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Wyden Statement at Finance Committee Hearing on IRS Oversight
As Prepared for Delivery

Today the Finance Committee meets for its annual oversight hearing on the tax filing season. This year it also involves the COVID-19 response. I want to start on that issue, because when it comes to active cases, this country appears to be right back where it was in the spring. Tens of thousands of newly identified cases every day. ICU beds in hot spots are running dangerously low. The Trump administration has made the astoundingly poor decision to pull back its support for testing in a lot of areas. The president says out in the open that he wants less testing, and he has reportedly gone weeks without speaking to our top public health officials.

To a lot of people it probably looks like their elected leaders have given up. And in my view, it's an absolute certainty that jobs and the economy will not come close to full strength for as long as the pandemic continues at this uncontrolled spread.

The Senate needs to do more. Members of this committee will obviously be in the center of negotiations on key economic issues. Step one in my view is extending supercharged unemployment benefits for as long as it takes to get the economy back to normal.

I've also got a proposal to send financial support directly to Main Street small businesses. Leader McConnell may disagree, but in my judgement, these negotiations cannot wait. Tens of millions of Americans are out of work. More and more temporary furloughs are becoming permanent layoffs. So I hope we're able to get more help out the door to struggling Americans and our public health workers as soon as possible.

Now onto the subject of IRS oversight. I want to begin with a stunning new report that shows how years of Republican budget cuts have led to wealthy tax cheats getting away scot-free. The report by a Treasury Inspector General showed that over a three-year period, the IRS failed to audit almost 900,000 wealthy taxpayers who skipped out on filing tax returns. Together they owed nearly \$46 billion in taxes. In nearly 370,000 of those cases, taxpayers had failed to respond to more than one delinquency notice from the IRS. Those individuals owed nearly \$21 billion.

Let's be clear that this isn't about shadowy networks of hard-to-trace shell corporations. It wouldn't take a whole lot of complicated forensic accounting to start to crack down on this tax cheating, since it's a matter of people who simply do not file.

Two issues here stick out to me. First, Donald Trump says he's pro law enforcement, but his administration hasn't taken any steps to crack down on these wealthy tax cheats who have stolen tens of billions from American taxpayers. After years of Republicans bullying and gutting the IRS, audits of wealthy taxpayers are way down. Maybe it shouldn't come as a surprise that Donald Trump isn't doing anything about it, given what we know about this president's long record of tax dodging and outright fraud.

Second, in my view it's past time for the Congress to reconsider how the federal government fights against tax cheating. Over a decade of Republican budget cuts, the IRS has lost a third of its enforcement personnel and more than half of its revenue officers.

This new Inspector General report shows how easy it is, after all those enforcement cuts, for the wealthy to get away with cheating – even those who don't bother to file tax returns. The burden of painful tax audits has been shifted unfairly onto people who work for a living.

Bottom line, years of Republican budget cuts have made this a good time to be a rich tax cheat, and the Congress ought to change that. You don't actually believe in law and order if you advocate for cuts that allow wealthy tax cheats to get away with breaking the law.

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