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NATIONAL TAXPAYER ADVOCATE PUBLIC FORUM

Convened by Nina E. Olson, National
Taxpayer Advocate

and

The Honorable Jim Renacci, U.S.
Representative, Ohio 16th District.

August 16, 2016

5:30 p.m.

Taken at:

Cuyahoga County Public Library - Parma Branch

6996 Powers Boulevard

Parma, Ohio

Reporter: Stephen J. DeBacco, RPR

1 APPEARANCES:

2

3 THE PANEL:

4

HON. JIM RENACCI, U.S.

5 Representative, Ohio 16th District

6 NINA A. OLSON, National Taxpayer

Advocate, Taxpayer Advocate

7 Service, Washington, D.C.

8 DANA GOLDSTEIN, Low Income Taxpayer

Clinic Director, Community Legal

9 Aid, Akron, Ohio

10 KATHY MATTHEWS, Program Director,

Enterprise Community Partners,

11 Inc., Cleveland, Ohio

12 WAYNE WENGERD, Old Order Amish

Steering Committee, Dalton, Ohio

13

MATT YUSKEWICH, Chair, Ohio Society

14 of CPAs Federal Tax Legislation

Policy Committee, Winterset CPA

15 Group, Inc., Columbus, Ohio

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1 REP. RENACCI: Good evening,
2 everybody. Thank you for being here. I really
3 appreciate it.

4 I'm Jim Renacci. I am the
5 Congressman in the 16th District. As many of
6 you know, I represent Ohio's 16th District,
7 which goes all the way from Portage County to
8 Wayne to Medina to Cuyahoga County. And did I
9 miss any? Summit County. So I pretty much
10 represent Northeast Ohio from, as many people
11 say, from Wayne County all the way to the Lake
12 and over to Portage County.

13 I want to thank the Taxpayer
14 Advocate Service for holding these public
15 forums because, like me, they believe the IRS's
16 future operations must reflect the needs of
17 those that they assist, which are really the
18 hardworking American taxpayers.

19 For those of you who don't know,
20 the Taxpayer Advocate Service is an independent
21 organization through the IRS that serves as
22 your voice at the IRS. They are holding a
23 series of these forums across the country to
24 aid in the development of a path for how the
25 IRS will advance from its current state to its

1 Future State, including refinements to the
2 vision along the way. A Future State Plan that
3 envisions how the IRS will operate in five
4 years and beyond. The goal is to solicit
5 feedback from the public regarding your needs
6 and preferences of taxpayers.

7 I personally have been a victim of
8 tax-related identity theft, so I understand
9 what it means to work with the Taxpayer
10 Advocacy Group. For those of you who don't
11 know that story, last year I had filed a tax
12 return, and -- I had not filed a tax return. I
13 received a letter from the IRS asking to audit
14 my tax return, which had not been filed yet. I
15 had filed an extension to October. I was
16 assuming that the IRS really just, you know,
17 first thought is, What are they talking about?
18 What are they doing? Do they really know
19 what's going on? And I come to find that here
20 somebody had filed a tax return on my behalf,
21 on my wife's behalf, claiming a refund.

22 So the IRS's response was to ask
23 for more information. They did ask for more
24 information. I told them I had not filed a tax
25 return. I did speak with the Taxpayer Advocacy

1 Group in Cleveland, and it was very helpful,
2 who told me that there was a tax return filed
3 in my name, which I was not aware of.
4 Remember, I still had not filed my tax return,
5 and I had an extension pending. And then I met
6 with the IRS in Washington, D.C. and found that
7 there was a return filed.

8 We are in the world of electronics,
9 as you all know, so we have electronic-filed
10 tax returns these days, so anybody can file a
11 return in your name if they have all the
12 information. And, by the way, they can claim a
13 refund and have it sent to a bank account
14 anywhere in the world, because we do have
15 people living outside of the United States that
16 are American taxpayers.

17 So I think it was a learning lesson
18 for me that I realized that there are some
19 issues when it comes to filing tax returns,
20 especially in an electronic filing world.
21 Remember, the old days, you signed the return,
22 you got a refund, which was a check. It was in
23 your name, and you went to the bank and cashed
24 it. Those were the simple days. Today, we're
25 a little more complicated. Because of that, we

1 do have identity theft problems.

2 I will also tell you, for me it was
3 a great learning experience for me, because I
4 did have to sit on the phone for two hours
5 trying to go through the IRS, which I was not
6 happy about. I did realize that when you work
7 with the IRS, you have to be able to find the
8 right person every time, so a taxpayer that
9 goes back to the IRS doesn't have the ability
10 to get back to that same person.

11 So we did pass a bill out of
12 committee, my committee, Ways and Means
13 Committee, actually passed out of the House,
14 that does a few things that will actually help
15 identity theft. A couple of those are, number
16 one, we've moved the filing dates of W-2s.
17 Believe it or not, you get your W-2 at the end
18 of January. Businesses don't have to file
19 their W-2s until March. There a 60-day window.
20 90 million tax returns are filed during that
21 period of time. Very easy to have identity
22 theft issues. So we've now, starting next
23 year, the businesses will file -- they'll give
24 you your W-2, and they'll file the tax returns
25 with the government at the same time.

1 We also made sure, in the bill,
2 that the IRS has a point of contact within
3 the IRS, so that you have the opportunity to
4 deal with somebody on a regular basis, and
5 there will be a division.

6 The third thing that we made sure
7 we did that -- give the opportunity for the IRS
8 to actually notify you if they suspect fraud.
9 Today, the only way the IRS can notify you is
10 by sending you an audit notice, and that's what
11 they did with me.

12 So -- and, plus, we did a number of
13 other things in the bill. I'm proud to say
14 that it has passed the House. We're hoping the
15 Senate takes it up before the end of the year,
16 and we can move that bill forward. But that's
17 my personal story when it comes to working with
18 the IRS, which, again, was a little
19 frustrating, and especially the time spent on
20 the phone.

21 But I will tell you that this --
22 tonight I hope to hear from all of you. I plan
23 on listening. That's why I won't be sitting up
24 here. I'm going to be sitting back there and
25 listening. I want to hear your concerns, your

1 issues, and as always, my office stands ready
2 to assist you and any other taxpayer that may
3 have issues before the IRS. Please don't
4 hesitate in any way to reach out.

5 Now I'd like to introduce you to
6 the host for this evening and for the public
7 forum, Nina Olson, sitting next to me, is the
8 National Taxpayer Advocate. She's the voice of
9 the taxpayer at the IRS and before Congress.
10 Under her leadership, the Taxpayer Advocate
11 Service helps hundreds of thousands of people
12 every year resolve problems with the IRS and
13 addresses the systematic issues within the IRS.

14 Nina, I will turn the event over to
15 you now. Thank you.

16 MS. OLSON: Thank you. I'm going
17 to steal the mic.

18 REP. RENACCI: Sure.

19 MS. OLSON: First, I want to thank
20 the Congressman for that legislation. We have
21 recommended to the IRS for years that they
22 create a system for identity theft where they
23 assign one person to that person's case so that
24 it doesn't fall through the cracks and they
25 make all the different parts of the IRS work

1 right so the taxpayer doesn't have to keep
2 calling and talking to different people every
3 time. And they've said that it's very -- you
4 know, it's not very cost effective. And we
5 have tried to show how cost effective it really
6 is and how much money they're wasting by having
7 multiple phone calls and losing cases and
8 things like that. And so I'm very grateful to
9 the House getting that legislation through.
10 That's just -- I really appreciate it.

11 And I'm also very appreciative for
12 the Congressman and his office. They were some
13 of the first out the dock, wanting to do this
14 public forum. And I'm thrilled to be out in
15 Parma. This is our ninth public forum that
16 we've held since February. And what we've been
17 doing is going around the country and hearing
18 from taxpayers and a panelists who are
19 representatives of different taxpayer
20 populations in different aspects of tax
21 administration, from the taxpayer side.

22 In my December report to Congress,
23 I'm required each year to submit two reports
24 directly to Congress, the Ways and Means
25 Committee, and the Senate Finance Committee.

1 And in my December report, I identified the
2 IRS's vision for the Future State as actually
3 the number one most serious problem for
4 taxpayers. And I did that because the IRS had
5 been planning it for two years but had not
6 really been talking to taxpayers or members of
7 congress about what it was to look like, and we
8 felt very strongly that there needed to be a
9 dialogue with taxpayers.

10 And so that's when I decided that,
11 well, I needed to sort of have that dialogue if
12 the IRS wasn't going to go out and talk with
13 folks. So that's what this public forum is all
14 about.

15 We have four very diverse and
16 excellent and panelists with us today, and I'll
17 introduce them as each one comes up. And sort
18 of what's going to happen here is that each
19 panelist will speak for about five minutes, and
20 I'm not going to take a hook and, you know,
21 pull them off the stage, but I will discreetly
22 push a little card down there saying, "You've
23 got one minute." And they ignore that at their
24 peril. And then we'll go through comments and
25 the formal statements, and then I'll have some

1 questions of them that we can have a dialogue
2 about, and then we're going to open it up to
3 the floor.

4 I also want you all to know that we
5 do have members of the Ohio office of the
6 Taxpayer Advocate Service and Susan Morganstern
7 in the back room. You want to wave your hand?
8 And some of her employees are here, and they
9 can wave their hands too. And they are here to
10 take cases. So if you have any cases that you
11 haven't been able to get resolved that are
12 going on with the IRS, you can talk with them.
13 We can't solve them tonight, but we can intake
14 the case.

15 And in TAS, as opposed to other
16 parts of the IRS, you get one case advocate
17 assigned to your case, and we work with you
18 until the issue is resolved, and all the other
19 issues that are sort of related to your case.
20 So we're here -- we're literally here to help,
21 and you see the people in the back of the room,
22 who are going to be here after the meeting in
23 order to help if you need anything.

24 So without further ado, let me
25 introduce our first panelist. Our first

1 panelist is Dana Goldstein, and Dana is with
2 the Low Income Taxpayer Clinic. She's the Low
3 Income Taxpayer Clinic director of Community
4 Legal Aid in Akron, Ohio, and she has advocated
5 on behalf of low income taxpayers in this job,
6 where taxpayers have controversies with the
7 IRS, disputes with the IRS.

