



# TaxNewsFlash

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## Legislative update: Senate Finance leaders introduce bipartisan IRS administration reform package

U.S. Senate Finance Committee Chairman Mike Crapo (R-ID) and Ranking Member Ron Wyden (D-OR) yesterday introduced the [“Taxpayer Assistance and Service Act”](#) aimed at improving IRS procedure and administration.

Read a [section-by-section summary](#) of the legislation

As described in the [release](#) from the Finance Committee, the legislation “combines legislative proposals recommended by the National Taxpayer Advocate with standalone tax administration bills introduced by congressional members designed to improve communication between the IRS and taxpayers, streamline processes for tax compliance and ensure taxpayers have access to timely expert assistance, among other much-needed reforms.”

Among other things, the legislation would:

- Digitize more tax returns to support faster refunds
- Upgrade the “where’s my refund” tools so taxpayers know when to expect their refunds and what to do if they are delayed
- Upgrade IRS online accounts so taxpayers and their representatives can review their returns and correspondence and respond to the IRS online
- Protect taxpayers by strengthening standards for paid tax preparers
- Expand IRS call-back options so taxpayers can request a return call more often and from more IRS phone numbers
- Allow the U.S. Tax Court to hear cases relating to refunds
- Increase the independence of the National Taxpayer Advocate and the IRS Independent Office of Appeals
- Protect victims of fraud from indefinite IRS scrutiny

### KPMG observation

The legislation is an expansive bipartisan reform package proposing many provisions directly improving federal tax administration. The provisions would introduce new requirements across the IRS, United States Tax Court, Treasury, and the Government Accountability Office (GAO). The following factors are relevant when considering effective implementation of provisions affecting so many aspects of IRS operations:

- Finance Committee staff engaging in a robust dialog with impacted IRS operations to understand whether any adjustments to proposed legislative language would improve timely implementation
- Providing for adequate appropriations over projected time periods to obtain necessary resources—facilities, systems and people—to effectively implement and achieve Congress’ expectations from the package
- Development, implementation, and reporting on thorough project plans for each provision to include accountable offices
- Ensuring hiring and procurement flexibilities are made available to effectuate rapid completion of tasks associated with implementing this extensive reform package

The legislation is an ambitious plan with laudable goals to advance service to the public, while improving filing and paying compliance of taxpayers, and increasing trust in the IRS.

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