

it takes to hire new employees, but the timeframes have not improved much for non-DHA position hires.⁵⁸ TAS encourages the IRS to continue to request that Congress and the Office of Personnel Management provide the IRS DHA and additional hiring flexibilities. To reduce delays in the hiring process attributable to personnel security and background checks, the IRS has brought on contractors to assist with this effort and has procured WebABIS, which will automate some of the Personnel Security work. They are working with IRS Information Technology on developing a timeline for implementation.⁵⁹ Automation should streamline the process and reduce manual workload. Additionally, the IRS needs to reduce employee turnover rates to better improve employee retention rates, especially among younger age employees. Finally, the IRS should invest in IRS University (IRSU) by providing a dedicated operational budget for implementation and operationalization of the program.

Objective 10 for FY 2024 – TAS will continue to advocate for improvements in IRS hiring, recruitment, employee retention, and employee training processes.

- Activity 1: Recommend strategies to improve the efficiency and proficiency of hiring actions and recruitment efforts by human resources personnel, including virtual recruitment events.
- Activity 2: Request that the IRSU implementation team better communicate with all operating divisions and functions.
- Activity 3: Explore potential improvements to IRS employee retention strategies to recommend to the IRS.

11. IMPROVE TAXPAYER ACCESS TO TELEPHONE AND FACE-TO-FACE ASSISTANCE

Taxpayers and tax professionals rely on the ability to reach an IRS employee for account actions and answers to their inquiries. During 2022, prior and current year processing backlogs caused the demand for telephone and in-person service to remain high while customer service levels remained unacceptably low.⁶⁰ Despite its efforts to increase staffing and implement technology to improve the customer experience, the IRS did not staff TACs to meet taxpayers' needs, and only 13 percent of the calls to IRS telephone lines reached live assistance.⁶¹

TAS has historically recommended the IRS increase TAC office staffing and improve telephone customer service, a goal the IRS sought to achieve during the 2023 filing season.⁶² Though the IRS increased staffing and made progress on its commitment to increase telephone service, it must also devote adequate resources

58 National Taxpayer Advocate 2022 Annual Report to Congress 59, 64 (Most Serious Problem: *IRS Hiring and Training: Weaknesses in the Human Capital Office's Hiring, Recruitment, and Training Programs Are Undermining the IRS's Efforts to Achieve Appropriate Staffing to Meet Taxpayer Needs*), https://www.taxpayeradvocate.irs.gov/wp-content/uploads/2023/01/ARC22_MSP_03_Recruitment.pdf.

59 Conversation with Human Capital Office (Apr. 11, 2023) (on file with TAS).

60 National Taxpayer Advocate 2022 Annual Report to Congress 74-87 (Most Serious Problem: *Telephone and In-Person Service: Taxpayers Continue to Experience Difficulties and Frustration Obtaining Telephone and Face-to-Face Assistance to Resolve Their Tax Issues and Questions*), https://www.taxpayeradvocate.irs.gov/wp-content/uploads/2023/01/ARC22_MSP_04_Telephone.pdf.

61 IRS, JOC, Snapshot Reports: Enterprise Snapshot, Enterprise Total (week ending Sept. 30, 2022). "Enterprise total" refers to all calls across all IRS phone lines; National Taxpayer Advocate 2022 Annual Report to Congress 74-87 (Most Serious Problem: *Telephone and In-Person Service: Taxpayers Continue to Experience Difficulties and Frustration Obtaining Telephone and Face-to-Face Assistance to Resolve Their Tax Issues and Questions*), https://www.taxpayeradvocate.irs.gov/wp-content/uploads/2023/01/ARC22_MSP_04_Telephone.pdf.

62 National Taxpayer Advocate 2021 Annual Report to Congress 66-75 (Most Serious Problem: *Telephone and In-Person Service: Taxpayers Face Significant Challenges Reaching IRS Representatives Due to Longstanding Deficiencies and Pandemic Complications*), https://www.taxpayeradvocate.irs.gov/wp-content/uploads/2022/01/ARC21_MSP_03_Telephone.pdf; Erin M. Collins, Update on IRS Progress in Working Through Its Backlog of Paper-Filed Tax Returns and Correspondence, NATIONAL TAXPAYER ADVOCATE BLOG (Nov. 10, 2022), <https://www.taxpayeradvocate.irs.gov/news/nta-blog-update-on-irs-progress-in-working-through-its-backlog-of-paper-filed-tax-returns-and-correspondence-part-3/>; see IRS, Pub. 5530, Budget in Brief Fiscal Year 2023, at 11-12 (Mar. 2022). The budget requests additional resources for Taxpayer Services to increase the FY 2023 LOS target to 85 percent.

toward return and correspondence processing.⁶³ Customer service representatives (CSRs) divide their time between two key roles during the filing season: (1) answering calls and (2) assisting with the processing of amended returns and paper correspondence. They can't do both at the same time so it's essentially a zero-sum game. CSRs answering the telephones aren't processing taxpayer correspondence, and CSRs processing returns or taxpayer correspondence aren't answering the telephones. If the IRS assigns too many CSRs to the telephone lines to increase telephone service, it risks creating a new processing backlog.

The IRS should prioritize working through the carryover of prior year and current year unprocessed amended returns and correspondence. And, with the increase in business amended returns and correspondence, the IRS should reallocate and train more CSRs on business returns and issues. Processing delays directly translate to refund delays and are a big driver of telephone and TAC office demand. Although the IRS should accomplish both – elimination of backlogs and a high percentage of calls answered – a balanced approach is necessary. The IRS should not aim to achieve the highest level of telephone service if it comes at the cost of creating processing backlogs.

Taxpayers can be significantly impacted by IRS processes and the way the IRS uses its resources. In addition to its hiring and technology initiatives, the IRS must also explore opportunities to alter processes that unnecessarily result in increased telephone call volume and TAC office visits. Currently, taxpayers seeking TAC office assistance are required to first call the IRS's struggling TAC appointment line, a process that increases call volume, limits TAC appointments due to telephone service constraints, and creates additional burden for taxpayers. Similarly, taxpayers unable to complete Taxpayer Protection Program (TPP) identity verification online or by telephone (a process implemented to combat identity theft) must authenticate in person at one of the IRS's TAC offices. This process not only adds to TAC office visits but also increases call volume from taxpayers who must first schedule the necessary TAC office appointments by telephone.

The IRS should provide taxpayers with options. Electronic appointment scheduling, alternative TPP verification options, expanded virtual appointment services, and extended TAC office hours would reduce telephone calls and TAC office volume while significantly improving the taxpayer experience.

Objective 11 for FY 2024 – TAS will work with the IRS to improve taxpayer access to telephone and in-person assistance.

- Activity 1: Monitor telephone service and amended return and correspondence inventories with an emphasis on business returns and issues.
- Activity 2: Promote expanded TAC hours of operation and provide staffing support to Taxpayer Experience Day and Community Assistance Visit events.
- Activity 3: Support Low Income Taxpayer Clinic participation, TAS assistance as needed, or other TPP identity verification actions that will promote higher levels of TPP telephone service and increased taxpayer service location options.

⁶³ IRS, JOC, Snapshot Reports: Enterprise Snapshot, Accounts Management (AM) (planning period, week ending Apr. 22, 2023). The Weekly Enterprise AM report reflected an LOS of 85.23 percent.