

Congress of the United States
Washington, DC 20510

August 15, 2022

The Honorable Charles P. Rettig
Commissioner
Internal Revenue Service
1111 Constitution Avenue, NW
Washington, D.C. 20224

Dear Commissioner Rettig:

Thank you for your continued work to eliminate the unprecedented backlog at the Internal Revenue Service (IRS). Since last year, numerous Members of Congress in the House and Senate have sent several letters regarding customer service issues, processing delays, and the outstanding backlog of returns. Several Members of Congress have urged you to provide penalty relief for taxpayers, have continually pressed the agency to pursue maximum overtime options for staff who are working on the backlog and on surge teams, and have asked the agency to deploy additional surge teams and other resources in an effective manner to reduce the backlog. Yet, we are writing again to urge the IRS to extend the suspension of automated collections, continue the pause on automated notices, keep its surge teams in place until hiring challenges and processing backlogs are adequately addressed.

In a Senate Finance Committee Hearing on April 7, 2022, you estimated that the IRS would return to a “healthy state” by the end of 2022 and that the IRS expected to hire 10,000 customer service representatives between this year and next year. Yet, according to the National Taxpayer Advocate (NTA), the paper return backlog has actually *increased* by 1.3 million from the same point as last year and that the IRS was only able to meet 12 percent of its hiring goals for processing center employees earlier this year.¹ NTA also noted that the IRS has not met its 5,000 employee hiring goal for submission processing positions—falling short by 3,417 employees, and that while historically the IRS has paid refunds from paper returns in four to six weeks, refunds are currently taking six months or longer.²

Accordingly, we believe that the IRS must take additional steps to improve customer service issues, decrease processing delays, and work-down the backlog of paper returns and correspondence by continuing the maximum use of overtime and surge teams, as well as the continued suspension of automated notices and collections—which have been critical in reducing pandemic-related tax return and correspondence backlogs. Additionally, the IRS must improve

¹ See NATIONAL TAXPAYER ADVOCATE, OBJECTIVES REPORT TO CONGRESS (June 2022) at v, <https://www.taxpayeradvocate.irs.gov/reports/2023-objectives-report-to-congress/full-report/> (“For the week ending May 22, 2021, the backlog of unprocessed paper returns stood at 20 million. At the end of May this year, the backlog had increased to 21.3 million.”).

² *Id.* at iv.

its recruitment and retention efforts to adequately address the backlog and increase levels of taxpayer service.

In order to gauge the extent of hiring and processing challenges still facing the Agency, we ask that you provide answers to the following questions no later than August 19, 2022:

Processing Backlogs:

1. How do you plan to keep your promise to eliminate the backlog?
2. What is a “healthy level” of unprocessed tax returns? How does this level align with average carryover levels, prior to the pandemic? Please provide the average carryover level over the ten years prior to FY2020, and the current carryover levels.
3. How would you quantify a “manageable” carryover level? How does this compare to average carryover levels prior to the pandemic? Please provide a breakdown of average carryover levels for accounts management, submission processing, and returns in suspense.
4. By how much do you estimate the carryover level will increase following the October 15, 2022 extension filing deadline?
5. Do you believe your answers to questions 2-4 call your end-of-year estimate for a “healthy” IRS into question?
6. For this filing season, what is the average refund delivery period? For comparison, please provide the average refund delivery period over the past ten years including the COVID-19 pandemic and excluding the COVID-19 pandemic.
7. How long will the surge teams continue? Will they continue through the end of the fiscal or calendar year, or beyond?
8. What effect does the use of surge teams to process the backlog have on the IRS’ other activities, particularly answering phones?
9. What steps is the Agency taking to speed up its processing of tax returns? Please specifically note whether the agency prioritizes the processing of returns with refunds.
10. What is the status of IRS efforts to implement scanning technology, as recommended by the NTA?

Hiring Challenges:

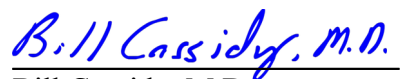
11. How many contractors is the IRS currently utilizing? How do contractors factor into the IRS’ stated hiring goals for submission processing and accounts management positions?

We appreciate your consideration of these requests and attention to these issues.

