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Statement to the United States House of Representatives Committee
on Ways and Means, in connection with a hearing titled, “The
Growing Business of Sports: Reviewing Federal Tax Policy in the
Multibillion-Dollar Industry.”

Professor Caroline Bruckner,
Hurst Senior Professional Lecturer, Accounting and Taxation
Managing Director, Kogod Tax Policy Center
Kogod School of Business, American University
4400 Massachusetts Ave., NW
Washington, D.C. 20016

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Chair Smith, Ranking Member Neal, and Members and Staff of the U.S. House of Representatives Committee on Ways and Means (the “Committee”) thank you for your work on behalf of taxpayers and for holding a hearing titled, “The Growing Business of Sports: Reviewing Federal Tax Policy in the Multibillion-Dollar Industry,” on June 30, 2026. My name is Caroline Bruckner, and I am a tax lawyer and professor with more than two decades of private practice and public service tax experience, including several years as chief counsel to the U.S. Senate Committee on Small Business and Entrepreneurship. I know first-hand the vital role of the congressional tax-writing committees in oversight of the U.S. Department of Treasury (Treasury), IRS operations and tax administration.

In my current position at American University Kogod School of Business (Kogod), I teach multiple tax classes to undergraduate and graduate business students and coordinate our voluntary income tax assistance (VITA) volunteer program. Each year, I volunteer during tax season alongside my students to prepare tax returns for low-income DMV residents. In addition, I am a current member of the IRS Advisory Council (IRSAC), a trustee on the board of the American Tax Policy Institute (ATPI) and vice-chair of the American Bar Association (ABA) Taxation Section Tax Policy and Simplification Committee. I also serve as the Managing Director of the Kogod Tax Policy Center (KTPC), which conducts non-partisan research on tax administration and compliance issues specific to small businesses and entrepreneurs. Our mission is to: (1) develop and analyze tax research and related policy recommendations; 2) promote public dialogue through publications and research, congressional testimony, submissions, and engagement; and (3) educate the press and policymakers on challenges facing small businesses and entrepreneurs.

Since 2015, I have focused the KTPC research agenda, in part, on the tax and compliance issues impacting self-employed small business owners and women business owners, the overwhelming majority of which are small businesses. I have also done extensive work on small business tax literacy issues. Earlier this spring, many of my fellow tax professors—and I—were contacted by student-athletes who were unprepared for the tax filing and compliance obligations associated with their Name, Image, and Likeness (NIL) income. Their experiences underscored a growing need for practical tax education and resources to help student-athletes comply with their federal and state tax responsibilities as well as a comprehensive national strategy on tax literacy. This directly relates to this Committee’s June 30 hearing. To that end, I would like to first submit to the Committee my latest work tracking the representation of women at legislative tax hearings, and second, urge the Committee to consider the challenge the tax literacy gap presents for student-athletes. The following comments are particularly relevant to this Committee’s work on helping student-athletes navigate the tax benefits included in the 2025 One Big Beautiful Bill Act (commonly referred to as the “OBBBA”).¹

I. Results of Efforts to Include More Women as Witnesses—and Submitting New Research on the Representation of Women Business Owners at Congressional Tax Hearings

The KTPC commends this Committee for working to ensure women and women business owners are represented as witnesses at its hearings. This is not merely a matter of optics—it is a matter of sound policymaking. In connection with this hearing, I am submitting findings from our latest KTPC research paper, *Overlooked and Undervalued: An Investigation of Women Business Owners and Congressional Tax Hearings* (co-authored with Collin Coil)² which was published by the Pittsburgh Tax Review in May 2026 for inclusion in the official hearing record. This new research includes new empirical findings from the KTPC’s Congressional Record Representation Dataset (CRRD) and its extended version (CRRDx), which together track more than 37,000 witness appearances across 7,750 legislative hearings held by sixteen congressional committees from the 110th through the 119th Congresses.

¹ Pub. L. No. 119–21.

² Bruckner, Caroline and Collin Coil. (2026). *Overlooked and Undervalued: An Investigation of Women Business Owners & Congressional Tax Hearings*. PITTSBURGH TAX REVIEW, Volume 23 (2025) | ISSN 1932-1821 (print) 1932-1996 (online) DOI 10.5195/taxreview.2025.id (forthcoming), available at: <https://taxreview.law.pitt.edu/ojs/taxreview>.

A. Major Findings

Our comprehensive CRRD research documents almost two decades of systemic underrepresentation of women and women business owners at congressional legislative hearings.³ The new findings we submit herein are specific to congressional tax hearings held by the tax-writing and small business committees from the 110th Congress through July 2025 (the “CRRDx data”), and including the following major findings:

1. **Women remain are regularly underrepresented at congressional tax hearings.** Across the specific 312 tax-related hearings we analyzed included in the CRRDx data, less than a quarter (24.1%) of the 1,390 witnesses were women. Also, nearly 40% of hearings were “manels”—witness panels comprised entirely of men.

