

United States Senate

COMMITTEE ON FINANCE

WASHINGTON, DC 20510-6200

January 16, 2020

The Honorable Steven T. Mnuchin
Secretary of the Treasury
U.S. Department of the Treasury
1500 Pennsylvania Avenue NW
Washington, DC 20220

The Honorable Russell T. Vought
Acting Director
Office of Management and Budget
725 17th St NW
Washington, DC 20503

Secretary Mnuchin and Acting Director Vought:

We write to request detailed information about how multinational corporations secured a windfall of tens, if not hundreds, of billions of dollars in additional tax cuts through favorable regulatory determinations at the Treasury Department (Treasury) and the Office of Management and Budget (OMB).¹ The Senate Finance Committee has an obligation to conduct oversight of the Trump administration's implementation of the 2017 Republican tax law. This includes the extent to which closed-door lobbying influenced the process of drafting regulations and whether political appointees used an expansive understanding of their authority to provide additional billions in taxpayer giveaways to our nation's wealthiest corporations.

The 2017 Republican tax law slashed the federal corporate tax rate from 35 to 21 percent. Combined with this massive, deficit-busting tax cut, the law's international tax provisions were supposedly meant to encourage companies to invest in the United States, rather than overseas. Instead, the new rules increased complexity and created new incentives to shift American jobs offshore.

As if that was not enough, it now appears that Treasury and the OMB are using the new system's complexity as a means to give even more tax cuts to corporations through the secretive regulatory process where corporations and their armies of lobbyists exercise undue influence. Recent reporting found that "not long after the bill became law in December 2017, the Trump administration began transforming the tax package into a greater windfall for the world's largest corporations and their shareholders."²

We are well aware of the numerous glitches, mistakes, and unintended consequences contained within the hastily written tax law. The Treasury Department's willingness to rewrite the law at the behest of the largest corporations and their lobbyists only serves to compound these harms. In order to provide proper oversight of the regulatory process used in issuing tax

¹Jesse Drucker and Jim Tankersley, "How Big Companies Won New Tax Breaks From the Trump Administration," *The New York Times*, December 31, 2019.

² *Id.*

regulations on the international provisions of the 2017 tax law, we respectfully request the following materials be provided to the Senate Finance Committee:

- Any analyses determining the impact on federal revenues from regulations issued on the 2017 tax law's international provisions.
- Any analyses of the effects on the President's FY2021 Budget Request, as a result of the impact on federal revenues from regulations issued on the 2017 tax law's international provisions.
- Any guidance issued to prevent Treasury or OMB officials or employees from meeting with or being lobbied by their former employers and coalitions that include their former employers.
- Any legal analysis drafted by the general counsel's office on the authority of Treasury to expansively interpret the 2017 tax law's international provisions.
- A list of all meetings in which the issue of the 2017 tax law's international tax provisions were raised, which included one or more of the following: Treasury Secretary Mnuchin, Deputy Secretary Muzinich, Assistant Secretary Kautter, Deputy Assistant Secretary Harter, OMB Director Mulvaney, Acting Director Vought, Administrator of the Office of Information and Regulatory Affairs (OIRA) Ray, former OIRA Administrator Rao, or former OIRA special advisor Hickman. Please include the names of the companies and lobbyists attending, and the issues discussed.
- Any analyses regarding how a regulatory decision on an international tax provision of the 2017 tax law might benefit or harm a specific company, a coalition of companies, or an industry or sector.
- Any materials and communications provided in meetings or through email from lobbyists and corporations addressing the 2017 tax law's international provisions.

We look forward to receiving these materials within 30 days of the date of this letter.

Sincerely,



Ron Wyden
United States Senator



Sherrod Brown
United States Senator



Robert P. Casey, Jr.
United States Senator



Sheldon Whitehouse
United States Senator



Catherine Cortez Masto
United States Senator