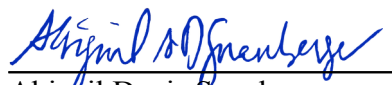
Sincerely,



Robert Menendez
United States Senator



Bill Cassidy, M.D.
United States Senator



Abigail Davis Spanberger
Member of Congress



Brian Fitzpatrick
Member of Congress



Tammy Baldwin
United States Senator



Richard Blumenthal
United States Senator



Richard Burr
United States Senator



Benjamin L. Cardin
United States Senator



Thomas R. Carper
United States Senator



Susan M. Collins
United States Senator



Christopher A. Coons
United States Senator



Tammy Duckworth
United States Senator



Dianne Feinstein
United States Senator



Kirsten Gillibrand
United States Senator



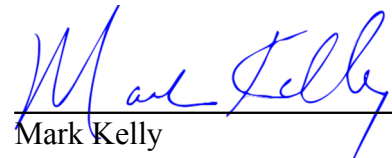
John Hickenlooper
United States Senator



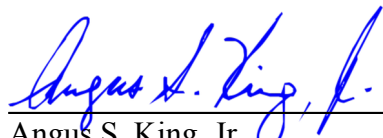
Mazie K. Hirono
United States Senator



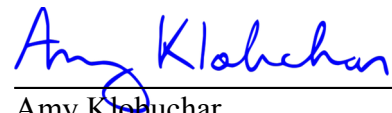
Tim Kaine
United States Senator



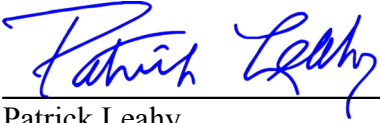
Mark Kelly
United States Senator




Angus S. King, Jr.
United States Senator



Amy Klobuchar
United States Senator



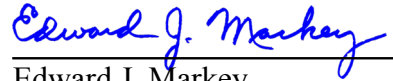
Patrick Leahy
United States Senator



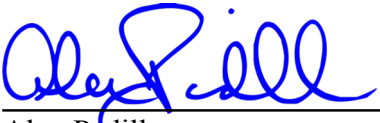
Cynthia M. Lummis
United States Senator



Joe Manchin III
United States Senator



Edward J. Markey
United States Senator



Alex Padilla
United States Senator



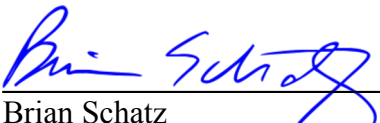
Jack Reed
United States Senator



Jacky Rosen
United States Senator



Bernard Sanders
United States Senator



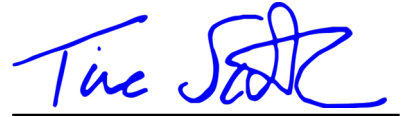
Brian Schatz
United States Senator



Jeanne Shaheen
United States Senator



Kyrsten Sinema
United States Senator



Tina Smith
United States Senator



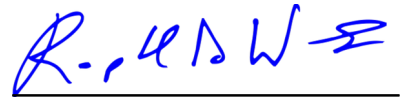
Debbie Stabenow
United States Senator



Chris Van Hollen
United States Senator



Mark R. Warner
United States Senator



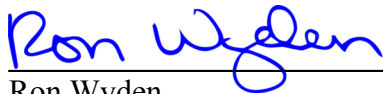
Raphael G. Warnock
United States Senator



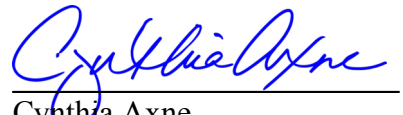
Elizabeth Warren
United States Senator



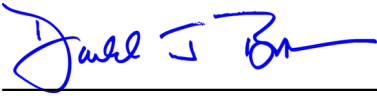
Sheldon Whitehouse
United States Senator



