

---

---

TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION



*The Internal Revenue Service Provides  
Helpful and Accurate Tax Law Assistance,  
but Taxpayers Experience Lengthy Wait  
Times to Speak With Assistors*

**July 22, 2011**

**Reference Number: 2011-40-070**

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.

---

---

Phone Number | 202-622-6500

Email Address | [TIGTACommunications@tigta.treas.gov](mailto:TIGTACommunications@tigta.treas.gov)

Web Site | <http://www.tigta.gov>



## HIGHLIGHTS

### **THE INTERNAL REVENUE SERVICE PROVIDES HELPFUL AND ACCURATE TAX LAW ASSISTANCE, BUT TAXPAYERS EXPERIENCE LENGTHY WAIT TIMES TO SPEAK WITH ASSISTORS**

## Highlights

**Final Report issued on July 22, 2011**

Highlights of Reference Number: 2011-40-070 to the Internal Revenue Service Commissioner for the Wage and Investment Division.

### **IMPACT ON TAXPAYERS**

An important part of the Internal Revenue Service's (IRS) mission is to help taxpayers understand and meet their tax obligations. The IRS offers taxpayers several service options to obtain tax assistance, including face-to-face; the IRS's public Internet site, IRS.gov; or telephone. Auditors posed as taxpayers and tested a variety of these service options to obtain answers to tax law questions, assess the ease of obtaining answers and the accuracy of the answers provided, and assess the quality of services received from a taxpayer's point of view. Providing quality customer service is the first step toward assisting taxpayers to understand and meet their tax responsibilities.

### **WHY TIGTA DID THE AUDIT**

This audit was initiated to determine the quality of customer service the IRS provides taxpayers who seek assistance with understanding the tax laws and preparing their tax returns. This is a follow-up review to a prior TIGTA report.

### **WHAT TIGTA FOUND**

The overall experiences of auditors who posed as taxpayers to obtain answers to tax law questions from the Toll-Free telephone assistance lines, IRS.gov, and Taxpayer Assistance Centers were generally positive. Auditors received accurate responses to all tax law questions. Auditors were also able to accurately prepare tax returns using the various IRS sources, including the Free File Program. A

review of a sample of contact recordings of tax return preparation assistance provided at Taxpayer Assistance Centers nationwide showed that assistors accurately prepared tax returns.

However, taxpayers are experiencing long wait times at Taxpayer Assistance Centers and on the telephones. At Taxpayer Assistance Centers, our auditors waited an average of one hour to receive assistance and in some cases were turned away and told to return another day to obtain services. In addition, Taxpayer Assistance Centers do not always allow qualified taxpayers to schedule appointments and do not consistently apply new taxpayer screening guidelines and procedures.

### **WHAT TIGTA RECOMMENDED**

TIGTA recommended that the Commissioner, Wage and Investment Division, reinforce existing controls to ensure Taxpayer Assistance Center managers appropriately schedule appointments requested by taxpayers who have an ongoing, complex tax account problem or a special need, such as a disability. The IRS should also add information on IRS.gov and Taxpayer Assistance Centers' telephone recordings to inform taxpayers they may be asked to provide identification and Social Security Numbers to receive assistance.

In their response to the report, IRS officials agreed with both recommendations. Management plans to issue additional instructions to Taxpayer Assistance Center managers relating to scheduling appointments. The IRS also plans to update IRS.gov and Taxpayer Assistance Centers' telephone recordings to include a statement advising taxpayers they may be asked to provide valid photo identification and a Taxpayer Identification Number, such as a Social Security Number, to receive services.



TREASURY INSPECTOR GENERAL  
FOR TAX ADMINISTRATION

DEPARTMENT OF THE TREASURY  
WASHINGTON, D.C. 20220

July 22, 2011

**MEMORANDUM FOR** COMMISSIONER, WAGE AND INVESTMENT DIVISION

**FROM:** *Michael R. Phillips*  
Michael R. Phillips  
Deputy Inspector General for Audit

**SUBJECT:** Final Audit Report – The Internal Revenue Service Provides Helpful and Accurate Tax Law Assistance, but Taxpayers Experience Lengthy Wait Times to Speak With Assistors (Audit # 201140008)

This report presents the results of our review to determine the quality of customer service that the Internal Revenue Service (IRS) provides taxpayers who seek assistance when filing their tax returns. This included assistance at the local offices called Taxpayer Assistance Centers, through toll-free telephone lines, on the IRS public Internet site (IRS.gov), through social media, and with IRS publications and forms. This was a follow-up review to a prior Treasury Inspector General for Tax Administration report.<sup>1</sup> This audit is included in our Fiscal Year 2011 Annual Audit Plan and addresses the major management challenge of Providing Quality Taxpayer Service Operations.

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 affected by the report recommendations. Please contact me at (202) 622-6510 if you have questions or Michael E. McKenney, Assistant Inspector General for Audit (Returns Processing and Account Services), at (202) 622-5916.

---

<sup>1</sup> *The Internal Revenue Service Provides Helpful Tax Law Assistance but Still Has Problems With Tax Return Preparation Assistance* (Reference Number 2007-40-164, dated August 24, 2007).



---

*The Internal Revenue Service Provides Helpful and  
Accurate Tax Law Assistance, but Taxpayers  
Experience Lengthy Wait Times to Speak With Assistors*

---

## *Table of Contents*

<b>Background</b> .....	Page 1
<b>Results of Review</b> .....	Page 6
Self-Assistance Options Provided the Best Experiences When Seeking Tax Law Assistance.....	Page 6
<u>Recommendations 1 and 2:</u> .....	Page 17
Experiences Were Positive When Tax Return Preparation Assistance Was Used .....	Page 17
<b>Appendices</b>	
Appendix I – Detailed Objective, Scope, and Methodology .....	Page 22
Appendix II – Major Contributors to This Report .....	Page 25
Appendix III – Report Distribution List .....	Page 26
Appendix IV – Taxpayer Assistance Centers Visited During the 2011 Filing Season.....	Page 27
Appendix V – Management’s Response to the Draft Report .....	Page 28



*The Internal Revenue Service Provides Helpful and  
Accurate Tax Law Assistance, but Taxpayers  
Experience Lengthy Wait Times to Speak With Assistors*

---

## *Abbreviations*

<i>e-file(d); e-filing</i>	Electronically file(d); electronic filing
IRS	Internal Revenue Service
TIGTA	Treasury Inspector General for Tax Administration



---

*The Internal Revenue Service Provides Helpful and Accurate Tax Law Assistance, but Taxpayers Experience Lengthy Wait Times to Speak With Assistors*

---

## *Background*

Providing quality customer service to taxpayers is the Internal Revenue Service's (IRS) first step toward achieving taxpayer compliance. During the 2010 Filing Season,<sup>1</sup> more than 60 million taxpayers prepared their own tax returns without the assistance of a paid preparer. The IRS estimated that it took individual taxpayers from 7 hours to prepare the simplest Tax Year 2010 returns to more than 23 hours<sup>2</sup> to complete a more complex tax return with schedules.



Federal tax law is complex. Although average individual taxpayers file simple tax returns and receive refunds, many of their tax problems result from misunderstanding the tax law and their tax obligations. Ensuring taxpayers understand and comply with applicable tax laws is part of the IRS's mission.

Taxpayers have different preferences and behaviors that affect their service needs. In addition, their education levels, incomes, and physical abilities play key roles in determining what type of service best meets their needs. The IRS's

challenge and goal is to meet taxpayer needs and determine how to provide the best services with its limited resources.

The IRS offers individual taxpayers several pre-filing service options, including paper and online tax forms and publications, Taxpayer Assistance Centers (walk-in offices), the Toll-Free Telephone Assistance Line, the Automated TeleTax Telephone Line (hereafter referred to as the TeleTax Line), and IRS.gov (the IRS public web site). These options provide both assisted and self-help service options. In addition, the IRS offers filing assistance through its Volunteer and Free File Programs. The Volunteer Programs provide no-cost Federal tax return preparation and electronic filing (*e-filing*) to underserved segments of individual taxpayers, including low- to moderate-income, elderly, disabled, and limited-English-proficient taxpayers. The Free File Program offers free, online tax preparation and *e-filing* through commercial tax return preparation companies accessed via IRS.gov. Social media<sup>3</sup> platforms provide taxpayers with the latest information on tax changes, initiatives, products, and services.

Figure 1 provides information regarding each of the customer service options provided by the IRS.

---

<sup>1</sup> The filing season is the period from January to April 15 when most individual taxpayers file their tax returns.

<sup>2</sup> Included in the estimate are the U.S. Individual Income Tax Return (Form 1040), its schedules, and accompanying forms.

<sup>3</sup> Social media is the use of web-based and mobile technologies to turn communication into interactive dialogue.



