

George Whitesides supported a reckless spending bill, which raised taxes on middle-income Americans and small businesses.

Whitesides Supported The Inflation Reduction Act, Which Gave Billions Of Dollars To The IRS To Hire Nearly 100,000 New Employees, Doubling The Agency's Size, To Conduct More Audits On Small Businesses And Working Families, Costing Middle-Class Taxpayers Billions In Taxes

Whitesides Supported The Inflation Reduction Act. “Whitesides expressed confidence that Biden’s signature jobs initiatives will play well in the 27th District. ‘I don’t think people know what the [Inflation Reduction Act] means but they do know that there’s a growing set of jobs around clean energy and they want local jobs,’ he said. ‘I think [Biden’s] job performance is something that other presidents would be proud of.’” (Daniela Altimari, “In Key House Battleground, GOP’s Garcia Faces New Challenger,” [Roll Call](#), 12/27/23)

The Inflation Reduction Act Allocated \$79.6 Billion To The IRS Over 10 Years, More Than Half Of Which Was Meant For Enforcement. “Part of President Joe Biden’s agenda, the Inflation Reduction Act allocates \$79.6 billion to the agency over the next 10 years. More than half of the money is meant for enforcement, with the IRS aiming to collect more from corporate and high-net-worth tax dodgers.” (Kate Dore, “Reconciliation Bill Includes Nearly \$80 Billion For IRS Including Enforcement, Audits: What That Means For Taxpayers,” [CNBC](#), 8/8/22)

The Inflation Reduction Act Allocated An Extra \$80 Billion To The IRS To Improve The Agency's Collection Of Under-Reported Income. “A key provision in the Inflation Reduction Act — which throws an extra \$80 billion to the IRS to improve the agency’s collection of under-reported income — will end up targeting small business owners to pay for the legislation, according to nonpartisan watchdog the Joint Committee on Taxation.” (Lydia Moynihan, “80% Of New IRS Revenue Will Come From Small Businesses Earning Under \$200K: Tax Experts,” [New York Post](#), 8/3/22)

Under The Inflation Reduction Act, The IRS Would Receive \$80 Billion In Funding To Hire As Many As 87,000 Additional Employees, Doubling The Size Of The IRS. “Under the Inflation Reduction Act negotiated by Sen. Joe Manchin (D., W.Va.), the agency would receive \$80 billion in funding to hire as many as 87,000 additional employees. The increase would more than double the size of the IRS workforce, which currently has 78,661 full-time staffers, according to federal data.” (Joseph Simonson, “Dems Poised To Make IRS Larger Than Pentagon, State Department, FBI, and Border Patrol Combined,” [The Washington Free Beacon](#), 8/6/22)

The Inflation Reduction Act Provides \$45 Billion For The IRS To Improve Tax Enforcement. “The Inflation Reduction Act proposes \$80 billion of additional funding over ten years for the IRS. It’s not clear at this point exactly how that money will be spent, but lawmakers anticipate that the IRS would use \$45 billion of the funds to improve tax enforcement. This might include boosting staffing levels and modernizing outdated processing systems (\$5 billion is allotted in the bill for technology). Another \$25 billion of the additional funding is intended to improve IRS operations.” (Kelley R. Taylor, “The Inflation Reduction Act and Taxes: What You Should Know,” [Kiplinger](#), 8/12/22)

The Inflation Reduction Act Would Add 87,000 IRS Agents. “White House economic adviser Jared Bernstein appeared on CNBC's Squawk Box Monday and was interviewed by host Brian Sullivan, who questioned him about the impact the Inflation Reduction Act will have on taxpayers. If passed by the House of Representatives and signed into law by President Joe Biden, the legislation would add 87,000 IRS agents. Additionally, it would raise taxes on most Americans, despite promises not to increase taxes on those making less than \$400,000.” (Joe Silverstein, “White House Economic Adviser Won't Say If 87,000 New IRS Agents Will Audit Those Making Under \$400,000,” [Fox News](#), 8/8/22)

- **Funding Included In The Inflation Reduction Act Will Allow The IRS To Hire Up To 87,000 Additional Agents.** “Funding included in the reconciliation bill, dubbed the ‘Inflation Reduction Act,’ will allow the IRS to hire up to 87,000 additional agents – potentially doubling the agency’s size. The IRS plans to use the money to step up its tax enforcement efforts and modernize

its technology in a bid to maximum federal tax revenue.” (Thomas Barrabi, “Elon Musk reacts to \$80B IRS overhaul in Inflation Reduction Act: ‘Seems high,’” [New York Post](#), 8/8/22)

