

# TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION



## Improvements to Taxpayer Advocate Case Processing Would Result in Better Customer Service

June 11, 2025

Report Number: 2025-100-024

This report has cleared the Treasury Inspector General for Tax Administration disclosure review process and information determined to be restricted from public release has been redacted from this document

# HIGHLIGHTS: Improvements to Taxpayer Advocate Case Processing Would Result in Better Customer Service

Final Report issued on June 11, 2025

Report Number 2025-100-024

## Why TIGTA Did This Audit

The Taxpayer Advocate Service (TAS) is an independent organization within the IRS that serves as an advocate for taxpayers. TAS operates around four statutory objectives, one of which is to help taxpayers resolve problems with the IRS.

This audit evaluated whether taxpayer issues worked by TAS case advocacy were resolved efficiently, timely, and accurately.

## Impact on Tax Administration

TAS accepts cases when taxpayers are experiencing an economic or systemic burden, when it is in the best interest of the taxpayer, or in matters of public policy as determined by the National Taxpayer Advocate.

The average calendar days it took TAS to close a case fluctuated over the last five fiscal years. For example, it took TAS an average of 110 calendar days to close a case in Fiscal Year (FY) 2024, more than 29 percent longer than the 85 calendar days it took to close a case in FY 2020. This difference could result in additional burden or harm to taxpayers because it could delay the resolution of their issue.

## What TIGTA Found

In FY 2023, cases worked by TAS generally met its acceptance criteria and taxpayers' issues were fully addressed. However, we found TAS case advocates did not timely contact taxpayers or their representatives in 103 (63 percent) of the 163 closed cases we sampled. The initial and subsequent contact delays for these cases totaled an average of 146 calendar days late.

When TAS case advocates do not have the authority to take the actions necessary to resolve taxpayer issues, they use Form 12412, *Operations Assistance Request (OAR)*, to request or recommend actions from an IRS function. We reviewed 104 closed cases from FY 2023 and found that in 23 (22 percent) of them, TAS case advocates did not timely send an OAR, or the responding IRS function did not timely complete the OAR. The remaining 81 OARs were timely processed.

The National Taxpayer Advocate has stated that TAS case advocacy is facing three challenges: 1) an increase in case receipts; 2) an increase in the number of new TAS case advocates; and 3) the use of a legacy case management system that causes inefficiencies and delays. In October 2024, TAS issued interim guidance that modified procedures for working certain systemic burden cases by grouping taxpayers with similar issues. TAS management estimates that this has reduced new receipts by 30 percent, which equates to approximately 65,000 cases that will not be assigned to a case advocate.

In addition, TAS is planning to deploy a new case and systemic issue management system in October 2025 that management believes will be essential to providing quality taxpayer service and enhancing employee efficiency. However, management also stated that the capability for taxpayers to interface with the system will not be available in the initial release.

## What TIGTA Recommended

We recommended that the National Taxpayer Advocate: 1) set specific, attainable time frames for initial contact with an emphasis on economic burden cases, and adopt permanent policies that provide clear and consistent expectations for taxpayers; 2) establish an automated process within the new case and systemic issue management system that would apprise the taxpayer of the progress on their case; and 3) establish an automated process to notify the case advocate and their manager when an OAR has not been sent and requires completion follow up.

The IRS agreed with two recommendations and partially agreed with the third, stating that its new customer relationship management system will have a dashboard enabling case advocates and managers to monitor the status of OARs more effectively. TAS plans to assess the resources needed to add automated notification functionality in a future release.



TREASURY INSPECTOR GENERAL  
FOR TAX ADMINISTRATION

**U.S. DEPARTMENT OF THE TREASURY**  
**WASHINGTON, D.C. 20024**

June 11, 2025

**MEMORANDUM FOR:** COMMISSIONER OF INTERNAL REVENUE

A handwritten signature in black ink that reads "Diana M. Tengesdal".

**FROM:** Diana M. Tengesdal  
Acting Deputy Inspector General for Audit

**SUBJECT:** Final Audit Report – Improvements to Taxpayer Advocate  
Case Processing Would Result in Better Customer Service  
(Audit No.: 2024100015)

This report presents the results of our review to evaluate whether taxpayer issues worked by Taxpayer Advocate Service case advocacy were resolved efficiently, timely, and accurately. This review is part of our Fiscal Year 2025 Annual Audit Plan and addresses the major management and performance challenge of *Taxpayer Service*.

Management's complete response to the draft report is included as Appendix III. If you have any questions, please contact me or LaToya P. George, Acting Assistant Inspector General for Audit (Taxpayer Services and Operational Support).

