Civic engagement should not require jumping over hurdles or a long, drawn-out review process by the IRS. If you play by the rules, the IRS should not be a hindrance to your activities.

So, once again, I urge support of this bill.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. RYAN) that the House suspend the rules and pass the bill, H.R. 1295, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

PREVENT TARGETING AT THE IRS ACT

Mr. RYAN of Wisconsin. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 709) to provide for the termination of employment of employees of the Internal Revenue Service who take certain official actions for political purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 709

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Prevent Targeting at the IRS Act''.

SEC. 2. TERMINATION OF EMPLOYMENT OF INTERNAL REVENUE SERVICE EMPLOYEES FOR TAKING OFFICIAL ACTIONS FOR POLITICAL PURPOSES.

(a) IN GENERAL.—Paragraph (10) of section 1203(b) of the Internal Revenue Service Restructuring and Reform Act of 1998 is amended to read as follows:

''(10) performing, delaying, or failing to perform (or threatening to perform, delay, or fail to perform) any official action (including any audit) with respect to a taxpayer for purpose of extracting personal gain or benefit or for a political purpose.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Wisconsin (Mr. RYAN) and the gentleman from Georgia (Mr. LEWIS) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin.

GENERAL LEAVE

Mr. RYAN of Wisconsin. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 709, currently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio (Mr. RENACCI) to describe the contents of his bill, and thank Mr. RENACCI for bringing this issue to our attention, for crafting this legislation, for moving it through committee on a bipartisan basis.

□ 1445

Mr. RENACCI. I thank the chairman.

Mr. Speaker, I rise today to urge approval of H.R. 709, the Prevent Targeting at the IRS Act.

This bipartisan legislation has over 50 cosponsors and actually passed by voice vote in a previous Congress. I think the overwhelming support for this legislation shows that the vast majority of Members, regardless of their party affiliation, believe the IRS should be above politics.

Congress has already acted to create a list of fireable offenses at the IRS. In 1998, the IRS Restructuring and Reform Act passed by a vote of 402–8. It sought to bring accountability to the IRS by allowing for the immediate termination of IRS employees who engage in the so-called ''10 deadly sins'' against taxpayers. Many of the Members in Congress today supported those reforms back then.

Unfortunately, while that legislation covers many offenses, it did not include political targeting. I have no doubt this was a simple oversight.

This is not a partisan issue. I cannot imagine any Member would support a process for removing an employee for bad behavior but somehow not consider political targeting to be a bad enough behavior. It is absolutely unacceptable for a government official to consider the political leanings of any taxpayer when conducting official business. If a Federal employee engages in political targeting, that employee should be fired. It is that simple.

My legislation will make sure of it. It specifically spells out that any IRS employee, regardless of political affiliation, who targets a taxpayer for political purposes will immediately be relieved of his or her duties. If you work for the IRS, you cannot target taxpayers for political purposes. There should be no controversy in that.

This legislation does not change any of the procedures for removing an IRS agent. It just adds ''political targeting'' to the list of the 10 deadly sins already in existence.

Though it has been nearly 2 years since we learned that the IRS targeted individuals based on their political beliefs, the American public's lack of trust in this Federal agency remains—and rightly so. Political targeting contradicts the very principles this country was founded upon, and there is no room for it in our democracy. It will not be tolerated.

The IRS needs this legislation; the entire Federal Government needs this legislation; and, most importantly, the American people need this legislation. They need to know that they will not be targeted by their government for political purposes. They need to know that those who are entrusted with the vast power of the Federal Government will act in a responsible and professional manner and will be reprimanded if they don't. They need to know that the government is accountable to them and not the other way around.

I urge all Members to support this commonsense legislation.

Mr. LEWIS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 709. This legislation removes certain protections that are otherwise available to Federal employees if an employee conducts his or her official duties with the intent to extract personal gain or for a political purpose.

H.R. 709 responds to the investigation into the processing of tax-exempt applications. This investigation started nearly 2 years ago, in May of 2013. To date, the agency has spent more than $20 million to produce more than 1.3 million pages of documents, including 78,000 emails from Lois Lerner.

Mr. Speaker, to date, there has not been one shred of evidence produced to support the Republican claim that the processing of applications was politically motivated or intended to target the President's political enemies.

The inspector general even stated that no one outside the agency was involved in setting the criteria for processing tax-exempt applications. The delays experienced by groups were the result of incompetence at the agency in the Exempt Organizations Division.

I urge all of my colleagues on both sides of the aisle to vote ''yes'' for H.R. 709.

