



# **IRS Whistleblower Office Operating Plan**

*An Integrated Approach to Advance the Whistleblower Program*



# CONTENTS

<b>Message from the Director</b> .....	<b>01</b>
<b>Mission and Vision Statements for a Transformed Whistleblower Program</b> .....	<b>02</b>
<b>IRS Whistleblower Office Guiding Principles</b> .....	<b>03</b>
<b>Framework of Strategic Priorities</b> .....	<b>04</b>
<b>Key Themes</b> .....	<b>04</b>
<b>Critical Steps &amp; Benefits</b> .....	<b>05</b>
<b>Achievements and Efforts Underway</b> .....	<b>06</b>
<b>Strategic Priorities, Initiatives, and Priority Efforts</b> .....	<b>08</b>
<b>Strategic Priority 1</b> – Enhance the claim submission process to promote greater efficiency .....	<b>08</b>
<b>Strategic Priority 2</b> – Use high-value whistleblower information effectively .....	<b>09</b>
<b>Strategic Priority 3</b> – Award whistleblowers fairly and as soon as possible .....	<b>10</b>
<b>Strategic Priority 4</b> – Keep whistleblowers informed of the status of their claims and the basis for IRS decisions on claims .....	<b>11</b>
<b>Strategic Priority 5</b> – Safeguard whistleblower and taxpayer information .....	<b>11</b>
<b>Strategic Priority 6</b> – Ensure that our workforce is supported with effective tools, technology, training, and other resources .....	<b>12</b>



# MESSAGE FROM THE DIRECTOR

## Plan Development and Overview

As the Director of the IRS Whistleblower Office, I am pleased to share our first-ever multi-year Operating Plan for the IRS Whistleblower Program. This document outlines our guiding principles, strategic priorities, recent achievements, and the efforts currently underway to drive progress. The Whistleblower Office is responsible for administering claims for award filed by whistleblowers that identify taxpayers who may not be fully compliant with tax laws or other laws the IRS is authorized to administer, enforce, or investigate.

Our Operating Plan is an integrated approach to advance the IRS Whistleblower Program and incorporates extensive feedback received from whistleblowers, whistleblower practitioners, IRS leaders and employees, oversight bodies, and other program stakeholders. The plan considers and integrates fundamental concepts around risk management, data management, metrics, information systems, claim processes, training, communication, stakeholder relationships, employee needs, and whistleblower laws and regulations. It includes both short-term operational planning and longer-term planning for the future of the program.

## The Value of an Effective IRS Whistleblower Program

Our nation's tax system is built on the principle of voluntary compliance. When this principle is observed, taxpayers file tax returns and pay their taxes timely and accurately. Voluntary compliance is aided by the knowledge that non-compliance with tax laws will be addressed through examinations, collection activities, criminal investigations, and other tax compliance work. The IRS uses increasingly sophisticated data analytics and other methods to detect non-compliance with tax laws, but we can't find it all by ourselves. We need help from whistleblowers – people with firsthand knowledge of non-compliance who are willing to share what they know with us so we can investigate it when warranted.

Since 2007, the Whistleblower Office has made awards of over \$1.3 billion based on the collection of more than \$7.4 billion attributable to whistleblower information. The IRS appreciates the valuable assistance it has received from whistleblowers and the tremendous support the whistleblower practitioner community provides to the Whistleblower Program. Whistleblower information that the IRS can act on is an important component of effective tax administration as it bolsters the fair, efficient, and effective enforcement of our nation's tax laws, the success of our voluntary tax system, and our efforts to reduce the tax gap. In addition to the proceeds collected attributable directly to whistleblower information, an effective whistleblower program also provides an invaluable deterrence against non-compliance with tax laws.

## Continuous Improvement

The IRS is committed to continuous improvement of the IRS Whistleblower Program with a heavy focus on using high-value whistleblower information effectively, awarding whistleblowers fairly and as soon as possible, and keeping whistleblowers informed of their claims' status and the basis for IRS decisions on claims. Whistleblower information has high value when it is specific, timely, credible, relevant, and significant.

