

# ATTACHMENT 1

## MODERATOR'S GUIDE REVISED FORM 941 FOCUS GROUPS WITH BUSINESS TAXPAYERS

### INTRODUCTION

Introduction of the moderator.

Explanation of the nature of the general study – to provide input on a Revised Form 941 to the Tax Forms and Publications Division of the IRS.

Explanation of the purpose of the focus group approach -- to explore in a semi-structured manner what people think about the issues.

- The group discussion of the issues often generates deeper insights than individual one-on-one interviews.
- A topic oriented discussion of issues allows the participants, who know more about the issues than the researchers, to identify the important dimensions that might be lost in a structured interview setting.
- It's interactive so that the participants can talk back to us -- ask us what we mean, tell us when a question doesn't make any sense, or means different things to different people.

### GROUND RULES

- For the IRS to speak with the public, we are required to have approval from the Office of Management and Budget. Their approval number for this project is 1545-1349. Also, if you have any comments regarding the time estimates associated with this study or suggestions on making this process simpler, please write to the: IRS Tax Products Coordinating Committee, 1111 Constitution Avenue, Washington, DC 20224.
- To ensure your privacy, our contract with this facility forbids them to tell us anything about you except your first name.
- We are audio-taping the meeting for use in preparing a report about findings. Because we are taping this meeting, I ask that you speak loudly and clearly. If I think you are speaking too softly to be heard on the tape, I will ask you to speak up.
- Please speak just one at a time so everyone has a chance to participate.

- Don't engage in side conversations-- we need for everyone to hear what the others are saying and for everything that's said to be heard easily on the tape.
- Sometimes I'll go around the table and ask everyone for their input. At other times, I will just throw a topic open for general discussion.
- Participation -- we need to get a full range of opinions, and we need everyone's participation. You are here to talk. I am here to listen.
- No evaluation -- there are no right and wrong answers. We expect differences in how people see things, and we need to know about these differences.
- Feel free to disagree or question each other. The purpose of a group session is that we learn things in group interchanges that we don't get out of one-on-one discussions. If someone says something you disagree with, please let us know.
- Some observers are present behind the one-way mirror. They want to hear what you have to say about the topics we'll discuss, but we don't want you to feel constrained by their presence.
- If you have a cellular phone, please turn it off, or if you have a beeper, please set it to stun. We don't want the group to be disturbed and we also need your full attention during the session
- The session will last about two hours.

## **INTRODUCTION OF PARTICIPANTS**

Let's go around the table. Please introduce yourself (first name only).

How many of you have been in a focus group before?

### **CURRENT FORM 941**

How many years have you prepared Form 941?

Thinking back to preparing Form 941 over the past few quarters, what do you recall?  
Probe for details.

Did you experience any difficulties in preparing Form 941?

I am going to pass out a copy of the current Form 941. It should look pretty familiar to you. What is your reaction to this form?

Probe: Look for concerns about print size, room to input information, number of lines to be filled in, clarity of line item instructions, etc.

If you had to describe Form 941 in one word, what word would you use?  
Go around the table. Probe for a new word from each respondent.

Do you recall any difficulties you experienced in completing Form 941 in the most recent or any previous quarters? Ask for details if necessary.

If you had to make changes in Form 941, what would you suggest?  
Probe for details.

## **REVISED FORM 941**

The Tax Forms and Publications Division of the IRS is responsible for preparing tax forms and publications to meet the needs of taxpayers while also incorporating technical tax law. The division is exploring a potential new format for Form 941 and would like to get your reaction to it.

Please take a few minutes to look over the proposed revision.  
Distribute copies.

What do you notice about this form?

Probe: appearance of the form, print size, room to input information, number of lines to be filled in, etc.?

What do you notice that is different about this version of the form, compared with the current form?

If you had to describe this revised Form 941 in one word, what word would you use? Go around the table. Probe for a new word from each respondent.

Do you have any suggestions for improvements to this revised Form 941?

How would you compare it to the current Form 941?

Do you believe that the revised form places a greater or lesser burden on businesses which must complete it, compared with the current Form 941?

## **SCENARIO COMPLETION**

Let's put this new Form 941 to the test by working a brief scenario. I'm going to distribute the scenario which describes a situation for a business using Form 941. I'm also going to distribute a partially completed Form 941 and revised instructions for Form 941. Please complete the entries on the form using the information provided in the

scenario. Please work the scenario and enter the requested information on the Form 941. Please use the revised instructions for the form in completing the scenario.

