



COMMISSIONER

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

September 25, 2014

The Honorable Ted Cruz
United States Senate
Washington, DC 20510

Dear Senator Cruz:

I am responding to your September 9, 2014, letter about a reported IRS audit of Breitbart News Network, LLC.

As you may be aware, section 6103 of the Internal Revenue Code limits our ability to disclose confidential taxpayer information, including information about whether a taxpayer has been audited, absent express authorization from the taxpayer. Accordingly, I cannot answer some of the questions you asked about Breitbart News Network, LLC. However, I hope that I can address your concerns about the integrity of IRS audit procedures.

I assure you that we do not identify taxpayers for audit on the basis of their viewpoints or political affiliations. While we accept most income tax returns as filed, we audit some returns to determine if the taxpayer accurately reported income, expenses, and credits. Audits are commenced based on the information reported on a taxpayer's return. We identify returns for potential examination through a variety of methods, including random selection, computer scoring, and third-party information.

The IRS conducts numerous business organization audits every year. Within the radio and television broadcasting, subscription programming, news syndication, and information services fields alone, we completed examinations on approximately 1200 organizations (including corporations, partnerships, and LLCs) between January 1, 2011, and August 22, 2014. Given the volume of IRS audits, it is inevitable that organizations of every type, in every industry, whether politically active or not, and of every imaginable political leaning will over time be selected for examination. Our duty is to conduct all of these audits fairly and impartially, and this is a duty that we take seriously.

I hope this information is helpful. If you have any questions, please contact me or a member of your staff may contact Leonard Oursler, Director, Legislative Affairs, at (202) 317-6985.

Sincerely,

A handwritten signature in black ink, appearing to read "John A. Koskinen".

John A. Koskinen