



Highlights of [GAO-05-782](#), a report to congressional requesters.

Why GAO Did This Study

Millions of taxpayers ask IRS questions about tax law each year. While the accuracy of IRS's answers has improved in some cases, it is still not always what taxpayers or Congress expect. Concerns about accuracy have raised questions about the adequacy of the training IRS provides to its taxpayer assistance staff. Because of these questions, GAO was asked to assess the extent to which IRS's planning and evaluation of its taxpayer assistor training conformed to guidance published by GAO and others. Planning and evaluation are part of a feedback loop whereby lessons from one year can be applied to making improvements in future years.

What GAO Recommends

GAO is making several recommendations to IRS. Regarding planning, our recommendations include:

- establishing long-term goals;
- determining the relative importance of the factors that affect accuracy, including training; and
- benchmarking training against other organizations.

Regarding evaluation, we recommend that IRS continue to pursue evaluations of the impact of its taxpayer assistance training efforts on accuracy.

IRS agreed with five of our eight recommendations, including those summarized above, and partially responded to the remaining three.

www.gao.gov/cgi-bin/getrpt?GAO-05-782.

To view the full product, including the scope and methodology, click on the link above. For more information, contact James R. White at (202) 512-9110 or whitej@gao.gov.

TAX ADMINISTRATION

IRS Needs Better Strategic Planning and Evaluation of Taxpayer Assistance Training

What GAO Found

IRS devotes significant resources to training its tax law assistors to answer questions, by telephone and at walk-in sites, and prepare tax returns. Although IRS cannot separate the costs of training tax law assistors from other assistance staff, the thousands of staff devoted to providing tax law assistance receive training each year. The training includes classroom and computer-based training on such subjects as tax law and communication. While IRS has some data on travel and course development costs associated with training, it does not have data on what is likely the largest cost component, the value of staff time devoted to tax law training.

Responsibility for training IRS taxpayer assistance staff is decentralized. IRS's Human Capital Office provides guidance and sets policy. The two divisions responsible for tax law assistance each have a human resources office with technical staff that are assigned to the various taxpayer assistance programs. Generally speaking, the taxpayer assistance programs share responsibility for planning training with human resource staff. The human resource staff are responsible for training evaluations.

IRS's planning for taxpayer assistor training could be enhanced by a more strategic approach. To their credit, some taxpayer assistance programs clearly communicated the importance of training to staff and had knowledge and skills inventories. All the units had analyses of some of the individual factors that affect accuracy, such as the quality and use of their taxpayer assistance guidance. However, none of the programs had long-term goals for either accuracy or training or had benchmarked their training efforts against those of other organizations. Nor had they done a combined analysis of the major factors that affect accuracy in order to determine their relative importance. Setting long-term goals and analyzing training needs and relative impacts are important steps in strategic planning. Goals can provide a yardstick for measuring progress and benchmarking can help identify best practices. Analyses of relative impacts can help IRS make informed decisions about a strategy for improving accuracy, including the importance of training compared to other factors in that strategy.

The taxpayer assistance programs routinely conducted evaluations of their training efforts. However, with one exception, the evaluations did not include analyses of the impact of training on the accuracy of assistance. Instead, the units conducted less sophisticated analyses of more immediate impacts, such as trainees' satisfaction. Given the importance of accurate answers to taxpayers' questions and the resources spent on training, the four assistance programs would benefit from more sophisticated evaluations of the effectiveness of training. One program had recognized the potential value of a more sophisticated evaluation of training and pilot tested an analysis in 2004. The value of evaluation is that it provides feedback about the effectiveness of one year's training that can be used to plan improvements to future training.