

**2007 CUSTOMER BASE SMALL BUSINESS AND SELF EMPLOYED (SBSE) SURVEY—
CATI (n=2500)**

	<u>Quotas:</u>	
Form Type	Cell 01: Form 1120/1120A (n=350).....	01
(From Sample)	Cell 02: Form 1120S (n=400).....	02
	Cell 03: Form 1065 (n=400).....	03
	Cell 04: Form 1040C (n=700).....	04
	Cell 05: Form 1040E (n=400).....	05
	Cell 06: Form 1040F (n=250).....	06

(SAMPLE READ-IN SHOULD INCLUDE: COMPANY NAME, PERSON NAME [IF ANY], FORM TYPE, NEW BUSINESS, COMPLIANCE ISSUE)

Date of Call: _____ Interviewer's ID: _____

Time Began: _____ Time Ended: _____

Name: _____ Telephone #: (____) _____

SCREENER

(NOTE: IF CELLS 4-6, REMOVE TERM "BUSINESS" THROUGHOUT THE SURVEY.)

Hello, this is _____ from Pacific Market Research calling on behalf of the Internal Revenue Service.

(INITIAL REFUSAL)

00	01	02	03	04	05	06	07	08	09
10	11	12	13	14	15	16	17	18	19
20	21	22	23	24	25	26	27	28	29

S1. (S1a.) (IF BUSINESS WITH NAME) May I please speak with [READ-IN CONTACT NAME]?

- S
- Yes, speaking (SKIP TO INTRO 1).....1
- No longer works here.....2
- No such person.....3
- Not available/bad time (SKIP TO S5 (S1e)).....4
- Refused (TALLY & TERMINATE).....5

(TT1)

00	01	02	03	04	05	06	07	08	09
10	11	12	13	14	15	16	17	18	19

S2. (S1b.) Let me confirm, is this (READ-IN COMPANY NAME)?

- S
- Yes (SKIP TO S6 (S2)).....1
- No (TALLY & TERMINATE).....2

(TT2)

00	01	02	03	04	05	06	07	08	09
10	11	12	13	14	15	16	17	18	19

S3. (S1c.) (IF BUSINESS WITH NO NAME) Have I reached [READ-IN COMPANY NAME]?

- S
- Yes (SKIP TO S6 (S2)).....1
- No (TALLY & TERMINATE).....2

(TT3)

00	01	02	03	04	05	06	07	08	09
10	11	12	13	14	15	16	17	18	19

(INTRO 1) We are conducting a study of individual and small business taxpayers for the IRS to gather opinions and attitudes about filing federal income taxes. Your answers will help the IRS reduce the burden on taxpayers like you in filing taxes and help the IRS improve their service to taxpayers. We will not ask for any of your personal information, and the interview is strictly confidential.

S4. (S1d.) Let me confirm that I'm speaking with the person who is the most familiar with filing [business] income taxes. Are you that person?

- S
- Yes (SKIP TO S12 (S3b)).....1
- No (SKIP TO S7 (S2A)).....2
- Firm does not file taxes (TALLY & TERMINATE)...3
- Refused to do survey (TALLY & TERMINATE).....4

(TT4)

00	01	02	03	04	05	06	07	08	09
10	11	12	13	14	15	16	17	18	19

S5. (S1e.) Is (READ IN CONTACT NAME) the person who is the most familiar with filing [business] income taxes.

- S
- Yes (SET TIME TO CALL BACK).....1
 - No (SKIP TO S7 (S2A)).....2
 - Firm does not file taxes (TALLY & TERMINATE)...3
 - Refused to do survey (TALLY & TERMINATE).....4

(TT5)

00	01	02	03	04	05	06	07	08	09
10	11	12	13	14	15	16	17	18	19

S6. (S2.)I need to speak to the individual who is the most familiar with filing [BUSINESS] INCOME TAXES. That is, the person who usually is in charge of keeping records, and either files the taxes, or gives the records to a tax professional, or signs the forms. Are you that person?

- S
- Yes, speaking (SKIP TO INTRO 2).....1
 - No, someone else (CONTINUE).....2
 - Company no longer in business (TALLY & TERMINATE).....3
 - Different company name (TALLY & TERMINATE).....4
 - Refused (TALLY & TERMINATE).....5

(TT6)

00	01	02	03	04	05	06	07	08	09
10	11	12	13	14	15	16	17	18	19

S7. (S2a.) Could you please give me the name and telephone number of that person?

- S
- Yes, (SKIP TO UPDATE SCREEN).....1
 - Not sure who that is (CONTINUE).....2
 - Refused (TALLY & TERMINATE).....3

(TT7)

00	01	02	03	04	05	06	07	08	09
10	11	12	13	14	15	16	17	18	19

S8. (S2b.) Can you give me the name or number of someone who might know?

- S
- Yes, (GO TO UPDATE SCREEN).....1
 - Refused (TALLY & TERMINATE).....2

(TT8)

00	01	02	03	04	05	06	07	08	09
10	11	12	13	14	15	16	17	18	19

UPDATE NAME AND PHONE NUMBER

NAME: _____

PHONE: _____

S9. (S2c.) Can you transfer me to that person?

- S
- New person comes to phone (SKIP TO INTRO 2).....1
 - Not available/bad time (SET TIME TO CALL BACK).....2
 - Can't/won't transfer call (TERMINATE AND CALL BACK).....3
 - Refused (TALLY & TERMINATE).....4

(TT8)

00	01	02	03	04	05	06	07	08	09
10	11	12	13	14	15	16	17	18	19

(INTRO 2) Hello, this is _____ with Pacific Market Research calling on behalf of the Internal Revenue Service. We are conducting a study of individual and small business taxpayers for the IRS to gather opinions and attitudes about filing federal income taxes. Your answers will help the IRS reduce the burden on taxpayers like you in filing taxes and help the IRS improve their service to taxpayers. We will not ask for any of your personal information, and the interview is strictly confidential.

TACK-UP A

(CONTINUE IF UNSURE WHAT "MOST FAMILIAR" IS) That is, the person who usually is in charge of keeping tax records, and either files your [business's] income taxes or gives the records to a tax professional.

(CONTINUE IF SAYS OUR ACCOUNTANT/TAX PROFESSIONAL DOES EVERYTHING) We want to get the opinions of people who aren't tax professionals. I just need to speak with the person [in your business] who works most closely with the accountant or tax professional.

(CONTINUE IF STILL INSISTS ACCOUNTANT/TAX PROFESSIONAL DOES EVERYTHING) There won't be any questions about your specific tax returns, so you don't have to know any details. We want to hear from everyone, even if you just prepared the records, and a tax professional does the rest. We will be conducting a separate survey addressed just to tax professionals. I just need to speak to the person [in your business] who signs the tax forms.

(IF RESPONDENT ASKS) The interview takes about 15 to 20 minutes to complete.

S10. (S3.) Let me confirm that I'm speaking with the individual [in your business] who is the most familiar with filing [business] income taxes. Are you that person?

- S
- Yes (SKIP TO S12 (S3b)).....1
 - No (CONTINUE).....2
 - Not available/bad time (SET TIME TO CALL BACK)....3
 - Firm does not file taxes (TALLY & TERMINATE).....4
 - Refused to do survey (TALLY & TERMINATE).....5

(TT9)

00	01	02	03	04	05	06	07	08	09
10	11	12	13	14	15	16	17	18	19

S11. (S3a.) May I speak to that person?

S

New person comes to phone (RETURN INTRO 2).....1
 Person not available (SET TIME TO CALL BACK).....2

TACK-UP A

(CONTINUE IF UNSURE WHAT "MOST FAMILIAR" IS) That is, the person who usually is in charge of keeping tax records, and either files your [business's] income taxes or gives the records to a tax professional.

(CONTINUE IF SAYS OUR ACCOUNTANT/TAX PROFESSIONAL DOES EVERYTHING)
 We also want to get the opinions of people who aren't tax professionals. I just need to speak with the person who works most closely with the accountant or tax professional.

(CONTINUE IF STILL INSISTS ACCOUNTANT/TAX PROFESSIONAL DOES EVERYTHING)
 There won't be any questions about your specific tax returns, so you don't have to know any details. We want to hear from everyone, even if you just prepared the records and a tax professional does the rest. We will be conducting a separate survey addressed just to tax professionals. I just need to speak to the person who signs the tax forms.

(IF RESPONDENT ASKS) The interview takes about 15 to 20 minutes to complete.

TACK-UP B

(IF RESPONDENT IS HESITANT ABOUT CONFIDENTIALITY)

We are bound by law not to link the answers you give with any information that could be used to identify you. Neither the IRS nor anyone else will know who you are or what answers you personally provided. We do this so that you can be comfortable in telling us what you really think, not what you think the government wants to hear.

(IF ASKS HOW THEY WERE SELECTED, READ) You were randomly selected from a list of all small businesses in the U.S. who filed taxes for tax year 2006. The IRS does not know which businesses we are contacting, and we are prohibited from ever disclosing your name or the name of your business to the IRS or to anyone else.

(IF RESPONDENT ASKS FOR LEGAL AUTHORITY TO CONDUCT SUCH A SURVEY, READ)
 This survey has been approved by the Office of Management & Budget. There is an OMB control number for this public information request. That number is 1545-1432.

