Congress of the United States Washington, DC 20515

November 4, 2019

The Honorable Charles P. Rettig Commissioner Internal Revenue Service 1111 Constitution Avenue, NW Washington, D.C. 20224

Dear Commissioner Rettig:

Thank you for your continued work to help homeowners in Connecticut and Massachusetts facing the crumbling foundations crisis.

As you may be aware, on August 26, 2019, the Connecticut Foundations Solutions Indemnity Company, Inc. (CFSIC), a state chartered insurer solely for the purpose of allocating state revenue and charitable contributions related to homeowners with crumbling foundations, announced that they would be issuing 1099 tax forms to all homeowners, regardless of the status of the homeowners' claim with CFSIC. Within days of learning that CFSIC would be issuing 1099s to homeowners, our staffs contacted IRS requesting clarification on CFSIC's decision. CFSIC had also reached out to our offices for assistance on this with IRS, and their letters to us on this topic are attached.

Our offices first engaged with the IRS about the issue of 1099s from CFSIC for crumbling foundations in August of 2019 and have requested updates every few weeks since then. After initially learning we might receive clarification in mid-October, it is now November and we are still waiting for information from your agency about this issue.

Although Tax Day for the 2019 tax year is still several months away, it is essential that we receive a resolution from the IRS on 1099s as soon as possible so that homeowners who have or may still seek financial reimbursement from CFSIC have clarity about this issue as soon as possible.

Given the urgency of this topic, please provide a response to us by November 15th, 2019.

Sincerely,

Member of Congress

RICHARD BLUMENTHAL

United States Senate

CHRISTOPHER S. MURPHY

United States Senate

Enclosures: Letters from CFSIC