

**Chairman Shelley Moore Capito Opening Statement
Committee on Appropriations Subcommittee on Financial Services
and General Government**

Hearing to Review the FY2018 Budget Request for the U.S. Department of the Treasury

July 26, 2017

(As prepared for delivery)

Good morning. The subcommittee will come to order.

Today we have the opportunity to review the budget requests of the Department of the Treasury and the Internal Revenue Service.

As we begin this important hearing, we welcome our witnesses with us today: Treasury Secretary Steven Mnuchin, IRS Commissioner John Koskinen and the Treasury IG for Tax Administration, Russell George. Thank you for being here.

We look forward to hearing from you about the details of your budget requests as well as your plans to address cyber security threats and vulnerabilities, within Treasury and in our nation's financial sector. We also want to learn more about Treasury's plans to take a comprehensive approach to regulatory relief that will help spur economic growth and job creation.

The Department of the Treasury has an important mission. Its work to promote economic growth and stability and safeguard our financial system is critical to maintaining a strong economy and creating economic opportunity. Equally important is its work to combat terrorism, the proliferation of weapons of mass destruction, money laundering, drug trafficking and other national security threats.

We also look forward to hearing from the Internal Revenue Service. The IRS has the significant role of administering our nation's tax laws. According to the IRS, its mission is to provide America's taxpayers with top quality service by helping them understand and meet their tax responsibilities and enforce the law with integrity and fairness to all.

To carry out this mission effectively, the IRS must execute its responsibilities in a manner that fosters taxpayers' faith in the impartiality of the agency. Taxpayers should expect that the work of the IRS will be carried out without regard to an individual's exercise of their constitutional rights. And the IRS needs to demonstrate through action, not just words, that taxpayer service really is the agency's top priority.

In addition, the IRS needs to work hard to restore confidence in its ability to protect not just taxpayers' rights, but also their personal information and privacy. As the IRS continues to evolve and make changes in its service delivery systems, there must be improvements in its ability to manage that change without adversely impacting taxpayers or compromising their personal information.

The protection of taxpayer data is of particular concern given the mistakes the IRS has made in the past in its rush to expand online services.

The American people want a government that works for them, not against them. They want us to make the government more efficient, effective and accountable, and pursue policies that create economic opportunities for everyone.

These priorities will be reflected in our consideration of the fiscal year 2018 budget requests for all of the agencies within our jurisdiction.

Thank you. I will now turn to my ranking member Senator Coons for his opening statement.

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