



Treasury Inspector General for Tax Administration Office of Audit

INCREASED CALL VOLUME ASSOCIATED WITH ECONOMIC STIMULUS PAYMENTS REDUCED TOLL-FREE ACCESS FOR THE 2008 FILING SEASON

Issued on August 29, 2008

Highlights

Highlights of Report Number: 2008-40-168 to the Internal Revenue Service Commissioner for the Wage and Investment Division.

IMPACT ON TAXPAYERS

During the 2008 Filing Season, the Internal Revenue Service (IRS) did not achieve its toll-free telephone assistance performance measurement goals, and access to the toll-free telephone lines was lower than that planned because of the high volume of calls regarding the economic stimulus payments (also referred to as rebates). Additionally, taxpayers who chose to hear automated messages about the economic stimulus payments were not given the option to return to the main menu. However, accuracy rates for the Spanish Accounts and Tax Law toll-free telephone lines and the percentage of hold and wait times to total contact time improved from last year.

WHY TIGTA DID THE AUDIT

Each year, millions of taxpayers contact the IRS seeking assistance in understanding the tax law and meeting their tax obligations. The objective of the audit was to evaluate the customer service toll-free telephone access during the 2008 Filing Season.

WHAT TIGTA FOUND

The IRS did not achieve its 2008 Filing Season toll-free telephone assistance performance measurement goals because of the additional call volume associated with the economic stimulus payments. The IRS had planned to achieve an 81.1 percent Level of Service and a 270-second Average Speed of Answer. Instead, it achieved a 77.4 percent Level of Service and a 347-second Average Speed of Answer, indicating that the ability of taxpayers to access the toll-free telephone system was lower than that in prior years.

The IRS planned to receive 14.1 million calls to assistors and 17 million calls to the automated lines and to provide 16.8 million assistor services for the 2008 Filing Season. The Economic Stimulus Act of 2008 was passed in February 2008 and caused the IRS to receive

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16.1 million assistor calls and 19.1 million calls to the automated lines and to provide 18.7 million assistor services due to rebate call volumes.

The IRS implemented a series of automated messages to address rebate questions. However, the IRS decided not to route callers back to the main menu because it assumed that once the caller had heard the rebate message, the caller would require no further information or would go to IRS.gov.

Some performance measures for two of the IRS' main compliance toll-free telephone lines—the Automated Collection System Program and the Automated Underreporter Program—were lower than those for the 1040 toll-free telephone line. Compared to the 2007 Filing Season, taxpayers experienced longer wait times to speak with an assistor and spent more time on hold once they were connected to an assistor.

Accuracy rates for the Spanish Accounts and Spanish Tax Law toll-free telephone lines and the Average Speed of Answer were significantly better than those for the comparable English applications and the 2007 Filing Season results. Spanish-speaking taxpayers were given the option to switch to the English line even though service on that line was less than that on the Spanish line.

WHAT TIGTA RECOMMENDED

TIGTA recommended that the Commissioner, Wage and Investment Division, ensure that 1) callers have the option of returning to the main menu when the IRS uses a recorded message to provide information to taxpayers, and 2) the automated messages provided on the Spanish toll-free telephone lines are monitored so that they will remain valid and promote better customer service for Spanish-speaking taxpayers.

IRS management disagreed with our first recommendation, stating that the timing of the economic stimulus payment legislation made the decision to offer customers the option of returning to the main menu after hearing an economic stimulus payment announcement impractical. The IRS agreed with our second recommendation, stating that it plans to continue to offer Spanish-speaking callers the option to route to an English-speaking assistor option and make configuration changes as appropriate.

TIGTA believes that callers should be given the option to return to the main menu because it provides better customer service and is common practice on customer service telephone lines. By not providing the option of returning to the main menu, the IRS forced taxpayers to call again.

READ THE FULL REPORT

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

<http://www.treas.gov/tigta/auditreports/2008reports/200840168fr.pdf>

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