

DOCUMENT RESUME

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Adequacy of the Internal Revenue Service's Telephone Assistance to Taxpayers. March 22, 1978. 12 pp. + 7 appendices (19 pp.).

Testimony before the House Committee on Government Operations: Commerce, Consumer and Monetary Affairs Subcommittee; by Victor L. Lowe, Director, General Government Div.

Contact: General Government Div.

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In a survey of the effectiveness of the Internal Revenue Service's (IRS's) taxpayer service telephone assistance program, questions were based primarily on tax changes resulting from the Tax Reform Act of 1976. During fiscal year 1977, IRS was contacted about 29 million times for taxpayer assistance. On the basis of a sample analysis conducted over a 3-day period, it was estimated that 96% of taxpayers calling for assistance had their calls answered. The average time for answering calls was about 1 minute, compared to 20-40 seconds set by IRS standards. About 87% of IRS' responses were correct, but responses by specialists (technical backup people) were correct only 79% of the time. Rates varied with location and type of question. Responses to questions dealing with alimony were correct 100% of the time, while those dealing with moving expenses were correct only 59% of the time. Tax assistants were courteous 89% of the time and gave their names, as required, 98% of the time. GAO is studying the 1040 tax forms and instructions to try to simplify them. Experts are focusing attention on the parts of instructions which have caused the most telephone calls to IRS' taxpayer service. (HTW)

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STATEMENT OF
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BEFORE THE
SUBCOMMITTEE ON COMMERCE, CONSUMER AND MONETARY AFFAIRS
HOUSE GOVERNMENT OPERATIONS COMMITTEE
ON THE
ADEQUACY OF THE INTERNAL REVENUE
SERVICE'S TELEPHONE ASSISTANCE
TO TAXPAYERS

Mr. Chairman and Members of the Subcommittee:

We are pleased to be here to assist the Subcommittee in its inquiry into the effectiveness of the Internal Revenue Service's taxpayer service telephone assistance program.

On February 16, 1978, the Subcommittee requested that we survey the effectiveness of the telephone assistance program. Specifically, we were asked to determine (1) the extent to which taxpayers' telephone calls are answered by IRS, (2) how long it takes for calls to be answered, and (3) the extent to which taxpayers are receiving correct answers to their inquiries. In testing the accuracy of IRS'

responses, we were asked to use questions based primarily on tax changes resulting from the Tax Reform Act of 1976. The results of our survey follow.

Our survey--done during the three-day period March 6 through 8, between 9 a.m. and 4 p.m. (local time)--employed a scientific sampling approach that enabled us to draw conclusions nationally about the adequacy of IRS' telephone assistance to taxpayers during the 3-day period. We made 873 telephone calls at randomly selected times to 20 of the 70 IRS answering sites. The sites were also selected randomly. We developed 14 tax-related questions and assigned each of them randomly to be asked during the sample calls. Finally, we used a specially designed interview form to record the data for each call and facilitate computer analysis. (Appendixes I, II, and III contain the detailed survey scope and methodology, the 14 questions and answers, and the interview form.)

On the basis of our sample analysis, we estimate that nationally about 96 percent of the taxpayers calling IRS for tax assistance during the 3-day period would have had their calls answered. It would have taken an average of about 1 minute to make contact with an IRS tax assistant.

Overall, about 87 percent of IRS' responses were correct. However, those taxpayers referred to a specialist would have received a correct answer to their question only about 79 percent of the time. Bear in mind that our questions involved issues primarily affected by the Tax

Reform Act of 1976; hence, the percentages do not necessarily reflect IRS' overall accuracy in responding to taxpayers' questions. (Appendix IV contains the sampling errors for all projections, which were made at the 95 percent confidence level.)

BACKGROUND

The primary aim of IRS' taxpayer service program is to help taxpayers comply with their Federal tax obligations. To meet this goal IRS provides a varied assistance program. It (1) distributes tax forms and publications (2) provides educational services (3) furnishes "walk-in" assistance to taxpayers by answering their questions and helping them prepare their returns, and (4) answers mail and telephone inquiries. IRS considers telephone assistance the most efficient means of helping taxpayers with their tax questions and it encourages taxpayers to use the telephone. In 1974, IRS instituted a national telephone toll-free system to offer all taxpayers an equal opportunity to call IRS for assistance.

