U.S. Department of the Treasury, IRS Outline Accomplishments in First Year of Implementation of Plan to Improve Taxpayer Service, Modernize Technology, Increase High-End Enforcement

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WASHINGTON – Today, the U.S. Department of the Treasury and Internal Revenue Service (IRS) outlined the accomplishments achieved in the first year of implementation of the Strategic Operating Plan, a comprehensive roadmap to transform the IRS using Inflation Reduction Act resources.

The Strategic Operating Plan shows how the IRS is using Inflation Reduction Act resources to work for the American people—providing world-class customer service, modernizing technology, and reducing the deficit by hundreds of billions of dollars by strengthening enforcement among high-income and high-wealth individuals, complex partnerships, and large corporations.

"Thanks to resources from President Biden's Inflation Reduction Act, the IRS has made major progress in the first year of implementation of its plan to ensure the agency is delivering for American taxpayers," said **Secretary of the Treasury Janet L. Yellen.** "The IRS has improved customer service, modernized technology, and worked to ensure wealthy individuals, complex partnerships, and large corporations pay taxes owed."

SIGNIFICANTLY IMPROVED CUSTOMER SERVICE

- During the 2024 Filing Season, the IRS answered more than 1 million more calls than the 2023 Filing Season, while maintaining an average wait time of just over three minutes.
- The new callback option made available for the 2024 Filing Season saved taxpayers an estimated 1.5 million hours of sitting on hold. IRS Taxpayer Assistance Centers served more than 780,000 taxpayers in person, an increase of more than 37 percent compared to 2023.
- The IRS launch the Simple Notice Initiative to review, redesign, and deploy hundreds of notices so taxpayers better understand the actions they need to take, with an immediate

focus on the most common notices that individual taxpayers receive. Thirty-one notices were deployed for the 2024 Filing Season.

MODERNIZED TECHNOLOGY

- The IRS enhanced many online tools, such as Where's My Refund, Individual and Tax Pro Online Accounts, while also launching new online tools including the Business Tax Account for individual partners of partnerships, individual shareholders of S corporations and sole proprietors with an employer identification number (EIN).
- The IRS in August 2023 launched the Paperless Processing Initiative, which allowed taxpayers to go paperless by the 2024 Filing Season and e-File more than a dozen additional forms.
- The IRS launched the Direct File Pilot Program to allow eligible taxpayers in 12 states with simple returns to file for free, directly with the IRS. The IRS exceeded its goal for the pilot program, with more than 140,000 taxpayers submitting accepted returns.

STRENGTHENED ENFORCEMENT AGAINST COMPLEX PARTNERSHIPS, LARGE CORPORATIONS AND WEALTHY INDIVIDUALS

- The IRS is using IRA resources to strengthen enforcement and pursue complex partnerships, large corporations, and wealthy individuals. The IRS has launched new initiatives in each of these areas, with significant success so far. The IRS has launched new initiatives to crack down on abuse of corporate jets for personal travel and 125,000 wealthy individuals who have not filed tax returns for years.
- The IRS has pursued wealthy individuals who have not paid tax debts, collecting \$520 million in back taxes from around 1,000 delinquent millionaires and billionaires.

Using artificial intelligence (AI) and advanced analytics to help select complex partnerships for audits, IRS has launched audits of 76 of the largest partnerships, with average assets of \$10 billion that represent a cross section of industries including hedge funds, real estate investment partnerships, publicly traded partnerships, large law firms and other industries. The IRS is also launching audits of the 60 largest corporate taxpayers, with average assets of \$24 billion.

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