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IRS Inspector Shellacs Oversight Committee About Tea Party Scandal

Lois Lerner may be steadfastly [taking the Fifth](#), but Treasury Inspector General for Tax Administration (TIGTA) Russell George appeared before a key committee and made a few things clear:

1. Lois Lerner fired the first salvo. Speaking at a May 10, 2013 American Bar Association meeting, she said:

“Instead of referring to the cases as advocacy cases, they actually used case names on this list. They [Determinations Unit in Cincinnati, Ohio] used names like ‘Tea Party’ or ‘Patriots’ and they selected cases simply because the applications had those names in the title. That was wrong, that was absolutely incorrect, insensitive, and inappropriate.” See [Transcript of Lois Lerner’s Remarks at Tax Meeting Sparking IRS Controversy](#).



2. Ms. Lerner made her statements on May 10, 2013 before the [TIGTA report](#) was completed and issued May 14, 2013.

3. Some say “TIGTA concluded that the IRS inappropriately targeted conservative organizations.” However, that is based upon Ms. Lerner’s statements, not on TIGTA’s conclusions. The TIGTA audit report never labeled groups as “conservative” or “liberal.” See [TIGTA Report, Inappropriate Criteria Were Used to Identify Tax-Exempt Applications for Review](#).

4. The reason the report focuses on “Tea Party,” “Patriots,” and “9/12” is that the IRS provided a document at the beginning of the TIGTA audit showing ***these were the terms they used to select potential political cases.***

5. On May 17, 2012—during the planning phase of the TIGTA audit—the IRS provided [Be On the Look Out \(BOLO\) entries](#).

6. Only on July 9, 2013, were new documents supplied (dating to 2010) listing “Progressive” but noting that “Progressive are not considered Tea Parties.” They were not provided during the TIGTA audit. See [IRS Inspector General Disturbed by Documents He Lacked](#).

7. Of 298 cases the IRS selected for political review as of May 2012, three have the word “Progressive.” Another four used “Progress.” None used “Occupy.”

8. The [letter from Ranking Member Cummings](#), dated July 12, 2013, states that Mr. George failed to disclose to Congress that TIGTA found no evidence of political motivation. Actually:

- On May 17, 2013, when asked, “Did [TIGTA] find any evidence of political motivation in the selection of the tax exemption applications?” Mr. George said “We did not, sir.” See [May 17, 2013 Transcript](#).
- On May 22, 2013, when asked whether TIGTA saw any evidence that IRS employees were politically motivated in screening criteria, Mr. George stated unequivocally that “[W]e received no evidence during the course of our audit to that effect.” See [IRS inspector general: We didn’t get progressive documents until last week](#).

9. Mr. Cummings stated that Mr. George may have improperly prevented disclosure of relevant information. That is not correct. Career TIGTA and IRS attorneys independently determined that certain taxpayer information should be redacted. None of this information was withheld from Congress. TIGTA provided an un-redacted copy to the tax committees weeks ago.

10. When Ms. Lerner spoke May 10, 2013, her statements confirmed the findings in TIGTA’s report. IRS officials had opportunities to comment on the

report and consistently agreed that “Tea Party” and related criteria were used to select cases in 2010 to 2012.

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.