



Anneken, Huey & Moser^{PLLC}

Certified Public Accountants

Engaged. Responsive. Future-focused.

Here's the Tax Beat broadcast for February 11

Subject Line: You Can Hate the IRS and Still Want it to Work

If you ever needed proof the IRS is held together with duct tape and caffeine, here it is. From a recent article in Government Executive magazine: "The Internal Revenue Service is asking seasoned employees without any direct tax experience to perform entry-level tasks of answering phones and processing tax returns, a step impacted staff call unprecedented as the agency scrambles to prepare for filing season." These include employees from departments like human resources and IT, which means people who normally reset passwords and process onboarding paperwork will be untangling the tax code.

This isn't a punchline. It's policy. After losing more than 20 percent of its workforce in the last year, the IRS is scrambling to keep the lights on and the phones answered, even if the person doing the answering learned the difference between a W-2 and a 1099 sometime last Tuesday.

Let's not pretend this shocks anyone. Voting to fund the IRS is about as popular as voting to raise tolls on the road you drive every day. It doesn't matter how necessary it is, it just doesn't poll well. Cutting IRS funding, on the other hand, is the political equivalent of free beer. Everyone cheers, nobody asks who's paying for it, and the hangover shows up later.

Here's the inconvenient truth. The IRS is the collections officer for the country. If the IRS doesn't collect taxes that are legally due, the government doesn't run. Social Security checks don't go out. Soldiers don't get paid. Roads don't get fixed. It doesn't matter if you like your government big, or small enough to drown in a bathtub. It still runs on money, and someone has to collect it.

That's why staffing matters. When the IRS can't process returns, taxpayers feel it immediately. Refunds slow down. Errors linger. Simple issues become multi-month sagas involving letters, hold music, and the sinking fear that no one on the other end really has the authority or training to fix your problem.

Most taxpayers aren't angry about paying taxes they legally owe. They're angry about paying attention, following the rules, and getting stuck in administrative quicksand. There's a special kind of rage that comes from knowing you did everything right and the system can't keep up. That frustration doesn't inspire compliance. It inspires eye-rolling.

And let's be clear. The IRS isn't out to get you. An understaffed agency is a bottleneck. Starving it doesn't make taxes simpler or smaller. It just makes the experience worse for all of us.

Here's where you still have leverage. The smart move is to reduce your exposure on the front end. Fewer errors. Fewer questions. Fewer reasons for your return to get pulled aside for extra attention.

Legal tax planning isn't about gaming the system. It's about using the system as written. Deductions exist because Congress put them there. Credits exist so lawmakers could encourage you to do something. Entity choices matter because the tax code treats income differently depending on how it's earned. Ignoring those tools while complaining about IRS delays is like criticizing traffic safety with your seatbelt unbuckled.

This is also the moment to be honest with elected officials. You can dislike taxes and still expect the IRS to function. You can want lower rates and better service at the same time. Cutting the collections agency and then acting shocked when collections get messy isn't a serious plan.

In a year when IRS staffing looks like a reality show experiment, don't rely on luck. Get proactive. Call us to help you cut taxes legally, by cleaning up your structure and taking every deduction you're entitled to. The best way to escape processing errors is to file smarter and give the IRS absolutely no reason to know your name.

Kevin

