

**Congress of the United States**  
**Washington, DC 20515**

October 21, 2021

Secretary Janet Yellen  
The Treasury Department  
1500 Pennsylvania Avenue, NW  
Washington, D.C. 20220

Dear Secretary Yellen:

On September 13<sup>th</sup>, 142 Members of Congress wrote to you expressing concern with the Administration's proposal to significantly expand the amount of financial data collected on virtually every American. Since then, hundreds of thousands of our constituents have reached out to our offices – in addition to every state bank and credit union association, and many state financial officers – voicing their opposition to this initiative. Your Department's response to these concerns was not only insincere, but it also demonstrated just how out-of-touch the proponents of this effort are with the grave and sincere concerns that millions of Americans have with this idea.

The Treasury Department's initial plan sought to require financial institutions and other financial services providers to report a range of new data points on accounts with annual gross inflows and outflows totaling more than \$600 to the Internal Revenue Service (IRS). After receiving pushback from Americans in every state, there have been reports that the Administration and the majorities in Congress are considering increasing the threshold from \$600 to \$10,000 (or an even higher amount).

The impact that these new reporting requirements will have on tens if not hundreds of millions of unsuspecting Americans cannot be emphasized enough. Arbitrarily increasing the threshold to \$10,000, as most recently proposed, will still apply to individuals at every rung of the income ladder.<sup>1</sup>

Further, your September 29<sup>th</sup> response cited enhanced transparency, improved tax compliance, and increased federal income as the main reasons for this proposal, while failing to substantively address one of our primary concerns: privacy protections. The IRS's history when it comes to protecting Americans' personal information is suspect at best.<sup>2</sup> Not to mention, one of the foremost reasons so many Americans are unbanked is due to privacy concerns, according to a 2019 survey published by the FDIC.<sup>3</sup>

Your proposal, if enacted and regardless of the compliance threshold, will likely sow further distrust in our financial system due to the ongoing and valid concerns about the IRS's ability to protect the privacy and financial data of the American people and potentially enlarge the

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<sup>1</sup> American Bankers Association, ABA and State Banker Associations: Opposition to the Tax Information Reporting Proposal, Letter (September 24, 2021), <https://www.aba.com/advocacy/policy-analysis/joint-aba-sba-letter-to-house-opposition-to-tax-information-reporting-proposal>

<sup>2</sup> ProPublica, The Secret IRS Files: Trove of Never-Before-Seen Records Reveal How the Wealthiest Avoid Income Tax, Article (June 8, 2021), <https://www.propublica.org/article/the-secret-irs-files-trove-of-never-before-seen-records-reveal-how-the-wealthiest-avoid-income-tax>

<sup>3</sup> Federal Deposit Insurance Corporation, How America Banks: Household Use of Banking and Financial Services, Report (October 2020), <https://www.fdic.gov/analysis/household-survey/2019report.pdf>.

unbanked population.

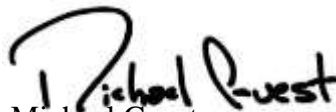
Lastly, after a historic year when banks and credit unions were front and center, providing financial lifelines to families, businesses, and communities during the COVID-19 pandemic, we cannot emphasize strongly enough the negative impact that new and additional reporting requirements will have on these same financial institutions by your proposal. Financial institutions *already* report a tremendous amount of data to the IRS, and there is ample evidence to show that the IRS needs to do a better job using the information it already has to close the “tax gap.” The last thing our financial institutions need is another layer of administrative reporting requirements to take away from their daily efforts to provide the capital that is the lifeblood of Main Street America.

In light of our continuing concerns, and your inability to adequately address them, we ask you to abandon this proposal and encourage congressional Democrats to do the same. We must protect Americans and our financial system, not make them the victim of government overreach in the name of raising revenue.

