



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

May 11, 2011

H.R. 828 **Federal Employee Tax Accountability Act of 2011**

*As ordered reported by the House Committee on Oversight and Government Reform
on April 13, 2011*

H.R. 828 would make individuals with federal tax debt that is seriously delinquent ineligible to be appointed, or continue serving, as an employee of the federal government. The legislation defines seriously delinquent tax debt as outstanding tax debt to the federal government for which a public lien has been filed. 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. Federal agencies would be required to have job applicants certify that they do not have such debt. The legislation would also allow agencies to review the public records of applicants or current employees; if a lien is discovered, agencies would be authorized to ask affected individuals to request that the Secretary of the Treasury confidentially 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, subject to the availability of appropriated funds, implementing H.R. 828 would cost \$1 million in 2012 and less than \$500,000 in subsequent years to create certification forms, develop new regulations, and review records of current and prospective employees.

Pay-as-you-go procedures apply to the bill because it would affect direct spending and revenues. Agencies not funded through annual appropriations, such as the Tennessee Valley Authority and Bonneville Power Administration, would face some additional costs, but CBO estimates that any net increase in direct spending by such agencies would not be significant. JCT estimates that enacting the bill would have a negligible effect on revenues.

H.R. 828 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. This estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.