



[Kostelanetz](#) Partner and Former Acting Assistant Attorney General for the Tax Division, Caroline Ciruolo, joins Eric Green for an insightful conversation about one of the most fascinating careers in tax controversy. Caroline shares her journey from Tax Court clerk to private practice, leading the Department of Justice Tax Division, and returning to one of the nation's premier tax controversy firms. They discuss what really happens inside DOJ, the professionalism of government attorneys, why relationships matter in the tax community, and how volunteering and getting involved can transform your career. They also explore why today's enforcement environment presents one of the greatest opportunities in years for attorneys, CPAs, and Enrolled Agents looking to build or expand a tax controversy practice. Whether you're just entering IRS representation or already handling complex cases, this episode is packed with practical career advice, leadership lessons, and behind-the-scenes insights from one of the most respected voices in tax controversy.

In this episode you'll learn:

- What it's really like leading the DOJ Tax Division
- Common misconceptions about government tax attorneys
- Why networking and professional organizations accelerate your career
- How to build a successful tax controversy practice
- Why today's IRS enforcement environment creates tremendous opportunity

Be sure to subscribe—Part 2 with Caroline will focus exclusively on how to build and scale a thriving tax controversy practice.

Want to contact Caroline? She can be found here: <https://kostelanetz.com/our-people/caroline-d-ciraolo>

Watch the episode here

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To DOJ Tax And Back Again: A Sit-down With Caroline Ciraolo

Guest Introduction And Career Path

I'm thrilled that my friend finally found some time to do this. I'm joined by [Caroline Ciraolo](#). Anyone who read my million dollar practice book is somewhat familiar because I met Caroline. I remember this vividly. Chuck basically said, "If anyone wants to volunteer because you have too much time in your hands, go see Caroline." You were involved in the CCP or the Civil Criminal Tax Penalties committee, for those people who are not ABA. As a newbie, I was like, "I would have loved to somehow get involved." I like Caroline at NYU. It was the main meeting Chuck threw out there and I met you and NYU that year at the NYU Tax Controversy forum. Anyway, thank you for doing this. I appreciate it.

Thank you so much for having me.

You've been the only person busier than me.

I am thrilled. As you know, we are huge fans of Green and Starks and TRN. I'm so proud of the amazing work that you guys are doing up there. It brings us a lot of joy to see you guys succeed.

Thank you. We feel like we're the little brothers because in the scope of cases, we're in New Haven, Connecticut. We have virtually no international going on. There's no big White collar. The Patella case that we had in US tax was settled. It was \$15 million. It was the largest US Tax court case in Connecticut history. That's like a routine. You're in DC, but Brian and those folks are in New York.



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“Caroline’s insight into the symbiotic relationship between private practitioners and the government proves that professional networking is the fastest way to accelerate your career.”

Caroline Ciraolo

I feel like that's where the big real interesting stuff goes on. We're watching what you're doing. For everyone who is not familiar with you. Why don't you fill us in on how you got to where you are. You were in private, then you went to the government and you came back to private. Some of it, I'm not even sure. I just met you when you rented the firm in Maryland.

Transitioning From Government To Private Practice

Let's start with graduating from college with a Finance degree. I went to University of Maryland law school. From there, I worked for a bankruptcy attorney, speaking of Jeff, for a couple years, I started the summer after my second year and I can continue working for him through my third year. At that time, I had an offer to start a clerkship on the US Tax Court with Special Trial Judge Stanley Goldberg, who is amazing and a wonderful mentor.

I started my love for tax controversy. I worked for the bankruptcy attorney for a year. I earned my LLM going to night school at the University of Baltimore School of Law, the Graduate Tax program. That program was started by the Tax Court judges, and to this day, thrives in Baltimore. It's a wonderful program. I started the clerkship in August of '94. It was a two-year clerkship. It was wonderful. When I was finishing up my clerkship, the market was not great.

My judge reached out to a good friend of his who was an amazing practitioner in Baltimore. Some of you may know former Chief Judge Paige Marvel, who is now sitting on the court. Back then, she was a nationally known tax practitioner in Baltimore. I believe, at that time, she worked at Venable. She came down as a favor to my judge and met with me. We spent the afternoon in the library of the tax Court going through the Maryland lawyer's manual identifying firms.

