



**Taxpayer
Advocacy Panel**

IMPROVING THE IRS
Improveirs.org



*10th
Anniversary*

2012 ANNUAL REPORT

TAP Mission

The Taxpayer Advocacy Panel listens to taxpayers, identifies taxpayers' issues, and makes suggestions for improving IRS service and customer satisfaction.

TAP Vision

Citizen Volunteers Valued for Improving IRS Services

To: Jacob J. Lew
Secretary of the Treasury

Daniel I. Werfel
Acting Commissioner of Internal Revenue

Nina E. Olson
National Taxpayer Advocate

Rena C. Girinakis
Executive Director, Systemic Advocacy

Subject: Taxpayer Advocacy Panel's 2012 Annual Report

The 2012 Taxpayer Advocacy Panel (TAP) year saw the implementation of numerous significant changes from the TAP reorganization including the screening process, a reduction in the number of committees and the partnership with Systemic Advocacy. This year afforded us the opportunity to modify and streamline these newly implemented processes, and re-evaluate old ones, to better fulfill the TAP mission and serve the taxpaying public.

Outreach also became more of a priority in 2012 and new outreach efforts around social and print media were tested. This focus shift allowed us to extend our reach and gather additional input from the public. With the issues and comments gathered from old and new channels, we were able to create the 2013 Project Committees that will better address more systemic issues.

The inclusion of the new processes contributed to another successful year with the completion of 34 projects and 130 recommendations elevated to the Internal Revenue Service. The quality, time, and effort expended by TAP members and staff to complete all of the tasks that we set out to accomplish at the beginning of the year speaks to this organization's commitment to American taxpayers.

We thank everyone involved in improving the taxpayer experience and TAP looks forward to making 2013 another successful year.



Eboni N. Moss
2012 TAP Chair



2012 TAP Chair, Eboni Moss

Contents

TAP Mission.....	i
TAP Vision	i
Taxpayer Advocacy Panel's 2012 Annual Report	ii
Introduction.....	1
TAP Celebrates Its Tenth Anniversary	7
TAP Chairs and Vice-chairs.....	8
Objectives and Scope.....	9
2012 TAP Map	9
TAP Member Responsibilities.....	10
Outreach: How TAP Listens To Taxpayers	13
Outreach Committee Report.....	14
TAP Social Media Highlights	16
TAP Leveraging Social Media	17
Screening Committee Overview and Function	18
TAP 2012 Project Committee Accomplishments	19
Project Committee Organization.....	19
TAP Issues and Projects Touch Many IRS Functions.....	19
TAP Made 130 Recommendations to the IRS.....	21
IRS Response to TAP Committee Recommendations	22
TAP Project Committees Were Focused and Productive in 2012	24
TAP 2012 Summary and Future Considerations	27
TAP 2012 Special Events and Activities	28

Realignment and Refocus	28
TAP Elects New Leaders for 2012.....	29
Annual Conference.....	30
New Member Selection	31
Recruitment Drive.....	31
Charter Renewed	32
TAP Issues the 2011 Annual Report.....	32
TAP Conducts Taxpayer Assistance Center Snapshot Survey	33
Assists IRS with Earned Income Tax Credit Awareness Day	33
Joint Committee Meets in Indianapolis.....	34
TAP Reaches Out at Tax Forums	35
2012 Significant Issues and Recommendations	37
Service Methods (Face-to-Face).....	37
Tax Forms and Publications	37
SB/SE Decreasing Non-Filers	40
Refund Processing Communications	41
Return Processing Delays.....	42
Bankruptcy Compliance.....	42
Taxpayer Burden Reduction	43
Toll-Free.....	44
SAMS Issues	45
Project Committee Chair Reports.....	47
Bankruptcy Compliance Committee	47

Communications Committee	51
Face-to-Face Service Methods Committee	53
SB/SE Decreasing Non-Filers Committee.....	57
Tax Forms and Publications Committee	61
Taxpayer Burden Reduction Committee.....	65
Toll-Free Committee	69
Refund Processing Communications Committee	73
Return Processing Delays Committee.....	79
Appendix A: Taxpayer Advocacy Panel Members 2012	83
Appendix B: 2012 Taxpayer Advocacy Panel IRS Staff.....	87
Appendix C: 2012 TAP Area Committee IRS Designated Officers	88
Appendix D: 2012 TAP Project Committee IRS Program Owners.....	89
Appendix E: 2012 TAP Recommendation Status Definitions	90
Appendix F: Acronyms.....	92
TAP Geographic Committee Map (Text Version).....	94

This page intentionally left blank.

Introduction

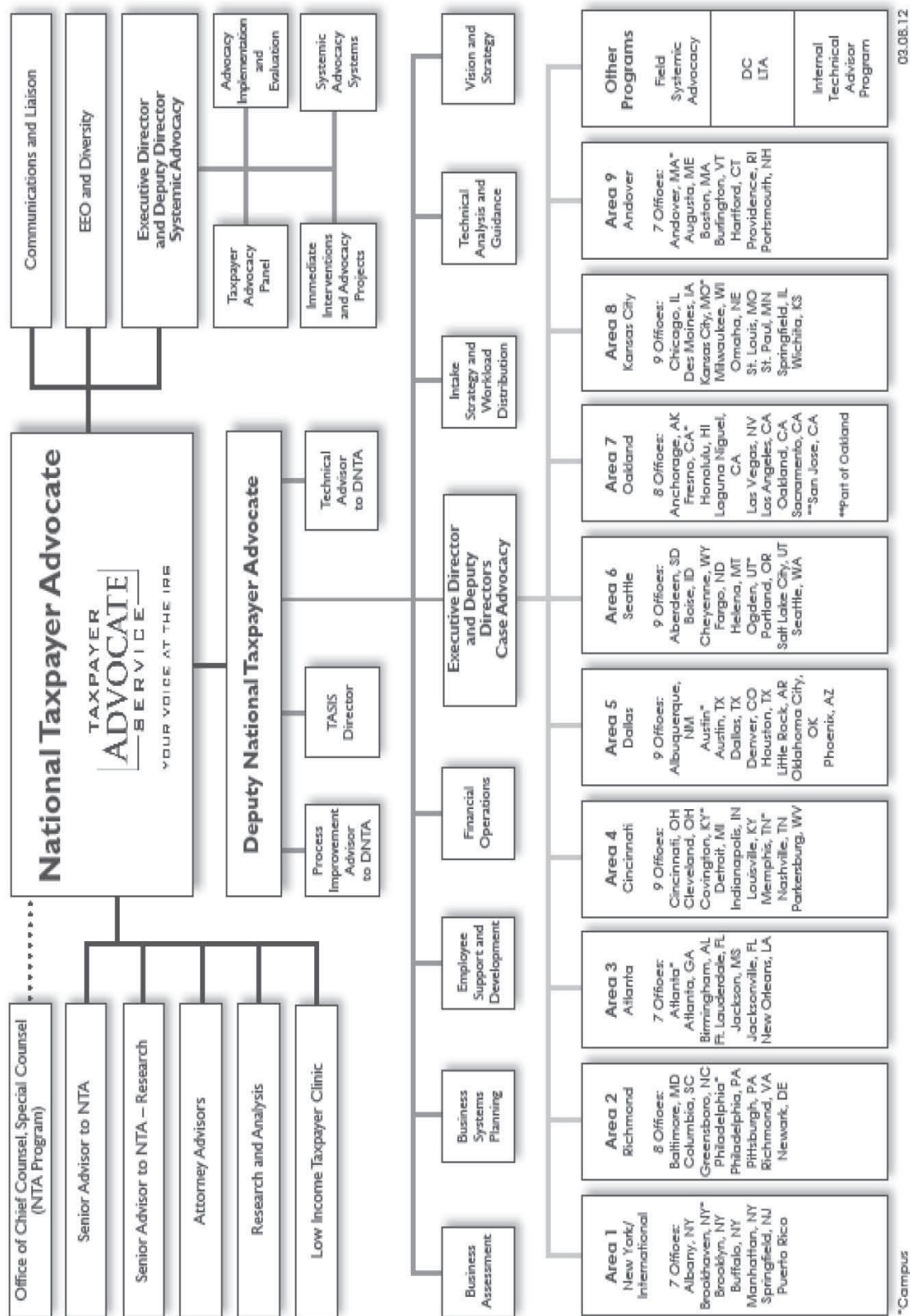
The Department of the Treasury (Treasury) was the driving force in creating the Taxpayer Advocacy Panel (TAP) in 2002, based on a review of IRS advisory committees. This Panel originally named the Citizen Advocacy Panel, only operated in ten states. Due to the contributions of this earlier Panel, Treasury recommended a nationwide expansion and renamed it the Taxpayer Advocacy Panel in 2002.

TAP membership is drawn from an extensive pool of nationwide citizen-volunteers, with at least one member from each of the 50 states, the District of Columbia, and Puerto Rico. Much of the success of TAP is attributed to the diverse backgrounds and experience members bring to the panel. Member recruitment is conducted during early spring and is widely advertised in local and national media. Potential members are screened and interviewed by existing panel members, as well as IRS staff, in addition to undergoing a thorough background check. A final pool of candidates is then forwarded through the Commissioner of Internal Revenue to Treasury for final approval and appointment.

Before we introduce you to the working mechanics of the TAP, we must acknowledge and give thanks to the tremendous talent and commitment of the IRS staff. As a result of their dedication and commitment to the taxpaying public, the TAP members were able to work harder than ever to protect and promote taxpayers' interests.

So, what is TAP?

The TAP is an independent advisory committee that operates under the auspices of the Federal Advisory Committee Act (FACA) to ensure panel advice and recommendations are objective and accessible to the public. From an administrative perspective, the TAP is accountable to the Treasury, the IRS and the National Taxpayer Advocate. The Taxpayer Advocate Service (TAS), an independent division within the IRS hierarchy, provides essential funding, technical, administrative and clerical support to the TAP.

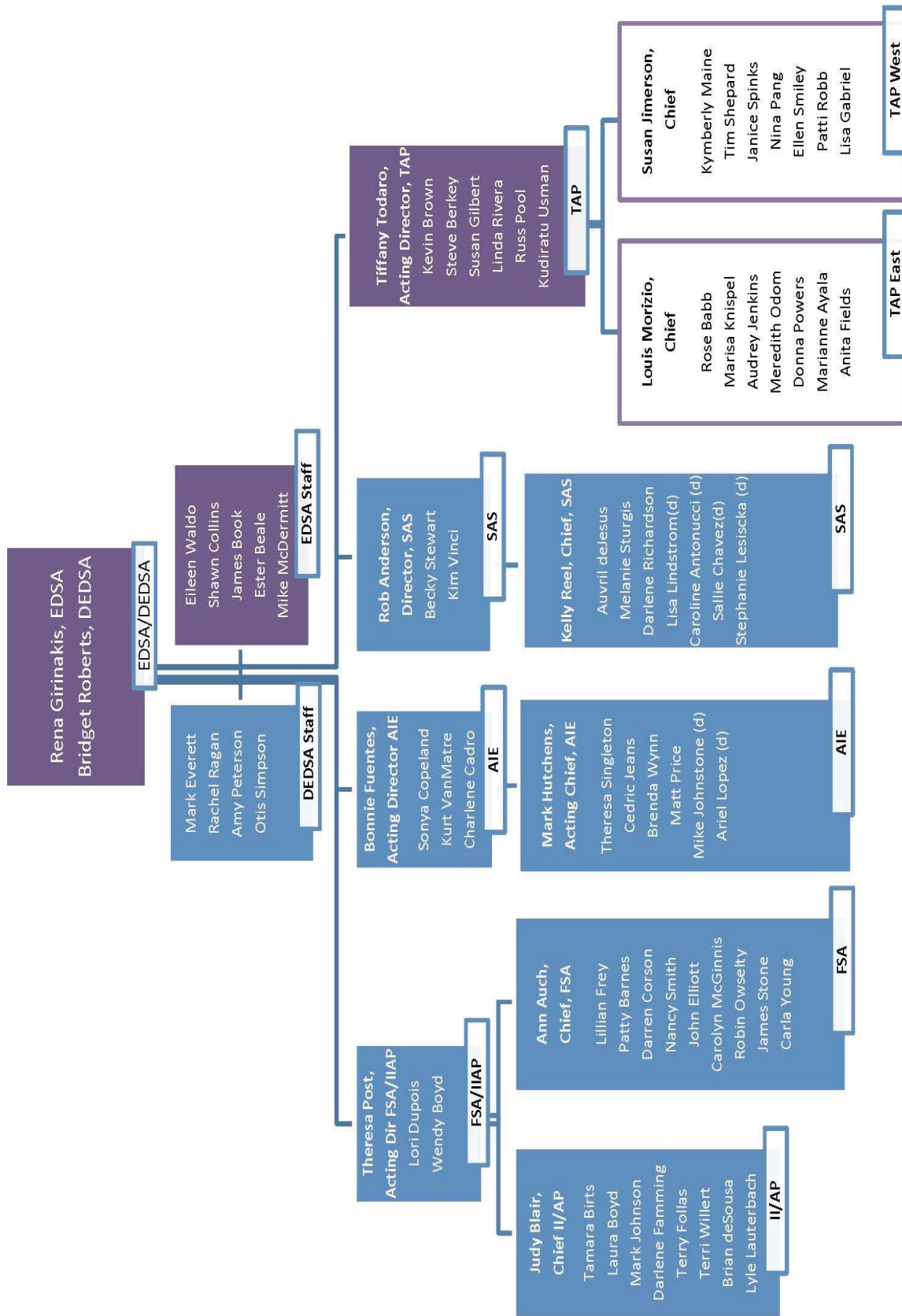


*Campus

What is its mission?

