

The Newsletter



FAUCHER LAW

TAX & BANKRUPTCY

Elon Musk's Attempt to Raid the IRS's IDRS Database:

No Data on IRS Operations But Lots of Data for Mischief

Musk's DOGE (Department of Governmental Efficiency) wants to access the IRS' Integrated Data Retrieval System (IDRS) which holds data on every US taxpayer – often decades of tax returns, payments, penalties, W2s, 1099s, audit results, bank and financial account numbers, taxpayer addresses, and Social Security number. Why? DOGE's stated purpose - to root out inefficiency and fraud in federal bureaucracies – is legitimate. But will DOGE access to taxpayers' private personal and financial information eliminate government waste or find fraud? Or is granting DOGE access to taxpayer data a way to gain information on political enemies?

IDRS Tightly Restricted by Congress. When I call an IRS agent for a client, the IRS agent first checks my authorization to access IDRS data. I need to submit a client-signed power of attorney form containing copious identifying information for me so that I can be investigated if my request appears shady. Access to IDRS is highly restricted to protect the privacy of our financial data since the combination of account numbers, SSNs and mailing addresses can be easily used for identity theft and other mischief. Why does the richest man on earth need access to the financial data of every American taxpayer?

Strictly limiting access to the IDRS database is Congress's law: 26 U.S. Code §6103, Confidentiality & Disclosure of Tax Returns. The Treasury Secretary is the only person allowed access to taxpayer information without written authorization, required for everyone else including the Treasury Secretary's boss, the President (and thus Musk's DOGE also). The law requires the President to report back to Congress on every taxpayer he's requested information for and why.

During my decade as an IRS attorney, I knew the most reliable way for me to get fired was to look at IDRS

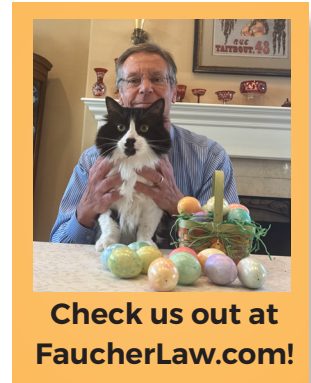
accounts for taxpayers who cases hadn't been assigned for me to work on. For instance, if I wanted to see my pesky neighbor's or Donald Trump's or Joe Biden's

tax returns for "fun," I would be fired and fined - the penalty Congress enacted for anyone snooping in the IDRS without a legitimate inquiry.

IDRS Has No Data on IRS Operations. While the IDRS has billions of pages of granular information about taxpayer finances, it has NO information about IRS operations – that's

right, the IDRS contains no data that might yield insights into how the IRS can function more effectively. That information is in the monthly reports of every IRS divisional and field office that tracks performance metrics such as average time to conclude audits, number of collections cases closed, average amount of tax liability collected, and personnel records. Maybe DOGE is looking for that data, too? If so, it hasn't been reported.

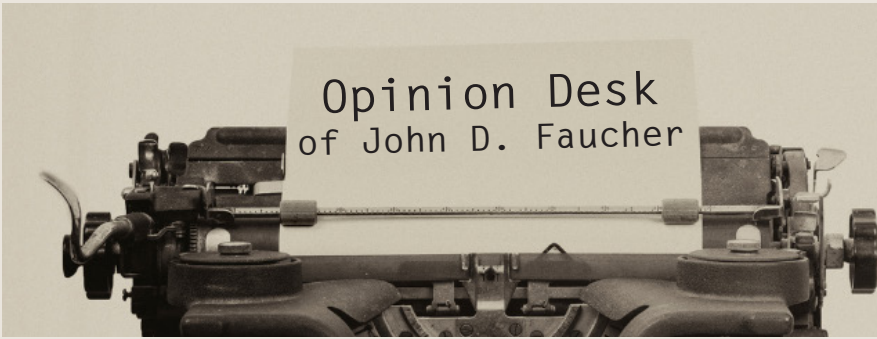
I know from working at the IRS that there are vast differences in the efficiency and competency of IRS personnel and policies. Some policies are enormously effective in ensuring compliance with tax laws, others are simply stupid. Some IRS agents are almost criminally incompetent in the administration of our tax laws, while others are enormously helpful and knowledgeable. I'm all for upgrading antiquated IRS technology and firing deadbeat employees. But I don't believe giving Musk taxpayer data will improve IRS operations. I do believe there's enormous opportunity for our SSNs and financial information to be misused or leaked, or weaponized against Trump's political enemies. Moreover, misusing sensitive taxpayer information will greatly diminish compliance with tax laws. And that will reduce the very tax revenues the federal government needs – either for programs promised to voters or for tax cuts. Call me cynical, but I simply don't see how getting the key to the IDRS database, as opposed to the software that runs it or the people who run and staff the IRS, helps improve the efficiency of the IRS.



