

Review of the 2016 Filing Season

A year ago, we assessed the 2015 filing season and analogized it to Charles Dickens' novel, *A Tale of Two Cities*:

For the majority of taxpayers who filed their returns and did not require IRS assistance, the filing season was generally successful. For the segment of taxpayers who required help from the IRS, the filing season was by far the worst in memory.¹

We are pleased to report the 2016 filing season proceeded much more smoothly. Taxpayers who filed their returns without IRS assistance again experienced smooth sailing. Taxpayers who required help generally called the IRS, and the IRS nearly doubled the percentage of calls it answered and reduced wait times by more than half. The IRS deserves considerable credit for these improvements, as does Congress for providing the additional funding for taxpayer service in the Fiscal Year (FY) 2016 appropriations cycle.

However, the IRS continued to scale back traditional service options on which some taxpayers heavily rely. Among other things, the IRS continued its relatively recent restrictions on answering tax-law questions and helping taxpayers prepare returns; reduced walk-in service at its roughly 375 Taxpayer Assistance Centers (TACs); substantially reduced the availability of free tax forms, instructions, and publications in its TACs and other public places; and terminated an online tool through which taxpayers could obtain answers to general questions.

When these service reductions are viewed in combination with the IRS's "Future State" plan, which is largely designed to reduce the costs of taxpayer service by pushing taxpayers to use online accounts,² we are deeply concerned about the adequacy of taxpayer service options the IRS will be providing to taxpayers in five years and beyond.³

1 National Taxpayer Advocate Fiscal Year 2016 Objectives Report to Congress 8.

2 The IRS believes online taxpayer accounts will enable the agency to achieve significant cost savings. In recent congressional testimony, the Commissioner of Internal Revenue Service stated the move toward online accounts "is driven, in part, by business imperatives; when it costs between \$40 and \$60 to interact with a taxpayer in person, and less than \$1 to interact online, we must reexamine how we provide the best possible taxpayer experience." *FY 2017 Treasury Department Budget Request: Hearing Before the Subcomm. on Financial Services and General Government of the S. Comm. on Appropriations*, 114th Cong. (2016) (statement of John A. Koskinen, Commissioner of Internal Revenue Service).

3 The Preface, *supra*, includes comments from taxpayers, practitioners, and stakeholders concerning the Future State plan. See also National Taxpayer Advocate 2015 Annual Report to Congress 3-13 (Most Serious Problem: *Taxpayer Service: The IRS Has Developed a Comprehensive "Future State" Plan That Aims to Transform the Way It Interacts with Taxpayers, But Its Plan May Leave Critical Taxpayer Needs and Preferences Unmet*).

There is no doubt taxpayers are experiencing many problems today because the IRS lacks adequate resources to assist them. At first glance, taxpayer service is labor-intensive. Since FY 2008, the IRS has received more than 100 million calls on its toll-free telephone lines and more than five million visits in its TACs every year. While some calls can be handled with automation, tens of millions of taxpayers with account-specific or detailed questions need to speak with an IRS employee. Since FY 2010, we estimate the IRS's budget has been reduced by about 19 percent on an inflation-adjusted basis.⁴ This year, Congress has given the IRS an additional \$290 million, which it directed the IRS to spend to improve telephone service, combat refund fraud and identity theft, and enhance cybersecurity. The IRS has allocated this funding as follows:

FIGURE 2.1.1, IRS Allocation of \$290 Million Increase in Appropriations from Fiscal Year (FY) 2015 to FY 2016 (Millions of Dollars)⁵

Appropriation Account	Areas of Increase			Total
	Taxpayer Services	Cybersecurity	Identity Theft Protection	
Taxpayer Services	\$176.6	-	\$0.2	\$176.8
Operations Support	\$1.8	\$95.4	\$11.0	\$108.2
Enforcement	-	-	\$4.9	\$4.9
Total	\$178.4 (61.5%)	\$95.4 (32.9%)	\$16.1 (5.6%)	\$290 (100%)

Based on currently available information, it appears the IRS put these funds to good use. We encourage Congress to continue to provide the IRS with additional funding — combined with proper oversight to ensure the funding is well spent — so that our nation's taxpayers receive the assistance they deserve.⁶

Overall, the IRS received and processed most tax returns in a timely manner, and it issued timely refunds to most taxpayers who were entitled to them. The following figure provides the IRS's overall filing season statistics.

4 In FY 2010, the agency's appropriated budget stood at \$12.1 billion. For FY 2016, its budget is \$11.2 billion, a reduction of nearly 8 percent over the six-year period. Inflation over the same period is estimated at nearly 11 percent. See Office of Management and Budget, *Fiscal Year 2016 Budget of the U.S. Government, Historical Tables* (230-31), Table 10.1, <https://www.whitehouse.gov/sites/default/files/omb/budget/fy2016/assets/hist.pdf> (showing Gross Domestic Product (GDP) and year-to-year increases in the GDP). In addition, the IRS has had to implement the statutory requirements of the Patient Protection and Affordable Care Act and the Foreign Account Tax Compliance Act during this time, causing a further drain on its resources.

5 Government Accountability Office, GAO-16-459R, *Internal Revenue Service: Preliminary Observations on the Fiscal Year 2017 Budget Request and 2016 Filing Season Performance* 7 (Mar. 2016).

6 For a discussion regarding the connection between funding and taxpayer service levels, see National Taxpayer Advocate 2014 Annual Report to Congress 3 (Most Serious Problem: *Taxpayer Service: Taxpayer Service Has Reached Unacceptably Low Levels and Is Getting Worse, Creating Compliance Barriers and Significant Inconvenience for Millions of Taxpayers*).

FIGURE 2.1.2, Filing Season Statistics Comparing Weeks Ending April 25, 2014; April 24, 2015; and April 22, 2016⁷

		2014	2015	2016	% Change 2015–2016
Individual Income Tax Returns	Total Receipts	134,334,000	134,209,000	136,528,000	1.7%
	Total Processed	127,710,000	128,317,000	129,456,000	0.9%
e-Filing Receipts	Self-Prepared	46,177,000	48,911,000	51,682,000	5.7%
	Tax Professionals	70,379,000	70,491,000	70,864,000	0.5%
	Total e-Filing	116,556,000	119,402,000	122,546,000	2.6%
Web Usage	Visits to IRS.gov	277,260,138	310,407,523	326,261,102	5.1%
Total Refunds	Number	98,379,000	97,097,000	97,079,000	0.0%
	Amount	\$265.1 bil	\$262.2 bil	\$263.2 bil	0.4%
	Average Refund	\$2,694	\$2,700	\$2,711	0.4%
Direct Deposit Refunds	Number	78,887,000	80,383,000	81,221,000	1.0%
	Amount	\$224.6 bil	\$231.7 bil	\$234.3 bil	1.1%
	Average Refund	\$2,847	\$2,882	\$2,884	1.1%

TELEPHONE ASSISTANCE

Last year, IRS telephone service was, as the Commissioner himself acknowledged, “abysmal.”⁸ The percentage of calls answered by IRS telephone assistors (known as the “Customer Service Representative Level of Service” or “LOS”) and the average wait time constituted by far the worst service levels the IRS has provided since it adopted its current performance measures in 2001.⁹ The IRS’s improvement in answering taxpayer calls during the 2016 filing season has been impressive. We remain concerned, however, that the IRS has continued its recent policy that sharply limits the scope of tax-law questions telephone assistors will answer. During the filing season, telephone assistors will answer only “basic” questions.¹⁰ After the filing season, telephone assistors will not answer any tax-law questions at all, including questions from the nearly 15 million taxpayers who file their returns later in the year.¹¹

7 IRS, *Filing Season Statistics for Week Ending April 22, 2016*, <https://www.irs.gov/uac/newsroom/filing-season-statistics-for-week-ending-april-22-2016>, and *Filing Season Statistics for Week Ending April 24, 2015*, <https://www.irs.gov/uac/newsroom/filing-season-statistics-for-week-ending-april-24-2015>. The report for the week ending April 22, 2016 includes the tax year (TY) 2015 filing deadline of April 18, 2016. The April 24, 2015 report provides data for the comparable time periods in the prior years. The web usage figure for 2015 is an updated figure contained in the April 22, 2016 report.

8 John A. Koskinen, Commissioner of Internal Revenue, Address at the National Press Club (Mar. 31, 2015).

9 National Taxpayer Advocate Fiscal Year 2016 Objectives Report to Congress 9.

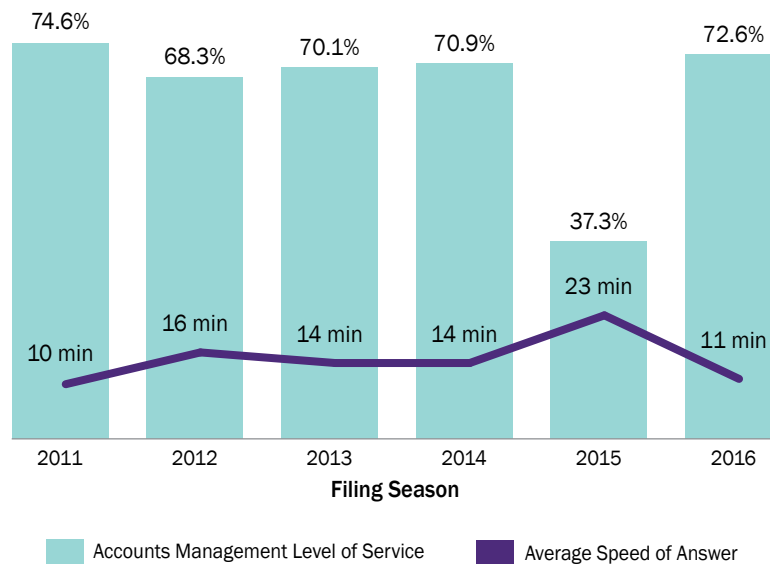
10 This policy was initially adopted for the 2014 filing season. IRS, e-News for Tax Professionals - Issue Number 2013-49, Item 4, *Some IRS Assistance and Taxpayer Services Shift to Automated Resources* (Dec. 20, 2013). Item no longer available on IRS.gov.

11 This policy was initially adopted for the 2014 filing season. IRS, e-News for Tax Professionals - Issue Number 2013-49, Item 4, *Some IRS Assistance and Taxpayer Services Shift to Automated Resources* (Dec. 20, 2013). Item no longer available on IRS.gov. In 2015, about 14.7 million returns were received after May 1st. See IRS 2015 *Filing Season Statistics*, <https://www.irs.gov/uac/2016-and-prior-year-filing-season-statistics> (showing 136.2 million returns received by May 1, 2015 and 150.9 million returns received by Dec. 25, 2015). For this computation, we use May 1st as a proxy for filing-season returns because the IRS receives a large number of returns close to the filing deadline that it takes a few weeks to process.

Aggregate figures for the Accounts Management lines, a rollup of 29 individual lines including the main TAX-1040 line, had the highest LOS since 2011. Figure 2.1.3 shows, by year, the LOS and the average hold times.

