United States Senate

COMMITTEE ON FINANCE

WASHINGTON, DC 20510–6200

October 22, 2025

The Honorable Scott Bessent
Treasury Secretary and Acting IRS Commissioner
Department of the Treasury
1500 Pennsylvania Avenue NW
Washington, DC 20220

Gary Shapley
Deputy Chief
Internal Revenue Service Criminal Investigation
1111 Constitution Ave NW, Room 2501
Washington, DC 20224

Dear Secretary Bessent and Mr. Shapley:

We write in response to reports that you are implementing "sweeping changes" to the Internal Revenue Service ("IRS") criminal-investigative division ("IRS-CI") to pursue politically-motivated investigations targeting Donald Trump's perceived political enemies.[1] Federal law prohibits political interference with the administration of tax laws and bars the President, Vice President, White House staff, and all Cabinet-level officials except for the Attorney General from requesting investigations into specific taxpayers. Any effort to weaponize the IRS against President Trump's perceived enemies is against the law, an abuse of power, and a threat to the integrity of our democratic institutions. IRS-CI cannot be the President's political attack dog. You must immediately end all attempts to politicize the agency, including attempts to use the agency to attack Americans with different political views.

On October 15, 2025, the Wall Street Journal reported that the IRS is undertaking an effort to "install allies of President Trump at the [IRS-CI]… to exert firmer control over the unit and weaken the involvement of IRS lawyers in criminal investigations." The goal of this effort is reportedly for the IRS to pursue criminal inquiries of left-leaning donors and nonprofit groups

[1] Wall Street Journal, "Trump Team Plans IRS Overhaul to Enable Pursuit of Left-Leaning Groups," Brian Schwartz, Richard Rubin, and Joel Schectman, October 15, 2025, https://www.wsj.com/politics/policy/trump-irs-investigations-left-leaning-groups-democratic-donors-612a095e?mod=hp_lead_pos1.

more easily.[2] The Journal further stated that officials have already "drawn up a list of potential targets that includes major Democratic donors."[3] Furthermore, Secretary Bessent confirmed that the Treasury Department is moving ahead with a list of left-wing targets, saying the Department has "started to compile lists."[4] It appears this politicization project has already infected the way some cases are moving forward, with IRS-CI lawyers saying one case "is vindictive prosecution and seems politically motivated."[5]

Federal law prohibits political interference with the administration of the tax code and unauthorized disclosure of taxpayer data. These laws were enacted and strengthened by overwhelming bipartisan majorities following President Nixon's attempted abuse of the IRS to investigate, audit, and harass his political enemies.[6] Importantly, these laws changed section 6103 to safeguard tax information generally and added section 7217 to proscribe political interference, by addition of both civil and criminal penalties. In particular, section 7217 of the tax code makes it a felony for anyone in the White House, Executive Office of the President, or Cabinet-level officials except for the Attorney General to directly or indirectly request an investigation into a specific taxpayer, and such action can result in criminal penalties, including incarceration for a period of up to five years.[7] In addition, it requires any IRS employee receiving such a request to report the incident to the Treasury Inspector General for Tax Administration.[8] IRS employees are required to report violations of this law, and failure to report is itself a crime, punishable by up to five years imprisonment and/or a fine of $5,000. Where potential violations of section 7217 are implicated, the facts may also give rise to violations of taxpayer privacy laws, which include a private right of action that allows taxpayers to sue for damages when their tax data is unlawfully inspected or disclosed, in addition to potential criminal penalties. Those privacy laws prohibit any federal officer, employee, or authorized viewer from willfully inspecting a return for a purpose other than one specifically authorized by law.

The acting IRS Commissioner also has an obligation to ensure that all IRS employees provide taxpayers with a fair and just tax system as well as the duty to terminate any IRS employee who is found to have violated a taxpayer's rights under the Constitution or performed or failed to perform an official action for a political purpose under section 1203 of the Internal Revenue Service Restructuring and Reform Act of 1998.

IRS-CI is responsible for conducting financial crime investigations, including tax fraud, narcotics trafficking, money-laundering, public corruption, and more.[9] IRS-CI cannot be used as

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[2] *Id*.
[3] *Id*.
[4] Daily Beast, "Trump Hatches New Plot to Attack His Political Enemies," Janna Brancolini, October 16, 2025, https://www.thedailybeast.com/donald-trump-plots-major-irs-overhaul-to-ramp-up-probes-of-his-enemies/.
[5] Wall Street Journal, "Trump Team Plans IRS Overhaul to Enable Pursuit of Left-Leaning Groups," Brian Schwartz, Richard Rubin, and Joel Schectman, October 15, 2025, https://www.wsj.com/politics/policy/trump-irs-investigations-left-leaning-groups-democratic-donors-612a095e?mod=hp_lead_pos1.
[6] NYU Tax Law Center, "Protections for Taxpayer Privacy and Preventing Political Weaponization of the IRS," June 3, 2025, https://taxlawcenter.org/blog/protections-for-taxpayer-privacy-and-preventing-political-weaponization-of-the-irs.
[7] 26 U.S. Code § 7217.
[8] 26 U.S. Code § 7217(a) and (b).
[9] IRS, "About Criminal Investigation," https://www.irs.gov/compliance/criminal-investigation/about-criminal-investigation.

a weapon to target political enemies, and any attempt to turn it into one is illegal. You should immediately end all attempts to politicize the IRS, including attempts to use the agency to attack Americans who have different political views.

