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IRS Furloughs Demand Tax Pros' Close Documentation and Patience

By Doug O'Donnell

Just over a week after learning the IRS would use multiyear funds from the Inflation Reduction Act to keep the agency open, we learned Wednesday that IRS employees not performing essential activities would be [furloughed](#). Tax professionals—especially those trying to meet the Oct. 15 filing deadline—immediately wondered about the impact.

I'll share a few practical insights on effectively navigating the uncertainties in this environment.

First, and most importantly, this isn't the first time IRS employees have been furloughed or the first time that tax professionals have encountered a significantly diminished IRS owing to a budget lapse. That said, it has been nearly seven years since the IRS furloughed employees because of a budget lapse during the 35-day shutdown in December 2018 to January 2019.

Leaning into taxpayer challenges, understanding and sharing solutions to challenges, and functioning with an "I have been here before" approach elevates confidence that persistent professionals can prevail.

The IRS will continue to process payments. Paper returns may not be processed, and accounts may not be adjusted, but taxpayer filing and paying deadlines aren't extended—making it necessary to meet deadlines.

Continue making timely payments and maintain records of them should questions arise later. This is especially the case to avoid penalties and interest, and helps anyone on an installment agreement remain in compliance with it.

For those with an Oct. 15 filing deadline, filing electronically is best to make sure your return has been accepted. You should retain IRS confirmation or acknowledgment with the date and time your return was accepted. If you decide to file a paper return instead, maintain a copy of your return and evidence of mailing the return to the IRS.

Communicating with taxpayers about deadlines and steps taken to keep them compliant with file and pay requirements preserves a sense of normalcy during a period of uncertainty.

Using available digital tools to interact with the IRS is a useful reminder that the agency continues to expand options to accomplish tasks. IRS digital services provide accessibility and capabilities that inform taxpayers of account status even when in-person assistance is unavailable.

A final point is to maintain patience. The IRS is operating with reduced capacity during a period of increased demand with an uncertain funding future. A Treasury Inspector General for Tax Administration [report](#) issued last month references a growing “adjustments inventory” that IRS forecasts could reach six million, exceeding pandemic levels by two million.

There also is demand to meet the Oct. 15 filing deadline—and significant demand on IRS personnel preparing for the 2026 filing season, when several new provisions of the tax-and-spending package enacted in July will be reported by millions of individuals filing their tax year 2025 returns.

Implementing the new provisions requires published guidance, development of forms, instructions and publications, employee training, programming and testing of IRS systems, coordination with tax software developers, and communication with the public. These would be no small challenges in the best of times, with a full complement of employees operating normally.

IRS leaders and technicians are professionals focused on assigned tasks regardless of difficulty. We all will need to do our part to comply. Communicating and maintaining patience will be paramount to successfully handling a complex environment with reduced IRS capacity. Use digital options when possible, and take necessary steps to comply with file and pay requirements while maintaining records of those steps taken.

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