To: Reporters and Editors

From: The Communications Offices of Senate Finance Committee Chairman Max Baucus (D-Mont.) and Ranking Member Orrin Hatch (R-Utah)

Date: June 24, 2013

Re: Baucus, Hatch Comment on IRS Report

**WASHINGTON** – Senate Finance Committee Chairman Max Baucus (D-Mont.) and Ranking Member Orrin Hatch (R-Utah) issued the following joint statement today after Internal Revenue Service Principal Deputy Commissioner Danny Werfel released his 30-day top to bottom review of the agency's operations, including the processing of tax-exempt applications:

"Principal Deputy Commissioner Danny Werfel has clearly hit the ground running. We are glad to see the much-needed change of leadership Mr. Werfel is delivering at the IRS and his focus on accountability. He is fixing problems that have rightly undermined the agency's credibility with the American people. That being said, we remain committed to our own full, independent, bipartisan investigation in the Senate Finance Committee to get to the bottom of what happened. As today's report shows, our investigation is essential since the IRS' use of inappropriate criteria for reviewing applications for tax-exempt status was broader than first disclosed. We look forward to working with Mr. Werfel on future steps to ensure that targeting based on political beliefs is not allowed to take place again."

Both Chairman Baucus and Ranking Member Hatch met with Principal Deputy Commissioner Werfel this afternoon in separate one-on-one meetings. The Senate Finance Committee is conducting a bipartisan investigation into the Internal Revenue Service's (IRS) improper targeting of groups when they applied for tax-exempt 501(c)(3) or 501(c)(4) status.

Today's report confirmed the IRS used several lists of inappropriate criteria to screen organizations seeking tax-exempt status and outlined ways to improve operational failures, such as the creation of an Enterprise Risk Management Program, to bring problems to the Commissioner in an expedited manner.

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