Sincerely,



Tom Emmer  
Member of Congress



Michael Guest  
Member of Congress



Pete Sessions  
Member of Congress

Steve Scalise  
Member of Congress



Elise Stefanik  
Member of Congress



Patrick McHenry  
Member of Congress



Adrian Smith  
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Bill Posey  
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Ann Wagner  
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Roger Williams  
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Andy Biggs  
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Mario Diaz-Balart  
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Brian Fitzpatrick  
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Andy Barr  
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Diana Harshbarger  
Member of Congress



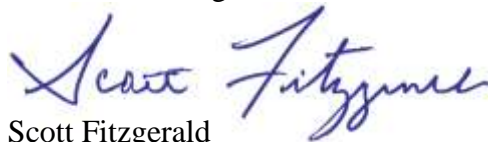
Vern Buchanan  
Member of Congress



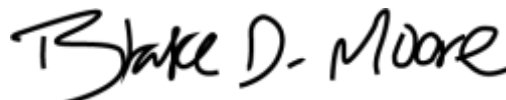
Dan Meuser  
Member of Congress



Carlos A. Gimenez  
Member of Congress



Scott Fitzgerald  
Member of Congress



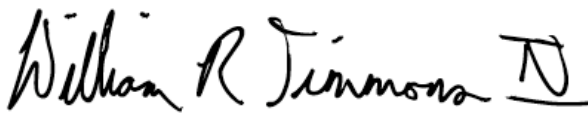
Blake D. Moore  
Member of Congress



Jeff Duncan  
Member of Congress



Ashley Hinson  
Member of Congress



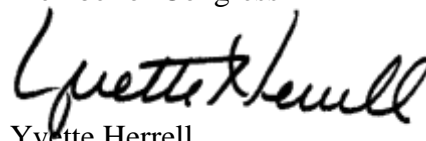
William Timmons  
Member of Congress



Alex Mooney  
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John R. Carter  
Member of Congress



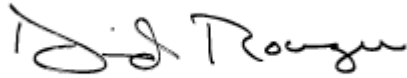
Yvette Herrell  
Member of Congress



David Schweikert  
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Robert J. Wittman  
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David Rouzer  
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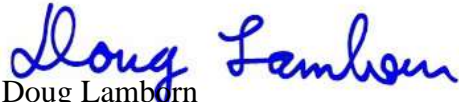
Warren Davidson  
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Eric A. "Rick" Crawford  
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Neal P. Dunn, M.D.  
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Doug Lamborn  
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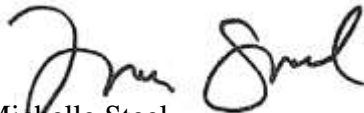
Bill Johnson  
Member of Congress



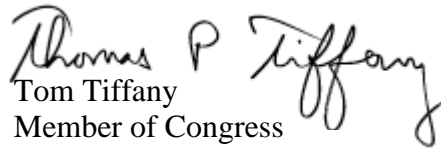
Maria Elvira Salazar  
Member of Congress



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Bob Good  
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Tom McClintock  
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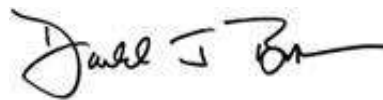
Gus M. Bilirakis  
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Van Taylor  
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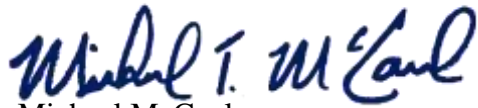


David B. McKinley, P.E.  
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Member of Congress





Michael McCaul  
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John Moolenaar  
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Matthew Rosendale, Sr.  
Member of Congress