Mr. Speaker, I reserve the balance of my time.

Mr. RYAN of Wisconsin. At this time, I yield 2 minutes to the gentleman from Kansas (Mr. HUELSKAMP).

Mr. HUELSKAMP. Mr. Speaker, I thank the chairman, and I appreciate my colleague from Ohio bringing forth this important legislation.

''If men were angels, no government would be necessary. If angels were to govern men, neither external nor internal controls on government would be necessary.'' James Madison wrote these words 227 years ago in his 51st Federalist Paper. It is an elegant way of expressing an ugly truth, that a government of the people cannot always be trusted to do right by the people and, thus, must hold itself in check for the sake of the people.

When Madison penned the Federalist Papers, it was with a fresh view of what the British Parliament did to exert government control over the lives of the colonists, leading to the famous Boston Tea Party and, ultimately, a revolution.

The targeted discrimination and unfair treatment of conservative organizations with the words ''Tea Party'' and others in their names that took place at the IRS under the direction of Lois Lerner shows what happens when government no longer feels accountable to the people and when the Constitution becomes simply a list of suggestions. Agencies can then become a

political weapon for one party to use against the other.

It is sad that we actually have to pass legislation to address these inexcusable actions. Every employee of the IRS, of this entire Federal Government, is ultimately a public servant. Once you stop serving the public and start serving political agendas, it is time for you to do something else.

This bill will add targeting taxpayers for political purposes to the list of the 10 things that can get you fired as an employee of the IRS.

I am not sure what is more upsetting about that sentence: that our government is so bureaucratic that only 10 things might get you fired at the IRS, or that political discrimination wasn't already one of those things.

I urge my colleagues to support this straightforward, commonsense measure.

Mr. LEWIS. Mr. Speaker, I yield back the balance of my time.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield 4 minutes to the gentleman from Illinois (Mr. ROSKAM), the chairman of the subcommittee.

Mr. ROSKAM. I thank the chairman for yielding.

Mr. Speaker, I want to tell you a story. I want to take you back to 1996. A friend of mine in Illinois, my former law partner, Al Salvi, was running for the United States Senate. He loaned himself some money to his campaign.

The Federal Election Commission—a different agency than we are talking about, but stick with me. This is like a 'Seinfeld' episode. It is all going to come together at the end. The Federal Election Commission said: You did that the wrong way. You violated Federal election law. They placed him under investigation. World War II headlines in the Chicago papers. He goes on, and he loses the election for the United States Senate.

Now, political scientists can debate whether he would have won or whether he would have lost, but let's face it, being under investigation by the Federal Election Commission generally does not help you win a political campaign.

At the end of that campaign, the Federal Election Commission came and they made a very large settlement demand. I don't remember off the top of my head how many hundreds of thousands of dollars they were demanding from him, but he said: I didn't do anything wrong, and I am not going to pay you any money.

The Federal Election Commission said: That is fine. We are going to sue you—which they did. They filed a lawsuit against him in Federal court. A Federal judge reads the pleadings, dismisses the case—against the Federal Election Commission—and finds in favor of Al Salvi.

You would think that this drama all ended there. Oh, no, no, no. The Federal Election Commission came back, and they said: Well, we know you won, but we are still going to make a settlement demand of you. We are going to lower the amount, but we are still going to make a demand because, if you don't pay us, we are going to appeal the judge's ruling.

Al Salvi is a pretty sophisticated lawyer. He talked to the lawyer at the other end of the line and said to that person: Let me talk to the person who had authority on this case because you don't understand. I won; you lost. I am not going to pay you any money. Let me talk to the person with authority on the case at the Federal Election Commission.

That person got on the phone with Al Salvi and said this: If you pledge never to run for office again, we will drop this case.

Al Salvi said: Put that in writing.

The person said: We don't put that in writing, and we never lose.

That person was Lois Lerner.

Now, you take that disposition, you take that attitude, you take that long arm of a bureaucrat who reaches into the sanctity of the ballot booth, and you've got a real problem. And you up the wattage on that, you move her over and you give her the type of authority that not the Federal Election Commission has, but the Internal Revenue Service to grab somebody by the throat and to do whatever they want with them, with the possibility of imprisoning them, that is a problem. That is a problem that the gentleman from Ohio, Representative RENACCI, is trying to make go away.

We had a hearing in the last Congress. I hear a lot of testimony. We all hear a lot of testimony. But this testimony was inspirational to me because these were people that came in before our committee.

