

CI REALIGNMENT

Legislation: H.R 5296 was introduced in 114th Congress to effectively realign IRS-Criminal Investigation Division (CI) to main Treasury. Congressman George Holding, a former U.S Attorney, was the sponsor with 7 co-sponsors.

Criminal Investigation Division (CI)- Quick Facts

- CI is the only federal law enforcement agency with jurisdiction over violations of the federal tax laws and shares jurisdiction over money laundering and bank secrecy act (BSA) violations.
- CI is the 6th largest federal law enforcement agency with about 2,000 special agents and over 2,800 employees.
- CI special agents are sworn law enforcement agents, with law enforcement authority like their counterparts at FBI, DEA, HSI, Secret Service and ATF.
- Prosecution of CI investigations falls solely under the jurisdiction of the Department of Justice (DOJ) and their 93 U.S Attorneys over 94 judicial districts.
- CI special agents are widely considered to be the best financial investigators in the U.S. Government and are often brought into investigations by the U.S. Attorney for their financial skillset.
- CI has 21 Nationwide Field Offices and 10 International Posts of Duty.
- About 2/3 of CI's time is spent working tax or tax-related investigative matters and about 1/3 is spent on non-tax.
- CI self generates about 93% of their investigations, the remaining 7% are referred from civil IRS divisions.
- Due to the sensitive nature of CI's work, CI office space, case management system, and computer network is distinctly separate from civil IRS systems and inaccessible by civil IRS personnel. CI operations are "walled off" from civil IRS.

Benefits of Realignment

- CI will no longer report through an IRS civil executive (Deputy Commissioner)
- Enhanced transparency & accountability of CI's law enforcement operations.
- Complete separation of civil and criminal tax enforcement, removing IRS Chief Counsel Attorney's from oversight of criminal investigations and creating a closer working relationship between CI and the DOJ Attorney's responsible for criminal prosecution of their cases.
- Tax fraud and criminal tax enforcement take a back seat to taxpayer service and tax collection at the IRS. Realignment will enhance CI's mission within Treasury and the focus on major tax crimes and other serious financial crimes like money laundering, cybercrime, identity theft, BSA criminal enforcement, terrorist financing and other illicit finance priorities.
- CI's realignment will allow IRS to focus on their core mission of taxpayer service and tax collection.