

# The IRS Private Debt Collection Program Resumes Outreach

In response to the COVID-19 Pandemic, on April 1st, 2020, the IRS initiated the People First Initiative to provide relief to American taxpayers impacted by the national emergency. As part of this initiative, the IRS paused the forwarding of new delinquent tax accounts into the Private Debt Collection (PDC) Program and shifted Private Collection Agency (PCA) interaction with taxpayers exclusively to inbound customer support.

On July 16th 2020, the IRS resumed tax collection activities, followed by initiating a taxpayer-centric, phased restart the PDC Program.



## PHASE ONE

- Outreach to reengage taxpayers currently enrolled in PDC Program installment agreements to confirm their payment status and ability to continue in the program.
- Resume outbound calls and letters to make contact with taxpayer accounts the IRS previously referred into the program.

## PHASE TWO

IRS will begin forwarding new delinquent tax accounts into the PDC Program for outreach.

### A Focus on Sensitivity to Taxpayer Circumstances

The PDC Program has always been purely voluntary and extremely responsive to the changing needs of the taxpayer. During Phase One of the program restart, PCAs will actively work to ensure participating taxpayers understand they will not be considered to be in noncompliance if they missed installment payments during this difficult time.

**Taxpayers experiencing a COVID-19 related financial hardship have several options available to them. PCA's are empowered to support taxpayers facing a hardship by:**

- Placing a 90-day hold on their account,
- Restructuring an existing installment agreement to better fit the taxpayer's budget,
- Establishing a new payment arrangement, or
- Removing the taxpayer's account from the PDC Program and sending it back to the IRS.

### Flexible, Installment Payment Plans Are Needed Now More Than Ever

The economic impact of the coronavirus pandemic has made it more important than ever for taxpayers to have access to purely voluntary and customized installment plans, like those provided by the PDC Program. Taxpayers who experienced a COVID-19 related hardship can rely on the flexibility and support provided within the PDC Program, which allows them to pay down their tax debts over time with monthly payments tailored to fit their specific budget.