

IRS ROUNDS OUT TOP MANAGEMENT TEAM

WASHINGTON – The Internal Revenue Service today announced the selections of Joseph Kehoe as Commissioner of the Small Business and Self-Employed Division and John M. Dalrymple as Commissioner of the Wage and Investment Division.

The IRS is moving away from a geographically based structure to one that is based on the specific needs and circumstances of taxpayers. Kehoe will oversee the IRS's complex dealings with the 40 million taxpayers who are self employed, small businesses with assets up to \$5 million, estate and gift taxpayers, fiduciary return filers or individuals filing international tax returns.

Under Dalrymple's leadership, the Wage and Investment Division will focus on improving service to individual taxpayers who have only wage and investment income.

"We are pleased to welcome these two very talented individuals to our top management team," said Charles O. Rossotti, Commissioner of Internal Revenue. "Joe has extensive experience leading and improving service organizations in both the private and public sectors. John's dedication and expertise in the area of taxpayer service make him uniquely qualified to head the Wage and Investment Division."

Approximately 39,000 IRS employees, based in New Carrollton, Maryland, will staff the Small Business and Self-Employed Division. Headquarters operations for the division are to be established in the fourth quarter of 2000.

"Nearly 40% of the total revenue collected by the IRS comes from the small business and self-employed segments," Rossotti said. "This unique group of taxpayers transacts with the IRS several times per year and faces complex compliance issues."

Headquarters for the Wage and Investment Division will staff 21,000 IRS employees and be located in Atlanta, Georgia. The division will be operational in late 2000.

About 116 million individual taxpayers who file a Form 1040 tax return will be served by the Wage and Investment Division. Nearly all of the income for this group is reported by third parties and the vast majority of taxes are collected through third-party withholding.

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Before joining the IRS, Kehoe spent 26-years with Pricewaterhouse-Coopers, where he provided a broad spectrum of professional consulting services to public and private sector clients. He is a graduate of the University of Virginia and earned an M.B.A. at Syracuse University, Syracuse, New York.

Dalrymple was named IRS Chief Operations Officer in August 1998 after serving for two years as Deputy Chief Operations Officer. He began his career with the IRS as a revenue officer in 1975 and has held management positions in several IRS district offices. From April 1995 to August 1996, Dalrymple was District Director in the IRS North Central District.

A graduate of the University of Northern Iowa, Dalrymple did post graduate work at George Washington University in Washington, D.C.

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