8 She has spent most of her
9 professional career working for Legal Aid and
10 working for justice on behalf of low income
11 individuals. And before she started working in
12 the Low Income Taxpayer Clinic, she worked for
13 Legal Aid both in Ohio and in Massachusetts,
14 where she worked on consumer issues and also
15 represented victims of domestic violence.

16 So Dana, if you want to --

17 MS. GOLDSTEIN: Sure. So the Low
18 Income Taxpayer Clinic represents low income
19 individuals who are at or below 250 percent of
20 the federal poverty level and have a tax
21 problem. We serve a melting pot of individuals
22 from various cultural backgrounds. Our clients
23 live in a variety of urban settings and remote
24 rural areas where even cell phone service can
25 be very spotty.

1 We are part of the Rust Belt, so
2 many of our taxpayers work in heavy industry
3 that fell on hard times. Like a lot of the
4 country, we had and saw a large number of
5 foreclosures, which posed tax issues related to
6 canceled debt. The common core of our client
7 base is poverty. The pathway to poverty is, of
8 course, very diverse.

9 Many clients face a number of
10 issues simultaneously. While the client might
11 appear at the Low Income Taxpayer Clinic, after
12 interviewing them, it's apparent that taxpayers
13 are dealing with a whole multitude of issues.
14 These include tax issues, eviction issues,
15 issues of domestic violence, to name, really,
16 just but a few.

17 Incredulously, clients appear at
18 Legal Aid for their tax problem as a reason for
19 seeking legal assistance rather than for
20 addressing the eviction, which they might face
21 within a month. I will talk later about why
22 they will address their tax problems before
23 even facing eviction problems. While this
24 paints a picture of abject helplessness and
25 despair, I find, with many of my clients, tales

1 of determination and strength, courageousness,
2 really, in these very adverse situations.

3 The right of access to justice is
4 at the core of the Fifth Amendment: no
5 deprivation of life, liberty, and property
6 without, of course, due process of law. It's a
7 principle intertwined and incorporated into the
8 U.S. tax code and the regulations adopted by
9 the IRS. It is a principle, this due process
10 access, that both the wealthy and the
11 impoverished have embraced.

12 An expansion of this concept of
13 access to justice requires that we look at
14 meaningful access, and this requires the IRS,
15 as an institution, to understand the barriers
16 that confront its users, the taxpayers.
17 Obviously, the IRS can't solve these low income
18 taxpayer barriers, but it is incumbent upon the
19 IRS to understand them. A system that does not
20 comprehend the obstacles that confront my
21 clients just can't deliver access to justice,
22 at least not to the clients that I serve.

23 So what are some of these obstacles
24 to justice for the low income taxpayers that I
25 serve? Quite frankly, my clients are afraid of

1 the IRS, probably a pretty common problem.
2 They're afraid the IRS is going to seize their
3 bank accounts. They're afraid the IRS is going
4 to take their wages. And they're afraid
5 they're not going to be able to pay their rent.
6 My clients don't have a safety net. And so all
7 these mentioned fears have, in fact, become a
8 reality for some of my clients, so the fears
9 that I have talked about, in fact, may become
10 the reality of the taxpayers I serve.

11 When a Future State Plan creates an
12 Internet system of access with little or no
13 ability to talk to a person, which is a system
14 that the IRS is projecting in this Future State
15 Plan and proposing, a system through the
16 Internet where access to people isn't readily
17 available, then that system creates a hardship
18 for my clients. When my people that I
19 represent can't explain hardships like
20 homelessness, when they're unable to explain
21 hardships like domestic violence, when they're
22 unable to explain hardships like confronting a
23 medical issue that consumes all of their
24 resources and time, well, that system's just
25 not access for my clients, not the clients that

1 I serve.

2 Another fear of my clients, a
3 barrier to the IRS, which I think the IRS needs
4 to understand, is that my clients fear
5 incarceration. One of my first tasks, in fact,
6 is to inform my clients that, you know -- that
7 incarceration is off the table, that they can't
8 be incarcerated unless they failed to report
9 income deliberately or they failed to file a
10 return deliberately.

11 Scammers prey on my clients and
12 sometimes call them, threatening incarceration
13 or deportation if they fail to pay their IRS
14 debt, so I can assure you that this is
15 absolutely a very realistic fear. The question
16 is, realistically, even if my clients had
17 Internet access, which a lot of my clients
18 don't and they can't use, the question becomes,
19 would they access an Internet system with no
20 option to talk to a human being or a person
21 when toggling "1" they think is going to be
22 providing an expedited access to jail, which
23 they realistically believe? And so, that
24 system of accessing the IRS is just not access
25 for my clients, which explains why my clients

1 sometimes address tax issues as their most
2 pressing problem, even when they're facing
3 eviction within a month.

4 So this Future State Plan that's
5 proposing a system with little or no
6 opportunity to talk to a person is just not
7 access for my clients.

8 MS. OLSON: Thank you.

9 All right. Our next panelist is
10 Kathy Matthews, and Kathy is a program director
11 with Enterprise Community Partners, which she
12 has led the Cuyahoga County EITC Coalition for
13 the last nine years. She is well versed in the
14 administration and operation of volunteer
15 income tax assistance sites and provides
16 oversight for 400-plus IRS-certified volunteers
17 at 25 vital locations. That's just wonderful.

18 Since its inception in 2005, the
19 Coalition has prepared over 102,000 income tax
20 returns, resulting in \$142 million in refunds
21 for low and moderate income families living in
22 this county. Prior to joining Enterprise, she
23 had over 18 years of corporate work experience
24 in financial analysis in Cleveland and Chicago.

25 So, Kathy, do you want to --

1 MS. MATTHEWS: Uh-huh. First of
2 all, I'd like to thank Ms. Olson and the
3 Congressman for convening this public forum.

4 On behalf of the 15,000 taxpayers
5 we serve annually, I appreciate the opportunity
6 to share with you what we see as the critical
7 needs of low income taxpayers and what we
8 believe will help them comply with their tax
9 obligations. We are grateful to our IRS SPEC
10 partners who provide valuable program support
11 as we plan and prepare for each tax season.

12 Enterprise Community Partners is a
13 national nonprofit organization that believes
14 opportunity starts with a good home that you
15 can afford. We create and advocate for
16 affordable homes and thriving communities
17 linked to jobs, good schools, transit, and
18 health care. Since 1982, we have been working
19 through local offices across the country,
20 including here in Cleveland, where we carry out
21 our mission to create opportunity for low and
22 moderate income people through affordable
23 housing and diverse, thriving community. We
24 are driven by our mission, fueled by business
25 discipline, and sustained by donors and

1 investors. One of America's original social
2 enterprises, we bring together the people and
3 the resources to create affordable housing and
4 strong neighborhoods.

5 Central to acquiring and
6 maintaining affordable housing is the
7 availability of a good job with income that
8 makes this reality possible. And, as such,
9 Enterprise is committed to directly supporting
10 efforts that promote economic prosperity and
11 improves lives through programs like the
12 Volunteer Income Tax or VITA program, as well
13 as asset-building activities that move low and
14 moderate income families from financial
15 uncertainty to financial security.

16 With assistance from the IRS,
17 Cuyahoga County Job and Family Services, and
18 other funders, Enterprise helped form the
19 Cuyahoga County EITC Coalition. We bring
20 together nonprofits in the community and
21 partner with financial institutions and
22 government agencies.

23 As mentioned earlier, since 2005,
24 the Coalition has been working with hundreds of
25 volunteers and supports 25 VITA sites. And

1 again, inception to date, we've prepared over
2 102,000 tax returns, resulting in more than
3 \$142 million in refunds put back in the pockets
4 of hardworking taxpayers living in Cuyahoga
5 County.

6 Based on surveys that we do each
7 year, we know that taxpayers use these refunds
8 to meet very basic needs such as rent,
9 utilities, and the purchase of household goods.
10 Overall, 35 percent of the taxpayers we serve
11 live below 100 percent of the federal poverty
12 level of \$24,300 for a family of four. 80
13 percent live below 250 percent of the federal
14 poverty level. 41 percent are over the age of
15 55, and for 17 percent, English is not the
16 primary language spoken. Many of the taxpayers
17 who serve are parents or caregivers who work
18 multiple jobs and have limited free time to
19 spend on non-family-related activities.

20 As we prepare for the Future State
21 program, we hope that the experiences of the
22 Coalition can be of service and informative to
23 your efforts. I am proud to say that 98
24 percent of the taxpayers we serve rate their
25 experience with the VITA program as good or

1 excellent, primarily due to the volunteers we
2 attract and retain each year. For those who
3 are doing the math, the other 2 percent rate us
4 as good or -- excuse me -- as just okay, which
5 I'll take any day.

6 Also, as approximately 66 percent
7 of the taxpayers return each year, the
8 Coalition is able to build off the positive
9 interaction these taxpayers experience with the
10 VITA program, and due to the strong
11 relationships between volunteers and taxpayers,
12 volunteers are able to refer taxpayers to other
13 essential programs such as credit counseling,
14 home buyer education, foreclosure prevention,
15 and one-on-one financial planning.

16 When the IRS announced they would
17 curtail taxpayer services at the Cleveland
18 walk-in office, including stopping their tax
19 return preparation, the Coalition filled that
20 gap in service with our volunteers and
21 stretched itself to increase its capacity and
22 offered on-site tax appointments from April
23 through October at six locations. During these
24 months, we met with over 1,000 taxpayers who
25 received letters from the IRS requiring amended

1 tax returns, more documentation, and other
2 issues that needed to be addressed.

3 Due to limited time and capacity,
4 low income taxpayers who do not have an easy
5 way to contact someone directly may not respond
6 or understand how to respond to an IRS notice.
7 When the IRS does not receive a response, they
8 take actions like issuing a notice of levy or
9 filing a notice of federal tax lien. And for
10 the taxpayers we serve, a levy on their wages
11 is almost certain to cause hardship. A federal
12 tax lien would make it much more difficult to
13 rebuild credit, qualify for lower rates on
14 loans, or even buy a home.

