



November 14, 2010

## IRS Denies Requests for Missing Children Information

At times, crucial information that could lead to the whereabouts of missing children may be in the hands of the IRS. For example, in a case where a couple is estranged from one another, one parent may take a child away the other parent, who in turn files a missing child report. Suppose then that the parent with the child makes a claim for child deduction in his or her tax returns. This would mean the IRS has the address where the missing child might be.

For the record, about 200,000 children are reported missing in the US every year, most of who are due to marital conflicts between estranged couples. And about 12,000 of these last for longer than 6 months and are abductions by one spouse who assumes a different identity in efforts to avoid being tracked down.

But if you were to approach the IRS and request for this information, it would not be granted to you. The reason is that tax privacy laws specifically restrict the disclosure of information on taxpayers. Michelle Eldridge, an IRS spokesperson said, "We will do whatever we can within the confines of the law to make it easier for law enforcement to find abducted children."

Ironically, it is not uncommon for a spouse who had abducted his or her

own child to file a tax return. A study by the Treasury Department revealed that more than one third of 1,700 Social Security numbers in such cases were used in tax returns after the abductions took place.

There are various theories why such a person would divulge his or her information in a tax return. It could be plain confusion, a financial need for a tax refund or an effort not to make their criminal record worse by not filing a tax return.

The tax privacy laws were enacted to prevent Watergate-style invasion of privacy of taxpayers and include a few exceptions in which the IRS is permitted to hand over confidential information on taxpayers. Only if the child abduction case is investigated as a federal crime and a federal judge orders the IRS to release the information can they actually divulge any information. But most cases of such nature are investigated as state and local crimes and even in cases where the FBI was involved, at times the judges refused to issue the order. Most feel that if the child is in the custody of one of the parents, then there is not much of a problem. Other judges feel that these cases should be heard in the family court rather than the criminal court.

Due to all these, parents looking for their missing children are faced with several obstacles. They will not be able to obtain the required information from the IRS even if the taxpayer is a felon or fugitive.

Attempts to change the law to give the IRS more leeway to disclose taxpayer information in such cases have not been successful thus far.