## **SCENARIO**

My Company  
333 Any Street  
Your City, MD 98765

Employer Identification Number (EIN) 99-9999999  
Rob Bigshot, President  
Daytime phone number: (123)-456-7890

During the 3<sup>rd</sup> quarter of 2006, the payroll information for two employees was incorrectly entered into the payroll program as being ineligible for a 401K plan. However, the employees were eligible and participated in the plan. Therefore, the wages and social security tax were over reported to the IRS.

The error was discovered during an audit of the 401K plan. Both employees have been reimbursed for their share of the social security taxes withheld from gross wages. Also, Form W-2c has been prepared for each employee reporting the reduction in wages.

On the 3<sup>rd</sup> quarter 2006 Form 941, wages tips, and compensation (line 2) and taxable social security wages (line 5a, column 1) were \$333,000. The total social security tax (line 5a, column 2) was \$41,292.

The total reduction in wages because of the 401K participation is \$15,200 (\$7,600 for each employee). The corrected wages are \$317,800. The corrected social security tax is \$39,407.20. The tax adjustment is \$1,884.80.

Other amounts reported, but not adjusted, on the 3<sup>rd</sup> quarter 2006 Form 941:

Total income tax withheld (line 3)	\$59,940
Taxable Medicare wages (line 5c, column 1)	\$330,000
Medicare tax (line 5c, column 2)	\$9,657
Fraction of cents adjustment (line 7a)	\$ 2.21

Please prepare the redesigned Form 941X. There is no third-party designee.

## **QUESTIONS ABOUT THE SCENARIO**

Was there anything in the scenario which created difficulties for you? Probe to the negative.

How useful were the revised instructions in completing the scenario?

Do you have an entry on line 7h? If so, how did you arrive at that entry?

Did you note that Form 941c is needed for adjustments on lines 7d and 7e?  
Was there anything about the revised Form 941 or instructions which assisted you in completing the scenario? Probe.

## **SUMMARY**

What do you like most about the revised Form 941? The instructions?

What do you like least about the revised Form 941? The instructions?

How helpful was the language of the revised instructions in understanding and completing Form 941? How about the format of the instructions?

Now that you have seen the revised Form 941 and worked the scenario, do you think that the revised Form 941 is an improvement over the current Form 941?

How many of you believe the revised Form 941 is an improvement?  
Ask for a show of hands.

How many of you do not believe the revised Form 941 is an improvement?  
Ask for a show of hands.

For those of you who think the revised Form 941 is an improvement, could you please tell me the reasons for your preference?  
Record on flip chart.

For those of you who think the revised Form 941 is NOT an improvement, could you please tell me the reasons for your preference?  
Record on flip chart.

Do you think that the revised Form 941 places more or less burden on business taxpayers than the current Form 941?

Thinking about our entire discussion tonight about revised Form 941, is there anything else you would like to share about it?

If time permits, ask the above series of questions about the instructions.

I need to ask the observers in the other room whether they have any other questions they would like me to ask. While I am gone, will you each think of one possible improvement to the revised Form 941 and I will ask about it when I return. (Moderator excuses himself/herself.)

(Asks any other questions/clarifications upon return. Asks each respondent for one possible improvement to the revised Form 941).

Thank you for coming here tonight and sharing your thoughts and ideas with me. You have given us a great deal of help. Please check with the hostess on your way out of this room.

Good night!

## ATTACHMENT 2

### MODERATOR'S GUIDE REVISED SCHEDULE K-1 (FORM 1065) FOCUS GROUPS WITH TAXPAYERS

#### INTRODUCTION

Introduction of the moderator.

Explanation of the nature of the general study – to provide input on a revised Schedule K-1 to the Tax Forms and Publications Division of the IRS.

Explanation of the purpose of the focus group approach -- to explore in a semi-structured manner what people think about the issues.

- The group discussion of the issues often generates deeper insights than individual one-on-one interviews.
- A topic oriented discussion of issues allows the participants, who know more about the issues than the researchers, to identify the important dimensions that might be lost in a structured interview setting.
- It's interactive so that the participants can talk back to us -- ask us what we mean, tell us when a question doesn't make any sense, or means different things to different people.

