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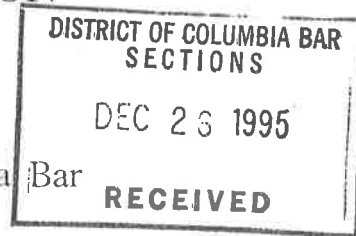
Katherine A. Mazzaferri
D.C. Bar Executive Director

EXECUTIVE SUMMARY

Letter to IRS Commissioner Richardson and Assistant Treasury Secretary Samuels

The letter commends the recent effort of Treasury and IRS to present information (including prototype tax forms) to Congress regarding the potential complexity of proposed tax legislation.

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December 21, 1995

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Real Estate

State and Local Taxes

Trusts and Litigation

Margaret Milner Richardson
Commissioner
Internal Revenue Service
Room 3000 IR
1111 Constitution Avenue, NW
Washington, DC 20224

Leslie B. Samuels
Assistant Secretary
(Tax Policy)
3120 Main Treasury
1500 Pennsylvania Ave., NW
Washington, DC. 20220

Re: Information on Tax Complexity

Dear Commissioner Richardson and Secretary Samuels:

We commend the recent effort of Treasury and IRS to present information (including prototype tax forms) to Congress regarding the potential complexity of proposed tax legislation.^{1/} Complexity of the tax law bedevils administration, enforcement and respect for the tax system, even when the complexity is driven by fairness or responsible societal goals. It is appropriate and desirable that lawmakers be as well informed as possible about potential administrative problems and compliance costs of specific legislative proposals so that they can make conscientious cost/benefit decisions and evaluate alternatives.

We realize that it may not be possible to provide this type of information for every tax proposal. It is nevertheless extremely important that this effort be continued and expanded for major tax bills scheduled for mark-up, both at the request of Congress and on a proactive basis and regardless of which political party is the principal sponsor of the proposal. As the agency responsible for administering

^{1/} The views expressed herein represent only those of the Taxation Section of the District of Columbia Bar and not those of the D.C. Bar or its Board of Governors.

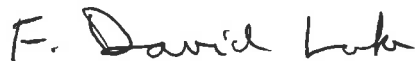
Commissioner Margaret Milner Richardson
Assistant Secretary Leslie B. Samuels

the tax laws created by Congress, the IRS is a uniquely appropriate resource for this type of analysis.

Providing information on administrative aspects of proposed tax legislation should not be partisan or political. It is a highly appropriate exercise with respect to proposed legislation of whatever derivation, to enable informed decision-making by legislators with a view toward improving the efficiency of the tax system.

The Taxation Section of the District of Columbia Bar regularly volunteers to help IRS and Treasury assess current or proposed rules and regulations in many areas of tax law. We applaud efforts to help abate complexity from the start.

Sincerely yours,



F. David Lake, Jr.
Co-Chair



Blake D. Rubin
Co-Chair

cc: Stuart L. Brown, Chief Counsel, I.R.S.
Anne D. Raffaelli, Director,
Legislative Affairs Division, I.R.S.
Bill Archer, Chairman, House Ways
& Means Committee
James D. Clark, Chief Tax Counsel, House Ways
& Means Committee
Donna Steele, Staff Director, Subcommittee on
Oversight, House Ways & Means Committee
William V. Roth, Jr., Chairman, Senate Finance
Committee
Mark Prater, Majority Chief Tax Counsel,
Senate Finance Committee
Joseph H. Gale, Minority Chief Tax Counsel,
Senate Finance Committee
Kenneth J. Kies, Chief of Staff, Joint
Committee on Taxation

(continued)

Commissioner Margaret Milner Richardson
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Jennie S. Stathis, Director, Tax Policy
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