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United States Senate

COMMITTEE ON SMALL BUSINESS
WASHINGTON, DC 20510-6350

May 25, 2000

The Honorable Ben Nighthorse Campbell
Chairman
Subcommittee on Treasury, Postal Services,
and General Government
Committee on Appropriations
190 Dirksen Senate Office Building
Washington, DC 20510

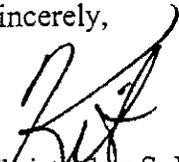
Dear Ben:

The Committee on Small Business, which I chair, held a hearing on Tuesday, May 23, 2000, entitled "IRS Restructuring: A New Era for Small Business." During the hearing, which focused on the Internal Revenue Service's (IRS) new Small Business/Self-Employed (SB/SE) Division, several witnesses emphasized the importance of updating the IRS' aging computer systems. In fact, the General Accounting Office stressed that "[i]mprovements to IRS' information systems are critical to SB/SE's overall success."

While I recognize that the agency still needs to implement some key controls with respect to its systems modernization efforts, I strongly encourage you and your Subcommittee to give the IRS' funding request for updating its computer systems and other integral technology a high priority as you draft the FY 2001 Treasury, Postal Services, and General Government appropriations legislation. With the new SB/SE Division expected to serve approximately 45 million taxpayers with some of the most complex tax issues, improvements in the new Division's computer capabilities are absolutely essential for small-business taxpayers to receive the high-quality service they need and deserve.

Thank you for your consideration of this request, and I look forward to working with you to ensure that the IRS has adequate funding to undertake its dual responsibilities of providing superior taxpayer service and collecting tax revenues. If you have any questions or need additional information, please contact me or have your staff contact Mark Warren, the Committee's Tax Counsel, at 224-5175.

Sincerely,



Christopher S. Bond
Chairman

cc: The Honorable Charles O. Rossotti
Commissioner, Internal Revenue Service