#### BASIC GROUND RULES:

- For the IRS to speak with the public, we are required to have approval from the Office of Management and Budget. The approval number for this project is 1545-1349. Also, if you have any comments regarding the time estimates associated with this study or suggestions on making this process simpler, please write to the: IRS Tax Products Coordinating Committee, 1111 Constitution Avenue, Washington, DC 20224
- To ensure your privacy, our contract with this facility forbids them to tell us anything about you except your first name.
- We are audio-taping the meeting for use in preparing a report about findings. Because we are taping this meeting, I ask that you speak loudly and clearly. If I think you are speaking too softly to be heard on the tape, I will ask you to speak up.
- Please speak just one at a time so everyone has a chance to participate.

- Don't engage in side conversations -- we need for everyone to hear what the others are saying and for everything that's said to be heard easily on the tape.
- Sometimes I'll go around the table and ask everyone for their input. At other times, I will just throw a topic open for general discussion.
- Participation -- we need to get a full range of opinions, and we need everyone's participation. You are here to talk. I am here to listen.
- No evaluation -- there are no right and wrong answers. We expect differences in how people see things, and we need to know about these differences.
- Feel free to disagree or question each other. The purpose of a group session is that we learn things in group interchanges that we don't get out of one-on-one discussions. If someone says something you disagree with, please let us know.
- Some observers are present behind the one-way mirror. They want to hear what you have to say about the topics we'll discuss, but we don't want you to feel constrained by their presence.
- If you have a cellular phone, please turn it off, or if you have a beeper, please set it to stun. We don't want the group to be disturbed and we also need your full attention during the session
- The session will last about two hours.

## **SPECIFIC GROUND RULES**

While there may be other issues that participants would like to raise with respect to the IRS, our time is limited and we want to focus on the particular forms we will be discussing – revisions to Schedule K-1.

## **INTRODUCTION OF PARTICIPANTS**

Let's go around the table. Please introduce yourself (first name only).

How many of you have been in a focus group before?

## **CURRENT SCHEDULE K-1**

From what kinds of partnerships do you receive a K-1 (Form 1065)? (probe general, limited, limited liability company).

Do any of you also receive a K-1 (Form 1120S) from an "S Corporation"?



Are you personally involved in the preparation of the tax return for the partnership and the completion of the Schedule K-1's for the partners?

How many of you have personally prepared Schedule K-1? Have you done it using paper and pencil or using software?

For how many years have you prepared Schedule K-1?

What do you recall about Schedule K-1?

Did you experience any difficulties in preparing Schedule K-1?

I am going to pass out a copy of Schedule K-1 for 2006. It should look pretty familiar to you. What is your reaction to this form? Probe: Look for concerns about print size, room to input information, number of lines to be filled in, etc. Ease of locating the information they need.

If you had to describe Schedule K-1 in one word, what word would you use? Go around the table. Probe for a new word from each respondent.

Now that you see the form, do you recall any difficulties you experienced in completing Schedule K-1? Probe for details.

If you had to make changes in Schedule K-1, what would you suggest? Probe for details.

Using a scale of 1 to 5, where 1 means "very easy" and 5 means "very difficult", how would you rate Schedule K-1 on:

- Ease of understanding what is needed
- Ease of completion

How does Schedule K-1 compare to other forms you use for your taxes (for example, Schedule D)? What makes Schedule K-1 more or less difficult than other tax forms?

Did you use the instructions for completing Schedule K-1? Did the instructions provide the information you needed to complete the form?

## **REVISED SCHEDULE K-1**

The Tax Forms and Publications Division is exploring a potential new format for Schedule K-1 and would like to get your reaction to it. I am going to pass out the draft revision to Schedule K-1. Please take a few minutes to look over it. (Distribute copies).

What do you notice about this form? Probe: appearance of the form, print size, room to input information, number of lines to be filled in, etc.? Ease of locating the information they need.

What do you notice that is different about this version of the form, compared with the current form? If not mentioned, probe for changes.

If you had to describe this revised Schedule K-1 in one word, what word would you use? Go around the table. Probe for a new word from each respondent and record on the flip chart.

Do you have any suggestions for IRS to improve this revision to Schedule K?