*The Internal Revenue Service Provides Helpful and Accurate Tax Law Assistance, but Taxpayers Experience Lengthy Wait Times to Speak With Assistors*

**Figure 1: Customer Service Options Available to Individual Taxpayers**

**Automated Telephone Self-Assistance**

During the 2011 Filing Season, more than 6.2 million taxpayers called automated toll-free telephone lines to receive assistance with tax matters.

Automated telephone self-assistance allows taxpayers to call the IRS to obtain tax information without having to wait to speak to an assistor. Taxpayers may call:

- 1-800-829-4477 (TeleTax) – To hear prerecorded messages covering various tax topics or to check on the status of their refund. There is a separate dedicated line for refund inquiries (1-800-829-1954).
- 1-866-704-7388 (Electronic Filing Personal Identification Number Help) – To obtain a Personal Identification Number to allow taxpayers to electronically file their tax returns.
- 1-800-908-9946 – To use a self-assistance application to order transcripts of their tax returns.

**Forms, Instructions, and Publications**

During the 2011 Filing Season, taxpayers downloaded 96.6 million documents from IRS.gov, including forms, instructions, and publications, and ordered 10.9 million documents through the toll-free telephone lines, including forms, instructions, and publications.

The IRS provides taxpayers with many forms, instructions, and publications to assist in completing their tax returns. Taxpayers can obtain these documents by ordering them via toll-free telephone lines, downloading them from IRS.gov, or visiting a Taxpayer Assistance Center.

**Free File Program**

During the 2011 Filing Season, 3 million taxpayers used the Free File Program to prepare their Federal tax returns.

The Free File Program is a free Federal tax preparation and *e-filing* program for eligible taxpayers developed through a partnership between the IRS and private-sector tax software companies. The Free File Program allows taxpayers with an Adjusted Gross Income<sup>4</sup> of \$58,000 or less to *e-file* their tax returns for free.

**IRS.gov**

During the 2011 Filing Season, the IRS reported more than 188.9 million visits to IRS.gov.

IRS.gov contains thousands of webpages on which taxpayers can, among other things, find information to answer their tax law questions; file tax returns; and obtain forms, instructions, and publications.

<sup>4</sup> Adjusted Gross Income is the total of a taxpayer's taxable income sources (e.g., wages, salaries, tips, taxable interest, dividends) minus specific deductions and expenses (e.g., educator expenses, the Individual Retirement Arrangement deduction, student loan interest deductions). A taxpayer's standard or itemized deduction is not deducted from Adjusted Gross Income.





*The Internal Revenue Service Provides Helpful and Accurate Tax Law Assistance, but Taxpayers Experience Lengthy Wait Times to Speak With Assistors*

**Social Media**

During the 2011 Filing Season, thousands of taxpayers have used one of the IRS's social media tools.

The IRS uses new social media platforms and tools to share the latest information on tax changes, initiatives, products, and services through iTunes, Podcasts, YouTube, Twitter, and a Smartphone application (app).

**Taxpayer Assistance Centers**

During the 2011 Filing Season, Taxpayer Assistance Centers served more than 2.8 million taxpayers.

There are 401 Taxpayer Assistance Centers for taxpayers who prefer face-to-face assistance. Taxpayers can obtain assistance, for example, with resolving tax problems, learning how the tax law applies to their individual tax situations, preparing their tax returns, or making payments on tax accounts. However, tax law and tax return preparation assistance is limited to less complex tax issues. Taxpayer Assistance Centers are generally open Monday through Friday from 8:30 a.m. to 4:30 p.m. local time.

**Toll-Free Telephone Assistance Line**  
(1-800-829-1040)

During the 2011 Filing Season, assistors answered more than 5.7 million calls to the Toll-Free Telephone Assistance Line.

The Toll-Free Telephone Assistance Line assists taxpayers in understanding tax laws and meeting tax obligations. Live telephone assistance is offered Monday through Friday, 7:00 a.m. to 10:00 p.m. local time (Alaska and Hawaii follow Pacific Time).

**Volunteer Programs**

During the 2011 Filing Season, more than 2.9 million taxpayers visited volunteer sites to have their tax returns prepared.

The IRS sponsors volunteer programs, such as the Volunteer Income Tax Assistance and the Tax Counseling for the Elderly Programs, to assist taxpayers in preparing tax returns. The Volunteer Income Tax Assistance Program offers free tax help for low- to moderate-income (generally, \$49,000 and below) individuals who cannot prepare their own tax returns. The Tax Counseling for the Elderly Program offers free tax assistance to people aged 60 or older. For both programs, certified volunteers sponsored by various organizations receive training to help prepare basic tax returns.

*Sources: IRS Product Line Detail Reports and IRS Filing Season Reports.*

The IRS's goal is to meet taxpayer needs and determine how to provide the best services with its limited resources. The Fiscal Year 2011 budget for Pre-filing Taxpayer Assistance and Education is \$694 million, or 5 percent of the \$12.9 billion total budget. The IRS recognizes that helping taxpayers understand their tax obligations under the tax law is critical to improving





---

*The Internal Revenue Service Provides Helpful and Accurate Tax Law Assistance, but Taxpayers Experience Lengthy Wait Times to Speak With Assistors*

---

compliance and addressing the Tax Gap<sup>5</sup> and is committed to providing a balanced program of assisting taxpayers to understand the tax law and pay the proper amount of tax.

**The IRS addressed all of the Treasury Inspector General for Tax Administration’s recommendations from a prior report**

This is the Treasury Inspector General for Tax Administration’s (TIGTA) second review to assess the taxpayer’s experience when filing Federal tax returns.<sup>6</sup> The IRS implemented all of the following corrective actions in response to recommendations in the prior report.

- IRS.gov now includes the types of questions Taxpayer Assistance Center assistors are authorized to answer and prominently displays a link to the list of Centers when taxpayers search for Center locations.
- The IRS ensures taxpayers know the scope of tax return preparation services offered in Taxpayer Assistance Centers and what is required of taxpayers to schedule appointments and/or to have tax returns prepared.
- The IRS piloted an appointment process to alleviate taxpayer burden, i.e., having to return to the Taxpayer Assistance Centers multiple times to schedule appointments.

**Auditors used various techniques to gauge the taxpayer experience with the IRS during the 2011 Filing Season**

TIGTA auditors created five tax law questions relating to typical tax law issues and five tax return scenarios based on fictional taxpayers with typical tax issues. Each tax return scenario had one or more unresolved tax law issues.

To evaluate taxpayers’ experiences with pre-filing assistance, auditors posed as taxpayers and anonymously visited Taxpayer Assistance Centers,<sup>7</sup> called the Toll-Free Telephone Assistance Line and the TeleTax Line, and accessed IRS.gov to obtain answers to questions about tax law issues. The auditors attempted to ask or research 65 tax law questions through these four customer service options.

To evaluate taxpayers’ experiences when obtaining tax return preparation assistance, auditors used the IRS Free File Program available through IRS.gov and prepared 20 tax returns—15 tax returns using 3 different Free File Program software providers and 5 tax returns using IRS Free File Fillable Forms. Auditors also manually prepared 10 tax returns using only IRS forms, instructions, and publications downloaded from IRS.gov—5 using paper and pencil and 5 using online versions of the paper forms available on IRS.gov. All the tax returns were prepared using

---

<sup>5</sup> The difference between taxes legally owed and taxes paid on time.

<sup>6</sup> *The Internal Revenue Service Provides Helpful Tax Law Assistance but Still Has Problems With Tax Return Preparation Assistance* (Reference Number 2007-40-164, dated August 24, 2007).

<sup>7</sup> See Appendix IV for specific cities and States visited during this audit.



---

*The Internal Revenue Service Provides Helpful and  
Accurate Tax Law Assistance, but Taxpayers  
Experience Lengthy Wait Times to Speak With Assistors*

---

the five tax return scenarios. In addition, auditors listened to 20 judgmentally selected recordings<sup>8</sup> of tax return preparation assistance at Taxpayer Assistance Centers nationwide. Auditors did not visit Volunteer Program sites during the review because the TIGTA had conducted a separate audit to review these Volunteer Program sites.<sup>9</sup>

This review was performed at the Customer Account Services function and the Customer Assistance, Relationships, and Education function headquarter offices in Atlanta, Georgia, and the Communications and Liaison function in Washington, D.C., during the period December 2010 through April 2011. From November 2010 through February 2011, auditors posed as taxpayers and made visits to 26 Taxpayer Assistance Centers. Appendix IV provides a map of the cities visited for Taxpayer Assistance Center visitations. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective. Detailed information on our audit objective, scope, and methodology is presented in Appendix I. Major contributors to the report are listed in Appendix II.

---

<sup>8</sup> Contact Recordings capture the audio portion and screen activity during assistor/taxpayer interactions for quality review. Quality reviewers listen to a statistical sample of recordings, the results of which are used to measure customer satisfaction and employee performance.

