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“THE ROLE OF THE TAX ADMINISTRATIONS IN THE GLOBAL CRISIS”

Topic 1.2

**THE TAX ADMINISTRATIONS AND THE TAXPAYER’S SOCIAL RESPONSIBILITY:
STRATEGIES FOR COMBATING HARMFUL TAX PLANNING**

**Internal Revenue Service
United States**

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Summary

During a time when many Federal agencies are experiencing budget cuts, the Internal Revenue Service (IRS) has seen a budget increase. Indeed, for FY 2010, the IRS actually received more funding than requested for its international tax compliance programs. Key to any kind of tax administration program expansion is high level support – at the national level as well as within the agency – and collaboration across the various functions within the tax administration.

For several years the IRS has enjoyed support for its international programs beginning with Commissioner Mark Everson and continuing with Commissioner Douglas Shulman. Many members of the U.S. Senate and House of Representatives have an interest in combating offshore tax evasion. Both Commissioner Shulman and Treasury Secretary Timothy Geithner testified before key Senate Committees to assure adequate funding. While addressing U.S. Senate Committees, Commissioner Shulman emphasized his belief that the majority of U.S. citizens voluntarily comply with the tax obligations. But he always cautions that, those who are paying their fair share want to see the IRS make sure that everyone else is paying their fair share, too.

Organizations need to be structured in a way that facilitates meeting their goals. Beginning in 2007 and continuing through 2009, the IRS has been consolidating its international compliance programs within the Large and Mid-Sized Business (LMSB) Division. It was also in 2007 that IRS launched a cross-functional team of executives focused on taking a collaborative approach to international tax administration. It was partly due to taking such an approach to the FY2010 budget that the IRS received more funding than requested.

2009 has been a landmark year for the IRS in combating international tax avoidance by hiding assets in offshore financial institutions. Work that started in 2008 (when nine countries around the world became interested in obtaining information about their citizens' accounts in Liechtenstein) culminated in 2009 when the U.S. signed a Tax Information Exchange Agreement (TIEA) with Liechtenstein. This TIEA, the first for Liechtenstein, went into force as of January 1, 2010.

The 2008 John Doe Summons issued to the Swiss Bank UBS came to fruition when the U.S. signed agreements with the Swiss Government and UBS in August 2009. Another John Doe Summons with First Data Corp. is in process and moving forward as a way to combat the use of offshore credit cards to evade tax.

Programs in support of improving voluntary compliance are the Voluntary Disclosure program and the Transfer Pricing Practice. The Voluntary Disclosure program gave

taxpayers who were hiding income producing assets offshore the opportunity to voluntarily come forward and pay their taxes and penalties without fear of criminal prosecution. The Transfer Pricing Practice will result in increased levels of expertise within the IRS to more effectively deal with large scale international transactions.

Introduction: Scope/Content

The Discussion of this paper has three parts: Laying the Groundwork, Combating Harmful Tax Planning and Making Compliance Easier.

- *Laying the Groundwork* covers the International Planning and Operations Council and how it takes a servicewide approach to international tax administration and budget formulation. It also covers testimony by the IRS Commissioner and the Treasury Secretary to gain the funding necessary for the Service's offshore compliance programs. Finally, there is a discussion of a multi-year consolidation of international compliance efforts within the IRS.
- *Combating Harmful Tax Planning* discusses the IRS' efforts to obtain taxpayer information from Liechtenstein, Swiss-Based UBS and First Data Corp. It also includes information about the successful Voluntary Compliance program which took place in 2009 and the creation of a Transfer Pricing Practice within the IRS.
- Finally, *Making Compliance Easier* makes reference to programs discussed in the paper prepared for the October 2009 CIAT Technical Conference. These are programs aimed at providing taxpayers with certainty sooner through increased transparency on the part of the taxpayer and the IRS.

Discussion

1. Laying the Groundwork

International Planning and Operations Council – a Servicewide Approach to International Tax Administration

Several years ago, Commissioner Mark Everson and other key executives looked across the Internal Revenue Service (IRS) and saw that international tax administration was not limited to the International organization in the Large and Mid-Sized Business Division (LMSB). It was, in fact, Servicewide: one operating division handled processing and customer service, another was responsible for international individuals and international small businesses and another for international pension arrangements and charities. In addition, Appeals, Criminal Investigation and Counsel – all separate organizations within the Internal Revenue Service (IRS) – each had responsibility for various aspects of international tax administration. Meanwhile, globalization was clearly on the rise — overseas travel, investment, shopping, employment and outsourcing are commonplace events today. The acceleration of globalization meant the IRS' tax administration operations had to be prepared to serve an expanded taxpayer base with cross-border transactions. It was evident the IRS needed a more coordinated approach to international tax administration.