One of the firms that she identified was a firm that had recently started. It was a boutique tax controversy firm with her very good friend and my career/mentor Paula Junghans. I applied and I was fortunate enough to be offered a position. It was a life-changing decision and an opportunity. I went there after my clerkship. I worked at that firm until it was 2003.

Was this before Paula was headed DOJ or after?

Yes. I joined that firm in 1996, and I worked for Paula for two years. It was a very busy and very active two years. I learned a ton, then she went into the Department of Justice as a Deputy Assistant Attorney General in charge of criminal matters for the tax division. Ultimately, she then became the acting Assistant Attorney General. When she was done, she did not come back to the small boutique firm, but when she left, she left a number of her cases. I was able to work those and start to build a practice.

Tweet: Success in tax controversy isn't just about cases; it's about the relationships you build inside and outside the courtroom.

I was the only tax controversy lawyer at that little firm at that time. I had a choice to stay and build or go, and I decided to stay and build. This is in downtown Baltimore. It's one of my favorite cities. I practice in Baltimore, and I got to know amazing people in Baltimore. Whenever I talk about Baltimore and growing the practice, I think about Beverly Winstead because she was a practitioner. We bonded early on. We were both up and comers. She came to a study group and she was just this breath of fresh air and brilliance. I adore her.

Some names that many of these folks know are [Jessica Marine](#), Jin Yang, [Brian Crapo](#) and Brandon. All these Baltimore practitioners. It was a nice time to practice tax controversy. I stayed at that firm until November-ish of 2003, and then the firm merged into another firm in Baltimore. That now goes by [Rosenberg Martin Greenberg](#), which is another amazing firm. It was not that large when we joined, but it grew substantially to about 40 or 50 lawyers during my tenure in all different areas.

We build to practice there of about 8 to 12 tax controversy professionals. I stayed there until January of 2015 when I went to the Department of Justice and stepped into the same role that my mentor had back in 1998. Since there was a nominee eventually, but there was never a senate confirmed Assistant Attorney General in charge of the tax division. I became the head of the tax division from the day I landed for the entire time.

During that portion, there was about a 15 or 16-month period where I served as acting Assistant Attorney General under the vacancies act or the vacancy act impacted the timing. The one thing I want to say about the DOJ. One, it was an amazing job. One of my favorite jobs. Although, I love working and I loved every job I have, but that was incredible. The people there were brilliant. I always thought they were brilliant, but getting to work with them. They're so committed to the mission. Anyone who thinks that people that work at the Department of Justice are working 9:00 to 5:00 and taking weekends off are misunderstanding.

The work ethic of the federal employees that work for the Department of Justice and particularly in the tax division. The folks worked harder. They work smarter than so many practitioners around the country. They were just brilliant and they wanted to get it right. It was an amazing time. I owe so much to [Diana Erbsen](#), who is a dear friend and a partner [DLA Piper](#). We served at DOJ taxation together. She was the Deputy Assistant Attorney General in charge of appellate and review. In that role, she took on all sorts of hats. She was the tribal tax person, the bankruptcy committee person and in charge of the internal committee.

She was my whisperer when it came to the front office. She was amazing. Dave Hubbard was there. He is fantastic. It was a golden time to be at the department. I was there for two years and every day, I would wake up thinking, "I need to make the most of this day because this day won't happen again." We knew the whole time we were leaving because it was the last quarter of the Obama Administration. When I left, I didn't have a job and I didn't have a headhunter. I didn't want to be recused when I was at the DOJ, so I didn't look for a job when I was there. I walked out the day before inauguration day and caught in. I went back to being just me outside of the government.

Tweet: The DOJ Tax Division isn't out to get you. They're out to get the law right. Misunderstandings happen when we forget that mission.