The TAP's mission is to listen to taxpayers, identify taxpayers' issues, and make suggestions for improving IRS service and customer satisfaction. The mission has always been to partner with the IRS and continuously look for ways to improve the Organization.

While the mission has remained constant from its inception, the method of delivery and accountability underwent significant changes in 2012. Initially, the TAP was directly accountable to the National Taxpayer Advocate, but 2012 began a new era, with TAP reporting directly to the TAS Executive Director Systemic Advocacy (EDSA). This realignment has created a more efficient pathway to elevate significant issues identified by TAP members to senior management within the IRS.



A significant and positive result of this change in structure was the creation of eight project committees; each concentrating on one specific systemic issue, and providing recommendations to the IRS that would improve the method of delivery. These eight project committees were:

- Bankruptcy Compliance
- Face-to-Face Service Methods
- Refund Processing Communications
- Return Processing Delays
- Small Business/Self Employed (SB/SE) Decreasing Non-Filers
- Tax Forms and Publications
- Taxpayer Burden Reduction
- Toll-Free

The magnitude and scope of the work accomplished in the past twelve months by these eight project committees has been exceptional. This Annual Report includes issues identified, elevated, and at times immediately resolved by the IRS.

Another major focus of the TAP was to conduct outreach activities throughout the year. It is through this critical medium that TAP members received immediate feedback from the public regarding numerous issues, as well as received recommendations and suggestions that promoted a more positive image for the IRS and its representatives. These grassroots efforts were TAP-membership driven in the form of one-on-one discussions, presentations, town hall events, networking, and community involvement.

We are proud to present this 2012 Annual Report. This Report is a testament to the sense of civic duty, patriotism, and belief in the American way of life that ordinary citizens from all walks of life possess. Without their volunteerism and dedication to improving Government services, this report would not have been possible. The TAP is and will always be ready and able to listen to and represent the interests of American taxpayers.

This page intentionally left blank.

TAP Celebrates Its Tenth Anniversary

The TAP is proud to have completed its tenth year of helping taxpayers with recommendations to improve the IRS.

Our work has been both successful and gratifying. Each year the membership has grown in experience as we tackled increasingly more complex taxpayer issues. The passion and hard work of the approximately 450 volunteers (appropriately supported by staff from the IRS) who have served and are currently serving on the TAP have made that success possible. We have and will always continue to advance the TAP mission and work with taxpayers across the country to improve the IRS. Since its inception in 2002, the TAP has received and considered over 4,400 issues and submitted almost 900 recommendations and completed projects to the IRS.

On behalf of every former TAP leader, the current TAP leadership wants to thank all past and present volunteers for their service while praising their dedication and ongoing search for excellence. We can be proud of the fact that, together, we have created a very unique volunteer community based on integrity, commitment, and passion. As we look to the future and the challenging requirements of change before us, one thing is clear: the volunteers of TAP will continue to be committed to making our Organization and the IRS all they can be.

On behalf of all the TAP volunteers and staff, both former and present, we celebrate our collective accomplishments and look forward to continuing our journey well into the future.

TAP Chairs and Vice-chairs

Year(s)	Name	Position Held
2003/2004	Thomas P. Seuntjens	Chair
	Robert Meldman	Vice-chair
2005	Gwen Handelman	Chair
	Larry T. Combs	Vice-chair
2006	Larry T. Combs	Chair
	Paul Brubaker	Vice-chair
2007	J.T. Wright	Chair
	Robert Meyers	Vice-chair
2008	Henry Mosler	Chair
	M.J. Lee	Vice-chair
2009	Charles Davidson	Chair
	Kenneth Wright	Vice-chair
2010	Sabby Jonathan	Chair
	Thomas Walker	Vice-chair
2011	Thomas Walker	Chair
	John Kim	Vice-chair
2012	Eboni Moss	Chair
	Jackie Rollins	Vice-chair
2013	Richard Bilancia	Chair
	Colleen Hitchcock	Vice-chair

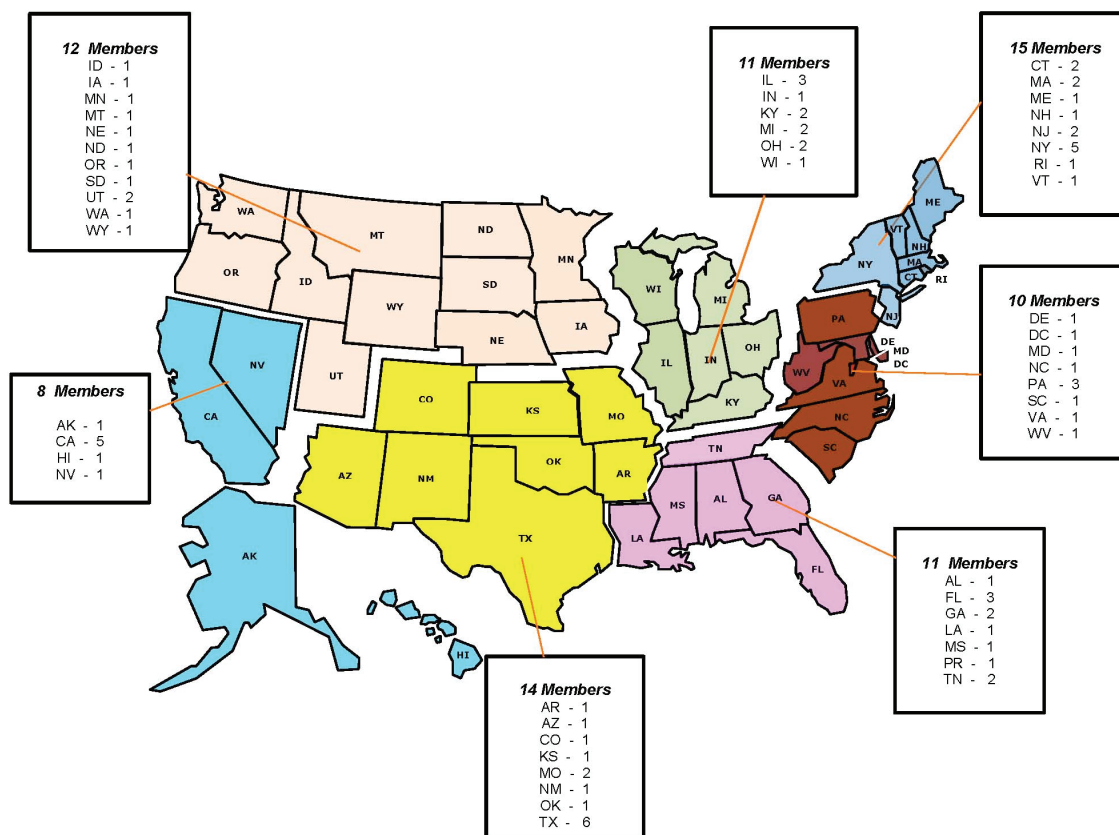
Figure 1. TAP Chairs and Vice-chairs from the past ten years.

Objectives and Scope

The TAP provides a taxpayer's perspective on critical tax administrative programs and helps to identify grassroots tax issues through outreach. The TAP also provides listening opportunities for independent taxpayer comments and suggestions regarding IRS service, customer satisfaction, or process improvements and has direct access to the appropriate operating divisions to ensure recommendations are considered. The TAP scope focuses primarily on issues that fall within the jurisdiction of the Wage & Investment (W&I) and Small Business/Self-Employed (SB/SE) operating divisions.

2012 TAP Map

81 Member Positions



TAP Member Responsibilities

Each TAP member had the following responsibilities in 2012:

- Actively participate on one of eight Project Committees. The IRS program owners in partnership with TAP leadership define the scope of work for the Project Committees. The Project Committees work the projects, develop recommendations, and forward these recommendations to IRS management. Project Committees operate in a top-down fashion focusing on the IRS issues and project support requests;
- Conduct individual outreach activities with the taxpaying public and paid tax preparers to identify grassroots taxpayer issues and serve as a listening post for the IRS;
- Partner with the various divisions of the IRS to interface with the taxpaying public, including: Town Hall meetings, Tax Forums, and TAS outreach events;
- Attend a two- to three-day annual TAP training/committee meeting that is held on-site at a TAS location and conducted virtually via computer;
- Participate in monthly telephone conferences with team members from the Project Committees to address and work on program issues and assignments; and
- Participate in additional special project events associated with project committee assignments.

This volunteer work typically requires from 300 to over 500 hours per year for panel members. Additional time is required for TAP members in team leadership positions.



TAP Members Ken Donnelly, Jack Dell, Richard Bilancia, Bob Hayden at the Joint Committee meeting in Indianapolis

This page intentionally left blank.

Outreach: How TAP Listens To Taxpayers

The key objective of the TAP outreach program is to identify grassroots issues that can affect a large group of taxpayers. Another important objective is to address issues for improved work processes within the IRS and forms and documents produced by the IRS. The TAP does not work on legislative issues or with individual tax returns. Instead, we refer these issues to local Congressional representatives, directly to the IRS, or to TAS.

During 2012, panel members told the TAP story to a wide variety of individual taxpayers and organizations with participation in more than 800 outreach events and interaction with more than 720,000 members of the taxpaying public. These events also identified taxpayer issues and concerns with the IRS.

For the first time in its ten-year history, the TAP Vice-chair's duties included oversight of outreach activities. This focus resulted in new marketing innovations which are available for panel members' use in an outreach "toolkit." They included:

- A public service announcement (PSA) that appeared pro bono in widely circulated homeowner association monthly newsletters. A large tax professional website and a community tax assistance center's website also used this as a link to the TAP website.
- A 30-second video clip, adaptable to larger screen size, which incorporates the TAP message with additional graphic art and sound.



Outreach Committee Report

By integrating outreach activity oversight into the TAP Vice-chair's duties, a new internal committee, led by the Vice-chair, was formed. Since there were no longer area committees, each of the eight project committees identified an outreach coordinator, ideally the vice-chair of that committee, to help track, motivate and guide the outreach efforts of fellow members through their own periodic meetings.

Proficiency at outreach and being good at motivating others called for a special person to fill this role. To set the example, the TAP Vice-chair took an active role in motivating, scheduling and promoting outreach. One of the goals of the committee, which met bimonthly, was to ensure that all TAP members were correctly completing and submitting the newly designed monthly outreach report. At mid-year, the Vice-chair conducted a study, with information pulled from the outreach database, of member participation and accuracy of reporting. Feedback from the report, both to and from TAP members, resulted in a marked improvement in those targeted areas for the remainder of the year.

Members

Jackie Rollins, Texas, Lead
Ken Armstrong, Montana
Lucy Colby, Virginia
Annette Fitzgerald, Missouri

Edith Kendall, Iowa
Chris Petersen-Grosse, Indiana
Cindi Williams, South Dakota
Lisa Wongshue, Florida

The following table summarizes the wide-ranging outreach activities conducted by the TAP members in 2012. Notable activities included individual one-on-one events, large audience programs, Internet postings including popular websites, social networking and mass media initiatives - including radio, television and print - reaching hundreds and thousands of the taxpaying public simultaneously.

Outreach Event	Number of Events	Estimated Total Audience
Individual or Small Group Contact	502	3,362
Speeches and Presentations	106	5,213
Internet	42	179,578
Media Articles ¹	47	418,689
Seminars	28	825
Media Interviews ¹	2	53,001
Fairs and Expo Booths	13	5,328
Correspondence	42	47,083
Earned Income Tax Credit (EITC) Awareness Day	4	182
Town Halls	2	225
Tax Forums	3	1,278
Other	38	6,137
TOTAL	829	720,901

¹These estimated totals are based on data collected from media sources, TV and radio stations and reflect market share or potential audience.

Figure 2 Summary of Outreach Efforts by TAP Members during 2012

TAP Social Media Highlights

In 2012, TAP utilized the TAS social media channels to distribute information online about TAP, highlight key initiatives and milestones throughout the year, encourage taxpayer participation in TAP meetings, and promote recruitment for the panel. TAS issued more than 20 posts on its Facebook page and more than 90 tweets via its Twitter account about TAP activities.

Social media posts on the TAS Facebook and Twitter channels focused on driving traffic to Improveirs.org, as well as highlighting the 2012 TAP membership recruitment period, TAP's 2011 Annual Report, and the recommendations submitted to the IRS for improving taxpayer service. Facebook and Twitter posts also encouraged taxpayers to participate in TAP teleconferences and to submit suggestions via the online "Speak Up!" comment form.

In addition, TAS distributed two social media releases (SMR) on behalf of TAP in 2012. SMRs, which are shortened online versions of news releases, are optimized for search engines and helped drive traffic to Improveirs.org. The first SMR was issued in early 2012 to promote the TAP membership recruitment period and generated 17,658 total headline impressions. Later in the year, a second SMR featured TAP's 2011 Annual Report, receiving a total of 25,776 headline impressions.

The Quick Response Code (QR Code) created in 2011 was displayed on all of TAP's printed promotional products, marketing materials and reports. It provides quick and effortless access to Improveirs.org when scanned by smartphones and other devices with QR readers. As of December 2012, this QR Code generated 29 total scans since its creation.



