

Computer problems make tax headaches

From:

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We don't mean to carp about the Internal Revenue Service. Its tax-collecting job must be the most thankless in all of government, and, by and large, the IRS does it well.

But there are occasions when the agency acts in ways that are at once imperious and beyond explainable behavior.

The latest one was a lollapalooza: The IRS computerized system didn't record until last week the tax withholding payments made by 1,300 companies last September and October. Meantime some other IRS computer began demanding that they pay up; in some cases letters warned them their assets might be seized.

It's not the first time Americans have had trouble with taxes, even though it's the voluntary compliance by citizens that enables today's federal income tax system to work.

Taxes were a bete noire in the United States even before there was a United States. Fundamental to the unruly American colonies' decision to revolt against the British overlords ere the taxes on import duties that Britain tried to put into effect from 1765 on, taxes on everything from china to tea. They fueled the revolutionary battle cry: "Taxation without representation."

Today's issues are different. Americans now have representation, and they sure have taxation. They want the first, and the country can't get along without the second.

What they don't need is an electronic George III, mindlessly sending dunning notices to colonial descendants who owe not a farthing.

The whole situation is a needless example of what can

happen when any part of a computerized system is permitted to operate without effective human control. Someone should have noticed that something was amiss if 1,300 companies in only three states and the District of Columbia weren't recorded as having made withholding payments. Facts should have been checked before accusatory letters were written.

This isn't all the IRS has been up to, of course. For a lot of other changes it should be appreciated. It's planning to give extra help to taxpayers figuring out their taxes this year. Sometime in March it will have a telephone hot line so you can find out where your refund is in the process—if you're getting one.

Those advances don't excuse the latest mistake. But the IRS has apologized for it. It is duly embarrassed. What counts now is whether it revises procedures so as to prevent a recurrence.

Village Advertiser Commentary:

The question is: CAN the IRS revise its procedures? The computer world is complex... can confuse even computer experts... and once a computer is programmed incorrectly, revision may be next to impossible.