Schedules of Federal Debt

Accessible Version

Managed by the Bureau of the Fiscal Service
For the Fiscal Years Ended September 30, 2023 and 2022
(Dollars in Millions)

Category	Subcategory	Federal Debt (Held by the Public)	Federal Debt (Held by the Public)	Federal Debt (Held by the Public)	Federal Debt (Intragovernmental Debt Holdings)	Federal Debt (ntragovernmental Debt Holdings)	Federal Debt (Intragovernmental Debt Holdings)
		Principal (Note 2)	**Accrued Interest Payable**	**Net Unamortized Premiums/ (Discounts)**	**Principal (Note 3)**	**Accrued Interest Payable**	**Net Unamortized Premiums/ (Discounts)**
	Balance as of September 30, 2021	$22,282,900	$69,158	($26,840)	$6,139,965	$34,873	$86,189
Increases	Borrowings from the Public	17,760,144		(73,576)			
Increases	Net Increase in Intragovernmental Debt Holdings				484,907		14,217
Increases	Accrued Interest (Note 4)		467,798			238,759	
Increases	Total Increases	17,760,144	467,798	(73,576)	484,907	238,759	14,217
Decreases	Repayments of Debt Held by the Public	15,743,851					
Decreases	Interest Paid		455,773			238,329	
Decreases	Net Amortization (Note 4)			(28,735)			11,660
Decreases	Total Decreases	15,743,851	455,773	(28,735)	0	238,329	11,660
	Balance as of September 30, 2022	24,299,193	81,183	(71,681)	6,624,872	35,303	88,746
Increases	Borrowings from the Public	20,142,063		(236,948)			
Increases	Net Increase in Intragovernmental Debt Holdings				206,827		(46,630)
Increases	Accrued Interest (Note 4)		488,098			200,667	
Increases	Total Increases	20,142,063	488,098	(236,948)	206,827	200,667	(46,630)
Decreases	Repaymennts of debt held by the Public	18,111,114					
Decreases	Interest Paid		452,559			199,155	
Decreases	Net Amortization (Note 4)			(189,900)			3,181
Decreases	Total Decreases	18,111,114	452,559	(189,900)	0	199,155	3,181
	Balance as of September 30, 2023	$26,330,142	$116,722	($118,729)	$6,831,699	$36,815	$38,935

The accompanying notes are an integral part of these schedules.

Notes to the Schedules of Federal Debt Managed by the Bureau of the Fiscal Service

For the Fiscal Years Ended September 30, 2023 and 2022

(Dollars in Millions)

Note 1. Significant Accounting Policies

Basis of Presentation

The Schedules of Federal Debt (Schedules) Managed by the Bureau of the Fiscal Service (Fiscal Service) have been prepared to report fiscal year 2023 and fiscal year 2022 balances and activity relating to monies borrowed from the public and certain federal government accounts under Title 31, U.S. Code §§ 3101- 3113 to fund the operations of the United States (U.S.) Government. Permanent, indefinite appropriations are available for the payment of interest and redemption of Treasury securities.

Reporting Entity

The Constitution empowers the Congress to borrow money on the credit of the United States. The Congress has authorized the Secretary of the Treasury to borrow monies to operate the federal government within a statutory debt limit. Title 31, U.S. Code authorizes the Department of the Treasury (Treasury) to prescribe the debt instruments and otherwise limit and restrict the amount and composition of the debt. Fiscal Service, an organizational entity within Treasury, is responsible for issuing Treasury securities in accordance with such authority and to account for the resulting debt. In addition, Fiscal Service maintains an investment program for federal government accounts, including trust funds that have legislative authority to invest temporary cash reserves not needed for current benefits and expenses. Fiscal Service issues and redeems Treasury securities for these federal government accounts based on data provided by the respective program agencies and other Treasury entities.

The Schedules do not consolidate the Federal Reserve Banks (FRBs), based on criteria established under U.S. generally accepted accounting principles (GAAP). The FRBs serve as Treasury's fiscal agent, executing certain transactions related to the issuance, payment of interest, and redemption of Treasury securities held by the public. The FRBs also hold Treasury securities in the FRB's System Open Market Account (SOMA) for the purpose of conducting monetary policy. The relevant activity and balances for the SOMA are disclosed in Note 2.

Basis of Accounting

The Schedules were prepared in accordance with U.S. GAAP and from Fiscal Service's automated debt accounting system. Accounting principles generally accepted for federal entities are the standards prescribed by the Federal Accounting Standards Advisory Board (FASAB), which is the official body for setting accounting standards for federal government reporting entities. The FASAB issued the Statement of Federal Financial Accounting Standards (SFFAS) No. 34, *The Hierarchy of Generally Accepted Accounting Principles, Including the Application of Standards Issued by the Financial Accounting Standards Board* in July 2009. SFFAS No. 34 identifies the sources of accounting principles and the framework for selecting the principles used in the preparation of general purpose financial reports of federal reporting entities that are presented in accordance with generally accepted accounting principles.

