

FEATURE ISSUE



Policy Feature Issue: Ten Things the Financial Services Appropriations Bill does to Limit IRS Overreach and Abuse

This week, the House is considering H.R. 5016, the *Financial Services and General Government Appropriations Act, 2015*, which provides a total of \$21.3 billion in discretionary funding - **\$566 million below last year's enacted level**. The bill eliminates funding for nine programs totaling \$37.9 million and reduces funding for more than a dozen agencies. Moreover, the bill addresses the Internal Revenue Service's (IRS) improper targeting of conservative groups, as well as prior misconduct. H.R. 5016 proposes a number of policy provisions that will limit IRS overreach and abuse:

- 1) Significantly Reduces IRS funding** – H.R. 5016 cuts IRS funding \$1.48 billion below last year and nearly \$3 billion below the request. In total, the bill brings IRS funding **below 2003 funding levels**.
- 2) Prevents the IRS from Implementing new 501(c)(4) Regulations** – H.R. 5016 prevents the Treasury from using any funds to revise, or finalize any regulation related to 501(c)(4) organizations.
- 3) Prevents the IRS from Implementing Obamacare** – H.R. 5016 prevents the IRS from using any funds to enforce Obamacare's individual mandate. Moreover, it prevents the IRS from transferring funds from HHS to the IRS for Obamacare uses.
- 4) Prohibits IRS Targeting** – H.R. 5016 prohibits any funds from being used to subject organizations to additional scrutiny based upon ideological beliefs.
- 5) Protects the 1st Amendment** – H.R. 5016 also prohibits the IRS from using any funds to target individuals for exercising their First Amendment rights.
- 6) Prohibits funding for IRS bonuses** – H.R. 5016 prohibits the IRS from awarding any bonuses to its employees unless tax compliance and conduct are given consideration.
- 7) Prevents Destruction of Records** – H.R. 5016 prevents any funding from being used to destroy, deface, or dispose of records, regardless of their form or characteristics, in contravention with the Federal Records Act.
- 8) Stops Unnecessary Waste** – H.R. 5016 prohibits any funding from being used by the IRS to create inappropriate videos and hold frivolous conferences.
- 9) Protects and Serves Taxpayers** – H.R. 5016 requires the IRS to institute and enforce policies that safeguard the confidentiality of taxpayer information and protect taxpayers from identity theft.
- 10) Improves IRS Accountability** – Finally, this legislation requires the IRS to establish an employee training program that covers issues such as taxpayers' rights, ethics, and applying tax law impartially.