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Tax Technician Series

GS-0526

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SERIES DEFINITION

This series includes all classes of positions the principal duties of which are to administer, supervise, or perform technical work on tax returns involving issues in returns assigned for office examination and reaching decisions on correct tax liability when the examination requires the application of analytical methods, skill in personal contacts with taxpayers and/or their representatives, the application of pertinent tax laws, regulations, and procedures, and, at the full working level, a knowledge of elementary accounting.

STATEMENT OF DIFFERENTIATION BETWEEN GS-0526 AND GS-0592 POSITIONS

The principal differences between the office examination of tax returns by Tax Technicians in the GS-0526 series and Office Auditors in the [GS-0592](#) series are reflected in: (1) the nature of the work assigned; (2) the approach or working methods applied in the examining process; (3) the degree of judgment required in the interpretation and application of tax law, regulations, precedents, and procedures to resolve issues; (4) the degree of skill required in conducting taxpayer contacts; (5) the nature of the supervisory controls; and (6) the application of available guidelines. The following are comparative statements of these differences;

1. NATURE OF WORK ASSIGNMENTS

GS-0526

The returns assigned to a Tax Technician at the full working level generally contain a wide variety of tax liability issues involving all degrees of complexity and sensitivity, and over a period of time will include all types of issues found in returns assigned for office examination. At the full working level, many of the issues require a knowledge and application of elementary principles and practices and local business practices.

GS-0592

The returns assigned to an Office Auditor are preselected as to difficulty and generally contain issues that require the applicable portions of tax law and regulations to readily verifiable facts, or somewhat more difficult issues that may be resolved through correspondence rather than personal contacts. The knowledge or application of elementary accounting is not required.

2. WORK METHODS EMPLOYED

GS-0526

The Tax Technician employs any fact-finding technique appropriate to office examinations. He may employ any appropriate line of questioning and is expected to use subtle, indirect lines of questioning and a variety of techniques of probing for information. He may request and examine any books, records, or other documents which may yield information on tax liability which taxpayers may conveniently bring to the office.

GS-0592

The Office Auditor employs correspondence methods to a large extent. When interview techniques are employed, they usually require a lesser degree of skill in eliciting information or resolving and explaining issues than that required by a Tax Technician. Issues assigned generally lend themselves to fairly direct question-and-answer fact-finding techniques and involve straightforward verification of questionable items more often than reconstruction or estimation of unverifiable transactions.

3. MENTAL DEMANDS

GS-0526

The effective examination of the types of returns assigned to a Tax Technician requires the application of analytical methods and sound judgment to explore and determine the scope and direction that the examination should take, and to discern, develop pertinent information on, evaluate, resolve, and explain the varied and difficult tax issues found in the returns and to reach a final decision on tax liability.

GS-0592

Office Auditors must have the ability to extract and evaluate pertinent information from basic documents, apply directly applicable portions of tax laws and regulations to preselected tax issues of limited variety, and reach a final decision as to tax liability. Because the scope and direction of the examination are usually predetermined and the issues involved are limited in variety, procedural decisions and analytical methods are not required to any great extent; consequently, mature judgment and initiative are required to lesser degree.

4. TAXPAYER CONTACTS

GS-0526

The Tax Technician must be skilled in the art of effective public relations, both by personal contact and correspondence, with the two-fold objective of creating a favorable and lasting effect upon the taxpayer and of promoting voluntary compliance with Federal tax laws. To accomplish this end, he must skillfully employ effective interviewing techniques and tact and persuasion in dealing with taxpayers or their representatives, often under stress conditions, to elicit pertinent information, explain and interpret tax law, and attempt to secure agreement on any of the wide variety of complex and sensitive tax liability issues found in returns assigned for office examination. The same degree of competence in dealing effectively with taxpayers is required whenever the situation calls for contacts by correspondence rather than in person.

