



# IRS Future State

## An Evolving Effort to Meet Taxpayer Needs

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### The Case for Change

1. **Evolving** taxpayer expectations
2. **Increasing** complexity
3. **Combatting** noncompliance, identity theft & refund fraud
4. **Coping** with limited budgets
5. **Decreasing** staff
6. **Incorporating** stakeholders perspectives

The IRS collects more than \$3.3 trillion & funds more than 90% of all federal government expenditures



One of the largest law firms in the country with around 1,900 tax attorneys



One of the largest call centers in the country answering more than 50 million calls last year



One of the largest financial audit firms in the country with more than 10,400 revenue agents



## The Taxpayer Component

A central concept of the Future State focuses on taxpayers and how to provide the services they need in the way that works for them.

- **A more complete online experience**
- **Freeing up resources for those who need 1-on-1 assistance**
- **More up-front issue identification when the return is filed**
- **Improved authentication to prevent fraudulent returns using stolen identities**



## **Ongoing Activities**

**Several projects underway will help us identify areas where we can become more effective, more efficient and/or generate savings to reinvest in the future.**

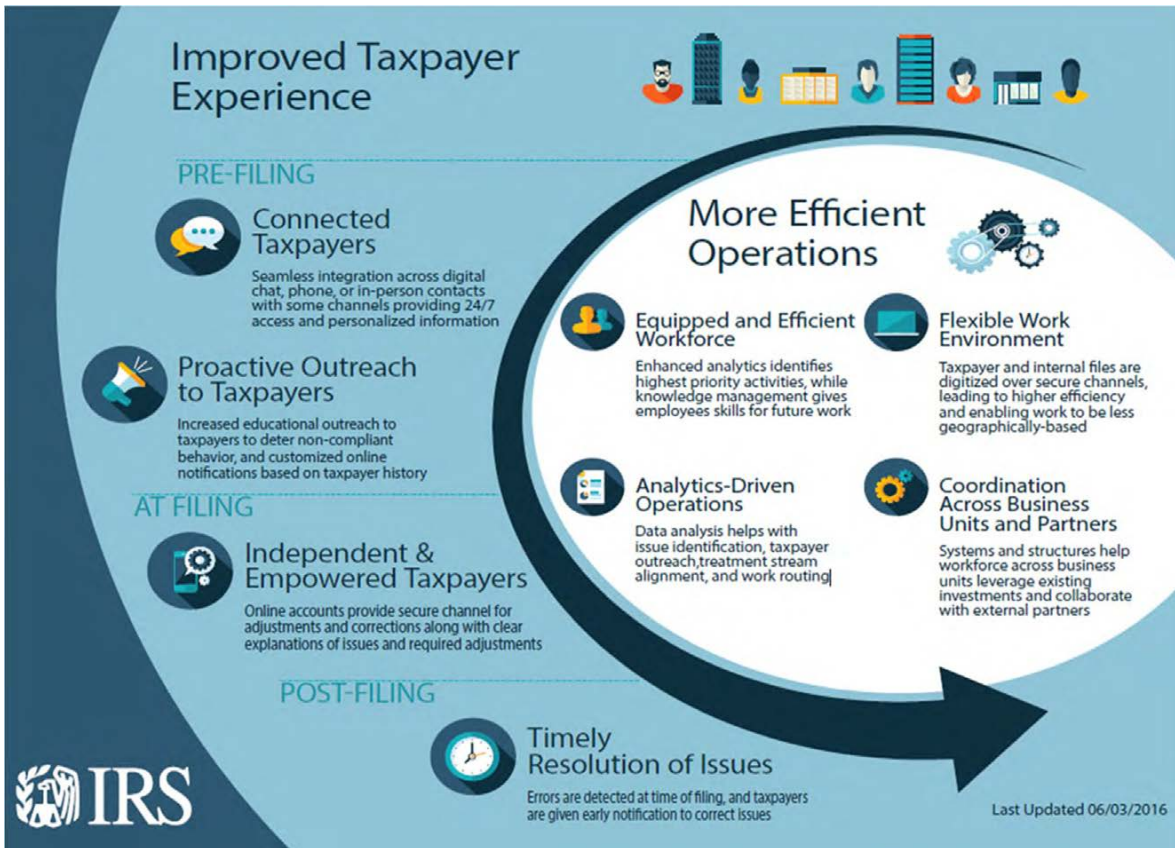


