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# COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore (Mr. GRAVES of Louisiana) laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,  
HOUSE OF REPRESENTATIVES,  
Washington, DC, April 20, 2016.

Hon. PAUL D. RYAN,  
The Speaker, House of Representatives,  
Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, the Clerk received the following message from the Secretary of the Senate on April 20, 2016 at 9:26 a.m.:

That the Senate passed H.R. 2722.

That the Senate passed S. 2755.

With best wishes, I am

Sincerely,

KAREN L. HAAS.

## IRS OVERSIGHT WHILE ELIMINATING SPENDING (OWES) ACT OF 2016

Mr. SMITH of Missouri. Mr. Speaker, pursuant to House Resolution 687, I call up the bill (H.R. 4885) to require that user fees collected by the Internal Revenue Service be deposited into the general fund of the Treasury, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 687, in lieu of the amendment in the nature of a substitute recommended by the Committee on Ways and Means printed in the bill, an amendment in the nature of a substitute consisting of the text of Rules Committee Print 114-50 is adopted and the bill, as amended, is considered read.

The text of the bill, as amended, is as follows:

H.R. 4885

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SECTION 1. SHORT TITLE.

*This Act may be cited as the "IRS Oversight While Eliminating Spending (OWES) Act of 2016".*

### SEC. 2. DEPOSIT OF IRS USER FEES INTO GENERAL FUND OF THE TREASURY.

(a) IN GENERAL.—The second sentence of section 3 of title I of Public Law 103-329 (26 U.S.C. 7801 note), under the heading "ADMINISTRATIVE PROVISIONS-INTERNAL REVENUE SERVICE", is amended by striking "The Secretary of the Treasury may spend" and all that follows through "and thereafter:" and inserting the following: "Any fees collected pursuant to this section shall be deposited in the general fund of the Treasury and shall not be expended by the Internal Revenue Service unless provided by an appropriations Act:"

(b) CONFORMING AMENDMENT.—The last proviso of such section is amended by striking "and how they are being expended by the Service".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to fees collected after the date of the enactment of this Act.

The SPEAKER pro tempore. The bill shall be debatable for 1 hour equally divided and controlled by the chair and ranking minority member of the Committee on Ways and Means.

The gentleman from Missouri (Mr. SMITH) and the gentleman from Michigan (Mr. LEVIN) each will control 30 minutes.

The Chair recognizes the gentleman from Missouri.

#### GENERAL LEAVE

Mr. SMITH of Missouri. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative day in which to revise and extend their remarks and include extraneous materials on H.R. 4885, currently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SMITH of Missouri. Mr. Speaker, I yield myself such time as I may consume.

The IRS OWES Act is about protecting the American taxpayer, those who elected us to represent them, from an IRS proven incapable of best serving their interests.

President Thomas Jefferson said: "When the people fear the government, there is tyranny. When the government fears the people, there is liberty."

Right now, the people of Missouri's Eighth District fear the IRS. They fear an unjust audit, political or religious targeting, and, most recently, they fear spending an average of 8 hours to complete their tax returns. That is simply not right.

This bill is about liberating the folks of Missouri, along with all Americans, from the IRS. It is about making the IRS beholden to them and not the other way around. And it is about exerting our Article I authority of the power of the purse of Congress, making sure that unelected bureaucrats are not spending taxpayer money improperly and unwisely.

A Democrat Congressman from the State of Missouri once said: "I come from a State that raises corn and cotton, cockleburs, and Democrats. And frothy eloquence neither convinces, nor satisfies me. I'm from Missouri; you've got to show me."

The IRS has not shown this body, they have not proven to the Missourians whom I represent, and they have not proven to the American people that they are responsible stewards of user fees. Through user fees, the IRS collects almost \$500 million. It is nothing but a slush fund.

Mr. Speaker, that is why we filed the IRS OWES Act. It provides Congress and the American public with greater oversight in how the IRS is spending valuable taxpayer resources.

As is, the IRS collects various user fees that sit in an account where they can spend the money without Congressional approval. In the past, the IRS dedicated significant amounts of its collected user fees to improving the

services provided to taxpayers who need assistance.

The IRS in the past few years has turned these fees into a slush fund, diverting this money away from serving the taxpayer and, instead, putting it towards whatever they want—in particular, the implementation of ObamaCare mandates, something Congress has specifically withheld funding for.

In 2014, the IRS allocated \$183 million in user fees to serving the needs of taxpayers. That is 44 percent of the entire slush fund. Yet, in 2015, the IRS allocated a mere \$49 million in user fees to help taxpayers. That is 10 percent. So in one year, they went from 44 percent of serving taxpayers to 10 percent in serving taxpayers, at their own discretion.

Just yesterday I asked the IRS Commissioner in a hearing whether it was Congress or the IRS that cut funding for taxpayer customer service. Here were my questions and his answers:

"In 2014, you appropriated \$183 million for taxpayer assistance; is that correct?"

