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Congress of the United States
House of Representatives

October 6, 2021

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The Honorable Janet Yellen
Secretary, U.S. Department of Treasury
1500 Pennsylvania Avenue NW
Washington, DC 20220

Dear Secretary Yellen,

I write to express my strong opposition to the proposed IRS data collection proposal that would monitor and report information on the bank accounts of hundreds of millions of Americans. This plan is being promoted by the Biden Administration to catch tax avoidance and is under consideration as part of the \$3.5 trillion spending plan.

The proposed tax information reporting requirements for financial institutions would not only impose significant compliance costs on our banks, credit unions, and related financial institutions, but also is a massive encroachment on the privacy of millions of Americans.

Specifically, such a proposal would require financial institutions to report information about the inflows and outflows on accounts over \$600 to the IRS every year. Financial institutions already report a tremendous amount of data to the IRS, and no evidence has shown that such a broad mandate would substantially aid the IRS's efforts to close the tax gap beyond the information already at the IRS's disposal.

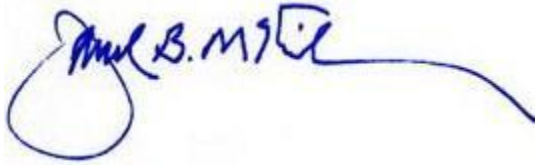
Last week in a Senate Banking, Housing, and Urban Development Committee hearing, you were questioned about this proposal and had no clear explanation for how this kind of personally invasive monitoring would "close the tax gap," only admitting that it would add even more strain on an already difficult tax filing process.

Not only would such an overly comprehensive IRS database require significant resources to build, maintain, and protect, but it would make the personal, financial data of millions of Americans susceptible to cyberattacks and data breaches. Considering the IRS experiences 1.4 billion cyberattacks yearly and has experienced multiple data breaches, Congress should not give this agency additional sensitive data to manage.

I urge you to reject this ill-advised overreach.

Thank you for your swift attention to this matter. Should you have any questions please reach out to Allie Hildebrand of my staff at allie.hildebrand@mail.house.gov.

Sincerely,

A handwritten signature in blue ink that reads "David B. McKinley". The signature is stylized, with a large loop at the beginning and a long, sweeping underline that extends to the right.

David B. McKinley, P.E.

Member of Congress

CC: Ways and Means Chairman Richard Neal; IRS Commissioner Charles P. Rettig