

December 13, 2018

The Honorable Charles P. Rettig
Commissioner of Internal Revenue
Internal Revenue Service
1111 Constitution Avenue
Washington, D.C. 20224

RE: The Importance of Input from Tax Professionals to the IRS Strategic Plan

Dear Commissioner Rettig:

The Texas Society of Certified Public Accountants (TSCPA) is a nonprofit, voluntary professional organization representing 28,000 members. One of the expressed goals of the TSCPA is to speak on behalf of its members when such action is in the best interest of its constituency and serves the cause of the CPAs of Texas, as well as the public interest. TSCPA has established a Federal Tax Policy Committee to represent those interests on tax-related matters. The committee has been authorized by the TSCPA Board of Directors to submit comments on such matters of interest to the committee membership. The views expressed herein have not been approved by the Board of Directors or Executive Board and, therefore, should not be construed as representing the views or policies of the TSCPA.

We applaud your remarks at last month's AICPA National Tax Conference in Washington, D.C., to improve the IRS' technology for interacting with both taxpayers and practitioners. We strongly support these goals and appreciate the opportunity to provide feedback and recommendations.

We write to renew our previous request and reiterate our view that the IRS invite external input in implementing the "Future State," now referred to as its Strategic Plan.¹ We are aware that you have publicly expressed the importance of tax professionals. Our concern is that the IRS is implementing changes that are important to both taxpayers and tax professionals without adequate input from stakeholders. Although we understand the security of personal and confidential data is of utmost importance, the IRS recently introduced numerous new technology precautions without soliciting comments from tax professionals. Many of these changes may diminish taxpayers' fundamental right to representation and some may not even meet the stated objective of securing taxpayers' personally identifiable information.

The complexity of our tax law necessitates reliance on tax professionals for many taxpayers to address complicated tax issues. Taxpayer representatives need to be able to freely communicate with the IRS on their clients' behalf. As the IRS moves toward increased use of technology to serve taxpayers, tax professionals should have an opportunity to aid the IRS. Input from tax professionals will help identify situations where technology will benefit both taxpayers and the IRS by making operations more efficient and alerting the IRS of circumstances in which the use of technology may hinder effective communication or pose a risk to taxpayers or tax practitioners. Greater stakeholder input will help ensure scarce resources are effectively used to develop tools taxpayers and

¹ IRS Strategic Plan FY 2018-2022, <https://www.irs.gov/about-irs/irs-strategic-plan>.

practitioners are more likely to use. As expressed in our letter dated May 8, 2017, to Treasury Secretary Steven Mnuchin and former IRS Commissioner John Koskinin, “[a]llowing taxpayer and practitioner insights to help shape the [Strategic Plan] seems more efficient and effective than providing feedback on an after-the-fact basis.”²

A recent example is the announcement that the IRS will generally no longer provide a taxpayer’s transcript directly to tax professionals, the taxpayer-requested transcripts can only be received through the mail and the transcripts available to taxpayers will be a version that redacts information necessary to prepare returns. Had the practitioner community been aware of this change in policy before it was implemented, we could have offered alternative solutions that would have protected taxpayers while being more expedient and efficient for both the IRS and tax practitioners. Our comments on the changes to the transcript policy are being made in a separate concurrent letter.

We wholeheartedly support the IRS’ Strategic Plan to protect taxpayers and to update its technology. In order to accomplish those goals, it is critical that the IRS pay close attention to *Goal 3: Collaborate with external partners proactively to improve tax administration* to “coordinate with the tax community to facilitate service and outreach to taxpayers” before moving forward with significant changes to the accessibility of taxpayer information.³ It is essential to consult with tax professionals who share the IRS’ same interests in protecting taxpayers and who play such an important role in the efficient and secure preparation of tax returns and representation of clients.

We appreciate the opportunity to provide feedback. We would be pleased to discuss our comments further if you or your staff members believe it would be helpful. Please feel free to contact me at 512-542-9300 or cmondrik@mondriklaw.com or TSCPA Staff Liaison Patty Wyatt at 817-656-5100 or pwyatt@tscpa.net.

Sincerely,



Christina A. Mondrik, JD, CPA
Chair, Federal Tax Policy Committee
Texas Society of Certified Public Accountants

cc: The Honorable Steven T. Mnuchin, Secretary of the Treasury
Nina E. Olson, National Taxpayer Advocate

² <https://www.tscpa.org/docs/default-source/comment-letters/federal-tax-policy/2017/request-for-irs-to-expose-future-state-plans.pdf?sfvrsn=2>

³ Id., IRS Strategic Plan, Goal 3: “Partnerships with our stakeholders enrich service to taxpayers. Collaboration will yield innovative solutions to pressing problems, improving the taxpayer experience. We will engage partners to improve service and outreach to taxpayers, enhance global collaboration and share leading practices.”; p. 15-16.