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INSIDE STORIES

- John Ruminates on DOGE
- Sebastian Vs. Elon Musk
- Carnitas Recipe



Opinion Desk of John D. Faucher

Colleagues & clients have asked what I think of DOGE's attempt to access the IRS' Integrated Data Retrieval System database of taxpayer information.

Here's what I *REALLY* think...

Trump and his allies appear to want the "unitary executive," meaning that the President has unfettered control over everyone in the Executive Branch. Thus, Trump wants at will access to the IDRS himself and his appointees. He is likely to fire anyone who stands in his way.

But 26 U.S. Code §6103 limits a President's access to a case-by-case review, and he is required to report on and justify every probe he makes. To Congress, which passed the statute. But who gets to challenge Presidential disobedience of the statute? Attorneys at the Treasury Department, who will be fired the moment they try to do so.

There is a lot of case law saying that individuals do not have standing to challenge the tax system solely based on their identity as taxpayers. Perhaps Congress can ask the judiciary to declare this illegal. I'm not sure that it can. And even if somehow, a court issues an order saying that a President can't access this database in this fashion, Trump may just ignore the court order and do it anyway. The Supreme Court does not have a police force to arrest people; it merely speaks.

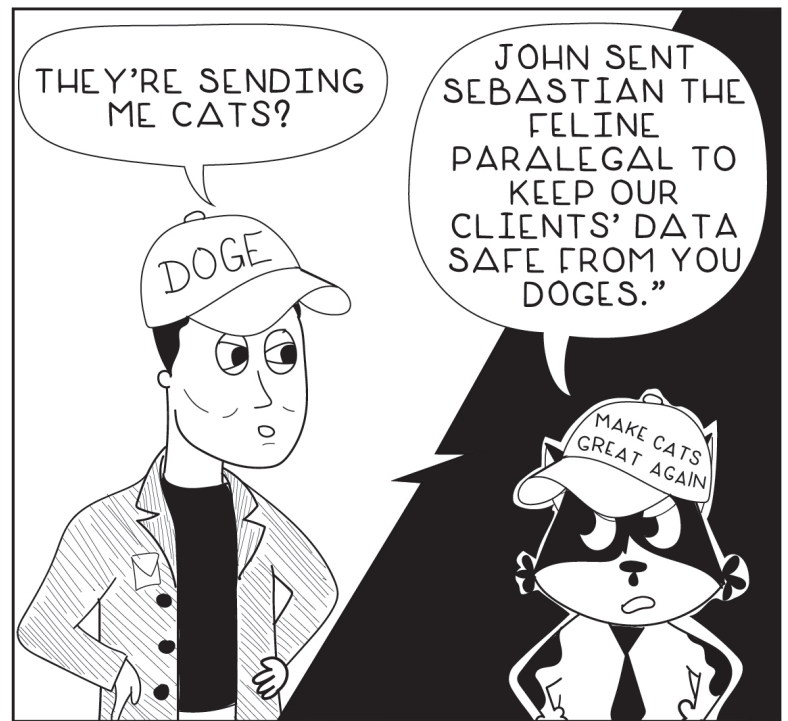
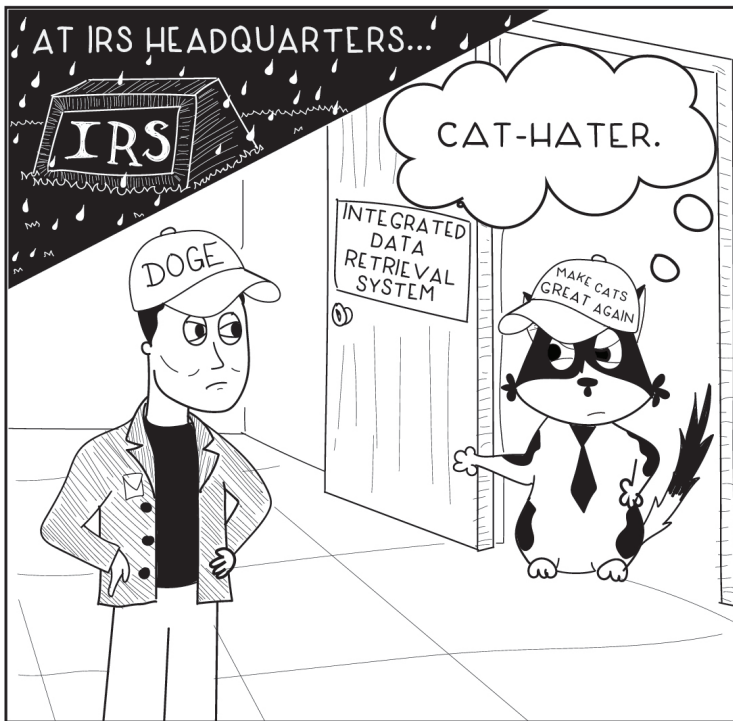
The integrity of the tax system relies on data confidentiality. If Trump gets wholesale access, a lot of taxpayers may shy away from future reporting. Does anyone doubt that Trump will selectively disclose taxpayer information of his enemies when it suits him?

