



# **American Economic Association**

*Committee on Economic Statistics* [www.aeaweb.org/about-aea/committees/economic-statistics](http://www.aeaweb.org/about-aea/committees/economic-statistics)  
*Committee on Government Relations* [www.aeaweb.org/about-aea/committees/government-relations](http://www.aeaweb.org/about-aea/committees/government-relations)

July 15, 2021

The Honorable Janet L. Yellen  
Secretary, U.S. Department of the Treasury  
1500 Pennsylvania Avenue NW  
Washington, DC 20220

Dear Janet,

The American Economic Association's (AEA) Committee on Economic Statistics and Committee on Government Relations strongly endorse the Treasury Department's proposal to Authorize Limited Sharing of Business Tax Return Information to Measure the Economy More Accurately (<https://home.treasury.gov/system/files/131/General-Explanations-FY2022.pdf>, page 103).

The AEA's 2015 Statement on Data Synchronization (attached) describes long-standing discrepancies across the lists of businesses used by the Bureau of the Census, Bureau of Economic Analysis, and Bureau of Labor Statistics to construct surveys. These discrepancies make the measurement of key economic indicators difficult and distorted. Removing the barriers to synchronization in the manner proposed by the Treasury Department in its FY 2022 budget, will improve the measurement of key national indicators on the health of the American economy such as output, productivity, earnings, job growth and inflation as well as improve the efficiency and effectiveness of the agencies. Improvements in the quality of the economic statistics will enhance evidence-based decision making by policymakers at the Federal, State and Local levels, and improve decision-making by American businesses and households. Synchronization also has the potential to reduce the costs to the taxpayer and reduce paperwork burdens on the private sector by reducing duplication across the agencies. This proposal should be enacted within the framework of the Confidentiality Information Protection and Statistical Efficiency Act (CIPSEA) so that data synchronization is achieved in a manner that is consistent with maintaining the confidentiality and integrity of the data.

We hope you will let us know if there is anything our Committees can do to further the goals of the Treasury Department's FY2022 Green Book proposal on access to limited tax data, for statistical purposes only, across the principal economic statistics agencies.

With Thanks and Best Wishes,

*John Haltiwanger*

Chair, AEA Committee on Economic Statistics

*Kenneth Troske*

Chair, AEA Committee on Government Relations

cc: Wally Adeyemo, Deputy Secretary of the Treasury  
Barry Johnson, Director, Statistics of Income Division, IRS  
Mark Mazur, Deputy Assistant Secretary for Tax Policy, U.S. Treasury Department  
Catherine Wolfram, Acting Assistant Secretary for Economic Policy, U.S. Treasury Department

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