

**Improvement Is Needed in E-Mail Responses
to Complex Tax Questions Submitted Through
Toll-Free Telephone Help Lines**

December 2003

Reference Number: 2004-40-029

This report has cleared the Treasury Inspector General For Tax Administration disclosure review process and information determined to be restricted from public release has been redacted from this document.



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

INSPECTOR GENERAL
for TAX
ADMINISTRATION

December 16, 2003

MEMORANDUM FOR COMMISSIONER, WAGE AND INVESTMENT DIVISION

Gordon C. Milbourn III

FROM: Gordon C. Milbourn III
Acting Deputy Inspector General for Audit

SUBJECT: Final Audit Report – Improvement Is Needed in E-Mail Responses to Complex Tax Questions Submitted Through Toll-Free Telephone Help Lines (Audit # 200340042)

This report presents the results of our review of the Referral Mail (R-Mail) Program. The overall objective of this review was to provide an indication of the quality of the Internal Revenue Service's (IRS) toll-free telephone assistance for R-Mail Program questions during the 2003 Filing Season.¹ We limited our review of the R-Mail Program to only e-mail² responses. This audit was part of the Treasury Inspector General for Tax Administration's Fiscal Year 2003 Annual Audit Plan.

The IRS implemented the R-Mail Program to provide customer assistance relating to complex tax laws affecting taxpayers each year. The R-Mail database for the 2003 Filing Season shows the majority of questions were resolved by telephone contacts (73 percent) as compared to e-mail (19 percent). However, these current statistics also show that the number of customers receiving e-mail responses increased 55 percent over those receiving e-mails in the 2002 Filing Season. As more and more taxpayers become accustomed to electronic communication, it is to be expected that requests for e-mail responses will continue to grow annually.

Our judgmental sample of 70 test calls determined the following:

- R-Mail Screeners were professional on 66 (94 percent) of the calls. Five calls were not recorded because the Screener provided an immediate answer; however, the

¹ The period from January through mid-April when most individual income tax returns are filed.

² E-mail is electronic text mail used for the transmission of messages sent from a computer terminal or computer system.

Screeners were incorrect for three of the five answers given. The Screeners accurately recorded 47 (72 percent) of the remaining 65 calls in the R-Mail database.

- R-Mail Assistors e-mailed correct and complete responses for 35 (74 percent) of the 47 accurately recorded questions. The answers provided for the remaining 18 questions were either incorrect or incomplete.

When the results of both the Screeners and Assistors are combined, the potential impact on taxpayers showed that only 37 (53 percent) of our test questions actually received a complete and correct response. For the Program to be most effective, Screeners must accurately record taxpayer questions and contact numbers to ensure Assistors adequately consider all relevant information and are able to contact taxpayers for additional clarification if necessary.

We recommended the Commissioner, Wage and Investment Division, initiate a review of R-Mail Program guidelines and coordinate with the Commissioners of both the Small Business/Self-Employed and Large and Mid-Size Business Divisions to ensure that R-Mail Screeners accurately record complex questions and that R-Mail Assistors completely and correctly answer taxpayer questions. In addition, Centralized Quality Review Site management should perform periodic quality review checks and develop a method to provide an overall assessment of its e-mail process with respect to the taxpayer's expectation of receiving a correct, complete, and timely response.

Management's Response: IRS management agreed with our recommendations and has already begun corrective actions. Completed actions include the addition of a procedure to ensure that the Screeners record taxpayer questions accurately and ask the customer for a telephone number. In addition, the 2004 Assistor Guide instructs Assistors to call the taxpayer if they are unable to answer the question based on the information secured by the Screener.

The IRS will also secure the appropriate security clearance needed to reinstitute the quality review of responses to R-Mail questions. Reviews for the 2004 Filing Season will address the accuracy of information secured by Screeners and the accuracy of Assistors' responses. The IRS will assess quality from initial taxpayer contact with the Screener through the response provided by the R-Mail Assistor.

Management's complete response to the draft report is included as Appendix VI.