TAP Leveraging Social Media

During 2012, TAP members also expanded the use of social media in an effort to inform the public about TAP's organizational activities (i.e., TAP Newsletter, Opening of the Recruitment Process) and also pertinent information related to IRS news (i.e., Identity Theft, Delays in Filings, etc.). This was accomplished via a Taxpayer Advocacy Panel group on Facebook and through a LinkedIn group.

Facebook Link:

[\(https://www.facebook.com/#!/groups/56417632570/\)](https://www.facebook.com/#!/groups/56417632570/)

LinkedIn Link:

<http://www.linkedin.com/search-fe/group-search?ppSearchOrigin=GLHD&keywords=the+taxpayer+advocacy+panel>

As of December 2012 there were approximately 200 Facebook group members and approximately 40 for the LinkedIn group. Heading into 2013 we will continue to leverage these tools as a means of communicating with taxpayers on a regular basis. In addition, an effort will be made to expand the LinkedIn group to all current and new members. The TAP team looks forward to further leveraging these tools as a means of improving communications with the groups' readers.

Screening Committee Overview and Function

In 2012, a Screening Committee, independent of the project committees, became an integral part of the new process flow by reviewing issues entered into the TAP Systemic Advocacy Management System (SAMS) database and assigned category codes. The Screening Committee was comprised of the Chair, one member representing each of the eight project committees, the TAP Vice-chair, and four staff members.

By teleconference, the Chair and committee members conducted a semi-monthly review of the issues in the database to determine if they met the TAP criteria, excluding, for example, legislative and personal tax issues outside of the TAP scope. If it was determined that an issue was within the TAP scope, the primary and sometimes a secondary category code were confirmed or modified as needed. The primary category code – i.e., Taxpayer Assistance Centers, Collection Process, Notices - served as a “bucket” to hold similar issues. After research performed by staff and discussion by members, a consensus was reached on the disposition of an issue, including: closed (dropped); parking lot (had merit and would be revisited later, possibly with others of its kind); elevated to the IRS (a “hot” topic, such as Identity Theft or a systemic-type issue); and a project committee referral (currently being worked within that committee).

The Screening Committee Chair was also a member of the TAP Joint Committee. As part of their monthly conference calls, the Joint Committee would approve, by consensus, the categories and dispositions determined by the Screening Committee.

In addition to screening issues, the Chair, the TAP Vice-chair, and the Screening Committee members contacted, via phone or e-mail, the issue initiator when contact information was available advising them of the status of their issue. A total of 409 issues were screened and categorized in 2012, and more than 25 percent of initiators were contacted. The top three categories were Tax Forms and Publications, Return Processing Delays, and Toll-Free.

TAP 2012 Project Committee Accomplishments

Project Committee Organization

TAP members are charged with soliciting comments from the taxpaying public on experiences and improvement opportunities for the IRS. The Screening Committee reviews these comments to identify the most promising issues to be researched and worked in a Project Committee.

There were eight 2012 TAP Project Committees. The eight Committees worked on projects identified and defined by the TAP Joint Committee and IRS program executives. Each committee varied in size and consisted of members from around the country. The Project Committees worked with the IRS to define problems and then develop recommendations to address the topics. The IRS values TAP's efforts and recommendations on the various projects. The TAP members bring a variety of backgrounds and thinking which can lead to fresh approaches that may not be apparent to the internal IRS Organization. In addition, an internal TAP Communications Committee worked on products used in 2012 by TAP for internal TAP business, as well as interaction with taxpayers. This included TAP By Laws, TAP web products, outreach materials, and the 2011 Annual Report.

TAP Issues and Projects Touch Many IRS Functions

The total number of issues the TAP received for consideration is shown in Figure 3 below. The issues are categorized by the IRS related topic. The large number of issues related to Tax Forms and Publications is attributed to comments the TAP received from taxpayers regarding the IRS decision to stop mailing the Form 1040, U.S. Individual Income Tax Return, series forms and instructions to taxpayers in 2011.

IRS Function	Issue/Projects	Percentage
Tax Forms and Pubs	108	26.41%
Return Processing	58	14.18%
Toll-Free Number	47	11.49%
Taxpayer Assistance Centers	45	11.00%
E-File	26	6.36%
Communication	22	5.38%
Other	22	5.38%
Website	16	3.91%
Collection Process	12	2.93%
Notice Improvement	10	2.44%
Audits	9	2.20%
Payments	7	1.71%
Education	5	1.22%
Offers in Compromise	5	1.22%
Third-Party Return Preparation	5	1.22%
Appeals	2	0.49%
EITC	2	0.49%
Penalty & Interest	2	0.49%
SB/SE	2	0.49%
Taxpayer Rights	2	0.49%
Volunteer Income Tax Assistance (VITA)	2	0.49%
TOTAL	409	100%

Figure 3. Summary of issues the TAP received for consideration by topic in 2012.

TAP Made 130 Recommendations to the IRS

The eight Project Committees and Screening Committee completed 32 projects and submitted 130 project recommendations to the IRS in 2012. Two Ad Hoc Committees completed two additional projects. In addition, the internal TAP Communications Committee completed three projects for the TAP.

The number of recommendations submitted to the IRS in 2012 was up from prior years due in part to the restructuring of the TAP program for 2012. Instead of working issues into individual recommendations in Area Committees, the TAP Project Committees developed multiple recommendations to the IRS related to the focus of their projects. These results demonstrate that the TAP continued to serve the role of an independent listening post and provide significant ideas for change to the IRS after undergoing a major transition in how it operates.

Committees	2012 Total	2011 Total	2010 Total	2009 Total
Area Committee Issues Elevated	NA	38	88	53
Area/Screening Committee Issues Sent to Systemic Advocacy	2	3	13	14
Subtotal – Area/Screening Committee Issues Completed	2	41	101	67
Special Project – Recommendation	2	1	0	1
Project Committee External Projects Completed/ Recommendations	128	24	34	61
Subtotal – Project Committee External Projects/ Recommendations	130	25	34	62
Subtotal – Area/Screening and Project Recommendations Forwarded to the IRS	132	66	135	129
Project Committee Internal Projects Completed	3	9	9	8
Total Deliverables Completed by TAP	135	75	144	137

Figure 4. Summary of Elevated and Referred Issues and Completed Projects by TAP Committees for 2009 through 2012.



TAP Member Eileen Kelly, TAP Analyst Patti Robb, Local Taxpayer Advocate Barbara Johnson, TAP members Jack Dell, and Jackie Granger at a committee meeting in Milwaukee.

IRS Response to TAP Committee Recommendations

When the Joint Committee elevates an issue, it is referred to the appropriate IRS department for consideration. The IRS takes TAP recommendations seriously. However, at times, they are limited in their ability to implement them due to the following:

- Availability of personnel;
- Cost of implementation;
- Difference in IRS management philosophy; and
- Balance of easing taxpayer burden while ensuring enforcement of tax obligations.

After evaluating the recommendation, the IRS will formally respond to the TAP Chair regarding the review and implementation if appropriate.

The following table provides an overview of IRS responses to the 130 recommendations elevated by TAP Project Committees to the IRS in 2012 with illustrative data for 2011, 2010, and 2009.

Status	2012 Responses	2011 Responses	2010 Responses	2009 Responses
Accepted	13	10	22	23
Partially Accepted	16	4	12	11
Referred to Systemic Advocacy – Accepted	1	3	9	7
Referred to Systemic Advocacy – Rejected	1	0	1	4
Referred to Systemic Advocacy – Legislative	0	0	3	3
Rejected	43	18	45	13
Project/Task Completed/Considered	32	0	0	0
Under Review ¹	23	1	3	6
Other	1	5	6	0
Total	130	41	101	67

¹ Elevated to IRS and Awaiting Response or Pending TAP Review of IRS Response

[Figure 5.](#) Overview of IRS responses in 2012.

TAP Project Committees Were Focused and Productive in 2012

The Project Committees for 2012 were formed to work on projects for one year. Hence, there is usually no carryover work by individual Project Committees from year to year. The TAP leadership and IRS redirect TAP resources to work on the most urgent IRS issues each year.

The eight TAP Project Committees and Screening Committee completed work on 32 projects in 2012. In addition, Ad Hoc Committees worked with the IRS to provide input related to the taxpayer experience in Taxpayer Assistance Centers and a Health Care Calculator. These Project Committees took direction and worked on projects requested by the IRS. The Communications Committee completed three projects that focused on internal TAP work processes and tools to improve outreach, productivity, and efficiency.

Project Committee	2012 Projects Completed	2011 Projects Completed	2010 Projects Completed	2009 Projects Completed
Tax Forms and Publications	18	12	17	12
Refund Processing Communications	1	N/A	N/A	N/A
Toll-Free	5	N/A	N/A	N/A
Return Processing Delays	2	N/A	N/A	N/A
Bankruptcy Compliance	1	N/A	N/A	N/A
SB/SE Burden Reduction	1	0	6	2
SB/SE Decreasing Non-Filers	1	N/A	N/A	N/A
Face-to-Face Service Methods	1	N/A	N/A	N/A
Notice Improvement	N/A	2	4	32
MLI ¹	N/A	0	0	5
EITC	N/A	1	2	2

Project Committee	2012 Projects Completed	2011 Projects Completed	2010 Projects Completed	2009 Projects Completed
SB/SE Practitioner Experience	N/A	2	NA	NA
SB/SE Correspondence Examination Toll-Free	N/A	3	NA	NA
TAC	N/A	1	1	1
VITA	N/A	3	4	7
Screening	2	N/A	N/A	N/A
Ad Hoc Projects	2	1	NA	NA
Subtotal – External Projects	34	25	34	61
Internal Communications	3	9	9	8
Video Project	N/A	NA	NA	1
Total Projects	37	34	43	70

¹New Committee for 2009, merged with Notices for 2010

[Figure 6.](#) Summary of Project Committee Work, 2009 through 2012.

The numbers in the Figure 6 should not be used to compare Project Committee productivity. Each Project Committee counts their projects completed in a manner that is most appropriate to meet the needs of the IRS Program Owner. For example, the Notices Improvement Committee continued support of the IRS Program Owner but to a much lesser degree with the advent of an internal IRS organization for handling correspondex notices. In addition, some committees worked on one major project for the entire year and developed a set of improvement recommendations to enable the IRS to better serve the taxpaying public.

Further details on the projects completed by each Project Committee can be found later in this report in the Chair, Project Committee Reports section.

This page intentionally left blank.

TAP 2012 Summary and Future Considerations

The 2012 TAP year began with an unfortunate last minute cancellation of the annual TAP face-to-face meeting that had been scheduled for December 2011. This cancellation was the result of both budget constraints imposed upon the IRS by Congress as well as meeting restrictions imposed by Treasury.

While fiscally necessary, the unforeseen meeting cancellation created several challenges and practical limitations on the TAP and its efforts for the full 2012 year. Among those challenges were:

- Training new, first-year TAP members;
- Maintaining enthusiasm and commitment with returning TAP members;
- Timely electing leadership for each TAP Project Committee;
- Developing a rapid understanding for each TAP member of the work, role, and mission of each TAP Project Committee; and
- Educating all TAP members with the impact and methodologies of the then just revised and implemented TAP organization and process changes.
- In an attempt to minimize the impact of these challenges, most of the face-to-face TAP Committee meetings were held earlier in the year than usual. Additionally, each committee relied much more heavily on conference calls and e-mail exchanges in order to conduct the business of the TAP.

There was also the challenge for the TAP leadership to transition to the new reporting relationship with the TAS EDSA. While this new reporting relationship was intended to foster better support for the TAP organization, staff, and panel members by "...creating more opportunities for the EDSA to be involved in addressing issues identified and elevated by the TAP members... [and to] allow the TAP to become an integral part of some Systemic Advocacy (SA) projects and teams," the practical effects were not fully realized as the TAP Director position was not filled with permanent staff throughout much of the year. Rather, several "acting" TAP Directors rotated through the position.

One more change for the coming year is a new restructuring of the TAP standing Project Committees. Beginning in 2013 the TAP will include five core customer-focused project committees. They are:

- Notices and Correspondence;
- Taxpayer Communications;
- Tax Forms and Publications;
- Taxpayer Assistance Center Improvements; and
- Toll-Free Phone Line

In spite of these significant changes and challenges, in 2012 the TAP continued to receive issues via outreach, Improveirs.org, and the TAP toll-free line as in prior years. With the help of the TAP staff, the issues were screened and a significant number were selected for study and recommendations by the various TAP Project Committees. The TAP was able to continue to meet its core mission. The primary TAP challenge for the future will be fiscal -- how “to do more with less.” After this challenging year of transition, the members of the TAP remain ready to meet the challenges that lay ahead and to make sure the voices of the taxpayers of the United States are heard.

TAP 2012 Special Events and Activities

Realignment and Refocus

The TAP Organization which previously reported directly to the National Taxpayer Advocate began reporting to the EDSA beginning January 2, 2012. This effort resulted in better support to the TAP Organization, staff, and panel members by creating more opportunities for the EDSA to be involved in addressing issues identified and elevated by the TAP members. The realignment also allowed TAP to become part of some SA projects and teams that will benefit by the TAP providing input from the taxpayer’s perspective.

