

For immediate release

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## IRS Oversight Board Calls for Action on AMT

*(Washington, DC)* The IRS Oversight Board sent a letter to the leadership of the Senate Finance and House Ways and Means Committees urging action on the Alternative Minimum Tax (AMT) “patch” and so-called tax extenders. The Board echoed Acting IRS Commissioner Steven T. Miller’s letter, sent last week that informed the leaders that, “Without an AMT patch, about 28 million taxpayers would be faced with a very large, unexpected tax liability for the current tax year.”

The Board, which has been closely monitoring this situation, voiced a “greater sense of urgency” to address the need for retroactive extensions to already expired provisions, particularly the AMT.

The Board’s letter stated that without timely congressional action, approximately 28 million taxpayers face higher tax rates. In addition, the IRS will face “a formidable operational risk” as the agency would have to reprogram its computer systems in the middle of the filing season.

“Due to the magnitude and complexity of the changes, at a minimum, more than 60 million taxpayers might have to wait until late March or later to file their returns and receive a refund,” the letter noted.

The Board urged Congress not to delay any further and to take immediate action on the AMT patch and tax extenders.

The letter was delivered to Senate Finance Committee Chairman Max Baucus, Ranking Member Orrin Hatch, House Ways and Means Chairman Dave Camp, and Ranking Member Sander M. Levin.

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## IRS Oversight Board

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November 19, 2012

The Honorable Max Baucus  
Chairman  
Committee on Finance  
United State Senate  
Washington, DC 20510

Dear Mr. Chairman:

On behalf of the IRS Oversight Board, I am writing to express our views regarding Acting IRS Commissioner Steven T. Miller's November 13, 2012 letter to you about the immediate need for action on the Alternative Minimum Tax (AMT) and the so-called tax extenders.

The Board has been closely monitoring this situation, and with each day of inaction on the AMT "patch," a greater sense of urgency has set in.

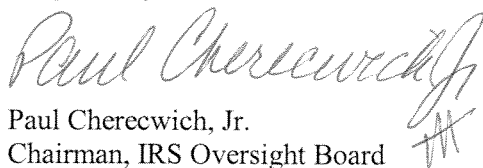
In our opinion, Mr. Miller presents an accurate picture of what would happen if no action is taken on the AMT patch and the accompanying special tax credit ordering rules before the end of the year. Approximately 28 million taxpayers – many of them middle-class families – would face a very large and unexpected tax liability.

Furthermore, the 2013 filing season would be adversely affected. We do not believe that the IRS has ever faced such a formidable operational risk. The agency would have to reprogram its computer systems in the middle of the filing season. Due to the magnitude and complexity of the changes, at a minimum, more than 60 million taxpayers would have to wait until late March or later to file their returns and receive a refund.

Although the tax extenders do not present as much of an operational risk, the opening of the filing season could also be delayed for millions of affected taxpayers.

We urge Congress not to delay any further and to take immediate action on the AMT patch and tax extenders. Thank you for your consideration.

Respectfully,

  
Paul Cherecwich, Jr.  
Chairman, IRS Oversight Board

cc: Senate Finance Committee Ranking Member Orrin Hatch  
House Ways and Means Committee Chairman Dave Camp  
House Ways and Means Committee Ranking Member Sander Levin