**TAXPAYER ASSISTANCE CENTERS (TACs): Cuts to IRS Walk-In Sites Have Left the IRS With a Substantially Reduced Community Presence and Have Impaired the Ability of Taxpayers to Receive In-Person Assistance**

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**TAXPAYER RIGHTS IMPACTED**:
- The Right to Be Informed
- The Right to Quality Service

**DEFINITION OF PROBLEM**
Taxpayer Assistance Centers (TACs), formerly called walk-in sites, became the primary local face of the IRS after the IRS reorganized around central campus locations and business divisions, severely reducing the IRS presence in local communities. However, recent changes to TACs have chipped away at the services provided and the ability of taxpayers to receive prompt, in-person service, and negatively impacted the image of the IRS in local communities. Specifically, the National Taxpayer Advocate is concerned that:

- The IRS has closed 30 TACs since fiscal year (FY) 2011, a reduction of over seven percent.¹
- In FY 2017, the first full year of the appointment system, the IRS served 3.2 million taxpayers at TACs compared to 4.4 million taxpayers in FY 2016.⁴
- The IRS has reduced TAC staffing from 2,254 employees in late February 2011 to 1,586 employees in late February 2017, a decline of about 30 percent.⁵
- 111 TACs, approximately 30 percent of all TACs, have either zero employees or one employee, resulting in a closed or virtually closed TAC.⁶

As the IRS moves towards online self-service it must consider taxpayers who cannot complete tasks online or prefer not to use the internet for interacting with the IRS. Reducing a service to the point that taxpayers can no longer easily access it, then declaring no one uses the service and eliminating it entirely...
has proven successful for the IRS in the past and it appears the IRS is moving in the same direction with TACs. Further, the IRS should not discount the value of a presence in local communities — being able to interact with an employee in real life helps humanize the agency for taxpayers and provides the IRS with real time information about tax issues affecting local areas. Nor can it ignore the consequences to taxpayer rights, particularly the right to quality service and the right to be informed that occur when taxpayers’ access to taxpayer service methods is reduced or restricted.

ANALYSIS OF THE PROBLEM

The State of TACs in FY 2017

The IRS currently operates 371 TACs in the 50 states, the District of Columbia, and Puerto Rico. The TACs provide the main source of in-person, face-to-face assistance from the IRS to taxpayers. Approximately 3.2 million taxpayers visited a TAC in FY 2017. The IRS has been reducing the services offered in TACs for many years and recently switched to a mainly appointment based service model for TACs. While the IRS has restricted the topics it addresses at TACs, only answers tax law questions (both on the phones and in TACs) during the filing season, and no longer offers return preparation at the TACs, taxpayers continue to seek out TAC services.

Of the TACs, 24 have zero employees, so are closed for all intents and purposes, and 87 have one employee and are subject to closure if that employee is sick, on leave, or in training. Five TACs were staffed only seasonally. Six TACs were open fewer than 35 hours per week. Seven TACs were staffed by circuit riders. Overall, TAC staffing is down nearly 30 percent since FY 2011.

TAC Service in Some States Is Nearly Non-Existent

While overall TAC availability has been drastically reduced in terms of services offered, employees on staff, and locations, the situation is particularly dire in certain states. In Montana, the IRS lists six TAC locations. Of these six TACs, half have zero or one employee, one TAC with one employee is only staffed seasonally, and total TAC employees in Montana dropped from 11 in FY 2014 to eight in FY 2017. Faring worse are the 3.1 million residents of Iowa, with only five TACs, 60 percent of which