(IF RESPONDENT WANTS TO COMMENT ON THIS SURVEY, READ) If you have any comments about the time estimate to complete the survey or ways to improve the survey, you may write to the IRS, Would you like that address? (IF YES, READ)
 Internal Revenue Service

Tax Products Coordinating Committee
 SE:W:CAR:MP:T:T:SP
 1111 Constitution Ave. NW
 Washington, DC 20224

(USE AS NEEDED)

The survey will help the IRS to better understand the needs of individual and small business taxpayers, and develop ways to improve the quality of service they provide. It

will also help the IRS reduce the burden that taxpayers face in meeting their tax obligations.

S12. (S3b.) Are you a tax professional?

- | | |
|----------------|----------|
| | <u>S</u> |
| Yes..... | 1 |
| No..... | 2 |
| Not sure | 3 |
| Refused | 4 |

IF CODE 1 SAY: "Please answer my questions thinking about your experience with [IF CELLS 04, 05, or 06 say "your"; IF CELLS 01, 02, or 03 say "your business"] own federal taxes, not your clients' taxes.

S13. (S4.) Did [you/your business (PRETEST: you or your business)] file a federal tax return in 2007 for INCOME EARNED IN 2006?

- | | |
|--|----------|
| | <u>S</u> |
| Yes (USE DUMMY = 1)..... | 1 |
| No (USE DUMMY = 2, SKIP TO S19 (S6) (Pretest TERMINATE))..... | 2 |
| Not sure (USE DUMMY = 1, SKIP TO S19 (S6) (Pretest TERMINATE))...3 | |
| Refused (USE DUMMY = 1, SKIP TO S19 (S6) (Pretest TERMINATE))...4 | |

DUMMY 1 = 2006
 DUMMY 2 = 2005

NOTE: IF DUMMY = 2 THEN USE "2005" THROUGHOUT SURVEY INSTEAD OF "2006."

(IF CODES 2, 3 OR 4 IN S13 (S4) IN PRETEST THEN TALLY & TERMINATE)

(FOR PRE-TEST SKIP TO S15 (S4B))

NOTE TO INTERVIEWERS: IF RESPONDENT SAYS "I do not have a business", SAY: "Did you file a federal tax return in 2007?"

S14. (S4a.) You or your business filed Form [INSERT CORRECT FORM FROM SAMPLE] for your 2005 income taxes. Did you file the SAME form or a DIFFERENT one for your 2006 [business] income taxes?

- | | |
|--------------------|----------|
| | <u>S</u> |
| Yes, SAME..... | 1 |
| No, DIFFERENT..... | 2 |
| Not sure | 3 |
| Refused | 4 |

(IF CODES 1, 3 OR 4 IN S14 (S4A), AUTOPUNCH FORM TYPE FROM SAMPLE READ-INTO S15 (S4B) AND SKIP TO S19 (S6). ASK S15 (S4B) IF CODE 2 IN S14 (S4A). ASK S15 (S4B) IF PRETEST.)

S15. (S4b.) Did you file any of the following TAX forms for your 2006 taxes? Did you file form...? (READ LIST. PAUSE AFTER EACH ANSWER AND WAIT FOR A RESPONSE)

		<u>M</u>
	1120 or 1120A for US Corporation	1
	1120S for an S Corporation.....	2
	1065 for a Partnership.....	3
	1040 Schedule C for an Individual.....	4
	1040 Schedule E for an Individual (including trust, estate, and passive-partnership or "S" corporation recipients).....	5
	1040 Schedule F for an Individual with farm income.....	6
	Other.....	7
(DO NOT READ)	Not sure.....	8
(DO NOT READ)	Refused.....	9

(Note for interviewers: "for an Individual" includes those who file jointly)

(WHEN S15 (S4B) IS MENTIONED ELSEWHERE IN SURVEY, USE FIRST CODE GIVEN (LOWEST NUMBER) FOR S15 (S4B))

(IF CODE 7 OR 8 OR 9 IN S15 (S4B) IN PRETEST THEN TALLY & TERMINATE)
(IF CODE 7,8, OR 9, GO TO INSTRUCTIONS BEFORE S19 (S6))

(IF CODE 5 IN S15 (S4B), ASK S16 (S4c) ELSE SKIP TO S17 (S4d))

S16. (S4c.) Did you or your business also file Form 1120S for an S Corporation or Form 1065 for a Partnership?

	<u>S</u>
Yes, Form 1120S.....	1
Yes, Form 1065.....	2
No.....	3
Not sure	4
Refused	5

(IF CODES 2 OR 3 IN S15 (S4B) , ASK S17 (S4d) ELSE SKIP TO S18 (S5a))

S17. (S4d.) Did you personally also file Form 1040 with Schedule E for flow through income for your 2006 taxes?

	<u>S</u>
Yes.....	1
No.....	2
Not sure	3
Refused	4

(ASK IF CODE 5 IN S15 (S4B) ; OTHERWISE, SKIP TO S19 (S6))

S18. (S5a.) What TYPE of income or loss was claimed in your Schedule E, was it...? (READ LIST) (IF BOTH, TAKE FIRST ANSWER)

		<u>S</u>
	Rental or Royalty Income.....	1
	Other Income.....	2
(DO NOT READ)	Not sure.....	3
(DO NOT READ)	Refused.....	4

(IF CODE 5 IN S15 (S4B) , OR (CODE 7,8,OR 9 IN S15 (S4B) AND CELL(5)) SKIP TO QUESTIONNAIRE)

(IF S13 (S4)=2,3,4 OR S15 (S4B) =7,8,9) SAY:

You or your business filed Form [INSERT CELL] for your 2005 income taxes.

S19. (S6.) In what year did [IF CODES 4, 5, OR 6 in S15 (S4B) READ "you"; IF CODES 1, 2, OR 3 IN S15 (S4B) READ "your business"] start filing Form _____ ? [READ IN FROM S15 (S4B) OR IF S15 (S4B) =7,8,9 READ IN FROM CELL]

(IF S13 (S4)=2,3,4 OR S15 (S4B) =7,8,9), SHOW INTERVIEWER INSTRUCTION:IF RESPONDENT SAYS THEY DON'T REMEMBER FILING THAT FORM, SAY: You filed this form type in 2005.

_____ (RECORD YEAR 1906 to 2007)
 Not sure.....9999

S20. (S7.) Is this your FIRST business? (DO NOT READ)

	<u>S</u>
Yes	1
No.....	2
Not sure.....	3
Refused.....	4

NOTE 1: IF SCREENER SHOWS THAT DID NOT FILE 2006 TAXES FOR ONE OF THE SIX ALLOWED FORMS, THEN ASK ABOUT 2005 INSTEAD.

NOTE 2: FOR ALL 1120, 1120S, AND 1065 FROM Q4B SAY "BUSINESS" AND FOR ALL 1040 OMIT "BUSINESS" IN ALL QUESTIONS SINCE THEY ARE INDIVIDUALS.

TACK UP

(USE AS NEEDED, IF RESPONDENT SAYS THEY CANNOT ANSWER QUESTIONS BECAUSE TAX PROFESSIONAL DOES EVERYTHING FOR THEM)
We want to learn about the tax experience of individuals and small businesses, even if they use a tax professional. We will have a separate survey of tax professionals. We want you to answer the questions as best you can. You can always tell me that you are do not know the answer to any question.

QUESTIONNAIRE

1. (1.) Now, I would like to ask you some questions about **keeping records** for your tax return. Which of the following best describes who determined how to keep your [business'] [2005/2006] tax records, was it...? (READ LIST)

	<u>S</u>
You.....	1
Someone else in the company.....	2
A tax professional outside the company.....	3
A friend or relative outside the company.....	4
Someone else.....	5

(DO NOT READ) Not Sure.....6
 (DO NOT READ) Refused.....7

(IF CODE 1 IN Q1 (Q1), AUTOPUNCH CODE 1 IN Q2 (Q2) AND SKIP TO Q3 (Q4);
 OTHERWISE ASK Q2 (Q2))

2. (2.) How involved were you in keeping records for your [business's] [2005/2006] taxes, were you very involved, somewhat involved, or not at all involved? (DO NOT READ)

S

Very involved.....1
 Somewhat involved.....2
 Not at all involved (SKIP TO Q4 (Q9a)).....3
 Not sure (SKIP TO Q4 (Q9a)).....4
 Refused (SKIP TO Q4 (Q9a)).....5

3. (4.) Please rate your satisfaction with keeping records for your [2005/2006] [business] taxes using a scale of 1 to 5 where 1 is very dissatisfied and 5 is very satisfied. (IF NECESSARY, REPEAT SCALE)

S

1 Very dissatisfied.....1
 2.....2
 3.....3
 4.....4
 5 Very Satisfied.....5
 Not sure.....6
 Refused.....7

4. (Q9a.) Did you ever visit the IRS Web Site for any reason regarding your [2005/2006] [business] taxes either before filing or to resolve post-filing issues?

