

Taxpayer Advocate Service

Your Voice at the IRS
www.TaxpayerAdvocate.irs.gov

Soh-Yung Erica Son
Local Taxpayer Advocate
New Jersey



Who We Are

- An independent organization within the IRS
- Provides free service to eligible taxpayers
- Offices in every state, the District of Columbia, and Puerto Rico



Our Mission

We help taxpayers resolve problems with the IRS and recommend changes to prevent the problems.



TAS Leadership

- **Nina E. Olson**
National Taxpayer Advocate
- **Bridget Roberts**
Acting Deputy National Taxpayer Advocate



TAS Offices

- Office of the National Taxpayer Advocate
 - Washington, D.C.
- Local TAS offices nationwide
 - One or more in every state
 - One in the District of Columbia
 - One in Puerto Rico



What We Do

TAS:

- Protects taxpayers' rights by ensuring all taxpayers are treated fairly, and that they know and understand their rights under the Taxpayer Bill of Rights (TBOR)
- Helps individuals, businesses, and exempt organizations

If you qualify for help, your advocate will be with you at every turn and do everything possible to assist you.

TAS is your voice at the IRS!



Taxpayer Bill of Rights (TBOR)

Congress codified the Taxpayer Bill of Rights as proposed by the National Taxpayer Advocate, Nina E. Olson, in her 2014 Annual Report to Congress. Internal Revenue Code (IRC) §7803(a)(3) was enacted in 2015. It applies to all IRS employees in their dealings with taxpayers.



Taxpayer Bill of Rights (TBOR)

For more information on these rights and how they can be applied, visit TBOR pages on the Tax Toolkit at:

www.taxpayeradvocate.irs.gov/about-tas/taxpayer-rights



When We Get Involved

Most cases can and should be resolved
through normal IRS channels

TAS resolves cases that meet our acceptance criteria



TAS Criteria: Economic Burden

- Experiencing or about to suffer economic harm
- Facing immediate threat of adverse IRS action
- Will incur significant cost if relief is not granted
- Will suffer irreparable injury or long-term adverse impact



TAS Criteria: Systemic Burden

- Delay of more than 30 days past normal processing time
- No response by promised date
- Systemic or procedural failure



TAS Criteria

- **Best interest of the Taxpayer**
The manner in which the tax laws are being administered raises considerations of equity or has impaired or will impair the taxpayer's rights.
- **Public Policy**
The NTA determines compelling public policy warrants special assistance to an individual or group of taxpayers.



TAS Authority

- Taxpayer Assistance Order (TAO)
- Taxpayer Advocate Directive (TAD)



Systemic Advocacy

- Part of TAS's mission is to recommend changes to prevent problems.
- TAS's Office of Systemic Advocacy addresses large-scale problems that affect many taxpayers.



Bringing Systemic Issues to TAS

Systemic Advocacy Management System (SAMS)

- Web-based system to receive advocacy issues, ideas, and suggestions.
- For taxpayers and practitioners, as well as academic, research, and professional organizations.
- irs.gov/sams



Reports to Congress

- Annual Report to Congress and Objectives Report to Congress
- Submitted to Congress without Treasury or IRS review
- Available at www.TaxpayerAdvocate.irs.gov/reports



FY 2018 Objectives Report



www.taxpayeradvocate.irs.gov/2018ObjectivesReport



FY 2018 Objectives Report

“To maintain and increase high voluntary compliance levels, it is imperative that the tax administrator make tax compliance as simple and painless as possible.”

— **Nina E. Olson, National Taxpayer Advocate**



FY 2018 Objectives Report

- Taxpayer services and enforcement activities are essential for effective tax administration.
- More than 60% of IRS budget allocated to enforcement activities while only about 4% allocated for taxpayer outreach and education.
- Ms. Olson recommends that the IRS expand its outreach and education activities and improve its telephone service and that Congress provide the IRS with sufficient funding to do so.



FY 2018 Objectives Report

The report elaborates on taxpayer service limitations, particularly involving outreach and education as of 9/30/16:

- 98 employees conduct education and outreach to 62 million small business and self-employed taxpayers;
- 365 employees conduct education and outreach to nearly 125 million individual taxpayers;
- 14 states without Stakeholder Liaison employees who conduct outreach to small business and self-employed taxpayers; and
- Declining Taxpayer Assistance Centers (TACs):
 - Use *appointment-only* system, taxpayers who show up without an appointment are routinely turned away.
 - Stopped offering free tax return preparation for low income, elderly, and disabled taxpayers; and
 - Will not answer “out-of-scope” tax law questions during the filing season and will not answer *any* tax law questions outside the filing season.