Copies of this report are also being sent to the IRS managers who are affected by the report recommendations. Please contact me at (202) 622-6510 if you have questions or Michael R. Phillips, Assistant Inspector General for Audit (Wage and Investment Income Programs), at (202) 927-0597.

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Submitted Through Toll-Free Telephone Help Lines**

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Improvement Is Needed in E-Mail Responses to Complex Tax Questions Submitted Through Toll-Free Telephone Help Lines

Background

The Internal Revenue Service's (IRS) mission is to provide America's taxpayers top quality service by helping them understand and meet their tax responsibilities and by applying the tax law with integrity and fairness to all. Each year, millions of taxpayers seek assistance by calling the IRS' toll-free telephone system to obtain answers to tax law and procedural type questions.

During the 2003 Filing Season,¹ over 14 million toll-free calls were answered. Customer Service Representatives (CSR) answer most of the questions from these calls while the taxpayers remain on the line. However, some questions are more complex and require the CSRs to transfer the taxpayers to the IRS' Referral Mail (R-Mail) Program.

The R-Mail Program is designed to provide additional customer service by answering complex tax questions within 3 workdays of a taxpayer's call. The Program uses a software system where taxpayer questions are classified and entered into a database by the Screener for control purposes and then routed to an employee having the proper training and expertise, known as the Assistor, to address the tax issues involved. This automated database also provides management information and reduces the amount of clerical time that a manual paper-based system would require.

During the 2003 Filing Season, IRS telephone reports show that CSRs transferred 592,687 taxpayer calls to the R-Mail Program for screening. Of these, 232,455 calls were forwarded to other IRS programs, and the R-Mail database received 280,176 of the calls.² Of the 280,176 questions received by the R-Mail database, 279,558 questions were answered or closed from the database as follows:

- 73 percent (204,042) by a telephone response.
- 19 percent (53,980) by an e-mail³ response.

¹ The period from January through mid-April when most individual income tax returns are filed.

² The remaining 80,056 calls would include not only immediate responses, but also instances in which the taxpayer may have terminated the call for various reasons beyond the control of the IRS.

³ E-mail is electronic text mail used for the transmission of messages sent from a computer terminal or computer system.

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- 3 percent (8,434) by correspondence.
- 5 percent (13,102) closed as no contact because the IRS was not able to reach the taxpayer by telephone after 2 attempts on 2 different days.

Although the R-Mail Program was originally intended to provide only telephone responses, the IRS recognized that adding the option to offer e-mail or written responses could also benefit many taxpayers. The foresight of this decision is clearly supported by the increase in e-mail responses to taxpayers; the 53,980 e-mails sent in the 2003 Filing Season represent a 55 percent increase over the 34,719 e-mails sent in the 2002 Filing Season.

In a prior Treasury Inspector General for Tax Administration review,⁴ we reported that the R-Mail Program needed to implement or strengthen necessary controls to ensure risks to taxpayers are minimized and customer service goals are achieved. As part of its corrective action, the IRS completed the following:

- Developed a guidebook to help ensure that the overall R-Mail Program is effectively managed and developed a coordinated plan with the Small Business/Self-Employed (SB/SE) Division and Large and Mid-Size Business (LMSB) Division to assign complex questions to Assistors in a manner that maximizes their technical expertise.
- Established an R-Mail Coordinator to review Centralized Quality Review Site (CQRS)⁵ results and changed the time period for conducting trend analyses to a weekly basis to timely provide accuracy and error information for IRS field offices during the filing season.

⁴ *Automated Referral System Weaknesses Have Placed Customer Service Goal Accomplishment at Risk* (Reference Number 2001-30-169, dated September 2001).

⁵ The CQRS is the IRS' corporate monitoring system for its main toll-free telephone lines. The role of the CQRS is to provide a single product review system that provides qualitative and quantitative data for use in determining whether the IRS is fulfilling its three goals of increasing voluntary compliance, reducing taxpayer burden, and improving quality-driven productivity and customer satisfaction.