The Commissioner said: "Yes."

I then followed up: "In 2015, you appropriated \$49 million for taxpayer assistance; is that correct?"

The Commissioner said: "That is correct."

I then followed up: "So it was your decision to cut taxpayer assistance by \$130 million; is that correct?"

The Commissioner of the IRS said: "Yes."

Instead of using those resources to grow taxpayer services, reduce wait times, and improve the public's interactions with the IRS, they are dedicating close to \$200 million on technology to help implement and track the ObamaCare mandates. It is no wonder that last year the Commissioner of the IRS would call the level of taxpayer services abysmal. That is simply unacceptable.

The pattern here is alarming. When the IRS has discretion, the agency uses that discretion in ways that harm Americans. It is the duty of the IRS to work for the taxpayers, not against them.

I encourage my colleagues to do the citizens they represent a favor and support the IRS OWES Act.

I reserve the balance of my time.

Mr. LEVIN. Mr. Speaker, I yield myself such time as I may consume.

Here is the story. Here are the honest facts.

Republicans have cut the IRS budget by close to \$1 billion over the past 5 years. This bill is just another budget cut, further reducing the IRS' budget by as much as \$500 million.

The consequences of these budget cuts for taxpayers are significant, as you can see from this chart. What has happened since 2011 is the appropriations have gone down and waiting times have gone up. The average wait is shown by this blue line. The dollars

are in the yellow. The only improvement was when we appropriated a couple hundred million dollars at the initiative of Democrats, and the waiting times went down as money went up.

The Republicans who complain about poor IRS customer service, they have only to look in the mirror to see who is responsible. Here are the facts.

Republican cuts to the IRS budget from 2010 to 2015 resulted in—and everyone listen to this—13,000 fewer full-time IRS employees; a significant number of taxpayer phone calls being dropped, as indicated by this chart; delays in much-needed upgrades to information technology and cybersecurity; and the lowest level of audits in a decade with less than 1 percent of taxpayers being audited last year. This is all despite the fact that the number of tax returns being filed increased by \$9 million, or 7 percent, since 2010.

□ 1230

This effort today is motivated entirely by politics instead of good policy. The IRS has had the authority to offset the cost of taxpayer services with user fees since 1995. The Republicans have never tried to tamper with that. This is the first time the Republicans have tried to prevent the IRS from using these moneys.

We heard the Republicans argue that the IRS used some of this funding to implement the Affordable Care Act. True, as those are taxpayer services. Taxpayers are applying for help through the Affordable Care Act. It is the IRS' responsibility to implement that. The IRS is doing exactly what they should be doing: implementing a law passed by Congress, a law that has resulted in there being 20 million more Americans with healthcare coverage.

This bill is, in essence, another effort—it might be—what?—No. 63, 64, 65—to undermine healthcare reform. That is really what this is all about, and the gentleman who presented the case made that case. The IRS' helping people get access to healthcare reform is a taxpayer service.

The White House issued a Statement of Administration Policy, which reads, if the President were presented with this bill, his senior advisers would recommend he veto it.

The statement reads as follows: "By further constraining IRS resources, H.R. 4885 would have detrimental effects on the IRS' ability to provide quality service to taxpayers, administer the Tax Code, and enforce tax laws."

That is really what this is all about.

The statement continues: "The IRS needs more resources, not fewer, to deter tax cheats, serve honest taxpayers, and protect taxpayer data."

The Republicans are using these IRS bills this week to attack the IRS and its employees as a distraction. They don't want hardworking Americans to know what they missed the deadline on: to come up with a budget. They are doing absolutely nothing to help the

people of Flint or of Puerto Rico, who so desperately need our help.

I urge my colleagues to vote "no" for the reasons outlined by this chart: for the need of more resources for customer services and to thwart a further effort by the Republicans to undermine the ACA, which has meant so much to millions and millions and millions of Americans from all walks of life. This should be resoundingly voted down, surely by us Democrats, who believe in customer service and who want the ACA implemented, not destroyed by the Republican Party of this House or of the Senate.

I reserve the balance of my time.

Mr. SMITH of Missouri. Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana (Mr. SCALISE).

Mr. SCALISE. I thank my colleague from Missouri for bringing this bill to the floor and for his leadership in holding the IRS accountable.

Mr. Speaker, I guess we should start with the question of who is attacking whom. When you look at the actions of the IRS, especially in the last few years—and we have exposed this through our oversight here in this House majority—we have found it is the IRS that has been attacking the hardworking taxpayers of this country.

It has not only been documented, but it has come out in hearings that the IRS was actually targeting people—American citizens—based on their political views. The IRS was. You could expect this, maybe, in a Third World country where the government would actually be attacking people based on their political views, but, here in America, this IRS was doing just that, and we exposed it.

