

**MSP
#12****ACCESS TO THE IRS: Taxpayers Are Unable to Navigate the IRS and Reach the Right Person to Resolve Their Tax Issues****RESPONSIBLE OFFICIALS**

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DEFINITION OF PROBLEM

Taxpayers very often face difficulty in reaching the right person at the IRS in order to resolve their problems. The IRS Restructuring and Reform Act of 1998 (RRA 98) requires the IRS to make itself accessible to taxpayers, specifically by phone. Section 3709 of RRA 98 mandates that the IRS place the addresses and telephone numbers for local offices in local phone directories across the country.¹ However, even though the IRS largely meets this requirement, calling the local offices does little good. The IRS does not answer the phone at local offices and has even removed the option it once provided for taxpayers, including the elderly and disabled, to leave a message.²

Another provision of RRA 98 requires the IRS to provide taxpayers with an option to talk to an employee on IRS helplines in “appropriate circumstances” and direct a taxpayer’s questions to other IRS employees who can help.³ Although the IRS does transfer callers on its main toll free phone line to live assistants in some circumstances, it does not offer taxpayers the option of choosing to speak to a live person. The IRS has failed to engage in forward thinking or embrace current technology that would allow it to comply with the intent (and not just the letter) of the RRA 98 provisions—ensuring taxpayers can reach the person at the IRS who can answer their questions or help with their problem.⁴ Taxpayers have the *right to quality service*—to receive prompt, courteous, and professional assistance and to speak to a supervisor about inadequate service, and the right to be informed, meaning they have a right to know what they need to do to comply with the tax laws.⁵ When taxpayers cannot speak to a person at their local

- 1 Section 3709 of the IRS Restructuring and Reform Act of 1998 (RRA 98), 105 Pub. L. No. 206, 112 Stat. 779 provides: “The Secretary of the Treasury or the Secretary’s delegate shall, as soon as practicable, provide that the local telephone numbers and addresses of Internal Revenue Service offices located in any particular area be listed in a telephone book for that area.”
- 2 The listings for local IRS offices in the phonebooks provide the number for the local Taxpayer Assistance Center (TAC). Using the numbers from local phonebooks, on July 31 and August 1, 2014, TAS called a sample of 80 TACs around the country during normal business hours and found that none allowed the taxpayer to leave a message or speak to a live person. According to the IRS, taxpayers have never had the ability to speak to a live person when calling these phone numbers. See IRS response to TAS information request (Sept. 19, 2014).
- 3 RRA 98 § 3705(d), 105 Pub. L. No. 206, 112 Stat. 777. “The Secretary of the Treasury or the Secretary’s delegate shall provide, in appropriate circumstances, on telephone helplines of the Internal Revenue Service an option for any taxpayer to talk to an Internal Revenue Service employee during normal business hours. The person shall direct phone questions of the taxpayer to other Internal Revenue Service personnel who can provide assistance to the taxpayer.”
- 4 The National Taxpayer Advocate has repeatedly raised the issue of the difficulty taxpayers have in navigating the IRS. See, e.g., National Taxpayer Advocate 2008 Annual Report to Congress 114-25 (Most Serious Problem: *Navigating the IRS*).
- 5 See IRS, Taxpayer Bill of Rights, available at <http://www.irs.gov/Taxpayer-Bill-of-Rights>. See also IRS, Publication 1, *Your Rights as a Taxpayer* (June 2014).

IRS office, or find the right person to talk to, their *right to quality service* and *right to be informed* are compromised.

ANALYSIS OF PROBLEM

Legislative History of RRA 98

Section 3709 of RRA 98 requires the IRS to publish the phone numbers and addresses of local IRS offices in local phone books.⁶ The RRA 98 Senate Committee Report reflects the intent that “every taxpayer should have convenient access to the IRS.”⁷ A key part of convenient access is the ability for taxpayers to find and contact the right person to solve their tax matters. Speaking about RRA 98, Senator Domenici explained, “Taxpayers are often left with no option but to contact my office asking for help in simply identifying who they should talk to at the IRS to settle their tax matter. The caseworkers are experts, but it would take them two days to track down the right IRS office so that the constituent could try and solve their problem.”⁸

Only some of the phonebooks sampled by TAS provided a nationwide phone number for the IRS Office of Appeals, and this turned out to be the number for a private business.