To deal with this situation, Frank Ng, then Deputy Commissioner International in LMSB, created the International Planning and Operations Council (IPOC), composed of executives from each of the IRS business units (Wage and Investment, Small Business and Self Employed and Tax Exempt and Government Entities) along with executives from Appeals, Criminal Investigation and Counsel. At the January 23, 2007 launch of the IPOC, both he and LMSB Commissioner Deborah Nolan spoke to Commissioner Everson's high level interest in international tax issues. The IPOC accepted the challenge to take a coordinated effort across the Service and developed a multiyear plan, the Servicewide Approach to International Tax Administration (Servicewide Approach). The thrust of the Servicewide Approach was to integrate and strengthen existing international expertise, programs and activities located in the various parts of the IRS. The members of the IPOC meet every other month. As expected, the active involvement of all IRS business units has made it easier to improve taxpayer assistance, enhance enforcement and modernize the organization to assure the achievement of international tax administration goals. The Servicewide approach, i.e., the unified plan, was an important first step in improving international tax administration and positioning IRS to meet the challenges of globalization.

After Barry B. Shott became the Deputy Commissioner International, he took the Council one step further. At the November 2007 meeting of the IPOC, he charged them to link their FY2010 international budget requests to specific goals in the Servicewide Approach. They were to be quite specific about why they needed the money, e.g., increased staff, equipment, computer programming. He formed a sub-team which met and identified four main areas of focus: increased staffing; training (new and

experienced employees); information reporting, information processing, using information technology and taxpayer service. His goal was to institutionalize international within the IRS by embedding it in the budget. He urged Council members to describe, not just what was attractive, but what was deliverable and to clearly articulate what they wanted to do. Each operating division prepared its own budget but included a cross-functional reference back to the Servicewide Approach. This had the desired effect of making this new way of dealing with globalization more visible within the IRS. As they set to work, everyone knew this was a time when government budgets were likely to go down, not up.

By March, the Council sent to the IRS' Chief Financial Officer (CFO) a unified FY 2010 request for more than \$100,000,000 (\$100M) to fund 676 positions focused on international issues. This included hiring international examiners, economists, revenue agents and tax compliance officers with \$3,400,000 earmarked for training. It also included increasing focus on combating offshore activities; expanding Criminal Investigation's overseas presence; improving processing of information documents the Service receives; as well as funding for Appeals and Counsel to support increased activities in other parts of the IRS.

From the very beginning of his appointment in early 2008, Commissioner Shulman took a strong interest in international tax administration including providing additional funding for FY09. In November 2008, Deputy Commissioner International Barry B. Shott announced that during FY09, LMSB would hire 200 new employees for international issues: 40 International Examiners, 40 Economists and 20 Financial Products Specialists who came onboard beginning at the end of the 2nd quarter. These LMSB employees were to focus on corporate taxpayers in the area of transfer pricing and other international issues. At the same time, the Small Business Self Employed (SBSE) operating division got the OK to hire an additional 150 employees to focus on high income/high wealth individual taxpayers.

In April 2009 the IRS learned the President's budget request included the FY2010 international initiatives that all IRS offices had worked on. The final figure was actually more than requested – approximately \$126,000,000 (\$126M) budgeted instead of the \$100,000,000 (\$100M) requested. But with increased funding came increased expectations, i.e., there is an expectation of \$210,000,000,000 (\$210B) in additional revenue over 10 years. This will require legislative changes and non-traditional compliance work.

