

United States Senate

WASHINGTON, DC 20510

April 3, 2019

Stephen Moore
Distinguished Fellow
Project for Economic Growth,
Institute for Economic Freedom and Opportunity
The Heritage Foundation
214 Massachusetts Ave NE
Washington DC 20002-4999

Dear Mr. Moore:

President Trump has indicated that he intends to nominate you for one of the open positions as a member of the Board of Governors of the Federal Reserve. As the Senate considers your potential nomination, we read with concern reports that a court entered a lien against you in January 2018 in favor of the United States government for unpaid taxes, interest, and penalties in the amount of \$75,328.80.¹ Furthermore, reporting also indicates you were reprimanded by a judge in 2012 for failing to pay more than \$300,000 in spousal and child support.² As you know, the Senate Committee on Banking, Housing and Urban Affairs considers nominees for the Federal Reserve Board of Governors, and the Committee on Finance oversees the Internal Revenue Service (IRS). With that in mind, we write to seek additional information on this tax debt.

If you intend to make yourself available for nomination for the Federal Reserve Board, please provide each of our offices with the following information:

1. Please describe the circumstances of the original underpayment of taxes. If, in fact, the underpayment resulted in part from an inappropriate deduction of child support expenses, please explain why you deducted those expenses, including whether you misunderstood the following information on the IRS forms and instructions.
 - The Form 1040 for tax year 2014 included a line for “alimony paid” under the adjustments to income, but no line for child support.³
 - The IRS instructions for tax year 2014 referred to guidance on tax issues for divorced or separated individuals, which clearly stated: “Not all payments under a divorce or separation instrument are alimony. Alimony does not include: Child support . . .”⁴
2. What was the gross amount of child support that you wrongly deducted?

¹ <https://www.bloomberg.com/news/articles/2019-03-27/trump-s-fed-pick-moore-owes-75-000-to-irs-court-document-says>.

² <https://www.theguardian.com/us-news/2019/mar/30/trump-stephen-moore-federal-reserve-board>.

³ <https://www.irs.gov/pub/irs-prior/f1040--2014.pdf>.

⁴ <https://www.irs.gov/pub/irs-prior/i1040gi--2014.pdf>, <https://www.irs.gov/pub/irs-prior/p504--2014.pdf>.

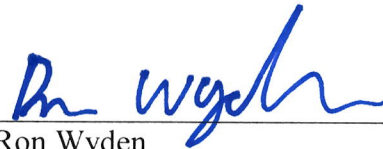
3. Have you wrongly claimed deductions for child support in any other years?
4. The child support deduction was apparently one of several items that the IRS challenged on your 2014 tax return, ultimately resulting in the \$75,328.80 tax lien. Please provide the details and explain the relevant circumstances surrounding any other such items.
5. Please explain why you reportedly failed to respond to IRS notifications for several years, or if you did not, what responses were provided and when?⁵
6. Please describe why, though the lien was filed in January 2018, you reportedly have not paid the tax debt as of March 27, 2019.⁶
7. Have you still not paid the back taxes, interest, and penalties that you owe? Please inform each of our offices when you did or when you do.
8. Please describe any audit adjustments on tax returns that you have signed in the last 10 years, or whether you have filed amended returns, and the reasons for such.

Please respond to these questions by April 15, 2019. In addition, if you are nominated by the White House, the Committee on Banking, Housing, and Urban Affairs will ask for additional detailed information from you. Based on your responses, the Committee may request your tax returns for tax year 2014.

Sincerely,



Sherrod Brown
Ranking Member
Committee on Banking, Housing, and
Urban Affairs



Ron Wyden
Ranking Member
Committee on Finance

⁵ <https://www.nytimes.com/aponline/2019/03/27/us/politics/ap-us-moore-federal-reserve.html>.

⁶ <https://www.theguardian.com/business/2019/mar/27/stephen-moore-trump-federal-reserve-pick-owes-taxes-us-government-alleges>