Ultimately, I was offered a position at [Kostelanetz](#). It was wonderful because I got to work closely with my good friend [Jay Nanavati](#) who was a brilliant trial lawyer. He is one of the few that are both in the American College of Tax Counsel and the American College of Trial Lawyers. He is fantastic and beloved in the practice. He and I opened the DC office of Kostelanetz in May of 2017. Nine years later, the rest is history.

For the folks reading, Kostelanetz, in my mind, it's an amazing collection of people. I knew Jay when he was at another very big firm. He was thinking about going on his own. I've seen it on Discovery. The movie New Jack City is based on an actual group in New York. They were prosecuted by Sharon McCarthy when she was in the Southern district and I see Sharon in the show. I was like, "I know her." It's terrific for. I'm very curious. Did anything surprise you when you went into the DOJ? In theory, I know what they do but I'm sure there would be a learning curve. Was there something that surprised you that you can think of?

Inside The DOJ Tax Division Mission

Every day, I'm offered new experiences and challenges. I'm trying to think of the word surprise and what would be surprising.

Maybe surprise is not the right word. For instance, I'm not sure how it would feel because we've been on the defense side in criminal tax cases. I'm curious if your view changes when you're on the other side of the table looking at stuff. My concern has always been people that came up just through the government who have never been on the other side. Again, this is my view. They tend to become very laser-focused on something. Sometimes it feels like you're trying to get them to step back and take a bigger look. This wasn't the criminal conspiracy you think it was. Was there anything?

In the front office, I was pleasantly surprised about the value of history and mission and trying to get it right. Much time was spent by leadership and through leadership, the line attorneys, to try and get the right answer. There were no people running around saying, "I want to stick it to the taxpayer." That was pleasantly surprising. Maybe surprising isn't the right word. Let me say I was pleased that my hope was that the government was pursuing the mission. Even as aggressive advocates for their position.

They weren't walking around thinking, "I'm going to win at all costs." Their goal was, "Let's get it right." Sometimes, it was litigating cases that they needed a decision on from the courts, win or lose. I can remember one in particular where there was a particularly difficult issue. It was a statutory provision about jurisdiction. There was a disagreement about how the decision should come down, but it was agreed that we need to litigate it to get some law out there to give people guidance. We fought the good fight but ultimately, we lost.

I don't think there was a huge level of disappointment that the government lost. It was, we have improved tax administration because now there is guidance. The people that I met there were so impressive and so smart. One thing that surprised me was that so many brilliant tax attorneys are also musicians, which has nothing to do with courts and decisions and trials. It made sense afterwards but I was amazed at how many amazing musicians are in the text division or former tax division. There's that.

Do you know what I think it is? They can't make it as a musician professionally so they're like, "I'm going to go to law school."

I have to tell you. Some of them were professional musicians. They were part of choirs and in bands. Some of the most entertaining evenings, when we would get together and go and watch one of our colleagues playing music at a local venue. It was nice but people would be surprised at how committed the government is to try and get it right. I think that's wonderful. I also want to give a shout out to the career federal employees that work, the attorneys that work from the Honor program and stay through the bulk of their career even if they go out 20 or 30 years later. There is a commitment level there, loyalty and work ethic that just rises to new levels. I admire those folks. I was sorry to see so many of them go.

Tweet: If you're a new practitioner, stop watching from the sidelines. Walk up to the group. The tax bar wants you to volunteer.

I know there's a lot on this side, how the current president has turned it into the Department of Revenge. I'm going to tell you something. The reason it has not become that is because of the line people holding the line. They're not there to be Hatchet people for the president. They're trying to do the right thing.

Misconceptions About Government Attorneys

I was pleased to hear that they are hiring. In the course of that process, they are receiving wonderful applicants. Some are alum of the tax division in the department and are seeking to come back because of some of the new flexibility about working outside of DC, which is an amazing offering to folks. We lost people when I was there because they needed to relocate because of their spouse or their family or something else. This flexibility is wonderful. It is drawing many of our colleagues that we think the world of in private practice, are now looking for that next adventure.

