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Hate The IRS? You'll Love These Laws

Tax collectors throughout history haven't been as popular as athletes or entertainers—or even garbage collectors. But even against the decidedly lukewarm standard applied to most tax collectors, the IRS isn't looking too good. It isn't on most people's favorites, and these days is at a low ebb.

The targeting scandal is three months old and is still going strong. See New Links
Emerge in the IRS Scandal. Smack in the middle of it is Lois Lerner, famously invoking the Fifth Amendment. See House



Photo credit: Wikipedia

<u>Committee Votes IRS Official Must Testify Despite Fifth Amendment.</u>

Then there were all the expense issues, the pricey conferences and the team building.

One report said some <u>IRS Brass Spent \$100K Each On Travel</u>. And who can forget the kitschy <u>Star Trek</u>, Gilligan's Island and <u>line dancing videos</u>. Then there were the abused credit cards. Who wouldn't like a charge card with bills direct to Uncle Sam? See <u>Audit Finds \$119 of Unused Nerf Footballs in IRS</u> Cabinet.

A watchdog <u>report</u> found little oversight. Another report from the <u>Treasury Inspector General for Tax Administration</u> said 30% of IRS Seizures of don't comply with the law. See <u>Fiscal Year 2013 Review of Compliance With Legal Guidelines When Conducting Seizures of Taxpayers' Property</u>. In short, this isn't your parents' IRS.

Sure, the President now has a so-called turnaround expert in line to run the Titanic, er IRS. But you have to wonder, what's the behemoth agency's turning radius? See Obama Picks John Koskinen To Revamp IRS As Next Commissioner. In the meantime, Congress—or at least Congressional Republicans—are sharpening up their axes to do a little IRS Profiling of their own.

If you aren't too happy with the IRS right now, you're not alone. House Republicans aren't either, so passed an Internal Revenue Code-sized passel of bills by voice vote before their August recess. If nothing else, you have to love the names:

STOP IRS Act, H.R.2565. Actually, this bill has an alternate handle too, the *Stop Targeting Our Politics Act*. If passed, this law that would expand the existing grounds for firing an IRS employee. New firing offenses would include performing, delaying, or failing to perform (or threatening) any official action—including an audit—for purposes of personal gain or for a political purpose.

The Stop Playing on Citizen's Cash Act, H.R.2769. This proposed law would impose a moratorium on **any** IRS conference until the Treasury Inspector General for Tax Administration submits a report to Congress **certifying** that IRS has implemented all the recommendations set out in its report covering the now notoriously expensive 2010 IRS conference at Disneyland. See "Review of the August 2010 Small Business/Self-Employed Division's Conference in Anaheim, California."

Government Spending Accountability Act of 2013, H.R.313. This proposed law would limit any government agency from spending more than \$500,000 to support a single conference.

Government Customer Service Improvement Act of 2013, H.R.1660. You have to love this name. This bill would require the Director of the Office of Management and Budget (OMB) to develop government-wide standards for customer service delivery.

The Taxpayer Bill of Rights Act of 2013, H.R.2768. This bill would amend the tax code to say the duty of the IRS Commissioner is to ensure that IRS employees are familiar with and act in compliance with certain taxpayer rights.

Will all these bills actually pass and be signed into law by President Obama? Unlikely. Will **any** of them pass and be signed by the President? Maybe, but even that is far from clear. Stay tuned.

The IRS has a very hard job to do. The vast majority of its employees are fair and diligent, and are doing their best at a thankless job. Whatever label you give it, here's hoping the IRS gets back on its feet with real leadership—and real accountable leadership—to get the government's work done.

You can reach me 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.