One is seeing with the bill that Congressman SMITH is bringing forward that the IRS has created, in essence, a slush fund, using user fees for things that weren't even intended and that aren't even in the purview of Congress. What are they afraid of? Why are they afraid of having some real transparency so that we can actually hold the IRS accountable for these user fees? Hundreds of millions of dollars of user fees, by the way, are paid by hardworking families out there who are struggling to get by. When somebody actually calls the IRS hotline right now, estimates are that fewer than 40 percent of Americans who call the IRS hotline to get help are able to get help.

The IRS is not helping people they are supposed to be helping. They have these slush funds, and they don't want them to be under the purview of Congress? What are they afraid of hiding? Is it, maybe, that we are going to expose more things, like they are using taxpayer money to target people? Maybe we are going to expose more things, like they were actually hiring people who were fired from the IRS because they were improperly accessing people's taxpayer data, or the fact that they have given out bonuses to people when they can't even show they have a customer service plan.

When one is looking at so many abuses by the IRS, it is an agency that is out of control. Now we have a bill by the gentleman from Missouri to at least bring some of that into the purview of Congress so that it is exposed in the sunshine of transparency. Why be against transparency? Let's pass this bill.

Mr. LEVIN. Mr. Speaker, I yield myself 2 minutes.

Look, as happened yesterday, I expect the Republicans to try to bring up the issue relating to the IRS and how it handled 501(c)(4) applications. As I did yesterday, I just want to read an answer given by the inspector general on this issue.

On May 17, 2013, I asked him as follows: "Did you find any evidence of political motivation in the selection of the tax exemption applications?"

Inspector George said: "We did not, sir."

Next, customer service. You have the gall to come forth here and complain about customer service when you cut the IRS' budget over 5 years by almost \$900 million. That really takes gall. It is so inconsistent. As I said earlier, look in the mirror, and you will see who is responsible for those problems.

I want to finish by saying: Slush fund? Implementing healthcare reform that has helped 20 million people, that is a slush fund? No. That is the implementation by the IRS of a necessary function that affects the lives and the health care of millions of Americans.

So you are really bankrupt to come forth here and support this bill.

Mr. Speaker, I ask unanimous consent that the gentleman from Oregon (Mr. BLUMENAUER) control the remainder of my time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. Members are reminded to direct their remarks to the Chair.

Mr. SMITH of Missouri. Mr. Speaker, I yield myself 1 minute.

I would like to respond to the gentleman's prior comments.

As a matter of fact, since fiscal year 2013, in budget sequestration, Congress has either maintained or increased funding for taxpayer services each and every year—never cutting it one time. Any cuts to taxpayer services have come at the clear discretion of the IRS Commissioner.

Yesterday, in committee, the IRS Commissioner said that it was his discretion to cut taxpayer services. In fact, in the last year, they cut \$134 million. In the last 4 years, Congress has not cut \$1 in taxpayer services; so let's get the record straight while we are on the House floor.

I yield 2 minutes to the gentlewoman from Kansas (Ms. JENKINS), a member of the Ways and Means Committee and the vice chair of the Conference.

Ms. JENKINS of Kansas. I thank the gentleman for yielding.

Mr. Speaker, I am pleased to come to the House floor in support of the IRS Oversight While Eliminating Spending Act, sponsored by my colleague, Mr. SMITH.

I spent many years practicing in the tax area as a certified public accountant, so I understand firsthand why tax day has become a dreaded annual burden to so many Americans. The economy has yet to rebound from the recession, and wage growth is stagnant; but, in 2016, individuals will spend more on their taxes than on clothing, food, and housing combined.

While Americans continue to face the threat of increasing taxes—thanks to this administration—the tax process has gotten only more complicated and confusing. On top of that, the IRS has mishandled taxpayer funds, has provided inadequate customer service, and has proven to be unwilling or unable to change.

This commonsense legislation brings us one step closer to providing the proper oversight over the IRS' activities. At the moment, the IRS currently charges user fees, and Congress has no say as to how these fees are used.

I am extremely disappointed this agency is playing politics with these fees. They cut the fees allocated to customer service by 73 percent this year, and they reallocated those funds in an effort to try to extract additional fees from the American taxpayer. Folks are already paying more than enough in taxes.

If the IRS wants taxpayers to pay fees, then they need to account for how they are using every last cent of that money. Oversight from Congress will ensure no frivolous use by a wasteful IRS.

I urge my colleagues to support this legislation. We cannot continue to reward inefficient bureaucracies. The American people deserve to have a say in how the IRS spends our hard-earned tax dollars.

Mr. BLUMENAUER. Mr. Speaker, I yield myself such time as I may consume.