We look forward to collaborating with Whistleblower Program stakeholders as we continue building on the foundation of our success.

Sincerely,



**John W. Hinman**  
Director, Whistleblower Office

# MISSION AND VISION STATEMENTS FOR A TRANSFORMED WHISTLEBLOWER PROGRAM

The IRS Whistleblower Office's mission and vision statements guide the direction and future of the Whistleblower Program. As the first part of enhancing the Whistleblower Program, we prepared new mission and vision statements to ensure our responsibilities and goals are clear and concise.

## IRS Whistleblower Office Mission

To effectively administer the IRS Whistleblower Program by ensuring:

- ▶ IRS compliance functions receive and consider specific, timely, and credible whistleblower claims that identify non-compliance with tax laws or other laws the IRS is authorized to administer, enforce, or investigate;
- ▶ Whistleblowers receive required notifications timely; and
- ▶ Awards are fairly determined and timely paid.

## IRS Whistleblower Office Vision

To effectively promote voluntary compliance and reduce the tax gap by providing excellent service to whistleblowers, taxpayers, and other stakeholders.

## Whistleblower Program Background

America's first whistleblower law was passed by the Continental Congress on July 30, 1778. The first law related to whistleblowers on tax violations was enacted in March 1867. Congress mandated the creation of the IRS Whistleblower Office in Section 406 of the Tax Relief and Health Care Act of 2006 to administer the IRS Whistleblower Program. The Whistleblower Office analyzes information submitted by whistleblowers, monitors the contribution made by whistleblowers, and makes determinations on whistleblower claims for award.



# IRS WHISTLEBLOWER OFFICE

## GUIDING PRINCIPLES

The IRS Whistleblower Office's guiding principles serve as the foundation for the success of the IRS Whistleblower Program. They define elements of our mission, vision, and ongoing/continuous priorities.

### Mission and Core Strategy

We will align our actions with the mission, vision, and strategic goals of the IRS and the Whistleblower Office. We are committed to continuous improvement of the IRS Whistleblower Program. We will promote a culture that supports whistleblowers, and we will work to raise awareness of the Whistleblower Program. We will prioritize effective communication, internal controls, and risk management.

### Law and Regulations

We recognize that whistleblower laws and regulations are the foundation of our program. We will emphasize and adhere to the statutory obligations and agency policies to maintain the confidentiality of both whistleblower information and taxpayer information. We will collaborate regularly and effectively with the Office of Chief Counsel on legal matters and explore the potential for updating whistleblower-related regulations and for suggesting changes to whistleblower-related laws. We will remain fully compliant with annual withholding tax return filing requirements.

### Whistleblower Program Stakeholders

We recognize and value the numerous stakeholders of the IRS Whistleblower Program. We will partner with stakeholders to strengthen collaboration and to seek frequent input and feedback. We are committed to providing excellent service to whistleblowers, whistleblower practitioners, taxpayers, IRS compliance functions, and all other stakeholders. We'll consider other governmental whistleblower program practices in our efforts to continuously improve the program.

### Data, Systems, and Processes

We will emphasize the importance of capturing relevant data accurately and protecting it. We will continually improve data analytics capabilities and enhance internal measures and metrics dashboards to drive informed decisions and improved performance. We will support a robust risk management process and evaluate risk management strategies. We will ensure compliance with our internal controls and quality assurance processes. We will identify new opportunities to pay award claims sooner.