15 The cost benefits and the
16 efficiencies that can be gained by the use of
17 automated or online services are clear. It is
18 important to remember, though, that in 2014,
19 there were still two thirds of census tracts in
20 the city of Cleveland with fewer than 40
21 percent of their households served by a fast
22 DSL or cable Internet connection. Furthermore,
23 many low income taxpayers are more likely to
24 be -- are more likely to be Internet and
25 computer illiterate, putting them at a

1 disadvantage even if they obtain access to a
2 secure network and reliable computer equipment.
3 The Coalition urges the IRS to consider these
4 challenges, particularly as it relates to low
5 income taxpayers as they develop the Future
6 State.

7 Clearly, the need for all eligible
8 families to claim and receive, as we work to
9 do -- to claim and receive the EITC is
10 critical. 34 percent of the taxpayers we serve
11 claim the EITC, and the average refund is
12 \$1,496. It is estimated that 20 percent of the
13 families eligible for the EITC do not claim
14 this valuable credit, and VITA programs help
15 low income working families make their way
16 through the tax code, claiming the full amount
17 of any tax refund for which they are qualified.
18 We also help low income taxpayers avoid
19 exuberant fees that the commercial tax
20 preparers will charge.

21 And through the Future State, we
22 hope that we will be able to strengthen the
23 partnership the Cuyahoga County EITC Coalition
24 has with the IRS in order to reach more
25 families in need. The Coalition believes the

1 Future State is not only an opportunity to
2 deepen our collaboration, but to also
3 streamline and promote existing resources.

4 We hope that you continue to view
5 programs like the Coalition, along with direct
6 access to knowledgeable IRS representatives for
7 low income taxpayers, as a priority for the IRS
8 as it develops its Future State.

9 Thank you.

10 MS. OLSON: All right. Our next
11 panelist is Wayne Wengerd, and he is the state
12 director of the Old Order Amish Steering
13 Committee. The mission of the Old Order Amish
14 Steering Committee and its states' directors is
15 to work to uphold and maintain the principles,
16 customs, and beliefs of the Old Order Amish, as
17 they were handed down by their forefathers in a
18 way the oldest of the Old Order can cooperate
19 and benefit as much as possible.

20 The Old Order Amish Steering
21 Committee, national and all 14 state directors,
22 meet twice yearly to discuss and counsel on a
23 wide range of current issues or changes in
24 government regulations or laws that affect the
25 Amish way of life, and each state director

1 holds an annual meeting with church leaders and
2 representatives in its states to communicate
3 and counsel on these same issues.

4 So, Wayne?

5 MR. WENGERD: Three items of
6 concern today that impact the Amish in the
7 state of Ohio, and we represent approximately
8 65,000 Amish constituents in Ohio today. When
9 a notice from the IRS is received by a
10 constituent, often there are questions and
11 issues needing discussion with someone at or
12 within the IRS. Most Amish, of course, do not
13 have access to the Internet, cannot communicate
14 online or by e-mail. As many of them do not
15 have phones, some need to travel and schedule
16 phone calls, and they, of course, cannot
17 receive phone calls.

18 Now, some of the suggestions, and
19 that is the Amish appoint a point-of-contact
20 person so Amish constituents have someone they
21 can turn to if they have questions or need
22 assistance -- which is currently for us, the
23 Amish Steering Committee -- and that the IRS
24 appoint a point-of-contact person within the
25 IRS that is informed and knowledgeable on these

1 issues impacting Amish.

2 And our current point-of-contact
3 person is Susan Morganstern here in Cleveland
4 with the Taxpayer Advocate Service here in
5 Cleveland, and is working out well. Thank you,
6 Susan. It really works great for us. She
7 answers the phone, and she is knowledgeable.

8 Number two, the IRS disallowing
9 dependents without social security numbers.
10 The problem is that there are some Amish
11 groups, especially the more conservative ones,
12 that do not apply for social security numbers
13 for their dependents until they reach
14 adulthood. Now, the IRS does allow claiming
15 dependents without social security numbers.
16 However, notices and letters do continue to be
17 sent to taxpayers, disallowing these dependents
18 without social security numbers.

19 Another issue that has just
20 happened, new for 2015 returns, is the IRS is
21 now disallowing the child tax credit for those
22 dependents without social security numbers.
23 Therefore, these taxpayers are no longer
24 eligible for the child tax credit.

25 And some of the suggestions that we

1 have is just more and better training and
2 awareness for IRS people, processes, returns,
3 and, of course, goes back to communication,
4 problem number one.

5 The big issue impacting us today,
6 of course, is our response to the Affordable
7 Care Act. I refer to it as ObamaCare.
8 Congress recognized the need and provided an
9 exemption for Amish and similar groups. That
10 is an exemption from the shared responsibility
11 payment for members of recognized religious
12 sects or divisions.

13 The qualifications for religious
14 exemption to the Affordable Care Act are the
15 same as for the 4029 social security exemption.
16 All taxpayers and their dependents wanting this
17 exemption need to apply to the Marketplace for
18 an exemption certificate number, referred to as
19 an ECN. All taxpayers and their dependents
20 claiming this exemption are then required to
21 enter their ECN on IRS form 8965 or pay the
22 shared responsibility payment, which, anymore,
23 can be substantial. All newborns must file a
24 five-page application for an ECN to be exempt
25 from the shared responsibility payment, and all

1 individuals reaching their 21st birthday must
2 then do the same thing again.

3 This application for exemption
4 process is time-consuming and confusing. It
5 seems redundant, since the qualifications are
6 the same as the 4029 social security exemption.
7 And thousands of Amish constituents applied for
8 and never received their ECNs, even after
9 repeated attempts to contact the Marketplace or
10 responding to requests for missing information.
11 The Marketplace does not currently have
12 point-of-contact people in place that are
13 knowledgeable and informed on the ECN
14 application process. Neither are they able to
15 locate and provide correct information in a
16 timely manner, which created a huge problem for
17 the Amish here in Ohio.

18 We appealed to Congressman
19 Renacci's office here. They responded. They
20 gave us a contact person here, which was very
21 helpful in developing a contact person for us
22 within the Center for Medicare and Medicaid,
23 which then accessed the Marketplace so the ECN
24 numbers are there. My constituents cannot get
25 them, but through the Center for Medicare and

1 Medicaid, we were able to procure ECNs for most
2 of our constituents, not all of them.

3 But our suggestion, again, is to do
4 away with the application process for ECN
5 numbers. For our constituents already having
6 an approved 4289, just allow them to enter
7 "4029 exempt" instead of an ECN on IRS form
8 8965.

9 And number two is just do away with
10 the application process. Again, and those
11 having an approved 4029, allow them to enter a
12 single letter instead of an ECN on IRS form
13 8965. These constituents having an approved
14 4029 have already gone through the approval
15 process, met all the qualifications required by
16 the ACA, and forcing them to file another
17 application seems redundant, is time consuming,
18 confusing, and adds no integrity or value.

19 And another suggestion we have is
20 switching to a simplified one-page application
21 form for an ECN. Simply have every individual
22 fill out the same one-page form. This would
23 make it simple and easy to understand and would
24 avoid many questions, eliminate much of the
25 confusion and unnecessary paperwork. It would

1 save a lot of time on everyone's part.

2 And inform or appoint a small group
3 of point-of-contact persons at the Marketplace
4 that are fluent on the religious exemption
5 application process. And then, of course,
6 retain the current point-of-contact persons
7 within the Amish community to act as contact
8 persons or liaison between the Amish
9 constituents and the Marketplace, which is us.
10 And we have a contact person here in Ohio,
11 which is myself. We also have contact persons
12 in other states.

13 MS. OLSON: Thank you. To me, this
14 is an example of processes that cause not only
15 taxpayer burden, but rework for the government
16 and wasted resources in the government when
17 something has been recognized.

18 I told Mr. Wengerd, when I was in
19 law school, we studied the case law dealing
20 with the Amish exceptions for dependents,
21 exemptions, and things like that, and it's just
22 shocking to me that it's still an issue that
23 we're wrestling with today when this has
24 already been solved several times over. That
25 was my editorial comment there.

1 Our last panelist is Matt
2 Yuskewich, and Matt has founded the Winterset
3 CPA group in 1988 after working with other
4 local CPA firms from 1981. He is a member of
5 the American Institute of CPAs and the Ohio
6 Society of CPAs, and he is currently chair of
7 the Ohio Society of CPAs Federal Taxation
8 Committee. He currently chairs the Society's
9 Ohio Tax Reform Task Force, and he previously
10 served on the AICPA State Taxation IRS Forms
11 and IRS Practice and Procedures Committees.

12 He was appointed by Governor Taft
13 to the Ohio Business Gateway Commission and by
14 Speaker Rosenberger to the Municipal Income Tax
15 Net Operating Loss Review Committee, and he
16 serves as chairman of the Board of Tax Appeals
17 for the City of Upper Arlington. So if you've
18 got a problem there, you know where to find
19 him.

20 Okay. Matt?

21 MR. YUSKEWICH: What Nina failed to
22 say is I'm part of that exorbitant fee
23 community, too, that she referred to.

24 I want to thank you Nina and the
25 Congressman for allowing us to participate

1 tonight. You know, every American interfaces
2 with the IRS at some point in their life,
3 either through filing a tax return, responding
4 to a notice, participating in an audit, and
5 such types of things. And I think the
6 overreaching goal should be to make that
7 experience, although it won't be pleasant, a
8 little more comfortable.

9 So the theme of a lot of my
10 comments tonight, in the five minutes that
11 we're allowed -- which I was originally told an
12 hour and five minutes.

13 MS. OLSON: Sorry.

14 MR. YUSKEWICH: That's all right.
15 Five minutes.

16 -- is customer service. Because I
17 think when customer service improves,
18 compliance improves, and everybody has a better
19 experience. And so you'll hear a lot of
20 references, not necessarily from the IRS's Plan
21 for the Future, but what the plan for today
22 should be.

23 So with that, I want to address
24 three points. And not only am I a
25 practitioner, but I own a business. As Nina

1 said, I'm chair of a Federal Tax Committee that
2 we have members here present also. Some of
3 these concepts have been vetted through a lot
4 of professionals that deal with businesses,
5 small and large. In my particular practice, we
6 deal with mostly small business and
7 individuals. But I want to address three
8 points relatively quickly: correspondence,
9 examinations and audits, and forms.

10 And certainly can't get into a lot
11 of depth on those, but let's start with
12 correspondence. Most people don't want to hear
13 from the IRS. We used to have a line that we'd
14 tell people, you know, when you hear, "Hi, I'm
15 from the IRS. I'm here to help you," that you
16 ought to be concerned. Well, first of all, I
17 don't think you get a "hi" from the IRS unless
18 you wait for two and a half hours. And
19 generally speaking, there's not a lot of help
20 on the other end.