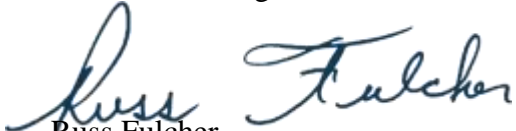
Billy Long  
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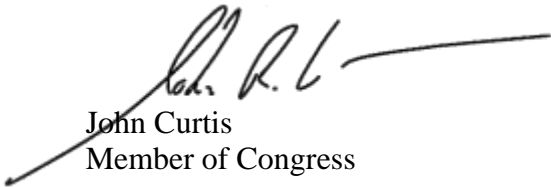
Stephanie Bice  
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Liz Cheney  
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Mike Rogers  
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John Curtis  
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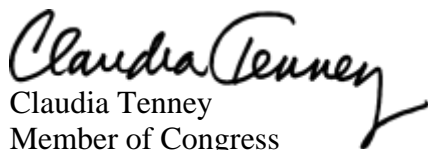
Blaine Luetkemeyer  
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Burgess Owens  
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Kelly Armstrong  
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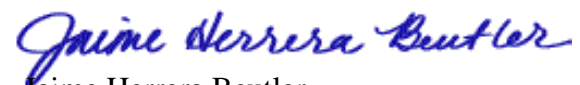
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French Hill  
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Nicole Malliotakis  
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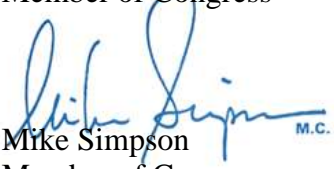
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Bryan Steil  
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Mike Simpson M.C.  
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Ben Cline  
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Beth Van Duyne  
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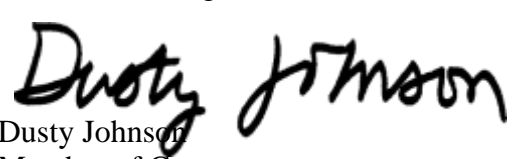
Glenn "GT" Thompson  
Member of Congress



Tracey Mann  
Member of Congress



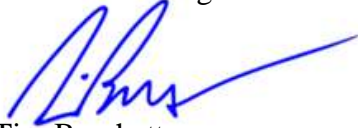
James Comer  
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Dusty Johnson  
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Ron Estes  
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Earl L. "Buddy" Carter  
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Mike Bost  
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Mo Brooks  
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Jody Hice  
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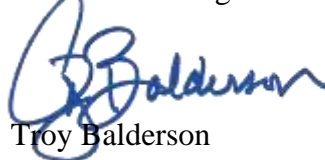
Jeff Fortenberry  
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Michael Cloud  
Member of Congress



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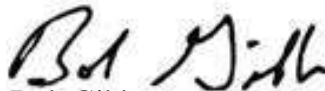
Troy Balderson  
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Bill Huizenga  
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Devin Nunes  
Member of Congress



Bob Gibbs  
Member of Congress



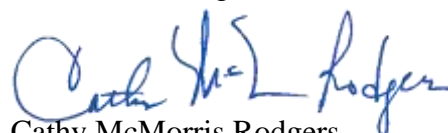
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Lee Zeldin  
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Kat Cammack  
Member of Congress




Cathy McMorris Rodgers  
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Chuck Fleischmann  
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August Pfluger  
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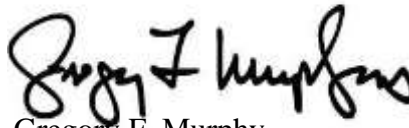
  
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Jeff Van Drew  
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Scott Perry  
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Debbie Lesko  
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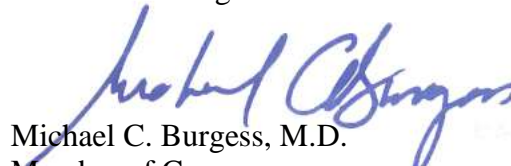
  
Rodney Davis  
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Gregory F. Murphy  
Member of Congress


  
Ralph Norman  
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Markwayne Mullin  
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David G. Valadao  
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Michael C. Burgess, M.D.  
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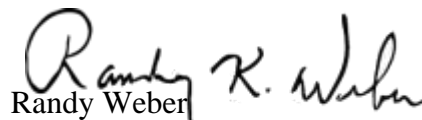
  
Austin Scott  
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Lance Gooden  
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Byron Donalds  
Member of Congress

  
Robert Aderholt  
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Richard Hudson  
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Randy Weber  
Member of Congress





