

# TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION



## **Actions Are Being Taken to Reduce Risks to Employees Whose Names Are Required to Be Included on Internal Revenue Service Correspondence**

May 8, 2023

Report Number: 2023-IE-R004

# HIGHLIGHTS: Actions Are Being Taken to Reduce Risks to Employees Whose Names Are Required to Be Included on Internal Revenue Service Correspondence

Final Evaluation Report issued on May 8, 2023

Report Number 2023-IE-R004

## Why TIGTA Did This Study

In 1998, Congress passed the IRS Restructuring and Reform Act of 1998 (RRA 98) to make the IRS more accountable to the American people by requiring the contact information for IRS employees be included on manually generated correspondence. Specifically, IRS RRA 98 § 3705(a)(1) requires an employee's name, telephone number, and unique identifying number to be included on all manually generated correspondence so that taxpayers could contact the IRS employee who could best resolve their case.

During walkthroughs at the IRS Tax Processing Centers in Fiscal Year 2022, IRS employees informed TIGTA that managers, whose full name and office telephone number appeared on manual correspondence, were being contacted on their personal telephone lines or through social media rather than through normal business methods. Therefore, TIGTA initiated this review to assess the actions taken to minimize the risk of potential harm to employees whose personal information is used on Tax Processing Center correspondence.

## Impact on Tax Administration

TIGTA is concerned that taxpayers and anti-government or anti-tax groups with malevolent intent may use the Internet or social media to track down and identify IRS employees, their families, their homes, and personal information to threaten, intimidate, or locate them for physical violence.

## What TIGTA Found

Our survey of IRS managers who signed tax processing correspondence found that 11 (34 percent) of 32 IRS managers were contacted by taxpayers outside of normal business methods. However, none of the 11 managers contacted outside normal business channels reported that they or their families were threatened or intimidated because of these contacts.

## What TIGTA Recommended

TIGTA recommended that the IRS protect the identity of IRS employees signing manually generated tax processing correspondence by removing their first name and replacing it with the employee's title, Mr., Ms., or a gender-neutral title. TIGTA also recommended that the Commissioner, Wage and Investment Division, ensure that all tax processing correspondence is revised to remove the signing IRS employee's first name and replace it with the employee's title.

IRS management agreed with our recommendations. The IRS plans to revise IRS employee signatures on the correspondence letters by June 2023. In addition, the IRS plans to make program changes that will eliminate the use of employees' first names from manually generated correspondence and will provide the appropriate title in its place by June 2023.




TREASURY INSPECTOR GENERAL  
FOR TAX ADMINISTRATION

## U.S. DEPARTMENT OF THE TREASURY

WASHINGTON, D.C. 20024

May 8, 2023

### MEMORANDUM FOR: COMMISSIONER OF INTERNAL REVENUE

**FROM:** Russell P. Martin   
Deputy Inspector General for Inspections and Evaluations

**SUBJECT:** Final Report – Actions Are Being Taken to Reduce Risks to Employees Whose Names Are Required to Be Included on Internal Revenue Service Correspondence (IE-22-012)

This report presents the results of our review to assess the actions taken to minimize the risk of potential harm to employees whose personal information is used on Tax Processing Center correspondence. This review is part of our Fiscal Year 2023 Annual Program Plan and addresses the major management and performance challenge of *Protecting Taxpayer Data and Internal Revenue Service Resources*.

Management's complete response to the draft report is included as Appendix II. If you have any questions, please contact me or James A. Douglas, Director, Office of Inspections and Evaluations.

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## **Background**

In 1998, Congress passed the Internal Revenue Service (IRS) Restructuring and Reform Act of 1998 (RRA 98)<sup>1</sup> to make the IRS more accountable to the American people by requiring the contact information for IRS employees be included on manually generated correspondence.<sup>2</sup> Specifically, IRS RRA 98 § 3705(a)(1) requires an employee's name, telephone number, and unique identifying number to be included on all manually generated correspondence so that taxpayers could contact the IRS employee who could best resolve their case.

