

United States Senate

WASHINGTON, DC 20510

March 20, 2025

Mehmet Oz
Nominee for Administrator of the Centers for Medicare & Medicaid Services
The White House
1600 Pennsylvania Ave NW
Washington, DC 20500

Dear Dr. Oz:

We write with concern regarding reports that you avoided over \$400,000 in Medicare taxes over the past three tax years.¹ This avoidance raises serious concerns about your fitness to lead the Centers for Medicare and Medicaid Services (CMS). If you are unwilling to pay your legal and fair share of taxes into Medicare, there is little reason to believe you will be a good steward of the program for the tens of millions of seniors and people with disabilities who rely on it.

Medicare provides vital and lifesaving services for nearly 70 million Americans.² Since nearly all Americans eventually enroll in Medicare, nearly all working Americans are required to pay a portion of their income in Medicare tax.³ For the vast majority of Americans who receive a paycheck from their employer, this contribution is automatically removed from their paychecks.⁴ However, very wealthy individuals like yourself—who receive income from partnerships—pay their Medicare taxes by appropriately documenting and designating income and paying the required 3.8% of their income in taxes in accordance with federal law.⁵

During your Senate confirmation process, a review of your financial records by Senate Finance Committee staff revealed that you have avoided hundreds of thousands of dollars in Medicare

¹ Senate Finance Committee, Democratic Staff, “Memorandum for Finance Committee Members re: Tax Disclosures for Mehmet Oz, nominee to be Centers for Medicare and Medicaid Services Administrator,” March 14, 2025, <https://punchbowl.news/wp-content/uploads/Dr-Oz-Tax-Disclosure-Memo-Final-Confidential-for-the-Information-of-Members.pdf>.

² Centers for Medicare and Medicaid Services, “Monthly Enrollment,” <https://data.cms.gov/summary-statistics-on-beneficiary-enrollment/medicare-and-medicare-reports/medicare-monthly-enrollment>.

³ Internal Revenue Service, “Topic no. 751, Social Security and Medicare withholding rates,” <https://www.irs.gov/taxtopics/tc751>.

⁴ Internal Revenue Service, “Understanding employment taxes,” <https://www.irs.gov/businesses/small-businesses-self-employed/understanding-employment-taxes>.

⁵ Internal Revenue Service, “Self-employment tax (Social Security and Medicare taxes),” <https://www.irs.gov/businesses/small-businesses-self-employed/self-employment-tax-social-security-and-medicare-taxes>.

and Social Security taxes in the past few years.⁶ You did so by claiming you were a “limited partner” in Oz Property Holdings, LLC, your media entity which owns Oz Media and Show Production.⁷ This limited partner status provided you with an exemption from the Medicare tax. However, the IRS and the Tax Court have determined that a limited partner must actually have limited activity in the partnership in order to claim the exemption.⁸ It defies common sense that you only engaged in limited activity in the LLC which bears your name, which you are a member of, and which owns your media company.⁹ Indeed, you took the opposing position in trying to avoid liability on another set of taxes on your partnership income: in response to inquiries from Senate Finance Committee staff, you argued that you were not liable for the net investment income tax on income from Oz Property Holdings because you “materially participated in the activities of this entity.”¹⁰ When approached by the Finance Committee and offered the chance to amend your tax returns to bring them in line with the positions of the IRS, Treasury Department, and the Tax Court, you refused.¹¹

This episode raises serious concerns about your fitness to serve as the Administrator for the Centers for Medicare and Medicaid Services. Medicare is funded by the tax contributions of millions of hardworking Americans. Yet, you misused a tax loophole to avoid paying your fair share. Accordingly, to address our questions on this matter, we request that you answer the following questions prior to any Senate Finance Committee vote on your nomination:

1. Will you commit to paying the IRS the full amount of taxes that the Senate Finance Committee staff found that you did not pay because of your questionable tax avoidance tactics?
2. Will you commit to making your tax filings from the last five years public, with redactions to protect confidential or sensitive personal information, in advance of the Senate Finance Committee’s vote on your nomination?
3. Will you commit to voluntarily submitting to an IRS audit of your previous three years of tax filings and all tax filings during your time as Administrator if you are confirmed?
4. Did you materially participate in the activities of Oz Property Holdings, LLC for the tax years 2021, 2022, and 2023?
 - a. Please describe your role at Oz Property Holdings, LLC in relation to the chain of command.

⁶ NBC News, “Dr. Mehmet Oz may have underpaid Medicare and Social Security taxes, Senate Democratic memo finds,” Kate Santaliz, March 13, 2025, <https://www.nbcnews.com/politics/congress/dr-mehmet-oz-medicare-social-security-taxes-democrats-memo-rcna196237>.

⁷ Senate Finance Committee, Democratic Staff, “Memorandum for Finance Committee Members re: Tax Disclosures for Mehmet Oz, nominee to be Centers for Medicare and Medicaid Services Administrator,” March 14, 2025, <https://punchbowl.news/wp-content/uploads/Dr-Oz-Tax-Disclosure-Memo-Final-Confidential-for-the-Information-of-Members.pdf>.

⁸ Bradford Tax Institute, “Self-Employment Taxes for Active Limited Partners,” June 2024, <https://bradfordtaxinstitute.com/Content/Self-Employment-Taxes-for-Active-Limited-Partners.aspx>.

⁹ Senate Finance Committee, Democratic Staff, “Memorandum for Finance Committee Members re: Tax Disclosures for Mehmet Oz, nominee to be Centers for Medicare and Medicaid Services Administrator,” March 14, 2025, <https://punchbowl.news/wp-content/uploads/Dr-Oz-Tax-Disclosure-Memo-Final-Confidential-for-the-Information-of-Members.pdf>.

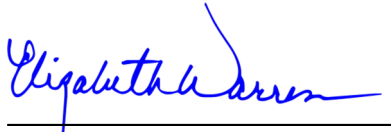
¹⁰ *Id.*

¹¹ *Id.*

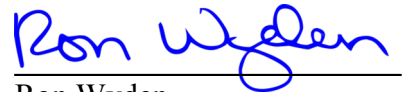
- b. Please describe your involvement in day-to-day decision-making at Oz Property Holdings, LLC.
5. Why did you describe yourself as both a “limited partner” in Oz Property Holdings and a material participant in the activities of Oz Property Holdings on the same tax returns?
6. Do you believe that Americans have the right to refuse to pay their Medicare taxes as required by federal law, including as defined by rulings from the IRS and Tax Court?

Thank you for your attention to this important matter.

Sincerely,



Elizabeth Warren
United States Senator



Ron Wyden
United States Senator