

**Taxpayer Assistance Center Employees
Correctly Answered More Tax Law Questions
During September and October 2003 Than
Compared to One Year Ago**

January 2004

Reference Number: 2004-40-037

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

January 15, 2004

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 - Taxpayer Assistance Center Employees
Correctly Answered More Tax Law Questions During September
and October 2003 Than Compared to One Year Ago
(Audit # 200340022)

This report presents the results of our review of the Internal Revenue Service's (IRS) responses to taxpayers' tax law questions. The overall objective of the review was to determine if the IRS provides accurate and timely responses to taxpayers' tax law questions. In addition, Treasury Inspector General for Tax Administration (TIGTA) auditors who made anonymous visits to the Taxpayer Assistance Centers (TAC) assessed whether IRS employees adhered to operating guidelines on referral procedures¹ and were professional and courteous, and whether TAC addresses and office hours made available to taxpayers were accurate.

This review was conducted as a result of an amendment to the Treasury spending bill² for Fiscal Year (FY) 2002 proposed by Senator Byron Dorgan (Democrat - North Dakota), then Chairman of the Subcommittee on Treasury and General Government. The amendment requires us to conduct visits to all TACs and report to the Congress on whether taxpayers are provided correct and prompt answers to their questions. We are conducting anonymous visits to all TACs over a 2-year period. This is the eleventh in a series of bi-monthly reports that we are issuing in response to the amendment to the Treasury spending bill.

¹ Field Assistance office guidelines clearly define the scope of employee expertise (tax law topics for which employees receive training) and specific services that are offered to taxpayers within the TACs. Taxpayers that ask questions outside the level of employee training should be referred to the IRS toll-free telephone lines or have their questions submitted via the Internet (called "R-mail") for assistance.

² Treasury and General Government Appropriations Act, 2002, Pub. L. No. 107-67, 115 Stat. 514 (2001).

During September and October 2003, TIGTA auditors made 65 anonymous visits to 34 TACs. The auditors asked 130 tax law questions and determined that IRS employees provided incorrect answers to some of them. For example, IRS employees:

- Correctly answered 93 (72 percent) of 130 questions.
- Incorrectly answered 26 (20 percent) of 130 questions.
- Referred the auditor to IRS publications and generally advised the auditor to do his or her own research to find the answer to 4 (3 percent) of 130 questions.
- Denied service³ to the auditor for 3 (2 percent) of 130 questions.
- Correctly offered to prepare a written referral or call the IRS toll-free telephone line⁴ for 4 (3 percent) of 130 questions.

We commend the IRS for the corrective actions it has taken in response to our previously issued semiannual and bi-monthly reports. We believe the increase in accuracy rates as compared to those in the same period in Calendar Year (CY) 2002 can be directly attributed to these actions. For example, during September and October 2002, IRS employees correctly answered 70 percent and referred 6 percent of questions to publications, compared to correctly answering 72 percent and referring only 3 percent to publications during September and October 2003.

In January 2003, we began assessing whether IRS employees adhered to operating procedures to refer to the IRS toll-free telephone lines or Internet those taxpayer questions that were outside the scope of services that employees should have been trained to answer. In addition to scheduled visits, our auditors completed visits to 25 other TACs. The auditors asked 78 “out of scope” questions and determined that employees did not follow referral procedures for 24 (31 percent) of these questions.

The IRS did not always protect taxpayer privacy. For example, we observed checks and taxpayer identification numbers on tax returns while visiting TACs. Auditors also observed that improvement had been made in providing accurate addresses and office hours to taxpayers, IRS employees were professional and courteous to the TIGTA auditors in 61 of the 65 visits, and wait time for service was 1 hour or less for all 65 visits.

This report is to advise IRS management of the results of our review. We do not make recommendations to the IRS in the bi-monthly reports. However, we will issue a trend report during FY 2004 that will include appropriate recommendations to help ensure taxpayers are referred to employees that can provide accurate responses to their tax law questions. Auditors will continue making visits to the TACs throughout CY 2003.