S

Yes.....1
 No.....2
 Not Sure.....3
 Refused.....4
 Tried to use, but did not work.....5

5. (Q9b.) Did you ever call an IRS Toll-Free phone line for any reason regarding your [2005/2006] [business] taxes, (IF NECESSARY READ either before filing or to resolve post-filing issues)?

S

Yes.....1
 No.....2
 Not Sure.....3
 Refused.....4
 Tried to call but did not get through.....5

6. (Q9c.) Did you ever visit an IRS local office, or Taxpayer Assistance Center, for any reason regarding your [2005/2006] [business] taxes (IF NECESSARY READ either before filing or to resolve post-filing issues)?

S

Yes.....1
 No.....2
 Not Sure.....3
 Refused.....4

7. (Q9d.) Did you ever send the IRS a letter for any reason regarding your [2005/2006] [business] taxes (IF NECESSARY READ either before filing or to resolve post-filing issues)?

S

Yes.....1
 No.....2
 Not Sure.....3
 Refused.....4

8. (10.) Did you contact the IRS specifically to get forms, instructions, information or guidance when you were preparing to file your [business's] [2005/2006] taxes using any method, including the IRS Web site or Toll-Free line? This does NOT include responding to a notice the IRS sent you. (DO NOT READ)

S

Yes.....1
 No.....2
 Not Sure.....3
 Refused.....4
 Tried to use, but did not get through.....5

(ASK IF CODE 1 IN Q8 (Q10); OTHERWISE SKIP TO Q13 (Q18a))
 (IF Q4 (Q9a)=2, SKIP Q9_1 (Q11_2); IF Q5 (Q9b)=2 SKIP Q9_2 (Q11_1); IF Q7 (Q9d)=2 SKIP Q9_3 (Q11_3); IF Q6 (Q9c)=2 SKIP Q9_4 (Q11_4))

9. (11.) How did you contact the IRS for these purposes? Did you use ...? (READ, PAUSE BETWEEN EACH ITEM. DO NOT ROTATE)

	<u>Yes</u>	<u>No</u>	(DO NOT READ) <u>Not Sure</u>	(DO NOT READ) <u>Refused</u>
9_1 The IRS Web Site (11_2)	1	2	3	4
9_2 The Toll-Free line (11_1)	1	2	3	4
9_3 Mail correspondence (11_3)	1	2	3	4
9_4 An IRS office (11_4)	1	2	3	4

10. (11b.) DELETED

11. (15.) DELETED

12. (17.) DELETED

(ASK IF CODE 1 IN Q4 (Q9A) OR CODE 1 IN Q9_1 (Q11_2); OTHERWISE, SKIP TO Q17 (Q25))

13. (18a.) DELETED

14. (19.) What was your primary reason for visiting the IRS **Web site**? (DO NOT READ) (PROBE)? [NOTE: If respondent says there were multiple reasons or visited multiple times, SAY: "Please give me your single most frequent reason for visiting the Web site"]

(IF SAYS "GET INFORMATION" Say: what type of information?)

	<u>S</u>
Get forms or instructions.....	01
Get information on which forms to file.....	02
Get information about keeping records.....	03
Get information about business deductions.....	04
Get information about completing or filing income taxes.....	07
Get information about employment taxes/payroll/Form 940 or 941.	08
Get information about estimated taxes/quarterly payments.....	09
Get information on how to get help with taxes.....	10
General information/find out what's new/surfing.....	13
Other (Please Specify) _____	14
Not sure.....	15
Refused.....	16

14a. (19a.) When you visit the IRS Web site for tax information or guidance. Typically, how do you find the information you are looking for? Do you...? (READ):

	<u>S</u>
Go directly to your bookmarks for the site.....	01
Use the search engine.....	02
Go directly to the "Individuals" or "Business" "tabs".....	04
Browse until you find what you want.....	05
Other (Specify _____).....	06
Not Sure.....	07
Refused.....	08

14b. (19b.) Compared with other Web sites you use to conduct business, how would you rate the IRS Web site as a place to conduct business with IRS? Would you say the IRS Web site is...(READ): (NOTE: IF ASKED WHICH WEB SITE, SAY: "IRS.gov")

	<u>S</u>
Much Better.....	1
Better.....	2
About Equal.....	3
Worse.....	4
Much Worse.....	5
Not Sure.....	6
Refused.....	7

15. (23.) Please rate your satisfaction with the IRS Web Site using a scale of 1 to 5, where 1 is very dissatisfied and 5 is very satisfied. (IF NECESSARY, REPEAT SCALE)

	<u>S</u>
1, Very Dissatisfied.....	1

- 2.....2
- 3.....3
- 4.....4
- 5, Very Satisfied (SKIP TO Q17 (Q25)).....5
- Not Sure (SKIP TO Q17 (Q25)).....6
- Refused (SKIP TO Q17 (Q25)).....7

16. (24.)How could the IRS Web site be improved? I will read a list of items and you can say yes or no to each one. What about...? (READ LIST. PAUSE AFTER EACH OPTION AND ALLOW RESPONDENT TO SAY YES OR NO TO EACH OPTION) (IF RESPONDENT PROVIDES ANSWER BEFORE YOU READ OPTIONS, RECORD ANSWER AND READ ALL OTHER OPTIONS)

- M
- Making information easier to find.....01
- Improving the Search Engine.....02
- Making information easier to understand.....03
- Providing more information.....04
- Allowing you to perform simple tax calculations.....03
- Allowing you to file and pay your taxes.....10
- Anything else (Please Specify) _____.....11
- (DO NOT READ) Nothing.....07
- (DO NOT READ) Not Sure.....08
- (DO NOT READ) Refused.....09

17. (25.)Now I want to ask you some questions about **preparing and filing** your [business] income tax return. Who prepared your [business's] [2005/2006] tax return, was it...? (READ)

- S
- You.....1
- Someone else in your business.....2
- Tax professional (includes accountant, CPA, Enrolled Agent, and other tax professionals).....3
- Friend or relative outside business.....4
- Someone else.....5
- (DO NOT READ) Not Sure.....6
- (DO NOT READ) Refused7

18. (29.) How did [IF Q17 (Q25)=CODE 1 READ "you"; IF Q17 (Q25)=CODE 3 READ "your tax professional"; ELSE READ "the person who prepared your taxes"] file your [2005/2006] [business] income tax return with the IRS? Was it...? (READ LIST)

- S
- Sent by regular mail.....1
- Sent electronically by computer with no paper copy mailed (e-file). 2
- (DO NOT READ) Not sure, filed by someone else.....3
- (DO NOT READ) Not sure.....4
- (DO NOT READ) Refused.....5

(ASK IF CODE 2, 3 or 4 IN Q18 (Q29); OTHERWISE SKIP TO Q20 (Q37))

19. (29a.) Did you have to sign a paper copy of your [business] income tax return and mail it to the IRS? (READ LIST)

	<u>S</u>
Yes.....	1
No.....	2
Not sure.....	3
Refused.....	4

(SKIP TO Q21 (Q41) IF DUMMY=2)

20. (37.) How did you or your tax professional file your 2005 [business] income taxes for the prior year? Were they...? (READ)

	<u>S</u>
Filed by regular <u>mail</u>	1
Filed <u>electronically</u> by computer (e-file).....	2
(DO NOT READ) Not Sure.....	3
(DO NOT READ) Refused.....	4

(IF S15 (S4B) =CODE 2 or CODE 3, AUTOPUNCH CODE 3 IN Q21 (Q41) AND SKIP TO Q23 (Q45), OTHERWISE ASK)

21. (41.) Did you owe money or did you receive a refund on your [2005/2006] [business] taxes?

(DO NOT READ)

NOTE TO INTERVIEWER: If respondent says, "I got a refund but later found out I owed money" SAY: "When the return was originally filed".

	<u>S</u>
Owed money.....	1
Received refund.....	2
Neither, even balance.....	3
Received refund, but applied it to estimated tax or other money owed.....	6
Not Sure.....	4
Refused.....	5

(ASK IF CODE 1 IN Q21 (Q41); OTHERWISE SKIP TO Q23 (Q45))

22. (43.) How did you pay the money owed? Did you pay by...? (READ)

	<u>S</u>
Check.....	1
Credit Card.....	2
DELETE.....	3
Electronic Payment.....	4
Other.....	5
(DO NOT READ) Not Sure.....	6
(DO NOT READ) Refused.....	7

NOTE TO INTERVIEWER: IF ASKED ABOUT ELECTRONIC PAYMENT: Includes EFTPS, Electronic Federal Tax Payment System)

(IF CODE 1 IN Q17 (Q25), AUTOPUNCH CODE 1 IN Q23 (Q45) AND SKIP TO Q24 (Q46); OTHERWISE ASK)

23. (45.) How involved were you in preparing and filing your [2005/2006] [business] income taxes, were you...? (READ LIST)

S

- Very involved.....1
- Somewhat involved.....2
- Not at all involved (SKIP TO Q26 (Q48)).....3
- (DO NOT READ) Not Sure (SKIP TO Q26 (Q48)).....4
- (DO NOT READ) Refused (SKIP TO Q26 (Q48)).....5

24. (46.) Please rate your satisfaction with preparing and filing your [2005/2006] [business] income taxes using a scale of 1 to 5, where 1 is very dissatisfied and 5 is very satisfied.

