

GAO

Report to the Honorable
Fred T. Goldberg, Jr., Commissioner,
Internal Revenue Service

April 1990

TAX ADMINISTRATION

Erroneous Penalties for Failure to File Returns or Pay Taxes Can Be Reduced



141303

General Government Division

B-238387

April 13, 1990

The Honorable Fred T. Goldberg, Jr.
Commissioner, Internal Revenue Service
Department of the Treasury

Dear Mr. Commissioner:

This report is one of a series we are doing on the Internal Revenue Service's (IRS) administration of civil tax penalties. It discusses whether IRS assessment and abatement decisions for the failure to file a timely tax return and failure to pay taxes due penalties were appropriate and sufficiently documented. It also addresses the accuracy of IRS penalty statistics. It includes recommendations on how the administration of these penalties can be improved.

Of the approximately 150 civil tax penalties in the Internal Revenue Code (Code), the penalties for failure to file and pay are among those most likely to affect the majority of taxpayers. During fiscal year 1988, IRS assessed 2.9 million taxpayers the failure to file penalty and 8.4 million taxpayers the failure to pay penalty. These penalties were assessed against individual and corporate filers on income tax, excise tax, employment tax, estate tax, and gift tax returns. The number of IRS reported abatements¹ equalled 14 percent and 13 percent of assessments respectively for the failure to file and failure to pay penalties in fiscal year 1988. The reported abatement rates have contributed to congressional concern over the adequacy of IRS' administration of these penalties.

Results in Brief

Our review of a sample of taxpayer requested abatements of IRS failure to file and failure to pay penalty decisions revealed that over 90 percent of the abatements made were appropriate based on IRS abatement criteria. However, 29 percent of the abatements were necessary to correct erroneous assessments. Failure to properly code income tax returns for processing and problems with processing taxpayers' extensions to file their income tax returns caused most of the assessment errors.

A lack of documentation regarding why a penalty was abated in the penalty case files prevents IRS managers from readily identifying and correcting processing problems. Existing internal controls—specifically, quality reviews—are also not designed to identify, summarize, and

¹An abatement occurs when IRS forgives the penalty.

assess processing problems that lead to erroneous failure to file and pay penalties.

IRS errors in making penalty assessment decisions can increase taxpayer frustration and generate an additional administrative burden for IRS. IRS should strengthen penalty internal controls by (1) requiring that tax examiners fully document the reasons for abating penalties and (2) design its internal controls to capture and summarize the causes of assessment errors so that managers can take corrective action.

While our review of IRS penalty assessment and abatement decisions revealed a need for improvement in return processing to reduce erroneous assessments, we also determined that IRS penalty abatement statistics contain numerous computer-generated transactions that reflect adjustments to the taxpayer's account. These transactions, which make up over 80 percent of the reported abatements, are not taxpayer requested abatements. They are typically computer-programmed recalculations of the penalty based on a reduction of the associated tax liability, which may result from an IRS audit of a taxpayer's return or, more often, a partial payment received on an overdue account. By including these computer adjustments in reported abatement statistics, IRS overstates the number and dollar value of actual abatements, and correspondingly, IRS forgiveness of taxpayer noncompliance.

In providing informal comments on this report, IRS officials agreed with our results and recommendations on the need for better documentation on abatement decisions as well as strengthening internal controls to take corrective action to reduce the number of erroneous assessments. IRS officials also agreed that penalty abatement statistics could be categorized and better explained to differentiate between penalty adjustments and reasonable cause abatements.

Background

A penalty system must maintain credibility and confidence among taxpayers. In reviewing penalties, penalty policy and administration concerns need to be considered in determining the effectiveness of the overall structure of penalties. In our report, Tax Policy: Options for Civil Penalty Reform (GAO/GGD-89-81), we examined the policy matters associated with civil penalties. We recommended statutory changes to make civil penalties less complex, more equitable, and easier to administer without lessening their deterrent value. This report builds on our review of civil penalty policy by addressing IRS administration of two of the

most commonly assessed penalties: those for failure to file a timely tax return and for failure to pay taxes when due.