³ Auditors asked three questions within the scope of services for which IRS employees did not provide an answer, offer to prepare a written referral, or refer the auditors to another IRS employee or the toll-free telephone lines to obtain the answers to their questions.

⁴ No answer was provided, but in each instance the employee offered to prepare a referral to the IRS toll-free tax law telephone number to obtain an answer to the question.

We will also continue to issue bi-monthly reports on the results to the IRS and the Congress.

Management's Response: IRS management appreciated our recognition of the corrective actions they took which increased accuracy rates compared to the same period for CY 2002. Management continues to take steps to improve accuracy in the TACs. Their long-term approach to improving quality is implementation of Embedded Quality Business Integration, an approach that focuses on standardized measures, employee monitoring, and feedback tools.

The IRS continues to disagree with including referrals to publications and service denied when computing the accuracy rates. Management's complete response to the draft report is included as Appendix V.

Copies of this report are also being sent to the IRS managers who are affected by the report findings. 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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Taxpayer Assistance Center Employees Correctly Answered More Tax Law Questions During September and October 2003 Than Compared to One Year Ago

Background

The Senate Committee on Appropriations was deeply concerned about the findings in a Treasury Inspector General for Tax Administration (TIGTA) audit report on the Internal Revenue Service's (IRS) Taxpayer Assistance Centers (TAC).¹ That report showed auditors did not receive accurate or sufficient answers to 73 percent of their tax law questions posed during anonymous visits to the TACs during January and February 2001.

Based on the results of that review, Senator Byron Dorgan (Democrat - North Dakota), then Chairman of the Subcommittee on Treasury and General Government, proposed an amendment to the Treasury spending bill² for Fiscal Year (FY) 2002. The amendment requires us to conduct visits to all TACs and report to the Congress as to whether taxpayers are provided correct and prompt answers to their questions. Auditors are conducting anonymous visits to all TACs over a 2-year period.

The IRS Field Assistance (FA) office in the Wage and Investment (W&I) Division has overall responsibility for the TACs. The TACs exist primarily to serve taxpayers that choose to seek help from the IRS in person. The IRS employees that work in the TACs provide assistance in interpreting tax laws and regulations, preparing some tax returns, resolving inquiries on taxpayer accounts, and providing various other services designed to minimize the burden on taxpayers in satisfying their tax obligations.

There are approximately 400 TACs located throughout the United States (U.S.), including Washington, D.C. According to the IRS, the TACs served approximately 7.7 million taxpayers between January and October 2003.³ Approximately 1.6 million of these taxpayers visited the TACs for assistance with the tax law.

¹ *Letter Report: The Internal Revenue Service Continues to Give Incorrect Tax Law Information in Taxpayer Assistance Centers* (Reference Number 2001-40-077, dated May 2001).

² Treasury and General Government Appropriations Act, 2002, Pub. L. No. 107-67, 115 Stat. 514 (2001).

³ We did not validate the accuracy of the statistics provided by the IRS on the number of taxpayers that visited the TACs.

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In addition to the anonymous visits being performed by TIGTA auditors, the IRS FA Quality Review Staff began visiting the TACs in October 2002 to anonymously ask tax law questions within the scope of services that TAC employees should have been trained to answer. The results of these reviews will provide each employee's manager specific feedback on the quality of service provided in the TAC. The IRS established an accuracy goal of 80 percent for FY 2003. The IRS also plans to use our Calendar Year (CY) 2002 results as baseline figures to measure improvement during FY 2003.

Our questions relate to 21 tax law topics that are within the scope of services. The questions were designed to cover a wide range of tax law topics to provide an overall assessment of whether taxpayers are receiving correct answers to questions that an individual taxpayer⁴ might ask when he or she visits a TAC. In May 2003, auditors changed the scope of the questions or added additional scenarios that are more applicable to the types of questions taxpayers ask subsequent to the filing season.⁵

Beginning in January 2003, we also began evaluating whether employees adhered to operating procedures⁶ to refer to the IRS toll-free telephone lines or Internet (R-mail) those taxpayer questions that were outside the scope of services that employees should have been trained to answer.