- **With The Funding, The IRS Aims To Hire Roughly 87,000 New Agents, According To The Treasury Department.** “While the legislation still must be approved by the House and signed into law, it will take time to phase in the funding, hire and train new workers. The IRS aims to hire roughly 87,000 new agents, according to the Treasury Department.” (Kate Dore, “With 87,000 New Agents, Here’s Who The IRS May Target For Audits,” [CNBC](#), 08/09/22)
- **The IRS Currently Has Approximately 78,000 Full-Time Employees.** “The increase would more than double the size of the IRS workforce, which currently has 78,661 full-time staffers, according to federal data.” (Joseph Simonson, “Dems Poised To Make IRS Larger Than Pentagon, State Department, FBI, And Border Patrol Combined,” [Washington Free Beacon](#), 8/6/22)

With 87,000 New Agents, The IRS Would Employ More Bureaucrats Than The Pentagon, State Department, FBI, And Border Patrol Combined. “If Democrats have their way, one of the most detested federal agencies—the Internal Revenue Service—will employ more bureaucrats than the Pentagon, State Department, FBI, and Border Patrol combined.” (Joseph Simonson, “Dems Poised To Make IRS Larger Than Pentagon, State Department, FBI, and Border Patrol Combined,” [Washington Free Beacon](#), 8/6/22)

- “The Pentagon Houses Roughly 27,000 Employees, The State Department Employs Just Over 77,243, The FBI Employs Approximately 35,000 People, And Customs And Border Protection Says It Employs 19,536 Border Patrol Agents. “That would make the IRS one of the largest federal agencies. The Pentagon houses roughly 27,000 employees, according to the Defense Department, while a human resources fact sheet says the State Department employs just over 77,243 staff. The FBI employs approximately 35,000 people, according to the agency’s website, and Customs and Border Protection says it employs 19,536 Border Patrol agents.” (Joseph Simonson, “Dems Poised To Make IRS Larger Than Pentagon, State Department, FBI, and Border Patrol Combined,” [Washington Free Beacon](#), 8/6/22)

Between 78 Percent And 90 Percent Of The Estimated Additional \$200 Billion The IRS Will Collect Will Come From Small Businesses. “The group estimates that between 78% and 90% of the estimated additional \$200 billion the IRS will collect will come from small businesses making less than \$200,000 annually.” (Lydia Moynihan, “80% Of New IRS Revenue Will Come From Small Businesses Earning Under \$200K: Tax Experts,” [New York Post](#), 8/3/22)

Most Of The New Revenue From IRS Audits And Scrutiny Will Come From Those Making Less Than \$200,000 A Year. “The majority of new revenue from IRS audits and scrutiny will come from those making less than \$200,000 a year, according to a study from the nonpartisan Joint Committee on Taxation. The committee found that just 4 to 9 percent of money raised will come from those making more than \$500,000, contrary to Democrats’ claims that new IRS agents are necessary to target millionaires and billionaires who hide income.” (Joseph Simonson, “Dems Poised To Make IRS Larger Than Pentagon, State Department, FBI, And Border Patrol Combined,” [The Washington Free Beacon](#), 8/6/22)

Americans Making Less Than \$400,000 Per Year Will Pay An Additional \$20 Billion In Taxes Over The Next Ten Years Because Of The Inflation Reduction Act. “The Inflation Reduction Act sent to President Biden’s desk will end up forcing working-class Americans to pay billions of dollars in new taxes, according to the nonpartisan Congressional Budget Office. An analysis by the CBO estimates those earning less than \$400,000 — the group on which Biden promised not to raise taxes — will pay an estimated \$20 billion more in taxes over the next decade as a result of the Democrat-pushed \$740 billion package, which also sets aside \$80 billion to hire 87,000 IRS agents. The bill has yet to be scored in its entirety by the CBO — which typically gives each piece of legislation a price tag before it is voted on — but the agency scored the impact of the IRS expansion on middle-class taxpayers on Aug. 12 after a provision from Sen. Mike Crapo (R-Idaho) sought to exempt those making under \$400,000 from increased IRS scrutiny. Crapo’s proposed amendment would have kept those taxpayers from being targeted by the new IRS hires, but his provision was shot down 51-50 in the bill passed by the Senate last week. ... The CBO analysis confirms an earlier report from the Joint Committee on Taxation that found that throwing an extra \$80 billion at the IRS to improve the

agency's collection of under-reported income will end up targeting small business owners to pay for the legislation.” (Lydia Moynihan, “Inflation Reduction Act Will Cost Middle Class \$20B In New Taxes: CBO,” [New York Post](#), 8/15/22)

