

GAO Highlights

Highlights of [GAO-20-656](#), a report to the Republican Leader, Committee on Ways and Means, House of Representatives

Why GAO Did This Study

According to IRS, providing top-quality service is a critical part of its mission to help taxpayers understand and meet their tax responsibilities. Congress, the National Taxpayer Advocate, and the administration have recognized the importance of improving how taxpayers experience IRS services. Setting goals and objectives with related performance measures and targets are important tools to focus an agency's activities on achieving mission results.

GAO was asked to review IRS's customer service performance measures. This report assesses IRS's (1) goals and objectives to improve the taxpayer experience; (2) performance measures to support improved experiences; and (3) use of performance information to improve the experience, allocate resources, and report performance. To assess IRS's goals, measures, targets, and use of them, GAO compared IRS's practices to key practices in results-oriented management.

What GAO Recommends

GAO is making 7 recommendations, including that IRS identify performance goals, measures, and targets; as well as analyze performance; develop processes to make decisions on resources needed; and report performance on improving the taxpayer experience. IRS indicated that it generally agreed with the recommendations, but that details around their implementation were under consideration and would be provided at a later date.

View [GAO-20-656](#). For more information, contact Jessica Lucas-Judy at (202) 512-9110 or LucasJudyJ@gao.gov

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TAXPAYER SERVICE

IRS Could Improve the Taxpayer Experience by Using Better Service Performance Measures

What GAO Found

The Internal Revenue Service's (IRS) mission and strategic plan state expectations for IRS to improve the taxpayer experience and services it provides. However, IRS and its divisions that manage programs serving the largest taxpayer groups—the Wage and Investment (W&I) and the Small Business/Self-Employed (SB/SE) divisions—did not have performance goals to specify the desired improvements. For example, W&I aligned its service programs to IRS's strategic objectives for taxpayer services that state broad types of management activities such as monitoring the taxpayer experience and addressing issues. However, it did not have performance goals that specify outcomes to improve the taxpayer experience, such as reducing taxpayer wait times for telephone assistance.

Because IRS and these two divisions do not have performance goals for improving the taxpayer experience, IRS does not have related performance measures. IRS has many performance measures—including more than 80 for W&I and SB/SE—for assessing the services it provides, such as related to timeliness and accuracy of information provided to taxpayers. However, these existing measures do not assess improvements to the taxpayer experience, such as whether tax processes were simpler or specific services met taxpayers' needs. The division-level measures also lack targets for improving the taxpayer experience. Further, the existing measures do not capture all of the key factors identified in Office of Management and Budget guidance for how customers experience federal services, including customer satisfaction and how easy it was to receive the services. As a result, IRS does not have complete information about how well it is satisfying taxpayers and improving their experiences.

IRS analyzes its taxpayer service measures to compare performance with targets but the analyses provide few insights and no recommendations to improve the taxpayer experience, such as to provide more timely tax filing guidance. Also, IRS does not have a process to use service measures to guide decisions on allocating resources to improve the taxpayer experience. As a result, IRS is challenged to use performance data to balance resource allocation for efforts to improve the taxpayer experience compared with other IRS efforts. Finally, IRS reports limited information to the public about performance related to the taxpayer experience for transparency and accountability.

The table below summarizes important management practices that IRS did not fully follow to provide taxpayers a top-quality service experience.

Practices Not in Place for IRS's Taxpayer Service Mission Goals and Objectives to Improve the Taxpayer Experience

Performance goals to improve the taxpayer experience at strategic and program levels

Performance measures linked with strategic and program goals to improve the taxpayer experience and targets set for achieving them

Use of measures to make decisions to improve and report taxpayer experience performance

Source: GAO. | [GAO-20-656](#)