

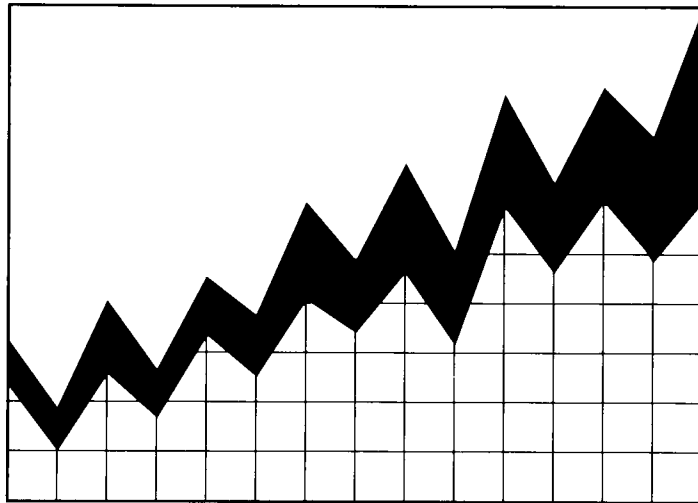


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UNITED STATES GOVERNMENT



ANNUAL

1992

REPORT

COMPILED BY

Department of the Treasury
Financial Management Service **fms**

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Preface

Treasury Profile

The Treasury Department was created by an act of Congress approved on September 2, 1789, 31 U.S.C. 301. 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 management through its responsibility for the Government's delivery systems for payments and collections, the central accounting and reporting systems, the Government's cash management programs, credit and debt collection activities and various other financial services.

In its role as financial agent of the Government, the Financial Management Service publishes this Annual Report of the U.S. Government. 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 1, 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:

- 31 U.S.C. 331 (c) provides, "On the first day of each regular session of Congress, the Secretary shall submit to Congress a report for the prior fiscal year on the total amount of public receipts and public expenditures listing receipts, when practicable, by ports, districts, and States and the expenditures by each appropriation."
- 31 U.S.C. 351 (a) provides, "The Secretary of the Treasury shall prepare reports that will inform the President, the Congress, and the public on the financial operations of the United States Government."

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 Financial Management Service 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

December 8, 1992

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 United States Government Annual Report for the fiscal year ended September 30, 1992.

This report presents budget results and the cash-related assets and liabilities of the Federal Government with supporting details appearing in the Annual Report Appendix.

The financial results for the year include total receipts of \$1,091.7 billion, an increase of \$37.4 billion over 1991 receipts; total outlays of \$1,381.9 billion, an increase of \$58.1 billion over 1991 outlays; and a \$290.2 billion deficit, an increase of \$20.7 billion over the 1991 deficit.

Sincerely,

Nicholas F. Brady

Enclosure

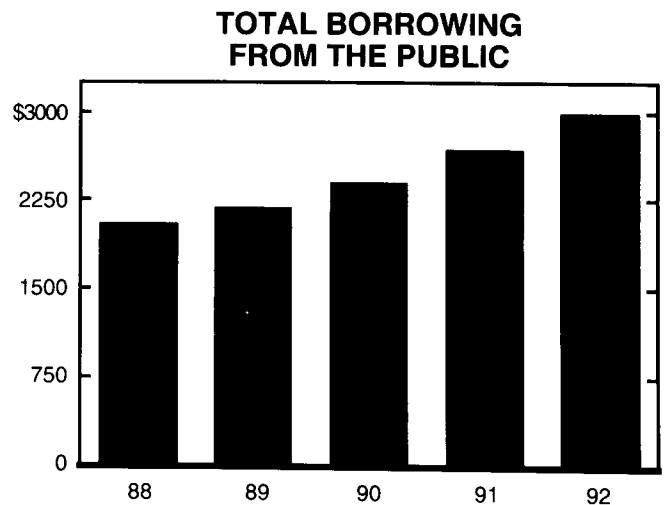
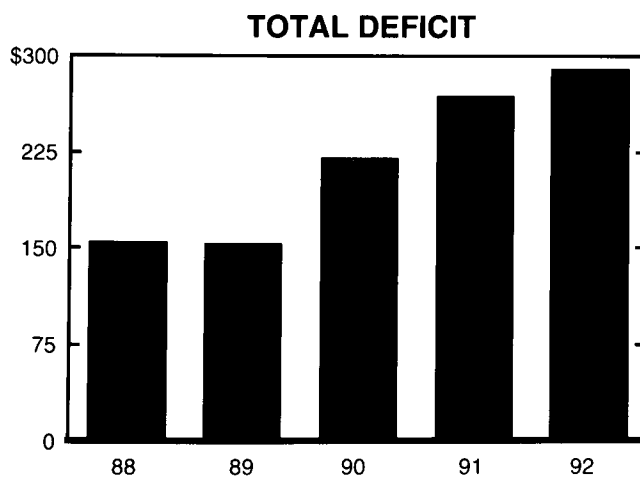
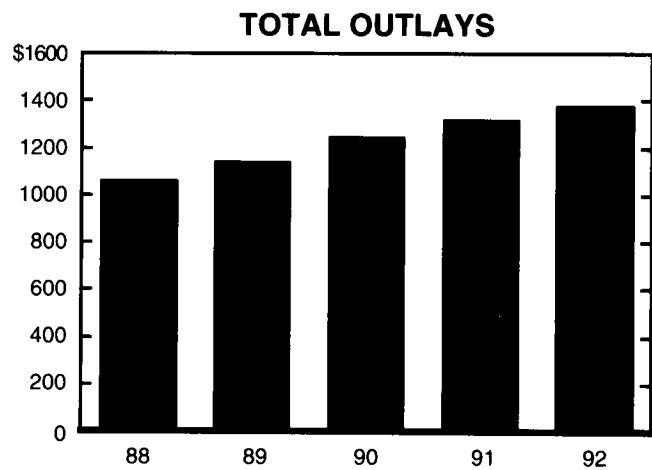
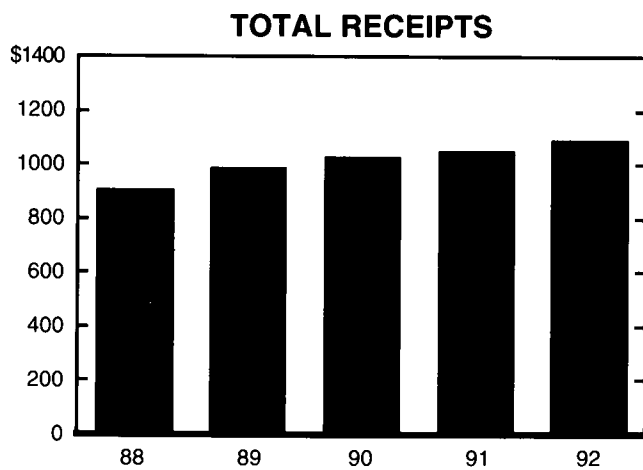
***Financial
Highlights***

Financial Highlights

(In Billions)

This financial statement is confined to showing only those financial highlights 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.

