

Congress of the United States
House of Representatives
Washington, DC 20515-4606

September 23, 2020

The Honorable Steven Mnuchin
Secretary of Treasury
U.S. Department of Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

Dear Secretary Mnuchin,

I am writing to share ongoing issues that Iowans are experiencing in receiving their Economic Impact Payments (EIP) and request an update on efforts made to improve this program. In addition, as the next bipartisan COVID-19 recovery package comes together, I ask that you advocate for legislation to fix issues with these EIPs and support another round of these payments for Iowa's families.

As I informed you when you appeared before the Small Business Committee hearing on July 17, 2020, our office has heard from over 700 Iowans with issues concerning their EIP. That number has increased to 827 since the hearing. Through the hard work of our office's caseworkers as well as taxpayer advocates, economic impact payments continue to be recovered; however, there are persistent issues with the system for processing and distributing these payments that continue to prevent Iowans from receiving them.

With that, I hope to bring your attention to some of the most common causes of delayed payments in our region and seek information on how to address them. These issues include:

- **The Internal Revenue Service (IRS)'s failure to communicate if delivery of the EIP was attempted but not completed.** Currently, when Iowans attempt to track their payment online, they receive an error message but are provided no information on the status of the payment or how to resolve the issue. What steps is the Department of Treasury taking to ensure that these payments reach the correct constituents at the accurate location as quickly as possible?
- **Challenges for constituents getting the correct payment after returning payments made in the incorrect amount.** What is the Department of Treasury doing to better streamline this process?
- **Withholding EIPs from folks who have already filed a 2018 tax return but whose 2019 tax returns are pending.** We have constituents whose payments are still delayed as the result of filing their 2019 tax return, despite guidance from the IRS that payments could be calculated using 2018 tax returns if their returns for the most recent year had not

been filed yet. Would you please clarify why these payments are being delayed and when they are expected to be delivered?

- **Distributing EIPs based on 2018 tax returns when 2019 tax returns had been filed, resulting the nonpayment of individuals previously claimed as dependents.** The IRS has denied payment to adult dependents regardless of whether they had already filed taxes as an individual in 2019 if their parents' EIP was processed using 2018 tax returns. These determinations have been made in contradiction to the direction that EIPs be based on a taxpayer's returns for the most recent of the two years. Why is the IRS denying EIPs to those who filed as an individual in 2019 and had done so prior to the processing of EIPs?
- **Need for the replacement of an IRS Notice 1444.** The IRS has posted online that economic impact payment recipients should keep this notice and that it will be needed to claim any additional credits when filing their taxes for 2020. However, constituents have discarded this notice because this information is not included in the form. What is the best way for Iowans to request another copy of their Notice 1444?

When you appeared before the Small Business Committee, you offered your office's assistance in tracking down these outstanding payments. In the interest of ensuring Iowans receive these payments as quickly as possible, I ask you send the requested guidance to Abby.Finkenauer01@mail.house.gov within 15 days of receipt of this letter. You may also contact my office at 202-225-2911 with any questions.

Thank you for your attention to this matter and I look forward to your reply.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Abby', followed by a stylized flourish.

Abby Finkenauer
Member of Congress