

National Taxpayer Advocate Public Forum
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Remarks of Polly Bone

I am an attorney who has worked with low-income communities in Texas for over 20 years. Most of that time I've worked with Texas RioGrande Legal Aid, (formerly known as Texas Rural Legal Aid), and for about 10 years I've been in San Antonio as the Director of our Low Income Tax Clinic, which we call the Texas Taxpayer Assistance Project. I represent not only taxpayers in this metropolitan area, but also along the Texas-Mexico border and the smaller towns between the city and the border. All my clients live in households under 250% of the federal poverty level, and many have incomes far below this threshold. They may include single parents of young children, survivors of domestic violence and other violent crimes, disabled veterans, retirees subsisting only on Social Security, migrant farm workers, middle-aged couples raising their grandchildren, senior citizens raising their great-grandchildren, twenty-year olds working their first full-time job, disabled adults, homeless individuals who are trying to turn their lives around, refugees and other immigrants. Most of our clients probably fit in more than one of these categories. They all have federal income tax problems.

The current system of communication (or should I say attempted communication) with the IRS is perhaps even more dysfunctional for low income people than it is for everyone else. Low income taxpayers face the same challenges we all do in dealing with the IRS, but these challenges are often exacerbated by lack of money and related resources. While my clients may like the idea of going to an IRS office to speak directly to a representative, they often have jobs with no paid time off to visit an office during the week or with a schedule that changes weekly, making it almost impossible to make an appointment. They may have no reliable vehicle to drive them to the IRS office, or if they live outside the city, they may not be able to afford the gas. So they would like the opportunity to at least speak with an IRS representative on the phone, but they are less likely than taxpayers with higher incomes to have bosses who allow them to take 45 minutes during the workday to try to reach the IRS by telephone. Or they may have a limited number of minutes on their phone plan.

The IRS knows it is not communicating effectively with taxpayers, and its answer seems to be increased reliance on digital and computer technology. This change is possibly inevitable and is in some ways desirable, but the needs of low income taxpayers must be taken into account.

I want to dispel the idea that all people living in poverty are computer illiterate. All younger taxpayers have been exposed to computers in school. Many older individuals have also learned to use digital technology, though they frequently have less confidence in doing so. Various

institutions are enticing—or forcing —us all to interact with them on-line. Many people who are fortunate enough to have jobs where FICA taxes are properly deducted never receive paystubs on papers; rather, these important documents are sent via email or, increasingly, are available on by accessing an on-line account. Banks often operate the same way, and many of my clients have banks with no local branch office. Other governmental agencies, such as the Social Security Administration, are moving routine matters to on-line platforms and have individuals create their own accounts. In short, low-income people are not completely unfamiliar with the digital and on-line world. However, they do face additional challenges in dealing with it, and the IRS needs to be mindful of these in its planning.

The issue for low income taxpayers is consistent access-to the digital world. A secure, reliable internet connection is a problem. Low income people have to prioritize food, electricity and rent over a payment for an internet provider. Many people go to public libraries or fast-food restaurants to use the free Wi-Fi. The computer itself will likely be shared—with the general public at the library or with a friend or many other family members. The use of public Wi-Fi and shared computers raises concerns about security. ID thieves seem just as interested in stealing the Social Security numbers of the poor as they those of the rich. ID theft can be devastating to anyone, but low income people are less likely to be signed up for credit score monitoring and the financial loss of ID theft is even harder for them to bear

My clients do have access to one type of computer—the kind that fits in their pockets. Almost everyone has a cell phone now, and increasingly these are smart phones. My clients do, however, change numbers with frequently. And it is not unusual for the number to be unable to accept calls several days a month, until the bill is finally paid. Some of my clients who live on the border have only a Mexican cell phone number. The IRS needs to think of these issues if, for example, it requires taxpayers to register a cell phone number with them to access their on-line profile. The IRS should also remember that many, many taxpayers will try to access such a profile through a phone, not a desk top or laptop. The website needs be mobile friendly to be accessible to most low-income taxpayers.

One population that faces great challenges in navigating the on-line world is illiterate taxpayers. At any one time our LITC has several clients who cannot read or write well in any language. These clients are working and paying taxes. For such taxpayers the ability to speak to an IRS representative is vital, especially if they have not found free representation.

The reliance on websites, apps or other digital platforms in the audit or collection process raises other concerns. My clients' situations often don't fit neatly into a form or form-letter and they likely often won't fit neatly into a series of pull-down menus. Will the on-line interface tell the person living solely on disability benefits that they might qualify for currently not collectible status for their tax debt they accrued years ago, or will it push him into an installment agreement he cannot afford? Will it let a migrant farmworker explain that his income in July is much higher than it will be in January, or will it say he is not eligible for an OIC? Will it tell the

grandparents that there may be a number of other documents they can use to show their grandchild lived with them besides those that were requested, or will it make it too easy to click to accept a proposed assessment? There are many times I've had to put an asterisk on a collection information form or provide a detailed explanation to an IRS agent over the phone. If secured and accessible, I think an online account may be a great way for almost everyone to check on balances and payments to the IRS. But there continues to be a great need for direct, person to person communication most assessment and many collection issues.

The most important thing for IRS to remember is that the vast majority of low-income taxpayers are doing the best they can, and they are either working as much as they can or are truly unable to work. They want to comply with the tax laws and they want the tax laws to be applied fairly to them.