

## IRS nominee Billy Long testifies before Senate Finance Committee

Former-Rep. Billy Long (R-Mo.) endured a sometimes-contentious May 20 nomination hearing to become the next IRS commissioner, with Senate Finance Committee Republicans rallying behind him to lead the agency, and Democrats questioning his ties to certain tax credit programs.

Finance Committee Chairman Mike Crapo (R-Idaho), a supporter of Long's nomination, expressed his backing in his opening remarks at the hearing.

**URL:** [https://www.finance.senate.gov/ranking-members-news/crapo-statement-at-irs-commissioner-nomination-hearing\\_2025](https://www.finance.senate.gov/ranking-members-news/crapo-statement-at-irs-commissioner-nomination-hearing_2025)

"American taxpayers want a change agent at the helm of the IRS," said Crapo. "Congressman Billy Long fits this description and is well-suited to lead the IRS at this moment in time."

Democrats, including Ranking Member Ron Wyden (D-Ore.), questioned Long's past financial ties to firms involved in various tax credit programs, raising concerns about what they considered to be a potential conflict. Long defended his actions, insisting he would uphold the agency's integrity.

The hearing unfolded amid ongoing leadership changes at the IRS, highlighting the broader organizational challenges Long would enter. The last Senate-confirmed commissioner, Danny Werfel, resigned just before Trump's inauguration and was followed by a series of short-term acting leaders. Doug O'Donnell, a longtime IRS official, briefly served in an acting capacity before stepping down, followed by Melanie Krause, the agency's former chief operating officer, who also resigned after a short tenure. She was succeeded by IRS agent Gary Shapley but he was dismissed after only a few days. Since then, the role has been filled temporarily by Treasury Deputy Secretary Michael Faulkender.

### Range of issues emerge during Long's confirmation hearing

Throughout the hearing, several issues emerged, including the regulations process, Direct File, and questions about the nominee's connections to certain tax credit programs.

**Regulations process:** Long, who served for 12 years in the House, used his opening statement to position himself as a bridge between Congress and the IRS at a time when major tax legislation is beginning to move through Capitol Hill. He argued that his recent experience as a lawmaker would help the agency interpret and implement new tax laws more efficiently, avoiding the kind of prolonged regulatory delays that often follow major legislative overhauls.

"By being familiar with the workings of Congress, the IRS can stay engaged as these changes are made," Long said. "So, once they get over to the IRS, we will have a comprehensive understating of Congress's intent."

He also expressed support for continued oversight of tax regulations by the Office of Information and Regulatory Affairs (OIRA) – a division of the White House’s Office of Management and Budget that gained expanded authority over tax rulemaking during Trump’s first term.

**Tax credit concerns:** Sen. Wyden questioned Long about his involvement with certain tax credits, which Wyden said the IRS does not recognize. Long said he had referred friends to accountants to check eligibility but did not confirm whether he believed the credits were valid, stating, “I can’t answer yes or no because I do not know.” He added that the IRS had accepted the credits in the past. Long said he would look into the issue further.

Democratic Committee Members also asked Long about his role in the Employee Retention Credit (ERC) program. Long said he only provided referrals for ERC claims, but did not give tax advice himself.

Crapo asked if Long had seen any red flags when making referrals, and Long said he had not.

**IRS Direct File’s dark future?:** Republicans encouraged Long to scrap the IRS’s program to let certain taxpayers file their tax returns directly to the agency at no cost, called Direct File. They’ve criticized it since its inception as a pilot program as outside the agency’s purview since Congress didn’t authorize the program, but it operated last year and this year, with support from Democrats and former President Joe Biden.

Long said reviewing it would be among his first orders of business.

“I want to get to the bottom of it and see what is best for the hardworking employee partners that I will have at the IRS, if I’m confirmed, and the taxpayers,” Long said.

Secretary Bessent said before this tax filing season that he’d assess the program after filing season concludes. (For prior coverage, see *Tax News & Views*, Vol 26, No. 2, Jan. 17, 2025.)

**URL:** [https://dhub.deloitte.com/Newsletters/Tax/2025/TNV/250117\\_2.html](https://dhub.deloitte.com/Newsletters/Tax/2025/TNV/250117_2.html)

**Customer service, information technology and operations:** Most Republican questions centered on complaints about customer service, outdated IT and inefficient operations – all of which are longstanding gripes about the IRS. Long, who said he planned to make improvements across the board, indicated that the agency could benefit from private-sector experience.

“I think the IRS needs to run more like a business,” he said.

**Next steps:** Chairman Crapo has said he would schedule a vote on Long’s nomination at a later date. If confirmed, Long would serve as IRS commissioner through November 12, 2027, completing the remainder of the five-year term originally designated for Daniel Werfel, who stepped down earlier this year.

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