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7 For a discussion of the geographic footprint of the IRS, see National Taxpayer Advocate 2016 Annual Report to Congress 86-97 (Most Serious Problem: GEOGRAPHIC FOCUS: The IRS Lacks an Adequate Local Presence in Communities, Thereby Limiting Its Ability to Meet the Needs of Specific Taxpayer Populations and Improve Voluntary Compliance).
8 IRS response to TAS information request (Nov. 3, 2017).
9 Id.
12 IRS response to TAS information request (Nov. 3, 2017).
13 Id.
14 Id.
16 From February 2011 to February 2017, Taxpayer Assistance Center (TAC) staffing fell from 2,254 to 1,586, a decrease of 30 percent. Similarly, from September 2011 to September 2017, staffing fell from 1,898 to 1,435 in TACs.
17 IRS response to TAS information request (Nov. 3, 2017).
18 Id.
Reducing a service to the point that taxpayers can no longer easily access it, then declaring no one uses the service and eliminating it entirely has proven successful for the IRS in the past and it appears the IRS is moving in the same direction with Taxpayer Assistance Centers.

are unstaffed or have one employee and only six total TAC employees in the state. These taxpayers have approximately one TAC employee per 500,000 residents of the state. The situation in Vermont is equally grim — of Vermont’s four TACs, only one is staffed with more than one employee, one is unstaffed, and one is serviced by a shared, circuit-riding employee. For residents in these and other states, finding an IRS employee for face-to-face assistance is a monumental task.

The IRS Changed TACs From Walk-In Sites to Mostly By Appointment

By the end of calendar year 2016 the IRS moved from a walk-in system for TAC service to a mostly by appointment only system. Prior to changing to a mostly appointment based system at TACs, 4.4 million taxpayers visited TACs in FY 2016. In FY 2017, the first full year of the appointment system, only 3.2 million taxpayers visited TACs, a decrease of 27 percent.

FIGURE 1.10.1, TAC Visits from FY 2014–2017

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In addition to implementing an appointment system, the IRS has created a triage system whereby it attempts to resolve the taxpayer’s concerns over the phone when the taxpayer calls to make a TAC appointment before the IRS employee will schedule an appointment for the taxpayer. In FY 2017, approximately 3.5 million taxpayers called for a TAC appointment and about half or nearly 1.7 million did not make an appointment.26

The National Taxpayer Advocate believes that conserving IRS in-person resources for those taxpayers who need face-to-face service is an important goal; however, she is concerned about where the nearly 350,000 taxpayers (the difference between taxpayers served at TACs in FY 2015 and taxpayers served in TACs in FY 2017 plus taxpayers triaged in FY 2017) are now turning for tax assistance.27 While the National Taxpayer Advocate is pleased that the IRS indicates it now allows TAC managers to accept walk-ins at the manager’s discretion, she urges the IRS to allow both appointments and walk-ins at TACs to provide options for taxpayers. Additionally, while the IRS indicates that taxpayers can still walk-in to complete certain tasks (making payments, picking up forms, etc.), and that managers can accept walk-ins for other services, the IRS website providing information about contacting your local office provides no such information.28

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26 IRS response to TAS information request (Nov. 3, 2017).
27 IRS response to TAS information request (Sept. 13, 2017 and Nov. 3, 2017). TAS is concerned that the number of taxpayers “triaged” may not accurately reflect taxpayers who resolved their issues during the initial phone call. The numbers provided by the IRS simply report the total number of taxpayers who initially called seeking a TAC appointment and the number of taxpayers who did not schedule an appointment during that phone call.
FIGURE 1.10.2

Contact Your Local IRS Office

All Taxpayer Assistance Centers (TACs) now operate by appointment.

Nearly every tax issue can now be resolved online or by phone from the convenience of your home or office. If you need help from a Taxpayer Assistance Center (TAC), call to schedule an appointment. All TACs are now providing service by appointment.

Self-Service Options

- Refunds
- Transcript
- Identity Theft
- Free File
- Payments
- Tax Forms

Locate a Taxpayer Assistance Center

In order to find a Taxpayer Assistance Center closest to you, please enter your 5-digit ZIP Code into the Office Locator located below. Note: In order to receive services, you will be asked to provide valid photo identification and a Taxpayer Identification Number, such as a Social Security number.

Taxpayer Assistance Centers are closed on federal holidays.

In-Person Document Review Provided for Form W-7 Applicants

Participating TAC locations will review identification documents for those who submit Form W-7 Application for IRS Individual Taxpayer Identification Number in person.
Further, taxpayers who visit TACs without an appointment are greeted with the signs pictured below.