FY 2018 Objectives Report 2017 Filing Season

The IRS delivered a generally successful 2017 filing season and deserves credit for implementing multiple new requirements related to the PATH Act.

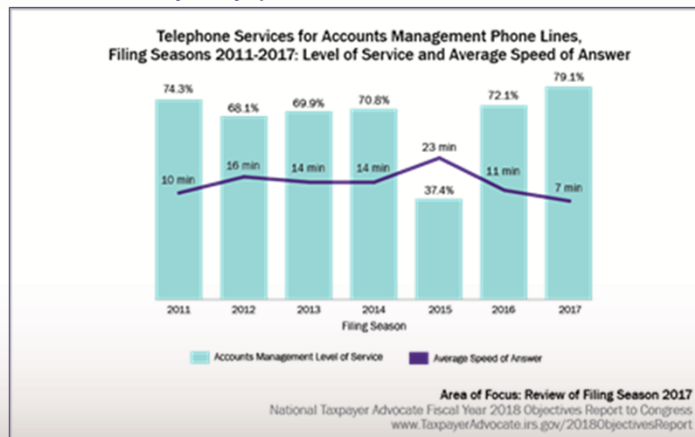
Affects of the PATH Act:

- W-2s and 1099s filed by January 31
- Refunds of taxpayers claiming Earned Income Tax Credit (EITC) & Additional Child Tax Credit (ACTC) held until February 15
- ITINs deactivated due to age or non-use



FY 2018 Objectives Report 2017 Filing Season

Taxpayers benefited from higher service levels and reduced wait times on many key phone lines.



FY 2018 Objectives Report 2017 Filing Season

Other filing season concerns:

- Face-to-face service at Taxpayer Assistance Centers (TACs);
- Availability of tax forms & publications;
- Online & self-service tools;
- Identity theft & refund fraud;
- Affordable Care Act; and
- Service options for U.S. taxpayers living abroad.



FY 2018 Objectives Report Areas of Focus

[Private Debt Collection \(PDC\) Program Implementation](#)

As of 5/17/17, the IRS had assigned to private collection agencies (PCAs) the debts of approximately 9,600 taxpayers, with 5,900 who filed a recent return which show:

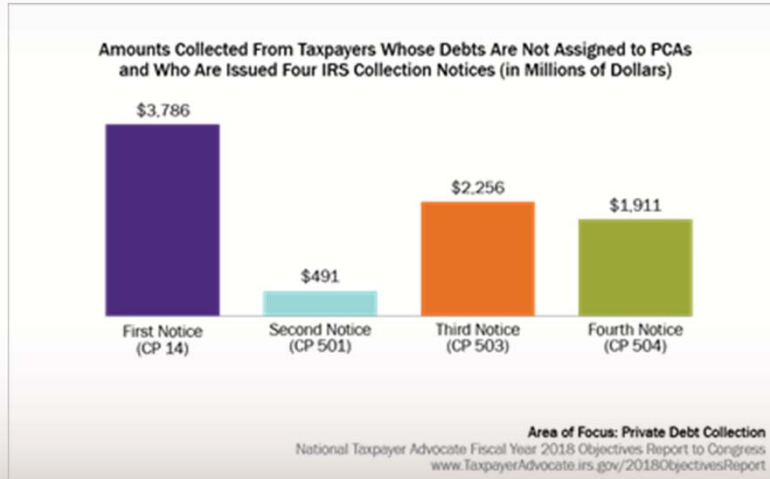
- Taxpayers' median annual income is \$31,689;
- More than half have incomes below 250% of the federal poverty level (FPL); and
- More than a fifth have incomes below the FPL.

During FY 2018, TAS will take additional steps to protect taxpayer rights and will advocate to exclude Social Security recipients with incomes below 250% of the FPL from assignment to PCAs.



FY 2018 Objectives Report Areas of Focus

PDC – Continued:



FY 2018 Objectives Report Areas of Focus

U.S. Passport Revocations and Denials

- New law requires denial of an individual's passport application and allows State Dept. to revoke or limit a passport if the IRS certifies the individual as having a seriously delinquent tax debt.
- The IRS has discretion to exclude taxpayers from passport certification; however, the IRS has chosen not to exclude taxpayers actively working with TAS to resolve their tax problems.
- The IRS is infringing on taxpayer rights by not notifying all affected taxpayers in a stand-alone notice before certifying their seriously delinquent tax debts.



