

June 14, 2006

MEMORANDUM

TO: IRS Chapter Presidents and Legislative Coordinators

RE: House Retains Rothman Provision Preventing Private Tax Collection

SUMMARY: Rothman language prohibiting the use of funds to contract out IRS tax collection survives challenge on House floor.

Bipartisan language authored by Representative Steven Rothman (D-NJ) prohibiting the IRS from spending any FY 2007 funds to implement private tax collection contracts has overcome procedural objections during floor debate on H.R. 5576, the FY '07 Treasury, Transportation Appropriations bill. The decision by the House to retain this critical language is a major setback to the IRS's plan to privatize tax debt collections and will help ensure that the private information of taxpayers is not compromised.

Our expectation at this point is that Representative Rothman's language will be included in the final version of H.R. 5576, which the House is expected to pass later on this week. NTEU will then begin to focus our efforts on ensuring the Senate version of the Department of Treasury's funding bill also includes this vital provision.

You can be sure that NTEU will work hard to maintain the Rothman amendment language throughout the appropriations process and will keep you apprised of any developments.

To learn more about this issue, please go to <http://www.capwiz.com/nteu>.

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National President