### IRS Employees

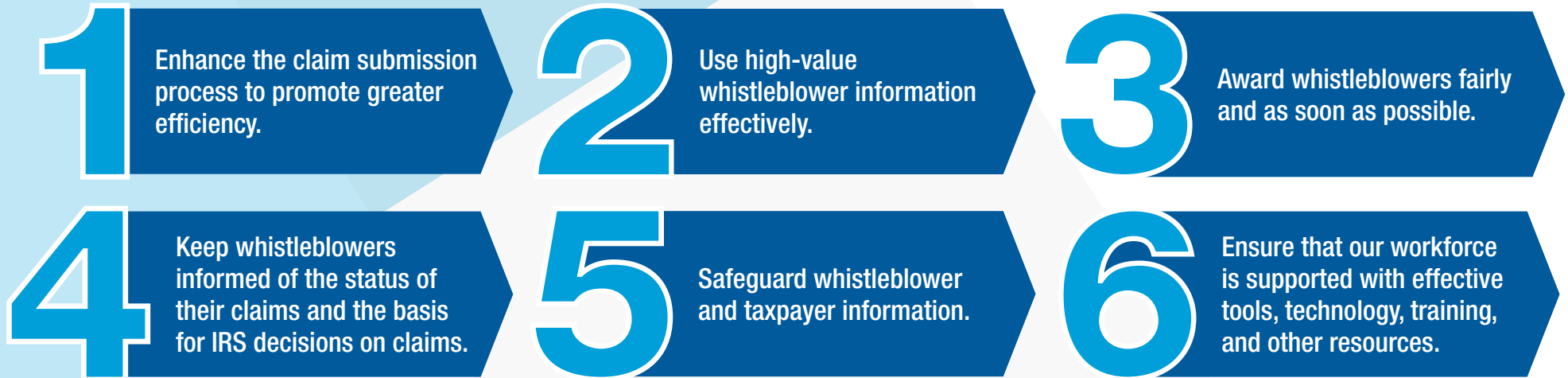
IRS Whistleblower Office employees and the many other employees who support the program are the key to our success. Their dedication, expertise, and collaborative efforts make them essential to accomplishing our mission and goals. We will recognize employees for outstanding contributions to the program. We will ensure they are supported with the right tools, training, coaching, and networking. We will engage with employees to seek their input for improvement and feedback on proposed changes.

### Knowledge Management

We will foster a culture of knowledge sharing across the organization by leveraging broad insights and expertise through training, online resources, networking, and cross-function collaboration. We will update and maintain the Internal Revenue Manual and procedure guides to ensure information is current and consistent. We will ensure Whistleblower Program information on IRS.gov is helpful and accurate.

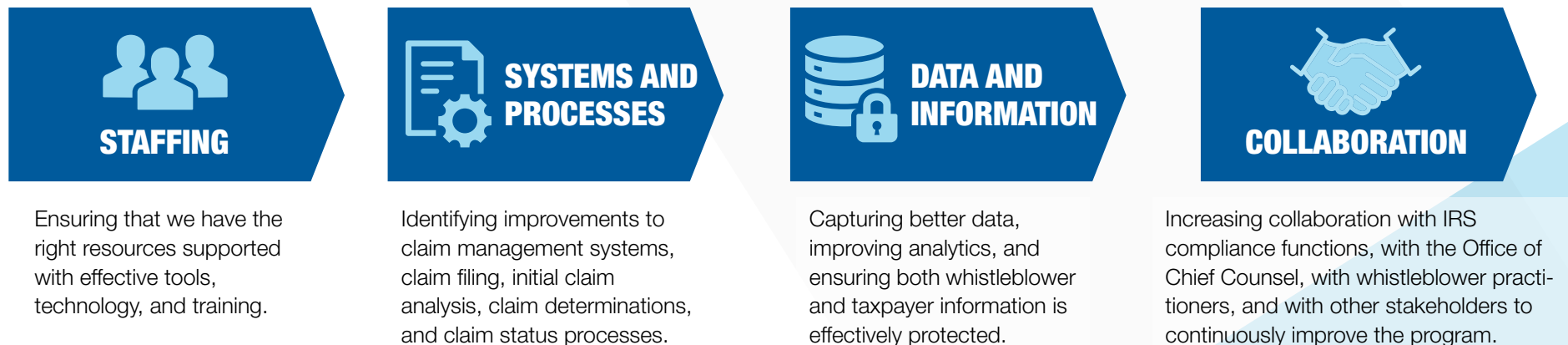
# FRAMEWORK OF STRATEGIC PRIORITIES

The IRS Whistleblower Office Operating Plan is framed around **six strategic priorities**:



