

Statement of Secretary Scott K. H. Bessent
United States Department of the Treasury
Before the Appropriations Subcommittee on Financial Services and General Government
United States Senate
April 22, 2026

Chairman Hagerty, Ranking Member Reed, and members of the subcommittee—I am grateful to join you today. Treasury is committed to working with Congress to protect our nation’s financial system, spur job growth, and strengthen the economy.

The Fiscal Year 2027 President’s Budget request for Treasury demonstrates our commitment to boosting growth, promoting efficiency within our agency, and targeting illicit actors that threaten our national security. Treasury’s budget request represents a 12 percent decrease from the enacted level, while still building on the success of fiscal year 2026 to continue strengthening the U.S. financial system.

Along with managing our own discretionary budget, Treasury is charged with managing core financial functions and payment operations for the U.S. government. I take that commitment very seriously, not only ensuring that every dollar in our budget is thoughtfully executed but also that every dollar collected, deposited, or disbursed through Treasury is secure and timely.

I would like to begin by highlighting the Treasury Department’s efforts to ensure accountability and deliver results for the American people.

There is no better example of delivering meaningful change for everyday Americans than President Trump’s Working Families Tax Cuts of which over 60 million returns claimed at least one of President Trump’s signature new tax cuts this filing season. By enacting No Tax on Tips, No Tax on Overtime, and new tax cuts for seniors on Social Security, we are delivering tax relief to working families. This tax season, over 7 million filers have claimed No Tax on Tips, with an average deduction of over \$7,000, over 28 million filers have claimed No Tax on Overtime, with an average deduction of over \$3,100, and over 34 million seniors have claimed the Enhanced Deduction for Seniors, with an average deduction of over \$7,500.

The legislation not only delivered historic tax relief but also began building long-term financial security for future generations through initiatives like Trump Accounts, of which nearly 5.5 million accounts have been opened, with over 1.3 million children eligible for the \$1,000 pilot program contribution. Trump Accounts demonstrate this administration’s pledge to invest in the workforce of tomorrow, giving them an ownership stake in the success of the nation.

As you know, filing season ended on April 15. I am happy to report that new leadership at the IRS has resulted in improved business processes, and an increased focus on meeting private industry benchmarks for customer service. Our increased focus on a digital first taxpayer experience has resulted in lower call volumes as taxpayers increasingly find the information they need online and increased adoption of direct deposit which will expedite refunds for years to come. This budget request continues to streamline and modernize IRS operations funding to encourage automation and technology investment, while also ensuring taxpayers are met where they want to be by offering multiple service options. Although the request for IRS represents a modest decrease, we are still able to maintain current services and implement new initiatives

aimed at improving customer experience and making tax compliance easier. We have introduced two new metrics for modernizing how IRS service performance is measured. Introducing Assistor Service Rate and Enterprise Service Completion Rate better aligns performance measurement with how people interact with the IRS today.

Additionally, the budget request targets inefficiencies and duplicative spending through reductions in areas that have been operationally ineffective. I want to ensure that every dollar of taxpayer funding supports mission-critical work.

By making targeted reductions in specific areas, we can enhance investments in national security by bolstering critical cyber capabilities, sanctions, and combatting illicit financial activity. Treasury's Office of Terrorism and Financial Intelligence is at the forefront of America's fight against foreign adversaries, and the additional funding would expand Treasury's ability to trace, detect, and sanction financial networks acting in bad faith.

The request also includes a small investment to advance institutional expertise in digital assets, housing finance, and global financial markets within Treasury's Departmental Offices. This is particularly important for the implementation of the GENIUS Act, landmark legislation that created the first-ever regulatory framework for stablecoins.

As I shared earlier, I am committed to working together to continue building on the success of the last fiscal year and look forward to your questions.

Thank you.

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