

would have had to pay. The Congressional Budget Act requires that a list of “tax expenditures” be included in the President’s budget. Examples include tax expenditures for child care and the exclusion of fringe benefits, such as employer-provided health insurance, from taxation.

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## Technical and Economic Assumptions

Assumptions about factors affecting estimations of future outlays and receipts that are not a direct function of legislation. Economic assumptions involve such factors as the future inflation and interest rates. Technical assumptions involve all other nonpolicy factors. For example, in the Medicare program, estimations regarding demography, hospitalization versus outpatient treatment, and morbidity all affect estimations of future outlays.

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### 302(a) Allocation

*See under* Committee Allocation.

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### 302(b) Allocation

*See under* Subcommittee Allocation.

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## Transfer

Shifting of all or part of the budget authority in one appropriation or fund account to another. Agencies may transfer budget authority only as specifically authorized by law. For accounting purposes, the nature of the transfer determines whether the transaction is treated as an expenditure or a nonexpenditure transfer. (*See also* Allocation. For a distinction, *see* Reprogramming.)

### Expenditure Transfer

For accounting and reporting purposes, a transaction between appropriation and fund accounts, which represents payments, repayments, or receipts for goods or services furnished or to be furnished.

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Where the purpose is to purchase goods or services or otherwise benefit the transferring account, an expenditure transfer/transaction is recorded as an obligation/outlay in the transferring account and an offsetting collection in the receiving account.

If the receiving account is a general fund appropriation account or a revolving fund account, the offsetting collection is credited to the appropriation or fund account. If the receiving account is a special fund or trust account, the offsetting collection is usually credited to a receipt account of the fund.

All transfers between federal funds (general, special, and nontrust revolving funds) and trust funds are also treated as expenditure transfers.

### Nonexpenditure Transfer

For accounting and reporting purposes, a transaction between appropriation and fund accounts that does not represent payments for goods and services received or to be received but rather serves only to adjust the amounts available in the accounts for making payments. However, transactions between budget accounts and deposit funds will always be treated as expenditure transactions since the deposit funds are outside the budget. Nonexpenditure transfers also include allocations. These transfers may not be recorded as obligations or outlays of the transferring accounts or as reimbursements or receipts of the receiving accounts. For example, the transfer of budget authority from one account to another to absorb the cost of a federal pay raise is a nonexpenditure transfer. (*See Allocation; see also Transfer Appropriation (Allocation) Accounts under Accounts for Purposes Other Than Budget Presentation.*)

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### Transfer Authority

Statutory authority provided by Congress to transfer budget authority from one appropriation or fund account to another.

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### Transfer Payment (Economics Term)

A payment made for which no current or future goods or services are required in return. Government transfer payments include Social Security benefits, unemployment insurance benefits, and welfare payments. Taxes are considered