

What to Expect from the IRS as the Government Shutdown Continues

SUMMARY

Due to the lapse in appropriations that began midnight December 22, 2018, the federal government is in its third week of a partial shutdown, which includes much of the Internal Revenue Service (IRS). Indeed, although the IRS is working with a skeleton staff of excepted employees, most employees are not working during the shutdown. While we expect the IRS to be handling some matters and investigations, there are many more visible functions that are generally suspended during the closure.

THE LATEST NUMBERS

800,000 federal workers are going without pay during the shutdown. Some 450,000 are now required to report to work, and tens of thousands more will be returning after recent announcements from the Trump administration.

At the IRS, 36,000 employees were asked to return to deal with tax season. About 1,700 FAA aviation safety inspectors were told to return after the agency ran preliminary safety tests and about 2,500 employees at the Agriculture Department will briefly return to process farm loans.

Why don't they strike? Federal employees are prohibited from doing so and can get fired if they don't show up. What's more, many federal employees like their jobs and think the work they do is important. But they can call in sick, which appears to be the tactic by many TSA workers. Agency officials there told ABC News they think the sickouts aren't because of illness or politics, but dealing with financial hardship.¹

DETAILS

Telephone service. IRS customer service and Practitioner Services lines are not operating during the shutdown; any inquiries or follow up by telephone must wait until the IRS reopens. While taxpayers may write in to the IRS, it is likely a response will not be received until after the IRS has reopened and is fully staffed.

Exam and appeals. IRS exam and appeals staff appear to be furloughed during the shutdown. For those taxpayers with active examinations or appeals, while communication can be made in writing, it is likely that most exam and appeals staff will not be reachable until after the closure.

As the longest-ever government shutdown reached Day 28 today, the number of federal employees working without pay stands at 450,000 -- and that number could top half a million in the coming days, as the Trump administration continues to recall tens of thousands of workers after almost four weeks of shuttered doors at vital agencies, according to ABC News online.

¹ ABC News Online

Return and remittance processing. First, taxpayers should keep in mind that due dates have not changed as a result of the shutdown. While taxpayers are free to send in paper returns with paper checks, it appears the IRS is not processing the mail at this time. Returns cannot be e-filed until the annual tax filing season officially reopens, which is scheduled for January 28, 2019. Electronic payments, however, do appear to be operating. It has been reported that the IRS will provide refunds; however, this does contradict earlier reports that suggested refunds would cease while the IRS is closed. Finally, as is always the case this time of year, the IRS is going through one of its “dead cycles,” during which the posting of some account transactions will be delayed.

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