



# **Future State Themes**

# Future State themes

- The world is changing and taxpayer expectations are changing.
- To look at the future in a more comprehensive way, we envision a Future State for tax administration.
- To guide how we're going to get there, we established six strategic themes and a focus area of strengthening cybersecurity and eliminating identity theft.
- These themes line up with Treasury Strategic Goals and Objectives and the IRS Strategic Goals and Objectives.

# Theme 1

Facilitate voluntary compliance by empowering taxpayers with secure innovative tools and support.

## *It means:*

- Give taxpayers and those who serve them the information and tools they need to be compliant and stay compliant
- Give taxpayers options so they can contact an IRS employee only if they want to
- Ensure all interactions are safe and secure
- Show taxpayers how much they owe and give them links to online payment applications
- Test secure messaging, like online chat

# Theme 1

Facilitate voluntary compliance by empowering taxpayers with secure innovative tools and support.

## *How will we get there?*

- Use secure technology to authenticate individual taxpayers, third parties and businesses.
- Treat the act of processing returns, collecting revenue and issuing refunds as single events.
- Establish a single, integrated case management system.
- Expand critical projects like CADE2 (Customer Account Data Engine 2) and MeF (Modernized E-file).

# Theme 1

Facilitate voluntary compliance by empowering taxpayers with secure innovative tools and support.

## ***Projects that will help us get there:***

- Address Tax Law Questions Online
- Expand Customer Service Representative (CSR) Penalty Abatement Authority
- Improve Customer Satisfaction Survey Process
- Operations Support Service Delivery Transformation – Phase I
- Retirement of Electronic Tax Law Assistant (ETLA) and Referral Mail (R-mail)

# Theme 2

Understand non-compliant taxpayer behavior and develop approaches to deter and change it.

***It means:***

- Develop new techniques to analyze why taxpayers are noncompliant.
- Make sure all taxpayers have access to that analysis.
- Reach out to taxpayers about compliance

# Theme 2

Understand non-compliant taxpayer behavior and develop approaches to deter and change it.

## *How will we get there?*

- Determine the most effective way to perform non-compliance work in examination, collection and criminal investigation.
- Work to detect and resolve errors earlier.
- Investigate abusive tax schemes and noncompliance abroad.
- Digitize Form 990 (Return of Organization Exempt from Income Tax) to process returns faster and have more data-driven decisions on enforcement.

# Theme 2

Understand non-compliant taxpayer behavior and develop approaches to deter and change it.

## *Projects that will help us get there:*

- Address tax law questions online.
- Expand CSR Penalty Abatement Authority.
- Operations Support Service Delivery Transformation – Phase I.



# Theme 3

Leverage and collaborate with external stakeholders.

*It means:*

- Collaborate on common goals with those parties who share common interests with us
- Bring people together in groups or meetings

When we get together with these groups, we would collaborate on issues like:

- Identity theft
- The Earned Income Tax Credit
- The Affordable Care Act and
- The Foreign Accounts Tax Compliance Act

We would compare experiences when we get together and learn together how to overcome compliance challenges. Together, we will:

- Learn about specific risks
- Share insights

# Theme 3

Leverage and collaborate with external stakeholders.

## *How will we get there?*

- Help tax professional groups help taxpayers choose good tax return preparers.
- Publicize our Taxpayer Bill of Rights.
- Use social media to share information on tax changes, initiatives, products and services.
- Give free tax preparation to more than 3.7 million taxpayers through the Volunteer Income Tax Assistance/Tax Counseling for the Elderly programs.
- Bring together the IRS state revenue departments and private-sector tax industry leaders for a Security Summit.

# Theme 3

Leverage and collaborate with external stakeholders.

***Projects that will help us get there:***

- Expand CSR Penalty Abatement Authority.

# Theme 4

Cultivate a well-equipped, diverse, skilled and flexible workforce.

***It means:***

- Make sure employees are trained appropriately to perform their jobs to the best of their ability.
- Give taxpayer-facing employees the tools they need to do their jobs.
- Offer quick training if needed to handle demand.

# Theme 4

Cultivate a well-equipped, diverse, skilled and flexible workforce.

## *How will we get there?*

- Give employees tools so they can work any case anywhere.
- Strive to move to a more paperless environment.
- Give employees ongoing and meaningful performance feedback.

# Theme 4

Cultivate a well-equipped, diverse, skilled and flexible workforce.

***Projects that will help us get there:***

- Expand CSR Penalty Abatement Authority

# Theme 5

Select highest value work using data analytics and a robust feedback loop.

## *It means:*

- Work to detect anomalies more precisely.
- Look at our service and enforcement results from the past.
- Get better at assessing risk.
- Identify new compliance issues.

# Theme 5

Select highest value work using data analytics and a robust feedback loop.

## *How will we get there?*

- Use data to choose the best cases to work.
- Make feedback loops both internal and external.



# Theme 5

Select highest value work using data analytics and a robust feedback loop.

## ***Projects that will help us get there:***

- Expand CSR Penalty Abatement Authority.

# Theme 6

Drive more agility, efficiency and effectiveness in IRS operations.

***It means:***

- Know where our workload demands are.
- Use all options for service and enforcement, including face-to-face, virtual, digital, chat and appointment.
- Increase flexible and remote work opportunities.

# Theme 6

Drive more agility, efficiency and effectiveness in IRS operations.

## *How will we get there?*

- Use an electronic records management program to comply with the Federal Records Act of 1950 and the Managing Government Records Directive.
- Develop new software to process information returns from third parties.
- Improve IRS revenue financial accounting systems
- Seek funds to keep IT infrastructure current for existing and new systems.

# Theme 6

Drive more agility, efficiency and effectiveness in IRS operations.

## ***Projects that will help us get there:***

- Improve Customer Satisfaction Survey Process.
- Records Retention.