

IRS News Release

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IRS to Host Public Meeting Dec. 8 on Real-Time Tax System

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WASHINGTON — The Internal Revenue Service will kick off a series of public meetings Thursday, Dec. 8 to gather feedback on how to implement a series of long-term changes to the tax system described by IRS Commissioner Doug Shulman in an April 2011 speech at the National Press Club. In that speech, the Commissioner described a vision where the IRS would move away from the traditional “look back” model of compliance, and instead perform substantially more “real time,” or upfront matching of tax returns when they are first filed with the IRS. The goal of this initiative is to improve the tax filing process by reducing burden for taxpayers and improving overall compliance upfront.

Under the vision of a real-time tax system, the IRS could match information submitted on a tax return with third-party information right up front during processing and could provide the opportunity for taxpayers to fix the tax return before acceptance if it contains data that does not match IRS records

By contrast, today the IRS conducts a significant number of compliance activities months after the tax return has been filed and processed. It is not uncommon for a taxpayer to receive a notice 12 to 18 months after a tax return is filed. This after-the-fact compliance approach can create problems and frustrations for both taxpayers and the IRS.

At the public meetings, IRS officials will solicit feedback and input from outside stakeholders to provide comments and insight. The first meeting will feature representatives of consumer groups, the tax professional community and government representatives. A future public meeting will include, among others, representatives of the employer and payroll community, the software industry, financial institutions and additional government representatives.

The first meeting, scheduled at 9:00 a.m. on Dec. 8, will take place at the IRS Headquarters Building Auditorium, 1111 Constitution Ave., NW, Washington, D.C. Those who would like to attend the meeting should e-mail the IRS at CL.NPL.Communications@irs.gov with the contact information for the attendees or call the IRS at 202-622-3359.

The next public meeting will be held early next year.