



## A Message From Our TE/GE Commissioners

Hello everyone,

In fiscal year 2025 (FY25), we will continue our transformation efforts by enhancing the taxpayer experience and promoting voluntary compliance. Utilizing Inflation Reduction Act (IRA) funding, we will focus on training the approximate 800 new employees hired in FY24, modernizing systems and technology, and making other major improvements that benefit taxpayers and the American public.

### Every Employee Plays a Vital Role

The work you do aligns with compliance transformation efforts underway throughout the IRS. TE/GE's FY25 priorities align with the [IRS IRA Strategic Operating Plan \(SOP\)](#). This outlines how the IRS will transform tax administration by providing more streamlined services and better ways taxpayers and tax professionals interact with the IRS. The SOP identifies five transformation objectives: Better Taxpayer Experience, Faster Issue Resolution, Smarter Enforcement, Advanced Technology & Analytics, and Empowered Employees.

### Compliance Enforcement Priorities

Our priorities are to assist organizations and entities we serve to understand and comply with applicable tax laws and reporting obligations.

The priority areas are referenced on the next page and include clean energy credits, employee retention credits, SECURE 2.0 Act compliance including a new IRA correction program, tax-exempt hospitals, and tax-exempt collectives utilizing Name, Image, and Likeness (NIL).

### Building a Strong Workforce

Through our recent hiring efforts, we secured talented individuals to increase and strengthen our workforce. Equipping and empowering employees to be successful is critical to serving the needs of our customers and we are firmly committed to building a workforce for the future. With our robust hiring goal in sight, we shift our concentration to training efforts for TE/GE employees in FY25.

### Training Is a Top Priority

We embark upon a new era as an organization where in various IRS offices across the nation, newly hired TE/GE employees make up more than half of all TE/GE workforce. We will implement training strategies and tools to help develop the careers of all TE/GE employees, because our workforce is our most valuable resource.

### Outreach and Collaboration

TE/GE will also expand outreach efforts and stakeholder partnerships and collaborate with partners IRS-wide to support tax compliance in high priority segments and workstreams such as high-income, high-wealth individuals who fail to meet their tax obligations.

With your continued support, we will accomplish our robust goals, which are outlined in more detail on the next page.

With Appreciation,



Edward Killen  
TE/GE Commissioner



Robert Choi  
TE/GE Deputy  
Commissioner

## Serving America's Taxpayers

Across America, tax-exempt organizations and government entities support economic infrastructure and enrich American lives. TE/GE serves taxpayers by helping these distinct organizations and entities – retirement plans, charities and other exempt organizations, Indian tribes, federal, state and local governments, and entities that issue tax-advantaged bonds – understand and comply with the applicable tax laws and reporting obligations.

To encourage compliance, while protecting the integrity of the tax system by fairly enforcing the tax laws, we:

- Issue determination letters to qualifying organizations and retirement plans
- Educate through compliance contacts, outreach, and stakeholder partnerships
- Offer programs to voluntarily correct mistakes and maintain compliance
- Examine organizations and entities using data analytics and referrals to focus on high-risk issues

# TE/GE's Priorities for FY 2025

## BETTER TAXPAYER EXPERIENCE

- Focus on proactively connecting with internal and external stakeholders to identify and better serve small and underserved taxpayers such as smaller entities and organizations to foster voluntary compliance.
- Improve taxpayer-facing communications by expanding use of the taxpayer facing employee - document upload tool (TPFE-DUT) to exam employees.
- Provide education and outreach to help TE/GE customers make complete and accurate elective payment elections for clean energy credits under the Inflation Reduction Act.
- Continue to partner across IRS, Treasury, and key stakeholder groups on matters impacting Native Americans and Tribal entities including a focus on increasing access to tax services throughout Indian country.

## FASTER ISSUE RESOLUTION

- Support effective processing and compliance at pre-filing and filing for elective payment elections of clean energy credits.
- Support IRS efforts to proactively review and address Employee Retention Credit claims during the filing process or immediately after return processing.
- Collaborate across the IRS to streamline notices and improve how notices are updated and issued to taxpayers. Encourage secure two-way electronic communication between the IRS and taxpayers regarding notices.
- Finalize the update to the Employee Plans Compliance Resolution System (EPCRS) revenue procedure (Rev Proc 2021-30) to incorporate changes made by Sections 301 and 305 of SECURE 2.0 Act including a new IRA correction program.
- Complete the second pilot of the Employee Plans (EP) pre-exam compliance program and evaluate the results to determine whether to make the program permanent. The program allows plan sponsors to self-correct

qualification failures before an exam begins.

- Continue efforts to improve filing and reporting compliance within the tax-exempt and government entity sectors.

## SMARTER ENFORCEMENT

- Collaborate with Research, Applied Analytics, and Statistics (RAAS) to continue building and refining Exempt Organizations exam case selection using advanced modeling techniques.
- Continue to incorporate new network analysis tools that allow graphical exploration of the connections between entities and help to identify potentially problematic relationships and support the use of these tools in partnership with other Business Units and Criminal Investigation.
- Collaborate across IRS on highly complex and or emerging issues including, but not limited to, examinations of tax-exempt hospitals, tax-exempt collectives utilizing NIL, and elective payment for certain clean energy credits.

## ADVANCED TECHNOLOGY & ANALYTICS

- Continue Tax Exempt Organization Search (TEOS) Modernization efforts to improve the search and download features to make available data more usable for stakeholders.
- Continue adding forms to Digital and Mobile Adaptive Forms (DMAF) to provide an electronic option for taxpayers to submit forms through an online portal.
- Continue to convert historical records including microfiche, DVDs, etc., to a modernized solution to facilitate future use of these records.
- Continue to work with Transformation and Strategy Office (TSO) to align on future digitalization projects.
- Expand the use of data visualization tools to support effective program governance.

- Design and build out a modernized case management system for TE/GE Determinations.

- Continue to work with RAAS to develop and implement an Artificial Intelligence capability to assist with review and prioritization of referrals received on Exempt Organizations.

- Continue to support Enterprise Case Management efforts to standardize Servicewide examination processes.

## EMPOWERED EMPLOYEES

- Enhance the feedback mechanism for new hires to provide input on ways to improve the onboarding and training experience for future hires.
- Strategically engage with stakeholders in direct hiring and recruiting activities to expand the TE/GE workforce.
- Continue to create detailed/extensive career training paths for employees to use as a tool for them to reference as career milestones occur.
- Commit resources to develop and deliver quality, cost-effective mission critical core training that is focused on both individual and organizational productivity and advancement.
- Create training workshops and mentoring seminars that will focus on developing the skills that TE/GE Frontline managers need to effectively lead during this time of transformational change.
- Continue to build a collaborative team culture by hiring and retaining a talented, data-savvy, and technology-driven workforce.
- Extend community relationships by expanding outreach efforts and engaging with external stakeholders to market TE/GE and IRS careers and increase our visibility.