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This review was performed at the Wage and Investment (W&I) Division offices in Chamblee, Georgia; Dallas, Texas; and Pittsburgh, Pennsylvania, between November 2002 and June 2003. We also conducted telephone interviews with IRS staff from the W&I and SB/SE Divisions. The audit was conducted in accordance with *Government Auditing Standards*. Detailed information on our audit objective, scope, and methodology is presented in Appendix I. Major contributors to the report are listed in Appendix II.

The Screeners Provided Professional Service in 94 Percent of Test Calls

To assess the quality of the R-Mail Program's e-mail service to taxpayers, we placed 70 test calls⁶ to the IRS' toll-free help lines. These calls involved complex tax questions that were proportionately based on the IRS' projected volume of calls to be received by specific tax law categories during the 2003 Filing Season (see Appendix V).

The IRS realizes that some complex tax questions received by CSRs may require additional research due to their legal complexities. If so, the CSR is instructed to transfer the call to the IRS' R-Mail Program. For example, we submitted the following complex tax test question:

This past year, I sold one rental property and bought another. Do I need to pay capital gains on the property I sold? And if not, is there a special form/procedure to identify that I invested in another rental property?

A regulatory guideline requires Screeners to provide taxpayers with both their name and unique identifying number for later reference if needed. A procedural guideline requires Screeners to inform callers that their question will be recorded and a response sent within 3 business days to allow the IRS sufficient time to adequately research the question asked.

In 66 (94 percent) of our 70 test calls, the Screeners followed the above stated regulatory and procedural guidelines and were determined to be professional during

⁶ The 70 test calls represent only a proportional array of questions judgmentally sampled and are not intended to be statistically valid for all calls received.

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The Screeners Accurately Recorded Information in the Referral Mail Database in 72 Percent of Test Calls

our initial contact. The four test calls in which the above requirements were not met included:

- One where the Screener did not provide his or her name and identification number.
- Three where Screeners did not convey that questions would be answered within 3 business days.

Each year, the R-Mail Program identifies specific tax law categories. If a taxpayer's question concerns one of these complex tax law categories,⁷ the call is transferred from the CSR to an R-Mail Screener. After identifying themselves and explaining the process, Screeners are responsible for recording the taxpayer's question in the R-Mail database and also reading the question back to the taxpayer to ensure the question is accurately transcribed.

In our 70 test calls, Screeners provided an immediate response to 5 questions (7 percent), of which 3 were incorrect. Of the remaining 65 questions, the Screeners accurately recorded 47 (72 percent) in the R-Mail database, while the remaining 18 (28 percent) showed either an incorrect e-mail address or an incomplete or inaccurate question. Existing procedures do not clearly address how Screeners should respond to taxpayers that may call back indicating no response e-mail was ever received.

Current R-Mail guidelines do not prohibit Screeners from immediately answering taxpayer questions. As stated previously, in our review of 70 test calls, this occurred 5 times. IRS personnel advised us that these questions were probably not entered into the R-Mail database if a reference number was not provided, and research capabilities were not available to locate the questions in the database. When questions are not recorded, it causes an understatement in the total number of responses. This will cause management information to be incorrect unless guidelines are modified to either prohibit the Screeners from answering questions or require Screeners to capture these questions when they occur.

⁷ See Appendix V –Tax Law Categories for the 2003 Filing Season Referral Mail Program.

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The Assistors Provided Correct Responses in 74 Percent of Test Calls

Additionally, management statistics may be distorted by unanswered calls resulting from taxpayers hanging up or unintentional system disconnects. For example, in the 2003 Filing Season, the difference between the 592,687 calls transferred to the R-Mail Program and the 280,176 questions actually recorded in the database includes 80,056 calls that current guidelines do not address.⁸ These calls include not only immediate Screener responses, but also those instances in which the call may have been terminated for various reasons beyond the IRS' control.

Once a taxpayer's question has been accurately recorded in the R-Mail database, it is the responsibility of the Assistors to research and provide taxpayers with a correct response.