With the retirement of the TAP managers in Milwaukee, (December 2011) and Plantation, Florida, (January 2012), the TAP staff was realigned into East and West offices. The Brooklyn and Plantation staff now report to the Brooklyn manager and the Milwaukee and Seattle staff report to the new manager selected for the Seattle office. These changes did not require any employees to physically move.

TAP Elects New Leaders for 2012

TAP members selected Eboni Moss of Atlanta as National Chair of the Panel for 2012. Eboni was the 2011 Area 3 Committee Vice-chair and is entering her third and final year on the Panel. Members also selected Jackie Rollins of Austin as National Vice-chair. Jackie, a third year member, served as Vice-chair of the Area 5 Committee in 2011.

The two new TAP leaders, the leaders for 2011, and acting TAP Director had the opportunity to meet with the EDSA, the National Taxpayer Advocate, and IRS Commissioner on December 8, 2011. The discussions centered on the reorganized and refocused TAP and its role to provide a taxpayer perspective on improving IRS products and services.



2012 Vice-chair Jackie Rollins and Chair Eboni Moss

Annual Conference

A new requirement for Treasury approval for all off-site conferences that cost over \$20,000, and the ability to save over \$200,000 (more than half of the TAP travel budget for the year) prompted the cancelation of the December 2011 face-to-face TAP Annual Meeting in Washington, DC. This decision was based solely on budget constraints and did not in any way reflect a diminution in the Treasury or IRS perception of the important work that TAP members perform.

The TAP team reacted quickly to the change and developed alternative methods to provide the most critical training for the annual meeting remotely. TAP members and TAP staff delivered a webinar to provide new members with an “Orientation” to TAP, and a second session to all members “Working with your LTA.” They also presented a live interactive video telecast (IVT) for all members to discuss the “Process Flow for the Project Committees” and an “Outreach and Social Media” session. The staff

sent a recorded DVD of the IVT session to all members and posted the audio from the webinar and PowerPoint presentation to the TAP intranet site so members who could not participate in the live webinar could hear and view it.

New Member Selection

The IRS announced the selection of 26 new members to serve on the nationwide Panel for 2012. Treasury appointed 11 of the new members from a pool of over 400 applicants on November 15, 2011. The TAP Director selected the remaining 15 from the list of alternates previously approved by Treasury. The new panel members joined 56 returning members to complete the panel of 82 members for 2012. To cut costs associated with the TAP program, the National Taxpayer Advocate reduced the number of positions on the TAP from 102 to 74, to be aligned with the 74 TAS Local Taxpayer Advocates. Since members are appointed for a three-year term, TAP will not reach the new Panel size of 74 members until December 2013 when those appointed in 2010 retire.

Recruitment Drive

TAP's 2012 new member recruitment drive ended in April with receipt of almost 400 applications. The TAP management team ranked the applicants in May and the TAP interview panels, consisting of a TAP Member, TAP Manager and an LTA, interviewed 100 of the top candidates in June. TAP sent recommended selections to the National Taxpayer Advocate to fill 26 member vacancies, and numerous alternate candidates for future vacancies. The National Taxpayer Advocate approved TAP's recommendations for new members and forwarded the selection package through the IRS Commissioner to Treasury for final selection approval. The 12 new members, plus 14 others selected from the current alternate pool, joined 51 returning members to make up the Panel of 77 members for 2013. The new TAP members began their three-year terms in December 2012.

Charter Renewed

The IRS Commissioner and the Treasury Assistant Secretary for Management and Chief Financial Officer approved the 2012 TAP Charter to authorize the activities of the Panel for the next two years. In accordance with FACA, Treasury officials filed the renewal charter with the U. S. Senate Committee on Finance, the U.S House of Representatives Committee on Ways and Means, and the Library of Congress Federal Advisory Committee Desk on March 20, 2012. This approval allows TAP to continue as a federal advisory committee through March 2014.

The renewal charter for 2012 to 2014 reduced the number of members and subcommittees that make up the Panel and addressed restructuring of the program. The new charter will reduce the number of TAP member positions from 102 to 83 in 2012, and to 74 by the end of 2013. This will align TAP members with the 74 TAS LTAs and reduce the costs associated with the TAP program. In addition, each member shall now be required to serve on only one project committee as opposed to a geographic area committee and a project committee as required in the prior charter. The charter renewal is a testament to the value the IRS and Treasury place on the contributions of the TAP to improve the products and services the IRS provides to America's taxpayers.

TAP Issues the 2011 Annual Report

TAP 2012 Chair Eboni Moss formally issued the Panel's 2011 Annual Report to the Secretary of Treasury, the IRS Commissioner, and the National Taxpayer Advocate on October 12, 2012. The report summarizes the TAP's accomplishments in 2011, including 41 new recommendations for improvement and 25 projects the TAP completed for IRS consideration. The report highlights key TAP recommendations for IRS customer service improvements that include:

- Making identity theft information more readily available to taxpayer victims;
- Improving the process for matching a taxpayer's name with IRS records to increase the acceptance of e-filed tax returns;
- Revising procedures to help delinquent individuals obtain tax forms, instructions and information necessary to prepare and file past-due returns;

- Emphasizing e-filing and sending a reminder postcard to filers of Form 2290, Heavy Highway Vehicle Use Tax Return;
- Improving the self-service distribution of forms and publications in IRS Taxpayer Assistance Centers;
- Improving service and communication in the Correspondence Examination program; and
- Proposing more than 100 changes to several IRS tax forms and publications.

The report also highlights additional TAP activities such as conducting outreach, serving as a listening post for the IRS, and teaming with the IRS on a number of special events like Tax Forums, Earned Income Tax Credit Awareness Days, and webinars.

TAP Conducts Taxpayer Assistance Center Snapshot Survey

Early in FY 2012, the National Taxpayer Advocate suggested that TAP members, assisted by TAS Research and Systemic Advocacy, develop a snapshot survey and work with TAS and the W&I Field Assistance (FA) organization to administer the snapshot survey to customers waiting for service at a TAC. The survey questions were designed to gain a better understanding of customers' reasons for visiting a TAC.

In April 2012, TAP members visited 37 TAC offices across the country, within driving distance of their homes, to administer the survey. The members returned 664 completed surveys. While these results are not statistically representative of all TAC visitors, they represent the needs and activities of a sizable number of customers during one week in the tax filing season. TAS Research analyzed the information and the preliminary findings are included in the National Taxpayer Advocate's Fiscal Year (FY) 2013 Objectives Report to Congress.

Assists IRS with Earned Income Tax Credit Awareness Day

This is the sixth year the TAP has assisted in EITC Awareness Day. Fourteen TAP members volunteered to attend events. Due to the cancellation of some events, several members having no events in their commuting area and a limited budget

for outreach, only four members were able to attend an EITC Awareness Day event this year. An additional two members promoted EITC awareness during their own outreach events. In addition to helping promote EITC, TAP participants provided information about the TAP program and solicited concerns from attendees that may be developed into recommendations for IRS consideration. While participation was down from prior years for the reasons stated above, those who did attend reported the events were a great opportunity to network and build contacts which will likely lead to future outreach opportunities.

Joint Committee Meets in Indianapolis

The TAP Joint Committee held their yearly face-to-face meeting July 19-20, 2012, in Indianapolis. The Joint Committee is the governing body of the TAP, and is made up of the chairs of the eight TAP project committees, the chairs of two internal TAP committees, plus the National TAP Chair and Vice-chair. On Friday, July 20, the EDSA Rena Girinakis met with the Committee in person for the first time since the TAP was reorganized under SA earlier this year. TAP members expressed great satisfaction at meeting Rena in person rather than just hearing her voice on a conference call.

The Committee gave an overview of various TAP actions including the work of the 2012 project committees, plans for annual training, and the project committees it would like to establish for 2013. Other topics on the agenda included the TAP Annual Conference, the 2012 Annual Report, election procedures for 2013 TAP leaders, and TAP Performance Measures.

The EDSA gave the members her vision of how the TAP will be better served being integrated into SA by having the combined support of the TAP and SA staff to assist in improving the IRS for taxpayers. TAP Chair Eboni Moss thanked Rena for meeting with the members and listening to their thoughts about the TAP program and opportunities for improvement.



Executive Director Systemic Advocacy Rena Girinakis, TAP Vice-chair Jackie Rollins, TAP Chair, Eboni Moss, and Acting TAP Director Tiffany Todaro

TAP Reaches Out at Tax Forums

TAP members attended three of the six Nationwide Tax Forums in 2012, (Atlanta, Chicago and Orlando). Due to new IRS restrictions on Tax Forum participation, no TAP staff could attend and only members living within commuting distance of a Forum could participate. The five TAP members who did attend promoted awareness of the Panel, elicited comments from practitioners about their experience with the IRS, and gathered suggestions for improvements to customer service and IRS products. The TAP received nine comments and suggestions it will research, review, and consider for future Panel projects.



TAP Members Eileen Kelly and Harry Eng at the Chicago Tax Forum

2012 Significant Issues and Recommendations

Service Methods (Face-to-Face)

Issue 23237, Continue Funding TAC Sites; Provide Facilitated Self Assistance (FSA) at TAC Locations; Payment Kiosk Pilot Project

- TAP recommended the IRS continue funding the expansion of Virtual Service Deliveries (VSD) to additional TACs, especially in remote areas where there is minimal support due to distance constraints. The IRS agreed and said planning is underway to deploy virtual service in 14 new sites.
- IRS Field Assistance is taking steps to expand services in TAC locations including FSA terminals and has submitted funding requests for the past several years to expand this technology in response to another recommendation.
- The IRS also agreed to conduct a pilot project to determine the feasibility of placing payment kiosks in the TACs. If this project proves to be successful and the kiosks do not require interaction by IRS employees, they plan to expand the project to locations outside the TACs provided the security challenge can be overcome.

Tax Forms and Publications

Issue 22409, Insert Notice in Package 1023

The IRS agreed to include Notice 1382, Changes for Form 1023 – Used to Complete Parts IX, X, and XI, in all Packages 1023, Application for Recognition of Exemption, distributed by the IRS to instruct applicants in the guidelines for tax-exempt organizations and on what to do should their organization's status be revoked.

Issue 24531, Comments on Form W-4, Employee's Withholding Allowance Certificate

The Form W-4 Instructions were rather vague so TAP made nine recommendations for clarification and the IRS agreed to all of them.

Issue 24533, Schedule A, Itemized Deductions

Line 3 of the Schedule was misleading and confusing so TAP recommended clarifying the computation. The IRS agreed and plans to adopt the suggestion in 2013.

Issue 23056, Review of Publication 535, Business Expenses

TAP made 78 recommendations for improvement in Publication 535. IRS listened and began making some updates while the Publication was still in review.

Issue 23327, Review of Form 8949, Sales and other Dispositions of Capital Assets

TAP reviewed Form 8949 and made ten recommendations for changes. The IRS accepted five of the recommended changes and is considering two others.

Issue 23328, Review of Form 1097 BTC, Bond Tax Credit

To make the Form 1097 more clear, TAP recommended three changes in the verbiage used. The IRS partially accepted two of the recommendations and accepted the third one in its entirety.

Issue 23331, Review of Schedule C, Profit or Loss From Business (Sole Proprietorship)

TAP reviewed Schedule C to ensure clarity and made fourteen recommendations or comments. The IRS adopted two of the recommendations

Issue 23332, Review Publication 509, Tax Calendars

TAP reviewed the complete Publication 509 to ensure accuracy, grammar and clarity. The Program Owners adopted five of the six recommendations made by TAP.

Issue 24038, Forms and Publications Request Postcard

TAP recommended the IRS list the title(s) of the unavailable product(s) on a postcard. This will immediately tell the recipient what part(s) of their order is delayed. Having this information will also be a timesaver for the customer by giving them the opportunity to go online sooner to view or download the missing product.

Issue 24530, Review Form 8863, Education Credits (American Opportunity and Lifetime Learning Credits)

TAP took part in a focus group to review the Form 8863 and instructions to ensure it is clear to all users. TAP recommended six changes and the IRS accepted all six.

Issue 24532, Focus Group on Form 4562, Depreciation and Amortization (Including Information on Listed Property)

TAP made six recommendations; the IRS accepted three.

Issue 24534, Focus Group on Publication 17, Your Federal Income Tax (For Individuals)

TAP submitted comments on printing versus electronic publishing of Publication 17. The IRS accepted the comments and for the time being, will continue to publish.

Issue 24932, Review of Publication 225, Farmer's Tax Guide

The IRS accepted 22 of the 42 recommendations for changes to Publication 225.

Issue 24943, Review Publication 596 (SP), Earned Income Credit (Spanish Version)

TAP reviewed Publication 596 (SP) in detail and made recommendations to improve clarity. The IRS is in the process of revising both Publication 596 and 596 (SP) and will use as much of the suggested language as possible while still maintaining the highest level of technical accuracy with current U.S. Tax Law.



TAP Members Bob Rible, Terry Klug, Charnia Parrish, Rick Holland, Jackie Rollins, Todd Oetken

SB/SE Decreasing Non-Filers

Issue 27363, Recommendations to reduce the number of Non-Filers included but were not limited to:

- Move “Need to File Past Due Return?” link and information to a more prominent place on the IRS.gov website;
- Make available on e-services all wage and income information the taxpayer would be able to request from the IRS directly;
- Consolidate and condense “Understanding Taxes” into a manageable lesson plan that can be implemented by almost anyone;
- Push newly consolidated “Understanding Taxes” program in Schools and Colleges. Engage partnerships with school groups and encourage volunteers to teach the program;
- Leverage retail store activity via the 1099K, Merchant Card and third-party network payments information reporting from retail stores to identify potential non-filers;
- Eliminate the requirement for an individual not otherwise required to acquire an EIN to do so solely for the purpose of filing Federal Form 2290, Heavy Highway Vehicle Use Tax Return; and

- Leverage the use of sales tax registration from individual states for a comparison of businesses reporting income and an avenue to find non-filers.

