



Committee On Finance

Max Baucus, Ranking Member

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BAUCUS BLASTS SLOPPY IRS WORK THAT COULD DEPRIVE AMERICANS OF TAX HELP

*Investigation finds inaccurate data used to plan closure of Taxpayer Assistance Centers;
Baucus warns more facts are needed to make sure taxpayers aren't stranded without aid*

Washington, DC – U.S. Senator Max Baucus (D-Mont.), Ranking Member of the Senate Finance Committee responded sharply today to news that an Internal Revenue Service (IRS) plan to close 68 Taxpayer Assistance Centers (TACs) nationwide was based on faulty data. A report released today by the Treasury Inspector General for Tax Administration found the IRS relied on estimates and inaccurate data when deciding which centers to close. Baucus led a successful Senate effort to halt the entire TAC closure plan last year. He said today that there is still not enough information about the impact of local TAC closures, such as the longer distances taxpayers might have to travel to open centers, to allow any shutdown plan to proceed.

“This investigation confirms that the original IRS plan to close Taxpayer Assistance Centers was hasty and ill-informed, and that there’s still potential to hurt a lot of Americans who rely on face-to-face help to meet their tax obligations,” said Baucus. **“I understand the need to streamline IRS operations, but they can’t do it on the backs of taxpayers who are just trying to get their taxes right.”**

In forming its original closure plan, the IRS assigned a score to each TAC by using a combination of factors, including geography, labor costs, facilities costs, workload and demographics. Locations falling above a certain score were slated for closure. During its study, the Inspector General’s office sampled 60 sites and, using more correct data, arrived at different scores from the IRS calculations at every location. Investigators learned that a combination of hasty work, inaccurate information and estimates contributed to the unreliable results.

In its report, which can be found at <http://www.ustreas.gov/tigta/>, the Inspector General’s office recommended that the IRS make sure its data is accurate and reliable before making any decisions about shutting down TACs. In addition, the report concludes that the IRS has not taken into account, or even determined, the impact on taxpayers if the TACs are closed. The IRS is not allowed to use Federal funds to reduce any taxpayer service function until the Inspector General obtains that information.

“The IRS still doesn’t know just how much of a burden closing the TACs will place on taxpayers who need help,” said Baucus. **“I’m not willing to allow cuts in face-to-face taxpayer assistance until I know the IRS won’t be stranding honest Americans who need to sit down with a real person and resolve their tax questions.”**

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