This report is the eleventh in a series of bi-monthly reports we are issuing on the results of the visits to the TACs. The review was performed in the IRS Customer Assistance, Relationships, and Education office in the W&I Division in September and October 2003. TIGTA auditors anonymously visited 34 TACs in 10 states. Another

⁴ Individual taxpayers are nonbusiness taxpayers who file U.S. Individual Income Tax Returns (Forms 1040, 1040A, or 1040EZ).

⁵ The period from January through mid-April when most individual income tax returns are filed.

⁶ FA office guidelines clearly define the scope of employee expertise (tax law topics for which employees receive training) and specific services offered within the TACs. Taxpayers that ask questions outside the level of employee training should be referred to the IRS toll-free telephone lines or have their questions submitted via the Internet for assistance.

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25 TACs in 8 states were visited as part of our referral assessment (see Appendix IV for specific states visited).

This review was conducted in accordance with *Government Auditing Standards*. However, we did not determine the cause and effect for the findings and will make no recommendations in the bi-monthly reports. We will issue a trend report during FY 2004, incorporating the results from our 12 CY 2002 and 2003 bi-monthly reports and the results of our FY 2004 audits, that will include appropriate recommendations to help ensure taxpayers are referred to employees that can provide accurate responses to their tax law questions.

Detailed information on our objective, scope, and methodology is presented in Appendix I. Major contributors to the report are listed in Appendix II.

Taxpayers Received Correct Answers to More Tax Law Questions When Compared to the Same Period Last Year

During September and October 2003, IRS employees correctly answered 72 percent and referred only 3 percent of questions to publications, compared to correctly answering 70 percent and referring 6 percent to publications during September and October 2002. We commend the IRS for the corrective actions it has taken in response to our previous semiannual and bi-monthly reports. We believe the increase in accuracy rates as compared to those in the same period in CY 2002 can be directly attributed to these actions.

Our auditors made 65 anonymous visits to 34 TACs and asked 130 tax law questions during September and October 2003. The results were as follows:

- Ninety-three (72 percent) of the 130 questions were correctly answered. However, the IRS employees provided correct answers to 14 of the 93 questions without asking all of the required questions outlined in the tax law instructions and publications. For example, for 10 of the 14 questions, the IRS employees stated that the auditors did not have to report child support payments as income. However, the employees did not ask if the auditors' payments were specifically designated as child support in the divorce agreement.
- Twenty-six (20 percent) of the 130 questions were incorrectly answered. For example, for two questions, the IRS employees incorrectly advised auditors that they

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would have to pay taxes on the alimony payments they received. The correct answer to the scenario presented by the auditors was the alimony payments were not taxable because they were designated as child support.

- Four (3 percent) of the 130 questions resulted in the IRS employees referring the auditors to publications and generally advising the auditors to do their own research to find the answers to the questions. For example, an auditor asked if he or she could file as head of household. The IRS employee did not provide an answer but referred the auditor to a publication and provided Form 1040 and its instructions.
- Three (2 percent) of the 130 questions resulted in the auditors being denied service.⁷ For example, an auditor wanted to know if Social Security income was taxable. The IRS employee stated that this could not be answered without verifying the auditor's income as recorded on the IRS' management information system. The IRS employee did not ask additional probing questions even though the auditor stated the amount of the income and was prepared to answer all the possible questions outlined in the IRS publications and instructions.

According to IRS guidelines, employees should use publications and instructions as tools when assisting taxpayers with tax law questions. By not using available resources to ask all required questions, IRS employees in the above examples made assumptions and provided answers without considering relevant facts to ensure the answers given were correct.