How would you compare it to the current Schedule K-1?

How would you feel if you received a copy of this Schedule K-1? .

Does the revised Schedule K-1 impose a greater or lesser burden on the taxpayer who must complete it, compared with the current Schedule K-1?

## **SCENARIO WITH REVISED SCHEDULE K**

I want to ask you to work with a scenario we have developed. Please take a few minutes to complete the scenario and then we will discuss it.

As you completed the schedule using the scenario, did you encounter any difficulties?

Now that you have actually worked with the revised Schedule K-1, do you have any suggestions for improvement?

How do you think taxpayers would react to this revised form?

How could this form be improved?

## **SUMMARY**

Now that you have seen the current form and a revision to Schedule K-1, which do you prefer?

Can you share the reasons for your preference?

Which of the schedules do you think puts less burden on taxpayers – the current form or the revision?

Thinking about our entire discussion tonight about revised Schedule K-1, is there anything else you would like to share about it?

(Moderator excuses himself/herself to go into the client room to ask observers if there is anything they would like to ask or have clarified). Asks any other questions/clarifications upon return.

Thank you for coming here tonight and sharing your thoughts and ideas with me. You have given us a great deal of help. Please check with the hostess on your way out of this room.

Good night!

## Schedule K-1 Scenario

It is October 2, 2007.

You are Prada Lee. You are preparing your Federal income tax return for 2006.

You just received a 2006 Schedule K-1 from Lee Partnership. The Lee Partnership operates a dry cleaning store and has other investments. You materially participate in the store's operation. Therefore, your business income from the partnership is not passive income. Also, all amounts invested in the business are considered "at risk."

Review the 2006 Schedule K-1 from Lee Partnership, the summarized reporting information on the back of Schedule K-1, and the 2006 Partner's Instructions for Schedule K-1. Using Schedule K-1 and these instructions, make an entry (if required) for each item shown in Part III of Schedule K-1 on the appropriate blank form or worksheet (attached). Once you have made the initial entry for each item, you do not need to complete the rest of that form or worksheet.

## ATTACHMENT 3

### MODERATOR'S GUIDE FORM 8917 FOCUS GROUPS WITH TAXPAYERS

#### INTRODUCTION

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- Please speak just one at a time so everyone has a chance to participate.

- Don't engage in side conversations-- we need for everyone to hear what the others are saying and for everything that's said to be heard easily on the tape.
- Sometimes I'll go around the table and ask everyone for their input. At other times, I will just throw a topic open for general discussion.
- Participation -- we need to get a full range of opinions, and we need everyone's participation. You are here to talk. I am here to listen.
- No evaluation -- there are no right and wrong answers. We expect differences in how people see things, and we need to know about these differences.
- Feel free to disagree or question each other. The purpose of a group session is that we learn things in group interchanges that we don't get out of one-on-one discussions. If someone says something you disagree with, please let us know.
- Some observers are present behind the one-way mirror. They want to hear what you have to say about the topics we'll discuss, but we don't want you to feel constrained by their presence.
- If you have a cellular phone, please turn it off, or if you have a beeper, please set it to stun. We don't want the group to be disturbed and we also need your full attention during the session
- The session will last about two hours.

## **INTRODUCTION OF PARTICIPANTS**

Let's go around the table. Please introduce yourself (first name only).

How many of you have been in a focus group before?

## **EXPERIENCE CLAIMING THE TUITION AND FEES DEDUCTION**

For how many years have you claimed the tuition and fees deduction? Do you claim it for yourself, your spouse, or a child?

Thinking back to claiming the tuition and fees deduction, what do you recall?  
Probe for details.

Did you experience any difficulties in claiming the tuition and fees deduction?

If you had to describe the process of claiming the tuition and fees deduction in one word, what word would you use? Go around the table. Probe for a new word from each respondent.

## **FORM 8917**

The Tax Forms and Publications Division of the IRS is responsible for preparing tax forms and publications to meet the needs of taxpayers while also incorporating technical tax law. The division is exploring a potential new Form 8917 for the tuition and fees deduction and would like to get your reaction to it.

Please take a few minutes to look over the proposed form. Distribute copies.

What do you notice about this form?

Probe: appearance of the form, print size, room to input information, number of lines to be filled in, etc.?

