

A Review of the IRS Phony Scandal

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We have all heard the reports about how the Internal Revenue Service (IRS) selectively targeted social welfare organizations by delaying their applications for 501(c)(4) tax-exempt status over the course of two federal election cycles (2010 and 2012). Singling out certain groups was important to the current administration, since the 21 Jan 2010 Citizens United ruling by the Supreme Court prohibited limitations on political spending by nonprofit groups. After that ruling, a great many "Tea Party" and other pro-freedom groups applied for tax-exempt status, to enable them to raise funds and use part of those to inform the public about issues of importance in the upcoming elections.

The method of identifying which groups were to be delayed or denied was based on their names ("Tea Party", 9/12"), or their views on the Bill of Rights or Constitution, or their views on the federal budget and spending in general. The ever-efficient IRS even created a spreadsheet called "Be On the Look Out" for (BOLO) as a way to establish targeting keywords that would trigger "closer scrutiny". None of the 501 applications were denied outright during the period from March 2010 to April of 2012. Instead, the IRS non-profit review offices delayed approval of applications in several creative ways:

- a. By demanding information that could not exist ("What books are your members reading");
- b. By asking whether any of their members intended to run for elective office;
- c. By demanding a list of donors, the amounts donated, and how the donations were spent;
- d. By demanding copies of all web pages, blog posts, and brochures ever used by the organization;
- e. By demanding copies of all emails sent or received by organization members.

The IRS Tax Exempt review division also illegally leaked donor lists of some organizations to their opponents, audited those who had donated to the "Tea Party" groups, and in some cases, urged other government entities (FBI, ATF, OSHA) to illegally investigate or harass the applicants. Finally complaints about the abuse of power at the IRS became so distracting that the Treasury Department Inspector General was forced to look into it. He released a report [1] detailing the basics of the IRS activities, along with a list of nine recommendations. In summary, he concluded:

The IRS used inappropriate criteria that identified for review Tea Party and other organizations applying for tax-exempt status based upon their names or policy positions instead of indications of potential political campaign intervention. Ineffective management: 1) allowed inappropriate criteria to be developed and stay in place for more than 18 months, 2) resulted in substantial delays in processing certain applications, and 3) allowed unnecessary information request to be issued.

President Richard "I am not a crook" Nixon was nearly impeached for merely asking the IRS to attack his opponents. President Bill "Perjurer in Chief" Clinton successfully used the IRS to harass his opponents. It appears that the current administration has done the same thing, and when caught, has responded to this series of events by denial, obfuscation, and changing the subject, same as usual. Numerous IRS officials delayed informing Congress of what they knew as the internal investigation proceeded. One of them, Deputy Commissioner for Enforcement and Services Steven T. Miller, falsely stated on 15 May 2012 that the abuses were the work of two rogue agents in Cincinnati; but as it turned out, was being orchestrated from Washington the whole time, probably by Lois G. Lerner, Director of IRS Tax Exempt and Government Entities Division. We will probably never know who Lois Lerner was taking orders from, whether it was the President, his staff, the Department of Justice, the Treasury Department, or the upper echelon of the Democratic party. In August of 2012, Congress issued a subpoena for all emails to and from Lois G. Lerner for the period 1 Jan 2009 to 2 Aug 2013. After 18 months, on 13 Jun 2014, the IRS finally admitted that it would not comply with the subpoena because Lerner's computer hard drive crashed on 13 Jun

2011, and the emails prior to that date are irretrievably lost. Three days later, the IRS admitted that it also no longer had subpoenaed emails from six other IRS employees in Lerner's division because their hard drives also crashed. Meanwhile, Attorney General Eric Holder has refused to open an investigation into the abuse of power.

We the People have a right to evaluate the conduct of our government agencies. To do so, we need only review the statements made by the principals involved. On 14 May 2013, President Barack "I lied, period" Obama called the reports of IRS abuse "intolerable and inexcusable". Lois G. Lerner testified under oath before Congress on 22 May 2013:

My professional career has been devoted to fulfilling responsibilities of the agencies for which I have worked, and I am very proud of the work I have done in government. I have not done anything wrong. I have not broken any laws, I have not violated any IRS rules or regulations, and I have not provided false information to this or any other congressional committee.

On 24 Jul 2013, the president said the entire episode was nothing more than a "phony scandal"; on 2 Feb 2014, he told interviewer Bill O'Reilly that there "was not a smidgen of corruption" at the IRS.

There is only one conclusion. Lois Lerner faithfully fulfilled her responsibilities to implement administration policies, and did therefore nothing wrong. It is a "phony scandal" because the correct intended policy was actually enacted by the IRS; the corruption is intolerable and inexcusable only because Lois Lerner and her accomplices were dumb enough to get caught. Fortunately, they were able to get the most damaging evidence destroyed in time (remember, this started in March of 2010).

They're all Lerner's now. We do not need a special prosecutor to establish it. When IRS Commissioner Douglas H. Shulman-Lerner told Congress on 22 May 2012 that "there is absolutely no targeting", he was correct because the IRS was not singling out certain disapproved non-Democratic groups, it was harassing and delaying applications from all of them. When current IRS Commissioner John Koskinen-Lerner said on 26 Jun 2014 that a special prosecutor would be "a monumental waste of taxpayer money"; he is correct because it will not be able to find anything. All the other Lerner's, their supporters, and the usual Democratic minions in the media will run out the clock until Obama pardons them on his last day in office.

Another successful operation.

[1] Michael E. McKenney, Acting Deputy Inspector General for Audit, U. S. Treasury Department, "Inappropriate Criteria Were Used to Identify Tax-Exempt Applications for Review", Reference Number 2013-10-053, 14 May 2013