

Department of the Treasury
Treasury Inspector General for
Tax Administration

Congressional Budget
Justification and Annual
Performance Plan and Report

FY 2021

Table of Contents

Section I – Budget Request	3
A – Mission Statement.....	3
B – Summary of the Request	3
1.1 – Appropriations Detail.....	3
1.2 – Budget Adjustments.....	4
C – Budget Increases and Decreases Description.....	4
1.3 – Object Classification (Schedule O) Obligations	5
D – Appropriations Language and Explanation of Changes	6
E – Legislative Proposals.....	6
Section II – Annual Performance Plan and Report	7
A – Strategic Alignment	7
B – Budget and Performance by Budget Activity	8
2.1.1 – Audit Resources and Measures.....	8
Audit Budget and Performance.....	9
2.1.2 – Investigations Resources and Measures.....	10
Investigations Budget and Performance	10
Inspections and Evaluations.....	12
C – Changes in Performance Measures	13
D – Evidence-Building Activity	13
Section III – Additional Information	14
A – Summary of Capital Investments.....	14

Section I – Budget Request

A – Mission Statement

Provide quality professional audit, investigative, and inspection and evaluation services that promote integrity, economy, and efficiency in the administration of the Nation’s tax system.

B – Summary of the Request

The Treasury Inspector General for Tax Administration’s (TIGTA) Fiscal Year (FY) 2021 budget request of \$171,350,000 represents an increase of 1 percent above its FY 2020 enacted level. Funding TIGTA’s FY 2021 budget request will enable TIGTA to conduct critical audit, investigative, and inspection and evaluation services to protect the integrity of the Nation’s system of tax administration. In accordance with the requirements of Section 6(f)(1) of the Inspector General Act of 1978 (as amended),¹ TIGTA submits the following information related to its FY 2021 budget request:

- The aggregate budget request for TIGTA operations is \$171,350,000;
- The portion of the request needed for TIGTA training is \$1,800,000; and
- The portion of the request needed to support the Council of the Inspectors General on Integrity and Efficiency is \$565,455.

1.1 – Appropriations Detail

Dollars in Thousands

Treasury Inspector General for Tax Administration	FY 2019		FY 2020		FY 2021		FY 2020 to FY 2021	
	Operating Plan		Enacted		Request		% Change	
	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
New Appropriated Resources								
Audit	308	\$66,260	333	\$66,260	333	\$66,667	0.0%	0.6%
Investigations	428	\$103,990	467	\$103,990	467	\$104,683	0.0%	0.7%
Subtotal New Appropriated Resources	736	\$170,250	800	\$170,250	800	\$171,350	0.0%	0.6%
Other Resources								
Reimbursable	2	\$798	2	\$500	2	\$500	0.0%	0.0%
Recoveries from Prior Years	0	\$2,141	0	\$0	0	\$0	NA	NA
Unobligated Balances from Prior Years	0	\$5,000	0	\$5,000	0	\$5,000	NA	0.0%
Subtotal Other Resources	2	\$7,939	2	\$5,500	2	\$5,500	0.0%	0.0%
Total Budgetary Resources	738	178,189	802	\$175,750	802	\$176,850	0.0%	0.6%

Note: FY 2019 Other Resources and Full-time Equivalents (FTE) reflect actuals.

¹ 5 U.S.C. app. 3 § 6(f)(1).

1.2 – Budget Adjustments

Dollars in Thousands

	FTE	Amount
FY 2020 Enacted	800	\$170,250
Changes to Base:		
Maintaining Current Levels (MCLs):	0	\$4,354
Pay Annualization (2020 3.1% average pay raise)	0	\$1,048
Pay Raise (1.0% average pay raise)	0	\$1,022
FERS Contribution Increase	0	\$1,582
Non-Pay	0	\$702
Subtotal Changes to Base	0	\$4,354
FY 2021 Current Services	800	\$174,604
Program Changes:		
Program Decreases	0	(\$3,254)
Operating Cost Reduction	0	(\$3,254)
Subtotal FY 2021 Program Changes	0	(\$3,254)
FY 2021 President's Budget Request	800	\$171,350

C – Budget Increases and Decreases Description

Maintaining Current Levels (MCLs).....+\$4,354,000 / +0 FTE

Pay Annualization (3.1%) +\$1,048,000 / +0 FTE

Funds are requested for annualization of the January 2020 3.1% average pay raise.