<sup>9</sup> Volunteer Program – 2011 Filing Season, Audit # 201140006, draft report issued in July 2011.



*The Internal Revenue Service Provides Helpful and Accurate Tax Law Assistance, but Taxpayers Experience Lengthy Wait Times to Speak With Assistors*

## *Results of Review*

### **Self-Assistance Options Provided the Best Experiences When Seeking Tax Law Assistance**

Using the Toll-Free Telephone Assistance Line, Taxpayer Assistance Centers, TeleTax Line, and IRS.gov, auditors were able to find answers to tax law questions and obtained correct answers for all questions asked. Figure 2 presents results of the responses to the auditors' tax law questions.

**Figure 2: Results of Responses to Auditors' Tax Law Questions**

	Assisted Options		Self-Help Options	
	Taxpayer Assistance Centers	Toll-Free Telephone Assistance Line	TeleTax Line	IRS.gov
<b>Correct Responses</b>	35 (100%)	15 (100%)	4 (100%)	5 (100%)
<b>Service Not Provided</b>	5 (13%)	0 (0%)	1 (20%)	—
<b>Average Wait Times (minutes)</b>	62	17	—	—

*Source: Auditors' experiences and responses to tax law questions.*

While all taxpayer service options had advantages and limitations, IRS.gov provided the fastest and best experience for the auditors. This filing season, auditors obtained correct information for all their questions through their calls and research. This is an improvement over the results of our 2007 Filing Season audit, when auditors obtained correct answers for only 50 (94 percent) of 53 questions asked.

However, the wait times on the Toll-Free Telephone Assistance Line and at the Taxpayer Assistance Centers were considerably longer than the auditors experienced during the 2007 Filing Season. The average wait time for the Toll-Free Telephone Assistance Line was 17 minutes and the average wait time at the Taxpayer Assistance Centers was more than 1 hour. Nevertheless, the Taxpayer Assistance Centers may be a preferred choice for taxpayers who have complex tax issues that may be more easily addressed through face-to-face assistance. Depending on their characteristics and circumstances, taxpayers can use the service option(s) that best meets their needs and desires.



---

*The Internal Revenue Service Provides Helpful and Accurate Tax Law Assistance, but Taxpayers Experience Lengthy Wait Times to Speak With Assistors*

---

The IRS has limited resources and is working to further improve the service it provides taxpayers while dealing with a complex tax code and its own unique challenges. It is providing more self-assistance options on IRS.gov and is pushing more tax information to taxpayers through social media, such as Twitter and YouTube.

The quickest way for taxpayers to learn how to contact the IRS is on IRS.gov. Located at the top of the IRS.gov home page is a link to “Contact IRS.”

**The Toll-Free Telephone Assistance Line generally provided positive experiences**

Auditors called the Toll-Free Telephone Assistance Line and asked assistors 15 tax law questions. They received correct responses to all 15 questions. The assistors were professional and took an average of 8 minutes to answer the tax law questions. The average time to complete each call was 25 minutes.



Auditors waited an average of 17 minutes<sup>10</sup> to speak with assistors. The IRS reported the average wait time for all tax law calls during the 2011 Filing Season was less than 10 minutes. The average wait time to speak with an assistor during the 2007 Filing Season audit was only 2 minutes.

Taxpayers can locate the Toll-Free Telephone Assistance Line number using several sources, including local telephone books, the 2010 U.S. Individual Income Tax Return (Form 1040) Instructions, *Your Federal Income Tax* (IRS Publication 17), and IRS.gov. They can call the Toll-Free Telephone Assistance Line between 7:00 a.m. and 10:00 p.m. local time. When calling, taxpayers are given the option to hear menu choices in English or Spanish. In addition, they may choose to listen to automated services or speak to a live assistor.

The IRS has improved the menu choices on the main toll-free telephone number since the 2007 Filing Season audit. Prior menus asked callers if they were calling about their account information, which was confusing to taxpayers who may associate an account with a utility or financial institution, but not with the IRS. Callers are now asked if they have questions about their personal income taxes.

When calling the Toll-Free Telephone Assistance Line, callers generally have to negotiate only two menus to reach an assistor to answer their questions. Callers hear (in English and Spanish):

- *Welcome to the Internal Revenue Service.*
- *You can also visit us at [www.irs.gov](http://www.irs.gov).*
- *To find out about new tax legislation, including tax provisions regarding healthcare, press 7.*

---

<sup>10</sup> Average wait times to speak with assistors measured an auditor’s wait time from the time the call was made to the time the call reached the assistor.



---

*The Internal Revenue Service Provides Helpful and Accurate Tax Law Assistance, but Taxpayers Experience Lengthy Wait Times to Speak With Assistors*

---

- For questions about your refund, press 1.
- **For questions about your personal income taxes, press 2.**
- For business taxes, press 3.
- To repeat this menu, press 9.
- To repeat this menu, press or say 9.
- [If no response] We are unable to process your response; your call may be monitored or recorded for quality purposes. Please hold while your call is transferred; a representative, who will direct your call, will be with you shortly.

After pressing 2, callers hear:

- To order a blank form or publication, press 1.
- To get the mailing address for tax returns or payments, press 2.
- **For general tax questions including filing a return or tax rules and regulations, press 3.**
- To repeat this menu, press 9.
- To return to the previous menu, press 6.

After pressing 3, callers are advised to hold while their call is transferred to an assistor.

In addition, since the 2007 Filing Season, the IRS has added wait times and informational announcements while callers wait to speak with an assistor. For example, recorded messages informed auditors they could visit [IRS.gov](http://IRS.gov) to access an interactive tax assistance tool if looking for information about the Making Work Pay Credit or the Child Tax Credit. Another announcement invited auditors to:

*Visit [www.IRS.gov](http://www.IRS.gov) to get information to help meet your tax responsibilities including: payment options, check the status of your individual refunds, download forms, obtain answers to frequently asked questions, and access information regarding individual tax topics.*

To answer tax law questions, assistors ask a series of questions, called probing questions, to ensure they receive enough information to provide complete and accurate answers. At times, a taxpayer may find the questions burdensome and time consuming, but tax laws often have many exceptions and subtleties that require a thorough knowledge of the tax situation before an assistor can provide an accurate answer. Assistors who responded to our questions used the required job aids to ensure they had gathered all the necessary information to determine the correct answers.

According to the IRS Oversight Board's 2010 Taxpayer Attitude Survey results, 76 percent of taxpayers still believe that the telephone is the most important service the IRS can provide—over the Internet or a walk-in office.<sup>11</sup> Many services are available by telephone, such as live assistors to provide answers to tax law questions and resolution of tax account problems; orders for forms, instructions, and publications; and information through prerecorded messages covering various tax topics.

---

<sup>11</sup> IRS Oversight Board 2010 Taxpayer Attitude Survey (January 2011).



*The Internal Revenue Service Provides Helpful and Accurate Tax Law Assistance, but Taxpayers Experience Lengthy Wait Times to Speak With Assistors*

Based on the auditors' experiences, the Toll-Free Telephone Assistance Line generally provides good service for taxpayers who need tax law questions answered quickly. Although the average time to wait to speak to an assistor during this audit was 17 minutes, taxpayers can receive help from assistors specifically trained to answer their simple or complex tax law questions without leaving the comfort of their homes.

**The TeleTax Line was viewed as antiquated and difficult to use**

Auditors called the TeleTax Line to obtain answers to five tax law questions. Auditors were able to find answers to their tax law questions using the TeleTax Line for four of the five questions. One topic, dependents, was not available using the TeleTax Line. Answers to the other 4 questions were correct, but the average time to obtain the answers to the questions was 18 minutes. The maximum time was 42 minutes. In addition, one auditor was disconnected twice.

When calling the TeleTax Line, callers hear (in English and Spanish):

- *Welcome to the IRS TeleTax Information Line. To continue in English, press 1.*
- *For future reference, you may check the status of your refund, obtain tax topic information, and download forms and publications by visiting our web site at [www.IRS.gov](http://www.IRS.gov). You can also order forms and publications by calling 1-800-829-3676.*
- *To check the status of your refund, press 1.*
- *For recorded tax topic information, press 2.*
- *Enter the three digit number for the tax topic you want to hear now.*
- *If you need to hear the directory of the tax topics, press 123 now.*



The average number of menus auditors used to research their questions was seven.

Auditors experienced difficulty when gathering the necessary information to call the TeleTax Line, such as finding the TeleTax Line telephone number and locating the list of topics available on it. In 1 instance, it took the auditor 23 minutes to determine the topic was not available on the TeleTax Line.

While the TeleTax Line may not always answer taxpayers' specific tax law questions, taxpayers can call the TeleTax Line to hear prerecorded messages any time of the day or night. If taxpayers are unable to obtain answers, the messages can provide them with additional insight and direct them to appropriate research materials, such as publications and instructions.

