



## Treasury Inspector General for Tax Administration Office of Audit

### FIVE FAIR TAX COLLECTION PRACTICES VIOLATIONS RESULTED IN ADMINISTRATIVE ACTIONS IN CALENDAR YEAR 2007

Issued on September 5, 2008

## Highlights

Highlights of Report Number: 2008-10-162 to the Internal Revenue Service Chief Counsel and Human Capital Officer.

### IMPACT ON TAXPAYERS

The abuse or harassment of taxpayers by Internal Revenue Service (IRS) employees while attempting to collect taxes reflects poorly on the IRS and can have a negative impact on voluntary compliance. For Calendar Year 2007, there were five cases involving Fair Tax Collection Practices (FTCP) violations for which the employee received administrative disciplinary action. However, the IRS computer system contained a high percentage of cases that were miscoded as FTCP violations when they did not involve these types of violations. Inaccurate data on the number of FTCP violations can impede IRS management's efforts to detect and correct customer service problems that burden taxpayers.

### WHY TIGTA DID THE AUDIT

Section 1102 (d)(1)(G) of the IRS Restructuring and Reform Act of 1998 requires TIGTA to include in one of its Semiannual Reports to Congress information regarding any administrative or civil actions related to FTCP violations.

### WHAT TIGTA FOUND

In Calendar Year 2007, there were five cases involving FTCP violations for which the employee received administrative disciplinary action. The disciplinary actions included admonishment, suspension, probation/separation, and removal. Additionally, the IRS Automated Labor and Employee Relations Tracking System, which is used to track the violations, included 13 cases that were miscoded, an issue TIGTA previously reported to the IRS.

There were no civil actions that resulted in the IRS paying monetary settlements to taxpayers because of an FTCP violation.

### WHAT TIGTA RECOMMENDED

TIGTA recommended that the IRS Human Capital Officer correct the issue codes on cases incorrectly coded as FTCP violations and that should have been coded as FTCP violations.

In their response to the report, IRS officials stated that they agreed with the finding and recommendation. Management stated that the issue codes on all of the identified cases have been corrected. Further, additional advice and guidance have been provided to the staff concerning the proper use of FTCP codes.

### 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/200810162fr.pdf>.