



INSTITUTE FOR JUSTICE

February 16, 2016

The Honorable Loretta Lynch  
Attorney General of the United States  
U.S. Department of Justice  
950 Pennsylvania Avenue, NW  
Washington, DC 20530

Dear Madam Attorney General:

I am writing to inquire about the status of a petition for remission or mitigation submitted to your agency on July 16, 2015, on behalf of citizens seeking the return of \$29,500 seized and forfeited under the structuring laws.

Petitioners Randy and Karen Sowers are victims of a former DOJ policy—abandoned in March 2015—under which the agency pursued forfeiture of money belonging to Americans accused of nothing more than depositing or withdrawing cash in amounts under \$10,000 (so-called “legal source structuring”). Under current DOJ policy, the agency would not pursue forfeiture of Randy and Karen’s funds. If it would be wrong to take the money today, it is equally wrong to keep it. Randy and Karen are therefore asking to have their money returned.

As detailed in the enclosed petition for remission or mitigation, Randy and Karen run a dairy farm in rural Maryland. Randy and Karen keep a grueling schedule, waking every day in the middle of the night to care for their cows, and they hardly ever take days off. They are not criminals; they are hard-working Americans who have built a successful business through hard work and perseverance. Shockingly, in February 2012, the IRS seized their entire bank account. The IRS took that money without accusing them of any crime, apart from the mere act of depositing lawfully-earned cash in the bank in amounts under \$10,000.

Randy testified before the House Ways and Means Oversight Subcommittee in February 2015. At that hearing, IRS Commissioner John Koskinen stated that there was “no doubt” that Randy had “been aggrieved” and offered an apology. Meanwhile, Chairman Peter Roskam stated that Randy and others like him had “hand[ed] over thousands of fairly earned dollars to the IRS all without having done anything wrong,” while Ranking Member John Lewis stated that he also “want[ed] to apologize” for the government’s treatment of Randy.

On August 11, 2015, the members of the House Ways and Means Oversight Subcommittee sent a letter to Treasury Secretary Jacob Lew—copied to your office—urging

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your agency to review Randy and Karen's petition, as well as petitions filed by others in similar circumstances, and to "return funds as appropriate in cases that do not meet the IRS's current policy that the funds must have come from an illegal source."

At this point, Randy and Karen have waited over six months for an answer to their petition. Nobody from DOJ has contacted Randy or Karen, or their attorneys, to request additional information related to the petition. Indeed, the petition has generated no response from your agency of any kind.

While we appreciate your thorough consideration of the petition, we wish to underscore the burden caused by any unnecessary delay in the return of these funds. The government seized Randy and Karen's money in February 2012—now over four years ago. Randy and Karen have waited years for the government to correct this grave injustice and should not have to wait years more to receive an answer to their petition.

Thank you for your time and careful attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "R. E. Johnson", followed by a horizontal line extending to the right.

Robert Everett Johnson

Attorney

Institute for Justice

Enc: Letter from Ways & Means Subcommittee on Oversight (August 2015)  
Petition for Remission or Mitigation (July 2015)

cc: Members of the House Ways & Means Oversight Subcommittee

The Honorable Peter J. Roskam

The Honorable John Lewis

The Honorable Patrick Meehan

The Honorable George Holding

The Honorable Jason Smith

The Honorable Tom Reed

The Honorable Tom Rice

The Honorable Kenny Marchant

The Honorable Joseph Crowley

The Honorable Charles Rangel

The Honorable Danny Davis

The Honorable Loretta Lynch

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Former Members of the House Ways & Means Oversight Subcommittee

The Honorable Mike Kelly

The Honorable Kristi Noem

The Honorable Jim Renacci

The Honorable John A. Koskinen, Commissioner, Internal Revenue Service

The Honorable Rod J. Rosenstein, U.S. Attorney, District of Maryland

Mr. M. Kendall Day, Chief, U.S. Department of Justice AFMLS