It is painful to listen to some of the rhetoric here on the floor that suggests that, somehow, the use of resources by the IRS is not dealing with customer service. The gentleman admitted that, under Republican leadership, they have worked to not fund the necessary resources for the Affordable Care Act. Now, this is a bill that is law. This is a bill that is impacting 16 million Americans, and 7.3 million people have gotten the tax credits.

I would ask the gentleman from Missouri what the impact would be on 7.3 million taxpayers if we had no money available to implement the Affordable Care Act.

I yield to the gentleman from Missouri.

Mr. SMITH of Missouri. Mr. Speaker, the question that we have before us is: Did we appropriate adequate funding for taxpayer services?

Mr. BLUMENAUER. In reclaiming my time, I am asking the gentleman:

What would be the impact on the 7.3 million people who are claiming the tax credit under the Affordable Care Act, which you have not yet repealed and which still is the law of the land? What would the impact be on them if you had your way and there was no money?

I yield to the gentleman from Missouri.

Mr. SMITH of Missouri. Mr. Speaker, the law of the land is Article I of the Constitution. Congress has the power of the purse to appropriate funds, and Congress appropriated the funds in 2016, but the IRS is not following that appropriately. This is wrong.

Mr. BLUMENAUER. In reclaiming my time, if I may reframe the question, because I am not trying to trick the gentleman. I want to know what the impact would be on 7.3 million people if there were no money available to implement the Affordable Care Act.

I yield to the gentleman from Missouri.

Mr. SMITH of Missouri. Mr. Speaker, what I am talking about is that Congress appropriated the necessary resources. The gentleman is talking about there being over \$11 billion to the IRS, and they cannot appropriate the funds correctly.

Mr. BLUMENAUER. Mr. Speaker, in reclaiming my time, I would appreciate the gentleman, on his own time, elaborating on this, and the gentleman is not answering.

What would be the impact, as the gentleman said in his opening statement, if the money were not allocated to implement the Affordable Care Act? It is sort of a backdoor way via the budget process, which you can control, to defund the Affordable Care Act.

The fact is, for those 7.3 million people who get the tax credit and for the over 17 million Americans who have received health care under the Affordable Care Act, being able to implement the law is customer service. I would think that my Republican friends would become very cranky if the bureaucracy in the IRS just decided that they weren't going to implement part of the law. So what the IRS has done within some areas that it does have budgetary discretion is to make sure that there are adequate people to try and implement these provisions.

□ 1245

Now, it is true that the Tax Code becomes more and more complex, but that is not the fault of the IRS. Those are the people who are charged with implementing what Congress does.

Since I have been in Congress—and my Republican friends have been in charge most of this time—the Tax Code has become longer, more complex, even as they have cut back the resources to that critical agency.

What business assaults its accounts receivable department?

The Internal Revenue Service is the largest customer service agency in the world, and they have a very difficult

job because Congress in the last 25 years has cut 30,000 people out of the workforce. In the last 10 years, we have seen an additional reduction.

I am glad that our Republican friends were embarrassed because of their continued cuts to the IRS budget and the service got so bad that they restored almost \$300 million.

But it is not, by any stretch of the imagination, enough to give the service that we want, and it does not make up for the fact that the IRS has a legal obligation to administer the Affordable Care Act, which is still on the books, which is serving millions of Americans and has become more complex and actually more onerous for individual taxpayers.

Remember, they have made changes to make a sharper cliff if people make a mistake in the estimate of their income because it is graduated. You get less help the more money you make.

Under the Republican assault on the Affordable Care Act, there is more of a cliff that faces people if they have a change in circumstance. If they misallocate, if they lose a job, if they get a bonus, that can have significant consequences.

Mr. Speaker, the United States Internal Revenue Service has been a whipping boy for everybody. This is a service that people love to hate. Republicans have taken their war against taxes to high art by assaulting the IRS, making it hard to serve, and attacking it repeatedly.

Mr. Speaker, this has significant consequences. The United States relies on voluntary compliance from the taxpayers. Every 1 percent less voluntary compliance costs the taxpayers \$30 billion that could be used to reduce the deficit or to pay for badly needed services or maybe rebuild our fraying infrastructure. This has consequences.

Now, I would respectfully suggest that this is a cut of a half billion dollars to a budget that is already stressed and can't deal with the needs of today.

People in the IRS are dealing with a computer system that those of you who took computer science in the 1960s—I didn't—but you would feel comfortable with some of the programming language they have.

It is hopelessly out of date. The employees are overwhelmed on the phone lines. And Congress keeps changing the Tax Code.

Taking away a half billion dollars in user fees and throwing it into the general fund makes it very unlikely that it will be available for the priorities that are going to be necessary to administer the IRS.

My friend doesn't care if the Affordable Care Act is not administered. In fact, he would rather that it not be administered, but that is not the law. That is not fair to the taxpayers.

Taking away these user fees, putting it in the appropriations process, is going to have sort of a grab bag in Congress for those moneys, and I don't know where those would end up.

