



More Consumers Looking To Resolve Their Tax Debt As IRS Ramps Up Enforcement Efforts

Description

By James Schulze

The Leads Ware House

This article discusses the increasing market for tax relief services, including key growth drivers. It also offers insights on how tax resolution firms can identify and connect with people who need help.

Despite glimmers of optimism, many Americans are still struggling financially. Too many consumers are living paycheck to paycheck, as wages have not kept pace with inflation. In a recent survey, data revealed that [55%](#) of all consumers could not handle an unexpected \$2,000 expense without borrowing, leading to more and more debt. The recent government shutdown only exacerbated the pain.

In such a challenging environment, it isn't surprising that countless consumers have also fallen into tax debt. And with Internal Revenue Service (IRS) audits and enforcement efforts set to increase, many are looking for relief. Analysts believe the market for tax relief services will grow [8%](#) per year through 2032, up from approximately \$13 billion last year to \$24 billion in 2032.

Factors driving the demand for tax relief services

With a growing number of taxpayers facing back taxes, penalties, and interest charges, they will increasingly look for help with debt resolution as well as negotiation of settlements and payment plans. But what else will drive the demand for tax relief services? Some drivers include:

- **Changes in tax law** ??? The tax landscape is likely to get a lot more complex next year. Unless Congress takes action, key provisions of the Tax Cuts and Jobs Act (TCJA) are set to expire at the end of 2025. This means American taxpayers will need to follow more complex filing requirements, leading them to seek professional tax relief services to ensure they are compliant.
- **IRS operational challenges** ??? The [National Taxpayer Advocate](#), an independent organization within the IRS that helps taxpayers resolve issues not easily addressed by the usual channels, has been raising some concerns about next year's filing season. One concern is the reduction in trained staff who program processing systems, create and distribute guidance on tax law changes, answer taxpayer phone calls, address taxpayer correspondence, and more. Frustrated taxpayers unable to get a response from the IRS will seek help from tax relief professionals.
- **Government initiatives for tax relief** ??? More people are recognizing that they do have options to resolve their debt. While this alone will help drive growth in tax relief services, the government has also introduced new tax initiatives that focus on debt forgiveness or penalty abatements. The government has encouraged consumers to use services that can help them obtain and maximize these benefits.
- **Greater need for tax planning** ??? So many changes are coming, including those to tax brackets, the standard deduction, and estate and gift tax exemptions. Taxpayers will need to be proactive in their plans to mitigate any tax liabilities. They will look to tax professionals for both compliance and strategic advice.
- **Specialized needs for businesses** ??? The number of small and medium-sized businesses has been growing. They often do not have internal tax expertise, and must turn to outside professionals. The IRS's enhanced tools to enforce the proper use of Employee Retention Tax Credit (ERTC) claims may stir up more audits and disputes. Businesses will require specialized tax resolution services to help businesses work through these issues.
- **Automation and AI usage** ??? In the coming year, tax relief firms are expected to implement more automation and artificial intelligence solutions. This will allow them to streamline their operations, take in more clients, and ultimately be more productive.

With so many drivers fueling growth in tax relief services, how can tax resolution firms capture a greater share of this opportunity?

How tax professionals can capture this opportunity

Firms that sell tax relief services often have talented sales professionals, but like many companies, they too face the great challenge of finding and connecting with the highest potential prospects. As a

solution, some buy sales leads that bring them closer to key conversations. These types of leads come in different forms, including:

- **Aged leads** — These leads are consumers who have expressed an interest in resolving their tax debt within the last year. They are the lowest-priced leads (given their age), but are still very relevant as most consumers hang on to tax debt for months, if not years. They are perfect for businesses with call centers that open and close sales.
- **Real-time leads** — Real-time leads are generated much like an aged lead, but they are delivered to tax relief firms immediately upon creation. This allows companies to be timely in addressing consumers' needs, improving conversion rates.
- **Call transfer leads** — Call transfer leads represent the highest-intent consumers. These are taxpayers who have not only provided their contact data and qualifying information to become a lead, but they have also spoken to a call center representative about their tax debt. Once qualified, they agree to be transferred to a tax relief services firm to resolve their tax debt issues.

The right type of lead for a tax relief services company will depend on many factors, such as their type and depth of sales organization, technical capabilities, marketing objectives, budget, and more. Are you ready to have a conversation about tax debt leads?

If you would like more information on how you can grow your tax debt sales, give The Leads Warehouse a call at **1-800-884-8371** or visit our website at <https://theleadswarehouse.com>.

Date Created

2025/11/17

Author

jimtlw-media