However, based on our experience, we believe taxpayers would save time and frustration by calling the 1040 line or accessing [IRS.gov](http://IRS.gov). Relatively few taxpayers use the TeleTax Line's tax law topics. Approximately 230,597 taxpayers called it for tax law assistance during the





---

*The Internal Revenue Service Provides Helpful and Accurate Tax Law Assistance, but Taxpayers Experience Lengthy Wait Times to Speak With Assistors*

---

2011 Filing Season, down 17 percent from the 278,360 who used it during the 2010 Filing Season.

**Taxpayer Assistance Center assistors were professional and helpful, but the wait times were burdensome**

Auditors posed as taxpayers and made 40 visits to 26 Taxpayer Assistance Centers to ask tax law questions and use the Facilitated Self-Assistance kiosks.<sup>12</sup> The assistors were professional and, like the Toll-Free Telephone Line assistors, asked questions to ensure they received enough information to answer the auditors' questions completely and accurately. All responses to the auditors' questions were accurate and complete.

In addition, auditors were able to easily identify the addresses and hours of operation for the Taxpayer Assistance Centers by visiting IRS.gov. Taxpayers wishing to visit a local Taxpayer Assistance Center can locate it by accessing IRS.gov and following links to the "Contact My Local Office" webpage. Once there, taxpayers are advised they can locate a Taxpayer Assistance Center in one of two ways:

- 1) To view a list of all Taxpayer Assistance Centers in a State, taxpayers can click on a map or the State links provided by the web site.
- 2) To identify the closest Taxpayer Assistance Center, taxpayers can enter their 5-digit ZIP Code into the Taxpayer Assistance Center Office Locator search engine.<sup>13</sup>

Taxpayers who do not have access to the Internet can find Taxpayer Assistance Center addresses in local telephone books. They may also call the Toll-Free Telephone Assistance Line or the Taxpayer Assistance Center's local number to hear an automated message with this information. Taxpayer Assistance Centers are generally open Monday through Friday from 8:30 a.m. to 4:30 p.m. local time.

**After arriving at the Taxpayer Assistance Centers, auditors waited an average of 1 hour to receive assistance**

The wait times ranged from no wait time to 4 hours. Figure 3 provides a breakdown of the wait times.

---

<sup>12</sup> The Facilitated Self-Assistance is an initiative to provide self-help assistance kiosks at Taxpayer Assistance Centers. The kiosks can be used by taxpayers to access IRS.gov to file their tax returns, print tax forms and publications, or conduct tax research. The IRS is piloting the Facilitated Self-Assistance kiosks at some Taxpayer Assistance Centers, but they were available in only three of the Taxpayer Assistance Centers visited. Nevertheless, in only one instance were auditors allowed to use the service. IRS management stated that employees were in the process of learning the system at the time of our visits.

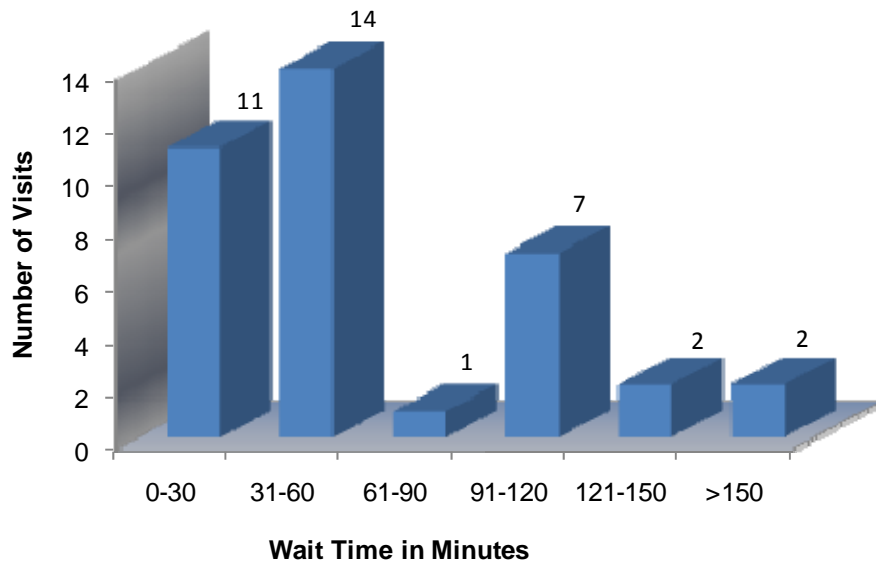
<sup>13</sup> A search engine attempts to index and locate desired information by searching for keywords that a user specifies.





*The Internal Revenue Service Provides Helpful and Accurate Tax Law Assistance, but Taxpayers Experience Lengthy Wait Times to Speak With Assistors*

**Figure 3: Average Wait Time for Taxpayer Assistance Center Visits**



Source: Auditor visits to Taxpayer Assistance Centers during the 2011 Filing Season.

The IRS Oversight Board’s 2010 Survey showed that 85 percent of respondents were not willing to wait more than 30 minutes to speak to an assistor. The IRS reported that 76 percent of the taxpayers who waited to speak to assistors, at the 225 Taxpayer Assistance Centers that track wait time, waited fewer than 30 minutes for January through February 2011. However, the IRS does not include the time a taxpayer waits before he or she is screened and given a number or ticket to speak with an assistor.<sup>14</sup>

The average wait time for auditors during the 2007 Filing Season audit was only 38 minutes to receive assistance and in only 4 of 18 visits (22 percent) did the wait time exceed 1 hour. Almost one-third of the visits during this filing season audit resulted in wait times of more than 1 hour.<sup>15</sup>

In addition, on five occasions, auditors who visited three different Taxpayer Assistance Centers were turned away and asked to return another day. Generally, this happened when auditors visited the Taxpayer Assistance Centers in the afternoons and there were too many taxpayers already waiting for assistance. For example:

- The auditor arrived at 3:00 p.m. and had waited in line 52 minutes, when the screener advised the auditor to return another day between the hours of 8:30 a.m. and 2:00 p.m.

<sup>14</sup> At most Taxpayer Assistance Centers, employees screen taxpayers for their issues and then provide them with a ticket/number based on their issue.

<sup>15</sup> In 3 of the 40 visits, auditors did not have wait times because they were denied service prior to entering the Taxpayer Assistance Centers and the visits are not included in the wait times.



---

*The Internal Revenue Service Provides Helpful and Accurate Tax Law Assistance, but Taxpayers Experience Lengthy Wait Times to Speak With Assistors*

---

The screener cautioned that most days there are at least 20 people waiting when the door opens at 8:30 a.m. The Center usually stops giving out numbers by 2:00 p.m.

- The auditor arrived at 3:35 p.m. The security guard advised the auditor to return the next morning. There was a sign on the entrance door advising taxpayers that service was no longer available for the day; however, there were only four people waiting in the Taxpayer Assistance Center. The security guard stated the Center stopped accepting new arrivals at approximately 3:00 p.m.
- Two auditors arrived at 1:33 p.m. and 1:40 p.m., respectively. The screener advised taxpayers who were waiting with account issues or tax law questions that they would need to return the next day because they had stopped giving out numbers. Early the following morning at 8:43 a.m., 1 auditor returned to the same Center and waited about 1 hour before the screener stated again that they had stopped accepting new arrivals. Taxpayers would have to return another day since the Center was at capacity and all assistors were “busy in the back.” The Center had stopped giving out numbers at approximately 9:40 a.m.

IRS management stated that although IRS policy is for Taxpayer Assistance Centers to remain open during operating hours, there are occasions when customer demand outweighs the IRS’s ability to provide same day service. The Taxpayer Assistance Centers are authorized to discontinue taking customers prior to the official closing hour (generally 4:30 p.m.). However, the expectation is that this only happens in late afternoon. Denying service during core business hours is not an acceptable practice. IRS management has shared the specific instances encountered by TIGTA auditors with the respective managers in an effort to ensure taxpayers are not turned away inappropriately in the future.

**Taxpayer Assistance Centers do not always allow taxpayers who meet certain criteria to schedule appointments**

IRS.gov states that an appointment is not necessary to visit a Taxpayer Assistance Center—taxpayers can just walk in to resolve a tax problem or to obtain answers to questions about how the tax law applies to their individual tax return, or if they are just more comfortable talking with someone face-to-face. It continues with:

*If you prefer, you may call a local number to learn about available and alternate services, and to reschedule appointments with IRS personnel. If you have an ongoing, complex tax account problem or a special need, such as a disability, an appointment may be requested. All other issues will be handled without an appointment.*

Auditors attempted to schedule appointments at 23 Centers. They called the local Taxpayer Assistance Center telephone numbers provided on IRS.gov and left messages, stating they either had a complex tax issue involving multiple tax years, were physically disabled, had twin babies that made it difficult to wait, or lived 3 hours from the nearest Taxpayer Assistance Center.