Jack Bergman  
Member of Congress



Lisa McClain  
Member of Congress



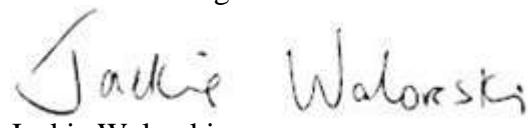
Mark E. Green, M.D.  
Member of Congress



Rick Allen  
Member of Congress



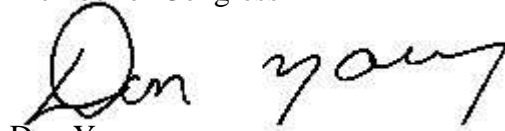
Peter Meijer  
Member of Congress



Jackie Walorski  
Member of Congress



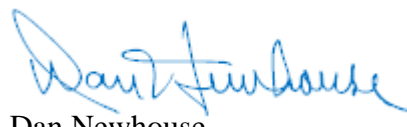
Steve Chabot  
Member of Congress



Don Young  
Member of Congress



Jim Jordan  
Member of Congress



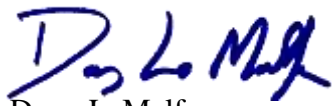
Dan Newhouse  
Member of Congress



Dan Bishop  
Member of Congress



Louie Gohmert  
Member of Congress



Doug LaMalfa  
Member of Congress



David P. Joyce  
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Jodey C. Arrington  
Member of Congress



Jay Obernolte  
Member of Congress



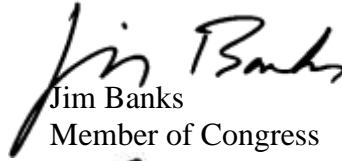
Darrell Issa  
Member of Congress




Trey Hollingsworth  
Member of Congress



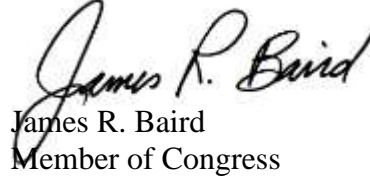
Mike Turner  
Member of Congress



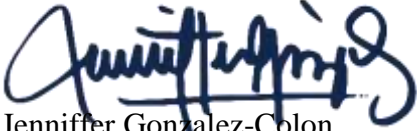
Jim Banks  
Member of Congress



Scott Franklin  
Member of Congress



James R. Baird  
Member of Congress



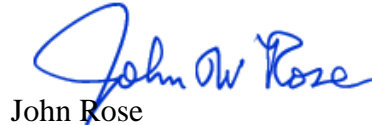
Jennifer Gonzalez-Colon  
Member of Congress



Larry Bucshon  
Member of Congress



Young Kim  
Member of Congress



John Rose  
Member of Congress



Adam Kinzinger  
Member of Congress



Dan Crenshaw  
Member of Congress



Steve Womack  
Member of Congress



Lloyd Smucker  
Member of Congress



Tom Rice  
Member of Congress



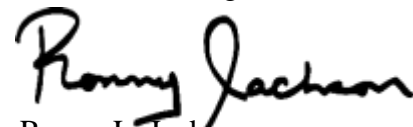
Barry Moore  
Member of Congress



Christopher H. Smith  
Member of Congress



Brian Mast  
Member of Congress



Ronny L. Jackson  
Member of Congress

Julia Letlow  
Member of Congress



Brian Babin  
Member of Congress



Frank Lucas  
Member of Congress



Mariannette Miller-Meeks  
Member of Congress



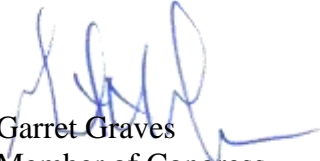
Michelle Fischbach  
Member of Congress



Drew Ferguson  
Member of Congress



Robert E. Latta  
Member of Congress




Garret Graves  
Member of Congress



Fred Keller  
Member of Congress



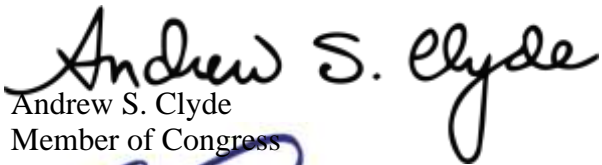
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Member of Congress