21 So in correspondence especially,
22 when people receive correspondence, it can be a
23 result of something doesn't match on the tax
24 return. It can be, "You owe money." It can
25 be, "We want to audit you." But in any case,

1 most all correspondence requires some kind of
2 response, and that response can take the form
3 of a letter back, a phone call, or ignore it.

4 And this was mentioned earlier. A
5 lot of small business owners and individuals
6 are afraid of the IRS. So you get this phone
7 call that says, "Well, I got this phone call
8 from the IRS. I'm getting audited," which is
9 not the case. "It says I owe \$300-some. I'm
10 just going to pay it because I don't want to
11 worry about it." So there's this overriding
12 concern that immediately, I'm guilty; I better
13 pay it or else something worse will happen.

14 Well, those responses and that
15 correspondence need a lot of work. I think
16 that the Treasury Inspector General for Tax
17 Administration cited correspondence as one of
18 the IRS's problem areas. When we respond on
19 behalf of a taxpayer, we, as professionals,
20 have to have the taxpayer's authority to do so.
21 That's usually in the form of a power of
22 attorney form, which requires their signature
23 and our submission.

24 Frequently, when correspondence is
25 responded to by us, along with that form,

1 there's a letter back saying, "Your
2 representative is not authorized to respond on
3 your behalf." So there's a clear disconnect
4 between a form that authorizes response and the
5 IRS systems in general, which we think could be
6 addressed.

7 Additionally, the taxpayer has an
8 opportunity, on their originally filed return,
9 to check a box indicating that a third party
10 can represent them relative to tax matters on
11 that return. However, the period of time that
12 is allowed for that representation is one year.
13 Frequently, notices come well after one year
14 and so power of attorney is now required, and
15 it's a difficult thing to explain to a lot of
16 small businesses and individual taxpayers.

17 You know, when you get the notice,
18 you can send correspondence, you can send it
19 certified. Doesn't really make any difference.
20 It generally doesn't get responded to before
21 you get another notice. And one of the
22 problems is the IRS correspondence does not do
23 a good job of informing the taxpayers as to
24 what the next step is.

25 A lot of times, in initial

1 correspondence, their cycle for correspondence
2 is 30 days, maybe 45. So if you don't do
3 something in that time period, you're going to
4 get another letter. Well, frequently, we'll
5 respond, and our client gets another letter,
6 and of course they're calling us saying, "You
7 didn't respond. Why didn't you take care of
8 this for me?" Because those letters keep
9 coming out every 30 or 45 days until somebody
10 stops them. And it doesn't say that in the
11 original notice. So the taxpayer immediately
12 becomes apprehensive and thinks that the
13 response isn't appropriate, and they need to
14 take some other form of action.

15 You know, you can try to call, but
16 unlike some of the other panelists, we don't
17 really want to talk to the IRS. They're not
18 going to answer the phone anyway, and when they
19 do, and this is practical experience, it is an
20 hour and a half to a two hour wait, and you do
21 not get somebody that wants to own the problem,
22 unlike a lot of other customer service centers
23 in private industry that I would compare them
24 to.

25 Give you a couple examples. Our

1 own accounting firm received a notice in
2 January for a late payroll deposit. We were
3 late by two days. January 2nd, there was a
4 holiday in there; I don't know what it was.
5 But we got a notice saying, "Your payroll tax
6 deposit was late, and you owe" -- the number
7 was \$16,000 you owe in penalties. Kind of got
8 my attention.

9 So we responded. And 30 days
10 later, we get another notice saying intent to
11 levy. So we respond again with another
12 certified letter. Another 30 days, we get a
13 more serious -- as some of you know -- a more
14 serious letter, which is now, you know, we
15 can't afford that kind of money being taken out
16 of our bank account. So we engaged the
17 Taxpayer Advocate's office. And interestingly
18 enough, a phone call in 24 hours and a problem
19 resolved in less than a month. And that
20 \$16,000 penalty went away.

21 It shouldn't take an entire other
22 agency to resolve what the original agency is
23 supposed to do. So one other example, and
24 going maybe to what the Congressman received,
25 here's a letter from the IRS to one of our

1 clients saying, "We received your December 31,
2 2014, Form 1040EZ. We need some more
3 information. Enclose the requested
4 information, and if you don't, we may have to
5 increase your tax. If you didn't file the tax
6 return referenced above, check this box: 'No,
7 I didn't file.' If you have questions, call
8 the appropriate telephone number." And at the
9 top is the taxpayer's name and social security
10 number. Nothing redacted.

11 So you can call. What answer do
12 you think you're going to get? The information
13 on the form, it doesn't say you've been a
14 victim of identity theft. It says you haven't
15 filed your -- if you didn't file, check this
16 box. Well, what happens next? So you get all
17 these questions revolving around
18 correspondence.

19 We have a couple suggestions as to
20 correspondence. One, why can't we put the name
21 and phone number of an individual that will be
22 responsible for the resolution of that notice
23 on everything? Number two, why can't we
24 improve the format of correspondence where
25 there might be multiple choice kind of things

1 to check the box to say, "Enclosed is this form
2 that you requested. No, I didn't file, but
3 here's my copy." Some choices so that the
4 taxpayer doesn't have to engage the
5 exorbitantly priced CPA to respond on their
6 behalf, that they can do that themselves.

7 What about an e-mail address for
8 responses only? You know, we used to be able
9 to do that as practitioners through a service
10 called E-services, which was generally
11 available to practitioners. But what's wrong
12 with that? Create an e-mail drop box type of
13 thing where we can drop the correspondence and
14 you can read it and save on all the mail
15 hassle. There's no security issue there.

16 MS. OLSON: All right. I'm going
17 to sort of take over right now to lead you a
18 softball to the next part of your testimony.

19 MR. YUSKEWICH: Thank you.

20 MS. OLSON: But then that will
21 go -- so that others can comment on it, because
22 you have other comments about the exam, the
23 audit function, so I'm going to ask this as a
24 question, and then you can start on that, and
25 then I want to hear from others about that.

1 So I'll just -- it's really a
2 softball, but would you explain to me or
3 comment on what it's like to go through audits
4 and correspondence exams, sort of carrying off
5 what you were saying?

6 MR. YUSKEWICH: Most of my
7 experience is with actual field audit exams
8 where you actually have an agent show up in
9 your office, but we do have some
10 correspondence exams. And I wanted to talk
11 about maybe the CP2000 notice, which is a
12 matching program where you get this notice that
13 says, "We have this information, but we can't
14 find it on your return, therefore you owe this
15 tax. Please pay or go to jail."

16 Just to give you an example of this
17 IRS audit function, though. There is a client,
18 small business client, gets the notice of
19 you're being audited, and it says, "Items to be
20 discussed at the appointment: shareholder
21 distributions, automobile expense, contract
22 services." Okay. And then there are 18 other
23 items that are requested that have nothing to
24 do with those three things. Corporate minute
25 book, corporate stock ledger, corporate

1 officers' tax returns, detailed general ledger,
2 cash disbursements journal. All of which --
3 I'm not going to go through all of them -- but
4 all of which is very disruptive to a small
5 business.

6 You know, a lot of small business
7 owners or individual sole proprietors do not
8 have an accounting staff, so they have to take
9 time away from what they would otherwise be
10 doing to gather all this superfluous
11 information that's not the object of the audit.
12 You know, if the Service would take a cue from
13 private industry, in our business, the audit
14 says -- the audit function says, "Focus on risk
15 areas." What do you determine to be a risk on
16 that return? Audit that, and let everything
17 else go, and you'll be more efficient, you'll
18 complete more audits, it will be a better
19 experience for the taxpayer, and a better
20 result for the IRS.

21 And then just one other thing,
22 Nina. On the CP2000 notices that come out, and
23 they generally come out about a year and a half
24 after you file your return, and it's a notice
25 that says, "We have this information:

1 interest, dividends, capital gains, mortgage
2 interest. We can't find it on your return."
3 And so they have a column that was on the
4 return and not on the return, and then they
5 came up with a bill that says, "Please pay this
6 amount."

7 Well, you can send information in
8 that says, "Yes, it is on the return," or,
9 "Here's why it's not on the return," but
10 generally, you get no followup. So you're just
11 left with this assumption that it must be okay,
12 because nobody sent me any letter back saying
13 that's what we needed; you're okay. So there's
14 this unresolved kind of issue always floating
15 in taxpayers' minds that, "Did I give them what
16 they need? Was I responsive to the request?
17 Is it over?"

18 MS. OLSON: Dana, do you want to
19 talk about these issues? And use the mic.

20 MS. GOLDSTEIN: Sure. So in my
21 practice, I experience exactly what Matthew
22 just mentioned, in terms of, you get this
23 notice. From my -- from my experience, clients
24 don't even understand the CP2000, which is a
25 match with what the IRS has on file and what

1 they filed on their return. And so frequently
2 they don't even know what to do with it.

3 There's also just the fear of the
4 IRS, but a lot of my clients also get to exams
5 with the earned income tax credit, which is one
6 of the biggest refunds administered by the
7 federal government, really -- maybe even more
8 significant in a lot of ways than just the
9 welfare program. Earned Income Tax Credit is a refundable credit that
10 helps low
11 income taxpayers meet their basic living
12 expenses. But it's an area of high audit and
13 review by the IRS. So my clients will get
14 these audit notices and not really understand
15 what they are.

16 Because they have a fear of the
17 IRS, I have had clients who have contacted me for representation,
18 particularly senior citizens, who are raising
19 their grandchildren, who are entitled to the
20 earned income tax credit, and who have a real
21 fear of the IRS. So I can tell them, look, we
22 can resolve this. We can provide the documents
23 that the IRS is requesting, and we can make
24 sure that you get the earned income credit.

1 And the response that I get, because there's no
2 notification of what the ramifications are, is,
3 "No, that's okay. I'll just pay the money
4 back. I don't want to get the IRS upset. I
5 don't want to ruffle any feathers. Can you
6 help me with that?" Which is just extremely
7 infuriating.

