IRS

Taxes

# Donald Trump Issues Major Threat to Nearly 90,000 IRS Agents

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uring an unscheduled stop on the casino floor at Circa Resort & Casino in Las Vegas on Saturday,
President Donald Trump said he might terminate the contracts of thousands of Internal Revenue
Service (IRS) workers, referring to debunked claims that the agency has hired 88,000 enforcement agents to
go after taxpayers in the past few years.

"On Day 1, I immediately halted the hiring of any new IRS agents," Trump told a crowd of supporters gathered at the Circa Resort & Casino. "You know they hired—or tried to hire—88,000 new workers to go after you, and we're in the process of developing a plan to either terminate all of them or maybe we'll move them to the border," he added.

Newsweek contacted the IRS for comment on Sunday morning, outside of standard working hours.

#### Why It Matters

Tax collection and enforcement has long been a political talking point in the U.S. with IRS funding and staffing regularly cited as an issue by both parties.

Should Trump follow through and let go of thousands of IRS staffers—or transfer them to other roles—during his presidency, the agency could see its capacity to collect taxes and ensure that individuals and corporations comply with tax laws significantly reduced. That could possibly lead to less enforcement, higher rates of tax evasion and less revenue for the federal government.

The U.S. government relies on tax revenues to fund programs that are crucial to everyday Americans, including Social Security, defense, infrastructure and health care.





President Donald Trump speaks with the press on board Air Force One after departing Las Vegas on route to Miami on January 25, 2025. MANDEL NGAN/AFP VIA GETTY IMAGES

#### What To Know

During his presidency, <u>Joe Biden</u> had approved plans to hire approximately 88,000 IRS agents over the next seven years—a move that was <u>expected to increase tax revenues</u> in the U.S.

Trump's comment on IRS staffing was made during the president's first swing-state rally since taking office on Monday. Nevada, where Trump made promises of eliminating the tax on tips during his presidential campaign, was among the seven swing states that gave the <u>Republican</u> a sweeping victory in November. It had backed the Democrat in the previous four White House races.

On Saturday, Trump told the crowd that he vowed to "get it for you—'no tax on tips.' " While talking about taxes, he made the comments about IRS agents' jobs, threatening to terminate them or move them to the U.S.-Mexico border.

"I think we're going to move them to the border where they are allowed to carry guns. You know, they're so strong on guns. But these people are allowed to carry guns. So we will probably move them to the border," the president said.

Trump has already implemented a <u>90-day hiring freeze for federal civilian employees</u> during his first days in office, with the exception of jobs linked to immigration enforcement, national security, or public safety.

After 90 days, the director of the Office of Management and Budget (OMB), in consultation with the director of OPM and the administrator of the United States DOGE Service (USDS), "shall submit a plan to reduce the size of the Federal Government's workforce through efficiency improvements and attrition," according to Trump's executive order.

The hiring freeze will extend beyond 90 days for the IRS. As an exception, the agency will have to halt all hirings until the Trump administration deems it necessary for national interest to hire new agents and staffers.

#### The Political Battle Around the IRS

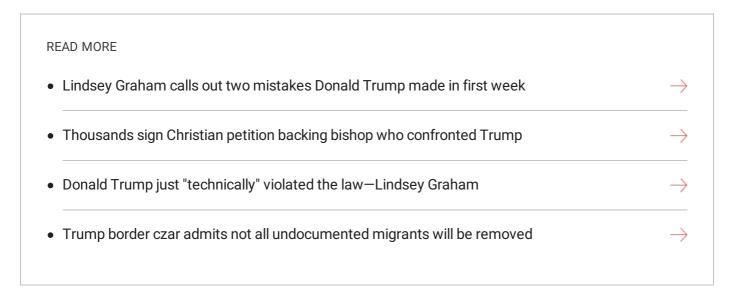
In 2022, <u>Democrats</u> approved \$80 billion in funding as part of the Inflation Reduction Act to help the IRS crackdown on tax evasion and collect more revenues. <u>Republicans</u> immediately proved hostile toward spending <u>more money on the agency</u>, and a year later they tried to pass a bill rescinding the funding.

One of the points of contention came over the IRS possibly using this money to hire approximately 87,000 new staffers to target Americans. But the agency did not staff up by that number after Biden approved the \$80 billion funding.

The number seems to come from a May 2021 report from the Treasury Department, which estimated the IRS could hire 86,852 full-time employees over the course of a decade with an investment of \$80 billion. That included all kinds of staffers, not just enforcement agents. Additionally, the agency previously said that many of the new hires would be replacements for staffers retiring.

In 2022, then-IRS Commissioner Charles Rettig said the agency would need to hire 52,000 people over the following six years to maintain current staffing levels.

But the IRS has become embroiled in the political and ideological battle between Democrats and Republicans, Trump and much of the GOP said that the agency is bloated and needs to be downsized, and portrayed it as an enemy of "hardworking Americans," as GOP Tennessee Senator Marsha Blackburn said last year.



## What People Are Saying

Political commentator and frequent Trump critic Brian Krassenstein wrote on X, formerly Twitter: "To me it sounds like he really wants this country to go broke. FACTS: For every \$1 spent on enforcement, the IRS typically collects between \$4 and \$7 in revenue.

"In 2021, the IRS employed roughly 80,000 people (not all of whom are enforcement agents) and collected around \$4.1 trillion in total revenue. This averages about \$51.25 million per employee in total collections."

In a comment made in 2022, Republican Representative Lauren Boebert, a Trump ally, said expanding IRS resources was the same as "committing armed robbery on Americans."

# What Happens Next

The hiring freeze could harm the IRS and its capacity to collect taxes in the U.S., which could in turn result in lower revenues for the federal government. The executive order, however, "does not prohibit making reallocations to meet the highest priority needs, maintain essential services, and protect national security, homeland security, and public safety."

That means that Trump could relocate IRS agents to the southern border, which was a major focus of his presidential campaign and has been an early focus of his administration. The president has already declared

an emergency and said he <u>intends to send 1,500 troops to patrol</u> the U.S.-Mexico border.



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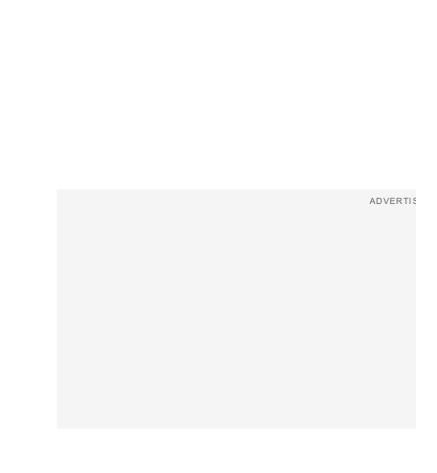
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