**FIGURE 1.10.3, Appointment Only Signs on TACs**

Between the messaging on the IRS website and these signs adorning the doors of TACs, the IRS is telling taxpayers not to come in without first calling, and providing no indication that a taxpayer could even walk in if they so desired. The National Taxpayer Advocate is concerned about this messaging and what is actually happening to taxpayers who visit a TAC to complete a task, such as making a payment, which the IRS maintains taxpayers can do without an appointment.29

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29 For further information regarding the National Taxpayer Advocate’s concerns about what taxpayers are experiencing if they visit a TAC without an appointment, see https://taxpayeradvocate.irs.gov/news/nta-blog-taxpayer-assistance-center-service-continues-to-decline-impairing-taxpayers-ability-to-receive-in-person-assistance?category=TaxNews.
Taxpayers have the right to quality service and when the agency charged with administering the tax code says it can’t help, the IRS is violating the rights of all taxpayers, and in particular those without the resources to seek outside help.

The IRS Is the Agency of “No,” Harming Vulnerable Taxpayer Populations and Impacting Taxpayer Rights

The IRS arguably touches the lives of more people than any other United States government agency. It is hard to imagine anyone who lives in the United States, or is a United States citizen, or has ever done business in the United States, not having to interact with the IRS at some point in time. Yet, the IRS continues to reduce the services it provides, preferring to pursue a policy of “low cost” at the expense of service and protecting taxpayer rights. Want a tax return prepared? Do it yourself, pay someone else to do, or if you meet the income requirements you can go to a Volunteer Income Tax Assistance (VITA) site. But don’t ask the IRS, it doesn’t offer return preparation anymore.

This is particularly concerning in light of recent natural disasters. VITA sites, which only prepare returns for taxpayers within their income restrictions, do not prepare returns with casualty losses.30 Taxpayers in disaster areas affected by the year’s catastrophic hurricanes are being warned to beware of scammers — with so much on their plates, where should these taxpayers turn for tax assistance at this time when they cannot turn to the IRS? Instead, these taxpayers are left to sort through finding a reputable tax preparer or waiting until next filing season to claim their disaster losses. Instead of saying “no” in times of disaster, the IRS could deploy mobile vans and staff nearby TACs with onsite employees such as revenue agents or revenue officers to meet taxpayer demand and implement a policy of assisting taxpayers in disaster areas with filing amended returns. Further, the IRS could also use co-located employees at peak times of the year where taxpayer demand for TAC services outpaces the availability to assist additional taxpayers.

Adding insult to injury, the IRS no longer answers tax law questions outside of the tax filing season, which runs from January to mid-April.31 So, any taxpayers currently facing hardship caused by the recent hurricanes cannot even call the IRS to get a tax law question answered. Taxpayers have the right to quality service and when the agency charged with administering the tax code says it can’t help, the IRS is violating the rights of all taxpayers, and in particular those without the resources to seek outside help.

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30 For a detailed discussion of VITAs, see Most Serious Problem: VITA/TCE Programs: IRS Restrictions on Volunteer Income Tax Assistance (VITA) and Taxpayer Counseling for the Elderly (TCE) Programs Increase Taxpayer Burden and Adversely Impact Access to Free Tax Preparation for Low Income, Disabled, Rural, and Elderly Taxpayers, infra. See also IRS, Pub. 3676-B. For example, in areas currently affected by hurricane damage, like Houston, there is only one VITA site open within 100 miles of Houston and its hours are limited to 10am-2pm. See https://irs.treasury.gov/freetaxprep/jsp/vita.jsp?zip=77005&lat=29.7183467&lng=-95.4306141&radius=100. See also IRS, Pub. 4012 (Rev. 10-2017).