---

*The Internal Revenue Service Provides Helpful and Accurate Tax Law Assistance, but Taxpayers Experience Lengthy Wait Times to Speak With Assistors*

---

Of the 23 calls to schedule appointments, only 6 (26 percent) Taxpayer Assistance Centers would schedule appointments for the auditors.

- 1 (4 percent) left a message, but the auditor missed the call.
- 7 (30 percent) did not return the auditors' calls.
- 9 (39 percent) would not schedule appointments.

The managers who returned the calls and would not schedule appointments stated, for example:

- There was only one assistor working at that particular Taxpayer Assistance Center. IRS procedures state that Taxpayer Assistance Centers with only one assistor are not required to make appointments unless a taxpayer has a disability.
- The Taxpayer Assistance Center is a walk-in office and they do not schedule appointments or an appointment was not necessary.
- The auditor could call the toll-free telephone line or come to the Taxpayer Assistance Center without an appointment.

When taxpayers call a Taxpayer Assistance Center using the local telephone numbers, they hear an automated message. The message explains that if he or she is calling to schedule an appointment for help with an ongoing conflict or tax account problem, has special needs, or needs to change an appointment, the caller should leave a name and telephone number and someone from the IRS will call back within 2 business days.

In Fiscal Year 2011, as of April 2, 2011, the local Taxpayer Assistance Center numbers had received more than 329,000 calls nationwide and 464 appointments were scheduled. The IRS Oversight Board's 2010 Survey showed that 65 percent of respondents likely to use walk-in office locations to seek answers to tax questions would prefer to schedule an appointment. In February 2011, the TIGTA reported that 35 percent of the United States population does not live within 30 minutes of a Taxpayer Assistance Center.<sup>16</sup> This represents a section of the population that does not have convenient access to a Taxpayer Assistance Center and for whom scheduling an appointment may reduce the burden of traveling long distances to obtain services.

**New screening guidelines and procedures are not consistently applied across the Nation**

Thirty-six (90 percent) of our 40 visits to Taxpayer Assistance Centers were made after new guidelines for Taxpayer Assistance Centers were established in January 1, 2011. The new guidelines required assistors to ask for a taxpayer's identification and Social Security Number for authentication purposes before they could provide assistance.

---

<sup>16</sup> *The Taxpayer Assistance Centers Are Not Located to Effectively Serve the Maximum Number of Taxpayers* (Reference Number 2011-40-022, dated February 11, 2011).



---

*The Internal Revenue Service Provides Helpful and Accurate Tax Law Assistance, but Taxpayers Experience Lengthy Wait Times to Speak With Assistors*

---

For 32 of the 36 visits made after the new guidelines were in place, Taxpayer Assistance Center employees asked for the auditors' identifications and Social Security Numbers before providing them service in only 7 (22 percent) of 32 instances. They did not follow procedures for the remaining 25 visits. Either they did not ask for any identification or they asked for one or the other, but not both the identification and the Social Security Number.

These are new procedures, and screeners and assistors do not always remember to follow them. In addition, not all assistors were comfortable with the new requirement. Effective April 4, 2011, the guidelines were revised to allow assistors to use their judgment when determining the need to ask taxpayers for identification and Social Security Number for any nonaccount-related service.

IRS.gov does not advise taxpayers that they may need identification for some services. The IRS should ensure taxpayers know that they may be asked for identification prior to visiting a Taxpayer Assistance Center.

**[IRS.gov contains valuable information, documents, and publications to assist taxpayers](#)**

Auditors used IRS.gov to obtain answers to 5 tax law questions and manually prepared 10 tax returns using only research tools available on IRS.gov.

**Auditors were able to use IRS.gov to answer tax law questions**

For all five tax law research sessions, the auditors easily located webpages and the relevant information required to obtain the answers they needed to correctly prepare their tax returns. To find the answers, auditors generally used the easy-to-follow links or the IRS.gov search engine. It took the auditors an average of approximately 11 minutes to research each tax law question.



Seventy percent of taxpayers in the IRS Oversight Board's 2010 Survey believe that it is very important for the IRS to provide a web site to obtain assistance.

IRS.gov maintains many different sources of information to assist taxpayers in answering tax law questions, including access to publications, tax topics, frequently asked questions, and supplemental information for common tax issues. It also offers interactive tools that allow taxpayers to not only research a topic but to get answers specific to their situations. Since the 2007 Filing Season review, the IRS has increased the number of available interactive tools, including the Interactive Tax Assistant and web chat.



*The Internal Revenue Service Provides Helpful and Accurate Tax Law Assistance, but Taxpayers Experience Lengthy Wait Times to Speak With Assistors*

### **The Interactive Tax Assistant provides quick, accurate, and consistent tax law answers**

The Interactive Tax Assistant, launched in Fiscal Year 2010, provides taxpayers with web access to some of the same tools and knowledge foundation that assistors use internally to answer tax law questions. The Interactive Tax Assistant is part of the IRS's efforts to provide taxpayers with consistent information that quickly provides the answers needed and is available for access 24/7. On IRS.gov, the IRS explains:

*The Interactive Tax Assistant tool is a tax law resource that takes you through a series of questions and provides you with responses to tax law questions.*

- *Simply answer the questions and click the "Continue Button" to progress to the next question screen.*
- *You may need to collect information before the interview such as income amounts, taxes owed, and credits you are claiming.*
- *The tool includes a crossover feature that allows you to move from one tax topic to another without needing to enter the same answers multiple times. The "Review/Change Button" allows you to adjust responses to previously asked questions.*
- *When you reach the response screen, you have the option to print the entire interview and the final response.*

*The tool does not require sensitive information such as Social Security Numbers.*

The Interactive Tax Assistant covers a limited number of topics. Two of the tax law questions the auditors researched were not offered on the Interactive Tax Assistant. However, the auditors were able to easily and quickly obtain accurate answers to the other three questions using other IRS.gov resources.

### **The IRS offers help using its web site**

If taxpayers have problems using IRS.gov, they can contact the IRS.gov Help Desk. From IRS.gov:

*Think of our Help Desk as a first aid station for technical questions about the IRS web site. If you need help getting around the site or assistance retrieving files and forms, we have folks who will give you a hand.*

**Caution: DO NOT submit tax related questions below.** *If you have a tax question that was not answered by checking [Tax Topics](#), [Frequently Asked Questions](#), or [Tax Trails](#), please call our toll-free tax assistance line at 1-800-829-1040 for individual tax questions or 1-800-829-4933 for business tax questions. We will not respond to tax or personal related inquiries submitted to this Help Desk.*

Thank you for contacting the IRS Web Site Help Desk.

Required items indicated with \*.

To start the chat session, please select your preferred language and click Send.

English

Spanish

Send

Taxpayers can submit questions, in both English and Spanish, and receive responses that help them in obtaining assistance with their web site questions and issues. The chat room is open



---

*The Internal Revenue Service Provides Helpful and Accurate Tax Law Assistance, but Taxpayers Experience Lengthy Wait Times to Speak With Assistors*

---

from 8:00 a.m. to 12:00 a.m. Eastern Standard Time. Although taxpayers are cautioned to not submit tax-related questions, auditors used the chat service to ask a Help Desk representative a tax law question. The representative provided us with a link to an excerpt from a publication explaining the requirements for filing head of household.

### **The IRS is beginning to use social media to communicate with taxpayers**

The IRS uses new social media platforms and tools to share the latest information on tax changes, initiatives, products, and services. The IRS uses six different types of social media outlets:

- **YouTube.** The IRS publishes informational videos in English, multilingual, and American Sign Language on various tax administration topics beneficial to taxpayers.
- **Twitter.** The IRS “tweets”<sup>17</sup> news and guidance via updates that provide links to tax information for individuals (IRSnews), tax professionals (IRStaxpros), and Spanish-speaking taxpayers (IRSenEspanol).
- **Smartphone App.** “IRS2Go” is the most recent use of social media by the IRS. This IRS-developed app first offered in January 2011 is the first smartphone app that allows taxpayers to check on the status of their tax refund and obtain helpful tax information. The IRS2Go telephone app gives people a convenient way of checking on their Federal refund. It also gives people a quick way to obtain easy-to-understand tax tips.
- **Podcasts.** The IRS creates audio files for use in podcasts. These short audio recordings provide useful information on one tax related topic. The audio files and their transcripts can be found in the Multimedia Center on IRS.gov. These files are also available as podcasts on iTunes.
- **Widgets.** Widgets are tools that can be placed on web sites, blogs, or social media networks to direct others to IRS.gov for information. The IRS has developed a variety of widgets that feature the latest tax initiatives and programs.



Social media continues to evolve at a rapid pace. Use of these new communication vehicles will allow the IRS to reach additional segments of taxpayers and stakeholders. However, the very features that make social media such a valuable tool also presents major challenges. These challenges include the protection of taxpayer privacy and the security of sensitive individual information.