During fiscal year 1977, IRS was contacted about 29 million times by taxpayers requesting assistance by telephone. About 18 million of these contacts were made during the 1977 tax filing period (January 1 through April 30, 1977).

IRS ANSWERS MOST
TAXPAYER PHONE CALLS
ON THE FIRST ATTEMPT

We planned to make up to 5 attempts to place each of 873 sample telephone calls. However, IRS answered 682, or about 78 percent, the first time we called. As shown below most of the remaining calls, which initially resulted in busy signals or went unanswered, were completed by the fifth attempt. As shown below, only 34 of the 873 telephone calls, or about 4 percent, went unanswered.

<u>Call Attempt</u>	<u>Completed Calls</u>	
	<u>Number</u>	<u>Percent</u>
1	682	78
2	96	11
3	34	4
4	17	2
5	10	1
Completed calls	<u>839</u>	<u>96</u>
Uncompleted calls	34	4
Total calls	<u>873</u>	<u>100</u>

Of the 34 calls which remained unanswered after the fifth attempt, 24 were due to busy signals, 1 went unanswered after the telephone rang for 5 minutes, and 9 were terminated after waiting five minutes when placed on hold.

Although nationwide 96 percent of our calls were answered by IRS, the degree of responsiveness among the 20 sample locations varied, particularly on our first attempt to call. For example, the percentage of calls completed on the first attempt ranged from 61 percent at one answering site to 100 percent at another. The percentage of total calls completed

at each site ranged from 91 percent to 100 percent. (A detailed breakdown of the number of calls made and completed at each IRS answering site is shown in Appendix V.)

Although IRS was able to answer most of our calls on the first attempt, we were placed on hold 42 percent of the times (351 of 839) our telephone calls were answered. Of the 682 calls answered on the first attempt, 279, or 41 percent, were placed on hold.

TIME REQUIRED FOR IRS
TO ANSWER THE TELEPHONE

IRS standards provide that on the average only 20 to 40 seconds should elapse from the first time the phone rings until it is answered. The 839 telephone calls which we made and were able to complete were answered on the average in about one minute. However, it is difficult to compare our results to IRS' standards because under our procedure for accounting for elapsed time, we rounded any time over 30 seconds to the next minute. This procedure is one of the constraints we faced because of the survey time frame and the complex computer programming which would have been required to record exact seconds. Thus, we cannot say how many of our calls were answered within IRS' "20-40 second" criteria.

Although nationwide the average time required for IRS to answer our calls was about one minute, it ranged from 7 seconds in one location to 2 minutes and 45 seconds in another.

(Appendix VI shows the average answering time required by each of the 20 sample locations.) Our analysis showed the 351 hold calls remained on hold an average of 2 minutes.

Thus, despite the fact that our data is not specifically comparable to IRS' "20-40 second" criteria, it appears that IRS needs to improve its average response time to come within its existing criteria.

ACCURACY OF IRS RESPONSES TO
TAXPAYER INQUIRIES COULD BE
IMPROVED

Once a taxpayer makes contact with an IRS telephone answering site, his or her inquiry will normally be answered by a tax assistor. In some instances, particularly when the question involves a complex tax matter, the tax assistor will either refer the caller to a technical backup person, or offer to research the matter and call the taxpayer back.

Of the 839 calls we completed, 768, or 91 percent, were handled by tax assistors. In 52 instances we were referred to technical backup people and in 19 instances, the assistors offered to call us back. Of course, we did not pursue offers to get back to us so as not to publicize our survey.

Overall, IRS answered our questions correctly 87 percent of the time. As shown in Appendix VII, the accuracy rate varied widely by IRS answering site and by the type of question asked. The rate ranged from a high of about 94 percent at one location to a low of about 74 percent at another. Our

question number 6, dealing with alimony, had an accuracy rate of 100 percent; while IRS responded correctly to question number 11, dealing with moving expenses, only about 59 percent of the time. The accuracy rates for the 14 questions we asked are shown below.