### **Management notified of growing risk to IRS employees regarding the use of their full names on correspondence sent to taxpayers**

During walkthroughs of the Kansas City, Missouri; Austin, Texas; and Ogden, Utah Tax Processing Centers, IRS employees notified the Treasury Inspector General for Tax Administration's Office of Audit personnel that the IRS issues correspondence letters with the operation or department manager's full name and office telephone number. The IRS issues these letters to request information from taxpayers. Further, the letters include signature information to ensure that the taxpayer's correspondence is routed to the appropriate address and department upon taxpayer replies. We were advised at all three Tax Processing Centers that IRS employees were contacted, either through social media or personal telephone line, by taxpayers who were issued a notice. In some instances, the taxpayers were searching for the IRS employee on social media platforms and sending messages through those platforms. While the telephone calls and messages have mostly been for an update on the taxpayer's account, there was one instance in which an IRS manager commented:

*...there has been an issue recently of a colleague who has received threats due to their name being placed on correspondence letters to the taxpayers. This taxpayer searched the employee on social media and made threats against them and their family...*

On March 10, 2022, we issued an e-mail alert to IRS executives to bring to their attention our concerns with signature codes that are present on IRS correspondence letters. Specifically, this correspondence contains the actual names of IRS employees who are being contacted directly by taxpayers via either telephone or social media platforms. As a result, this is endangering IRS employees.

We recommended that the IRS protect the identity of front-line employees by removing their name and office telephone number from the correspondence letters. The IRS should use dedicated pseudonyms and telephone numbers for its correspondence.<sup>3</sup> In addition, the IRS

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<sup>1</sup> Pub. L. 105-206, 112 Stat. 777, July 22, 1998.

<sup>2</sup> Internal Revenue Manual 21.3.3.4.17.1, October 1, 2019, describes that manually generated correspondence is defined as any correspondence issued that is non-systemically generated and must contain name, telephone number, and a unique identifying number of an employee who can be contacted with respect to the correspondence.

<sup>3</sup> A pseudonym is a fictitious name. IRS RRA 98 § 3706 provides that any IRS employee may use an IRS pseudonym only if adequate justification for use is provided by the employee, including protection of personal safety, and such use is approved by the employee's supervisor before the IRS pseudonym is used. The IRS Pseudonym Program is governed under procedures described in Internal Revenue Manual 10.5.7.

should ensure that employees are aware of available resources to report and address potential threats.

IRS management responded that their legal counsel concluded that implementing our recommendation would not be compliant with the identification provisions of IRS RRA 98. IRS management did note that guidance to employees and a reminder of resources available to them to report and address potential threats are provided through the annual mandatory briefing, Facilities Management and Security Services Physical Security Briefing 31659-22.

More recently, an IRS employee, from another unit outside of the Tax Processing Centers, reported that a taxpayer whom they had assisted recently left a letter at the employee's personal residence requesting assistance with their personal taxes.<sup>4</sup> The letter did not contain any threats; however, the IRS employee was concerned that the taxpayer delivered a letter to their personal address when they did not tell them where they lived. Additionally, the taxpayer sent the employee an invitation through social media that the employee did not accept. The taxpayer used a paid online database to find the employee's home address. The taxpayer claimed they were not trying to threaten the employee but needed help from the IRS.

## **Results of Review**

### **Management Is Now Taking Actions to Address Prior Concerns Regarding Risk to Employees Whose Names Are Used on IRS Correspondence**

Our survey of IRS managers who signed tax processing correspondence found that some managers were contacted by taxpayers outside of normal business methods. Approximately 48 percent (32 of 67 managers) of the managers who responded to our survey indicated that they signed tax processing correspondence between October 1, 2020, and November 9, 2022.<sup>5</sup> Our survey found that 11 (34 percent) of 32 IRS managers who signed tax processing correspondence reported that they were contacted by taxpayers outside of normal business methods. However, none of the 11 managers contacted outside of normal business channels reported that they or their families were threatened or intimidated because of these contacts.

**Our survey found that 11 (34 percent) of 32 IRS managers who signed tax processing correspondence reported that they were contacted by taxpayers outside normal business methods.**

On November 4, 2022, we contacted the IRS's Office of Chief Counsel regarding our concerns that employee names included on IRS correspondence could be used along with accompanying searches of the Internet and social media by malevolent taxpayers seeking to harass, intimidate,

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<sup>4</sup> The employee reported this information to the Treasury Inspector General for Tax Administration Office of Investigations.

<sup>5</sup> We submitted surveys to 82 managers who may have signed tax processing correspondence between October 1, 2020, and November 9, 2022. The survey population consisted of 25 managers identified from the campus Servicewide Electronic Research Program list and 57 Tax Processing Center managers identified through the Treasury Integrated Management Information System.

