

Ways and Means Oversight Subcommittee to question Rettig on tax filing season

House Ways and Means Oversight Subcommittee Chairman Bill Pascrell, D-N.J., announced this week that his panel will hold a hearing with IRS Commissioner Charles Rettig on March 17 to discuss the 2022 tax filing season.

The hearing will take place as the filing season, which covers tax year 2021, enters its eighth week and as the agency still struggles to clear a backlog of several million unprocessed returns from tax year 2020—a situation the Service has attributed to pandemic-related shutdowns and staffing shortages, an increased workload as it implemented emergency tax code changes (such as recovery rebate payments and monthly child tax credit payments) enacted to address the economic impact of the pandemic, plus years of congressionally mandated budget cuts.

At an Oversight Subcommittee hearing last month with National Taxpayer Advocate Erin Collins, Democrats generally agreed with the Service's assessment of its predicament—including the need for increased funding—while Republicans countered that the Service's failure to modernize information technology systems over the last several years left it poorly positioned to handle the pandemic-related stresses that hit the agency in 2020 and 2021. (For prior coverage, see *Tax News & Views*, Vol. 23, No. 5, Feb. 11, 2022.)

URL: https://dhub.blob.core.windows.net/dhub/Newsletters/Tax/2022/TNV/220211_2.html

Congress is on track to increase the Service's budget by 6 percent for the remainder of fiscal year 2022 as part of an omnibus spending package that cleared the House and Senate this week and is expected to be signed into law in the coming days. (See separate budget-related coverage in this issue.)

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