- Four (3 percent) of the 130 questions resulted in the IRS employees correctly offering to refer the auditors to the IRS toll-free tax law telephone number because the IRS employees were not trained on the tax law topic.⁸ For

⁷ Auditors asked three questions within the scope of services for which IRS employees did not provide an answer, offer to prepare a written referral, or refer the auditors to another IRS employee or the toll-free telephone lines to obtain the answers to their questions.

⁸ No answer was provided, but in each instance the IRS employee offered to refer the auditor to the IRS toll-free tax law telephone number to obtain an answer to the question.

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example, an auditor asked if his or her brother could take the Individual Retirement Arrangement Credit. The IRS employee obtained the publication and stated he or she had not been trained on the tax law topic. Therefore, the IRS employee correctly offered to prepare a written referral to obtain an answer to the question.

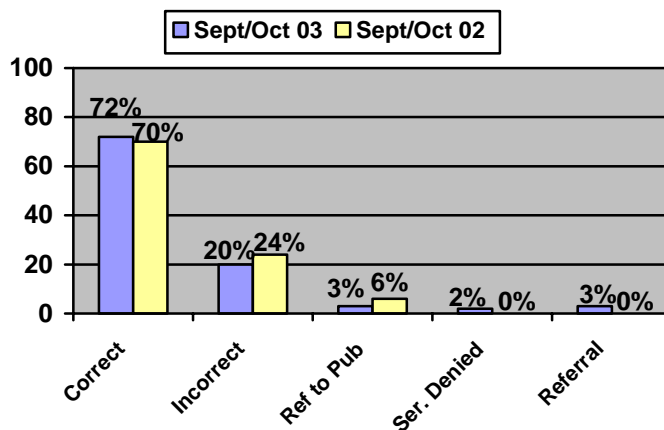
Table 1 provides a breakdown of the accuracy of the answers to our questions.

| Table 1: Tax Law Questions (130 questions asked) | | | | | | |
|---|---------|------------------------|-----------|--------------|----------------|----------------------------|
| | Correct | Correct but Incomplete | Incorrect | Ref. to Pub. | Service Denied | Correct Toll-Free Referral |
| Responses | 79 | 14 | 26 | 4 | 3 | 4 |
| Percentages | 61% | 11% | 20% | 3% | 2% | 3% |

Source: Anonymous visits performed by TIGTA auditors.

Chart 1 shows a comparison of CY 2002 to CY 2003 accuracy rates.

Chart 1: Comparison of September and October 2002 and 2003 Bi-Monthly Accuracy Rates⁹



Source: TIGTA reviews conducted during September and October 2002 and 2003.

⁹ The “Correct” rates presented in the chart include “Correct” and “Correct but Incomplete” responses.

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Taxpayers Received Answers to Some Tax Law Questions Employees Were Not Trained to Answer

In January 2003, we began our assessment of whether IRS employees adhered to operating guidelines that require the referral of tax law questions outside the scope of services they have been trained to answer. In addition to scheduled visits in September and October 2003, TIGTA auditors completed visits to 25 additional TACs. The auditors asked 78 “out of scope” questions and determined that employees did not follow referral procedures in providing answers to 24 (31 percent) of the questions asked.

IRS operating guidelines require IRS employees that receive a question beyond their level of training to offer to call the correct IRS toll-free telephone line on behalf of the taxpayer or to submit the question in writing to a subject-matter expert(s) via the Internet (R-mail).¹⁰ Table 2 provides a breakdown of IRS employees’ answers to tax law questions beyond their level of training.

| Table 2: Out of Scope Questions (78 questions asked) | | | | |
|---|--------------------|---------------------------------------|-----------|--------------|
| | Correctly Referred | Questions Answered (24) ¹¹ | | |
| | | Correct | Incorrect | Ref. to Pub. |
| Responses | 54 | 13 | 7 | 4 |
| Percentages | 69% | 54% | 29% | 17% |

Source: Anonymous visits performed by TIGTA auditors.

Auditors Generally Had Positive Experiences When They Visited Taxpayer Assistance Centers

Auditors also assessed the quality of assistance provided by IRS employees, including whether the employees were professional and courteous, the wait time for service, and whether employees’ names were given or visible. Auditors generally had positive experiences. Table 3 shows a breakdown of the quality of assistance results.

