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Angry Obama Says IRS Chief 'Resigned,' Other Heads May Roll

No one wants to be in scotch with the IRS, but having the President mad can't be any fun either. In the story that just won't quit, acting Commissioner of the IRS [Steven Miller](#) resigned. It seemed inevitable after the story broke that Tea Party and other conservative groups were [targeted for extra scrutiny](#) in tax exemption applications. That was bad, but the cover-up was worse, with a mixture of who's-on-first responses about who knew what when.

Considering Congressional hearings and various statements under oath, some of it is inexcusable, especially for an agency that must rely on taxpayers self-assessing their taxes. Mr. Obama said Miller was asked to resign because the agency needs new leadership while it faces a broad probe of its conduct. See [Transcript of Obama's Remarks on IRS Misconduct](#). The President promised full cooperation with



US President Barack Obama makes a statement in the East Room of the White House May 15, 2013 in Washington, DC. Obama spoke about the recent scandal where the Internal Revenue Service is accused of targeting conservative organizations and announced that Acting IRS Commissioner Steven T. Miller had resigned. (Image credit: AFP/Getty Images via @daylife)

the multitude of congressional investigations. See [Acting Chief of I.R.S. Forced Out Over Tea Party Targeting](#).

“It’s important to institute new leadership that can help restore confidence,” said President Obama. The last IRS Commissioner, Douglas Shulman, stepped down in November, so the President is due to appoint a new Commissioner in any event.

“This has been an incredibly difficult time for the IRS given the events of the past few days,” Miller wrote in a letter to IRS employees. “And there is a strong and immediate need to restore public trust in the nation’s tax agency.”

The president characterized Miller’s resignation as the first step to “hold the responsible parties accountable.” That sounds ominous, and Congress is lining up investigations. There’s good reason, since the report by the Treasury Inspector General for Tax Administration depicted a bureaucratic mess, with some employees ignorant about tax laws, defiant of supervisors and insensitive to the appearance of impropriety. See [Inappropriate Criteria Were Used to Identify Tax-Exempt Applications for Review](#).

Sen. Orrin Hatch, R-Utah, challenged IRS claims that only low-level staffers in Cincinnati went rogue. Steven Miller, IRS Deputy Commissioner at the time, who just resigned as Acting Commissioner, was alleged to have assured members of Congress there was no problem after allegedly being told there was. Mr. Hatch called it “Either the Greatest Cases of Incompetence that I’ve Ever Seen or it was the IRS Willfully Not Telling Congress the Truth.”

Announcing Miller’s departure at the White House, President Obama said angrily that IRS actions were “inexcusable and Americans are right to be angry about it and I’m angry about it,” adding, “I will not tolerate this type of behavior in any agency but especially the IRS given the power it has and the reach it has.” The buck—after taxes of course—stops here.

You can reach me at Wood@WoodLLP.com. This discussion is not intended as legal advice, and cannot be relied upon for any purpose without the services of a qualified professional.