

Republicans Can Kill Trump's Retribution Fund for Good

Editoriale

President Trump is retreating from the proposal to set up a \$1.776 billion “anti-weaponization” fund as a settlement of his lawsuit against his Internal Revenue Service. “We’re not moving forward with the fund. Period,” acting Attorney General Todd Blanche told Congress Tuesday. Not moving forward? That isn’t dead for good, and it isn’t enough.

Republicans in Congress can kill the idea forever, however, by barring money for its use. That would be good policy and politics. The “settlement” between Mr. Trump and his own Administration, diverting \$1.8 billion of tax money to political allies, possibly including Jan. 6 rioters, would be an ugly precedent. The courts have blocked the payouts for now, and the Justice Department said Monday it will “abide by” that. Even if Mr. Trump publicly swears off the idea, he could have a change of heart later. The way to ensure the fund is more than mostly dead would be for Congress to put a stake through it. The Senate could add language to the GOP’s immigration reconciliation package. The House could move a two-page bill by Republican Brian Fitzpatrick and Democrat Tom Suozzi to halt payouts.

On the legal merits, this settlement and proposed \$1.776 billion fund are different from a normal case against abusive government. Mr. Trump was wronged by the IRS contractor who stole and leaked his tax records in 2019, during the first Trump Administration. He had four years under President Biden to sue the IRS and make a claim for monetary damages. Yet he waited until this year, after voters put him back in office, to bring a case seeking \$10 billion.

Mr. Trump could have considered his 2024 election victory as just compensation. Or he could have followed the example of Citadel CEO Ken Griffin, who also sued over the leak of his tax details. Mr. Griffin settled for a public apology, plus an assurance

that the IRS “has made substantial investments in its data security to strengthen its safeguarding of taxpayer information.” No money changed hands.

Instead Mr. Trump wants to parley the IRS’s failure into a \$1.8 billion fund to pay off MAGA friends, people who have no legal claim against the tax agency, because their information was never leaked. The money would be controlled by five commissioners, all of whom would be fireable by Mr. Trump. While the Obama Administration made some outrageous settlements, wait until the next Democrat follows this model.

Voting to cut off Mr. Trump’s slush fund would also be healthy for Congress’s public image and role as a separate branch of government willing to check presidential excess. If Republicans act together, their swing-state candidates will be able to point to this as an example of independence from Mr. Trump, while it will be more difficult for the President to single out Maine Sen. [Susan Collins](#) or others as targets of his anger.

Ending the fund legislatively might also help put to rest the judicial actions on the \$1.8 billion settlement that might otherwise run for weeks or months. The federal judge in Florida has ordered Mr. Trump to answer whether the dismissal of his lawsuit against the IRS was “premised on deception,” and whether “the case should be reopened because the Court was the ‘victim of a fraud.’”

Mr. Trump has no shortage of wild ideas, but the \$1.776 billion retribution fund is one of his worst. The best outcome now would be for Republicans in Congress to unite to kill it.