



Statement of Senator Tom A. Coburn, MD

Statement for the Record
February 2011

On February 17, 2011, I introduced a bill that will provide assurance to taxpayers that federal employees are on equal footing with the American people and are held accountable to the same rules they enforce.

In 2009, the Internal Revenue Service (IRS) found nearly 100,000 civilian federal employees were delinquent on their federal income taxes, owing over \$1 billion in unpaid federal income taxes. When considering retirees and military, more than 282,000 federal employees owed \$3.3 billion in taxes.

This legislation will save taxpayers at least \$1 billion by requiring the Internal Revenue Service (IRS) to collect unpaid federal income taxes from civilian federal employees.

Federal employees have a clear obligation to pay their federal income taxes. The very nature of federal employment and the concept inherent to "public service" demands those being paid by taxpayers to also pay their fair share of taxes. Federal workers should not be exempt from the laws they enforce. In fact, they should lead by example. Failure to do so is an affront to taxpayers and to the rule of law.

Unfortunately, Congress has allowed this abuse of taxpayer dollars to occur throughout the federal government and failed to implement the proper safeguards to hold culprits accountable. Considering our national debt recently surpassed \$14 trillion, it is critical Congress quickly pass this legislation. Surely this milestone is a wake-up call for Congress to find ways to get control of the federal budget and help get our country back on the right track towards fiscal responsibility.

The bill I recently introduced requires all federal employees to be current on their federal income taxes or be fired from their jobs. This is a common sense bill that most Americans would believe is reasonable, necessary, and likely surprised that it is not already the standard throughout the federal government.

It is not the intention of this legislation to single out the majority of federal employees who work hard and pay their taxes. Instead, the bill would carefully reach only those who have willfully neglected to pay their incomes taxes and would direct the IRS to only collect money already owed under the federal tax code.

This legislation excludes federal employees who make oversights in their personal taxes but willfully agree to pay them or are challenging the delinquency in court or through the IRS.

Specifically, it excludes federal employees from termination if (1) the individual is currently paying the taxes, interest, and penalties owed to IRS under an installment plan; (2) the individual and the IRS have worked out a compromise on the amount of taxes, interest and

penalties owed and the compromise amount agreed upon is being repaid to IRS; (3) the individual has not exhausted his or her right to due process under the law; or (4) the individual filed a joint return and successfully contends he or she should not be fully liable for the taxes, interest, and/or penalties owed because of something the other party to the return did or did not do.

I recently introduced this bipartisan legislation, because Congress has failed to responsibly manage taxpayer dollars and serve in the best interests of the American people. This legislation will provide a solution to level the playing field between federal employees and the American people when it comes to paying federal income taxes.

It should be a priority of this Congress to pass this solution as a way to provide equal treatment under the law and to seek out commonsense opportunities that will reduce our national debt. Now is the time for Congress to get a grip on the federal budget and find responsible ways to save in order to preserve the heritage of service and sacrifice that made our country great.

I want to thank my colleagues for the opportunity to speak on the Senate floor today in support of this legislation. I ask my colleagues on both sides of the aisle for their support and would ask that my statement be submitted for the permanent record.