---

<sup>17</sup> A tweet is a post or status update on Twitter.





---

*The Internal Revenue Service Provides Helpful and  
Accurate Tax Law Assistance, but Taxpayers  
Experience Lengthy Wait Times to Speak With Assistors*

---

The IRS reported that it does not have a precise figure on the cost to develop its social media presence. Plans are to continue to expand the use of social media. The Servicewide Governance Council for New Media was created to help chart the future course of social media and provide a means of ensuring that new technology tools and social media platforms are used in a coordinated and integrated environment that ensures the most efficient return on funds spent.

### ***Recommendations***

The Commissioner, Wage and Investment Division, should:

**Recommendation 1:** Reinforce existing controls to ensure Taxpayer Assistance Center managers appropriately schedule appointments when requested by taxpayers because of an ongoing, complex tax account problem or a special need, such as a disability.

**Management's Response:** IRS Management agreed with this recommendation and will issue additional instructions to Taxpayer Assistance Center managers related to scheduling appointments.

**Recommendation 2:** Add information to IRS.gov and Taxpayer Assistance Centers' telephone recordings to inform taxpayers they may be asked to provide identification and Social Security Numbers to receive assistance.

**Management's Response:** IRS Management agreed with this recommendation. They will update IRS.gov and Taxpayer Assistance Centers' telephone recordings to include a statement advising taxpayers they may be asked to provide valid photo identification and a Taxpayer Identification Number, such as a Social Security Number, to receive services.

### ***Experiences Were Positive When Tax Return Preparation Assistance Was Used***

Auditors were able to prepare 30 (100 percent) correct tax returns using the forms on IRS.gov and the IRS's Free File Program. In addition, tests of 20 contact recordings of tax return preparation at Taxpayer Assistance Centers nationwide showed that assistors prepared all 20 (100 percent) tax returns correctly.

For the IRS, tax preparation assistance can be costly and requires significant resources. The IRS encourages taxpayers to use the Volunteer and Free File Programs for tax preparation assistance so it can use its limited Taxpayer Assistance Center resources for other customer service needs. The IRS estimates that it costs \$28.73 to assist a taxpayer who visits a Taxpayer Assistance Center. In contrast, it costs only \$12.01 when a taxpayer uses a Volunteer Program to prepare a tax return.





*The Internal Revenue Service Provides Helpful and Accurate Tax Law Assistance, but Taxpayers Experience Lengthy Wait Times to Speak With Assistors*

### **The Free File Program provides two methods to electronically file tax returns**



The IRS offers taxpayers two online options with which to prepare and e-file their tax returns—IRS Free File Program Software and IRS Free File Fillable Forms. Auditors prepared 20 tax returns using the Free File Program on IRS.gov, which included 15 using IRS Free File Program Software providers and 5 using IRS Free File Fillable Forms. All tax returns were prepared correctly using the resources provided through IRS.gov. Auditors found the links to the Free File Program easily on the IRS.gov home page.

Figure 4 shows an excerpt from the Free File Program webpage, explaining the two ways taxpayers can use the Free File Program to prepare tax returns.

**Figure 4: Excerpt from the Free File Program Webpage**

1. Get Ready	2. Choose a Free File Option	3. e-file Your Return for Free!
<ul style="list-style-type: none"><li>• <b>Gather your tax information.</b> You need a copy of last year's tax return and your W-2s, 1099s, etc.</li><li>• <b>Determine your AGI.</b> Check your last year's tax return for a quick estimate of your adjusted gross income (AGI). Did you know that approximately 70% of all taxpayers have an AGI of \$58,000 or less?</li><li>• <b>Review the Free File FAQs.</b> Read the <a href="#">Free File FAQs</a> and <a href="#">Free File Fillable Forms FAQs</a> for more information about the program.</li></ul>	<ul style="list-style-type: none"><li>• <b>Use Free File Tax Software.</b> This program is available if your AGI is \$58,000 or less:<ul style="list-style-type: none"><li>○ <a href="#">Browse the list of Free File companies</a> to choose your own; or</li><li>○ <a href="#">Get help finding a Free File company</a> that's right for you.</li></ul></li></ul> <p>--OR--</p> <ul style="list-style-type: none"><li>• <b>Use Free File Fillable Forms.</b> Everyone is eligible to use <a href="#">Free File Fillable Forms</a>, which are online versions of our paper forms designed for people comfortable preparing their own tax returns. This option does not offer state tax returns and performs only basic calculations.</li></ul>	<ul style="list-style-type: none"><li>• <b>e-file with Free File.</b> Transmit your return electronically by using secure IRS e-file.</li><li>• <b>Use direct deposit.</b> Get your tax refund quickly and safely, and you can <a href="#">track your tax refund status</a> within 72 hours after you e-file.</li><li>• <b>Pay electronically.</b> Find out more about available <a href="#">electronic payment options</a>.</li></ul>

Source: Free File Program webpage on IRS.gov.

### **The Free File tax software proved quick and easy to use and provided accurate tax returns**

Once linked to the Free File Program web site, auditors were presented with a list of 17 service providers and the criteria users must meet for each service provider's software. The IRS cautions taxpayers with the following:

- *Free File companies have their own eligibility criteria, but none offer Free File to taxpayers with an adjusted gross income of more than \$58,000.*
- *Other eligibility criteria may include your: age, state, eligibility for the Earned Income Tax Credit, and military status.*



---

*The Internal Revenue Service Provides Helpful and Accurate Tax Law Assistance, but Taxpayers Experience Lengthy Wait Times to Speak With Assistors*

---

- Check the company's web site for details because the companies' offers may differ. For example, some companies charge a fee for State tax returns and some may not support a particular form you need to file.
- Remember to begin your Free File return on IRS.gov or you may be charged a fee or asked to buy additional products and services.
- If, after browsing the list of companies, you need help, go to [Help Me Find a Free File Company](#).

Auditors prepared 15 tax returns using 3 Free File Program software providers. On average, it took auditors fewer than 30 minutes to accurately prepare all 15 tax returns. Auditors found the software easy to use, and the software allowed them to prepare an accurate tax return. The software packages prescreened users to ensure they qualified to use the service and provided definitions and alerts for unusual circumstances to assist with accurately preparing the returns. In addition, the software packages identified potentially relevant topics not included in the tax return scenarios and asked sufficient questions to identify all issues.

**The Free File Fillable Forms was easy to use but required taxpayers to be comfortable researching tax law**

Auditors accurately prepared one tax return for each of the five tax return scenarios using the Free File Fillable Forms. Although Free File Fillable Forms does not provide taxpayers with tax law assistance, it does provide a calculation mechanism and allows taxpayers to easily file their tax returns electronically. When accessing the Free File Fillable Forms, the webpage provides the following:

**Access Free File Fillable Forms Here**

**New Users Only:** [Start your 2010 taxes using Free File Fillable Forms.](#)

**Returning Users:** *If you have already started your 2010 Free File Fillable Forms and want to continue working, go back to the e-mail you got with your new account confirmation. Click on the link in the e-mail, or copy and paste the URL [Uniform Resource Locator] into your browser, to pull up your partially completed return. This is the only way you can get back to your return.*

**Note:** *If your [2010 Adjusted Gross Income is \\$58,000](#) or less you may want to [browse the list of participating Free File companies](#) to prepare and file your Federal return. The tax software from the list of Free File companies is simple to use and guides you through the tax preparation and e-file process. State tax return preparation and e-file is also available. Some companies may charge a fee for State tax returns. Let Free File do the hard work for you with brand-name software.*

Users are prompted that they are leaving IRS.gov and entering a privately owned web site created, operated, and maintained by a private business. Users are required to create a password and establish an account. The application provides a calculation mechanism, but the user must be comfortable with researching applicable tax laws to determine the correct amount of tax and enter it on the form.

Overall, auditors thought the Free File Fillable Forms was easy to use and provided a viable alternative to taxpayers who could not use the Free File Tax Software but wanted the expediency of *e-filing*.



*The Internal Revenue Service Provides Helpful and Accurate Tax Law Assistance, but Taxpayers Experience Lengthy Wait Times to Speak With Assistors*

**Taxpayers who prepare tax returns manually have many sources of helpful information but no longer receive forms and instructions in the mail**

Auditors were able to prepare 10 tax returns using online forms available on IRS.gov (5 tax returns using paper and pencil and 5 tax returns using online versions of the paper forms available on IRS.gov). For all 10 (100 percent) tax returns, auditors used publications and instructions available on IRS.gov.

Beginning with the 2011 Filing Season, the IRS no longer automatically mails tax packages to taxpayers who prepare their own tax returns and submit them on paper. Only 8 percent of individuals who filed in Calendar Year 2009 received tax packages in the mail. More than 80 percent of individual taxpayers use a preparer or tax preparation software to prepare their tax returns and, therefore, have no need for a Form 1040 tax package.

