



Written by [Thomas R. Eddlem](#) on May 23, 2013

Lois Lerner Pleads the Fifth in Widening IRS Scandal

IRS official Lois Lerner (shown) [pled](#) her Fifth Amendment right against self-incrimination at congressional hearings in the ever-widening IRS scandal May 22, as it became increasingly apparent that senior Obama administration officials knew the IRS was discriminating against conservative and Tea Party groups and did nothing to punish offenders. Other IRS officials testifying May 22 stonewalled congressional investigators by claiming no knowledge of the scandal, even though an internal IRS investigation of the political favoritism was completed back in May of 2012. IRS Inspector General J. Russell George [noted](#) in congressional testimony that he had come to the conclusion that “the gross mismanagement was not limited to Cincinnati. It was extended to Washington.”



IRS Director of Exempt Organizations Lois Lerner [told](#) congressional investigators May 22, while refusing to answer any questions on her mismanagement of her division of the IRS, “I have not done anything wrong. I have not violated any laws. I have not violated any IRS rules or regulations. And I have not provided false information to this or any other congressional committee,” she asserted.

Even liberal bloggers over at the [Washington Post](#) and [Talking Points Memo](#) have publicly concluded that “Lois Lerner has to go.” But the Obama administration has yet to demand the resignation of responsible persons in charge of employees who engaged in the discrimination, other than acting IRS Commissioner Steven Miller (who retired) and Joseph Grant, who, [according to ABC News](#) May 16, “only recently became Commissioner of Tax Exempt Organizations and Government Entities a week ago, will retire on June 3. Before that, Grant was deputy commissioner of the scandal-plagued unit.” Lerner is still on the job as of this writing.

Indeed, it’s more than a little unseemly that the Tea Party — a series of groups organized largely to oppose the looming ObamaCare — was stonewalled in their non-profit application by the IRS under President Obama, and then one woman who was supervisor of the IRS division who persecuted the Tea Party — Sarah Hall Ingram — was promoted by being put in charge of ObamaCare. Yet, she gave [congressional testimony May 15, 2012](#) as commissioner of Tax Exempt and Government Entities, which is the division that persecuted conservatives. She has not been disciplined to this day, and the Obama administration has circled the wagons in her defense.

Perhaps the most revealing part of the IRS scandal is that the Obama administration took no disciplinary action against any IRS officials until mid-May of this year, after it had become front-page news. Yet congressional investigators learned Tuesday that the facts of the scandal had been revealed to senior IRS officials more than a year ago. House Committee on Oversight and Government Reform



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Committee Chairman Darrell Issa (R-Calif.) [noted](#) in testimony May 22:

Just yesterday the committee interviewed Holly Paz, the director of exempt organizations, rulings and agreements, division of the IRS. While a tremendous amount of attention is centered about the Inspector General's report, or investigation, the committee has learned from Ms. Paz that she in fact participated in an IRS internal investigation that concluded in May of 2012-May 3 of 2012 and found essentially the same thing that Mr. George found more than a year later. Think about it, for more than a year the IRS knew that it had inappropriately targeted groups of Americans based upon their political beliefs without mentioning it, and in fact without honestly answering questions that were the result of this internal investigation.

And more importantly, the Obama administration knew about the scandal and imposed no consequences for more than a year afterward ... until forced to do so by a public outcry. And even those very tardy consequences — forcing the retirement of two officials that had planned to retire from their positions anyway — were minimalist.

As that internal IRS investigation was finishing up in the spring of 2012, IRS Commissioner Douglas Shulman [assured](#) the House Ways and Means Committee on March 22, 2012 that the IRS was [not discriminating](#) against Tea Party organizations. "Can you give us assurances that the IRS is not targeting particular groups based on political leanings?" Shulman was asked by Rep. Charles Boustany (R-La.). Shulman responded: "Let me start by saying, yes, I can give you assurances. As you know, we pride ourselves on being a non-political, non-partisan organization."

But Shulman claimed yesterday in congressional testimony to know no details of what had happened until it had come out in the press. The claims by senior IRS personnel that they had no knowledge of the scandal more than a year after completion of an internal IRS investigation of the corruption drove even congressional Democrats to exasperation. Massachusetts Democrat Stephen Lynch [angrily lectured Lerner](#) and recently retired IRS Commissioner Douglas Shulman:

If this committee is prevented, by obstruction or by refusal to answer, the questions that we need to get to the bottom of this, you will leave us no alternative but to ask for the appointment of a special prosecutor or appointment to special counsel to get to the bottom of this. This is a very serious matter. We would like to handle it in this committee. But I watched the last hearing where the witness — or the IRS — had no names and no direction as to who chose the terms to be used, and basically stonewalled the committee. That cannot continue. We know where that will lead. It will lead to the appointment of a special prosecutor. It will lead to special counsel being appointed to get to the bottom of this. So I hope that's not the approach of the IRS going forward. Because there will be hell to pay if that's the route that we choose to go down.

Meanwhile, independent Cincinnati investigators have come to the conclusion that the Obama administration's framing of this scandal as persecution of the Tea Party being perpetrated independently by only low-level IRS employees in the Cincinnati office does not hold up to the facts. "The claim that the ongoing IRS scandal is among low-level employees is falling apart," Ben Swann of the Fox News Cincinnati affiliate [concluded](#) in one of his "Reality Check" segments. Swann noted that of five publicly mentioned IRS employees who had sent letters to conservative groups asking for more information or audits, none had the same manager. Moreover, each of their managers had a different "territory manager," according to the IRS employee directory obtained by the Cincinnati Fox News affiliate. Swann revealed that each applicant has nine months to finish an application for tax-exempt status, or it "automatically triggers flags in the system" — one flag per month. He added,



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Keep in mind, at least 300 groups were targeted out of Cincinnati alone. Those applications spent anywhere from 18 months to nearly three years in the system. And some [groups] still don't have their non-profit status. 300 groups times at least 18 months for each one, well that means thousands of red flags would have been generated in the system. So who in the chain of command would receive all these flags? The answer again, according to the IRS directory, one woman in Cincinnati: Cindy Thomas, the program manager of the tax exempt division.

Thomas reports directly to Washington. She's the one IRS supervisor in the midst of the scandal, Swann [notes](#), that "no one is talking to ... yet."

Photo of Lois Lerner: AP Images



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