Within these six strategic priorities, we have selected **38 initiatives** to focus our efforts on. Some of the initiatives will require discrete, specific activities to complete while other initiatives are broad. Our intention is to ensure the plan identifies areas of significant importance while allowing flexibility to address other concerns that may have multiple aspects.

## KEY THEMES





# CRITICAL STEPS & BENEFITS

---

## CRITICAL STEPS

### WORKFORCE ALIGNMENT

Improve and align staffing to meet core mission workload, accomplish improvement goals, and take on new challenges.

### MODERNIZING CLAIM MANAGEMENT SYSTEM

Important data on alleged non-compliance issues and other claim factors will be captured. Data analytic capabilities will improve access to digital data and enhance operational decision-making.

### ESTABLISHING ON-LINE CLAIM SUBMISSION PORTAL

Move from an inefficient paper-based claim process into a digital-based process with increased access to critical data.

### STREAMLINING AND AUTOMATING PROCESSES

Streamline and automate processes to improve efficiencies, decrease claim processing times, and improve services to internal and external stakeholders.

### IMPROVING INITIAL CLAIM ANALYSIS PROCESS

Efficiently identify and prioritize high-value whistleblower claims. Capture critical data on compliance issues.

## BENEFITS

# ACHIEVEMENTS AND EFFORTS UNDERWAY

We've already made significant progress toward realizing goals of the plan, and remain committed to investing in our employees, enhancing data and systems, and improving processes to better serve our stakeholders. We haven't waited to finalize our plan before taking robust action to make progress on our goals.

Recent achievements and significant efforts underway by the Whistleblower Office include:

- ▶ In September 2024, the Whistleblower Office implemented a new organizational structure. Organizational changes included transferring-in the Initial Claim Evaluation team from the Small Business/Self-Employed Division (SB/SE) and expanding from two to three Whistleblower Office functions.
- ▶ During Fiscal Year (FY) 2024, we hired 36 additional employees (a 75% increase) with a focus on whistleblower claim processing, notifications to whistleblowers, and data analytics.
- ▶ In March 2024, we updated and improved the Form 211 (Application for Award for Original Information). Improvements include reorganizing the form with a more logical flow, the addition of expandable data fields, an updated list of alleged violations issues to select from, a new option for multiple whistleblowers to file jointly, and we updated the form's instructions including the addition of QR codes for quick access to Whistleblower Program information.
- ▶ In FY 2024, we revised the Internal Revenue Manual (IRM) and whistleblower procedure guides. A key IRM update was to provide clarifications around factors for disaggregations (a process that allows for earlier award payments by separating certain completed actions). We also updated the IRM to provide guidance on Freedom of Information Act (FOIA) requests to strengthen controls over and protection of whistleblower records. We continue reviewing policy and procedures for opportunities to improve program effectiveness and claim processing efficiencies.
- ▶ We have continued efforts to disaggregate claims to pay awards sooner and we took steps in FY 2024 to improve Taxpayer First Act whistleblower notices and letters.
- ▶ We are developing an online digital intake portal for whistleblower claims to make it easier to submit information and request an award. We are working with other IRS functions and contractors to build and implement the system.
- ▶ We added more locations across the U.S. to offer whistleblowers additional options for the Administrative Claim File Review process.
- ▶ We are developing a new approach for the initial analysis of whistleblower claims to help ensure high-value submissions are better identified and prioritized.
- ▶ We are working with contractors and other IRS functions to design and implement a new whistleblower claim inventory management system that will improve program efficiencies and data analytics.
- ▶ We developed new internal measures and metrics reporting as part of our effort to enhance program performance.
- ▶ We established a process to ensure the Annual Report to Congress is submitted for clearance by December 31st each year.