If you had to describe this Form 8917 in one word, what word would you use? Go around the table. Probe for a new word from each respondent.

Do you have any suggestions for improvements to this Form 8917?

Do you believe that this form will assist taxpayers in claiming the tuition and fees deduction, or not?

## **SCENARIO COMPLETIONS (ROTATE SCENARIOS 1, 2, AND 3).**

Let's put this new Form 8917 to the test by working a few brief scenarios. I'm going to distribute the first scenario which describes a situation for which Form 8917 could be used. I'm also going to distribute a partially completed Form 8917 and instructions for Form 8917. Please complete the entries on the form using the information provided in the scenario. Please work the scenario and enter the requested information on the Form 8917. Please use the revised instructions for the form in completing the scenario.

## **QUESTIONS ABOUT THE SCENARIO (ASK AFTER THE COMPLETION OF EACH SCENARIO)**

Was there anything in the scenario which created difficulties for you? Probe to the negative.

How useful were the revised instructions in completing the scenario?

Was there anything about the Form 8917 or instructions which assisted you in completing the scenario? Probe.

## **SUMMARY**

What do you like most about Form 8917? The instructions?

What do you like least about Form 8917? The instructions?

How helpful was the language of the revised instructions in understanding and completing Form 8917? How about the format of the instructions?

How many of you do believe that Form 8917 will assist you in determining whether to claim the tuition and fees deduction? Ask for a show of hands. Could you please explain your answer?

For those of you who think that it is helpful to have Form 8917, could you please tell me the reasons for your preference?

Record on flip chart.

For those of you who think that it is NOT helpful to have Form 8917, could you please tell me the reasons for your preference?

Record on flip chart.

Do you think that Form 8917 increases or decreases the burden on taxpayers claiming the tuition and fees deduction?

Thinking about our entire discussion tonight about Form 8917, is there anything else you would like to share about it?

If time permits, ask the above series of questions about the instructions.

I need to ask the observers in the other room whether they have any other questions they would like me to ask. While I am gone, will you each think of one possible improvement to Form 8917 and I will ask about it when I return. (Moderator excuses himself/herself.)

(Asks any other questions/clarifications upon return. Asks each respondent for one possible improvement to Form 8917).

Thank you for coming here tonight and sharing your thoughts and ideas with me. You have given us a great deal of help. Please check with the hostess on your way out of this room.

Good night!



## **Form 8917 Focus Group Scenarios**

### **Scenario 1**

Keith and Doris Anderson file a joint return and have a combined income (see the attached Form 1040, line 22) of \$125,000. They claim no adjustments (Form 1040, lines 23 through 33 or written in on the dotted line next to line 36). They claim an exemption for their daughter, Anne Anderson, a student at College A. They want to claim the tuition and fees deduction (Form 1040, line 34) and meet all of the requirements. Keith and Doris paid qualified education expenses for Anne for the year of \$3,500. Can the Andersons claim the deduction for tuition and fees and if so, how much is their deduction?

### **Scenario 2**

Ken Johnson files a return claiming a filing status of head of household. He has an income (see his attached Form 1040, line 22) of \$87,000. He claims an alimony adjustment (Form 1040, line 31a) of \$12,000 with no other adjustments (Form 1040, lines 23 through 33 or written in on the dotted line next to line 36). Mr. Johnson claims an exemption for his son, Tom Johnson, a student at College B. Ken wants to claim the tuition and fees deduction (Form 1040, line 34) and meets all of the requirements. Ken paid qualified education expenses for Tom for the year of \$4,200. Can Ken claim the deduction for tuition and fees and if so, how much is his deduction?

### **Scenario 3**

John and Ethel Smith file a joint return and have a combined income (see their attached Form 1040, line 22) of \$175,000. They claim no adjustments (Form 1040, lines 23 through 33 or written in on the dotted line next to line 36). They cannot claim an exemption for their daughter, Beth Campbell, a student at College C. Beth has income (see her attached Form 1040A, line 15) of \$5,000 and files her return as a single taxpayer. She claims no adjustments (1040A, lines 16-20). Beth wants to claim the tuition and fees deduction (Form 1040A, line 19) and meets all of the requirements. She paid qualified education expenses for the year of \$3,500. Can Beth claim the deduction for tuition and fees and if so, how much is her deduction?