FIGURE 2.1.3¹²

**Overall Filing Season Service Levels on
Accounts Management Phone Lines, 2011-2016**



To understand the IRS’s telephone statistics, a few concepts are important to review. First, the IRS tracks the total number of calls it receives, which is known as the “Enterprise Total.” The Enterprise Total includes calls to the “Accounts Management” (AM) telephone lines (which typically account for around 85–90 percent of all “Enterprise Total” calls), calls to the compliance telephone lines, and calls to a few additional low-volume telephone lines.¹³ Second, answered calls are split between “Assistor Answered Calls” and calls handled by the IRS’s automated processes. Whether a call is routed to automation or to a customer service representative (CSR) depends on the telephone number the taxpayer calls and how the caller responds to the prompts he or she encounters. Third, the official LOS statistics reflect only calls routed to CSRs on the AM telephone lines.

¹² IRS, Joint Operations Center (JOC), *Snapshot Reports: Enterprise Snapshot* (weeks ending Apr. 21, 2012, Apr. 20, 2013, Apr. 19, 2014, Apr. 18, 2015, and Apr. 16, 2016). The filing deadline for TY 2015 was Monday Apr. 18, 2016, so the Apr. 16, 2016 report excludes the final day. We selected these reports because they minimize the non-filing season days when phone demand changes and are consistent periods from year to year. This is different from the reporting periods used in Figure 2.1.4, Filing Season Statistics. There, inclusion of the final return data is critical due to the large number of returns filed on the last day.

¹³ For the Jan. 1–Apr. 16 period, the IRS received 52.2 million calls Enterprise-wide, and of that total, 47.3 million calls were directed to the AM telephone lines (91 percent). Typically, calls to the IRS compliance lines are answered at a somewhat higher level of service and with somewhat shorter hold times than the average call to an AM line. IRS, JOC, *Snapshot Reports: Enterprise Snapshot* (Apr. 16, 2016).

The following figure shows the IRS's performance during the 2015 and 2016 filing seasons for the AM total and many of the filing season-related phone lines that are components of the AM total. Nearly every phone line shows an improvement in service, marked by a higher LOS and shorter times on hold ("Average Speed of Answer"). Significantly, IRS assistors answered five million more calls on the AM lines this filing season as compared to last, a 68 percent increase. At the same time, the number of call attempts on the AM lines fell from 49.9 million to 47.3 million, a 5.2 percent decrease. This overall decrease in calls is attributable, at least in part, to the higher LOS, because when more taxpayers get through to the IRS on their first call, there are fewer repeat calls.¹⁴

14 It is worth noting the IRS does not provide information about how to contact the agency in the instructions for the Form 1040-series returns (Forms 1040, 1040A, and 1040EZ).

FIGURE 2.1.4, 2015 & 2016 Filing Season Statistics for Selected Toll-Free Telephone Lines¹⁵

Telephone Line	2015				2016				Percent Change	
	Dialed Attempts	Assistor Calls Answered	Average Speed of Answer (Minutes)	Level of Service	Dialed Attempts	Assistor Calls Answered	Average Speed of Answer (Minutes)	Level of Service	ASA Percentage Change	LOS Percentage Change
Accounts Management (AM) [SUM of 29 Lines]	49,911,868	7,386,265	22.9	37.3%	47,323,821	12,430,049	10.8	72.6%	-53%	94.8%
Refund Hotline 800-829-1954	15,932,300	79,882	23.0	25.6%	15,891,420	159,547	11.0	65.8%	-52%	157.2%
Individual Income Tax Services 800-829-1040 (800-TAX-1040)	9,488,071	1,196,965	22.5	25.7%	8,281,689	2,492,934	11.8	72.8%	47%	183.1%
Electronic Filing Pin Help 866-704-7388	5,761,360	610,380	23.7	31.6%	5,676,334	1,294,048	9.9	66.5%	-58%	110.2%
Refund Call Back 800-829-0582	2,920,614	471,840	21.2	35.9%	2,789,403	672,603	12.5	69.0%	-41%	92.1%
Wage & Investment IMF Customer Response 800-829-0922	2,782,645	399,557	22.8	24.5%	1,948,361	632,916	11.3	65.1%	-51%	165.4%
Identity Protection Specialized Unit (IPSU) 800-908-4490	1,555,860	530,010	25.4	54.1%	1,488,875	799,177	14.6	76.9%	-43%	42.0%
Business & Specialty Tax Services Line 800-829-4933	1,620,409	486,368	26.4	44.4%	1,293,382	669,258	11.0	77.0%	-58%	73.6%
Affordable Care Act (ACA) Hotline 800-919-0452	566,967	324,850	16.4	67.8%	1,108,872	759,141	13.3	72.2%	-19%	6.6%
Transcript 800-908-9946	627,918	41,342	26.9	53.3%	1,101,790	73,235	11.5	74.2%	-57%	33.5%
Self Employed IMF Customer Response 800-829-8374	1,403,300	220,540	23.2	26.2%	915,481	296,325	10.7	64.7%	-54%	146.7%
Taxpayer Assistance Center (TAC) Appointment 844-545-5640	n/a	n/a	n/a	n/a	896,621	589,653	5.3	76.1%	n/a	n/a
BMF Customer Response 800-829-0115	1,130,378	450,053	25.3	45.9%	797,999	564,231	11.5	81.2%	-54%	76.8%
Tax Law 866-883-0217	828,303	468,009	13.9	68.9%	683,537	405,857	9.2	70.7%	-34%	2.6%
Amended Return Hotline 866-464-2050	352,498	148,382	22.1	66.0%	667,551	410,917	11.5	75.0%	-48%	13.6%
Practitioner Priority Service (PPS) 866-860-4259	599,655	229,281	44.8	44.5%	514,309	366,862	7.3	83.7%	-84%	88.0%
National Taxpayer Advocate (NTA) 877-777-4778	359,596	102,399	18.8	38.5%	250,334	130,250	5.0	74.0%	-73%	92.5%
International 8775 (855-790-8775)	216,071	99,216	20.3	55.0%	238,481	144,740	7.0	74.2%	-66%	35.0%
Tax Exempt and Government Entities (TE/GE) 877-829-5500	208,596	91,266	30.0	55.7%	186,905	110,106	10.1	73.6%	-66%	32.2%
Individual Taxpayer Identification Number (ITIN) 800-908-9982	185,304	87,857	16.0	53.5%	113,666	67,939	10.0	71.1%	-38%	32.9%
Volunteers in Tax Administration (VITA) Location 800-906-9887	58,880	34,325	5.5	64.3%	55,769	38,318	2.8	76.1%	-49%	18.4%
VITA 800-829-8482	5,464	4,728	1.6	91.2%	4,109	3,712	0.8	94.3%	-50%	3.4%
Taxpayer Protection Program 800-830-5084	2,864,112	489,446	27.7	17.0%	4,444,710	987,448	10.2	22.7%	-63%	33.1%
Installment Agreement/Balance Due	3,151,030	1,250,973	24.3	39.7%	2,255,885	1,793,757	11.0	76.9%	-55%	93.6%
Forms Order Line 800-829-3676 (800-TAX-FORM)	2,135,892	824,769	7.2	58.8%	1,046,972	631,008	4.1	79.7%	-43%	35.4%
ASK TAS 877-275-8271 (877-ASK-TAS1)	36,745	30,988	4.2	92.3%	74,285	41,989	20.9	59.4%	396%	-35.6%
Combat Zone 800-908-0368	3,017	2,742	0.6	93.8%	3,399	3,041	0.5	92.2%	-17%	-1.7%
Enterprise Total (Includes AM, Compliance, Forms Order Line, ASK TAS, and EPSS)	56,195,733	10,485,010	20.2	43.4%	52,189,665	14,865,923	11.6	71.7%	-43%	65.1%

¹⁵ IRS, JOC, Snapshot Reports: Enterprise Snapshot (Apr. 16, 2016) (source of AM and Enterprise Total data); IRS, JOC, Snapshot Reports: Product Line Detail (Apr. 16, 2016) (source of all other data except the Taxpayer Protection Program (TPP) line); IRS, JOC, FY 2016 Weekly TPP Snapshot Report (Apr. 16, 2016) (source of TPP line data). Data from Jan. 1–Apr. 16, 2016.

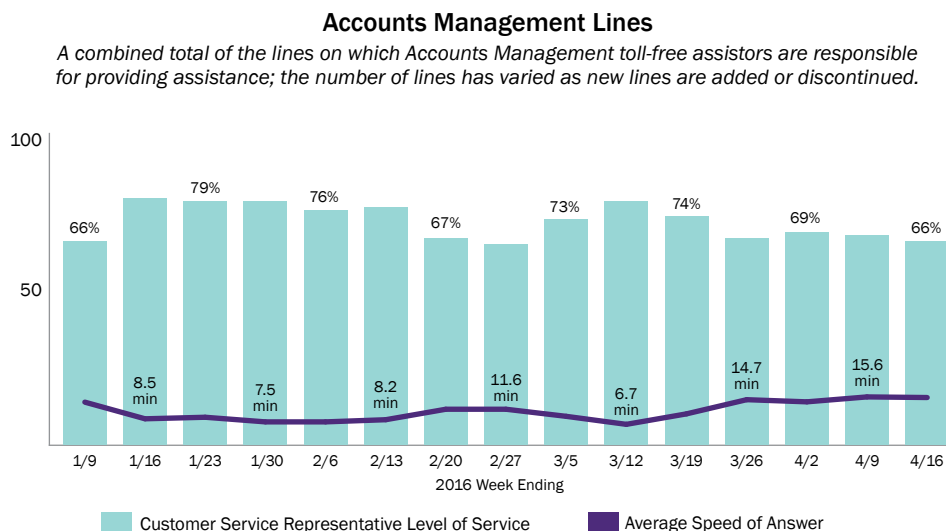
As the figure shows, the LOS and Average Speed of Answer varied by phone line. In the sections below, we discuss the weekly variation for selected phone lines during the filing season.

Accounts Management Rollup

The official measure of IRS telephone performance is based on calls made to the “Accounts Management” telephone lines. There are 29 lines that are considered “Accounts Management” lines, including all lines shown in the phone graphs that follow (except for the Taxpayer Protection Program (TPP) line).¹⁶

The overall LOS ranged from 65 to 80 percent during the filing season, with wait times averaging between 7 and 16 minutes.

FIGURE 2.1.5¹⁷



Individual Income Tax Services/Form 1040

The “1040” number serves as the general, all-purpose phone line for individual taxpayers seeking assistance in preparing tax forms or answers to general questions. The level of service ranged from 63 to 87 percent, with wait times averaging between 5 and 19 minutes.