The Failure to File and Failure to Pay Penalties

Income tax returns are the basic building blocks of our tax system. The Code requires that tax returns be filed and taxes paid by prescribed dates to accommodate the processing of returns and necessary flow of funds into the Treasury. The returns also provide information essential for IRS to track and detect nonfilers, underreporters, and nonpayers. The penalties for failure to file a tax return and failure to pay taxes due are intended to encourage taxpayers to meet these obligations.

The penalty for failure to file an income tax return is 5 percent of the net tax due for each month or part of a month the return is late, not to exceed a total of 25 percent. The penalty applies only when an underpayment of tax occurs. A minimum failure to file penalty is applied for returns with underpayment of tax filed more than 60 days after the due date (considering any extensions granted by IRS). The minimum penalty is the lesser of \$100 or 100 percent of any unpaid tax.

If payment of the balance due as shown on the return is not made by the return due date, the failure to pay penalty may be assessed. The penalty is one-half of 1 percent of the amount due per month or part of a month the taxes are not paid, up to a maximum of 25 percent. The penalty also applies to taxpayers who owe taxes for which IRS has sent a notice for payment.

If both the failure to file and failure to pay penalties are assessed on the same return, under the statute the failure to file penalty is reduced so that together the two penalties do not exceed 5 percent per month. The penalties can be abated if the taxpayer demonstrates reasonable cause for the delinquency.

Assessment and Abatement Procedures

IRS assesses these penalties by computer and manually. Computer assessments typically involve the taxpayer failing to take a required action that the computer can identify, such as failing to file a return or pay taxes by a specific date. The computer is programmed to look for specific situations such as these and to assess the appropriate penalty when warranted. In the case of failing to file a return on time, the computer is also programmed to look for extensions posted on the taxpayer's account before assessing the penalty. IRS computers assessed

93 percent of the failure to file and more than 99 percent of the failure to pay penalties in fiscal year 1988.

IRS examiners may manually assess a failure to file or pay penalty at the completion of an audit. The examiner computes the penalties in addition to the taxpayer's tax liability, allowing the taxpayer to pay the deficiency in full at the completion of the audit. Seven percent of the failure to file and less than 1 percent of the failure to pay penalties were assessed manually in fiscal year 1988.

IRS also abates failure to file and pay penalties by computer and manually. Computer abatements typically result from an adjustment that reduces the taxpayer's tax liability. When the tax liability is reduced, the computer is programmed to recalculate a reduced penalty based on the lower liability. This is done through a complete or partial abatement of the original penalty. Computer abatements made up 57 percent of the failure to file and 89 percent of the failure to pay penalty abatements in fiscal year 1988.

Manual abatements are typically prompted by a taxpayer's request for reconsideration of the penalty due to reasonable cause. Upon reviewing the taxpayer's written statement, which is to fully explain the basis for a reasonable cause abatement, IRS examiners may manually abate the penalty, in whole or in part, or deny the abatement. The taxpayer is to be notified in writing of the abatement decision; if the abatement is denied, or abated in part, the taxpayer is to be given information on further appeal rights. For fiscal year 1988, manual abatements were 43 percent of the total abatements for the failure to file penalty and 11 percent for the failure to pay penalty.

Objectives, Scope, and Methodology

The objectives of our work were (1) to determine whether IRS' decisions regarding the assessment and abatement of these penalties were appropriate, i.e., consistent with IRS assessment and abatement criteria; (2) to determine if the decisions were sufficiently documented; and (3) to determine if IRS statistics relating to these penalties are accurate.

To determine how IRS assesses and abates the failure to file and failure to pay penalties, we reviewed IRS written procedures for administering the two penalties and discussed these procedures with IRS officials at the National Office and the Cincinnati Service Center, where we did most of our work.

To determine whether IRS appropriately assesses and abates the two penalties, we reviewed a random sample of penalty abatement case files. We selected abatement cases because time and staff constraints limited the number of cases we could review. Abatement case files provided the opportunity to look at both an assessment and abatement decision in a single file. We randomly sampled 626 manual penalty abatements made during fiscal year 1987, the most recent year for which complete data were available. Our sample was drawn from the IRS individual and business master files. To provide a cross section of several different IRS offices, our sample included abatements processed by three IRS service centers—Andover, Massachusetts; Cincinnati, Ohio; and Ogden, Utah.

