

**U.S. Senator Maria Cantwell**

**Senate Committee on Finance Hearing on The President's Fiscal Year 2024 IRS Budget and the  
IRS's 2023 Filing Season**

**Witnesses: The Honorable Daniel I. Werfel, Commissioner Internal Revenue Service**

**April 19<sup>th</sup>, 2023**

[\[VIDEO\]](#) [\[AUDIO\]](#)

**Sen. Cantwell:** Mr. Chairman, I appreciate it. This is an important hearing, particularly at this time.

Last week, the IRS announced that nearly 1.5 million Americans have unclaimed tax refunds from 2019. In Washington State, the pandemic and other disruptions prevented as many as 42,000 people from filing their 2019 tax return, leaving a total of \$44 million in unclaimed refunds.

When you were here last February, you said that the IRS should be able to communicate in a much more timely and aggressive fashion for taxpayers. And I agreed with that.

On April 12<sup>th</sup>, on the unclaimed refunds you stated frequently students, part time workers, and others [have] little time to really realize this. So, I know that to ensure these individuals have the money they're owed they need to be ahead of the July 17<sup>th</sup> deadline.

So, what is the IRS doing to create greater public awareness for these unclaimed refunds? And do you have plans to reach out to individuals to ensure they file before the July deadline?

**Commissioner Werfel:** Yeah, and I was pleased with the type of publicity that was created when we announced the July deadline. A lot of media outlets covered it and basically said, look, the IRS is informing you that you are eligible for a refund, and you should come because we are wanting people that are eligible, whether for credit or refund, to claim it.

Now, how do we continue to build on that outreach? There's got to be more that we can do than just issuing a press release. We can use social media, we can engage with intermediaries, and associations, and groups. And this is part of the vision that we have for improved customer service. It's not just hey, we're here, we're going to answer your call. That's part of it and that's critical.

But it's also outreach to meet taxpayers where they are and so, it's two way. It's us here when you need us, whether it's in an assistance center, walk-in center, or a call, but also, we want to meet you where you are to help. To help you [and] to help small businesses meet their obligations.

**Sen. Cantwell:** How many taxpayers do you estimate are missing or receiving the Earned Income Tax Credit because they failed to file and 2019 overall, besides our state?

**Commissioner Werfel:** I don't think we have an exact number. But I think we believe it's over a million people that could be claiming refunds that aren't, but I can try to get you a more precise number.

**Sen. Cantwell:** I mean, just given the numbers in our state yeah, I would think that would easily make a million.

Well, again, I think we communicated also about this notion that when it comes to owing money to the IRS we have a lot of direct communication with people. So, I'm for creating a more virtual experience for taxpayers, particularly by segmentation. These are the problems, these are the issues.

I know you have like frequently asked questions and things of that nature, but I just think the response from the IRS and direct communication with people on these issues would go a long way.

**Commissioner Werfel:** I appreciate that.

**Sen. Cantwell:** All right. Thank you, Mr. Chairman. I thank my colleagues.