# ACHIEVEMENTS AND EFFORTS UNDERWAY (CONTINUED)

---

- ▶ In March 2024, we updated and improved the Form 11369 (Confidential Evaluation Report on Claim for Award). The updates improve our ability to evaluate the contributions made by whistleblowers in actions taken by the IRS.
- ▶ We increased outreach and collaboration across IRS programs and business units, with the Office of Chief Counsel, other governmental whistleblower programs, the external whistleblower practitioner community, and with others.
- ▶ We continue to invest in our talented and dedicated employees through technical training, leadership training, employee developmental opportunities, and improved tools.
- ▶ We made updates to program information on IRS.gov to improve content and are continuing these efforts.
- ▶ Using new data analytics techniques with our existing whistleblower claim management system, we have identified claims for additional review to determine if the claim can be moved to the next processing step and closer to determination and award payment, when appropriate.
- ▶ We worked closely with Chief Counsel attorneys and submitted a request to be included in the 2024-2025 Treasury Department Priority Guidance Plan (PGP). The request was accepted, and a project to update the regulations under Internal Revenue Code (IRC) Section 7623 is included in the PGP published in October 2024.

# STRATEGIC PRIORITIES, INITIATIVES, AND PRIORITY EFFORTS

For each of the Whistleblower Office’s six strategic priorities, we have identified key initiatives. This section provides information on the initiatives and target priority efforts for 2025 through 2027.

## STRATEGIC PRIORITY 1

### ENHANCE THE CLAIM SUBMISSION PROCESS TO PROMOTE GREATER EFFICIENCY

The Whistleblower Office will adjust staffing and resources to effectively carry out its mission and meet evolving needs. We have significantly increased our engagement with IRS compliance functions, and the IRS’s new Chief Tax Compliance Officer (CTCO) organizational structure further re-enforces those efforts. We will work closely with IRS compliance functions to align efforts on priority compliance issues. The Whistleblower Office is evaluating current whistleblower claim intake, analysis, and classification processes and is working on improvements that will help ensure high-value submissions are identified and prioritized. We will improve claim processing efficiencies, expand digitalization, and move away from a paper-based system toward a new digital records approach. We are working on making it easier for whistleblowers to file a claim by developing a digital intake portal. In FY 2024, we made key revisions to the Form 211 (Application for Award for Original Information) to provide future digital processing, and we updated IRS policy to remove the Form 211 “wet-ink” signature requirement. We will work to increase program awareness that the IRS Whistleblower Program covers both non-compliance with tax laws as well as other laws the IRS is authorized to administer, enforce, or investigate.

2025 Priority Efforts	2026 – 2027 Priority Efforts
<b>1.1</b> Adjust staffing resources where needed	<b>1.7</b> Create focused, issue-specific outreach
<b>1.2</b> Create an online digital intake portal for the Form 211 (Application for Award for Original Information)	<b>1.8</b> Review award payment thresholds
<b>1.3</b> Improve intake, analysis, and classification processes	<b>1.9</b> Explore opportunities to expand whistleblower claim processing in languages other than English
<b>1.4</b> Expand digitalization	
<b>1.5</b> Efficiently deal with repeat filers of speculative claims	
<b>1.6</b> Improve content and functionality on the Whistleblower Office’s IRS.gov page	



## STRATEGIC PRIORITY 2

## USE HIGH-VALUE WHISTLEBLOWER INFORMATION EFFECTIVELY

The Whistleblower Office is fully supporting IRS transformation efforts. We will continue close coordination with business units across the IRS, and collaboration efforts with whistleblower practitioners and other whistleblower programs. The Whistleblower Office will work to align claim priorities with the IRS's portfolio of strategic enforcement priorities. In FY 2024, we revised the Form 211 to allow for improved identification of claim factors, added an option for multiple whistleblowers to submit a claim jointly, and improved the form's instructions. We continue efforts to increase data capture and improve analytics by procuring a replacement for our whistleblower claim inventory management system.