Interest costs are recorded as expenses when incurred, rather than when paid. Certain Treasury securities are issued at a discount or premium. These discounts and premiums are amortized over the term of the security using an interest method for all long-term securities and

the straight line method for short-term securities. Treasury also issues Treasury Inflation-Protected Securities (TIPS). The principal for TIPS is adjusted daily over the life of the security based on the Consumer Price Index for all Urban Consumers.

Note 2. Federal Debt Held by the Public

As of September 30, 2023 and 2022, Federal Debt Held by the Public consisted of the following:

Category	Amount (2023)	Average Interest Rates (2023)	Amount (2023)	Average Interest Rates (2023)
Marketable Treasury Bills	$5,259,329	5.4 %	$3,643,675	2.5 %
Marketable Treasury Notes	13,724,904	2.1 %	13,696,488	1.6 %
Marketable Treasury Bonds	4,240,162	3.1 %	3,867,672	3.0 %
Marketable TIPS	1,934,947	0.6 %	1,839,843	0.5 %
Marketable Floating Rate Notes	575,539	5.0 %	625,897	3.3 %
Total Marketable	$25,734,881		$23,673,575	
Nonmarketable	$595,261	3.7 %	$625,618	2.7 %
Total Federal Debt Held by the Public	$26,330,142		$24,299,193	

Treasury issues marketable bills usually at a discount, but may also issue at par, and pays the par amount of the security upon maturity. The average interest rate on Treasury bills represents the original issue effective yield on securities outstanding as of September 30, 2023 and 2022. Treasury bills are issued with a term of one year or less.

Treasury issues marketable notes and bonds as long-term securities that pay semi-annual interest based on the security's stated interest rate. These securities are issued at either par value or at an amount that reflects a discount or a premium. The average interest rate on marketable notes and bonds represents the stated interest rate adjusted by any discount or premium on securities outstanding as of September 30, 2023 and 2022. Treasury notes are issued with a term of two to 10 years and Treasury bonds are issued with a term of more than 10 years.

Treasury issues TIPS that have interest and redemption payments that are tied to the Consumer Price Index for all Urban Consumers, a widely used measure of inflation. TIPS are issued with a term of five years or more. At maturity, TIPS are redeemed at the inflation-adjusted principal amount, or the original par value, whichever is greater. TIPS pay a semi-annual fixed rate of interest applied to the inflation-adjusted principal. The average interest rate on TIPS represents the stated interest rate on the inflation-adjusted principal, adjusted by any discount or premium on securities outstanding as of September 30, 2023 and 2022. The TIPS Federal Debt Held by the Public inflation-adjusted principal balance includes inflation of $362,285 million and $336,080 million as of September 30, 2023 and 2022, respectively.

Treasury issues marketable Floating Rate Notes (FRNs), which accrue interest daily and pay the aggregated interest on a quarterly basis. The interest rate is based on two components; the index rate tied to the highest accepted discount rate of the most recent 13-week marketable bill auction and the spread rate, which is the highest accepted discount rate determined at auction when the FRN is first offered. These securities, like marketable notes and bonds, are issued at either par value or at an amount that reflects a discount or premium. The average interest rate

on marketable FRNs represents the highest accepted discount rate of the most recent 13-week marketable bill auction as of September 30, 2023 and 2022, adjusted by any discount or premium on securities outstanding as of these dates. These notes are currently issued with a term of two years.

Note 2. Federal Debt Held by the Public (continued)

Federal Debt Held by the Public includes federal debt held outside of the U.S. Government by individuals, corporations, FRBs, state and local governments, and foreign governments and central banks. As of September 30, 2023, Treasury securities held by the FRB's SOMA totaled $2,786,660 million, which (1) excludes $2,139,431 million in Treasury securities used in overnight reverse repurchase transactions and (2) excludes $26,824 million lent to dealers and not collateralized by other Treasury securities. As of September 30, 2022, Treasury securities held by the FRB's SOMA totaled $2,731,085 million, which (1) excludes $2,907,597 million in Treasury securities used in overnight reverse repurchase transactions and (2) includes a net of $3,741 million held by the FRB as collateral for securities lending activities. For fiscal years ended September 30, 2023 and 2022, interest expense related to the FRB's SOMA holdings of Treasury securities was $105,104 million and $114,704 million, respectively.

Treasury issues nonmarketable securities at either par value or at an amount that reflects a discount or a premium. The average interest rate on the nonmarketable securities represents the original issue weighted effective yield on securities outstanding as of September 30, 2023 and 2022. Nonmarketable securities are issued with a term of on demand out to 40 years.

