

Section of Taxation

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May 5, 2008

The Honorable Debbie Shultz
Chair
House Appropriations Subcommittee on
Legislative Branch
Room H-147 The Capitol
Washington, DC 20515

The Honorable Tom Latham
Ranking Member
House Appropriations Subcommittee on
Legislative Branch
2447 Rayburn House Office Bldg
Washington, DC 20510

Re: Funding of Joint Committee on Taxation

Dear Chair Shultz and Congressman Latham:

On behalf of the Section of Taxation of the American Bar Association, I respectfully request your assistance in ensuring that the Joint Committee on Taxation (“JCT”) receives adequate funding for Fiscal Year 2009. This letter reflects the views of the Section of Taxation. It has not been approved by the Board of Governors or House of Delegates of the American Bar Association, and should not be construed as representing the policy of the American Bar Association. The American Bar Association has consistently supported adequate funding of the IRS to carry out its missions of taxpayer service and enforcement of federal tax laws. The American Bar Association has more than 400,000 members who provide legal services in every State of the Union. Over 21,000 members of the Association also are members of the Section on Taxation.

As you know, the JCT, operating through its professional, non-partisan staff, serves a critical role in the tax legislative process. Among other things, the JCT staff works with Members of Congress to develop and analyze tax legislative proposals and to prepare official revenue estimates for tax legislation. Given the significant complexity of the Internal Revenue Code and the regular consideration of proposals to amend the Code to address important issues of our time, including the recent economic stimulus legislation and pending proposals to address the current housing crisis and to provide incentives for renewable energy resources, it is imperative that the JCT staff have the resources necessary to assist the Congress in crafting sound tax legislation.

We expect that Congress will be considering legislation over the next few years to address a number of significant issues affecting the nation, including the recurring problems with the alternative minimum tax that have been addressed for a number of years through temporary “patches,” the growing cost of healthcare and education, the projected future insolvency of the Social Security and Medicare programs, and the wealth transfer system. We also expect that the Congress will be considering significant tax legislation to help maintain the competitiveness of our nation’s economy. In addition, in light of the concern raised over the past few years regarding the tax gap, we expect the Congress to continue to consider proposals to narrow the tax gap. In each of these areas, the JCT staff will be called upon to assist the Congress in developing and analyzing proposals to address these issues.

In light of the significant tasks that we expect the JCT staff to face over the next few years, we encourage you and your Committee to ensure that the JCT has the resources it needs to recruit and retain lawyers and economists with the experience and skills necessary for the important work at hand.

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San Antonio, TX

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Moreover, we understand that appropriations legislation adopted in 1990 may be impeding the ability of the JCT in its recruiting efforts. Specifically, we understand that the JCT is not authorized to reimburse prospective employees for travel expenses incurred in conjunction with pre-employment interviews. Pursuant to 5 U.S.C. § 5706b, federal agencies are permitted to fund such travel expenses when determined necessary by the agency. It is our understanding that graduating economists typically are provided travel reimbursement when invited for pre-employment interviews, and we know from our experience that this is standard practice in the legal profession as well. Unfortunately, because the JCT is not able to take advantage of 5 U.S.C. § 5706b, we fear that they may not be able to compete with other government offices for the professional staff that they need to recruit in order to perform their important mission. Accordingly, we encourage you and your Committee to investigate and address this problem as you consider the appropriations for the JCT for fiscal year 2009.

Thank you for your consideration.

Sincerely,



Stanley L. Blend
Chair, Section of Taxation

cc: Representative David R. Obey, Chair, House Appropriations Committee
Representative Jerry Lewis, Ranking Member, House Appropriations Committee
Senator Robert C. Byrd, Chair, Senate Appropriations Committee
Senator Thad Cochran, Ranking Member, Senate Appropriations Committee
Senator Max Baucus, Chairman, Joint Committee on Taxation
Representative Charles B. Rangel, Vice Chairman, Joint Committee on Taxation
Mr. Edward D. Kleinbard, Chief of Staff, Joint Committee on Taxation
Mr. Russell Sullivan, Staff Director, Senate Finance Committee
Mr. Kolan Davis, Republican Staff Director, Senate Finance Committee
Mr. John L. Buckley, Majority Chief Tax Counsel, House Ways and Means Committee
Mr. Jon Traub, Republican Chief Tax Counsel, House Ways and Means Committee

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The Honorable Mary L. Landrieu
Chair
Senate Appropriations Subcommittee on
Legislative Branch
724 Hart Senate Building
Washington, DC 20510

The Honorable Lamar Alexander
Ranking Member
Senate Appropriations Subcommittee on
Legislative Branch
455 Dirksen Senate Office Building
Washington, DC 20510

Re: Funding of Joint Committee on Taxation

Dear Chair Landrieu and Senator Alexander:

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