Here is where we need a strong Congress, rather than a cosplaying bunch of fools. We need Congress to say "if you don't back off on the data issue, we're defunding the White House." If there is going to be a unitary executive, Congress needs to step up.

Faucher Family Farms Update



Sometimes I prefer hangin' out with my hens to reading about what's going on in Washington. Karen and I are so happy we have a dozen hens, given how scarce and expensive eggs have become. No, we haven't yet started selling at our local Farmer's Market, but we might do so once the chickens' egg output returns to peak levels, sometime in May.



Pork Carnitas

For decades Karen avoided making carnitas because she thought it was too intimidating. But she finally gained the courage to try and this is the result. It takes some time but is very easy. Serve with soft or crispy tacos, and lots of salsas, cheese, avocado slices and sour cream; or in salads or tamales.

4-5lbs pork shoulder	2 TBSP chili powder
4 tsp ground cumin	3 tsp dried oregano leaves
2-3 tsp salt or more, to taste	1 ½ tsp freshly ground black pepper
4 cloves garlic, minced	2 onions roughly chopped
Juice from 2 large oranges and 2 limes	1 cup chicken broth

Instructions:

- Preheat oven to 325F degrees.
- Trim and discard excess fat from the pork. Cut shoulder into 4 pieces (so it will cook evenly).
- In a small bowl, combine chili powder, cumin, oregano, salt and pepper. Generously season the pork on all sides.
- Put seasoned pork in a large dutch oven. Add garlic, chopped onions, orange juice, lime juice and chicken broth.
- Cover and cook for 3.5 hours.
- Remove pork from the oven and let cool, then shred the meat. Taste and add more seasonings and salt and pepper, if needed.
- At this point you can eat the pork as is, or for a more authentic taste, place the meat on a baking sheet and broil for 2-3 minutes until the edges are crispy.

Serves 4-6

WELCOME TO FAUCHER LAW

John D. Faucher worked for 10 years as an IRS trial attorney and has been in private practice since 2008. He and his team speak the legal language. They know the **tax and bankruptcy systems** and can help you get the best result. Have other legal issues? Call us. We'll find the lawyer who's right for you, your friends, or family.

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Musk's DOGE Wants Access to IRS Taxpayer Records: **What Happens to Our Sensitive Tax & Personal Data?**

I normally avoid political topics in *The Newsletter*, but **Elon Musk and DOGE set sights on the IRS' Integrated Data Retrieval System, or IDRS, the database of highly sensitive taxpayer information** a few weeks ago. That's just **begging** for my response. I deal with the IDRS daily but need a power of attorney from clients to access their data, as do all other professionals and every federal employee including the President (except the Secretary of the Treasury) by law. DOGE hopes to uncover inefficiencies and fraud in government, but the IDRS has no operational data. Why go after highly sensitive taxpayer data? If this information is weaponized politically, I believe taxpayer compliance will decline, thus reducing the tax revenues the federal government needs to operate. How's that for political? Oh, yeah, I'm going there... Also in this issue, **Elon Musk and Sebastian, my Feline Paralegal, face off in dueling baseball caps for a doge-cat fight**. Finally, there's a **recipe for pork carnitas** that's absurdly delicious.

