



# **NEWS** RELEASE

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**For Immediate Release  
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## **NTEU President Kelley Faults IRS for Failure to Tell Public About Risks To Their Personal Tax Information**

**Washington, D.C.**—The leader of the union representing tens of thousands of Internal Revenue Service (IRS ) employees today called on that agency to do a much better job of making sure the members of the public know that their tax returns—and with those returns, their personal and sensitive information—could be turned over to private sector debt collectors.

“The best course for the IRS would be to drop plans to expand this unnecessary and dangerous program,” said President Colleen M. Kelley of the National Treasury Employees Union (NTEU). “If the agency proceeds, it needs to be doing a much better job of letting taxpayers know there are serious risks in turning over their tax returns and personal information to debt collectors—and that their return could be among those sent to a private contractor.”

The more widespread this tax debt privatization program becomes, the NTEU leader said, the “the more shocked and angry people will be across the country” as they find out they are dealing with a collection agency about their federal tax liability, rather than the IRS.

Last week, the agency signed contracts with three private debt collection companies to pursue tax debts in exchange for a substantial percentage of the money they collect. Kelley called those three contracts “only the tip of the iceberg,” pointing out that 33 debt collection companies sought the initial

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award from the agency. The IRS has said it plans to expand the tax debt program to 10 such contractors within the next two years.

NTEU has been leading the fight against the privatization of tax debt collection, warning not only of the waste of taxpayer dollars inherent in it, but about the risks of disclosure of private information, including Social Security numbers, once the debt collectors get their hands on the data. Private sector debt collectors generated more than 58,000 consumer complaints to the Federal Trade Commission last year—more than any industry.

In its announcement last week, the IRS claimed that safeguards included in the contracts would protect taxpayer privacy, but President Kelley downplayed the usefulness of the so-called safeguards, calling them both weak and inadequate.

She added: “U.S. taxpayers have long understood that the collection of federal income tax is a function of the government and it should remain so.”

As to the economics of the program, Kelley blasted the near 25 percent bounty the IRS is paying the private contractors, emphasizing that IRS employees can collect taxes far more cost-efficiently and effectively than can the private companies.

NTEU is the largest independent federal union, representing some 150,000 employees in 30 agencies and departments, including some 90,000 in the IRS.

*Note to Media: NTEU President Colleen M. Kelley will be available for media interviews on this topic and other IRS issues between 4:30-5:30 p.m., Tuesday, March 14. To arrange an interview, call Dina Long at 703-915-2482.*

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