¹⁰ Each question submitted to the IRS R-mail system will be assigned to a designated employee who will provide an answer to the question within 15 business days.

¹¹ The IRS employee should have referred the out of scope question to the toll-free telephone lines or R-mail, but instead the IRS employee answered the question.

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| Table 3: Quality of Assistance (34 TACs visited, 2 auditors per site) | | |
|--|-------------|-----------------------|
| | Occurrences | Percent ¹² |
| Employee Professional/Courteous | 61 | 94% |
| Wait Time 0-15 Minutes | 50 | 77% |
| Wait Time 16-30 Minutes | 10 | 15% |
| Wait Time 31-45 Minutes | 4 | 6% |
| Wait Time 46-60 Minutes | 1 | 2% |
| Wait Time Greater Than 1 Hour | 0 | -- |
| Employee Name Given or Visible | 39 | 60% |

Source: Anonymous visits performed by TIGTA auditors.

Taxpayer Privacy Was Not Adequately Protected in Some Taxpayer Assistance Centers

Taxpayer privacy was not adequately protected in 2 (6 percent) of the 34 TACs visited. In response to previously issued reports, the IRS published an alert that advised employees to take steps to protect taxpayer privacy. However, during three of our visits, checks and a tax return containing the Social Security Number (SSN) or Taxpayer Identification Number of taxpayers were visible to TIGTA auditors while they were being assisted by IRS employees. The protection of taxpayer privacy is a very significant issue. When IRS employees do not take steps to protect taxpayer information, especially SSNs, identity theft may occur.

Improvements Were Made to Provide Accurate Taxpayer Assistance Center Office Hours and Addresses to Taxpayers

The TIGTA auditors found that improvements were made to ensure that TAC addresses and office hours made available to taxpayers matched the information posted at the TACs. Taxpayers can access the IRS Internet web site and follow the appropriate links to obtain the addresses and office hours of the TACs located in their state. Taxpayers that do not have access to the Internet may call the IRS toll-free telephone numbers or automated telephone messaging system to obtain this information.

In our first semiannual report, we made no recommendations pertaining to TAC addresses and office

¹² Percentage is based on 65 visits instead of 68 because only 1 auditor made a visit to the Santa Rosa; Oakland; and Visalia, California, TACs, resulting in a total of 65 TACs visited.
(34 TACs x 2 auditors - 3 visits = 65 TACs)

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hours because of the IRS' response to one of our bi-monthly reports.¹³ However, while progress was made, we continued to identify concerns in this area from July through December 2002. Specifically, 2 percent of TAC addresses and 43 percent of TAC office hours posted at the TACs did not match those on the Internet. As a result, our second semiannual trend report included a recommendation to ensure TAC addresses and office hours made available to taxpayers are accurate. In response, the FA office issued guidance that required managers to certify the accuracy of addresses and office hours on the various systems. The FA office also provided employee training on how to update addresses and office hours and began monitoring to ensure the accuracy of information made available to taxpayers.

Beginning in January 2003, we evaluated whether TAC addresses and office hours provided to taxpayers via the Internet, toll-free telephone numbers, and automated telephone messaging system matched the information posted in the TACs. Auditors found the following.

Improvement has been made to ensure addresses and office hours made available to taxpayers match the addresses and office hours posted at the TACs

- Addresses posted at 30 (91 percent) of 33¹⁴ TACs matched the addresses listed on the Internet, toll-free telephone numbers, and automated telephone messaging system.
- Office hours for 28 (82 percent) of the 34 TACs with office hours posted on the Internet, toll-free telephone numbers, and automated telephone messaging system matched the hours posted at the TAC.

The IRS informed us that the addresses and office hours available to taxpayers from the Internet were the most reliable. As a result, we used these data as a baseline to expand our analysis to determine if addresses and office hours provided to taxpayers from the Internet matched those

¹³ *Management Advisory Report: Taxpayers Continue to Receive Incorrect Answers to Some Tax Law Questions* (Reference Number 2002-40-113, dated June 2002).

