

October 21, 2021

Charlie Oppler
2021 President

Bob Goldberg
Chief Executive Officer

ADVOCACY GROUP

Shannon McGahn
Chief Advocacy Officer

The Honorable Tim Scott
104 Hart Senate Office Building
United States Senate
Washington, DC 20510

Dear Senator Scott:

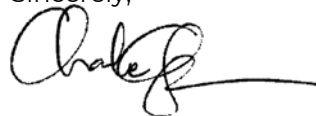
On behalf of the more than 1.5 million members of the National Association of REALTORS®, thank you for introducing legislation to prohibit the Internal Revenue Service from requiring banks and other financial institutions to report certain bank account information for tax enforcement purposes.

While we share the concern that some who are subject to U.S. taxation find ways to avoid paying the full amount that is legally due, we believe the proposal being discussed to require bank reporting of a high percentage of Americans' financial account information is not the appropriate answer. Not only would such a proposal likely result in significantly increased tax compliance costs for millions of individuals and businesses, but the invasive nature of the plan presents serious concerns about privacy, possible data breaches, and the theft of extremely confidential information.

In addition, a high percentage of REALTORS® are independent contractors, and their income (and thus their bank deposits) are usually irregular in timing and amount. Also, as business owners, they often have significant expenditures for various legitimate costs. Thus, their income and outlay patterns can differ markedly from those who earn wages and salaries and have more regular expenditures. We fear that this could result in these entrepreneurs, and all small business owners, being targeted for more scrutiny by over-zealous agents or examiners, resulting in high costs and lost productivity. Moreover, a very high percentage of these business income and expenditure amounts are already subject to reporting to the IRS on Forms 1099.

Thank you again for your leadership on this issue.

Sincerely,



Charlie Oppler
2021 President, National Association of REALTORS®