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## **Background**

The Taxpayer Advocate Service (TAS) is an independent organization within the Internal Revenue Service (IRS) that serves as an advocate for taxpayers. TAS operates around four statutory objectives:

1. Assist taxpayers in resolving problems with the IRS.
2. Identify areas in which taxpayers are experiencing problems with the IRS.
3. Propose changes in IRS administrative practices to mitigate problems taxpayers are experiencing with the IRS.
4. Identify potential legislative changes that may be appropriate to mitigate such problems.<sup>1</sup>

Central to its mission is protecting taxpayer rights and providing assistance to all types of taxpayers (*e.g.*, individuals, business owners, exempt entities) when they have issues interacting with the IRS. To accomplish this, TAS helps taxpayers one-on-one in resolving problems with the IRS. TAS personnel work with taxpayers, their representatives, and congressional staff to resolve specific tax problems and recommend changes to prevent future problems. Figure 1 provides the TAS case acceptance criteria (hereafter referred to as TAS criteria), which fall into four main categories.

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<sup>1</sup> I.R.C. § 7803(c)(2)(A).

Figure 1: TAS Criteria

<b>ECONOMIC BURDEN</b>	
Economic burden cases are those involving a financial difficulty to the taxpayer: an IRS action or inaction has caused or will cause negative financial consequences or have a long-term adverse impact on the taxpayer.	
Criteria 1	The taxpayer is experiencing economic harm or is about to suffer economic harm.
Criteria 2	The taxpayer is facing an immediate threat or adverse action.
Criteria 3	The taxpayer will incur significant costs if relief is not granted (including fees for professional representation).
Criteria 4	The taxpayer will suffer irreparable injury or long-term adverse impact if relief is not granted.
<b>SYSTEMIC BURDEN</b>	
Systemic burden cases are those in which an IRS process, system, or procedure has failed to operate as intended, and as a result, the IRS has failed to timely respond to or resolve a taxpayer issue.	
Criteria 5	The taxpayer has experienced a delay of more than 30 calendar days to resolve a tax account problem.
Criteria 6	The taxpayer has not received a response or resolution to the problem or inquiry by the date provided.
Criteria 7	A system or procedure has either failed to operate as intended or failed to resolve the taxpayer’s problem or dispute within the IRS.
<b>BEST INTEREST OF THE TAXPAYER</b>	
TAS acceptance of these cases will help ensure that taxpayers receive fair and equitable treatment and that their rights as taxpayers are protected.	
Criteria 8	The manner in which the tax laws are being administered raises considerations of equity or has impaired or will impair the taxpayer’s rights.
<b>PUBLIC POLICY</b>	
Acceptance of cases into TAS under this category will be determined by the National Taxpayer Advocate and will generally be based on a unique set of circumstances warranting assistance to certain taxpayers.	
Criteria 9	The National Taxpayer Advocate determines compelling public policy warrants assistance to an individual or group of taxpayers.

Source: Appendix 2 of the National Taxpayer Advocate Fiscal Year 2025 Objectives Report to Congress (June 2024).

TAS receives cases through a variety of sources, including directly from taxpayers via the telephone or in-person at a TAS office, taxpayer correspondence, IRS functional referrals, congressional office contacts, or other inquiries (e.g., congressional committee or executive

## Improvements to Taxpayer Advocate Case Processing Would Result in Better Customer Service

branch department or bureau). If the inquiry meets TAS criteria and the intake advocate cannot resolve the taxpayer's issue, they will conduct an in-depth interview, take appropriate case building actions, create the case on Taxpayer Advocate Management Information System (TAMIS), and assign the case to the local TAS office or through the regular case assignment process. If the taxpayer does not meet TAS criteria, they will refer the taxpayer to the appropriate IRS function.

Once a case has been assigned to a case advocate, they must review the criteria code for accuracy, make initial contact with the taxpayer or representative and establish a subsequent contact date. TAS will remain in contact with the taxpayer or their representative until the closing contact is made and will keep the case open long enough to ensure its effective resolution. These contacts with the taxpayer or their representative must be made on or before the subsequent contact date promised.

When case advocates do not have the authority to take the actions necessary to resolve taxpayer issues (e.g., cases that are open in another IRS function or to overrule determinations made by employees of other IRS functions), they use Form 12412, *Operations Assistance Request (OAR)*, to request or recommend actions from an IRS function. For cases where an expedited processing determination of the OAR has been made, the case advocate must send the OAR to the IRS function within one workday. For all other cases, the case advocate must send the OAR within five workdays once the OAR is properly developed. The case advocate must also include a requested completion date, which can be revised after negotiations between the case advocate and the IRS function employee assigned to the OAR. Further, TAS has negotiated national agreements with various IRS functions, known as service level agreements. These agreements outline the procedures and responsibilities for processing TAS casework when the responsibility to resolve the case issues rests outside of TAS's authority.

