



# Consumer Advocate Tax Summit

**Thomas H. Mattox**

*Commissioner, New York State Department of Taxation and Finance*

# Agenda

- Congratulations
- Advocacy feedback produces results
- New for 2014 tax filing season
- Customer service
- CISS and EITC . . . a quick review
- Office of Taxpayer Rights Advocate
- Q&A . . . voice *your* concerns

# Advocacy Groups – Free Tax Prep Sites

## Congratulations on *your* success

- volunteer sites prepared 213,000 tax returns
- free self-assistance sites prepared 6,500 returns
- advocacy groups saved taxpayers \$53 million dollars in tax preparation fees\*
- NYS paid \$940 million in EITC benefits - 96% to families with children

# Free Tax Prep Sites Contribute to E-file Growth

- 87% of all income tax returns now e-filed
- accuracy rate is higher - well above 90% at tax prep sites
- safe, secure, easy

*On average, most e-file refunds are paid in 20 days*

# Advocacy Feedback Brings Results

## We listened ...

- launched an identity theft web page and established identity theft procedures
- extended Tax Practitioner Hotline hours
  - open to VITA, AARP TAXAIDE volunteers
  - significantly reduced telephone wait times
- notified volunteers of news, updates via e-mail
- expanded access to language services (more than 60)
- created tests for volunteers

# Advocacy Feedback Brings Results

**... and improved communication with taxpayers.**

- audit inquiry letters easier to understand
- minimize repeat requests for documents
- common inquiry letters posted to website
- YouTube videos (Spanish and English)
- new guidance addressing books and records
- NYC satellite office for Spanish-speaking taxpayers

# Adding Resources

- Camille Siano Enders  
*Deputy Commissioner, Taxpayer Rights Advocate*
  
- Richard Ernst  
*Deputy Commissioner, Office of Professional Responsibility*
  
- Newly hired regional outreach specialists
  - regional approach
  - experience within agency

# Recent Legislative Initiatives

- Family Credit
- employer credits for hiring
  - Youth Works Tax Credit
  - Minimum Wage Credits
- warrantless collections

# Family Tax Relief Credit

- effective for tax years 2014 through 2016
- credit equal to \$350, and is refundable
- who is eligible?
  - residents
  - claimed one or more dependents under age 17
  - income between \$40,000 - \$300,000
  - had tax (less other credits) greater than zero
- checks to be issued November 2014

# Warrantless Wage Garnishments

## **Benefits the taxpayer ...**

Doesn't blemish a credit report during the first step in debt collection

## **Benefits the Tax Department ...**

Fewer warrants issued to help collect unpaid tax debt

# Customer Service

## More installment payment agreements

<b>Fiscal Year Ending</b>	<b>IPAs Approved</b>	<b>Revenue (Millions)</b>
<b>2009</b>	<b>68,600</b>	<b>\$163</b>
<b>2010</b>	<b>90,000</b>	<b>\$204</b>
<b>2011</b>	<b>84,000</b>	<b>\$224</b>
<b>2012</b>	<b>87,000</b>	<b>\$231</b>
<b>2013</b>	<b>105,000</b>	<b>\$250</b>

# Customer Service

## More offers in compromise accepted

<b>Fiscal Year Ending</b>	<b>Cases Accepted</b>	<b>% Accepted</b>
<b>2007</b>	<b>276</b>	<b>34.3%</b>
<b>2008</b>	<b>275</b>	<b>25.7%</b>
<b>2009</b>	<b>214</b>	<b>24.9%</b>
<b>2010</b>	<b>249</b>	<b>28.9%</b>
<b>2011</b>	<b>460</b>	<b>46.0%</b>
<b>2012</b>	<b>698</b>	<b>58.0%</b>

# Get the Tax Refund You're Entitled To

## EITC Income Limits and Credit Amounts\*

	Maximum Income	Maximum NYC Credit	Maximum NYS Credit*	Maximum Federal Credit	Maximum Combined Credit
Families with three or more qualifying children	\$45,060 (\$50,270**)	\$295	\$1,767	\$5,891	<b>\$7,953</b>
Families with two qualifying children	\$41,952 (\$47,162**)	\$262	\$1,571	\$5,236	<b>\$7,069</b>
Families with one qualifying child	\$36,920 (\$42,130**)	\$158	\$951	\$3,169	<b>\$4,278</b>
Individuals	\$13,980 (\$19,190**)	\$24	\$143	\$475	<b>\$642</b>

\* NYS amounts are before any Household Credit Offset      \*\* Married Filing Jointly

# Get the Tax Refund You're Entitled To

**Mailed 14,000 record-keeping reminders to taxpayers with business income who claimed the EITC and/or DCC in 2010**



## What you'll need to apply for the Earned Income and Dependent Care credits

If you work for yourself and plan to apply for the Earned Income Credit or the Dependent Care Credit on next year's New York State income tax return, start maintaining good records of your business activities now.