Ron Wyden
United States Senator
Chairman, Committee on
Finance



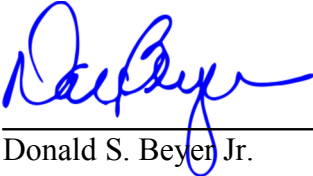
Cynthia Axne
Member of Congress



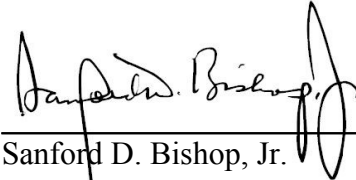
Don Bacon
Member of Congress



Karen Bass
Member of Congress



Donald S. Beyer Jr.
Member of Congress



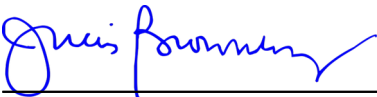
Sanford D. Bishop, Jr.
Member of Congress



Earl Blumenauer
Member of Congress



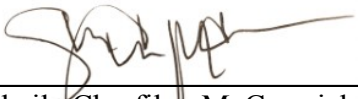
Brendan F. Boyle
Member of Congress



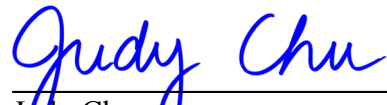
Julia Brownley
Member of Congress



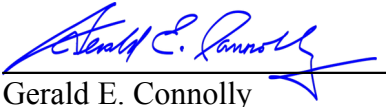
Tony Cárdenas
Member of Congress



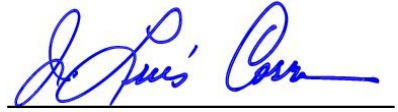
Sheila Cherfilus-McCormick
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Judy Chu
Member of Congress



Gerald E. Connolly
Member of Congress



J. Luis Correa
Member of Congress



Madeleine Dean
Member of Congress



Adriano Espallat
Member of Congress

/s/

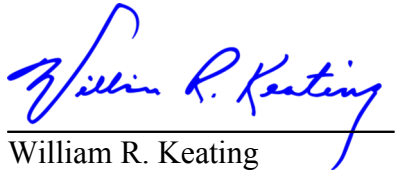
Mayra Flores
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Vicente Gonzalez
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Josh Gottheimer
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William R. Keating
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Fred Keller
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Andy Kim
Member of Congress



Young Kim
Member of Congress



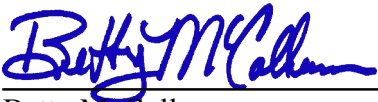
Susie Lee
Member of Congress



Elaine G. Luria
Member of Congress



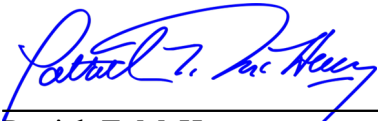
Tom Malinowski
Member of Congress



Betty McCollum
Member of Congress



A. Donald McEachin
Member of Congress



Patrick T. McHenry
Member of Congress



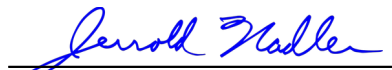
Daniel Meuser
Member of Congress





Joseph D. Morelle
Member of Congress





Seth Moulton
Member of Congress



Jerrold Nadler
Member of Congress



Grace F. Napolitano
Member of Congress



Donald Norcross
Member of Congress



Tom O'Halleran
Member of Congress


Jimmy Panetta
Member of Congress

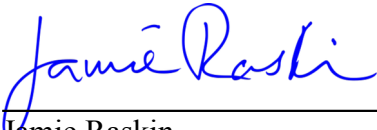

Donald M. Payne, Jr.
Member of Congress


Scott H. Peters
Member of Congress


Chellie Pingree
Member of Congress


Mark Pocan
Member of Congress


Katie Porter
Member of Congress



Jamie Raskin
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Deborah K. Ross
Member of Congress



Lucille Roybal-Allard
Member of Congress



David Scott
Member of Congress



Robert C. "Bobby" Scott
Member of Congress



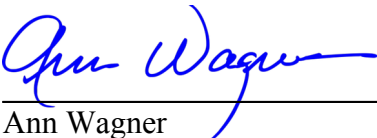
Mark Takano
Member of Congress



Dina Titus
Member of Congress



David J. Trone
Member of Congress



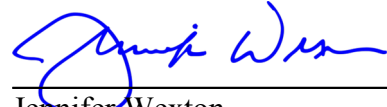
Ann Wagner
Member of Congress



Randy K. Weber, Sr.
Member of Congress



Bruce Westerman
Member of Congress



Jennifer Wexton
Member of Congress



Nikema Williams
Member of Congress