	FY 1992	FY 1991	PERCENTAGE CHANGE
Total Receipts	\$1,091,692	\$1,054,265 ^r	3.6%
Total Outlays	1,381,895	1,323,757 ^r	4.4
Total Deficit	260,204	269,492 ^r	7.7
Total Assets	94,704	74,253 ^r	27.5
Total Borrowing From The Public	2,998,776	2,687,859 ^r	11.6
Excess of Liabilities Over Assets	\$2,964,066	\$2,674,125 ^r	10.8%
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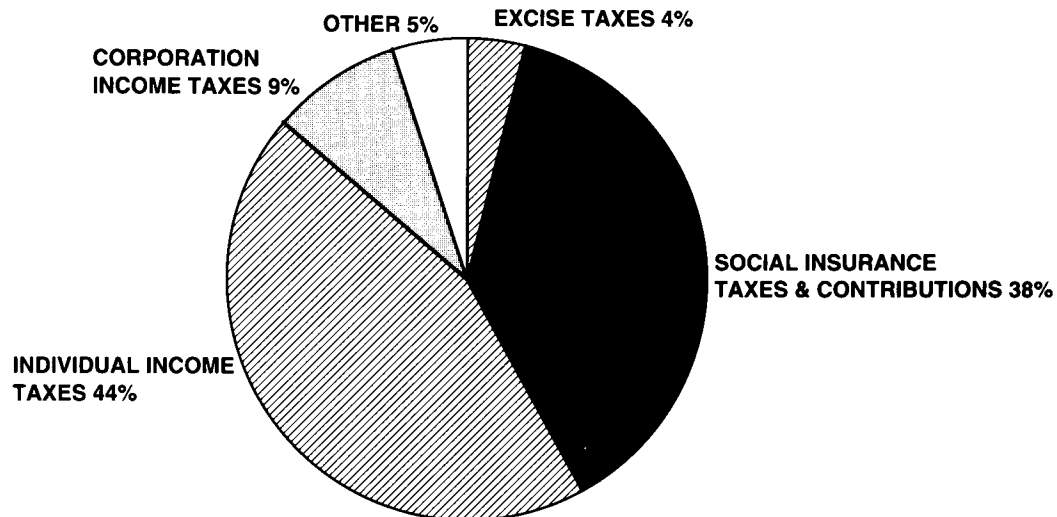


Financial Review

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

Receipts By Source Category

Total receipts amounted to \$1,091.7 billion in FY 1992, an increase of \$37 billion from FY 1991. The percentage distribution of 1992 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 receipts for FY 1992 and 1991 by source category, and the amount and percentage change from FY 1991.

- Individual Income Taxes—Individual income taxes were \$476.5 billion in FY 1992, an increase of \$9.0 billion or 2%.
- Corporation Income Taxes—Corporation income taxes were \$100.3 billion, an increase of \$2.2 billion from FY 1991 to FY 1992.
- Social Insurance Taxes and Contributions—Receipts from the three major forms of social insurance taxes and contributions increased from \$396.0 billion in FY 1991 to \$413.7 billion in FY 1992, an increase of \$17.7 billion or 4.5%.
 - Employment Taxes and Contributions—Receipts from this source totaled \$385.5 billion, a change of \$15.0 billion or 4.0% over the prior year.
 - Unemployment Insurance—Unemployment insurance receipts were \$23.4 billion in FY 1992, an increase from FY 1991 of \$2.5 billion or 12%.
 - Other Retirement Contributions—Receipts in this category increased by \$220.5 million to a total of \$4.8 billion in FY 1992.
- Excise taxes—Receipts of excise taxes in FY 1992 were \$45.6 billion, an increase of \$3.2 billion from the prior year.
- The Other Receipts category consisting of Estate and Gift Taxes, Customs Duties, and Miscellaneous Receipts increased from \$49.9 billion in FY 1991 to \$55.7 billion in FY 1992. A discussion of the level of the receipts for each of the components of this category is presented below.
 - Estate and Gift Taxes—Receipts in the Estate and Gift taxes category increased by \$5.0 billion in FY 1992 to \$11.1 billion.
 - Customs Duties—Customs Duties increased by \$1.4 billion in FY 1992 to \$17.4 billion.
 - Miscellaneous Receipts—These receipts totaled \$27.2 billion in FY 1992, an increase of \$4.4 billion over the FY 1991 level.