TAS receipts, closures, and average calendar days to close fluctuated over the last five fiscal years. For example, it took TAS an average of 110 calendar days to close a case in Fiscal Year (FY) 2024, more than 29 percent longer than the 85 calendar days it took to close a case in FY 2020. Figure 2 provides a summary of TAS cases worked.

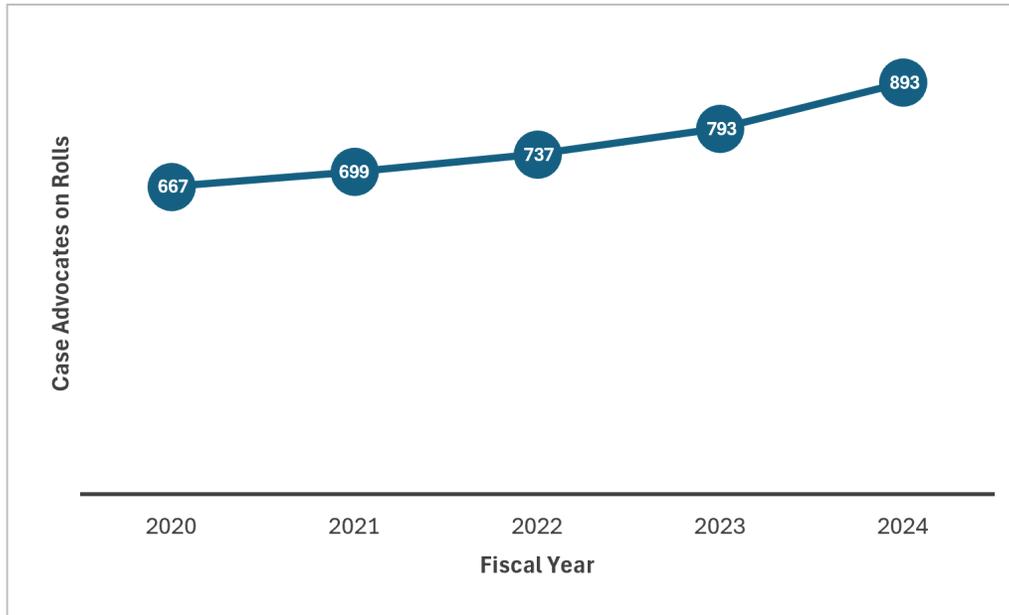
**Figure 2: Case Advocacy Receipts, Closures, and Cycle Time for FYs 2020 through 2024**

Fiscal Year	Number of Receipts	Number of Closures	Average Calendar Days to Close
2020	206,772	203,665	85
2021	264,343	246,702	96
2022	223,227	234,293	122
2023	219,251	222,996	111
2024	256,737	232,504	110

Source: FYs 2020 through 2023 information is from the TAS FYs 2021 and 2023 4<sup>th</sup> Quarter Business Performance Reviews. TAS provided the FY 2024 information.

From FYs 2020 through 2024, the number of case advocates employed by TAS has steadily increased. Figure 3 shows the increase in case advocacy staffing.

Figure 3: Case Advocate Staffing for FYs 2020 through 2024



Source: FYs 2020 through 2023 information is from the TAS FYs 2021 and 2023 4<sup>th</sup> Quarter Business Performance Reviews. TAS provided the FY 2024 information.

TAS has been looking at ways to improve the customer service it provides to taxpayers. One of the objectives in the *National Taxpayer Advocate Fiscal Year 2024 Objectives Report to Congress* (June 2023) is optimizing the experience of TAS customers. The report also explains that TAS will continue to comprehensively analyze the intake process with emphasis on identifying ways to enhance the incorporation of customer cases.

In addition, the *National Taxpayer Advocate Fiscal Year 2025 Objectives Report to Congress* (June 2024) contains the objective of deploying a new case and systemic issue management system. TAS currently uses two case and systemic issue management systems that have not kept pace with innovations in technology. TAS management believes that developing a new singular system is essential to providing quality taxpayer service and enhancing employee efficiency. TAS management estimates they will deploy an initial release of this new system by October 2025. However, management also stated that the capability for taxpayers to interface with the system will not be available in the initial release.

## Results of Review

### Taxpayer Advocate Service Cases Generally Met Acceptance Criteria and Taxpayer Issues Were Fully Addressed

Nearly all cases worked by intake advocates met TAS case acceptance criteria. For this review, we selected a statistically valid stratified random sample of 163 out of a population of 217,166 cases

closed by TAS in FY 2023.<sup>2</sup> We found that [REDACTED] closed cases in our sample properly met TAS case acceptance criteria. [REDACTED]

Intake advocates determine which cases to accept and case criteria code to use before assigning a case to a case advocate. TAS generally accepts taxpayer inquiries under the belief that there is an economic burden, which includes damage or loss of finances in any capacity. For example, the taxpayer will not be able to pay for housing without getting their refund. However, this depends on the facts and circumstances of each case. TAS also accepts taxpayer inquiries that are a result of a systemic burden, *i.e.*, an IRS issue. For example, the IRS has not resolved the taxpayer's tax-related issue after sending multiple letters stating the IRS needed more time.