GS-0592

Personal contacts made by an Office Auditor are also important in creating a good image of the Service, but the number, nature, and purpose of such contracts are much more restricted than those of the Tax Technician. The relatively simpler issues involved in the preselected returns assigned to an Office Auditor do not require the same degree of skill in eliciting information or resolving and explaining issues because the issues generally require the mandatory application of clearly applicable portions of tax law to readily verifiable facts. The Office Auditor engages in correspondence contacts to a greater extent than the Tax Technician. The remarks concerning the difficulty, range, and nature of personal contacts made by an Office Auditor are equally applicable to his correspondence contacts. When an Office Auditor is assigned more difficult issues to be resolved by correspondence, the correspondence is more closely reviewed for tone and adequacy before issuance.

5. SUPERVISORY AND OTHER CONTROLS

GS-0526

The Tax Technician at the full working level plans and performs his work independently and requests advice or assistance only on unusually sensitive or precedent-setting matters. He keeps his supervisor informed of his workload and of special problems encountered in examinations. Non-agreed cases and a random sample of agreed cases are subject to review by the Audit Division Review Staff.

GS-0592

The Office Auditor works with little technical guidance on the usual type of returns assigned, except that the supervisor may point out potential problems to be prepared for and review the findings before the Office Auditor communicates with the taxpayer. A review may also be made of completed cases by the supervisor for technical correctness. Review Staff review procedures are the same for Office Auditor cases as they are for Tax Technician cases.

6. GUIDELINES

GS-0526

Written guidelines for the Tax Technician include portions of the tax law and regulations applicable to the wide variety of issues found in the returns assigned, policy statements, court decisions, and tax reference publications. The nature of the cases assigned is such that the guidelines must in many cases be interpreted and applied as principles rather than requirements. Research is often necessary to locate and select pertinent precedents upon which to base a decision as to tax liability.

GS-0592

The Office Auditor uses the same guidelines as the Tax Technician, but he is generally not required to interpret the guidelines nor engage in research because the guidelines are clearly applicable to the issues involved in the preselected returns assigned.

BACKGROUND INFORMATION ON THE TAX TECHNICIAN OCCUPATION

Organization and Functions of Office Audit

The Office Audit Branch of the District Audit Division conducts examinations of returns for all types of taxes (except alcohol, tobacco, and firearms) involving contacts with taxpayers in offices of the Service and by use of correspondence. The purpose of these examinations is to encourage effective voluntary compliance with the tax laws. This is accomplished by widespread and reasonable examinations of returns selected for audit or involved in taxpayer initiated actions. Additional functions of the Office Audit Branch include the holding by supervisors or conference coordinators of informal conferences with taxpayers and their representatives to resolve disputed issues in unagreed cases and the furnishing by Tax Technicians of information on tax matters.

Organizationally, most Tax Technicians are assigned to the Office Audit Branch of the District Audit Division and are physically located in district headquarters. However, some Tax Technicians may be assigned to the Field Audit Branch of the District Audit Division; and in some districts, individual Tax Technicians or complete groups are stationed at local offices away from district headquarters. Other Tax Technicians may serve in an itinerant or "circuit rider" capacity, traveling from one local office to another on a pre-determined schedule or as needed to provide convenient service to taxpayers throughout the district. The types of cases assigned to Tax Technicians in local offices are the same as those assigned to Tax Technicians at the district headquarters.

Nature of Returns and Issues Found in Office Audit Workload

The office audit workload is composed largely of individual and fiduciary income tax returns, both nonbusiness and business. It also includes some corporation, estate, gift, and excise tax returns. The variety of possible issues contained in returns selected for office audit is very large. Potential issues on nonbusiness income tax returns pertain to income (questions of sources, amounts, reporting requirements, taxability, pensions, annuities, death benefits); exemptions for taxpayer and dependents (questions of relationship, citizenship, age, support, and blindness); deductions for interest payments, taxes, casualty losses, medical expenses, charitable contributions, education, alimony, and other items (questions of amount, allowability); credits and exclusions (questions of amount, propriety), employee's business expenses, and reimbursements for travel and entertainment (questions of amount, reasonableness, methods of computing); gains or losses from sale or exchange of personal residence (questions of amount, depreciation and other computations); gains or losses from sale or exchange of personal or income-producing capital assets (questions of accounting basis, nonbusiness bad debts, allowability and carry-over of capital loss, casual installment and deferred payment sales, repossessions); and rental income and expenses (questions of amount, partial personal use of rented property). Potential issues on business income tax returns pertain to all of the above plus computation of net profit or loss from business,