Refund Processing Communications

Issue 23667, Recommendations to improve communications regarding refunds included but were not limited to:

- Rename the site “Where’s My Return” instead of “Where’s my Refund” (WMR) to reduce the intense focus on speedy receipt of a refund and to better manage expectations by focusing on return processing and the occasional delay involved;
- Include an indication of how frequently WMR information is updated, reducing the likelihood that users will call the IRS to see if more up-to-date information is available;
- Include a “date stamp” showing the last time the taxpayer visited the page;
- Include an indication of when the taxpayer’s information was last updated to reduce the likelihood that the taxpayer will call the IRS seeking more up-to-date information;
- Decouple “return processing” from “refund management” on WMR and in publications and alerts to practitioners and taxpayers;
- Stress processing time and accuracy not just the speedy receipt of refunds as benefits of e-filing;
- Share processing volume data with taxpayers on social media as taxpayers typically have no idea of the size of the task that the IRS performs;
- Encourage software providers to use to use the same language suggested above for WMR timeframes;
- Adopt a system of communicating processing status similar to that used by the United Parcel Service to track packages;
- The “When to check...” bullet points on the WMR landing page tell the taxpayer to begin checking WMR 72 hours after e-filing. This raises expectations. Instead, give a timeframe of, for example, five working days;

- Advertise WMR as the main and only “voice of the IRS” regarding return processing and refund management, so taxpayers are less likely to call the IRS hoping to obtain different information;
- Instruct toll-free service representatives to refer to WMR as the only source of information, thereby channeling callers back to WMR in the future;
- Harmonize all publication, alerts and messages to provide the same information about refunds; and
- Utilize social media to keep taxpayers updated on general processing.

Return Processing Delays

Issue 25823, Age 65 – Standard Deduction

The Committee proposed that the Service adopt programming that checks for increased standard deduction eligibility for all taxpayers who are at least 65 who claim the standard deduction and have taxable income. The IRS agreed.

Issue 24449, Tax Credit Issues

- Allow taxpayers claiming the adoption credit to e-file. Until e-file is implemented, augment Form 8839, Qualified Adoption Expenses, to explicitly state that paper filing is required;
- Allow taxpayers claiming the adoption credit to e-file returns and submit supporting documentation separately; and
- Caution taxpayers of the documentation requirements and advise them of the consequences of audit selection and credit denial for failure to attach required documentation.

Bankruptcy Compliance

Issue 23185, Bankruptcy Compliance

The Committee’s research and analysis has identified two groups of recommendations to better inform debtors and assist them in verification of compliance. Some solutions can be accomplished within the domain of the IRS and other solutions require actions by stakeholders and entities outside of the IRS.

- Make the four-year filing requirement more prominent in Publication 908, Bankruptcy Tax Guide, and add new options to assist in verification of filing;
- Prepare a concise document that explains what a debtor needs to know about taxes for a Chapter 13 bankruptcy filing;
- IRS should expand the use of social media to explain filing requirements, describe methods for verifying compliance, and provide relevant links and contact numbers;
- The taxpayer should be able to request verification of filing status for one to four years using the redesigned WMR tool;
- The IRS2Go Mobil App should be expanded to include verification of filing; and
- An automatic link that enables the IRS to know when Chapter 13 petitions are filed would permit the IRS to better process claims and timely inform debtors that they are not in compliance with Section 1308.

Taxpayer Burden Reduction

Issue 25636, IRS E-file/Free File

The Taxpayer Burden Reduction Committee provided feedback and recommend changes based on taxpayer issues that will reduce the burden associated with the e-file/Free File web sites hosted by the IRS.

- Provide easily accessible information regarding selection and certification of the third party sites, background checks of the third party employees, validation and incorporation of data encryption techniques, and other relevant items on the IRS.gov website;
- Identify e-file lost participation by collecting data on the number and percentage of users who stop the process at the point where the next click takes them off the IRS site to a third party site;
- Provide a complete list on the Free File landing page of necessary information to avoid error code 679, Missing or Incorrect Prior Year AGI, and code 680, Missing or Incorrect Prior Year PIN, to users on the Free File landing page;

- Change the language on the landing page to make it clear that more than a “quick estimate” of AGI is needed to proceed;
- Ensure that precise “next steps” and timing are provided in error messages to allow users to resolve errors;
- Ensure that error messages are specific and eliminate any “General Reject” codes; and
- Modify instructions and frequently asked questions on freefillableforms.com to more accurately reflect ability to use multiple forms.

Toll-Free

Issue 23277, Menu Options

The IRS could add multiple links on its websites to allow callers to use technical applications such as Google phone, Skype, or other Internet phone applications. Many of these applications are free to users and would allow international callers the ability to connect to the IRS system via Internet phone services, thus keeping calls from international locations free of charge.

Issue 24351, Call Termination

- IRS should add new language at the end of the call introduction to explain how a caller can proceed directly to a live operator;
- Establish an International line that has no electronic system routing but is managed directly by IRS staff who will either answer the calls or manage voice mail services. Staff should respond within a three-day window;
- IRS employees should be informed and educated on the availability of the Over-the-Phone Interpreter service currently available;
- Tax law training should include educational topics related to interconnecting IRS forms and schedules; and
- IRS should develop and implement a training program for Customer Service Representatives on the proper use of the Account Management System application. Specific emphasis should be placed on the documentation of calls.

Issue 23282, IRS Toll Free Call Center Training on Interconnecting Forms and Schedules

The IRS created pages on IRS.gov for each of its forms and publications which in turn ensure IRS employees and taxpayers have access to forms and schedules that have interconnecting IRS forms and schedules.

Issue 24440, IRS Toll-Free Call Center Average Handling Time

TAP recommended the IRS Call Centers reward teams with both the lowest call handling times and the highest quality assurance scores and all call center employee improvement initiatives that only rate on “lowest handling time” should be eliminated.

SAMS Issues

Issue 24321, Improper Treatment of IRAs

Taxpayers were receiving notices that their 2010 tax returns were filed incorrectly and the taxpayer did not properly file Form 8606, Nondeductible IRAs.

The IRS worked with Automated Under Reporter (AUR) to provide a quick and efficient fix for the problem.

Issue 24372, Form 1098T, Tuition Statement, Is Not Useful When Preparing Form 8863, Education Credits (American Opportunity and Lifetime Learning Credits).

Taxpayers expect to be able to use the 1098-T in the same way that the W-2 and the 1099 are used; i.e., the information on the W-2, Wage and Tax Statement, and 1099 is simply transferred from the appropriate boxes to the 1040. That is not the case when the 8863 is prepared, as the information contained in the 1098-T is rarely usable in preparing Form 8863. Hence, the large error rate and wasted expense. TAP submitted this issue to Systemic Advocacy and at the direction of the Director Field Systemic Advocacy they in turn elevated the information for a possible legislative change proposal.

This page intentionally left blank.

Project Committee Chair Reports

Bankruptcy Compliance Committee



Ken Donnelly, Chair



Edith Kendall, Vice-chair

Members:

Michael DeTergo, New Jersey
Ken Donnelly, Missouri
Aileen Fisher, California
Allan Goldberg, New York
Edith Kendall, Iowa
Hector Santini, Puerto Rico
Sam Sorich, California
Nancy Dery, New Hampshire

Designated Federal Officer:

Berni Tehrani, Local Taxpayer Advocate, New York

IRS Program Owners

Rocco Steco, Revenue Officer
Tonjua Menefee, Senior Tax Analyst

TAS and Systemic Advocacy

Andrew Mettlen, Portfolio Advisor

Lyle Lauterbach, Systemic Advocacy Advisor

Staff

Susan Jimerson, TAP Program Manager, Washington

Tim Shepard, Program Analyst, Washington

Nina Pang, Program Analyst, Washington

Kymberly Maine, Management Assistant, Washington

Committee Work Scope and Recommendations

The Committee was formed to work with IRS Program Owners and Subject Matters Experts to improve debtors' chances of getting their Chapter 13 repayment plans confirmed. The goal is to inform potential and current debtors of the four years of tax filing compliance required by Section 1308 of the Bankruptcy Abuse Prevention and Consumer Protection Act (BAPCPA) as early in the process as possible and assist them in verifying filing compliance. Often the debtor is not aware of the filing requirement until the first meeting of the creditors (the 341 Meeting). If they are not in filing compliance, they must obtain the required tax information and file the missing tax return(s). This could take several weeks. Early awareness of the tax filing requirement would minimize delays, the costs in time spent working through the delays and the possibility of the debtor's case being dismissed.

The Committee examined IRS and other stakeholder's websites, reviewed relevant IRS forms, letters and publications and the U.S. Bankruptcy Courts' Bankruptcy Petition form. The Committee consulted with Chapter 13 bankruptcy trustees in multiple regions. A Bankruptcy Trustee participated in a teleconference with members of the Committee, and a Trustee spoke at our face-to-face meeting in June. The Committee was informed that there is no uniform procedure used by Bankruptcy Trustees to verify compliance with the Section 1308 four-year filing requirement. Some Trustees work closely with petitioners and their attorneys to verify compliance; others do not. On the other hand, some Trustees take steps to assure that the IRS is involved in the bankruptcy proceeding at an early stage.

After this in-depth research and analysis was completed, the Committee submitted a formal comprehensive written proposal back to the IRS which included, but is not limited, the following recommended improvements:

- Changes to Publication 908, Bankruptcy Tax Guide;
- Creation of a brochure and fact sheet on tax considerations for Chapter 13 filers;
- Creation of a “landing page” for bankruptcy on www.irs.gov;
- Creation of a tax tip for Chapter 13 bankruptcy filers;
- Expanded use of social media;
- Modification of the “Where’s My Refund” tool;
- Creation of a dedicated 800 number for compliance verification;
- Expansion of the on-line transcript ordering tool to include wage and income information;
- Permit Centralized Insolvency Operations to verify taxpayer compliance;
- Modify e-Services platform to allow debtors to verify compliance;
- Revise and enhance Letter 1714;
- Enhance IRS2Go 2.0;
- Coordinate with external stakeholders to better publicize the filing requirement;
- Permit Chapter 13 Trustees to access IRS tax data; and
- Create automatic notification link between Public Access to Court Electronic Records (PACER) or Case Management/Electronic Claim Filing (CM/ECF) and IRS.

Other Activities and Achievements

The Committee members conducted 94 outreach events that included a total audience of 16,024. These events were made up of social postings (websites, Facebook, Twitter); civic groups (United Way, PTA); newspaper articles (Local, Regional); business groups (New York Bar, National Association of Enrolled Agents [NAEA], IRS (VITA, TAC, EITC Awareness Day) and public libraries.

Ongoing Work

The referral was submitted to the IRS providing the recommended solutions in September 2012. The IRS Program Owners are in the process of assessing the implementation of the recommended solutions.

Communications Committee



Mark Marshalek, Chair

Members:

David Cain, West Virginia

Harry Eng, Illinois

Seth Flanders, Pennsylvania

Mark Marshalek, Ohio

Eboni Moss, Georgia

Todd Oetken, Kentucky

Jackie Rollins, Texas

Designated Federal Officer:

Steve Berkey, Senior Program Analyst, Florida

Staff:

Susan Jimerson, TAP Program Manager, Washington

Patti Robb, Program Analyst, Wisconsin

Ellen Smiley, Program Analyst, Wisconsin

Lisa Gabriel, Program Analyst, Wisconsin

Annie Gold, Management Assistant, Wisconsin

Kymberly Maine, Management Assistant, Washington

Committee Work and Scope

The Communications Committee develops communication strategies and products used by TAP for internal TAP business, as well as interaction with taxpayers. The Committee takes direction from the TAP Director and the Joint Committee and acts on behalf of the Panel as a whole. The main focus is administrative TAP business so it is not subject to FACA requirements regarding open meetings. The major focus of the Communications Committee was to compile, edit, and publish the 2011 TAP Annual Report.

In addition, the team also:

- Designed a newsletter for all TAP members to include updates from all project committees;
- Gathered comments from the virtual annual meeting / training and used the information to assist in designing and updating the sessions for the next annual meeting; and
- Drafted TAP Bylaws for Joint Committee approval.

Ongoing Projects

The Committee has the overall responsibility for compiling information, editing, and publishing the 2012 TAP Annual Report. The Committee is also continually updating the “The Taxpayer Advocacy Panel” page on Facebook. This group is also working to identify other avenues of electronic communications and ways to share TAP information.