- S
- 1, Very Dissatisfied.....1
- 2.....2
- 3.....3
- 4.....4
- 5, Very Satisfied (SKIP TO Q26 (Q48)).....5
- (DO NOT READ) Not Sure (SKIP TO Q26 (Q48)).....6
- (DO NOT READ) Refused (SKIP TO Q26 (Q48)).....7
- (DO NOT READ) Not applicable/Preparer did it (SKIP TO Q26 (Q48)).....8

25. (47.) How could the process of preparing and filing your [business] income taxes be improved?? I will read a list of items and you can say yes or no to each one. What about...? (READ LIST PAUSE AFTER EACH OPTION AND ALLOW RESPONDENT TO SAY YES OR NO TO EACH OPTION) (IF RESPONDENT PROVIDES ANSWER BEFORE YOU READ OPTIONS, RECORD ANSWER AND READ ALL OTHER OPTIONS)

- M
- Making forms and instructions easier to obtain.....1
- Making forms and instructions easier to understand.....2
- Making it easier to complete the forms.....3
- Providing better explanations of changes from previous years.....4
- Anything else (Please Specify): _____.....6
- (DO NOT READ) Nothing.....7
- (DO NOT READ) Not Sure.....8
- (DO NOT READ) Refused.....9

(IF S15 (S4B) =CODE 2 or CODE 3, AUTOPUNCH CODE 2 IN Q26 (Q48) AND SKIP TO Q32 (Q59), OTHERWISE ASK)

26. (48.) Now I have some questions for you about filing **estimated taxes**. Did you [or your business] pay estimated taxes for [2005/2006]? (DO NOT READ)

- S
- Yes.....1
- No (SKIP TO Q32 (Q59)).....2
- Not Sure (SKIP TO Q32 (Q59)).....3
- Refused (SKIP TO Q32 (Q59)).....4

27. (49.) Who prepared and paid your estimated taxes for [2005/2006], was it...? (READ)

- S
- You.....1
- Someone else in your business.....2
- Tax professional (includes accountant, CPA,

	Enrolled Agent, and other tax professionals).....	3
	Friend or relative outside business.....	4
	Someone else.....	5
(DO NOT READ)	Not Sure.....	6
(DO NOT READ)	Refused.....	7

28. (50.) How did you pay your estimated taxes, did you pay by...? (READ)

		<u>S</u>
	Check.....	1
	Credit Card.....	2
	DELETE.....	3
	Electronic Payment.....	4
	Other.....	5
(DO NOT READ)	Not Sure.....	6
(DO NOT READ)	Refused.....	7

NOTE TO INTERVIEWER: IF ASKED ABOUT ELECTRONIC PAYMENT: Includes EFTPS, Electronic Federal Tax Payment System)

(IF CODE 1 IN Q27 (Q49), AUTOPUNCH CODE 1 IN Q29 (Q52) AND SKIP TO Q30 (Q57); OTHERWISE ASK)

29. (52.) How involved were you in preparing and paying your [2005/2006] estimated taxes, were you...? (READ)

		<u>S</u>
	Very involved.....	1
	Somewhat involved.....	2
	Not at all involved (SKIP TO Q32 (Q59)).....	3
(DO NOT READ)	Not Sure (SKIP TO Q32 (Q59)).....	4
(DO NOT READ)	Refused (SKIP TO Q32 (Q59)).....	5

30. (57.) Please rate your satisfaction with preparing and paying your [2005/2006] **estimated** taxes using a scale of 1 to 5, where 1 is very dissatisfied and 5 is very satisfied.

		<u>S</u>
	1, Very Dissatisfied.....	1
	2.....	2
	3.....	3
	4.....	4
	5, Very Satisfied (SKIP TO Q32 (Q59)).....	5
(DO NOT READ)	Not Sure (SKIP TO Q32 (Q59)).....	6
(DO NOT READ)	Refused (SKIP TO Q32 (Q59)).....	7

31. (58.) How could the estimated tax process be improved? I will read a list of items and you can say yes or no to each one. What about...? (READ LIST. PAUSE AFTER EACH OPTION AND ALLOW RESPONDENT TO SAY YES OR NO TO EACH OPTION) (IF RESPONDENT PROVIDES ANSWER BEFORE YOU READ OPTIONS, RECORD ANSWER AND READ ALL OTHER OPTIONS)

		<u>M</u>
	Making forms and instructions easier to obtain.....	01
	Making forms and instructions easier to understand.....	02
	Making it easier to complete the forms.....	03
	Providing better explanations of changes from previous years	04

- Providing more guidance on calculating the amount due.....05
- Anything Else (Please Specify) _____.....08
- (DO NOT READ) Nothing.....09
- (DO NOT READ) Not Sure.....10
- (DO NOT READ) Refused.....11

(IF CODE 5 IN S15 (S4B) , AUTOPUNCH CODE 2 IN Q32 (Q59) AND SKIP TO Q33 (Q59a), OTHERWISE ASK)

32. (59.) My next questions are about preparing and filing **employment taxes**. Did you or your company have any employees other than yourself in [2005/2006]?

- S
- Yes.....1
- No2
- Not Sure.....3
- Refused.....4

(IF CODE 2 IN Q32 (Q59), AUTOPUNCH CODE 0 IN Q33 (Q59a) AND SKIP TO Q34 (Q60), OTHERWISE ASK)

33. (59a.) How many regular salaried employees **OTHER THAN YOURSELF** did you or your company have in [2005/2006]? [IF UNSURE, SAY: Can you give me a rough estimate?]

(IF ASKS WHETHER TOTAL FOR YEAR OR CURRENT NUMBER, SAY: the total number on the payroll for the year)
 (IF ASKS ABOUT PART-TIME OR SEASONAL EMPLOYEES, SAY: Include salaried part time and seasonal employees, but not contractors. In other words, anyone to whom you issued a W-2, but not a 1099.)

ENTER NUMBER 0 to 997; 998 = Not Sure; 999= Refused

(IF CODE 2 IN Q32 (Q59) AND CODE 4, CODE 5, OR CODE 6 in S15 (S4B) , AUTOPUNCH CODE 2 IN Q34 (Q60) AND SKIP TO Q42 (Q70c), OTHERWISE ASK)

34. (60.) Does your business pay employment taxes? (DO NOT READ)

- S
- Yes.....1
- No (SKIP TO Q42 (Q70c)).....2
- Not Sure (SKIP TO Q42 (Q70c)).....3
- Refused (SKIP TO Q42 (Q70c)).....4

NOTE TO INTERVIEWER: If asked for clarification, say: "this is referring to Form 941 or 944 or your payroll taxes".

35. (61.) Who prepared and filed your [2005/2006] employment taxes, was it...? (READ)

- S
- You.....1
- Someone else in your company.....2
- Tax professional (includes accountant, CPA, Enrolled Agent and other tax professionals).....3
- A payroll service (like PAYCHEX/ third party firm)....4
- Friend or relative outside business.....5
- Someone else.....6

(DO NOT READ)	Not Sure.....	7
(DO NOT READ)	Refused.....	8

NOTE TO INTERVIEWER: If asked for clarification, say: "this is referring to Form 941 or 944 or your payroll taxes".

36. (62.) How did [IF Q35 (Q61)=1 READ "you"; IF Q35 (Q61)=3 READ "your tax professional"; IF Q35 (Q61)=4 READ "your payroll service"; ELSE READ "the person who prepared your taxes"] file your employment taxes for [2005/2006]? Did you...? (READ)

		<u>S</u>
	File all year by regular <u>mail</u>	1
	File all year <u>electronically</u> by computer (e-file).....	2
	File part of the year by mail and part of the year <u>electronically</u> (e-file)...	6
(DO NOT READ)	Filed by telephone (Tele-file).....	3
(DO NOT READ)	Not Sure (SKIP TO Q38 (Q65)).....	4
(DO NOT READ)	Refused (SKIP TO Q38 (Q65))	5

NOTE TO INTERVIEWER: If asked if you mean file or pay, say: "file only, not pay".

(SKIP TO Q38 (Q65) IF DUMMY=2)

37. (62a.) How did you, your tax professional, or your payroll service file your 2005 employment taxes for the prior year? Did you...? (READ)

		<u>S</u>
	File all year by regular <u>mail</u>	1
	File all year <u>electronically</u> by computer (e-file).....	2
	File part of the year by mail and part of the year <u>electronically</u> (e-file)...	6
(DO NOT READ)	Filed by telephone (Tele-file).....	3
(DO NOT READ)	Not Sure.....	4
(DO NOT READ)	Refused	5

NOTE TO INTERVIEWER: If asked if you mean file or pay, say: "file only, not pay".