farm, or profession, including calculation of operating expenses, such as cost of materials, merchandise, supplies or labor (questions of amounts, reasonableness in terms of "ordinary and necessary" for the kind and size of business); deductions for interest and taxes paid, losses and bad debts incurred, depreciation, repairs, depletion of resources, and amortization of capital expenditures (questions of amount, allowability, method of computation); self-employment tax; capital gains or losses from sale or exchange of income-producing property, including computation of depreciation and other allowable expenses; and accounting methods employed (questions of initial selection and changes in accounting periods or methods).

Work Assignments within Office Audit Groups

Returns assigned to office audit are split between employees in two occupations--Tax Technicians, GS-0526 and Tax Examiners, GS-0592. Tax Technicians at the full working level (GS-9) are fully trained and able to examine any issue in the office audit workload, using whatever fact-finding and analytical techniques are appropriate. Tax Examiners, on the other hand, are assigned and examine returns that are generally restricted as to range of issues and degree of difficulty.

Any return, upon examination, may present issues or aspects that are more or less difficult or sensitive than appeared likely at the time of assignment. The Tax Technician encounters a wide variety of tax issues at all degrees of complexity and sensitivity found in the office situation.

Preliminary Steps in Examination of Returns

Returns selected for office audit are those which appear to be susceptible to examination by interview or correspondence techniques and which do not require examination by a professional accountant. The returns classifying officer indicates on a check sheet the issues which obviously require audit attention. The returns are initially assigned either to clerical personnel who initiate form letters to the taxpayer based on the checked items, or to Tax Technicians. Under either procedure, replies from the taxpayer, in the form of correspondence or personal appearance, are reviewed by the Tax Technician.

Both procedures require the Tax Technician to determine the best way to go about the total examination, I. e., whether interview or correspondence techniques would be likely to yield the most reliable information and what information is to be requested from the taxpayer. He advises the tax payer as to the type, nature, and acceptability of substantiation required in his case. The nature and acceptability of substantiating materials varies considerably from case to case, depending upon the issues, problems, and circumstances involved. Appropriate substantiation may include affidavits; marriage, birth or death certificates; police records of thefts; insurance company records of benefit and premium payments; company certificates of expenses reimbursed; travel expense records and documents; divorce and separation decrees; appraisal reports; purchase and sales contracts; bank statements and canceled checks; deeds; trust instruments;

statements of interest, taxes, contributions, medical expenses paid; business books and records of account, etc. In some cases, only one or two kinds of documents will provide the proof necessary. In other cases, the Tax Technician must consider what kinds of records a tax payer would be apt to keep and indicate the type of receipts, records, or similar documents that would be of most value in determining the correct tax liability.

Fact-Finding Aspects of the Tax Technician's Work

The objective of the fact-finding process, whether conducted by interview or correspondence techniques, is to probe for information and to evaluate the adequacy, reliability, or pertinence of information supplied by the taxpayer. The correspondence methods offers an opportunity to make use of standardized inquiries and statements of decision. For involved issues, requiring lengthy inquiry into generally related matters or examination of more numerous substantiating records, the interview technique is usually preferred. A significant portion of the Tax Technician's cases are examined by interviews. The interview is used to elicit information needed to determine the extent of the apparent issues or the possible existence of others not previously detected. It gives the Tax Technician an opportunity to observe reactions and to explore clues as to the extent of the issue or possible further issues. The examiner may acquire insights into the case from the taxpayer's statements or records, from the taxpayer's appearance, reactions, attitudes, or actions, or from other sources. The approach used in interviews may involve direct questions-and-answers or it may involve an indirect line of questioning.