- 1 **Facilitate** voluntary compliance by empowering taxpayers with secure innovative services, tools, and support
- 2 **Understand** non-compliant taxpayer behavior, and develop approaches to deter and change it
- 3 **Leverage** and collaborate with external stakeholders
- 4 **Cultivate** a well-equipped, diverse, skilled, and flexible workforce
- 5 **Select** highest value work using data analytics and a robust feedback loop
- 6 **Drive** more agility, efficiency, and effectiveness in IRS operations



## Operational Efficiencies

Several projects underway will help us identify areas where we can become more effective, more efficient and/or generate savings to reinvest in the future.



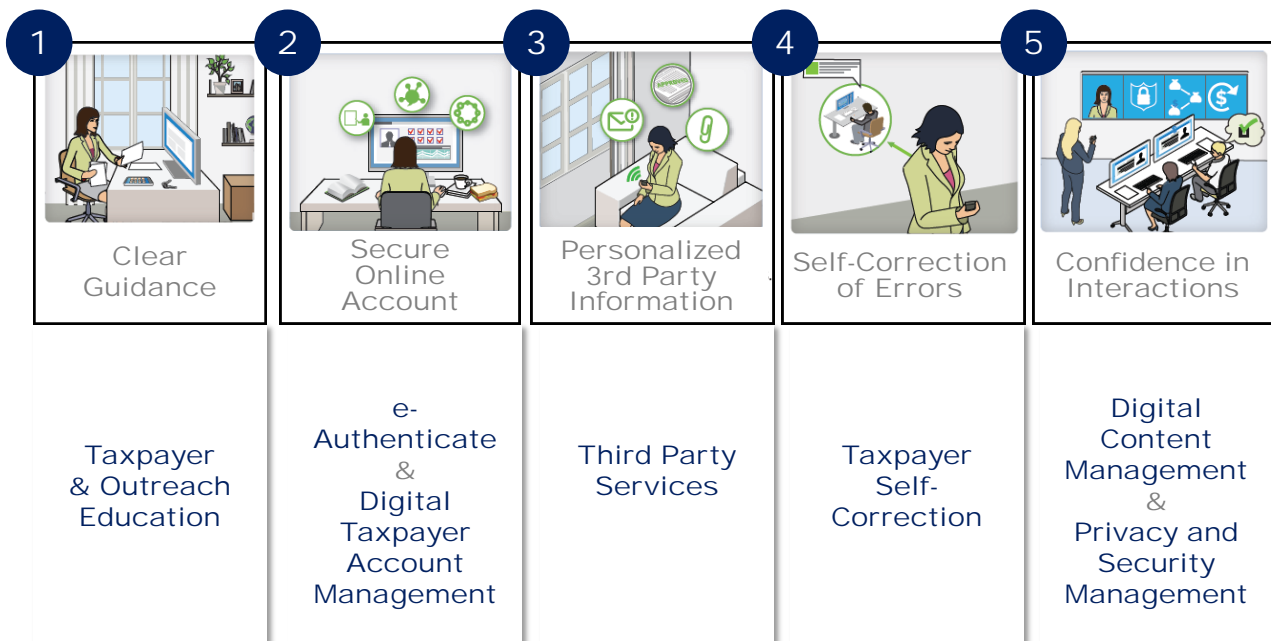
## Future State for the Individual Taxpayer

- 1. Increased** online & virtual assistance offerings
- 2. More robust** authentication to guard against stolen identity refund fraud
- 3. Early issue** identification for timely resolution
- 4. End-to-end** experience reducing unnecessary interactions
- 5. Expanded** data analytics to better focus service & enforcement

- **Secure online accounts will provide personalized notifications and guidance based on profile.**
- **Online account will include:**
  - Real-time information on status of an electronically filed return,
  - Notifications regarding potential errors,
  - Options to amend returns,
  - Features for establishing and monitoring progress on installment plans for any taxes owed.

