

ICBA: Washington Cannot Salvage Widely Opposed IRS Reporting Plan



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Washington, D.C. (Oct. 19, 2021) — Independent Community Bankers of America (ICBA) President and CEO Rebeca Romero Rainey issued the following statement on the latest congressional efforts to allow the IRS to collect financial account information from American consumers.

“While policymakers are [proposing tweaks](#) to Washington’s widely opposed proposal that would require financial institutions to report customer account information to the IRS, no amount of updating will salvage this misguided plan or quell the widespread public backlash it has generated.

“The proposed tweaks—such as raising the reporting threshold—would benefit hardly any taxpayers, make the policy more difficult to implement, and do nothing to address the proposal’s privacy, due process, and data security concerns.

“An ICBA [poll](#) conducted by Morning Consult found 67% of voters oppose the proposal, with 64% saying they do not trust the IRS to monitor their financial information. Further, consumers have sent hundreds of thousands of messages to their members Congress in opposition via banklocally.org/privacy.

“A bipartisan supermajority of Americans and [more than 100 organizations](#) representing small businesses clearly oppose the IRS monitoring bank account information, which Congress continues working to advance through a budget reconciliation package that requires only a simple majority to pass.

“The IRS reporting proposal is an invasion of consumers’ privacy, a [violation](#) of Americans’ due process, a data security risk amid the agency’s ongoing [tax return leak](#) investigation, and a threat to bipartisan efforts to reduce the unbanked population by driving more Americans out of the banking system and toward predatory lenders.

“ICBA, community bankers, and voters across the country will continue opposing this proposal.”

About ICBA

The Independent Community Bankers of America® creates and promotes an environment where community banks flourish. ICBA is dedicated exclusively to representing the interests of the community banking industry and its membership through effective advocacy, best-in-class education, and high-quality products and services.

With nearly 50,000 locations nationwide, community banks constitute 99 percent of all banks, employ more than 700,000 Americans and are the only physical banking presence in one in three U.S. counties. Holding more than \$5.8 trillion in assets, over \$4.8 trillion in deposits, and more than \$3.5 trillion in loans to consumers, small businesses and the agricultural community, community banks channel local deposits into the Main Streets and neighborhoods they serve, spurring job creation, fostering innovation and fueling their customers' dreams in communities throughout America. For more information, visit ICBA's website at www.icba.org
