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Hatch Opening Statement at Rettig Nomination Hearing

WASHINGTON – Senate Finance Committee Chairman Orrin Hatch (R-Utah) today delivered the following opening statement at a hearing to consider the nomination of Charles Rettig to be the Internal Revenue Service (IRS) Commissioner:

Right now, the IRS is at a critical juncture. The American people are already seeing myriad of benefits thanks to tax reform as unemployment continues to drop and wages rise.

And the IRS will be responsible for implementing these new policies smoothly and efficiently so that the new law's full benefits can be more quickly realized.

After years of turmoil and controversy, I am hopeful that the IRS has finally started turning the corner. However, with a large governmental organization like the IRS, there is always room for improvement.

Take for example, the problems of aging technology services. Some of the IRS's information technology dates back to the Kennedy administration. Unsurprisingly, that dated technology could inhibit the IRS's ability to interact coherently with 21st century technology that currently powers our country and much of the rest of the world.

If confirmed, I expect Mr. Rettig to work with Congress to modernize the IRS's infrastructure and technology to bring the agency into the 21st century.

Another major issue is that the IRS has an aging workforce. Right now, the majority of the IRS's workforce is over the age of fifty and nearing retirement. If that majority of the workforce were to retire at or around the same time, the IRS will face a shortage of knowledge and experience.

If confirmed, I hope that Mr. Rettig will start working with Congress immediately to plan for the agency's future.

As the IRS continues to implement tax reform, it must work with the Treasury Department to issue regulations and other guidance to ensure that taxpayers have certainty and predictability concerning this new law.

It must also work with Congress to ensure that the new law is implemented and administrated as Congress intended.

The challenges I have enumerated are greater than any one commissioner. But, the commissioner will set the tone of the workforce and will be charged with working alongside Congress to thoroughly and fairly implement and enforce our new tax laws.

An effective IRS Commissioner must also remember that our tax system relies, in great part, on voluntary compliance. And the system works best when American taxpayers trust the agency and are able to easily contact the IRS to receive timely and complete answers to their questions.

In short, if confirmed, Mr. Rettig has his work cut out for him, but I'm optimistic that he is up to the job and, if confirmed, will lead the agency with integrity.

That said, should the IRS slip up, or fail to live up to the high standards Congress has set, this committee will hold the IRS accountable as it always has.

At the same time, when the IRS acts properly, responds thoughtfully, and works with us, the IRS will find no better friend than this committee. After all, we recognize just how important it is that our taxes are collected fairly, efficiently, and in compliance with what Congress intended when we wrote the tax laws.

I thank Mr. Rettig for being here and his willingness to serve. Mr. Rettig has decades of experience representing taxpayers before the IRS. He knows the agency inside and out, due to his years of work on advisory councils and stakeholder groups. And he brings the necessary passion and dedication that this role will require.

I am confident, that if confirmed, Mr. Rettig will be a trustworthy, responsive, and earnest partner with Congress and this committee as we pursue our shared mission to improve the agency.

I do want to thank Acting Commissioner Kautter, who has done a great job at the IRS. However, that's not what we confirmed Mr. Kautter to do. And now, more than ever, we need Mr. Kautter back doing his full-time job at the Treasury Department.

Before we begin today, I want to clear something up. There have been inaccurate press reports based on leaked Committee documents that the nominee didn't disclose property he owns in a Trump International property in Hawaii. This is absurd and false, and we should put this matter to rest right now.

First, he disclosed these properties, which were purchased in 2006, on the Committee Questionnaire. That is a fact. He has been honest and forthright with this Committee at every stage of the vetting process. The dispute here pertains to the additional details of noting the name on the side of the building.

Second, any suggestion that there is a conflict of interest here is the stuff of conspiracy theories. Maybe one wants to argue that Mr. Rettig purchased these properties in 2006, during season five of The Apprentice, on the off chance that Mr. Trump would become president and nominate him to be IRS Commissioner.

But this is silly, and I hope we can put that matter to rest and move on to the substance of this morning's confirmation hearing.

And finally, I do want to note that we've noticed an executive business meeting for this time as well.

If, at any point during the hearing, a suitable quorum is present, I intend to pause the hearing and move immediately to votes on the nominations of Mr. Jeffrey Kessler, Ms. Lynn Johnson, Ms. Elizabeth Ann Copeland, and Mr. Patrick Urda.

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