Face-to-Face Service Methods Committee



David Cain, Chair



Annette FitzGerald, Vice-chair

Committee Members:

Sandra Akbar, Illinois,
Barbara Baldwin, California
David Cain, West Virginia
Annette FitzGerald, Missouri
Gerald Janci, Mississippi
Sue Patton, Pennsylvania
Clarke Powers, Oregon
Michael Silva, Maryland
Toni Smith, Nebraska
Edward Sykes, Kansas

Designated Federal Officer:

Dorry Curran, Local Taxpayer Advocate, California

Program Owner

Tina D'eredita, Chief Policy, Technology and Measures, Field Assistance, Georgia

TAP and Systemic Advocacy SME

William Mezger, Local Taxpayer Advocate, Washington
Laura Boyd, Program Analyst

Staff:

Louis Morizio, TAP Program Manager, New York

Donna Powers, Program Analyst, Florida

Anita Fields, Program Analyst, Florida

Committee Work Scope and Recommendations

Given the anticipated reduction in service, as well as the increased need for support and the lack of access to brick and mortar TACs, IRS needs to explore alternative strategies for assisting taxpayers in addition to traditional walk-in sites. The committee was requested to explore alternative options for taxpayers to obtain assistance without visiting a traditional TAC.

The committee made six recommendations to the IRS:

- Continue funding the expansion of Virtual Service Delivery (VSD) to additional TACs and Stakeholders, Partnerships, Education and Communication (SPEC) sites and consider expanding VSDs to locations outside the TACs. We additionally recommend that standard video conferencing equipment be used to allow video conferencing as needed. In addition to dedicated equipment, IRS should also consider teleconferencing by personal computers using programs such as Skype;
- Provide FSA at all TAC locations, particularly at small TACs that are only staffed a few hours a week. Consider placing FSA in locations outside of the TACs provided security challenges can be overcome;
- Conduct a pilot project to determine the feasibility of placing payment kiosks in the TACs;
- Expand the e-mail communications site on www.irs.gov where taxpayers can ask technical questions and receive answers by e-mail and make it more visible to taxpayers; and
- Pilot a program to use mobile vans and also to partner with state and local agencies to make available office space to increase the IRS's face-to-face presence in underserved areas.
- The IRS should implement an appointment system to permit it to balance its staff workload.

Other Activities and Achievements

The committee participated in 155 outreach events reaching an approximate audience of 149,034.

The most noteworthy activity performed in 2012 was committee members visiting more than 35 Taxpayer Assistance Centers across the United States during the last week of the filing season and administering a questionnaire to taxpayers waiting for service.

Ongoing Work

For 2013, the Face-to-Face Service Methods Project Committee was changed to the Taxpayer Assistance Center Improvements Project Committee. The focus will be a carryover from the previous year; to research and find alternative methods of reaching the IRS without going into a traditional TAC office.

This page intentionally left blank

SB/SE Decreasing Non-Filers Committee



Rich Bilancia, Chair



Lucy Colby, Vice-chair

Members:

Frank Alvarado, Connecticut
Rich Bilancia, Colorado
Lucy Colby, Virginia
Robert Gross, Vermont
Frances Johnson, Washington, DC
Carolyn Kalchthaler, Texas
Theresa Matthews, North Carolina
Ben Tuchi, Arizona
Jonathan Wolfsohn, New York
Marilyn Young, Tennessee

Designated Federal Officer

Donna Wess, Local Taxpayer Advocate, Tennessee

Program Owner

Tonjua Menefee, Senior Tax Analyst

TAP and Systemic Advocacy SME

Brian deSousa, Senior Tax Analyst
Joe Warren, Local Taxpayer Advocate, Minnesota

Staff

Susan Jimerson, TAP Program Manager, Washington

Patti Robb, Program Analyst, Wisconsin

Ellen Smiley, Program Analyst, Wisconsin

Lisa Gabriel, Program Analyst, Wisconsin

Annie Gold, Management Assistant, Wisconsin

Kymerly Maine, Management Assistant, Washington

Committee Work Scope and Recommendations

The 2012 SB/SE Decreasing Non-Filers Project Committee was formed with one objective: to answer the IRS request to “provide feedback on decreasing individual and business non-filers.” More specifically, the feedback that we were expected to deliver was “...to ensure that the recommendations ... generate[d] limited additional burden for the taxpayer while adding maximum benefit to IRS.”

Initially our committee struggled with the scope and expectations of the above project assignment. Several volunteers on our committee felt that the assignment was in direct conflict with the mission of the TAP to represent taxpayers as opposed to becoming a collection effort for the IRS. We resolved this concern by dividing into two sub-committees:

- One that focused on outreach efforts to educate taxpayers of their obligation to file, and
- Another that focused on new measures to identify non-filers for the IRS to consider.

Our 15 page referral (Issue 23763) combined the recommendations from the two sub-committees into a single document with 23 specific recommendations: 8 of which included specific outreach and education recommendations while the remaining 15 focused on ways the IRS might better identify and contact potential non-filers.

The IRS has considered the recommendations and the TAP staff is monitoring the IRS action for implementation.

Other Activities and Achievements

In addition to our project work which took most of the TAP year to develop, draft and prepare for submission, individual members of the project team also participated in a wide variety of outreach efforts including:

- The “2012 Taxpayer Advocacy Panel Survey of IRS Customers” conducted at several Taxpayer Assistance Centers during the week of April 9;
- Several regional IRS Tax Forums and practitioner events; and
- Numerous individual outreach activities

Ongoing Work

Our committee completely finished our project assignment and no pending activities or work remain that will be carried over into 2013.

This page intentionally left blank

Tax Forms and Publications Committee



Robert Hayden, Chair



Jackie Rollins, Vice-chair

Members:

Antonio Acero, South Carolina
Eugene Chulick, Nevada
Robert Hayden, Michigan
Richard Holland, North Dakota
Terri Klug, Utah
Elizabeth Mossad, Florida
Todd Oetken, Kentucky
George Palmer, Oklahoma
Charnia Parrish, New Mexico
Robert Rible, California
Jackie Rollins, Texas
Thomas Wechter, Illinois

Designated Federal Officer

Robert Fett, Local Taxpayer Advocate, Vermont

Program Owner

Patty Wagner, Senior Tax Analyst

TAS and Systemic Advocacy

Theresa Singleton, Program Analyst

Staff

Louis Morizio, Program Manager, New York

Marisa Knispel, Program Analyst, New York

Meredith Odom, Program Analyst, New York

Rose Babb, Management Assistant, New York

Committee Work Scope and Recommendations

The Tax Forms and Publications (TFP) Committee's mission was to evaluate IRS forms and publications and collaborate with the relevant IRS Program Owner on changes and improvements. TFP Committee members occasionally serve as a test panel for new and significantly revised IRS forms and other informational filing initiatives.

Projects

IRS response on one 2011 carryover project, a review of Publication 544, Sale and Disposal of Assets, was received with partial acceptance.

TFP conducted a thorough review of Publication 535, Business Expenses, at the request of our Program Owner, early in the first quarter. The entire committee subdivided into four groups and a coordinated report, including 76 recommendations, was submitted of which 41 were accepted.

The IRS established a TAP focus group to review and discuss various "EZ" forms which were being considered for major revision or elimination. This was not an exclusive TFP project, but there was significant participation by our members.

Our remaining first quarter activity involved a comprehensive review of five items, with each handled by a separate subcommittee. Reviews included related instructions.

- Form 8912, Credit to Holder of Tax Credit Bonds. Proposals adopted: 1;
- Form 8949, Sales and Other Disposition of Assets. Proposals adopted: 5;
- Form 1097 BTC, Bond Tax Credit. Proposals adopted: 2;

- Form 1040-Schedule C, Profit or Loss from Business. Proposals adopted: 2; and
- Publication 509, Tax Calendar. Proposals adopted: 5.

The TFP face-to-face meeting was held in early May at the Brooklyn NY office. Our on-site work included five focus group activities. Reviews included related instructions.

- Form 4562, Depreciation and Amortization. Partially Accepted
- Publication 17, Your Federal Tax. Partially Accepted
- Form 1040-Schedule A, Itemized Deductions. Accepted
- Form 8863, Education Credits. Accepted
- Form W-4, Employee's Withholding. Accepted

Two additional IRS focus groups during the second quarter had multiple TFP member involvement, one to review a proposed Small Business Health Insurance Tax Credit calculator, and the other to review changes to the "Where's My Refund?" feature on irs.gov.

Five issues were addressed during the Committee's third quarter activities.

- Inserting a Notice in Package 1023, Application for Recognition of Exemption, regarding the reinstatement procedure following automatic revocation. Accepted;
- Making the Toll-free number for Non-Profit Organizations more prominent on IRS.gov. Not accepted, rebuttal submitted;
- Including a mailing address in the Instructions for Form 8379, Injured Spouse. Not accepted;
- Review of two versions of Publication 596 SP, Earned Income Credit (Spanish). Preference accepted, under consideration; and
- Review of Publication 225, Farmer's Guide. Awaiting IRS response.

In summary, 20 TFP issues were worked during 2012, not including the three general TAP focus group activities which had significant TFP presence.

This page intentionally left blank

Taxpayer Burden Reduction Committee



Seth Flanders, Chair



Cindi Williams, Vice-chair

Members:

Seth Flanders, Pennsylvania
Diedre Harrison, Louisiana
Herbert Hayes, Alabama
Michael Kennerty, Georgia
Boris Mikhail, New York
George Philip, Utah
Russell Pinilis, New Jersey
Luis Rodriguez, New York
Cindi Williams, South Dakota

Designated Federal Officer:

Tina Junczewicz, Local Taxpayer Advocate, North Carolina

Program Owner

Laurie Tuzynski, Senior Advisor Director Office of Taxpayer Burden Reduction
Tonjua Menefee, Senior Tax Analyst
Nadine Marsh, Tax Analyst

TAS and Systemic Advocacy

Judy Blair, Senior Program Analyst
Stephen Halker, Local Taxpayer Advocate, New Mexico

Staff:

Louis Morizio, Program Manager, New York
Audrey Jenkins, Program Analyst, New York
Meredith Odom, Program Analyst, New York
Rose Babb, Management Assistant, New York

Committee Work Scope and Recommendations

In 2012, IRS looked to the Taxpayer Burden Reduction Committee to help identify areas where opportunities exist to reduce taxpayer burden by streamlining and simplifying processes and reporting requirements while not jeopardizing voluntary compliance. The project team divided into two subcommittees focusing on technology improvement and methods.

The first subcommittee, Technology Improvement, was tasked with examining the means used. This subcommittee suggested ways that technology can be used or improved within the organization to make the way that things are done more effective.

The second subcommittee, Process Improvement, was tasked with examining the methods used. It looked to cover coordination between IRS business areas/groups, re-use of data, disconnects between rules and forms, and things that can be done to increase efficiency while engaging in the work that needs to be done.

The Technology subcommittee examined issues presented and determined that an excessive burden and concern was being expressed by taxpayers on e-file and free-file issues, and therefore chose to focus on three themes related to taxpayer burden when using the IRS E-File/Free File sites:

- Trust and security concerns about third-party sites;
- Unclear error codes and electronic reject statements from E-File; and
- Inadequate instructions/language on IRS site.

With the help of the IRS Taxpayer Burden Reduction Subject Matter Experts, and through individual research, the technology subcommittee made seven recommendations:

- Provide easily accessible information regarding selection and certification of third party sites, background checks of the third party employees, validation and incorporations of data encryption techniques, and other relevant items on the IRS.gov site;
- Identify e-file lost participation by collecting data on the number and percentage of users who stop the process at the point where the next click takes them from the IRS site to a third party site;
- Provide a complete list on the Free File landing page of necessary information to avoid error codes 679 – “Missing or incorrect prior year AGI” and 680 – “Missing or incorrect prior year PIN” to users on the Free File landing page;
- Change the language on the landing page to make it clear that more than a “quick estimate” of AGI is needed to proceed;
- Ensure that precise “next steps” and timing are provided in error messages to allow users to resolve errors;
- Ensure that error messages are specific and eliminate any “General Reject” codes; and
- Modify instructions and FAQs on freefillableforms.com forms to more accurately reflect ability to use multiple forms.

These recommendations along with additional supporting work have been transmitted to the IRS and are awaiting review.

Other Activities and Achievements

The Taxpayer Burden Reduction Committee was involved in two specific outreach campaigns to discover issues and concerns around the audit process and offers in compromise (OIC). While the responses to the surveys were not extensive, the results were used to drive analysis and recommendations to two recommendation documents under development. The Committee’s other outreach efforts, though not nearly as structured, were very important. Email, VITA meetings, EITC events, and other groups too numerous to mention were all vital to advancing the TAP mission.

Ongoing Work

At the end of 2012, the Process subcommittee was finalizing two documents to put forward as recommendations. These documents had several specific recommendations around improvements to the audit and OIC processes.

Unfortunately, since the documents were not finalized at the end of the 2012 TAP year, the recommendations cannot be included in this report.

This page intentionally left blank

Toll-Free Committee



Colleen Hitchcock, Chair



Ken Armstrong, Vice-chair

Committee Members:

Ken Armstrong, Montana
Annie Fishman, Texas
Colleen Hitchcock, Washington
Angeliki Kalimeris, Rhode Island
Rodger Lees, Pennsylvania
Mark Marshalek, Ohio
Gary Wells, Alaska
Martha Zachary, Minnesota

Designated Federal Officer:

Lacrishea McClendon, Local Taxpayer Advocate, Georgia

Program Owner

Debra Awalt, W&I Analyst

TAS and Systemic Advocacy

Tamara Birts, Program Analyst
Lisa Szargowicz, Local Taxpayer Advocate, Rhode Island

Staff:

Louis Morizio, TAP Program Manager, New York
Marianne Dominguez, Program Analyst, Florida
Anita Fields, Program Analyst, Florida
Rose Babb, Management Assistant, New York

Committee Work Scope and Recommendations

The Toll-Free Committee focused on customer service concerns related to the toll-free lines that are used by millions of individuals and the call centers that provide caller support for Account Management (AM) inquiries. The need for this TAP committee was based upon the TAP's receipt and consolidation of 115 issues that correlated to five main topics.

