

IRS Private Debt Collection Program Provides Resources to Boost IRS Internal Staffing



The Internal Revenue Service's (IRS) Private Debt Collection (PDC) Program is a successful public/private partnership that provides taxpayers, who are aware they have underpaid their taxes, with manageable payment plans to help them pay down their tax obligations. The revenue brought in by the PDC Program bolsters the U.S. Treasury, provides resources to strengthen the effectiveness of the Internal Revenue Service (IRS) and ensures fairness in the federal tax system.

The IRS has been underfunded for many years, causing workforce shortages that have left thousands of accounts in arrears to sit untouched for years, causing billions in tax revenue to be lost as accounts age out of a 10-year collection statute of limitations. Resolving these resource issues will provide the IRS with the funds to hire and train new internal enforcement staff.

The PDC Program has been greatly successful. After the first full year of operation, the program is fully cash positive and with current plans for expansion revenue is projected to escalate. Revenue generated by the PDC program has provided the IRS with \$61.5 million in a "Special Compliance Personnel Program Fund" to hire and train new IRS personnel later this calendar year.

Uncollected Tax Underpayments

\$131 billion
The IRS PDC Program works to collect this active uncontested tax underpayment revenue



The IRS Special Compliance Personnel Program Fund totals

\$61.5 MILLION

which has allowed the IRS to hire and train:



200

new IRS collection agents.

The **IRS Private Debt Collection (PDC) Program** is a successful public-private partnership that returns vital funding to the U.S. Treasury, ensures fairness in the tax system and offers collaborative solutions that help Americans achieve a zero tax balance.



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