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### Is Swap Of Bernie Tax Returns For Hillary Speech Transcripts Taxable To IRS?

You have to hand it to Bernie. Releasing tax returns is a feature of every presidential election, but Bernie responded to CNN questions about his transparency, snapping to CNN that [‘my wife does our tax returns’](#) and they’ve been busy. Then, he released his 2014 return, but not returns from prior years. His wife Jane—who could probably line up many tax return preparation clients of her own if she wanted to—says she will hand over the prior year returns when Hillary releases transcripts of her speeches.

It’s a slick move, but Hillary doesn’t seem interested. Between major Wall Street players, foreign governments and foreign companies, one can imagine there might have been some inconvenient comments in there. She might end up looking like she had New York values once it became clear what she said to whom, and at what price. Hillary and her campaign have stalled, failing to release the transcripts. But Bernie’s wife Jane is on the hunt.



*This two-picture combination shows US Democratic presidential candidates Hillary Clinton and Bernie Sanders before the CNN Democratic Presidential Debate at the Brooklyn Navy Yard on April 14, 2016 in New York. (Photo credit: JEWEL SAMAD/AFP/Getty Images)*

Mrs. Clinton's stonewalling fuels more speculation, some of it not in her favor. An imagined text of [Hillary's speech to Goldman Sachs](#) is funny, but what about the real one? Will we ever see it? The connections between a former President and Secretary of State hobnobbing with foreign government and corporate chieftains over U.S. policy issues is of interest, and the money was big too. But if Mrs. Clinton *were* to take up Mrs. Sanders' swap, what are those transcripts worth, and is that swap taxable? It sounds silly, but aren't we used to thinking that everything is taxable?

The IRS say income is income, whether you get it in cash or in kind. One-on-one or with multiple parties, the IRS says trading one product or service for another is [taxable bartering](#). The IRS taxes it. You name the swap, it's income to both sides just like cash. Both are *supposed* to report the fair market value of goods or services on their tax returns. Any time [you barter, the IRS wants is cut](#). It isn't clear how much bartering goes on or is reported, but that could change with the IRS's [Bartering Tax Center](#). How will the IRS know about trades or how much cash changes hands? They probably won't unless you receive a [Form 1099](#).

According to this [IRS tax tip](#), you should ask the other party for one. (Yes, it is worth asking how many people do this.) Of course, the IRS says you must report any income on your tax return regardless of whether you receive a Form 1099. If the barter exchange occurs in employment, there's employment tax on top of income tax. If you're the employer, that can mean a penalty for failure to withhold. What's more, [failing to pay employment taxes means personal liability](#).

What if someone offers Mrs. Clinton cash for the transcripts? Cash is income. However, cash tax forms are rarely required. You must file [IRS Form 8300](#), if your business receives over \$10,000 in cash from one buyer in a single transaction or several related transactions. This is the form that got [Dennis Hastert](#) into trouble. Of course, if Mrs. Clinton were to be offered cash, perhaps she would have it paid directly to the Clinton Foundation. Such assignments are among [the Hillary speech issues no one is talking about](#).

*For alerts to future tax articles, email me at [Wood@WoodLLP.com](mailto:Wood@WoodLLP.com). This discussion is not legal advice.*