What GAO Did This Study

The Internal Revenue Service (IRS) has ambitious goals to improve enforcement, improve taxpayer service, increase research, and continue investing in systems modernization. The President's 2009 proposed budget is a roadmap for how IRS intends to achieve these goals. IRS's 2008 filing season performance, along with the performance of paid preparers who help taxpayers, is a key indicator of the tax system's impact on taxpayers.

GAO was asked to (1) assess how the budget request allocates resources compared to prior years, (2) determine the status of systems modernization efforts, (3) assess filing season performance, and (4) assess IRS's ability to identify paid preparers. GAO compared the budget request to prior years, updated our previous reporting, compared IRS's filing season performance to prior years and goals, and interviewed IRS officials.

What GAO Recommends

GAO recommends that IRS extend return on investment (ROI) analyses to major enforcement programs for future budget requests and develop a plan to require a single identification number for paid preparers, including the feasibility of options, their benefits and costs, and usefulness for enforcement and research on paid preparer behavior. Due to the short time frame for GAO's report, IRS officials said they were unable to respond to our recommendations.

To view the full product, including the scope and methodology, click on GAO-08-567. For more information, contact James R. White at (202) 512-9110 or whitej@gao.gov.