*Adapted from:*  
 ABA National Institute on Tax Controversy  
 Las Vegas, NV  
 Dec. 9, 2016

## Example - Future State for the Individual Taxpayer



## Future State for Small Business

1. **Expand** early interaction programs
2. **Educate** and enable taxpayers
3. **Modify** taxpayer behavior to enhance compliance
4. **Improve** collection case selection and assignment
5. **Enable** data-driven decisions regarding taxpayer contacts

### **IRS Futuristic Vision – Business Taxpayers**

Use of technology to address compliance for business taxpayers.




- Online accounts for business to monitor its account, including ability for representatives to access client's account;
- Notifications of missed filings or payments, including payroll deposits;
- Notifications of examinations;
- Online portal for submitting IDR responses;
- Virtual conferences to discuss exam issues;
- Electronic payments for any balances due

*Adapted from:*  
ABA National Institute on Tax Controversy  
Las Vegas, NV  
Dec. 9, 2016

# IRS Online Tools – Individuals

Subscriptions | Language | Information For... | Search | Advanced

Filing | Payments | Refunds | Credits & Deductions | News & Events | Forms & Pubs | **Help & Resources** | for Tax Pros

**Additional Resources** **Tools**   

- IRS2Go Mobile App
- Change Your Address
- Affordable Care Act Estimator Tools
- Filing Information
- Direct Pay FAQs
- Refund FAQs
- Employer Identification Number FAQs
- IRS Tax Map

Use the [Interactive Tax Assistant tool](#) to find answers to your tax law questions.

Browse the tax tools available for individual taxpayers, businesses, and tax professionals.

**For Individual Taxpayers**

Online Tools	Description
<b>Transcripts</b>	
<a href="#">Get Transcript</a>	Get a copy of your tax transcript online or by mail.

**Also includes tools for: Filing; Refunds & Payments; Credit & Deductions; Calculators and Taxpayer Assistance.**

<https://www.irs.gov/help-resources/tools>

# IRS Online Tools – Businesses

## For Businesses

Online Tools	Description
<a href="#">Employer Identification Number (EIN)</a>	Get your EIN online without calling us or mailing or faxing a paper Form SS-4, Application for Employer Identification Number (EIN).
<a href="#">Tax Calendar</a>	Track important business tax dates and deadlines right from your desktop.
<a href="#">FATCA FFI List Search and Download Tool</a>	Use the search and download tool to find out if a Foreign Financial Institution has registered with FATCA.
<a href="#">Electronic Federal Tax Payment System</a>	Pay your federal taxes online or by phone with EFTPS, a free tax payment system.



# IRS Online Tools – Tax Professionals

## For Tax Professionals

Online Tools	Description
<a href="#">Preparer Tax Identification Number</a>	Request or renew a PTIN. It's mandatory for anyone who prepares or assists in preparing federal income tax returns for compensation.
<a href="#">E-Services for Tax Professionals</a>	Register as an approved IRS business partner and conduct business electronically with the IRS.

## Taxpayer Digital Communications

e-News for Tax Professionals
May 19, 2017

**Useful Links:**

[IRS.gov](#)

[myRA](#)

[Tax Professionals Home](#)

[All Forms and Pubs](#)

[Stakeholders Partners' Headliners](#)

[Training and Communication Tools](#)

**Issue Number: 2017-20**

**Inside This Issue**

1. [e-Services, Transcript Delivery System Unavailable Memorial Day Weekend](#)
2. [Opportunity Coming to Participate in New Correspondence Examination Digital Pilot Program](#)
3. [Deadline for the Information Reporting Program Advisory Committee \(IRPAC\) is May 21](#)
4. [Tax Pros Can Earn 18 CPE Credits at the 2017 IRS Nationwide Tax Forums](#)
5. [IRS Announces Three New Members for Advisory Committee on Tax Exempt and Government Entities](#)
6. [Military Tax Tips](#)
7. [Technical Guidance](#)