8 But on those notices, there is
9 no information informing my clients that
10 incarceration is off the table. And I keep on
11 telling them, look, you can't be imprisoned for
12 this. But a lot of times they have a fear of
13 that. And maybe it's a fear because of all the
14 scammers and all the people calling and saying,
15 "If you don't pay your bill, you're going to be
16 incarcerated."

17 But even, let's say we get over
18 that, and we respond to the request that the
19 IRS has for the audit, it's extremely complex.
20 I quite frankly can't figure out how a low
21 income taxpayer could navigate that system on
22 their own. We can help them. We can get
23 documents. It always requires documents from
24 schools for two years, not one year, because
25 the calendar year is different than the school

1 year. So clients never respond properly on
2 their own, because they only get one school
3 year, which is not a calendar year.

4 MS. OLSON: So let me follow up on
5 that and actually ask you, Kathy, a question
6 about this. You know, you all have in the
7 audience a vignette that the IRS has developed
8 with the help of contractors that paints a
9 picture of what the Future State must be like.
10 These -- there're two vignettes, one about a
11 small business owner and one about an earned
12 income tax credit taxpayer.

13 And this is really, we've heard
14 from other public forums, a little idealized
15 vision, but having heard Dana talk about her
16 taxpayer, you know -- Kathy, I'm going to turn
17 it around and ask you. Do you think, this --
18 they're describing this woman who, one, has a
19 laptop in her home, and we've already gotten
20 testimony from Pew Research Center on research
21 that has told us that 34 percent of U.S.
22 households do not have broadband access. Let
23 me just say that again: 34 percent of U.S.
24 households don't have broadband access. So
25 she's one of the lucky ones that has a laptop

1 with a computer in her home and, you know, some
2 kind of, you know, Internet service in her
3 home. Other people are going to be going to
4 public libraries, they're going to be doing it
5 on their smartphone, on their little 2-inch
6 screen and in Starbucks somewhere with Wi-Fi
7 access and people looking over their shoulders.

8 But do you think, knowing your
9 clientele, would they be able to log onto an
10 account -- and I'm going to take some time
11 describing what the Future State account is,
12 because the IRS has been not very open about
13 this. But a taxpayer will first have to create
14 an online account and go through all sorts of
15 security questions. And, at this point, we've
16 just put online transcript back, and there is
17 only a 30 percent pass rate for the people who
18 are trying to create an online account to be
19 able to get access to an online transcript of
20 their return. Only 30 percent of people who
21 are trying to do it are able to pass that
22 security. So first you have to get through
23 that.

24 And then, once you've gotten
25 through that, you will create this account, and

1 the IRS will be sending you little e-mails
2 saying, "Hello. There's an e-mail in your
3 account that you need to come sign on to and
4 access and look at." So once she gets an
5 e-mail that just says that, then she will have
6 to take steps to log onto her account, you
7 know, and then see what's in the account, and
8 then answer all these questions and do her work
9 and then go back into the account and say yes
10 or no.

11 And I really wanted to follow up
12 with what Dana said, you know, about, okay,
13 here are people who have been through the
14 ringer. They're afraid, or they've just gone
15 back and forth, been on the phone or whatever.
16 You know, been going back and forth and notices
17 and notices. And so then they're being told,
18 "Okay, now here's what we think." And there's
19 a button in front of you. And you can push it
20 "yes," you can push it "no." You can do a
21 lot -- you know, what do you think? Are they
22 going to be able to deal with that? That is
23 the Future State vision.

24 MS. MATTHEWS: No. No. No. You
25 know, we're dealing with 15,000 people between

1 January and April, and we've attempted, in our
2 efforts, in our own efforts, to employ the use
3 of technology. And when we have overflow
4 and/or someone comes to one of our sites and
5 doesn't bring their social security card and/or
6 a picture ID, we're really good rule followers.
7 We partner well with the IRS, but they scare
8 me. I follow the rules, which means I can't
9 help them, which means I've now just turned
10 away someone who's either taken the bus, got
11 dropped off, arranged for a babysitter, and
12 I've just said, "No, I can't help you."

13 But we are proactive and said, we
14 are going to then show you how to do your own
15 tax return using MyFreeTaxes, which for some is
16 a great solution, but not for all. And so
17 we'll then refer this person to sit down at the
18 computer and start to prepare their return on
19 their own using MyFreeTaxes. Some don't even
20 know how to turn the computer on, let alone be
21 able to navigate through all the questions and
22 how you just described the process by which
23 they need to go through in order to, you know,
24 access information or file an inquiry or
25 whatever it is they intend to do. And now it's

1 like, you know, maybe an hour and 15 minutes
2 later, they've got the computer on. They've
3 started to read through it. They've gone back
4 and they double checked if they have done
5 anything wrong, and their ride is here or their
6 bus is here, and they're stuck.

7 And they go home, and they don't
8 have -- or do not have easy access to the
9 equipment and/or their equipment, you know,
10 their DSL or their Internet connection is
11 spotty because a lot of low income
12 neighborhoods don't have great connectivity.
13 And so now they're, you know strapped for more
14 time, and the clock is ticking. And by the
15 time they go back, they forgot what they did.
16 They have to start over. I mean, you get the
17 story here.

18 But absolutely not. These are
19 people who are trying to do the right thing for
20 themselves, their families, and pay their
21 taxes. They're not the looking for a handout.
22 They're not looking for a shortcut. They're
23 looking to do the right thing. And so we need
24 to argue on their behalf and advocate on their
25 behalf, because they don't have time. We don't

1 have time. I don't have time, let alone
2 someone who's holding two or three jobs and
3 also caring for, you know, families and
4 extended families, to then go through the
5 process of trying to be compliant.

6 There's no one that's not trying --
7 at least for the most part -- no one who's not
8 trying to be compliant, and we have to find a
9 way in which we're meeting people where they
10 are and in the reality in which they're living,
11 and there are just, quite frankly, limitations.
12 And we just have to meet them creatively in
13 some cases, but realistically meet them where
14 there are.

15 MS. OLSON: So, Matt, for your
16 clients, I mean, if they're representing
17 themselves, and we also have the small business
18 owner who pulls in his representative into the
19 audit, and so there might be some real benefits
20 there. But do you see -- I mean, how do you
21 see that working for your clients?

22 MR. YUSKEWICH: Well, I don't think
23 one size fits all if it works, but I do think
24 that the ability to interface with a taxpayer
25 or small business community electronically is

1 where the future is. I think small businesses
2 are used to online banking. They deal with
3 their credit card companies that way.
4 Providing information that way is much more
5 efficient, faster, and you're sure it's
6 received.

7 One of the larger problems we have
8 is matching payments, just matching estimated
9 payments. You know, locally here, Regional
10 Income Tax Authority has a system in place with
11 a phone number. They'll spit out your
12 estimated payment so the return is accurate
13 when it's filed. State of Ohio, through Ohio
14 Business Gateway, has mastered some of these
15 things without security issues. So it's
16 doable, but I don't think it's for everybody.
17 And I'm not going to talk about the filing side
18 of this, but certainly the interaction through
19 correspondence and audit, I think, can be much
20 more efficient, doing that.

21 MS. OLSON: And that's presupposing
22 that there's somebody on the other end that is
23 knowledgeable. And also, to your
24 recommendation, that there be one person
25 assigned, you know, to be, accountable for your

1 case.

2 And, actually, Congress did address
3 that in 1998. They passed a provision in the
4 restructuring, you know, IRS Restructure and
5 Reform Act that required, you know, where an
6 IRS employee was working the case, that they
7 had to put their name and their phone number on
8 it. And two years ago, we covered that in
9 their annual report. And we asked the IRS,
10 "Are you doing that?" Because we knew they
11 weren't.

12 And they said, "No, we don't need
13 to do that," and blah, blah, blah, blah, blah.
14 And it was fascinating. Like, here it is in
15 the law, and it is not being done. And we've
16 had to try to get that done in identity theft
17 interaction.

18 But how many of you in the audience
19 have had correspondence audits or payment
20 stuff, and you've called the IRS, and you've
21 gotten the same person twice? How many of you
22 have done that? One person has gotten the same
23 person twice. No, you didn't. You've never
24 gotten it. Never. Okay.

25 So, see, I mean, you've had to

1 spend your time on the phone telling the same
2 story over and over and over again. And
3 there's no guarantee in this Future State that
4 your e-mail isn't going to go into the ozone
5 just a little faster, you know, or that you
6 will get an incomprehensible letter faster by
7 e-mail from the IRS. And I think that goes to
8 your earlier point about, we're not talking
9 about a Future State. We're talking about
10 fixing things now.

11 MR. YUSKEWICH: And I agree. And I
12 think -- and a lot of our time is spent trying
13 to get the IRS to stop doing things while they
14 process information, which is just totally
15 inefficient.

16 MS. OLSON: Right.

17 MR. YUSKEWICH: But because, at
18 least on our side, we know how the wheels turn
19 and things happen and liens, levies, and bad
20 things happen if the issue is not resolved, you
21 have to try and get a hold put on the account
22 for a certain period of time for one person,
23 and so there is, I think, a -- I don't know if
24 it's retraining, but certainly empowering
25 employees at the IRS at a certain level to be

1 able to solve problems. Because that's one of
2 the issues that comes back. And, "I can't take
3 care of that. You have to go here, there, or
4 I'll transfer you and you can wait another two
5 hours, and hopefully somebody can resolve
6 that." And maybe that's training. Maybe
7 that's structure. I'm not sure what it is, but
8 the rest of the world has it figured out. They
9 need to.

10 MS. OLSON: Right. So how many on
11 the panel, and also in the audience, have
12 called the IRS and been told, "I don't have
13 access to that information or that database"?

14 Okay. So as we talk about building
15 the future, you know, this digital account, you
16 need to understand how difficult it is for
17 the -- there are so many different databases.
18 Depending on who you talk to on any given day,
19 there are between 60 and 200 case-management
20 systems in the IRS. And as a taxpayer, as a
21 representative, I would certainly want to see
22 certain major ones if I were able to get into
23 my taxpayer account so I could assist my
24 taxpayer and not have to wait for two and a
25 half hours. And yet the IRS employees

1 themselves can't see all 60 to 200 accounts.
2 My own employees see many of them, but we still
3 don't have access to certain accounts because
4 they are all written differently.