## ATTACHMENT 4

### MODERATOR'S GUIDE FORM 8919 FOCUS GROUPS WITH TAXPAYERS

#### INTRODUCTION

Introduction of the moderator.

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Explanation of the purpose of the focus group approach -- to explore in a semi-structured manner what people think about the issues.

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- A topic oriented discussion of issues allows the participants, who know more about the issues than the researchers, to identify the important dimensions that might be lost in a structured interview setting.
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#### GROUND RULES

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- To ensure your privacy, our contract with this facility forbids them to tell us anything about you except your first name.
- We are audio-taping the meeting for use in preparing a report about findings. Because we are taping this meeting, I ask that you speak loudly and clearly. If I think you are speaking too softly to be heard on the tape, I will ask you to speak up.
- Please speak just one at a time so everyone has a chance to participate.

- Don't engage in side conversations-- we need for everyone to hear what the others are saying and for everything that's said to be heard easily on the tape.
- Sometimes I'll go around the table and ask everyone for their input. At other times, I will just throw a topic open for general discussion.
- Participation -- we need to get a full range of opinions, and we need everyone's participation. You are here to talk. I am here to listen.
- No evaluation -- there are no right and wrong answers. We expect differences in how people see things, and we need to know about these differences.
- Feel free to disagree or question each other. The purpose of a group session is that we learn things in group interchanges that we don't get out of one-on-one discussions. If someone says something you disagree with, please let us know.
- Some observers are present behind the one-way mirror. They want to hear what you have to say about the topics we'll discuss, but we don't want you to feel constrained by their presence.
- If you have a cellular phone, please turn it off, or if you have a beeper, please set it to stun. We don't want the group to be disturbed and we also need your full attention during the session
- The session will last about two hours.

## **INTRODUCTION OF PARTICIPANTS**

Let's go around the table. Please introduce yourself (first name only).

How many of you have been in a focus group before?

## **EXPERIENCE PREPARING A TAX RETURN WITH BOTH FORMS W-4 AND A FORM 1099**

For how many years have you received both a W-4 and Form 1099?

Is it clear why you receive a W-4 for one job and a Form 1099 for another position?  
If not, what makes it difficult to understand the difference(s)?

Did you experience any difficulties in preparing your taxes when you receive both a Form W-4 and a Form 1099? If yes, what difficulties do you experience?

## **FORM 8919**

The Tax Forms and Publications Division of the IRS is responsible for preparing tax forms and publications to meet the needs of taxpayers while also incorporating technical tax law. The division is exploring a potential new Form 8919 to assist taxpayers receiving both a Form W-4 and a Form 1099.

Please take a few minutes to look over the proposed form. Distribute copies.

What do you notice about this form?

Probe: appearance of the form, print size, room to input information, number of lines to be filled in, etc.?

If you had to describe this Form 8919 in one word, what word would you use? Go around the table. Probe for a new word from each respondent.

Do you have any suggestions for improvements to this Form 8919?

Do you believe that this form will assist taxpayers in preparing their tax returns, or not?

## **SCENARIO COMPLETIONS (ROTATE SCENARIOS 1 AND 2).**

Let's put this new Form 8919 to the test by working a few brief scenarios. I'm going to distribute the first scenario which describes a situation for which Form 8919 could be used. I'm also going to distribute a partially completed Form 8919 and instructions for Form 8919. Please complete the entries on the form using the information provided in the scenario. Please work the scenario and enter the requested information on the Form 8919. Please use the revised instructions for the form in completing the scenario.

## **QUESTIONS ABOUT THE SCENARIO (ASK AFTER THE COMPLETION OF EACH SCENARIO)**

Was there anything in the scenario which created difficulties for you? Probe to the negative.

How useful were the revised instructions in completing the scenario?

Was there anything about the Form 8919 or instructions which assisted you in completing the scenario? Probe.

## **SUMMARY**

What do you like most about Form 8919? The instructions?

What do you like least about Form 8919? The instructions?

How helpful was the language of the revised instructions in understanding and completing Form 8919? How about the format of the instructions?

How many of you do believe that Form 8919 will assist you in reporting income from both a W-4 and a 1099? Ask for a show of hands. Could you please explain your answer?

For those of you who think that it is helpful to have Form 8919, could you please tell me the reasons for your preference?  
Record on flip chart.

