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Congress of the United States
House of Representatives

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SELECT SUBCOMMITTEE ON THE CORONAVIRUS CRISIS

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<https://coronavirus.house.gov>

July 8, 2020

The Honorable Steven T. Mnuchin
Secretary
Department of the Treasury
1500 Pennsylvania Avenue, N.W.
Washington, D.C. 20220

The Honorable Charles P. Rettig
Commissioner
Internal Revenue Service
1111 Constitution Avenue, N.W.
Washington, D.C. 20220

Dear Secretary Mnuchin and Commissioner Rettig:

The Select Subcommittee on the Coronavirus Crisis is concerned that millions of Americans have not received Economic Impact Payments (EIPs) that Congress intended for them to receive under the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Given that the intent of these payments was to swiftly put money in the pockets of struggling Americans to help them meet their essential needs while supporting the nation's economy, I am especially concerned that the eligible recipients still awaiting these payments are disproportionately low-income.¹ Accordingly, as the economic crisis caused by the coronavirus outbreak deepens—and may get worse as infections surge in many parts of the country—the Select Subcommittee is writing to seek information about the Americans still awaiting federal relief and what the Administration is doing to expedite these payments.

Last month, the Department of the Treasury and Internal Revenue Service (IRS) announced that 159 million individual payments, worth more than \$267 billion, had been distributed since Congress enacted these payments in the CARES Act.² However, neither Treasury nor IRS provided the number of eligible individuals and families who are still awaiting their payments. While EIPs have been provided automatically to Americans who filed tax returns in 2018 or 2019 or participate in certain federal benefit programs, according to one estimate, 12 million Americans do not meet either criterion for automatic payment and are therefore likely still waiting. Non-filers generally include individuals with incomes of \$12,200 or less per year, or \$24,400 or less for married couples.³ The pandemic has widened existing

¹ Center on Budget and Policy Priorities, *Aggressive State Outreach Can Help Reach the 12 Million Non-Filers Eligible for EIPs*, (June 23, 2020) (online at www.cbpp.org/research/federal-tax/aggressive-state-outreach-can-help-reach-the-12-million-non-filers-eligible-for).

² Department of the Treasury, *Press Release: Treasury, IRS Announce Delivery of 159 Million Economic Impact Payments*, (June 3, 2020) (online at <https://home.treasury.gov/news/press-releases/sm1025>).

³ Center on Budget and Policy Priorities, *Aggressive State Outreach Can Help Reach the 12 Million Non-Filers Eligible for EIPs*, (June 23, 2020) (online at www.cbpp.org/research/federal-tax/aggressive-state-outreach-can-help-reach-the-12-million-non-filers-eligible-for).

inequalities, and those with the lowest incomes have the most acute and urgent need for direct federal support.

The National Taxpayer Advocate (NTA)—an independent watchdog within the IRS—has also raised these concerns. In a report last month, the NTA explained that many individuals “have either not received the full EIP amount to which they are entitled or received an EIP at all.” The report warned that without further action from IRS, many individuals would need to wait until 2021 to receive their EIP payment. The NTA concluded:

Because these individuals are likely experiencing financial distress now, the National Taxpayer Advocate recommends the IRS continue to work on solutions and alternatives to ensure that all individuals receive the EIP in its entirety in 2020 rather than having to wait until 2021 when they file their 2020 income tax returns.⁴

Treasury and IRS have indicated that EIPs have been delivered to Americans by direct deposit, checks, and prepaid debit cards. Your agencies recently announced that they would deliver an EIP debit card by mail to approximately 4 million eligible recipients.⁵ However, reports have identified significant problems with the delivery of EIPs, including multiple payments sent to a single recipient,⁶ failures to include the correct payments for qualified dependent children,⁷ payments sent to incorrect bank accounts,⁸ recipients unable to have payments electronically deposited into their accounts,⁹ and payments sent to deceased individuals.¹⁰ Recent reports also indicate some EIP recipients may be throwing away EIP debit

⁴ Taxpayer Advocate Service, *Reducing Burden Resulting From the Implementation of the Coronavirus Aid, Relief, and Economic Security (CARES) Act* (June 2020) (online at https://taxpayeradvocate.irs.gov/Media/Default/Documents/2021-JRC/JRC21_SAO_03.pdf).

⁵ Department of the Treasury, *Press Release: Treasury is Delivering Millions of Economic Impact Payments by Prepaid Debit Card* (May 18, 2020) (online at <https://home.treasury.gov/news/press-releases/sm1012>).

