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EARLELAW NEWSLETTER

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## IRS to Increase Collection Activities and Efforts

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The Internal Revenue Service announced on Thursday, March 5, 2009, that it will not renew contracts, which expire Friday, with two private debt collection agencies.

“After a thorough review of this program, I have decided not to renew the contracts,” IRS Commissioner Doug Shulman said. “I believe this work is best done by IRS employees, and I believe we have strong support from the Administration and the Congress for increased IRS enforcement resources going forward.”

Shulman also noted that the IRS anticipates hiring over 1,000 new collection personnel in FY 2009. These new employees would give the IRS the flexibility to make assignments based on the areas of greatest need rather than filtering which cases can be worked using contractor resources.

Shulman cited the results of a cost-effectiveness study of the private debt collection program.

The study – supported by an independent review – showed that it is reasonable to conclude that when working similar inventory, IRS collection is more cost effective than the contractors.

IRS employees have a range of options available to them in attempting to resolve difficult collection cases that, by law, the private contractors do not have.

Translation: The IRS has what it takes to take what you have; the IRS, supported by the Obama Administration, intends to use the full coercive powers of the Federal Government to collect taxes more effectively and efficiently than private collection agencies, which cannot use all the

oppressive collection techniques which are available to the government.

Protect yourself by taking advantage of the Tax Audit Representation Plan (TARP), which is now available from Earle Law Offices.

Earle Law Offices provides trial and appellate litigation, as well as non-litigation, legal services in the areas of business law, family law, real estate law, tax law, and trusts and estates.

\* Mr. Earle is licensed to practice law in all California state trial and appellate courts, the United States Supreme Court, the United States Court of Appeals for the Fourth and Ninth Circuits, federal trial courts in the Northern District of California, and the United States Tax Court. He has also served as a Judge Pro Tempore for the Santa Clara Superior Court. In addition to practicing law, Mr. Earle is also a licensed Real Estate Broker.

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