Pay Raise (1.0% in FY 2021) +\$1,022,000 / +0 FTE

Funds are requested for a 1.0% average pay raise in January 2021.

FERS Contribution Increase +\$1,582,000 / +0 FTE

Funds are requested for the Federal Employee Retirement System (FERS) contribution rates effective FY 2021.

Non-Pay +\$702,000 / +0 FTE

Funds are requested for non-labor expenses such as travel, contracts, rent, supplies, and equipment.

Program Decreases.....-\$3,254,000 / -0 FTE

Operating Cost Reduction -\$3,254,000 / -0 FTE

TIGTA will reduce program levels in order to meet its FY 2021 budget request. Reaching this target without impacting the quality of TIGTA's programs will require balancing mission requirements and workload.

1.3 – Object Classification (Schedule O) Obligations

Dollars in Thousands

Treasury Inspector General for Tax Administration	FY 2019	FY 2020	FY 2021
Object Classification	Actual Obligations	Estimated Obligations	Estimated Obligations
11.1 - Full-time permanent	86,030	87,948	89,964
11.3 - Other than full-time permanent	428	404	416
11.5 - Other personnel compensation	8,566	9,121	9,466
11.9 - Personnel Compensation (Total)	95,024	97,473	99,846
12.0 - Personnel benefits	37,268	38,189	39,468
Total Personnel and Compensation Benefits	\$132,292	\$135,662	\$139,314
21.0 - Travel and transportation of persons	4,310	4,100	3,886
22.0 - Transportation of things	21	47	45
23.1 - Rental payments to GSA	9,567	9,400	8,682
23.2 - Rental payments to others	163	170	154
23.3 - Communications, utilities, and miscellaneous charges	783	825	750
24.0 - Printing and reproduction	2	8	8
25.1 - Advisory and assistance services	2,958	2,752	2,668
25.2 - Other services from non-Federal sources	1,029	849	750
25.3 - Other goods and services from Federal sources	10,764	10,514	9,581
25.4 - Operation and maintenance of facilities	2	24	24
25.7 - Operation and maintenance of equipment	1,843	1,577	1,457
26.0 - Supplies and materials	690	700	834
31.0 - Equipment	5,693	3,962	3,555
42.0 - Insurance claims and indemnities	0	4	4
91.0 - Unvouchered	222	156	139
Total Non-Personnel	\$38,047	\$35,088	\$32,536
Total Obligations	\$170,339	\$170,750	\$171,850
Full-time Equivalents (FTE)	736	800	800

Amounts reflect obligations of annually appropriated resources, carryover balances, reimbursables, and transfers.

D – Appropriations Language and Explanation of Changes

Appropriations Language	Explanation of Changes
<p style="text-align: center;">DEPARTMENT OF THE TREASURY TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION <i>Federal Funds</i></p> <p style="text-align: center;">SALARIES AND EXPENSES</p> <p>For necessary expenses of the Treasury Inspector General for Tax Administration in carrying out the Inspector General Act of 1978, as amended, including purchase and hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services authorized by 5 U.S.C. 3109, at such rates as may be determined by the Inspector General for Tax Administration; [\$170,250,000]<i>\$171,350,000</i>, of which \$5,000,000 shall remain available until September 30, [2021]<i>2022</i>; of which not to exceed \$6,000,000 shall be available for official travel expenses; of which not to exceed \$500,000 shall be available for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Inspector General for Tax Administration; and of which not to exceed \$1,500 shall be available for official reception and representation expenses. (<i>Department of the Treasury Appropriations Act, 2020.</i>)</p>	

E – Legislative Proposals

TIGTA has no legislative proposals.