Receipts by Source Category

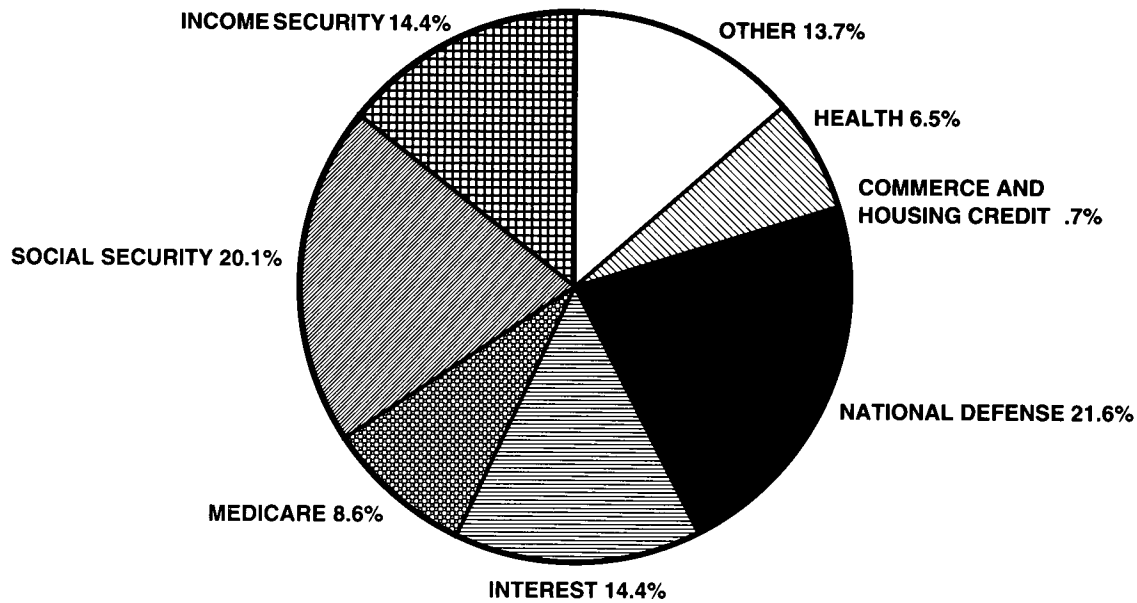
(In Millions)

	FY 1992	FY 1991	CHANGE FROM 1991	PERCENTAGE CHANGE
Individual Income Taxes	\$476,465	\$467,827	\$8,637	1.8%
Corporation Income Taxes	100,270	98,086	2,185	2.2%
Total Income Taxes	576,735	565,913	10,822	1.9%
Social Insurance Taxes and Contributions:				
Employment Taxes and Contributions	385,491	370,526	14,965	4.0%
Unemployment Insurance	23,410	20,922	2,488	11.9%
Other Retirement Contributions	4,788	4,568 ^r	221	4.8%
Total Social Insurance Taxes and Contributions	413,689	396,016 ^r	17,673	4.5%
Excise Taxes	45,570	42,402 ^r	3,168	7.5%
Other:				
Estate and Gift Taxes	11,143	11,138	5	0.0%
Customs Duties	17,359	15,949 ^r	1,410	8.8%
Miscellaneous Receipts	27,196	22,847	4,349	19.0%
Total Other	55,698	49,934 ^r	5,765	11.5%
Total Receipts	\$1,091,692	\$1,054,265 ^r	\$37,427	3.6%
Details may not add to totals due to rounding				
r—revised				

Outlays by Function

Outlays are liquidations of the Government's obligations through the issuance of checks or disbursement of cash. Total outlays were \$1,381.9 billion in FY 1992, an increase of \$58.1 billion or 4.4% over the amount of the preceding fiscal year. Shown below is the percentage distribution of FY 1992 outlays among the seven largest categories included in the government's activities so that all budget authority and outlays, loan guarantees, and tax expenditures can be presented according to the national needs being addressed. National needs are grouped in 17 broad areas to provide a coherent and comprehensive basis for analyzing and understanding the budget. Three additional categories—Interest, Allowances and Undistributed Offsetting Receipts—do not address specific national needs but are included to cover the entire budget. Under the functional classification system, each outlay is assigned to a classification that best defines its most important purpose, even though many outlays serve more than one purpose.

Total outlays in FY 1992 were \$1,381.9 billion compared with \$1,323.8 billion in FY 1991. The percentage distribution of outlays among the seven largest functional classifications is shown graphically below.



The table that follows shows FY 1992 and FY 1991 outlays for each functional classification and the amount and percentage change in outlay levels between these two fiscal years. Changes in outlays for the largest functional classifications are briefly discussed below.

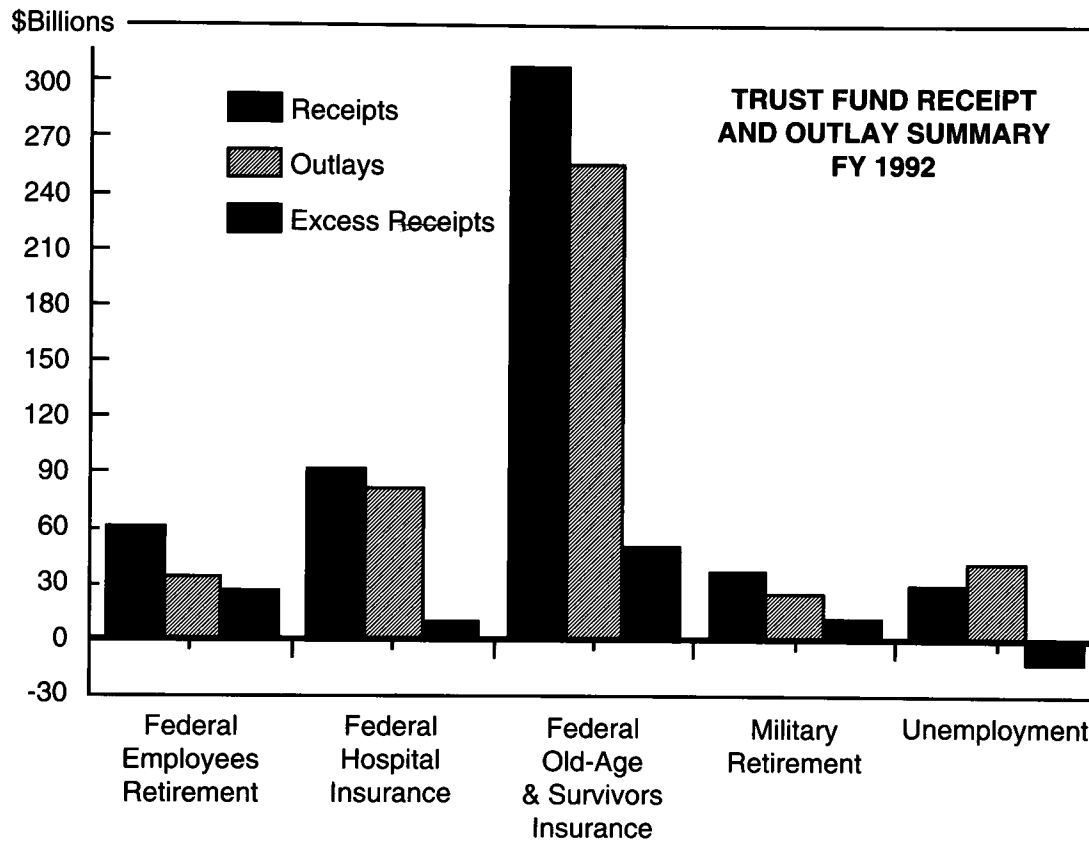
- **National Defense**—This function includes those activities that are directly related to the defense and security of the United States. National Defense outlays for FY 1992 decreased by \$25.2 billion to \$298.2 billion. This amount encompasses government spending for conventional forces, strategic forces, atomic energy defense activities and other defense related activities.
- **Health**—The Federal Government helps to meet the nation's health care needs by financing and providing health care services, aiding disease prevention and supporting research and training. Outlays for this function were \$89.6 billion in FY 1992 an increase of \$18.4 billion over the prior fiscal year.
- **Social Security**— Through social security the Federal Government contributes to the income security of aged and disabled Americans. This function's outlays were \$287.5 billion for FY 1992, an increase of 6.9% or \$18.5 billion over the FY 1991 outlays.
- **Medicare**—Through medicare the Federal Government contributes to the health and well being of aged and disabled Americans. The outlays for this function were \$119.0 billion in FY 1992 , an increase of 13.9% or \$14.5 billion over the FY 1991 outlays.

