

## Werfel to Big Business: IRS Is Not Your Enemy

by Alexander Rifaat

IRS Commissioner Daniel Werfel sought to allay corporate fears over the agency's drive to increase audits on large businesses by claiming the heightened scrutiny will create a fair playing field for those who are compliant.

Speaking at a Tax Executives Institute conference March 18, Werfel tried to draw a distinction between President Biden's push for higher corporate tax rates and the IRS's plan to step up enforcement efforts to go after large corporations.

"We are completely agnostic on how much you pay — we just want it to be accurate. People will say 'the IRS is just trying to grab more money.' No, we want an accurate return," Werfel said, adding that businesses should support the move because it rewards those that "play by the rules."

Werfel acknowledged that the increasing complexity of the tax code is a barrier to a smoother rollout of the IRS's efforts to streamline correspondence and the digitalization of corporate tax forms, but he urged executives to engage with the agency when possible.

"We want to hear from you," Werfel told the audience of mostly in-house tax professionals, adding that he wants to make "providing an accurate return as simple and easy as possible."

Werfel argued that the additional funds allocated to the IRS as part of the Biden administration's fiscal 2025 budget proposal, which would provide the agency with \$104.3 billion over 10 years, would be crucial in improving the interactions businesses have with the federal government.

"That is what the budget is about. It's not what the debate seems to be on Capitol Hill. It's about moving into the 21st century so that taxpayers like you can finally have the same experience you have with other parts of transactions and commerce," Werfel said.

In response to a question regarding the IRS's moratorium on employee retention credit claims issued last year because of substantial fraud concerns, Werfel defended the measure.

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Despite the pause in processing claims, Werfel said the agency still receives about 20,000 ERC claims per week.

“We did the right thing by issuing the moratorium,” Werfel said. “I think it’s unfortunate that if you have an eligible claim in our inventory, it’s surrounded by a lot of ineligible [claims], but I can assure you we have a team of people working through that inventory to try to weed out [the ineligible ones] as best we can.” ■