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For President Hillary's IRS Chief, How About Rev. Al Sharpton?

Despite a rough and tumble debate, Hillary Clinton has not yet dispatched Bernie Sanders. Like a Vermont terrier, the feisty senator has his teeth firmly clenched on the leg of his opponent's pantsuit. But in the run up to New York's primary, Mrs. Clinton has been showing off her New York Values. Days before the debate, she was effusive in [singing Al Sharpton's praises](#) at a National Action Network conference:

“ You stand up, and always have, [against] gun violence, advocate for criminal-justice reform, help young people find jobs, hold corporations accountable, and in a million ways lift up voices that too often go unheard... ‘Let us not grow weary in doing good, for in due season, we shall reap if we do not lose heart.’ . . . This organization has not grown weary.”



The Rev. Al Sharpton and Democratic presidential candidate Hillary Clinton are introduced at the 25th annual National Action Network convention in New York, Wednesday, April 13, 2016. (AP Photo/Richard Drew)

Rev. Sharpton aptly labeled her “Reverend Hillary Clinton” in response. Perhaps Mrs. Clinton should start calling him Commissioner Sharpton since there were good [lessons from Rev. Al Sharpton's \\$4.5 million tax bill](#). Still, Rev. Al has not *endorsed* her, and he may never get to that point. Rev. Sharpton is the president of National Action Network. NAN is a civil rights organization with chapters and affiliates across America. NAN collected \$6.9 million in 2014, up \$2 million from the prior year. The [New York Post](#) said much of the cash was a by-product of Rev. Sharpton's association with President Obama and New York Mayor de Blasio.

Hillary is a good ally too, and Rev. Sharpton could pick up a thing or two from the Clinton Foundation. NAN benefited when President [Obama addressed NAN's annual convention](#). NAN also had a big fund-raiser after Mayor de Blasio took office, and Mr. Sharpton collected a reported [\\$1 million at his 60th-birthday bash](#). Yet NAN and Rev. Sharpton have had cash flow issues, including \$780,145 in unpaid payroll taxes.

And that was only one of the tax problems. Rev. Sharpton has for-profit businesses too, including Revals Communications and Raw Talent. Some of his financial woes appear to stem from poor divisions between business and personal. The New York Times once suggested that Rev. Sharpton's organizations pay for virtually *everything, including* his clothing and his daughters' private school tuition. If so, Rev. Sharpton is blurring one of the most important lines in the tax law, the fundamental divide between business and personal.

Despite his success, Rev. Sharpton has had a long history of tax problems, including personal and company taxes to the IRS and New York. Rev. Sharpton is good at downplaying it, saying [he owes less](#) and is paying it off. And the big tax debts did not stop President Obama [from elevating](#) Rev. Sharpton to power, despite [owing millions in taxes](#). Former Attorney General Eric Holder defended the arrangement. In that sense, Mrs. Clinton could probably recycle all the nice things the administration says about Rev. Sharpton if she does want him for the top IRS post.

Rev. Sharpton may be emulating a charity-as-business-titan model, one that may be reshaping the world. It isn't only the cash-rich-friends-of-Clinton Foundation that are doing it. In the past, the [Clintons and Rev. Sharpton have shared resources](#). The Clinton Foundation has been [roiled by controversy too](#), from high administrative and travel costs for the Clinton family, to sweetheart media coverage. Sometimes others end up looking bad, like George Stephanopoulos forgetting to mention his own contributions as he

grilled others about theirs.

If she is elected President, is it likely that Mrs. Clinton would tap Rev. Sharpton for the top IRS spot? Probably not, but who knows? Besides, if Rev. Sharpton became Commissioner Sharpton, perhaps he would not be any more polarizing a figure than the current IRS Commissioner. Republicans have mounted numerous drives to impeach IRS Commissioner Koskinen. Yet they end up with a bad aftertaste that may never go away.

There is a strong Republican desire to get beyond the IRS targeting scandal with its hard drives and emails. What's worse was the less than cooperative attitude displayed in numerous congressional investigations into the IRS. So can Rev. Sharpton get a top post like IRS Commissioner? Mrs. Clinton is surely too clever to do that. But if she did, I can't see why Rev. Sharpton couldn't take it.

For alerts to future tax articles, email me at Wood@WoodLLP.com. This discussion is not legal advice.