Section II – Annual Performance Plan and Report

A – Strategic Alignment

TIGTA, an independent office within the Department of the Treasury (Treasury), was established by Congress under the Internal Revenue Service (IRS) Restructuring and Reform Act of 1998 (RRA 98).² It provides oversight of IRS activities by conducting independent audits, investigations, and inspections and evaluations necessary to prevent and detect waste, fraud, and abuse in IRS programs and operations. TIGTA conducts audits of IRS operations and makes recommendations designed to improve the administration of the Federal tax system. TIGTA also conducts administrative and criminal investigations into allegations of waste, fraud, and abuse while helping to ensure that the IRS protects and secures taxpayer data. TIGTA also has the unique responsibility of protecting the IRS and its employees.

TIGTA's budgetary activities align its vision and goals with the Treasury FY 2018 – FY 2022 Strategic Plan, including objectives under the following goals:

- Goal 1: Boost U.S. Economic Growth;
- Goal 4: Transform Government-wide Financial Stewardship; and
- Goal 5: Achieve Operational Excellence.

TIGTA's Strategic Goals:

- Promote the economy, efficiency, and effectiveness of tax administration;
- Protect the integrity of tax administration from internal and external threats; and
- Sustain an inclusive work environment where employees are valued.

Goal 1: Boost U.S. Economic Growth

Objective 1.1 – Tax Law Implementation: Administer tax law to better enable all taxpayers to meet their obligations, while protecting the integrity of the tax system.

TIGTA supports this strategic objective through its oversight of Treasury's efforts to implement tax law changes enacted in the Tax Cuts and Jobs Act of 2017 (TCJA), which will continue to present challenges for the IRS. For example, the Taxpayer First Act, enacted on July 1, 2019, requires the IRS to propose an organizational redesign with the goals of improving efficiency, modernizing systems and business processes, and finding ways to better serve taxpayers. The TCJA also made substantial changes to the tax code that affect individuals, businesses, and tax-exempt organizations.

In addition, the IRS must administer other tax law provisions such as those in the Protecting Americans from Tax Hikes Act of 2015 (PATH). The PATH contains program integrity provisions intended to reduce fraudulent and improper Earned Income Tax Credit, Child Tax Credit, Additional Child Tax Credit, and American Opportunity Tax Credit payments. TIGTA continues to assess the IRS's efforts to implement these provisions and future tax legislation.

² Pub. L. No. 105-206, 112 Stat. 685.

Goal 4: Transform Government-wide Financial Stewardship

Objective 4.1 – Financial Data Access/Use: Increase the access and use of Federal financial data to strengthen Government-wide decision making, transparency, and accountability.

TIGTA supports Treasury’s Digital Accountability and Transparency Act efforts by implementing the related policies and requirements. Many of TIGTA’s audits include recommendations that, when implemented, would result in cost savings, increased or protected revenue, or more efficient use of resources. Additionally, TIGTA develops advanced analytics and innovative approaches to help prevent and detect the flow of dollars fraudulently obtained by criminals or IRS employees. TIGTA provides the IRS with the investigative coverage and information necessary to mitigate domestic and foreign threats against its employees, facilities, and data systems.

Goal 5: Achieve Operational Excellence

Objectives 5.1 – 5.3 Workforce Management, Treasury Infrastructure, and Customer Value.

TIGTA endeavors to hire and develop a workforce with the skills and competencies necessary to accomplish its mission to provide quality professional audit, investigative, and inspection and evaluation services related to the administration of the Nation’s tax system. TIGTA mitigates security risks affecting taxpayer data, tax systems, and IRS employees. It effectively improves customer value by protecting the IRS and its employees and responding to attempts to impersonate the IRS for fraudulent purposes. TIGTA prioritizes acquisition and application of human and financial resources to enhance its ability to detect and protect against cyberattacks. Additionally, TIGTA collaborates with the IRS to share intelligence and expertise to thwart cyber threats.