Our sample was spread about equally among the service centers, and included 310 failure to pay and 316 failure to file abatement cases. The sample was further subdivided about equally into individual and corporate income tax return filers. The size of each sample component varied slightly because some cases were not available from IRS files at the time of our request.

In reviewing the case files of manual abatement decisions, we looked at (1) the reasons for assessing and abating the penalty, (2) whether the assessment and abatement decisions were consistent with IRS criteria, and (3) whether the basis for the abatement decision was adequately documented. If we disagreed with an abatement decision or were unsure if the decision was consistent with IRS criteria, we consulted with IRS tax examiners at IRS' Cincinnati Service Center. We also discussed with managers at the Andover, Cincinnati, and Ogden Service Centers our sample results pertaining to errors in coding returns.

Because our samples were not designed to be aggregated, our sample results are not projectable to each of the three centers or to IRS as a whole. Our findings are directly applicable only to the case files we reviewed. However, we discussed our results with IRS officials and they said that, on the basis of our results, they believed there is a general need for improvement, particularly in reducing the number of erroneous assessments.

We analyzed the procedures IRS computers use to assess and abate these penalties and determined that, on the basis of our sample of computer-generated abatements, they functioned properly in these cases.

To determine if IRS' reported statistics relating to failure to file/pay penalty assessments and abatements are accurate, we analyzed and compared the statistics published in the IRS Commissioner's annual reports with information IRS retrieved for us from the individual and business master files of taxpayer accounts. The master file information included the numbers of failure to file and pay penalty assessments and abatements made during fiscal years 1985 through 1988, broken down by computer- and manually-generated assessments and abatements.

The reported assessment statistics for fiscal year 1988 generally agreed with the data on the number and dollar value of assessments retrieved from the master file. However, while the abatement statistics were also generally consistent, our analysis of the master file data showed that about 80 percent of the abatements were generated by the computer. This appeared incongruous because an abatement is generally expected to reflect a judgmental decision on a taxpayer request for forgiveness of the penalty because the taxpayer had "reasonable cause" for the delinquency or because the penalty was erroneous. These are not things a computer can determine. Consequently, we reviewed 62 of the transactions IRS calls computer-generated abatements. From these transactions and discussions with IRS officials, we identified the circumstances that lead to a computer abatement.

We did our work between February and November 1989 and in accordance with generally accepted government auditing standards.

Abatements Correct But Often Needed to Correct Erroneous Assessments

If taxpayers believe they have been improperly penalized, they may request an abatement. IRS tax examiners are to evaluate the request according to reasonable cause criteria set forth in the Internal Revenue Manual, and abate the penalty if the taxpayer's explanation meets one of the criteria. Acceptable explanations generally involve circumstances outside of a taxpayer's control, such as serious illness, death, destruction of records by fire, certain mistakes or errors the taxpayer made that caused the penalty to be assessed, or an erroneous IRS assessment.

Our analysis of a sample of taxpayer requested abatements revealed that 91 percent were correctly abated. Of the 626 abatements we reviewed, we determined that 571 were in accordance with the abatement criteria contained in the Internal Revenue Manual, while 30 were

not.² We found that abatement decisions were correct at about the same level of appropriateness at all three service centers, for corporate and individual income tax filers, and for failure to file and failure to pay abatements.

While the vast majority of abatements we reviewed were justified, we found that 29 percent (179 cases) were needed to correct IRS assessment errors. The erroneous assessments were the result of processing problems including tax examiners failing to properly code income tax returns for processing and problems with taxpayers' extension to file applications not being posted to the master files. The abatements for the remaining cases in our sample occurred because taxpayers established reasonable cause for not timely filing and/or paying.

