



Treasury Inspector General for Tax Administration Office of Audit

FISCAL YEAR 2011 STATUTORY REVIEW OF DISCLOSURE OF COLLECTION ACTIVITY WITH RESPECT TO JOINT RETURNS

Issued on July 26, 2011

Highlights

Highlights of Report Number: 2011-30-077 to the Internal Revenue Service Commissioners for the Small Business/Self-Employed Division and the Wage and Investment Division.

IMPACT ON TAXPAYERS

Internal Revenue Code (I.R.C.) Section (§) 6103(e)(8) gives joint filer taxpayers who are no longer married or no longer reside in the same household the right to request information regarding the Internal Revenue Service's (IRS) efforts to collect delinquent taxes on their joint return liabilities. The IRS has implemented procedures for responding to requests from taxpayers concerning collection activity on their joint tax liabilities. TIGTA believes these procedures provide IRS employees sufficient guidance for handling those requests in accordance with the law.

WHY TIGTA DID THE AUDIT

This audit was initiated because the IRS Restructuring and Reform Act of 1998 added I.R.C. § 7803(d)(1)(B), which requires TIGTA to annually review and certify the IRS's compliance with I.R.C. § 6103(e)(8).

WHAT TIGTA FOUND

IRS procedures provide employees with sufficient guidance for handling joint filer collection activity information requests. However, TIGTA could not determine whether the IRS fully complied with I.R.C. § 6103(e)(8) requirements when responding to written collection activity information requests from joint filers. IRS management information systems do not separately record or monitor joint filer requests, and there is no legal requirement for the IRS to do so. Further, TIGTA does not recommend the creation of a separate tracking system.

WHAT TIGTA RECOMMENDED

Although TIGTA made no recommendations in this report, IRS officials were provided 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/2011reports/201130077fr.pdf>.