But given the composition and the attitude of the people who control it now, it wouldn't be available to administer the Affordable Care Act, something the IRS is obligated to do and which we owe to the American people.

I reserve the balance of my time.

Mr. SMITH of Missouri. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. BABIN).

Mr. BABIN. Mr. Speaker, the American people are fed up with the IRS and rightfully so. With such a troubled and incompetent record, it is hard to imagine how anyone could trust this corrupt agency.

This week the House will take action, thanks in large part to my friend and colleague from Missouri (Mr. SMITH). We will pass a series of bills to rein in the IRS and bring much-needed accountability to this broken and dysfunctional agency.

We will take steps to end the politicization of the IRS, which has illegally and intentionally targeted conservative Americans.

We will vote to eliminate the IRS slush fund—and I call it a slush fund—that has allowed this agency to skirt congressional authority.

We will vote to make sure that IRS employees are held to the same standards as the taxpayers by firing those who are delinquent in their own taxes.

These are commonsense steps that need to be taken, but we cannot truly solve these problems and bring real change to the Internal Revenue Service under the current leadership of Commissioner John Koskinen.

Mr. Koskinen has blatantly lied under oath and misled congressional investigators. He has supported Lois Lerner's track record of deceit and obstruction. It is time for him to go.

As a cosponsor of legislation to impeach Commissioner Koskinen, I call on congressional leaders to bring that bill forward as well.

American taxpayers deserve much better than they are getting, and we need to turn the page on Mr. Koskinen's failed leadership.

Mr. BLUMENAUER. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. DOGGETT), a senior member of the Ways and Means Committee and someone who understands the value of protecting the Federal Government's accounts receivable department.

Mr. DOGGETT. Mr. Speaker, Monday, as all Americans know, was, of course, Tax Day. Today should be officially designated as "Republican Tax Distraction Day" because that is exactly what is going on here.

Rather than address the many inequities and complexities in our tax system, Republicans distract by attacking the tax collector, which is one of the oldest tactics around that goes back, I guess, many civilizations.

I believe it was Mark Twain who suggested the difference between a taxidermist and a tax collector is that the taxidermist only takes your skin.

The problem we have today is that there are many of our largest and most

profitable corporations that don't have any skin in the game.

For the patriotic taxpayers that were out there last weekend trying to figure out how they would complete their taxes and how they would make the payments or who were lined up on Monday night at the post office to make their payments—those taxpayers have a lot of boxes on their tax form, but they don't have one that they can check that shifts their income off to some offshore tax haven. They can't decide that they will just defer paying on some of their income until they feel like it.

Yet, some of America's largest and most profitable companies use just these type of tax loopholes to dramatically lower their tax bill. These Republicans, especially on the House Ways and Means Committee, have shown no interest in addressing the problem whatsoever.

Only last week a major development before this Republican tax development was a report that found that 20 percent of large, profitable corporations paid no Federal income tax in 2012, the last year of the survey.

That is no. That is none. That is zero. That is zilch. It is not what those folks that were working last weekend trying to figure out their taxes were faced with, but it is what is occurring.

If Republicans were serious about making the Internal Revenue Service work better, they would be addressing injustices like this instead of making it worse by slashing the IRS budget. Shorting that budget is short-circuiting the collection of taxes from all those people that are out there trying to dodge their taxes.

Under these Republican budgets, almost one in four of the enforcement tax staff at the IRS have been eliminated over the last 7 years. Every additional dollar that we spend on tax enforcement yields an estimated \$4 in increased revenue.

Even a remarkable return on investment like that is modest compared to the return that America's largest corporations are getting by lobbying this Congress and participating in the political process. Oxfam America this month reported that tax dodging by multinationals is costing the United States perhaps as much as \$111 billion each year.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. BLUMENAUER. Mr. Speaker, I yield an additional 1 minute to the gentleman from Texas.

Mr. DOGGETT. Mr. Speaker, recovering that revenue could pay for the entire budget of The National Institutes of Health, the Centers for Disease Control, and the Department of Education.

Tax dodging is not a victimless crime. It is like those seaside resorts where you hear: Grandpa went to the Caymans and all I got was this lousy T-shirt.

Well, you don't get a T-shirt out of this kind of tax dodging, but you do get

a tax bill, because the hardworking American families and small businesses that are picking up the tab for all of those loopholes are having to pay more than their fair share.

What we should be doing on this Republican Tax Distraction Day is getting about those loopholes and seeing that the IRS enforces our laws fairly and equitably. That is not being done today.

This and the rest of this package should be rejected in favor of a system that is fair to all Americans.

Mr. SMITH of Missouri. Mr. Speaker, I yield 2 minutes to the fine gentleman from Nebraska (Mr. SMITH).