For those of you who think that it is NOT helpful to have Form 8919, could you please tell me the reasons for your preference?  
Record on flip chart.

Do you think that Form 8919 increases or decreases the burden on taxpayers will assist you in reporting income from both a W-4 and a 1099?

Thinking about our entire discussion tonight about Form 8919, is there anything else you would like to share about it?

If time permits, ask the above series of questions about the instructions.

I need to ask the observers in the other room whether they have any other questions they would like me to ask. While I am gone, will you each think of one possible improvement to Form 8919 and I will ask about it when I return. (Moderator excuses himself/herself.)

(Asks any other questions/clarifications upon return. Asks each respondent for one possible improvement to Form 8919).

Thank you for coming here tonight and sharing your thoughts and ideas with me. You have given us a great deal of help. Please check with the hostess on your way out of this room.

Good night!

## Form 8919 Focus Group Scenarios

### Scenario 1

Joe Turner is employed as the manager of Jane's Art Supplies. Joe considers himself an artist though he hasn't been able to sell any of his art. Joe also works for Affordable Art, Inc. which pays him to work on an assembly line that produces copies of masterpieces. Joe's job is to fill in all the green parts of the painting. His co-worker, Claudette, fills in the orange parts. His other co-worker, Pablo, fills in the yellow parts. Affordable Art reports Joe's earnings on a Form 1099-MISC. Joe's co-workers tell him their earnings are reported on Forms W-2. In January, 2008, Joe received a Form W-2 from Jane's Art Supplies and a Form 1099-MISC from Affordable Art.

Use the above information and the attached Form W-2 and Form 1099-MISC to complete a Form 8919 for Joe Turner.

Answers:

1(a): Affordable Art, Inc.

1(b): 10-9999999

1(c): E

1(d): BLANK

1(e): Checked

1(f): \$40,000

6: \$40,000

8: \$65,000

9: \$32,500

10: \$32,500

11: \$ 2,015

12: \$ 580

13: \$ 2,595

### Scenario 2

In 2007, Jack Green worked 5 nights each week as the night manager at the Sleep Well Motel. Jack also worked for Advance, Inc., loading and unloading trucks and doing other work in Advance's warehouse. Jack was paid only for the hours he worked. If no moves were scheduled, Jack could use his vacation time. Jack was paid only after he submitted a time card. Bob White was Jack's supervisor at Advance. Bob told Jack when and where to report to work and Jack did whatever Bob told him to do. Advance, Inc gave Jack a Form 1099-MISC. The Sleep Well Motel gave Jack a Form W-2.

Use the above information and the attached Form W-2 and Form 1099-MISC to complete a Form 8919 for Jack Green.

Answers:

1(a): Advance, Inc.

1(b): 10-9999999

1(c): H

1(d): BLANK

1(e): Checked

1(f): \$39,000

6: \$39,000

8: \$50,000

9: \$47,500

10: \$39,000

11: \$ 2,418

12: \$ 565.50

13: \$ 2,983.50

## **ATTACHMENT FIVE**

### **INVITATION TO ONLINE PANELISTS**

Dear Panelist:

We invite you to participate in an important and interesting survey to provide taxpayer input to the Internal Revenue Service (IRS).

The survey will take five minutes or less to complete. It is being conducted for the IRS by an independent survey research organization, SRBI, which is pledged to protect the confidentiality of your responses.

If you complete the survey, your name will be entered by Survey Sampling, Incorporated, (SSI) into the monthly drawing for one of over 100 prizes worth a total of \$10,000.

To start, please click on the link below, or copy the URL into your browser:

(link here).

Thank you in advance for your assistance in providing taxpayer input to the IRS.

John M. Boyle  
Senior Partner  
SRBI



## Focus Group Screener - 2007 IRS Focus Groups

Directions: Please answer each of the following questions about the filing and preparation of your Federal income taxes.

