

Support Israel. Protect the Middle Class. Redirect IRS Funding.

House Republicans are redirecting \$14.3 billion of the \$80 billion awarded to the IRS to instead support our ally, Israel. This is the same funding the IRS planned to use to hire 87,000 new agents to increase audits on the middle class. It is also the same funding that congressional Democrats and the White House agreed to cut by \$21 billion earlier this year in the Fiscal Responsibility Act.

An Army of New IRS Agents.

- In January, the IRS will unleash an army of agents on every American who conducts over \$600 in online transactions on platforms such as PayPal and Venmo.
- The IRS is also actively misleading the public about its intentions to create a new "forced e-file" system that would make the already supercharged agency Americans' tax preparer, filer, and auditor. Congress has not authorized a direct e-file program because the IRS has proven to be one of the least trustworthy agencies in Washington.

Low- and Middle-Income Americans risk greater scrutiny under the IRS's plan.

- Rising Audits on All Taxpayers: An analysis by the Congressional Budget Office showed that the \$80 billion given to the IRS means that audit rates will "rise for all taxpayers" and that the policy "would return audit rates to the levels of about 10 years ago." This was subsequently confirmed by the IRS in September 2023.
- **Squeezing Earners Under \$200K:** The Joint Committee on Taxation said that the vast majority of the revenue expected to be raised from increased enforcement would come from those making less than \$200,000 a year.
- 600,000 New Audits on Earners Under \$75K: Returning to 2010 audit rates means more than 1 million additional audits per year with more than 600,000 new audits for taxpayers making less than \$75,000. In fact, when Chairman Smith (MO-08) directly asked IRS Commissioner Danny Werfel to clarify his comments on audit levels, he was evasive.

Even a Democrat IRS Commissioner Questioned the New Funding.

• According to the <u>New York Times</u>, former IRS Commissioner John Koskinen "said that he thought the \$80 billion being proposed by the Biden Administration might be too much. 'I'm not sure you'd be able to efficiently use that much money ... That's a lot of money.'"

If the Biden Administration was focused on going after tax cheats, they would start with Hunter Biden, who was let off the hook for taxes he failed to pay in 2014 and 2015.

- Justice Department officials obstructed the tax investigation into Hunter Biden for so long that the statute of limitations ran out on bringing charges against the President's son for 2014 and 2015.
- Why does the Biden Administration seek harsher tax enforcement for middle-class Americans but goes soft on the President's son?