



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, DC 20224

The Honorable Kevin Brady
Republican Leader
Committee on Ways and Means
U.S. House of Representatives
Washington, DC 20515

Dear Representative Brady:

Thank you for your letter dated June 9, 2021. You wrote with several questions concerning the ProPublica article published on June 8, 2021. You also asked that we provide a detailed description of all the steps the IRS has taken to investigate and address the issue, as well as updates on the progress of any investigation.

Thank you for speaking with me about this matter in June. I share your concern about ProPublica reporting taxpayer information it claims to possess, regardless of how it obtained that information. Given the time that has passed since our phone call, I am following up with this letter.

Within an hour after ProPublica published its June 8, 2021 article, I contacted Russell George, the Treasury Inspector General for Tax Administration (TIGTA). I asked him to open an investigation into the source of the alleged tax return information.

TIGTA has sole jurisdiction over potential "insider threat" violations if the information originated with an IRS employee. Since any TIGTA investigation is independent of the IRS, you may wish to request information directly from Russell George.

Currently, we do not know the source of the information; however, as I testified on June 8 before the Senate Finance Committee, any unauthorized disclosure of confidential government information is illegal. We take such disclosures seriously and will pursue all available measures.

On June 8, the Department of the Treasury indicated they also referred this matter to the Treasury Office of Inspector General, the FBI, and the U.S. Attorney's Office for the District of Columbia. Each of these offices has independent authority to investigate, separate from TIGTA's authority. We do not know how many investigations may be underway.

Protecting taxpayer information is a fundamental IRS principle. Every employee takes annual training on unauthorized disclosure of taxpayer information. This training clearly defines when a disclosure is authorized and clarifies the consequences of an unauthorized disclosure under Section 6103 of the Internal Revenue Code. Those consequences include potential termination of employment, fines, and imprisonment.

The IRS has strong protections in place to safeguard taxpayer information. TIGTA regularly audits employee access to taxpayer information. The IRS provides an annual report to the Joint Committee on Taxation describing all disclosures of taxpayer information during the year and the statutory authorization for each disclosure. The Government Accountability Office also provides oversight on the protection of taxpayer information.

I assure you, we will immediately take action to respond to any risks that are identified. We are fully committed to pursuing this matter to the fullest extent of the law.

I hope this information is helpful. I am sending a similar response to Senator Crapo. If you have questions, please contact me, or a member of your staff may contact Amy Klonsky, Chief, National Congressional Affairs Branch, at 202-317-6985.

Sincerely,

Charles P. Rettig