⁶ *I Received Two \$1,200 Stimulus Payments. One Was Direct Deposit and the Other Was a Paper Check — I Cashed the Check*, MarketWatch (May 19, 2020) (online at www.marketwatch.com/story/i-received-two-1200-stimulus-payments-one-was-direct-deposit-and-the-other-was-a-paper-check-i-cashed-the-check-2020-05-11).

⁷ *One Child, Two Stimulus Payments: The Weird Way Divorced Families Are Double-Dipping Without Even Trying*, Washington Post (May 20, 2020) (online at www.washingtonpost.com/business/2020/05/12/one-child-two-stimulus-payments-weird-way-divorced-families-are-double-dipping-without-even-trying/); *If You’re One of These American Taxpayers, the Deadline to File for a \$500-Per-Child Stimulus Check has Passed*, Washington Post (Apr. 22, 2020) (online at www.washingtonpost.com/business/2020/04/20/if-youre-one-these-american-taxpayers-you-have-until-noon-wednesday-file-500-per-child-stimulus-check/).

⁸ *‘Where Is My Money?’: Frustrated Americans Left Waiting for Stimulus Payments as IRS Sends Funds to Wrong Accounts Amid COVID-19 Pandemic*, ABC11 (Apr. 23, 2020) (online at www.abc11.com/coronavirus-us-2020-stimulus-checks-irs-sends-money-to-wrong-account-where-is-my-payment/6124633/).

⁹ *Stimulus check glitches: Why You’re Having Trouble and What You Can Do About It*, Washington Post (April 18, 2020) (online at www.washingtonpost.com/business/2020/04/18/stimulus-check-glitches-why-youre-having-trouble-what-you-can-do-about-it/); *A Timeline of IRS Stimulus Payment Glitches*, Washington Post (May 4, 2020) (online at www.washingtonpost.com/business/2020/05/04/timeline-irs-stimulus-payment-glitches/).

¹⁰ Government Accountability Office, *COVID-19: Opportunities to Improve Federal Response and Recovery Efforts* (June 2020) (online at www.gao.gov/assets/710/707839.pdf). The National Taxpayer Advocate

cards received in the mail because the envelopes resemble junk mail or scams instead of official government mail.¹¹

In light of these concerns, we request that you provide the following information by July 22, 2020. These requests are consistent with House Resolution 935, which established the Select Subcommittee on the Coronavirus Crisis “to conduct a full and complete investigation” of “issues related to the coronavirus crisis,” including the “efficiency, effectiveness, equity, and transparency of the use of taxpayer funds and relief programs to address the coronavirus crisis.”

1. What is the current total number of EIPs and total dollar amount that has been delivered to recipients, and what is the total number of EIPs and dollar amount that has not been delivered and is still outstanding? For both categories, please provide:
 - a. a breakdown by income bracket and EIP category (including Social Security retirement, disability (SSDI), survivor benefits, supplemental security income (SSI), Railroad Retirement benefits, or Veterans Affairs Compensation and Pension (C&P) benefits); and
 - b. a breakdown by state.
2. Please describe in detail the steps taken, and any additional steps planned, to inform potentially eligible non-filers about how to get their EIPs, including but not limited to efforts to reach non-filers without access to the Internet at home and without access to public computers due to the pandemic?
3. What is your anticipated schedule to complete payment of EIPs to all eligible recipients?
4. Of the EIP payments that have been sent out:
 - a. How many recipients have accessed the EIP funds, e.g., received them via Electronic Funds Transfer in a bank account they could access, cashed their check, or used their debit card? How many recipients have not accessed the EIP funds?
 - b. What is the total amount of funds that have been accessed? What is the total amount of funds that have not been accessed?
 - c. For the EIP payments that have not been cashed, deposited, or

has explained that, in light of ambiguous IRS guidance issued to taxpayers, “if the IRS made the payment despite having information in its possession that the individual was in fact deceased, the National Taxpayer Advocate recommends the IRS not spend its resources pursuing enforcement actions against a decedent’s estate or a family member who received.” National Taxpayer Advocate, *Objectives Report to Congress, Fiscal Year 2021* (June 2020) (online at https://taxpayeradvocate.irs.gov/Media/Default/Documents/2021-JRC/JRC21_FullReport.pdf).

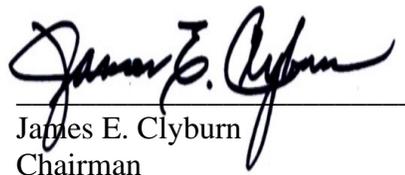
¹¹ *People Are Mistaking Stimulus Payments for Junk Mail or a Scam*, Washington Post (May 28, 2020) (online at www.washingtonpost.com/business/2020/05/28/people-are-mistaking-stimulus-payments-junk-mail-or-scam/).

returned, please provide a breakdown by method of transmittal (Electronic Funds Transfer, check and debit card).