To fulfill our oversight responsibilities with respect to the operations of the IRS and the fair and impartial administration of our tax laws, we request the following information by November 4, 2025:

1. Describe the exact changes that have been made to the structure and operations of IRS-CI since January 20, 2025, and other planned or anticipated changes, including the timeline for implementation of future changes.
    a. Provide copies of all memoranda, briefing material, or other documents describing the changes or implementing the changes.
    b. Describe any changes or directions to deviate from Part 9, Criminal Investigations, of the Internal Revenue Manual.
    c. Identify all executive-level officials whose approval was or will be required to implement the changes.
    d. Identify all officials who were involved in the decision-making process, including Treasury and White House officials.
2. Secretary Bessent, is it correct that President Trump directed you to identify financial networks which he says are fomenting political violence?
    a. Did he or any of his advisors name any individuals or groups which he believes to be involved in such networks? Please provide a list of any individuals or groups named in this context.
    b. If so, provide the criteria, and legal basis for such criteria, which the IRS would use to determine whether a group is "fomenting political violence."
3. Is it correct that one or more officials have "drawn up a list of potential targets that includes major Democratic donors?"[10]
    a. Please describe the process by which the list was developed, including the identity of all personnel who contributed names to the list and all input provided from the White House and Treasury (excluding the IRS).
    b. Provide a list of all "targets" on this list.
    c. Provide the criteria being used to determine who should be targeted by this effort.
    d. Provide a list of each person involved in development of this list, including, but not limited to, Treasury personnel and any IRS employees that are also acting as staff or advisors to the Treasury Department and vice versa.
    e. It has been reported that a report created by Capital Research Center has been used as a basis for accusing the Open Society Foundations of supporting groups that commit acts of terrorism or extremist violence. However, the president of Capital Research Center, Scott Walter, has acknowledged that his organization's report made no such conclusion.[11] Has this report, or any other report produced

[10] Wall Street Journal, "Trump Team Plans IRS Overhaul to Enable Pursuit of Left-Leaning Groups," Brian Schwartz, Richard Rubin, and Joel Schectman, October 15, 2025, https://www.wsj.com/politics/policy/trump-irs-investigations-left-leaning-groups-democratic-donors-612a095e?mod=hp_lead_pos1.

[11] New York Times, "Report on Soros Cited by Justice Dept. Does Not Show Funding for Terrorism," David A. Fahrenthold and Andrew Duehren, October 10, 2025, https://www.nytimes.com/2025/10/10/us/politics/george-soros-justice-dept.html.

by the Capital Research Center, been used to identify "targets" for IRS personnel to investigate?

4. Is it true that Mr. Shapley "has told people that he is going to replace Guy Ficco, the chief of the investigative unit, who has been at the agency for decades."?[12]
   a. If so, who will be involved in this decision?
   b. Have you made—or are you planning to make—any other personnel changes at IRS-CI? Please describe those changes.
5. Is it true that Mr. Shapley is proposing changes to the rules on how IRS criminal probes are conducted including reducing the role of chief counsel attorneys?[13] If so, describe the proposed changes in detail, including any changes or deviations from the procedures and processes in Part 38, Chief Counsel Directives Manual – Criminal Tax.
6. Have you consulted with career Treasury and/or IRS legal counsel on any changes to IRS-CI, and, if so, please provide the feedback you received including any legal opinions regarding these changes?
7. Please confirm that you will fully cooperate with all investigations of this issue by any member of this Committee, TIGTA, the Treasury Inspector General, and GAO, or other oversight bodies?
8. Secretary Bessent, given that your personal and professional history with George Soros is the source of much of your own personal fortune, will you commit to recusing yourself from any matters related to him or his organizations?

Sincerely,

Ron Wyden
United States Senator
Ranking Member, Committee on Finance

Charles E. Schumer
United States Senator

Elizabeth Warren
United States Senator

Maria Cantwell
United States Senator

[12] Wall Street Journal, "Trump Team Plans IRS Overhaul to Enable Pursuit of Left-Leaning Groups," Brian Schwartz, Richard Rubin, and Joel Schectman, October 15, 2025, https://www.wsj.com/politics/policy/trump-irs-investigations-left-leaning-groups-democratic-donors-612a095e?mod=hp_lead_pos1.

[13] *Id*.

Michael F. Bennet
United States Senator

Mark R. Warner
United States Senator

Sheldon Whitehouse
United States Senator

Margaret Wood Hassan
United States Senator

Catherine Cortez Masto
United States Senator

Bernard Sanders
United States Senator

Tina Smith
United States Senator

Ben Ray Luján
United States Senator

Raphael Warnock
United States Senator

Peter Welch
United States Senator

CC:
Heather Hill, Acting Treasury Inspector General for Tax Administration
Loren Sciurba, Deputy Treasury Inspector General
Gene Dodaro, Comptroller General of the United States, Government Accountability Office