



CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE

April 3, 2015

**H.R. 1563**  
**Federal Employee Tax Accountability Act of 2015**

*As ordered reported by the House Committee on Oversight and Government Reform  
on March 25, 2015*

H.R. 1563 would amend federal law regarding federal employees and delinquent taxes. Under the legislation, individuals with federal tax debt that is seriously delinquent would be ineligible to be appointed or to continue serving as an employee of the federal government.

The legislation defines seriously delinquent tax debt as outstanding tax debt to the federal government that may be collected through a levy (legal seizure of property) or proceedings in court. Tax debt that is being paid in a timely manner or is part of a requested or pending collection-due-process hearing would not be considered seriously delinquent. Under the bill, federal agencies would be required to have job applicants certify that they do not have such debt. The legislation also would allow agencies to review the public records of applicants or current employees. Under the bill, if a current federal employee were found to be willfully not paying taxes they could be fired. For new employees, if a tax lien were discovered, agencies would be authorized to ask affected individuals to disclose the status of that lien.

Based on information from the Office of Management and Budget, the Internal Revenue Service, and the Joint Committee on Taxation (JCT), CBO estimates that, implementing H.R. 1563 would cost \$1 million over the 2016-2020 period, subject to the availability of appropriated funds. That amount would be used to create certification forms, develop new regulations, and review records of current and prospective employees.

The bill would affect direct spending by agencies not funded through annual appropriations. CBO estimates, however, that any net increase in spending by those agencies would not be significant. JCT staff estimate that enacting the bill would have a negligible effect on revenues. Because the bill would affect direct spending and revenues, pay-as-you-go procedures apply.

H.R. 1563 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The CBO staff contact for this estimate is Matthew Pickford. The estimate was approved by Theresa Gullo, Assistant Director for Budget Analysis.