After Screeners accurately recorded 47 of 65 test questions in the R-Mail database, the Assistors correctly answered 35 (74 percent) of the 65 questions within the 3-day response period. For the remaining 12 questions, Assistors either provided incorrect answers or omitted information necessary to make an answer correct. For example, the following shows the incorrect response provided for the test question shown on page 3:

When you sold the rental property, did you receive the proceeds? If so, then you report the sale on Schedule E of Form 1040 and if there is a gain you may owe capital gains tax. It does not matter that you took the proceeds and purchased another property. There is a provision in the Internal Revenue Code 1031(k) whereby you may sell and repurchase a like-kind property through a third person, called a qualified intermediary. At no time can you have access to or the right to access the proceeds. There are many rules and restrictions. The information I have given you is found in IRS Publication 544, Sales and Other Dispositions of Assets.

The answer is incorrect since the sale should be reported on Sale of Business Property (Form 4979), and possibly on Capital Gains and Losses (Schedule D, Form 1040).

Incorrect or incomplete answers may be caused in part by taxpayers that choose not to provide a telephone contact

⁸ The remaining 232,455 calls were forwarded to other IRS programs.

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number during the screening process. Without a contact number, the Assistor is not able to contact the taxpayer for additional or clarifying information, which could lead to an inadequate or incomplete response. If taxpayers do not receive a response that is both timely and accurate, taxpayer burden is increased by placing at risk their ability to properly meet their responsibility to prepare and file an accurate tax return when due.

Overall, IRS management did not ensure that Screeners and Assistors accurately recorded and answered questions for 33 of our 70 test calls. During the record phase, Screeners incorrectly answered 3 of the 5 test questions that received an immediate response, and incompletely or inaccurately recorded 18 of the remaining 65 questions or related e-mail addresses in the R-Mail database. Subsequently, in the answer phase, Assistors incompletely or incorrectly answered 12 of the 47 accurately recorded questions.

Recommendations

The Commissioner, W&I Division, should initiate a review of R-Mail Program guidelines and coordinate with both the SB/SE and LMSB Division Commissioners to ensure that:

1. The Screeners accurately record complex questions by emphasizing the importance to repeat and confirm questions with taxpayers and the need for taxpayers to provide a telephone contact number.

Management's Response: A procedure to ensure that the Screeners record taxpayer questions accurately has been added to the 2004 Screener Guide. The Guide also instructs Screeners to ask the customer for a telephone number.

2. The Assistors completely and correctly answer taxpayer questions by emphasizing the importance of contacting taxpayers for clarification or additional information, if necessary, to address an issue.

Management's Response: The 2004 Assistor Guide instructs Assistors to call the taxpayer if they are unable to answer the question based on the information secured by the Screener.

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Quality Review Procedures Do Not Include Combining Accuracy Rates for Screeners and Assistors to Effectively Determine the Overall Impact on Taxpayers

A method to help improve a program's objectives is to ensure its results are subjected to periodic quality review procedures. Ensuring high-quality results from the R-Mail Program is a direct responsibility of the CQRS. However, for 2003, the CQRS did not perform any quality review checks of e-mail responses because of Internet restrictions encountered and the time required to gain access compared to the time the reviews were to begin. CQRS management decided to concentrate its quality review on responses made by the Assistors over the telephone and to separately conduct a review of the Screeners. During the period January through mid-April, the CQRS' statistically sampled reviews identified a Screener accuracy rate of 78.1 percent and an Assistor accuracy rate of 71.5 percent.

Although these types of reviews will help the R-Mail Program identify and correct problems, they will not suffice to provide an overall or combined assessment of whether e-mail responses are actually received or if the responses provided are both correct and complete.

When all the above tests are viewed individually, they provide an informative internal perspective for IRS managers, but they do not adequately reflect the overall effectiveness of the R-Mail Program from the customer's point of view. To determine that viewpoint, we must combine the results from both recording and answering taxpayer questions to determine the true impact on customers.

Our combined results show that 47 percent (33⁹ of 70) of our test calls did not receive the quality service expected, leaving only 53 percent (37 of 70) that did, based upon whether a complete and correct response was ultimately received. The results of our judgmental sample¹⁰ of 70 test calls suggest that many of the 53,980 customers that

⁹ The 33 calls consisted of 3 questions incorrectly answered by the Screeners, 18 questions incorrectly or incompletely recorded by the Screeners, and 12 questions incorrectly or incompletely answered by the Assistors.

