

Will Cost 81 Jobs

Union Decries IRS Closings

By GINGER ADAMS OTIS

Internal Revenue Service employees from the tri-state region rallied June 22 at 26 Federal Plaza in lower Manhattan to protest Bush Administration plans to close 68 Tax Assistance Centers nationwide and contract out tax collection to private companies.

New York would be particularly hard-hit by the IRS restructuring. Centers in Brooklyn, The Bronx, lower Manhattan and Rockland County would be permanently shuttered, along with several others upstate. With the closure of seven offices statewide, 81 employees will be without jobs by this fall.

"They say 'cutback,' We say 'fight back,'" chanted the

crowd of about 100 Federal workers during the two-hour rally. Most of them received layoff notices in late May and are scrambling to line up other jobs. Only workers over age 50 with 25 years or more with the agency are eligible for IRS buyouts. Employees who don't meet that criteria but have accrued seniority can "bump" a more junior worker out of a job.

Fear of Getting Bumped

"Nobody's safe," said Ed Carroscio, who works at the midtown Tax Assistance Center, which is not targeted for closing. "I've only got 13 years, and there are only three offices still open—mine, one in Queens and a real small one in Harlem. I

figure my chances of not getting bumped are pretty slim."

Juanita Hill, a Queens resident who worked in the Tax Assistance Center at 290 Broadway for three years, is in a rougher position. "I got no buyout offer, no seniority rights and no severance coming my way. It's gonna be real hard on me if I have to survive off unemployment," she stated. "My grandson and my son live with me and we'll be pretty strapped."

Colleen Kelly, president of the National Treasury Employees Union, flew up from Washington to attend the protest, which was nearly a year in the making and was

(Continued on Page 5)



The Chief-Leader/Pat Arnow

TAXED BY UNCERTAINTY: Internal Revenue Service workers fearful of losing their jobs when four Tax Assistance Centers in New York City and vicinity close protest the Bush Administration's plan to have the work absorbed by private debt-collection firms.

Union Decries Planned IRS Closings

(Continued from Page 1)

permitted under a court order from a Federal judge.

"Just being here today is a victory, and we're celebrating it," she said. "We first tried to rally here last August and they denied us a permit. They said this wasn't part of the 'administration agenda.' Then when we pressed again, they said it was due to 'security concerns.' They thought we'd just go away—but we filed a lawsuit in Federal court, and guess what? The judge said Federal employees really do have the right to speak out on the issues that matter to them."

The ruling, handed down two weeks ago by U.S. District Judge Lewis A. Kaplan, said the Federal government was denying its workers their First Amendment rights by refusing to issue a permit to demonstrate at 26 Federal Plaza.

Cites Loss of Services

Frank Heffler, president of NTEU Chapter 47, which represents some 1,500 Federal employees in New York, said he was worried not only for the workers but for the taxpayers who are losing services.

"Plenty of New Yorkers need to come in to a center and get face-to-face help," he said. "Cutting these centers hurts everybody, but in particular, the elderly, low-income earners, and those for whom English is not a first language."

IRS spokesman Kevin McKeon issued a written statement that said fundamental changes in how taxpayers file taxes and obtain tax information led to the closures.

"In recent years, the use of IRS.gov and e-filing increased rapidly, while face-to-face interactions with taxpayers declined," he said. "This year, the majority of

tax returns were filed electronically, marking the first time in history that e-filing outpaced paper returns."

The IRS stressed that taxpayers could get assistance from its Web site and through 800-number call centers. "The agency remains committed to improving service and meeting the needs of taxpayers," Mr. McKeon noted.

But at the NTEU rally, Mr. Heffler said the IRS had announced plans to eliminate telephone call sites in Boston, Chicago and Houston and cut back by 15 hours a week the time that telephone assistance is available to taxpayers. Further, he charged, the agency is turning over all tax-collection duties to private companies to save money. The collection companies won't be paid by the Federal Government, but will keep 25 percent of whatever revenue they generate.

"Tax collection is an inherently governmental function," Mr. Heffler said. "It does not belong in private hands, much less in the hands of debt collectors, who, year after year, make up the most complained-about industry in America."

Points to Past Abuses

He added that a prior attempt by the IRS to use private-sector debt collectors, in 1996, not only failed to generate the dollar return promised, it led to numerous abuses by the private contractors of the Fair Debt Collection Practices Act.

Ms. Kelly asserted that cutting the jobs of highly-skilled workers trained in tax law and customer service was a bad business decision. IRS employees work under stringent rules of conduct and are held to the highest standards, she said, while the private companies slated to handle collections won't even be required to file annual reports to Congress on their activities.

"It's total disrespect for the rights and protections of the taxpayers who rely on the IRS to safeguard their privacy," she contended. "And it's not even cheaper. For every \$1 spent on a Federal employee, \$29 go into the Treasury. For every \$1 spent on a private contractor, \$3 go into the Treasury."

Stability Evaporates

Monowara B. Hayat, a tax claim processor with more than 23 years' seniority, was consumed by anxiety at the prospect of unemployment. After moving to New York from Bangladesh in 1968 to attend school, Ms. Hayat built her life and that of her family around what she thought was a stable job.

"After 23 years they send me a notice—no job offering, nothing. They're going to kick us out and it's very unfair, really an injustice," she said. "The only thing they promised was a good job evaluation that I could take to interviews, and I haven't even gotten that yet."

But if the NTEU has its way, Ms. Hayat won't need that letter of recommendation. Although the IRS is pressing forward with its restructuring and expects to have most changes in place by Nov. 1, the union has marshaled its own forces on Capitol Hill in response.

Ms. Kelly is working on getting legislation passed that would revoke the authority of the IRS to hire private-sector debt collectors, and the union recently succeeded in getting language attached to an appropriations bill that blocks the closure of tax assistance centers until an impact study can be done.

Bronx Congressman Jose Serrano, and U.S. Senators Chuck Schumer and Hillary Clinton all sent letters of support to be read at the rally, and have pledged their support in Washington.



The Chief Leader/Pat Arnoff

CAN'T SEE THE LOGIC: National Treasury Employees Union President Colleen Kelly contends that farming out tax-collection work to private companies will mean less revenue for the Federal Government while also posing a threat to the privacy of taxpayers whose returns are handled by those firms.