

DARRELL E. ISSA, CALIFORNIA
CHAIRMAN

ONE HUNDRED TWELFTH CONGRESS

ELIJAH E. CUMMINGS, MARYLAND
RANKING MINORITY MEMBER

DAN BURTON, INDIANA
JOHN L. MICA, FLORIDA
TODD RUSSELL PLATTS, PENNSYLVANIA
MICHAEL R. TURNER, OHIO
PATRICK McHENRY, NORTH CAROLINA
JIM JORDAN, OHIO
JASON CHAFFETZ, UTAH
CONNIE MACK, FLORIDA
TIM WALBERG, MICHIGAN
JAMES LANKFORD, OKLAHOMA
JUSTIN AMASH, MICHIGAN
ANN MARIE BUERKLE, NEW YORK
PAUL A. GOSAR, D.D.S., ARIZONA
RAUL R. LABRADOR, IDAHO
PATRICK MEEHAN, PENNSYLVANIA
SCOTT DesJARLAIS, M.D., TENNESSEE
JOE WALSH, ILLINOIS
TREY GOWDY, SOUTH CAROLINA
DENNIS A. ROSS, FLORIDA
FRANK C. GUINTA, NEW HAMPSHIRE
BLAKE FARENTHOLD, TEXAS
MIKE KELLY, PENNSYLVANIA

Congress of the United States

House of Representatives

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM

2157 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-6143

MAJORITY (202) 225-5074
FACSIMILE (202) 225-3974
MINORITY (202) 225-5051

<http://oversight.house.gov>

EDOLPHUS TOWNS, NEW YORK
CAROLYN B. MALONEY, NEW YORK
ELEANOR HOLMES NORTON,
DISTRICT OF COLUMBIA
DENNIS J. KUCINICH, OHIO
JOHN F. TIERNEY, MASSACHUSETTS
WM. LACY CLAY, MISSOURI
STEPHEN F. LYNCH, MASSACHUSETTS
JIM COOPER, TENNESSEE
GERALD E. CONNOLLY, VIRGINIA
MIKE QUIGLEY, ILLINOIS
DANNY K. DAVIS, ILLINOIS
BRUCE L. BRALEY, IOWA
PETER WELCH, VERMONT
JOHN A. YARMUTH, KENTUCKY
CHRISTOPHER S. MURPHY, CONNECTICUT
JACKIE SPEIER, CALIFORNIA

LAWRENCE J. BRADY
STAFF DIRECTOR

Opening Statement

Rep. Elijah E. Cummings, Ranking Member

Committee on Oversight and Government Reform

Subcommittee on Government Organization, Efficiency, and Financial Management

Hearing on "IRS E-File and Identity Theft"

June 2, 2011

I thank Chairman Platts for calling this hearing today.

The purpose of this hearing is to look into the growing problem of tax fraud through identity theft and examine how the IRS is meeting this challenge. I would like to thank all of our witnesses for appearing before us today, but especially the victims of this unsettling crime for being brave enough to share their stories.

For most of us, the annual filing of income tax returns can be frustrating even in the best of years. But tax season can be even worse for the growing number of tax-related identity theft victims that are casualties of a system ill-equipped to deal with the increasing sophistication and proficiency of the modern scam artist.

The IRS handles over 140 million individual tax returns each year as it performs its primary duty to collect taxes on behalf of the government. It relies extensively on the E-file system to reduce delays in processing returns and get refunds into the hands of taxpayers as quickly as possible. Identity thieves have now capitalized on this process and some steal identities for the sole purpose of getting illegitimate tax refunds. They victimize both the legitimate taxpayers and the federal government. Unfortunately, the victims have to deal not only with the extraordinary burdens and economic hardship that come with having their identity stolen, but with the additional inconveniences of working through the IRS processes to clear up their records and get their rightful refunds.

I am thankful that we have the opportunity to have the both the victims of tax-related identity theft and the IRS in the same room today so that the Committee can hear from each side and develop new legislation in a bipartisan manner that prevents the American taxpayer from having to experience the heart-wrenching stories that our victims are bringing before us today.

I look forward to hearing from Commissioner Shulman on how the IRS is taking comprehensive steps to prevent the processing of fraudulent tax returns and further protect victims before the 2012 tax cycle.

Contact: Ashley Etienne, Communications Director, (202) 225-5051.