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threaten, or assault these tax processing employees. We requested clarification from the IRS's Office of Chief Counsel as to whether the IRS is:

- Required to use both the employee's first **and** last name, along with telephone number and employee identifying number to be in compliance with IRS RRA 98 § 3705(a)(1).
- Permitted to use only the employee's first **or** last name, along with telephone number and employee identifying number to remain in compliance with IRS RRA 98 § 3705(a)(1).

The Chief Counsel responded that in order to comply with the requirements of RRA 98 § 3705(a), correspondence or contacts covered by this provision must include the following information:

- The IRS employee's name (contact person) – either the person's full name, *e.g.*, John Jones, or the person's title and last name, *e.g.*, Mr. Jones.
- The office telephone number where the employee may be reached.
- The employee's IRS badge identification number.

Therefore, if the person's last name and title are used, then the first name is not required. However, in all instances, the employee's last name should be used.

**Recommendation 1 (E-Mail Alert):** On November 29, 2022, the Treasury Inspector General for Tax Administration recommended that the Director and Deputy Director, Submission Processing, Wage and Investment Division, protect the identity of IRS employees signing manually generated tax processing correspondence by removing their first name and replacing it with the employee's title, Mr., Ms., or a gender-neutral title, in accordance with Chief Counsel Notice N(30)000-317.

**Management Action Taken in Response to Alert:** IRS management agreed with our recommendation and plans to revise IRS employee signatures on the correspondence letters by removing the first name and replacing it with the person's title. The IRS expects to complete these changes by June 2023.

**Recommendation 2:** The Commissioner, Wage and Investment Division, should ensure that all tax processing correspondence is revised to remove the signing IRS employee's first name and replace it with the employee's title.

**Management's Response:** IRS management agreed with our recommendation and plans to implement program changes that will eliminate the use of employees' first names from manually generated correspondence and will provide the appropriate title in its place by June 2023.

## **Appendix I**

### **Detailed Objective, Scope, and Methodology**

The overall objective of this evaluation was to assess the actions taken to minimize the risk of potential harm to employees whose personal information is used on Tax Processing Center correspondence. To accomplish our objective, we:

- Surveyed individual employees through a census<sup>1</sup> whose names may have been required to be included on tax processing correspondence between October 1, 2020, and November 9, 2022, to discuss any concerns they may have as to risk of harm. A census was conducted due to the small size of the population. The population consisted of 25 IRS Tax Processing Center managers identified on the campus Servicewide Electronic Research Program list and 57 Tax Processing Center program managers identified through the Treasury Integrated Management Information System who in a prior or subsequent position may have signed tax processing correspondence.
- Contacted the IRS Office of Chief Counsel, Procedure and Administration, to determine whether the IRS is required to use both first and last names, along with telephone number and employee identifying number to be in compliance with IRS RRA 98 § 3705(a)(1), or if the IRS can use first or last name, telephone number, and employee identifying number.

#### **Performance of This Review**

This review was performed with information obtained from the Wage and Investment Division Headquarters in Atlanta, Georgia, during the period October through December 2022. We conducted this evaluation in accordance with the Council of the Inspectors General for Integrity and Efficiency Quality Standards for Inspection and Evaluation.

Major contributors to the report were James Douglas, Director; Brandon Crowder, Supervisory Evaluator; and Earl Burney, Lead Evaluator.

#### **Validity and Reliability of Data From Computer-Based Systems**

We performed tests to assess the reliability of data from the Treasury Integrated Management Information System. We evaluated the data by scanning for blank, incomplete, or improper data. In addition, we compared the data in a judgmental sample to IRS source data on IRS Discovery Directory to ensure data accuracy. We determined that the data were sufficiently reliable for purposes of this report.

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<sup>1</sup> A census is the procedure of systematically acquiring, recording, and calculating information about the members of a given population.