Be sure to:

- keep a daily log of your business activities
- keep receipts for all your business expenses
- keep your bank and credit card statements

This will help the Tax Department verify the amounts claimed on your income tax return, and that means a faster tax refund for you.

To learn more about keeping good records, visit our Web site.

**[www.tax.ny.gov](http://www.tax.ny.gov)**

DTF-215.1 (6/12)

# Case Identification Selection System (CISS)

## Internationally recognized system that employs advanced analytics

- screens and scores every New York tax return
- scientifically predicts good audit candidates
  - a better way to identify questionable returns
  - question suspect returns before issuing refunds
- improves ability to detect new areas of non-compliance
- allows New York to issue valid refunds *faster!*
- selection criteria continuously reviewed and rules refined

# Customer Service

## The new Office of Professional Responsibility

Led by *Richard Ernst, Deputy Commissioner*

- will oversee registered tax professionals preparing NYS returns
- will work closely with professional societies, consumer advocacy groups, law enforcement
- will help ensure taxpayers receive competent advice when they engage a preparer

*More than 65% of individual taxpayers filing a NYS return rely on the services of a tax professional.*



# Consumer Advocate Tax Summit

Camille Siano Enders,  
Deputy Commissioner and NYS Taxpayer Rights Advocate

# Hired Me to Help . . .

**DILBERT** By Scott Adams



# The Advocate's Role

- act as an ombudsman
- mediate disputes between DTF and taxpayer (or practitioner)
- inform taxpayers of rights and responsibilities
- seek opportunities to improve Department procedures
- recommend changes that better serve taxpayers

# Goals

- balance enforcement with taxpayer service
- ensure that the tax laws are reasonably and fairly applied
- encourage voluntary compliance
- relieve taxpayers of undue hardships and compliance burdens
- remain *independent* – truly advocate!

# Direct Involvement with Taxpayers

## Case Advocacy

- tax debt is causing undue hardship or unnecessary compliance burdens
- issues can't be resolved through normal department channels
- Department procedures are not working as they should

## Systemic Advocacy

- increase efficiencies
- identify and reform systemic problems with tax laws, regulations, policies, tax administration, etc.

# We've Helped Thousands of Taxpayers

- since formation in late 2009, the Office of the Taxpayer Rights Advocate has resolved 3,279 cases
- 72% of those resolutions have provided taxpayers with full or partial relief

# Form DTF-911

You start the process by completing and mailing this form

New York State Department of Taxation and Finance  
**Request for Assistance from the Office of the Taxpayer Rights Advocate** **DTF-911**  
(1/10)

Read instructions on page 2 before completing this form.

**Taxpayer information**

Name (as shown on tax return) \_\_\_\_\_  
Spouse's name (if applicable) \_\_\_\_\_ Social security number (SSN) \_\_\_\_\_  
Executor's name (if applicable) \_\_\_\_\_ Decedent's name \_\_\_\_\_ Spouse's SSN \_\_\_\_\_  
Current street address (number, street, and apartment number) \_\_\_\_\_ Decedent's SSN \_\_\_\_\_  
City \_\_\_\_\_  
Fax number \_\_\_\_\_ E-mail address \_\_\_\_\_ State (or foreign country) \_\_\_\_\_ ZIP code \_\_\_\_\_  
Taxpayer identification number (if applicable) \_\_\_\_\_ Tax type \_\_\_\_\_  
Telephone number \_\_\_\_\_ Best time to call \_\_\_\_\_ Business's contact person (if not representative or power of attorney) \_\_\_\_\_  
Tax form(s) \_\_\_\_\_ Tax period(s) \_\_\_\_\_

If you already have a power of attorney on file with the Tax Department, mark an **X** in the box \_\_\_\_\_  
Indicate if you have any special communications needs (Mark an **X** in the box.) \_\_\_\_\_  
 TTY/TTD line  Other (specify): \_\_\_\_\_

Describe the tax problem you are experiencing, how you previously tried to resolve the problem, and the Tax Department office(s) you contacted previously (see instructions for required information; attach additional sheets if necessary)

Describe the relief/assistance you are requesting (attach additional sheets if necessary)

**Contacting third parties**  
In order to respond to your request, we may need to contact third parties. By signing below, you authorize the Office of the Taxpayer Rights Advocate to make these contacts. We won't give you notice that we're contacting these third parties.

Signature of taxpayer or executor (if applicable)	Date	
Signature of spouse (if applicable)	Date	
Printed name and signature of corporate officer	Title	Date

# Moving Forward

## Improving communications . . .

- individual taxpayers
  - making letters easier to understand
  - less intimidating
  - transcripts available
  - taxpayer rights clearly spelled out
- business taxpayers
  - bulk sales: explaining each step in the process
- consumer alerts
  - warning taxpayers of scams, devious behavior
  - in several languages



## Office of Outreach and Constituent Services

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[www.tax.ny.gov/volunteers](http://www.tax.ny.gov/volunteers)