- **Income Security**—Income security benefits are paid to the aged, the disabled, the unemployed and low income families. Outlays for these benefits were \$199.4 billion in FY 1992 an increase of 16.2% or \$27.8 billion from the FY 1991 level. Included within this classification are programs such as general retirement and disability, public assistance and unemployment compensation.
- **Commerce and Housing Credit**—These programs supplement financing for private business and housing by providing assistance for mortgage credit, deposit insurance, and other subsidies for business. Outlays for these programs decreased by 87.0% to \$9.8 billion in FY 1992.
- **Interest**—This function includes interest paid by the federal Government, offset by interest collections from the public and interest received by Government Trust Funds. Net interest outlays are very sensitive to both interest rates and the amount of debt outstanding. Net interest outlays increased in FY 1992 to \$199.4 billion, a 2.5% increase over the prior fiscal year.

OUTLAYS BY FUNCTION				
(In Millions)				
	FY 1992	FY 1991	CHANGE FROM 1991	PERCENTAGE CHANGE
National Defense	\$298,188	\$273,006 ^r	\$25,182	9.2%
International Affairs	16,100	15,843 ^r	257	1.6%
General Science, Space, and Technology	16,234	15,946	289	1.8%
Energy	4,519	2,511 ^r	2,008	79.9%
National Resources and Environment	19,870	18,431 ^r	1,440	7.8%
Agriculture	14,968	15,183 ^r	-215	-1.4%
Commerce and Housing Credit	9,752	75,638 ^r	-65,886	-87.1%
Transportation	33,747	31,531	2,216	7.0%
Community and Regional Development	7,924	7,431 ^r	492	6.6%
Education, Training, Employment and Social Services	43,586	41,561 ^r	2,024	4.9%
Health	89,571	71,183	18,387	25.8%
Medicare	119,024	104,489	14,534	13.9%
Income Security	199,395	171,536 ^r	27,859	16.2%
Social Security	287,545	269,015	18,530	6.9%
Veterans Benefits and Services	33,973	31,349 ^r	2,624	8.3%
Administration of Justice	14,481	12,295	2,186	17.8%
General Government	12,874	11,614 ^r	1,261	10.9%
Interest	199,422	194,549 ^r	4,874	2.5%
Undistributed Offsetting Receipts	-39,280	-39,356	76	-0.2%
Total Outlays r--revised	\$1,381,895	\$1,323,757^r	\$58,138	4.4%

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 Employees Retirement Fund, Federal Hospital Insurance Fund, Federal Old-Age and Survivors Insurance and Military Retirement Fund accumulated sizable excess receipts in FY 1992. Additionally, the Unemployment Trust Fund which usually displays excess receipts, concluded the FY 1992 with excess outlays. The chart presented below summarizes the operations of the major trust funds in FY 1992.



The table on the following page summarizes trust fund operations in FY 1992 and FY 1991 and the dollar change between these two fiscal years. Presented below is a description of the receipts and outlays of the major trust funds for FY 1992.