FY 2018 Objectives Report Areas of Focus

Transparency in the Offshore Voluntary Disclosure Programs (OVDP)

- The IRS establishes terms of OVDPs by posting frequently asked questions (FAQs) on its website.
- The IRS generally does not disclose its interpretations of the OVDP FAQs. In addition, it withholds statistics about OVDPs that could help stakeholders evaluate them & assure taxpayers they are not being treated unfairly.
- Disclosing FAQ interpretations and statistics could help reduce unnecessary calls, increase confidence in the IRS, reduce requests for advice, and reduce unnecessary requests for assistance from TAS.



FY 2018 Objectives Report Areas of Focus

Other Areas:

- The IRS's approach to international tax administration;
- Advantages & disadvantages of the IRS's emphasis on online accounts;
- Options to improve EITC administration;
- Tax compliance barriers for ITIN holders;
- Inadequacy of the IRS's Allowable Living Expense standards;
- The IRS's policies regarding levies on retirement accounts;
- Efforts to combat tax-related identity theft;
- Taxpayer challenges in complying with ACA;
- Third party contact notices; and
- The IRS's technology challenges.



FY 2018 Objectives Report Volume II

The IRS's responses to Taxpayer Advocate Recommendations

- 2016 Report made 93 administrative recommendations; the IRS agreed to 35; or 38%.

“Both people who work in the field of tax administration and taxpayers generally can benefit greatly from reading the agency responses to our report. Tax administration is a complex field with many trade-offs required. Reading both my office’s critique and IRS’s responses in combination will provide readers with a broader perspective on key issues, the IRS’s rationale for its policies and procedures, and alternative options TAS recommends.”

– *Nina E. Olson, National Taxpayer Advocate*



FY 2018 Objectives Report More Information

More information available on our website:

www.taxpayeradvocate.irs.gov/2018ObjectivesReport



TAS ACA Estimator Tools



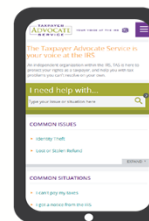
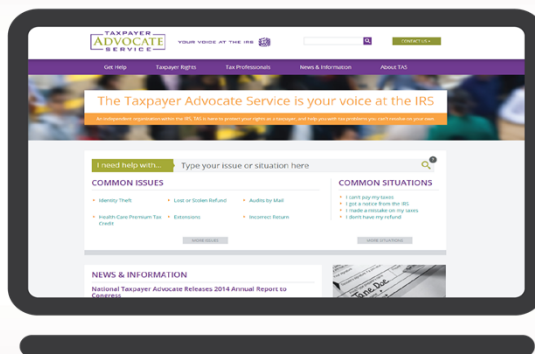
TAS created four tools for estimating healthcare tax credits and payments:

- [Individual Shared Responsibility Provision \(ISRP\) Payment Estimator](#)
- [Premium Tax Credit Change Estimator](#)
- [Small Business Health Care Tax Credit \(SBHCTC\) Estimator](#)
- [Employer Shared Responsibility Provision \(ESRP\) Payment Estimator](#)

<http://taxpayeradvocate.irs.gov/get-help/aca>



Taxpayer Resources: Tax Toolkit



www.taxpayeradvocate.irs.gov



Other TAS Programs

Taxpayer Advocacy Panel (TAP)

- Independent panel of citizen volunteers
- Suggests ways to improve the IRS
- Contact TAP at 1-888-912-1227 or www.improveirs.org



Other TAS Programs

Low Income Taxpayer Clinics (LITCs):

- LITCs represent low income taxpayers who have a controversy with the IRS, including taxpayers who speak English as a second language
- LITCs provide services for free or no more than a nominal fee
- Find the nearest LITC at www.taxpayeradvocate.irs.gov/litcmap



How to Contact TAS

Your local advocate's number is in your local directory and at: www.taxpayeradvocate.irs.gov/contact-us

Or

- Fax or phone the Local Taxpayer Advocates listed in Publication 1546, *Your Voice at the IRS*
- Call the NTA Case Intake Line: 1-877-777-4778
- Download Form 911, *Request for Taxpayer Advocate Service Assistance*, from irs.gov



Want to Know More?

- Facebook: www.facebook.com/YourVoiceatIRS
- Twitter: www.twitter.com/YourVoiceatIRS
- YouTube: www.youtube.com/TASNTA
- Tax Toolkit: www.TaxpayerAdvocate.irs.gov



Questions?



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