

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

PRODUCT & SERVICE GUIDE

IRS Budget Cuts are Increasing Tax Season Pains

Tax season has officially started and the Internal Revenue Service began accepting tax returns this week. According to IRS Commissioner John Koskinen, the agency is facing ongoing budget cuts, and due to these reductions, several of the services the

...

Feb. 15, 2016



According to IRS Commissioner John Koskinen, the agency is facing ongoing budget cuts, and due to these reductions, several of the services the IRS offers will be trimmed down.

This reduction in services can make an already stressful tax season for accountants even more taxing, as wait times for IRS assistance will be increasing. Koskinen recently told the news media “only use the phone if you absolutely have to,” as wait times will regularly be 30 minutes or more.

There are lots of ways your firm can make tax season less stressful for the team. One way is to utilize the IRS website at www.irs.gov versus calling the offices. Answers to questions and resources are plentiful on the site as the IRS has recently updated their online features in planning for the budget cuts. A few of the most commonly used features are the request a payment plan and these frequently visited pages:

- **Get a Transcript** – where you can download previous years of returns and see all IRS notes/activity.
- **Where’s My Refund** – to track the return for an individual or business
- **IRS Direct Pay** – where you can pay taxes directly from a checking account, debit or credit card.

With the Affordable Care Act making health care a tax issue beginning on 2014 returns, tax season will be more taxing than ever before for millions of taxpayers. The IRS Commissioner stated that most people will only need to check a box on their 1040 Form return indicating that health coverage is in place, such as when your company provides health coverage as a full or partial benefit. However, with more forms and tax-related rules due to the Affordable Care Act, it could be slightly more confusing for those that qualify for an exemption or acquired medical coverage in the marketplace. [Publication 5187](#) on the IRS website has information regarding tax issues relating to the Affordable Care Act and links as well as the official rules that need to be followed.

One important thing to remember for those who obtained medical coverage in the marketplace: Form 1095-A will be needed when filing your tax return. Some taxpayers might not receive the 1095-A in the mail until early February, and will therefore be unable to file early. But like a 1099 or W-2 form, it is an important form to prepare if you received coverage under Obamacare, otherwise you may find yourself amending your return later.

Koskinen stated the IRS expects that 90% of tax return refunds will still be issued in fewer than 21 days. The best way to receive a quick refund is to electronically file the return. Paper returns will see longer delays this year in refunds, as a direct result of the budget cuts. Refunds for paper filers normally can take 4 weeks to 6 weeks. This year, according to Koskinen it might take an extra week or longer. There are lots of great software solutions for efilting, now is the time to research options and invest in a tool that takes the pain out of filing.

Another way that you can make tax season less taxing on your team is by implementing a workflow automation tool that handles the communication with clients on these important deliverables for you. [Scalus](#) is a fully SaaS (Cloud) software that allows you to create a template on a set of processes or projects and replicate those over multiple clients. You can also set these templates to recur on a frequency that is needed based on the client or deliverable.

Kristen Koh Goldstein is Founder and CEO of [Scalus](#), a provider of cloud-based tools for workplace automation.

[Product & Service Guide](#) • [Tax](#) • [Scalus](#) • [News](#) • [Budget](#) • [budget shortfall](#) • [Budget Surplus](#) • [Budgeting](#) • [Budgets](#) • [federal budget](#) • [Internal Revenue Service](#) • [US Budget](#)

CPAPA is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

© 2022 Firmworks, LLC. All rights reserved