

# Treasury, OMB Update Tax Regulatory Review Process

April 12, 2018

**Washington** – The U.S. Department of the Treasury and the Office of Management of Budget (OMB) today released a Memorandum of Agreement (MOA) creating a new framework for the review of tax regulations. The modernized framework meets the twin objectives of increasing the economic analysis and review of tax rules while preserving timely tax guidance for taxpayers.

“We are very pleased with the agreement announced today, which is an important step in advancing President Trump’s tax and regulatory reform agenda,” said Treasury Secretary Steven T. Mnuchin. “This updated review framework will increase scrutiny of regulations most likely to impose new costs, while preserving Treasury’s ability to ensure taxpayers receive timely, clear rules and guidance on how to comply with our tax code. Under today’s agreement, Treasury will continue to swiftly and successfully implement historic tax reform while still avoiding needless regulatory costs and delays.”

“A reflection of tremendous coordination between Treasury and OMB, today’s agreement ensures increased accountability and transparency for the American people as we continue to implement tax cuts across the country,” said Office of Management and Budget Director Mick Mulvaney. “It is critical that we complete an efficient yet proper cost-benefit analysis of tax regulations while coordinating across the Executive Branch. President Trump and his Administration have worked tirelessly to remove unnecessary bureaucratic red tape for American families and businesses, and we are pleased that today’s agreement will promote economic growth and prosperity.”

In April 2017, President Trump directed Treasury and OMB to “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.” Under an agreement adopted in 1983 and reaffirmed in 1993, some Treasury regulations were subject to a review process different from other regulations issued by most executive agencies. Over the decades the agreements had been interpreted to exempt essentially all tax regulations.

The MOA announced today replaces the 1983 agreement with a new review process tailored to tax regulations—it focuses on reducing regulatory burdens while providing timely guidance to taxpayers. Under the MOA, OIRA will review a subset of tax regulatory actions and provide expedited review for these actions.

[View copy of the Memorandum of Agreement \(MOA\)](#)  .

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