Senate Finance and Appropriations Committee Testimony

The IRS relies heavily on voluntary compliance but recognizes there are taxpayers who, not only do not willingly comply, they deliberately engage in tax planning designed to evade tax – harmful tax planning from a tax administration point of view. Beginning with his initial testimony at the January 29, 2008 Senate Finance Committee hearing on his nomination as Commissioner, Douglas Shulman set the tone for his tenure as IRS Commissioner when he said:

For taxpayers who pay their taxes willingly and on time, which is the great majority of Americans, there must be clear guidance, accessible education, and outstanding service. Our aim should be to make it as easy as possible for them to pay the correct amount of taxes in the most efficient and least burdensome manner possible. For taxpayers who intentionally evade paying their taxes, there must be rigorous enforcement programs.¹

At the July 24, 2008 U.S. Senate Finance Committee Hearing on Tax Haven Financial Institutions: Their Formation and Administration of Offshore Entities and Accounts for Use by U.S. Clients, LMSB Commissioner Frank Ng testified about a variety of initiatives aimed at improving compliance and drew the Committee's attention to the Servicewide Approach he created to integrate the international perspective into IRS business division strategies and processes. When he summed up the international challenges faced by the Service, he laid the groundwork for a high level of support from the Senate and hinted at the need for a restructuring which took place in October 2009:

...there is no longer a bright line that can be drawn between international and domestic tax issues. With increasing globalization, virtually every large business return – as well as the returns of many small companies and even individuals – has international features due to the ease of cross-border transactions²

In June 2009, IRS Commissioner Shulman and Treasury Secretary Timothy Geithner testified before a panel of the Senate Appropriations Committee. He continued the idea expressed in his nomination hearings, i.e., honest taxpayers who pay their fair share of taxes want the government to take action against those who don't. He said:

The American people who play by the rules every day expect the IRS to pursue those taxpayers who do not pay their taxes, and we are vigorously enforcing the tax law. We are focusing on current enforcement initiatives, such as in the international arena, while seeking to evolve and innovate.³

Both urged a Senate appropriations panel to support President Obama's FY 2010 budget request to fund key tax priorities in FY10.

Recent Restructuring

For a number of years the IRS has been observing some unmistakable trends in the international tax arena, including significant increases in cross-border transactions, transfer pricing and foreign tax credit filings, the use of flow-through entities, and tremendous growth in the number of U.S. citizens and small businesses abroad and non-citizens working in the U.S. These trends require that the IRS strengthen its focus on international tax administration. The President, Treasury Secretary and IRS Commissioner each have underscored the urgency of stepping up our international tax compliance activities. In October 2009, the IRS launched the Large Business and International Expansion (LB&IE) initiative. Two key work streams within that initiative were:

- the High Wealth/High Income Industry in LMSB (with taxpayers in this group including individuals); and
- completing the task of bringing all of the Service's international compliance activities under one roof (foreign resident and international small business compliance).

High Wealth Industry

On October 7 and 8, 2008, Deputy Commissioner International, Barry B. Shott, hosted an international conference to discuss the movement of money and how that impacts tax administration. The invitations included all IRS operating divisions as well as external banking regulators, U.S. Government enforcement agencies (e.g., Department of Justice, FINCEN), Tax Executives Institute (TEI), major accounting firms, members of OECD Banking Intermediary Study Team, Treasury and others – about 95 participants altogether. The goal was to find out what externals were seeing that could affect international tax administration. Plans included a series of panel discussions including how high wealth individuals structure their finances (as corporations or as individuals). Day 1 was for internal/external stakeholders. Day 2 was only for internal stakeholders and included facilitated discussions of what they heard on Day 1. IRS learned that the behavior of high wealth individuals is more like corporate behavior than it is like individual behavior.

Concurrently, the IRS' Examination Enforcement Government Council (EEGC), another council with members from across the IRS, had been looking for a way to establish priorities for strategies around Abusive Tax Avoidance Transactions, the Earned Income Tax Credit, non-filers and the tax gap. This Council's High Income/High Wealth team conducted a review of cases that had come through the enforcement/exam pipeline to understand compliance risks. They looked at the taxpayer's entire enterprise, i.e., all entities related to a particular taxpayer instead of simply looking at the individual entity.

As part of the October 2009 restructuring IE, IRS brought SBSE's High Wealth/High Income (GWHI) initiative to LMSB as a new Industry to work alongside LMSB's existing five Industries. The strategies of this group include:

- Refine a risk assessment process for global high wealth enterprises;
- Establish a format for comprehensive case building;
- Conduct examinations of GHW individuals and related enterprises;
- Centralize IRS expertise on global high wealth compliance risk into a single organizational entity.