Table 1: CRRDx Witnesses and Hearings

Congress	110th	111th	112th	113th	114th	115th	116th	117th	118th	119th	Total
Total Witnesses	237	157	240	182	166	121	42	95	124	26	1390
Women	42 (17.7%)	23 (14.6%)	45 (18.8%)	44 (24.2%)	43 (25.9%)	39 (32.2%)	11 (26.2%)	38 (40%)	39 (31.5%)	11 (42.3%)	335 (24.1%)
Men	195	134	195	138	123	82	31	57	85	15	1055 (75.9%)
Total Panels	47	35	49	31	43	32	13	21	27	14	312

2. **Women business owners were largely absent during the 2017 tax reform process.** In 2017, the congressional tax-writing committees held twelve hearings on tax reform, and less than 19% of the testifying witnesses were women. No women business owners testified at the sole Committee hearing on business tax reform, and no women testified at 42% (five of twelve) of the total tax reform hearings.⁴

3. **Statements for the Record Matter.** Following the submission of a KTPC statement for the record submitted to this Committee in connection with an April 2024 tax hearing—which urged the Committee to include more women business owners in tax hearings—the Committee made a measurable shift: subsequent hearings on extending the expiring 2017 tax cuts legislation saw women business owners notably *overrepresented* on witness panels.⁵ In our view, this represents a significant and documented departure from regular underrepresentation. It also suggests the potential impact statements for the record can have on the legislative process. Most importantly, this Committee should be commended for taking action to work to include women business owners in the tax policy legislative process.

4. **Diverse witnesses produce more diverse information for Congress.** Using large language models to measure information diversity in witness testimony, the research demonstrates a strongly significant and positive relationship between the presence of women on congressional witness panels and the diversity of information presented at hearings. According to the regression model, maximum information diversity is achieved with witness panels comprising approximately 42% women—nearly double the observed 24.1% rate.

5. **Statements for the record provide a more diverse and information-rich supplement to oral testimony.** A matched-pairs analysis of 187 hearings found that statements for the record contained significantly

³ Collin Coil, Caroline Bruckner, Natalie Williamson, Karen O’Connor & Jeff Gill (Feb. 15, 2024): [Still Underrepresented? Gender Representation of Witnesses at House and Senate Committee Hearings](#), JOURNAL OF WOMEN, POLITICS & POLICY, DOI: 10.1080/1554477X.2024.2311023.

⁴ See Caroline Bruckner, *Doubling Down on a Billion Dollar Blind Spot: Tax Reform and Women Business Owners*, 9 AM. U. BUS. L. REV. 1 (2020), <https://digitalcommons.wcl.american.edu/cgi/viewcontent.cgi?article=1129&context=aubl>.

⁵ *Expanding on the Success of the 2017 Tax Relief to Help Hardworking Americans: Hearing Before the H. Comm. on Ways and Means*, 118th Cong. (2024), <https://waysandmeans.house.gov/wp-content/uploads/2024/11/04.11.24-Official-Transcript.pdf>.

more diverse information than witness testimonies ($p=0.00046$), and more than one-third (34.7%) of submitted statements were authored by a woman or a group including a woman—a significantly higher rate than the 23.4% of oral witnesses who were women.

B. Recommendations

To build upon the progress documented in *Overlooked and Undervalued* and ensure that women business owners are effectively represented in connection with the tax policy debates ahead—including further implementation of OBBBA—this latest research makes the following recommendations:

1. Congressional committees should track and publicly report voluntarily supplied witness demographic information (including occupation, gender, veteran status, geographic origin, race, and ethnicity). This data is practically impossible to accurately source from hearing transcripts alone, and the absence of tracking has made it difficult to measure the impact of diversity efforts over time.
2. Committees should make deliberate, sustained efforts to include women on tax hearing witness panels, particularly in connection with hearings related to the tax provisions of OBBBA. As the research shows, this is not a symbolic gesture—it is a meaningful way to expand the range of information available to Congress during the lawmaking process.
3. Congress should develop platforms to solicit public feedback on pending legislation, consistent with Recommendations 174 and 176 of the December 2022 Report of the U.S. House of Representatives Select Committee on the Modernization of Congress. Statements for the record, while valuable, are not a sufficient substitute for a more systematic and accessible public comment process—particularly given the significant implications of major tax legislation for millions of taxpayers.⁶

This Committee's leadership in actively working to include more women on its hearing witness panels is a model for other congressional committees. The research presented in *Overlooked and Undervalued* demonstrates both why that leadership matters and how it directly improves the quality of information available to Congress as it crafts tax policy.

