

United States Senate

WASHINGTON, DC 20510

COMMITTEES:
BUDGET
ENERGY AND
NATURAL RESOURCES
FINANCE
HOMELAND SECURITY
AND GOVERNMENTAL AFFAIRS

May 16, 2013

President Barack Obama
The White House
1600 Pennsylvania Avenue, NW
Washington, DC

Dear Mr. President:

On May 15, the Treasury Department Inspector General released a damning report on political targeting by the Internal Revenue Service. According to the report, for more than two years, the IRS singled out civic groups that met certain political criteria and subjected them to heightened scrutiny and abusive inquiries. The agency explicitly targeted groups that used words such as "Patriot" or "We the People" in their names or made statements "criticizing how the country is being run" or "educating on the Constitution and Bill of Rights." It is difficult to imagine a more disturbing use of the sovereign tax power of the United States against the American people.

Critical questions remain unanswered. Much attention has been focused on when and to what extent the IRS informed the White House of the agency's political targeting practices. These are crucial questions, but I am equally concerned about communications in the other direction.

I write today to request information concerning what, if any, private pressure was exerted by the White House or Treasury Department political appointees on the IRS regarding the standards for approving and monitoring tax-exempt organizations, particularly 501(c)(4) groups. Some suggest that the Administration's public criticism of these conservatives groups may have contributed to the IRS's decision to target such groups. On various occasions, the White House has referred to certain 501(c)(4) organizations engaged in political advocacy as "shadowy groups" who pose "a threat to our democracy" and seek "a corporate takeover of our democracy." It is easy to imagine how such rhetoric from the top could possibly influence the work of an Executive Branch agency.

Your Administration has also pursued policies that threaten to chill disfavored political speech. Last year, the Administration pushed for legislation that would compel grassroots groups to disclose the names of their donors, enhancing this and any future Administration's ability to intimidate political opponents. And in May 2011, a leaked draft executive order revealed that the Administration was working on a new directive requiring any business that wants to contract with the government to disclose its political contributions; Congress intervened to bar the Administration from implementing that order.

Given this record of public pressure, the American people and the grassroots groups targeted by the IRS have a right to know about any internal influence other parts of the Administration exerted on the IRS with respect to 501(c)(4) organizations. Specifically, I am writing to request the following:

1. Any written communications or notes of oral communications from White House officials or Treasury Department political appointees to the Internal Revenue Service concerning the standards for monitoring, approval, or disclosure of contributions to or spending by 501(c)(4) organizations or other tax-exempt organizations.
2. Any written communications or notes of oral communications from White House officials or Treasury Department political appointees to the Internal Revenue Service concerning tax compliance or enforcement policy related to 501(c)(4) organizations.
3. Any written communications or notes of oral communications from White House officials or Treasury Department political appointees to the Internal Revenue Service concerning political activity by 501(c)(4) organizations.

After a year of false denials that the IRS was engaged in political targeting, it is now time for the Administration to answer congressional inquiries fully and accurately.

Sincerely,



Rob Portman

cc: Secretary Jacob Lew
Department of Treasury