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February 7, 2019

U.S. House of Representatives
Ways & Means Committee Oversight Subcommittee
1139E Longworth House Office Bldg.
Washington, D.C. 20515
Via email to: W&Mdem.submission@mail.house.gov

Re: Public Citizen Statement for the Record in Support of Disclosure of Presidential and Vice Presidential Tax Returns

Dear Chairman Lewis and Honorable Members of the Subcommittee:

On behalf of Public Citizen's 500,000 members and supporters, we write to express our wholehearted support for disclosure of the tax returns of presidents, vice presidents and covered candidates for those offices. In addition to advocating for passage of the For the People Act (H.R. 1), the sweeping ethics, campaign finance and voting rights reform package-- both as Public Citizen and as a part of the diverse Declaration for American Democracy coalition-- as it moves through a number of committees, we also urge that the Ways & Means Committee use its powers granted under Sec. 6103(f)(1) of the Internal Revenue Code to request President Trump's tax returns from the Secretary of the U.S. Treasury Department.

H.R. 1 embodies the newly-elected Congress' promise to the nation to ensure that public officials work for the people by cleaning up corruption and holding government accountable. Among the far-reaching reforms contained in the bill is Title X, requiring disclosure of presidential and vice-presidential individual income tax returns, including those of covered candidates for those offices. While this would be a vast improvement on the status quo, it may leave Congress and civil society unable to fully analyze the myriad conflicts of interest that have plagued this administration helmed by a wealthy president who has not truly divested himself from his business investments.¹ Therefore, Public Citizen supports expanding the language of H.R. 1 to include a mechanism for disclosure of business-related returns as well. For example, H.R. 1 could be extended to require that candidates for the office of president and vice-president, as well as eventual office holders, disclose the returns for any entity for which the person is a beneficial owner, meaning he

¹ PUBLIC CITIZEN and CITIZENS FOR RESPONSIBILITY AND ETHICS IN WASHINGTON, TRUMP-PROOFING THE PRESIDENCY: A PLAN FOR EXECUTIVE BRANCH ETHICS REFORM (Oct. 2, 2018), <https://bit.ly/2RdMAAp>.

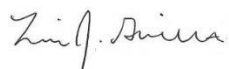
or she exercises control over the entity or has an interest in or receives substantial economic benefit from the assets of the entity.²

The Ways & Means Committee, however, must not wait until H.R. 1 is signed into law, and all Presidents have a legal requirement to disclose this information, to move forward with gaining President Trump's tax returns. The American public has been clamoring for this information since Donald Trump announced his candidacy for office, and his refusal to disclose this information despite decades of precedent set by his predecessors has intensified the real and apparent conflicts of interest posed by the intersection of his personal business affairs and the policies he has been advancing in his official office. For example, Trump owns hundreds of businesses, most of which are organized as limited liability companies (LLCs).³ Under the Tax Cuts and Jobs Act, most LLCs and other companies organized as "pass-through" entities received an extremely generous new deduction.⁴ Until the Ways & Means Committee uses its authority under Sec 6103 of the Code⁵ to gain access to Trump's individual and business tax returns, you will be unable to provide proper legislative oversight into exactly how much he personally financially gained by pushing for those changes and signing the bill into law.

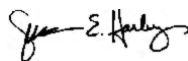
More than 11,300 of Public Citizen's supporters recently took action to call on Congress to use its authority to seek Trump's tax returns. This was in addition to the tens of thousands more who urged Trump to voluntarily release his returns shortly after his election to office, including countless activists who took to the streets during Tax March to demand disclosure of the returns. We urge you to listen to the will of We the People and investigate the extent of Trump's conflicts of interest as related to his income and business profits and the taxes he has or has not paid in recent years.

The outcome of last year's election made it clear that Americans are no longer willing to tolerate a government rife with self-dealing and ethical scandals. Addressing these problems means doing everything you can to advance H.R. 1 into law and extending Title X to include business-related returns. Additionally, this means acting swiftly in the interim to use Sec. 6103 authority to provide this Committee with the tax return information it needs to carry out its oversight function and provide checks and balances to the president and the rest of the executive branch.

Sincerely,



Lisa Gilbert
Vice President of Legislative Affairs
Public Citizen



Susan Harley
Deputy Director
Public Citizen's Congress Watch division

² See Public Law No. 115-91. <https://bit.ly/2SAGUZe>

³ MIKE TANGLIS, PUBLIC CITIZEN, PRESIDENT TRUMP, INC. (Sept. 5, 2017), <https://bit.ly/2UIw1NK>.

⁴ Marielle Segarra, *Confusion Reigns for Some Businesses Over "Pass-Through" Deduction*, MARKETPLACE (Jan. 14, 2019), <https://bit.ly/2RIK6sL>.

⁵ George K. Yin, *Congressional Authority to Obtain And Release Tax Returns*, TAXNOTES, (Feb. 20, 2017), <https://bit.ly/2MvQ5U0>.