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Locke Lord Tax Controversy Chair David Gair Quoted on Current Tax Landscape in Accounting Today

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David Gair, Chair of Locke Lord's Tax Controversy Practice Group and a Partner in the Firm's Dallas office, discussed the latest shake-ups to the current tax landscape with Accounting Today. In the article, Gair addresses the potential ripple effects following the Supreme Court's decision to overturn the Chevron deference doctrine, which allowed federal agencies to have reasonable interpretations of ambiguous federal laws. "This gave the federal agencies, such as Treasury and the Environmental Protection Agency, the ability to create their own law, as long as it was a 'reasonable interpretation' of the statute," Gair notes. Consequently, many regulations may go by the wayside, according to Gair: "They may no longer be valid, and so for tax practitioners there will be a lot more to argue about. It's creating a bit of a Wild West atmosphere. A couple of years ago they came out with new regs on partnership audits; practitioners have studied them exhaustively, but they may not be valid anymore."

Gair also points out a recent target shift for the Internal Revenue Service when it comes to tax audits, noting "It's one of the things the Biden administration is doing to try and restore fairness in tax compliance by shifting focus to high-income earners, partnerships, and promoters of abusive tax shelters. By contrast, over the past few years there has been a focus on low-income taxpayers and preparers using questionable returns to qualify taxpayers for the Earned Income Tax Credit. The government is getting away from that part of the industry and focusing on those earning more than \$400,000 a year."

"Right now, they're opening exams of 75 of the largest publicly traded partnerships," Gair adds. "This includes hedge funds, real estate investment partnerships, and large law firms and other industries."

Gair goes on to address the heightened scrutiny surrounding cryptocurrency tax fraud and what to expect as the IRS enters the next stage of Employee Retention Tax Credit work.

[Read the full Accounting Today article](#) (subscription may be required).

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