Processing Problems Causing Erroneous Assessments

The erroneous assessments we identified were caused primarily by IRS errors during the initial processing of tax returns or tax payments. These errors include the failure to code tax returns for computer processing and the failure to process taxpayers' applications for an extension to file their returns. Seventy-two percent of the assessment errors in our sample were against corporate filers and 28 percent against individual filers. Table 1 lists the problems we identified and the frequency of their occurrence in our sample.

Table 1: Types of Problems That Caused Erroneous Assessments

	Individual	Corporate
Returns not coded	19	45
No record of extensions	8	35
Other processing errors ^a	16	33
Lost returns/payments	8	15
Total	51	128

^aOther errors occur primarily during the initial processing of a tax return. Examples of these types of errors are posting payment to the wrong account, issuing a tax refund instead of applying it to the appropriate account, or posting tax information to the wrong tax period.

IRS tax examiners are to review every return and annotate, or "code," returns that require special attention during computer processing. For example, code "R" is used to alert the computer that a late filer included a reasonable cause explanation with the return and the penalty for failure to timely file should not be assessed. If a tax examiner fails to code a

²For the remaining 25 abatement cases, we were unable to determine if the decision to abate the penalty was appropriate, because the files lacked sufficient information to make a determination.

return when required, or if a data transcriber fails to enter the code into the computer, a penalty will be inappropriately assessed by IRS' computers. Forty-five of the 128 erroneous corporate assessments and 19 of the 51 erroneous individual assessments were due to coding errors.

The coding errors occurred most frequently when corporate income tax filers attached Form 8023 - Corporate Qualified Stock Purchase Elections. By so doing, the filer alerts IRS that they have been acquired by another corporation and are exercising their right to change the due date of their return and associated taxes to that of the new owner. When the tax examiners see Form 8023, they should code the return to prevent the computer from assessing a failure to file and/or failure to pay penalty.

When we discussed this particular error with managers at the three service centers involved in our case file review, we were told that they were not aware of the requirement to code returns accompanied by Form 8023 because the requirement was not clearly stated in the Internal Revenue Manual. As a result of our discussion, the managers said they were alerting their tax examiners to the requirement and would ask the IRS National Office to clarify the manual.

The second most prevalent assessment problem was due to extension-to-file applications not being posted to taxpayer accounts. Taxpayers are entitled to file their return after the statutory due date with no filing penalty if, by the due date, they submit an application for an extension to file and at the same time pay the estimated tax due. If IRS does not receive or fails to process the application and/or the accompanying payment, the computer will assess the taxpayer a failure to file and/or failure to pay penalty when they subsequently file their tax return.

Of the 179 erroneous assessments we identified in our sample, 43 occurred because IRS had no record of the taxpayers' extension-to-file application, although many of them later produced a copy of the application that they purportedly submitted on time. IRS currently has no way of determining whether the extension was actually requested. Therefore, as a matter of policy it records these as assessment errors. Even though we could not determine if an application had been received and IRS was consequently at fault, we also categorized these as erroneous assessments to be consistent with IRS policy.

Better Documentation and Internal Controls Could Reduce Number of Erroneous Assessments

IRS managers currently do not have the information needed to routinely identify and ultimately resolve processing problems leading to erroneous failure to file and failure to pay penalty assessments. This is due in part to a lack of adequate documentation in the case files regarding the reason for the abatement as well as existing internal controls not being designed to routinely identify and summarize these problems and bring them to management's attention.

Better Documentation of Abatement Decisions Needed

IRS procedures currently require that tax examiners document the reason for an abatement when they authorize one. However, our examination of abatement case files showed that examiners provided only very general explanations of their actions. These explanations were not useful in determining the underlying reasons for the abatement. If the reasons for the abatement were properly documented and provided to responsible IRS managers, we believe such information would be useful in identifying and correcting erroneous assessments such as those we found in our sample. For example, if information were routinely collected on why erroneous assessments occur, it could be used to determine the nature and extent of problems with extension applications and would allow IRS to determine if changes to the program would be needed to verify whether an extension had actually been requested by the taxpayer.

