



Written by [Bob Adelman](#) on January 2, 2019

Government “Shutdown” Forces IRS To Lay Off Most of Its People

Tax preparation firm Bacon & Gendreau [informed its clients](#) on December 28 that, due to the so-called government shutdown, “the IRS has furloughed all but 12% of its employees across the country.” Because of that, the IRS “will continue to process electronically filed and paper returns with payments” but they “will not issue any refunds.” In addition the agency “will not perform audits or process returns requiring further examination.”



On the surface this should give their clients some comfort that, for the time being at least, they won’t be getting that dreaded notice in the mail that a previously-filed tax return is being audited. However, said Bacon & Gendreau, those layoffs don’t affect “essential employees such as IRS law enforcement agents.”

As *The New American* reported last month, due to budget cuts the IRS now employs about 24,000 fewer full-time agents than it did back in 2010, down to a measly 76,000 instead of its usual and customary complement of 100,000 agents. Most of those cuts — 17,000 of them — came from the law-enforcement arm.

This, according to the liberal investigative group ProPublica, is a travesty of the first order. The opening of its 18-page special report “How the IRS Was Guttled” issued in December, gave it all away: “An eight-year campaign to slash the agency’s budget has left it understaffed, hamstrung, and operating with archaic equipment. The result: billions less to fund the government. That’s good news for corporations and the wealthy.”

The rest of ProPublica’s exposé of the challenges faced by the federal government’s tax-collection arm focused on the loss of revenues that the federal government has suffered as the agency’s budget, its staffing, and its IT have been repeatedly cut, mostly by Republicans. According to ProPublica, the IRS is in a state of “collapse,” a “bureaucracy on life support” that costs the federal government “at least \$18 billion every year, but the true cost could easily run tens of billions of dollars higher.”

Putting those alleged losses into perspective, the federal government’s maw consumes more than \$4 trillion of taxpayer funds every year, so the report is talking about alleged losses that are merely rounding errors in the grand scheme of things.

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But, said ProPublica, those are big bucks and those “losses” are likely to get bigger as the agency gets smaller: “The cuts are depleting the staff members who help ensure that taxpayers pay what they owe.” Notice please that the IRS, according to the investigative outfit, just wants to “help” taxpayers, suggesting that the agency is more like a librarian serving its cardholders seeking advice on a current book on the best-seller list. “As of last year, the IRS had 9,510 auditors. That’s down a third from 2010.” And a lot of those still working are likely to take early retirement next year: “Almost a third of its



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remaining employees will be eligible to retire in the next year, and with morale plummeting, many of them will.”

As a result, the IRS is being forced to stop “pursuing” those taxpayers who failed to file, or who filed but didn’t enclose a check for their tax liability. Wept ProPublica, “New investigations of ‘nonfilers,’ as they’re called, dropped from 2.4 million in 2011 to 362,000 last year,” leaving on the table “at least \$3 billion.” What’s worse, unless the IRS steps up its collection efforts, those tax liabilities disappear after 10 years: “Tax obligations expire after 10 years if the IRS doesn’t pursue [there’s that word again] them.” Furthermore, said the investigative firm, “the IRS’ ability to investigate criminals has atrophied.”

ProPublica cried that all of this is removing the fear of the IRS from the taxpayer, admitting indirectly that it’s that fear that drives many to file to keep from being audited, or worse. Said the outfit, “For the country’s largest corporations, the danger of being hit with a billion-dollar tax bill has greatly diminished. For the rich ... the IRS has become less and less of a force to be feared.”

Which brings us to this question: What about the criminals in the employ of the IRS? What about their crimes? *The New American* reminded its readers of the crimes committed at the very top of the agency:

Think Lois Lerner. Think John Koskinen. It was Lerner who directed the branch of the agency that targeted conservative groups seeking tax exemption. It was Koskinen who took over the agency just after the scandal was made public and hid Lerner’s e-mails, destroyed them, and then lied about it to Congress. Impeachment papers were prepared by the House Oversight Committee, which accused him of failing to prevent the destruction of evidence in allowing the erasure of backup tapes containing thousands of e-mails written by Lerner, and of lying to Congress. Jason Chaffetz (R-Utah), the committee chairman, said that Koskinen “failed to comply with a congressionally issued subpoena, documents were destroyed on his watch, and the public was consistently misled.”

Neither of these miscreants was ever charged, convicted, or sentenced, and today they remain free to enjoy their retirement pensions from the government.

What about the crimes being committed by those on the frontlines, “pursuing” taxpayers who “fear” the agency and its enforcers? What about the raid by IRS enforcers on Mountain Pure Water Bottling Company and Duncan Outdoors, Inc.? What about the raid on Gibson Guitar? A reenactment of the raid on Mountain Pure Water was developed by Jan Morgan of JanMorganMedia, which can be seen [here](#).

That reenactment was mild compared to the real experience, according to the company’s president. As Breitbart reported, the president told us “that it was even worse than depicted on the video. He says he was cursed at, spat on, and bullied in such an egregious fashion, he felt like they were trying to provoke him to react violently. His son ... the General Manager, had a loaded gun pointed to his face.” Said Morgan: “This documentary is not about the guilt or innocence of the citizens involved. It is about the increasing number of unconstitutional, paramilitary, gestapo style raid tactics involving ... agencies of the federal government.”

The amounts being “lost” to the federal government due to the current “shutdown” are penny-ante compared to the overall federal budget. They fade into insignificance in light of unconstitutional abuses the agency has used in its “pursuit” of taxpayers who “fear” the agency’s enforcers.

For taxpayers, the government shutdown represents a welcome — if only temporary — respite from “fear” of the agency “pursuing” them. May the shutdown continue!



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