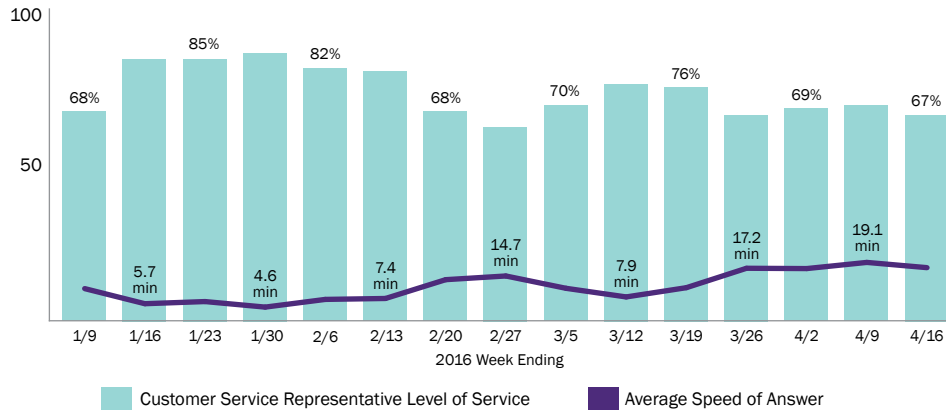
16 IRS, JOC, *Snapshot Reports: Enterprise Snapshot and Product Line Detail* (Apr. 16, 2016). The “Accounts Management” telephone lines were formerly known as “Customer Account Services” telephone lines. The number of lines may vary by year as the IRS adds or discontinues specialty lines for various topics.

17 IRS, JOC, *Snapshot Reports: Enterprise Snapshot* (weeks ending Jan. 9, 2016–Apr. 16, 2016).

FIGURE 2.1.6¹⁸

IRS 1040 Individual Line

The general, all-purpose line for individual taxpayers needing assistance in preparing individual tax forms or for general individual questions.



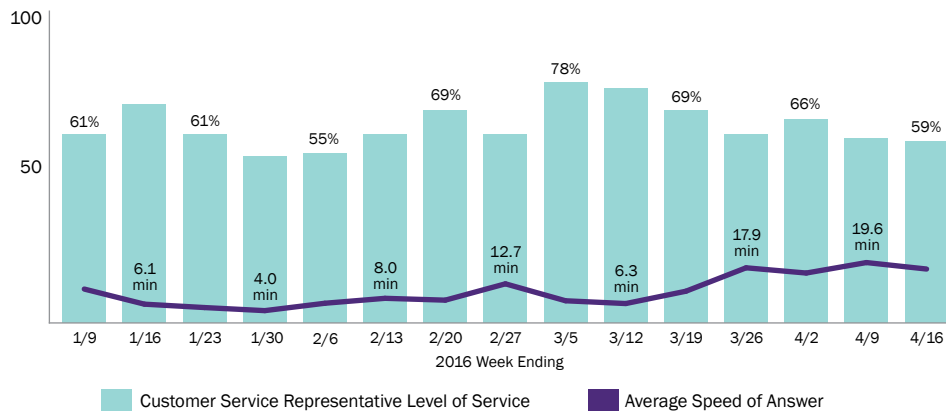
Refund Hotline

The Refund Hotline allows taxpayers to check on the status of their refund by phone. Because the IRS computer systems generally have the most current information, most calls are handled through automation. A relatively small percentage requires the involvement of a telephone assistor. Among assistor-answered calls, the LOS ranged from 54 to 78 percent, with wait times averaging between 4 and 20 minutes.

FIGURE 2.1.7¹⁹

IRS Refund Hotline

Live assistors provide taxpayers who are unable to complete the automated process with the status of their refund



18 IRS, JOC, *Snapshot Reports: Product Line Detail* (weeks ending Jan. 9, 2016–Apr. 16, 2016).

19 *Id.*

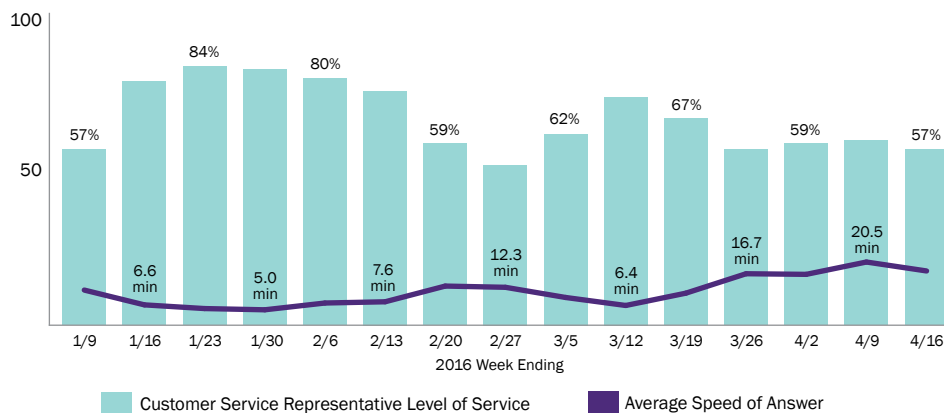
Wage & Investment (W&I) Customer Response

The W&I customer response telephone number is provided to taxpayers who receive a notice, such as a math error notice, so they can contact the IRS to provide additional information or correct an error. The LOS ranged from 52 to 84 percent, with wait times averaging between 5 and 21 minutes.

FIGURE 2.1.8²⁰

Wage & Investment Customer Response Line

This line is provided to taxpayers who receive a notice, such as a math error notice, to contact the IRS and provide additional information or correct the error.

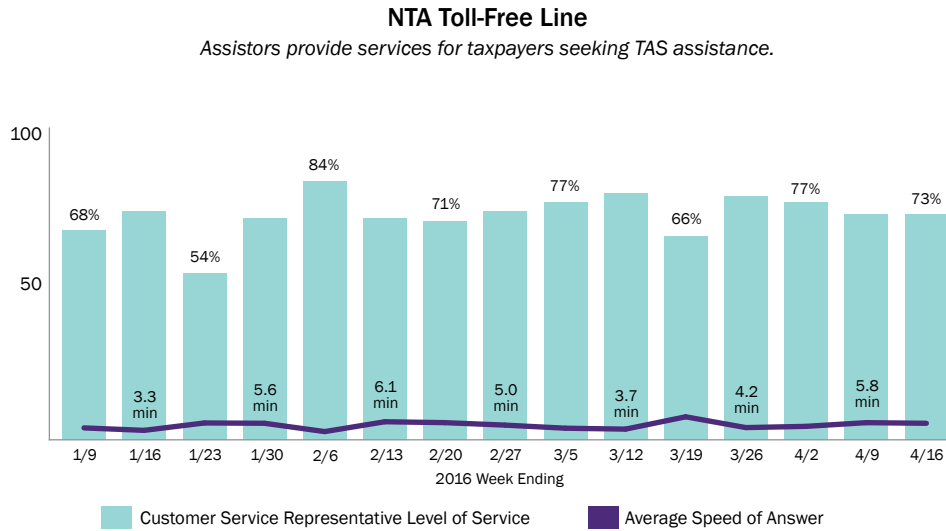


National Taxpayer Advocate (NTA) Toll-Free Hotline

The NTA phone line, staffed by W&I employees, is used by taxpayers who believe they are experiencing financial or systemic burden and seek assistance from TAS. The LOS ranged from 54 to 84 percent, with wait times averaging between three and eight minutes.

20 IRS, JOC, Snapshot Reports: Product Line Detail (weeks ending Jan. 9, 2016–Apr. 16, 2016).

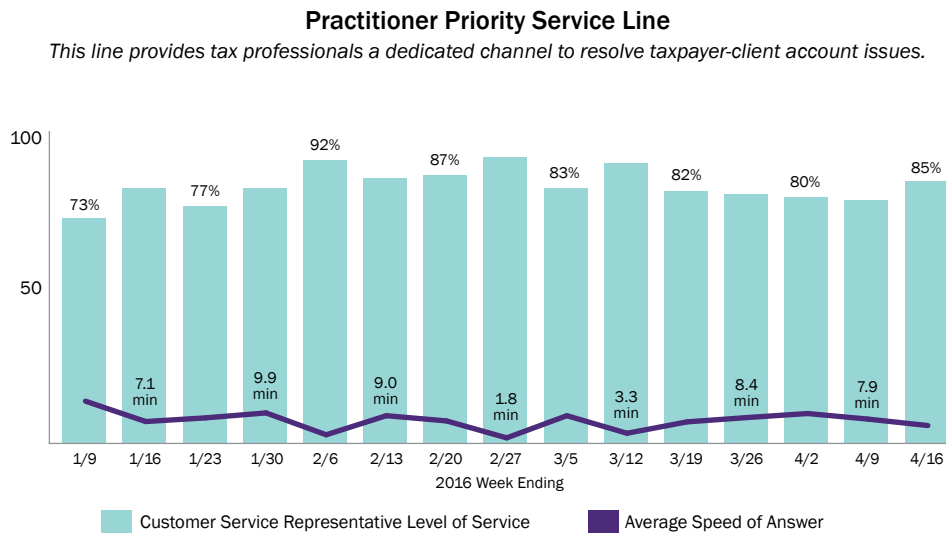
FIGURE 2.1.9²¹



Practitioner Priority Service (PPS)

The PPS phone line is used by tax professionals who are trying to reach the IRS to assist their clients. During the 2015 filing season, this line had an LOS of 45 percent and an average wait time of 45 minutes, with reports of some practitioners waiting on hold for several hours.²² The situation was much improved in 2016, with the LOS ranging from 73 to 93 percent, and wait times averaging 7.3 minutes over the course of the filing season.

FIGURE 2.1.10²³



21 IRS, JOC, *Snapshot Reports: Product Line Detail* (weeks ending Jan. 9, 2016–Apr. 16, 2016).

22 National Taxpayer Advocate Fiscal Year 2016 Objectives Report to Congress 16.

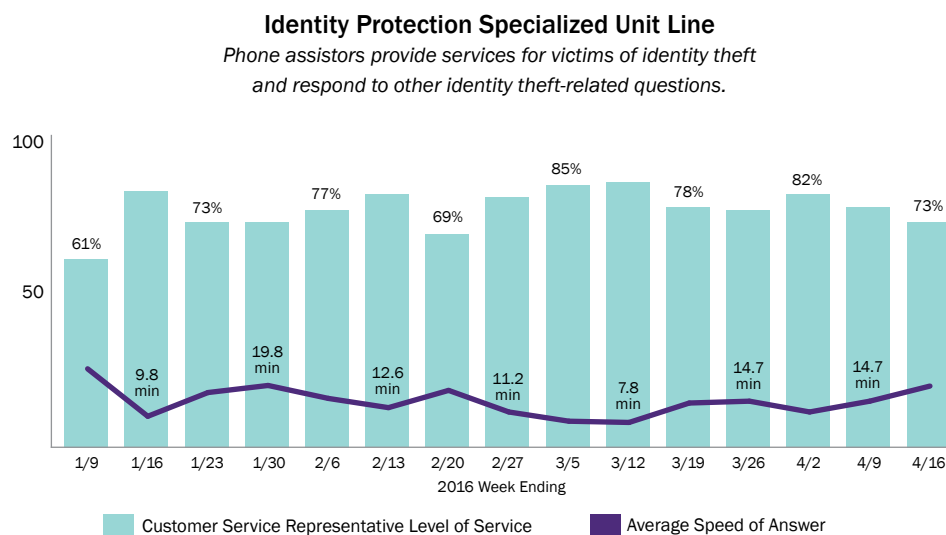
23 IRS, JOC, *Snapshot Reports: Product Line Detail* (weeks ending Jan. 9, 2016–Apr. 16, 2016).

