



News

Anshuman Vaidya Comments on IRS-DHS Data Sharing Agreement and Taxpayer Privacy Concerns

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Hinshaw partner Anshuman Vaidya was quoted in a *Bloomberg Law: Daily Tax Report* article examining the significance of an IRS agreement to share taxpayer data with the Department of Homeland Security (DHS), along with novel litigation over a contractor's leak of taxpayer information.

The issue centers on the taxpayer privacy protections enshrined under Internal Revenue Code (IRC) Section 6103. While Section 6103 protects taxpayer information from disclosure, it has several exceptions, most notably for criminal enforcement.

The IRS recently agreed to share taxpayer data with DHS as part of the Trump Administration's crackdown on illegal immigration. That data sharing agreement is currently being challenged in court. Notably, Section 6103 does not require the IRS to determine if another agency seeking taxpayer information is acting in "good faith."

Anshuman, who previously served as the Deputy Managing Counsel at the Office of IRS Chief Counsel in Chicago, said that while "[Section] 6103 might not be on the minds of every tax practitioner, ... it's definitely on the minds of every attorney at the IRS."

He noted that even just the perception by taxpayers that their information could be shared or exposed beyond the original intent of Section 6103 could harm voluntary compliance with the Internal Revenue Code. "What the law authorizes and what people actually believe will happen are two different things," he cautioned.

Read the full article (subscription may be required).

 Bloomberg Law: "Taxpayer Data Sharing Tests Privacy Protections' Reach" (June 11, 2025)

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