Mike Garcia  
Member of Congress



Jerry Carl  
Member of Congress



Andrew S. Clyde  
Member of Congress



Darin LaHood  
Member of Congress



Chris Jacobs  
Member of Congress



Jim Hagedorn  
Member of Congress



Ken Calvert  
Member of Congress



Tom Reed  
Member of Congress



Tony Gonzales  
Member of Congress



Glenn Grothman  
Member of Congress



Gary Palmer  
Member of Congress



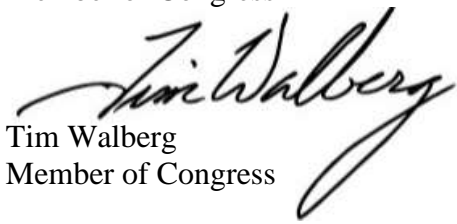
Ken Buck  
Member of Congress



Kevin Hern  
Member of Congress



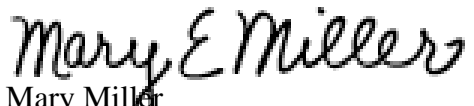
Greg Pence  
Member of Congress



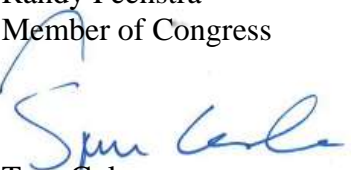
Tim Walberg  
Member of Congress



Randy Feenstra  
Member of Congress



Mary Miller  
Member of Congress



Tom Cole  
Member of Congress



Clay Higgins  
Member of Congress



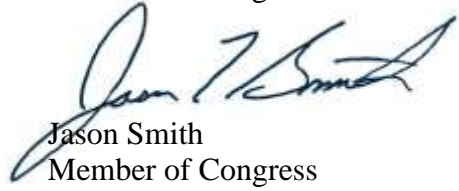
Cliff Bentz  
Member of Congress



Troy E. Nehls  
Member of Congress



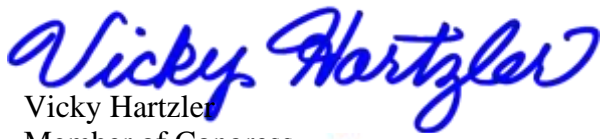
Hal Rogers  
Member of Congress



Jason Smith  
Member of Congress



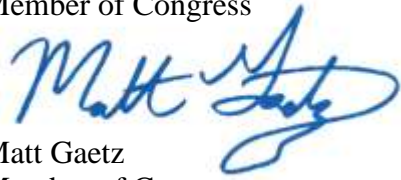
John H. Rutherford  
Member of Congress



Vicky Hartzler  
Member of Congress

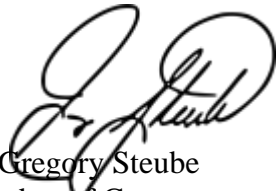


Victoria Spartz  
Member of Congress



Matt Gaetz  
Member of Congress





W. Gregory Steube  
Member of Congress



Sam Graves  
Member of Congress



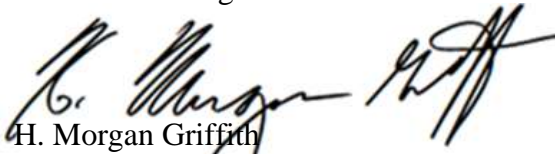
Mike Johnson  
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Virginia Foxx  
Member of Congress



John Katko  
Member of Congress



H. Morgan Griffith  
Member of Congress



Brad R. Wenstrup, D.P.M  
Member of Congress



Mike Gallagher  
Member of Congress



Jake LaTurner  
Member of Congress