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**For Immediate Release  
August 30, 2006**

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## **Senior House Appropriations Committee Member Says IRS Tax Privatization Plan Disregards Clear Will of House**

**Washington, D.C.**—A senior member of the House Appropriations Committee has registered his “strong opposition” to the Internal Revenue Service (IRS) plan to begin early next month turning over thousands of tax collection cases to private sector debt collectors.

In a letter to IRS Commissioner Mark Everson, Rep. John Olver (D-Mass.) emphasized that by moving ahead, the IRS “would clearly be disregarding the will of the House of Representatives.” The House voted earlier this year in its version of the fiscal 2007 Transportation-Treasury Appropriations bill to prevent the IRS from using funds in that bill on any aspect of the tax privatization program.

Rep. Olver, who is Ranking Member on the Treasury Appropriations Subcommittee, said that while the Senate has yet to act on its version of the Treasury funding bill for fiscal 2007, “the IRS should at the very least delay the debt collection initiative, given this strong opposition from the House of Representatives.:

The IRS is planning by Sept. 7 to turn over thousands of cases, including private and sensitive taxpayer information, to three private sector debt collectors. Over the next year, it plans to turn over thousands more cases to as many as 10 debt collectors. Under the IRS plan, the private companies would be paid up to 24 percent of the money they collect.

**(MORE)**

## **Rep. Olver Calls for Delay in IRS Plan—add one**

NTEU has been leading the fight against the IRS privatization plan, which has generated increasing criticism from members of Congress, from the independent National Taxpayer Advocate and from media outlets across the country—including an outpouring of editorials opposing the hiring of private debt collectors to pursue taxes.

The union has emphasized, among other problems, both the serious risk associated with putting taxpayer information in private hands and the cost of the IRS program.

On the matter of cost, Rep. Olver pointed out to Commissioner Everson that the agency head himself told Congress that private debt collection “will be costlier to the government than the traditional work of IRS revenue officers.”

The Massachusetts congressman added: “This is taxpayer money that should go into the U.S. Treasury, not the pockets of private sector debt collection companies.”

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

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