¹⁰ This judgmental sample was not intended to be statistically valid, and the actual error rate for the 53,980 taxpayers within our sample universe could be higher or lower than the 47 percent error rate calculated from our judgmental results.

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received an e-mail response during the 2003 Filing Season may have never received an actual response or received one that was incorrect or incomplete.

The R-Mail Program was implemented to effectively provide customer assistance relating to complex tax laws. It is most effective when taxpayer questions are accurately recorded and a taxpayer contact number is secured to ensure all facts can be determined if needed. As more and more taxpayers become accustomed to electronic communication, it is to be expected that requests for e-mail responses will continue to grow annually.

Recommendations

The Commissioner, W&I Division, should ensure that:

3. CQRS management performs periodic quality review checks to determine the accuracy of the Screeners' recorded e-mail addresses and of the Assistors' e-mail responses to taxpayers.

Management's Response: The IRS will secure the appropriate security clearance needed to reinstitute the quality review of responses to R-Mail questions. Reviews for the 2004 Filing Season will address the accuracy of information secured by Screeners and the accuracy of Assistors' responses.

4. CQRS management develops a method to combine its quality review of Screeners and Assistors into an overall assessment of its e-mail process from the viewpoint of the taxpayer's expectation of receiving a correct, complete, and timely response.

Management's Response: The IRS' review of e-mail responses on R-Mail inquiries for the 2004 Filing Season will assess quality from initial taxpayer contact with the Screener through the response provided by the R-Mail Assistor.

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Appendix I

Detailed Objective, Scope, and Methodology

The overall objective of this review was to provide an indication of the quality of the Internal Revenue Service's (IRS) toll-free telephone assistance for Referral Mail (R-Mail) Program questions during the 2003 Filing Season.¹ We limited our review of the R-Mail Program to only e-mail² responses. To accomplish our objective, we:

- I. Obtained the Fiscal Year 2003 Projected R-Mail Program call volume by topic and determined the percentage of calls by tax law topic.
- II. Obtained the Fiscal Year 2001 R-Mail Database and selected questions/records from the database by topic and updated questions based on new law. We judgmentally developed a sample of 70 test questions because available time and audit resources made it impractical to development a statistically valid number of questions and calls for all R-Mail topics.
- III. Called the toll-free telephone lines – 1-800-829-1040 (Individual Income Tax Services) and 1-800-829-4933 (Business & Specialty Tax Services) – during the period February 18 to April 14, 2003, with our 70 R-Mail Topic Test Questions and evaluated the overall experience we, as the customer, received. This consisted of an evaluation of whether we received professional service and an accurate, complete, and timely response.
- IV. Determined whether the Screeners provided professional service during the 70 test calls by evaluating the following:
 - A. Did the Screener provide his or her name and identification number (regulatory guideline)?
 - B. Did the Screener provide the time period in which to expect a response (procedural guideline)?
 - C. Did the Screener provide a reference number for the call (procedural guideline)?
- V. Determined whether the Screeners documented the question and e-mail address completely and correctly by accessing the R-Mail database based on the reference number provided and comparing the developed questions and e-mail addresses provided to the Screeners to the 65 questions and e-mail addresses documented in the R-Mail

¹ The period from January through mid-April when most individual income tax returns are filed.

² E-mail is electronic text mail used for the transmission of messages sent from a computer terminal or computer system.

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database. We also evaluated the Screeners' five immediate live responses for accuracy and completeness.

- VI. Determined whether the Assistor provided timely, accurate, and complete responses by performing our own research for the complete and correct response, calculating the days from the call to the e-mailed response received date, and performing some follow-up calls when no e-mail response was received.
- VII. Shared our results with IRS personnel and discussed our exception cases.

