

## White House issues memo directing repeal of unlawful regulations

The White House announced in a memo on April 9 that federal agencies can bypass the standard rulemaking process to repeal regulations deemed “unlawful” using the “good cause” exception in US administrative law. This allows agencies to overturn some rules without the lengthy process of public “notice and comment,” focusing on regulations that contradict recent Supreme Court decisions, including *Loper Bright Enterprises v. Raimondo*, 603 U.S. 369 (2024). (For prior coverage, see *Tax News & Views*, Vol. 26, No. 9, Feb. 28, 2025.)

[URL: https://www.whitehouse.gov/presidential-actions/2025/04/directing-the-repeal-of-unlawful-regulations/](https://www.whitehouse.gov/presidential-actions/2025/04/directing-the-repeal-of-unlawful-regulations/)

[URL: https://dhub.deloitte.com/Newsletters/Tax/2025/TNV/250228\\_4.html](https://dhub.deloitte.com/Newsletters/Tax/2025/TNV/250228_4.html)

“[N]otice-and-comment proceedings are ‘unnecessary’ where repeal is required as a matter of law to ensure consistency with a ruling of the United States Supreme Court,” according to the memorandum. Typically, federal agencies must go through a long process involving public and industry comments to write or repeal rules.

Following an initial 60 day review period that was ordered on February 19, agencies shall take steps to effectuate the repeal of any regulation or portion thereof that “exceeds the agency’s statutory authority or is otherwise unlawful.” The result of each unlawful regulation shall be accompanied by a brief statement of the reasons that the “good cause” exception applies.

[URL: https://www.whitehouse.gov/presidential-actions/2025/02/ensuring-lawful-governance-and-implementing-the-presidents-department-of-government-efficiency-regulatory-initiative/](https://www.whitehouse.gov/presidential-actions/2025/02/ensuring-lawful-governance-and-implementing-the-presidents-department-of-government-efficiency-regulatory-initiative/)

“Promoting economic growth and American innovation are top priorities of this Administration. Unlawful, unnecessary, and onerous regulations impede these objectives and impose massive costs on American consumers and American businesses.”

## Trump signs law rescinding IRS cryptocurrency reporting rules

President Trump signed into law a measure (H.J. Res. 25) that rescinds the reporting requirements for digital asset brokers involved in decentralized finance (DeFi) transactions.

URL: <https://www.congress.gov/bill/119th-congress/house-joint-resolution/25/text>

This measure will invalidate recently issued final regulations from the Treasury Department and the Internal Revenue Service requiring noncustodial industry participants to report digital asset transactions to the IRS. (The Joint Committee on Taxation estimated (JCX-11-25) that the repeal of these regulations would increase the deficit by \$3.9 billion over a ten year period.)

[URL: https://public-inspection.federalregister.gov/2024-30496.pdf](https://public-inspection.federalregister.gov/2024-30496.pdf)

[URL: https://www.jct.gov/publications/2025/jcx-11-25/](https://www.jct.gov/publications/2025/jcx-11-25/)

More specifically, this measure reverses an IRS rule on digital assets that revised the definition of “digital asset middleman” to include certain persons who participate in decentralized financial transactions (*i.e.* non-custodial industry participants); the regulations require these participants to collect account information about the sale of a digital asset and report that data to the IRS through a Form 1099.

The resolution was introduced under the Congressional Review Act, which allows Congress to review and disapprove certain rules issued by federal agencies. The process also provides that a disapproval resolution requires only a simple majority for passage in the Senate rather than the three-fifths majority – or 60 votes – typically needed to overcome procedural hurdles in that chamber. If a disapproval resolution reaches the White House and gains the president’s signature, the underlying rule is treated as though it had never taken effect and cannot be reissued in a substantially similar form unless specifically authorized in a subsequent law.

(For prior coverage, see *Tax News & Views*, Vol. 26, No. 12, March 28, 2025; *Tax News & Views*, Vol. 26, No. 11, March 14, 2025.)