(IF CODE 1 IN Q35 (Q61), AUTOPUNCH CODE 1 IN Q38 (Q65) AND SKIP TO Q39 (Q67); OTHERWISE ASK)

38. (65.) How involved were you in preparing, filing, and paying employment taxes, were you...? (READ)

		<u>S</u>
	Very involved.....	1
	Somewhat involved.....	2
	Not at all involved.....	3
(DO NOT READ)	Not Sure.....	4
(DO NOT READ)	Refused.....	5

39. (67.) How did you pay your employment taxes, did you pay by...? (READ)

		<u>S</u>
	Check.....	1
	Credit Card.....	2
	DELETE.....	3
	Electronic Payment.....	4
	Other.....	5
(DO NOT READ)	Not Sure.....	6

(DO NOT READ) Refused.....7

NOTE TO INTERVIEWER: IF ASKED ABOUT ELECTRONIC PAYMENT: Includes EFTPS, Electronic Federal Tax Payment System)

(SKIP TO Q42 (Q70c) IF CODES 3, 4, OR 5 IN Q38 (Q65); OTHERWISE, ASK)

40. (69.) Please rate your satisfaction with preparing and filing your [2005/2006] employment taxes using a scale of 1 to 5, where 1 is very dissatisfied and 5 is very satisfied.

	<u>S</u>
1, Very Dissatisfied.....	1
2.....	2
3.....	3
4.....	4
5, Very Satisfied (SKIP TO Q42 (Q70c)).....	5
Not Sure (SKIP TO Q42 (Q70c)).....	6
Refused (SKIP TO Q42 (Q70c)).....	7

41. (70.) How could the employment tax process be improved? I will read a list of items and you can say yes or no to each one. What about...? (READ LIST PAUSE AFTER EACH OPTION AND ALLOW RESPONDENT TO SAY YES OR NO TO EACH OPTION) (IF RESPONDENT PROVIDES ANSWER BEFORE YOU READ OPTIONS, RECORD ANSWER AND READ ALL OTHER OPTIONS)

	<u>M</u>
Making forms and instructions easier to obtain.....	1
Making forms and instructions easier to understand.....	2
Making it easier to complete the forms.....	3
Providing better explanations of changes from prior years.....	4
Anything else (Please Specify) _____	6
(DO NOT READ) Nothing.....	7
(DO NOT READ) Not Sure.....	8
(DO NOT READ) Refused.....	9

(ASK IF (CODE 2 IN Q18 (Q29) AND CODE 1 IN Q20 (Q37)) OR (CODE 2 IN Q36 (Q62) AND CODE 1 IN Q37 (Q62a)); OTHERWISE, SKIP TO Q44 (Q70e))

Now I have a few questions for you about **e-filing and electronic payments**.

42. (70c.) Earlier, you said that you switched from paper filing in 2006 to e-filing in 2007 your [IF CODE 2 IN Q18 (Q29) AND CODE 1 in Q20 (Q37) say "income taxes"; IF CODE 2 IN Q36 (Q62) AND CODE 1 IN Q37 (Q62a) say "(and) your employment taxes"]. Who decided that you would switch to e-filing, was it...? (READ LIST)

	<u>S</u>
You or someone in your business.....	1
Your tax professional.....	2
(DO NOT READ) Your payroll service.....	3
(DO NOT READ) Different people made separate decisions....	4
(DO NOT READ) Not Sure.....	5
(DO NOT READ) Refused.....	6

43. (70d.) What was the primary reason that [IF Q42 (Q70c)=CODE 1 READ "you"; IF Q42 (Q70c)=CODE 2 READ "your tax professional"; IF Q42 (Q70c)=CODE 3 READ "your payroll service"; ELSE READ "you or the person who made the decision"] switched to e-filing? (DO NOT READ) (PROBE ALL CODE 6 (OTHER) ANSWERS).

	<u>S</u>
More Convenient/Easier.....	2
Faster refund.....	3
More efficient.....	5
E-filing was required.....	9
Other (Please Specify): _____	6
Not Sure.....	7
Refused.....	8

(ASK IF CODE 1, 2, OR 5 IN Q22 (Q43), OR CODE 1, 2 OR 5 IN Q28 (Q50), OR CODE 1, 2, OR 5 IN Q39 (Q67); OTHERWISE, SKIP TO Q45 (Q71))

[READ ONLY IF SKIPPED Q42 (Q70c): Now I have a few questions for you about **e-filing and electronic payments.**]

44. (70e.) Earlier, you said that you did not electronically pay your [IF CODE 1, 2, OR 5 IN Q22 (Q43) say "income taxes"; IF CODE 1, 2 OR 5 IN Q28 (Q50) say "(and) estimated taxes"; IF CODE 1, 2, OR 5 IN Q39 (Q67) say "(and) employment taxes"]. Why did you choose not to pay electronically? (DO NOT READ) (IF RESPONDENT ASKS "Is it possible to file a paper return but pay electronically?" ANSWER: "Yes, it is possible to pay electronically even if you did not file electronically". DO NOT SAY ANYTHING ELSE.) (IF NECESSARY SAY: "What do you mean by that?") (PROBE ALL CODE 10 (OTHER) ANSWERS).

	<u>S</u>
Don't trust security of electronic payments.....	01
Don't trust that electronic payments will arrive at IRS.....	02
Don't use/not familiar with a computer.....	03
Did not know about electronic payments.....	04
Was not able to pay electronically in my situation.....	05
It's the way I've always done it.....	06
I like to have a paper trail/ record of my payments.....	07
Easier not to pay electronically/Prefer the other way.....	08
Preparer did it for me.....	09
Other (Please Specify): _____	10
Not Sure.....	11
Refused.....	12
Not set up for it.....	13
<u>Did</u> electronically pay income taxes.....	14
<u>Did</u> electronically pay estimated taxes.....	15
<u>Did</u> electronically pay employment taxes.....	16

45. (71.) My next questions are about any **notices** from the IRS. In 2007, did you RECEIVE a notice in the mail or any communication from the IRS **that dealt with returns you had previously filed?** (DO NOT READ)

	<u>S</u>
Yes.....	1
No.....	2
Not Sure.....	3
Refused (SKIP TO Q69 (Q93)).....	4

(ASK IF CODES 2 OR 3 IN Q45 (Q71); OTHERWISE SKIP TO Q48 (Q78))

46. (73.) What about in **2006**? (DO NOT READ)

	<u>S</u>
Yes.....	1
No (SKIP TO Q69 (Q93)).....	2
Not Sure (SKIP TO Q69 (Q93))	3
Refused (SKIP TO Q69 (Q93)).....	4

(ASK ONLY IF CODE 1 IN Q45 (Q71) OR CODE 1 IN Q46 (Q73); OTHERWISE SKIP TO Q69 (Q93))

(MOVED)

47. (79b.) Was the notice regarding your...? (READ LIST, ROTATE)

	<u>S</u>
Income taxes.....	1
Estimated taxes.....	2
Employment taxes.....	3
(DO NOT READ OR ROTATE) More than one type of taxes.....	4
(DO NOT READ OR ROTATE) Other (Please Specify).....	5
(DO NOT READ) Not Sure.....	6
(DO NOT READ) Refused.....	7

(IF CODE 1 OR CODE 2 IN Q47 (Q79b), DO NOT READ CODE 9 IN Q48 (Q78); IF CODE 3 IN Q47 (Q79b), DO NOT READ CODE 8 IN Q48 (Q78))

48. (78.)What was the reason for the notice? Was it...? (READ LIST, CHOOSE ALL THAT APPLY)

	<u>M</u>
Penalty for <u>late</u> filing.....	01
Income that was not reported.....	02
Not paying the full amount due.....	03
Problems with deductions.....	04
Not making all required estimated tax payments.....	08
Not making all required Federal Tax deposits (employment taxes).....	09
Not filing a required form.....	10
Or something else (Please Specify): _____.....	05
(DO NOT READ) Not Sure.....	06
(DO NOT READ) Refused.....	07

(ASK IF CODE 2 IN Q48 (Q78); OTHERWISE SKIP TO Q50 (Q78b))

49. (78a.) What was the type of unreported income? Was it...? (READ LIST)

	<u>S</u>
Wages or salary.....	01
Dividend or interest income.....	02
Capital gains.....	03
Retirement or pension (including Social Security).....	04
Rents or royalties.....	05
Business income.....	06
Farm income.....	07
Some other income (SPECIFY) _____.....	08
(DO NOT READ) Not Sure.....	10

(DO NOT READ) Refused..... 11

(ASK IF CODES 4, 5, OR 6 IN S15 (S4B) AND CODE 4 IN Q48 (Q78); OTHERWISE SKIP TO Q51 (Q78c))

50. (78b.) Was the problem with deductions with...? (READ LIST)

	<u>S</u>
Schedule A, personal deductions or credits.....	1
Schedule C, business deductions and credits.....	2
Some other deductions (SPECIFY) _____.....	3
(DO NOT READ) Not Sure.....	5
(DO NOT READ) Refused.....	6

51. (78c.) Did the notice say you owed money?

	<u>S</u>
Yes.....	1
No.....	2
(DO NOT READ) Not Sure.....	3
(DO NOT READ) Refused.....	4

(ASK IF CODE 1 IN Q51 (Q78c); OTHERWISE SKIP TO Q54 (Q80)).

52. (79.) Did the notice say you owed money due to...? (READ LIST, ROTATE, CHOOSE ALL THAT APPLY)

	<u>M</u>
Incorrect deductions.....	1
Incorrect tax calculation.....	2
Underpaid estimated tax payment.....	3
Late filed or improperly filed federal tax deposit.....	4
(DO NOT ROTATE) Other (Please Specify) _____.....	5
(DO NOT READ) Not Sure.....	6
(DO NOT READ) Refused.....	7

53. (79a.) Did you owe money because you or your practitioner made a mistake or did you owe money because you did not have the money to pay the IRS at the time that your taxes were due?

