

**UNITED STATES TAX COURT
WASHINGTON, D.C. 20217**

December 23, 2010

PRESS RELEASE

Chief Judge John O. Colvin announced today that H.R. 5901, relating to appointment of employees of the United States Tax Court, was passed by the United States Senate on December 17 and by the United States House of Representatives on December 22.

Some background may be helpful in understanding this legislation. The United States Tax Court is an independent court of record established by Congress under Article I of the Constitution. Before its elevation as a court of record under Article I, the Tax Court operated as an independent agency within the Executive Branch. Finding it "anomalous" that one executive agency (the Tax Court) would sit in judgment of the actions of another (the Internal Revenue Service), Congress in 1969 conferred Article I court of law status on the Tax Court to ensure its independence from the Executive Branch.

Internal Revenue Code section 7471 provides the Tax Court's authority to appoint employees. However, that statute was carried over from the governing laws applicable to the Tax Court when it operated as an agency within the Executive Branch. H.R. 5901, as amended by Senate Amendment 4834, gives the Tax Court the authority to establish a judicial personnel system. This authority allows the Tax Court to design a personnel system tailored to judicial, rather than executive or administrative, functions, and enables the Court to operate in a manner similar to that of other Federal courts. Without this legislation, the Tax Court is the only Federal court (Article I or Article III) that does not have a judicial personnel system.