II. The June 30 Hearing Reiterated the Need for a Comprehensive National Strategy on Small Business Tax Literacy

The passage of OBBBA represents a significant legislative initiative, with substantial tax benefits targeted at hardworking Americans and small business owners. However, the ability of millions of taxpayers to fully realize those benefits depends on something that has received far too little attention in the policy debate: whether taxpayers have sufficient tax literacy to know these benefits exist, understand how they apply, and comply with the associated requirements. The evidence is clear that they often do not—and that the consequences are significant. This is particularly relevant for student-athletes earning NIL income. The June 30 hearing repeatedly emphasized the need for financial literacy for student-athletes, and the KTPC could not agree more based on our research findings and anecdotal experience in working with student-athletes struggling to comply with their filing obligations.

As a foundational matter, it is vital for this Committee to recognize and act in accordance with the fact that tax literacy is distinct from, though foundational to, financial literacy. As this Committee well knows, every major money decision taxpayers make—earning income, spending, borrowing, saving, investing, or starting a business—has tax consequences that directly impact financial decision-making. Without understanding how taxes work, even smart financial choices on paper can lead to unnecessary costs, penalties, or lost opportunities in practice.

⁶ H.R. REP. NO. 117-646 (2022).

As Sam Acho testified, student-athletes who do not understand their tax-filing obligations risk financial devastation from NIL income: an 18-year-old who earns \$750,000, buys a home and a car, pays room and board, sets aside nothing for taxes, and then suffers a career-ending injury can be left with only a few thousand dollars in the bank and a tax bill of more than \$300,000—debt they may never escape.

As KTPC research has shown, many small business taxpayers are unaware of their tax filing obligations when they earn income not subject to withholding.⁷ This is particularly problematic for student-athletes, because tax education is not commonly taught in high schools or post-secondary institutions (other than for accounting students). In fact, most taxpayers report learning to “do their taxes” on their own or from family and friends.⁸ At the same time, low tax literacy is particularly problematic for student-athletes, whose NIL earnings often trigger self-employment tax, quarterly-estimated payment obligations, and multiple state returns that even experienced adult taxpayers struggle to navigate. While many higher education institutions and other organizations, including ATPFI and the ABA Taxation Section, are actively working to address some of the tax education needs these student-athletes have, this Committee is uniquely positioned to work with Treasury and IRS on a national tax literacy strategy to address the tax literacy gap that burdens taxpayers.

A. The IRSAC 2025 Annual Report: A Critical Diagnosis

In January 2026, the IRSAC released its [2025 Annual Report](#), which devotes a full issue—“Expanding and Developing Resources to Increase Tax Literacy for Small Business Owners”—to the tax literacy gap facing small businesses and independent workers (“IRSAC Annual Report”).⁹ The IRSAC Annual Report is an authoritative, nonpartisan source that draws on interviews with IRS staff and a comprehensive review of existing IRS resources. Its findings are unambiguous:

- Recent surveys show that as many as 42% of new small business owners report having little to no financial literacy before starting their firms, and many suspected they had lost profits as a result of low tax literacy, and many business owners are unfamiliar with the Section 199A deduction, a critical benefit designed precisely to reduce their tax burden.
- IRS resources for small businesses “can be hard to locate through traditional online searches and may be out of date,” undermining the ability of small business owners to find and use available guidance.
- A significant share of self-employed and gig workers did not know about quarterly estimated tax obligations or basic recordkeeping requirements, and many did not realize that income is taxable even when no information return is issued.

These findings build on the National Taxpayer Advocate’s 2024 Annual Report to Congress, which designated “Tax and Financial Literacy” as one of the ten Most Serious Problems facing U.S. taxpayers, estimating that insufficient financial literacy cost Americans more than \$388 billion in 2023—approximately \$1,506 per adult—and documenting that over 61% of surveyed taxpayers were unsure about basic income tax concepts, including filing deadlines, what

⁷ Caroline Bruckner & Barbara Robles, The Small Business Tax Literacy Project: Understanding Tax Literacy Gaps for Small Business and the Growing Gig Workforce, Kogod Tax Policy Center in partnership with Public Private Strategies Survey (Apr. 15, 2023), available at https://8614653.fs1.hubspotusercontent-na1.net/hubfs/8614653/Small-Business-Literacy-Infographic_rd1.pdf.

⁸ *Id.*

⁹ IRSAC 2026 Annual Report, Publication 5316 (Rev. 1-2026) Catalog Number 71824A Department of the Treasury Internal Revenue Service (Jan. 14, 2026), available at <https://www.irs.gov/pub/irs-pdf/p5316.pdf>.

income to report, recordkeeping, and the relative value of credits and deductions.¹⁰ Tax literacy and its impact on taxpayers ability to comply with their tax obligations and benefit from provisions of OBBBA is an all-too-often ignored aspect of tax administration.

