



Treasury Inspector General for Tax Administration Office of Audit

REVIEW OF FAIR TAX COLLECTION PRACTICES VIOLATIONS DURING FISCAL YEAR 2014

Issued on May 28, 2015

Highlights

Highlights of Report Number: 2015-10-045 to the Internal Revenue Service Chief Counsel and Internal Revenue Service Human Capital Officer.

IMPACT ON TAXPAYERS

The abuse or harassment of taxpayers by IRS employees while attempting to collect taxes reflects poorly on the IRS and can have a negative impact on voluntary compliance. It is important that taxpayers receive fair and balanced treatment from IRS employees when attempting to collect taxes.

WHY TIGTA DID THE AUDIT

The overall objective of this review was to obtain information on any reported IRS administrative or civil actions resulting from violations of Fair Tax Collection Practices (FTCP) (Internal Revenue Code Section 6304) for cases opened after July 22, 1998, and closed during Fiscal Year 2014. This information will be used to comply with the IRS Restructuring and Reform Act of 1998 requirement that TIGTA include in one of its Semiannual Reports to Congress information regarding administrative or civil actions related to FTCP violations.

WHAT TIGTA FOUND

Two FTCP violation cases were identified in IRS records that were closed in Fiscal Year 2014. Both employees were revenue officers performing collection work. One case involved harassment of a taxpayer and multiple instances of intimidation practices, which are strictly prohibited. The other case involved a revenue officer contacting the taxpayer directly, instead of contacting the taxpayer's power of attorney, as required. In both instances, the employees were disciplined for their actions consistent with IRS guidelines.

In addition, TIGTA identified one case that was miscoded and should have been evaluated as a potential FTCP violation but was not. This case involved a revenue officer performing collection work who denied a taxpayer the right to consult with his or her power of attorney. The employee was evaluated for unprofessional conduct and misuse of authority and was disciplined consistent with IRS guidelines.

There were no civil actions resulting in monetary awards for damages to taxpayers because of an FTCP violation.

WHAT TIGTA RECOMMENDED

TIGTA recommended that the IRS Human Capital Officer correct the miscoded case by appropriately coding it as an FTCP violation. The IRS completed the corrective action during TIGTA's review.

In their response, IRS officials stated they agreed with the facts in the report.

READ THE FULL REPORT

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

<http://www.treas.gov/tigta/auditreports/2015reports/201510045fr.pdf>.