Our review of abatement case files demonstrates that the documentation requirements are not being met. In our sample cases, tax examiners generally provided very limited explanations for abating penalties. Examiners normally stated that the abatement was approved because the taxpayer established "reasonable cause" without giving any further details, such as the reason provided by the taxpayer for not filing or paying on time or the cause of an erroneous assessment. Of the 626 abatement cases we reviewed, 560 cases lacked a detailed explanation of the reason why the penalty was abated.

Without this documentation it is very difficult to determine if the abatement resulted from the taxpayer providing an acceptable justification for the noncompliance or was due to an erroneous assessment. To determine the underlying reason for the abatements in our sample, we had to reconstruct these cases from taxpayer correspondence in the file and a review of the filer's tax records.³ This is a very time-consuming process.

³For 25 of the cases, the available information was so limited that we were unable to piece together enough information to determine if the abatement decision was justified.

We discussed the idea of requiring examiners to provide more of an explanation for abatement decisions on the case file adjustment document with program managers at the Cincinnati Service Center. They acknowledged that the additional information would be of value in helping to prevent erroneous assessments if recorded, collected, analyzed, and fed back to responsible officials. However, they expressed reservations about requiring lengthy explanations that would be time consuming to prepare. We believe, and they agreed, that a short explanation should be enough to capture the necessary information. This type of explanation was provided in 66 of the cases we analyzed, and generally constituted no more than two or three sentences.

Internal Controls Not Designed to Remedy Assessment Problems

Better documentation would also mitigate problems we found with IRS internal controls for these penalties. Internal controls include plans and procedures adopted by an agency to assure that the goals of a program are accomplished. However, current IRS internal controls—quality assurance reviews—are not designed to identify and ultimately resolve the types of problems found in our sample. As a result, IRS' ability to effectively administer the failure to file and failure to pay penalty program is hampered.

IRS internal controls include quality reviews of the service center functions responsible for coding returns and abating penalties. Return coding reviews are done before tax returns are processed and are designed to ensure that the computer can process the tax returns. Coding reviews generally do not involve verifying the accuracy of coding decisions based on information in the tax returns.

Abatement reviews are confined to determining if the abatement actions taken by the examiner are consistent with IRS criteria. The reviews do not focus on the underlying causes of why a problem occurred. For example, while the reviews may show that an abatement was justified because of an erroneous assessment, it would not go further and address the reason for the erroneous assessment.

IRS could strengthen its internal controls without changing the existing quality review process, if the reasons behind erroneous assessments are better documented by tax examiners and the information is provided to the IRS managers responsible for returns processing, so that the processing problems can be resolved where feasible.

Conclusions

IRS errors in making penalty assessment and abatement decisions can increase taxpayer frustration and generate an additional administrative burden for IRS. This is of particular concern in today's environment of growing taxpayer dissatisfaction and limited IRS resources. By taking action to identify the causes of the assessment problems, IRS could alleviate taxpayer concerns and reduce the staff time spent abating the erroneous assessments.

While IRS examiners appropriately abated the failure to file and failure to pay penalties in 91 percent of the cases we analyzed, almost 30 percent of the time their actions were necessary to reverse erroneous assessments caused by problems in the processing of tax returns and other documents. The information necessary to identify these erroneous assessments and their causes was not generally documented in the case files we reviewed. If accurate information about the reasons penalties are abated were made available to IRS managers responsible for returns processing, it would be valuable in reducing the number of penalty assessments that subsequently require abatement.

Recommendation

We recommend that you

- require IRS tax examiners to more fully document their penalty abatement decisions. At a minimum the documentation should include the basis for the abatement, including the cause of any erroneous assessments.
- improve internal controls over the abatement of the failure to file and pay penalties by requiring quality review to assess whether or not the abatement decisions were adequately documented by the examiner.
- improve the internal controls over the assessment of the failure to file and failure to pay penalties by providing for the collection of information on the causes of erroneous penalty assessments from the abatement process and by providing this information to the IRS managers responsible for correcting these problems.
- clarify in the Internal Revenue Manual the requirements for coding tax returns containing Form 8023 - Corporate Qualified Stock Purchase Elections.

