

May 22, 2017

The Honorable Tom Graves, Chairman  
The Honorable Mike Quigley, Ranking Member  
House Committee on Appropriations  
Subcommittee on Financial Services and General Government  
H-305, The Capitol  
Washington, DC 20515

## **RE: IRS Oversight Hearing**

Dear Chairman Graves and Ranking Member Quigley:

We write to you regarding the “IRS Oversight Hearing”.<sup>1</sup> EPIC is a nonpartisan research center established in 1994 to focus public attention on emerging privacy and civil liberties issues.<sup>2</sup> EPIC is also a leading advocate for civil liberties and democratic values in the information age. In response to the finding of the Intelligence Community that the Russian government interfered with the 2016 Presidential election, EPIC launched a new project on Democracy and Cybersecurity.<sup>3</sup> Our goal is to determine the extent of Russian interference and ensure that the U.S. government takes necessary steps to safeguard political institutions against future attack.

On April 15, 2017, EPIC filed a Freedom of Information Act lawsuit against the IRS to enable the public release of the tax records of President Donald J. Trump.<sup>4</sup> As EPIC stated in the original FOIA request to the agency:

At no time in American history has a stronger claim been presented to the IRS for the public release of tax records to “correct misstatements of fact.”<sup>5</sup> If the Freedom of Information Act means anything, it means that the American public has the right to know whether records exist in a federal agency which reveal that the U.S. president has financial dealings with a foreign adversary.<sup>6</sup>

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<sup>1</sup> *IRS Oversight Hearing*, 115th Cong. (2017), H. Comm. on Appropriations, Subcomm. on Fin. Servs. and Gen. Gov’t, <http://appropriations.house.gov/calendar/eventsingle.aspx?EventID=394840> (May 23, 2017).

<sup>2</sup> See EPIC, *About EPIC*, <https://epic.org/epic/about.html>.

<sup>3</sup> See EPIC, *Democracy and Cybersecurity*, <https://epic.org/democracy/>.

<sup>4</sup> Press Release, EPIC, *EPIC v. IRS: A Freedom of Information Act Lawsuit to Obtain the Tax Returns of Donald J. Trump* (Apr. 15, 2017), <https://epic.org/foia/irs/trump-taxes/EPIC-v-IRS-Press-Release-Apr-2017.pdf>; *EPIC v. IRS*, No. 17-670 (D.D.C. filed Apr. 15, 2017).

<sup>5</sup> 26 U.S.C. § 6103(k)(3).

<sup>6</sup> FOIA Request from EPIC to IRS (Feb. 16, 2017), <https://epic.org/foia/irs/trump-taxes/EPIC-17-02-16-IRS-FOIA-20170216-Request.pdf>.

As a general matter, tax records are protected under federal privacy laws. However, EPIC uncovered a key provision in the Internal Revenue Code that permits the release of tax records in certain circumstances to correct misstatements of fact. The provision was enacted to ensure the “integrity and fairness [of the IRS] in administering the tax laws” following the impeachment proceedings against President Richard M. Nixon.<sup>7</sup> It allows the IRS to release tax records “with respect to any specific taxpayer to the extent necessary for tax administration purposes to correct a misstatement of fact.”<sup>8</sup>

Many individuals, including the President, have published conflicting statements of fact about the contents of Donald J. Trump’s tax returns and the extent of his business dealings with the Russian government. Individual taxpayers have also raised concerns about the “fairness and integrity” of the tax system and cited statements, made by the President, about his own tax returns. These are also circumstances contemplated by the Internal Revenue Code that would permit the release of taxpayer returns.

The IRS has the authority to release the President’s tax returns with the approval of the Joint Committee on Taxation. We urge the House Committee to support the release. The public has a right to know about the extent of Russian interference with the 2016 Presidential election.

We ask that this statement be entered in the hearing record. EPIC looks forward to working with the Subcommittee on these issues of vital importance to the American public.

Sincerely,

/s/ Marc Rotenberg  
Marc Rotenberg  
EPIC President

/s/ Caitriona Fitzgerald  
Caitriona Fitzgerald  
EPIC Policy Director

#### Attachments

EPIC FOIA Request (Feb. 16, 2017)

EPIC v. IRS, No. 17-670 (D.D.C. filed Apr. 15, 2017)

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<sup>7</sup> *Confidentiality of Tax Return Information: Hearing Before the Comm. on Ways and Means, 94th Cong. 22–23 (1976)* (statement of Donald C. Alexander, Commissioner of Internal Revenue).

<sup>8</sup> 26 U.S.C. § 6103(k)(3).