

April 28, 2023

GOP debt limit bill would mangle IRS' \$80 billion plans

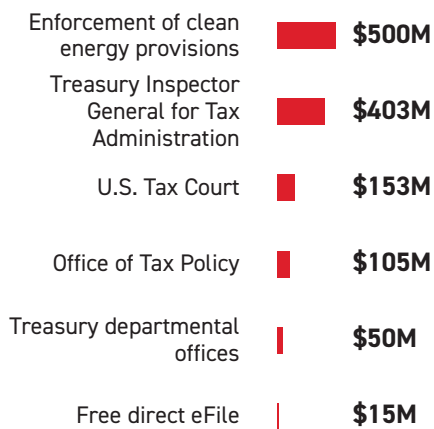
House Republicans included a major IRS funding cut in their legislation to raise the debt ceiling. The Limit, Save Grow Act would reduce the funding the agency received as a part of the Inflation Reduction Act by 90 percent, most of which was intended to improve enforcement. About \$8 billion is left from the original funding bump for business systems modernization and taxpayer services.

LSGA strips funding for enforcement, operations support and other functions

HOW THE LSGA WOULD AFFECT THE IRS' TEN-YEAR, \$80 BILLION SPENDING PLAN



TAX-RELATED FUNDING IN THE INFLATION REDUCTION ACT THAT WOULD ALSO BE CUT



How the IRS said it would spend its infusion

Congress set topline funding by appropriations account and left more specific planning details to the IRS, which released a 150-page plan on April 6. The plan included five objectives and one additional category (energy security) to direct spending. Each objective received funding from multiple appropriations accounts, and each would be affected by the cuts proposed in the LSGA.