Mr. SMITH of Nebraska. Mr. Speaker, I want to point out that most folks in this room today and right now understand that there is an effort underway to pursue tax reform, to make our Tax Code simpler, easier to enforce, and to actually prevent the need to even pass legislation such as the IRS OWES Act.

Until such time, we need legislation like this because it will bring much-needed transparency to an agency with a proven track record of poor management.

The IRS' offenses include targeting taxpayers and irresponsibly directing resources away from its core function of taxpayer services, resulting in the abysmal 2015 tax filing system.

It has probably been said in this room before, but this simple bill would subject IRS user fees to congressional oversight by directing them to the Treasury's general fund and subjecting them to the congressional appropriations process.

In 2014, the IRS only used 44 percent of its user fees account on taxpayer services. Last year this number dropped significantly, with the IRS using only 10 percent of its user fees account on taxpayer services.

American taxpayers all over the country felt the pain of that choice last year. Our tax system depends on voluntary compliance. Poor taxpayer assistance like the IRS provided last year would likely encourage taxpayers to perhaps cheat and actually make it more difficult for taxpayers to even comply.

According to a GAO report, last year only 38 percent of callers wanting to speak to an IRS representative were able to reach one. This is unacceptable from an agency whose core function is revenue collection.

H.R. 4885 will strengthen congressional oversight over the IRS not by limiting funding, but by ensuring the IRS uses its funding for its core functions of revenue collection and taxpayer assistance and not for unrelated purposes, which make it harder for taxpayers to comply with an already complicated Tax Code.

Mr. BLUMENAUER. Will the gentleman yield?

Mr. SMITH of Nebraska. I yield to the gentleman from Oregon.

Mr. BLUMENAUER. Who are the 7.3 million people who get the tax credit

under the Affordable Care Act? Does helping them fall within your definition of taxpayer assistance?

Mr. SMITH of Nebraska. I don't want innocent people to be hurt. And with what has taken place at the IRS, I would hope all of us would agree it is unacceptable.

Mr. BLUMENAUER. Let me rephrase my question:

Does assisting the 7.3 million people who get tax credits under the Affordable Care Act qualify in your definition of taxpayer assistance?

Mr. SMITH of Nebraska. Well, I don't have the actual definition at the top of my mind. But, clearly, the IRS has chosen priorities—some over others—that I think—

Mr. BLUMENAUER. If I have more time later, I would be happy to be involved in a colloquy with you on this.

Mr. SMITH of Nebraska. Mr. Speaker, I urge the passage of this bill.

□ 1300

Mr. BLUMENAUER. Mr. Speaker, I yield myself 20 seconds.

It is striking that somehow giving assistance to 7.3 million people who get the tax credits—16 million people who are under the Affordable Care Act—to implement that does not fall within the definition of taxpayer assistance. And my friends, Smith, neither one of them, could actually answer that, and I think it is telling.

Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. BECERRA), the distinguished leader of the Democratic Caucus and a senior member of the Committee on Ways and Means, who thinks that we ought to provide service to our taxpayers.

Mr. BECERRA. Mr. Speaker, one of the easiest things you can do to get people to cheer for you is to bash someone or something that everyone loves to hate, as you have heard it said before. I don't know if there is a better example of this than the IRS. Everyone loves to hate the IRS.

At the end of the day, though, if you want to have our troops paid, if you want to have our security handled at our airports, if you want to make sure that our national parks are protected, you need to have the revenues; and so we need the IRS so that all of us who voluntarily are supposed to pay our taxes do so and pay our fair share.

Again, we could all point to the story of the case where the IRS flubbed it, didn't do a good job, and so it is easy to pile on. If we could create a pinata that looked like the IRS, I guarantee you it would be the hottest selling pinata in the history of pinata making. So let's just put that on the table. Let's grant that to everyone. It is easy to bash the IRS.

Let's go to this bill, though. What will this bill do?

First, it does some really strange things, and then it does some really harmful things. But worse than that, it is never going to become law. So we are spending time talking about something that is never going to become law.

But on what the bill does, let me give you a clear example of why it is so unfortunate that we do this IRS bashing. One of these provisions tells the IRS that it cannot retain the dollars it collects as user fees for having provided services to individuals or corporations that seek out special services from the IRS.

You have got a big corporation; you just broke it up into pieces; you want to make sure you are filing your taxes correctly. You need a special advisory opinion from the IRS, which isn't something they typically do for most Americans, so they say: Well, that is extra stuff; we are going to have to charge you a user fee for having done that for you.

Principally, these user fees come from wealthier companies or wealthier individuals who have more complicated tax filings that they have to submit. We charge them that because not every American has to request that kind of service from the IRS. IRS collects that fee.

This bill says: IRS, you don't get to keep the money, even though you had to provide the service and pull your resources and your personnel from doing the regular taxpayers' filings and examining those to do this special work. You cannot keep that even though you expended resources to do that work.