In addition, case advocates fully addressed the taxpayer's issues in 159 of the 163 (98 percent) of the FY 2023 closed cases we reviewed. For the remaining four cases, TAS personnel either did not request the documents from the taxpayer or send the documents they already had via an OAR to be considered and processed by an IRS function. TAS should keep a case open until all issues are completely resolved, and all incidental matters are addressed, including related issues.

### Taxpayer Advocate Service Contacts With Taxpayers or Their Representatives Were Not Always Timely

TAS did not timely contact taxpayers or their representatives in 103 (63 percent) of the 163 FY 2023 closed cases we reviewed. This included instances where case advocates were not timely with either their initial or subsequent contacts with taxpayers or their representatives. Since these cases can sometimes be open for more than a year,



**63%** of initial or subsequent contacts for the sampled closed cases were **not timely**.

there can be many subsequent contacts throughout the life of the case. The total initial and subsequent contact delays for the 103 untimely cases were an average of 146 calendar days late. While TAS timely contacted 60 taxpayers in our sample, case advocates were not timely with the initial contact in 30 cases or with subsequent contacts in 32 cases. There was an additional 41 of the 103 cases in which TAS was not timely in both the initial contact and subsequent contacts. We estimate that contacts were not timely for 125,982 (58 percent) of the 217,166 cases TAS closed in FY 2023 by an average of 60 calendar days.<sup>3</sup> Not timely contacting taxpayers about their case could delay their case being resolved, resulting in additional burden or harm.

#### **Initial contact delays**

IRS policy requires case advocates to make initial contact (either via telephone or letter) with a taxpayer or their representative within three workdays of the received date by TAS for economic

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<sup>2</sup> Our statistically valid stratified random sample was selected using a 95 percent confidence interval, a 10 percent error rate, and a  $\pm 5$  percent precision factor. See Appendix I for the sampling details.

<sup>3</sup> When projecting the results (103) of our statistically valid stratified random sample (163), we are 95 percent confident that the actual total amount of cases is between 108,977 and 142,987 and the actual amount of calendar days is between 48 and 75.

burden cases or within five workdays for systemic burden cases. TAS issued interim guidance in November 2021 that changed these dates to 5 and 10 workdays, respectively. We found that in 71 (44 percent) of the 163 closed cases we reviewed, the initial contact was not timely based on either the original or revised deadlines. As of November 2024, the IRS's policy has not been updated to include the criteria from the interim guidance.

The interim guidance also changed the criteria for when to begin tracking case due dates. Instead of using the date received by TAS, the case tracking will now begin once a case is assigned to a case advocate. TAS management stated that they implemented this deviation from their policy because cases were not being put on TAMIS timely, making timely initial contacts impossible for case advocates. However, the unintended consequence of moving the date of when case tracking begins is that the initial contact with taxpayers can be delayed by several weeks.

### Subsequent contact delays

We also identified 73 (45 percent) of the 163 closed cases where the case advocates were late meeting the subsequent contact date deadline. Based on TAS policy, case advocates are required to provide a subsequent contact date to the taxpayer or their representative so they know when to expect an update on their case. These contacts are usually by telephone or a letter. In addition, case advocates will set a subsequent contact date after every verbal or written contact. If the case advocate fails to establish a subsequent contact date, they must contact the taxpayer, either verbally or in writing, within five workdays of their last contact and establish a new date. When case advocates are not timely meeting the subsequent contact dates, taxpayers or their representatives are not being kept informed on the status of their case. This could create additional burden for the taxpayer.

### TAS efforts to improve the timeliness of taxpayer case processing

In September 2024, the National Taxpayer Advocate acknowledged that TAS did not work cases timely and did not return taxpayer telephone calls quickly.<sup>4</sup> The National Taxpayer Advocate also stated that TAS case advocacy is facing three challenges that affect the timeliness of case processing:

1. An increase in case receipts.
2. An increase in the number of new case advocates who require training before they can effectively assist taxpayers.
3. The use of a legacy case management system that causes inefficiencies and delays.

TAS also had a significant backlog of taxpayer requests for assistance that had not been added to TAMIS. TAS management took action to address the backlog by issuing interim guidance effective in October 2024 that temporarily revised procedures for intake advocates. Intake advocates were no longer required to perform initial and case building actions, use delegated authorities to resolve cases, or secure all documentation needed to support case resolution. Instead, case advocates would secure all needed documentation once the case is assigned and contact is made with the taxpayer. TAS management stated that as of

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<sup>4</sup> National Taxpayer Advocate, *TAS is Taking Steps to Better Serve Taxpayers*, Taxpayer Advocate Service (September 19, 2024).

