



News Release

Media Relations Office

www.IRS.gov/newsroom

Washington, D.C.

Media Contact: 202.622.4000

Public Contact: 800.829.1040

IRS Announces 43 Small Offices to Close, Others to be Consolidated; Agency Sheds More than One Million Square Feet of Office Space

IR-2012-54, May 22, 2012

WASHINGTON — The Internal Revenue Service today announced a sweeping office space and rent reduction initiative that over the next 2 years will close 43 smaller offices and reduce space in many larger facilities. These measures will save more than 40 million in taxpayer dollars. Coupled with space reductions last year, the initiative will slash total IRS office space by more than one million square feet.

“Given today’s tight budget environment, we have to be willing to make the tough but responsible calls to save taxpayer dollars,” said IRS Commissioner Doug Shulman. “Cutting and consolidating our real estate is a responsible way we can save money. It’s an important addition to our growing portfolio of cost-saving measures.”

To ensure that the agency uses rental space as efficiently and effectively as possible, the IRS will:

- Close 43 smaller offices. These are offices without taxpayer assistance centers and currently have fewer than 25 employees.
- Consolidate multiple offices within the same commuting area.
- Explore innovative ways to do more with existing space, such as desk sharing and increased telecommuting.

None of the offices being closed under this initiative are walk-in taxpayer assistance centers. Because of the nature of the work performed in these offices, the IRS anticipates minimal taxpayer impact as a result of these closures.

This cost-cutting initiative is projected to save \$17.2 million in annual rental costs in fiscal 2012 and \$23.5 million in fiscal 2013. These are permanent reductions in space and rent so these savings will be realized in future years as well.

The initiative will cut space by 715,000 square feet in fiscal 2012 and 230,000 square feet in fiscal 2013. This is on top of a 105,000-square-foot reduction in fiscal 2011.

The IRS has more than 650 offices around the country. Today's initiative supplements space saving projects over the past seven years that are now yielding \$70 million annually in rental savings . This is part of a broader Administration effort which has cut government real estate costs by over \$1.5 billion and is on track to exceed the President's directive to save \$3 billion by the end of the year.

—30—