In September 2021, The Congressional Budget Office Determined That \$80 Billion In Additional Funding For The IRS Would Result In Increased Audit Rates For Taxpayers In All Income Brackets, Including Taxpayers Who Were Determined To Not Owe Any Additional Taxes. “Last month, the Congressional Budget Office published An Analysis of Certain Proposals in the President’s 2022 Budget. Since then, CBO has completed its analysis of another proposal in the President’s budget, an increase in spending for the Internal Revenue Service’s (IRS’s) enforcement activities. CBO estimates that portions of the Administration’s proposal to increase funding for the IRS by \$80 billion over the 2022–2031 period would increase revenues by approximately \$200 billion over those 10 years. That estimate does not include changes in revenues resulting from portions of the proposal that involve new information-reporting requirements and other changes to the tax code; those changes are estimated by the staff of the Joint Committee on Taxation (JCT). ... The proposed increase in spending on the IRS’s enforcement activities would result in higher audit rates than those underlying CBO’s baseline budget projections. Between 2010 and 2018, the audit rate for higher-income taxpayers fell, while the audit rate for lower-income taxpayers remained fairly stable. In CBO’s baseline projections, the overall audit rate declines, resulting in lower audit rates for both higher-income and lower-income taxpayers. The proposal, by contrast, would return audit rates to the levels of about 10 years ago; the rate would rise for all taxpayers, but higher-income taxpayers would face the largest increase. In addition, the Administration’s policies would focus additional IRS resources on enforcement activity aimed at high-wealth taxpayers, large corporations, and partnerships. CBO estimates that if the proposals were enacted, tax compliance would be improved, and more households would meet their obligation under the law. Higher audit rates would probably also result in some audits of taxpayers who would later be determined not to owe additional taxes. However, the Administration’s proposal for more information reporting, as well as additional spending on IRS technology, might reduce the burden on compliant taxpayers by allowing the IRS to better target noncompliant ones and to reduce the number of audits that resulted in no change in tax assessment.” (The Effects Of Increased Funding For The IRS,” [Congressional Budget Office](#), 9/2/21)

On August 7, 2022, Sen. Mike Crapo Tried To Amend The Inflation Reduction Act To Prohibit The Bill’s Funding From Being Used To Conduct Audits Of Taxpayers Earning Less Than \$400,000 Per Year. “U.S. Senate Finance Committee Ranking Member Mike Crapo (R-Idaho) filed an amendment to the Democrats’ misleadingly-named “Inflation Reduction Act of 2022” to prevent the IRS from using its massive, \$80 billion cash infusion on enforcement actions designed to squeeze more revenue out of American taxpayers who earn less than \$400,000 per year. ... Senator Crapo’s amendment would prevent the IRS from using any of the supersized \$80 billion of funding for audits on hard-working American taxpayers, including individuals and small businesses, with taxable incomes below \$400,000.” (Press Release, “Crapo Offers Amendment To Protect Middle Class, Small Businesses From Supersized IRS,” [Sen. Mike Crapo](#), 8/7/22)

A Congressional Budget Office Analysis Determined That If The Amendment Were Adopted, Revenue From The Bill Would Be Reduced By \$20 Billion. “Explanation: Last weekend, all 50 Senate Democrats voted against an amendment offered by Senate Finance Republican Leader Mike Crapo (R-ID) that would have protected lower- and middle-income American taxpayers against new audits by the IRS. The Congressional Budget Office (CBO) confirms that had this amendment passed and lower- and middle-income taxpayers been protected, revenue in Democrats’ bill would have been reduced by at least \$20 billion – confirming that at least \$20 billion of the \$124 billion in new revenue expected by a supercharged IRS will be coming from higher audits on low- and middle-income Americans. This will be in addition to existing audits on these income levels. From CBO: ‘CBO has not completed a point estimate of this amendment but the preliminary assessment indicates that amendment 5404 would reduce the ‘non-scorable’ revenues resulting from the provisions of section 10301 by at least \$20 billion over the FY2022-FY2031 period.’” (“CBO: New IRS Audits Will Grab At Least \$20B From Lower- & Middle-Income Families,” [House Ways & Means Committee Republicans](#), 8/12/22)

Democrats Killed The Amendment On A Party-Line Vote. “Senate Democrats voted the amendment down along party lines, 50-50.” (Press Release, “Crapo Offers Amendment To Protect Middle Class, Small Businesses From Supersized IRS,” [Sen. Mike Crapo](#), 8/7/22)