Committee members, you will remember this.

They told us about how they had been targeted. But you know what was the most incredible thing? They kept faith with their country when it didn't look like their country had kept faith with them. They said: This isn't America. My America doesn't target me. My America doesn't shun me out of the public square.

But you know the one that got the most attention in my mind was the pro-life group in Iowa who was asked by the Internal Revenue Service: Tell us about your organization; tell us about your activity.

They gave a list of activities, and one of the activities they said was: We have prayer meetings.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. RYAN of Wisconsin. I yield the gentleman an additional 2 minutes.

Mr. ROSKAM. We have prayer meetings.

And the IRS said: In writing, under penalty of perjury, tell us about your prayer meetings.

The hair on the back of my neck is tingling at this moment as I am describing this to you because it is so scandalous.

Mr. RYAN of Wisconsin. Will the gentleman yield?

Mr. ROSKAM. I yield to the gentleman.

Mr. RYAN of Wisconsin. I believe the specific question from the IRS to the pro-life group from Iowa was: What do you pray about?

Mr. ROSKAM. So can you imagine that? You are a nice little group, minding your own business, in Iowa, with a point of view, and the Internal Revenue Service starts roughing you up?

This targeting is insidious. This targeting is poisonous. This targeting is without a defender. There is nobody who is getting up on this floor today—no voice is saying, ''Oh, yes. Let him do it. It is fine. It will all settle out.'' Not the ranking member, he is not defending this. There was nobody. Not the chairman, he is not defending this.

Everybody in this House should all be saying that we all have the right to come in and make our arguments and try to persuade the public to vote for us, and it should be never a bureaucrat who manipulates and uses power to an end and abuses somebody who, by good faith, is coming into this process.

This is an incredibly important piece of legislation. I urge its passage.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield myself 2 minutes.

This one is the one that really takes the cake with us because we recognized a persistent pattern of targeting and harassment by the Internal Revenue Service over groups, and the only thing that grouped these groups together, the only thing that was similar, was their political persuasion, their political beliefs.

So the question that I get asked a lot from hard-working taxpayers in Wisconsin is: Did the IRS really target people based on their political beliefs? And the answer is: Absolutely yes, they did.

That is tyrannical; that is beyond the pale; and that, with the passage of this bill, will be illegal. It will make it extremely clear, no ifs, ands, or buts.

And let me tell you one other thing, Mr. Speaker. There is still a long ways to go with the investigation that is still underway, but what we already know is that this targeting happened. People were targeted based on their political beliefs, and this law makes that a crime.

With that, I yield such time as he may consume to the gentleman from Ohio (Mr. RENACCI) for the purpose of closing.

Mr. RENACCI. Mr. Speaker, I want to thank the chairman; I want to thank the gentleman from Illinois for his comments; and I want to thank the gentleman from Georgia, my colleague from the other side.

□ 1500

Look, it is pretty simple. It is unacceptable for a government official to consider the political leanings of any taxpayer when conducting official business. If a federal employee engages in

political targeting, that employee should be fired. It is that simple.

With that, Mr. Speaker, I urge the Members to support H.R. 709 to prevent targeting of the IRS, a commonsense piece of legislation.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. RYAN) that the House suspend the rules and pass the bill, H.R. 709, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

FAIR TREATMENT FOR ALL GIFTS ACT

Mr. RYAN of Wisconsin. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1104) to amend the Internal Revenue Code of 1986 to provide a deduction from the gift tax for gifts made to certain exempt organizations, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 1104

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Fair Treatment for All Gifts Act''.

SEC. 2. DEDUCTION FROM GIFT TAX FOR GIFTS MADE TO CERTAIN EXEMPT ORGANIZATIONS.

(a) IN GENERAL.—Section 2522(a) of the Internal Revenue Code of 1986 is amended by striking the period at the end of paragraph (4) and inserting a semicolon and by inserting after paragraph (4) the following new paragraph:

''(5) an organization described in paragraph (4), (5), or (6) of section 501(c) and exempt from tax under section 501(a).''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to gifts made after the date of the enactment of this Act.

(c) NO INFERENCE.—Nothing in the amendments made by subsection (a) shall be construed to create any inference with respect to whether any transfer of property (whether made before, on, or after the date of the enactment of this Act) to an organization described in paragraph (4), (5), or (6) of section 501(c) of the Internal Revenue Code of 1986 is a transfer of property by gift for purposes of chapter 12 of such Code.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Wisconsin (Mr. RYAN) and the gentleman from Georgia (Mr. LEWIS) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin.