Despite the improvement in performance metrics, tax professionals were not necessarily satisfied with the quality of the service they received. An April 2016 survey conducted by the American Institute of Certified Public Accountants of its members found only one-third reported they could get an answer to their questions on the PPS line at least “most of the time” without being transferred to another agent.²⁴

Identity Protection Specialized Unit (IPSU)

IRS telephone assistors provide assistance and resource information to victims of identity theft and refund fraud. The LOS ranged from 61 to 86 percent, with wait times averaging between 8 and 25 minutes.

FIGURE 2.1.11²⁵



Taxpayer Protection Program (TPP)

The TPP line is designed to help taxpayers whose returns the IRS has suspended because of suspected but unconfirmed identity theft. When an IRS filter stops a return, the IRS sends the taxpayer a letter asking him or her to call the TPP phone number to verify his or her identity.²⁶ For legitimate taxpayers calling the TPP line, service levels have a direct impact on the timing of refund delivery, as the IRS will not release a refund until the verification process is complete.

During the 2016 filing season, the IRS received more than 4.4 million calls on this line, yet the average LOS was just 22.7 percent. Put differently, nearly four out of every five calls was not answered — by far the worst performance on any high-volume line. However, the service levels varied considerably from week to week due to the greater number of notices the IRS issued this year and the timing of when the notices were mailed. In 2015, the IRS mailed these notices to taxpayers on a daily basis.²⁷ In 2016, the

24 Ann Marie Maloney, *AICPA members weigh in on IRS service levels*, JOURNAL OF ACCOUNTANCY, May 26, 2016, <http://www.journalofaccountancy.com/news/2016/may/aicpa-members-weigh-in-irs-service-levels-201614539.html>.

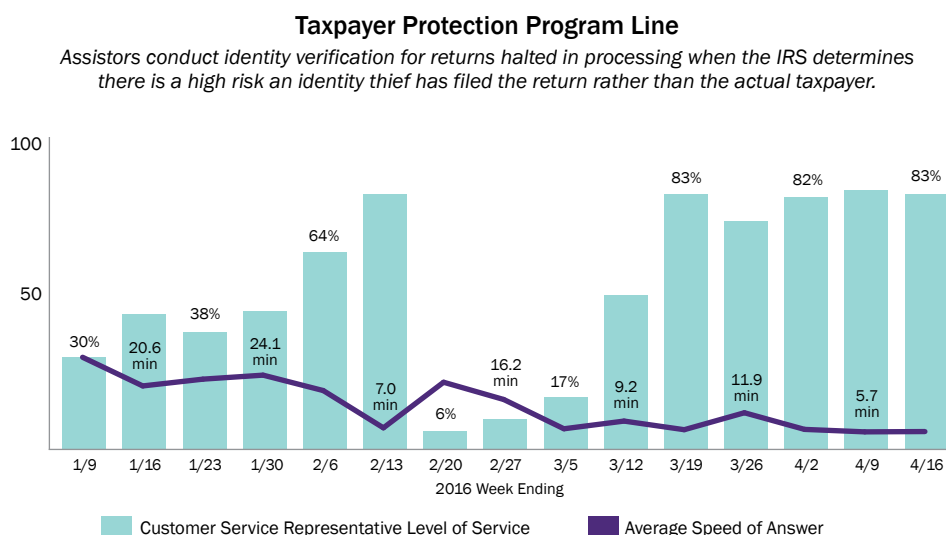
25 IRS, JOC, *Snapshot Reports: Product Line Detail* (weeks ending Jan. 9, 2016–Apr. 16, 2016).

26 Taxpayers may also be offered the option to verify their identity online. Other taxpayers may be required to verify in person at a TAC.

27 Discussion between TAS Systemic Advocacy and IRS Return Integrity & Compliance Services (RICS) (Feb. 24, 2016).

IRS began to mail these notices on a weekly basis — usually on a Thursday.²⁸ This resulted in taxpayers receiving notices on or about the same day of the week, which generated a spike in calls on that day that overwhelmed the IRS’s calls centers. During the week ending February 20, the LOS on the TPP line dropped from 83 percent in the prior week to just six percent, and the wait time tripled from seven minutes to 22 minutes.²⁹ Poor service can be iterative, as frustrated taxpayers make repeat calls to try to get through. The IRS responded by striving for better communication between the IRS units responsible for mailing notices and those that provide staffing for phone lines and by returning to its prior practice of mailing these notices on a daily basis to spread out calls throughout the week.³⁰

FIGURE 2.1.12³¹



As shown in Figure 2.1.13, the number of attempted calls to the TPP line increased from 82,900 during the week ending February 13, to over 1.45 million the following week. Despite a net increase of 1,386,401 calls, the IRS answered only 25,066 additional calls as compared with the prior week. Indeed, the number of call attempts during the period from February 15 to February 26 accounted for 60 percent of all calls on the TPP line during the filing season, presumably because the TPP suspended the largest number of returns at that time.

28 Discussion between TAS Systemic Advocacy and RICS (Feb. 24, 2016).

29 IRS, JOC, *Weekly TPP Snapshot Report* (weeks ending Feb. 13, 2016 and Feb. 20, 2016).

30 For additional information on the TPP, see *Identity Theft and Refund Fraud*, *infra*.

31 IRS, JOC, *Weekly TPP Report* (weeks ending Jan. 9, 2016–Apr. 16, 2016).

FIGURE 2.1.13, Taxpayer Protection Program Line Demand, Selected Weeks February-March 2016³²

Week Ending	Dialed Attempts	Assistor Calls Answered	Average Speed of Answer (Minutes)	Level of Service
Feb. 6	28,841	16,928	19.1	63.7%
Feb. 13	82,900	63,585	7.0	83.1%
Feb. 20	1,451,301	88,651	21.8	6.1%
Feb. 27	1,195,826	123,639	16.2	10.4%
Mar. 5	832,505	136,916	6.6	16.6%
Mar. 12	243,295	115,387	9.2	49.9%
Mar. 19	112,870	86,228	6.4	83.3%

TAS received the following submission from a taxpayer on February 19 that reflects the level of frustration some taxpayers experience:³³

Received this letter to verify my identity. Online verification tells me I must call to verify. I have been trying to get through for days now! Got through once, and the representative tells me the system is down for the next three to five hours. Have tried to call at exactly 7:00 am. Recording still reflects due to high call volume, we cannot take your call. This is absurd! The government sends me a letter to resolve my identity (which I appreciate) but they are so understaffed they cannot handle the call volume, which they know in advance is going to be heavy at this time of year. This affects any and all taxpayers needing assistance or notice with time frame limit to contact them to complete my federal return.

We recommend the IRS place priority emphasis on improving its handling of TPP calls next year. Taxpayers who receive TPP notices do not receive their refunds until they can substantiate their identities. As a result, the IRS's inability to handle TPP call volumes can have an adverse financial impact on taxpayers who are dependent on the timely receipt of their refunds.

CORRESPONDENCE

There is a large pool of AM employees that the IRS shifts back and forth between answering the phones and responding to taxpayer correspondence. As a result, the IRS faces a difficult choice in deciding which service to prioritize. If it assigns more employees to answer taxpayer telephone calls, it will fall further behind in processing taxpayer responses to proposed adjustment notices. If it assigns more employees to process taxpayer responses to proposed adjustment notices, it will answer fewer telephone calls. Since 2008, the IRS has received an average of about ten million letters annually responding to proposed adjustments and other notices (*e.g.*, requesting penalty abatements, responding to math error notices, and making payment arrangements),³⁴ and the failure to timely process taxpayer responses to proposed increases in tax liability can have a significant impact on the taxpayer.

³² IRS, JOC, *Weekly TPP Report* (weeks ending Feb. 6, 2016–Mar. 19, 2016).

³³ Systemic Advocacy Management System (SAMS) Issue 34114. SAMS is an online tool through which IRS employees and the public may report systemic problems to TAS, <https://www.irs.gov/advocate/systemic-advocacy-management-system-sams>.

³⁴ Over the past decade, annual taxpayer correspondence in response to proposed adjustments has ranged from a low of 7.9 million letters to a high of 11.8 million letters and has averaged just over ten million per year. See IRS, JOC, *Adjustments Inventory Reports: July-September Fiscal Year Comparison* (FY 2006 through FY 2015).

Examples of key AM correspondence categories are shown in Figure 2.1.14. The “IMF Overall” category includes all taxpayer correspondence that is not handled by another function within the IRS, and the “Amended Return/Duplicate Filing” category includes correspondence in which taxpayers are seeking to file amended returns.³⁵ Inventory levels have been successively higher at the end of the past three filing seasons, with the “IMF Overall” category experiencing a 30 percent increase over 2015. The inventory of “Injured Spouse” correspondence similarly grew by about 30 percent over 2015, and the percentage of overage cases more than doubled.³⁶

FIGURE 2.1.14, Selected Correspondence Inventory Levels³⁷

	2014	2015	2016	% Change 2015–2016
IMF Overall	145,023	170,622	221,990	30.1%
Overage	22.6%	34.8%	42.0%	20.7%
Amended Return/Duplicate Filing	210,151	211,453	222,168	5.1%
Overage	25.7%	28.7%	40.4%	40.8%
Injured Spouse	123,321	80,620	104,755	29.9%
Overage	29.1%	14.5%	33.2%	129.0%

The increase in overage correspondence in 2016 indicates the IRS decided to prioritize staffing the telephone lines during the filing season, which meant that fewer employees were available to process taxpayer correspondence.

WALK-IN SERVICE AT TAXPAYER ASSISTANCE CENTERS

The IRS operates 376 TACs.³⁸ More than five million taxpayers seek in-person assistance at the TACs each year.³⁹ Historically, the TACs were known as “walk-in sites.” However, the IRS plans to eliminate virtually all walk-in service and require that taxpayers schedule advance appointments in all TAC locations by the end of the year.⁴⁰

On the positive side, we understand that telephone assistors generally ask taxpayers calling to schedule appointments to describe the problem they are trying to resolve. In some instances, the assistor can provide the answer or direct the taxpayer to another option, thereby eliminating the need to visit a TAC.

35 Amended returns are not accepted through e-file and thus must be filed on paper.

36 Injured Spouse correspondence Forms 8379, *Injured Spouse Allocation*, received from taxpayers. A taxpayer who participated in the filing of a joint return may request that his or her share of the credit balance be refunded where it otherwise would be applied to a past-due obligation of the other spouse.

37 IRS, JOC, Customer Account Services, Accounts Management Paper Inventory Reports, *National Inventory Age Report* (weeks ending Apr. 19, 2014; Apr. 18, 2015; and Apr. 16, 2016). The Injured Spouse figures reflect taxpayers affected by offsets from the Debtor Master File or from the Financial Management Service and covers debts related to child support, student loans, and the like.

38 Email from IRS Field Assistance analyst (Jun. 16, 2016).

39 IRS W&I, *Business Performance Review 7* (4th Quarter – FY 2015, Nov. 2, 2015); Government Accountability Office, GAO-15-163, *Tax Filing Season: 2014 Performance Highlights the Need to Better Manage Taxpayer Service and Future Risks* 21 (Dec. 2014) (showing the number of TAC visits in each year from FY 2009 through FY 2014). We have not determined the number of TAC visits that took place during the 2016 filing season, although the IRS has reported there were about 2.4 million visits during FY 2016 through Mar. 31, 2016. See IRS W&I, *Business Performance Review 7* (2nd Quarter – FY 2016, May 10, 2016).