Foreign Resident and International Small Business Compliance

Late in 2007, IRS brought SBSE's Foreign Resident Compliance function to LMSB International. This represented a big change to LMSB's view of its taxpayer profile. No longer were LMSB's taxpayers limited to businesses with assets of \$10,000,000 or more. They also included:

- U.S. citizens residing overseas or in U.S. Territories;
- Lawful permanent residents (green card holders) in the U.S.;
- Small businesses maintaining books and records overseas;
- Non-resident aliens and foreign corporations in the U.S.;
- U.S. expatriates who gave up their citizenship;
- Individuals with tax treaty issues or other international features.

The October 2009 restructuring continued this effort by bringing into LMSB International additional SBSE international initiatives affecting individuals and small businesses:

- Abusive Tax Avoidance Transaction Offshore Field Groups and Headquarters;
- Offshore Compliance Initiative team; and
- Central Withholding Agreements (CWA) Group.

The target completion for the full integration of these functions is October 2010.

The goals are simple:

- Improve consistency of international and offshore compliance operations;
- Increase coverage of international and offshore compliance;

- Enhance customer service.

2. Combating Harmful Tax Planning

Liechtenstein

In mid-February 2008, a news story broke that attracted the attention of tax administrations around the world. The German government had received information on German citizens who were involved in a multi-billion-euro tax evasion scandal involving its citizens who were hiding assets in Liechtenstein banks.

By the end of February 2008, tax administrations in Australia, Canada, France, Italy, New Zealand, Sweden, United Kingdom, the U.S. others, all member countries of the OECD's Forum on Tax Administration (FTA), began working together concerning Liechtenstein accounts being used for tax avoidance and evasion. Within a few days of each other, news and press releases went out around the world:

Tax commissioners battle against tax evasion (Australia and UK)⁴

Agenzia Entrate ha ricevuto informazioni su italiani con depositi in Liechtenstein (Italy)⁵

Tax authorities work together to stop international tax evasion (NZ)⁶

IRS and Tax Treaty Partners Target Liechtenstein Accounts (US)⁷

In the U.S., the IRS began enforcement action involving more than 100 U.S. taxpayers to ensure proper income reporting and tax payment in connection with accounts in Liechtenstein. Some countries, such as New Zealand, offered penalty relief programs under their voluntary disclosure rules.⁸

By December 8, 2008 the U.S. and Liechtenstein had a signed Tax Information Exchange Agreement (TIEA). In October 2009, Liechtenstein and U.S. representatives met to discuss implementing legislation necessary to bring the TIEA into force as of January 1, 2010. This TIEA is Liechtenstein's first to enter into force and the only one in force for 2010. It will have effect for requests for information made for tax years beginning on or after January 1, 2009 for both civil and criminal tax matters.

UBS

On June 30, 2008, the U.S. Justice Department filed a petition for permission to issue a "John Doe Summons" to request information from Zurich Switzerland-based UBS about U.S. taxpayers who may be using Swiss bank accounts to evade federal income taxes. The next day a federal judge in Miami, Florida issued an order authorizing the IRS to request information from Zurich, Switzerland-based UBS AG about U.S. taxpayers who may be using Swiss bank accounts to evade federal income taxes. The IRS uses a

John Doe summons to obtain information about possible tax fraud by people whose identities are unknown. Internal Revenue Manual (IRM) 25.5.7.1 defines this kind of summons as follows:

A John Doe Summons is any summons where the name of the taxpayer under investigation is unknown and therefore not specifically identified. A John Doe summons can only be served after approval by a Federal court. Therefore, the Service must never serve a "friendly" John Doe summons even though a prospective summoned party may request one as a condition to providing information to the Service. Serving a John Doe summons without court approval violates the statute and will jeopardize the investigation.⁹

The U.S. became interested in UBS, in part, because of a statement submitted to the court by former UBS banker Bradley Birkenfeld. Birkenfeld said UBS employees assisted wealthy U.S. clients in concealing their ownership of assets held offshore by creating sham entities and then filing IRS forms falsely claiming that the entities were the owners of the accounts. According to Birkenfeld's court statement, UBS had approximately \$20 billion of assets under management in "undeclared" accounts for U.S. taxpayers.¹⁰

After filing the Summons, the U.S. and the Justice Department began discussions to seek cooperation of the Swiss government. On August 19, 2009, the Justice Department and the IRS announced that the agreement with the Swiss government has been finalized. As a result of the agreement, the United States will receive substantially all of the accounts of interest when it initiated the John Doe summons against UBS on June 30, 2008.