Penalty Abatement Statistics Do Not Accurately Reflect Taxpayer Noncompliance

Penalty statistics can be a yardstick for measuring taxpayer compliance with various filing and paying requirements. However, to be of value, statistical information must be accurate and not misleading. In 1988, we testified that we had concerns about the quality of penalty statistics available to IRS managers who oversee penalty administration.⁴

IRS congressional oversight subcommittees have also voiced concern with the reported abatement rate of the failure to file and pay penalties (as well as other penalties). During fiscal year 1988, IRS reported that it assessed 17.4 million failure to file and failure to pay penalties worth \$3.8 billion. During the same period, however, IRS reported abating 2.5 million failure to file and failure to pay penalties for \$1.7 billion. The extent of the abatements caused the subcommittees to question the adequacy of IRS administration of the two penalties.

While our review of IRS assessment and abatement decisions revealed a need for improvement in return processing to reduce erroneous assessments, we also determined that IRS' reported abatement statistics significantly overstate the number and the dollar value of failure to file and failure to pay abatements. Specifically, we found that a variety of computer adjustments to taxpayer accounts are included in abatement statistics. These adjustments may overstate the number of abatements by almost 80 percent and their dollar value by almost 40 percent.

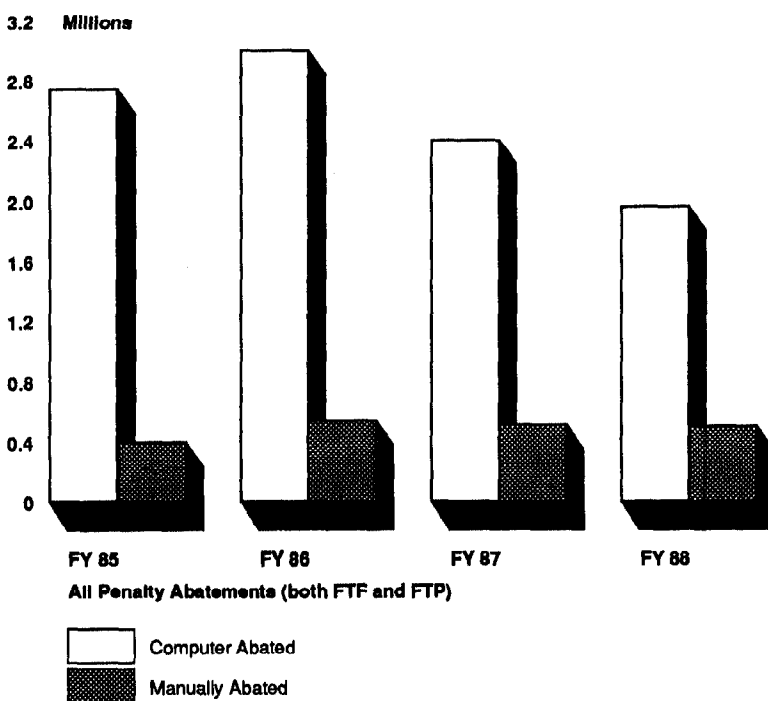
Penalty Abatement Statistics Include Account Adjustments

In addition to taxpayer requested or manual abatements, which require examiners to review pertinent data to determine whether reasonable cause exists for forgiving the penalty, IRS also includes in its reported abatement counts certain computer-generated adjustments they make to taxpayer accounts. These transactions are primarily reductions in the amount of the penalty resulting from a reduction or elimination of the underlying tax liability, rather than reductions or eliminations of penalties requested by taxpayers. For example, if after assessing a failure to pay or failure to file penalty, IRS identifies a credit on the taxpayer's account that reduces or eliminates the current year's tax liability, a corresponding adjustment will be made to the penalty. This is coded and counted in IRS statistics as an abatement. Or, if a taxpayer's liability is eliminated through an audit, IRS would subsequently adjust the account, and any penalty that had been assessed would be automatically abated.

⁴Comprehensive Review of Civil Penalties Needed (T-GGD-88-55, Sept. 28, 1988).