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Appendix II

Major Contributors to This Report

Michael R. Phillips, Assistant Inspector General for Audit (Wage and Investment
Income Programs)
Scott Macfarlane, Director
Patricia Lee, Audit Manager
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Stephanie McFadden, Auditor
Geraldine Vaughn, Auditor

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Appendix III

Report Distribution List

Commissioner C
Office of the Commissioner – Attn: Chief of Staff C
Deputy Commissioner for Services and Enforcement SE
Commissioner, Large and Mid-Size Business Division SE:LM
Commissioner, Small Business/Self-Employed Division SE:S
Director, Communication & Liaison, Small Business/Self-Employed Division SE:S:MS:CL
Director, Customer Account Services, Wage and Investment Division SE:W:CAS
Director, Strategy and Finance SE:W:S
Chief Counsel CC
National Taxpayer Advocate TA
Director, Office of Legislative Affairs CL:LA
Director, Office of Program Evaluation and Risk Analysis RAS:O
Office of Management Controls OS:CFO:AR:M
Audit Liaisons:
 Commissioner, Large and Mid-Size Business Division SE:LM
 Chief, Customer Liaison, Small Business/Self-Employed Division SE:S:COM
 GAO/TIGTA Liaison, Wage and Investment Division SE:W:S:PA

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Appendix IV

Outcome Measures

This appendix presents detailed information on the measurable impact that our recommended corrective actions will have on tax administration. This benefit will be incorporated into our Semiannual Report to the Congress.

Type and Value of Outcome Measure:

- Taxpayer Burden – Actual; 33 e-mailed responses in 2003 Filing Season¹ (see page 7).

Methodology Used to Measure the Reported Benefit:

During the 2003 Filing Season, the Treasury Inspector General for Tax Administration placed a judgmental sample of 70 telephone calls to the Internal Revenue Service's (IRS) toll-free help lines. The calls consisted of complex tax law questions that were transferred to the Referral Mail Program. We did not receive the quality service expected in 33 (47 percent) responses.

We believe many of the 53,980 customers that requested an e-mail response during the 2003 Filing Season may have never received an actual response or received one that was incorrect or incomplete. However, our judgmental sample was not intended to be statistically valid, and the actual error rate for these customers could be higher or lower than the 47 percent error rate calculated from our sample results.

¹ The period from January through mid-April when most individual income tax returns are filed.

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Appendix V

**Tax Law Categories for the
2003 Filing Season¹ Referral Mail Program**

Tax Law Category/Topic	Total R-Mail² Database Responses	TIGTA³ Test Call Volume	Test Call Exception Category	Percentage of Error
Capital Gains and Alternative Minimum Tax	136,277	30	13	43%
Alien and International	33,889	10	4	40%
Partnerships and Corporations	32,469	9	4	44%
Sale of Business Property and Depreciation	22,961	6	4	67%
Trusts and Fiduciaries	18,281	5	4	80%
Rental Property	24,375	7	3	43%
Estate and Gift Taxes	11,306	3	1	33%
Total	279,558	70	33	47%

¹ The period from January through mid-April when most individual income tax returns are filed.

² Referral Mail.

³ Treasury Inspector General for Tax Administration.

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Appendix VI

Management's Response to the Draft Report



COMMISSIONER
WAGE AND INVESTMENT DIVISION

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
ATLANTA, GA 30308

RECEIVED
DEC 05 2003

DEC 05 2003

MEMORANDUM FOR PAMELA J. GARDINER
DEPUTY INSPECTOR GENERAL FOR AUDIT

FROM:

Henry O. Lamar, Jr. *Henry O. Lamar, Jr.*
Commissioner, Wage and Investment Division

SUBJECT:

Draft Audit Report – Improvement Is Needed in E-Mail
Responses to Complex Tax Questions Submitted Through
Toll-Free Telephone Help Lines (Audit No. 200340042)

The Referral Mail Program (R-mail) process was initially designed to provide active two-way telephone communication between the taxpayer and our specialized assistors. Questions are transcribed primarily to facilitate the proper assignment of the question to an assistor best qualified to research and respond to the taxpayer. Our use of e-mail as a method of responding to R-mail questions is a relatively new approach. Your report provides several suggestions that will allow us to improve our e-mail process.

