtain the money to lend to the agency is already part of the public debt.) Agency debt may be incurred by agencies within the Federal budget (such as the Tennessee Valley Authority) or by off-budget Federal entities (such as the Postal Service).

8. *Deposit Fund Liabilities*

These include certain accounts established to record amounts either (a) held in suspense temporarily and later refunded or paid upon administrative or legal determination as to proper disposition thereof, or (b) held by the Government as agent for others (for example, State and local income taxes withheld from Federal employees' salaries and payroll deductions for the purchase of savings bonds by civilian employees of the Government).

9. *Undistributed Offsetting Receipts*

These receipts are composed of the following types of payments:

- Payments to trust funds by Government agencies for their employees' retirement;
- Interest paid to trust funds on their investments in Government securities; and
- Proprietary receipts from rent royalties on the Outer Continental Shelf lands.

Undistributed offsetting receipts are not deducted from outlays at the function, subfunction and agency levels. However, they are deducted from the budget totals.

10. Where applicable, prior year amounts have been revised to reflect realignment to the current Budget of the U.S. Government.

Principal Administrative and Staff Officers of the Treasury

Secretary of the Treasury
Deputy Secretary of the Treasury
Under Secretary for Monetary Affairs
General Counsel
Inspector General
Fiscal Assistant Secretary
Commissioner of Financial Management Service
Assistant Secretary for Administration
Assistant Secretary for Business and Consumer Affairs
Assistant Secretary for Domestic Finance
Assistant Secretary for Economic Policy
Assistant Secretary for Electronic Systems and Information
Technology
Assistant Secretary for Enforcement and Operations
Comptroller of the Currency
Assistant Secretary for International Affairs
Assistant Secretary for Legislative Affairs
Assistant Secretary for Policy Planning and Communications
Assistant Secretary for Tax Policy
Commissioner of Internal Revenue
Treasurer of the United States

Donald T. Regan
R. T. McNamar
Beryl W. Sprinkel
Peter J. Wallison
John C. Layton
Carole Jones Dineen
William E. Douglas
Terence C. Golden
Thomas C. Dawson
Thomas J. Healey
Manuel H. Johnson, Jr.

Robert E. Conley (Acting)
John M. Walker, Jr.
C. T. Conover
David C. Mulford
Bruce E. Thompson Jr.
Alfred Hugh Kingon
Ronald A. Pearlman (Acting)
Roscoe L. Egger, Jr.
Katherine D. Ortega

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