5. With respect to EIP debit cards that have been mailed:
 - a. How many have been activated? How many have not been activated?
 - b. How many have been reported as lost, misplaced, or stolen and been the subject of a replacement request?
6. How many people have used the “Non-Filers: Enter Payment Info Here” tool¹² to collect their EIP?
 - a. For people who have used the “Non-Filers: Enter Payment Info Here” tool to collect their EIP, how many have been blocked or required to submit an amended or paper return in order to access their Earned Income Tax Credit?
7. Please provide a detailed description of any significant scams or frauds you have identified related to EIPs and the steps you are taking to address them.

An attachment to this letter provides additional instructions for responding to the Select Subcommittee’s request. If you have any questions regarding this request, please contact Select Subcommittee staff at (202) 225-4400.

Sincerely,


James E. Clyburn
Chairman

Enclosure

cc: The Honorable Steve Scalise, Ranking Member

¹² Internal Revenue Service, *Nonfilers: Enter Payment Info Here* (online at www.irs.gov/coronavirus/non-filers-enter-payment-info-here).

Responding to Oversight Committee Document Requests

1. In complying with this request, produce all responsive documents that are in your possession, custody, or control, whether held by you or your past or present agents, employees, and representatives acting on your behalf. Produce all documents that you have a legal right to obtain, that you have a right to copy, or to which you have access, as well as documents that you have placed in the temporary possession, custody, or control of any third party.
2. Requested documents, and all documents reasonably related to the requested documents, should not be destroyed, altered, removed, transferred, or otherwise made inaccessible to the Committee.
3. In the event that any entity, organization, or individual denoted in this request is or has been known by any name other than that herein denoted, the request shall be read also to include that alternative identification.
4. The Committee's preference is to receive documents in electronic form (i.e., CD, memory stick, thumb drive, or secure file transfer) in lieu of paper productions.
5. Documents produced in electronic format should be organized, identified, and indexed electronically.
6. Electronic document productions should be prepared according to the following standards:
 - a. The production should consist of single page Tagged Image File ("TIF"), files accompanied by a Concordance-format load file, an Opticon reference file, and a file defining the fields and character lengths of the load file.
 - b. Document numbers in the load file should match document Bates numbers and TIF file names.
 - c. If the production is completed through a series of multiple partial productions, field names and file order in all load files should match.
 - d. All electronic documents produced to the Committee should include the following fields of metadata specific to each document, and no modifications should be made to the original metadata:

BEGDOC, ENDDOC, TEXT, BEGATTACH, ENDATTACH, PAGECOUNT, CUSTODIAN, RECORDTYPE, DATE, TIME, SENTDATE, SENTTIME, BEGINDATE, BEGINTIME, ENDDATE, ENDTIME, AUTHOR, FROM, CC, TO, BCC, SUBJECT, TITLE, FILENAME, FILEEXT, FILESIZE, DATECREATED, TIMECREATED, DATELASTMOD, TIMELASTMOD,

INTMSGID, INTMSGHEADER, NATIVELINK, INTFILPATH, EXCEPTION,
BEGATTACH.

7. Documents produced to the Committee should include an index describing the contents of the production. To the extent more than one CD, hard drive, memory stick, thumb drive, zip file, box, or folder is produced, each should contain an index describing its contents.
8. Documents produced in response to this request shall be produced together with copies of file labels, dividers, or identifying markers with which they were associated when the request was served.
9. When you produce documents, you should identify the paragraph(s) or request(s) in the Committee's letter to which the documents respond.
10. The fact that any other person or entity also possesses non-identical or identical copies of the same documents shall not be a basis to withhold any information.
11. The pendency of or potential for litigation shall not be a basis to withhold any information.
12. In accordance with 5 U.S.C. § 552(d), the Freedom of Information Act (FOIA) and any statutory exemptions to FOIA shall not be a basis for withholding any information.
13. Pursuant to 5 U.S.C. § 552a(b)(9), the Privacy Act shall not be a basis for withholding information.
14. If compliance with the request cannot be made in full by the specified return date, compliance shall be made to the extent possible by that date. An explanation of why full compliance is not possible shall be provided along with any partial production.
15. In the event that a document is withheld on the basis of privilege, provide a privilege log containing the following information concerning any such document: (a) every privilege asserted; (b) the type of document; (c) the general subject matter; (d) the date, author, addressee, and any other recipient(s); (e) the relationship of the author and addressee to each other; and (f) the basis for the privilege(s) asserted.
16. If any document responsive to this request was, but no longer is, in your possession, custody, or control, identify the document (by date, author, subject, and recipients), and explain the circumstances under which the document ceased to be in your possession, custody, or control.
17. If a date or other descriptive detail set forth in this request referring to a document is inaccurate, but the actual date or other descriptive detail is known to you or is otherwise apparent from the context of the request, produce all documents that would be responsive as if the date or other descriptive detail were correct.