5 And somehow, in this Future State,
6 you know, I think we've been talking about it
7 like it will be overnight, this perfect thing,
8 and we can't give out that -- those estimated
9 tax payment information, because it's coming
10 from a different database from, you know, what
11 the CSR is able to see, what the customer
12 service rep is able to see when they answer the
13 phone. So you've just sat on the phone for two
14 hours for no reason.

15 Mr. Wengerd, do you want to comment
16 on the digital picture?

17 MR. WENGERD: Well, for most of the
18 Amish, it's not an option. And generally what
19 happens, if there is an issue, they will look
20 to their tax preparer, a CPA or someone like
21 that, and have them communicate with the IRS on
22 their behalf.

23 MS. OLSON: So I want to sort of
24 open this up to the floor, and we can have a
25 discussion. People may want to talk about

1 their experiences or their concerns, and just
2 keep in mind that this is -- the idea is to
3 focus both on what your needs, whether you're a
4 taxpayer or a representative of taxpayers for
5 the IRS today, but also what you think the IRS
6 needs to do in the future as it builds its
7 design.

8 And I think this woman first, and
9 then this gentleman, and do we have a
10 microphone by any chance? So you'll just have
11 to speak --

12 AUDIENCE MEMBER: Do we have a time
13 frame?

14 MS. OLSON: Well, you know, I'll
15 put my one minute sign up.

16 AUDIENCE MEMBER: Following up on
17 what you just talked about, and I've been
18 working this for 30-some years.

19 MS. OLSON: You're a
20 representative? You're a preparer?

21 AUDIENCE MEMBER: I'm a preparer.

22 MS. OLSON: Right.

23 AUDIENCE MEMBER: However, I got in
24 when we did manual, and then we went into
25 E-file. And first 15 years of E-file, they

1 were all under one computer. You could call
2 anybody, and they would put a note on your
3 account. Not now. Now, you have, like you
4 said, umpteen thousand different systems
5 working, and nobody can know what's going on.
6 So, yeah, that's an issue.

7 But if -- I got the floor, I'm
8 going to take it, because I printed mine out,
9 and I wanted to talk with the -- Mr. -- the
10 representative.

11 MS. OLSON: Right back there.

12 AUDIENCE MEMBER: There he is.
13 Okay. My first issue is with the government
14 itself.

15 MS. OLSON: I'm having a hard time
16 hearing you. Just speak a little louder.

17 AUDIENCE MEMBER: Louder.

18 Deterioration of U.S. government
19 servicing under present government leadership
20 objectives. Government changing rules or laws
21 mandated of IRS in the tax season is the worst.
22 These last few years have been unbelievable for
23 everybody, especially preparers. Government
24 made the tax seasons the worst the last four
25 years, such as add capital gains. That was

1 supposed to clarify IRS Schedule D capital gain
2 or loss, but still has too many yearend
3 financial form preparers unsure how to. And
4 the really big one is the Health Care Act
5 reporting form. They were absolutely
6 unbelievably, for everyone, bad. An absolute
7 disaster for these last two years.

8 Government cuts to IRS and TAS are
9 at a critical level at the taxpayer servicing
10 level. And I've got documents to prove that.
11 Taxpayer Advocate Service, set up by government
12 as an independent liaison between taxpayers and
13 tax -- taxing government agency of IRS, has had
14 increasingly less servicing because of lack of
15 training and oversight at the local level;
16 i.e., had someone in 2012, 86 years old, nine
17 months he waited for a straightening out.
18 Could not get it done. He got a letter. He
19 called me and said, "They said my refund is on
20 the way." He died the next week before I could
21 get the letter from him. It went into estate.
22 It's just unbelievably bad.

23 I have this book here. This book
24 is four years on one client. Four years.

25 MS. OLSON: Have you brought

1 that --

2 AUDIENCE MEMBER: Nobody is going
3 to put four years' investment in --

4 MS. OLSON: So I don't want to get
5 into the details of the client's case, but have
6 you brought that to Susan, the taxpayer
7 advocate, the local taxpayer advocate?

8 AUDIENCE MEMBER: As I said,
9 Taxpayer Advocate Service needs to let their
10 lower, local levels -- more training.

11 MS. OLSON: Well, what I'd like --
12 first of all, let me apologize if you did not
13 have a good experiences with the Taxpayer
14 Advocate Service.

15 AUDIENCE MEMBER: Well, it's not
16 just one experience, and I'm seeing more of it
17 now. And I've dealt with TAS for a good number
18 of years. I'm seeing more of it now, less
19 training. And, again, I think it's because
20 there's not enough monies --

21 MS. OLSON: Well, can I speak to
22 that? I do want to speak to that, just about
23 TAS. And I'm also going to talk about -- and
24 then I want to let other people have a chance,
25 because I know you have --

1 AUDIENCE MEMBER: Yes, yes.

2 MS. OLSON: -- that's just fair.

3 But I think your points about the -- several
4 years ago, I noted in my annual report that the
5 IRS has less money to do more work, and
6 certainly the Affordable Care Act was a major
7 lift for the IRS. And, you know, the budget
8 has been cut successively. Taxpayer service,
9 Congress appropriated more money for taxpayer
10 service this past year, and the phones have
11 been better. They've not been great, but
12 they've been better than they were the year
13 before. Taxpayer Advocate Service has
14 experienced support of Congress, but we have
15 not grown -- our budget has not grown with the
16 rate of inflation.

17 AUDIENCE MEMBER: Exactly.

18 MS. OLSON: But I would say this,
19 and I think, there are people who don't
20 understand exactly what TAS does. TAS does not
21 make the decisions themselves.

22 AUDIENCE MEMBER: Correct.

23 MS. OLSON: And so my employees
24 often have as much difficulty --

25 AUDIENCE MEMBER: Yes.

1 MS. OLSON: -- as you do in getting
2 the IRS employees to do the right thing.

3 AUDIENCE MEMBER: This four-year --

4 MS. OLSON: I understand that, and
5 I will personally have Susan look at that case
6 and brief me on it, okay? And I mean that
7 seriously.

8 AUDIENCE MEMBER: No, this four
9 years, this TAS, was just last week.

10 MS. OLSON: Pardon?

11 AUDIENCE MEMBER: Was just last
12 week. I was told after being told that she
13 could work with me through -- I had to go
14 outside of the IRS, and so I went to the
15 Congressman. And she had -- they went to TAS,
16 and then TAS went back to the Congressman and
17 said, "We can't work through her. We have --
18 we have -- we can't." But they had already
19 received that. My point is --

20 MS. OLSON: Right, but what I'm
21 saying to you, I'm trying to talk about the
22 larger issue, and I'm saying to you that I will
23 have Susan brief me on this case so we can find
24 out what's going on. That's my commitment to
25 you.

1 But the larger issue is -- and this
2 goes to what everybody on the panel has been
3 discussing -- is there someone who can pull the
4 blinds here or something -- is that what is
5 happening, I think, to the IRS today is that we
6 increasingly have employees who are -- are
7 looking at a tiny little piece of the picture,
8 and you mentioned this earlier, instead of
9 understanding the larger picture or the whole.

10 And so for my employees, who are
11 supposed to work a case from start to finish
12 and address every single issue, they are having
13 to deal with, you know, at some point, 20
14 different parts of the IRS to get something
15 done, and each one of those things takes an
16 inordinately long time. And I'm not saying
17 that as an excuse, because I spend my days
18 trying to figure out how to the make that move
19 faster, but I also have to say that for you --
20 for us to do it, and it takes -- you know, we
21 have to contact 20 different people -- it would
22 be impossible for you, outside the IRS, to get
23 that done. You would be spending much longer
24 time. That's sort of the problem.

25 And I don't see any proposals in

1 the Future State that address that problem.
2 And I think it goes back to what you were
3 talking about, about accountability and sort of
4 ownership of issues. And I do not see that in
5 the Future State plans. What I see is a lot
6 about technology. But technology is a tool,
7 and it doesn't replace training and it doesn't
8 replace education and it doesn't replace
9 knowledge and it doesn't replace customer
10 service.

11 And what I see a lot on the Future
12 State, and this is my personal opinion, is not
13 enough emphasis on interacting with taxpayers
14 and listening to them and understanding what
15 they need and not a lot of emphasis on training
16 your employees on what taxpayers need as well.

17 So now I'm going to -- this
18 gentleman, yes.

19 AUDIENCE MEMBER: Yeah. First of
20 all, I'm going compliment the Service on
21 something. The Taxpayer Practitioner Hotline
22 has been unbelievable. It used to be 30
23 minutes. They take two to four minutes, and
24 sometimes they answer way before that.

25 MS. OLSON: That's great to hear.

1 AUDIENCE MEMBER: On the other side
2 of the coin, collections is ridiculous. I
3 mean, you almost never get the same person.
4 And they're, "Oh, that's not" -- you know,
5 "That's not streamlined," or, "That's not" -- I
6 don't have that.

7 And I just had a case, two days
8 ago. The guy had a problem he had to have
9 solved. Two and a half hours. Exorbitant. I
10 charged the guy \$150. I mean, c'mon, for two
11 and a half hours. So you just don't know.
12 It's ridiculous. And I'm still not sure if
13 it's solved.

14 Now, I want to talk about, I read a
15 book or heard something on the radio about
16 things that are obsolete. What's obsolete? A
17 fax machine. Who has a fax machine? Well,
18 evidently the IRS does, and they -- if you want
19 to send them something, you have to fax, and
20 they'll give you this line. They use this
21 line. I heard it. I got to say it. "We have
22 to make sure that that's a secure fax line,"
23 and blah, blah, blah. Well, it is now.
24 Probably tonight when it comes over, the
25 cleaning lady is there. But if I don't say

1 that, I don't get anything. It's incredible.

2 But everybody else recognizes that
3 e-mail, and that has a password. And I'm
4 embarrassed to say, once in a while, I wrote
5 down the fax number wrong and I faxed it to
6 somebody that shouldn't have got it. With
7 e-mail, that wouldn't happen. So I just
8 don't -- and maybe you can educate me why the
9 IRS doesn't think e-mail is more secure than a
10 fax machine, which I have to kind of, like,
11 "Oh, yeah, it's secure." It's nuts to me.