Section 3705(d) of RRA 98 requires the IRS to not only make a live person available on helplines in appropriate circumstances, but for that person to direct the taxpayer to another employee who can help the taxpayer resolve problems.⁹ Senator Domenici explained this provision requires that “automated phone lines include the option to talk to a real, knowledgeable person who can answer the taxpayers’ questions. This would be an option in addition to merely listening to a recorded message.”¹⁰

IRS Implementation of Sections 3709 and 3705(d)

When implementing Section 3709 in the years following RRA 98, the IRS created a template to update telephone directories with the numbers and addresses for local Taxpayer Assistance Center (TAC) offices and sent it to the phone companies.¹¹ In 2001, the IRS determined the standard services to be provided on the TAC phone numbers and developed message scripts and procedures for returning calls.¹² In 2003, the IRS established a quarterly certification process to ensure the accuracy of the published phone numbers.¹³ When the IRS initially implemented RRA 98 § 3709, it only required each local office to

6 Section 3709 of RRA 98, 105 Pub. L. No. 206, 112 Stat. 779, provides: “The Secretary of the Treasury or the Secretary’s delegate shall, as soon as practicable, provide that the local telephone numbers and addresses of Internal Revenue Service offices located in any particular area be listed in a telephone book for that area.”

7 S. REP. NO. 105-174, at 106 (1998).

8 144 CONG. REC. S 4473 (daily ed. May 7, 1998) (statement of Sen. Domenici).

9 RRA 98 § 3705(d), 105 Pub. L. No. 206, 112 Stat. 777. “The Secretary of the Treasury or the Secretary’s delegate shall provide, in appropriate circumstances, on telephone helplines of the Internal Revenue Service an option for any taxpayer to talk to an Internal Revenue Service employee during normal business hours. The person shall direct phone questions of the taxpayer to other Internal Revenue Service personnel who can provide assistance to the taxpayer.”

10 144 CONG. REC. S4473 (daily ed. May 7, 1998) (statement of Sen. Domenici).

11 IRS Legislative Analysis, Tracking and Implementation Services (LATIS) Explanation of Provisions, AT-2009-12857, AT-2009-12858 (retrieved May 28, 2014).

12 IRS Legislative Analysis, Tracking and Implementation Services (LATIS) Explanation of Provisions, AT-2009-12866, AT-2009-12867 (retrieved May 28, 2014).

13 IRS Legislative Analysis, Tracking and Implementation Services (LATIS) Explanation of Provisions, AT-2009-12874 (retrieved May 28, 2014).

have “a local telephone line with a mailbox capable of playing a generic script, taking incoming messages, and remote message retrieval.”¹⁴

When taxpayers were allowed to leave messages, the IRS required all calls to be “returned within two business days regardless of the issue even if just to provide the taxpayer with the appropriate toll-free number to access in order to answer a technical or account related question.”¹⁵ However, in early 2013 the IRS removed the option for any taxpayer to leave a message, including the elderly and disabled.¹⁶ Currently, the message on 3709 lines instructs elderly or disabled taxpayers to email the IRS to make an appointment.¹⁷ During the 2014 filing season, the IRS received 212 such emails from elderly or disabled taxpayers. The IRS has no way of knowing how many elderly or disabled taxpayers called to make an appointment in prior years because it did not keep records of the number of messages received from elderly or disabled taxpayers during the 2012 and 2013 filing seasons.¹⁸

To implement Section 3705(d), the IRS made only a few changes. According to the IRS’s Legislative Analysis, Tracking and Implementation Services (LATIS) the IRS only had three action items related to implementing RRA 98 § 3705(d): revising the IRM to “provide Spanish Telephone Helplines in addition to helpline options enabling the taxpayer to speak to a live assistor” and providing an option for a taxpayer to speak to a live person on the Forms-Only Toll-Free line and Teletax line.¹⁹ These efforts, while limited, did bring the IRS closer to compliance with section 3705(d).

The Phone Numbers Provided in Local Phone Books Fall Short of the Level of IRS Access Intended by Congress.