I applaud those efforts because these brilliant people are going into the government, it raises the bar for everyone. We're in the age of litigation. We're in the age of the trial lawyer. As you can see from all the local rights and the regulatory challenges. These procedural issues and the refund litigation. It's wonderful to know that the caliber of opposing counsel is going to continue and grow going forward. I spoke to somebody the other day that mentioned that training is more widely available now because the number of people has been reduced in the department. Which is not a great thing, but there's a bright side to that.

The people that are coming on are getting into the Knack, which is the federal training center down in South Carolina sooner. Almost during the first wave when they first joined, which is an incredible opportunity. The trainers are amazing. If I was talking and I frequently do talk to my students because as you know, I teach at Georgetown in the Graduate tax program in the fall and in the spring. I might have anywhere between 40 to 60 students every year.

Every year, I talked about opportunities at the IRS and at the DOJ, professional development, the ABA, and NYU. All of those conferences and institutes from UCLA and Mark Milton's program out in Saint Louis, which is amazing. Shamoun's practice or conference in San Diego. These are amazing conferences. Also, Yours. I love your program in the Northeast. It's important that we encourage these folks to get involved and to apply for and to serve as public servants I think.

Our conference got better because when we started it, we didn't know that many people in the government. You, Frank and everyone else who did, was like, "No problem. I introduced you." It helped. The most interesting thing when I first went to the ABA and the Civil Criminal Tax Penalties, I literally was told, "Don't waste your time. They're all former DOH. They're all very clubby." My understanding is Kathy Canale ended all that. When Kathy became chair, that went by the wayside. When you go to these conferences, at least ABA, most of the interesting stuff gets done outside the rooms in the hallway. I ended up having coffee with Kathy and telling her that and thanking her. I'm sure there are people that have egos, but I've not found that to be a problem among our peers.

Networking And The Tax Bar Culture

I agree. The tax bars are one of the most welcoming bars around. I'm biased because that's where I live and breathe. The tax bar is very inclusive. Even from an outside with you, it can appear cliquish because so many people are having so many conversations, laughing and joking. If you don't know those people, you're looking from the outside and going, "How do I partake in that conversation? How do I get to know these folks?"

It's very interesting. If you are a new attendee at one of these conferences or you're an emerging practitioner and you walk up to a group. That circle will open. It naturally opens. It's like those machines that you wave your arm over and the lid pops up. That's how the circles are at these conferences and the

institutes. You just have to say, "I'd like to be part of the group." I always tell this with folks that are looking to get involved in a committee. The committees at the ABA and in the other bar associations are eager to expand their membership. They want volunteers.

Tweet: Building a practice means finding people who find joy in the quirkiness of tax controversy. Passion is your greatest asset.

They are hoping every day that somebody new will walk up and say, "I would like to get involved." I remember that was what I did to Kathy when I was younger. I was watching from afar and Kathy looked so young. I thought that she was my age. I walked up and said, "I think you're my age. Can you tell me how I'll staple it? How do I get involved? How can I contribute?"

She brought me in back in the day. We've all been so lucky because they're such a nice collaborative group. If the phone rings and you're available, you're going to pick it up and answer a call. Nobody puts the clock on. Nobody's like, "I don't have time for this or I don't want to help you or if I do help you, you'll be one upping someone else." There's none of that. We love this and we're going to talk about it.

If you're reading. for the EAs and CPAs, your organization's have the same thing. There was a committee at the EA and CPA on dealing with the IRS. There's one for the NAEA. Go get involved. You're going to volunteer time and we're all thinking, "Time is very precious." In doing so, you will now get to work with the folks at the IRS and usually at an executive level.

We were talking about this before we started. It's not like I'm calling them weekly or even monthly. When you have a situation, it's helpful to be able to elevate it to the right people. There's no way that you can recreate that online. Being on LinkedIn is not the same. By the way, if you're young and reading this, if you're a newer person, when we go to recruit, we tend to go out to our friends like, "Does anyone know anybody?" We tend to go to people we know. The only way to get known is to leave your house, get out of your pajamas and go and attend and participate.