The Tax Technician customarily uses an analytical approach in examining all issues for which it is appropriate. In fact-finding phases of the work, this means that he probes beyond the obvious points which appear on returns or records. He looks into matters not reflected fully, or in some cases, not reflected at all in available records. He attempts to reconstruct transactions for which records are sketchy and to arrive at amounts not reflected in records. He uses ingenuity and makes use of a variety of fact-finding techniques. Certain factors contribute to the difficulty of interview contact situations. For example, if the taxpayer arrives uninvited, the Tax Technician has little or no opportunity for prior study of the issues or the pertinent section of law, regulations, or precedent cases. During the interview, he must rely upon his accumulated store of knowledge and must ask meaningful questions and evaluate responses. Since he has no opportunity to refine or rephrase his statements, he must make them correct and tactful at the same time. A very large proportion of the taxpayers interviewed are under emotional stress and display negative attitudes ranging from defensiveness because their returns have been selected for examination, to outright hostility because of alleged injustice. Many of the taxpayers interviewed have little knowledge or sophistication in tax matters. Consequently, advice on tax law requirements and decisions on issues in question must be explained in layman's terms. In so doing, the Tax Technician has an opportunity to foster voluntary compliance with the tax laws in future years on the part of a very large segment of the tax-paying public and at the same time to enhance the proper image of the Federal Government.

Analytical and Decision-Making Phases of the Work

The next and most important step in each case is to reach a decision on the substantive issues. The Tax Technician determines the propriety of the original entry on the tax return and whether to allow or to disallow it, in whole or in part, based upon: (1) the facts presented by the taxpayer; (2) further information developed and analyzed by the Tax Technician; (3) application of the Internal Revenue Code, regulations, policies, and precedent decisions to the particular situation; and (4) the use of informed judgment in cases in which records are sketchy or in which the law is ambiguous.

Reaching a decision on most cases involves mainly establishing reliable facts and applying pertinent rules to them. In more complex cases, such as those in which records are lacking or incomplete, or those in which there are no guidelines available or in which they are not clearly applicable, the Tax Technician must decide what is reasonable, ordinary, or necessary in the circumstances. Use of an analytical approach means that the Tax Technician will explore all practical questions, will attempt to make reasonable reconstructions of items not reflected in records, will try to envision alternative interpretations of regulatory materials in light of the facts that can be determined, and will dispose of cases on the merits of the issues involved.

Closing of Case

After determining the correct tax liability, the Tax Technician will advise the taxpayer of his decision and the basis for it, and, if possible, will secure the taxpayer's agreement. In a simpler case, this task may be fairly easy, since the conclusions reached were mandatory under the law. Sensitive and difficult cases require greater skill in interpretation and explanation. The Tax Technician must try to convince the taxpayer that his findings of facts and interpretations of tax law and proposed adjustments are correct. If the taxpayer agrees, the case is closed except for routine clerical processing. If the taxpayer does not agree, the Tax Technician informs him of his right of appeal, including the right to an informal conference. In such conferences, both taxpayer and Tax Technician present facts in support of their respective contentions and determinations.

At the closing of a case, a report is prepared showing the Tax Technician's findings and decision. This report may be prepared by the Tax Technician, or by clerks who utilize standardized report paragraphs prescribed by the Technician.

Variations from Normal Procedures

The work methods and procedures described above are typical of the normal situation in office audit. From time to time, individual Tax Technicians or whole office audit groups engage in work involving special procedures, either part of the time or full time. Such situations generally fall into two categories: (1) rapid-audit techniques designed to dispose of routine work quickly and in

great quantities; and (2) special projects designed mainly to assure uniform treatment of taxpayers in particular categories.