<u>Question</u>	<u>Number of Questions</u>		<u>Accuracy Rate</u>
	<u>Asked</u>	<u>Correctly Answered</u>	
1 - Earned Income Credit	72	71	99
2 - Separate Returns	72	59	82
3 - Child's Unearned Income	56	54	96
4 - Tax Computation	71	66	93
5 - Zero Bracket Amount	60	58	97
6 - Alimony	58	58	100
7 - Elderly Tax Credit	55	48	87
8 - Business Use of Home	42	38	90
9 - Rental Involving Personal Use	53	35	66
10 - Child Care Expenses	67	56	84
11 - Moving Expenses	44	26	59
12 - Capital Losses	65	52	80
13 - Individual Retirement Account	42	40	95
14 - Disability Exclusion	<u>46</u>	<u>34</u>	<u>74</u>
Total	<u>803</u>	<u>695</u>	<u>87</u>

Tax assistors responded correctly to 662 of the 761 questions they answered for an accuracy rate of 87 percent. (In 7 of the 768 calls handled by tax assistors, the telephone connections were lost.)

Of the 52 calls handled by technical backup people, 10 were lost in transit. However, of the 42 questions which we were able to ask, only 33, or 79 percent, were answered correctly. This is particularly noteworthy since IRS considers telephone referrals to be a critical factor in providing quality service to taxpayers.

A breakdown of the 42 questions handled by the technical backup personnel showed the following.

- Ten were concerned with allowable deductions on a rental cottage (question 9); three were answered incorrectly.
- Seven were concerned with establishing an individual retirement account (question 13); all were answered correctly.
- Six were concerned with deductions for moving expenses (question 11); two were answered incorrectly.
- Five others were concerned with the elderly tax credit (question 7); all were answered correctly.

--Five were concerned with disability exclusions (question 14); two were answered incorrectly.

--Four were concerned with deductions of expenses in the home for business purposes (question 8); one was answered incorrectly.

--Four others were concerned with capital loss deductions (question 12); one was answered incorrectly.

--One was concerned with the reporting of alimony (question 6); it was answered correctly.

Although we had no firm criteria with which to compare the results of our survey, the accuracy rates of the tax assistors, and especially the technical backups in responding to our questions were sufficiently low enough to warrant IRS attention. However, we want to emphasize that, although statistically valid, our results apply only to a specific three-day period. IRS has no equivalent rates with which we can compare our results. For example, IRS estimated on a sample basis, through its telephone monitoring system that its tax assistors responded correctly to taxpayer inquiries about 97 percent of the time during the 1977 tax filing period. However, this estimate includes simple administrative inquiries, such as "what tax form do I use?," as well as technical questions of the type we asked.

OTHER TELEPHONE TAX
ASSISTOR INFORMATION

IRS places great stress on the courteous treatment that a taxpayer should receive when calling for assistance. Also, for followup purposes if necessary, and as a courtesy, the assistors are required to identify themselves by name. Of the 839 telephone calls we completed, the tax assistors were courteous about 89 percent of the time. The assistors gave us their names about 98 percent of the time.

TAX SIMPLIFICATION WORK

The Subcommittee also asked us to comment on work we have underway to simplify the tax forms and instructions. As the result of a December 24, 1976, request of the Joint Committee on Taxation, we are studying the 1040 tax forms and instructions to see how they can be made easier to read and understand. Specifically, we want to show that

--it is possible to write and design the forms and instructions so that many more taxpayers can prepare their own returns, and do so correctly and,

--the format and language of the tax code can be put into a style which will make the law easier to interpret.

We are being assisted by 7 individuals and organizations prominent in the fields of writing and graphic design.

Under our tax system, taxpayers are responsible for determining whether they are required to file a tax return, and for determining and paying the amount of tax owed. To help

taxpayers understand and comply with the requirements of the tax code, IRS annually sends each taxpayer a package of tax forms and instructions for completing the forms.

There are significant indications that taxpayers are having problems with the forms and instructions. For example, about 50 percent of the taxpayers who filed returns during 1977 paid others to prepare their returns. Moreover, about 66 percent of the taxpayers who filed Form 1040 paid others to prepare it. These taxpayers were of all income levels.

We asked our experts to determine how the tax forms and instructions can be improved and, if so, how it can be done. We have also asked them to explain the problems their suggestions are covering.

In connection with the instructions, the experts are focusing their attention on those parts which caused the most telephone calls to IRS' taxpayer service division during the 1977 filing season. Each expert is looking at a different part of the instructions. We are also having the overall reading level of the instructions determined, which we will then compare to the reading abilities of taxpayers. Insofar as design is concerned, both the tax forms and instructions will be covered. The design will cover such items as organization and types of printing styles.

It is not necessarily our objective to have our re-write and re-design of the 1040 forms and instructions adopted but to demonstrate to the Congress and the Administration that simplification is possible regardless of whether the law is changed. We expect to issue our report this spring.