1. Did you file a joint tax return with a current or former spouse in at least one of the past three years?

Yes

No

Not sure

**GO TO QUESTION 7**

**GO TO QUESTION 7**

2. For the tax year 2006, how was your income tax return filed?

Self-prepared using paper and pencil

Self-prepared using software

Using a preparer

Not sure

**GO TO QUESTION 7**

**GO TO QUESTION 7**

3. For the tax year 2006, which of the following did you file:

1040 (Long Form)

1040A (Short form)

1040 EZ

4. For the 2006 tax year, did you receive:

	Yes	No
A W-2 for wages or salary?	<input type="checkbox"/>	<input type="checkbox"/>
A 1099 for work you performed?	<input type="checkbox"/>	<input type="checkbox"/>

5. For the 2006 tax year, did you pay college tuition for yourself, your spouse, or a dependent child?

Yes

No

Not sure

6. In the past three years, have you prepared Form 1065 for partnership income from a general or limited partnership or limited liability company? Some examples of such partnerships might be a business, a real estate partnership, or an investment club.

Yes

No

Not sure

7. Do you or your spouse have your own business?

Yes.

No. **GO TO QUESTION 9**

8. Do you yourself prepare any Federal tax returns (income, employment or excise) for your business?

Yes.

No. **GO TO DECISION**

9. If you work in someone else's business, do you prepare any Federal tax returns for that business?

Yes.

No.

**DECISION:**

**Form 8719 (tuition): If Q2 = paper and pencil and  
Q5 = yes**

**Form 8919 (1099): If Q2 = paper and pencil and  
Q4b = yes**

**Form 1065 (Schedule K): If Q2 = paper and pencil or software and  
Q6 = yes**

**Form 94X: If Q8 = yes or Q9 = yes**

**Then continue.**

**All others: Thank and terminate.**

10. Have you participated in a focus group on any subject in the last year?

Yes

**SCREEN OUT**

No

11. Did you work as a paid preparer of income tax returns for others in either 2006 or 2007?

Yes

**THANK AND TERMINATE**

No

DK/REF

**THANK AND TERMINATE**

12.) Do you or anyone else in your immediate family work in the market research or survey research industry, or for the IRS?

Yes

**SCREEN OUT**

No

Don't know/Refused

**SCREEN OUT**

13. Your gender:

Female

Male

**Priority for Recruitment if a respondent qualifies for more than one group:**

**1) Form 1065**

**2) Form 94X**

**3) Form 8919**

**4) Form 8719**

*OMB NOTIFICATION*

*[This project has been approved by the U.S. Office of Management and Budget (OMB). The OMB Clearance Number is 1545-1349.]*

*If you like, I can give you a name and address where you can send comments and questions regarding the time estimates or suggestions for making this process simpler.*

***(Read only if respondent asks for address)***

*IRS Tax Products Coordinating Committee*

*SE:W:CAR:MP:T:T:SP, Room 6406*

*1111 Constitution Avenue*

*Washington, DC 20224]*

## ATTACHMENT 6

### Email Confirmation of Focus Group Participation

Dear \_\_\_\_\_ :

Thank you for agreeing to participate in the group discussion to be sponsored by the Internal Revenue Service (IRS) on \_\_\_\_\_, \_\_\_\_\_ beginning at \_\_\_\_ P.M.. The session will be held at \_\_\_\_\_ . Directions to the facility are attached.

This should be an interesting discussion which will provide valuable insight to the IRS about the experiences of taxpayers and we appreciate your willingness to participate. We will be paying \$75 as a “thank you” for your participation. We will also serve a light snack prior to the session, so please plan to come a little early. Please plan to stay for the entire group discussion.

Again, thank you for agreeing to take part in this important group discussion and we look forward to meeting you.

Sincerely,

Carla Jackson  
Vice President

Enclosure

## ATTACHMENT 7

### Telephone Confirmation for IRS Focus Groups

Name \_\_\_\_\_

Home phone \_\_\_\_\_

Work phone \_\_\_\_\_

Hello, this is \_\_\_\_\_ from SRBI Research. May I please speak with  
\_\_\_\_\_.

(IF NEEDED: REPEAT) Hello, this is \_\_\_\_\_ from SRBI Research.)

I am calling to confirm that you will be attending the IRS focus group on  
\_\_\_\_\_, \_\_\_\_\_ at \_\_\_\_\_ PM at \_\_\_\_\_.

- 1 Yes, confirms
- 2 No, will not be there -> We're sorry that you won't be able to make it.

(IF YES: Did you receive the directions we sent you in the mail?)

- 1 Yes
- 2 No - ASK IF THEY NEED DIRECTIONS.

Thank you, we look forward to seeing you there.

Have a nice evening.