

C O U N C I L F O R



Thomas A. Schatz
President

June 23, 2011

U.S. House of Representatives
Washington, D.C. 20515

Dear Representative,

Rep. Pete Olson (R-Tex.) will soon introduce the Instituting Responsible Spending Act. On behalf of the more than one million members and supporters of the Council for Citizens Against Government Waste (CCAGW), I urge you to support this legislation.

The 1995 Department of the Treasury Appropriations Act granted the Internal Revenue Service (IRS) and other authorized agencies the ability to institute or increase fees for certain services. For the IRS, this consists mostly of service charges imposed on taxpayers for entering into payment plans.

The 1995 appropriations bill did not impose any restrictions on revenue generated from service fees, allowing the IRS to capriciously fund various activities and programs. Rep. Olson's bill would require that any service fees collected by the IRS be redirected toward reducing the nation's \$1.4 trillion deficit. If enacted, this legislation would save an estimated \$1.8 billion over 10 years.

Since the IRS already receives appropriations for the services it provides, as long as the agency has the authority to collect additional service fees, the generated revenue should be put toward deficit reduction. Rep. Olson's legislation would keep a tighter rein on federal spending and ensure that excess revenue goes to pay down the deficit rather than being squandered on extraneous, unchecked projects. I urge you to support this important legislation. All votes on the Instituting Responsible Spending Act will be among those considered in CCAGW's *2011 Congressional Ratings*.

Sincerely,

A handwritten signature in black ink that reads "Thomas Schatz". The signature is written in a cursive, slightly slanted style.

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