ONE HUNDRED SEVENTEENTH CONGRESS

Congress of the United States House of Representatives

COMMITTEE ON THE JUDICIARY

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(202) 225-3951

July 27, 2021

The Honorable Charles P. Rettig Commissioner, Internal Revenue Service U.S. Department of the Treasury 1111 Constitution Ave, NW Washington, DC 20224

Dear Commissioner Rettig:

On June 8, 2021, ProPublica began publishing a series of articles after "obtain[ing] a vast trove of Internal Revenue Service data on the tax returns of thousands of the nation's wealthiest people, covering more than 15 years." Because tax returns are filled with personal and sensitive information, federal law requires that tax "[r]eturns and return information shall be confidential." Congress has also made the unlawful disclosure of tax return information a felony. Despite these safeguards, an Internal Revenue Service (IRS) employee or employees—or someone with access to the returns—disclosed this confidential information to ProPublica in violation of the law.

This leak must be viewed in the context of certain Democrat leaders calling for higher taxes on wealthy Americans.⁴ In its articles, ProPublica described how the IRS data was leaked at "a crucial moment" because "[w]ealth inequality has become one of the defining issues of our age." ProPublica also noted that the leak came at a time when "[t]he president [sic] and Congress are considering the most ambitious tax increases in decades on those with high incomes." Leaks of tax information for political purposes harm the American people's trust in the IRS and its ability to fairly administer federal tax laws. Unfortunately, ProPublica seems to have become a venue for far-left activists at the IRS to leak confidential tax return information to advance their partisan political goals.⁷

¹ Jessee Eisinger et al., *The Secret IRS Files: Trove of Never-Before-Seen Records Reveal How the Wealthiest Avoid Income Tax*, PROPUBLICA (Jun. 8, 2021).

² 26 U.S.C. § 6103(a).

³ See 26 U.S.C. § 7213(a).

⁴ See, e.g., Greg Iacurci, Biden wants to raise \$1.5 trillion by taxing the rich. Here's how, CNBC (Apr. 29, 2021).

⁵ Eisinger, *supra* note1.

⁶ *Id*.

⁷ See, e.g., Stephen Engelberg & Richard Tofel, Why We Are Publishing the Tax Secrets of the .001%, PROPUBLICA (Jun. 8, 2021) ("In 2012, someone at the IRS . . . sent ProPublica copies of tax filings seeking exemption for a number of political committees, including Republican political guru Karl Rove's Crossroads GPS.").

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You stated in testimony before the Senate that the IRS has opened an investigation into the leak. The Committee is conducting a parallel investigation of the release of taxpayer information to ProPublica. To assist the Committee in conducting oversight of this incident, we request that the IRS immediately take appropriate measures to preserve all documents and communications referring or relating to the leak of tax return information to ProPublica, including all documents and communications referring or relating to any investigation into the leak. In addition, we request that you arrange for a staff-level briefing on the leak, including the status of any internal examination of the leak, as well as methods and policies for safeguarding taxpayer information in place before the ProPublica articles and any alterations to methods or policies in light of the leak.

Please provide the requested briefing as soon as possible but not later than 5:00 p.m. on August 10, 2021. If you have any questions about this request, please contact Judiciary Committee staff at (202) 225-6906.

Thank you for your prompt attention to this matter.

Sincerely,

Jim Jordan

Ranking Member

Darrell Issa

Ranking Member

Subcommittee on Courts, Intellectual

Property, and the Internet

cc: The Honorable Jerrold L. Nadler, Chairman

The Honorable Henry C. "Hank" Johnson, Chairman Subcommittee on Courts, Intellectual Property, and the Internet

⁸ See Zachary Halaschak, 'Secret' tax records of wealthiest Americans leaked to media, WASH. Ex. (Jun. 8, 2021).