¹⁴ Percentage based on 33 TACs instead of 34 because the address was not posted at 1 TAC.

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on the IRS toll-free telephone numbers and automated telephone messaging system.

Improvement has been made to ensure addresses and office hours provided to taxpayers that accessed the IRS Internet web site matched the information provided by the IRS toll-free telephone numbers and automated telephone messaging system

Tables 4 and 5 show the results of our comparison of addresses and office hours made available to taxpayers that access the Internet to the information made available to taxpayers that call the IRS toll-free telephone numbers or automated telephone messaging system.

| Table 4: Comparison of Accuracy of Information Provided via Internet to Toll-Free | | |
|---|-------------|---------|
| | Occurrences | Percent |
| Address Correct | 34 | 100% |
| Office Hours Correct | 34 | 100% |

Source: Anonymous visits performed by TIGTA auditors.

| Table 5: Comparison of Accuracy of Information Provided via Internet to Automated Telephone Messaging System | | |
|--|-------------|---------|
| | Occurrences | Percent |
| Address Correct | 34 | 100% |
| Office Hours Correct | 34 | 100% |

Source: Anonymous visits performed by TIGTA auditors.

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Appendix I

Detailed Objective, Scope, and Methodology

The overall objective of the review was to determine if the Internal Revenue Service (IRS) provides accurate and timely responses to taxpayers' tax law questions. In addition, Treasury Inspector General for Tax Administration auditors who made anonymous visits to the Taxpayer Assistance Centers (TAC) assessed whether IRS employees adhered to operating guidelines on referral procedures and were professional and courteous, and whether the TAC addresses and office hours made available to taxpayers were accurate. We did not determine the cause and effect for the findings, so we are making no recommendations in the bi-monthly reports.

To achieve this objective, auditors performed the following tests:

- I. Determined if the IRS provided quality service and accurate responses to tax law inquiries at the 34 TACs visited. Auditors asked 130 tax law questions that an individual taxpayer¹ might ask. Auditors developed questions based on the training provided to IRS employees during the fall of 2001 and the scope of services for tax law assistance prescribed in the Fiscal Years 2002 and 2003 Field Assistance (FA) Operating Procedures.
- II. Determined if IRS employees followed FA Operating Procedures to refer questions that were outside the scope of services they should have been trained to answer. In addition to scheduled visits, auditors completed visits to 25 additional TACs and asked 78 questions that were beyond the IRS employees' level of training.
- III. Determined the quality of service provided by the IRS employees.

¹ Individual taxpayers are nonbusiness taxpayers who file United States Individual Income Tax Returns (Forms 1040, 1040A, or 1040EZ).

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Appendix II

Major Contributors to This Report

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Russell Martin, Audit Manager
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Pamela DeSimone, Senior Auditor
Lena Dietles, Senior Auditor
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Edie Lemire, Senior Auditor
Grace Terranova, Senior Auditor
Jerome Antoine, Auditor
Robert Baker, Auditor
Jerry Douglas, Auditor
Andrea Hayes, Auditor
Kathy Henderson, Auditor
Mary Keyes, Auditor