December 2024, the backlog of 14,000 requests for TAS assistance has been reduced to approximately 260. We did not verify the decrease in the backlog since the temporary changes were made after our review was completed.

In addition, TAS has been experiencing staffing challenges. Although TAS employed 893 case advocates in FY 2024, a significant number were offline due to training. This included both new case advocates receiving and experienced case advocates providing training. In addition, TAS received 50,000 more cases in FY 2024 than they did in FY 2020. TAS management stated that these large individual caseloads cannot be effectively worked under current processes and procedures.

To help address individual inventory levels of the case advocates, the interim guidance also modified procedures for working certain systemic burden cases (*e.g.*, a taxpayer has experienced a delay of more than 30 calendar days or has not received a response or resolution by the date provided) by grouping together taxpayers with similar issues. TAS management estimates that this has reduced new receipts by 30 percent, which equates to approximately 65,000 cases that will not be assigned to a case advocate. TAS also issued additional interim guidance in November 2024 that allows case advocates to transfer some existing cases to a centralized inventory for bulk processing.

Finally, TAS began a large-scale effort to design a new system to improve interactions with taxpayers and the quality of its service. The initial release of this new system is estimated to be deployed by October 2025 and will include features to assist case advocates in scheduling subsequent contacts. However, it will not enable taxpayers to interface with the system to learn about the status of their case. TAS is considering this feature for future releases.

The National Taxpayer Advocate should:

**Recommendation 1:** Set specific, attainable time frames for initial contact, with an emphasis on economic burden cases, and adopt permanent policies that provide clear and consistent expectations for taxpayers.

**Management's Response:** IRS management agreed with this recommendation. Currently there are specific contact timeframes articulated based on an Interim Guidance Memorandum. TAS plans to monitor taxpayer contact trends based on available resources and will update guidance to provide attainable timeframes for taxpayer communications.

**Recommendation 2:** Establish an automated process within the new case and systemic issue management system that would apprise the taxpayer of the progress on their case.

**Management's Response:** IRS management agreed with this recommendation. The new customer relationship management system will allow the implementation of an automated process to apprise congressional offices about the status of their constituents' cases. TAS plans to assess the feasibility and resources required to further expand this process to provide status updates directly to taxpayers and practitioners.

## **Taxpayer Cases Requiring an Operations Assistance Request Were Not Always Timely Processed**

We found that case advocates did not always timely send OARs to the IRS functions, or the IRS functions did not complete the OARs by their requested or negotiated completion date. We reviewed a statistically valid stratified random sample of 104 cases closed by TAS in FY 2023 that required outside assistance and found that OARs were not timely processed in 23 (22 percent) of the cases. [REDACTED]

[REDACTED] The remaining 81 OARs were timely processed. Based on these results, we estimate that 24,039 (17 percent) of the 139,080 cases requiring assistance closed in FY 2023 had 1 or more OARs that were not timely sent to the appropriate IRS functions by case advocates or completed by their requested or negotiated completion date. We estimate these exceptions were an average of 19 calendar days late.<sup>5</sup>

### **OARs were not always timely sent by case advocates**

We found that 10 (10 percent) of the 104 closed cases sampled had 1 or more OARs that were not sent timely to the IRS functions by case advocates and were delayed by an average of 55 calendar days. TAS generally uses Form 12412 to request or recommend actions from the IRS functions when the case advocates do not have the delegated authority to take the actions necessary to resolve the taxpayers' issues. TAS guidance states that OARs that require expedited actions must be submitted within one workday and OARs that do not require expedited actions should be submitted within five workdays once the OAR is sufficiently developed. Not timely sending OARs to the IRS functions causes delays resolving the taxpayer's issue and creates additional taxpayer burden.

TAS management attributed timeliness issues to increased case receipts and case advocates having a large volume of open cases. The case advocates prepare the OARs manually and there is no reminder when OARs are prepared but not sent. When a case advocate prepares an OAR, they need to ensure that the OAR is complete and sent prior to moving on to other cases.

### **IRS functions did not always timely complete the OARs**

IRS functions did not always timely complete OARs by their requested or negotiated completion date. We found that 14 (13 percent) of the 104 closed cases sampled that required an OAR had 1 or more OARs that were not timely completed by the IRS functions and were late by an average of 9 calendar days.

When case advocates send OARs to the IRS functions, they will include a requested completion date. If that date will not be met by IRS function personnel per the service level agreements, they must communicate with the case advocate and negotiate a new completion date. Not timely completing OARs could delay resolving a taxpayer's issue. When the IRS functions are not timely completing the OARs, TAS can elevate the issue through the IRS management chain.

