

# ABA SECTION OF TAXATION 2014 DISTINGUISHED SERVICE AWARD RECIPIENT

## LAWRENCE B. GIBBS



**T**his year's recipient of the Section of Taxation's *Distinguished Service Award* is **Lawrence B. ("Larry") Gibbs**. Larry's long and distinguished career of service to his clients, the Internal Revenue Service, the Section of Taxation, and the tax system in general makes him a fitting choice for the Section's highest award for service to the tax profession.

Larry was born in Hutchinson, Kansas, but grew up primarily in the Dallas, Texas, area. He graduated from Yale University (*magna cum laude*) with a Bachelor of Arts degree in 1960, and received his LL.B. degree (with honors) from the University of Texas School of Law in 1963.

Larry began his legal career in Corpus Christi, Texas, in June of 1963, joining a law firm whose senior partner was Harvie Branscomb, Jr., a distinguished tax attorney who later served as Chair of the Section of Taxation (1980-1981). In 1972, Larry came to Washington, D.C., at the invitation of then IRS Chief Counsel, Lee Henkel, and then Secretary of Treasury, George Schultz, who appointed him to serve as Deputy Chief Counsel of the Internal Revenue Service. He also served as Acting Chief Counsel in 1973 until then IRS Commissioner, Don Alexander, appointed Larry as the Assistant Commissioner (Technical) of the Internal Revenue Service.

In 1976, Larry returned to private practice in Dallas, Texas, and joined a firm that would ultimately bear his name (Johnson & Gibbs). Ten years later, however, Larry was summoned back to Washington, D.C., by then President Ronald Reagan who appointed him as Commissioner of the Internal Revenue Service. Larry stepped into the role of Commissioner at a time of crisis within the Service. The Service, which in 1985 had implemented major changes to its computer software systems that did not work as intended, suddenly found itself unable to process filed tax returns and other informational returns, or pay refunds, and could not even initiate an audit. There was a virtual—but thankfully only temporary—shutdown of the nation's tax



collection agency which relied, by necessity, upon its ability to process large volumes of returns and filing information in order to carry out its assigned functions. This became the number one media story across the nation which ran for more than nine months in 1985. The Service was in disarray, public confidence and trust in the Service was severely undermined, and morale within the ranks of Service employees was at an all-time low. The top priorities for Larry and the other senior management personnel were to restore the Service's ability to process volumes of returns and other informational filings, complete the task of modernization of the Service's IT systems, restore public trust in the Service, and, most importantly, make certain that this could never happen again. Larry and his senior management team at the Service got the job done and did so in such a fashion that the Service received an award for the quality of its returns processing operations shortly after the expiration of his term of service as Commissioner.

The glitch in the Service's information processing capabilities was not the only challenge facing Larry in his new role as Commissioner. Shortly after his appointment, Congress passed the sweeping Tax Reform Act of 1986, the largest revision of the nation's tax laws in over 30 years. The Service, under Larry's guidance, was tasked with the responsibility of issuing guidance on multiple new or completely overhauled provisions of the Code as quickly and efficiently as possible.

When asked about the most satisfying accomplishments during his tenure as Commissioner, Larry cited not only the Service's response to the IT glitches and the implementation of TRA '86, but also its role in collaboration with the Treasury Department

and Congressional leaders to completely overhaul the tax penalty provisions of the Code and, from an administrative standpoint, the empowerment of women and minorities at the executive levels of the Service.

In 1989, Larry returned to private practice as a member of the Washington, D.C., office of his prior Dallas firm, and since 1994 has been a member of the law firm of Miller & Chevalier Chartered. Larry is the third member of Miller & Chevalier to receive the Distinguished Service Award from the Section of Taxation, following in the footsteps of John S. ("Jack") Nolan (the recipient of the inaugural Distinguished Service Award in 1995) and Larry's old friend and UT Law School classmate, Phillip L. Mann (2012).

In addition to his government service, Larry has consistently contributed to the tax profession in numerous capacities. He has served the Section of Taxation as its Vice Chair (Administration) and as a member of Council and has also chaired both the Low Income Taxpayer (now Pro Bono and Tax Clinics) Committee and the Administrative Practice Committee. He also serves on the Section's Committees on Government Relations, Tax Policy and Simplification, Appointments to the Tax Court, Administrative Practice and, in the case of the latter Committee, was instrumental with other members of the Committee in implementing the popular monthly conference calls on current tax administrative and tax controversy issues.

One of Larry's favorite experiences as a tax professional was his long-time service as both a trustee and a former president of the Southern Federal Tax Institute (SFTI), which stages a week-long tax education institute in Atlanta, Georgia, for tax attorneys, CPAs, and other tax professionals. In the late 1990s when tax programs across the nation were proliferating and old-line tax institutes such as SFTI were experiencing diminishing attendance, Larry performed the role as a facilitator in a major self-examination meeting of the SFTI trustees at which the SFTI "reinvented itself," updated the program, and successfully re-established itself as one of the nation's oldest, largest, and most successful annual tax programs. Larry continues to serve as an Advisory Trustee of SFTI.

Larry is a member of the Tax Foundation Policy Committee, a Fellow of the American College of Tax Counsel, a member of the American College of Trust and Estate Counsel, a member of the American Law Institute, and he was recently appointed to the Board of Directors of *Tax Analysts*.

Although it has been many years since Larry's term as Commissioner expired, he has continued to offer his services in

an advisory capacity to numerous Commissioners and their staff both with regard to tax administration and tax legislative issues. Most recently, he has joined with other past Commissioners in supporting the Service's efforts to bring the heretofore unregulated tax return preparers within the supervisory powers of the Service in order to establish and maintain standards of competence that will protect the taxpaying public.

In addition to receiving the Section of Taxation's Distinguished Service Award, Larry's many contributions both to the administration of the tax laws and to the tax profession have been recognized by numerous organizations. In 1989, he was awarded the Alexander Hamilton Medal, which is the Treasury Department's highest award for service. He has also received the Distinguished Service Award from the Tax Executives Institute and the Kenneth S. Liles Award for Distinguished Service from the Federal Bar Association. Two years ago the Tax Section of the Texas State Bar recognized Larry with its Tax Legend Award, and last year the Tax Council Policy Institute presented him with its Pillar of Excellence Award. Five years ago the American College of Tax Counsel invited Larry to deliver its prestigious Griswold Lecture.

During his more than 50 years of practice, Larry has been a consistent contributor of thoughtful and articulate articles on tax topics that are too numerous to mention. He has also delivered presentations on tax topics both at major tax institutes and in smaller programs on a continuous basis throughout his career.

Notwithstanding all of his professional achievements, Larry lists his 51-year marriage to his wife, Dorothea, as his most important achievement. He is also very proud of his two children, Dwight, whom Larry describes as a "very successful IT entrepreneur," and his daughter, Blair, who serves as a guidance counselor to high schools in the greater Washington area. Dwight and Blair have also provided Larry and Dorothea with five grandchildren whom they thoroughly enjoy.

Despite all of his accolades, Larry's friends will tell you that you could engage in conversation for hours with him and never hear the first word about any of his accomplishments. He is a genuinely nice person who cares more about the person to whom he is speaking than the impression he is making.

For these many reasons, it is an honor and a pleasure to recognize Larry Gibbs as the recipient of the Section's 2014 Distinguished Service Award.

—Charles H. Egerton, Orlando, FL