B – Budget and Performance by Budget Activity

2.1.1 – Audit Resources and Measures

Dollars in Thousands

Resource Level	FY 2015 Enacted	FY 2016 Enacted	FY 2017 Enacted	FY 2018 Enacted	FY 2019 Enacted	FY 2020 Enacted	FY 2021 Request
Appropriated Resources	\$61,572	\$65,100	\$66,020	\$66,020	\$66,260	\$66,260	\$66,667
Reimbursable Resources	\$382	\$60	0	0	0	0	0
Unobligated Balances Brought Forward	\$1,808	\$1,780	\$1,524	\$1,674	\$1,945	\$1,945	\$1,945
Budget Activity Total	\$63,762	\$66,940	\$67,544	\$67,694	\$68,205	\$68,205	\$68,612
Full-time Equivalents (FTE)	316	329	333	318	304	333	333

The FY 2015 - FY 2019 appropriated resources represents the approved operating plan. The FY 2015 - FY 2019 columns represent realized resources for full-time equivalents, reimbursables, and user fees.

Performance Measure	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2019 Target	FY 2020 Target	FY 2021 Target
Percentage of Audit Products Delivered When Promised to Stakeholders	80	75	79	81	84	68	70	70
Percentage of Recommendations Made That Have Been Implemented	92	97	92	85	83	85	85	85

Audit Budget and Performance

(\$66,667,000 from direct appropriations):

TIGTA's Office of Audit (OA) strives to promote the economy, efficiency, and effectiveness of tax administration. TIGTA provides recommendations to improve IRS systems and operations and to ensure the fair and equitable treatment of taxpayers. TIGTA's comprehensive and independent performance and financial audits of the IRS's programs and operations primarily address statutorily mandated reviews and high-risk challenges the IRS faces.

The IRS's implementation of audit recommendations results in:

- Cost savings;
- Increased or protected revenue;
- Protection of taxpayers' rights and entitlements; and
- More efficient use of resources.

In FY 2019, OA issued 97 final audit reports and other products, that:

- Addressed a variety of high-risk issues, such as identity theft detection and prevention, security of taxpayer data, tax compliance, tax law changes, fraudulent claims and improper payments, tax systems and online services.
- Reported potential financial benefits totaling approximately \$28.1 billion, including
 - Increased and/or protected revenue in the amount of \$27.7 billion; and
 - Cost savings of \$362.5 million.
- Affected approximately 1.7 million taxpayer accounts; and
- Returned an estimated \$434 for every dollar invested in TIGTA's audit program.

Description of Performance

TIGTA uses two performance measures to gauge the success of its audit program:

- **Percentage of Audit Products Delivered to Stakeholders When Promised** - TIGTA's products will have a more significant impact if they are delivered when needed to support congressional and IRS decision making.

To determine whether products are timely, TIGTA tracks the percentage of products that are delivered on or before the date promised (contract date). At the end of FY 2019, the actual Percentage of Audit Products Delivered When Promised to Stakeholders was 84 percent, which exceeded the full-year target of 68 percent. TIGTA exceeded this target as a result of ongoing supervisory monitoring of the execution of audits to ensure timely delivery of audit products to stakeholders.

- **Percentage of Recommendations Made That Have Been Implemented** - This measure assesses TIGTA's effect on improving the IRS's accountability, operations, and services.

To determine when a recommendation is implemented, TIGTA uses the Department of the Treasury's Joint Audit Management Enterprise System to track the percentage of four-year-old recommendations that have been implemented, rather than the results of the activities during the fiscal year in which the recommendations are made. At the end of FY 2019, the actual Percentage of Recommendations Made That Have Been Implemented was 83 percent, which did not meet the full-year target of 85 percent. TIGTA did not meet this target partly

due to IRS funding constraints, which delayed recommendation implementations. TIGTA is currently working with the IRS to prioritize these unimplemented recommendations.

