

IRS News Release

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Low Income Taxpayer Clinic Program Reports on Activities

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WASHINGTON — The Internal Revenue Service's Low Income Taxpayer Clinic (LITC) Program Office issued its second annual program report on how LITCs assist thousands of low income taxpayers nationwide with *pro bono* representation, education, and advocacy services.

The LITCs provide free or low-cost assistance to low income taxpayers who have a tax dispute with the IRS, such as an audit or collection matter, and conduct education and outreach to taxpayers who speak English as a second language (ESL). LITCs also advocate for low income taxpayers and highlight the need to change administrative practices and procedures that cause their clients economic hardship.

"The LITCs help taxpayers achieve favorable outcomes in cases, access benefits administered through the tax system, and resolve tax debts, levies, and liens. During 2012, LITCs helped taxpayers secure more than \$5.8 million in tax refunds and eliminate nearly \$35.5 million in tax liabilities, penalties and interest," said William P. Nelson, LITC Program Director. The report provides an overview and history of the LITC Program, discusses the type of work the LITCs perform, and explains how their work helps ensure the fairness and integrity of the tax system.

The LITC program has a three-prong mission to represent, educate, and advocate for taxpayers. Included in the report are several stories that provide examples of how LITCs have helped taxpayers. One taxpayer was facing a levy action that put her in danger of losing her home but the LITC was able to negotiate an offer in compromise to eliminate the debt and keep the taxpayer in her home. LITCs employ staff but also rely on the contributions of volunteers. In 2012, taxpayers benefited from over 59,000 volunteer hours provided by nearly 2,300 LITC volunteers.

The LITC program awards matching grants of up to \$100,000 per year to qualifying organizations to develop, expand, or maintain a low income taxpayer clinic. The grant program is administered by the Office of the Taxpayer Advocate at the IRS, led by the National Taxpayer Advocate. Although LITCs receive partial funding from the IRS, LITCs, their employees and volunteers operate independently from the IRS. LITCs are generally operated by:

- clinical programs at accredited law, business, or accounting schools;
- legal aid or legal services organizations; and
- other tax exempt organizations that serve low income individuals and families.

The Low Income Taxpayer Clinic Program Report is available at <http://www.irs.gov/pub/irs-pdf/p5066.pdf>.