TAS found the IRS has been largely successful in listing phone numbers for local offices in local phone books nationwide.²⁰ However, these numbers are not helpful to taxpayers. The phone books only list the main line for each local office and do not provide numbers for specific functions such as the local Appeals, Examination, or Collection office.²¹ While the phone books do list a few nationwide toll-free numbers, they do not give the taxpayer the number to call if he or she needs to reach a specific person or department. If a taxpayer is experiencing a problem with part of the IRS, for example, having trouble with an Appeals Officer assigned to his or her case, contacting the local TAC—assuming someone would answer

14 Memorandum from Jeff Cooper, Director Telecommunications to Dave Gaugler, Director, Information Systems Field Operations, IRS (Sept. 19, 2001) (on file with TAS).

15 IRM 21.3.4.3.3.1.1, *Procedures for Taxpayer Assistance Centers* (Apr. 26, 2012).

16 The ability to leave a voice message was ended for all taxpayers and all TACs on April 12, 2013. See IRS response to TAS research request (Sept. 19, 2014).

17 See IRS response to TAS research request (Sept. 19, 2014). The message advises: “If you are disabled or elderly and require special accommodations for service, please email us at...” See IRM Exhibit 1.4.11-1 (Aug. 15, 2014). According to the IRM, all email messages sent to the email address stated on the 3709 line will be returned within three business days, regardless of the issue. See IRM 21.3.4.3.2.1.1, *Procedures for Taxpayer Assistance Centers*, (Feb. 12, 2014). Under the prior policy, callers who left a message on the 3709 lines would be called back within two business days to arrange an appointment. See IRM 21.3.4.3.3, *3709 Line and Assisting Taxpayers with Disabilities* (Oct. 1, 2009).

18 See IRS response to TAS research request (Sept. 19, 2014).

19 IRS Legislative Analysis, Tracking and Implementation Services (LATIS) Explanation of Provisions, AT-2009-13275, AT-2009-13314 (retrieved May 28, 2014). The IRS uses LATIS to track all provisions, actions, and status of enacted legislation that impacts the Service. The Action Plan lists Action Items and is used to record and track relevant contacts and activities as they occur, covering the time frame from passage of the legislation to full implementation.

20 TAS conducted a convenience survey of 20 phone books and found that all included numbers for local TAC offices.

21 In addition to the main numbers for the local IRS offices, the phone books surveyed also included the following nationwide, toll-free numbers for the IRS: Need a Tax Form; Checking on a Refund; 24-Hour Recorded Tax Help; Federal Tax Questions; TDD-TTY Telephone Service; Report Tax Fraud Violations; National Taxpayer Advocate; Taxpayer Advocacy Panel; Tax Exempt-Government Entities; Appeals; and Citizens Advocacy Panel. The Citizen Advocacy Panel is no longer in existence; it was replaced in 2002 by the Taxpayer Advocacy Panel.

...not even elderly or disabled taxpayers, who are less likely to have access to the Internet and email, can leave a message on these lines.

(which is currently not the case)—would do no good. The taxpayer would need the number for the local Appeals office. Only some of the phonebooks sampled by TAS provided a nationwide phone number for Appeals, and this turned out to be the number for a private business.²² The Office of Appeals has an Appeals Account Resolution Specialist phone line, which callers can use to find out if their cases have been assigned to an Appeals employee and how to contact that employee.²³ However, this number is not a toll-free number, it was not listed in local phone books surveyed by TAS, and was difficult to locate.²⁴

Another reason the phone book listings are not helpful is that the phone lines for local offices, known as “3709 lines,” do not help taxpayers reach the IRS because they are not answered by a live person. As explained above, not even elderly or disabled taxpayers, who are less likely to have access to the Internet and email, can leave a message on these lines. Demographic research data show only 57 percent of adults over age 65 use the Internet compared to 87 percent of all adults.²⁵ According to 2010 Census data, only 41 percent of those with a non-severe disability use the Internet and only 22 percent of those with a severe disability age 65 and older use the Internet.²⁶ For those without Internet access, the only viable ways to reach the IRS are by phone, or in person.²⁷

TAS surveyed a statistically valid sample of 80 TACs in July 2014 and found that all 80 had the same recording of a generic script.²⁸ The recordings do not state all services the TACs provide, and instead instruct taxpayers to access IRS.gov for a full list of available services.²⁹ In a 2011 employee training, the IRS identified the purpose of 3709 lines: to “[a]dvise Taxpayer [of] the options available to obtain assistance other than making an appointment.”³⁰ However, the only option the message provides is for the taxpayer to find information on IRS.gov, or email the IRS if the taxpayer is elderly or disabled.³¹ The message does not even offer another number for the taxpayer to call, let alone the ability for the taxpayer to be transferred to another number or speak with a live assistor.