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Eric L. Green



with Eric L. Green

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Why Relationships Matter In Tax Administration

I agree, completely. It's a very symbiotic relationship with the government because often, folks might reach out to the government and ask for assistance or information or access. On the flip side, we know it is our job to be available to the government when they need to reach out. That means, if they need a force multiplier, if they're trying to send a message and they're trying to get folks to then send the message onto their networks. We need to do that. We need to remember that that's our job. That this is a partnership in support of good sound tax administration. It's a nice give and take. They want people volunteering at the calendar calls. They want people to volunteer for problem solving days or clinics. This is how we give back and the cycle of life, as they said.

I get this a lot from accountants, “If I start doing representation, are they going to look to get even with me?” Let me tell you something. I find the government would much rather be involved than not. We know the revenue office here. We would send over our POA and they would call sometimes. “Eric, I'm glad you're involved. Here's what's going on. I've been trying to get this person to do something. They either don't understand or won't do it.” They'd rather deal with us and things go a lot smoother. Most of the folks who've been at the government for a while, understand that. The new folks, may be not so much, but they would much rather you be involved or not.

That's right. They notice when people give either through time or effort or if there's a leader of a practice and they encourage their attorneys to volunteer. For example, let's say a managing partner can't volunteer themselves but they make it a cultural issue in the firm. We value pro bono work. We value when you go and volunteer. We're going to give you credit for that. That's noticed. People notice that. It's a partnership. That's important.

We're going to do part two because this is becoming a really interesting time and an opportunity. Before we started this episode, Caroline and I were talking about all of this. It feels crazy. There is a tremendous opportunity. We're drowning in work now. There are a lot of people that need help. I do want to address building a controversy practice because when I did and you did years ago to do that, it is so much easier these days. We used to rent rooms. I would send mailers to invite accountants and give a talk. These days, it's so much easier and then there's an opportunity for people. Again, you got to leave your house for some of it.

Scaling a Tax Controversy Practice

I like collaborating. I love the fact that our DC office has grown over the years. In fact, the firm has grown. We are very collaborative with our other offices. It is one firm. I don't want to steal the logo from Jones Day. It's such a great local but I have a similar review of Kostelanetz. Very supportive and very friendly. I don't view us as like your growing the DC office or your growing the Atlanta office or Frank's growing the New Jersey. I feel like it's more like the firm is growing collaboratively. You're right, there's a lot of opportunities to grow. That means bringing smart people that have a strong work ethic and care about their work product. Also, have a love for what we do.

What I look forward to when I'm looking to expand or build a controversy practice. I'm looking for someone who for whom tax controversies spark joy. That they get such a kick out of it, and they're intellectually curious. It's not just, “I've done my 9:00 to 5:00 and now I'm off the grid.” It's people that are like, “I love this stuff. Isn't this exciting?” They find humor in the quirkiness of tax controversy matters. They get worked up about new issues and they want to read new cases and read the tax press every morning. That's what I'm looking for.



with Eric L. Green

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I'm looking for someone for whom tax controversies spark joy. They get such a kick out of it, and they're intellectually curious.



Caroline Ciraolo

I'm looking for the excitement, the passion, and the spark because that's what's going to outlive me and my colleagues and my age group, the next generation of Kostelanetz. That's what I want for it going forward. It's fun to grow a practice. We can definitely talk more about the nuts and bolts of that. As you do, you have to find the people that are so passionate, committed, loyal, ethical and hardworking. All of those attributes. You find that and you're going to have a nice group. That doesn't mean all the same personalities. Lord knows the personalities at Kostelanetz are all over the map and I love all of them. They all bring something valuable to the table.

Especially if everyone recognizes we're on the same team trying to get to the same.

Very supportive. No egos. Only collaborative. If I can help you, then I should be your first call. If I can't help, I'll find who should be your first call.

To be continued.

Yes.

I know we have a hard stop because both of us have meetings. Thank you for taking the time. I'm glad we finally got to do this. I'll email you finding a time for part two.

Tweet: Flexibility in the workplace is changing how the government attracts top-tier talent. It's an exciting time for the bar.

Let me know. This is wonderful. On behalf of the entire bar, thank you to you, to Jeff, and to your entire firm. Watching you guys grow over the years has just been wonderful. The joy we have gotten from your successes, I can't even begin to put into words. You have been so welcoming with your conference in the Northeast. I remember when it first started and you were building it. I'm so impressed with the collaboration and the other tax professionals that would come and support.