Our committee chose to include all the Toll-Free Project recommendations under one referral.

Following is a summary of the issues included in the referral:

1. Menu options

- Easily reach a live customer service representative (CSR);
- Reach a CSR from an International location without incurring any cost to the caller;
- Receive systemic referrals to local face-to-face assistance;
- Receive toll-free line service in a variety of language options; and
- Experience reduced multiple system and CSR transfers and long "on-hold" wait times.

2. Training on interconnecting forms and schedules

Many CSR employees are not trained on IRS forms or schedules that interconnect with other IRS forms and schedules in question. To correct this, suggestions were made around:

- CSR Training;
- Training materials; and
- Forms and schedules database.

3. Call termination

There is inconsistency among call centers regarding why issues are not resolved during initial calls. Changes were requested for:

- Call back procedures;
- Call back timeliness;
- Call prioritization; and
- Contact with a specific CSR.

4. History of calls

The IRS does not have a “required” protocol to maintain continuity of communication with the taxpayer as a result of recording the purpose of calls, the advice given and the taxpayer contact information. To rectify this, suggestions were made to

- Update to the Internal Revenue Manual (IRM); and
- CSR training and training materials.

5. Average handle time

IRS call center initiatives that rate “low call handling time” and “quality assurance” separately tend to encourage IRS employees to focus only on the lowest call handling time at the expense of the level of quality provided to the taxpayer/caller. To correct this, suggestions were made around:

- Call center staff incentives

The Toll-Free Project Committee referral was submitted to the IRS for consideration and implementation.

Other Activities & Achievements

Members were asked to participate in a survey at their local IRS TAC Walk-In site. Several members visited these local sites and submitted completed surveys as part of a project by another TAP committee. In addition to completing the surveys, TAP members were able to conduct productive outreach for the TAP.

The Committee Chair participated in a call site visit in Seattle, WA. Questions were submitted to the call site manager prior to the visit. In addition to the two call site managers and one analyst, other call site managers and analysts from various parts of the country participated via conference call to contribute answers and information. This call site visit produced answers to many Committee questions and helped in the development of the issue. It also gave the Committee a great deal of respect for the operations of a call site.

On-Going Work

This Committee's work will be carried forward to the 2013 TAP year. As new Committee members look at additional issues, they will be reviewing the response from the IRS on the 2012 recommendations. Because the 2012 issue addresses many separate issues with 20 proposed solutions, the ongoing Committee will be looking forward to the response.

Refund Processing Communications Committee



PK Purkayastha, Chair



Lisa Wongshue, Vice-chair

Members:

Paulette Bekolo, North Carolina
Shaun Brandewie, Ohio
Jack Dell, Idaho
Jackie Granger, Wisconsin
Eileen Kelly, Illinois
Matt Kosanovich, Ohio
PK Purkayastha, Michigan
Thomas Ralph, Massachusetts
Lisa Wongshue, Florida

Designated Federal Officer:

Bill Wilde, Local Taxpayer Advocate, Arkansas

IRS Program Owners

Debra Awalt, Program Analyst
Deb'orah Momen-Townsend, Program Manager
Jerilyn Catoggio, Policy Analyst
Karin Rice, Supervisory Public Affairs Specialist

TAS and Systemic Advocacy

Terri Willert, Senior Technical Analyst, Systemic Advocacy

Barbara Johnson, Portfolio Assignment, Local Taxpayer Advocate, Wisconsin

Staff:

Susan Jimerson, TAP Program Manager, Washington

Ellen Smiley, Program Analyst, Wisconsin

Patti Robb, Program Analyst, Wisconsin

Lisa Gabriel, Program Analyst, Wisconsin

Annie Gold, Management Assistant, Wisconsin

Kymerly Maine, Management Assistant, Washington

Committee Work Scope and Recommendations

The Committee was formed to work with IRS program owners to determine ways to improve communicating the reasons for delays in refund issuance beyond the “normal” processing timeframes to impacted taxpayers.

The Committee broke into two subcommittees: (i) one to review IRS communications such as WMR, publications and announcements, and (ii) one to review the background noise that sets the taxpayers expectations, such as third-party service provider communications, announcements, and advertisements.

During the face-to-face meeting, the members reviewed and discussed various communications from the IRS and from third parties and determined five general conclusions:

- Taxpayer frustration is in part due to expectations created by the IRS and echoed by third party providers regarding faster refunds;
- Disparity exists among WMR, IRS publications, the Refund Cycle Chart, practitioner information, and third-party advertisements;
- Third-party advertisements suggesting bigger refunds have replaced those focusing on accuracy and speed of processing;
- WMR messages sometimes change the taxpayer’s projected refund time frame from visit to visit, creating frustration and leading to phone calls to the IRS; and

- While the IRS processes 98 – 99 percent of all refunds within 21 days, communication about the one to two percent, representing approximately 1,500,000 to 2,000,000 delayed refunds, could be improved.

From these five conclusions, the committee approved 21 recommendations to submit to the IRS:

- Rename the site “Where’s My Return” instead of “Where’s my Refund,” to reduce the intense focus on speedy receipt of a refund and to better manage expectations by focusing on return processing and the occasional delay involved;
- Adopt a system of communicating processing status similar to that used by the United Parcel Service to track packages. For example, on the WMR landing page, include a simple, visual representation of the processing status of the return. Use wording such as “Return Received,” “Return Processing,” “Processing Complete,” “Refund Scheduled,” “Direct Deposit Refund Issued,” and “Refund Check Issued;”
- Include an indication of how frequently WMR information is updated, reducing the likelihood that users will call the IRS to see if more up-to-date information is available;
- Include an indication of when the taxpayer’s information was last updated, again, to reduce the likelihood that the taxpayer will call the IRS seeking more up-to-date information;
- Include a “date stamp” showing the last time the taxpayer visited the page;
- Make no promises. To lower unrealistic expectations, allow for more flexibility in the timing of refunds, and err on the side of lengthier processing times;
- The “When to check...” bullet points on the WMR landing page tell the taxpayer to begin checking WMR 72 hours after e-filing. This raises expectations. Instead, give a timeframe of, for example, five working days;
- Known delays or processing issues requiring Quick Alerts or other information shared with practitioners must also be reflected on the IRS website, specifically WMR, so taxpayers are informed, as well;
- On WMR, request a taxpayer to contact the IRS by phone only when the IRS requires new information from the taxpayer or an unusual situation requires additional taxpayer support or understanding;

- Advertise WMR as the main and only “voice of the IRS” regarding return processing and refund management, so that taxpayers are less likely to call the IRS hoping to obtain different information;
- Instruct toll-free service representatives to refer to WMR as the only source of information thereby channeling callers back to WMR in the future;
- Encourage tax practitioners to direct clients to use WMR;
- Provided specific comments and suggested revisions to certain messages and pages appearing as part of WMR. Some of the recommendations concern a rewording of a message, which may be included on several WMR pages. Other recommendations concern a particular page;
- Decouple “return processing” from “refund management” on WMR and in publications and alerts to practitioners and taxpayers;
- Stress processing time and accuracy, not just the speedy receipt of refunds, as benefits of e-Filing. Also publicize the incremental costs of processing paper returns, such as the manpower required to “perfect” them;
- Encourage third-party service providers to better explain to clients that the transmitter’s responsibility ends after successful return transmission, and that the actual processing of the return and refund management is the responsibility of the IRS;
- Harmonize all publications, alerts, and messages to provide the same information about refunds;
- Utilize social media to keep taxpayers updated on general processing;
- Use Facebook and Twitter to advertise processing delays or other information of general and immediate interest;
- Share processing volume data with taxpayers on social media, as taxpayers typically have no idea of the size of the task that the IRS performs; and
- Encourage software providers to use on the generated form the same language suggested above for WMR time frames:
 - o When to expect a refund – “within approximately 21 days;” and
 - o When to check WMR – “five working days after e-filing;”

The general recommendations for WMR, the many specific changes on the WMR screen slides, and the eight recommendations for resetting taxpayers' expectations will significantly improve IRS communications about refunds, reduce taxpayer frustration, and in turn reduce the number of phone calls to the IRS, allowing service representatives to help other callers. Adding information to WMR about amended returns and returns that do not generate a refund would be a service to all taxpayers. The IRS took the discussions with the TAP members into consideration throughout the process of updating WMR and appreciates twelve of the TAP recommendations validate their direction. Six recommendations are under consideration, two are partially accepted, and one recommendation was rejected. Consistent, clear, easily obtainable information about refunds and refund status from both the IRS and third parties will improve taxpayers understanding, expectations, and belief in the information provided.

Other Activities and Achievements

Outreach events ranged from one-on-one conversations with personal contacts to over a thousand through the National Tax Forums, as well as reaching over 150,000 through media articles. Outreach events totaled 79 events reaching 174,590 people.

This page intentionally left blank

Return Processing Delays Committee



Mark Bernstein, Chair



Karie Davis-Nozemack, Vice-chair

Members:

Mark Bernstein, New York
Laurie Chivers, Maryland
William Christopher, Kentucky
Jeffrey Davine, California
Karie Davis-Nozemack, Georgia
Harry Eng, Illinois
Barbara McCrumb, Delaware
Eboni Moss, Georgia
Christine Petersen-Grosse, Indiana

Designated Federal Officer:

Ann Logan, Local Taxpayer Advocate, Utah

Program Owner:

Debra Awalt, Program Analyst
Sherri Sneed, Program Analyst
Deb'orah Momon-Townsend, Program Manager

TAS and Systemic Advocacy

Darlene Fanning, Senior Tax Analyst

Staff:

Susan Jimerson, TAP Program Manager, Washington

Janice Spinks, Program Analyst, Washington

Nina Pang, Program Analyst, Washington

Kymberly Maine, Management Assistant, Washington

Committee Work Scope and Recommendations

The Return Processing Delays Committee was charged with reviewing issues and concerns relating to the processing of tax returns from submission through issuance of refunds or notices to taxpayers. The Committee, working closely with representatives from W&I, reviewed numerous taxpayer submitted situations or complaints which resulted in delays in processing their returns. While many of these issues involved unique or “one-of-a-kind” situations, the Committee did identify several where there was substantial indication that they were repetitive in nature and worthy of in-depth analysis. Through this analysis, the Committee was able to categorize these issues into three major areas, namely Communication, Temporary Credits and Processing Delays. Upon completing the work, two project two referrals were prepared. These were:

Adoption Credit Processing

Our recommendations included providing for the e-filing of returns where taxpayers were claiming the adoption credit and if so, providing for the submission of supporting documentation separately; for IRS to provide enhanced guidelines of the documentation required for the credit; for IRS to conduct additional outreach targeted toward the specific population of taxpayers potentially claiming the credit; for IRS to reduce the number of returns selected for audit based on historical compliance.

Ensuring Taxpayers Who are at Least 65 Receive the Increased Standard Deduction

Provides for the IRS to adopt procedures that ensure taxpayers who are at least 65 years of age claim the increased standard to which they are entitled.

Other Activities and Achievements

The Committee conducted and participated in numerous Outreach activities, aimed at providing the taxpaying public and practitioners the opportunity to learn about the goals of TAP and provide a means to identify and report issues of concern. These outreach activities included addressing Civic Associations, Town Hall meetings, Practitioner Liaison meetings, IRS sponsored Tax Forums and Symposiums, addressing college campus associations, assisting with the TAP Survey conducted at the TACs and discussing TAP at VITA sites.

During our face-to-face meeting conducted in Seattle, we met with our project program owner from W&I to discuss mutual issues, conduct research, and identify potential leads for future projects. The meeting enabled the Committee to consolidate and focus our direction.

Ongoing Work

The Committee concluded their work at their final meeting held in November 2012 and a future Return Processing Delays committee has not been established for 2013.