TAS twice inquired of the IRS in a formal information request whether it considers the 3709 lines to be “helplines” for the purpose of § 3705(d) of RRA 98, which would require them to have an option to speak with a live person. TAS also asked what lines the IRS does consider to be helplines. Twice, the IRS

22 At the time of this report, multiple phone books listed a number for Appeals Nationwide that belonged to a company offering non-IRS related services.

23 See IRS, *What Can You Expect from Appeals?*, available at <http://www.irs.gov/Individuals/What-Can-You-Expect-from-Appeals%3F> (last updated Nov. 5, 2014). See IRM 8.1.9.4, *Appeals Customer Service Telephone Line* (Dec. 17, 2013).

24 As of December 18, 2014, TAS found only one webpage on the IRS.gov website that listed this number. See IRS, *What Can You Expect from Appeals?*, available at <http://www.irs.gov/Individuals/What-Can-You-Expect-from-Appeals%3F> (last updated Nov. 5, 2014).

25 Pew Research Center, *Internet User Demographics* (2014), available at <http://www.pewinternet.org/data-trend/internet-use/latest-stats/>.

26 U.S. Census, *Reported Computer and Internet Access, by Selected Individual Characteristics: 2010, Table 4*, available at <http://www.census.gov/hhes/computer/publications/2010.html> (last visited on Nov. 24, 2014).

27 Reaching the IRS in person is becoming increasingly difficult due to the degradation of taxpayer service at TACs. See National Taxpayer Advocate FY 2015 Objectives Report to Congress 135 (Review of the 2014 Filing Season).

28 TAS randomly sampled the population of 377 TACS at a 90 percent confidence with a precision of five percent assuming an estimated population percentage with the characteristic at 10 percent. The 10 percent estimated population percentage with the characteristic was determined by conducting a five percent random sample of the population that showed that no TAC varied from the generic script.

29 IRM Exhibit 1.4.11-1 (Aug. 15, 2014).

30 IRS, FY 2011 Field Assistance Continuing Practical Education, 3709 Telephone Line.

31 IRM Exhibit 1.4.11-1 (Aug. 15, 2014).

declined to answer these questions.³² Without defining what phone lines are helplines, the IRS is avoiding its responsibility to implement § 3705(d) of RRA 98. Even if the IRS does not consider the 3709 lines to be helplines, and thus technically meeting the requirements of §§ 3709 and 3705(d) of RRA 98, it has failed to meet the purpose of the sections, which is to provide taxpayers convenient access to the IRS to resolve their tax matters.

TAS twice inquired of the IRS in a formal information request whether it considers the 3709 lines to be “helplines” for the purpose of section 3705(d) of the IRS Restructuring and Reform Act, which would require them to have an option to speak with a live person. TAS also asked what lines the IRS does consider to be helplines. Twice, the IRS declined to answer these questions.

The Main Toll-Free IRS Phone Lines Do Not Help Taxpayers Reach the Right Person.