**URL:** [https://dhub.deloitte.com/Newsletters/Tax/2025/TNV/250328\\_3.html](https://dhub.deloitte.com/Newsletters/Tax/2025/TNV/250328_3.html)

**URL:** [https://dhub.deloitte.com/Newsletters/Tax/2025/TNV/250314\\_4.html](https://dhub.deloitte.com/Newsletters/Tax/2025/TNV/250314_4.html)

## Happenings at the IRS

In other news, the IRS’s sharing of taxpayer information with the Department of Homeland Security for immigration purposes continues to draw attention, while the agency experienced another change in its leadership. (For prior coverage, see *Tax News & Views*, Vol. 26, No. 12, March 28, 2025.)

**URL:** [https://dhub.deloitte.com/Newsletters/Tax/2025/TNV/250328\\_2.html](https://dhub.deloitte.com/Newsletters/Tax/2025/TNV/250328_2.html)

**IRS taxpayer data:** The Department of the Treasury and the Department of Homeland Security have signed an agreement under which the IRS would share information with DHS’ immigration enforcement agency regarding individuals under criminal investigation for immigration-related offenses, provided the requirements of section 6103 are met.

Section 6103 of the tax code ensures the confidentiality of taxpayer information, allowing for inspection or disclosure *only* under strictly defined circumstances. One such exception is section 6103(i)(2) which allows the disclosure of return information specifically for use in criminal investigations.

The Treasury Department disclosed that it had signed the agreement with DHS in a new court filing requesting a federal court dismiss a lawsuit from immigrant rights groups aiming to halt the sharing of tax information.

Senate Finance Committee Ranking Member Ron Wyden (D-Ore.) issued a statement condemning what he considered to be efforts by the Trump administration to violate taxpayer privacy laws by collecting the records of millions of immigrant taxpayers and accelerating the administration’s misuse of IRS data.

**URL:** <https://www.finance.senate.gov/chairmans-news/wyden-statement-on-trump-weaponizing-irs-and-violating-taxpayer-privacy-laws>

“Even though the Trump administration claims it’s focused on undocumented immigrants, it’s obvious that they do not care when they make mistakes and ruin the lives of legal residents and American citizens in the process. A repressive scheme on the scale of what they’re talking about at the IRS would lead to hundreds if not thousands of those horrific mistakes, and the people who have disappeared as a result may never be returned to their families.”

**Leadership departures:** IRS Acting Commissioner Melanie Krause announced her departure from the agency, making her the third person to lead the IRS this year who either resigned or retired. Former Senate-confirmed Commissioner Danny Werfel stepped down from the role on January 17, making way for President Trump’s pick for the top post, former Rep. Billy Long (D-Mo.). Thereafter, Doug O’Donnell became the Acting Commissioner until his retirement from the agency at the end of February after almost 40 years of government service, at which time Krause took over.

Initially thought to be leaving the agency at the end of April, Krause confirmed that she would not be departing until at least mid-May. A delayed exit may enhance the likelihood of the Senate confirming Long before Krause’s exit, thereby preventing the agency from having another interim leader.

However, the confirmation process for Long has been notably slow since President Trump nominated him late last year. Although Long recently submitted his public disclosure forms to the Ethics Office—a crucial step in the vetting process where nominees reveal their financial interests—the Senate Finance Committee has yet to schedule a vote on his nomination. (For prior coverage, see *Tax News & Views*, Vol. 25, No. 32, Dec. 6, 2024.)

[URL: https://dhub.deloitte.com/Newsletters/Tax/2024/TNV/241206\\_3.html](https://dhub.deloitte.com/Newsletters/Tax/2024/TNV/241206_3.html)

Long has been serving as a senior advisor at the Office of Personnel Management while awaiting Senate confirmation.

**Tax-day is coming:** The IRS reminded taxpayers to file their federal income tax returns before the April 15 deadline which is fast approaching. Taxpayers unable to file their tax return by the deadline can apply for a tax-filing extension which is due by the tax cutoff date, however, it does not give an extension of time to pay the taxes. To file an extension, taxpayers should use Form 4868, *Application for Automatic Extension of Time to File US Individual Income Tax Return*.

[URL: https://www.irs.gov/newsroom/irs-act-now-to-file-pay-or-request-an-extension](https://www.irs.gov/newsroom/irs-act-now-to-file-pay-or-request-an-extension)

[URL: https://www.irs.gov/forms-pubs/about-form-4868](https://www.irs.gov/forms-pubs/about-form-4868)

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