

Analysis of whistleblower gets \$104 million article

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Lecturer's The article " Whistleblower Gets \$104 Million" talks of the grand level of corruption that the national financial system in the United States faces. This is concerning to tax evasion and the populations that are involved in numerous attempts to defraud the federal government through the IRS. The article gives information on the population of over 33, 000 people that have come forward to declare the presence of finances in foreign bank accounts, following the declaration of a financial whistle blower (Saunders and Sidel). It also talks of the measures taken by the IRS and the federal government to recover the funds that have been stowed away by those individuals.

In addition, the article gives attention to the banks involved; this is especially the banks in Switzerland. This is including the effect that the confessions of the whistleblower have had on the banks. These include the loss of business and reduced revenue from lower rates charged for private banking due to loss of privacy. One more issue is the remuneration of individuals who come forward with information on fraudulent activities that involve tax evasion. Therefore, with this, it shows the commitment of the IRS in recovering lost taxes by spending substantial amounts of the same funds in compensating those that forward the information.

Tax evasions appear to be a critical issue in the United States leading to the loss of billions of dollars in expected revenues to the IRS for national development. This fraudulent behavior is highly unethical; moreover, it is degrading to the development of the country morally. This should provide the perspective to the individuals involved that it is their moral responsibility to pay taxes to the government. It is also the moral obligation of an individual to the society to pay taxes because the same society benefits from <https://assignbuster.com/analysis-of-whistleblower-gets-104-million-article/>

it (McGee and Smith 3982). Failure to pay the taxes, results in unfair practices in the society by overburdening some members of the society to shoulder the burden of developing the nation. This means that tax evasion is an issue that the IRS is well aware of and is condoning both directly and indirectly. This is following the reward scheme, where whistleblowers are rewarded with substantial amounts of finances, despite their involvement in defrauding the IRS (“ Whistleblower - Informant Award”). As a result, it might lead to worse ethical issues of intentional tax evasion in an attempt to clinch the prize money offered by the federal government.

In addition, the other issue is that of accountability where it is a bright idea for those involved in ruining the nation’s development voluntarily bring themselves forward. This is as seen after the whistleblower brought information on over 4, 000 individuals with illegal offshore accounts. This led to over 33, 000 individuals coming forward to declare that they operate such accounts, meaning that the moral issues mentioned earlier need to be instilled. Therefore, this should be done to motivate people to do that, which is required of them in being accountable for their actions (McGee and Smith 3982). Those involved are already taking accountability for defrauding the government by paying their taxes and fines, which has seen Bradley Birkenfield paid for the information he provided.

In conclusion, tax evasion is a serious issue that should be tackled and is already in progress due to the courageous efforts of whistleblowers.

Therefore, it is only moral to pay one’s taxes when they are due to avoid ugly incidences of paying fines much later and overburdening the society with one’s own responsibilities.

Works Cited

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“ Whistleblower - Informant Award”. IRS. 2012. Web. 18 Oct. 2012. McGee, Robert and Smith, Sheldon. Opinion on the Ethics of Tax Evasion: A Comparative Study of Utah and New Jersey. n. d. Web. 18 Oct. 2012. Saunders, Laura and Sidel, Robin. ‘ Whistleblower Gets \$104 Million’. 2012. The Wall Street Journal. Web. 18 Oct. 2012.