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NTEU President Kelley Applauds Statement By Rep. Rob Simmons on Tax Debt Privatization

Washington, D.C.—The leader of the union representing tens of thousands of Internal Revenue Service (IRS) employees today endorsed remarks by Rep. Rob Simmons (R-CT) calling for the collection of taxes to remain in the hands of IRS employees.

President Colleen M. Kelley of the National Treasury Employees Union (NTEU) said the statement by Rep. Simmons to a House Ways and Means subcommittee “is right on the mark” when it comes to identifying the many serious problems associated with an IRS plan to contract out the collection of tax debts.

Rep. Simmons and Rep. Chris Van Hollen (D-MD) have introduced legislation, H.R. 1621, that would reverse what the Connecticut Republican described in his statement as “an ill-conceived policy” by the IRS. The proposal, approved in unrelated tax legislation last year, allows the agency to hire private debt collectors and pay them a bounty of up to 25 percent of the tax debts they collect.

“This type of incentive system on the part of the collectors is ripe for abuse and harassment,” Rep. Simmons told the Subcommittee on Select Revenue Measures. “It is why the IRS specifically prohibits its employees from being assigned quotas with regard to collection activities.”

(MORE)

Kelley Applauds Simmons Statement—Add One

President Kelley has been leading the fight against the IRS tax debt privatization plan. As part of that effort, the NTEU leader has called for congressional approval of H.R. 1621, and has, in particular, warned repeatedly of the dangers that privatizing tax collection presents to taxpayers by making their personal information available to third parties.

Rep. Simmons also addressed that critical argument in his statement to the subcommittee. “Each year, millions of Americans voluntarily disclose personal, sensitive information to the IRS with the expectation that it will be handled with the utmost discretion, and protected from erroneous or deliberate disclosure outside of the IRS,” he said.

Yet, he noted, despite the increasing number of Americans who are victims of identity theft, “the IRS is now leading the effort to disclose this information to third party contractors who have demonstrated previously that they cannot adequately protect taxpayer information.”

NTEU is the largest independent federal union, representing some 150,000 employees in 30 agencies and departments, including some 94,000 in the IRS.

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