B. The FLEC National Strategy Update: A Critical Opportunity

On February 3, 2026, Treasury requested public input to inform the Financial Literacy and Education Commission's (FLEC) statutorily required annual review of the U.S. National Strategy for Financial Literacy. This request presents a timely and significant policy opportunity. The 2020 National Strategy—the most recent in effect—did not include small business financial and tax literacy as a priority area. That omission has real consequences for taxpayers.

In Spring 2026, the ABA Taxation Section submitted comments to Treasury urging the FLEC to designate small business tax literacy as a national priority.¹¹ IRSAC also submitted comments to Treasury to consider the findings of its annual report and recommended:

- Development of a national strategic tax literacy plan and create tax education materials that states could integrate into financial literacy and civics curricula for school students.
- Establishing of an IRS-led tax literacy task force under FLEC to develop a comprehensive strategy for measuring and improving tax literacy, including standardized, evidence-based metrics for tax literacy covering core concepts such as recordkeeping, estimated tax obligations, and worker classification.
- IRS partner with other federal agencies—including the U.S. Small Business Administration and state business licensing systems—to develop and distribute tax education resources alongside financial literacy information provided to business owners at critical points in the business lifecycle (such as when applying for grants or loans).
- Creation and publication of user-friendly, plain-language, multilingual tax education content on IRS.gov that explains the fundamentals of the U.S. tax system and clarifies distinctions between income and employment taxes.

Enacting legislation that provides tax relief for taxpayers is only half the equation. Ensuring that taxpayers can access and benefit from those provisions is equally important—and equally the work of Congress and of this Committee.

C. The Connection to OBBBA and the Work of This Committee

OBBBA includes significant tax benefits targeted to small business owners—from expanded deductions to new incentives for investment. But KTPC research and the IRSAC findings are clear: even existing tax benefits are routinely left on the table because small business owners do not know about them. For example, nearly half of small business owners were unfamiliar with Section 199A before OBBBA, one of the most consequential tax benefits ever enacted for individuals with business income. New provisions in OBBBA will face the same risk of underutilization absent a coordinated strategy to ensure taxpayers are educated and prepared.

Moreover, the consequences of insufficient tax literacy are not limited to missed opportunities. Keep in mind, small businesses that lack basic tax knowledge face penalty and audit exposure, are more likely to contribute to the federal tax gap (estimated at \$696 billion for tax year 2022), and are disproportionately harmed by the compliance costs that

¹⁰ Nat'l Taxpayer Advocate, *2024 Annual Report to Congress* 104-05 (2024) (Most Serious Problem #8: Tax and Financial Literacy: Limited Tax and Financial Knowledge Is Causing Serious Consequences for Taxpayers), <https://www.taxpayeradvocate.irs.gov/reports/2024-annual-report-to-congress/full-report>.

¹¹ Final ABA letter on file with author. Other comment letters available at: <https://www.regulations.gov/document/TREAS-DO-2026-0001-0001/comment>.

tax complexity imposes. The IRS estimated that individuals failing to correctly report business income account for as much as \$194 billion of the underreporting gap, and self-employment tax underreporting accounts for an additional \$71 billion.

This Committee is uniquely positioned to act. Urging Treasury and the FLEC to adopt tax literacy as a national priority—and supporting through funding the IRS’s development of targeted, accessible tax education resources—would represent a meaningful and durable complement to the oversight and legislative work this Committee has undertaken. At a time when millions of taxpayers are being asked to navigate the complexity of significant new tax legislation, they deserve a government that equips them to succeed.

Conclusion

The KTPC appreciates the opportunity to submit this statement in connection with the Committee’s June 30 hearing. The issues raised here—the representation of women as witnesses at congressional tax hearings and the urgent need for a national tax literacy strategy—are complementary. Both reflect a fundamental commitment to ensuring that all taxpayers have a meaningful opportunity to participate in and benefit from the legislative process and the tax system.

I respectfully urge the Committee to: (1) continue and institutionalize its commendable efforts to include more women and women business owners as witnesses at its hearings; and (2) champion a comprehensive national strategy on tax literacy, including through support for the FLEC’s designation of tax literacy as a national priority and designating resources for IRS tax literacy and education programming.

I am available to provide additional information or to testify before the Committee on either of these issues at your convenience.¹²

¹² AI tools (Perplexity, GPT-5.1) were used to revise language and provide wording suggestions; the final recommendations, citations and content reflect human drafting, editing, review and judgment.