In September 2024, the Whistleblower Office implemented a new organizational structure. Organizational changes included transferring-in the Initial Claim Evaluation team from the Small Business/Self-Employed Division (SB/SE), expansion from two to three Whistleblower Office functions, the addition of additional claim administration teams, and a new team that will focus on initial claim analysis.

The Whistleblower Office will continue its efforts to collaborate regularly with Chief Counsel attorneys throughout the IRS, including attorneys who support field compliance efforts and litigation, Procedure and Administration attorneys, and General Legal Services attorneys. We will continue our efforts to work closely with whistleblowers, when appropriate, using the authority provided by IRC Sections 6103(n) and 6103(k)(13)(A). We will continue our collaboration with other whistleblower programs to share and consider information on best practices.

### 2025 Priority Efforts

- 2.1** Improve initial analysis effectiveness
- 2.2** Improve the whistleblower claim management system
- 2.3** Ensure skill sets are aligned to program needs
- 2.4** Increase efforts to work more closely with whistleblowers using the most appropriate approach
- 2.5** Collaborate on and consider efficiencies around other types of IRS information submissions

### 2026 – 2027 Priority Efforts

- 2.6** Re-emphasize debriefings of whistleblowers
- 2.7** Consider best practices of other whistleblower programs
- 2.8** Watch for opportunities to identify tax compliance topics where strengthened information and service delivery could benefit taxpayers
- 2.9** Evaluate taint review procedures and risk assessments associated with whistleblower information

## STRATEGIC PRIORITY 3

## AWARD WHISTLEBLOWERS FAIRLY AND AS SOON AS POSSIBLE

The Whistleblower Office will continue evaluating whistleblower claim processes, policies, procedures, and published products to help ensure whistleblower claims are fairly considered and awarded as soon as the law and resources permit. We will continue reviewing the Whistleblower Office “risk appetite” to move toward an approach that carefully analyzes the level of risk, available risk mitigations, and potential benefits/gains. In FY 2024, we revised the Form 11369 to improve data capture for the evaluation of how whistleblower information was used. On October 3, 2024, the Treasury Department released the 2024-2025 Priority Guidance Plan. Included in the plan is a project related to the regulations under IRC Section 7623 regarding awards to whistleblowers. The Whistleblower Office will work closely with Chief Counsel attorneys on this effort.

The IRS pays awards from proceeds collected and as such, award payments can only be made once the taxpayer has exhausted all appeal rights, and the taxpayer no longer can file a claim for refund or otherwise seek to recover the proceeds from the government. Although the time it takes from when the Whistleblower Office receives a Form 211 claim submission to paying an award is mostly related to investigations, taxpayer appeals and litigation, and collection efforts, we will continue efforts to act expeditiously on processes that we control. In FY 2024, we updated the IRM to provide clarifications around factors for disaggregations. We will continue to apply these IRM provisions to make disaggregated award payments when appropriate. In addition to disaggregations, we will explore other potential opportunities to pay awards sooner. We will use new data analytic approaches to identify any backlogs where claims could be moved to the next claim processing stage. Where backlogs are identified, we will create a plan to address and eliminate such backlogs. We will be prepared to implement legislative or judicial changes, including, for example, if a provision is enacted that provides for the potential payment of interest on awards. We will continue to explore opportunities to more efficiently determine and pay awards for cases with multiple whistleblower award claims.

