

**Statement of Chairman Max Baucus
IRS Oversight Board Meeting
March 7, 2007**

I commend the IRS Oversight Board for its interest in improving tax compliance. Today's meeting is a good example of the way interested stakeholders can work together to explore the causes of the tax gap and the role each of us plays in reducing it. One group alone can't reduce the gap. It will require the efforts of everyone who is a part of tax administration, including taxpayers, tax professionals, the IRS, Treasury, the Administration and the Congress. It will require people like you who care about fair, efficient and effective tax administration.

We cannot close our eyes and pretend the tax gap doesn't exist. The IRS says that at least \$345 billion in legally owed taxes are not timely paid each year. That is real money that affects the fiscal health of our country. Although it is not realistic to think the tax gap can be eliminated completely, no longer can we afford to throw up our hands and say it is impossible to do anything to improve tax compliance. It is possible and it must be done.

I applaud your efforts today and I look forward to hearing about the results of your discussions. Thank you for your commitment to this important matter facing our country.