## **Forbes**



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## Dumb Starbucks, Now Dumb IRS

Call it dumb or very, very smart, but Dumb Starbucks made big waves. The new but <u>short-lived store</u> in Los Angeles calling itself "Dumb Starbucks" had a Dumb Starbucks logo and a Dumb Starbucks menu. What's more, there were Dumb Starbucks cups (in Dumb Grande, Dumb Venti and Dumb Tall).

The whole thing was an elaborate goof on Starbucks culture <u>orchestrated by comedian Nathan Fielder</u>. A list of Frequently Asked Questions posted on the premises compared the place to <u>Weird Al Yankovic's homage</u> to Michael Jackson's "Beat It." Call me Weird Al too, but it makes me wonder if Dumb IRS is next. Parodies can be clever legal ploys, can be amusing, but can have a message too.

Why shouldn't there be a parody of the IRS? The IRS has had no end of trouble over the last year. There was the whole targeting flap that still isn't dead. Many <u>Tea Party groups</u> were singled out for extra scrutiny, though some still say it was only rogue employees. The Tea Party fracas was over 501(c)(4) organizations, but there are many types of tax exemptions.



Dumb Starbucks Grande (via Reddit)

With allegations of unfair audits and extra scrutiny, the IRS has rarely faced a mad-as-hell-and-not-going-to-take-it-any-more backlash. It didn't help that President Obama took umbrage that anyone would suggest there was anything amiss. Still, the year also saw IRS expenses being questioned, especially after some IRS brass spent \$100K each on travel.

The IRS's kitschy <u>Star Trek</u>, Gilligan's Island and <u>line dancing videos</u> didn't help either, nor did the assertion of Fifth Amendment rights by a key player in the exemption scandal. As some clamor for shuttering the agency, a huge budget cut might even make the mess worse. In our age of obesity, the cut is like gastric bypass surgery. It's much more than an allowance cut.

Careful, though. Before anyone hangs out a "Dumb IRS" sign, consider that the feds might consider it a crime. That's especially so if someone could *truly* become confused and send in money, returns or taxpayer data. After all, the feds take fake IRS stuff very, very seriously. And there's a huge effort now to catch identity thieves. That accounts for some of the big uptick in criminal tax enforcement.

Still, it might be nice to whip up a Tax Frappuccino, if the feds would allow it. If a "Dumb IRS" could bring the agency into focus, what do most taxpayers *really* want?

- 1. We Want To Be Dealt With Fairly. Given all the complex and special rules in our tax law, one taxpayer can be treated very differently from another seemingly in the same position. That isn't fair. We also need fundamental *procedural* fairness and non-discrimination. On the whole, the IRS does an incredible job administering our horribly unwieldy tax laws. If you are not being dealt with fairly and respectfully, complain, ask for a manager or go to the IRS Taxpayer Advocate's Office.
- **2.** We Don't Want Others To Get Away with Anything. Many people manipulate tax rules. It's almost a point of pride to outsmart the tax man. Some rich people and huge companies pay too little. Some people of low and modest income pay too much. Some people prey on others too unsophisticated to know better. Reform is needed.
- **3.** We Want Our Private Information Kept Private. This is a big challenge for the IRS and others in government. With technology and e-filing, it is a huge danger. Leaks should be dealt with severely and more safeguards are needed.
- **4.** We Want IRS Employees To Be Policed. If you have a bad experience with an IRS employee, report it. The IRS does care. Some employees are disciplined or even fired. See IRS Non-Retaliation Policy. That's one reason much of the recent stories are so disturbing. Unreasonable or abusive requests may happen, and you need to speak up.
- **5.** We Don't Want More Complex Tax Laws. For the most part, complexity isn't the IRS's fault. *Congress* passes tax laws and fundamental reform must start with them. Sadly, though, the IRS often makes it worse. The IRS should do a better job of streamlining and explaining tax rules to make them easier.

**6.** We Don't Want To Be Audited! OK, this doesn't really belong on the same list, but it's still true. No matter how good the IRS gets, you don't want to be audited. Don't take unreasonable tax positions. Pay rather than contest small bills. Be careful what you do and how you do it.

You can reach me at <u>Wood@WoodLLP.com</u>. This discussion is not intended as legal advice, and cannot be relied upon for any purpose without the services of a qualified professional