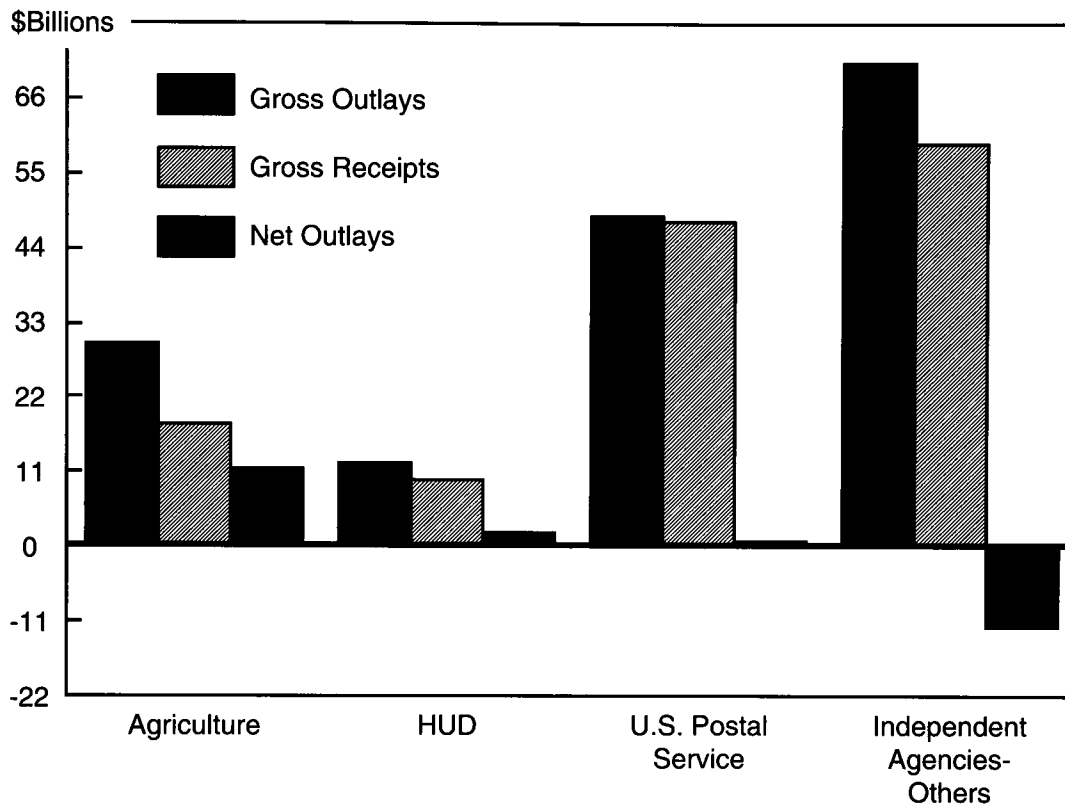
- Federal Employees Retirement—In FY 1992, the receipts of the Federal Employees Retirement Fund were \$60.5 billion. The fund's outlays were \$34.1 billion for an excess of receipts over outlays of \$26.5 billion.
- Federal Hospital Insurance—In FY 1992, Federal Hospital Insurance Fund receipts were \$92.7 billion while outlays totaled \$82.0 billion for an excess of receipts over outlays of \$10.7 billion.
- Federal Old-Age & Survivors Insurance—In FY 1992, receipts in this fund were \$307.2 billion and outlays were \$256.3 billion. The excess of receipts over outlays amounted to \$50.9 billion.
- Military Retirement—In FY 1992, the Military Retirement Fund accumulated \$36.5 billion in receipts and \$24.5 billion in outlays for an excess of receipts over outlays of \$12.0 billion.
- Unemployment—The FY 1992 receipts of the Unemployment Trust Fund were \$29.2 billion and outlays were \$41.3 billion for an excess of outlays over receipts of \$12.0 billion.

Trust Fund Receipt and Outlay Summary (IN MILLIONS)

TRUST FUND	FY 1992			FY 1991			CHANGE		
	RECEIPTS	OUTLAYS	EXCESS	RECEIPTS	OUTLAYS	EXCESS	RECEIPTS	OUTLAYS	EXCESS
Airport	\$5,918	\$5,916	\$2	\$6,206	\$5,270	\$936	-\$288	\$646	-\$934
Black lung disability	969	967	2	872	935	-63	97	32	65
Federal disability insurance	31,179	31,295	-116	30,135	28,592	1,543	1,044	2,703	-1,659
Federal employees life and health	-	-1,216	-1,216	-	-1,796	1,796	-	580	-580
Federal employees retirement	60,542	34,058	26,484	57,151	33,689	23,462	3,391	369	3,022
Federal hospital insurance	92,677	81,971	10,706	85,038	70,742	14,296	7,639	11,229	-3,589
Federal old-age and survivors insurance	307,152	256,290	50,862	295,747	243,774	51,972	11,405	12,515	-1,110
Federal supplementary medical insurance	53,149	50,285	2,863	48,166	47,021	1,145	4,982	3,264	1,718
Highways	18,368	16,812	1,556	18,453	15,767 ^r	2,686 ^r	-85	1,046	-1,131
Military advances	12,182	12,440	-258	12,534	11,473	1,061	-352	967	-1,319
Railroad retirement	8,263	7,482	781	8,109	7,233	876	155	249	-95
Military retirement	36,500	24,492	12,008	35,970	23,091	12,879	530	1,401	871
Unemployment	29,247	41,294	-12,047	25,535	28,434	-2,899	3,712	12,859	-9,147
Veterans life insurance	1,506	1,307	199	1,496	1,216	280	10	91	-81
All other trust	5,816	4,152	1,664	6,104 ^r	3,950 ^r	2,153 ^r	-288	201	-489
Total Trust Fund Receipts and Outlays	\$663,468	\$567,545	\$95,923	\$631,515^r	\$519,392^r	\$112,123^r	\$1,953	\$48,152	-\$16,200
Total Federal Government Receipts and Outlays	\$653,971	\$1,040,098	-\$386,127	\$633,501^r	\$1,015,116^r	-\$381,615^r	\$20,470	\$24,982	-\$4,512
Details may not add to totals due to rounding									
**Less than \$500,000.									
r-revised									

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 with further action by Congress. The following chart summarizes FY 1992 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 1992. Summarized below are the receipt and outlay levels of those departments with the most sizable revolving fund operations.

- Department of Agriculture—In FY 1992, gross outlays of revolving funds operated by Agriculture totaled \$29.8 billion and gross receipts totaled \$18.1 billion. The net outlays were \$11.7 billion.
- Department of Housing and Urban Development—In FY 1992, the gross outlays of revolving funds of this Department totaled \$12.2 billion while gross receipts were \$9.9 billion. Net revolving fund outlays in FY 1992 were \$2.3 billion.
- U.S. Postal Service—In FY 1992, revolving funds of the U.S. Postal Service generated \$48.9 billion in gross outlays, \$48.1 billion in gross receipts and net outlays of \$0.8 billion.
- Independent Agencies-Others—The net outlays of revolving funds maintained by these agencies amounted to -\$11.8 billion in FY 1992. This total consisted of \$59.4 billion in gross outlays and \$71.2 billion in gross receipts.