The best way I could compare it is to a situation I encountered recently. I participated in a funeral service, and it was a very dignified service. At the end of the service in the place of worship in the church, we all caravanned together with the hearse and the family of the deceased individual to the cemetery. It was a long line of vehicles. It was a great service. A lot of people showed up.

We were fortunate to have the assistance of police officers who directed traffic because we went through a whole bunch of intersections. We had to make sure that, to the degree possible, we didn't disrupt traffic a whole lot and we didn't have a whole bunch of accidents on the way to the cemetery. It all worked out perfectly. At the end, once we reached the cemetery, the officers left.

Now, the officers did that job not because that is the usual course of business for police officers in our cities and our counties. They did that because the police department offers that service so that we don't disrupt the greater activity around our city when there is a funeral. That way you offer the dignity to that family as well in the services for that deceased individual. You pay for that service to the police department because you pulled police officers off their regular beat to do that work. That is a user fee.

The SPEAKER pro tempore (Mr. ROTHFUS). The time of the gentleman has expired.

Mr. BLUMENAUER. Mr. Speaker, I yield the gentleman an additional 1 minute.

Mr. BECERRA. Mr. Speaker, this bill's proposal on user fees is tanta-

mount to telling the police department: You must provide that service for people to be able to have their funeral service, but you will not get compensated for your police officers being pulled from their regular duty of protecting our streets to help with that funeral service.

It is insane. It is crazy to do that. So rather than do bills that are going to go nowhere, let's get our job done. We get elected to do some very important things. On the tax side, we certainly could do what Mr. DOGGETT mentioned earlier. Let's go after those Benedict Arnolds who decide they are going to leave the country not because they want to go live somewhere else, it is that they don't want to pay taxes in America. So they are going to leave their place of legal residency as America. They are still going to have their home here, but they are just going to call home somewhere else for legal purposes so they don't pay taxes. Billions of dollars we are losing, we know, as a result of corporations and all our wealthy individuals incorporating in places like the Cayman Islands.

Secondly, all the money that is being spent in campaigns today is being done by what are called not-for-profit organizations that we used to think used to do social welfare.

Now guess what they are doing?

They are spending their money on campaigns. We need to stop that as well. That is what we should be doing—doing our job, not taking money out of an agency that is trying to make sure that we do this the right way for everyone who pays their fair share of taxes.

Mr. SMITH of Missouri. Mr. Speaker, I reserve the balance of my time.

Mr. BLUMENAUER. Mr. Speaker, I yield myself such time as I may consume.

I hope that there is an opportunity here for us to take a hard look at some of the issues surrounding the Republican assault on the IRS. We have documented that they have dramatically cut not just the resources, but the ability of people to implement it. There has been a refusal to hire people in some cases who make for the government \$5,000 an hour or more.

Now, these are people who would be dealing with audits for the people who, you know, for one reason or another give themselves the benefit of the doubt when it comes to filling out the tax form. So this audit function makes a significant amount of money for the taxpayers, money that doesn't have to come from increased taxes or reduced services.

Mr. Speaker, there is a tax gap. It is well known and well documented, \$400 to \$450 billion or more a year. Being able to adequately fund the Internal Revenue Service will enable the government to deal with an amount of money that is due and payable and owing, and it is usually because they have more money to lose track of or to be able to have different alternatives for how they characterize it or how

they choose to move forward. It tends to be larger, they tend to be business enterprises and people who have more money.

But it is not just dealing with the audit function. I had a fascinating roundtable discussion in my hometown last month where I had attorneys and accountants who specialize in the practice dealing with tax practices. They were lamenting the problems, not just the fact that there isn't effective audits anymore. They think there are very few. But it is more fundamental than that.

They often will look one of their clients in the eye and say: Yes, you are right, there is a problem. The mistake is in your favor, but because the service level has been allowed to deteriorate so badly, it will cost you more money in my fees to get the \$500 or \$2,000 error corrected.

That just makes one cringe. Now, the notice that somehow putting money to implement the Affordable Care Act is not customer service is ludicrous, and I tried to get my friends on the other side of the aisle to talk to me about customer service.

How is it not customer service to help people with the tax credits that are involved with the Affordable Care Act, which over 7 million people get?

How is it not customer service to make sure that it is administered fairly for over 16 million people who fall under the Affordable Care Act?

Absolutely it is. This \$500 million cut would further degrade the ability to provide the service that not only should we require, but our employees in the IRS want. I would strongly urge the rejection of this ill-guided proposal.

Mr. Speaker, I yield back the balance of my time.

Mr. SMITH of Missouri. Mr. Speaker, I yield myself the balance of my time.

The IRS has not shown this body, they have not shown the Missourians that I represent, and they have not shown all of the American taxpayers that they have been good stewards of user fees. They have a slush fund of nearly \$500 million. This body, over a course since fiscal year 2013, has not cut \$1; not \$1 has this body cut in assistance to taxpayer services to the IRS.

