



Department of the Treasury

Internal Revenue Service

2020 Action Plan

Federal Customer Experience

US BY THE PEOPLE
FOR THE PEOPLE
WITH THE PEOPLE

Who are we?

The continued success of our country depends, in significant part, upon the continued success of the IRS. In fiscal year (FY) 2019 we accounted for approximately \$3.56 trillion in gross receipts, almost 96% of the gross revenue received on behalf of the United States. We make it possible for the government to perform its vital functions, ranging from social security payments, roads and other infrastructure to the nation's military. It is important for our country to function properly. It is just as important for the IRS to function properly in order to provide the resources for the United States to be effective within and outside its borders.

The IRS touches more Americans than any other entity, public or private. While the IRS is the nation's tax administrator, many are less aware of the extent of our efforts in helping people throughout our country. The IRS collaborates across government to deliver services to the nation. A recent example is IRS efforts to successfully launch and deliver Economic Impact Payments (EIP) resulting from the Coronavirus Aid, Relief and Economic Security (CARES) Act. These payments are desperately needed by people hit by the aftermath of the Coronavirus. Working with Treasury, the Bureau of Fiscal Services, Veteran's Affairs, and the Social Security Administration, the IRS successfully calculated and started issuing payments just 14 days after the passage of the CARES Act. Simultaneously, IRS employees also delivered two special tools on IRS.gov to help taxpayers understand the law and provide millions of people who don't normally file a tax return a way to quickly register for these payments. Many more people are entitled to these payments, and these tools will help. The IRS engaged in extensive outreach efforts to the national, state and local communities, general and tax-related media, state and local tax authorities and others. The IRS also engages in proactive communication to ensure awareness of tax credits. The Earned Income Tax Credit (EITC) is one of the biggest refundable credits for working people. The EITC puts money in the hands of hardworking taxpayers and can be a boost to their families and communities. To alert millions of low- and moderate-income workers about this significant tax credit, IRS hosts an annual Earned Income Tax Credit Awareness Day with hundreds of local community organizations to organize events, participate on social media, and issue news releases. Additionally IRS employees provide significant support for those devastated by hurricanes and wildfires. Over the past six years, more than 9,000 IRS employees have assisted the Federal Emergency Management Agency (FEMA) in these situations by handling more than 1.3 million disaster related calls.

We continue to evaluate how to best provide our services and how we're currently organized as we work to implement provisions in the Taxpayer First Act and help improve our working relationships with taxpayers and others. The value of services must be measured through the eyes of the taxpayer. We are highly focused on enhancing the experience of all taxpayers but especially unrepresented, lower income, and limited English proficiency taxpayers in their interactions with the IRS. Through the IRS Integrated Modernization Business Plan, the IRS will expand digital options, improve traditional channels, and provide simplified and proactive services for taxpayers and their representatives.

We remain focused on fulfilling our important mission of providing America's taxpayers with top quality service by helping them understand and meet their tax responsibilities. Delivering on our Modernization Plan will strengthen our ability to continue executing that mission.

How do we deliver value to the public?

Occasion

A customer calls the IRS for service (e.g. transcript for the purchase of a home or student loan) or account inquiry (e.g. check balance, establish a payment plan).

The IRS toll-free telephone customer service operation is one of the world's largest and is a key part of the IRS's service delivery. Customer experience research indicates phone service continues to be a preferred service channel.

In FY 2019 the IRS received nearly 60 million customer calls.

A customer has a tax issue or needs a service and prefers in person contact (e.g. making a cash payment, or validating their identity).

Taxpayer Assistance Centers (TAC) are located throughout the country, providing comprehensive in-person assistance to customers. This is an essential service the IRS provides.

Customers seeking in-person service call a toll-free number to schedule an appointment. Using a telephone call instead of simply providing online scheduling provides taxpayers with a convenient resolution during their initial phone contact, where possible. Walk-ins are also accommodated, when an appointment time is available.

In FY 2019, over 2 million customers were provided in-person service.

High-Impact Service

The IRS provides toll-free services on a broad-range of issues, with topics ranging from simple refund inquiries to complex account issues.

Customers calling for many IRS toll-free services are presented with automated options to either resolve their inquiry or appropriately route them to an assistor with the skills to handle their specific inquiry.

Customers who need to speak with an assistor are placed in a queue. Wait times vary depending on topic. The average wait time in FY 2019 was 16 minutes.