40 IRS W&I, *Business Performance Review 19* (2nd Quarter – FY 2016, May 10, 2016).

For example, a taxpayer who is looking for forms or publications and is told how to download them from IRS.gov or given a centralized number to call to request mailed copies may be saved the trip to an IRS office, and IRS staff is freed up to assist taxpayers who require face-to-face assistance.

The National Taxpayer Advocate had previously recommended the IRS give taxpayers the option of scheduling appointments, but we are concerned the elimination of most walk-in services will cause considerable inconvenience for (i) taxpayers who do not know the TACs have shifted to appointment-only scheduling and travel sometimes considerable distances to seek personal assistance and (ii) taxpayers who need assistance urgently and cannot wait to obtain an appointment. Under a 2015 pilot program testing appointment-only service, 20 percent of taxpayers had to wait between 13 and 41 days to obtain an appointment and five percent had to wait more than 41 days for an appointment.⁴¹ Those are not encouraging results, particularly for taxpayers with urgent needs.

While the IRS generally allows taxpayers to make tax payments or drop off returns without appointments, it went so far as to test a pilot at five TACs this filing season under which taxpayers needed appointments to complete even these basic tasks.⁴²

The virtual elimination of walk-in service exacerbates other significant service reductions at the TACs in recent years (some of which also apply to the toll-free telephone lines, as discussed above):

- During the filing season, the IRS is answering only tax-law questions that it deems “basic,” with more complex questions designated “out of scope.”⁴³
- After the filing season, the IRS is not answering any tax-law questions at all, even though many taxpayers obtain legally authorized extensions of time to file. Last year, nearly 15 million returns were submitted later in the year.⁴⁴
- The IRS is no longer preparing tax returns in the TACs for low income, disabled, and elderly taxpayers who seek help.⁴⁵

There is limited reliable data on the performance of the TACs during the filing season. For example, the IRS cites positive results in response to its satisfaction surveys of taxpayers who completed their visit after a scheduled appointment. However, the survey covers only taxpayers who showed up for a scheduled appointment. The results do not reflect the experience of taxpayers who failed to show up for an appointment or who were turned away when visiting a TAC without an appointment. This highlights a broader concern that IRS performance metrics do not fully capture the taxpayer experience. If measures do not include taxpayers who were denied service, or who no longer seek service because they were deterred by

41 IRS, *Field Assistance Appointment Test Report-Executive Briefing 7* (Jan. 13, 2016). In addition, 11,496 taxpayers did not show up for their appointments.

42 IRM 21.3.4.7, *Receipt of Payments* (Oct. 1, 2015). The five sites involved in the pilot were Fresno, CA; Austin, TX; Hyannis, MA; Louisville, KY; and Nashville, TN. Email from IRS Field Assistance analyst (Mar. 7, 2016).

43 This policy was adopted initially for the 2014 filing season. See IRS, e-News for Tax Professionals - Issue Number 2013-49, Item 4, *Some IRS Assistance and Taxpayer Services Shift to Automated Resources* (Dec. 20, 2013). Item no longer available on IRS.gov.

44 See *id.* In 2015, about 14.7 million returns were received after May 1st. See IRS *2015 Filing Season Statistics*, <https://www.irs.gov/uac/2016-and-prior-year-filing-season-statistics> (showing 136.2 million returns received by May 1, 2015 and 150.9 million returns received by Dec. 25, 2015). For this computation, we use May 1st as a proxy for filing-season returns because the IRS receives a large number of returns close to the filing deadline that it takes a few weeks to process.

45 See IRS, e-News for Tax Professionals - Issue Number 2013-49, Item 4, *Some IRS Assistance and Taxpayer Services Shift to Automated Resources* (Dec. 20, 2013). Item no longer available on IRS.gov.

IRS-erected barriers, the flawed results may be used as justification to support the business decisions that scaled back walk-in service in the first place and to extend them further.⁴⁶

Despite the absence of useful quantitative data, we have received many anecdotal reports from taxpayers, practitioners, and our local TAS offices. Of course, anecdotal data also cannot be used as a basis for drawing reliable conclusions, but it does serve to highlight issues that merit further analysis.

For example, we have heard anecdotally about challenges taxpayers have faced in trying to obtain TAC assistance, often because IRS managers and employees follow general procedures and do not make common-sense exceptions authorized in those same procedures.

In some instances, poor communication between IRS offices or organizations created problems. TAC employees in one appointment-only location suggested taxpayers drive to another TAC, only to learn they could not be served at that location either. According to one account:

Fifty-eight taxpayers who visited the San Jose, CA, TAC seeking services learned they needed an appointment. IRS staff offered them the option of visiting the Oakland, CA, TAC, which provides walk-in service. (The San Jose and Oakland TACs are about 42 miles apart.) Due to an unexpected staff shortage, these taxpayers were greeted with a sign saying that the only service the Oakland TAC was offering that day was making a payment.⁴⁷

In other instances, TAC staff did not serve taxpayers whose walk-in needs should have been addressed, even at an appointment-only location. We received the following accounts:

A taxpayer in Florida went to a TAC office to drop off delinquent tax returns and was turned away because she did not have an appointment.⁴⁸

Multiple people came into the lobby looking to visit the TAC. The sign on the front door indicated that as of February 29, 2016, the TAC office was appointment only. One woman explained to the Federal Protection Service (FPS) guard she wanted to make a payment. The guard informed her that the TAC was appointment only and pointed her to online payment options per a paper on the desk. She stated that she only had two payments left and did not want to pay online because they charge a service fee. She then left with the number to call for an appointment. The FPS guard was helpful, but was basically pre-screening taxpayers and directing them to self-help options even though IRS procedures allow for making payments even at appointment-only TACs.⁴⁹

46 *The National Taxpayer Advocate's 2015 Annual Report to Congress: Hearing Before the Subcomm. on Government Operations of the H. Comm. on Oversight and Government Reform, 114th Cong. 14 (Apr. 15, 2016) (statement of Nina E. Olson, National Taxpayer Advocate).*

47 SAMS Issue 34435. Edited for clarity.

48 SAMS Issue 34240. Edited for clarity.

49 Observed by TAS employee visiting the Albuquerque, NM, IRS office on Feb. 29, 2016.

In the second example, this taxpayer was not properly screened, and further, she was directed to a service channel that charges a fee for a service the IRS provides for free.⁵⁰ Moreover, from the government perspective, it is unclear why the IRS — the nation’s tax collector — would turn away a taxpayer seeking to make a payment.

Taxpayers served by TACs in small cities or more rural locations face other challenges. Some TAC locations are staffed by only one or two employees, so service may be disrupted by unexpected absences. TAS learned of multiple instances during the filing season where a TAC was closed with no advance notice to the public due to lack of staff. The TAC in Jefferson City, Missouri, was closed for three weeks during the filing season because the employee was away for training.⁵¹

Other anecdotes highlighted overly strict adherence to procedures — or ignoring exceptions to procedures — that resulted in overly bureaucratic responses to serving the taxpayer. TAS is aware of multiple examples where taxpayers were asked to leave the IRS office, call the 800 number to schedule an appointment and, if they were fortunate, avoid a return trip to that same IRS office on a later date.

I witnessed a taxpayer at the Brooklyn TAC who did not have an appointment. There were no other taxpayers in the TAC, yet she was turned away. She was instructed to go outside and call the posted number and she could probably get an appointment the same day.⁵²

IRS guidance for TAC operations provides TAC managers with the discretion to deviate from procedures to address hardships or other situations where there would be an unreasonable inconvenience for the taxpayer.⁵³ For example, TACs will accept tax returns from individual taxpayers but will not accept returns from tax return preparers.⁵⁴ The rationale for this policy is that the IRS prefers returns to be filed electronically, or if submitted on paper, mailed to one of the IRS locations set up to handle paper returns, and this is especially true for a preparer who may be submitting multiple returns. However, the IRM provides for exceptions:

Managers have full authority to accept returns from preparers, on a case by case basis in their individual TACs, when it is in the best interest of the Service or [there is] taxpayer hardship.⁵⁵

In one case, TAS learned of a situation where a Low Income Taxpayer Clinic (LITC) volunteer attempting to submit a tax return on behalf of a taxpayer was turned away. LITCs serve vulnerable low income taxpayers who require assistance or representation in dealing with a tax matter and are partially funded through a federal grant program. It is difficult to see how it could be “in the best interest of the Service” to turn away a tax return in this situation. Further, the IRM emphasizes that TAC employees should apply discretion rather than summarily deny service. The IRM states:

50 During the 2016 filing season, the IRS announced a new partnership with PayNearMe, a private company, through which taxpayers wishing to use cash can visit a participating 7-Eleven and make a payment to the IRS. IRS News Release IR-2016-56, *IRS Offers New Cash Payment Option* (Apr. 6, 2016), <https://www.irs.gov/uac/Newsroom/IRS-Offers-New-Cash-Payment-Option>. Taxpayers first visit the irs.gov web site to set up the payment, and the IRS then emails a barcode to the taxpayer. The barcode is scanned at 7-Eleven and the payment “usually posts to the taxpayer’s account within two business days.” Taxpayers pay a \$3.99 fee for this service.

51 Minutes of meeting between TAS, Systemic Advocacy and IRS, *Field Assistance* (Mar. 3, 2016).

52 Reported by Brooklyn, NY Local Taxpayer Advocate, Mar. 2, 2016.

53 For example, IRM 21.3.4.9, *Forms, Instructions, and Publications* (Oct. 1, 2015), provides an exception for TAC staff to print forms, instructions, and publications for taxpayers to minimize inconvenience.

54 IRM 21.3.4.8(1), *Taxpayer Contacts, Field Assistance* (Feb. 18, 2015).

55 IRM 21.3.4.8(5)(i), *Taxpayer Contacts, Field Assistance* (Feb. 18, 2015).

Note: The policy of not accepting tax returns from tax return preparers is not intended to limit assistance to taxpayers or their authorized representatives, particularly in situations where the taxpayer is facing financial harm or undue hardship (*e.g.*, delinquent returns or to start or stop an installment agreement). The intent is, primarily, to stop the practice of solely dropping off returns when they can be mailed directly to the IRS processing campus.⁵⁶

In another case, a taxpayer who received a letter from the IRS advising him that he had to verify his identity was inconvenienced by two TACs. The report we received stated:

A taxpayer received a notice that he needed to verify his identity in person at a TAC. Upon learning he would be required to make an appointment and wait several weeks if using the nearest TAC in Detroit, he chose to drive to the TAC 70 miles away in Flint, MI, which accepts walk-ins. Once there, he was turned away because he failed to bring the letter instructing him to visit a TAC. This, despite the fact that indicators on his accounts showed he needed to complete in-person identity verification.⁵⁷

While these anecdotes reflect only a tiny portion of taxpayer contacts with the TACs, they share a common thread. IRS managers and employees assigned to assist taxpayers sometimes seem to follow procedures slavishly rather than go the extra mile to assist taxpayers. There is no doubt that serving millions of taxpayers can be challenging and some mistakes will be made. But it appears managers can do more to convey that the procedures are a means to the end of helping the taxpaying public, and employees should be empowered and encouraged to make exceptions in appropriate cases with that overriding purpose in mind.

