Irs scandal

Economics, Tax



The event that I would like to discuss is the current IRS scandal, who's to blame, the governments positions, and who it affects. The first reports surfaced in February 2012, where the IRS has sent out questionaires to Tea Party organizations applying for nonprofit tax status, wanting to know their political beliefs and organizations if any. The problem arises for the IRS in determining whether a certain organization is involved in political activity or not. The original law passed by Congress states that sect: 501@(4) organizations must be "exclusively" devoted to charitable, educational or recreational purposes.

With the IRS commissioner resignation and the mishandling of groups seeking tax – exempt status, the trust and reputation of the IRS has been damaged. Facing criticism, the White House struggles to get the story straight on who actually knew when and why the IRS is targeting conservative groups. Because the IRS is an independent agency, they are applying government laws in a non-partisan way. The pressure is on the President since his chief staff knew about the situation before him. Citizens suggest that Senior IRS leadership needs jail time for treason and abuse of government power. Although the IRS publicly revealed that it targeted certain conservative groups, the agency insisted that the effort was a misguided attempt at greater efficiency rather than a partisan endeavor. Protecting citizens' rights to speak out against the government has been a critical part of what separates us from tyrannical regimes.

The IRS controversy is likely to undermine the President's credibility whether he had anything to do with it or not. The Tea Party groups are targeted because of their very name, which they claim that they're taxed enough already. The confusion of the IRS scandal is distracting from its importance, and it turns out that more people in the White House were aware earlier than originally admitted. It goes as far as the chief of staff discussed with the Treasury staff when the report would be released. As further evidence proves that the IRS was badly managed, the extra scrutiny of groups with keywords such as "tea party", "patriot", and "9/12" will definitely put a Black eye on the agency.

The IRS has repeatedly come under fire for failing to crack down on fraudulent schemes. For years, officials have used the power of the federal government to isolate tax-payers. This IRS scandal is a excellent opportunity to push for a comprehensive tax reform. It would help us Americans see the simplicity of tax rates and eliminating exemptions as a whole. While more Americans believe that the Administration is attempting to cover up the scandal, everyone must know the truth about the Tea Party groups being targeted. For tax lawyers, hammering IRS officials for letting partisanship influence the agency's work, while applying all the political pressure they can to get what they want.

The members of Congress from both parties, liberal and conservative activist have called for investigations and official hearings on the IRS actions for the reasons of targeting and intimidation of individual and organizations based on political beliefs. It would be interesting to see if the Republicans can actually maintain control of the IRS investigation. At the same time it t0ook American people to think that Congressional Republicans were right to be suspicious about the scandal. The chilling part is that American citizens exercising the Constitution's First Amendment right to free speech could be

harassed and intimidated by the IRS because of their opinions. What needs to be thoroughly vetted is if these unwarranted intrusions were politically motivated, or if they were overzealous actions by bureaucrats who were blind to political implications.

In conclusion, our Founding Fathers were fearful of a powerful federal government because it was a threat to liberty. The recent Internal Revenue Service scandal is the foreseeable and inevitable consequence of a too powerful federal government, and the validation of the mission of the Tea Party movement that stands firmly for a limited national government.