This concludes my prepared remarks. We would be pleased to respond to questions.

SCOPE AND METHODOLOGY FOR
GAO SURVEY OF THE EFFECTIVENESS
OF THE IRS TAXPAYER SERVICE
TELEPHONE ASSISTANCE PROGRAM

To meet the objectives of this survey, we used a scientific sampling technique which would allow us to make nationwide estimates at a 95-percent confidence. Due to the time constraints and the need for an adequate sample size, we originally decided to make, on a random basis, 1,600 telephone calls to 20 of 70 IRS telephone answering sites during the 5-day period, March 6 through March 10, 1978. We developed 15 questions, which focused on changes caused by the Tax Reform Act of 1976, and assigned each of them randomly to be asked during the sample calls. We subsequently dropped one of the questions during the survey after determining that, under the amended code section, the answer to our question was not clear.

After conducting the survey for three days, we surmised that IRS might be aware of our survey and decided to terminate our test calls to minimize any effects that might follow from IRS' awareness of our efforts. Specifically, tax assistants at the 20 IRS telephone answering sites were beginning to become familiar with our questions and handle our calls differently. In addition, the accuracy of their responses seemed

to improve each day because of their familiarity with the questions. For example, tax assistors at one call site told one of our callers that "you are the third person to ask that question." Thus, our results covered the period March 6 through March 8 and are based on 873 telephone calls. Even though we reduced the number of questions, the change had no appreciable effect on the statistical validity of our results.

SAMPLING TECHNIQUE

For each of IRS' 70 telephone answering sites, we obtained the total number of taxpayer assistance phone calls handled during the equivalent work week in 1977. Based on this data, we decided to select 20 sites using a simple random selection procedure. The 70 answering sites were numbered from 1 to 70 and twenty numbers were selected from a random number table and matched with the listing of the 70 sites.

Based on the fact that we had planned to ask 15 questions at the 20 IRS answering sites, we decided to make 1,600 phone calls. In order to assure the randomness of the time each telephone call was to be made and question asked, 1,600 two-part random numbers were selected. The first part represented the time the phone call was to be made and the second part the question to be asked. Based on the assumption that each answering site would be available during the seven hours from

9 a.m. and 4 p.m., local time, during the planned five-day period of our survey, the first part of the number was randomly assigned from the numbers 0001 to 2100, representing the total minutes covered (7 hours x 60 minutes x 5 days). The second part was a number between 01 and 15, matched to one of the 15 questions to be asked. For example, the two-part random number, 835-11, means that the call was to be made at 3:55 p.m., local time, on the second day and that the 11th question was to be asked.

We assigned the listing of 1,600 two-part random numbers to the 20 selected answering sites in order of selection. That is, the 1st, 21st, etc., were assigned to the first site; the 2nd, 22nd, etc., were assigned to the second site; and so on.

TELEPHONE PROCEDURE

Those GAO staff members making the telephone calls were instructed to make a maximum of five attempts to place a call. They were further instructed to let the phone ring for five minutes before terminating the call and to allow one minute to elapse before making a second, third, fourth, or fifth attempt. More than one attempt was also to be made if the telephone line was busy.

For each telephone call made, our callers recorded the time from when he or she initially dialed until an IRS representative answered.

Our callers also kept track of the time they spent on hold--from when they were placed on hold until a tax assistor was ready to answer the question. Hold time did not include instances when the tax assistor may have had to place the caller on hold in the process of answering the tax question.

All data collected by our callers was recorded on a special interview form designed to facilitate computer analysis. (A copy of the interview form is included as Appendix III to this statement.)

TEST QUESTIONS USED IN
GAO SURVEY OF IRS
TAXPAYER SERVICE TELEPHONE
ASSISTANCE PROGRAM

1. Question: I made \$7,500 last year. I have a 25 year old son who is retarded. I claim him as my dependent. Can I take the earned income credit that you describe on page 2 of the instructions?
(Further information: I am a widow(er).)
(IRC Section 44 A(f))

Answer: Yes. To be entitled to the earned income credit you must pay more than half the cost of keeping a household in the U.S. which is your home for yourself and a dependent child under age 19, or a full-time student, or disabled, ~~taxpayer.~~
(IRC Section 43)

2. Question: My husband (wife) and I are married and living together. However, we want to file separate returns. If my husband (wife) itemizes his (her) deductions on his (her) separate return, may I file a Form 1040A?