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<sup>5</sup> Our statistically valid stratified random sample was selected using a 95 percent confidence interval, a 10 percent error rate, and a  $\pm 5$  percent precision factor. When projecting the results of our sample, we are 95 percent confident that the actual total number of cases with an untimely OAR is between 13,474 and 34,603 and the total calendar days late is between 7 and 50. See Appendix I for the sampling details.

However, case advocates are not always timely following up with the IRS function personnel when their OARs' requested or negotiated completion dates have expired.

**Recommendation 3:** The National Taxpayer Advocate should establish an automated process within the new case and systemic issue management system that would 1) notify the case advocate and their manager when an OAR has been prepared but not sent, and 2) notify IRS function personnel the next business day following the requested or negotiated OAR completion date.

**Management's Response:** The IRS partially agreed with this recommendation. The new customer relationship management system will have a dashboard enabling case advocates and managers to monitor the status of OARs more effectively. TAS plans to assess the resources needed to add automated notification functionality in a future release.

## Appendix I

### Detailed Objective, Scope, and Methodology

The overall objective of this audit was to evaluate whether taxpayer issues worked by TAS case advocacy were resolved efficiently, timely, and accurately. To accomplish our objective, we:

- Determined whether the TAS case inventory includes cases that do not meet their criteria.
  - Selected a statistically valid stratified random sample of 163 of the 217,166 TAS cases closed in FY 2023 based on a 95 percent confidence interval, a 10 percent error rate, and a  $\pm 5$  percent precision factor and stratified based on whether a case has an OAR (104 cases with and 59 cases without an OAR) and the length of time the case was open. We reviewed a statistically valid stratified random sample of cases to project the results to the population. This sample was used to determine whether TAS accepted cases that met its criteria, was timely with its contacts with taxpayers and their representatives, and whether there were delays with the issuance and completion of the OARs. TIGTA's contract statistician assisted with developing the sampling plan and projections.
- Determined whether contact with the taxpayer was maintained and the taxpayer's issues were fully and accurately addressed.
- Determined whether the OAR process is causing delays in TAS case resolutions.

### **Performance of This Review**

This review was performed with information obtained from the TAS offices located in Phoenix, Arizona; Washington, D.C.; Buffalo, New York; and Holtsville, New York, during the period June 2024 through January 2025. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

### **Data Validation Methodology**

For this review, we relied on data obtained from TAMIS. We evaluated the data by 1) reviewing query criteria and totals provided by TAS, 2) querying the database ourselves, 3) assessing the appropriateness of the data within the requested fields, and 4) interviewing TAS officials knowledgeable about the data. We determined that the data were sufficiently reliable for purposes of this report.

### **Internal Controls Methodology**

Internal controls relate to management's plans, methods, and procedures used to meet their mission, goals, and objectives. Internal controls include the processes and procedures for planning, organizing, directing, and controlling program operations. They include the systems

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for measuring, reporting, and monitoring program performance. We determined that the following internal controls were relevant to our audit objective: the TAS policies and procedures for case acceptance and the processing of cases including the OARs. We evaluated these controls by reviewing a statistically valid stratified random sample of closed cases and interviewing TAS management.

## Appendix II

### Outcome Measures

This appendix presents detailed information on the measurable impact that our recommended corrective actions will have on tax administration. These benefits will be incorporated into our Semiannual Report to Congress.

#### **Type and Value of Outcome Measure:**

- Taxpayer Burden – Potential; 125,982 closed taxpayer cases that did not have timely initial or subsequent contacts throughout the case (see Recommendations 1 and 2).

#### **Methodology Used to Measure the Reported Benefit:**

We reviewed a statistically valid stratified random sample of 163 cases closed by TAS in FY 2023 to determine whether initial and subsequent contacts with the taxpayers or their representatives were timely. We identified 103 cases where the initial or subsequent contacts were not timely.

For cases that were received before November 8, 2021, the initial contact was late if it was made more than three workdays from the date received by TAS for economic burden cases and five workdays for all other cases. For cases received after November 7, 2021, the initial contact was late if it was made more than 5 workdays from the date assigned to the TAS case advocate for economic burden cases and 10 workdays for all other cases. In addition, subsequent contacts were deemed late if the date provided to the taxpayer for their next contact was not met and if no subsequent contact date was provided to the taxpayer, then it was deemed late if the contact was more than 5 workdays later.

We estimate that 58 percent of the taxpayer cases closed in FY 2023 (125,982 taxpayer cases) did not have timely initial or subsequent contacts.<sup>1</sup> TIGTA's contract statistician calculated these error rate projections and applied them over the total population size of 217,166 taxpayer cases closed in FY 2023. Figure 1 shows how we estimated the number of cases without timely initial or subsequent contacts.

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<sup>1</sup> Our statistically valid stratified random sample was selected using a 95 percent confidence interval, a 10 percent error rate, and a  $\pm 5$  percent precision factor. When projecting the results of our sample, we are 95 percent confident that the actual total amount is between 108,977 and 142,987.

