



Written by [Alex Newman](#) on February 13, 2014

## IRS Insider Blows Lid Off “Culture of Corruption”

As a growing cloud of [perpetual mega-scandal](#) continues to swirl around the embattled Internal Revenue Service, an IRS insider who has worked as an attorney at the tax agency’s Office of the General Counsel for over 26 years is now blowing the whistle on what he says is systemic, massive corruption as well as routine abuse of taxpayers. In an explosive exposé posted on [Power Line](#), William Henck accused the agency — currently under fire for [targeting political groups](#) the Obama administration disagrees with — of embezzlement, bullying elderly taxpayers, retaliatory audits, scams, and more.



While the establishment press has failed to notice the corruption allegations so far, analysts are already calling for a special prosecutor to properly investigate the charges and restore accountability. Based on the accusations laid out in the warning to the public, IRS attorney Bill Henck has tried unsuccessfully to have authorities investigate and deal with the corruption. When nothing significant to rein in the abuses happened, he eventually went to the press. Despite exposure of some of the lawlessness in at least two major newspapers, however, the scams and abuses victimizing taxpayers continued, Henck said. He was then subjected to a “retaliatory audit” by IRS officials for his efforts, he added.

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“I have personally witnessed improper giveaways of billions of dollars to taxpayers with inside access at the agency, bullying of elderly taxpayers, the cover-up of managerial embezzlement and misappropriation of thousands of dollars in government funds, and a retaliatory audit,” Henck wrote in his blistering account of the decades he spent working at the IRS, which was published on February 6. “I have also heard credible accounts of, among other things, further improper giveaways, blatant sexual harassment, and anti-Semitism. All of these matters have been swept under the rug.”

Henck said he had no personal knowledge of the IRS being used as a political attack dog to target conservative organizations and individuals. However, he also noted that the “environment within the agency is ripe for such activity and there is nothing to prevent it from occurring.” Further down in the letter, the IRS attorney also said he fears that the stories told by ordinary citizens of IRS abuse due to political views are true. In fact, Henck added, based on what he has experienced while at the agency, it would be “naïve” to think that IRS executives would draw the line at politically motivated harassment while engaging in everything else he described.

Of course, the latest IRS scandal involving harassment and targeting of Tea Party groups for extra audits and scrutiny to muzzle the voices of Americans in elections is now well known. One of the key players in the lawlessness — or at least the fall person, depending on one’s point of view — was senior IRS official Lois Lerner, who pled the Fifth Amendment to avoid testifying and incriminating herself. Countless analysts and critics suspect the corruption went much higher — potentially all the way to the



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White House. More recently, Dr. Benjamin Carson, who lambasted Obama to his face during a National Prayer Breakfast last year, accused the agency of retaliating against him and his family for the criticism.

“The IRS has investigated me. They said, ‘I want to look at your real estate holdings.’ There was nothing there,” Dr. Carson told Newsmax TV this week. “‘Well, let’s expand to an entire [year], everything.’ There was nothing there. ‘Let’s do another year.’ Finally, after a few months, they went away. But they’ve come after my family, they’ve come after my friends, they’ve come after associates.” He added: “We live in a Gestapo age, people don’t realize it. But what I say is the Congress has to, at some point, step up to the plate.”

Henck, who still works at the agency, says the “vast majority” of his colleagues at the IRS are honest and do their jobs in a “conscientious manner.” However, what he called the “culture of corruption” within the agency goes beyond the typical “share of bad apples and misconduct” that exists within other organizations. “What separates the IRS is its junkyard dog ferocity in covering up misconduct,” he said. “There is no accountability for IRS misconduct and people within the agency are scared to speak out and also believe, with considerable justification, that such action would be futile” — not to mention potentially fatal to their careers.

Among the scandals Henck described within the agency is abuse of taxpayers, who he said “were denigrated in writing as ‘upper class twits’.” Despite weaknesses in the IRS’s legal positions, he continued, at least one “cadre member” on an IRS team argued that “the taxpayers in these cases were typically elderly and could be forced into settling their cases.” Henck had suggested in one of the cases that the IRS concede due to errors in its position, but higher-ups refused. Other revelations include how lobbyists meet with top IRS officials to organize schemes benefiting their clients, how taxpayers are being ripped off using a variety of scams, and much more.

“I am reporting the information stated above because as a federal employee, I took an oath to the United States. I have a legal and moral obligation to report this information,” Henck said after detailing multiple abuses at the agency. “All Americans should be concerned when IRS officials see themselves as above the law because they are, in fact, above the law. The misconduct described above is united in the complete lack of accountability on the part of IRS officials.”

Citing the allegations made by Henck and other recent scandals surrounding the administration, Thomas Lifson at the *American Thinker* [said](#) it was time for serious action. “These charges deserve official investigation, and because the Eric Holder Department of Justice cannot be trusted to appoint someone with an interest in getting at the truth, the charges ought to be part of a special prosecutor’s mandate,” he wrote, adding that Congress should investigate. “Of all government agencies, the IRS has the most arbitrary and easily-abused power. Corruption within its ranks cannot be tolerated, for it has the potential to metastasize rapidly into banana republic tyranny.”

“The mess at the IRS must be taken very, very seriously, or else we shall lose our republic,” Lifson continued. “It is now time for the House to investigate and loudly call for a special prosecutor.” While Henck’s allegations have spread rapidly across the Internet and the alternative media, the establishment press and lawmakers in Congress do not appear to have noticed yet. However, as the scandals surrounding the IRS continue to grow, it is becoming increasingly obvious that there is much more than just smoke. In fact, it is amazing that what appears to be a raging inferno has been allowed to burn for so long without any serious efforts to stamp it out.



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Incredibly, as if the tsunami of scandals plaguing the agency was not enough to at least rein in the lawless behavior, the IRS is now openly seeking to [re-write its “regulations”](#) in a [brazen effort to silence conservative Americans](#). Around the world, meanwhile, the agency is seeking to impose a radical U.S. tax regime known as FATCA on every bank and government on Earth. Canadian authorities recently capitulated, and Russia’s Vladimir Putin government is now [negotiating a “data-sharing” deal with the IRS as well](#). All of it is being done without any statutory or constitutional authority whatsoever, according to lawmakers and experts. It is past time for Congress to get involved.

*Alex Newman is a correspondent for The New American, covering economics, politics, and more. He can be reached at [anewman@thenewamerican.com](mailto:anewman@thenewamerican.com).*

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