



National Association of Enrolled Agents

NEWS

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For Immediate Release

Daschle, Killefer Withdrawals Provide Lesson for All

President's *mea culpa* on six networks follows nominees' tax problems

WASHINGTON, DC, February 4, 2009—Tuesday's withdrawal by two key Obama cabinet nominees has proven, once again, that filing a tax return can be fraught with pitfalls.

Whether it's a reporting mistake that results in a \$146,000 back-tax-plus-interest bill—as was the case with Health and Human Services Secretary-nominee and former South Dakota Senator Tom Daschle—or a failure-to-pay oversight that resulted in a \$946 tax lien on her residence—as was the case with Nancy Killefer who was nominated to be the first Chief Performance Officer—the effect is the same: “Simple” tax mistakes are not “simple,” and the reverberations from them can be felt for years.

Even though the President Obama appeared on six different major networks on Tuesday evening claiming, “I messed up,” the fact remains that each is responsible for his or her own tax return.

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“While I’m sure that these latest events have dealt a double-whammy to the new Administration,” David Hatt, EA, President of the National Association of Enrolled Agents (NAEA) said, “the real losers here are the American people.” He continued, “It doesn’t matter what your politics are. Mr. Daschle and Ms. Killefer are thought to be the best in the business for their would-be respective roles in the new Administration. Now, there’s a loss of momentum for us all as the Administration re-groups to fill the talent void.”

As in the case of Treasury Secretary Timothy Geithner, these tax problems could have been avoided. “It’s a matter of using a knowledgeable, licensed tax return preparer—that is, an enrolled agent, certified public accountant, or tax attorney—and being frank and open with them,” Mr. Hatt concluded.

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The National Association of Enrolled Agents is a nonprofit membership organization dedicated to representing, promoting and enhancing the enrolled agent (EA) profession. EAs are unique as the only group of tax practitioner specialists required to maintain their credentials through continuing education reported directly to the Internal Revenue Service. NAEA provides a national, toll-free EA Referral Service hotline, (800) 424-4339, for taxpayers seeking the services of an enrolled agent. NAEA’s Web Site (www.naea.org) includes an online referral of licensed tax preparers available to the public.

Enrolled agents are available to answer the media’s tax questions. Please contact Martha Lockwood at 202-822-6232 (202-822-NAEA) or mlockwood@naea.org for a source for your story.