<https://www.irs.gov/uac/join-e-news-for-tax-professionals>

# Taxpayer Assistance Centers



IRS Tax Tips

June 1, 2017

## Useful Links:

[IRS.gov](http://IRS.gov)

[myRA](#)

[Help For Hurricane Victims](#)

Issue Number: IRS Special Edition Tax Tip 17-10

## Inside This Issue

**IRS Face-To-Face Help Is Now By Appointment**

**If face-to-face service is necessary, then taxpayers should call 844-545-5640 to schedule an appointment.**

<https://www.irs.gov/uac/subscribe-to-irs-tax-tips>

## Next Steps

1. **Aggregate**, prioritize and re-sequence envisioned initiatives into a consolidated roadmap toward the future
2. **Pursue** priority initiative development, with a continual focus on engaging stakeholders
3. **Update** the IRS Strategic Plan (2018 - 2022)
4. **Track** performance toward future state goals, report results and gather input from stakeholders





- Right to **Be Informed**
- Right to **Quality Service**
- Right to Pay No More than the Correct Amount of Tax
- Right Challenge the IRS's Position - and Be Heard
- Right to Appeal IRS Decision in an Independent Forum
- Right to Finality
- Right to **Privacy**
- Right to **Confidentiality**
- Right to Retain Representation
- Right to A Fair & Just Tax System



## Of Concern to Practitioners:

1. **Skepticism:** Is there intention on the part of IRS to limit even further telephone and face-to-face interaction with taxpayers?
2. IRS does not appear to be moving as quickly in developing electronic options and online accounts for tax practitioners as they are for individuals.



## Of Concern to Practitioners:

3. IRS should provide an electronic option for Forms 2848 and 8821 including use of electronic signatures.
4. Lack of ease in validation for use.
5. LB&I is currently using secure e-mail protocols. When will this be available to SB/SE interactions?



## Thank You!

For more information, search using keywords “Future State” on [IRS.gov](https://www.irs.gov)

## Resources and References

# IRS Future State

### **IRS Future State Home Page**

<https://www.irs.gov/uac/newsroom/irs-future-state>

### **IRS Future State Initiative**

<https://www.irs.gov/uac/newsroom/future-state-initiative>

### **Future of the Taxpayer Experience**

<https://www.irs.gov/pub/newsroom/FSTaxpayerInteraction.pdf>

### **Exploring the IRS Future State**

[https://www.irs.gov/pub/newsroom/future\\_state\\_aba.pdf](https://www.irs.gov/pub/newsroom/future_state_aba.pdf)

### **Future State and IRS Activities**

<https://www.irs.gov/uac/newsroom/future-state-and-irs-activities>

### **Small Business Experience**

<https://www.irs.gov/pub/newsroom/irs-small-business-vignette-version-a.pdf>

### **Tax Professionals Provide Insight on IRS Future State**

<https://www.irs.gov/uac/newsroom/tax-professionals-provide-insights-on-irs-future-state-feedback-efforts-continue-in-2017-as-online-account-shows-strong-early-use>

### **National Taxpayer Advocate – Annual Report to Congress**

<https://www.irs.gov/uac/newsroom/national-taxpayer-advocate-delivers-annual-report-to-congress-urges-irs-reform-and-tax-reform>

## Related Initiatives and Tools

### **IRS Online Tools – for Individuals, Businesses and Tax Professionals**

<https://www.irs.gov/help-resources/tools>

### **Security Summit**

<https://www.irs.gov/uac/security-summit>

### **Winners of Tax Design Challenge – Taxpayer Experience of the Future**

<https://www.irs.gov/uac/winners-of-tax-design-challenge-announced-taxpayer-experience-of-the-future-illustrated-with-creative-displays-of-tax-data>

### **Face to Face Help Now by Appointment**

<https://www.irs.gov/uac/newsroom/irs-face-to-face-help-is-now-by-appointment>

### **IRS e-Subscriptions**

<https://www.irs.gov/uac/e-news-subscriptions-2>