Revolving Activity by Department (In Millions)

	FY 1992 GROSS OUTLAYS	FY 1992 GROSS RECEIPTS	FY 1992 NET OUTLAYS	FY 1991 NET OUTLAYS	DIFFERENCE
Legislative Branch	\$20	\$20	**	-\$1	\$1
The Judiciary	-	-	-	-	-
Executive Office of the President	-	-	-	-	-
Funds Appropriated to the President	1,646	1,327	319	5,448	-5,129
Department of the Agriculture	29,822	18,095	11,728	16,165 ^r	-4,437
Department of Commerce	-2	66	-68	-16 ^r	-53
Department of Defense--Military	25	15	10	21	-11
Department of Defense--Civil	-	-	-	-	-
Department of Education	19	59	-40	-33	-7
Department of Energy	1,667	1,287	380	-384	765
Department of Health and Human Services, except Social Security	33	4	28	33	-5
Department of Housing and Urban Development	12,173	9,849	2,324	2,284	41
Department of the Interior	441	177	264	313	-49
Department of Justice	-	-	-	-	-
Department of Labor	783	1,438	-654	-787	133
Department of State	-	-	-	-	-
Department of Transportation	614	636	-23	-151	128
Department of the Treasury	-2,101	274	-2,375	-2,244	-130
Department of Veterans Affairs	2,119	2,009	110	55	55
Environmental Protection Agency	53	24	29	7	22
General Service Administration	-	-	-	-	-
National Aeronautics and Space Administration	-	-	-	-	-
Office of Personnel Management	-	-	-	-	-
Small Business Administration	1,199	1,332	-133	225	-358
Independent Agencies					
Export-Import Bank of the United States	1,872	2,115	-243	-88	-155
Postal Service	48,948	48,069	879	1,317	-438
Tennessee Valley Authority	5,579	4,110	1,469	740 ^r	728
Others	59,372	71,173	-11,801	60,530 ^r	-72,330
Total Revolving Fund Receipts and Outlays	\$164,283	\$162,079	\$2,204	\$83,435^r	-\$81,231

Details may not add to total due to rounding.
 **Less than \$500,000.
 r-revised

Appropriations, Outlays and Balances by Department

The following table summarizes the FY 1992 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	Appropriated and Other Obligational Authority	Transfers Borrowings and Investments	Outlays	Balances Withdrawn and Other Transactions	Unobligated Balances End of Fiscal Year
Legislative Branch	\$696 ^r	\$2,628	\$13	\$2,677	-\$46	.\$617
The Judiciary	230	2,435	-	2,299	136	228
Executive Office of the President	91 ^r	198	-	190	9	91
Funds Appropriated to the President	24,019 ^r	13,725	-264	11,108	2,353	25,023
Department of the Agriculture	4,940	123,875	-52,405	56,436	15,034	11,879
Department of Commerce	331	3,053	-4	2,567	482	698
Department of Defense	173,258 ^r	299,464	-50	314,897	-15,482	170,688
Department of Education	3,755	32,660	-100	26,047	6,513	5,706
Department of Energy	6,337	18,132	-237	15,439	2,457	7,797
Department of Health and Human Services, except Social Security	126,848 ^r	276,013	-17	257,961	18,034	125,892
Department of Health and Human Services, Social Security	244,781	332,164	-	281,418	50,746	293,568
Department of Housing and Urban Development	49,110 ^r	26,639	-438	24,470	1,731	37,126
Department of the Interior	3,161 ^r	7,842	-2	6,555	1,285	4,134
Department of Justice	2,798	10,111	-	9,826	286	3,417
Department of Labor	52,446 ^r	36,186	-	47,163	-10,977	40,927
Department of State	6,096	5,768	-	5,007	761	6,680
Department of Transportation	45,567 ^r	34,681	-2	32,560	2,118	45,100
Department of the Treasury	12,756 ^r	295,845	3	293,428	1,741	15,740
Department of Veterans Affairs	16,170	34,149	-	33,737	412	16,821
Environmental Protection Agency	5,096 ^r	6,747	-	5,932	816	6,032
General Service Administration	4,238	461	-18	469	-26	4,246
National Aeronautics and Space Administration	1,174	14,350	-33	13,961	356	1,309
Office of Personnel Management	278,591 ^r	62,138	-	35,596	26,542	305,916
Small Business Administration	967	1,915	-158	394	-676	-
Independent Agencies	33,451 ^r	59,486	-40,768	18,876	-159	27,346
Total Appropriations, Outlays and Balances	\$1,096,906 ^r	\$1,700,666	-\$94,480	\$1,499,013	\$104,444	\$1,156,980

Details may not add to total due to rounding.
r--revised

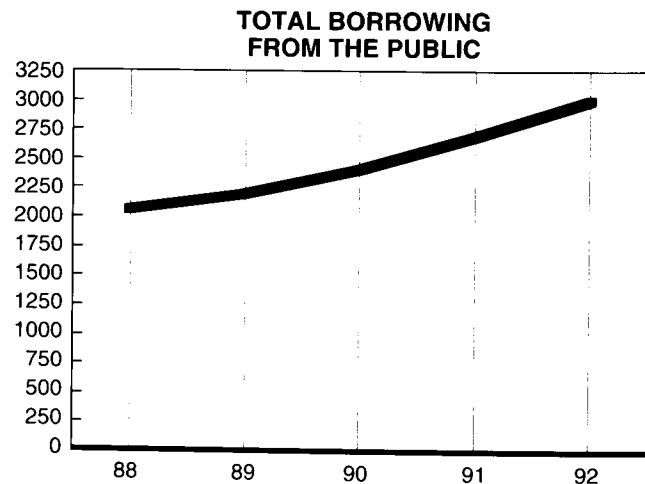
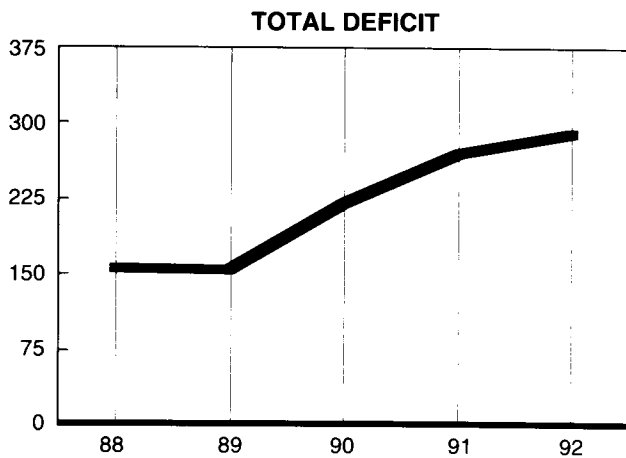
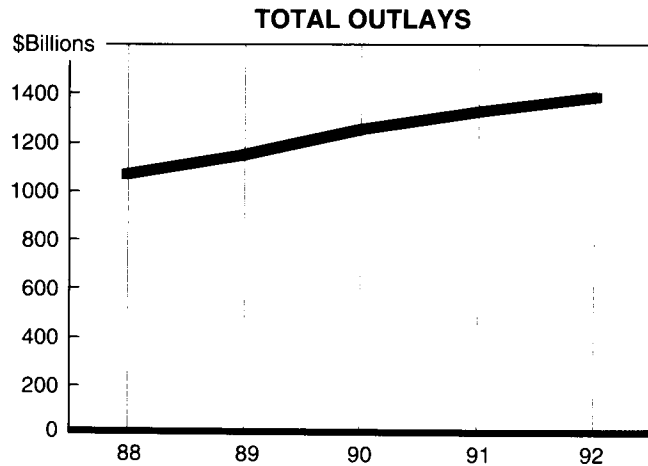
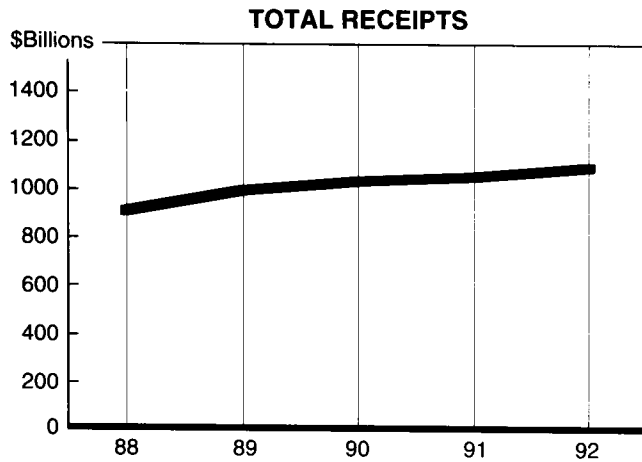
Five-Year Summary of Financial Highlights