AVAILABILITY OF TAX FORMS AND PUBLICATIONS

In 2016, the IRS again scaled back the forms and publications stocked in TACs and continued its recent practice of not replenishing forms once the supply on hand was exhausted.⁵⁸

In 2016, for example, the IRS discontinued stocking Form 1040A and the related instructions. TAS received a SAMS submission from one taxpayer directly related to this decision:

Who [in] bureaucrat's name decided that the Instructions for the 1040A would no longer be printed and furnished to the public at the Federal Building in Albuquerque, NM. This publication is the one most used by tax payers [sic]. [It] is the publication most desired by the older, non-computer literate, tax filers. This policy hurts the poor and elderly. At least make it possible to get a mail hard copy. How much does it save, and where does the money go that is supposedly saved?⁵⁹

The Treasury Inspector General for Tax Administration (TIGTA) assessed the performance of the TACs for the 2015 filing season.⁶⁰ As part of its assessment, TIGTA identified 16 tax forms and publications from the IRS's stock list and examined the availability of those forms and publications during visits to 34

56 IRM 21.3.4.8(5), *Receipt of Tax Returns*, (Feb. 18, 2015).

57 SAMS Issue 34267. Edited for clarity. See related discussion, *Identity Theft and Refund Fraud*, *infra*.

58 The IRS discontinued stocking Form 1040-EZ for the 2015 filing season and Form 1040-A for the 2016 filing season.

59 SAMS Issue 34017, submitted Feb. 4, 2016. The IRS offers tax forms and publications by mail from its Forms Distribution Center.

60 TIGTA, Ref. No. 2016-IE-R001, *Selected Taxpayer Assistance Centers Were Professional and Organized, and Sensitive Information and Equipment Were Properly Secured* (Oct. 2, 2015). TIGTA visited a judgmental sample of 34 TAC sites.

TACs. Only 11 of the 34 TACs had all 16 items available on the day of the visit. Six of the 34 TACs had no Forms 1040 available.⁶¹ During the 2016 filing season, forms generally were even harder to come by.

The difficulty in obtaining copies of IRS Publication 17, *Your Federal Income Tax (For Individuals)*, has been particularly challenging for taxpayers and practitioners. Publication 17 — or “Pub. 17,” as it is commonly known — is larger than most IRS publications and covers topics such as income, gains and losses, and deductions in more detail than the Form 1040 instructions. Pub. 17 is popular with taxpayers, practitioners, and IRS employees because it covers many common tax situations and provides cross references to other publications for readers seeking more detail.⁶²

Beginning with the 2015 filing season, the IRS stopped providing free printed copies of Pub. 17 because of the cost of printing and because the content of topics could be found in other IRS publications that were still available.⁶³ Individuals seeking a copy of Pub. 17 were left with the options of downloading a digital copy from irs.gov or ordering a printed copy from the Government Publishing Office (GPO) at a cost of \$23.⁶⁴ For the 2016 filing season, the IRS website makes clear that Pub. 17 is no longer available. In all bold, red lettering, it says: **“NOTE: Publication 17 is not available in paper format. Please download Publication 17 at IRS.gov/pub17 if you need a copy.”**⁶⁵ However, TAS has learned that the IRS printed nearly 117,000 copies of Pub. 17.⁶⁶ The printed publications were given largely to organizations participating in the Tax Forms Outlet Program (one per TFOP) and IRS employees who staff the TACs.⁶⁷

The National Taxpayer Advocate continues to be concerned about the IRS’s decision to curtail the availability of tax forms and publications. While it is true that most taxpayers have access to online forms, the IRS receives about 150 million individual income tax returns each year. Millions of taxpayers do not have internet access and require paper products to complete their returns.

In a report accompanying the Senate Appropriations Committee’s version of the FY 2017 Financial Services and General Government Appropriations bill, the committee wrote:

[T]he IRS ... made abrupt and significant changes to the TFOP, and the forms and instructions available in participating libraries, post offices and some congressional offices. Citing the need for further cost savings, the IRS reduced by more than half the number of forms and instructions sent through the TFOP program and with little notice prior to tax season. For underserved taxpayers including rural, elderly, minority, disabled and low-income populations, these programs and services are often their only options to receive assistance or guidance from the IRS. The IRS, like all Federal agencies, face[s] difficult decisions while operating in an austere fiscal environment. However, the IRS’s decision to reduce taxpayer services has

61 TIGTA, Ref. No. 2016-IE-R001, *Selected Taxpayer Assistance Centers Were Professional and Organized, and Sensitive Information and Equipment Were Properly Secured* 19 (Oct. 2, 2015).

62 We note that Pub. 17 is one of only a handful of forms and publications that taxpayers can access with one click from the main IRS web page (as of June 4, 2016). The IRS also continues to promote Pub. 17 as a useful resource. See IRS, *Tax Time Guide: Updated Tax Guide Helps People with Their 2015 Taxes*, <https://www.irs.gov/uac/newsroom/tax-time-guide-updated-tax-guide-helps-people-with-their-2015-taxes>, (last visited June 4, 2016).

63 IRS, SERP Alert 15A0029, *Availability of Publication 17, Your Federal Income Tax (For Individuals)* (revised Jan. 13, 2015).

64 National Taxpayer Advocate Fiscal Year 2016 Objectives Report to Congress 21.

65 See <https://www.irs.gov/uac/forms-and-publications-by-u-s-mail> (last visited June 21, 2016).

66 Email from IRS Media & Publications analyst (Feb. 1, 2016).

67 IRS, *TFOP News and Updates* (revised Feb. 3, 2016), <https://www.irs.gov/uac/tfop-news-and-updates> (last visited June 29, 2016); Email from IRS Media & Publications analyst (Feb. 1, 2016).

disproportionally impacted underserved taxpayers making it difficult for them to efficiently and accurately pay their annual taxes. ... The Committee notes that there is a cost associated with printing and mailing publications for every paper filer but does not agree with the IRS's decision to discontinue access to taxpayers that rely on Publication 17. Therefore, the Committee directs the IRS to maintain a stock of Publication 17 in TACs, [and] participating libraries and post offices and provide the publication free of charge to taxpayers who request it by phone.⁶⁸

We appreciate the committee's focus on the availability of tax forms and publications, particularly for underserved populations, and we share its view that, even taking account of the costs, the IRS should continue to make paper forms and publications readily available for taxpayers who rely on them.

SELF-SERVICE TOOLS: GET TRANSCRIPT

One year ago in the National Taxpayer Advocate's FY 2016 Objectives Report to Congress, we noted the IRS had shut down its online "Get Transcript" application after cybercriminals had accessed taxpayer records.⁶⁹ A year later, on June 7, 2016, the IRS reinstated this application, noting that an "enhanced authentication process will also provide a foundation for additional IRS self-help services in the future."⁷⁰ To use the online option, taxpayers must verify their identities through a multi-factor process that generally includes having a credit card or account number from an auto loan or mortgage, and a mobile phone account in a taxpayer's name.⁷¹

During the testing phase for the "Get Transcript" tool, only 29 percent of taxpayers seeking to obtain online transcripts as new users were able to pass the requisite security screens.⁷² That is not surprising. There is an unavoidable trade-off between providing enough security to prevent cybercriminals from accessing taxpayer accounts and allowing legitimate taxpayers to gain access.

But the result of this trade-off has broader implications for the IRS's "Future State" vision. While the National Taxpayer Advocate has advocated for online accounts and convenient options for taxpayers, we have also argued taxpayers will continue to require personal service options (telephone and face-to-face) to resolve complex issues.⁷³ Furthermore, the determination of which issues are "complex" should be made

68 S. REP. NO. 114-280, at 33 (2016).

69 National Taxpayer Advocate Fiscal Year 2016 Objectives Report to Congress 26-27.

70 IRS News Release, IR-2016-85, *IRS Launches More Rigorous e-Authentication Process and Get Transcript Online* (June 7, 2016). The IRS offered the online Get Transcript option to randomly selected taxpayers visiting the site beginning May 23, 2016, which allowed the IRS to monitor the site for a controlled number of taxpayers. Prior to June 7, visitors to the site would see the following message: "In keeping with standard industry practices, we are evaluating our new secure access process for Get Transcript Online. Randomly selected page visitors are offered a Get Transcript Online option. All page visitors may use the Get Transcript by Mail option." IRS, *Welcome to Get Transcript*, <https://www.irs.gov/individuals/get-transcript> (visited May 25, 2016).

71 For a more complete list of authentication requirements, see IRS Fact Sheet FS-2016-20, *How to Register for Get Transcript Online Using New Authentication Process* (Jun. 2016), <https://www.irs.gov/pub/irs-news/fs-16-20.pdf>. Taxpayer requests for transcripts are not limited to the filing season. Transcripts are requested for many purposes year-round. But taxpayers who did not keep copies of prior-year returns often request transcripts during the filing season to assist them in preparing current returns.

72 Email from Rene Schwartzman, IRS Identity Assurance Executive (June 3, 2016). The 29 percent success rate reflected the taxpayer experience during the "soft launch" phase when IRS restricted and gradually increased the number of users offered the option of online authentication.

73 National Taxpayer Advocate 2015 Annual Report to Congress 3-13 (Most Serious Problem: *Taxpayer Service: The IRS Has Developed a Comprehensive "Future State" Plan That Aims to Transform the Way It Interacts with Taxpayers, But Its Plan May Leave Critical Taxpayer Needs and Preferences Unmet*).

from the perspective of the taxpayer, not the IRS. The challenges the IRS has encountered in attempting to balance accessibility and data security in reinstating its “Get Transcript” application suggests some taxpayers — potentially the majority of taxpayers — simply will not be able to pass the security screens required to create and utilize an online account. While the IRS may be able to refine its screens over time to increase the percentage of taxpayers who are successful, it is likely that cybercriminals will continue to impersonate legitimate taxpayers, so rigorous screening cannot be watered down.⁷⁴

IDENTITY THEFT AND REFUND FRAUD

The nature of stolen identity refund fraud, also referred to as tax-related identity theft, continues to evolve as the IRS implements more methods to identify fraudulent filers and thieves become more sophisticated. For purposes of analyzing the taxpayer experience, it is useful to divide taxpayers into three broad categories: (i) taxpayers whose returns are flagged on suspicion of refund fraud unrelated to identity theft; (ii) taxpayers whose returns are flagged on suspicion of refund fraud related to identity theft; and (iii) taxpayers who were previously victimized by tax-related identity theft and whose cases were resolved by the IRS.

