

COMMITTEE FOR A RESPONSIBLE FEDERAL BUDGET

March 3, 2022

The Honorable Patrick Leahy
Chairman, Senate Committee on Appropriations

The Honorable Richard Shelby Vice Chairman, Senate Committee on Appropriations

The Honorable Rosa DeLauro
Chair, House Committee on Appropriations

The Honorable Kay Granger Ranking Member, House Committee on Appropriations

Dear Chairman Leahy, Chair DeLauro, Vice Chairman Shelby, and Ranking Member Granger:

We write to you today on behalf of ourselves as individuals to encourage you to address backlogs in tax processing and a large tax gap that is starving the Treasury of needed revenue.

The current fiscal year 2022 continuing resolution is scheduled to expire on March 11. As you work to fund the federal government for the remainder of the year, we are writing to request you ensure the Internal Revenue Service (IRS) receives adequate funding.

In light of a growing number of returns, new responsibilities, and a series of pandemic-induced challenges, the IRS now faces historic backlogs and other issues. As taxpayers begin to file their tax returns, these challenges will likely result in delayed tax refunds and inadequate customer service while also limiting the IRS's ability to effectively collect revenue owed.

Substantial short-term and structural reforms and improvements are needed to fix the IRS. Additionally, adequate funding, coupled with strong oversight of that funding, is key. Allocated properly, higher funding will more than pay for itself by allowing the IRS to better collect taxes owed under the law while drastically improving Americans' satisfaction with our tax system.

We encourage you to provide the IRS with sufficient funding to work down its backlogs this year while putting the agency on a path to effectively process tax returns, provide adequate taxpayer services, and efficiently collect revenue.

Sincerely,



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Former Chief of Staff, Joint Committee on Taxation

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Co-Founder and Institute Fellow, Urban-Brookings Tax Policy Center

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Daniel Werfel

Former Acting Commissioner, Internal Revenue Service

CC: Leader Schumer, Leader McConnell, Speaker Pelosi, Leader McCarthy, Chairman Wyden,
Ranking Member Crapo, Chairman Neal, Ranking Member Brady, Chairman Van Hollen, Ranking
Member Hyde-Smith, Chairman Quigley, Ranking Member Womack
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