

BERGEN BAR TAX BULLETIN

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Tax Law Committee
Theodore M. David, Chairman Emeritus

Questions or Comments should be sent to:
Tdavidlawyer@gmail.com

E-mail: Current Items:

- 1) *Do You, You Tube?*
- 2) *Tax Bunny Beware*
- 3) *Snitch Alert*

- 1) I know You Tube too. We all do. YouTube was created in February 2005 by three former PayPal employees Chad Hurley, Steve Chen and Jawed Karim. The surprising part is that these guys envisioned it to be a video-based dating site with the slogan "Tune in and Hook up." Fortunately, or unfortunately, that did not work out. They soon quick stepped away to a general video sharing platform. The first video was called "Me at the zoo" which was uploaded by Karim on April 23, 2005, and showed him in front of elephants at the San Diego zoo. In 18 months these three guys had hit it rich and Google acquired the site for, are you sitting, \$1.65 billion in stock.

You have to wonder how YouTube generates any revenue but if you use the site you know those pop-up advertising that display ads before, during or alongside the videos. YouTube generally takes 45% of this revenue while the Creator receives 55%. Then there are premium services like YouTube premium and YouTube TV which provide ad free viewing and television for a fee. So how big is this thing? Consider this: over 500 hours of video are uploaded to the site *every single minute*. That translates into about 20 million videos or 720,000 hours of new content *added daily*. On a yearly basis it amounts to 7.3 billion videos. I'm getting to the tax part of this soon. You see anyone with an account can upload. There are rules prohibiting things like hate speech, harassment, pornography and harmful misinformation. They've got AI and other systems to scan every upload to identify potentially violated content instantly. If it rings up tilt, thousands of human reviewers around the globe actually watch it and make the final decision as to whether to remove or restrict the content. Just watch a video about the Artemis moonshot and magically every time you open the site it gladly provides related content for your viewing pleasure. The system is not exactly guessing what you would like to see. It's tracking your every movement especially if you have your "watch and search" history on. Not to beat this to death but there are 80 billion signals that help YouTube to decide what it is you would like to see. To try to categorize the kind of information and entertainment that is what You Tube is about is beyond any humans'

ability. I'm not sure that even the AI computers can tell you exactly what's being offered or by whom.

So if you're planning a trip to a faraway place just punch it in and you'll find at least a dozen videos showing exactly what you want to know where to stay, what to eat and how much to spend. Now here comes the Tax Part. I punched in IRS and discovered that the IRS has its own channel with 390 videos. But the number of videos from taxpayers from all over the world I can't begin to count. So if you're curled up on the couch one evening and perhaps are looking to surf You Tube, the recent videos posted by IRS include two blockbusters called: One Big Beautiful Bill – individual tax provisions and another one called: One Big Beautiful Bill – business tax provisions. I wonder if there's anyone out there who can claim to have seen all 390 IRS videos. That could be a tax bar competition sort of like eating hot dogs at Coney Island with Joey "Jaws" Chestnut who holds the world record of 83 hot dogs and buns in 10 minutes. I won't be competing in either event. Both that much tax law and way too many hot dogs would give me agita. If you don't know what that means or how it can be cured just look it up on YouTube. Oh yes named the best hot dogs in the nation a much of times, Rutt's Hut is where the best dogs, "The Rippers", since 1928 are consumed not Coney Island. Look that one up too.

- 2) There is a cute little bunny that has been put up on the IRS website advertising the new IRS tax debt help tool. Above its pink little ears, it says: "we're making tax compliance less intimidating." Most of my tax career dealt with people who were behind the eight ball with the IRS. This new part of the IRS website provides a tool for individuals and business "with a simple way to explore payment options and identify next steps based on their situation." The website says it does not require specialized knowledge, and it can be used at any time. And it's free. Imagine that. But will taxpayers be okay spilling their guts to AI rather than to we old fashion humans? "I'm from the IRS and I am here to help you". Do you believe that?
- 3) In a prior bulletin I talked about the IRS whistleblower program. In a recent announcement IRS said it is asking for information about the misuse, diversion or fraudulent use of federal funds by tax-exempt organizations individuals and businesses. Here's your opportunity to turn in your favorite charity and reap 30% of the booty.