One result of the IRS’s reorganization as part of RRA 98, when it went from being structured geographically to being organized based on the type of taxpayer (*e.g.*, small business, tax-exempt, etc.),³³ is that taxpayers’ issues are often not handled by their local offices but instead by employees in centralized, remote locations. In addition to publishing the numbers for the 3709 lines, the local phone books often include the IRS’s main toll-free number, as well as some other primary numbers, such as the main nationwide Tax Exempt/Government Entities phone number and the refund hotline.³⁴ However, these numbers do not help taxpayers reach the right person. If the taxpayer is calling for one of the most common reasons to reach the IRS—to check on a refund—then the taxpayer has a dedicated help line.³⁵ Yet, if a taxpayer is calling about a specific tax or IRS issue, he or she must navigate an extended phone tree. For example, if a taxpayer wants to talk to someone at the IRS about applying for an offer in compromise (OIC), the taxpayer must go through a number of prompts to reach a customer service representative, and if he or she is successful in reaching a person, that person may not even have expertise in offers. Taxpayers may sit on hold for an extended period prior to reaching a live assistant.³⁶ TAS called the main toll-free line at approximately 6:00 p.m. Eastern Standard Time on November 10, 2014, to ascertain how long it would take to reach a customer service representative (CSR) and whether the CSR could then transfer the caller to an employee in the centralized offer in compromise unit, who would be able assist the taxpayer. Unfortunately, the caller never made it that far. The following details the phone journey:

32 IRS responses to TAS research requests (Sept 19, 2014 and Oct. 29, 2014).

33 See Most Serious Problem: *IRS LOCAL PRESENCE: The Lack of a Cross-functional Geographic Footprint Impedes the IRS’s Ability to Improve Voluntary Compliance and Effectively Address Noncompliance*, *supra*.

34 In addition to the main numbers for the local IRS offices, the phone books surveyed also included the following nationwide, toll-free numbers for the IRS: Need a Tax Form; Checking on a Refund; 24-Hour Recorded Tax Help; Federal Tax Questions; TDD-TTY Telephone Service; Report Tax Fraud Violations; National Taxpayer Advocate; Taxpayer Advocacy Panel; Tax Exempt-Government Entities; Appeals; and Citizens Advocacy Panel.

35 See IRS, Basic Tools for Tax Professionals, available at <http://www.irs.gov/Tax-Professionals/Basic-Tools-for-Tax-Professionals> (last visited Nov. 24, 2014).

36 In FY 2014 the IRS received about 86.2 million telephone calls. Only 64.4 percent of calls seeking to reach a customer service representative got through, and those callers had to wait an average of 19.6 minutes on hold. See IRS, *Enterprise Snapshot Week Ending: September 30, 2014* (Oct. 16, 2014).

TAS called the main toll-free line at approximately 6 p.m. EST on November 10, 2014, acting as a taxpayer who has questions about filing a request for an offer in compromise, to ascertain how long it would take to reach a customer service representative (CSR) and whether the CSR could then transfer the caller to an employee in the centralized offer in compromise unit, who would be able to assist the taxpayer.

 Taxpayer dials 1-800-829-1040

Welcome to the Internal Revenue Service. You can also visit us at www.irs.gov.

- 1 To continue in English, press 1.
- 2 Para continuar en Español, oprima dos.

 Taxpayer presses 1

Due to high demand, you may experience longer than usual wait times. If you do not need immediate assistance, please call back on Wednesday or Thursday. You may also check the status of your federal income tax refund by visiting us at www.irs.gov.

- 1 For questions about your refund, or to check the status of your Form 1040X, Amended Tax Return, press 1.
- 2 For questions about your personal income taxes, press 2.
- 3 For business taxes, press 3.
- 4 To hear general information about the health care law, including how it may affect individuals, families, and employers, press 4.
- 5 For questions about your personal or business taxes as it relates to health care, press 5.
- 9 To repeat this menu, press 9.

 Taxpayer presses 2

- 7 If you are filing your return electronically, and you do not have your prior year AGI or your prior year self-selected Pin, press 7.
- 1 For questions about a form you have already submitted, your tax history, or payment, press 1.
- 2 For questions about tax rules, or for help filing a form, press 2.
- 9 To repeat this menu, press 9.
- 6 To return to the previous menu, press 6.

At this point the taxpayer may be confused as none of the prompts address his issue. He has questions about filing a request for an offer in compromise, but none of these prompts address his need.

 Taxpayer presses 1

- 1 For questions about your refund, or to check the status of your Form 1040X, Amended Tax Return, press 1.
- 2 If you need an account or tax return transcript, press 2.
- 3 If you only need your prior year's AGI, press 3.
- 4 For all other questions about your tax history or payment, press 4.
- 9 To repeat this menu, press 9.
- 6 To return to the previous menu, press 6.

