



GENERAL LEGAL ACTIVITIES Tax Division (TAX)

FY 2014 Budget Request At A Glance	
FY 2012 Enacted:	\$104.9 million (639 positions; 377 attorneys)
Current Services Adjustments:	+\$1.6 million
Program Changes:	+\$0
FY 2014 Budget Request:	\$106.5 million (639 positions; 377 attorneys)
Change From FY 2012 Enacted:	+\$1.6 million (+1.5%)

Mission:

The Tax Division's mission is to enforce the nation's tax laws fully, fairly, and consistently, through both criminal and civil litigation, in order to promote voluntary compliance with the tax laws, maintain public confidence in the integrity of the tax system, and promote the sound development of the law.

Organization:

The Tax Division is headed by an Assistant Attorney General (AAG), who is appointed by the President and confirmed by the Senate. Four Deputy Assistant Attorneys General (DAAG) help manage the Division. All of the Division's offices are located in Washington, D.C., except the Southwestern Civil Trial Section, which is located in Dallas, Texas. Attorneys travel domestically and internationally for litigation activities.

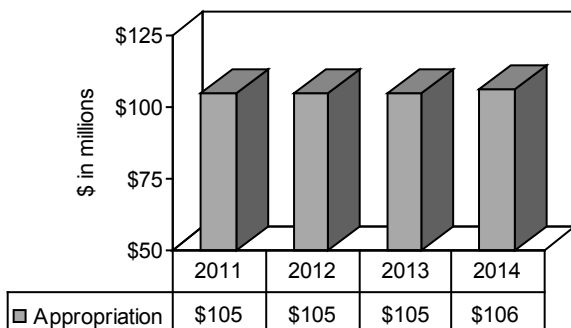
Resources:

The FY 2014 budget request for TAX totals \$106.5 million, which is a 1.5% increase over the FY 2012 Enacted.

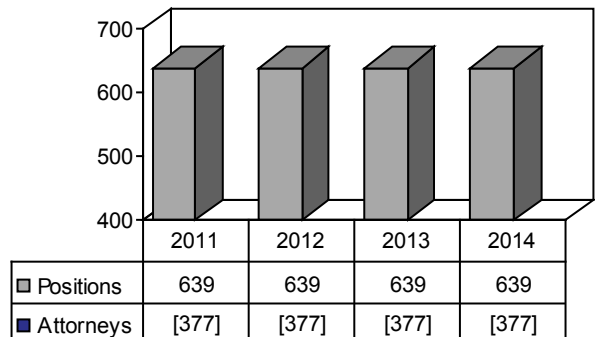
Personnel:

The TAX's direct positions for FY 2014 total 639 positions and is the same as FY 2012 Enacted.

Funding (FY 2011 - 2014)



Personnel (FY 2011 - 2014)



FY 2014 Strategy:

The Tax Division will continue to play a significant role in the government's efforts to enforce the tax laws fully and fairly, in both the civil and criminal arena, and to combat abuse of the Nation's internal revenue laws. The Division's litigation furthers the Administration's goal of reducing the Tax Gap, and also represents a significant return on investment, as the sums collected and refunds saved by the Division consistently exceed its annual appropriation. Taking into account the tax dollars collected and the tax refunds not paid as a result of our litigation, the Division has returned \$14 for each dollar invested. In addition, the Division's strategy of publicizing its litigation accomplishments has an incalculable deterrent effect on would-be tax offenders, while also strengthening the Nation's voluntary compliance system by assuring law-abiding taxpayers that those who attempt to shirk their lawful responsibilities will be held accountable.

The Division's criminal enforcement strategy is to ensure strong, consistent and uniform prosecution of the criminal tax laws to punish offenders, deter future violations, and reassure honest taxpayers that they will not bear an undue share of the federal tax burden. For FY 2014, the Tax Division has identified three continuing high-priority criminal-enforcement areas: stolen identity refund fraud (SIRF) cases; international noncompliance; and tax defiers (also known as illegal tax protestors). Stolen identity refund fraud costs the Government billions of dollars and affects tens of thousands of citizens. In the international area, the Division, along with the IRS, has made great strides in recent years in eroding the use of secret foreign bank accounts, which serve as the linchpin of international noncompliance. The Division also will continue its emphasis on investigating and prosecuting tax defiers, who often are linked to nationwide groups that espouse violent actions against the Government and some of its citizens. The Division also will play a critical role in investigating and prosecuting tax-related fraud cases. Tax charges have long been used to prosecute complex fraud cases when other criminal conduct is difficult to prove. Prosecutions of those individuals engaged in mortgage fraud, securities fraud, and other financial fraud is strengthened by the addition of tax charges, and by the expertise and experience of Tax Division attorneys.

The Tax Division's primary civil strategy is to litigate federal tax cases filed by and against taxpayers in the federal courts. By targeting particularly acute tax enforcement problems that threaten tax administration, the Division ensures that the tax laws are properly enforced. The Tax Division defends the Federal Treasury against tax refund claims arising from complex and abusive corporate and individual tax shelters that are estimated to cost the Treasury billions of dollars annually. The Division also brings suits to stop tax scam promoters and unscrupulous preparers, to collect unpaid taxes, and to allow the IRS to obtain information needed for tax enforcement.

FY 2014 Program Changes:

There are no program changes for TAX.

Tax Division
(Dollars in Thousands)

	Tax Division		
	Pos	FTE**	Amount
2012 Enacted	639	527	104,877
2013 Continuing Resolution*	639	519	105,519
2014 Request	639	519	106,479
Change 2014 from 2012 Enacted	0	-8	1,602
Technical Adjustments			
Adjustment - 2013 CR 0.612%	0	0	-642
Total Technical Adjustments	0	0	-642
Base Adjustments			
ATB Transfers	0	0	97
Pay & Benefits	0	0	860
Domestic Rent & Facilities	0	0	645
Total Base Adjustments	0	0	1,602
2014 Current Services	639	519	106,479
Program Changes			
Program Increases	0	0	0
Program Decreases	0	0	0
Total Program Changes	0	0	0
2014 Request	639	519	106,479

* The 2013 Continuing Resolution includes the 0.612% funding above current rate, provided by P.L. 112-175, sec. 101 (c).

** The FTE for FY 2012 is actual and for FY 2013 and FY 2014 are estimates.

Tax Division
(Dollars in Thousands)

Comparison by activity and program	2012 Enacted			2014 Current Services		
	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount
General Tax Matters	639	527	104,877	639	519	106,479
Total	639	527	104,877	639	519	106,479
Reimbursable FTE	0	0	0	0	0	0
Grand Total	639	527	104,235	639	519	106,479

Comparison by activity and program	2014 Total Program Changes			2014 Request		
	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount
General Tax Matters	0	0	0	639	519	106,479
Total	0	0	0	639	519	106,479
Reimbursable FTE	0	0	0	0	0	0
Grand Total	0	0	0	639	519	106,479