(In Millions)

This financial statement is confined to showing only those financial highlights 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.

	FY 1992	FY 1991	FY 1990	FY 1989	FY 1988
Total Receipts	\$1,091,692	\$1,054,265 ^r	\$1,031,308 ^r	\$990,701 ^r	\$908,166
Total Outlays	1,381,895	1,323,757 ^r	1,251,776 ^r	1,444,020 ^r	1,063,318
Total Deficit	290,204	269,492 ^r	220,469 ^r	153,319 ^r	155,151
Total Assets	94,704	74,253 ^r	70,345 ^r	68,827 ^r	73,038
Total Borrowing From The Public	2,998,776	2,687,859 ^r	2,410,366 ^r	2,190,264 ^r	2,049,998
Excess of Liabilities Over Assets	\$2,964,066	\$2,674,125 ^r	\$2,409,685 ^r	\$2,188,926 ^r	\$2,036,266

r—revised



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, 1992	September 30, 1991
(in millions)		
ASSETS		
Cash and Monetary Assets:		
U.S. Treasury Operating Cash:		
Federal Reserve Account	\$24,586	\$7,928
Tax and Loan Note Accounts	34,203	33,556
Special Drawing Rights	12,111	10,722
Less: Special Drawing Rights Certificates		
Issued to Federal Reserve Banks	10,018	10,018
Monetary Assets with International Monetary	9,770	9,098
Other Cash and Monetary Assets		
U.S. Treasury Monetary Assets	613	2,259
Cash and Other Assets held Outside the Treasury		
Account	21,214	2,931
Time Deposits Supported by 2% Depository Bonds	**	**
Total Cash and Monetary Assets	94,494	56,474 ^r
Miscellaneous Asset Accounts	-1,411	17,778 ^r
TOTAL ASSETS	94,704	74,253^r
EXCESS OF LIABILITIES OVER ASSETS		
Excess of Liabilities Over Assets at Beginning of Fiscal Year	2,674,125	2,409,602 ^r
Add: Total Deficit for Fiscal Year	290,204	269,492 ^r
Subtotal	2,964,328	2,679,094 ^r
Deduct: Other Transactions not Applied to Surplus or Deficit	263	4,969
Excess of Liabilities Over Assets at Close of Fiscal Year	2,964,066	2,674,125 ^r
TOTAL ASSETS AND EXCESS OF LIABILITIES OVER ASSETS	3,058,770	2,748,377^r
LIABILITIES		
Borrowing from the Public		
Public Debt Securities Outstanding	4,064,622	3,665,303 ^r
Premium and Discount on Public Debt Securities	80,058	84,137
Total Public Debt Securities	3,984,565	3,581,168
Agency Securities Outstanding	18,250	17,751
Total Federal Securities	4,002,815	3,598,919
Deduct Net Federal Securities Held as Investments by Government Accounts	1,004,039	911,060 ^r
Total Borrowing from the Public	2,998,776	2,687,859 ^r
Accrued Interest Payable	44,212	42,026
Special Drawing Rights Allocated by International Monetary Fund	7,216	6,703
Deposit Fund Liabilities	6,422	8,154
Miscellaneous Liability Accounts (Checks Outstanding, Etc.)	2,143	3,637
TOTAL LIABILITIES	\$3,058,770	\$2,748,377^r
Details may not add to totals due to rounding.		
**Less than \$500,000		
r—revised		

Statement of Operations

(In Millions)

