

GAO Highlights

Highlights of [GAO-15-163](#), a report to congressional requesters

Why GAO Did This Study

During the filing season, IRS processes tax returns, issues refunds, and provides telephone, correspondence, online, and face-to-face service. GAO has reported that in recent years IRS has absorbed significant budget cuts and struggled to provide quality service. In response, IRS has taken steps, including eliminating some services and implementing a new risk management process. GAO assessed IRS's (1) 2014 filing season performance, including how it compares itself to best practices; (2) efforts to evaluate the effectiveness of 2014 service changes; and (3) actions to manage risk for filing season operations, among other objectives. GAO analyzed IRS documents and data, visited IRS facilities, and interviewed IRS officials and external stakeholders.

What GAO Recommends

GAO recommends IRS systematically compare telephone service to the best in business, develop measures and a plan to analyze service changes, and include specific countermeasures in risk management plans.

IRS disagreed with comparing its telephone service to the best in business stating it (1) is not comparable to other organizations and (2) has done targeted comparisons. GAO disagrees. In its view, the recommendation remains valid and benchmarking all aspects of service to the best in business could help IRS improve its service. IRS agreed to develop measures and a plan to analyze service changes. It neither agreed nor disagreed to include specific countermeasures in its risk management plans.

View [GAO-15-163](#). For more information, contact James R. White at (202) 512-9110 or whitej@gao.gov.

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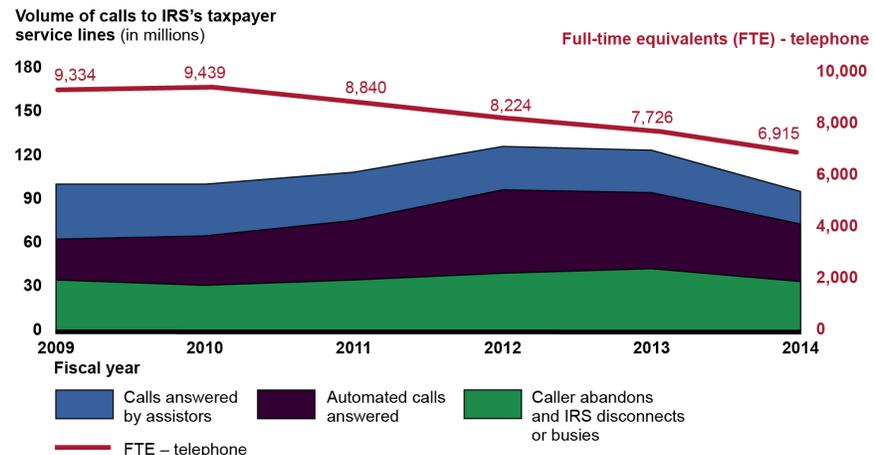
TAX FILING SEASON

2014 Performance Highlights the Need to Better Manage Taxpayer Service and Future Risks

What GAO Found

The Internal Revenue Service's (IRS) processing of tax returns was timely, even though the filing season was delayed due to the 2013 government shutdown. Continued growth in e-filing allows IRS to reduce costs and issue refunds faster. Although IRS received fewer calls in 2014, the percentage of callers seeking help who received it remained low and wait times remained high compared to prior years.

Call Volume to IRS's Taxpayer Service Telephone Lines and IRS Full-Time Equivalents (FTE) Devoted to Telephone Service, Fiscal Years 2009 through 2014



Source: GAO analysis of IRS data. | [GAO-15-163](#)

One way to improve taxpayer telephone service is to compare it to the best in business, as required by Congress and executive orders. However, IRS has not systematically made such a comparison for its telephone service because of budget constraints and difficulty in identifying comparable organizations, according to IRS officials. By not comparing itself to other call center operations, IRS is missing an opportunity to identify and address gaps between actual and desired service, and inform Congress about resources needed to close the gap. More efficient telephone service could help improve correspondence service because the same staff provides those services.

IRS did not set numerical goals—such as a reduction in wait time—or develop a plan to assess the effects of its 2014 service changes. Such information would help Congress, IRS managers, and others understand the benefits and potential budget tradeoffs associated with IRS service changes. This is important because IRS has identified additional service changes for 2015 and beyond.

IRS used its new enterprise-wide risk management approach to identify risks such as staffing and training. IRS has made good progress in setting up its risk management process. However, while risks were identified and countermeasures discussed, such as contingency plans and workload adjustments, most countermeasures were not specific. Without specific countermeasures identified in advance, IRS's ability to respond to adverse events may be hampered.