

February 27, 2018

President Donald J. Trump  
The White House  
1600 Pennsylvania Ave., NW  
Washington, DC 20500

Director Mick Mulvaney  
Office of Management & Budget  
725 17th Street, NW  
Washington, DC 20503

Secretary Steven Mnuchin  
Department of the Treasury  
1500 Pennsylvania Ave., NW  
Washington, DC 20220

Administrator Neomi Rao  
Office of Information & Regulatory Affairs  
1650 Pennsylvania Ave., NW  
Washington, DC 20503

## Coalition Urges Trump Administration to Hold IRS Accountable by Ending Unlawful Practice of Evading Oversight

Dear President Trump, Secretary Mnuchin, Director Mulvaney, and Administrator Rao,

On behalf of the undersigned organizations, we urge you to hold the IRS accountable by working to end its practice of skirting oversight of its rulemakings. Cause of Action Institute recently issued an investigative report titled *Evading Oversight: The Origins and Implications of the IRS Claim That Its Rules Do Not Have an Economic Impact*, available at <http://coainst.org/2mgpYAu>. The report details how the IRS created and expanded a series of self-bestowed exemptions from three important regulatory oversight mechanisms. The IRS created these exemptions by claiming that the economic effects of its rules flow from the underlying statute and not its regulatory choices. We urge you to review and consider the executive summary and findings of *Evading Oversight*, which are attached to this letter.

This practice by IRS denies Congress information about IRS major rules that should be reported to the Government Accountability Office under the Congressional Review Act. It also hinders the White House's ability to fulfill its constitutional obligation to supervise the Executive Branch by conducting oversight of IRS regulations pursuant to Executive Order 12,866. And it impacts the public's right to learn about and comment on the economic impact of IRS rules that are subject to the Regulatory Flexibility Act.



AMERICAN COMMITMENT



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for TAX REFORM

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Association of Mature American Citizens  
Voice of Americans 50+



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In order to hold the IRS accountable, the Department of the Treasury and the White House Office of Management and Budget should withdraw from a decades-old agreement that allows the IRS to avoid White House review of its rulemakings. Further, the IRS should no longer be permitted to claim that the economic impact of its rules is due to the underlying statute and not its regulatory choices. The IRS must live by the same rules of administrative law and agency oversight as the rest of the Executive Branch.

If you have any questions or concerns, you may contact James Valvo by telephone at (202) 499-4232 or by e-mail at [james.valvo@causeofaction.org](mailto:james.valvo@causeofaction.org).

Sincerely,

American Business Defense Council  
Dick Patten, President

American Commitment  
Phil Kerpen, President

Americans for Prosperity  
Brent Wm. Gardner, Chief Government  
Affairs Officer

Americans for Tax Reform  
Grover Norquist, President

Association of Mature American Citizens  
Dan Weber, President & CEO

Campaign for Liberty  
Norm Singleton, President

The Carlstrom Group  
Bob Carlstrom, President

Cause of Action Institute  
John Vecchione, President & CEO

Center for Freedom and Prosperity  
Andrew F. Quinlan, President

Council for Citizens Against Government  
Waste  
Tom Schatz, President

Family Business Coalition  
Palmer Schoening, Chairman

Freedom Partners Chamber of Commerce  
Nathan Nascimento,  
Executive Vice President

FreedomWorks  
Jason Pye, Vice President of Legislative  
Affairs

Hispanic Leadership Fund  
Mario H. Lopez, President

National Taxpayers Union  
Pete Sepp, President

Taxpayers Protection Alliance  
David Williams, President

Tea Party Patriots  
Jenny Beth Martin, President