Customers seeking in-person help call to schedule an appointment. In approximately half the cases, assistors are able to resolve the customer's inquiry on the phone, saving them a trip to the TAC. If an appointment is needed, the assistor uses a scheduling tool to identify the nearest TAC and schedules the appointment and explains any documentation for the customer to bring to expedite resolution. The scheduling tool provides email confirmation and a reminder notice to the customer. The IRS exploring a callback option on the appointment line in FY 2021 to improve the customer experience.

In 34 locations where we may no longer have a TAC or may not have staffing, we also offer virtual face-to-face services. Hosted at community partner locations, customers interact with a live IRS assistor remotely via high-resolution video capabilities.

The IRS also partners with the Social Security Administration to provide TAC services in six locations. Some TAC locations also offer customers the option to use a self-service kiosk where they can access IRS.gov tools, forms, etc.

Offering

Customers call for a multitude of service or compliance issues, expecting fast and accurate resolution to their issue. The five most common reasons customers call are: Refund Inquiry, IRS Office Location/Appointment, Balance Due/Payoff, Transcript/Record of Account, or to establish an Installment Agreement. Recognizing that our diverse customer base has varying service preferences, the IRS has focused on providing automated solutions for most of the common reasons taxpayers call, increasing convenience and reducing cost to the IRS and taxpayers.

During in-person service, the customer's identity is verified and the assistor works to resolve the inquiry. Customers choose in-person service for a variety of reasons. Services offered include tax account inquiries, authentication services (identity theft and individual taxpayer identification numbers), picking up tax forms, and making cash payments. The IRS has focused on providing web solutions for most of the common reasons customers choose in-person service, increasing convenience and reducing cost to the IRS and taxpayers.

While there are over 350 TACs nationwide and alternative face-to-face options in some locations, some customers requiring face-to-face service do not live near a TAC. The IRS is exploring opportunities to increase service (e.g. pop-up TACs, expanded virtual video service delivery).

A random sampling of customers have the opportunity to participate in a survey on both the appointment process and the in-person experience. The IRS is working with the Office of Management and Budget on a paperwork reduction act clearance that will enable public sharing of these survey scores.

How do we deliver value to the public?

Occasion

On occasion a customer needs to change or update information filed on an original Form 1040, *Individual Tax Return*. The Form 1040X, *Individual Amended Tax Return*, is used to update an individual tax return previously submitted to the IRS. Over 3 million individuals file a Form 1040X annually.

High-Impact Service

Customers complete the paper form 1040X and mail it to the IRS for processing. Currently the IRS does not have the ability to accept or process amended returns electronically.

Most tax preparation software providers allow customers using their software to electronically prepare an amended return (Form 1040X), however, instead of submitting the return to the IRS electronically, the customer must print their amended return, and file it through the mail with the IRS.

Offering

Once received, the IRS processes the paper form 1040X and adjusts the customer's account accordingly.

While over 80 percent of customers amending a return file their original return electronically, they must use a paper process for amending their return. The IRS is exploring ways to receive Form 1040X electronically to reduce processing times and provide quicker resolution. This aligns with the 21st Century Integrated Digital Experience Act (IDEA) by digitizing a paper-based process.

Where could we improve?

Steps

1: Calling the IRS

Customer Steps

Name and describe the main steps that a person takes to use the service, left to right, start to finish.

Service System

Describe the channels, roles, and tools from your agency or partners.

Pain Points

Describe the highest priority problems to solve

2: Automation

Customers calls an IRS toll-free for assistance.

In most cases customers are first presented with automated menus where they respond to questions intended to resolve or further diagnose their inquiry for appropriate routing and handling.

3: Speaking with Assistor

If the inquiry is not resolved in automation, the customer is placed in queue for the next available assistor with the skills to resolve their inquiry. Where appropriate in-queue messaging provides self-service information (e.g. IRS.gov).

Once connected to an assistor, the customer's identity is verified and the assistor works to resolve the inquiry.

The IRS uses a suite of call center technology and internal and external partnerships with business, information technology, and contracting stakeholders to manage call demand.

The IRS monitors performance and the customer experience (both for assistors and automation) including wait time (average speed of answer); handle time (average length of call once the customer reaches an assistor); accuracy of CSR responses; and customer satisfaction.

The assistor researches the customer's inquiry using internal probe and response, account management, and research processes and technology.