	<u>S</u>
Made a mistake.....	1
Did not have the money to pay amount owed.....	2
(DO NOT ROTATE) Other (Please Specify) _____.....	5
(DO NOT READ) Not Sure.....	6
(DO NOT READ) Refused.....	7

54. (80.) Was the notice about an issue you knew about when you filed the return or made the payment or were you surprised to find out about the error?

	<u>S</u>
Knew about issue.....	1
Surprised to find error.....	2
Not Sure.....	3
Refused.....	4

55. (81.) Did you or your tax professional contact the IRS about the issue? (IF ANSWER YES READ: Would that be... (READ ANSWER OPTIONS 1-4)

- S
- No (SKIP TO Q60 (Q85)).....5
- Yes, only you1
- Yes, only someone else in your firm (SKIP TO Q60 (Q85)). 2
- Yes, only your tax professional (SKIP TO Q60 (Q85)).....3
- Yes, both you and your tax professional.....4
- Not Sure (SKIP TO Q60 (Q85)).....6
- Refused (SKIP TO Q60 (Q85)).....7

(IF Q5 (Q9b)=2 SKIP Q56_1 (Q82_1); IF Q7 (Q9d)=2 SKIP Q56_2 (Q82_2))

56. (82.) How did you contact the IRS about the issue in your notice, did you use...? (READ) (ONLY READ QUESTION ONCE, DO NOT REPEAT BEFORE Q56_3 (Q82_3), etc)

		<u>Yes</u>	<u>No</u>	(DO NOT READ) <u>Not Sure</u>	(DO NOT READ) <u>Refused</u>
56_1 (82_1)	The telephone number listed in the notice	1	2	3	4
56_2 (82_2)	Mail correspondence	1	2	3	4
56_3 (82_3)	Another method (Please Specify)	1	2	3	4

57. (83a.) DELETED_

58. (83.) DELETED

59. (84.) DELETED

60. (85.) Was the issue in your notice...? (READ)

- S
- Resolved in your favor.....1
- Resolved but not in your favor.....2
- Not resolved (SKIP TO Q63 (Q88)).....3
- (DO NOT READ) Resolved but unsure in whose favor.....7
- (DO NOT READ) Not Sure.....4
- (DO NOT READ) Refused.....5

61. (86.) Who made the mistake that led to the IRS issuing the notice, was it...? (READ)

- S
- You or someone in your company.....1
- Your tax professional.....2
- The IRS.....3
- (DO NOT READ) Other, specify _____.....6
- (DO NOT READ) Not Sure.....4

(DO NOT READ) Refused.....5

62. (87.) When the issue was resolved, did...? (READ)
- | | |
|--------------------------------|----------|
| | <u>S</u> |
| You owe money to the IRS..... | 1 |
| The IRS owes money to you..... | 2 |
| Or was no money owed..... | 3 |
| Not Sure..... | 4 |
| Refused..... | 5 |

63. (88.) Approximately how many hours did you spend trying to resolve the issue in the notice? (DO NOT READ)

ENTER NUMBER 0 to 9000; 0=Less than one hour; 9001= over 9000; 9998 = Not Sure; 9999= Refused

(ASK IF CODE 1 OR CODE 2 OR CODE 7 IN Q60 (Q85); OTHERWISE SKIP TO Q65 (Q88b))

64. (88a.) Approximately how many months after you received the notice were you informed that the issue was resolved? (DO NOT READ)

ENTER NUMBER 0 to 9000; 0=Less than one month; 9001= over 9000; 9997 = Was not informed that issue was resolved; 9998 = Not Sure; 9999= Refused

65. (88b.) Did you use a tax professional to help you resolve this issue? (DO NOT READ)

- | | |
|---------------|----------|
| | <u>S</u> |
| Yes..... | 1 |
| No..... | 2 |
| Not Sure..... | 3 |
| Refused..... | 4 |

(IF CODE 1 in Q65 (Q88b), ASK Q65a (Q88c); ELSE SKIP TO Q66 (Q91))

65. (88b.) Did you have to pay the tax professional for this help? (DO NOT READ)

- | | |
|---------------|----------|
| | <u>S</u> |
| Yes..... | 1 |
| No..... | 2 |
| Not Sure..... | 3 |
| Refused..... | 4 |

(IF CODE 1 OR CODE 4 IN Q55 (Q81), AUTOPUNCH CODE 1 IN Q66 (Q89) AND SKIP TO Q67 (Q91); OTHERWISE ASK)

66. (89.) How involved were you in taking care of resolving the issue in the IRS notice, were you...? (READ)

- | | |
|------------------------|----------|
| | <u>S</u> |
| Very involved | 1 |
| Somewhat involved..... | 2 |

(DO NOT READ) Not at all involved (SKIP TO Q69 (Q93)).....3
 (DO NOT READ) Not Sure (SKIP TO Q69 (Q93)).....4
 (DO NOT READ) Refused (SKIP TO Q69 (Q93)).....5

67. (91.) Please rate your satisfaction with resolving your notice using a scale of 1 to 5, where 1 is very dissatisfied and 5 is very satisfied.

S

1, Very Dissatisfied.....1
 2.....2
 3.....3
 4.....4
 5, Very Satisfied (SKIP TO Q69 (Q93)).....5
 (DO NOT READ) Not Sure (SKIP TO Q69 (Q93)).....6
 (DO NOT READ) Refused (SKIP TO Q69 (Q93)).....7

68. (92.) How could the process for resolving IRS notices be improved? I will read a list of items and you can say yes or no to each one. What about...? (READ LIST. PAUSE AFTER EACH OPTION AND ALLOW RESPONDENT TO SAY YES OR NO TO EACH OPTION) (IF RESPONDENT PROVIDES ANSWER BEFORE YOU READ OPTIONS, RECORD ANSWER AND READ ALL OTHER OPTIONS)

M

Issuing the notice more quickly.....01
 Making the notice easier to understand.....02
 Allowing you to take more time to respond to the IRS notice.....03
 The IRS acknowledging receipt of the information you submit.....04
 The IRS processing the information you submit more quickly.....05
 Reducing the amount of time you have to spend on the notice.....06
 Anything else (Please Specify).....07
 (DO NOT READ) Nothing.....09
 (DO NOT READ) Not Sure.....10
 (DO NOT READ) Refused.....11

69. (93.) Now I have a question for you about your **overall** tax experience. Take all factors we have just discussed into account, including:

(SHOW TO EVERYONE): Keeping records;
 (SHOW ONLY IF CODE 1 IN Q4 (Q9A)): Using the IRS Web Site;
 (SHOW ONLY IF CODE 1 IN Q5 (Q9B)): Using the Toll-Free line;
 (SHOW TO EVERYONE): Preparing and filing your [business] income return;
 (SHOW ONLY IF CODE 1 IN Q26 (Q48)): Preparing and filing estimated taxes;
 (SHOW ONLY IF CODE 1 IN Q34 (Q60)): Preparing and filing employment taxes;
 (SHOW ONLY IF ASKED Q48 (Q78)): Resolving issues in notices from the IRS.
 How satisfied are you with your **OVERALL** tax experience for [2005/2006]? Please use the scale from 1 to 5, where 1 is very dissatisfied and 5 is very satisfied?

S

1, Very Dissatisfied.....1
 2.....2
 3.....3
 4.....4
 5, Very Satisfied.....5
 (DO NOT READ) Not Sure.....6
 (DO NOT READ) Refused.....7

- 70. (92a.) DELETED
- 71. (92b.) DELETED
- 72. (92c.) DELETED
- 73. (92e.) DELETED
- 74. (92f.) DELETED
- 75. (92g.) DELETED
- 76. (92h.) DELETED
- 77. (92i.) DELETED
- 78. (92j.) DELETED
- 79. (92k.) DELETED
- 80. (92l.) DELETED
- 81. (92m.) DELETED
- 82. (92n.) DELETED
- 83. (92o.) DELETED
- 84. (92p.) DELETED
- 85. (92s.) DELETED
- 86. (92t.) DELETED

CONTACTS TO AVOID ISSUES

87. (93a.) Thinking again about your overall tax experience, did **any** contacts with the IRS - whether through the phone, mail, or the website - help you avoid problems or errors? (DO NOT READ)

	<u>S</u>
Yes.....	1
No (SKIP TO Q89 (Q103)).....	2
Not sure (SKIP TO Q89 (Q103)).....	3
Refused (SKIP TO Q89 (Q103)).....	4

88. (93b.) Which method of contact **most** helped you avoid problems or errors? Would that be...?

	<u>S</u>
An IRS phone line	1
Mail correspondence.....	2
Or the IRS Website.....	3
(DO NOT READ) Visiting an IRS site.....	7
(DO NOT READ) Other.....	8
(DO NOT READ) Multiple methods.....	4
(DO NOT READ) Not sure	5
(DO NOT READ) Refused	6

E-Services

READ: I will now read you a list of electronic services that are available to taxpayers through the IRS Web site, IRS.gov. For each service, I will ask if you are aware that this service exists and if you have used it.

