IRS Staff Exodus Expected to Curb Future Hiring Efforts

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Former IRS officials anticipate that the widespread workforce purge will make it harder for the agency to recruit talent in the future, an issue it has already faced for years.

Former IRS Commissioner Charles Rettig, speaking May 9 at the American Bar Association Section of Taxation meeting, questioned what will happen when the dust settles from the ongoing workforce cuts and the agency realizes it has a personnel gap that needs filling.

"What are you going to tell those people? 'Come on board with job security. We're going to train you; you're going to have the tools'?" said Rettig, who is now with Chamberlain, Hrdlicka, White, Williams & Aughtry. "Try and say that now, and it's going to be a tough sell for a while."

IRS recruitment challenges have persisted for years and are well documented by the IRS and the Taxpayer Advocate Service, with one obstacle being the lengthy onboarding process. In her most recent annual report, National Taxpayer Advocate Erin Collins found that the average time it took for the IRS to hire an external candidate increased from 85 days to 93 days from fiscal 2023 to 2024, although the agency has used direct-hire authority to shorten some hiring processes.

The IRS also struggles to compete with private sector salaries and faces frequent attrition, according to the report.

Tom Cullinan, formerly a counselor to the IRS commissioner, said that a major selling point for candidates during his tenure at the agency (2018 to 2023) was stability, but that it was still a challenge to attract talent.

Restarting hiring will also be a tall order if the agency eventually goes in that direction, said Cullinan, also of Chamberlain. "Let's assume a year or two from now, different decisions are made, IRS gets a big chunk of funding. You can't just switch the hiring process back on," he said.

The IRS is poised to lose thousands of employees to Treasury's deferred resignation program and an ongoing reduction in force, and it terminated nearly 7,400 probationary employees in February — a move that has been subject to legal challenges. The agency was also included under a governmentwide hiring freeze on January 20.

Former IRS Chief Counsel Michael J. Desmond, now with Miller & Chevalier Chtd., said he had been encouraged by the first Trump administration's decision to hire more chief counsel attorneys following the enactment of the Tax Cuts and Jobs Act.

"The kind of long-term institutional benefit where you can go out and talk to law students and say, 'We're hiring. Tax is a career for you.' That was a really positive thing," Desmond said.

Several graduate students who had accepted offers to work in the Office of Chief Counsel saw their offers rescinded following the hiring freeze in January.

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