Under rapid-audit techniques, clerks generally make initial contacts with taxpayers and complete routine paperwork. The role of the Tax Technician under these procedures is to make decisions on substantive issues, which usually are of the type that can be resolved quickly by direct application of clear-cut provisions of the body of tax law. Special projects of the type mentioned above involve mainly difficult or sensitive cases with a high requirement for uniform treatment. Examples are projects to reconstruct: tip income for employees engaged in certain occupations; employee expenses connected with travel; or income of business operations using net worth analysis techniques. Most projects of this type involve extensive interviews with taxpayers in the group under consideration.

GRADE LEVEL DEFINITIONS TAX TECHNICIAN (TRAINEE), GS-0526-5

I. Introduction

This is an entrance level trainee job, the duties of which are designed to develop, through basic classroom and on-the-job training, the ability to apply the analytical methods and skill in personal contacts which are paramount requirements to successful performance as a full working level Tax Technician who must discern, explain, and resolve tax liability issues and reach a final decision as to proper tax liability.

II. Nature of the work

Receives basic classroom and on-the-job training. For mal training includes classroom lectures; assigned reading and selected problems designed to give the trainee know ledge of the requirements for filing individual income tax returns; the application of basic tax law to the treatment of income, exemptions, and deductions; basic research and office audit techniques; report writing requirements; public relations aspects of Office Audit work; and the flow of work and operating procedures in the district office and in the Office Audit organization.

On-the-job training includes performance of Office Audit examinations of nonbusiness income tax returns which have been preselected for purposes of training the incumbent in fact-finding techniques, the application of tax law to individual cases, analysis of supporting information, conducting interviews, and reaching decisions. Most of the potential issues are of the type that require mandatory application of clearly applicable regulations to readily verifiable facts.

Examples include returns on which the taxpayer failed to complete the exemption schedule or other basic portions of the return; questionable exemptions which require checking of only one

aspect such as relationship or residence of dependent claimed; or deductions for verifiable items such as interest payments, tax payments, or charitable contributions made in the form of money.

Contacts taxpayer by letter or in interview situations to obtain supporting data to verify questioned items on return. Considers pertinence of information submitted, makes decision to allow or disallow questioned items, explains his determination to taxpayer personally or by letter, and attempts to secure taxpayer's agreement to adjustments proposed.

III. Mental demands

Work at this level requires ability to assimilate instructions in a variety of basic subjects including fundamentals of tax law, applicable portions of the Internal Revenue Code, interviewing techniques, problem solving, analysis and evaluation methods, etc.; ability to extract pertinent information from basic documents, such as income tax returns, or replies to letters of inquiry; ability to reach decisions on clear-cut issues; ability to write letters or conduct interviews to elicit information or explain decisions in a forceful but friendly and tactful manner.

IV. Supervisory controls

Examination work is performed under close supervision of the Group Supervisor or a designated on-the-job instructor. Work assignments are selected with a view toward preparing him for future more difficult assignments. Initially, the trainee is given detailed instructions with new assignments, including objectives, methods of approach, guidelines to be used, and other pertinent matters; and work in process is checked as each step is completed to enable the supervisor to head off problems and to evaluate the trainee's abilities and work habits. Except for training assignments typical of the next higher level, the degree of direct supervision decreases as the trainee learns the work. The trainee, however, is given guidance by the supervisor or instructor in difficult interviews and his decision is reviewed in more difficult cases prior to reporting it to the taxpayer, the completed work is evaluated by the classroom or on-the-job instructor for compliance with well-established rules, regulations, policies, and instructions and for purposes of evaluating his technical ability, effectiveness in public relations, and report writing skills.

V. Guidelines

Written guidelines include portions of the tax code, regulations, manual of procedures, statements of policy, court decisions, and tax reference publications. Portions of these guidelines which the trainee is expected to apply initially are generally detailed, clearly applicable to the issues, and point directly to conclusions. Normally, very little interpretation is required to resolve the issues, but trainee must often explain requirements of law to taxpayers in layman's terms.

