

State Representative
Robert W. Mercuri
28th Legislative District

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House of Representatives
Commonwealth of Pennsylvania
Harrisburg

October 8, 2021

Honorable Bob Casey
United States Senate

Honorable Pat Toomey
United States Senate

Honorable Brendan Boyle
2nd Congressional District

Honorable Matt Cartwright
8th Congressional District

Honorable Madeleine Dean
4th Congressional District

Honorable Michael Doyle
18th Congressional District

Honorable Dwight Evans
3rd Congressional District

Honorable Brian Fitzpatrick
1st Congressional District

Honorable Chrissy Houlahan
6th Congressional District

Honorable John Joyce
13th Congressional District

Honorable Fred Keller
12th Congressional District

Honorable Mike Kelly
16th Congressional District

Honorable Conor Lamb
17th Congressional District

Honorable Daniel Meuser
9th Congressional District

Honorable Scott Perry
10th Congressional District

Honorable Guy Reschenthaler
14th Congressional District

Honorable Mary Gay Scanlon
5th Congressional District

Honorable Lloyd Smucker
11th Congressional District

Honorable Glenn Thompson
15th Congressional District

Honorable Susan Wild
7th Congressional District

Dear Congressmen and Senators of the Pennsylvania Congressional Delegation,

We are writing to urge your opposition to the President's proposal requiring financial institutions provide the Internal Revenue Service (IRS) with information on accounts with balances that exceed \$600, an unwarranted intrusion into the bank accounts of every American.

Unlike measures taken to combat money laundering and the financing of terrorism, President Biden's proposal to require financial institutions provide IRS with information on accounts with inflows/outflows that exceed \$600 is misguided and would not target so-called "tax cheats", but instead capture information on nearly every Pennsylvania taxpayer, including both individual taxpayers and businesses alike. This, in turn, could present a host of unintended, adverse impacts for all parties involved: customer privacy and data security risks; compliance costs for individuals and small businesses; work contrary to important efforts to bring unbanked Pennsylvanians into the banking system; and has the potential to damage customer relationships for financial institutions of all sizes across the Commonwealth of Pennsylvania.

In addition to these concerns, with decades of experience in the financial services industry from many of our members, we must note the tremendous amount of data that financial institutions are required to report to the IRS already, some of which the IRS has publicly stated it does not have the capacity to utilize. Under the President's proposal, significant additional information, such as loan payments or transfers between a taxpayer's various bank accounts, could be captured and reported. We fear that the

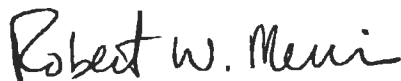
amount of new information that the proposal could require to be submitted will be massive, unmanageable, and of questionable relevance in the calculation of taxable income.

Upon learning of the proposal, we took the liberty to speak with stakeholders in the industry and were interested to learn that much of the opposition to this is actually coming from taxpayers, not financial institutions. Pennsylvanians are voicing real concerns about having their financial institution share this information with the IRS when the agency has a troubling track record of protecting taxpayer data. Given that the IRS is a constant target of cyber criminals and has recently suffered significant data breaches, highlighted by the recent ProPublica series detailing the tax returns of Americans. It is impractical and ill-advised for the government to put this significant amount of additional sensitive financial data at risk, especially when the IRS doesn't have the capability to effectively utilize that data.

We trust that the information enclosed articulates the concerns the President's proposal could have for residents and businesses in the Commonwealth at a time when many are continuing to recover from the crippling effects of the global health pandemic. We are encouraged to learn of recent discussions to increase this threshold, perhaps to \$10,000 and thereby aligning with similar requirements of Federal law. We would respectfully ask, that at a minimum, if this requirement is to be included in Federal legislation moving forward, the threshold be established at this amount, if it must be included at all.

Thank you for your time and for your consideration of this request.

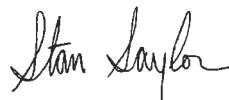
Sincerely,



Rob Mercuri
Pennsylvania State Representative
28th District, Allegheny County



Seth Grove
Pennsylvania State Representative
196th District, York County



Stan Saylor
Pennsylvania State Representative
94th District, York County



Tina Pickett
Pennsylvania State Representative
110th District, Bradford, Sullivan,
and Susquehanna Counties



Tim Hennessey
Pennsylvania State Representative
26th District, Chester and
Montgomery Counties



Joseph Hamm
Pennsylvania State Representative
84th District, Lycoming and
Union Counties