**Figure 1: Estimated Number of Closed TAS Case Files in FY 2023 Without Timely Initial or Subsequent Contacts**

Strata Based on Calendar Day Cycle Time	Population of Cases Closed	Sample Size	Documentation Errors	Error Percentage in Sample	Estimated Number of Errors in Population <sup>2</sup>
Less than 101 days with an OAR	80,394	52	25	48.1%	38,651
More than 100 and less than 366 days with an OAR	52,980	34	26	76.5%	40,514
More than 365 and less than 731 days with an OAR	4,950	5	4	80.0%	3,960
More than 730 and less than 1,825 days with an OAR	748	5	5	100.0%	748
More than 1,824 days with an OAR	8	8	7	87.5%	7
Less than 101 days without an OAR	57,761	37	16	43.2%	24,978
More than 100 and less than 366 days without an OAR	19,207	12	10	83.3%	16,006
More than 365 and less than 731 days without an OAR	1,063	5	5	100.0%	1,063
More than 730 days without an OAR	55	5	5	100.0%	55
<b>Total</b>	<b>217,166</b>	<b>163</b>	<b>103</b>	<b>N/A</b>	<b>125,982</b>

Source: TIGTA’s contract statistician’s projections based on our audit results.

**Type and Value of Outcome Measure:**

- Taxpayer Burden – Potential; 24,039 closed taxpayer cases that had 1 or more OARs that were not timely sent to or timely completed by the IRS functions by their requested or negotiated completion date (see Recommendation 3).

**Methodology Used to Measure the Reported Benefit:**

We reviewed a statistically valid stratified random sample of 104 cases closed by TAS in FY 2023 that required an OAR to determine whether the OARs were timely sent to or completed by the IRS functions by their requested or negotiated completion date. We identified 23 cases where the OARs were not timely sent or completed by their due date. We estimate that 17 percent of the taxpayer cases closed in FY 2023 (24,039 taxpayer cases) had one or more OARs that were

<sup>2</sup> Estimated number of errors in the population may not calculate correctly due to rounding.

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not timely sent or completed by their due date.<sup>3</sup> TIGTA’s contract statistician calculated these error rate projections and applied them over the total population size of 139,080 taxpayer cases closed in FY 2023 with an OAR. Figure 2 shows how we estimated the number of cases without a timely OAR issued or completed by their due date.

**Figure 2: Estimated Number of FY 2023 Closed TAS Case Files Without a Timely OAR Issued or Completed by Their Requested or Negotiated Completion Date**

Strata Based on Calendar Day Cycle Time	Population of Cases Closed	Sample Size	Documentation Errors	Error Percentage in Sample	Estimated Number of Errors in Population <sup>4</sup>
Less than 101 days with an OAR	80,394	52	5	9.6%	7,730
More than 100 and less than 366 days with an OAR	52,980	34	9	26.5%	14,024
More than 365 and less than 731 days with an OAR	4,950	5	*1*	**1**	*1*
More than 730 and less than 1,826 days with an OAR	748	5	*1*	**1**	*1*
More than 1,825 days with an OAR	8	8	*1*	**1**	*1*
<b>Total</b>	<b>139,080</b>	<b>104</b>	<b>23</b>	<b>N/A</b>	<b>24,039<sup>5</sup></b>

Source: TIGTA’s contract statistician’s projections based on our audit results.

<sup>3</sup> Our statistically valid stratified random sample was selected using a 95 percent confidence interval, a 10 percent error rate, and a ±5 percent precision factor. When projecting the results of our sample, we are 95 percent confident that the actual total amount is between 14,834 and 36,360.

<sup>4</sup> Estimated number of errors in the population may not calculate correctly due to rounding.

<sup>5</sup> Totals do not match due to rounding.

## Appendix III

### Management's Response to the Draft Report



May 15, 2025

MEMORANDUM FOR DIANA M. TENGESDAL  
ACTING DEPUTY INSPECTOR GENERAL FOR AUDIT

FROM: Kim Stewart **Kim S. Stewart** Digitally signed by Kim S. Stewart  
Date: 2025.05.15 08:57:54 -05'00'  
Deputy National Taxpayer Advocate

RE: Draft Audit Report – Improvements to Taxpayer Advocate Case  
Processing Would Result in Better Customer Service (Audit  
No.: 2024100015)

Thank you for the opportunity to respond to the above-referenced report and for considering comments we previously submitted. We appreciate your office's evaluation of the Taxpayer Advocate Service's case processing operations and your recommendations to improve our service to taxpayers. We also appreciate your acknowledgement that [REDACTED] of the TAS cases reviewed met case acceptance criteria and that TAS case advocates fully addressed the taxpayer's issues in 98% of these cases.