The agreement involved a number of simultaneous legal actions:

- The judicial enforcement of the John Doe summons was be dismissed in a way that left the underlying John Doe Summons in effect;
- Upon receiving the treaty request, the Swiss government directed UBS to notify account holders over the course of several months that their information was included in the I.R.S treaty request;
- Receipt of this notice did not by itself preclude the account holder from coming into the IRS under the Voluntary Disclosure Program, which ended Sept. 23, 2009.

In addition, the Swiss Government has agreed to review and process additional requests for information from other banks regarding their account holders to the extent that such a request is based on a pattern of facts and circumstances equivalent to those of the UBS case.

Finally, the agreement retained the U.S. Government's right, if the results are significantly lower than expected and other measures fail, to seek appropriate judicial remedies, including resuming actions to enforce the John Doe summons.¹¹

Right now the IRS is at the beginning stages of implementing the agreements with the Swiss Government and UBS. By the end of 2010, IRS expects to receive information about approximately 7,500 accounts.

Voluntary Disclosure Program

On March 26, 2009, the IRS announced a short-term program intended to provide a reduced penalty regime as well as immunity from prosecution if taxpayers met certain conditions. The program featured paying:

- Back-taxes and interest for six years;
- An accuracy or delinquency penalty on all six years;
- A penalty of 20 percent of the amount in the foreign bank accounts in the year with the highest aggregate account or asset value anytime in the past six years.

The driver for this program was a growing sense that a very significant number of persons with a U.S. filing, paying or reporting requirement were not declaring the existence of their off shore accounts nor were they reporting the income from them. The program was designed to give taxpayers – and tax practitioners – certainty and consistency in how their case would be handled.¹²

Three guidance memos went out: how to handle offshore cases¹³; routing voluntary disclosures for action¹⁴; penalty framework to assure consistency¹⁵. The landing page of irs.gov featured a “rotating spotlight” to draw attention to the program and to an initial set of Frequently Asked Questions due to the high volume of questions IPOC members reported getting at conferences they attended.

Initially, the deadline was September 26, 2009 but, because many practitioners reported being overwhelmed with last-minute client requests to participate, IRS extended the deadline to October 15, 2009.

The Voluntary Disclosure program gave people a special chance to come in and get right with the government. Taxpayers took advantage of it in record numbers – more than 14,700 people who hadn't been reporting offshore assets and income are coming back into compliance.

The unprecedented agreement with the Swiss authorities reached in August 2009 regarding UBS account holders – and the response to the special offshore voluntary

disclosure program – together represent an historic milestone. They proved to the world – especially to account holders, promoters and banks – that the IRS is serious about:

- its international efforts;
- piercing the veil of bank secrecy; and
- carrying forward the momentum to address offshore tax evasion.

IRS is currently mining the 14,700 voluntary disclosures for information to identify financial institutions, advisors, and others who promoted or otherwise facilitated US persons hiding assets and income offshore and attempting to shirk their tax responsibilities at home.

The response to the voluntary disclosure program will have ramifications extending far beyond 2009. It will change the conversations that practitioners and tax return preparers will be having with many of their clients – especially during tax filing season. Those taxpayers who sought advice from advisors, but chose not to come forward in the voluntary disclosure program, will once again have to confront whether they come clean and properly report these accounts.¹⁶

First Data Corporation

On April 13, 2009, the Department of Justice asked a federal court in Denver to approve service of a John Doe summons on First Data Corporation for information to help the IRS identify merchants who use offshore accounts to evade their U.S. tax liabilities. The petition alleged that the merchants opened bank accounts in offshore jurisdictions and directed their payment card processor, in this instance First Data, to deposit the proceeds from their debit or credit card transactions directly into offshore accounts. With this summons, the Department of Justice ratcheted up the pressure on tax evaders by seeking the identities of merchants who attempt to hide their business income in offshore accounts.¹⁷ By April 15, 2009, a Colorado Court issued the summons.

In September 2009, First Data Corp. agreed to comply with a modified IRS summons seeking businesses that may be hiding income in offshore accounts. The modified summons reduced disclosure requirements.

Transfer Pricing Practice

Starting in the fall of 2008 and into 2009, a team from across the country, made up of domestic and international managers, field specialists, technical advisors, competent authority, field counsel, APA and LMSB International looked at ways to rethink IRS' approach to transfer pricing.