As of September 30, 2023 and 2022, nonmarketable securities consisted of the following:

Category	2023	2022
Domestic Series	$22,418	$25,894
Foreign Series	0	264
State and Local Government Series	94,169	109,236
United States Savings Securities	175,702	166,292
Government Account Series	298,893	320,634
Other	4,079	3,298
Total Nonmarketable	$595,261	$625,618

In fiscal year 2020, Treasury expanded its Domestic Series to include a new special nonmarketable Treasury security, known as a Special Purpose Vehicle (SPV) security. Treasury issued these securities to SPVs, which were established by the Federal Reserve to implement its emergency lending facilities under Section 13(3) of the Federal Reserve Act to respond to the COVID-19 pandemic. An SPV security is a demand deposit certificate of indebtedness for which interest accrues daily and is paid at redemption. In fiscal years 2023 and 2022, the total amounts of SPV redemptions were $3,954 million and $7,009 million, including $477 million and $122 million of capitalized interest, respectively. There were no new SPV issuances in fiscal years 2023 and 2022. As of September 30, 2023 and 2022, the total amount of SPV securities outstanding were $11,914 million and $15,391 million, respectively.

Foreign Series securities, which include zero coupon bonds, were purchased by foreign governments directly from Treasury. On March 31, 2023, the last outstanding Foreign Series zero coupon bond was redeemed.

Government Account Series (GAS) securities are nonmarketable securities issued to federal government accounts. Federal Debt Held by the Public includes GAS securities issued to certain federal government accounts. One example is the GAS securities held by the Government Securities Investment Fund (G-Fund) of the federal employees' Thrift Savings Plan. Federal employees and retirees who have individual accounts own the GAS securities held by the fund. For this reason, these securities are considered part of the Federal Debt Held by the Public rather than Intragovernmental Debt Holdings. The GAS securities held by the G-Fund consist of overnight investments redeemed one business day after their issue. As of September 30, 2023 and 2022 the GAS securities held by the G-Fund were $293,383 million and $315,369 million, respectively.

Note 2. Federal Debt Held by the Public (continued)

The net decrease in the G-Fund's principal balance during fiscal year 2023 is included in the Repayments of Debt Held by the Public amount reported on the Schedules of Federal Debt. The net increase in the G-Fund's principal balance during fiscal year 2022 is included in the Borrowings from the Public amount reported on the Schedules of Federal Debt.

Fiscal year-end September 30, 2023, occurred on a Saturday. As a result, $134,926 million of marketable Treasury notes and $82 million of GAS securities, matured but not repaid are included in the balance of the Federal Debt Held by the Public as of September 30, 2023. Settlement of this debt repayment occurred on Monday, October 2, 2023.

Note 3. Intragovernmental Debt Holdings

As of September 30, 2023 and 2022, Intragovernmental Debt Holdings are owed to the following:

Fund abbreviations and acronyms	Fund name	2023	2022
SSA:	Federal Old-Age and Survivors Insurance Trust Fund	$2,673,749	$2,723,601
DOD:	Military Retirement Fund	1,366,845	1,194,652
OPM:	Civil Service Retirement and Disability Fund	1,031,144	1,006,832
DOD:	Medicare-Eligible Retiree Health Care Fund	354,219	321,960
HHS:	Federal Hospital Insurance Trust Fund	194,362	177,397
HHS:	Federal Supplementary Medical Insurance Trust Fund	159,537	167,964
SSA:	Federal Disability Insurance Trust Fund	142,906	114,679
HUD:	FHA, Mutual Mortgage Insurance Capital Reserve Account	133,105	119,950
DOT:	Highway Trust Fund	115,673	127,547
FDIC:	Deposit Insurance Fund	84,298	125,471
DOL:	Unemployment Trust Fund	81,846	73,587
DOL:	Pension Benefit Guaranty Corporation Fund	61,162	55,626
DOE:	Nuclear Waste Disposal Fund	60,458	56,632
OPM:	Employees Life Insurance Fund	52,526	50,990
OPM:	Postal Service Retiree Health Benefits Fund	32,050	35,607
OPM:	Employees Health Benefits Fund	25,568	27,305
NCUA:	National Credit Union Share Insurance Fund	21,560	20,712
DOS:	Foreign Service Retirement and Disability Fund	21,055	20,681
HUD:	Guarantees of Mortgage-Backed Securities Capital Reserve Account	21,030	18,370
USPS:	Postal Service Fund	18,415	20,924
DOT:	Airport and Airway Trust Fund	16,601	10,818
Treasury:	Exchange Stabilization Fund	14,698	18,401
DOI:	Abandoned Mine Reclamation Fund	14,663	14,379
DOL:	Pension Benefit Guaranty Corporation Deposit Fund	11,297	13,731
EPA:	Hazardous Substance Superfund	11,006	9,360
ACE:	Harbor Maintenance Trust Fund	10,372	9,370
	Other Programs and Funds	101,554	88,326
	Total Intragovernmental Debt Holdings	$6,831,699	$6,624,872

Social Security Administration (SSA); Department of Defense (DOD); Office of Personnel Management (OPM); Department of Health and Human Services (HHS); Department of Housing and Urban Development (HUD); Federal Housing Administration (FHA); Department of

Transportation (DOT); Federal Deposit Insurance Corporation (FDIC); Department of Labor (DOL); Department of Energy (DOE); National Credit Union Administration (NCUA); Department of State (DOS); United States Postal Service (USPS); Department of the Treasury (Treasury); Department of the Interior (DOI); Environmental Protection Agency (EPA); U.S. Army Corps of Engineers (ACE).

