



**Letter to Thomas/Grassley, September 30, 2003
opposing CEO signature on tax returns**

To:

The Honorable Bill Thomas
Chairman
Committee on Ways and Means
U.S. House of Representatives
1102 Longworth House Office Building
Washington, DC 20515

The Honorable Charles E. Grassley
Chairman
Committee on Finance
U.S. Senate
219 Dirksen Senate Office Building
Washington, DC 20510

Dear Chairman Thomas and Chairman Grassley:

The Silicon Valley Tax Directors Group wants to express our strong concerns over the proposal to require the signing of corporate tax returns by the Chief Executive Officer.

This proposal was included in The CARE Act of 2003 (S. 476), passed by the Senate this year. Another version was passed by the Senate as part of S. 1054, but was deleted from the final "Jobs and Growth Tax Relief Reconciliation Act." The ETI repeal bill (S. 1637), as introduced by Chairman Grassley, did not include a CEO tax return signature provision, but has since been proposed as part of a number of revenue offsets to be considered as part of a Senate ETI repeal bill.

The SVTDG does not believe that this provision will result in any improvement in the quality of corporate tax return filings. The SVTDG shares the concern, expressed by other practitioners, as to the practicalities of shifting tax return signing responsibility to the CEO, and the proposal's impact on a CEO's focus on the process of ensuring the complete and proper reporting of its tax obligations. At a minimum, a CEO should only need to sign a statement attesting to the fact that internal controls, including personnel, are in place to give reasonable assurance that the tax return is prepared in compliance with U.S. tax.

For that reason, we ask that the proposal to require CEOs to sign the company's tax return not be added to these bills or any other tax legislation to be considered by Congress.

Respectfully,

The Silicon Valley Tax Directors Group

CC:

The Honorable Max Baucus
Ranking Member
Committee on Finance
U.S. Senate

The Honorable Charles Rangel
Ranking Member
Committee on Ways and Means
U.S. House of Representatives

The Honorable Pamela F. Olson
Assistant Secretary (Tax Policy)
U.S. Treasury Department

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