



GENERAL LEGAL ACTIVITIES Tax Division (TAX)

FY 2020 Budget Request At A Glance	
FY 2019 Continuing Resolution:	\$107.0 million (499 positions; 377 attorneys)
Current Services Adjustments:	+\$8.0 million
Program Changes:	+\$0
FY 2020 Budget Request:	\$114.9 million (499 positions; 377 attorneys)
Change From FY 2019 Continuing Resolution:	+\$8.0 million (+7.4%)

Mission:

The mission of the Tax Division (TAX) is to enforce the nation's tax laws fully, fairly, and consistently, through both criminal and civil litigation, 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 tax laws.

Organization:

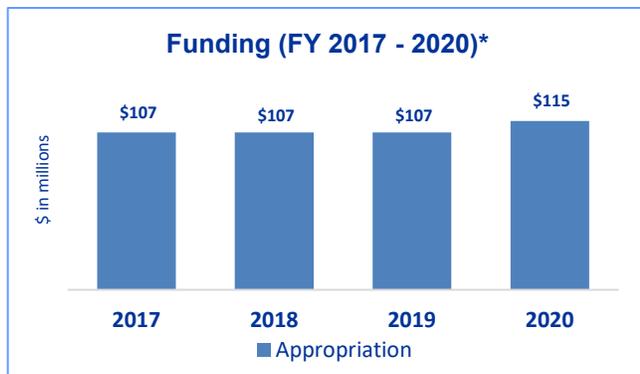
TAX is headed by an Assistant Attorney General, who is appointed by the President and confirmed by the Senate. Four Deputy Assistant Attorneys General help manage the Division. All of the Division's offices are located in Washington, D.C., except the Southwestern Civil Trial Section, which is located in Dallas, Texas.

Resources:

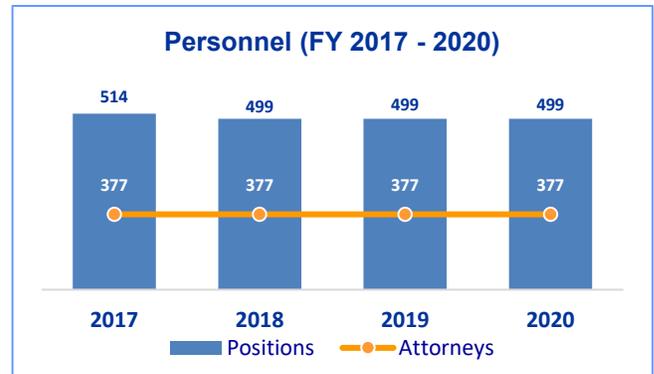
The FY 2020 budget request for TAX totals \$114.9 million, which is a 7.4% increase over the FY 2019 Continuing Resolution.

Personnel:

The TAX's direct positions for FY 2020 total 499 positions and are the same as FY 2019 Continuing Resolution.



* FY 2019 annualized CR



*Includes only direct attorneys

FY 2020 Strategy:

TAX 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. TAX's litigation furthers the longstanding bi-partisan goal of reducing the Tax Gap. TAX also represents a significant return on investment, as the sums collected and refunds saved by the Division consistently exceed its annual appropriation. In addition, TAX's strategy of publicizing its litigation accomplishments has a 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 2020, the Division will continue its efforts in several high-priority criminal enforcement areas, including:

Stolen Identity Refund Fraud: Cases in which criminals file for tax refunds using stolen identities. This crime costs the Government billions of dollars and affects tens of thousands of citizens.

Offshore Tax Evasion: This remains one of TAX's top litigation priorities. Non-compliance with U.S. tax laws through the use of secret offshore bank accounts, technically sophisticated financial instruments, and use of the Internet to quickly transfer money around the world remains a major source of noncompliance.

Tax Defiers: Those who reject the legal foundation of the tax system (despite decades of legal precedent upholding the system's constitutional and statutory validity) and who take specific and concrete action to violate the law. TAX uses its resources judiciously by targeting prominent tax defiers – ringleaders or influential followers – for civil enforcement and criminal prosecution.

Financial Fraud: Cases in which tax charges have long been used to prosecute complex fraud. Prosecution of mortgage fraud, securities fraud, and other financial fraud is often strengthened by the addition of tax charges.

TAX's primary civil strategy is to defend against federal tax cases filed by taxpayers and to file tax enforcement and collection cases in the federal courts. By targeting acute tax enforcement problems that threaten the nationwide administration of the tax system, the Division ensures that the tax laws are properly enforced. TAX also 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. TAX also brings suits to stop tax scam promoters and unscrupulous preparers, to collect unpaid taxes, and to allow the Internal Revenue Service to obtain information needed for tax enforcement.

FY 2020 Program Changes:

The budget proposal includes funds for current services for TAX. No program changes are requested.

Tax Division
(Dollars in Thousands)

	Tax Division		
	Pos	FTE	Amount
2018 Appropriation	499	499	\$106,979
2019 Continuing Resolution	499	476	\$106,979
2020 Request	499	479	\$114,931
Change 2020 from 2019 Continuing Resolution	0	3	\$7,952
Technical Adjustments			
Expected Change from FY 2019 PB	0	3	650
Total Technical Adjustments	0	3	\$650
Base Adjustments			
Pay & Benefits	0	0	1,747
Domestic Rent & Facilities	0	0	5,544
Other Adjustments	0	0	11
Total Base Adjustments	0	0	\$7,302
2020 Current Services	499	479	\$114,931
Program Changes			
Increases:			
Subtotal, Program Increases	0	0	\$0
Decreases:			
Subtotal, Program Decreases	0	0	\$0
Total Program Changes	0	0	\$0
2020 Request	499	479	\$114,931

Tax Division
(Dollars in Thousands)

Comparison by activity and program	2019 Continuing Resolution			2020 Current Services		
	Pos.	FTE	Amount	Pos.	FTE	Amount
General Tax Matters	499	476	\$106,979	499	479	\$114,931
Total	499	476	\$106,979	499	479	\$114,931
Grand Total	499	499	\$106,979	499	502	\$114,931

Comparison by activity and program	2020 Total Program Changes			2020 Request		
	Pos.	FTE	Amount	Pos.	FTE	Amount
General Tax Matters	0	0	\$0	499	479	\$114,931
Total	0	0	\$0	499	479	\$114,931
Grand Total	0	0	\$0	499	502	\$114,931