Marci Mustello
Pennsylvania State Representative
11th District, Butler County



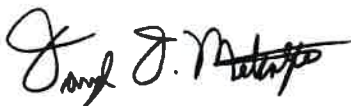
Tracy Pennycuick
Pennsylvania State Representative
147th District, Montgomery County



Mark Rozzi
Pennsylvania State Representative
126th District, Berks County



Barbara Gleim
Pennsylvania State Representative
199th District, Cumberland County



Daryl Metcalfe
Pennsylvania State Representative
12th District, Butler County



Brett Miller
Pennsylvania State Representative
41st District, Lancaster County

Matt Dowling
Pennsylvania State Representative
51st District, Fayette and
Somerset Counties

John Hershey
Pennsylvania State Representative
82nd District, Franklin, Juniata, and
Mifflin Counties

David Rowe
Pennsylvania State Representative
85th District, Union and Snyder
Counties

Jack Rader
Pennsylvania State Representative
176th District, Monroe County

Frank Ryan
Pennsylvania State Representative
101st District, Lebanon County

David Zimmerman
Pennsylvania State Representative
99th District, Lancaster County

Torren Ecker
Pennsylvania State Representative
193rd District, Adams and
Cumberland Counties

Bob Brooks
Pennsylvania State Representative
54th District, Westmoreland and
Allegheny Counties

Clint Owlett
Pennsylvania State Representative
68th District, Bradford, Potter and
Tioga Counties

Perry Stambaugh
Pennsylvania State Representative
86th District, Perry and
Cumberland Counties

Jason Silvas
Pennsylvania State Representative
55th District, Westmoreland,
Armstrong and Indiana Counties

Leslie Rossi
Pennsylvania State Representative
59th District, Somerset and
Westmoreland Counties

Valerie Gaydos
Pennsylvania State Representative
44th District, Allegheny County

Greg Rothman
Pennsylvania State Representative
87th District, Cumberland County

Rob Kauffman
Pennsylvania State Representative
89th District, Franklin County

Thomas Sankey
Pennsylvania State Representative
73rd District, Cambria and
Clearfield Counties

Aaron Bernstein
Pennsylvania State Representative
10th District, Beaver, Butler and
Lawrence Counties

Mike Armanini
Pennsylvania State Representative
75th District, Clearfield and Elk
Counties

Chris Quinn
Pennsylvania State Representative
168th District, Delaware County

Martina White
Pennsylvania State Representative
177th District, Philadelphia County


Curt Sonney
Pennsylvania State Representative
4th District, Erie County



Abby Major
Pennsylvania State Representative
60th District, Armstrong, Butler
and Indiana Counties



Ryan Warner
Pennsylvania State Representative
52nd District, Fayette and
Westmoreland Counties



Lynda Schlegel Culver
Pennsylvania State Representative
108th District, Northumberland
and Snyder Counties



Kathy Rapp
Pennsylvania State Representative
65th District, Warren, Crawford
and Forest Counties



Joshua Kail
Pennsylvania State Representative
15th District, Beaver and
Washington Counties



Bud Cook
Pennsylvania State Representative
49th District, Fayette and
Washington Counties



Paul Schemel
Pennsylvania State Representative
90th District, Franklin County



Eric Davanzo
Pennsylvania State Representative
58th District, Westmoreland County



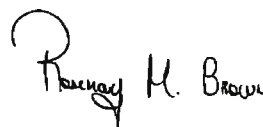
Timothy O'Neal
Pennsylvania State Representative
48th District, Washington County



Joseph Kerwin
Pennsylvania State Representative
125th District, Schuylkill and
Dauphin Counties



Milou Mackenzie
Pennsylvania State Representative
131st District, Lehigh, Montgomery
and Northampton Counties



Rosemary Brown
Pennsylvania State Representative
189th District, Monroe and Pike
Counties



Tim Twardzik
Pennsylvania State Representative
123rd District, Schuylkill County



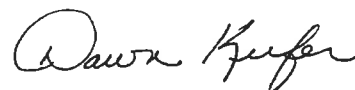
Ann Flood
Pennsylvania State Representative
138th District, Northampton County



Brian Smith
Pennsylvania State Representative
66th District, Jefferson and Indiana
Counties



Martin Causer
Pennsylvania State Representative
67th District, Cameron and McKean
Counties



Dawn Keefer
Pennsylvania State Representative
92nd District, York and Cumberland
Counties



Brad Roae
Pennsylvania State Representative
6th District, Crawford and Erie
Counties



Jim Rigby
Pennsylvania State Representative
71st District, Cambria and Somerset Counties