



GENERAL LEGAL ACTIVITIES Tax Division (TAX)

FY 2018 Budget Request At A Glance	
FY 2017 Continuing Resolution:	\$106.8 million (639 positions; 377 attorneys)
Current Services Adjustments:	+\$82,000
Program Changes:	+\$0
FY 2018 Budget Request:	\$106.9 million (499 positions; 377 attorneys)
Change From FY 2017 Continuing Resolution:	+\$82,000 (+0.1%) (-140 positions)

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, 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 tax laws.

Organization:

TAX is headed by an Assistant Attorney General, who is appointed by the President and confirmed by the Senate, and assisted by four Deputy Assistant Attorneys General. All offices are located in Washington, DC, except the Southwestern Civil Trial Section, which is located in Dallas, Texas.

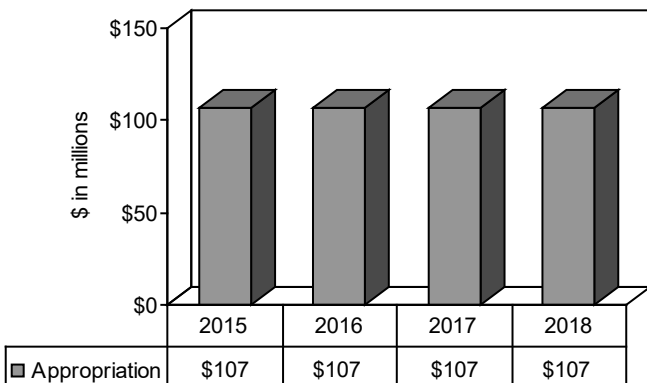
Resources:

The FY 2018 budget request for TAX totals \$106.9 million, which is a 0.1% increase over the FY 2017 Continuing Resolution.

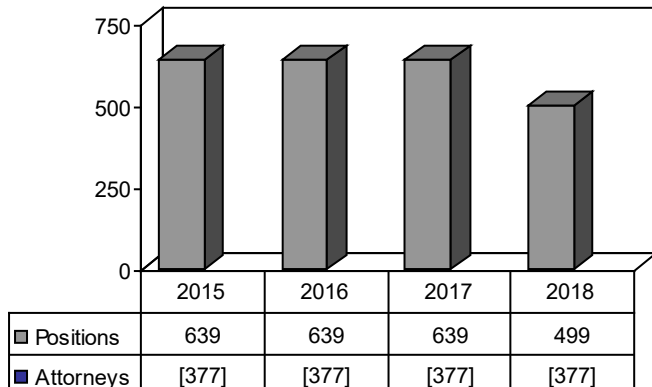
Personnel:

TAX's direct positions for FY 2018 total 499 positions. TAX's FY 2018 request includes a decrease of -140 positions from the FY 2017 Continuing Resolution of 639 direct positions.

Funding (FY 2015 - 2018)



Personnel (FY 2015 - 2018)



FY 2018 Strategy:

TAX will continue to play a significant role in the Government's efforts to enforce the tax laws and combat abuse of the Nation's internal revenue laws. TAX's litigation furthers the longstanding bipartisan goal of reducing the tax gap. TAX also represents a significant return on investment by collecting sums and saving refunds in amounts that consistently exceed TAX's annual appropriation. In addition, TAX's strategy of publicizing its litigation accomplishments helps deter would-be tax offenders.

TAX's criminal enforcement strategy is to ensure 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. In FY 2018, TAX will continue its efforts in several high-priority criminal enforcement areas, including:

Employment Taxes: This encompasses the billions of dollars withheld from employees' wages but not paid to the Government with a focus on the businesses and individuals responsible for the failure.

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 and who take specific and concrete action to violate the law.

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

TAX's primary civil strategy is twofold: file tax enforcement and collection cases in the federal courts and defend actions filed by taxpayers. By targeting acute tax enforcement problems, TAX ensures that the tax laws are properly enforced. TAX also brings suits to stop tax scam promoters and unscrupulous tax return preparers, collect unpaid taxes, and allow the Internal Revenue Service to obtain information needed for tax enforcement. TAX also defends the Federal Treasury against tax refund claims. Some claims are meritless and are defended aggressively. In merit-based claims, TAX evaluates, and adjusts where appropriate, the IRS's position to ensure taxpayers are treated fairly and uniformly.

FY 2018 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
2016 Appropriation	639	485	106,979
2017 Continuing Resolution	639	534	106,979
2017 Rescission - 0.1901%	0	0	-203
2017 Continuing Resolution	639	534	106,776
2018 Request	499	499	106,858
Change 2018 from 2017 Continuing Resolution	-140	-35	82
Technical Adjustments			
Total Technical Adjustments	0	0	0
Base Adjustments			
Pay & Benefits	-140	-35	-289
Domestic Rent & Facilities	0	0	267
Other Adjustments	0	0	103
Foreign Expenses	0	0	1
Total Base Adjustments	-140	-35	82
2018 Current Services	499	499	106,858
Program Changes			
Increases:			
Subtotal, Program Increases	0	0	0
Decreases:			
Subtotal, Program Decreases	0	0	0
Total Program Changes	0	0	0
2018 Request	499	499	106,858

Tax Division
(Dollars in Thousands)

Comparison by activity and program	2017 Continuing Resolution			2018 Current Services		
	Pos.	FTE	Amount	Pos.	FTE	Amount
General Tax Matters	639	534	106,776	499	499	106,858
Total	639	534	106,776	499	499	106,858
Reimbursable FTE	0	0	0	0	0	0
Grand Total	639	534	106,776	499	499	106,858

Comparison by activity and program	2018 Total Program Changes			2018 Request		
	Pos.	FTE	Amount	Pos.	FTE	Amount
General Tax Matters	0	0	0	499	499	106,858
Total	0	0	0	499	499	106,858
Reimbursable FTE	0	0	0	0	0	0
Grand Total	0	0	0	499	499	106,858