VI. Qualifications required

Tax Technician trainees are required to bring to the job certain basic skills and abilities and to show promise for developing them, through training and experience, to the degree required for successful performance at the full working level. These basic requirements are analytical ability, skill in personal contacts, ability to interpret and apply regulations, ability to exercise sound judgment, and ability to make decisions.

TAX TECHNICIAN, GS-0526-7

I. Nature and variety of work

Engages in advanced or basic and advanced classroom training and receives planned on-the-job training or progressively difficult developmental assignments designed to equip incumbent for full working level position.

Formal training covers either basic subjects, designed to give the employee knowledge of requirements for filing tax returns, the application of basic tax law to issues found on the returns, basic office audit techniques including public relations aspects of the work, operating procedures, and related subjects, or advanced subjects designed to give him a knowledge of accounting fundamentals and other subjects typically required at full working level. Examines tax liability issues which have been pre-selected and assigned for purposes of developing accounting and tax law knowledges, analytical abilities, and personal relations skills. Cases are pre-selected to give experience in handling a variety of issues under varying circumstances, and to give practice in the use of fact-finding and analysis techniques, in the interpretation of regulatory material, in decision-making functions, and in conduct of effective interviews. The purpose is to prepare the trainee to assume greater responsibility and to work on the full range of issues found at the full working level. In most cases, potential tax issues have been isolated and pointed out to trainee at time of assignment, and a tentative plan for the examination has been suggested to him. Employee develops necessary evidence and information, and formulates tentative conclusions for review by supervisor, explains to taxpayer the basis for any adjustments; and secures agreement of taxpayer to final decision or advises taxpayer of appeal rights in event he does not agree with adjustments proposed.

During the course of the training period, the trainee encounters, under controlled conditions, a variety of tax issues which is similar to that found at the full working level.

II. Mental demands

The employee learns to use judgment in determining the nature of supporting records most likely to yield information needed, in reconstructing situations and transactions in cases in which records are inadequate, and in determining alternative courses of action to recommend with respect to specific points at issue. He is expected to learn to use subtle, indirect lines of questioning as well as straightforward methods of eliciting information. He is expected to be alert for indications of

further issues or of possible tax evasion and to seek guidance from his supervisor before following up such leads.

To analyze information, employee must learn to envision possible alternative interpretations of facts and the probable outcome under different applications of pertinent portions of the body of tax law. He is expected to tentatively interpret guidelines and to reach conclusions based on the application of informed judgment.

III. Nature of Available Guidelines for Performance of Work

Guidelines available include portions of tax code, procedural manuals, regulations, court decisions, and published tax reference services. For issues encountered early in training period, guidelines are generally complete and clearly applicable and point directly to conclusions. For issues encountered in later stages of training, judgment is required in selecting from among available precedents the one which most nearly fits the case and in reaching conclusions concerning the application of the guidelines in light of the facts of the case.

IV . Nature and scope of decisions, commitments conclusions

Determinations made generally deal with the substance of the issues; the method of approach is generally determined at a higher level. Learns to evaluate the reliability, veracity, reasonableness, and significance of information obtained as a result of inquiry. Locates, studies, analyzes, interprets pertinent portions of tax law, regulatory, and reference materials and learns to apply basic principles of accounting. Tentatively determines whether income reported is substantially correct, formulates recommendations to allow or disallow questioned items wholly or partly or determines if taxpayer is entitled to deductions he has not claimed.

In initial stages of training, employee's findings and conclusions are usually presented as recommendations to the supervisor for consideration before making firm statements to the taxpayer. As training progresses, he may be encouraged to make definite decisions in cases similar to those encountered previously.

For the most part, determinations affect individual tax payers, Some issues include sensitive personal contacts which involve questions of the basic honesty or morality of the taxpayer. Inherent in the issues which have been pre selected for training value are opportunities for the auditor to improve his skill in encouraging voluntary compliance with tax law requirements.

