## Congress of the United States

Washington, DC 20510

February 17, 2022

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

Dear Commissioner Rettig,

We are concerned to learn that the Internal Revenue Service (IRS) is still considering closing its Austin Tax Processing Center, despite the immense backlog in unprocessed tax returns and Individual Taxpayer Identification Number (ITIN) applications, continued customer service issues, and staffing challenges facing the IRS. Accordingly, we write to echo the Treasury Inspector General for Tax Administration's (TIGTA) recommendation that the IRS postpone the closure of this facility until hiring challenges and processing backlogs are adequately addressed.<sup>1</sup>

As you are aware, the closure of the Austin facility is part of a long-standing plan to consolidate paper return processing at the agency and decrease costs. While we understand that these consolidation efforts are guided by the declining trend in the number of paper returns and a cost savings of \$94 million, we believe that these efforts no longer make sense—especially given the extensive paper backlog and hiring challenges that have plagued the IRS for the last two filing seasons. We ask that the IRS go further than a "strategic pause" that was announced on June 14, 2021, and announce that it is no longer considering closing the Austin Tax Processing Center until the current processing issues are addressed, as TIGTA has recommended.

We are also concerned that closing the Austin Tax Processing Center will further delay the processing of applications for ITINs, as this facility is the only facility that processes ITIN applications. According to a TIGTA report released earlier this year, the processing times for ITIN applications have doubled over the past two years, due to the fact that all ITIN processing was closed due to the COVID-19 pandemic from March 25, 2020 to June 1, 2020.<sup>2</sup> This has led to increased wait times for applicants applying for an ITIN to pay their taxes and/or receive the Child Tax Credit (CTC) or advanced CTC.<sup>3</sup> Accordingly, given the increased wait times for these applications, we ask that the IRS halt its plans to close the Austin Tax Processing Center, in order to reduce the application wait-times for these applicants.

Thank you for your attention to this matter. We look forward to your response. Sincerely,

<sup>&</sup>lt;sup>1</sup> Treasury Inspect. Gen. of Tax Admin. (TIGTA), Plans to Close the Austin Processing Center Should be Halted Until Hiring Challenges and Backlogs at Remaining Centers are Addressed, 2022-40-15 (Feb. 7, 2022), https://www.treasury.gov/tigta/auditreports/2022reports/202240015fr.pdf.

<sup>&</sup>lt;sup>2</sup> TIGTA, Administration of the Individual Taxpayer Identification Number Program, 2022-40-013 (Jan. 26, 2022), https://www.treasury.gov/tigta/auditreports/2022reports/202240013fr.pdf.

<sup>&</sup>lt;sup>3</sup> See Kyle Swenson, *Immigrant Families Struggle to Access Child Tax Credit Payments*, Wash. Post (Oct. 23, 2021), https://www.washingtonpost.com/dc-md-va/2021/10/23/immigrant-families-struggle-access-child-tax-credit-payments/.

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