The taxpayer is further confused by prompt one, because the earlier announcement already asked the taxpayer if he had questions about his refund and amended tax return, and he did not select that option.

 Taxpayer presses 4

- 1 To find out how to correct a form you already filed, press 1.
- 2 For all other questions about your tax history or payment, press 2.
- 9 To repeat this menu, press 9.
- 6 To return to the previous menu, press 6.

 Taxpayer presses 2

Please wait.
To access your account information, please enter the Social Security number or employer identification number for which you are calling.

 Taxpayer enters 9-digit Social Security number



This example demonstrates multiple shortcomings with the IRS's automated system. The prompts and announcements are confusing to taxpayers, whose issues may not be covered by the limited options the system provides. Nowhere during the six minute journey³⁷ detailed above did the caller have the opportunity to talk to a live person, which violates RRA 98 § 3705(d).³⁸ Clearly the IRS's main toll-free phone line is one of the "automated phone lines" that Senator Domenici was talking about when he was explaining section 3705(d).³⁹ Although the IRS provides, "In some cases, if customers are unable to navigate the menu, the system will route the call to a live assistor," it is the IRS making this decision without giving taxpayers the option to choose to speak to a live person.

Furthermore, even if the taxpayer in the above example reached a live person, that person may not have been able to help the taxpayer with her offer. The IRS uses a Telephone Transfer Guide to provide customer service representatives with the correct application for transferring a call, which provides 40 options for calls in English and 24 for calls in Spanish.⁴⁰ The general policy is "All employees, except those assigned to Default Screener, will answer all procedural inquiries for which they have been trained."⁴¹ If a taxpayer calls to speak to an employee about qualifying for an OIC, the Telephone Transfer Guide provides a specific application for the call to be transferred to. However, the taxpayer may not reach the OIC unit and instead, the call goes to an assistor trained to use the Individual Master File Balance Due Application.⁴² This application is used for 22 other types of calls according to the Telephone Transfer Guide.⁴³ While it is helpful for the taxpayer if the assistor can access his or her account and answer basic questions about applying for an offer,⁴⁴ the taxpayer may want to talk to an employee within the OIC unit and have trouble getting to that person.⁴⁵

In some situations, the caller is transferred to a specific office or unit, but not the right one. An example involves a taxpayer whose OIC was accepted and who has made all of her payments, but whose lien has not been released or withdrawn. This taxpayer lost her OIC acceptance letter when she moved, so she looks to the IRS website for the number to call. She calls the main toll-free number, and after going through a number of prompts, she speaks to an assistor who transfers her to the phone line for the Lien Unit. However, the Lien Unit then tells her she must instead contact back end processing to make sure it

37 The call conducted by TAS lasted approximately six minutes and nine seconds.

38 In its response to TAS, the IRS acknowledged, "The 1040 line does not advertise an option to be 'transferred to a live person'." It further stated "By offering the option of a live person to customers when it is unnecessary and an automated application is available, we would undermine our ability to effectively serve those customers who truly need live assistance."

39 See earlier discussion, Legislative History of RRA 98.

40 See *IRS Telephone Transfer Guide* (updated Oct. 30, 2014). <http://serp.enterprise.irs.gov/TTGuide/TTGuide.jsp>.

41 IRS Telephone Transfer Guide (TTG) Telephone Transfer Policy, <http://serp.enterprise.irs.gov/databases/who-where.dr/ttg.dr/nav/transfer-policy.htm>.

42 See *IRS Telephone Transfer Guide* (TTG), Accounts Management Aspect Application Information <http://serp.enterprise.irs.gov/databases/who-where.dr/ttg.dr/nav/titles.htm>

43 For example, this application is also used for bankruptcy or insolvency, notice of intent to levy, and lien release. See *IRS Telephone Transfer Guide* (updated July 31, 2014).

44 IRM 21.3.12.6.3.1, *Taxpayer is Requesting an OIC*, (Oct. 1, 2014) provides customer service representatives with limited information about submitting an offer and instructions for sending the caller Form 656-B, *Offer in Compromise Booklet*. IRM 21.3.12.6.3.2, *Taxpayer Requests Help in Preparing Form 656* (Oct. 1, 2014) advises: "The Form 656-B, Offer in Compromise Booklet, contains information and Forms that the taxpayer needs in order to prepare a complete and accurate Offer in Compromise. If taxpayer needs further clarification of the tax law or which forms to use have them contact the nearest IRS Taxpayer Assistance Center."