They developed a set of short and long term recommendations that were presented to LMSB leadership. The recommendations were grouped as:

- Organize to better support transfer pricing operations;
- Build a team of transfer pricing experts to improve issue development and resolution;
- Improve leverage of transfer pricing expertise;
- Incorporate transparency strategies and incentives to improve taxpayer compliance;
- Improve issue identification and case selection to focus on significant areas of non-compliance;
- Ensure field accountability through transfer pricing goals and measures.

The Service has already implemented some of these recommendations, including hiring additional specialists who will play a key role in transfer pricing exams, and establishing the Transfer Pricing Council in January 2009.

The Transfer Pricing Council is comprised of executives from LMSB and Chief Counsel, and focuses on coordination of transfer pricing strategies and policies. It is a forum for gathering and sharing information from key areas within IRS that deal with international transfer pricing matters. The Council meets every 4 to 6 weeks to address high-level issues, e.g., strategy, resource allocation, coordination, tools our employees require, gaps in guidance and forthcoming changes in law. The Council recommends guidelines to stakeholders for transfer pricing strategic decisions, resources, commitments and outcomes. The Council does not have case or issue control, nor does it get into the business of reviewing cases.

Right now, a team is working on the design and implementation planning for the Transfer Pricing Practice. This is to improve IRS' capability to strategically and systematically administer transfer pricing issues. The idea is to create a group of experts in the transfer pricing area who will coordinate the handling of issues that are most important to taxpayers and to the IRS, identify emerging issues and trends, and provide consistency in developing and resolving transfer pricing cases. This group will help examination personnel throughout the organization by providing technical expertise as needed, assist in the development of new risk assessment techniques to better identify the taxpayers and issues with the greatest risk, and develop examination best practices to ensure optimal resource allocation.

IRS' goal with the establishment of the Transfer Pricing Practice is to significantly improve how it addresses transfer pricing issues in the future, with a focus on interactions with taxpayers, development of issues, and consistent resolution.

3. Making Compliance Easier

“Creation of Large Taxpayer Units and the Inclusion of Large Individual Taxpayers” prepared for the CIAT October 2009 Technical Conference included a discussion of programs IRS has implemented to make compliance easier:

LMSB’s overall strategy depends on two things: currency (certainty sooner) and transparency, i.e., completing examinations in an efficient and timely manner, while reconciling the book-tax differences and risks. Today, IRS has an established foundation that will result in better service to large taxpayers and a greater ability to conduct its compliance responsibilities more effectively and in a timely manner. LMSB has identified challenges and has initiated several programs that foster transparency, currency, pre-filing compliance opportunities and improved efficiencies in issue and risk identification.¹⁸

One of the programs to assure certainty sooner is Fast Track Settlement. The Fast Track Settlement program (FTS) offers a customer-driven approach to resolving tax disputes at the earliest possible stage in the examination process. LMSB made this process permanent in 2003.

Another program is the Compliance Assurance Process (CAP) introduced in LMSB in 2005. CAP, is a pre-filing compliance assurance process, focusing on issue identification and resolution through real-time taxpayer interaction. Under CAP, a taxpayer works cooperatively with LMSB Revenue Agents in a pre-filing environment to resolve issues of tax controversy and to determine the proper tax treatment of completed transactions.

When LMSB stood up in October 2000, the Pre-Filing Agreement program was a groundbreaking feature of IRS’ new ways of doing business. This program encourages taxpayers to request consideration of an issue before the tax return is filed and thus, resolve potential disputes and controversy earlier in the examination process. The program reduces the cost and burden associated with the post-filing examination, provides a desired level of certainty regarding a transaction and makes better use of taxpayer and IRS resources.

Conclusion

The Internal Revenue Service has long relied on the voluntary compliance of taxpayers to fulfill its mission: *“Provide America’s taxpayers top-quality service by helping them understand and meet their tax responsibilities and by applying the tax law with integrity and fairness to all.”*

The IRS has programs in place to make compliance easier for those taxpayers who want to comply. Many of those taxpayers also want certainty sooner. The IRS is committed to offering taxpayers certainty sooner through increased transparency on the part of the IRS as well as on the part of the taxpayers.

These same taxpayers also want everyone to pay their fair share of tax. The programs to make compliance easier coupled with stepped up offshore enforcement efforts combine to build the foundations needed to improve voluntary compliance in support of the IRS mission.

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