

Audits of businesses declined last year, a Syracuse study says

By Mary Dalrymple
THE ASSOCIATED PRESS

WASHINGTON — The Internal Revenue Service audited fewer corporations, small businesses and partnerships last year but more individual taxpayers, according to a study of government data.

Syracuse University's Transactional Records Access Clearinghouse, in its analysis of IRS data, concluded that the audit rate for businesses of all sizes slid slightly last year to 2.1 audits for every 1,000 businesses, down from 2.2 audits per 1,000 businesses the previous year.

At the same time, the IRS audited 14 percent more individual tax returns. The audit rate for individuals increased last year to 6.5 audits for every 1,000 taxpayers.

Official audit rates released by the IRS last month show a similar trend.

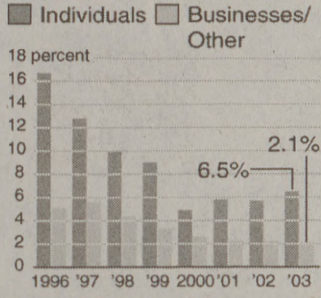
Researchers said the declining audits of businesses exposes a flaw in the administration's tough stance against corporate wrongdoing.

"These and a number of other measures — documented by the agency's own data — indicate that the actual performance of the IRS differs in significant ways from some of the Bush administration claims when it comes to cracking down

Tax audit rates

The rate of tax audits for individuals increased in 2003 while fewer businesses faced inspection of their returns by the Internal Revenue Service.

Audit rates per 1,000 returns



SOURCE: Transactional Records Access Clearinghouse

on corporate scofflaws," the report said.

Researchers point specifically to declining audits of the largest corporations and a type of business organization that passes income and taxes on to its shareholders or partners — an arrangement found to have been improperly used in some corporate accounting scandals.

IRS Commissioner Mark Everson said in an interview that the agency's broad attack on corporate tax evasion does not show up in the audit numbers.

"Am I satisfied with the numbers? No. I want to see them go up," he said. "I'm not surprised that that's lagging the

other indicators. And while I think it's an important indicator, it doesn't tell the whole story."

Some advocates said the trend appears troubling.

"What struck me first was the commissioner earlier this week said that they'd increased enforcement and then I look at these numbers and say, 'What is he talking about?'" said David Keating, senior counselor for the National Taxpayers Union. "It really opens up a credibility gap."

Chellie Pingree, president of Common Cause, a government watchdog group, said the study suggests corporations are not paying their fair share.

"This is at a time when taxes have been drastically cut from the wealthiest in the country, and there are very heavy, legitimate demands on our government, between war in Iraq and homeland security," Pingree said.

In a detailed written response, the IRS said the study ignores the reasons for the decline in corporate audits and other enforcement actions taken against businesses.

The IRS said the decline can be attributed partly to the explosive growth in tax shelters, which make audits more intricate and time-consuming. Tax collectors worked more than 2,200 corporate tax shelter returns in 2003. Each takes an average 7 1/2 months longer than other corporate returns, and their number is growing.

NEWS IN BRIEF

Frank Lloyd Wright home saved, transported to Pennsylvania

LISLE, Ill. (AP) — A prefabricated home designed by Frank Lloyd Wright and threatened with demolition has been carefully dismantled and shipped 570 miles to Pennsylvania for reassembly.

After the home's owner died in 2002, a developer wanted the land underneath it, but not the house itself. The developer eventually donated the 47-year-old crumbling structure to the Frank Lloyd Wright Building Conservancy. The nonprofit group then gave it to a Pennsylvania man under the condition that he restore and preserve it.

The house was disassembled last week. "There hasn't been a Wright building torn down for over 30 years," said Ron Scherubel, executive director of the Chicago-based Wright Conservancy. "It

would've been hard to say, 'Well, now there is one.'"

This is no free house, though. The high school teacher who's taking it, Tim Baacke, said it will cost more than \$100,000 to take the house apart and move it to Johnstown, Pa., and restoration will cost as much as three times that amount. He said corporate sponsors are helping to defray the cost.

Survey shows gas prices rise another 2.5 cents in last 2 weeks

CAMARILLO, Calif. (AP) — Gas prices climbed another 2 1/2 cents in the past two weeks as high crude oil prices and tight capacity contributed to record prices at the pump, a national survey said Sunday.

The nationwide average in the past two weeks that ended Friday was \$1.82 for all grades, said Trilby Lundberg of the Lundberg survey, which regularly polls 8,000 stations across the United States.

Get Paid to Play @ KIDS KLUB

THE KIDS KLUB after-school program is NOW HIRING for the Fall '04 semester!!!

Are you the kind of person we are looking for?

Check **yes** or **no** to the following questions and see bottom of page for the final results...

- | | | |
|--------------------------|--------------------------|---|
| YES | NO | |
| <input type="checkbox"/> | <input type="checkbox"/> | Do you enjoy working with children? |
| <input type="checkbox"/> | <input type="checkbox"/> | Would you be willing to take holidays off? |
| <input type="checkbox"/> | <input type="checkbox"/> | Do you like to work with fun people? |
| <input type="checkbox"/> | <input type="checkbox"/> | Are you available Monday-Friday from 2:45-6:15pm? |
| <input type="checkbox"/> | <input type="checkbox"/> | Do you refuse to work weekends? |
| <input type="checkbox"/> | <input type="checkbox"/> | Can you begin work August 10 th ? |

If you answered yes to all of the questions above then you may want to apply to work with Kids Klub. Applications are available at the College Station Conference Center on George Bush across from the golf course. Application deadline is April 26th.

College Station ISD is an Equal Opportunity Employer.

Texas A&M Soccer vs. Brazil National Team

at the Aggie Soccer Field

TONIGHT ★ 7 p.m.

FREE!

12th Man Team REWARDS PROGRAM

AggieAthletics.com

PAPA JOHN'S

Better Ingredients • Better Pizza

Monday Special

1 Large 1-Topping **\$5.99**

pickup only

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	SUNDAY
1 LARGE 1-TOPPING \$5.99 pu/only	2 MEDIUM 2-TOPPINGS \$12.99	1 Medium up to 3-Toppings or Specialty Pizza *8.99 Get a second Medium 1-Topping for only *5.99	1 LARGE 2-TOPPING & Breadsticks \$12.99	2 LARGE 2-TOPPINGS & 2 liter drink \$20.00	1 LARGE 1-TOPPING \$8.99 or up to 5 Toppings *11.99	1 LARGE 1-TOPPING \$8.99 or up to 5 Toppings *11.99

Northgate 601 University Dr. 979-846-3600
Post Oak Square Center 100 Harvey Rd., Suite D 979-764-7272
Rock Prairie 1700 Rock Prairie 979-680-0508

Sunday: 11 a.m. - midnight
Monday - Wednesday: 11 a.m. - 1 a.m.
Thursday: 11 a.m. - 2 a.m.
Friday & Saturday: 11 a.m. - 3 a.m.

OPEN LATE Aggie Bucks OPEN LATE

TEX-MEX MONDAYS

\$1 CHEAP MARGARITAS BUY ONE MEXICAN PLATTER GET A SECOND HALF-OFF (OF EQUAL OR LESSER VALUE)

OTHER DRINK SPECIALS

WEDNESDAY **\$1 DOMESTIC BEER**

\$1 ALL WELL DRINKS THURSDAY

OZONA GRILL & BAR

DON'T FORGET ABOUT OUR WEEKEND BRUNCH

520 HARVEY RD.
979-694-4618 ozonagrill.com