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Laws Slashing IRS Power Are Passing, With More Coming

Positive feelings for the IRS may be at a low point right now, as the nation licks its collective tax wounds. Most Americans recognize that we have to have taxes, and that someone must collect them. But that is probably where sympathy or understanding for the IRS's role ends. A raft of scandals involving the IRS, poor and even evasive responses to Congress, bungled approaches to security, and a seeming diffidence to the public and concerned legislators have not won the IRS any friends. For Republicans, the IRS Commissioner has been a lightning rod they still grumble about impeaching.

To add insult to injury, the [IRS admitting that it encourages illegals to steal Social Security Numbers](#) makes some people wonder who the IRS works for. Republicans in particular haven't forgotten, and they have been moving—not exactly quietly—to hit the IRS where it hurts. Two anti-IRS bills have passed the full House, which come on the heels of the House Committee on Ways and Means [voting to pass four pieces of legislation](#) to make the IRS more accountable. Will these bills actually get passed? Two have already passed the full house.



In this May 21, 2013, file photo, tea party activists demonstrate on Fountain Square before marching to the John Weld Peck Federal Building in Cincinnati to protest the IRS targeting of conservative groups seeking tax-exempt status. (AP Photo/Al Behrman, File)

The first is [H.R. 4885](#), the *IRS Oversight While Eliminating Spending Act of 2016*. Rep. Jason Smith (R-MO) said this:

- 6 *The IRS OWES Act would allow the American people to have a say in how that money is used. No agency should be independent of Congress and the American people in its own funding. This legislation is about safe guarding the American taxpayer, making the IRS beholden to them and not the other way around.*

The IRS OWES Act would give Congress more oversight power. It would require Congressional approval before the IRS could spend funds collected through user fees. The IRS would have to deposit fees into a general fund at the Department of Treasury, which is slated to be used to improve services for taxpayers. The IRS doesn't like this.

In fact, the Obama administration has said that it “would reduce overall IRS resources by roughly 4 percent, compounding budget cuts that have left the IRS severely underfunded and reversing the limited progress the IRS has been able to make on taxpayer service levels this year after receiving a modest funding increase in fiscal year 2016.” Ways and Means Committee Ranking

Member Sander Levin (D-MI) gave a [floor statement](#) in opposition to H.R. 4885, which he says would effectively cut the IRS's budget by as much as \$500 million.

The second bill that has passed the House is [H.R. 1206](#), the *No Hires for the Delinquent IRS Act*, sponsored by Rep. David Rouzer (R-NC). The No Hires for the Delinquent IRS Act, would prevent the agency from hiring employees who have failed to meet their own tax obligations. It [passed in a 254-170 vote](#), with 11 Democrats joining Republicans in voting for the measure. Chairman Brady said of this bill:

6 *I commend Mr. Rouzer of North Carolina for helping to shine a light on the fact that some of the IRS's own employees have serious delinquencies on their personal tax obligations ... This is outrageous and the American people deserve better. [This] legislation is an important step toward creating accountability and restoring the public's trust in the IRS."*

There are several more bills in the pipeline that would also cut back on IRS power. One is [H.R. 3724](#), the *Ensuring Integrity in the IRS Workforce Act of 2016*. As the bill's sponsor Rep. Kristi Noem (R-SD) said: "*[This legislation] is a simple, bipartisan fix to a serious problem. The bill does what the IRS bureaucracy in Washington won't – it stops the IRS from rehiring former employees who had been fired for cause.*"

Finally, there is [H.R. 4890](#), the *IRS Bonuses Tied to Measurable Metrics Act*. Bill sponsor Rep. Pat Meehan (R-PA) explained it this way: "*The IRS has shown that it will prioritize bonuses over assisting taxpayers. This legislation would bring accountability to the process by requiring the IRS to complete a customer service strategy before paying out any more bonuses.*"

President Obama has already threatened to veto bills that cut back on IRS budgets or power. In that sense, none of these bills may end up as law. However, the fact that these bills are going forward is at least something, particularly as Americans have once more dug deep to handle their tax filing and tax payment obligations. Supporters say that the goal of the four bills is to help improve customer service, prevent fraud, and ensure taxpayer dollars are being spent appropriately. If that sounds like an ambitious undertaking, it is.

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