Suspicious Returns

Pre-Refund Wage Verification

The IRS passes all tax returns claiming refunds through a variety of validation screens. One set looks for false reporting of income or tax withholding. For example, a taxpayer may file a return that understates income or overstates the amount of tax withheld by the employer to generate an inflated refund. Under the IRS’s Pre-Refund Wage Verification Program, a claimed refund will be frozen if electronic filters and rules flag the income and/or withholding as suspicious until the amounts can be verified. While these screens are essential to combat the epidemic of refund fraud, they delay the processing of legitimate returns as well. Taxpayers whose legitimate refund claims have been frozen by these filters face particular challenges, because the Pre-Refund Wage Verification function does not provide a mechanism for direct taxpayer contact.⁷⁵ Estimating the number of impacted taxpayers with precision is difficult, because until recently, the IRS did not track false positive rates for this program.⁷⁶

Identity Verification

The IRS’s filters and rules also look specifically for identity theft. Under the TPP, returns that the IRS flags as suspicious for identity theft are frozen until the taxpayer filing the return is able to verify his identity to the IRS’s satisfaction. The TPP helps to protect taxpayers from identity thieves and prevent fraud, but in so doing, it also ensnares hundreds of thousands of legitimate taxpayers. When that happens, the legitimate taxpayers may experience protracted refund delays as they navigate the authentication processes to prove they are the true tax return filers. During the 2016 filing season, 75 percent of taxpayers received

74 For additional discussion of the Get Transcript tool, see Area of Focus: *As the IRS Develops an Online Account System, It Risks Imposing Undue Burden on Taxpayers Who Require More Personalized Services*, *infra*.

75 For a more thorough discussion of the Pre-Refund Wage Verification Program, see Area of Focus: *The IRS’s Pre-Refund Wage Verification Program Continues to Incorrectly Flag and Substantially Delay Legitimate Refunds for Hundreds of Thousands of Taxpayers*, *infra*.

76 The IRS has changed its terminology from “false positive rate” to “false detection rate.” A false detection occurs when a system selects a legitimate return as potentially fraudulent and delays the refund past the prescribed review period. We will continue to use the term “false positive” in this discussion.

refunds, and the average refund amount was more than \$2,700.⁷⁷ Many taxpayers, particularly the low income, depend on timely receipt of their refunds, so the impact of refund delays can range from mere inconvenience to extreme financial hardship.

In 2015, the “false positive” rate of the IRS’s identity theft filters was 36.6 percent — nearly double the false positive rate of 19.8 percent in 2014.⁷⁸ The TPP filters stopped 2,081,418 returns in 2015.⁷⁹ A false positive rate of 36.6 percent means more than 760,000 legitimate taxpayers had to verify their identities before they could receive their refunds. We have expressed concern about the large number of legitimate taxpayers who are inconvenienced by this high false positive rate and urged the IRS to refine its filters, yet the IRS is projecting a similar false positive rate of 36 percent again in 2016.⁸⁰ During the first five months of 2016, the TPP filters had stopped 1,798,402 returns.⁸¹ The number will surely rise during the remainder of the year and may exceed the 2015 total. If the projected false positive rate of 36 percent proves accurate, that means a comparable or greater number of taxpayers will experience administrative burden and refund delays this year — and the IRS will have worked many cases it might have avoided had it updated its filters.

When the IRS receives a suspicious return, it generally sends a letter to the taxpayer asking him to verify his identity to ensure he is the legitimate taxpayer before the return is processed. The letter instructs the taxpayer to verify his identity by either:⁸²

- Verifying online at idverify.irs.gov, where eligible; or
- Calling the TPP.

Under both options, taxpayers must provide information that was included on the prior-year return and successfully answer certain “out of wallet” questions.⁸³ Similar to the experience discussed above with “Get Transcript,” not every legitimate taxpayer will pass the authentication process.

As described earlier in this section, taxpayers had a very difficult time contacting the TPP telephone line in mid-February when the LOS was ten percent or less. As taxpayers waited on hold, they would hear the following message:

Please note, we will continue processing your tax return once we verify your identity. It should take approximately nine additional weeks to receive your refund or notice. If you have not received a notice or refund by that time, please call our individual income tax line at 1-800-829-1040 for further information.⁸⁴

77 IRS, *Filing Season Statistics for Week Ending April 22, 2016*, <https://www.irs.gov/uac/newsroom/filing-season-statistics-for-week-ending-april-22-2016>.

78 IRS W&I, *Business Performance Review 9* (2nd Quarter – FY 2016, May 10, 2016).

79 *Id.* at 10.

80 *Id.* at 9.

81 IRS, RICS, *Update of the Taxpayer Protection Program (TPP) 2* (June 8, 2016).

82 As of June 2, 2016, the IRS had mailed, or was about to mail, a total of 1,548,726 such letters to taxpayers since the beginning of the filing season. IRS, RICS, *Update of the Taxpayer Protection Program (TPP)* (June 8, 2016). The letters include Letter 5071C, *Potential Identity Theft during Original Processing with Online Option*; Letter 4883C, *Potential Identity Theft during Original Processing*; and Letter 5447C, *Potential Identity Theft during Original Processing*; Foreign Address. Only Letter 5071C offers the online verification option.

83 “Out of wallet” refers to knowledge-based questions that only the legitimate taxpayer him or herself is likely to be able to answer.

84 TPP toll-free line script deployed on Mar. 24, 2016.

For taxpayers failing oral authentication with a phone assistant or for taxpayers deemed at high risk for identity impersonation (*i.e.*, data breach victims), the only option is to visit a TAC. As a result, taxpayers desperate to complete this process in order to receive their refunds faced inadequate staffing levels and other administrative problems at the TACs, as discussed above.⁸⁵ TAS also learned about phone assistants directing taxpayers to visit a TAC to complete the verification process without explaining that some TACs required appointments.⁸⁶

Prior Victims of Identity Theft

Taxpayers who were previously victims of identity theft and whose cases were conclusively resolved by the IRS may be assigned an Identity Protection Personal Identification Number (IP PIN) for use when filing future returns.⁸⁷ IP PINs were implemented so the IRS would know a tax return was submitted by the correct Social Security number owner and allow it to pass through its identity theft filters. More specifically, the IRS marks the taxpayer's account with an identity theft indicator and thereafter the taxpayer provides the IP PIN when filing. IRS computers look for the IP PIN, and if it is provided, the return should be processed without delay. If the tax account contains an identity theft indicator and the tax return lacks an IP PIN or contains an inaccurate IP PIN, the return will be rejected if filed electronically.

While IP PINs are generally beneficial for taxpayers who have been victimized by identity theft, they occasionally cause problems. In late December 2015, the IRS mailed notices to approximately 2.7 million taxpayers assigning them an IP PIN and reminding them to use it when filing their TY 2014 return (instead of their TY 2015 return).⁸⁸ Many recipients probably did not notice the error, but others did and were confused about what was intended. TAS learned of the mistake from a submission on the SAMS system and immediately elevated the issue to the IRS.⁸⁹ The IRS acknowledged the error and promptly issued guidance to telephone assistants who might receive inquiries.⁹⁰ Initially, the IRS did not intend to reissue the notices, but on January 13, 2016, it began mailing "apology" notices that told taxpayers to use the IP PIN when filing their TY 2015 return.⁹¹ The new notice did not list the IP PIN, however, so any taxpayers who discarded the initial notice as irrelevant would have needed to contact the IRS to request a replacement IP PIN.⁹²

The IRS had an online tool for taxpayers seeking their original IP PIN. After a taxpayer answered a series of authentication questions, the original IP PIN would be revealed. On March 7, 2016, however, the IRS

85 See *Walk-In Service at Taxpayer Assistance Centers*, *supra*.

86 TAS elevated this concern to IRS executives. In response, the IRS revised the relevant phone scripts.

87 Selected other taxpayers have been allowed to "opt in" to receive an IP PIN. These include taxpayers who live in Georgia, Florida, and the District of Columbia. IRS.gov, *IP PIN pilot continues in Georgia, Florida and the District of Columbia*, <https://www.irs.gov/individuals/identity-protection-pin-pilot-program> (last visited June 13, 2016). Other taxpayers have been allowed to opt in when their personal information may have been compromised through a breach of government or private sector data.

88 IRS, *Statement on IP PIN* (Mar. 7, 2016), <https://www.irs.gov/uac/newsroom/irs-statement-on-ip-pin> (last visited Jun. 22, 2016). The notices were Notice CP 01A, *We assigned you an Identity Protection Personal Identification Number*. These notices are a proactive attempt to assist taxpayers and minimize the need for IRS staff to assist taxpayers during the filing season. Taxpayers are provided the IP PIN at the time it is assigned, but some taxpayers misplace it or forget they need it to file their return. The notices were dated Jan. 4, 2016, but were mailed in December 2015. Subsequently, the IRS determined 31,000 taxpayers did not receive this notice due to a programming error. The IRS mailed notices to these taxpayers dated February 15, 2016. SERP Alert 16A0060, *Additional Issues with the CP 01A* (Feb 3, 2016).

89 SAMS Issue 33878 (Jan. 4, 2016). TAS subsequently received other submissions as well.

90 SERP Alert 16A0015, *CP 01A Tax Period Error* (Jan. 5, 2016).

91 SERP Alert 16A0028, *Apology Letters Being Sent to CP 01A Recipients* (Jan. 14, 2016).

92 *Id.*

disabled the IP PIN tool due to security concerns. A taxpayer seeking his original IP PIN could request that it be mailed to the address of record, but only if he had not moved since January 1, 2016.⁹³

Another option for taxpayers who lost or misplaced their original IP PIN was to request a replacement IP PIN by completing oral verification with a phone assistor. This replacement IP PIN allowed a taxpayer to file electronically, but the return would be subject to additional checks and possibly a delayed refund. The IRS stopped issuing replacement IP PINs at the time the online tool was disabled.⁹⁴ Lacking either the original IP PIN or a replacement IP PIN, the only remaining option for the taxpayer was to file a paper return.

TAS understands and supports the need for a variety of revenue protection strategies. But the IRS must recognize the need for approaches that minimize the burden on legitimate taxpayers. We recommend the IRS devote more resources to re-calibrating its filters during the filing season and establish a maximum target false-positive rate. By so doing, it could simultaneously block more fraudulent returns and reduce the number of legitimate returns it flags, thereby reducing inconvenience to taxpayers and its own unnecessary re-work.

AFFORDABLE CARE ACT

During the 2016 filing season, taxpayers for the second time filed returns that reflected two provisions of the Affordable Care Act (ACA)⁹⁵ — the Premium Tax Credit (PTC)⁹⁶ and the Individual Shared Responsibility Payment (ISRP).⁹⁷ Overall, the administration of these provisions went relatively smoothly, despite glitches that affected some taxpayers. Examples of those situations are summarized below, and other ACA issues are discussed in the ACA Area of Focus later in this report.⁹⁸

- **IRS Receipt of Bad Third Party Data** – The IRS received data from the Marketplace that incorrectly listed taxpayers as enrolled in Marketplace coverage and showed that Advanced Premium Tax Credit (APTC) had been paid on their behalf. This resulted in taxpayers receiving notices instructing them to file Form 8962, *Premium Tax Credit*, to reconcile advance payment of the PTC with the amount of PTC to which they were entitled despite the fact that they had not actually received APTC.
- **Change in Circumstances Not Updated** – Similar to the 2015 filing season, some taxpayers who expected refunds found them lower than expected, or even owed a balance. This occurred in some instances when a taxpayer signed up for coverage through the Marketplace, received APTC subsidies, and experienced changes in her financial situation during the year that reduced the amount of the subsidy to which she was entitled, but she neglected to timely update her profile information with the marketplace.
- **Delays in Processing Returns with PTC** – The returns of taxpayers claiming the PTC or APTC that do not include the required attachments are held in the Error Resolution/Rejects function

93 SERP Alert 16A0116, *Get an IP-PIN Application* (Mar. 7, 2016).

94 *Id.*

95 Patient Protection and Affordable Care Act of 2010 (ACA), Pub. L. No. 111-148, 124 Stat. 119 (2010) (codified in scattered sections of the U.S. Code), as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152, 124 Stat. 1029 (2010).

