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Treasury Inspector General Audit Reinforces Value of IRS TACs; Questions Validity of Data Used In Plan to Close Assistance Centers

Washington, D.C.—An independent audit raising serious questions about an Internal Revenue Service (IRS) plan to reduce face-to-face customer service reinforces many of the key arguments the National Treasury Employees Union (NTEU) has been making in its efforts to prevent the move, the leader of the union said today.

The report by the Treasury Inspector General for Tax Administration (TIGTA) examined the IRS plan to close 68 Taxpayer Assistance Centers (TACs) by Nov. 1 and concluded the agency's "inability to measure the effectiveness of the TAC program limits (its) ability to make sound business decisions" about it.

President Colleen M. Kelley of the National Treasury Employees Union (NTEU), who has been leading the fight to prevent the TAC closings, said the TIGTA report "strongly underscores NTEU's arguments both that the planned closings are ill-advised and that the TACs provide essential services" for millions of taxpayers.

While the IRS is seeking to move taxpayers to the Internet for help, the TIGTA report notes that "the services offered at the TACs are valuable, considering the current complexity of the tax laws

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TIGTA Report Questions Data Support for IRS Plan—Add One

as well as the diversity of the taxpayer population.” It adds that “not all tax-related issues can be easily explained or resolved over the telephone or through the IRS web site.”

The most significant TIGTA criticism of the IRS, however, focuses on the agency’s lack of ability to effectively measure TAC services to taxpayers. “It is imperative,” TIGTA said, “that the IRS develop management information to ensure the locations and types of services offered at the TACs are those most needed by its customers.”

Until “accurate and complete management information is available,” the inspector general wrote, “management does not have all the data needed to make sound business decisions.” TIGTA added that in collecting such information, the IRS should focus on an assessment of taxpayer needs, rather than on the agency’s willingness to provide or limit services.

The TAC closings are part of an IRS effort that will result in reduced customer service even as the agency attempts to boost compliance. Along with the proposed TAC plan, the IRS is closing six telephone call sites and cutting back by 15 hours a week the amount of time telephone assistance is available to taxpayers.

NTEU chapters and members have conducted rallies and press conferences in various cities across the nation in recent weeks to help educate local residents on the likely impact from the loss of face-to-face help from an IRS employee that will occur if TACs close.

President Kelley repeatedly has emphasized that cutbacks in customer service almost certainly will translate into less compliance with the tax laws, and less revenue to the government. “Making it more difficult for taxpayers to meet their obligations is hardly a step the IRS should be taking,” the NTEU leader said.

Many members of Congress have questioned the IRS plan as well; both the House of Representatives and the Senate Appropriations Committee have included language in their versions of the fiscal 2006 Treasury-Transportation Appropriations bill that would prevent the agency from moving ahead with the closings until TIGTA has reported on the likely impact on customer service.

NTEU is the largest independent federal union, representing some 150,000 employees in 30 agencies and departments, including more than 94,000 in the IRS.