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WHO WE ARE AND WHAT WE DO:

The Low Income Taxpayer Clinic at the University of Maryland, Carey School of Law, has assisted thousands of low income taxpayers with IRS tax issues. Everything from simple balance due cases to more complicated Audits and Tax Court representation. The Tax Clinic's outreach and educational activities compliment this work by providing valuable information to low income taxpayers and people for whom English is a second language about their rights and responsibilities as taxpayers. We seek to assist taxpayers trying to navigate our complicated tax system; whether they already have a tax problem or are simply trying to understand how to avoid creating one.

Our LITC provides a full range of controversy services. We prepare documents such as Tax Court petitions, formal protests and Offers-in-Compromise, as well as requests for Collection Due Process hearings, Audit Reconsiderations, payment plans, hardship relief, Worker Misclassification determinations, and Innocent Spouse and Injured Spouse relief. We see taxpayers both pre and post assessment. They are being audited or are in Collections, and in the vast majority of cases they are confused. They often don't understand the notices they received. For example, many taxpayers think that they owe the IRS money even before an additional tax is assessed. They often don't understand that audit notices refer to proposed changes to their original tax returns and proposed liabilities. They are also often frustrated because they have tried unsuccessfully to resolve their issues on their own by calling the IRS, sending in information and, in some cases, going to a local IRS Service Center. They don't understand why they are getting mail from the IRS or why they owe, and they don't know how to fix it. Mostly, they don't understand their rights as taxpayers and all of this leaves them feeling that our tax system is too complicated and unfair.

WHO WE SERVE:

We serve low income taxpayers primarily from all over the state of Maryland. Generally, these taxpayers have income less than 250% of the poverty guidelines, often lack basic reading skills, suffer from physical or mental impairments or simply lack the resources necessary to hire a tax professional to assist them in navigating our complicated tax system. These factors as well as transportation issues, under or unemployment, domestic abuse and lack of access to information about their tax situation make it even more difficult for our clients to effectively deal with their tax issues on their own. All of these factors can make even corresponding with the IRS difficult for many taxpayers.

OUR NEEDS AND THE NEEDS OF THOSE WE SERVE:

Our LITC as well as taxpayers need to have a better service from the IRS. As, Nina Olson, the National Taxpayer Advocate, stated in her 2015 Annual Report to Congress, the IRS received over 100 million phone calls from taxpayers or their representatives during FY 2015. This

report examined the IRS's "Level of Service" (LOS) in 5 different categories: (1) Accounts Management; (2) Taxpayer Protection Unit; (3) Installment Agreements/Balance Due; (4) NTA Toll-Free; and (5) Practitioner Priority Service. In these categories IRS did not even answer 50% of its calls. As a Clinical Law Instructor, we do not pass students who only perform at a 50% level. Another frustrating aspect is the length of time it takes the IRS to even answer those calls. The average wait time for most of the categories is over 30 minutes. In short, we need IRS to answer the phone calls within a timely manner.

The IRS could possibly give themselves relief from taxpayer calls if they did a better job of communicating with taxpayers. For example, greater use of Plain English in IRS correspondence would help resolve some of the confusion that many taxpayers experience. Documents like IRS account transcripts and examination reports are almost incomprehensible to someone untrained in reading them. It's no wonder that taxpayers bury their head in the sand when they take a look at documents like this and are expected to formulate a response. All in all, better communication, would allow more taxpayers to resolve their tax issues on their own without the need to call the IRS.

Taxpayers and our LITC also could get more help from local IRS Service Centers. In years past we were able to send taxpayers to IRS Service Centers to get back tax returns prepared, pick up account transcripts and obtain other information. Now, because of deep cuts to the IRS, much of this is no longer possible or, if still available, is greatly restricted and more difficult to access.

REPRESENTING CLIENTS BEFORE THE IRS TODAY:

It is harder today to deal with the IRS than it was when I started representing taxpayers seven years ago. Since 2010, the IRS has generally become worse at timely answering phone calls and every call to the Practitioner Priority Service and Collections is more of a game of chance now; if you are lucky you get someone who is well trained and responsive, if not you are left to slog through the call or try again. In addition, the IRS is failing to timely reply to mail. We are now seeing many more "we need additional time" letters from all parts of the IRS. These issues must, at least to some extent, be the result of service cuts. More people and better training are the keys to fixing these things and they would go a long way to helping us expeditiously resolve our cases.

A few years ago we could fax a Form 2848, Power of Attorney (POA), to the CAF unit and then go online within a few days to pull a taxpayer's account transcript. Now we have to wait about 10 days after we fax the POA to get a transcript. This is another reason why it just makes sense to call the IRS when first being retained by a taxpayer. So much can happen within a period of 10 days, such as bank levies, lien filings, and wage garnishments, to name a few. When taxpayers finally seek help to resolve their tax problems the best thing that the IRS can do is to eliminate as many barriers as possible so that taxpayers can resolve their tax issues.

IRS FUTURE STATE VISION:

The Future State Vision of the IRS assumes that taxpayers have access to technology and will be able to navigate the IRS' online system to resolve their tax issues. We know from representing vulnerable populations, such as the poor, disabled, and elderly, in dealing with the current system that they will have no easier a time navigating some new online system. Most of these populations are intimidated by technology.

For example, we recently represented a taxpayer who was 87 years old who had not filed tax returns in over 7 years. When asked why she did not file she stated that she did not understand how to use a computer. She had always filed her tax returns herself by hand. It is amazing since her returns were pretty complex and required her to complete a Schedule E because she had rental properties. We prepared the returns and she was entitled to refunds averaging \$8,000 (federal and state) in each year. However, because of the statute of limitations on claiming refunds she was unable to claim refunds of approximately \$32,000. She is now bed-ridden and requires nursing care 24 hours a day. She certainly could have used that \$24,000 to pay for her nursing costs. All in all, no system is perfect, but more needs to be done to ensure that vulnerable populations do not face more barriers that impede their ability to meet their tax filing obligations.

There is also concerns about whether the IRS can adequately protect taxpayer information in this day and time. Cybercrimes are on the rise and hackers are becoming more skilled at accessing sensitive information. In February 2016 the IRS reported that more than 700,000 social security numbers and other sensitive information may have been stolen during a data breach in 2015, via the "Get a Transcript" program. With a huge data breach such as this it is unknown whether taxpayers will trust the security of this new online system and IRS's ability to keep their information protected.