

January 22, 2014

Eric H. Holder, Jr.
Attorney General of the United States
United States Department of Justice
950 Pennsylvania Ave., N.W.
Washington, D.C. 20530

Dear Attorney General Holder:

Eight months ago, on May 14, 2013, the Treasury Inspector General for Tax Administration issued a report concluding that the “IRS used inappropriate criteria that identified for review Tea Party and other organizations applying for tax-exempt status based upon their names or policy positions instead of indications of potential political campaign intervention.”¹

The misuse of the IRS to target political opponents is a serious charge.

That day, the President rightly called the IRS’s improper targeting of conservative groups “intolerable and inexcusable,” and he “directed [Treasury] Secretary Lew to hold those responsible for these failures accountable.”²

The President also said that “Americans have a right to be angry about it, and I’m angry about it.” He pledged to work “hand in hand” with Congress to investigate this matter.³

Also on May 14, you publicly stated that you were ordering the Department of Justice to conduct a criminal investigation into the IRS’s inappropriate targeting of conservative organizations. You called this targeting “outrageous and unacceptable.”⁴

Since then, Lois Lerner, the former Director of the IRS’s Exempt Organizations Office, has invoked her Fifth Amendment right against self-incrimination and refused to answer questions from the House Oversight and Government Reform Committee.⁵

¹ Treasury Inspector General for Tax Administration, [Inappropriate Criteria Were Used to Identify Tax-Exempt Applications for Review](#), May 14, 2013.

² The White House, [Statement by the President](#), May 14, 2013.

³ Chelsea J. Carter, Drew Griffin & David Fitzpatrick, [‘Angry’ Obama announces IRS leader’s ouster after conservatives targeted](#), CNN.com, May 16, 2013.

⁴ Brett Logiurato, [Attorney General Eric Holder Orders a Criminal Investigation Into The IRS Scandal](#), Business Insider, May 14, 2013.

⁵ CQ Congressional Transcripts, [House Oversight and Government Reform Committee Holds Hearing on the IRS Investigation Concerning Tax-Exempt Organizations](#), CQ, May 22, 2013; Lauren French & Kelsey Snell, [Lerner at IRS hearing: ‘I have not done anything wrong’](#), Politico, May 22, 2013.

Before that, Lerner had publicly “apologized” for the agency’s abuse of power at an American Bar Association meeting.⁶

253 days have passed since both you and President Obama professed outrage at the IRS’s wrongful conduct. To date, no one has been indicted.

And it has been reported that the FBI plans not to file any criminal charges.⁷

Astonishingly, we now discover that the investigation is being led by a partisan Democrat who “donated a combined \$6,750 to President Obama’s elections and the Democratic National Committee between 2004 and 2012.”⁸ The lawyer leading the investigation did not come from the Public Integrity Section. Instead, it appears she was hand-picked from the Civil Rights Division, historically the most politically charged division at DOJ.

The Department of Justice has long served as a bulwark for rule of law. And Attorneys General—in both parties—have long had the integrity to stand up to political pressure even if it meant political trouble for the President who appointed them.

When President Nixon faced charges of abusing government power for partisan ends, Elliot Richardson appointed Archibald Cox as Special Prosecutor, to pursue justice and to insulate the investigation from political pressure.

Likewise, when President Clinton faced charges of ethical improprieties, Janet Reno appointed Robert Fiske as Independent Counsel, to pursue justice and to insulate the investigation from political pressure.

Sadly, the current Department of Justice has failed to live up to its storied history.

It strains credulity to say that, out of the over 114,000 employees at the Department of Justice, the only possible choice to lead the investigation was a major political donor to President Obama.

This, on its face, is a significant conflict of interest.

At the same time, this Administration is actively pushing new IRS rules governing §501(c)(4) organizations that would effectively legalize future IRS scrutiny of these conservative groups, by forcing them to disclose their donors if they wished to engage in voter education. And it has been reported that, with the 2014 elections approaching, promulgating these rules are a top partisan objective of President Obama and Democrats seeking political advantage.⁹

⁶ Zachary A. Goldfarb & Karen Tumulty, [IRS admits targeting conservatives for tax scrutiny in 2012 election](#), Washington Post, May 10, 2013; Stephen Ohlemacher, [IRS apologizes for Targeting Tea Party Groups](#), Associated Press, May 10, 2013; Rick Hasen, [Transcript of Lois Lerner’s Remarks at Tax Meeting Sparking IRS Controversy](#), Election Law Blog, May 11, 2013.

⁷ Devlin Barrett, [Criminal Charges Not Expected in IRS Probe](#), Wall St. Journal, Jan. 13, 2014.

⁸ Josh Hick, [Obama donor leading Justice Department’s IRS investigation](#), Washington Post, Jan. 9, 2014.

⁹ Kimberley A. Strassel, [IRS Targeting and 2014](#), Wall St. Journal, Jan. 16, 2014.

As matters currently stand, an impartial observer could reasonably conclude (1) that the “outrage” and “anger” expressed by both you and President Obama was less than sincere, (2) that the investigation was designed to brush the matter under the carpet and—especially—to avoid any facts coming to light that might implicate the White House, and (3) the Administration intends to continue using the machinery of government to target its political opponents.

Were it otherwise, why has no one been indicted? Why are no indictments planned? Why has the Administration stonewalled Congress? Why has no effort been made to let the public find out the truth about “who knew what and when?”

And why was the investigation led by a hand-picked major Obama donor?

This is a sad state of affairs. The widespread perception of partisan bias, of manifest conflict of interest, besmirches the reputation of the Department of Justice. And it undermines confidence in rule of law.

General Holder, you have served a substantial portion of your professional career at the Department. I ask you personally to demonstrate the independence that so many of your predecessors have demonstrated, and act to preserve the integrity of the Department of Justice.

Specifically, I would ask you to immediately appoint a special prosecutor, with meaningful independence, to investigate the IRS’s illegal targeting of conservative groups. That prosecutor should be given the latitude to follow the facts wherever they may lead, including the White House, and he or she should be charged both to prosecute any criminal conduct and to report to Congress and the American people as to what occurred, why it occurred, who knew about it, and what can be done to be sure it never happens again.

This special prosecutor should be someone whose integrity is beyond reproach. And, at a minimum, he or she should not be a major financial backer of President Obama.

Sincerely,

Ted Cruz
U.S. Senator