### 2025 Priority Efforts

- 3.1** Be prepared to implement legislative or judicial changes
- 3.2** Review procedures for identifying the final determination of tax
- 3.3** Identify opportunities to more efficiently determine awards for cases with multiple whistleblowers
- 3.4** Review procedures for reconsideration requests
- 3.5** Update program Delegation Orders

### 2026 – 2027 Priority Efforts

- 3.6** Consider opportunities to obtain input on whistleblower contributions earlier
- 3.7** Better define policies and procedures for claim cases with complex tax attributes
- 3.8** Review procedures to improve efficiencies with Tax Court remands
- 3.9** Explore the potential need for additional flexibilities to pay awards under the discretionary provisions of IRC Section 7623(a)
- 3.10** Explore opportunities to emphasize collection efforts on cases involving proceeds attributable to a whistleblower



## STRATEGIC PRIORITY 4

### KEEP WHISTLEBLOWERS INFORMED OF THE STATUS OF THEIR CLAIMS AND THE BASIS FOR IRS DECISIONS ON CLAIMS

The Whistleblower Office will continue to invest in services for whistleblowers and representatives through improved communications and information contained in notices and will continue efforts to improve whistleblower “referred for audit”, “collection”, and “status and stage” TFA notification processes. In FY 2024, we established a 90-day target timeframe to respond to written status and stage claim requests. We will work with the Office of Chief Counsel to improve the administrative claim review process and standardize procedures for redactions of taxpayer information.

#### 2025 Priority Efforts

- 4.1** Continue to improve Taxpayer First Act (TFA) notice processes
- 4.2** Expand options for Administrative Claim File Reviews
- 4.3** Work with Counsel to standardize redaction procedures
- 4.4** Consider improvements to “status and stage” notifications, processes, and procedures

#### 2026 – 2027 Priority Efforts

- 4.5** Consider potential improvements to Detailed Award Recommendation Letter (DARL) procedures
- 4.6** Consider potential for regulatory change to allow improved disclosures with regard to IRC Section 7623(a) claim denials

## STRATEGIC PRIORITY 5

### SAFEGUARD WHISTLEBLOWER AND TAXPAYER INFORMATION

Safeguarding whistleblower and taxpayer information is an utmost priority for the IRS. The Whistleblower Office will continue emphasizing the importance of confidentiality, security, and privacy of both whistleblower information and taxpayer information. In FY 2024, we revised the Internal Revenue Manual and added guidance for Freedom of Information Act (FOIA) request procedures to strengthen controls over and protection of whistleblower records. In FY 2024, we added content and information on the revised Form 211 and the Whistleblower Office’s IRS.gov page to raise awareness on potential restrictions for whistleblowers who are considered taxpayer representatives. We will also continue our efforts to reduce the risk of inadvertent improper disclosure of whistleblower information.

#### 2025 Priority Efforts

- 5.1** Enhance the protection of whistleblower and taxpayer information

#### 2026 – 2027 Priority Efforts

- 5.2** Strengthen processes related to privileged information

## STRATEGIC PRIORITY 6

### ENSURE THAT OUR WORKFORCE IS SUPPORTED WITH EFFECTIVE TOOLS, TECHNOLOGY, TRAINING, AND OTHER RESOURCES

The Whistleblower Office is fortunate to have dedicated, knowledgeable, and experienced staff who are committed to providing excellent service to all program stakeholders. We will drive change by continuously assessing and monitoring employees' feedback. We will work to attract, develop, and retain exceptional talent, and ensure our workforce has the tools and training necessary to serve whistleblowers, representatives, compliance staff, and other program stakeholders. We will update position descriptions as needed to ensure they accurately reflect critical job expectations and responsibilities.

#### 2025 Priority Efforts

**6.1** Review employee and management standard position descriptions (PDs) to ensure those align with responsibilities and roles

#### 2026 – 2027 Priority Efforts

**6.2** Develop and utilize a strategic management model that incorporates strategy, data, systems, & processes, the Whistleblower Office team, knowledge management, stakeholders, and laws & regulations