The Commissioner yesterday testified before the Committee on Ways and Means and said that he is the one who cut \$134 million last year alone in taxpayer services. The government is supposed to help serve the people. The people are not supposed to serve the government.

Mr. Speaker, there should not be one agency that is independent of Congress. Agencies were created by Congress. They should be funded by Congress. And no agency should have a \$500 million slush fund that they can decide to spend the money any way that they want. This is not an uncommon practice for us to require agencies, when they collect user fees, to have congress-

sional oversight and to be subject to appropriations. We are just trying to make sure that the IRS is held accountable, like numerous other agencies.

Mr. Speaker, I ask the body to support this great piece of legislation.

I yield back the balance of my time.

The SPEAKER pro tempore. All time for debate has expired.

Pursuant to House Resolution 687, the previous question is ordered on the bill, as amended.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BLUMENAUER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

#### PERMISSION TO POSTPONE ADOPTION OF MOTION TO RECOMMIT ON H.R. 1206, NO HIRES FOR THE DELINQUENT IRS ACT

Mr. SMITH of Missouri. Mr. Speaker, I ask unanimous consent that the question of adopting a motion to recommit on H.R. 1206 may be subject to postponement as though under clause 8 of rule XX.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

□ 1315

#### NO HIRES FOR THE DELINQUENT IRS ACT

Mr. HOLDING. Mr. Speaker, pursuant to House Resolution 687, I call up the bill (H.R. 1206) to prohibit the hiring of additional Internal Revenue Service employees until the Secretary of the Treasury certifies that no employee of the Internal Revenue Service has a seriously delinquent tax debt, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 687, in lieu of the amendment in the nature of a substitute recommended by the Committee on Ways and Means printed in the bill, an amendment in the nature of a substitute consisting of the text of Rules Committee Print 114-47 is adopted and the bill, as amended, is considered read.

The text of the bill, as amended, is as follows:

H.R. 1206

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

*This Act may be cited as the "No Hires for the Delinquent IRS Act".*

#### SEC. 2. PROHIBITION ON IRS HIRING OF NEW EMPLOYEES UNTIL CERTIFICATION THAT NO IRS EMPLOYEE HAS A SERIOUSLY DELINQUENT TAX DEBT.

(a) *IN GENERAL.*—No officer or employee of the United States may extend an offer of employment in the Internal Revenue Service to any individual until after the Secretary of the Treasury has submitted to Congress either the certification described in subsection (b) or the report described in subsection (c).

(b) *CERTIFICATION.*—

(1) *IN GENERAL.*—The certification referred to in subsection (a) is a written certification by the Secretary that the Internal Revenue Service does not employ any individual who has a seriously delinquent tax debt.

(2) *SERIOUSLY DELINQUENT TAX DEBT.*—For purposes of this section, the term "seriously delinquent tax debt" means an outstanding debt under the Internal Revenue Code of 1986 for which a notice of lien has been filed in public records pursuant to section 6323 of such Code, except that such term does not include—

(A) a debt that is being paid in a timely manner pursuant to an agreement under section 6159 or section 7122 of such Code;

(B) a debt with respect to which a collection due process hearing under section 6330 of such Code, or relief under subsection (a), (b), or (f) of section 6015 of such Code, is requested or pending;

(C) a debt with respect to which a levy has been made under section 6331 of such Code (or a debt with respect to which the individual agrees to be subject to a levy made under such section); and

(D) a debt with respect to which relief under section 6343(a)(1)(D) of such Code is granted.

(c) *REPORT.*—The report referred to in subsection (a) is a report that—

(1) states that the certification described in subsection (b) cannot be made;

(2) provides an explanation of why such certification is not possible;

(3) outlines the remedial actions that would be required for the Secretary to be in a position to so certify; and

(4) provides an indication of the time that would be required for those actions to be completed.

(d) *EFFECTIVE DATE.*—This section shall apply to offers of employment extended after December 31, 2016.

#### SEC. 3. NO ADDITIONAL FUNDS AUTHORIZED.

No additional funds are authorized to carry out the requirements of this Act. Such requirements shall be carried out using amounts otherwise authorized.

The SPEAKER pro tempore. The bill shall be debatable for 1 hour equally divided and controlled by the chair and ranking minority member of the Committee on Ways and Means.

After 1 hour of debate, it shall be in order to consider the further amendment printed in House Report 114-502, if offered by the Member designated in the report, which shall be considered read and shall be separately debatable for the time specified in the report equally divided and controlled by the proponent and an opponent.

The gentleman from North Carolina (Mr. HOLDING) and the gentleman from Michigan (Mr. LEVIN) each will control 30 minutes.

The Chair recognizes the gentleman from North Carolina.

GENERAL LEAVE

Mr. HOLDING. Mr. Speaker, I ask unanimous consent that all Members