

Waste Action Alert

A publication of the RSC Sunset Caucus from co-chairs Kevin Brady (R-TX) and Jason Chaffetz (R-UT)
Rep. Jim Jordan (R-OH), RSC Chairman

Require the Internal Revenue Service to Deposit Fees they Receive into the Treasury

July 20, 2011

Program or Item Targeted: Increase congressional oversight and require the Internal Revenue Service to deposit fees they receive from services into the Treasury for deficit reduction.

Cost of Program or Item: \$1.839 billion over ten years.

Background on Program or Item to Be Sunseted: The 1995 appropriations act for the Department of the Treasury and various agencies authorized the Internal Revenue Service (IRS) to establish or increase fees for some of its services. The IRS mainly uses this authority to charge fees to taxpayers for entering into payment plans. This same appropriations bill also permits the IRS to retain and spend the receipts collected from such fees.

Why This Program or Item Is Wasteful: Current law allows the IRS to use the resulting income on various activities without going through the regular appropriations process. This limits congressional oversight over how the IRS spends its budget. Congress should ensure that funds spent by the IRS are useful for the taxpayer, and currently the Congress does not have the oversight capability to review how these funds are spent. With this year's deficit approaching \$1.4 trillion, these funds received by the IRS should be deposited into the Treasury for the purposes of deficit reduction. This increases congressional oversight of the IRS budget and aids in getting the country back on track with spending restraint.

Legislative Steps Taken So Far: Rep. Pete Olson (R-TX) has introduced H.R. 2585, the Instituting Responsible Spending (IRS) Act. This legislation would eliminate the agency's ability to spend the fees it collects and would require that those fees are deposited in the Treasury for the purposes of deficit reduction.

MEMBER ACTION ITEM: All RSC Members are encouraged to cosponsor the IRS Act by contacting Nicole Alexander at Nicole.Alexander@mail.house.gov. **This legislation is endorsed by Citizens Against Government Waste, and their endorsement letter can be [viewed here](#).**

If you would like to participate in eliminating wasteful programs with the RSC Sunset Caucus please e-mail Curtis.Rhyne@mail.house.gov.

Note: Not every item featured in the Waste Action Alerts is necessarily endorsed by the RSC.
These Alerts highlight the individual initiatives of members of the RSC Sunset Caucus.

"The RSC Sunset Caucus uncovers government waste and seeks to eliminate it, working to sunset programs that taxpayers shouldn't be paying for."