96 The PTC is a refundable tax credit paid either in advance or at return filing to help taxpayers with low to moderate incomes purchase health insurance through the Marketplace. IRC § 36B.

97 IRC § 5000A. Taxpayers are required to report that they have “minimum essential coverage” or were exempt from the responsibility to have the required coverage. If the taxpayer did not have coverage and was not exempt, he or she was required to make an ISRP when filing a return.

98 See Area of Focus: *The IRS’s Pre-Refund Wage Verification Program Continues to Incorrectly Flag and Substantially Delay Legitimate Refunds for Hundreds of Thousands of Taxpayers*, *infra*.

until the missing information is provided.⁹⁹ This created a backlog of cases. After the end of the filing season, the IRS reassigned employees from other units to help process these returns.

- **Lump Sum Payments Requiring Repayment of APTC** – Lower income taxpayers are eligible to receive APTC subsidies during the year to help them pay the cost of insurance premiums. If those taxpayers receive a lump-sum payment such as a retirement distribution or Social Security Disability Insurance (SSDI), the additional income may push their household income above 400 percent of the federal poverty level for the applicable family size, rendering them ineligible for the PTC. Those taxpayers must repay the full amount of APTC received. This could also result in the assessment of penalties or interest.

For taxpayers encountering problems, the ACA telephone hotline service levels were consistent with the AM phone lines overall, with a LOS of 72 percent and an average wait time of 13 minutes.¹⁰⁰ Notably, taxpayer calls to this hotline nearly doubled to about 1,109,000 as compared with 2015.¹⁰¹

General ACA Tax Return Data

Eligible individual taxpayers claimed the PTC on their TY 2015 returns filed during the 2016 filing season. The following figure provides information regarding the extent to which individual taxpayers claimed the PTC on their TY 2015 returns.

FIGURE 2.1.15, Reporting of the Premium Tax Credit on Forms 8962 for TY 2015 Returns Through April 30, 2016¹⁰²

Returns Filed with Forms 8962, <i>Premium Tax Credit (PTC)</i>	4.8 million
Total PTC Amount Claimed	\$14.3 billion
Average PTC Amount Claimed Per Return	\$2,987
Returns Reporting Advanced PTC	4.5 million (94% of returns with Forms 8962)
Total Advanced PTC Reported	\$15.8 billion
Prepared Returns Filed with Forms 8962 (Paid or Volunteer)	3.0 million (63% of returns with Forms 8962)

99 The IRS mails Letter 12C, *Individual Return Incomplete for Processing: Forms 1040, 1040A & 1040EZ*, to taxpayers in this situation. Required attachments include Form 1095-A, *Health Insurance Marketplace Statement*, and Form 8962, *Premium Tax Credit (PTC)*.

100 IRS, JOC, *Snapshot Reports: Enterprise Snapshot* (week ending Apr. 16, 2016).

101 *Id.* Attempted calls rose from 566,967 in 2015 to 1,108,872 in 2016.

102 Wage and Investment Strategies and Solutions (WISS, formerly Wage and Investment Research and Analysis (WIRA)), ACA Fact Sheet 05-31-2016 (returns processed through Apr. 28, 2016). This data is based on returns that had posted as of Apr. 28, 2016 and is preliminary and subject to change as the IRS reviews the data, processes additional TY 2015 returns, and conducts compliance activities. Note that the number of “Returns Reporting Advanced PTC” is a subset of the number of “Returns Filed with Form 8962, Premium Tax Credit (PTC).” All taxpayers claiming the PTC were required to file a Form 8962. Of those taxpayers whose returns were processed through Apr. 28, 2016, about 94 percent claimed the Advanced Premium Tax Credit (APTC), while about six percent waited to claim the PTC until they filed their returns. However, not all APTC recipients have filed returns and reconciled their credit amounts. Therefore, it is difficult to compare the “Total Advanced PTC Reported” (about \$15.8 billion) to the “Total PTC Amount Claimed” (about \$14.3 billion). The difference of roughly \$1.5 billion is probably attributable, at least in part, to some taxpayers having reported receiving more in APTC during the year than they ultimately claimed. Of the 4.8 million returns filed with Form 8962, over three million returns were prepared by a paid or volunteer preparer, and over 1.7 million were deemed self-prepared (total rounds to 4.8 million).

Individual taxpayers who do not have minimum essential coverage or qualify for an exemption are required to report an ISRP on their tax returns. The following figure provides data on the reporting of ISRPs on TY 2015 returns.

FIGURE 2.1.16, Reporting of the Individual Shared Responsibility Payment on Forms 8962 for TY 2015 Returns Through April 30, 2016¹⁰³

Returns Claiming Coverage	103.6 million
Returns with ISRP	5.6 million
Average ISRP	\$442
Prepared Returns Reporting ISRP (Paid or Volunteer)	3.6 million
Returns Filed with Forms 8965, <i>Health Coverage Exemptions</i>	11 million
Returns Filed with Forms 8965 Claiming the Household Coverage Exemption (checked yes in Form 8965 Part II 7a or 7b or both)	3.2 million
Returns Filed with Forms 8965 Claiming Coverage Exemption (Part III)	7.8 million
Prepared Returns Filed with Forms 8965 (Paid or Volunteer)	6.0 million (54% of returns with Form 8965)

SERVICE OPTIONS FOR U.S. TAXPAYERS LIVING ABROAD

The number of U.S. citizens living abroad continues to grow, while the number of other international taxpayers remains steady. In mid-2016, approximately nine million U.S. citizens lived abroad, compared with about 7.6 million in mid-2014.¹⁰⁴ There are also many international U.S. taxpayers who are neither residents nor citizens of the United States, as evidenced by the nearly 642,000 U.S. individual tax returns filed by nonresident aliens in TY 2014.¹⁰⁵

Yet taxpayer service options for these taxpayers are limited and continue to be reduced. Taxpayers located overseas generally cannot call U.S. toll-free telephone lines. The IRS recently eliminated the last four tax attaché posts abroad, so face-to-face service is no longer an option.¹⁰⁶

103 WISS, *ACA Fact Sheet* (May 31, 2016) (returns processed through April 28, 2016). This data is based on returns that had posted as of Apr. 28, 2016 and is preliminary and subject to change as the IRS reviews the data, processes additional TY 2015 returns, and conducts compliance activities. Note that there were about 5.6 million returns reporting an ISRP. Of those, about 3.6 million were submitted on returns prepared by a paid or volunteer preparer, and about two million were deemed self-prepared. Taxpayers also filed about 11 million returns claiming an exemption from the ISRP using Form 8965, *Health Coverage Exemptions*. Of the Forms 8965 submitted, about 54 percent were prepared by a paid or volunteer preparer, and about 46 percent were deemed self-prepared. Taxpayers who report an ISRP may or may not file Form 8965. The roughly 11 million returns claiming an exemption on Form 8965 were divided between about 7.8 million claiming a Part III coverage exemption for individuals and about 3.2 million claiming a Part II coverage exemption for households (although some taxpayers claimed an exemption on both Part II and Part III).

104 See U.S. Department of State, Bureau of Consular Affairs, *Who We Are and What We Do: Consular Affairs by the Numbers* (May 2014), <https://travel.state.gov/content/dam/travel/CA%20Fact%20Sheet%202014.pdf>; U.S. Department of State, Bureau of Consular Affairs, *Consular Affairs by the Numbers* (June 2016), https://travel.state.gov/content/dam/travel/CA_By_the_Numbers.pdf.

105 Individual Returns Transaction File (IRTF) on the IRS Compliance Data Warehouse (CDW) for TY 2014 Form 1040NR returns processed as of May 26, 2016.

106 For a discussion of the reductions international taxpayer service options, see National Taxpayer Advocate 2015 Annual Report to Congress 72-81 (Most Serious Problem: *International Taxpayer Service: The IRS's Strategy for Service on Demand Fails to Compensate for the Closure of International Tax Attaché Offices and Does not Sufficiently Address the Unique Needs of International Taxpayers*).

For the 2016 filing season, the IRS eliminated a valuable online tool. Previously, the IRS maintained an Electronic Tax Law Assistance program known as “ETLA”. Through ETLA, taxpayers could submit tax-law questions to the IRS through its website and receive a response via email. U.S. taxpayers living overseas, who generally cannot call the IRS toll-free or visit an IRS office, often found ETLA particularly helpful. On October 1, 2015, the IRS terminated the ETLA program. The National Taxpayer Advocate is concerned the IRS is providing fewer options for international taxpayers even as the population of U.S. citizens abroad grows, and these taxpayers are facing greater challenges in meeting their tax obligations, partly as a result of the Foreign Account Tax Compliance Act (FATCA),¹⁰⁷ Foreign Bank and Financial Accounts (FBAR) reporting rules,¹⁰⁸ and the ACA.¹⁰⁹

CONCLUSION

Overall, the IRS delivered a generally successful 2016 filing season. Its significant improvement in answering taxpayer telephone calls and reducing wait times as compared with the 2015 filing season was particularly notable. However, we remain concerned the IRS is shrinking service options for taxpayers who require assistance, including by declining to answer all but basic tax-law questions, eliminating walk-in service at the TACs, sharply curtailing the availability of paper tax forms and publications, and eliminating the ability of taxpayers to ask questions of the IRS online. The failure to meet the needs of taxpayers who rely on these services causes added stress for them and may reduce their willingness or ability to comply. To a significant degree, the IRS’s shortcomings are budget-driven. The additional \$290 million in funding Congress provided this year was very helpful to the IRS in improving its phone service, but the fact that the agency’s budget has been reduced by some 19 percent in inflation-adjusted terms since FY 2010 continues to require it to cut corners in providing a full range of taxpayer services.

107 FATCA was enacted as a part of the Hiring Incentives to Restore Employment Act, Pub. L. No. 111-147, 124 Stat. 71 (2010) (adding IRC §§ 1471-1474 & 6038D).

108 See 31 U.S.C. §§ 5314 & 5321; 31 C.F.R. §§ 1010.350 & 1010.306(c); FinCEN Form 114, *Report of Foreign Bank and Financial Accounts (FBAR)*, http://www.fincen.gov/forms/bsa_forms.

109 ACA, Pub. L. No. 111-148, 124 Stat. 119 (2010) (codified in scattered sections of the U.S. Code), as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152, 124 Stat. 1029 (2010).