18. This request is continuing in nature and applies to any newly-discovered information. Any record, document, compilation of data, or information not produced because it has not been located or discovered by the return date shall be produced immediately upon subsequent location or discovery.
19. All documents shall be Bates-stamped sequentially and produced sequentially.
20. Two sets of each production shall be delivered, one set to the Majority Staff and one set to the Minority Staff. When documents are produced to the Committee, production sets shall be delivered to the Majority Staff in Room 2157 of the Rayburn House Office Building and the Minority Staff in Room 2105 of the Rayburn House Office Building.
21. Upon completion of the production, submit a written certification, signed by you or your counsel, stating that: (1) a diligent search has been completed of all documents in your possession, custody, or control that reasonably could contain responsive documents; and (2) all documents located during the search that are responsive have been produced to the Committee.

Definitions

1. The term “document” means any written, recorded, or graphic matter of any nature whatsoever, regardless of how recorded, and whether original or copy, including, but not limited to, the following: memoranda, reports, expense reports, books, manuals, instructions, financial reports, data, working papers, records, notes, letters, notices, confirmations, telegrams, receipts, appraisals, pamphlets, magazines, newspapers, prospectuses, communications, electronic mail (email), contracts, cables, notations of any type of conversation, telephone call, meeting or other inter-office or intra-office communication, bulletins, printed matter, computer printouts, teletypes, invoices, transcripts, diaries, analyses, returns, summaries, minutes, bills, accounts, estimates, projections, comparisons, messages, correspondence, press releases, circulars, financial statements, reviews, opinions, offers, studies and investigations, questionnaires and surveys, and work sheets (and all drafts, preliminary versions, alterations, modifications, revisions, changes, and amendments of any of the foregoing, as well as any attachments or appendices thereto), and graphic or oral records or representations of any kind (including without limitation, photographs, charts, graphs, microfiche, microfilm, videotape, recordings and motion pictures), and electronic, mechanical, and electric records or representations of any kind (including, without limitation, tapes, cassettes, disks, and recordings) and other written, printed, typed, or other graphic or recorded matter of any kind or nature, however produced or reproduced, and whether preserved in writing, film, tape, disk, videotape, or otherwise. A document bearing any notation not a part of the original text is to be considered a separate document. A draft or non-identical copy is a separate document within the meaning of this term.
2. The term “communication” means each manner or means of disclosure or exchange of information, regardless of means utilized, whether oral, electronic, by document or otherwise, and whether in a meeting, by telephone, facsimile, mail, releases, electronic

message including email (desktop or mobile device), text message, instant message, MMS or SMS message, message application, or otherwise.

3. The terms “and” and “or” shall be construed broadly and either conjunctively or disjunctively to bring within the scope of this request any information that might otherwise be construed to be outside its scope. The singular includes plural number, and vice versa. The masculine includes the feminine and neutral genders.
4. The term “including” shall be construed broadly to mean “including, but not limited to.”
5. The term “Company” means the named legal entity as well as any units, firms, partnerships, associations, corporations, limited liability companies, trusts, subsidiaries, affiliates, divisions, departments, branches, joint ventures, proprietorships, syndicates, or other legal, business or government entities over which the named legal entity exercises control or in which the named entity has any ownership whatsoever.
6. The term “identify,” when used in a question about individuals, means to provide the following information: (a) the individual’s complete name and title; (b) the individual’s business or personal address and phone number; and (c) any and all known aliases.
7. The term “related to” or “referring or relating to,” with respect to any given subject, means anything that constitutes, contains, embodies, reflects, identifies, states, refers to, deals with, or is pertinent to that subject in any manner whatsoever.
8. The term “employee” means any past or present agent, borrowed employee, casual employee, consultant, contractor, de facto employee, detailee, fellow, independent contractor, intern, joint adventurer, loaned employee, officer, part-time employee, permanent employee, provisional employee, special government employee, subcontractor, or any other type of service provider.
9. The term “individual” means all natural persons and all persons or entities acting on their behalf.