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Appendix III

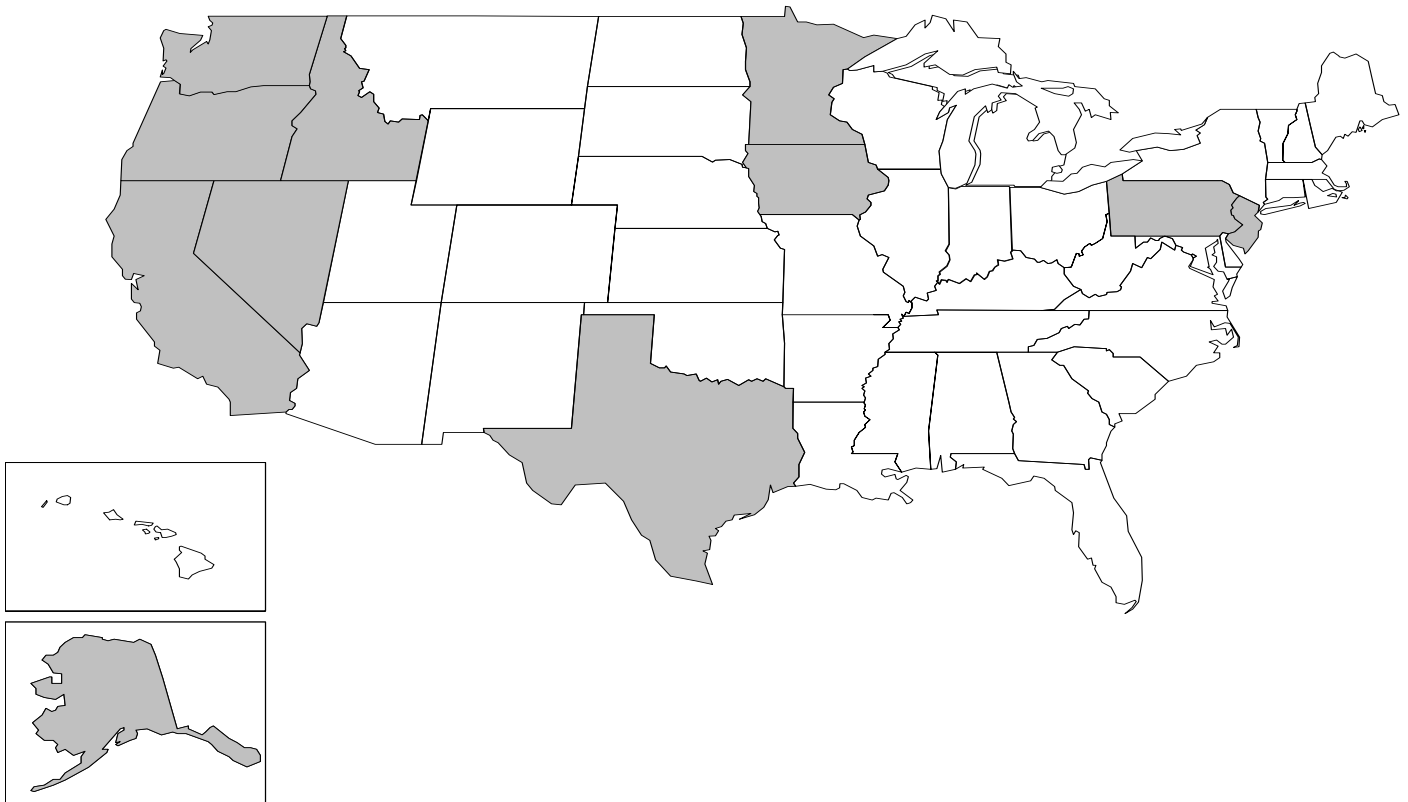
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Appendix IV

States Visited During September and October 2003



The 10 states visited in which auditors asked questions within the scope of services include Alaska, California, Idaho, Iowa, Minnesota, Nevada, New Jersey, Oregon, Texas, and Washington.

The eight states visited in which auditors asked questions outside the scope of services include California, Minnesota, Nevada, New Jersey, Oregon, Pennsylvania, Texas, and Washington.

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Appendix V

Management's Response to the Draft Report



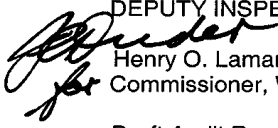
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WAGE AND INVESTMENT DIVISION

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
ATLANTA, GA 30308

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December 31, 2003

MEMORANDUM FOR PAMELA J. GARDINER
DEPUTY INSPECTOR GENERAL FOR AUDIT

FROM: 
Henry O. Lamar, Jr.
Commissioner, Wage and Investment Division

SUBJECT: Draft Audit Report – Taxpayer Assistance Center
Employees Correctly Answered More Tax Law Questions
During September and October 2003 Than Compared to One
Year Ago (Audit # 200340022)

I reviewed your draft report for September and October 2003. I appreciate your recognition of the corrective actions we have taken to increase our accuracy rates compared to the same period for calendar year 2002. We continue to improve quality and accuracy in our Taxpayer Assistance Centers (TACs).