88a. (93_1.) Have you heard of the IRS electronic "Where's My Refund?" service? (READ)

	<u>S</u>
Yes.....	1

No.....2
 Not sure.....3
 Refused.....4

IF CODE 2, 3, OR 4 IN Q88a (Q93_1), AUTOMATICALLY ENTER CODE 2 FOR Q88b (Q93_2) AND SKIP TO Q88c (Q93_3).

88b. (93_2.) Have you ever used this service (if necessary, clarify: The service is “Where’s My Refund”)? (READ)

S

Yes.....1
 No.....2
 Not sure.....3
 Refused.....4

88c. (93_3.) Have you heard of the online Alternative Minimum Tax Assistant for Individuals? (READ)

S

Yes.....1
 No.....2
 Not sure.....3
 Refused.....4

IF CODE 2, 3, OR 4 IN Q88c (Q93_3), AUTOMATICALLY ENTER CODE 2 FOR Q88d (Q93_4) AND SKIP TO Q88e (Q93_5).

88d. (93_4.) Have you used this service (if necessary, clarify: The service is the Alternative Minimum Tax Assistant)? (READ)

S

Yes.....1
 No.....2
 Not sure.....3
 Refused.....4

88e. (93_5.) Have you heard of the online Sales Tax Deduction Calculator? (READ)

S

Yes.....1
 No.....2
 Not sure.....3
 Refused.....4

IF CODE 2, 3, OR 4 IN Q88e (Q93_5), AUTOMATICALLY ENTER CODE 2 FOR Q88f (Q93_6) AND SKIP TO Q88g (Q93_7).

88f. (93_6.) Have you used this service (if necessary, clarify: The service is the Sales Tax Deduction Calculator)? (READ)

S

Yes.....1
 No.....2
 Not sure.....3
 Refused.....4

88g. (93_7.) Have you heard of the online IRS Withholding Calculator? (READ)

S

Yes.....1

No.....2
 Not sure.....3
 Refused.....4

IF CODE 2, 3, OR 4 IN Q88g (Q93_7), AUTOMATICALLY ENTER CODE 2 FOR Q88h (Q93_8) AND SKIP TO 88i (Q93_9).

88h. (93_8.) Have you used this service (if necessary, clarify: The service is the IRS Withholding Calculator)? (READ)

S

Yes.....1
 No.....2
 Not sure.....3
 Refused.....4

88i. (93_9.) Have you heard of the electronic service that allows taxpayers to apply for an Employer Identification Number online? (READ)

S

Yes.....1
 No.....2
 Not sure.....3
 Refused.....4

IF CODE 2, 3, OR 4 IN Q88i (Q93_9), AUTOMATICALLY ENTER CODE 2 FOR Q88j (Q93_10) AND SKIP TO Q89 (Q103).

88j. (93_10.) Have you used this service (if necessary, clarify: the service is applying for an EIN online)? (READ)

S

Yes.....1
 No.....2
 Not sure.....3
 Refused.....4

(PROGRAMMER: SHOW ON SINGLE SCREEN):

WE ARE ALMOST DONE NOW. WE APPRECIATE YOUR PATIENCE. REMEMBER THAT ALL ANSWERS ARE CONFIDENTIAL.

BELIEFS SECTION

89a. (103a.) Now I am going to read you a series of general statements about the IRS and paying taxes. As I read each one, please rate your level of agreement with them on a scale of 1 to 5 where 1 is strongly disagree and 5 is strongly agree. (READ LIST, REPEAT SCALE AS NECESSARY)

		<u>Strongly Disagree</u>				<u>Strongly Agree</u>	<u>Not Sure</u>	<u>Refused</u>
		1	2	3	4	5	6	7
89a (103a)	The IRS keeps an <u>accurate</u> record of my <u>income</u>	1	2	3	4	5	6	7
89b (103b)	The IRS keeps an <u>accurate</u> record of my <u>payments</u>	1	2	3	4	5	6	7

89c (103c)	If I do not pay my taxes <u>in full</u> , I will incur <u>substantial</u> penalties and interest	1	2	3	4	5	6	7
89d (103d)	The IRS will catch those who cheat	1	2	3	4	5	6	7
89e (103e)	It is hard for the IRS to detect <u>inaccurate</u> information on tax returns because tax laws are so <u>complex</u> .	1	2	3	4	5	6	7
89f (103f)	It is every citizen's <u>duty</u> to pay their fair share of taxes	1	2	3	4	5	6	7
89g (103g)	The IRS is impartial in enforcing US tax laws	1	2	3	4	5	6	7
89h (103h)	The IRS can be trusted to keep my tax information private.	1	2	3	4	5	6	7
89i (103i)	Most people cheat at least a little on their taxes.	1	2	3	4	5	6	7

89j. (103j.) Now I am going to read you a series of statements about the IRS and paying your own taxes. As I read each one, please rate your level of agreement with them on a scale of 1 to 5 where 1 is strongly disagree and 5 is strongly agree. (READ LIST, REPEAT SCALE AS NECESSARY)

		Strongly Disagree				Strongly Agree	Not Sure	Refused
		1	2	3	4	5	6	7
89j (103j)	Filing a correct tax return imposes too much of a burden in terms of the time it takes and what it costs me	1	2	3	4	5	6	7
89k (103k)	My tax return is the most complex financial statement that I deal with all year.	1	2	3	4	5	6	7
89l (103l)	The instructions for my tax forms are too complex for me	1	2	3	4	5	6	7

89m (103m)	to understand The number of forms I am required to complete makes paying taxes complex	1	2	3	4	5	6	7
89n (103n)	Calculating the correct tax is complex	1	2	3	4	5	6	7
89o (103o)	The Alternative Minimum Tax Calculations are complex	1	2	3	4	5	6	7

89_1a. (103_1a.) If everyone subject to U.S. tax laws filed their return on time; accurately reported their income and deductions; and paid what they owe by the due date, what we call the "Tax Gap" would disappear and the Federal budget deficit could be reduced or eliminated. What steps do you think would be most effective in getting people to comply in these ways:. (OPEN ENDED. DO NOT READ)

		<u>M</u>
	More IRS enforcement.....	01
	Better tax information from IRS.....	02
	Simplified tax law.....	03
	Simplified tax forms.....	04
	Greater use of tax professionals.....	05
	Better coordination of Federal and State filing.....	06
	Anything else (Please Specify).....	07
(DO NOT READ)	Nothing.....	08
(DO NOT READ)	Not Sure.....	09
(DO NOT READ)	Refused.....	10

89_1b. (103_1b.) Among the people you know or have business dealings with, what percent would you say...(READ)? What about the percent who... (READ)?

		Percent (0%-100%)	Not <u>Sure</u> 998	<u>Refused</u> 999
89_1b (103_1b)	Are <u>not filing</u> their tax returns when they are due	_____		
89_1c (103_1c)	Are not reporting all of their income on the returns they do file	_____	998	999
89_1d (103_1d)	Are overstating their deductions in order to minimize their taxes	_____	998	999
89_1e (103_1e)	Are not paying in full the amount they owe when they file their returns	_____	998	999

(ASK IF CODE 2, 3, or 4 IN Q70 (Q92a); OTHERWISE SKIP TO Q92 (Q103_3))

90. (103_1.) Has anyone you know had their tax return questioned or audited by the IRS in the last year? (READ: Yes or no?)

	<u>S</u>
Yes.....	1
No.....	2
Not Sure.....	3
Refused.....	4

(IF CODE 1 IN Q90 (Q103_1), ASK Q91 (Q103_2); ELSE SKIP TO Q92 (Q103_3))

91. (103_2.) Did hearing about what happened to that person make you more careful in preparing your own returns? (DO NOT READ)

	<u>S</u>
Yes.....	1
No	2
Not Sure.....	3
Refused.....	4

92. (103_3.) Have you seen or read any news reports about the IRS catching people who cheated on their taxes? (DO NOT READ)

	<u>S</u>
Yes.....	1
No.....	2
Not Sure.....	3
Refused.....	4

(IF CODE 1 IN Q92 (Q103_3), ASK Q93 (Q103_4); ELSE SKIP TO Q94 (Q104))

93. (103_4.) Do you think that such reports make taxpayers more likely to accurately report and pay the taxes they owe? (DO NOT READ)

	<u>S</u>
Yes.....	1
No	2
Not Sure.....	3
Refused.....	4

Tax Professional

IF CODE 1 OR 2 IN Q17 (Q25) ASK Q93a (Q103_5); ELSE SKIP TO Q93c (Q103_7).

93a. (103_5.) Why did you decide NOT to use a tax professional for your 2006 taxes? (DO NOT READ)

	<u>S</u>
Too expensive/cost.....	01
No need/taxes were not complicated.....	02
Do not trust tax professional/more comfortable doing my own taxes.....	03
Employee handles taxes/pay employee.....	04
It is the way I have always done it.....	05
(DO NOT READ) Other, specify _____	06
(DO NOT READ) Not sure.....	07
(DO NOT READ) Refused.....	08

93b. (103_6.) Have you ever in the past used a tax professional for filing your income taxes? (DO NOT READ)

	<u>S</u>
Yes.....	1
No	2
Not Sure.....	3
Refused.....	4

IF CODE 3, 4, or 5 in Q17 (Q25) ASK Q93c (Q103_7), ELSE SKIP TO Q93n (Q103_18).
 READ: These next questions are about your tax professional.

