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Presidential Documents

Title 3—

The President

Executive Order 13789 of April 21, 2017

Identifying and Reducing Tax Regulatory Burdens

By the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered as follows:

Section 1. *Policy.* The Federal tax system should be simple, fair, efficient, and pro-growth. The purposes of tax regulations should be to bring clarity to the already complex Internal Revenue Code (title 26, United States Code) and to provide useful guidance to taxpayers. Contrary to these purposes, numerous tax regulations issued over the last several years have effectively increased tax burdens, impeded economic growth, and saddled American businesses with onerous fines, complicated forms, and frustration. Immediate action is necessary to reduce the burden existing tax regulations impose on American taxpayers and thereby to provide tax relief and useful, simplified tax guidance.

Sec. 2. *Addressing Tax Regulatory Burdens.* (a) In furtherance of the policy described in section 1 of this order, the Secretary of the Treasury (Secretary) shall immediately review all significant tax regulations issued by the Department of the Treasury on or after January 1, 2016, and, in consultation with the Administrator of the Office of Information and Regulatory Affairs, Office of Management and Budget, identify in an interim report to the President all such regulations that:

(i) impose an undue financial burden on United States taxpayers;

(ii) add undue complexity to the Federal tax laws; or

(iii) exceed the statutory authority of the Internal Revenue Service.

This interim report shall be completed no later than 60 days from the date of this order. In conducting the review required by this subsection, earlier determinations of whether a regulation is significant pursuant to Executive Order 12866 of September 30, 1993, as amended (Regulatory Planning and Review), shall not be controlling.

(b) No later than 150 days from the date of this order, the Secretary shall prepare and submit a report to the President that recommends specific actions to mitigate the burden imposed by regulations identified in the interim report required under subsection (a) of this section. The Secretary shall also publish this report in the *Federal Register* upon submitting it to the President. The Secretary shall take appropriate steps to cause the effective date of such regulations to be delayed or suspended, to the extent permitted by law, and to modify or rescind such regulations as appropriate and consistent with law, including, if necessary, through notice and comment rulemaking. The Secretary shall submit for publication in the *Federal Register* a summary of the actions taken in response to the report no later than 10 days following the finalization of such actions. Should all such actions not be finalized within 180 days following the submission of the report to the President, the Secretary shall submit for publication in the *Federal Register* an initial report summarizing the actions taken to that point.

(c) To ensure that future tax regulations adhere to the policy described in section 1 of this order, the Secretary and the Director of the Office of Management and Budget shall review and, if appropriate, reconsider the scope and implementation of the existing exemption for certain tax regulations from the review process set forth in Executive Order 12866 and any successor order.

(d) The Secretary shall cause section 32.1.5.4.7.5.3 of the Internal Revenue Manual to be revised, if necessary to fulfill the directives in subsection (c) of this section.

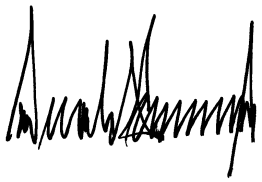
Sec. 3. *General Provisions.* (a) Nothing in this order shall be construed to impair or otherwise affect:

(i) the authority granted by law to an executive department or agency, or the head thereof; or

(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.



THE WHITE HOUSE,
April 21, 2017.

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