A random sampling of customers have the opportunity to participate in a survey on the toll-free experience. While approximately 90% of taxpayers who speak to an assistor are satisfied, those results do not currently include customers who do not reach an assistor.

Customers with issues requiring an assistor must first navigate an automated menu intended to diagnose their issue, which can cause frustration.

Depending on the nature of the inquiry, some automation menus can be complex.

Wait times to speak with an assistor vary from approximately five to greater than 30 minutes, depending on demand and topic. Some customers may wait in queue longer or hang up.

It can be challenging for customers with limited English proficiency to interact with the IRS.

What will we do?

Purpose

*Why did your agency undertake this project?
What does it hope to achieve, in specific performance indicators, if possible.*

What is the problem?

Customers who call the IRS needing to speak with an assistor can have varying wait times, depending on demand and topic. To improve the customer experience, the IRS is currently conducting a test of customer callback on five applications , allowing customers to keep their place in queue without remaining on the phone. Based on the success of the test, the IRS plans to incrementally expand callback across the enterprise.

Desired future state:

Incrementally expand callback to 95% of toll-free customer demand supported by live assistance through FY 2024 (including Spanish services).

Any measurable indicators and targets?

In FY 2019, the IRS provided callback capability on the IRS Toll-Free Balance Due application allowing some customers to have a callback option when calling to discuss or pay a balance due rather than having to wait on the phone for an IRS customer service representative to answer their call. When offered, approximately 77 percent of customers chose to receive a call back and over 90 percent of callbacks successfully reconnected the customer to an IRS customer service representative. In FY 2019, this saved customers contacting IRS on this one line an estimated 111,000 hours of “hold” time. Assuming all things are equal, expanding to 15 applications in FY 2021 could save taxpayers approximately 1.5 million hours of hold time.

Approach

Describe the timeline and work plan to achieve that purpose. If this is an ongoing initiative, describe your progress.

Process, methods, and expertise?

We plan to expand callback functionality to 15 applications in FY 2022. Through the IRS Modernization Plan, we will secure funding and leverage industry best practices and technology to deliver enterprise-wide customer callback functionality. Customer callback will be provisioned at the application level.

Timeline, stage gates and dates?

Increase customer callback to 15 phone applications by first quarter FY 2022.

Deliverables being produced?

Customer callback available to 15 toll-free telephone applications, accounting for approximately 40% of demand, by the first quarter 2022.

The IRS will explore use of artificial intelligence to answer common inquiries and improve call routing to deliver expert service to customers and empower them with real-time responses. The IRS is also exploring ways increase plain language in its call menus to improve the customer experience.

The IRS currently provides over the phone interpreter service on some phone applications. To improve service to customers with limited English proficiency, the IRS plans to expand this service to more phone applications and languages.

Resources

Describe the stakeholders involved, financial and human capital dedicated to the work, and any partners contributing to the work.

Who is responsible?

Customer callback is led by the IRS toll-free Joint Operations Center and Contact Center Support Division.

Who is contributing to the project?

Customer callback implementation is driven by a cross divisional project team consisting of subject matter experts in IRS toll-free business needs, information technology contact center support, with support from finance and procurement operations.

Customer focus groups were conducted to gather feedback on usability and improvement opportunities to inform requirements for the Enterprise solution.

Estimated budget allocated to the work:

\$15 million has been requested in the FY 2021 President's Budget for customer callback expansion.

Applications are designated tax subject areas staffed by Customer Service Representatives assigned to toll free lines.

What are we proud of this year?

Service Improvement

Who is the user and what was the problem?

HR 748, Coronavirus Aid, Relief and Economic Security (CARES) Act, enacted on March 27, 2020, provides Economic Impact Payments (EIP) to over 150 million individuals. These payments are desperately needed by people affected by the aftermath of the Coronavirus. Only 14 days later, on April 10, the first Economic Impact Payments were received in taxpayer bank accounts.

What did you build / improve? What does it do for the public or how you deliver your mission? What was the resulting impact?

Working with Treasury, the Bureau of Fiscal Services (BFS), Veteran's Affairs, and the Social Security Administration, the IRS quickly identified the eligible population for EIP payments. The IRS simultaneously developed and deployed a Get My Payment web application in record time. The new tool enables individuals to track the status of their EIP, and enables individuals who do not have direct deposit information on file with the IRS to provide this information to expedite payment. The IRS also quickly developed a notice process to deliver notification to individuals informing them of their EIP payment. This all occurred seamlessly while we rescaled IRS operations during the closure of more than 90% of our buildings and maintained required core IRS operations with over 47,000 employees teleworking and others remaining in various facilities.