For FY 2021, the target for Percentage of Audit Products Delivered When Promised to Stakeholders will remain at 70 percent. The target for Percentage of Recommendations Made That Have Been Implemented will also remain at 85 percent. TIGTA believes that these targets are best attained through effective monitoring of ongoing audit work and essential communication with the IRS regarding findings and the most appropriate recommendations for corrective action. Consequently, TIGTA’s OA will continue to accentuate the importance of these processes with IRS leadership.

2.1.2 – Investigations Resources and Measures

Dollars in Thousands

Resource Level	FY 2015 Enacted	FY 2016 Enacted	FY 2017 Enacted	FY 2018 Enacted	FY 2019 Enacted	FY 2020 Enacted	FY 2021 Request
Appropriated Resources	\$96,638	\$102,175	\$103,614	\$103,614	\$103,990	\$103,990	\$104,683
Reimbursable Resources	\$429	\$475	\$357	\$414	\$798	\$500	\$500
Unobligated Balances Brought Forward	\$3,192	\$3,220	\$2,392	\$2,626	\$3,055	\$3,055	\$3,055
Budget Activity Total	\$100,259	\$105,870	\$106,363	\$106,654	\$107,843	\$107,545	\$108,238
Full-time Equivalents (FTE)	442	460	469	448	429	469	469

The FY 2015 - FY 2019 appropriated resources represents the approved operating plan. The FY 2015 - FY 2019 columns represent realized resources for full-time equivalents, reimbursables, and user fees.

Performance Measure	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2019 Target	FY 2020 Target	FY 2021 Target
Percentage of Closed Investigations Resulting in a Criminal, Administrative, or Law Enforcement Action	93	90	90	89	91	79	81	85

Investigations Budget and Performance

(\$104,683,000 from direct appropriations, \$500,000 from reimbursable sources):

TIGTA is statutorily mandated to protect the integrity of Federal tax administration. TIGTA accomplishes this mission through the investigative work conducted by the Office of Investigations (OI). Through its investigative programs, OI protects the integrity of the IRS and its ability to collect revenue owed to the Federal Government by investigating violations of criminal and civil law that adversely impact Federal tax administration, as well as administrative misconduct by IRS employees, both of which undermine the integrity of the Nation’s voluntary tax system.

TIGTA’s OI accomplishes its mission through the hard work of its employees, whose efforts are guided by a performance model that focuses on three primary areas of investigative responsibility:

- Employee integrity;
- Employee and infrastructure security; and
- External attempts to corrupt tax administration.

The performance model uses a ratio of those investigations that have the greatest impact on IRS operations or the protection of Federal tax administration to the total number of investigations conducted. These performance measures guide OI’s activities and help to demonstrate the value of TIGTA’s investigative accomplishments to its external stakeholders.

Using investigative activities from FY 2018 and FY 2019 as a baseline, OI projects to receive approximately 9,500 complaints, open 2,500 investigations, close 2,400 investigations, and obtain approximately 135 criminal prosecutions for FY 2021. FY 2021 activity may actually be higher due to the impact of the month-long Government shutdown on FY 2019 operations. TIGTA's FY 2019 statistics were slightly lower than the FY 2018 numbers, thus bringing the averages slightly lower.

