

SENATE BUDGET COMMITTEE
DEMOCRATIC CAUCUS
KENT CONRAD, RANKING MEMBER

FOR IMMEDIATE RELEASE
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**STATEMENT BY SENATOR KENT CONRAD (D-ND) ON
IRS RESPONSE TO QUESTIONS ON TAXPAYER PRIVACY
PROVISION INCLUDED IN FY 2005 OMNIBUS**

The IRS has now admitted its involvement in drafting the tax return disclosure language in the omnibus appropriations bill. I am extremely disappointed that the IRS played a role in this matter. The language the IRS helped draft clearly swept aside the penalties for disclosure of sensitive tax return information. It could have subjected taxpayers to serious abuse of their basic rights to privacy. If anyone should have understood the implications of the language, it is the IRS. This should never have happened. I am going to want to hear from the IRS Commissioner the specific steps he will take to prevent this from happening again.

The statement of the House Appropriations Committee staffer taking responsibility for the insertion of the language fails to explain why the provision eliminated all penalties for disclosure of taxpayer return information. His claim that he never consulted any member of Congress is hard to believe and reveals how seriously flawed the current system has become. It requires congressional action to reform the process of writing appropriation bills.

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