Answer: No. You must file the Form 1040 and itemize your deductions and use the Tax Computation Schedule.

(IRC Section 63 (e)(1)(A))

3. Question: I go to college full-time, and my parents claim me as a dependent on their tax return. Last summer I made \$2,000 working in a greenhouse and I received \$1,000 interest on some bonds which my grandfather gave me. Can I file a Form 1040A?

Answer: No. You must file a Form 1040 because you are claimed as a dependent by your parents and your investment exceeds \$750.

(IRC Section 63 (e)(1)(D))

(CCH Standard Federal Tax Reporter, 1978 Edition, Paragraph 726.001)

4. Question: If I use one of the tax rate schedules to compute my tax, must I separately compute the general tax credit?

Answer: Yes. It appears on line 10 of Schedule TC.

5. Question: I am married and file a joint return. I want to itemize my deductions. In computing my taxes

why do I have to subtract \$3,200 from my itemized deductions?

Answer: The tax rate schedules X, Y, Z and the tax table have built into them a zero bracket amount (which is the old flat standard deduction applicable to taxpayers in each separate filing status.) You therefore are entitled to claim as itemized deductions only the amount which is in excess of this zero bracket amount.
(IRC Sections 1 and 63(d))

6. **Question:** I'm divorced, and I paid \$5,500 in alimony last year to my former wife. Do I show this under other deductions on Schedule A?

Answer: No. Alimony payments are deductible from gross income to reach adjusted gross income, which means that you may claim alimony as a deduction whether or not you elect to itemize your personal deductions. You should claim your deduction on line 27, Form 1040.
(IRC Section 215,62(13))

7. **Question:** My mother and father are both over age 65, and file a joint return. He received \$15,000 (all

taxable) in pension benefits last year and he also received \$1,400 in social security payments. Can he take the elderly tax credit?

Answer: No. The credit is computed as follows:

Maximum Income Covered by Credit	\$3,750
Less Social Security	(1,400)
Balance	\$2,350
Less 1/2 Income Over \$10,000	(2,500)
Credit	<u>0</u>

(IRC Section 37)

8. Question: I'm a salesman (selling pharmaceutical supplies) and I keep a briefcase of all sample supplies in my apartment. Also I do all of my recordkeeping and business correspondence at home. Can I deduct some of my rent? (Further Information: There is no special room set aside in the apartment for this work.)

Answer: No. From your question it would appear that you do not have a special room in your apartment set aside for exclusive use as an office. Therefore, in spite of the fact that your boss does not furnish you with an office and that you in fact do all of your recordkeeping and business correspondence at home, you cannot deduct any amount of your rent.

(IRC Section 280 A(C)(1))

9. Question: I have a cottage which I rent for 3 months each year. I use it myself for one month a year. Can I deduct my mortgage interest, utilities and maintenance expenses?

Answer: Yes. You first subtract from your gross rental income $3/4$ of your taxes and interest paid during the year. Your utility and maintenance expenses are deductible as a business expense but only against gross rental income reduced by $3/4$ of your tax and interest. Utilities and maintenance expenses in excess of this reduced gross rental income are not deductible. Your $1/4$ mortgage interest and taxes are deductible if you itemize. (Allocation is based on actual use.)
(IRC Section 280 A(e))

10. Question: I'm divorced and receive \$2,000 a year in child support. The divorce decree provides that my ex-husband can claim our child as a dependent. I pay a lady to watch the baby while I'm at work. Can I take this off my taxes?

Answer: Yes. You may claim the child-care expenses credit even though you are not entitled to

claim your child as a dependent for purposes of the \$750 dependency exemption if the child is legally in your custody for more than 6 months of the year.

(IRC Section 44 A(f)(5))

11. Question: I was transferred from New York last March. I spent \$650 looking for a house and \$985 on meals and motel while waiting for my house to be ready. I was not reimbursed for any of this. Can I take this as a deduction?

Answer: Yes, subject to the maximum deduction for househunting and temporary living expenses of \$1,500 and the 30 day time limit on meals and lodging.

(IRC Section 217 (b)(i)(D))

12. Question: I bought some coal company stock last January and sold it in December last year. I ended up losing \$4,300. Can I deduct the entire loss? I do not own any other stock and had no other capital gains this year.

