

**Crapo Statement at IRS Chief Counsel and Social Security and Medicare Trustees
Nomination Hearing**
September 28, 2023

Washington, D.C.--U.S. Senator Mike Crapo (R-Idaho), Ranking Member of the U.S. Senate Finance Committee, delivered the following remarks at hearing to consider the nomination of Marjorie Rollinson to be Chief Counsel of the Internal Revenue Service (IRS) and Assistant General Counsel of the Department of Treasury, and Demetrios Kouzoukas and Patricia Neuman to be Public Trustees of Social Security and Medicare.

As prepared for delivery:

“Thank you, Mr. Chairman, and welcome to our three nominees: Dr. Neuman and Mr. Kouzoukas, who have been nominated to be public trustees of Social Security and Medicare, and Ms. Rollinson, who has been nominated to be IRS Chief Counsel.

“Thank you all for your willingness to serve.

“The Trustees are responsible for producing annual reports that equip Congress and the Administration with data needed to safeguard the long-term security and financial viability of the Social Security and Medicare trust funds.

“Congress added the public trustee positions in 1983 to increase public confidence in the integrity of the trust funds and objectivity of the trustees’ reports.

“The public trustees are tasked with providing objective, dispassionate accounts of exactly what is happening with the trust funds.

“If confirmed, you must ensure the public has a balanced, pragmatic understanding of the opportunities and the challenges that face the two programs.

“I look forward to hearing from each of you today.

“Ms. Rollinson, the IRS Chief Counsel is responsible for fairly and impartially interpreting and enforcing our tax laws, while also ensuring taxpayer rights are strictly protected.

“Given recent IRS controversies and the push for enhanced enforcement, Americans are rightly concerned with the potential erosion of their rights and privacy.

“The IRS Chief Counsel must have the highest level of skill, judgment and integrity, and above all, must not let political pressures affect policy outcomes.

“Unfortunately, the agencies to which you have been nominated for key posts have recently made repeated practice of putting politics first.

“My colleagues and I have raised a number of concerns with recent IRS and Treasury actions that will fall under your remit.

“Interpreting the so-called Inflation Reduction Act is squarely within the IRS Chief Counsel’s purview.

“The IRA created complexity that has proven unworkable in implementation, putting many American businesses and consumers at a significant disadvantage, and has supercharged IRS enforcement while short-changing taxpayer service.

“Since the bill’s rushed and strictly partisan passage, the Biden Administration has resorted to unilaterally walking back and diluting a number of key provisions.

“The IRS has simply disregarded statutory deadlines for implementing new Democrat-led provisions, including enhanced information reporting and EV tax credits.

“Further, Treasury and IRS’s expansive interpretation of IRA’s energy tax provisions has provoked significant criticism from members on both sides of the aisle.

“Other provisions have gone into effect without necessary guidance, leaving taxpayers without information needed to comply.

“I look forward to hearing how you will address these concerns and use your expertise to put adherence to the law over desired political outcomes.

“If confirmed, you will also have a significant role in addressing a number of other recent, concerning IRS actions, including: use of IRA funds to increase enforcement in areas with a long history of burdensome and low-utility ‘no change’ audits; leaks of confidential taxpayer information; the destruction of 30 million information returns, which reportedly led to additional audits of earned income tax credit claimants; and the ongoing attempt to stand up and divert resources to an IRS-run tax preparation program without clear statutory authority.

“The Administration’s practice of putting politics before sound policy extends to its failure to protect U.S. interests in OECD international tax negotiations.

“Rather than focus on fighting discriminatory taxes against U.S. companies and defending current U.S. law, Treasury placed the Administration’s political agenda first without regard to the potential effect on U.S. taxpayers.

“This Administration failed to halt discriminatory digital services taxes against U.S. companies, but instead invited foreign governments to pursue new discriminatory taxes against our companies in the form of the Undertaxed Profits Rule (UTPR), a surtax which also likely violates our existing bilateral tax treaties.

“As a collateral consequence, Treasury must now exhaust precious resources issuing regulations to attempt to mitigate the double taxation it created by unilaterally committing to a global tax deal that undermines U.S. interests.

“To avoid these outcomes, I stress the importance of engaging this Committee with transparency and responsiveness.

“Too often in recent years, the Administration’s nominees have committed to working with us, but have failed to follow through.

“On behalf of all American taxpayers, I strongly urge the nominees here today to commit to timely and thorough communication with this Committee.

“Congratulations on your nominations, and I look forward to discussing these important topics with you.”