

For Immediate Release
Contact: Jared Thomas or Lisa Baron
678-957-0000 lbaron@ralphreed.com



CAGLE DID NOT PAY HIS PAYROLL TAXES

Casey Cagle Chaired Senate Finance Committee, Oversaw Georgia Tax Laws, But Avoided Paying Payroll Taxes on His Own Employees

Casey Cagle chaired the powerful Senate Finance Committee and oversaw Georgia's tax laws, but official state records show that Cagle did not pay the payroll taxes, including federal and Georgia income and FICA withholding taxes, on employees as the law required. Casey Cagle's 2001-04 state Senate re-election campaigns and his Lt. Governor campaign paid \$25,262.50 to individuals listed as campaign employees.¹ However, records show that withholding taxes on these employees were not paid.²

The IRS makes clear its instructions to employers. Employers must withhold, deposit, report, and pay the following taxes: federal and state income tax, and Social Security and Medicare tax (FICA).³

Political campaign committees are not exempt. Campaign committees must withhold income and FICA taxes from their employees' paychecks.

Casey Cagle's 2001-2004 Senate campaigns and his Lt. Governor campaign paid \$35,892.50 to various employees. Campaigns are required to file quarterly expenditures with the Election Division of the Secretary of State's office.⁴ Those records show payments were made by Cagle to individuals listed as "campaign staff," "payroll," or "contract labor" on campaign disclosure reports.⁵

¹ Cagle Senate Finance Report: <http://www.sos.state.ga.us/cgi-bin/ElectronicFilingsByName.asp?FilingYear=All&FilerID=233&OfficeCode=00449>
Cagle for Lt. Governor <http://www.sos.state.ga.us/cgi-bin/ElectronicFilingsByName.asp?FilingYear=All&FilerID=233&OfficeCode=00210>

² http://www.sos.state.ga.us/elections/campaign_disclosures/default.htm

³ IRS Publication 15, "(Circular E), Employers' Tax Guide," page 6 (Jan. 2004).]

⁴ http://www.sos.state.ga.us/elections/campaign_disclosures/default.htm

⁵ Cagle Senate Finance Report: <http://www.sos.state.ga.us/cgi-bin/ElectronicFilingsByName.asp?FilingYear=All&FilerID=233&OfficeCode=00449>Cagle for Lt.

Cagle did not pay taxes on these employees. Federal income and FICA taxes are remitted to the federal government by a Form 941 payment to a bank. Georgia income taxes are remitted directly to the Georgia Department of Revenue. Cagle's state Senate campaign-finance reports show no such payments.⁶ His Lt. Governor reports show no payments for portions of wages paid.

To fail to pay withholding taxes on employees violates federal and state law. Elected officials should abide by the laws they pass for everyone else. By failing to pay the payroll taxes on employees, Casey Cagle violated the laws that he oversaw on hard-working Georgia taxpayers.

Governor <http://www.sos.state.ga.us/cgi-bin/ElectronicFilingsByName.asp?FilingYear=All&FilerID=233&OfficeCode=00210>

⁶ Cagle Senate Finance Report: <http://www.sos.state.ga.us/cgi-bin/ElectronicFilingsByName.asp?FilingYear=All&FilerID=233&OfficeCode=00449>Cagle for Lt.

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