Taxpayers can download forms and publications from IRS.gov. Using IRS.gov, taxpayers can either download and print the forms prior to completion or complete the tax return online and then print the completed form. Taxpayers can also visit a Taxpayer Assistance Center, each of which maintains the most commonly used forms and publications.

However, forms and publications were not always available at the 26 Taxpayer Assistance



Centers auditors visited from January through February 2011. Twenty-five to 40 percent of the shelves holding the forms and publications were empty. Among the most notable forms and publications missing were U.S. Individual Income Tax Return (Forms 1040 and 1040A) and the related instructions, *Your Federal Income Tax (For Individuals)* (Publication 17), and many Spanish forms and publications. Management stated the IRS had to delay the printing of many forms because of the late passage of legislation.<sup>18</sup> This included Forms 1040 and 1040A

and the related instructions. Taxpayers were advised by either Center employees or signs posted near the areas where forms and publications were stored to use IRS.gov or the toll-free telephone line as alternatives to obtain forms and publications.

Taxpayers can also call the Toll-Free Telephone Assistance Line to order any form or publication, including Spanish, large-print, and audio versions or call 1-800-TAX-FORM to order forms and publications. Auditors made five calls to the tax forms number and ordered tax forms, publications, and instructions. The telephone number was easy to locate on IRS.gov. The average time it took to call and order documents was approximately 11 minutes for the 5 calls. The average time it took to receive the documents was approximately 9 days.

<sup>18</sup> On December 17, 2010, the President signed the *Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010*, Pub. L. No. 111-312, 124 Stat. 3296.



---

*The Internal Revenue Service Provides Helpful and Accurate Tax Law Assistance, but Taxpayers Experience Lengthy Wait Times to Speak With Assistors*

---

Auditors generally used IRS.gov to download the document they needed to complete their 10 tax returns, and they primarily used the Form 1040 instructions to guide them through preparing the Form 1040. On average, it took auditors from 2.25 to 2.75 hours to complete each tax return. Auditors commented that the entire process took longer than they expected because they had to research numerous tax laws before completing the tax returns. No matter the method used to obtain the paper forms and publications, taxpayers must be comfortable researching tax laws and performing their own calculations.

The IRS instructions and publications simplified somewhat difficult tax laws and made them easy to understand. The instructions provide guidance for each line item on the Forms 1040 as well as tax tables, flowcharts, and schedules, to assist taxpayers in computing credits or expenses they may be entitled to claim. For more complex issues, the Form 1040 instructions direct taxpayers to the specific IRS publications addressing the issues. Overall, taxpayers who do not wish to use other IRS customer service options or pay a preparer to prepare tax returns may find the IRS provides many publications and instructions to assist in meeting their tax obligations.

**Taxpayers receive quality tax return preparation assistance at Taxpayer Assistance Centers**

Auditors did not have tax returns prepared at the Taxpayer Assistance Centers, but tests of 20 contact recordings of tax return preparation at Centers nationwide showed that assistors prepared all 20 (100 percent) tax returns correctly.<sup>19</sup>

The IRS offers tax preparation at the Taxpayer Assistance Centers for taxpayers who meet certain criteria. Foremost, the taxpayer, spouse, and dependents must be U.S. Citizens, Resident Aliens, or have a valid Individual Taxpayer Identification Number. In addition, tax returns will only be prepared for taxpayers with a total income of \$49,000 or less and do not involve complex tax issues.

For the tax return preparations tested, assistors used the job aids and asked appropriate probing questions that uncovered additional issues the taxpayers had not mentioned. Assistors took approximately 40 minutes to prepare the tax returns and were professional and courteous.

---

<sup>19</sup> Although we are defining the mock returns as correct, we recognize that the final determination of the accuracy of a return is subject to IRS and court interpretation.



---

*The Internal Revenue Service Provides Helpful and  
Accurate Tax Law Assistance, but Taxpayers  
Experience Lengthy Wait Times to Speak With Assistors*

---

## Appendix I

### *Detailed Objective, Scope, and Methodology*

Our overall objective was to determine the quality of customer service the IRS provides to taxpayers who seek assistance when filing their tax returns. To accomplish our objective, we:

- I. Visited 26 Taxpayer Assistance Centers to evaluate taxpayers' experiences when visiting Centers.
  - A. Selected a judgmental sample of 26 Taxpayer Assistance Centers out of the 401 Taxpayer Assistance Centers. We judgmentally selected 10 large cities and visited at least 2 Taxpayer Assistance Centers in the selected city for a total of 26. Ten of the Taxpayer Assistance Centers selected were scheduled to have Facilitated Self-Assistance<sup>1</sup> services. We selected Taxpayer Assistance Centers located in large cities that also had multiple Centers in close proximity to each other. We used judgmental sampling because we did not plan to project any statistics over the entire population of Taxpayer Assistance Centers, and statistical sampling would have required more audit resources than were available.
  - B. Asked assistors at the 26 Taxpayer Assistance Centers a total of 35 tax law questions and determined if we could use the answers to prepare accurate tax returns.
- II. Determined the quality of customer service provided on the Toll-Free Telephone Assistance Line. We asked assistors 15 tax law questions (5 calls for 5 tax law questions, 3 times per week, every 3 weeks, at various times) and determined if we could use the answers to prepare accurate tax returns.
- III. Determined the quality of customer service provided when scheduling an appointment at Taxpayer Assistance Centers. We attempted to schedule appointments at 23 Centers. We called the local Taxpayer Assistance Center telephone numbers provided on IRS.gov and left messages, stating we had a complex tax issue involving multiple tax years, were physically disabled, had twin babies that made it difficult to wait, or lived 3 hours from the nearest Taxpayer Assistance Center.
- IV. Determined the quality of customer service provided by the TeleTax Telephone Line using five tax law questions. We listened to four prerecorded messages to determine if

---

<sup>1</sup> The Facilitated Self Assistance is an initiative to provide self-help assistance kiosks at Taxpayer Assistance Centers. The kiosks can be used by taxpayers to access IRS.gov to file their tax returns, print tax forms and publications, or conduct tax research.





---

*The Internal Revenue Service Provides Helpful and  
Accurate Tax Law Assistance, but Taxpayers  
Experience Lengthy Wait Times to Speak With Assistors*

---

- information regarding the tax law question topics was available and could be used to assist in the preparation of accurate tax returns.
- V. Determined the quality of customer service provided by researching printed tax forms, instructions, and publications on IRS.gov. Three auditors each researched five tax law questions and determined if we could use the answers to prepare accurate tax returns. We used judgmental sampling because we did not plan to project any statistics over the entire population of printed tax forms, instructions, and publications on IRS.gov, and statistical sampling would have required more audit resources than were available.
- VI. Identified the different IRS social media tools and platforms and the different ways the IRS is using the media.
- VII. Evaluated taxpayers' experiences when using the Free File Program to have 20 tax returns prepared—15 using 3 Free File Program software providers and 5 using Free File Fillable Forms. We judgmentally selected 3 of the 17 Free File Program tax return preparation software providers based on the qualifications taxpayers would need to meet to use the software. We used judgmental sampling because we did not plan to project any statistics over the entire population of Free Form Programs providers, and statistical sampling would have required more audit resources than were available.
- VIII. Determined the quality of self-help options available on IRS.gov and if research of available information provided correct answers to tax law questions. We prepared 10 tax returns using information available on IRS.gov—5 using paper and pencil and 5 using online versions of the paper forms available on IRS.gov.
- IX. Reviewed 20 contact recordings<sup>2</sup> of tax return preparation at the Taxpayer Assistance Centers between January 26 and February 1, 2011, to evaluate the preparation of tax returns by assistors. We judgmentally selected these dates since they were among the most recent contact recordings available at the time of our review. We selected the first 20 of the 30 contact recordings in which the assistor prepared a U.S. Individual Income Tax Return (Form 1040) and the audio and video quality of the recording allowed us to assess the quality of tax return preparation. The contact recordings were selected from the IRS's internal, statistically valid Quality Review sample of recordings used to measure customer satisfaction and employee performance. We used judgmental sampling because we did not plan to project any statistics over the entire population of contact recordings, and statistical sampling would have required more audit resources than were available.

---

<sup>2</sup> Contact Recordings captures the audio portion and screen activity during assistor/customer interactions for quality review. Quality reviewers listen to a statistical sample of recordings, the results of which are used to measure customer satisfaction and employee performance.



