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U.S. House of Representatives**COMMITTEE ON VETERANS' AFFAIRS**

ONE HUNDRED THIRTEENTH CONGRESS

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WASHINGTON, DC 20515

<http://veterans.house.gov>

August 28, 2013

Daniel I. Werfel
 Acting Commissioner
 Internal Revenue Service
 1111 Constitution Avenue, NW
 Washington, DC 20224

Dear Mr. Acting Commissioner:

I am writing to request immediate clarification in regard to a very serious and troubling change in Internal Revenue Service (IRS) policy governing the tax exempt status of certain veterans' organizations.

As you know, 501(c)(19) of the Internal Revenue Code provides tax exempt status to certain veterans' organizations. Under Field Determination Guidelines published on January 27, 2011, these organizations are now required to provide IRS auditors with materials including "membership applications, DD Forms 214, or other discharge documents" or risk a significant financial penalty.

To ask these organizations to provide materials, some of which include personally identifying information such as social security numbers and dates of birth, for, in some cases, millions of members seemingly without cause is unduly burdensome and completely unwarranted - particularly given the recent revelations that the IRS has been illegally targeting certain political groups.

The American Legion, one of our country's oldest and largest veterans' organizations, recently voiced their concerns about the legality of this policy and the potential implications it could have on their membership. Ironically, the IRS' Internal Revenue Code specifically lists the American Legion as an example of a group that qualifies for tax exemption.

Congress has provided for the tax exempt status of veterans' organizations in recognition of both the selfless service our nation's veterans have provided and the important role veterans' organization play in honoring, remembering, and assisting some of the most vulnerable and worthy among us - military families, wounded warriors, disabled veterans, and the widows, orphans, survivors, and dependents of the fallen. Allegations that they are now being unfairly targeted by the government they sought to protect and defend is nothing short of unacceptable to me.

Daniel I. Werfel, Acting Commissioner
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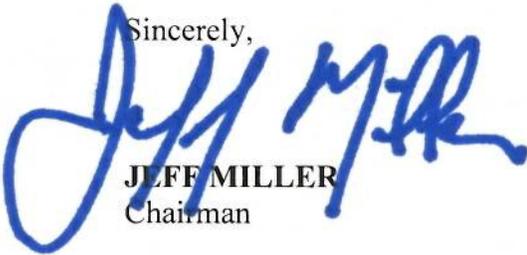
As a result, I am requesting that the IRS provide, by no later than close of business on Tuesday, September 3, 2013, complete written justification for requiring veterans organizations' to provide these materials. This justification should include the legal authority for requesting this information and a thorough description of what precipitating event, if any, prompted the January 2011 policy change.

If you have any questions or concerns regarding this request, please contact Helen Tolar, Staff Director and Chief Counsel, via email at Helen.Tolar@mail.house.gov or by calling (202) 225-3527.

Thank you for your attention to this matter and for your work on behalf of our nation's veterans.

With warm personal regards, I am,

Sincerely,



JEFF MILLER
Chairman

CJM/sg