12 MS. OLSON: So there is this
13 tension, and I have -- and this is very
14 difficult, and I have sympathy with this. As
15 you've all heard and read, you know, the IRS
16 had to take down the Get Transcript. It had to
17 take down several devices, IP pins, because it
18 had people -- identity thieves today are so
19 sophisticated that they had sufficient
20 information to be able to use that information
21 and get in posing as the taxpayer, and they
22 were able to then get the transcript, which not
23 only gives them the tax -- much more
24 information about the taxpayer, but also the
25 taxpayer's spouse, the taxpayer's dependents,

1 all of that information.

2 So they were told by the Inspector
3 General for quite some time to take it down
4 before they actually took it down. And then
5 they've been working with the Department of
6 Homeland Security and the National Institute of
7 Standards and Technology to come up with a
8 method. And that -- to be able to give people
9 online access to this information, which would
10 include this e-mail account. And what I
11 described to you earlier is the recommended
12 approach by DHS and NIST, this organization.

13 So, okay. You say, great. All
14 right. I'll get my taxpayer to create an
15 online account so that they can approve -- they
16 can just put me on their account, and then the
17 IRS will know and I don't have to fax a power
18 of attorney and then wait ten days for it to be
19 on the system. It will just be automatic.
20 Well, again, the taxpayer has to be able to
21 create that online account, and only 30 percent
22 of the people trying to create online accounts
23 have been able to do it. So there's 70 percent
24 of your clients that won't be able to do it,
25 even when they try. And so if they can't go

1 online and say, "Give you access to my
2 account," they will have to send in a paper
3 power of attorney, and you will have to do that
4 faxing. So it's this cycle.

5 And the problem is that the IRS
6 data is so important that you don't want to
7 relax security standards. And yet the more
8 secure you make the systems, the fewer people
9 will be able to use them, and that includes the
10 representatives. And I don't know how to
11 reconcile that tension in today's world, except
12 to assume, in the Future State, that that
13 tension, even if everybody was online, that
14 tension is still going to exist and people
15 won't be able to create -- do things in that
16 very secure environment. And so we can't walk
17 away from the phones, and we can't walk away
18 from person-to-person, because it's not going
19 to solve everything.

20 But that's why they don't have
21 e-mail. They're trying to do an e-mail pilot
22 now, but they've been trying to do that e-mail
23 pilot for four years. You know, I've been
24 signed up as part of that e-mail pilot so you
25 can e-mail my employees and attach documents,

1 you know, rather than having to mail things in.
2 And I've been waiting four years for that pilot
3 to start. You know, and when you do have that
4 pilot, you're going to have to create an
5 account and log into that account to send
6 things into --

7 AUDIENCE MEMBER: Comment.

8 MS. OLSON: Yes.

9 AUDIENCE MEMBER: I have a comment
10 to those comments. I think it's very good what
11 we've heard so far. I think what we've heard
12 is that very distinct number that came from the
13 panel, 34 percent of the people who were
14 available to get online are not able to get
15 online. Now, that is a colossal problem. That
16 has come to us with the eventuality of
17 computerization taking place. That's a
18 monumental problem for the world. And unless
19 we can set standards to walk away from the old
20 systems, which you are all talking about -- you
21 displayed a very good conversation on what the
22 old systems fail with -- we need to create new
23 standards and a new process. Congress needs to
24 put their foot down, get off their hands, and
25 do work. And we have all kinds of people all

1 over this nation doing this.

2 I'm also a federal retired agent.

3 I have worked with standards all of my working
4 life, over 50 years in this country, and these
5 standards, they work. Like, for instance if
6 somebody says you have -- you have a potential
7 life-threatening problem in your health care
8 problem, the first thing you want to know from
9 your physician is, what are the standards that
10 tell you that that is so?

11 One of the standards that we see
12 being violated here, people can't get on the
13 telephone, they can't get on online, and
14 therefore all of the business of the world goes
15 over their head, and they're resigned to
16 poverty. We have people in poverty.

17 We have part of Appalachia here.
18 Appalachia has been on this country's dialogue
19 for all of the times that I've been in this
20 country. I've worked with that. I've worked
21 with standards. And unless you can ask
22 someone, why do you say that, and what is the
23 answer to it and what is the answer going to do
24 for me? And your question is, how quickly can
25 we do it? We have to do it right now.

1 MS. OLSON: Right.

2 AUDIENCE MEMBER: And, of course,
3 we can't do everything right now. But we do
4 know that the old process, which we're all
5 discussing here tonight, has failed us. It's
6 out of the window. You go to Europe and look
7 at some of the things they are doing, they're
8 also in -- having difficulties, but they have
9 admitted -- Germany has admitted, the
10 Netherlands have admitted it, England has
11 admitted it -- that they have to change the
12 process, and they're uniting a whole bunch of
13 countries to make the united nations of Europe,
14 which may or may not fail. The reason they're
15 doing it is because they've accepted that their
16 process failed.

17 MS. OLSON: Well, let me ask this
18 question. So building on this that we have --
19 the old process doesn't work. Where would we
20 start? And if you were designing a Future
21 State of the IRS -- and I want to ask my
22 panelists first, though, and then we can throw
23 it out to the floor. And we'll go to you
24 after --

25 MR. YUSKEWICH: I want to go to an

1 earlier comment that one size doesn't fit all.
2 But, you know, I stay at Marriott's when I
3 travel. And so if I want to make a reservation
4 with Marriott, I can call 1-800 Marriott and
5 over the phone, get a customer service
6 representative that can make that reservation.
7 I can also get a little tag line that says, if
8 you want make that reservation online, you're
9 welcome to do so, and you can set up an account
10 to do that. And if I need to send them
11 something because they didn't give me rewards
12 points right away or whatever, I can mail it in
13 or I can scan it in.

14 So other industries have figured
15 this out. And so I don't think it's an
16 insurmountable problem. Certainly, there are
17 security risks, but I think you have to have a
18 portal for every type of communication, not
19 just one.

20 MS. OLSON: Right.

21 Sir? Back there. Speak up so we
22 can hear.

23 AUDIENCE MEMBER: So I've been a
24 CPA, public accounting, for 25 years, and it
25 seems to me that the biggest issue that we're

1 trying to deal with is with the service end of
2 it. To me, the bigger issue is the front end.
3 The U.S. tax code has become unsustainable. It
4 is abhorrently complex. You know, we're
5 talking about the earned income tax credit.
6 Extremely complex in the way it functions.
7 Great idea in what it's trying to accomplish,
8 but it's become way, way too complicated to
9 actually impact the people it's supposed to
10 help. So from my standpoint, it seems to me
11 that you would need to really look at seriously
12 revising the U.S. income tax system to simplify
13 it.

14 MS. OLSON: Right. Well, and I
15 think some of that, what I talked about earlier
16 about people getting -- owning smaller pieces.
17 You know, their job is, "I'm doing this
18 particular piece of it," is in some part
19 because of the complexity of the code, that
20 it's very hard, as you all know in private
21 practice, you know, to know everything about
22 the code. And so the IRS sort of dices it up.
23 And people have problems that span all parts of
24 the tax administration system, but no one knows
25 that one thing.

1 And I would say about the Taxpayer
2 Advocate Service that we are one of the few
3 generalists in the IRS that my people have to
4 work exam, collection, accounts management,
5 submission processing, all of those issues.
6 They may not be experts. They certainly aren't
7 necessarily experts, but they have to know
8 something about each one of those things. And
9 there's no other employee in the IRS that does
10 that. I mean, that's just not the model of the
11 IRS.

12 Yes?

13 AUDIENCE MEMBER: Earlier, you
14 mentioned that the notices have to be
15 comprehensible before you revise the system or
16 you're just getting an indecipherable notice
17 much quicker. And I couldn't agree with you
18 more about that. It doesn't matter how quickly
19 I get it if it still doesn't make any sense.

20 And I work for a low income
21 taxpayer clinic and I've been doing this about
22 eight years now, and I know what the notices
23 are supposed to mean, but what they say and the
24 way they're formatted are just -- I have to
25 wonder how in the world they ended up that way,

1 and I can't understand. If I wrote my letters
2 like that, I would be fired immediately. It
3 just doesn't make any sense. And I would start
4 by fixing the notices. Even just the
5 formatting of them is terrible, and they don't
6 following certain readability principles.

7 MS. OLSON: You know, it's
8 interesting. Back in -- so this is one of the
9 things that really bugs me. So since I'm
10 running this thing, I get to say this. So back
11 in 1976, Congress gave the IRS the authority to
12 automatically assess a tax without giving a
13 taxpayer the right to go to tax court, where
14 they made a clerical error on the return. They
15 always had math errors, sort of two plus two
16 equals five. They could change that and just
17 automatically do it.

18 But they got the authority from
19 Congress to do what they call clerical errors.
20 So in the legislative history, in 1976, in the
21 congressional hearings, the testimony and the
22 committee reports, both on the House and the
23 Senate side, they said to us, "We're really
24 nervous about your making these automatic
25 assessments. We think you might use them too

1 far. You might go too far in this. But what
2 we want you to do is when you send a letter to
3 the taxpayer telling them you're changing
4 something, you have to be very clear."

5 And then they did something that I
6 rarely see today. They told the IRS what they
7 wanted the letter to say. And this is in the
8 legislative -- this is in the committee
9 reports. They said, "For example, where a
10 taxpayer has claimed six children as dependents
11 on the front of the 1040, but when they
12 multiply the personal exemptions, they multiply
13 it by seven, the letter you need to send them
14 is, 'We have noted that you claimed six
15 children, but you multiplied times seven. So
16 would you please tell us which is the correct
17 answer? And if you don't tell us anything, we
18 will assume it is six.'"

19 They wanted that specificity. They
20 put that in the committee reports in 1976, and
21 to this day, the letters have not said that.
22 They have not -- they do not tell the taxpayer
23 what line is being adjusted and what line
24 didn't match another line so that the taxpayer
25 could agree or disagree. So what does that

1 drive? That drives the taxpayer to, what, make
2 a phone call, spend two hours on the phone.
3 And then the person on the phone says, "I can't
4 see this information. Send in a letter." And
5 then you get to Matt's point that you don't
6 get -- you send in the letter and you never get
7 an answer until maybe you're into your case
8 about collection because they never told you
9 they didn't get the letter or they assessed it
10 and just went to collections.

11 So I think, you know, there's the
12 complexity of the code, but even when there's
13 something that's very simple that would help a
14 taxpayer, that's the sort of thing that I think
15 we need to focus on before we start thinking
16 about technology. If we can't do it in the
17 analog state today, how can we do it in the
18 digital state?