93c. (103_7.) What type of tax professional do you use for filing your income taxes? Is it a...?
 (READ LIST)

	<u>S</u>
	CPA.....1
	Enrolled Agent.....2
	Tax attorney.....3
	Another Tax professional.....4
(DO NOT READ)	Other.....5
(DO NOT READ)	Not sure.....6
(DO NOT READ)	Refused.....7

93d. (103_8.) In what calendar year did you start using any tax professional for filing your income taxes?

IF RESPONDENT ANSWERS "2008", ask did you use a professional for your 2006 taxes filed in 2007? If yes, enter 2007. If no, enter 2008.

Year

(RANGE=1900 TO 2008)
 ENTER A NUMBER FROM 1900 TO 2008
 ENTER 998 IF NOT SURE
 ENTER 999 IF REFUSED

93e. (103_9.) Including the year you filed your 2006 taxes, how many years have you used your current tax professional for filing your income taxes?

IF RESPONDENT ANSWERS "2008", ask did you use a professional for your 2006 taxes filed in 2007? If yes, enter 2007. If no, enter 2008.

Year

(RANGE=1900 TO 2008)
 ENTER A NUMBER FROM 1900 TO 2008
 ENTER 998 IF NOT SURE
 ENTER 999 IF REFUSED

93f. (103_10.) What influenced your decision to use a tax professional? (DO NOT READ)

	<u>S</u>
Cost/cheaper to use professional than file myself.....	01
Time/taxes too time consuming.....	02
Fear of making mistakes/getting audited.....	03
Taxes too complicated.....	04

Recommendation/advice from others.....	05
(DO NOT READ) Other, specify _____.....	06
(DO NOT READ) Not sure.....	07
(DO NOT READ) Refused.....	08

IF Year in Q93d (Q103_8) minus Year in Q93e (Q103_9)=1, 2, or 3, ASK Q93g (Q103_11); ELSE SKIP TO Q93h (Q103_12).

93g. (103_11.)Why did you switch tax professionals in the past few years? (DO NOT READ)

	<u>S</u>
Cost.....	01
Location.....	02
Too many mistakes.....	03
Taxes more complicated now.....	04
Recommendation/advice from others.....	05
(DO NOT READ) Other, specify _____.....	06
(DO NOT READ) Not sure.....	07
(DO NOT READ) Refused.....	08

93h. (103_12.)Does your tax professional work alone or with others in a firm? (DO NOT READ)

	<u>S</u>
Work alone.....	1
Work at a firm (DNR: includes owner of firm with employees).....	2
Not sure.....	3
Refused.....	4

93i. (103_13.) How often do you interact with your tax professional? Is it...? (READ LIST)

	<u>S</u>
Once or twice a year.....	1
Three or four times a year.....	2
More often than four times a year....	3
(DO NOT READ) Not sure.....	4
(DO NOT READ) Refused.....	5

93j. (103_14.) How does your tax professional charge you? Is it...(READ LIST)

	<u>S</u>
An <u>hourly</u> fee.....	1
A <u>fee per return</u> or service.....	2
A <u>flat fee</u> or retainer.....	3
(DO NOT READ) Not sure.....	4
(DO NOT READ) Refused.....	5

93k. (103_15.)Does your tax professional also help you with tax planning? (DO NOT READ)

	<u>S</u>
Yes.....	1
No.....	2
Not Sure.....	3
Refused.....	4

93l. (103_16.) Does your tax professional also advise you on business matters? (DO NOT READ)

S

- Yes.....1
- No.....2
- Not Sure.....3
- Refused.....4

93m. (103_17.) If you received an IRS notice, would you rely on your tax professional to help you resolve the issue in the notice? (DO NOT READ)

- S
- Yes.....1
 - No.....2
 - Not Sure.....3
 - Refused.....4

93n. (103_18.) If you were audited, would you rely on your tax professional to represent you during the audit? (DO NOT READ)

- S
- Yes.....1
 - No.....2
 - Not Sure.....3
 - Refused.....4

These next questions are about your tax professional
(PROGRAMMER: SHOW ON SINGLE SCREEN):

These next few questions are for classification purposes. Again the information you provide is completely confidential.

93n. (103_18.) Would you describe yourself primarily as:

- S
- A self-employed business owner.....1
 - A self-employed contractor.....2
 - An employee of a company that you do not own.....3
 - None of the above.....4
 - Not Sure.....5
 - Refused.....6

(ASK IF CODES 1, 2, OR 3 IN S15 (S4B) ; OTHERWISE SKIP TO Q96 (Q106))

94. (104.) Which of the following best describes your company's gross revenues for [2005/2006]. You can stop me when I reach your category. Is it...? (READ)

- S
- Less than \$50,000.....1
 - \$50,000 but less than \$500,000.....2
 - \$500,000 but less than \$1 million3
 - \$1 million but less than \$10 million.....4
 - (DO NOT READ) Over \$10 million.....5
 - (DO NOT READ) Not Sure.....6
 - (DO NOT READ) Refused.....7

95. (105.) What were your company's total assets in [2005/2006]? You can stop me when I reach your category. Were they...? (READ)

S

- Less than \$50,000.....1
- \$50,000 but less than \$500,000.....2
- \$500,000 but less than \$1 million3
- \$1 million but less than \$10 million.....4
- (DO NOT READ) Over \$10 million.....5
- (DO NOT READ) Not Sure.....6
- (DO NOT READ) Refused.....7

(ASK IF CODES 4, 5, OR 6 IN S15 (S4B) ; OTHERWISE SKIP TO Q98 (Q108))

96. (106.) What were your gross receipts or rentals reported on your 1040 for [2005/2006]?

You can stop me when I reach your category. Were they...? (READ)

- S
- Less than \$50,000.....1
- \$50,000 but less than \$500,000.....2
- \$500,000 but less than \$1 million3
- \$1 million but less than \$10 million.....4
- (DO NOT READ) Over \$10 million.....5
- (DO NOT READ) Not Sure.....6
- (DO NOT READ) Refused.....7

97. (107.) What was your net taxable income from all sources reported on your 1040 for [2005/2006]? You can stop me when I reach your category. Was it...? (READ)

- S
- Less than \$50,000.....1
- \$50,000 but less than \$500,000.....2
- \$500,000 but less than \$1 million3
- \$1 million but less than \$10 million.....4
- (DO NOT READ) Over \$10 million.....5
- (DO NOT READ) Not Sure.....6
- (DO NOT READ) Refused.....7

(ASK IF CODE 4 IN S15 (S4B) ; OTHERWISE SKIP TO Q97b (Q107b))

97a. (107a.) Was the gross income on your 2006 Income Tax return ...? (READ)

- S
- Mostly from wages and salary earned working for someone else.....1
- Mostly from operating your own business2
- About equal from wages and salary and from your own business3
- (DO NOT READ) Not Sure.....4
- (DO NOT READ) Refused.....5

(ASK IF CODE 1, 3, or 4 IN S15 (S4B) ; OTHERWISE SKIP TO Q98 (Q108))

97b. (107b.) What is your main type of business? Is it ...? (READ)

- S
- Retail sales.....01
- Wholesale sales and distribution02
- Food and beverage03
- Construction.....04
- Financial services05

Real estate	06
Manufacturing.....	07
Healthcare	08
Something else, specify _____	09
(DO NOT READ) Not Sure.....	10
(DO NOT READ) Refused.....	11

[IF Q33 (Q59a) =1 OR HIGHER, ASK Q98 (Q108). OTHERWISE SKIP TO Q99 (Q110)]
 98. (108.) Are you...? (READ)

	<u>S</u>
The business owner.....	1
An employee of the business.....	2
(DO NOT READ) Not Sure.....	3
(DO NOT READ) Refused.....	4

(PROGRAMMER: SHOW ON SINGLE SCREEN):

We are at the last question and it is about illegal tax schemes. Thank you for your patience.

99. (110.) Have you ever been approached by someone regarding ways to save money on your taxes that you thought were illegal? (DO NOT READ)

	<u>S</u>
Yes.....	1
No.....	2
(DO NOT READ) Not Sure.....	3
(DO NOT READ) Refused.....	4

(ASK IF CODE 1 IN Q99 (Q110); OTHERWISE FINISH SURVEY)

100. (111.) How did you learn whether they were legal or not? (DO NOT READ)

	<u>M</u>
Asked/from practitioner.....	1
Checked IRS Web site.....	2
Other Internet research.....	3
Asked/from friends or business associates...4	
From mass media.....	5
Common sense.....	9
Other, specify: _____...6	
Not sure.....	7
Refused.....	8

Those are all the questions I have for you today. My supervisor may want to verify that I spoke with you. May I please confirm that I reached you at (INSERT TELEPHONE NUMBER), and may I have JUST your first name?

That's the end of our survey. I'd like to thank you very much for your willingness to participate in our research. Thanks again, and have a wonderful day / evening!