



Treasury Inspector General for Tax Administration

THE BALTIMORE COLLECTION FIELD FUNCTION OFFICE PROPERLY CONTROLLED FORM 809 RECEIPT BOOKS AND TIMELY TRANSMITTED REMITTANCES FOR PROCESSING

Issued on February 20, 2008

Highlights

Highlights of Report Number: 2008-30-072 to the Internal Revenue Service Director, Collection, Small Business/Self-Employed Division.

IMPACT ON TAXPAYERS

Collection Field function (CFf) employees are required to issue a Receipt for Payment of Taxes (Form 809) whenever cash is received from a taxpayer. Effective controls over Form 809 issuance and processing are important to ensure the accurate and timely deposit of taxpayer payments.

WHY TIGTA DID THE AUDIT

This audit was initiated because the Form 809 is classified as a security item, and its use is strictly controlled and limited to only certain employees. The Form 809 is an official document for receipt of cash payments from taxpayers. All remittances secured by CFf employees must be transmitted to the Submission Processing site on the day collected or as soon as possible on the next business day to meet Internal Revenue Service (IRS) goals for timely deposit and to avoid unnecessary delays in processing. Group managers must review all receipt books assigned to their employees at least once per year to verify that all receipts have been accounted for.

WHAT TIGTA FOUND

TIGTA found that the Form 809 receipt books were properly issued to and maintained by the 22 revenue officers assigned to 3 groups at the Baltimore CFf office. In addition, the annual reconciliation of issued receipt books was timely completed, segregation of duties was adequately maintained within the groups, remittances were timely transmitted to the Submission Processing site for processing, and receipt books were properly returned to the Submission Processing site when revenue officers separated from the Baltimore CFf office groups. However, revenue officers transferring between field

offices did not return their receipt books. In addition, 9 receipt books had not been returned as required because no receipts had been issued within the last 3 years. While these conditions are not in accordance with established procedures, based on the results of our other control tests, TIGTA considered them to be of minor significance and risk. TIGTA did not identify any employee misuse of remittances intended for the IRS.

WHAT TIGTA RECOMMENDED

Because this is a positive report and TIGTA made no specific recommendations, comments from the IRS were not required.

READ THE FULL REPORT

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

<http://www.treas.gov/tigta/auditreports/2008reports/200830072fr.pdf>.

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