Of the 2.5 million failure to file and pay penalty abatements reported by IRS during fiscal year 1988, about 2 million, or 80 percent, were computer adjustments worth \$954 million. The remaining 500,000 abatements, worth about \$1 billion, were taxpayer requested abatements which required IRS personnel to make a decision regarding whether to reverse, or "forgive", the penalty assessment on the basis of information supplied by taxpayers. We believe the latter more accurately show abatement activity for these penalties. As shown in figure 1, most reported penalty abatements during fiscal years 1985 through 1988 were computer-generated.

Figure 1: Proportion of Computer-Generated and Manual Failure to File and Failure to Pay Penalty Abatements, Fiscal Years 1985 -1988



Note: These data combine Failure to File and Failure to Pay information for the fiscal years noted.

As computer adjustments are not taxpayer requested abatements, including them in abatement statistics is misleading. To avoid this problem and make the data more useful to IRS managers, Congress, and other interested parties, computer abatements should be captured separately and explained in published reports.

Conclusions

Accurate statistical information on the number and amount of penalty abatements can be a valuable management tool for IRS. However, information currently available is subject to misinterpretation. Specifically, because the statistics contain numerous computer-generated adjustments to taxpayer accounts, data do not reflect actual abatements requested by taxpayers.

Recommendation

In order for IRS statistics to more accurately reflect IRS forgiveness of taxpayer noncompliance, we recommend that you isolate computer adjustments from the numbers and dollar value of abatements prior to publication for either internal or external use.

Agency Comments

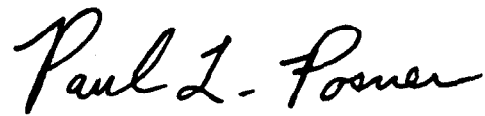
IRS officials provided informal comments on this report. They also agreed with our recommendations. They agreed that strengthening penalty internal controls by (1) requiring that tax examiners fully document the reasons for abating penalties and (2) designing internal controls to capture and summarize the causes of assessment errors is necessary so that managers can take corrective action.

IRS agreed that penalty abatement statistics could be better defined and reported. Two categories were suggested—"Penalty Adjustments" and "Penalty Reasonable Cause Abatements." This change would respond to our recommendation.

We are sending copies of this report to the Joint Committee on Taxation; the Subcommittee on Private Retirement Plans and Oversight of IRS, Senate Committee on Finance; Subcommittee on Oversight, House Committee on Ways and Means; and other interested parties. We will make copies available to others on request.

Major contributors to this report are listed in appendix I. Please contact me on 272-7904 if you have any questions concerning the report.

Sincerely yours,

A handwritten signature in cursive script that reads "Paul L. Posner".

Paul L. Posner
Associate Director, Tax Policy and
Administration Issues

Contents

Letter		1
Appendix I Major Contributors to This Report		18
Table	Table 1: Types of Problems That Caused Erroneous Assessments	7
Figure	Figure 1: Proportion of Computer-Generated and Manual Failure to File and Failure to Pay Penalty Abatements, Fiscal Years 1985 -1988	13

Abbreviations

IRS Internal Revenue Service

Major Contributors to This Report

**General Government
Division, Washington,
D.C.**

Lynda Willis, Assistant Director, Tax Policy and Administration Issues
Charlie Daniel, Assignment Manager

**Cincinnati Regional
Office**

Deborah Smith, Deputy Project Manager
Michael Enriquez, Site Senior
Michael Hoffman, Technical Advisor
Mary Murphy, Evaluator
Marvin Bonner, Evaluator

**Kansas City Regional
Office**

Thomas Wolters, Project Manager

Requests for copies of GAO reports should be sent to:

**U.S. General Accounting Office
Post Office Box 6015
Gaithersburg, Maryland 20877**

Telephone 202-275-6241

The first five copies of each report are free. Additional copies are \$2.00 each.

There is a 25% discount on orders for 100 or more copies mailed to a single address.

Orders must be prepaid by cash or by check or money order made out to the Superintendent of Documents.

**United States
General Accounting Office
Washington, D.C. 20548**

**Official Business
Penalty for Private Use \$300**

**First-Class Mail
Postage & Fees Paid
GAO
Permit No. G100**