With respect to the primary areas of investigation, OI expects employee integrity investigations to remain constant at the 1,100 referrals estimated for FY 2021. Examples of TIGTA investigations into employee misconduct during FY 2019 include a former IRS special agent who was sentenced to 51 months' imprisonment for corrupt interference with the IRS, filing false tax returns, theft of Government funds, and destruction or falsification of records. In another case, a former IRS employee was sentenced to 52 months' imprisonment, followed by 36 months' supervised release, for stealing a taxpayer's identity.³

Second, TIGTA has a statutory responsibility to identify, investigate, and respond to threats against IRS personnel and physical infrastructure. During FY 2019, TIGTA's response to incidents of employee and infrastructure security increased by 86 with the backdrop of the Federal Government shutdown. With the media focused on the IRS and its policies and tax law revisions, TIGTA expects these types of investigations to remain at least constant; however, they are more likely to increase through FY 2021. Based on FY 2018 and FY 2019 activity, TIGTA estimates the need to respond to approximately 1,500 threat incidents in FY 2021. From FY 2011 through FY 2019, TIGTA has processed more than 18,768 threat-related complaints and investigated more than 9,290 threats against IRS employees. One example of these types of investigations in FY 2019 involved a man who was convicted for forcibly assaulting an unarmed IRS revenue officer by pointing a shotgun at him and threatening to shoot him.

Last, TIGTA investigates criminal activity originating outside the IRS, such as impersonation of an IRS employee, attempted bribery of IRS employees, international cybercrime and identity theft, and procurement fraud. Since 2015, abuses of the IRS Electronic Filing Personal Identification Number and Data Retrieval Tool for the Federal Student Loan process have increased the number of victimized taxpayers to over 800,000. The Taxpayer First Act of 2019, signed into law on July 1, 2019, focuses primarily on mandating the IRS to expand digital services such as these in the future. This will unavoidably raise the IRS risk portfolio, and generate additional work for TIGTA's OI, over and above the current workload as cyber criminals seek to exploit these new services.

Investigations into telephonic IRS impersonations is another high visibility area. Between October 2013 and September 2019, more than 2.5 million Americans have reportedly received unsolicited telephone calls from individuals who claimed to be IRS agents. The caller, using a fake name, provides a "badge number" and claims the victim owes taxes and is criminally liable for the amount owed. The victim is threatened that if he or she fails to pay the tax immediately, the victim will be arrested, a suit will be filed, or some other form of adverse action will be taken. More than 15,778 victims have reported that they had collectively paid upwards of \$79.7

³ The facts in the summarized cases on this page come from court documents of the respective jurisdictions.

million to the scammers. By the end of FY 2019, TIGTA investigations resulted in 154 individuals charged in Federal court. As a result, reports of this activity to TIGTA have reduced from a high of 180,000 reports in September 2016, to just over 1,600 in September 2019. Although this demonstrates that significant results can be obtained by forward-leaning investigations, it also illustrates that this activity will not likely cease as long as the scammers can identify potential victims.

In FY 2019, OI's total protection of dollars and financial accomplishments as a result of investigative activities was \$24.2 million. Additionally, TIGTA's investigative efforts resulted in more than \$10.8 million in court-ordered fines, penalties, and restitution.

Description of Performance

TIGTA's OI has adopted performance measures that identify the percentage of results derived from investigative activities that most accurately align with the strategic goals of the organization and provide the greatest impact on the protection of the integrity of Federal tax administration. At the end of FY 2019, the Percentage of Closed Investigations Resulting in a Criminal, Administrative, or Law Enforcement Action was 91 percent, which exceeded the full-year target of 79 percent. The Office of Investigations exceeded the FY 2019 performance measure as a result of the hard work of experienced executives, managers, and special agents. With the FY 2021 budget request, TIGTA will continue to maintain its special agents' skills and abilities in order to be able to respond to its mission requirements.

For FY 2021, OI's performance target will increase to 85 percent for Percentage of Closed Investigations Resulting in a Criminal, Administrative, or Law Enforcement Action. OI will continue to provide the IRS with the investigative coverage and information necessary to improve the integrity of IRS operations and mitigate threats against its employees, facilities, and data infrastructure. In addition, OI will maintain highly trained personnel available to address the significant vulnerabilities of taxpayer and IRS data and effectively combat compromises of IRS computer systems in the expanding digital environment of Federal tax administration, all of which contribute to maintaining the public's confidence in the safe, fair, and effective administration of the Federal tax system. Through its investigative programs, OI will continue to protect the IRS's ability to process approximately 253 million tax returns, collect more than \$3.5 trillion in tax revenue, and issue more than \$464 billion in refunds for the Federal Government.⁴

Funding for TIGTA allows its oversight efforts to continue, and for each dollar invested over the five-year period covering FY 2015 – FY 2019, TIGTA has produced an average annual return of \$107 (Figure 1).

