



# Quality Stores and the Status of Revenue Rulings

## PRACTICE AREAS

Tax

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Tax Controversies

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The issue in *Quality Stores* is whether the supplemental unemployment compensation benefits that are excluded from taxable wages for FICA purposes are determined by a series of IRS revenue rulings, as the government contends, or by the statutory definition of supplemental unemployment compensation benefits, as the taxpayer contends. The government does not explain how revenue rulings can provide the definitive legal answer. Nor does it even attempt to defend the correctness of the positions expressed in the rulings. The taxpayer's position is coherent and sensible, whereas the government presents no supportable alternative. As a result, the taxpayer's position clearly must be preferred.