V. Purpose and nature of person-to-person work relationships

Contacts taxpayer by personal interview or by letter or telephone to elicit supporting information to verify questioned items. With help from supervisor as needed, explains conclusions and interpretations of law to taxpayer, endeavors to correct erroneous interpretations made by taxpayer, and attempts to secure agreement of taxpayer to the determination of overall tax liability or to explain the taxpayer's right to informal reconsideration or formal appeal.

Contacts are with taxpayers engaged in diverse occupations and displaying varied degrees of knowledge in tax matters. Taxpayers contacted by employee at this level are seldom represented by professional advisors. Some of the taxpayers encountered in interview situations are under emotional stress and display negative or hostile attitudes toward the examination. In most cases, incumbent has an opportunity to prepare for interviews by reviewing case records and making study of pertinent references.

VI. Supervision received

Work is performed under supervision of Group Supervisor or a designated senior employee. Degree of supervision varies with state of incumbent's development and with the anticipated difficulty of specific issues. On work which is new or unlike previous assignments, receive specific guidance and direction at time of assignment and as work progresses. On work which is similar to that previously completed, receives general suggestions concerning approach, potential problems to be prepared for, or ways to improve upon previous examinations. Consults supervisor as needed to solve unanticipated problems that arise or to check decisions before disclosure to taxpayer. Completed work is reviewed for accuracy and for correctness of interpretation of applicable precedents and regulations and to evaluate employee's development.

VII. Qualifications required

Work at this level requires (1) ability to use fact-finding and analytical techniques, (2) judgment to evaluate information supplied, (3) ability to reach decisions on the more common types of issues or those for which the tax consequence is not great, (4) working knowledge of tax code and of reference material available and ability to find and use pertinent citations, (5) ability to acquire additional knowledge of tax code and regulations, (6) ability to absorb training in elementary accounting and to acquire other know ledges typically required at the next higher working level, (7) ability to write letters or conduct interviews to elicit information or explain decisions in a forceful but friendly and tactful manner.

TAX TECHNICIAN, GS-0526-9

I. Nature and variety of work

Independently examines tax liability issues arising from assigned cases. Upon review of all available data pertaining to the taxpayer, perceives and isolates potential tax issues; explores issues to determine nature, scope and direction of inquiry; develops necessary evidence and information; evaluates evidence and information including alternative courses of action; reaches final decision on tax liability and explains to taxpayer the basis for any adjustments; secures agreement of taxpayer to final decision or fully advises taxpayer of all appeal rights in event taxpayer does not agree with adjustments proposed.

In performing the above type of examination, the incumbent encounters a wide variety of tax issues at all degrees of complexity and sensitivity found in the office situation.

II. Mental demands

The extent of fact finding and analysis required on any single issue or question is a matter of mature judgment for which no rigid guides can be established. The employee uses mature judgment in planning the examination, in determining the nature of supporting records most likely to yield information needed, in reconstructing situations and transactions in cases in which records are inadequate, or missing, in determining alternative courses of action to take with respect to specific points at issue. The employee is expected to use subtle, indirect lines of questioning or non-standard techniques as necessary when probing for information. He/she is expected to be alert for indications of further issues or of possible tax evasion and, through further questioning, to follow up such leads. Indications of this kind may be found as a result of documentary irregularities, evasive answers to questions, or in other ways.

To analyze information, employee must envision possible alternative interpretations of facts and the probable outcome under different applications of pertinent portions of the body of tax law and different applications of basic accounting principles. He is expected to interpret guidelines independently and to use informed judgment in arriving at results which are in accordance with tax law in light of the facts as far as they can be ascertained from documents, statements, reconstruction of business or personal transactions, or from other fragments of information.

III. Nature of available guidelines for performance of work

Written guidelines used include portions of tax code, regulations, policy statements, court decisions, and tax~ reference publications. While generally applicable, guide lines must be interpreted and appropriate precedents selected in light of the facts disclosed during the examination of the case.

