



FOR IMMEDIATE RELEASE
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Contact: Sean Neary/Meaghan Smith
(202) 224-4515

BAUCUS DEMANDS ANSWERS FROM IRS FOR WASTED TAXPAYER DOLLARS SPENT ON STAR TREK PARODY VIDEO

Finance Chairman Asks for Line by Line Accounting, Requests Detailed Plan of Action to Ensure Taxpayer Dollars are Protected and Agency is Accountable

WASHINGTON – Senate Finance Committee Chairman Max Baucus (D-Mont.) demanded a line by line accounting from the Internal Revenue Service (IRS) today of the time, resources, and personnel involved in the making of *Star Trek* and *Gilligan's Island* parody videos that reportedly cost \$60,000 to produce. Chairman Baucus, whose Finance committee has jurisdiction over the IRS, also asked Treasury Secretary Jack Lew and IRS Acting Commissioner Steven Miller for a detailed plan of action to ensure taxpayer dollars are protected.

"A single taxpayer dollar wasted is one dollar too many, and it is particularly disturbing to see this waste coming from the very agency tasked with the mission of closing the \$450 billion tax gap," said Chairman Baucus. **"I want to know exactly how this video came to be, exactly who is responsible, and what the plan is for ensuring taxpayer dollars won't be wasted on another futile endeavor like this again."**

Due to budget constraints, the IRS was forced to reduce its audits by more than five percent as well as other efforts that lead to reducing the United States tax gap, the amount of taxes legally owed to the federal government but not timely collected, estimated at \$450 billion every year. Senator Baucus has long fought to reduce waste and fraud and close the tax gap. He is working with his colleagues on bipartisan comprehensive tax reform which will help close the tax gap by simplifying the tax system and easing compliance for families and businesses while closing corporate loopholes.

Chairman Baucus' letter is below.

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The Honorable Jacob J. Lew
Secretary of the Treasury
Department of the Treasury
1500 Pennsylvania Ave.
Washington, DC 20003

The Honorable Steven T. Miller
Acting Commissioner
Internal Revenue Service
1111 Constitution Ave.
Washington, DC 20224

Dear Secretary Lew and Acting Commissioner Miller:

I am writing with great interest to learn why the IRS produced a Star Trek themed video and what steps the IRS has taken to prevent such wasteful government spending in the future.

According to a recent IRS statement, the IRS produced two of these parody videos starring IRS employees at a cost of \$60,000 total for the two videos. The Star Trek video was made in 2010 for an IRS training and leadership conference. What is unclear, however, is how the IRS made the decision to produce the Star Trek video. Furthermore, according to one estimate, the IRS may have spent as much as \$4 million last year through its production studio. As a tax administration agency, why does the IRS even have a production studio? And, does the studio in fact cost that much per year?

As you know, everyone in the federal government works for the benefit of hardworking taxpayers. We all have the duty to make sure that taxpayers' hard earned money is spent wisely. I am not sure that any Montanan would think that the IRS's Star Trek video meets that standard. Rather, as far as I can tell, they see the video as an example of government waste.

The IRS should be spending its budget helping taxpayers. For instance, last year only 68% of taxpayers who called the IRS's helpline got through to a real person for the help they wanted, after waiting for an average of 17 minutes (GAO-13-156). I also want to note that the Taxpayer Assistance Center in Helena, MT, is now only open part time. Could the \$60,000 have kept the Helena office open or hired someone to answer phones to help taxpayers sooner?

For the sake of transparency and accountability, I request a detailed explanation for why the IRS produced the Star Trek video and why it has a production studio that reportedly costs taxpayers \$4 million a year. I also would like to know what steps, if any, the IRS has taken to make sure that this sort of thing does not happen again.

I look forward to hearing from you.

Sincerely,

Max Baucus
Chairman

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