



BIPARTISAN POLICY CENTER

February 26, 2018

Senator Orrin Hatch  
Chair  
Senate Committee on Finance  
219 Dirksen Senate Office Building  
Washington, DC 20510

Senator Ron Wyden  
Ranking Member  
Senate Committee on Finance  
219 Dirksen Senate Office Building  
Washington, DC 20510

Representative Kevin Brady  
Chair  
House Committee on Ways and Means  
1102 Longworth House Office Building  
Washington, DC 20515

Representative Richard Neal  
Ranking Member  
House Committee on Ways and Means  
1102 Longworth House Office Building  
Washington, DC 20515

Dear Senator Hatch, Senator Wyden, Representative Brady, and Representative Neal,

As the co-chairs of the Bipartisan Policy Center's (BPC) Task Force on Main Street Finance, we are writing to urge you to take action in your committees on the IRS Data Verification Modernization Act of 2017, H.R. 2860 in the House of Representatives and S.1958 in the Senate.

Small businesses and entrepreneurs are engines for economic growth and job creation in communities across the country, and access to affordable financing and financial services is vital to the formation and expansion of small businesses. We have recently partnered with the BPC to develop recommendations aimed at assisting qualified small businesses and entrepreneurs of all kinds in communities across the country to gain access to needed financing that is provided efficiently, fairly, and affordably.

The IRS currently has valuable data that lenders use, with consent from borrowers, to make better credit decisions. Unfortunately, the process of obtaining this data can be slower and more cumbersome than it needs to be, since it remains unautomated.

This legislation would help to accelerate decisions on small business lending by all types of financial institutions by requiring the IRS to automate the process for accessing tax return information. The legislation imposes a user fee on financial institutions to cover the costs of IRS adopting a new system. The enactment of this legislation and implementation of a new automated process would help to channel credit to small businesses more efficiently without increasing costs to taxpayers – a win-win proposition for all.

We look forward to working with you to enact this bill into law this year.

Sincerely,



Paul Greig



Karen Mills



Olympia Snowe  
Co-chairs, BPC Task Force on Main Street Finance



Mark Walsh

Cc: Sen. Cory Booker, Sen. Mike Crapo, Rep. Patrick McHenry, Rep. Earl Blumenauer