

June 21, 2013

Mr. Daniel I. Werfel
Principal Deputy Commissioner
Internal Revenue Service
1111 Constitution Avenue, Northwest
Washington, District of Columbia 20224

Re: Agency decision to retire disclosure authorization and automated account resolution from e-Services

Dear Mr. Werfel,

We write in response to an agency decision of which we only recently became aware. The Wage and Investment (W&I) operating division “will retire and remove the Disclosure Authorization (DA) and Electronic Account Resolution (EAR) applications from e-Services effective Aug. 11.”

Leaving aside our concerns with the process the agency used to reach this conclusion and to share this information, we were stunned by the decision and its timing. Our collective members serve millions of taxpayers, many of whom need our representation skills, and rely on disclosure authorization to provide efficient service to those taxpayers and timely responses to IRS inquiries. For the better part of 20 years, IRS—at the direction and support of Congress and Electronic Tax Administration Advisory Committee (ETAAC)—has pushed electronic commerce and Congress ultimately mandated e-filing for paid preparers. In fact, retiring DA and EAR is counter to key outcomes and recommendations in ETAAC’s recently filed [Annual Report to Congress](#).

Against this background, we were informed “former DA users will need to complete Form 2848, Power of Attorney and Declaration of Representative, or Form 8821, Tax Information Authorizations, and mail or fax it to the appropriate IRS location...allow[ing] at least four days for the authorization to post.” Further, “former EAR users should call the Practitioner Priority Service.”

As part of our efforts to understand the agency’s decision, we attended a liaison meeting last week at which we received unsatisfactory answers to a variety of questions (e.g., how long has the agency known or suspected it would obsolete DA and EAR, why did the agency fail to suggest to industry that volumes were not meeting expectations, how much would the needed IT upgrades cost). For other key questions, such as why W&I selected August 11th to cease operating DA and EAR, we received no answers at all.

To be blunt, we believe the Service misdiagnosed the problem and is on the verge of proposing a solution that exacerbates the level of service problems we see elsewhere in the agency. We each have members who report to us that posting Forms 2848 or 8821

can take three weeks or more. We each have members who are profoundly frustrated by 30 minute wait times on PPS, especially when the person who finally answers the telephone is unable to resolve the issue satisfactorily.

Moving work from an electronic environment to a manual environment increases staff requirements, increases processing time, and increases the opportunity for error. While shutting down DA and EAR may have solved an IT problem, it cannot be in the best interest of the enterprise. We believe the decision is a significant step backward for tax practitioners, tax administration and taxpayers.

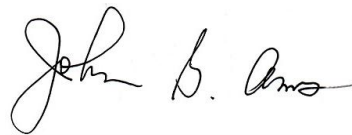
We request that as part of your ongoing review of the agency, you review this decision, which we believe misappropriates IRS resources. In the interim, we request the Service maintain operation of the electronic products.

These are challenging times for the Service and we wish you well in the important assignment you've accepted. We would be pleased to meet with you or members of your leadership team to discuss our concerns in further detail and look forward to a warm and mutually beneficial relationship.

Sincerely,



Michael Nelson
Executive Vice President
National Association of Enrolled Agents



John Ams
Executive Vice President
National Society of Accountants



Kathy Stanek
Chief Executive Officer
National Association of Tax Professionals

cc: Alice Burnett, Chair, Electronic Tax Administration Advisory Committee
Paul Cherecwich, Chair, IRS Oversight Board
Nina Olson, National Taxpayer Advocate