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Should You Lawyer Up Against The IRS? You Bet

The IRS has rarely faced the kind of systemic doubts and controversies it faces today. The Tea Party targeting scandal undermined the credibility of the agency. But the [Who's on First](#) way the aftermath has unfolded is worse.

All of it gives the agency an uphill battle in administering a terribly complex tax system. That's a shame. Despite appearances, for the most part the IRS does a good job. The vast majority of IRS employees do their level best to be fair and efficient.

If there are failings, they are more management than line employees. (Didn't management commission the [line dancing](#)?) Now, a new IRS [report](#) says the top brass are taking this seriously. See [IRS Charts a Path Forward with Immediate Actions](#). But it's not likely to make everyone feel warm and fuzzy right away.

Most taxpayers feel a chill about dealing with the IRS. It's likely worse today than a few months back. Acting Commissioner Danny Werfel's [report](#) outlines actions to fix problems at the IRS. But many will continue to wonder.

What can it mean if my name comes up before this powerful agency? Do I need a lawyer? That was a predictable reaction even before recent events.



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And it was underscored by the revelation that some Tea Party groups say they were treated one way if they had a lawyer and another if they didn't.

A review of nine groups in Ohio and Kentucky that sought nonprofit status shows not having legal representation meant inappropriate questions from the IRS. When it comes to being targeted by the IRS, having a lawyer may help, a Cincinnati Enquirer review found. See [IRS less prone to pry if lawyers were on case](#). Of course, lawyers may have their own image problems.

Yet as a tax lawyer for [30 years](#), I believe that on average, taxpayers come out better if they don't represent themselves. That's so even taking the cost of professional fees into account. For that matter, I bet it's not limited to tax disputes.

I'm not saying that you need a lawyer every time a piece of paper comes from the IRS. You might receive a letter from the IRS asking about some aspect of your return. You might want to handle it yourself. Still, be cautious and reflective, especially in more serious matters.

Get some advice about whether you need a representative. Contact tax lawyers or accountants to see if they think you need their services, how much they would charge, etc. Hiring a professional is not a panacea, but you generally can't represent yourself very effectively.

This has nothing to do with anything bad at the IRS. It is true in tax cases and in many other matters. Remember the adage about the lawyer representing himself having a fool for a client? Sure, there are cases in which representing yourself can make sense, but they are fairly rare.

Also, the point at which you need a representative is often early. In fact, I have occasionally seen taxpayers spend large sums with professionals precisely because they tried to handle the case themselves. Sometimes you dig a hole that is bigger, wider and deeper than if you had you handed it to a professional from the start.

None of this explains the Tea Party mess, of course. But it is still an important lesson. Be careful.

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