Answer: No. Since you held the stock over 9 months, it is a long term capital loss. This means that only 1/2 the loss is deductible against ordinary income. However, the maximum loss deduction against ordinary income in a single tax year is \$2,000. Thus, you can deduct \$2,000 this year against ordinary income and \$300 can be carried forward to the next year. (IRC Section 1211(b)(2)(A))

13. **Question:** My wife doesn't have a job. I earned \$20,345 last year and I have an IRA. Can I set one up for her?

Answer: Yes. You can set one up for 1978. The maximum deduction is the lesser of 15 percent of your salary or \$1,750 to a single account which has a subaccount for your wife. If the accounts are separate the maximum deduction to each is the lesser of \$875 or 15 percent of your salary. (IRC Section 220(b))

14. **Question:** I am 63 years old and retired on disability. My doctor says I can't work again. Am I entitled to a disability exclusion for part of my pension income? I receive \$18,000 pension

benefits and \$2,000 interest income. I am married and file a joint return.

Answer: Yes, if you can properly substantiate the fact of your permanent disability you are entitled to a disability exclusion of \$5,200, reduced dollar for dollar by the amount that your adjusted gross income exceeds \$15,000. You can exclude \$200 from gross income ($\$5,200 - (\$20,000 - 15,000) = \200). (IRC Section 105(d)(2)(3))

INTERVIEW RECORD
QUALITY OF TAXPAYER SERVICE

1 ID #

 / / / / / /11/
1/1-2 1/3-4 1/5-8

2. Phone Contact Record

Day	Time Placed	Results	Time Answered	Taken Off hold	
1/9	<u> </u> / <u> </u> / <u> </u> 1/10-13	<u> </u> / <u> </u> / <u> </u> / <u> </u> / <u> </u>	1/14 <u> </u> / <u> </u> / <u> </u>	1/15-18 <u> </u> / <u> </u> / <u> </u> / <u> </u> / <u> </u>	1/19-22 <u> </u> / <u> </u> / <u> </u> / <u> </u> / <u> </u>
1/23	<u> </u> / <u> </u> / <u> </u> 1/24-27	<u> </u> / <u> </u> / <u> </u> / <u> </u> / <u> </u>	1/28 <u> </u> / <u> </u> / <u> </u>	1/29-32 <u> </u> / <u> </u> / <u> </u> / <u> </u> / <u> </u>	1/33-36 <u> </u> / <u> </u> / <u> </u> / <u> </u> / <u> </u>
1/37	<u> </u> / <u> </u> / <u> </u> 1/38-41	<u> </u> / <u> </u> / <u> </u> / <u> </u> / <u> </u>	1/42 <u> </u> / <u> </u> / <u> </u>	1/43-46 <u> </u> / <u> </u> / <u> </u> / <u> </u> / <u> </u>	1/47-50 <u> </u> / <u> </u> / <u> </u> / <u> </u> / <u> </u>
1/51	<u> </u> / <u> </u> / <u> </u> 1/52-55	<u> </u> / <u> </u> / <u> </u> / <u> </u> / <u> </u>	1/56 <u> </u> / <u> </u> / <u> </u>	1/57-60 <u> </u> / <u> </u> / <u> </u> / <u> </u> / <u> </u>	1/61-64 <u> </u> / <u> </u> / <u> </u> / <u> </u> / <u> </u>
1/65	<u> </u> / <u> </u> / <u> </u> 1/66-69	<u> </u> / <u> </u> / <u> </u> / <u> </u> / <u> </u>	1/70 <u> </u> / <u> </u> / <u> </u>	1/71-74 <u> </u> / <u> </u> / <u> </u> / <u> </u> / <u> </u>	1/75-78 <u> </u> / <u> </u> / <u> </u> / <u> </u> / <u> </u>

Use
1 = No Answer
2 = Busy
3 = Call complete

3. / / IRS Employee Gave Name?
1/79 1 = yes 2 = no 7 = no contact

9. Comments _____

At This Point the Assigned Question Is Asked

4. / / Response Correct?
1/80 1 = yes 2 = no 7 = no contact
3 = retried

5. Would you say

1/81 / / the response was clear?] 1 = yes
1/82 / / the response was concise?] 2 = no
1/83 / / the employee was courteous?] 7 = no contact

6. / / Were you referred to another source?
1/84 1 = yes 2 = no 7 = no contact

7. / / Problems with referral?
1/85 1 = no
2 = could not locate
3 = on hold for over 5 minutes
4 = lost when transferred
7 = no contact/no referral
8 = other (explain)

