

Opening Statement of Lily Batchelder before the Senate Committee on Finance

May 25, 2021

Mr. Chairman, Ranking Member Crapo, and Members of the Committee — thank you for the opportunity to appear before you today. And thank you Senator for the very kind introduction.

It is an honor to appear before this Committee, having served as the Chief Tax Counsel under former Chairman Baucus for four years. Being a tax person, that was a dream job, and I am humbled to be considered for another dream job today, serving as the Treasury's Assistant Secretary for Tax Policy.

I have great respect for this Committee and the critical nature of its work. We face immense challenges as a country in navigating the pandemic and economic recovery, tackling long-term fiscal challenges, and doing so in a way that increases opportunity for all Americans. If I am fortunate enough to be confirmed, I would strive to be a strong partner to you in that work. I have spent most of my professional career working on tax policy, and am passionate about its role in advancing shared prosperity and economic mobility. Tax revenues fund many of our critical social programs. Tax benefits can curtail or exacerbate our vast disparities by income, wealth, race, ethnicity, gender, and geography. At the same time, well-constructed and well-implemented tax policy can minimize gaming and distortions to business activity, while poorly constructed tax policy can do the reverse.

This is one of the things I love about tax policy: it is simultaneously about high-level values and about practical, highly technical details that create opportunities for working across the aisle. There are many aspects of this position I look forward to if confirmed. I would hope to contribute to and advance President Biden's policy agenda to further our economic recovery, build back better, promote racial and gender equity, and address the climate crisis. This would include working with you and your staffs to help make sure any agreements you reach are drafted in technically sound ways. I would also work to ensure that Treasury issues timely and sound guidance on tax issues that is consistent with Congressional intent and responsive to input from a broad range of stakeholders. Finally, I would strive to serve as a strong partner to the IRS on tax implementation and administration. This would include the exciting new programs they been tasked with implementing, like the fully refundable child credit, and also their ongoing duties, like taxpayer service. For many years, the IRS has been asked to undertake an immense and expanding set of responsibilities with, until recently, flat or declining funding. I would work to assist them in any ways Treasury's Office of Tax Policy can, because we all benefit from a well-functioning IRS.

If confirmed, I am committed to engaging with you on a bipartisan basis. Over the course of my career, I have worked in the public, private, academic, and nonprofit sectors. These experiences have helped me to see tax policy from multiple perspectives, and have taught me how to work effectively and constructively with people who may hold different views than my own.

My family could not join me today because of the pandemic, which might be a good thing because our 15-month-old daughter Maia would probably be destroying the hearing room while waving to each of you if she were here. But she reminds me every day why public service is important—to make a better world for her, and even more so for all the children growing up without the financial security and other advantages that we are lucky to be able to provide her with.

I also want to thank my family, especially my partner Peter, my parents, brothers, and in-laws, for their love and support. Without that support, including their care for our daughter Maia, I wouldn't be in a position to undertake the responsibilities associated with this role, which I take so seriously.

Thank you for considering my nomination, and I look forward to your questions.