45 If the taxpayer is inquiring about the status of an offer, and it has been 45 days or more since the taxpayer submitted the offer form, the IRM advises the employee to prepare a written referral and fax it to the Centralized Offer in Compromise Campus (COIC), and advise the taxpayer that a call-back should be received within the next 5 business days. The IRM also provides the employee with the option of providing the taxpayer the appropriate COIC toll free phone number, stating that if the taxpayer insists on contacting the COIC themselves, the written referral is not necessary. IRM 21.3.12.6.3.3, *Taxpayer Is Inquiring about the status of an OIC Application* (Oct. 1, 2013).

shows that her offer is fully paid. This process could have been avoided if the IRS had a published phone directory with a centralized OIC number.

The IRS Needs to Adapt by Applying the RRA 98 Requirements in Light of Changing Technology, Taxpayer Demographics, and its Business Model.

Since 1998, the IRS has changed in terms of business organization and technology, serving diverse taxpayer populations.⁴⁶ When the IRS was implementing RRA 98 in 2001, some phone lines could not transfer calls, and instead the assistor had to provide the taxpayer with a phone number to call back. In the current environment, the IRS should be forward-thinking in creating convenient ways for taxpayers to access the IRS to resolve their tax matters. The IRS could achieve this by creating a directory of departments that the public could access, or by establishing a call routing system similar to 311 lines used by municipalities, states, and foreign countries.

The IRS already has a public directory that it distributes to practitioners, which provides them with the phone numbers of key offices in their states.⁴⁷ For example, a tax professional in Connecticut dealing with a lien can use the state directory to find the national number for lien releases as well as the New England Group Advisory Manager; or a practitioner in Georgia dealing with field collection can find the numbers for the Area Director of Gulf States, the Territory Manager for Atlanta, the Territory Manager for South Georgia and the Territory Manager for the Offer in Compromise unit. The IRS should consider creating a similar directory for the public. When asked why the IRS does not provide a public directory for all taxpayers, the IRS stated, “Taxpayers are better served if contacts are made in accordance with Publication 910, *IRS Guide To Free Tax Services*, and the web pages mentioned above verses [sic] calling individual employees who may or may not have the expertise to address their concerns.”⁴⁸ However, this response ignores a persistent problem with requiring most taxpayer calls to be handled by a CSR who handles a range of issues—the CSR speaking to the taxpayer may not have the expertise in the specific issue to assist the taxpayer. Furthermore, this response is illogical because if the IRS published a directory with a phone number for local Appeals personnel or OIC personnel, and a taxpayer were to call regarding one of these issues, in theory the local Appeals or OIC employee should be very knowledgeable about the issue in which he or she specializes.

Nowhere during the six minute “journey” through the IRS phone system did the caller have the opportunity to talk to a live person, which violates § 3705(d) of the IRS Restructuring and Reform Act.

Another way for the IRS to make itself accessible would be to adopt a system similar to a 311 routing system. Many municipalities in the United States have moved to 311 programs, which consolidate numerous call centers and phone numbers so a user only needs to call one number and can be routed to the

46 See National Taxpayer Advocate 2011 Annual Report to Congress, Vol. 2 36-44 (Research Study: *From Tax Collector to Fiscal Automaton: Demographic History of Federal Income Tax Administration, 1913-2011*). See also Most Serious Problem: *IRS LOCAL PRESENCE: The Lack of a Cross-functional Geographic Footprint Impedes the IRS’s Ability to Improve Voluntary Compliance and Effectively Address Noncompliance*, *supra*.

47 See SB/SE, IRS Telephone Directory for Practitioners, available at <http://sbse.web.irs.gov/CL2/sl/PracDir/default.aspx> (last visited Sept. 2, 2014).

