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

Dear Secretary Yellen:

On September 13th, 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.¹

Further, your September 29th 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.² 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.³

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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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,

Tony Emmer
Member of Congress

Pete Sessions
Member of Congress

Steve Scalise
Member of Congress

Adrian Smith
Member of Congress

Ann Wagner
Member of Congress

Roger Williams
Member of Congress

Michael Guest
Member of Congress

Kevin McCarthy
Member of Congress

Elise Stefanik
Member of Congress

Patrick McHenry
Member of Congress

Bill Posey
Member of Congress

Brett Guthrie
Member of Congress
Ted Budd
Member of Congress

Brian Fitzpatrick
Member of Congress

Diana Harshbarger
Member of Congress

Dan Meuser
Member of Congress

Scott Fitzgerald
Member of Congress

Jeff Duncan
Member of Congress

William Timmons
Member of Congress

John R. Carter
Member of Congress

David Schweikert
Member of Congress

Mario Diaz-Balart
Member of Congress

Andy Barr
Member of Congress

Vern Buchanan
Member of Congress

Carlos A. Gimenez
Member of Congress

Blake D. Moore
Member of Congress

Ashley Hinson
Member of Congress

Alex Mooney
Member of Congress

Yvette Herrell
Member of Congress

Robert J. Wittman
Member of Congress
Jack Bergman  
Member of Congress

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

Peter Meijer  
Member of Congress

Steve Chabot  
Member of Congress

Jim Jordan  
Member of Congress

Dan Bishop  
Member of Congress

Doug LaMalfa  
Member of Congress

Jodey C. Arrington  
Member of Congress

Darrell Issa  
Member of Congress

Lisa McClain  
Member of Congress

Rick Allen  
Member of Congress

Jackie Walorski  
Member of Congress

Don Young  
Member of Congress

Dan Newhouse  
Member of Congress

Louie Gohmert  
Member of Congress

David P. Joyce  
Member of Congress

Jay Obernolte  
Member of Congress

Trey Hollingsworth  
Member of Congress
Glenn Grothman  
Member of Congress

Ken Buck  
Member of Congress

Greg Pence  
Member of Congress

Randy Feenstra  
Member of Congress

Tom Cole  
Member of Congress

Cliff Bentz  
Member of Congress

Hal Rogers  
Member of Congress

John H. Rutherford  
Member of Congress

Victoria Spartz  
Member of Congress

Gary Palmer  
Member of Congress

Kevin Hern  
Member of Congress

Tim Walberg  
Member of Congress

Mary E. Miller  
Member of Congress

Clay Higgins  
Member of Congress

Troy E. Nehls  
Member of Congress

Jason Smith  
Member of Congress

Vicky Hartzler  
Member of Congress

Matt Gaetz  
Member of Congress