



U.S. SENATE COMMITTEE ON

Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

<http://finance.senate.gov>

MEMORANDUM

To: Reporters and Editors
Re: Tax gap numbers
Da: Tuesday, Feb. 14, 2006

Today the Internal Revenue Service released updated numbers on the gap between taxes owed and taxes paid. Sen. Chuck Grassley, chairman of the Committee on Finance, with jurisdiction over taxes, made the following comment on today's update on the "tax gap."

"Today's tax gap numbers show that the only thing harder than measuring the tax gap is finding ways to solve it. There's been a tax gap as long as there's been taxes. The Senate Finance Committee held a hearing on the tax gap last year to review the early estimates of the tax gap as well as proposals from the Joint Committee on Taxation to address this serious problem. This hearing and others like it showed that it's easy for politicians to stand on the soap box and criticize the tax gap, but I find it's pretty lonely when I need people to join me and get their hands dirty and try to solve these problems. My committee is continuing to look at the proposals of the Joint Committee on Taxation, the national taxpayer advocate, and the president's proposed budget for 2007 to build on previous successful legislative efforts we've made to solve the tax gap. There's no quick, easy solution. In the legislation sent to conference today, we have several steps to close the tax gap. We'll need those and more to make a real dent at closing the gap."