I appreciate your recognition that the R-mail program is limited in scope and is intended to assign the most difficult questions to highly skilled and specialized assistors. Assistance provided through R-mail is a very small percentage of the Filing Season services we provide to toll-free telephone customers. As you noted, during the Filing Season our Customer Service Representatives provided toll-free telephone assistance to over 14 million customers. In addition, 4 million customers were served through our automated telephone services, while millions more took advantage of information and services available through our website. We responded to approximately 280,000 R-mail questions of which only 54,487 or 19 percent received an e-mail response.

While the scope of your audit was limited to a small population of customers, our service to each customer is important to us. Your observations helped us make improvements in the R-mail program. We have clarified instructions in the Screener Guide for R-mail to:

- Reinforce that all questions meeting R-mail criteria must be input into the R-mail database;
- Stress that Screeners should not attempt to answer R-mail questions; and
- Strengthen the procedures for helping customers who state that they did not receive a response to their question.

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2

I agree with your recommendations, and new procedures have already been added to the 2004 Screener and Assistor Guides to address recommendations 1 and 2. These new procedures will be emphasized during the specialized training given to screeners and assistors prior to the Filing Season. The attachment provides detailed plans to fully implement corrective actions to address the remaining two recommendations. I also agree with the outcome measures explained in Appendix IV of your report.

If you have any questions, please call me or Ronald S. Rhodes, Director, Customer Account Services, at (404) 338-8910.

Attachment

Improvement Is Needed in E-Mail Responses to Complex Tax Questions Submitted Through Toll-Free Telephone Help Lines

Attachment

RECOMMENDATIONS 1 and 2

The Commissioner, W&I Division, should initiate a review of R-mail Program guidelines and coordinate with both SB/SE and LMSB Commissioners to ensure that:

1. The Screeners accurately record complex questions by emphasizing the importance to repeat and confirm questions with taxpayers, and the need for taxpayers to provide a telephone contact number.
2. The Assistors completely and correctly answer taxpayer questions by emphasizing the importance of contacting taxpayers for clarification or additional information, if necessary, to address an issue.

CORRECTIVE ACTION 1

We agree with this recommendation. A procedure to ensure that the screeners record taxpayer questions accurately has been added to the 2004 Screener Guide. The Screener Guide also instructs screeners to ask the customer for a telephone number that could be used if additional contact is needed.

IMPLEMENTATION DATE

Completed on October 1, 2003

CORRECTIVE ACTION 2

We agree with this recommendation. The 2004 Assistor Guide instructs assistors to call the taxpayer if they are unable to answer the question based on the information secured by the screener.

IMPLEMENTATION DATE

Completed on November 3, 2003

RECOMMENDATIONS 3 and 4

The Commissioner, W&I Division should ensure that:

1. CQRS management performs periodic quality review checks to determine the accuracy of the Screeners' recorded e-mail addresses and of the Assistors' e-mail responses to taxpayers.

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2

2. CQRS management develops a method to combine its quality review of Screeners and Assistors into an overall assessment of its e-mail process from the viewpoint of the taxpayer's expectation of receiving a correct, complete, and timely response.

CORRECTIVE ACTION 3

We agree with this recommendation. We will secure the appropriate security clearance needed to re-institute the quality review of e-mail responses to R-mail questions. The reviews for the 2004 Filing Season will address the accuracy of information secured by screeners' and the accuracy of assistors' e-mail responses.

IMPLEMENTATION DATE

January 15, 2004

RESPONSIBLE OFFICIAL

Site Manager, Centralized Quality Review

CORRECTIVE ACTION MONITORING PLAN

We will monitor this corrective action as part of our internal management control system. The Site Manager, Centralized Quality Review will report progress to the Chief, W&I Program Coordination and Support.

CORRECTIVE ACTION 4

We agree with this recommendation. Our review of e-mail responses on R-mail inquiries for 2004 Filing Season will assess quality from initial taxpayer contact with the screener through the response phase when the R-mail assistor provides an answer.

IMPLEMENTATION DATE

January 15, 2004

RESPONSIBLE OFFICIAL

Site Manager, Centralized Quality Review

CORRECTIVE ACTION MONITORING PLAN

We will monitor this corrective action as part of our internal management control system. The Site Manager, Centralized Quality Review will report progress to the Chief, W&I Program Coordination and Support.