8. / / Referral answer correct?
1/86 1 = yes 2 = no 7 = no contact/
no referral

APPENDIX IV

SAMPLING ERRORS FORPROJECTIONS a/

<u>Description</u>	<u>Percentage And Estimates</u>	<u>Sampling Error Percentage</u>
Percentage of Completed Calls (839 completions/ 873 attempts)	96.11	± 1.28
Average Time per 839 calls completed	1 min. 4 sec.	± 7.4 sec.
Overall Correct- ness (695 correct responses/803 questions responded to by IRS)	86.5	± 2.36
Correct Responses on Referrals to Technical Backup People (33 correct responses/42 questions responded to by tech- nical backup people)	78.57	± 12.41
Calls Placed on Hold (351 hold calls/ 839 completed calls)	41.84	± 3.34

a/All projections are at the 95 percent confidence level.

APPENDIX V

NUMBER OF CALLS MADE AND
COMPLETED BY ANSWERING SITES

<u>IRS Answering Sites</u>	<u>Calls Made</u>	<u>Calls Completed</u>	
		<u>Number</u>	<u>Percent</u>
Spokane, WA	51	47	92
Birmingham, AL	42	42	100
Portsmouth, NH	40	37	93
St. Louis, MO	43	42	98
San Diego, CA	46	42	91
Miami, FL	38	38	100
Smithtown, NY	42	38	90
Jackson, MS	45	43	96
Atlanta, GA	44	44	100
Springfield, IL	33	32	97
Van Nuys, CA	46	43	93
San Jose, CA	42	41	98
Greensboro, NC	50	49	98
Providence, RI	50	48	96
Detroit, MI	46	45	98
Dallas, TX	38	36	95
Denver, CO	39	36	92
Los Angeles, CA	52	52	100
Richmond, VA	45	45	100
Louisville, KY	<u>41</u>	<u>39</u>	<u>95</u>
TOTAL	<u>873</u>	<u>839</u>	<u>96</u>

APPENDIX VI

AVERAGE TIME PER LOCATION
FOR COMPLETED CALLS

<u>Location</u>	<u>Number of Calls Completed</u>	<u>Average time per call</u>
Spokane, WA	47	2.75
Birmingham, AL	42	.38
Portsmouth, NH	37	.95
St. Louis, MO	42	.76
San Diego, CA	42	1.33
Miami, FL	38	.40
Smithtown, NY	38	.97
Jackson, MS	43	1.07
Atlanta, GA	44	1.36
Springfield, IL	32	1.09
Van Nuys, CA	43	.86
San Jose, CA	41	1.12
Greensboro, NC	49	.12
Providence, RI	48	.46
Detroit, MI	45	1.62
Dallas, TX	36	1.61
Denver, CO	36	1.97
Los Angeles, CA	52	1.07
Richmond, VA	45	1.04
Louisville, KY	<u>39</u>	<u>.56</u>
Total	<u>839</u>	<u>1.07</u>

Review of the Effectiveness of the IRS Taxpayer Service Telephone Assistance Program

Schedule of Percentages of Accurate Responses by Questions and Location and Frequency Question Asked Per Site

	Total Correct Responses	Total # of Ques. Asked	Total % of Accuracy at Site	Question 1		Question 2		Question 3	
				Accuracy rate %	Times Asked	Accuracy rate %	Times Asked	Accuracy rate %	Times Asked
Spokane	32	41	78	100	6	40	5	100	1
Birmingham	36	42	85.7	100	3	50	2	100	2
Portsmouth	32	37	86.5	100	3	60	5	100	3
St. Louis	37	42	88.1	100	3	100	1	100	4
San Diego	32	39	82.1	100	2	62.5	8	100	2
Miami	32	37	86.5	100	4	100	5	100	3
Smithtown	35	38	92.1	100	7	100	4	100	2
Jackson	32	43	74.4	100	4	66.7	3	80	5
Atlanta	37	44	84.1	100	4	50	4	100	1
Springfield	29	31	93.5	100	5	100	1	100	3
Van Nuys	35	40	87.5	100	6	100	2	75	4
San Jose	35	40	87.5	100	4	100	6	100	3
Greensboro	45	49	91.8	100	3	100	4	-	0
Providence	37	47	78.7	100	2	66.7	3	100	7
Detroit	40	45	88.9	75	4	100	2	100	2
Dallas	33	35	94.3	100	1	100	3	100	2
Denver	31	34	91.2	100	1	100	1	100	2
Los Angeles	31	35	88.2	100	4	100	2	-	0
Richmond	40	45	88.9	100	1	100	6	100	4
Louisville	34	39	87.2	100	5	100	5	100	6
Total	695	803	87	99	72	82	72	96	56

