

Chairman Ander Crenshaw
Subcommittee on Financial Services and General Government
House Committee on Appropriations
Oversight Hearing – Internal Revenue Service
April 9, 2013
Opening Statement As Prepared

The hearing will come to order.

Today, the Subcommittee will examine the Internal Revenue Services's activities and operations and hear testimony from Acting Commissioner Steve Miller. Welcome, Mr. Miller, and thank you for spending the afternoon with us. We appreciate your many years of service to the IRS and the country, and those of all IRS employees. I would specifically like to compliment the agency on being removed from GAO's High Risk List with regards to business systems modernization.

According to the IRS Oversight Board, 72 percent of Americans believe it is their civil duty to pay their fair share of taxes. However, our tax code is so complicated that this is easier said than done. As such, it falls to the IRS to help individuals correctly file and pay their taxes as well as to detect and investigate individuals who are cheating. I know the authorizing committees are working hard on tax reform. Hopefully, this effort will include making the tax code easier to follow and, therefore, easier to enforce.

The IRS is also responsible for administering numerous, complicated tax credit programs. Improper payments in these programs, however, exceed \$15 billion a year. This amount of loss is troubling and should not be tolerated.

The IRS is the largest agency funded by this Subcommittee and has over 90,000 employees. Given both the House and the Senate budget resolutions assume sequestration in their discretionary allocation, budget increases may be unrealistic in fiscal year 2014. Nonetheless, we want to work with you and your staff to judiciously and selectively make investments and apply cuts in order for the Service to meet its obligation to assist taxpayers and pursue tax cheats.

Again, welcome, Acting Commissioner Miller; we look forward to your testimony. I am interested in learning how the IRS is coping with sequestration, addressing identity theft and improper payments, reducing the burden of tax compliance for individuals and businesses, investigating fraud, and making the most of its resources.

With that, I yield to Mr. Serrano for any opening statements he would like to make.

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