Any lessons for other agencies emulating this work?

Despite significant planning, delivering a large scale, nation-wide project under very tight timeframes will not occur without unexpected challenges. Acknowledging those challenges, effective communication, and taking immediate steps to correct them is a key component of success.

As of May 22, 2020, approximately 120 million EIPs have been issued electronically, and 40 million paper checks issued, totaling approximately \$269 billion.

The screenshot shows the official website of the U.S. Department of the Treasury. At the top, there is a blue header with the department's name and a circular seal. Below the header, a red navigation bar contains links for "ABOUT TREASURY", "SECRETARY MNUCHIN", "POLICY ISSUES", "DATA", "SERVICES", and "NEWS". A specific link in the "NEWS" section is highlighted in red, reading "For small businesses seeking direct relief from COVID-19, CLICK HERE to learn more about Paycheck Protection Loans". The main content area features a large headline: "Over 80 Million Americans Will Receive Economic Impact Payments in their Bank Accounts This Week". To the left of the headline is a sidebar titled "Press Releases" which includes links for "Statements & Remarks", "Readouts", "Testimonies", "Featured Stories", and "Press Contacts". Below the sidebar, there is a row of social media icons (Twitter, Facebook, LinkedIn, etc.) and a timestamp: "April 13, 2020". The main article text discusses the distribution of Economic Impact Payments and quotes from Secretary Mnuchin. It also mentions the launch of a "Get My Payment" app and provides information for non-filers. At the bottom right, there is a "####" symbol.

What are we proud of this year?

Service Improvement

Who is the user and what was the problem?

Customers subject to withholding who need to determine the amount of taxes to be withheld during the year.

What did you build / improve? What does it do for the public or how you deliver your mission? What was the resulting impact?

In response to the Tax Cuts and Jobs Act, on August 6, 2019, the IRS launched the new Tax Withholding Estimator, an expanded, mobile-friendly online tool designed to make it easier for everyone to have the right amount of tax withheld during the year. The new Tax Withholding Estimator offers workers, as well as retirees, self-employed individuals, and other customers a more user-friendly step-by-step tool for effectively tailoring the amount of income tax they have withheld from wages and pension payments. Among other improvements, the Estimator added fields for self-employment income to provide a more accurate estimation.

The completion rate on mobile devices grew to 43% in January 2020 compared to 27% in January 2019. During the same period, the overall completion rate jumped from 43% to 54%. Due to rapid issue identification and resolution following service release, from August 26, 2019 to September 20, 2019, 69% of survey respondents stated that they accomplished the task they intended to, compared to 55% from August 6, 2019 to August 26, 2019.

Any lessons for other agencies emulating this work?

Despite significant planning, as with the release of any new or radically updated service, unforeseen issues occurred following launch. Simultaneous customer feedback capture and allowance for follow-on releases helped to isolate and deploy impactful improvements rapidly that measurably enhanced the customer experience.

Due to interface design and feature improvements, completion rates increased by double digits year-over-year when compared with the previous tool. Customer survey feedback was positive.

Example 1: Print-friendly results page

The screenshot shows the final results of the Tax Withholding Estimator. At the top, a navigation bar shows six steps: About You, Income & Withholding, Adjustments, Deductions, Tax Credits, and Results. The 'Results' step is highlighted. A 'PRINT' button is located in the top right corner. Below the navigation, a section titled 'Your Results' displays the following information:

Your Results	
Based on the information you entered	
If you do not change your withholding, you are likely to get a refund.	
Expected tax withholding	\$17,810*
Anticipated tax obligation	\$16,230**
Estimated over payment	\$1,581

* This is your projected withholding for the year if you make no changes and do not submit a new Form W-4. ** This is your expected tax liability for the 2020 tax year reported on the 2020 Form 1040 due to be filed by April 15, 2021, if applicable.

A large graphic features a green-to-blue color gradient with a needle pointing towards the center, labeled '\$0 BALANCE' at the top, 'OWE' on the left, and 'REFUND' on the right. Below this, a message says 'Happy with your results? Then you don't need to do anything.' A slider is shown with the value '\$1,581'. A box below states 'For a refund of approximately \$1,581.' At the bottom, an 'Important' section contains a note about the recommendations being for the rest of the year based on current withholdings.

Example 2: Customization slider