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**Wyden Statement at Finance Committee Hearing on President Biden’s Fiscal Year 2022
Budget**
As Prepared for Delivery

This morning the Finance Committee welcomes Treasury Secretary Janet Yellen to discuss the president’s 2022 budget proposal.

There’s a lot for us to talk about this morning and time is tight. I’m going to begin with tax. On Tuesday of last week, the American people woke up to what appeared to be the largest unauthorized disclosure of taxpayer data in history. As I said at the time, this committee takes the confidentiality of taxpayer data very seriously, and I fully expect that an appropriate investigation is underway. I also want to thank the Treasury officials who held a briefing with staff this week on this subject.

This committee takes confidentiality seriously. I also take the issue of economic fairness extremely seriously. The information in the ProPublica report depicts a tax system in which the wealthiest people in the country pay rock-bottom tax rates, sometimes zero. What’s worse, it’s all perfectly legal. The details may not have been a surprise to those who follow the tax debate closely, but they’re still a gut punch to read on the page.

Days later, another new report described another tax rip-off. In this case, from the people who brought you the carried interest loophole, it’s carried interest on steroids. Wealthy investment managers and their lawyers schemed to turn even more of their wage income into tax-preferred capital gains using legal documents that essentially said “presto change-o” in accounting jargon. Even after whistleblowers came forward, the IRS enforcement division found itself overmatched and outgunned, the result of years of Republican budget cuts that hobbled its capacity to crack down on corporate cheating. On its way out the door in January, the Trump administration gutted an effort to put even minor limitations on behavior like this.

Americans also learned recently that mega-corporations have never contributed less to federal revenues in modern history than they do right now. According to the Congressional Budget Office, corporate income tax revenue after the Trump tax law is down nearly 40 percent from the 21st century average. Many of the largest corporations pay nothing -- zero. At the same time, stock buybacks that enrich wealthy investors are through the roof. It was reported that from January through May of this year, mega-corporations authorized half a trillion in stock buybacks, the most in 22 years.

I'd wager there's going to be a lot said during this hearing about people's trust in our tax system. What's most damaging to people's trust in the tax system, in my view, is its rotten, cynical unfairness to Americans who work for a living. The tax code on the books today says that a dollar gained on the trading floor matters more than a dollar earned on the factory floor. It's not hard to grasp why middle-class, wage-earning taxpayers object to that idea. They're paying taxes out of every paycheck to sustain a country whose prosperity is swallowed up mostly by wealthy individuals who avoid paying a fair share themselves.

The president and Democrats in Congress have an extensive agenda designed to create jobs, make it easier to raise a family and help every American get ahead. To fund that agenda, the Congress must ensure that corporations and the wealthy -- not just people who work for a living -- have skin in the game.

A few specifics. Senator Brown, Senator Warner and I recently debuted a plan that would eliminate the Trump-era deduction for shipping manufacturing jobs overseas and ensure multinational corporations pay a fair share.

I'll have a proposal dealing with a core unfairness of the tax code, the special rules that allow the wealthiest individuals to pay little or nothing at all. Democrats are also working on proposals to close the tax gap, because protecting confidential taxpayer data and cracking down on tax cheats are not mutually exclusive -- Congress absolutely must do both. This is a fairness-based approach to revenue that the American people support, and I'm looking forward to working with Secretary Yellen on these issues in the weeks and months ahead.

A few other issues to discuss before I wrap up. I want to thank Secretary Yellen for leading the battle with respect to a minimum tax for mega-corporations around the world. There is a new day ahead -- no more race to the bottom on taxes for the biggest, most powerful corporations. Key to moving forward is putting a quick stop to discriminatory digital service taxes, which unfairly target American firms. I'll have a question for Secretary Yellen on that.

In the Rescue Plan passed in March, the Congress created a major, new economic lifeline for rural communities and tribes. This program is all about making sure people in these communities have resources for schools, roads and health care. Implementation is underway, and I want to continue working with the Treasury Department and Senator Crapo to get the job done.

And lastly, the Treasury and IRS are just weeks away from sending the first advanced child tax credit payments out to American families. It's taken a lot of hard work to get this program up and running. These payments have the potential to cut child poverty in half if everybody does their part to reach vulnerable families. The committee will be talking about how to ensure the program achieves that goal.

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