

IRS tax help is faulty, study finds

28% of questions get wrong answer in audit

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WASHINGTON — IRS centers established to help people prepare their tax returns gave incorrect answers, or no answer at all, to 43% of the questions asked by Treasury Department investigators posing as taxpayers.

Investigators concluded that half a million taxpayers may have been given wrong information between July and December 2002.

Auditors were given correct answers to 57% of their tax law questions during the course of the study. Less than half, 45%, of the questions were answered correctly and completely. In 12% of the cases, the answer was correct but incomplete.

Internal Revenue Service employees gave wrong answers to 28% of the questions. Twelve percent went unanswered because taxpayers were told to do their own research in IRS publications. In 3% of the attempts to get ques-

tions answered, the auditor could not get any service at the center.

The IRS disputed the results. Using the raw numbers gathered by Treasury investigators, the IRS recalculated the error rate and ignored any instance when a taxpayer was denied service or told to do his own research. Of the questions answered, they calculated that 67% were done accurately.

"We recognize that an accuracy rate of 67% for tax law service is inadequate," Henry O. Lamar, the IRS commissioner overseeing individual tax returns, wrote to the investigators.

The Treasury Department's inspector general started investigating the error rate at the nation's 400 taxpayer assistance centers when a 2001 study showed that auditors making anonymous visits got incorrect or insufficient answers to 73% of tax law questions.

Since then, the IRS has increased training on topics that elicit the most questions and the most incorrect answers. The agency also has given employees more time to brush up on tax law topics during the day. Employees must pass certification tests before answering taxpayers' questions on certain topics.

The slow improvement shows "it will take time before the impact of additional training and managerial oversight will be reflected in the accuracy rates," Treasury investigators concluded. ■