Inspections and Evaluations

TIGTA's Office of Inspections and Evaluations (I&E) identifies opportunities for improvement in IRS and TIGTA programs by performing inspections and



⁴ IRS, *Management's Discussion & Analysis, Fiscal Year 2018*.

evaluations that report timely, useful, and reliable information to decision makers and stakeholders. This function has two primary product lines: inspections and evaluations.

Inspections are intended to:

- Provide factual and analytical information;
- Monitor compliance;
- Measure performance;
- Assess the effectiveness and efficiency of programs and operations;
- Share best practices; and
- Inquire into allegation of waste, fraud, abuse, and mismanagement.

Evaluations are intended to:

- Provide in-depth reviews of specific management issues, policies, or programs;
- Address Government-wide or multi-agency issues; and
- Develop recommendations to streamline operations, enhance data quality, and minimize inefficient and ineffective procedures.

In FY 2019, I&E produced eight external reports, which included reviews of:

- Physical Security Controls (four different locations);
- Follow-up Reports (on Offer in Compromise and I&E Recommendations);
- IRS Virtual Delivery Strategy; and
- 1099-Misc Accuracy of Information Reporting.

C – Changes in Performance Measures

TIGTA has no changes in performance measures.

D – Evidence-Building Activity

The Foundations for Evidence-Based Policymaking Act of 2018⁵ emphasizes collaboration to advance data and evidence-building function in the Federal Government by statutorily mandating Federal evidence-building activities, open government data, confidential information protection, and statistical efficiency.

TIGTA supports Treasury's efforts to use data and evidence for decisionmaking about program operations, policy, and regulations. TIGTA supports these efforts through data-driven decisionmaking when selecting which audits and investigations to pursue that have the most significant impact on tax revenue, taxpayer behavior, the integrity of the IRS, and the efficiency of agency operations.

OA prepares its Audit Plan addressing the highest priority risk areas for tax administration. The plan addresses:

- Taxpayer impact;
- Stakeholders' concerns;
- Size of the program; and
- Program changes.

⁵ Pub. L. No. 115-435, 132 Stat. 5529.

OA is scheduled to conduct several key audits in FY 2020: Compliance Efforts for the Tax Cuts and Jobs Act Section 965 Repatriation Tax; Security Over Internet Accessible Computer Resources; and Using John Doe Summons Data to Ensure Cryptocurrency Tax Compliance.

OI allocates its resources based on a performance model that assesses which investigations have the greatest impact on IRS operations and tax administration, and considers the following in its selection of investigations:

- Value of the IRS assets and resources protected;
- Volume of taxpayer information (personally identifiable information) affected;
- Value of the cyber infrastructure and the sensitivity of affected data; and
- Monetary losses incurred due to embezzlement, bribery, impersonation, and stolen funds.

Section III – Additional Information

A – Summary of Capital Investments

Technology Investments – TIGTA has no major information technology investments.

A summary of capital investments, including major information technology and non-technology investments, can be accessed at:

<https://www.treasury.gov/about/budget-performance/Pages/summary-of-capital-investments.aspx>

Law Enforcement Vehicles – TIGTA leases its vehicles through the General Services Administration. However, TIGTA maintains ownership of six surveillance and communications vehicles that will remain part of TIGTA’s capital asset strategy to support TIGTA’s investigative and law enforcement activities. TIGTA communications vehicles also are used in support of its Continuity of Operations (COOP) Plan. The COOP provides a mechanism for the organization to recover fully operational capability following a critical incident, including the capability to communicate during a local or national emergency.