Review of the Effectiveness of the IRS Taxpayer Service Telephone Assistance Program
Schedule of Percentages of Accurate Responses by Questions and Location and Frequency Question Asked Per Site

	Question 4		Question 5		Question 6		Question 7		Question 8		Question 9	
	Accuracy rate %	Times Asked	Accuracy rate %	Times Asked	Accuracy rate %	Times Asked	Accuracy rate %	Times Asked	Accuracy rate %	Times Asked	Accuracy rate %	Times Asked
Spokane	100	4	50	2	100	1	100	1	75	4	66.7	3
Birmingham	100	4	100	2	-	0	80	5	100	4	100	1
Portsmouth	100	1	100	1	100	4	100	2	100	3	-	0
St. Louis	100	3	80	5	100	5	100	2	100	2	66.7	3
San Diego	100	3	100	2	100	2	100	2	66.7	3	0	1
Miami	100	1	100	2	100	2	100	2	100	1	0	2
Smithtown	100	4	100	1	100	5	66.7	3	0	1	-	0
Jackson	100	1	100	3	100	2	80	5	100	3	25	4
Atlanta	100	2	100	4	100	4	60	5	100	3	80	5
Spartanburg	100	2	100	3	100	1	100	4	100	3	-	0
Van Nuys	66.7	3	100	6	100	1	100	2	100	2	66.7	4
San Jose	100	3	100	1	100	3	100	3	100	1	66.7	3
Greensboro	100	7	100	4	100	5	100	1	100	2	71.4	7
Providence	50	8	100	3	100	4	100	2	50	2	80	5
Detroit	100	4	100	6	100	4	100	1	100	1	100	3
Dallas	100	2	100	2	100	4	75	4	100	1	100	3
Denver	100	8	100	3	100	3	66.7	3	100	1	60	5
Los Angeles	100	5	100	4	100	4	100	4	100	0	0	1
Richmond	100	3	100	3	100	2	100	3	100	4	-	0
Louisville	100	3	100	3	100	2	100	1	100	1	33.3	3
Total	93	71	97	60	90	58	87	55	90	42	66	53

Review of the Effectiveness of the IRS Taxpayer Service Telephone Assistance Program
 Schedule of Percentages of Accurate Responses by Questions and Location and Frequency Question Asked Per Site

	Question 10		Question 11		Question 12		Question 13		Question 14	
	Accuracy rate %	Times Asked	Accuracy rate %	Times Asked	Accuracy rate %	Times Asked	Accuracy rate %	Times Asked	Accuracy rate %	Times Asked
Spokane	100	1	50	2	100	5	66.7	3	66.7	3
Huntingham	83.3	6	66.7	6	75	4	100	2	100	1
Portsmouth	100	1	50	2	75	4	100	2	83.3	6
St. Louis	100	2	50	2	100	3	100	4	33.3	3
San Diego	100	4	50	4	100	1	100	5	0	0
Miami	85.7	7	0	1	75	4	100	1	100	2
Smythtown	100	5	100	3	0	1	100	1	100	1
Jackson	33.3	3	-	0	50	2	100	3	60	5
Atlanta	33.3	3	100	1	100	5	100	1	100	2
Springfield	100	3	0	1	66.7	3	100	0	100	2
Van Nuys	50	2	66.7	3	100	1	100	2	100	2
San Jose	80	6	-	0	0	1	100	2	75	4
Greensboro	100	5	100	2	100	3	75	4	50	2
Providence	100	2	50	4	75	4	100	1	66.7	0
Detroit	100	2	66.7	3	66.7	6	100	4	100	3
Dallas	100	4	50	2	100	6	100	1	100	0
Denver	100	1	0	1	100	1	100	3	50	2
Los Angeles	83.3	6	-	0	66.7	3	100	0	50	4
Richmond	50	4	75	4	100	4	100	3	50	4
Louisville	100	1	33.3	3	66.7	3	100	0	100	3
Total	87	67	59	44	80	65	95	42	74	46