

News from Senator

BOB DOLE



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DOLE HAILS REPEAL OF IRS VEHICLE LOGGING REQUIREMENTS

WASHINGTON -- Senate Majority Leader Bob Dole today hailed Senate action to repeal tax record-keeping requirements which placed an unfair burden on farmers and businessmen. The Internal Revenue Service regulations, which have been in effect since January 1, required vehicle and computer owners to maintain extensive daily records apportioning between personal and business use of their vehicles and computers.

Dole noted that repeal of this provision does not relieve taxpayers from differentiating between business and personal use of their automobiles or home computers in order to claim certain deductions.

"If a taxpayer wants to claim a business deduction for using a car or a computer, the taxpayer is still required to substantiate the business use. In the 1984 tax bill, we simply adopted a requirement that the taxpayer keep records 'contemporaneously' rather than making up records at the end of the year as some taxpayers told us they were in the habit of doing. We were simply trying to ensure a greater degree of accuracy."

"The original IRS regulations concerning the contemporaneous record keeping requirement were so burdensome that I requested IRS Commissioner Roscoe Egger in January to change the regulations. IRS complied in late January, but even the modified regulations proved unworkable. Finally, it became clear that the only sensible thing to do was for Congress to repeal the law."

"I am pleased that we have finally put this matter to rest," said Senator Dole. "Congress never intended for farmers and small businessmen to have to spend countless hours keeping burdensome and tedious records. We did want to devise a fair way of ensuring that taxpayers only claim the deductions to which they are entitled. But again, the procedure adopted proved unworkable and we wisely repealed the law."