

FY20 Sequestration Rate for Whistleblower Awards

Pursuant to the requirements of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, whistleblower award payments issued under Internal Revenue Code (IRC) § 7623 are subject to sequestration. This means that every award payment made to a whistleblower under IRC § 7623 on or after October 1, 2019, will be reduced by the fiscal year 2020 sequestration rate of 5.9 percent. The sequestration reduction rate will be applied unless and until a law is enacted that cancels or otherwise impacts the sequester, at which time the sequestration reduction rate is subject to change.

The sequestration reduction will be applied after the Whistleblower Office determines the amount of collected proceeds and the applicable award percentage to be paid under IRC § 7623. Whistleblowers will be advised of the sequestration reduction in correspondence from the Whistleblower Office concerning a proposed award amount and an award determination.