19 Now, let's see. You and then you.

20 AUDIENCE MEMBER: Well, I know that
21 Ohio -- I mean, if you look at some of the
22 state notices, they're pretty easy to read.
23 Ohio, I think, really does a great job.

24 MS. OLSON: So I hear examples of
25 Ohio doing --

1 AUDIENCE MEMBER: If you notice, as
2 reported, what we have. You know, they list
3 all the payments, and they actually footnote
4 it. Like in your case, exemptions --

5 MS. OLSON: Right. And that's how
6 it is. And, you know -- right.

7 AUDIENCE MEMBER: But I think if we
8 follow some of the states --

9 MS. OLSON: Right.

10 AUDIENCE MEMBER: You know, so I --
11 Ohio is a great example, because I think we did
12 a great job.

13 And the only other thing I want to
14 say, because I know we only get two, but Matt
15 had one thing in his state report about married
16 filing joint going to married filing separate,
17 that has been an extreme problem, ongoing.
18 Okay, you always file -- when it is practical,
19 you always file joint extension payments, joint
20 estimate payments, because you don't know, in
21 our state specifically, when we're going to
22 file separately. And invariably they say, "Oh,
23 the husband's overpaid by \$8,000 and the wife
24 has underpaid by \$8,000." Common sense, that
25 doesn't work right, okay?

1 And I've repeatedly told IRS in
2 phone calls when I'm trying to resolve
3 discrepancies that simple, payment sections,
4 please transfer to an account number the
5 following. It transfers to payments and you're
6 done. So the return itself can accommodate.

7 MS. OLSON: Right. And, you know,
8 if the Taxpayer Advocate Service got that case,
9 I can tell you it would take between 30 to 45
10 days to resolve. You'd think it's so simple,
11 because it's -- in the IRS computer systems,
12 it's not simple.

13 AUDIENCE MEMBER: But the payments
14 are all in one database, I would assume.

15 MS. OLSON: The payments are, but
16 they're allocated to other numbers.

17 AUDIENCE MEMBER: Right. So if
18 you're -- I'm saying that if you're taking the
19 return and you're putting the total payments
20 under the primary social security number on the
21 married filing separately return and say,
22 please transfer to the following payments to
23 social security number, it should transfer.

24 MS. OLSON: That pause is --

25 MR. YUSKEWICH: What they need to

1 do is read both social security numbers when
2 they look for payments, and all they read is
3 the first one.

4 MS. OLSON: Right. But it's the
5 way they record the --

6 AUDIENCE MEMBER: And, I mean,
7 that's fine. Even if they can't impose it
8 under one number, it's just that we want it
9 transferred to the other social security
10 number. Put it on the form.

11 MS. OLSON: I can just tell you the
12 number of transactions that it takes to
13 actually do that if we take --

14 AUDIENCE MEMBER: Well, I know.

15 MS. OLSON: -- 30 to 45 days --

16 AUDIENCE MEMBER: It takes letters
17 too.

18 MS. OLSON: -- for us -- that's for
19 us to get it done.

20 AUDIENCE MEMBER: And then they say
21 you can't just write one letter. Both husband
22 and wife have to sign it first. It's not,
23 like, a simple process.

24 MS. OLSON: So the person in the
25 back. Yes?

1 AUDIENCE MEMBER: I had a --
2 without getting into too much, but I had a
3 situation where I picked up the phone and made
4 a correspondence, and that ended up with eight
5 different letters saying different amounts of
6 money owed. Went to the Tax Advocate.
7 Fantastic experience. One person resolved my
8 issue.

9 So to what Congressman Renacci said
10 at the very beginning, engaging legislation for
11 tax fraud, one point of contact with the IRS,
12 we should ask for legislation that gives one
13 point of contact to the taxpayer for the same
14 thing.

15 MS. OLSON: Well, that's --
16 Congress tried to do that in 1998. And now --

17 AUDIENCE MEMBER: Keep trying.

18 MS. OLSON: Yeah. Yeah, I know. I
19 know. I mean, we have actually threatened --
20 and I may make good on that threat -- is to
21 actually do a study of, you know, walking
22 through some cases by the fact that one person
23 wasn't assigned to them and how many phone
24 calls it took, you know, how many letters it
25 took, how much rework it took to undo things

1 that occurred because nobody was taking
2 account -- was being accountable for an action.
3 And so how long did it take to unwind
4 something? And actual costing it, you know,
5 like, what was the -- you know, the payroll
6 time and hours that went into that whole
7 transaction. And if you just had one person
8 who was responsible for that, what would it
9 look like?

10 So I think I saw one person in the
11 back, and then I think we're coming to an end.
12 We're having so much fun.

13 AUDIENCE MEMBER: Hi. Thank you
14 for being here.

15 MS. OLSON: It's my pleasure.

16 AUDIENCE MEMBER: I heard about
17 you, and I --

18 MS. OLSON: Uh-oh.

19 AUDIENCE MEMBER: -- was asked to
20 contact and come up here, so I drove all the
21 way up from Summit County, and I'm only here
22 because I have issues, and I feel like I've
23 been very abused by the IRS.

24 MS. OLSON: Oh, dear.

25 AUDIENCE MEMBER: I've had

1 issues -- I have an issue that goes back to
2 2007, 2008. A period of time in your life
3 where you -- where things just fell apart.

4 MS. OLSON: Right.

5 AUDIENCE MEMBER: Well, through
6 something without me even having anything to do
7 with it, I was -- I lost -- I lost money and
8 was told I owed \$12,000, which was wrong to me,
9 because it was a situation that I had no
10 control of. And I wasn't able to handle it
11 well because it was a very emotional and very
12 hard time for me.

13 MS. OLSON: Right.

14 AUDIENCE MEMBER: Two months after
15 this situation happened, I ended up with breast
16 cancer.

17 MS. OLSON: I'm sorry.

18 AUDIENCE MEMBER: The stress,
19 everything. So this goes back. So then I
20 ended up with just some -- a small pension
21 check that I was able to live on. So then they
22 said -- they put me in uncollectible. So I
23 thought, great, that -- it's like, because I
24 had thought I was on my way to prison too. I'm
25 on my way to prison all the time. I'm -- in my

1 mind. It's driving me nuts, because even here,
2 I wonder who's here to pick me up.

3 MS. OLSON: No one.

4 AUDIENCE MEMBER: But anyway, so
5 then, when I turned -- when I ended up going
6 through some other issues and I had received a
7 disability they -- they found out I was getting
8 Social Security Disability at 62.

9 MS. OLSON: Okay.

10 AUDIENCE MEMBER: So then they
11 started contacting me again. In the meantime,
12 my \$12,000 is now \$29,000.

13 MS. OLSON: So here's what I want
14 you to do is I -- where's Susan? After today,
15 I want you to talk to her. There are lots of
16 things we can do. There is a device called the
17 offer and compromise, which will look at your
18 ability to pay, and you can submit something,
19 regardless if the thing is now \$24,000. It's a
20 calculation, and we have strong advocates here
21 who can help you.

22 You may be eligible for assistance
23 from a Low Income Taxpayer Clinic so you can
24 have an attorney assist you. And believe me,
25 we have been able to get offers through for a

1 very little amount money. It takes some
2 advocacy, but that is truly closure.

3 AUDIENCE MEMBER: But that's just
4 what I needed, and I asked them, can I talk to
5 an advocate, and they just said, "You'll have
6 to look it up."

7 MS. OLSON: That's so disturbing.
8 I'm sorry.

9 AUDIENCE MEMBER: And I've had so
10 many times, since '07/'08 where I have been in
11 the office, sitting and talking to people on
12 the phone. No one ever calls you back a second
13 time. Not the same person. You talk about
14 going through hell, trying to just get
15 somebody.

16 And then it's true. You want me to
17 tell my story from 2007 and 2008 to someone I
18 don't know even know who I'm talking to, who
19 doesn't even give a shit what happened to me
20 back then. And I am so -- how could I say --
21 down on the fact that when I worked, I had to
22 give top notch customer service. I had to give
23 everything I had to satisfy my customers, take
24 care of the customers, and take control of the
25 problem. One, find out what they need. Two,

1 can you help them. Three, resolve it. Those
2 are the things that I always had to do.

3 In this situation, I have been
4 abused, totally abused, financially abused by
5 the IRS. And you don't get anybody that cares.

6 MS. OLSON: Well, you've told your
7 story to me, and Susan is there, and we will
8 take care of you. And I am so sorry for how
9 you were treated. And your statements about
10 what customer service is are truly wonderful
11 statements, and I agree with you.

12 AUDIENCE MEMBER: Thank you.

13 MS. OLSON: And after the forum,
14 I'm going to give you a big hug.

15 Is there anyone who wants to make
16 any closing statements?

17 AUDIENCE MEMBER: Just one other
18 comment. I've been a CPA for 41 years and I've
19 used your office. And as an accolade, almost
20 every time I've gotten the best service.
21 They're the best people, the Advocate's office.
22 So absolutely call them. It does work.

23 MS. OLSON: Thank you. That's very
24 kind.

25 Well, I want to thank you all.

1 Don't forget that we have our case advocates
2 out there to help you. There is a website,
3 taxpayeradvocate.irs.gov, and if you go there,
4 there's a site for the public forums, and you
5 can submit comments if there were things you
6 wanted to say that you weren't able to say here
7 or you want to write us something.

8 We're really trying to -- the
9 transcript of this public forum will be up
10 there. There's a court reporter in the room,
11 and we'll have the public forum transcript up
12 so you can read it.

13 And I just want to thank you all
14 for being here. It's been a wonderful and very
15 informative experience.

16 (Applause.)

17 (Forum concluded at 7:00 p.m.)

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REPORTER'S CERTIFICATE

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I, Stephen J. DeBacco, do hereby
certify that as such Reporter I took down in
Stenotypy all of the proceedings had in the
foregoing transcript; that I have transcribed
my said Stenotype notes into typewritten form
as appears in the foregoing transcript; that
said transcript is the complete form of the
proceedings had in said cause and constitutes a
true and correct transcript therein.

<%Signature%>

Stephen J. DeBacco, Notary Public
within and for the State of Ohio

My commission expires September 30th, 2017.