

Larry's Tax Law

IRS Budget Cuts Continue to Worsen

By Larry Brant on 5.19.17 | Posted in Internal Revenue Service, IRS Budget, Tax Gap

As I have reported in [my previous blog posts](#), the IRS continues to get hit with severe budget cuts. The result is not pretty: (i) tax collections are on the decline; (ii) the Tax Gap is growing; (iii) taxpayer non-compliance is on the rise; (iii) the availability of taxpayer education has diminished; (iv) the IRS's customer service continues to worsen (e.g., long waits to speak with service center representatives, elimination of the opportunity for most taxpayers to have an in-person appeal conference, etc.); and (v) the IRS is outsourcing collections.

What is the solution? Maybe lawmakers should engage in a dialogue with IRS Commissioner John Koskinen – whose term ends on November 9, 2017 – about:

1. How IRS resources should be deployed;
2. What reasonable oversight over the use of IRS resources should be implemented; and
3. How the IRS could transform its culture to achieve a balance of its collection function with its customer service and education functions.

It sure seems simple. Maybe my naivety is too overpowering for me to see the actual dilemma or the complexity in finding a solution to the problem.

[Steve Mendelsohn](#), Senior Vice President of Global Tax and Accounting Market Development for Thomson Reuters, recently interviewed me about this very topic for a column on his blog on [Inc.com](#). For more on this issue, visit his post: [Believe It or Not, IRS Budget Cuts Hurt American Taxpayers](#).

Tags: appeals conferences, Inc.com, IRS Commissioner John Koskinen, Steve Mendelsohn, tax collections, taxpayer non-compliance, Thomson Reuters