

Finance Committee reapproves Rollinson's nomination as IRS chief counsel

The Senate Finance Committee voted 16-11 on January 31 to send to the full Senate the nomination of Marjorie Rollinson to serve as the next chief counsel for the Internal Revenue Service. Two Republicans on the panel—Sens. Bill Cassidy of Louisiana and Thom Tillis of North Carolina—joined 14 Democrats in the “aye” column.

The committee vote marks the second time Senate taxwriters have approved Rollinson for the chief counsel post. President Biden nominated her last June and the Finance Committee backed her by a bipartisan margin in November. (The November vote tally, like the one this week, was also 16-11, with Cassidy and Tillis providing a measure of Republican support. For prior coverage, see *Tax News & Views*, Vol. 24, No. 37, Nov. 3, 2023.) Rollinson did not receive a floor vote before the first session of the 118th Congress expired at the end of last year, however, which prompted the Finance Committee to take up her nomination once again now that the new session is underway.

URL: https://dhub.deloitte.com/Newsletters/Tax/2023/TNV/231103_2.html

Senate leaders have not yet indicated when her nomination will come to the floor.

The chief counsel is one of only two positions at the IRS that require Senate confirmation—the other is the commissioner—and plays a key role in developing guidance and regulations on enacted tax legislation. The position has been vacant since President Biden took office in January of 2021. William Paul, the current principal deputy chief counsel, has been serving as acting chief counsel in the interim.

Rollinson, who is currently retired, spent much of the past 36 years at a Big Four professional services firm, most recently as deputy director of its national tax department. However, she also served in the IRS chief counsel's office from 2013 to 2019, finishing her time there as associate chief counsel, international.

At this week's executive session to consider her nomination, Finance Committee Chairman Ron Wyden, D-Ore., praised Rollinson's qualifications, noting that she has “decades of tax and management experience in both the public and private sector, including several years at the Office of the Chief Counsel that she has been nominated to run.”

Ranking member Mike Crapo, R-Idaho, acknowledged that Rollinson is an “accomplished tax professional” but said he would vote against her nomination to protest what he referred to as “the increasingly partisan framing of IRS enforcement efforts and the tax gap . . . , the continued failure of the IRS to properly address long-known [information] security issues, and Treasury's promotion of the OECD Pillar Two negotiations absent its consideration of meaningful congressional input.” He added, though, that he would work with Rollinson to address these issues if she is confirmed.

Crapo presses Treasury nominee on responsiveness, statutory interpretation

Crapo elaborated on some additional issues he has with the IRS and the Treasury Department—namely, what he characterized as their lack of responsiveness to inquiries from lawmakers and their problematic interpretations of statutory language as reflected in some recent guidance—during a separate committee hearing on January 31 to consider the nomination of Corey Anne Tellez to serve as Treasury assistant secretary for legislative affairs.

Tellez, who currently is acting assistant secretary for legislative affairs, joined the Treasury Department in 2022 after spending 16 years in various staff positions in the House and Senate.

Response times: In an exchange with Tellez, Crapo criticized officials in the Treasury Department and at the IRS for being slow to respond to requests for information from the committee and from his own office. Treasury Secretary Janet Yellen, he said, took almost seven months to provide Finance Committee members with answers to questions for the record after a hearing last year on the Treasury Department’s budget and IRS Commissioner Danny Werfel took eight months to provide written responses to questions from the panel about the agency’s budget and the tax year 2022 filing season. He noted that other months-old information requests from Senate taxwriters to Treasury and IRS officials remain unanswered.

This “lack of basic responsiveness from the administration” is both “unacceptable” and “highly troubling,” Crapo said.

Tellez, pointing to her own experience working on Capitol Hill, replied that she “deeply respect[s] the role that Congress plays in policymaking” and “understand[s] the importance of providing timely and accurate answers” to questions from lawmakers. (In response to an earlier question from Chairman Wyden, Tellez noted that her career as a congressional staffer cemented her belief in the importance of working with members on both sides of the aisle and with executive branch officials to advance legislative priorities.)

Guidance positions and congressional intent: Crapo also expressed concern that the Treasury Department has issued guidance on enacted tax legislation that, in his view, is at odds with the plain language of the statute as approved by Congress—a criticism that some congressional Republicans have leveled most notably against guidance implementing various clean energy provisions in the Inflation Reduction Act of 2022 (P.L. 117-169). He asked Tellez what she would do “to ensure that all voices are heard” in the rulemaking process and that “the administration’s preferences on regulatory guidance [do] not overstep congressional intent.”

URL: <https://www.congress.gov/117/plaws/publ169/PLAW-117publ169.pdf>

Tellez replied that her role in leading Treasury’s legislative affairs operations would be to see to it that the views of lawmakers and stakeholders “are heard by the department [and] elevated respectfully within the department as [policy] decisions are being made.”

A vote in the Finance Committee on whether to recommend the full Senate confirm Tellez for the position has not yet been scheduled.

Aron-Dine to helm Treasury's tax policy team

In other Treasury leadership developments, a social media post by a department spokesperson has confirmed recent press reports that the administration has named Aviva Aron-Dine to serve as acting assistant secretary for tax policy. Aron-Dine will replace Lily Batchelder, who became assistant secretary for tax policy in September of 2021 and is leaving the administration to return to her faculty position at the New York University School of Law.

URL: <https://twitter.com/AshleySchapitl/status/1751070202756771873>

Aron-Dine, an economist, is currently deputy director of the National Economic Council (NEC), which operates within the White House and advises the president on US and global economic policy. Her other executive branch experience includes stints in the Office of Management and Budget (during the Biden and Obama administrations) and at the Department of Health and Human Services (during the Obama administration). She holds a Ph.D. in economics from the Massachusetts Institute of Technology and a B.A. in philosophy from Swarthmore College.

Treasury Deputy Secretary Wally Adeyemo commented in a statement that Aron-Dine “has been deeply involved in all aspects of tax policy development in the Biden-Harris administration. In her role at the NEC, she has worked closely with our team in implementing the Inflation Reduction Act and CHIPS Act and will hit the ground running. We are incredibly fortunate to have one of the most respected economic and tax policy minds in the administration join Treasury to advance our top priorities.”

Because she will be serving as an acting assistant secretary, Aron-Dine will not need to be vetted by the Finance Committee or confirmed by the full Senate.

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