Intragovernmental Debt Holdings primarily consist of GAS securities. Treasury issues GAS securities at either par value or at an amount that reflects a discount or a premium. GAS securities are issued with a term of on demand out to 30 years. GAS securities include TIPS, which are reported at an inflation-adjusted principal balance using the Consumer Price Index for all Urban Consumers. As of September 30, 2023 and 2022, the inflation-adjusted principal balance of Intragovernmental Debt Holdings included inflation of $387,875 million and $336,203 million, respectively. The average interest rates on Intragovernmental Debt Holdings, excluding TIPS and FRNs, for fiscal years 2023 and 2022 were 2.7 percent and 2.3 percent, respectively. The average interest rates on TIPS for fiscal years 2023 and 2022 were 1.1 percent and 1.0 percent, respectively. The average interest rates on FRNs for fiscal years 2023 and 2022 were 5.4 percent and 3.0 percent, respectively. The average interest rate represents the original issue weighted effective yield on securities outstanding as of September 30, 2023 and 2022.

Fiscal year-end September 30, 2023, occurred on a Saturday. As a result, $1,908 million of GAS securities held by federal government accounts matured but not repaid is included in the balance of the Intragovernrnental Debt Holdings as of September 30, 2023. Settlement of this debt repayment occurred on Monday, October 2, 2023.

Note 4. Interest Expense

Interest expense on federal debt for fiscal years 2023 and 2022 consisted of the following:

Category	Subcategory	2023	2022
Federal Debt Held by the Public	Accrued Interest	$488,098	$467,798
Federal Debt Held by the Public	Net Amortization of (Premiums) and Discounts	189,900	28,735
	Total Interest Expense on Federal Debt Held by the Public	677,998	496,533
Intragovernmental Debt Holdings	Accrued Interest	200,667	238,759
Intragovernmental Debt Holdings	Net Amortization of (Premiums) and Discounts	(3,181)	(11,660)
	Total Interest Expense on Intragovernmental Debt Holdings	197,486	227,099
	Total Interest Expense on Federal Debt Managed by Fiscal Service	$875,484	$723,632

The valuation of TIPS is adjusted daily over the life of the security based on the Consumer Price Index for all Urban Consumers. This daily adjustment is an interest expense for federal debt managed by Fiscal Service. Accrued interest on Federal Debt Held by the Public includes inflation adjustments of $59,226 million and $143,326 million for fiscal years 2023 and 2022, respectively. Accrued interest on Intragovernmental Debt Holdings includes inflation adjustments of $42,224 million and $97,350 million for fiscal years 2023 and 2022, respectively.

Note 5. (Gain)/Loss on Operational Readiness Buybacks

A buyback occurs when Treasury redeems outstanding marketable Treasury securities prior to their maturity dates. In a buyback, the owner of the security sells it to Treasury on a voluntary basis at a price determined by a competitive auction process. The first of these buybacks occurred in 2000 and continued through 2002. Treasury did not conduct buybacks again until fiscal year 2015, when it conducted two small-value buybacks to ensure operational readiness of its buyback infrastructure. Treasury expects to continue to conduct regular small-value buyback operations periodically to ensure operational readiness. These small-value buyback operations are not a precursor or signal of any pending policy changes regarding Treasury's use of buybacks more broadly. On January 19, 2000, Treasury issued a final rule adding part 375 to 31 CFR, setting out the terms and conditions by which outstanding, unmatured marketable Treasury securities may be redeemed through Treasury buying back the securities.

Buybacks of Treasury securities are conducted by Treasury's fiscal agent, the Federal Reserve Bank of New York (FRBNY). Only primary dealers, as designated by FRBNY, may submit offers.

During fiscal years 2023 and 2022, there was one operational readiness buyback operation in each year, which involved the following:

Category	2023	2022
Total Amount Paid for Debt Buybacks, excluding accrued interest	$22	$20
Principal Amount of Debt Buybacks	24	25
Discount on Debt Buybacks	($2)	($5)
Write off of Net Unamortized Discounts on Debt Buybacks	0	1
(Gain)/Loss on Debt Buybacks	($2)	($4)