As stated in my previous responses, our long-term approach to improving quality is the implementation of initiatives that improve the quality, efficiency, and delivery of service to taxpayers. Our initiatives are in varying stages of development with timelines that extend to fiscal year (FY) 2008. Our strategic planning cycle for FY 2006 reflects a revised approach that includes the integration and coordination of four key projects: Embedded Quality, Contact Recording, E-Learning, and Q-Matic. This revised project plan brings the four separate initiatives into one project known as Embedded Quality Business Integration (EQBI). EQBI focuses on standardized measures, employee monitoring, and enhanced feedback tools. The initial step in this process is Embedded Quality which is scheduled for full implementation in FY 2004.

I continue to disagree with including referrals to publications and service denied when computing the accuracy rate. When recomputed to reflect only answers to tax law questions that were technically correct or incorrect, our accuracy rate is 92 percent for September and 64 percent for October. Our cumulative rate for FY 2003 is 75 percent – an improvement of 9 percent over the same period in FY 2002.

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2

Actions now underway to improve TAC operations include:

Training and Feedback

Our initiatives are focused on assessing employee skills and training needs, certifying employee readiness to answer tax law questions, and monitoring performance.

- **Assessing skills and training needs:** Managers identified training needs of employees based on the results of the Training Assessment Battery (TAB) which was designed to identify skill levels and training needs. The TAB includes four modules that align with the four-stage training curriculum for the Tax Resolution Representative. The training is provided through self-study, e-learning, and classroom training.
- **Certifying employee readiness:** The Publication Method has been incorporated into the tax law training. The Publication Method is a technique that “walks” a taxpayer through a publication, covering all appropriate probing questions, and providing the correct answer. We conduct monthly employee certifications in which each TAC employee must correctly answer three questions on each of the tax law topics before they are certified to answer taxpayers’ questions on the same topics.
- **Monitoring employee performance:** TAC managers monitor tax law counter contacts for each technical employee during the year.

In addition, we are developing the Publication Method Guide, a reference document that will be used by all frontline Field Assistance (FA) employees when answering tax law questions. This document will support Field Assistance’s objective of increasing tax law accuracy in our TACs. The Publication Method Guide will provide an easy-to-use tool to guide FA employees through the tax law topics and the appropriate IRS publication or form. The use of the Publication Method Guide will also help employees provide complete, concise, and correct responses to tax law questions, thereby reducing errors identified in managerial and quality reviews.

Out of Scope Issues

We shared the results of your September and October 2003 review with all employees. We also included out of scope issues in the November 2003 review visits conducted by field management. In addition, we require our area offices to report on management actions taken to address employees answering out of scope questions. The actions include counseling, directed learning on in scope/out of scope issues, and training on our referral procedures.

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3

Referrals to Publications

We drastically reduced improper referrals to publications from 6 percent in September and October 2002 to 3 percent in September and October 2003. We believe our zero tolerance policy, continued emphasis on the Publication Method, and adherence to referral procedures were major factors in this dramatic decrease.

Updating Office Hours

We are updating office hours on www.irs.gov (our Internet site accessible to the public) and on the Servicewide Electronic Research Program (our Intranet research site for employees). We also update the office hours on the recorded messaging system on the local telephone lines in our TACs. We conduct weekly monitoring of our office hours on these systems. Our office hour accuracy rate for November 2003 was 98 percent.

If you have questions or need additional information regarding this response, please contact Ellen M. Cimaglia, Director, Field Assistance, W&I Customer Assistance, Relationships and Education, at (404) 338-7141.