Congress of the United States
Washington, DC 20515

March 19, 2020

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

Dear Secretary Mnuchin,

Thank you for your recent actions to provide relief to American taxpayers during this health emergency. The Department of the Treasury recently announced it would extend the deadline for tax payments to July 15, without any penalty or interest accruing. This extension does not apply to the submission of tax returns, which are still due on April 15. It also is capped at $1,000,000 for individuals, which notably effects small businesses acting as pass-through entities, and $10,000,000 for corporations.

We are writing you today to request that you further expand these actions to provide additional relief and reduce confusion. Specifically, rather than the current proposal, which provides an opt-in extension for filing income tax returns, we believe the extension on tax filing should apply to all taxpayers automatically. Many tax preparation businesses are closed or understaffed during this emergency, and unable to offer their normal services. Taxpayers that have already finished their preparation may still choose to submit their forms and receive their refunds.

To further the effectiveness of your action, we also believe the Internal Revenue Service should attempt to coordinate with each State to align their own tax form and payment submission deadlines with the Federal Government. This would reduce taxpayer confusion and prevent complications that could arise from well-intentioned measures from both Federal and State tax agencies.

To expand the effect of Treasury's current relief further, the current $1,000,000 and $10,000,000 maximums for individuals and corporations should be entirely lifted. While the limits are well-intentioned, they risk having unforeseen impacts on small and medium businesses whose income may be above. In our view, relief should be targeted to impact individuals and businesses broadly – much as the virus itself has had a wide-ranging impact on the economy.

Lastly, we have heard from some small businesses that penalty-free early withdrawals from retirement accounts could provide them with a lifeline to maintain operations and make necessary payments during this emergency. The same reasoning would apply to individual taxpayers.

Again, we thank you for your efforts thus far, and look forward to continuing to engage with you going forward.

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Sincerely,

Doug LaMalfa
Member of Congress

Robert B. Aderholt
Member of Congress

Ralph Abraham, M.D.
Member of Congress

David B. McKinley, P.E.
Member of Congress

Barry Loudermilk
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David Rouzer
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