## **CPA**

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of taxpayer calls this tax season.

Mar. 24, 2023



Treasury Secretary Janet Yellen testifies before a Senate Finance Committee hearing on Capitol Hill in Washington, D.C., on Thursday, March 16, 2023. (Yuri Gripas/Abaca Press/TNS)

By Jamie Dupree, The Atlanta Journal-Constitution (TNS)

When Democrats in Congress approved an extra \$80 billion for the IRS last year, most of the focus was on how it would be used to step up tax enforcement.

But a chunk of that same money also went to improve taxpayer services, and Biden

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If those numbers hold, it would be a dramatic change inside the IRS. In 2019, taxpayers reached a live person on the telephone only about 30 percent of the time. Last year, it was down to 13 percent, up from the abysmal 11 percent in 2021.

Those customer service improvements haven't stopped GOP complaints, as Republicans charge the larger IRS budgets will fund an "army" of tax agents to audit and harass hardworking taxpayers around the nation.

For GOP lawmakers, the goal is simple. They want to keep chopping away at the IRS budget.

"Joe Biden just keeps pumping taxpayer dollars into the IRS," said U.S. Rep. Buddy Carter, R-Georgia. "He's lost all grasp on what Americans really want. Defund the IRS!"

Carter legitimately wants to "defund" the IRS, as his Fair Tax proposal would replace the income tax system with a national sales tax.

The most important impact of a larger IRS budget won't be the number of phone calls that get answered, but how much gets collected in federal taxes that are legitimately owed to Uncle Sam.

The IRS estimates that about 82-84 percent of Americans pay their full tax bill. The remaining 16-18 percent do not, creating what's known as the "tax gap"—the amount of money that taxpayers truly owe, but don't pay the feds.

And that amount keeps on growing.

In 2021, former IRS chief Charles Rettig said, "it would not be surprising if the noncompliance for tax years going forward exceeded \$1 trillion, annually."

That's \$1 trillion per year in taxes not being paid to Uncle Sam, at a time when yearly

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Journal-Constitution. For more, check out his Capitol Hill newsletter at http://jamiedupree.substack.com

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