



Treasury Inspector General for Tax Administration Office of Audit

A STATISTICAL PORTRAYAL OF THE TAXPAYER ADVOCATE SERVICE FOR FISCAL YEARS 2005 THROUGH 2009

Issued on August 16, 2010

Highlights

Highlights of Report Number: 2010-10-081 to the National Taxpayer Advocate.

IMPACT ON TAXPAYERS

The Taxpayer Advocate Service (TAS) plays an important role in tax administration by helping taxpayers who have tried, unsuccessfully, to resolve their tax problems using normal Internal Revenue Service (IRS) channels. TIGTA found that fluctuating staffing levels, current authorities, and increased case receipts have contributed to longer case processing time. As a result, although the TAS may take interim actions to assist taxpayers, they have had to wait longer for their tax problems to be fully resolved. Despite the increased workload and decreased staffing, the TAS has been successful in maintaining high levels of quality and customer satisfaction.

WHY TIGTA DID THE AUDIT

This review was initiated to gain an overall perspective of the TAS program in light of its mission of solving taxpayer problems. Our overall objective was to provide a statistical portrayal with trend analyses of the TAS for Fiscal Years 2005 through 2009. This audit addresses the IRS major management challenge of Providing Quality Taxpayer Service Operations.

WHAT TIGTA FOUND

Many internal and external factors have affected the TAS's ability to timely assist taxpayers. Specifically, the economy, the IRS's increased emphasis on enforcement actions, and legislative changes have led to more taxpayers asking for the TAS's help. In addition, the TAS's internal policy of accepting all cases referred to it by other IRS functions may have contributed to the 38 percent increase in case receipts since Fiscal Year 2005. Collectively, TIGTA believes these factors have made it challenging for the TAS to accomplish part of its mission related to timely resolving taxpayer problems.

Rising caseloads have also affected case processing time. In Fiscal Year 2009, cases were open an average

of 80 calendar days, an increase of 14 calendar days (22 percent) since Fiscal Year 2005. Despite these challenges, the TAS reported an overall quality rating of 88 percent and a customer satisfaction rating of 84 percent during Fiscal Year 2009. However, TIGTA believes many of the issues identified in our review will continue to present challenges for the TAS and affect its ability to timely resolve taxpayer problems in the future.

WHAT TIGTA RECOMMENDED

Due to the nature of this review, TIGTA made no recommendations. However, key TAS management officials reviewed the report prior to issuance and, overall, agreed with the facts and conclusions presented regarding the major trends in the TAS over the past five years. TAS management provided additional perspective related to the TAS's change in authority and its effect on the issuance of Operations Assistance Requests to the operating divisions. In addition, TAS management also provided input related to the increase in case processing time.

READ THE FULL REPORT

To view the report, including the scope, methodology, and full IRS response, go to:

<http://www.treas.gov/tigta/auditreports/2010reports/201010081fr.pdf>.