TAS continues to experience high case inventories and expects those to continue due to high taxpayer demand and recent significant attrition across both the IRS and TAS. We continue to evaluate our processes and procedures to improve our communications with taxpayers and help set realistic expectations regarding when taxpayers will hear from their case advocates. Toward that end, TAS has streamlined our intake process, shortening the time it takes for a taxpayer to receive a response from a Case Advocate. TAS is also working with the IRS to reduce Operations Assistance Request (OAR) inefficiencies through centralization of work and using Bulk OARs (combining multiple cases that present a similar issue into a group OAR rather than sending multiple individual OARs). We believe this approach will free up employees to focus their time on cases that require more development, such as securing and reviewing supporting documentation, and direct interaction with taxpayers.

TAS is on schedule to implement the first release of our new customer relationship management system (Phoenix) this summer. Among other things, the first release of the new system will give us the capability to view dashboards and reports for improved oversight and monitoring. Additionally, we are developing a portal that will allow congressional offices that refer cases to TAS to interact with case advocates digitally, which will largely eliminate the need to send faxes and schedule telephone calls to provide status updates. Congressional cases currently account for

## **Improvements to Taxpayer Advocate Case Processing Would Result in Better Customer Service**

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roughly 20 percent of our case receipts. Further expansions of Phoenix will be dependent upon future funding and prioritization of other enhancements that support TAS's business processes.

Should you have any questions, please contact me or Sean O'Reilly, Executive Director, Case Advocacy.

**Attachment**

**Recommendations**

**RECOMMENDATION 1**

Set specific, attainable time frames for initial contact, with an emphasis on economic burden cases, and adopt permanent policies that provide clear and consistent expectations for taxpayers.

**CORRECTIVE ACTION**

Agree. We currently have specific contact timeframes articulated based on an Interim Guidance Memorandum. As we transition to our new customer relationship management (CRM) system, we will monitor taxpayer contact trends based on available resources and pursue opportunities to improve inventory management practices and will update our guidance to provide attainable timeframes for taxpayer communications.

**IMPLEMENTATION DATE**

October 1, 2026

**RESPONSIBLE OFFICIAL**

Executive Director, Case Advocacy, Intake and Technical Support

**CORRECTIVE ACTION MONITORING PLAN**

We will monitor this corrective action as part of our internal management control program.

**RECOMMENDATION 2**

Establish an automated process within the new case and systemic issue management system that would apprise the taxpayer of the progress on their case.

**CORRECTIVE ACTION**

Agree. The new CRM system will allow TAS to implement an automated process to apprise our congressional customers about the status of their cases. Deployment is subject to continued availability of resources for development and implementation of system enhancements. Once the congressional portal is successfully deployed, TAS will assess the feasibility and resources required to further expand the portal's capabilities to provide status updates directly to taxpayers and practitioners.

**IMPLEMENTATION DATE**

December 31, 2026

**RESPONSIBLE OFFICIAL**

Executive Director, Case Advocacy

**CORRECTIVE ACTION MONITORING PLAN**

We will monitor this corrective action as part of our internal management control program.

**RECOMMENDATION 3**

Establish an automated process within the new case and systemic issue management system that would 1) notify the case advocate and their manager when an OAR has been prepared but not

sent, and 2) notify IRS function personnel the next business day following the requested or negotiated OAR completion date.

**CORRECTIVE ACTION**

Partially Agree. The new CRM system that will deploy for Case Advocacy this summer will have new dashboard and reporting features that will allow case advocates and managers to more effectively monitor the status of OARs and take follow up actions as appropriate. We believe the new CRM will satisfy the intent of this recommendation. The specific recommended functionality to automate an individual notification will not be available in the initial release of the system, but once the initial release is deployed, we will assess the resources needed to add the recommended functionality in a future release. As stated above, further expansion of the CRM will be dependent on securing future funding and prioritization of other enhancements to support TAS business processes.

**IMPLEMENTATION DATE**

December 31, 2026

**RESPONSIBLE OFFICIAL**

Executive Director, Case Advocacy

**CORRECTIVE ACTION MONITORING PLAN**

We will monitor this corrective action as part of our internal management control program.

## Appendix IV

### Abbreviations

FY	Fiscal Year
IRS	Internal Revenue Service
OAR	Operations Assistance Request
TAMIS	Taxpayer Advocate Management Information System
TAS	Taxpayer Advocate Service
TIGTA	Treasury Inspector General for Tax Administration



**To report fraud, waste, or abuse,  
contact our hotline on the web  
at <https://www.tigta.gov/reportcrime-misconduct>.**

**To make suggestions to improve IRS policies, processes, or systems  
affecting taxpayers, contact us at [www.tigta.gov/form/suggestions](http://www.tigta.gov/form/suggestions).**

Information you provide is confidential, and you may remain anonymous.