Forbes



Robert W. Wood THE TAX LAWYER

TAXES | 3/21/2013

Congress Probes IRS Tax Dollars Spent Making Star Trek Video

You may not like paying taxes, but taxes fund the government and are necessary. Still, government waste is like lemon juice in a paper cut. I'm no judge of what's wasteful, but the idea that the IRS is spending money producing a video parody of Star Trek? Priceless.

Yes, the IRS goes boldly where no man has gone before. And like a space tourist, the IRS wrote a check to do it. Some headlines



Vulcan (Star Trek) (Photo credit: Wikipedia)

suggest the price tag was \$4 million. Actually, the IRS studio itself cost around \$4 million but the Trekkie movie was around \$60,000.

In fact, that was for two movies, the Star Trek parody and a skit based on Gilligan's Island. See Republican demands copy of IRS's 'Star Trek' parody. That's quite a double feature and is no fictional Argo-style movie. Does the IRS even need a studio? Apparently. The IRS TV studio is in New Carrollton, Maryland.

But the controversial movies are proving to be elusive, a kind of limited release. House Ways and Means Oversight Subcommittee Chairman Charles

Boustany, Jr. M.D. (R-LA) asked the IRS to hand over a copy of the Trekkie video. See March 20, 2013 Letter to Acting IRS Commissioner Miller. IRS videos are usually boring. One involving a Star Trek parody and a skit based on the television sitcom Gilligan's Island? You can just see Mr. Spock raising an eyebrow. Fascinating.

The IRS has acknowledged the existence of the two videos, admits they cost \$60,000, but hasn't complied with Chairman Boustany's request to hand them over. The IRS defends its movies as needed for effective employee training. IRS filmography is good for all audiences, including the public. Besides, movies reduce travel and other costs, says the IRS. But House watchdog Mr. Boustany wants those movies, plus:

- 1. An accounting of all costs associated with the production of the Star Trek video;
- 2. Any communications regarding the production, distribution, or posting of the videos; and
- 3. A detailed account of all taxpayer money spent at the New Carrollton studio, including leasing expenses, personnel costs, and all contracts for use of the studio.

Will there be Argo-style lawsuits and complaints about the IRS movies? Perhaps. If there's a "Beam me up Commissioner" line, will someone complain? Will the Klingons sue Iran-style saying they aren't fairly depicted? And in a parody video put out by your IRS, what's fair anyhow? These are weighty questions.

Robert W. Wood practices law with <u>Wood LLP</u>, in San Francisco. The author of more than 30 books, including Taxation of Damage Awards & Settlement Payments (4th Ed. 2009 with 2012 Supplement, <u>Tax Institute</u>), he can be reached at <u>Wood@WoodLLP.com</u>. This discussion is not intended as legal advice, and cannot be relied upon for any purpose without the services of a qualified professional.