	Fiscal Year 1992	Fiscal Year 1991
RECEIPTS		
Individual Income Taxes	\$476,465	\$467,827
Corporation Income Taxes	100,270	98,086
Social Insurance Taxes and Contributions		
Employment Taxes and Contributions (off-budget)	302,426	293,885
Employment Taxes and Contributions (on-budget)	83,065	76,641
Unemployment Insurance	23,410	20,922
Other Retirement Contributions	4,788	4,568 ^r
Excise Taxes	45,570	42,402 ^r
Estate and Gift Taxes	11,143	11,138
Custom Duties	17,359	15,949 ^r
Miscellaneous Receipts	27,195	22,847
Total Receipts	1,091,692	1,054,265 ^r
OUTLAYS		
Legislative Branch	2,677	2,296 ^r
The Judiciary	2,299	1,989
Executive Office of the President	190	193
Funds Appropriated to the President	11,108	11,724
Agriculture	56,436	54,119
Commerce	2,567	2,585
Defense--Military	286,632	261,925
Defense--Civil	28,265	26,543 ^r
Education	26,047	25,339
Energy	15,439	12,459
Health and Human Services, except Social Security	257,961	217,969
Health and Human Services, Social Security	281,418	266,395
Housing and Urban development	24,470	22,751
Interior	6,555	6,096 ^r
Justice	9,826	8,244
Labor	47,163	34,040 ^r
State	5,007	4,252
Transportation	32,560	30,503
Treasury	293,428	276,352 ^r
Veterans Affairs	33,737	31,214
Environmental Protection Agency	5,932	5,770
General Service Administration	469	487
National Aeronautics and Space Administration	13,961	13,878
Office of Personnel Management	35,596	34,808
Small Business Administration	394	613
Independent Agencies	18,876	81,217 ^r
Undistributed offsetting receipts	-117,118	-110,005
Total Outlays	1,381,895	1,323,757 ^r
Total Deficit	-290,204	-269,492 ^r
OTHER TRANSACTIONS NOT APPLIED TO CURRENT YEAR'S SURPLUS OR DEFICIT		
Seigniorage (gain on Coin Production)	-263	-438
Profit on Sale of Gold	(**)	-20
Net Receipts from Cancelled Checks		-4,511
Net gain (-)/loss for IMF loan valuation adjustment	-	-
Total Other Transactions not Applied to Current Year's Surplus or Deficit	-\$263	-\$4,969
Details may not add to totals due to rounding.		
r--revised		
(**) Less than \$500,000.		

Statement of Sources and Applications of Funds

(In Millions)

	Fiscal Year 1992	Fiscal Year 1991
SOURCES		
Increases in Liabilities:		
Borrowing from the Public	\$310,918	\$277,576 ^r
Accrued Interest Payable to the Public	2,186	-2,511
Deposit Fund Liabilities	-1,732	-268
Miscellaneous Liabilities (Checks Outstanding, Etc.)	-1,494	-6,246 ^r
Special Drawing Rights Allocated by International Monetary Fund	514	-120
Decreases in Assets:		
Other Cash and Monetary Assets		
Other U.S. Treasury Monetary Assets	-	-
Cash and Other Assets Held Outside the Treasury Account	-	4,465
Special Drawing Rights (SDRs):		
Total Holdings	-	56
SDR certificates issued to Federal Reserve Banks	-	-1,500
Balance	-	-1,444
Other Transactions not Applied to Surplus or Deficit	263	4,969
Total Sources	310,655	276,421
APPLICATIONS		
Deficits	290,204	269,492 ^r
Increases in Assets		
U.S. Treasury Operating Cash:		
Federal Reserve Account	16,658	290
Tax and Loan Note Account	646	1,040
Other Cash and Monetary Assets:		
Other U.S. Treasury Monetary Assets	-	-
Cash and Other Assets held Outside the Treasury Account	18,654	-
Special Drawing Rights (SDRs), Total Holdings	1,389	-
SDR Certificates Issued To Federal Reserve Banks	-	-
Net Change, SDRs	1,389	-
Funds Available with International Monetary Fund	672	215
Loans to International Monetary Fund	-	-
Net Activity, Guaranteed Loan Financing	-826	-
Net Activity, Direct Loan Financing	2,447	-
Miscellaneous Assets	-19,189	8,272 ^r
Total Applications	\$310,655	\$279,309
Details may not add to totals due to rounding.		
r-revised		

***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 by the Financial management Service 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; refund of receipts are treated as deductions from gross receipts. Accounting for outlays is on the basis of checks issued and cash payments made (cash basis); revolving and management fund receipts, reimbursements of monies previously expended are treated as deductions from gross outlays. The interest on the public debt, public issues, is recognized on the accrual basis; however, 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;
- 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 by the Financial Management Service (FMS) to determine Treasury's operating cash include the Daily Balance Wires from the Federal Reserve Banks, reporting from the Bureau of the Public Debt, and electronic funds transfers and reconciling wires from Internal Revenue Service Centers. Operating cash is presented on a modified cash basis: deposits are reflected as received; 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 1992	FY 1991
Gold assets	\$11,060 million	\$11,062
Liabilities (certificates)	\$11,060 million	\$11,062

5. *Other Transactions not Applied to Surplus of 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.

6. *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.)

7. *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).

8. *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.

9. *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	Nicholas F. Brady
Deputy Secretary of the Treasury	John E. Robson
Under Secretary for International Affairs	David C. Mulford
Under Secretary for Finance	Jerome H. Powell
Assistant Secretary for Domestic Finance	John C. Dugan
Assistant Secretary for Economic Policy	Sidney L. Jones
Assistant Secretary for Enforcement	Peter K. Nunez
Assistant Secretary for Policy Management	Hollis S. McLoughlin
Fiscal Assistant Secretary	Gerald Murphy
General Counsel	Jeanne S. Archibald
Inspector General	Donald E. Kirkendall
Assistant Secretary for International Affairs	Olin L. Wethington
Assistant Secretary for Legislative affairs	Mary C. Sophos
Assistant Secretary for Management	David M. Nummy
Assistant Secretary for Public Affairs and Public Liaison	Desiree Tucker-Sorini
Assistant Secretary for Tax Policy	Fred T. Goldberg, Jr.
Treasurer of the United States	Catalina Vasquez Villalpando
Comptroller of the Currency	Stephen R. Steinbrink, Acting
Commissioner of Financial Management Service	Russell D. Morris
Commissioner of Internal Revenue	Shirley D. Peterson
Commissioner of the Bureau of the Public Debt	Richard L. Gregg

ANNUAL REPORT APPENDIX ORDER FORM

Detail pertaining to the information presented in this publication is contained in the U.S. Government Annual Report Appendix. The Appendix contains Summary General Ledger Account Balances, Details of Receipts and Details of Appropriations, Outlays, and Balances.

For a copy of the Appendix, mail this order form to:

Financial Management Service
Financial Reporting Division
Budget Reports Branch
Liberty Center
Attn: UCP, Room 749
401 14th Street, S.W.
Washington, D.C. 20227

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