FROM THE CHAIR

Investing in the Tax System

By Armando Gomez*

The Tax Section’s mission is “to serve our members and the public by providing education about taxes and tax systems, and by providing leadership to support the development of an equitable, efficient, and workable tax system.” Now, more than ever, the Tax Section needs its members to help with two very important needs for investment in the tax system.

Tax Assistance Public Service Endowment

First, the Tax Section recently established the Tax Assistance Public Service endowment fund (“TAPS”) to support tax-related public service programs approved by the Section’s Council. The initial expectation is that income from the TAPS fund will support the Christine A. Brunswick Public Service Fellowship program. The Council also may decide to use income from the fund to support other tax-related public service initiatives designed to broaden the reach of existing programs to even more underserved taxpayers than can be practically served today. With an initial target endowment of $5 million, the Council approved the transfer of $2.5 million to kick start the fundraising. With your support, we will build the remaining $2.5 million to reach our goal over the next five years.

The Brunswick Fellowship program was established in 2008 with a goal of building a network of public service minded lawyers to help provide a safety net for taxpayers most in need of help. Over the past six years, the Section has awarded two-year fellowships to 12 young lawyers. I have had the pleasure of spending time visiting with each of these lawyers and have truly been touched by the drive and dedication that they bring to assisting underserved taxpayers. These dedicated young lawyers have worked to provide representation from Portland, Maine, to Pasco, Washington, and numerous communities in between. Several fellows have focused on developing and advocating for policy changes to address the needs of low-income taxpayers.

The Section’s former executive director, Christine Brunswick, believed in the importance of investing in the tax system and inspired many members over the years to do more. Like the acorn that grows into a towering oak that provides shelter for many, with all of your support, the Fellowship program that bears Christine’s name will one day ensure that underserved taxpayers throughout the country will have qualified advocates when they are most in need of help. An interview with one of the Section’s newest fellows, Patrick Thomas, and details on how you can help us grow this program appear on the adjoining pages of this newsletter. I hope that each of you will join me in supporting the TAPS fund and helping to ensure a lasting legacy for Christine’s vision.

Funding for the IRS

Second, for many years the Tax Section, on behalf of the American Bar Association, has encouraged Congress to provide adequate funding to enable the Internal Revenue Service to effectively administer and enforce the tax laws. Unfortunately, not only has Congress failed to heed our calls in recent years to increase funding for the Service, in the omnibus appropriation package approved in December 2014, Congress significantly reduced the Service’s appropriation.

Without sufficient funding, the Service cannot effectively serve taxpayers and enforce the laws that Congress enacts. Whatever your views might be on the merits of those laws, the dedicated men and women who work for the Service are serving our nation by helping taxpayers understand the law, answering questions regarding how to qualify for credits or other incentives that Congress has enacted, and processing returns and tax refunds that help put money back into the economy each year. These public servants also give us comfort that the tax system is fairly applied, using the examination and enforcement tools to ensure that everyone meets their tax obligations. Unfortunately, the funding shortfall imposed on the Service by Congress will hamper their ability to fulfill their critical mission.

The Commissioner recently warned that a direct consequence of the funding reduction will be a reduction in taxpayer service during the upcoming filing season. Over time, the consequences are likely to be even more severe. Reducing funding for the Service will lead to a direct reduction in tax collections. Not only will this exacerbate the nation’s fiscal problems, but a greater concern is that it is likely to undermine confidence in our voluntary tax compliance system as honest and diligent taxpayers come to believe that other taxpayers are not paying their proper share.

I recognize that there are many in Congress who do not support some of the programs that the Service is required by law to administer. I also recognize that there are many in Congress who want to ensure that the Service’s enforcement activities are subjected to careful review and oversight. Those are fair questions that politicians

continued on page 6
this interest is also likely to lead to future opportunities. Second, for those interested in pursuing public service as a profession, it’s important to get a handle on the type of work you’d be doing in any given setting. Public service work varies greatly and it’s critical to tease out what type of work you’d like to do—and especially what you don’t want to do. Finally, it’s a chance to build up your skill set in a particular area. While you don’t need a full background in all facets of the work of a public interest lawyer, having experience in a few areas will be particularly helpful—both to getting the job and performing it.

NQ After the Fellowship, do you currently plan to stay at the Clinic? If not, will the position you have created exist after you leave?

PT I don’t currently know what the future holds. I will certainly continue my relationship with the Neighborhood Christian Legal Clinic in whatever capacity I’m able that allows me to serve our neighbors in central Indiana. Whether that’s in a volunteer capacity or in my current position will depend—like most decisions in the nonprofit world—on the availability of adequate funding. I’m definitely planning to continue working with tax controversies and look forward to exploring the wide range of opportunities that exist in this field.

Since 2009, the Section has funded two Christine A. Brunswick Public Service Fellows each year, including these amazing young lawyers. Details about the Fellowship are available at http://www.americanbar.org/groups/taxation/awards/psfellowship.html.

2009-2011
Laura Newland (AARP’s Legal Counsel for the Elderly, Washington, DC)
Vijay Raghavan (Prairie State Legal Services, Rockford, IL)

2010-2012
Douglas Smith (Community Action Program of Lancaster County, PA)
Katie Tolliver Jones (Legal Aid Society of Middle Tennessee and the Cumberlands, Nashville, TN)

2011-2013
Sean Norton (Pine Tree Legal Assistance, Inc., Portland, ME)
Anna Tavis (South Brooklyn Legal Services/Immigrant Workers’ Tax Advocacy Project, New York, NY)

2012-2014
Ana Cecilia Lopez (University of Washington, Low-Income Taxpayer Clinic, Pasco, WA)
Jane Zhao (Center for Economic Progress, Chicago, IL)

2013-2015
Susanna Birdsong (National Women’s Law Center, Washington, DC)
Susanna Ratner (SeniorLAW Center, Philadelphia, PA)

2014-2016
Patrick Thomas (Neighborhood Christian Legal Clinic, Indianapolis, IN)
Lany Villalobos (Philadelphia Legal Assistance, Philadelphia, PA)

should debate if they so choose. But they should exercise their legislative prerogatives in a responsible manner that does not unfairly punish the dedicated employees of the Service or the taxpayers they serve. As representatives and advisors to taxpayers around the country, members of the Tax Section will see the consequences first-hand when our clients cannot get answers to their questions, or face even longer wait times to receive refunds, resolve tax audits, or otherwise conclude their interactions with the Service.

Members of the Tax Section can weigh in to support our friends and colleagues at the Service. Please consider writing or calling your representatives in Congress to ask them to restore the funding that was recently cut. Please remind them that every dollar spent on the Service helps the government collect nearly $300. That’s the type of return on investment that even the best money managers can only dream of achieving. And given the importance of a well-functioning tax system to provide for our government, it’s an investment worth making.