



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

SECRETARY OF THE TREASURY

A Message from the Secretary of the Treasury

The Financial Report of the U.S. Government for Fiscal Year 2012 is a comprehensive look at the government's financial condition and an important tool for understanding how we continue to move forward and meet our fiscal challenges. These challenges, including the lingering effects of the financial crisis, are significant, but the President and Congress have taken important steps to bolster economic growth, revive the health of the financial system, and restore fiscal sustainability.

The President and Congress enacted significant fiscal reforms in the Budget Control Act of 2011, including more than \$1 trillion in spending cuts. More recently, the President signed into law a set of revenue measures that permanently extended tax cuts for the middle class while letting tax rates increase modestly on the wealthiest Americans. This will help raise hundreds of billions of dollars over the next 10 years. The President and Congress will continue to work to reduce future budget deficits. In addition to these changes, the Affordable Care Act of 2009 is projected to substantially reduce the cost of providing health care for seniors, to provide more Americans with access to health care, and to reduce the nation's debt.

Our current fiscal challenges are not, of course, the only economic obstacle facing the United States. While the economy has expanded and businesses are investing and hiring, our efforts must continue to strengthen growth long into the future. This will require economic policies that protect middle-class families, promote retirement security, and reduce the deficit in a balanced fashion in order to preserve room for the investments that spur economic growth.

Timothy F. Geithner