31 IRM 21.3.4.2(1) (Oct. 1, 2017). See also IRM 21.3.4.3.4 (Oct. 27, 2016) (providing an exception at the manager’s discretion).
Alternative Face-to-Face Service Methods Are Important, But Are Not a Substitute for a TAC

**Partnership With Social Security Administration (SSA)**

While the National Taxpayer Advocate is pleased that the IRS is pursuing partnerships with other government agencies, as she has recommended, the recommendation was not to replace current TAC locations with partner sites, but instead, to use partner sites to expand the reach of IRS face-to-face services to underserved communities.32 The IRS is currently testing a pilot program with the SSA where the IRS will place TAC employees in four SSA locations.33 Each of these TACs is a one employee TAC; therefore, during this pilot, those TACs will be effectively closed.34 If the IRS is merely using this program to prove it can provide TAC services in a co-located space and release the space leased by the IRS for TACs in these areas, then this program will not result in a net positive number of taxpayers now having access to TACs who did not previously have such access.

**Virtual Service Delivery (VSD)**

The National Taxpayer Advocate recommended for many years that the IRS pursue VSD to reach taxpayers without ready access to IRS face-to-face services.35 However, again, the National Taxpayer Advocate does not believe that VSD kiosks should replace TACs, rather kiosks should be used as a supplement to already existing TACs where demand outstrips employee availability and as a tool to reach rural and underserved communities. Additionally, the National Taxpayer Advocate is very concerned that the IRS’s implementation of VSD has not kept pace with the available technology, resulting in outdated technology that does not allow taxpayers to complete the tasks they need to complete.36 With the advent of mobile phone video technology, the IRS must keep pace with the ways that taxpayers can connect with the services they need in its mission to provide top quality taxpayer service.

**Mobile Vans**

The National Taxpayer Advocate has long urged the IRS to test a properly designed mobile van program.37 While the IRS has previously indicated that it has piloted a van program, TAS and the National Taxpayer Advocate have not had the opportunity to review either the design or the results from this program, only the IRS assertion that it was unsuccessful.38 In contrast, this summer, the IRS created posters for the main IRS building, one of which featured a van from the 1970s, depicted below.

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32 See, e.g., National Taxpayer Advocate 2010 Annual Report to Congress 267-77 (Most Serious Problem: The IRS Has Been Reluctant to Implement Alternative Service Methods that Would Improve Accessibility for Taxpayers Who Seek Face-to-Face Assistance).

33 IRS response to TAS information request (Sept. 13, 2017).

34 The four “home” TACs of the employees in the pilot program are: North Platte, NE; Danville, VA; Presque Isle, ME; and New London, CT. IRS response to TAS information request (Sept. 13, 2017).

35 See, e.g., National Taxpayer Advocate 2014 Annual Report to Congress 154-62 (Most Serious Problem: Despite a Congressional Directive, the IRS Has Not Maximized the Appropriate Use of Videoconferencing and Similar Technologies to Enhance Taxpayer Services); National Taxpayer Advocate 2012 Annual Report to Congress 462-68; National Taxpayer Advocate 2012 Annual Report to Congress 302-18.

36 See Most Serious Problem: Appeals: The IRS’s Decision to Expand the Participation of Counsel and Compliance Personnel in Appeals Conferences Alters the Nature of Those Conferences and Will Likely Reduce the Number of Agreed Case Resolutions, infra; Most Serious Problem: Online Accounts: The IRS’s Focus on Online Service Delivery Does Not Adequately Take into Account the Widely Divergent Needs and Preferences of the U.S. Taxpayer Population, infra.

37 See, e.g., National Taxpayer Advocate 2010 Annual Report to Congress 267-77 (Most Serious Problem: The IRS Has Been Reluctant to Implement Alternative Service Methods that Would Improve Accessibility for Taxpayers Who Seek Face-to-Face Assistance); National Taxpayer Advocate 2008 Annual Report to Congress 95-113 (Most Serious Problem: Taxpayer Service: Bringing Service to the Taxpayer).

38 National Taxpayer Advocate 2010 Annual Report to Congress 267-77.
While the poster indicates taxpayers can now complete tasks online and thus implies a van is a relic of a different era, other programs serving similar populations as the IRS have found vans meet the needs of these populations.

