

Congress of the United States
Washington, DC 20515

May 2, 2017

The Honorable Jeff Sessions
Attorney General
U.S. Department of Justice
950 Pennsylvania Ave, NW
Washington, DC 20530-0001

Dear Attorney General Sessions:

In the 114th Congress, the Ways and Means Subcommittee on Oversight held a series of hearings examining the Internal Revenue Service's (IRS) use of its civil asset forfeiture authority to seize assets based on allegations of individuals and businesses structuring financial transactions to avoid Bank Secrecy Act reporting requirements without connection to any other illegal activity.

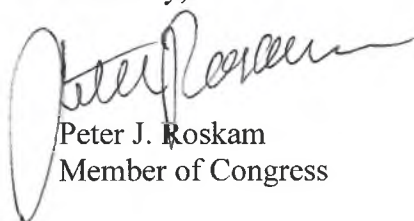
In the hearings by the Oversight Subcommittee, it was revealed that the IRS was previously engaged in a practice of seizing the assets of individuals that had violated federal structuring laws despite the fact that the assets were derived from a legal source. Some of these individuals were told by bank employees that depositing over \$10,000 at a time created extra paperwork, some individuals had a business insurance policy that only covered up to \$10,000 cash on hand, and some individuals did not want banks to file reports on their transactions to the IRS and did not realize that it was illegal to structure transactions to avoid those reports.

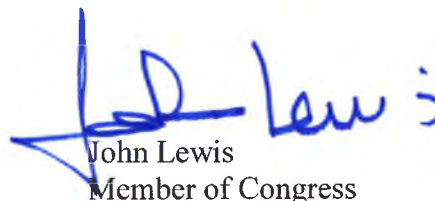
As a result of the work done by the Subcommittee, in October 2014, the IRS changed its policy to seize structured assets only if the assets were connected to other illegal activity. Additionally, in June 2016, the IRS sent notices to all individuals and businesses from whom it had seized assets based on allegations of structuring since FY 2010 stating that they could petition the IRS for remission of the seized funds if the IRS would not have seized those same assets under its new policy.

To date, the agency has reviewed 454 petitions from individuals whose funds were seized prior to the 2014 policy change in an attempt to return all legal-source funds to their rightful owners. According to Commissioner Koskinen, as of March 1, 2017, the IRS has returned more than \$6 million to property owners and recommended that the Department of Justice (DOJ) return more than \$16 million.

We respectfully urge the DOJ to examine the cases that the IRS has recommended for remission of funds and to remit the funds expeditiously in appropriate cases, in order to assure the public that both the IRS and DOJ are carrying out their law enforcement responsibilities in a fair and just manner. To help us ensure that taxpayers are made whole, please provide us an update on your agency's actions regarding the cases in which the IRS has recommended that the DOJ return seized funds.

Sincerely,


Peter J. Roskam
Member of Congress


John Lewis
Member of Congress