48 IRS response to TAS research request (Sept. 24, 2014).

correct agency, department, or office.⁴⁹ When a caller dials 311 in New York City, the caller first talks to the Interactive Voice Response System (IVR), which is recognized to be a “thin layer.” Approximately 50 percent of total calls are addressed by IVR.⁵⁰ Calls that are not addressed are transferred to a call center representative (CCR).⁵¹ Using keywords, the CCR searches a knowledge database containing over 7,000 pieces of information about various agency services as well as other related organizations to identify the caller’s need.⁵² Then, the CCR can:

- Provide the information requested (this occurs 40 percent of the time);
- Process a service request (24 percent of the time); or
- Transfer the call to an external agency (26 percent of the time).⁵³

The IRS could use this system as a model, using intelligent automation to answer a significant number of calls and a combination of live interaction and an in-depth information database to address the remaining calls. The IRS’s current system does not allow the taxpayer a “one-stop shop” similar to the 311 program. If a taxpayer calls the IRS to discuss a collection due process (CDP) hearing, and there is an open control for a CDP hearing, the IRM instructs the employee *not to transfer the call* to the CDP coordinator, but instead to refer the call information to the Automated Collection System CDP coordinator, and fax an Inquiry Referral form to the Automated Collection System or CDP site that has jurisdiction over the account.⁵⁴ The CSR is then instructed to inform the taxpayer on the phone that someone will contact him or her in five business days.⁵⁵ If the IRS used a 311 system, the caller could immediately be transferred to the CDP unit where he could ask a collection employee about his or her hearing.

CONCLUSION

The purpose behind the RRA 98 provisions regarding phones was to create ways for taxpayers to quickly and easily communicate with the right IRS employees. Publishing the phone numbers of local offices where phones are not answered and taxpayers cannot even leave a message does not make the IRS accessible. The IRS should proactively use technology to meet the needs and preferences of taxpayers so they can seamlessly find the right person to resolve their tax issues.

49 When a caller dials 311 in Prince George’s County Maryland, the caller receives a welcome message and is advised if this is an emergency call 911, for bulky trash please press 1. A Spanish language option is offered and then all other callers are asked to stay on the line for the next available person. The Maryland service does not provide a timeframe for how long a caller will be on hold, but when tested by TAS the wait time was 1 minute 15 seconds when the service was called at noon on a Monday and 2 minutes 5 seconds when tried on a Wednesday. The service hours are comparable to the IRS and are Monday–Friday from 7:00 am–7:00 pm, and 24 hours online.

50 ISPRAT, *Lessons for D115? A Review of 311 in New York City*, 7-8, available at http://isprat.net/fileadmin/downloads/pdfs/ISPRAT_Projekt_Report_311_115_finales_Dokument.pdf (last visited on Nov. 24, 2014).

51 ISPRAT, *Lessons for D115? A Review of 311 in New York City*, 8, available at http://isprat.net/fileadmin/downloads/pdfs/ISPRAT_Projekt_Report_311_115_finales_Dokument.pdf.

52 New York City Independent Budget Office, *Fiscal Brief, 311 Customer Service Center: More Calls and a Growing Budget* (Apr. 2008), available at <http://www.ibo.nyc.ny.us/iboreports/311Apr08.pdf>.

53 ISPRAT, *Lessons for D115? A Review of 311 in New York City*, 9-10, available at http://isprat.net/fileadmin/downloads/pdfs/ISPRAT_Projekt_Report_311_115_finales_Dokument.pdf.

54 See IRM 21.3.12.6.7.3.2, *Collection Due Process* (Oct. 17, 2011). IRM 21.3.5 (Oct. 1, 2014) provides general guidance about when to create a referral to another office, campus, or function.

55 See IRM 21.3.12.6.7.3.2, *Collection Due Process* (Oct. 17, 2011).

RECOMMENDATIONS

The National Taxpayer Advocate recommends that the IRS:

1. Provide an option for taxpayers calling the local TAC lines to speak to a live person or be transferred to another part of the IRS.
2. Provide a phone line for elderly or disabled taxpayers to call to make an appointment at a TAC, including messaging and callback service, and establish and publicize timeframes within which callbacks must occur.
3. Make the IRS Telephone Directory for Practitioners or a similar directory available to the public.
4. Institute a system similar to a 311 system where a taxpayer can be transferred by an operator to the specific office within the IRS that handles his or her issue or case.