We learned so much about technology at your conferences because you would bring those people into the fold and say, "Look at how we can improve your practice. Look at how we can make you more efficient." You had and still have the who's who of the bar. You always make sure to make room for new practitioners. You reach out and you invite partners to send their younger folks to speak. When people get invited, it means the world. Please thank your firm from all of us on the outside. We're proud of you and grateful for all the work you're doing.

I appreciate that. Honestly, I looked at what Brian and Chuck did and copied what they did.

That's not a bad path. We find that that's very helpful. All of those.

You found someone who's doing what you want and just do what they do.

Those are two good ones to follow, so yes.

Thank you and listen. Thank you for tuning in. Next episode, I will get Caroline back so we can dive into building a controversy practice.

Thank you so much. Stay safe out there and enjoy.

Thank you.

Important Links

- [Caroline Ciruolo on LinkedIn](#)
- [Kostelanetz](#)
- [Jay Nanavati](#)
- [Jessica Marine](#)
- [Brian Crapo on LinkedIn](#)

- [Diana Erbsen on LinkedIn](#)
- [Rosenberg Martin Greenberg](#)
- [DLA Piper](#)
- [*How to Build a Million Dollar Tax Representation Practice: A Step-by-Step Approach*](#)

About Caroline Ciraolo



Caroline Ciraolo, former Acting Assistant Attorney General of the U.S. Department of Justice's Tax Division, is a partner with Kostelanetz LLP and founder of its Washington, D.C. office. Her practice focuses on federal and state civil tax controversies, including representation in sensitive audits, administrative appeals, and litigation, providing tax advice, conducting internal investigations, and representing individuals and entities in criminal tax investigations and prosecutions. She also serves as a consulting and testifying expert witness and an independent mediator in tax-related administrative proceedings and litigation.

During her tenure with the Justice Department, Caroline was actively involved in all aspects of Tax Division operations and responsible for approximately 500 employees, including more than 360 attorneys in 14 civil, criminal, and appellate sections.

Caroline is former President of the American College of Tax Counsel and former Chair of the Civil & Criminal Tax Penalties Committee of the American Bar Association ("ABA") Section of Taxation. She served as the ABA Tax Section's inaugural Vice Chair for Membership, Diversity, and Inclusion, and inaugural Chair of the Loretta Collins Argrett Fellowship Program. Caroline also served as an instructor with the IRS Military Volunteer Income Tax Assistance program at Ft. George G. Meade.

She is recognized by Chambers (USA: Tax Fraud (Nationwide) (Band 1), Tax Controversy – Nationwide (Band 2), Tax (DC) (Band 1), High Net Worth: Tax-Private Client – USA (Band 1)); Legal 500 (Leading Lawyer); Benchmark Litigation; Best Lawyers in America (Litigation and Controversy – Tax, Tax Law, and Criminal Defense: White Collar; Lawyer of the Year – Litigation and Controversy – Tax (DC – 2022, 2024, and 2026, MD – 2012); Lawyer of the Year – Tax Law (DC – 2025)); ITR World Tax (Tax Controversy, World Tax – Highly Regarded and Women in Tax Leader); Super Lawyers (DC (Tax), Maryland (Tax), Top 10 in Maryland, Maryland cover story in 2013), Euromoney Legal Media Group's Americas Women in Business Law Awards (Best in Tax Dispute Resolution) (2014), and The Daily Record's Top 100 Women Circle of Excellence.

Caroline is a recipient of the ABA Section of Taxation's Janet Spragens Pro Bono Award, the IRS Chief Counsel Award, the highest honor that can be conferred by that office, and the Tax Excellence Award from the Taxation Section of the Maryland State Bar Association.

Caroline is an Adjunct Professor at the Georgetown University Law Center (International Tax Controversies and Criminal Tax Law and Procedure) and taught at the University of Baltimore School of Law Graduate Tax Program (Tax Practice and Procedure and Criminal Tax).