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TRUMP THIS!

In recent weeks, candidates for President have challenged other candidates to release their income tax returns. Some candidates released their returns and others have not. Those candidates not releasing returns cite as their reason the completion of current IRS audits.

An Income Tax Return is Not a Roadmap to a Taxpayer's Net Worth

Donald Trump correctly pointed out that you won't get a good idea of a person's net worth from their current income tax return. The U.S. income tax return is a fairly good gauge of an individual's reportable income in the year that the return covers. It is not a measure of net worth.

If you want to get a better idea of the net worth of various candidates, reviewing their financial disclosure forms will provide this information. For those interested in Donald Trump's net worth, Forbes magazine ran an article in the October 2015 issue in which the magazine looked at the Trump empire in detail.

Should a Candidate Release a Return Under Audit?

No. A complex return, like the Trump's return, was prepared by attorneys and accountants who are now in the process of overseeing the audit of the return. These same professionals took positions on the return that they are now explaining and defending in the audit process. Premature release of the return could undermine negotiation strategies and tactics of these professionals.

My Thoughts on the Value of Releasing Tax Returns

Releasing returns has become mandatory for candidates. That said, I'll make a few comments on the value of this practice.

1. My guess is that very few voters review the released returns. Some voters may listen to the remarks of financial and tax experts about items of interest on a candidates return.

2. While voters might learn something interesting or perhaps a bit disturbing about the information on a candidate's return, it is unlikely that a candidate's tax return alone will persuade a voter to cast a vote for or against a candidate.