



## Treasury Inspector General for Tax Administration Office of Audit

### FISCAL YEAR 2012 STATUTORY REVIEW OF COMPLIANCE WITH THE FREEDOM OF INFORMATION ACT

Issued on August 22, 2012

## Highlights

Highlights of Report Number: 2012-30-098 to the Internal Revenue Service Director, Privacy, Governmental Liaison and Disclosure.

### IMPACT ON TAXPAYERS

The IRS must ensure that the provisions of the Freedom of Information Act (FOIA), the Privacy Act of 1974 (Privacy Act), and Internal Revenue Code (I.R.C.) Section (§) 6103 are followed, particularly because errors can violate taxpayer rights and result in improper disclosures of tax information.

### WHY TIGTA DID THE AUDIT

TIGTA is required to conduct periodic audits to determine if the IRS properly denied taxpayers' written requests for tax account information. TIGTA is also required to include the results in one of its Semiannual Reports to Congress. This is TIGTA's thirteenth review of denials of FOIA, Privacy Act, and I.R.C. § 6103 requests.

The overall objective of this review was to determine whether the IRS improperly withheld information requested by taxpayers in writing based on FOIA exemption (b)(3), in conjunction with I.R.C. § 6103, and/or FOIA exemption (b)(7) or by replying that responsive records were not available.

### WHAT TIGTA FOUND

TIGTA reviewed a statistically valid sample of 60 FOIA/Privacy Act cases and found 3.3 percent in which taxpayer rights may have been violated because the IRS improperly withheld information from requestors. TIGTA also found that the IRS properly adhered to the legal requirements under I.R.C. § 6103 in the sample of 60 requests reviewed.

In addition, the results of TIGTA's last three audits in Fiscal Years 2010 through 2012 found that the IRS has remained relatively consistent in providing responses to requestors within the statutory time periods.

### WHAT TIGTA RECOMMENDED

TIGTA did not make any recommendations in this report because the number of errors was relatively small and the recommendations made in previous audit reports are still valid for the issues reported. Although TIGTA made no recommendations in this report, IRS officials were provided with an opportunity to review the draft report. IRS management did not provide any report comments.

### READ THE FULL REPORT

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

<http://www.treas.gov/tigta/auditreports/2012reports/201230098fr.pdf>