IV. Nature and scope of decisions, commitments, conclusions

Makes both procedural and substantive determinations. Procedural determinations deal with the best ways to go about the examination--whether interview or correspondence techniques would yield the most reliable information, what information is to be requested.

Evaluates the reliability, veracity, reasonableness, pertinence, and significance of information obtained as a result of inquiry. Locates studies, analyzes, interprets pertinent portions of tax law, regulatory and reference materials, and applies basic principles of accounting and related knowledges of general and local business practices, state and local law to reach decisions. Determines whether income reported is substantially correct, decides whether to allow or disallow questioned items in whole or in part, or determines if taxpayer is entitled to deductions not claimed.

Employee's findings and determinations are final in most cases. They constitute a firm commitment to the taxpayer upon which the latter can either accept collection action or can base an appeal. Unagreed cases are subject to review prior to closing; a small sample of agreed cases is selected at random for review after closing, but the majority of agreed cases are closed by the employee without further review of any kind. With respect to the cases selected for review, the reviewers must rely entirely on the employee's findings as to the facts and on the information he/she has developed, as supporting documents are returned to the taxpayer at the end of the original examination.

Determinations made affect mainly individual taxpayers and their families and, through them, their associates in business, farm, or employee groups. Some of his decisions have extensive tax consequences and widespread importance from the standpoint of encouraging voluntary compliance with tax law requirements, and some are sensitive in that they involve prominent persons in a local community, or involve large sums of money. Through his decisions, and equally through his bearing, manner, and air of competence, he greatly influences the taxpayer's impression of the efficiency and effectiveness of the Service, thereby contributing to the willingness of the taxpayer and his associates to comply with tax law requirements in future years.

V. Purpose and nature of person-to-person work relationships

Contacts taxpayer to elicit supporting information or explanation of questioned items and to determine, through questioning, the extent of issues involved. Explains decisions and interpretations of law to taxpayer or his representative (tax practitioner, attorney, or accountant); endeavor to correct erroneous interpretations made by taxpayer, and attempts to secure agreement of taxpayer to the determination of overall tax liability or explains taxpayer's right to informal reconsideration or formal appeal.

Contacts are with taxpayers engaged in diverse occupations and displaying varied degrees of knowledge and sophistication in tax matter. A large proportion of taxpayers involved in interview situations are under emotional stress and display negative or hostile attitudes toward the examination. Interviews are often conducted without foreknowledge of case at hand and without any guidance. Since inadvertent admissions may be made by the taxpayer, the Tax Auditor must

be extremely alert and sensitive to responses and be able to ask evocative questions without arousing the antagonism of the taxpayer.

VI. Supervision received

Work is supervised by the Group Supervisor. Works independently in most cases, requesting advice or assistance only as needed on unusually complex or sensitive situations or on precedent-setting matters. Employee keeps supervisor informed of his workload and of special problems encountered in examinations, but otherwise plans and carries out his work independently. Completed cases are reviewed on a sample basis for overall technical adequacy and accuracy.

VII. Qualifications required

Work requires (1) skill in the use of fact-finding and analytical techniques, including writing correspondence and conducting personal interviews to elicit information and to explain decisions and proposed changes in a manner that attempts to result in agreement by the taxpayer; (2) judgement to evaluate information supplied, to determine reasonableness of items for which substantiating records are sketchy or nonexistent, and to perceive, ferret out, and examine potential additional issues on assigned returns; (3) ability to reach decisions on a wide variety of issues some of which are of extensive tax consequence or importance from the standpoint of compliance; (4) extensive knowledge of tax code and regulations and judgment in selecting and applying governing sections; (5) knowledge of elementary accounting, including basic principles and terminology; (6) awareness of common business and farming practices in the local area and of peculiarities of local laws concerning property rights, marital status, and (7) ability to detect and extract pertinent information from a variety of records and documents, such as financial balance sheets, divorce decrees, sales and other contracts, insurance policies, documents of title and property sale, and others.