Recently, an article appeared in the *Washington Post* regarding a Washington, D.C. area food bank that is bringing its food to where the populations it serves are most likely to gather. The National Taxpayer Advocate strongly urges the IRS to implement a similar program and additionally use the vans to service presidentially declared disaster areas.

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40 TAS is currently exploring the potential to secure and operate its own mobile van with the ability to deploy TAS services to disaster areas.
Taxpayers Prefer Familiar Services

TAS recently completed a survey of taxpayers focused on preferred service delivery methods. One point in particular stood out — taxpayers prefer to use the first service channel (phone, web, TAC) they attempted to use to complete a task and expressed a preference to not use a different method.41 Further, specific taxpayer populations were more likely to use a TAC, namely the low income and the elderly.42 Additionally, low income taxpayers reported the loss of some services available at the TACs would have a negative impact.43 Vulnerable populations were more likely to report that they never go on the internet compared to other taxpayer populations.44 As the IRS moves toward internet self-help and away from in-person assistance, findings from taxpayer needs and preferences studies must shape service decisions.

Before Closing a TAC, the IRS Must Consider the Community Needs

Recent language in the Senate Report accompanying the Senate version of the FY 2017 appropriations bill contains specific language addressing service at TACs.45 In particular, the report directs the IRS to hold a public forum in the community where it is planning to close a TAC and to inform the Senate and House appropriations committees.46 The National Taxpayer Advocate is concerned that the IRS may not be following this directive. The sign depicted below recently appeared on the door of the TAC in Texarkana, Texas:

FIGURE 1.10.5

41 TAS, Observations from Services Priorities Data (Oct. 4, 2017) (on file with TAS).
43 Id.
44 Id. Nearly 30 percent of seniors, almost 12 percent of low income, and about 16 percent of disabled respondents reported they never use the internet. This compares with only about three to five percent of their counterparts saying they do not use the internet.
46 Id.
While the sign invites the public to comment on the proposed changes to the TAC, it is unlikely the public will ever see the sign. The Texarkana TAC is located on the 5th floor of a federal building and the public must have an appointment to get in the building. However, the TAC has been unstaffed since FY 2016, so taxpayers cannot get an appointment and will never see the sign.\(^{47}\) TAS is unaware of any IRS plans to hold a public forum for comment on the potential closure of the Texarkana TAC. Posting a sign on a door no one can access asking for comments seems an ideal way for the IRS to state that the public raised no objections to the closure of the TAC and simply close the TAC. Such a sign does not appear to meet the directive from the Senate.

**CONCLUSION**

The National Taxpayer Advocate strongly supports providing taxpayer service via many delivery channels. The IRS must meet taxpayers where they are and through the methods they prefer in order to provide service to the greatest number of taxpayers possible. The least expensive method is not necessarily the best, and reducing current services without providing other methods for taxpayers to access those services creates a self-fulfilling prophecy — reduce service to the point that taxpayers can no longer easily access it, then declare the service unused and unnecessary and cut it completely. Such a strategy worked as the IRS undermined its own return preparation services, and it appears to be moving in that direction with its face-to-face services. If a TAC has no employees, taxpayers can't use it, then the IRS declares no one is using the TAC and closes it. Reducing the IRS presence across the country at a time when the population is increasing,\(^{48}\) scammers abound,\(^{49}\) taxpayers are subject to recurrent information breaches that threaten their tax information,\(^{50}\) and natural disasters present immediate tax issues,\(^{51}\) does not protect taxpayer rights, particularly the right to quality service.

**RECOMMENDATIONS**

The National Taxpayer Advocate recommends that the IRS:

1. Institute a dual appointment and walk-in structure at TACs at the taxpayer’s choice.
2. Request the funding for, and in consultation with TAS, develop a pilot mobile van program.
3. Answer tax law questions throughout the year, at both TACs and on the phones.
5. Staff TACs during peak times with co-located staff such as revenue officers or revenue agents to handle overflow and appointments.

\(^{47}\) IRS response to TAS information request (Sept. 13, 2017).

\(^{48}\) Census Bureau, US and World Population Clock, https://www.census.gov/popclock/.