*The Internal Revenue Service Provides Helpful and Accurate Tax Law Assistance, but Taxpayers Experience Lengthy Wait Times to Speak With Assistors*

---

### **Internal controls methodology**

Internal controls relate to management's plans, methods, and procedures used to meet their mission, goals, and objectives. Internal controls include the processes and procedures for planning, organizing, directing, and controlling program operations. They include the systems for measuring, reporting, and monitoring program performance. We determined the internal controls applicable to this review, within the context of the audit objective, include those that ensure quality customer service and not internal controls applicable to preventing fraud, waste, and abuse. We evaluated these controls by reviewing the services the IRS provides to taxpayers who seek assistance when filing their tax returns and evaluating the quality of customer service received while posing as taxpayers.





*The Internal Revenue Service Provides Helpful and  
Accurate Tax Law Assistance, but Taxpayers  
Experience Lengthy Wait Times to Speak With Assistors*

---

## **Appendix II**

### *Major Contributors to This Report*

Michael E. McKenney, Assistant Inspector General for Audit (Returns Processing and Account Services)

Randee Cook, Director

Wilma Figueroa, Audit Manager

Geraldine Vaughn, Lead Auditor

Tanya Adams, Senior Auditor

Kenneth Carlson, Senior Auditor

Pamela DeSimone, Senior Auditor

Jerry Douglas, Senior Auditor

Roberta Fuller, Senior Auditor

Tracy Harper, Senior Auditor

Jerome Antoine, Auditor

Steven Elix, Auditor



---

*The Internal Revenue Service Provides Helpful and  
Accurate Tax Law Assistance, but Taxpayers  
Experience Lengthy Wait Times to Speak With Assistors*

---

## **Appendix III**

### *Report Distribution List*

Commissioner C  
Office of the Commissioner – Attn: Chief of Staff C  
Deputy Commissioner of Operations, Wage and Investment Division SE:W  
Deputy Commissioner of Services, Wage and Investment Division SE:W  
Director, Customer Account Services, Wage and Investment Division SE:W:CAS  
Director, Customer Assistance, Relationships and Education, Wage and Investment Division  
SE:W:CAR  
Director, Strategy and Finance, Wage and Investment Division SE:W:S  
Director, Accounts Management, Wage and Investment Division SE:W:CAS:AM  
Director, Field Assistance, Wage and Investment Division SE:W:CAR:FA  
Director, Joint Operations Center, Wage and Investment Division SE:W:CAS:JOC  
Director, Stakeholder Partnership, Education, and Communications, Wage and Investment  
Division SE:W:CAR:SPEC  
Director, Communications and Liaison SE:W:C  
Director, Office of Communications CL:C  
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 Internal Control OS:CFO:CPIC:IC  
Audit Liaison: Chief, Program Evaluation and Improvement, Wage and Investment Division  
SE:W:S:PRA:PEI



*The Internal Revenue Service Provides Helpful and Accurate Tax Law Assistance, but Taxpayers Experience Lengthy Wait Times to Speak With Assistors*

## Appendix IV

### *Taxpayer Assistance Centers Visited During the 2011 Filing Season*



*Source: Auditors' visits to the Taxpayer Assistance Centers during the 2011 Filing Season.*



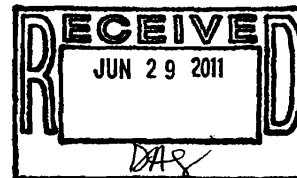
*The Internal Revenue Service Provides Helpful and  
Accurate Tax Law Assistance, but Taxpayers  
Experience Lengthy Wait Times to Speak With Assistors*

## Appendix V

### *Management's Response to the Draft Report*



DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
ATLANTA, GA 30308



June 29, 2011

MEMORANDUM FOR MICHAEL R. PHILLIPS  
DEPUTY INSPECTOR GENERAL FOR AUDIT

FROM: Richard Byrd, Jr.   
Commissioner, Wage and Investment Division

SUBJECT: Draft Audit Report – The Internal Revenue Service Provides  
Helpful and Accurate Tax Law Assistance but Taxpayers  
Experience Lengthy Wait Times to Speak With Assistors  
(Audit # 201140008)

We have reviewed the subject draft report and appreciate your acknowledgment that auditors' overall experiences in obtaining tax law assistance from the IRS were positive. Our mission is to deliver excellent customer service to all taxpayers that contact us through the IRS.gov website, by calling on the telephone, or meeting with us at one of our walk-in locations. As noted in the report, in order to improve service to taxpayers, the IRS has also begun using social media tools to share the latest information on tax changes, initiatives, products, and services.

We also appreciate the positive comments concerning the effectiveness and ease-of-use of the IRS.gov website and the Free File Program in obtaining accurate tax law assistance and return preparation. The IRS.gov Free File webpage was redesigned this year to enhance taxpayer understanding of the Free File Program, and to help taxpayers choose the filing method that best suits their needs.

Additionally, we are pleased that you reported the outstanding progress in quality taxpayer responses in the Taxpayer Assistance Centers (TAC). Auditors reported 100 percent accuracy in our responses to tax law questions and for tax returns prepared. This is a significant accomplishment over the results from your prior audit on the taxpayer experience in 2007 that reported only 67 percent accuracy for tax return preparation. The report further notes that our Toll-free telephone line assistors provided 100 percent accuracy in responses to the auditor's tax law questions, which indicates the high level of effort we have maintained with our Toll-free quality initiatives.



---

*The Internal Revenue Service Provides Helpful and  
Accurate Tax Law Assistance, but Taxpayers  
Experience Lengthy Wait Times to Speak With Assistors*

---

2

While the report acknowledges that Toll-free telephone assistance generally provided a positive experience, it states that the average wait time for the Toll-free telephone assistance line was 17 minutes. It should be noted that this was the auditors' average wait time for the 15 calls they made to the Toll-free telephone assistance line. Our own internal measure shows an average wait time of 9 minutes in the Tax Law category for the period January 1 through April 9, 2011. Even reviewed on an individual basis, none of the 25 separate Tax Law category applications reached an average wait time of 17 minutes for this period. The longest average wait time for this period was 15 minutes in the Small Business category.

We acknowledge the continuous need to provide taxpayers with face-to-face services. Facilitated Self Assistance (FSA) is an initiative developed to offer taxpayers access to a number of useful automated services. The FSA kiosks are available in 37 TACs. Implementation began on January 31, 2011, and deployment was completed on March 14, 2011. Due to employees learning the system at the time of your visits, auditors reported sites were not offering FSA. Once training was completed, employees quickly increased the number of taxpayers served. As of May 25, 2011, over 26,500 taxpayers used FSA to file their tax returns, print tax forms and publications, apply for an Employer Identification Number, or perform other services available on IRS.gov.

The IRS continues to address wait time issues through the available resources in TAC operations. During Fiscal Year 2011, Field Assistance continued to expand hours of service to taxpayers, and delivered several special weekend tax assistance events assisting over 31,000 taxpayers. We built upon the success of the 2010 "Extended Hours Pilot", expanding the number of locations providing extended hours of service to 36 locations, up from 16 sites in 2010. This success was delivered with no additional staffing, but rather by implementing staggered tours of duty by employees.

We are also committed to improving the scheduling of TAC appointments. The Director, Field Assistance, recently communicated expectations to reinforce requirements and oversight for appointments. Managers of the TACs are required to ensure that appointments are appropriately scheduled when requested by taxpayers because of an ongoing, complex tax account problem or a special need, such as a disability. Field Assistance continues to pursue overall improvement to the appointment process through an automated solution for appointments.

Attached are our responses to your specific recommendations. If you have any questions, please contact me, or a member of your staff may contact Robin L. Canady, Director, Strategy and Finance, at (404) 338-8801.

Attachment



---

*The Internal Revenue Service Provides Helpful and  
Accurate Tax Law Assistance, but Taxpayers  
Experience Lengthy Wait Times to Speak With Assistors*

---

Attachment

The Commissioner, Wage and Investment Division, should:

**Recommendation 1**

Reinforce existing controls to ensure Taxpayer Assistance Center managers appropriately schedule appointments when requested by taxpayers because of an ongoing, complex tax account problem or a special need, such as a disability.

**Corrective Action**

We agree with this recommendation and will issue additional instructions to Taxpayer Assistance Center managers related to scheduling appointments.

**Implementation Date**

November 15, 2011

**Responsible Official**

Director, Field Assistance, Wage and Investment Division

**Corrective Action Monitoring Plan**

The IRS will monitor this corrective action as part of our internal management control system.

**Recommendation 2**

Add information to IRS.gov and Taxpayer Assistance Centers' telephone recordings to inform taxpayers they may be asked to provide identification and Social Security Numbers to receive assistance.

**Corrective Action**

We agree with this recommendation. We will update IRS.gov and Taxpayer Assistance Centers' telephone recordings to include a statement advising taxpayers they may be asked to provide valid photo identification and a Taxpayer Identification Number, such as a Social Security Number, to receive services.

**Implementation Date**

November 15, 2011

**Responsible Official**

Director, Field Assistance, Wage and Investment Division

**Corrective Action Monitoring Plan**

The IRS will monitor this corrective action as part of our internal management control system.