GENERAL LEAVE

Mr. RYAN of Wisconsin. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 1104, currently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. ROSKAM), the chairman of the Oversight Subcommittee and the author of this bill for the purpose of describing his bill.

Mr. ROSKAM. Mr. Speaker, I have a riddle for you:

What is it that brings together the American Civil Liberties Union, Americans for Prosperity, the Human Rights Campaign, and the Tea Party Patriots all under one tent? Mr. Speaker, it is the Fair Treatment for All Gifts Act, H.R. 1104.

Here is the point. This is why all these groups from a wide range of political perspectives have all come together. They have come together because the IRS has started sniffing around about the possibility of doing something that every one of those groups really finds jarring, and that is assessing a tax liability on gifts to nonprofit organizations.

Now, you would have thought that this would be pretty settled doctrine, that gifts to nonprofit organizations, those types of contributions, are not taxable events. Yet the Internal Revenue Service wrote a letter. It is this type of letter. It is the kind of letter that I described in an earlier bill. You get it, and it is very unsettling, Mr. Speaker. They just wrote some donor, and they said, Your gift tax return was assigned to me for examination. The IRS has received information that you donated cash to some organization, and it begins to lay out a theory as to why this should be a taxable event.

Mr. Speaker, this should not be a taxable event. Mr. Speaker, this should not be ambiguous. And, Mr. Speaker, the Internal Revenue Service should not be wasting its precious time, which it seems to have so little of; shouldn't be going after American donors to all kinds of groups—left, right, center, up, down, any which way—and giving them a hard time about the contributions that they are making.

One final point. We have got a system, Mr. Speaker, that depends on the generosity of Americans. The American public is an incredibly generous group. The American public is sacrificial in their giving in many ways, and the donations and the generosity of the American public is absolutely foundational for our civic life. So, Mr. Speaker, H.R. 1104 clarifies that, and it says donations to those tax-exempt organizations under 501(c)(4), (5), and (6) of the Tax Code are not taxable.

Mr. LEWIS. Mr. Speaker, I yield myself as much time as I may consume.

Mr. Speaker, I rise in support of H.R. 1104. On this day, it is wise for the House to consider a bill to increase certainty for taxpayers. This bill brings clarity to what has historically been uncertain tax treatment for contributions to social welfare organizations, agricultural associations, labor unions, and trade associations.

With this bill, Mr. Speaker, amounts contributed to such organizations will not be subject to the gift tax.

Mr. Speaker, I urge all of my colleagues on both sides of the aisle to vote ''yes'' for H.R. 1104.

Mr. Speaker, I thank my colleagues, the chairman, the chairs of the subcommittee, and all of the members of the committee for supporting this piece of legislation and the other pieces.

I reserve the balance of my time.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield myself such time as I may consume.

Are you getting a theme here, Mr. Speaker? So what has happened here is individuals were giving donations to tax-exempt organizations, nonprofit organizations. As they should have, they did not expect to have to pay taxes on those donations. The Internal Revenue Service sent these letters to these donors, to these particular organizations, obviously stirring up a lot of confusion and threatening them with a big tax bill.

This makes it really clear. These organizations are tax-exempt organizations, and therefore you don't owe gift taxes for a donation to these organizations. It is crystal clear. It is made even more clear in this bill because, Mr. Speaker, it is very important for the operation of our society that that space that occurs between ourselves and our government is full, is vibrant, and is alive.

We call that space civil society. It is where we live our lives. The deeply woven fabric of civil society are all these various groups, nonprofit groups, all kinds of groups, advocating for something—advocating for the environment, advocating for the economy, advocating for the disabled, advocating for this cause, advocating for that cause, advocating for this person, and advocating for that person. It is how we lead our lives. It is how we integrate with one another. It is how we have a community.

So, Mr. Speaker, the last thing we want to do is have the IRS parachute itself in and divide itself and make people think that they can't participate in civil society. Civil society is so core to who we are as Americans and so core to our ability to live our freedoms and to help others. That is what is so important about this.

So when people are hit with an intimidating letter from the Internal Revenue Service and are being told that by participating in civil society, by participating in civil dialogue, and by exercising their free speech rights they are going to get hit with this huge, massive tax bill that they didn't expect, that is harassment. That is targeting. That is not going to happen once this bill passes. That is one other mistake that was made that is being rectified because of Mr. ROSKAM's diligence.

Mr. Speaker, I want to congratulate all the members of the committee who