This page intentionally left blank

Appendix A: Taxpayer Advocacy Panel Members 2012

Member	City	State	Project Committee
Acero, Antonio	Myrtle Beach	SC	Tax Forms and Publications
Akbar, Sandra	Chicago	IL	Face-to-Face Service Methods
Alvarado, Frank	East Haven	CT	SBSE Decreasing Non-Filers
Armstrong, Kenneth	Kalispell	MT	Toll Free
Baldwin, Barbara	Auburn	CA	Face-to-Face Service Methods
Bekolo, Paulette Germain	Morrisville	NC	Refund Processing Communications
Bentley, Susan	Kihei	HI	Taxpayer Burden Reduction
Bernstein, Mark	Roslyn Heights	NY	Return Processing Delays
Bilancia, Richard	Loveland	CO	SBSE Decreasing Non-Filers
Brandewie, Shaun	Akron	OH	Refund Processing Communications
Brayton, William	Sheridan	WY	Return Processing Delays
Browne, Winifred	Miami	FL	Face-to-Face Service Methods
Cain, David	Marlinton	WV	Face-to-Face Service Methods
Chivers, Laurie	Dalton	MA	Return Processing Delays
Christopher, William	Winchester	KY	Return Processing Delays
Chulick, Eugene	Dayton	NV	Tax Forms and Publications
Colby, Lucy	Arlington	VA	SBSE Decreasing Non-Filers
Davine, Jeffrey	Los Angeles	CA	Return Processing Delays
Davis-Nozemack, Karie	Atlanta	GA	Return Processing Delays

Member	City	State	Project Committee
Dell, Jack	Hayden	ID	Refund Processing Communications
DeTergo, Michael	Westfield	NJ	Bankruptcy Compliance
Dery, Nancy	Sanbornville	NH	Bankruptcy Compliance
Donnelly, Ken	Lees Summit	MO	Bankruptcy Compliance
Eng, Harry	St. Charles	IL	Return Processing Delays
Fisher, Aileen	Burlingame	CA	Bankruptcy Compliance
Fishman, Annie	Rockwall	TX	Toll Free
FitzGerald, Annette	Branson	MO	Face-to-Face Service Methods
Flanders, Seth	Emmaus	PA	Taxpayer Burden Reduction
George, Philip	Cos Cob	CT	Taxpayer Burden Reduction
Goldberg, Allan	Hunter	NY	Bankruptcy Compliance
Granger, Jackie	West Bend	WI	Refund Processing Communications
Gross, Robert	Montpelier	VT	SBSE Decreasing Non-Filers
Hayden, Robert	Monroe	MI	Tax Forms and Publications
Hayes, Herbert	Huntsville	AL	Taxpayer Burden Reduction
Hitchcock, Colleen	Lacey	WA	Toll Free
Holland, Richard	Bismarck	ND	Tax Forms and Publications
Jackson, Diedre	Mandeville	LA	Taxpayer Burden Reduction
Janci, Gerald	Pittsboro	MS	Face-to-Face Service Methods
Johnson, Frances	Washington	DC	SBSE Decreasing Non-Filers
Kalchthaler, Carolyn	Plano	TX	SBSE Decreasing Non-Filers
Kalimeris, Angeliki	Woonsocket	RI	Toll Free
Kelly, Eileen	Wilmette	IL	Refund Processing Communications
Kendall, Edith	Marion	IA	Bankruptcy Compliance

Member	City	State	Project Committee
Kennerty, Michael	Atlanta	GA	Taxpayer Burden Reduction
Klug, Terri	West Jordan	UT	Tax Forms and Publications
Kosanovich, Matt	Columbus	OH	Refund Processing Communications
Lees, John	Evans City	PA	Toll Free
Marshalek, Mark	Powell	OH	Toll Free
Matthews, Theresa	Denton	NC	SBSE Decreasing Non-Filers
McCrumb, Barbara	Newark	DE	Return Processing Delays
McPeak, Catherine	Plano	TX	Toll Free
Mikhail, Boris	Lindenhurst	NY	Taxpayer Burden Reduction
Moss, Eboni	Doraville	GA	Return Processing Delays
Mossad, Elizabeth	Valrico	FL	Tax Forms and Publications
Oetken, Todd	Louisville	KY	Tax Forms and Publications
Palmer, George	McLoud	OK	Tax Forms and Publications
Parrish, Charnia	Albuquerque	NM	Tax Forms and Publications
Patton, Susan	Lucinda	PA	Face-to-Face Service Methods
Petersen-Grosse, Chris	Elkhart	IN	Return Processing Delays
Pinilis, Russell	Montclair	NJ	Taxpayer Burden Reduction
Powers, Clarke	Warrenton	OR	Face-to-Face Service Methods
Purkayastha, PK	Saline	MI	Refund Processing Communications
Ralph, Thomas	Webster	MA	Refund Processing Communications
Rible, Robert	Santa Cruz	CA	Tax Forms and Publications

Member	City	State	Project Committee
Rodriguez, Luis	Forest Hills	NY	Taxpayer Burden Reduction
Rollins, Jackie	Austin	TX	Tax Forms and Publications
Santini, Hector	Ponce	PR	Bankruptcy Compliance
Silva, Michael	North East	MD	Face-to-Face Service Methods
Smith, Toni	Omaha	NE	Face-to-Face Service Methods
Sorich, Samuel	El Dorado Hills	CA	Bankruptcy Compliance
Sykes, Edward	Rose Hill	KS	Face-to-Face Service Methods
Tatum, Sue	Arkadelphia	AR	Toll Free
Tuchi, Ben	Tucson	AZ	SBSE Decreasing Non-Filers
Turner, Dianne	Knoxville	TN	Bankruptcy Compliance
Wechter, Thomas	Glencoe	IL	Tax Forms and Publications
Wells, Gary	Anchorage	AK	Toll Free
Williams, Cindi	Summerset	SD	Taxpayer Burden Reduction
Wolfsohn, Jonathan	East Rockaway	NY	SBSE Decreasing Non-Filers
Wongshue, Lina	Orlando	FL	Refund Processing Communications
Young, Marilyn	Nashville	TN	SBSE Decreasing Non-Filers
Zachary, Martha	Inver Grove Heights	MN	Toll Free

Appendix B: 2012 Taxpayer Advocacy Panel IRS Staff

Name	Position Title	Location
Shawn Collins	TAP Director	Washington, DC
Louis Morizio	Acting TAP Director	Brooklyn, NY
Tiffany Todaro	Acting TAP Director	Oakland, CA
Kevin Brown	Management Assistant to TAP Director	Washington, DC
Steve Berkey	Senior Program Analyst	Plantation, FL
Susan Gilbert	Senior Program Analyst	Des Moines, IA
Linda Rivera	Senior Program Analyst	Washington, DC
Otis Simpson	Senior Program Analyst	Washington, DC
Russ Pool	Database Analyst	Seattle, WA
Kudiratu Usman	Analyst	Washington, DC
TAP East		
Louis Morizio	TAP Program Manager	Brooklyn, NY
Rose Babb	Management Assistant	Brooklyn, NY
Audrey Jenkins	Program Analyst	Brooklyn, NY
Marisa Knispel	Program Analyst	Brooklyn, NY
Meredith Odom	Program Analyst	Brooklyn, NY
Marianne Dominguez	Program Analyst	Plantation, FL
Donna Powers	Program Analyst	Plantation, FL
Anita Fields	Program Analyst	Plantation, FL
TAP West		
Susan Jimerson	TAP Program Manager	Seattle, WA
Annie Gold	Management Assistant	Milwaukee, WI
Patti Robb	Program Analyst	Milwaukee, WI
Ellen Smiley	Program Analyst	Milwaukee, WI
Lisa Gabriel	Program Analyst	Milwaukee, WI
Kymberly Maine	Management Assistant	Seattle, WA
Janice Spinks	Program Analyst	Seattle, WA
Timothy Shepard	Program Analyst	Seattle, WA
Nina Pang	Program Analyst	Seattle, WA

Appendix C: 2012 TAP Area Committee IRS Designated Officers

Project Committee, Designated Federal Officer	Location
Bankruptcy Compliance	
Bernardita Tehrani, Local Taxpayer Advocate	Brooklyn, NY
Communications	
Steve Berkey, Senior Program Analyst	Ft. Lauderdale, FL
Face-to-Face Service Methods	
Dorry Curran, Local Taxpayer Advocate	California
Refund Processing Communications	
Bill Wilde, Local Taxpayer Advocate	Arkansas
Return Processing Delays	
Ann Logan, Local Taxpayer Advocate	Utah
SB/SE Decreasing Non-Filers	
Donna Wess, Local Taxpayer Advocate	Tennessee
Tax Forms and Publications	
Robert Fett, Local Taxpayer Advocate	Vermont
Taxpayer Burden Reduction	
Tina Juncewicz, Local Taxpayer Advocate	North Carolina
Toll-Free	
Lacrishea McClendon, Local Taxpayer Advocate	Georgia

Appendix D: 2012 TAP Project Committee IRS Program Owners

Bankruptcy Compliance	
Rocco Steco, Jr.	Program Owner
Tonjua Menefee	Program Owner
Communications	
Tiffany Todaro	Program Owner
Face-to-Face Service Methods	
Tina D'eredita	Program Owner
Refund Processing Communications	
Deb'orah Momen-Townsend	Program Owner
Debra Awalt	Program Owner
Return Processing Delays	
Deb'orah Momen-Townsend	Program Owner
Debra Awalt	Program Owner
SB/SE Decreasing Non-Filers	
Tonjua Menefee	Program Owner
Tax Forms and Publications	
Patty Wagner	Program Owner
Taxpayer Burden Reduction	
Laurie Tuzynski	Program Owner
Tonjua Menefee	Program Owner
Nadine Marsh	Program Owner
Toll-Free	
Debra Awalt	Program Owner

Appendix E: 2012 TAP Recommendation Status Definitions

Status	Description
Elevated Issue, Awaiting an IRS Reply:	A taxpayer issue forwarded from the TAP Joint Committee to the IRS and TAP is waiting for an IRS response.
Pending Review by TAP:	A taxpayer issue forwarded from the TAP Joint Committee to the IRS and TAP is considering the IRS response. TAP may be awaiting the IRS response to a subsequent TAP resubmission.
Closed, Proposal Accepted by the IRS:	A taxpayer issue accepted by the IRS. The proposal may or may not be implemented, but the IRS has agreed to the recommendation.
Closed, Partially Accepted by the IRS:	A taxpayer issue partially accepted by the IRS. The proposal may or may not be implemented but the IRS has agreed to the recommendation in part.
Closed, Proposal Rejected by the IRS:	A taxpayer issue or recommendation rejected by the IRS for various reasons as indicated in the IRS response.
Referred to F&P-Accepted:	A taxpayer issue or recommendation forwarded directly to Tax Forms and Publications program owners and the IRS has agreed to the recommendation.
Referred to F&P-Partially Accepted:	A taxpayer issue or recommendation forwarded directly to Tax Forms and Publications program owners and the IRS has partially agreed to the recommendation.
Referred to SAMS, Accepted:	A taxpayer issue which requires immediate intervention by the IRS. TAP forwards the recommendation directly to the Office of Systemic Advocacy using the Systemic Advocacy Management System (SAMS) database. Immediate action is taken by the IRS to resolve the issue or an advocacy project is initiated.
Referred to SAMS, Rejected:	A taxpayer issue which requires immediate intervention by the IRS. TAP forwards the recommendation directly to the Office of Systemic Advocacy using the Systemic Advocacy Management System (SAMS). Immediate action is not taken by the IRS to resolve the issue or an advocacy project is not initiated.

Status

Referred to SAMS,
Legislative:

Description

When a taxpayer issue relates to legislation, TAP forwards the recommendation directly to the Office of Systemic Advocacy using the Systemic Advocacy Management System (SAMS) for future consideration as a recommendation for legislative change by the National Taxpayer Advocate.

Closed, Under IRS
Consideration:

A taxpayer issue forwarded from the TAP Joint Committee to the IRS, of which the IRS commits further consideration. This may occur if the IRS is currently evaluating a program or system and will consider TAP's recommendation during the process.

Closed, Project/Assignment
Completed:

A project or task completed by a Project Committee with the results and recommendations documented and forwarded to the IRS Program Owner.

Appendix F: Acronyms

AGI	Adjusted Gross Income
AM	Accounts Management
AUR	Automated Under Reporter
BAPCPA	Bankruptcy Abuse Prevention and Consumer Protection Act
CSR	Customer Service Representative
DFO	Designated Federal Officer
EDSA	Executive Director Systemic Advocacy
EITC	Earned Income Tax Credit
FA	Field Assistance
FACA	Federal Advisory Committee Act
FAQ	Frequently Asked Questions
FSA	Field Systemic Advocacy
FY	Fiscal Year
IRM	Internal Revenue Manual
IRS	Internal Revenue Service
IVT	Interactive Video Telecast
LTA	Local Taxpayer Advocate
MLI	Multi-Language Initiative
NAEA	National Association of Enrolled Agents
OIC	Offer in Compromise
PSA	Public Service Announcement
QR Code	Quick Response Code
SA	Systemic Advocacy
SAMS	Systemic Advocacy Management System
SB/SE	Small Business/Self Employed
SME	Subject Matter Expert
SMR	Social Media Release

SPEC	Stakeholder Partnership, Education and Communication
TAC	Taxpayer Assistance Center
TAP	Taxpayer Advocacy Panel
TAS	Taxpayer Advocate Service
TF&P	Tax Forms and Publications
Treasury	Department of the Treasury
VITA	Volunteer Income Tax Assistance
VSD	Virtual Service Delivery
W&I	Wage and Investment
WMR	Where's My Refund / Where's My Return

TAP Geographic Committee Map (Text Version)

State	Member(s)
Alabama	1
Alaska	1
Arizona	1
Arkansas	1
California	5
Colorado	1
Connecticut	2
Delaware	1
Florida	3
Georgia	2
Hawaii	1
Idaho	1
Illinois	3
Indiana	1
Iowa	1
Kansas	1
Kentucky	2
Louisiana	1
Maine	1
Maryland	1
Massachusetts	2
Michigan	2
Minnesota	1
Mississippi	1
Missouri	2
Montana	1
Nebraska	1
Nevada	1
New Hampshire	1
New Jersey	2
New Mexico	1
New York	5
North Carolina	1
North Dakota	1
Ohio	2

State	Member(s)
Oklahoma	1
Oregon	1
Pennsylvania	3
Puerto Rico	1
Rhode Island	1
South Carolina	1
South Dakota	1
Tennessee	2
Texas	6
Utah	2
Vermont	1
Virginia	1
Washington	1
Washington, D.C.	1
West Virginia	1
Wisconsin	1
Wyoming	1

