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BAUCUS DISAPPOINTED IN IRS CUSTOMER SERVICE RESULTS

Tax gap grows as IRS turns customers away, makes numerous errors

Washington, DC – U.S. Senator Max Baucus (D-Mont.), Ranking Democrat on the Senate Finance Committee, expressed strong disappointment about the accuracy and quality of services offered by the IRS at some of its Taxpayer Assistance Centers. A study by the Office of the Treasury Inspector General for Tax Administration reports an accuracy rate just of 73 percent, with 15 percent of taxpayers seeking assistance receiving incorrect answers and 13 percent being told to go find the answers themselves after the IRS personnel were unable to help them. At one location, 30 taxpayers waiting for help were turned away so the IRS could clear the office by the 4:30 PM closing time; five of those taxpayers had payments totaling \$135,000 that they were unable to deposit that day.

"Our nation has a tax gap of \$345 billion each year, yet the IRS tells taxpayers they can't turn in their tax checks because the clock says it's closing time," said Baucus. "Seventy-three percent accuracy is barely a passing grade, and it is completely unacceptable that the IRS puts the burden on taxpayers to find their own answers to questions the IRS employees find too difficult to answer."

Baucus is leading congressional efforts to close the tax gap, the difference between the taxes that are owed and the taxes that are paid on time. He has placed a hold on the nomination of Eric Solomon to be the Assistant Secretary of the Treasury for Tax Policy, pending a commitment from Treasury to deliver a comprehensive and credible plan by September 30 to close the tax gap.

"Taxpayers want to pay the taxes they owe, but sometimes they need help to comply with our complex tax laws," said Baucus. "Top quality service should be a cornerstone of the tax gap strategy that I have requested from the IRS and Treasury."

The TIGTA report, "Customer Service at Taxpayer Assistance Centers Showed Improvement During the 2006 Filing Season, #2006-40-122, can be located at http://www.treasury.gov/tigta/oa_auditreports_fy06.shtml.