Management's Response to the Draft Report




COMMISSIONER  
WAGE AND INVESTMENT DIVISION

DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
ATLANTA, GA 30308

April 13, 2023

MEMORANDUM FOR RUSSELL P. MARTIN  
DEPUTY INSPECTOR GENERAL FOR INSPECTIONS AND  
EVALUATIONS

FROM: Kenneth C. Corbin  Digitally signed by TZQCB  
Date: 2023.04.13 14:59:55  
-04'00'  
Commissioner, Wage and Investment Division

SUBJECT: Draft Report – Actions Are Being Taken to Reduce Risks to  
Employees Whose Names Are Required to Be Included on  
Internal Revenue Service Correspondence (IE-22-012)

Thank you for the opportunity to review and provide comments on the subject draft report. The method of generating correspondence sent by the IRS to taxpayers is generally dependent on the circumstances that prescribe the need for it to be sent. Employees who are assigned specific accounts, such as in our examination or collection functions may use word processing software to compose custom correspondence or they may use pro-forma letters to address the unique needs of the situation. Certain account conditions, or transactions posted to tax accounts, can generate systemic notices that are issued without employee involvement. Within our functions that process tax returns, maintain tax accounts, conduct correspondence examinations, or administer other taxpayer-facing programs, employees may compile correspondence from a selection of standard paragraphs. Employees initiate the correspondence, online, by identifying the paragraphs to be used and providing any relevant variable information. The resulting letters are printed and mailed from centralized correspondence production sites. This type of correspondence is known as a Correspondex letter and is the subject of this review.

For manually generated correspondence, the Internal Revenue Service Restructuring and Reform Act of 1998 (RRA '98)<sup>1</sup>, Section 3705, requires the name, telephone number, and unique identifying number of an Internal Revenue Service employee whom taxpayers may contact. Section 3706 permits the use of an approved pseudonym by an employee when adequate justification for such use is provided. Procedures are in place for employees to request approval for the use of a pseudonym when they believe such use is needed for the protection of their personal safety or that of their family. The IRS

<sup>1</sup> Public Law 105-206, 112 Stat. 777, July 22, 1998.

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takes the safety and security of its employees very seriously; however, it is noteworthy that during the course of this review, neither conversations with the audit team nor reaching out to the managers whose signatures appear on the Correspondex letters identified anyone who had requested the use of a pseudonym or reported threatening or harassing contacts to the Treasury Inspector General for Tax Administration, which is the protocol for such incidents.

In the 25 years since the RRA '98 was enacted, social media platforms have become ubiquitous in daily life. Where locating an individual outside the area covered by the local telephone directory was once a substantial undertaking, individuals can now be reached worldwide. We will take steps to limit the amount of personally identifiable information of our employees provided on manually generated correspondence while remaining compliant with the provisions of the RRA '98.

Our responses to your specific recommendations are enclosed. If you have any questions, please contact me, or a member of your staff may contact Dietra D. Grant, Director, Customer Account Services, at 470-639-3504.

Attachment

**Actions Are Being Taken to Reduce Risks to Employees Whose  
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Attachment

**Recommendations**

**RECOMMENDATION 1 (E-Mail Alert)**

On November 29, 2022, the Treasury Inspector General for Tax Administration recommended that the Director and Deputy Director, Submission Processing, Wage and Investment Division, protect the identity of IRS employees signing manually generated tax processing correspondence by removing their first name and replacing it with the employee's title, Mr., Ms. or a gender-neutral title, in accordance with Chief Counsel Notice N(30)000-317.

**CORRECTIVE ACTION**

We are implementing programming changes that will eliminate the use of employees' first names from manually generated correspondence.

**IMPLEMENTATION DATE**

June 15, 2023

**RESPONSIBLE OFFICIAL**

Director, Submission Processing, Customer Account Services, Wage and Investment Division

**CORRECTIVE ACTION MONITORING PLAN**

We will monitor this corrective action as part of our internal management control system.

**RECOMMENDATION 2**

The Commissioner, Wage and Investment Division, should ensure that all tax processing correspondence is revised to remove the signing IRS employee's first name and replace it with the employee's title.

**CORRECTIVE ACTION**

We are implementing programming changes that will eliminate the use of employees' first names from manually generated correspondence and will provide the appropriate title in its place.

**IMPLEMENTATION DATE**

June 15, 2023

**RESPONSIBLE OFFICIAL**

Director, Submission Processing, Customer Account Services, Wage and Investment Division

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**CORRECTIVE ACTION MONITORING PLAN**

We will monitor this corrective action as part of our internal management control system.

## **Appendix III**

### **Abbreviations**

IRS	Internal Revenue Service
RRA 98	Restructuring and Reform Act of 1998



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call our toll-free hotline at:**

(800) 366-4484

**By Web:**

[www.treasury.gov/tigta/](http://www.treasury.gov/tigta/)

**Or Write:**

Treasury Inspector General for Tax Administration

P.O. Box 23291

Washington, D.C. 20026

Information you provide is confidential, and you may remain anonymous.