

Appendix B. Screener and Moderator's Guide for the "Employment Tax Compliance" Focus Groups

Screener Guide for the "Employment Tax Compliance" Focus Group

Hello, my name is _____ and I am an employee of the Internal Revenue Service. I am recruiting tax practitioners to participate in one of the focus group interviews that will be held during this tax forum. Management at IRS has asked me to conduct the interviews at this forum to gather ideas and opinions about your experiences with IRS and to solicit your input on how to improve service.

First, may I ask a few qualifying questions?

Question #1 – Do you have small business clients?

If the practitioner answers yes, ask question #2. If the answer is no, do not invite the participant.

Question #2 – Have any of your small business clients had compliance issues with trust fund taxes?

If the practitioner indicates that they have experience with clients who did not pay payroll/employment/trust fund taxes timely or fully, then invite the practitioner to participate in the focus group.

We would like to invite you to participate in the focus group on Trust Fund Taxes with about nine other tax practitioners. Again, we want to hear your opinions, views and ideas. The session should take approximately two hours at _____ am/pm in Room _____.

The Paperwork Reduction Act requires that the IRS display an OMB control number on all public information requests. The OMB Control Number for this focus group is ~~XXXX-XXXX~~ [XXXX1545-1349](#). We estimate the time required to be two hours. Also, if you have any comments regarding the time estimates associated with this study or suggestions on making this process simpler, please write to:

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

Moderator's Guide for "Employment Tax Compliance" Focus Groups

Hi! My name is _____ and I'm a focus group moderator from the Internal Revenue Service. This is my co-moderator _____.

The IRS has a strong commitment to provide excellent customer service and, in that light, attempts to provide information that explains taxpayers' responsibilities in easy to understand terms. We would like to get your ideas to help us with developing strategies to better equip small businesses to timely fulfill their tax obligations.

Before we start, let me ask how many of you have ever participated in a focus group before? For those of you who have not, let me explain. A focus group is a research tool used to gather ideas and opinions from a group of individuals with a common characteristic or experience by means of directed discussion.

We have some ground rules that I would like to go over:

- We only need to know your first name in order to keep the discussion moving.
- There are no **right or wrong answers**. Everyone's opinion is valuable so I'd like everyone to participate. Please speak one-at-a-time, loudly, and clearly.
- I will be watching our time and directing our conversation. My co-moderator will be taking notes. We will tape this session because it is hard to capture everything once the conversation gets moving. The tape will only be used to ensure that we convey your ideas and opinions accurately in the report. **(NO NAMES WILL BE USED IN THE REPORT)** Once the report is written, the tape is destroyed.
- I am not an expert on this subject. I will probably not be able to answer any questions you may have, but after the group, I can take your contact information and pass it on to an appropriate person, if you like.
- We will be here about two hours. There will be no formal break; however, if you need to stretch, go to the restroom, or walk around a little, please feel free to do so but please come back quickly. Your comments are very important to us.
- Please turn off any cell phones and/or beepers.
- We are required by law to report to you the OMB control # for this public information request. That number is [XXXX-XXXX1545-1349](#).

Warm Up

Let's begin! Please give me your first name only, and how many small business clients you have. *Go around the table.*

Background

The IRS is aware that small businesses have a high probability of failure if the business can't fully and timely pay employment taxes. The IRS is concerned that small business owners may not be aware of the consequences of unpaid trust fund taxes.

Today, we will discuss your opinions on what the IRS can do to better educate small business owners about the importance of trust fund tax compliance.

General Questions

- ❖ What are trust fund taxes?
- ❖ How do you explain trust fund taxes to your clients?
- ❖ Who submits your client's federal tax deposits?
Probe for:
 - *I submit them.*
 - *They use a payroll service provider (PSP).*
 - *They or one of their employees pays them.*
- ❖ For those of you with clients who submit their own federal tax deposits, how do they submit them?
Probe for:
 - *EFTPS*
 - *Check*
 - *Credit card*
- ❖ What are the reasons that small business owners may have trouble paying their trust fund taxes?
Probe for:
 - *Cost of filing.*
 - *Other financial responsibilities they view as more important.*
 - *Issues with payroll service provider.*

Penalties

Now we are going to talk about penalties.

- ❖ What are the penalties for not paying trust fund taxes?
Probe for:
 - *Monetary penalties*
 - *Criminal prosecution*
 - *Increasing filing penalties*

- ❖ Who is held liable for not paying trust fund taxes?
Probe for:
 - *Person who did not WILLFULLY pay (If an employee is directed to pay other creditors before paying the taxes, then the responsible person is the individual who directed other obligations to be paid.)*
 - *NOT Payroll Service Provider*
 - *Business owner even if business went BANKRUPT*

- ❖ In what situations would a small business owner not be personally liable?
 - *Not if they were using tax money for any other purpose*
 - *Not if the payroll service provider failed to pay the taxes*
 - *Not if an employee steals. (The employer is still responsible even if an employee embezzles the funds. If the employee embezzled funds from the business and the employer filed charges, the IRS will consider abatement of penalties only.)*

- ❖ What are some of the consequences of not paying trust fund taxes?
Probe for:
 - *IRS makes taxpayer file employment tax returns monthly.*
 - *IRS can make taxpayer set up a special trust account.*
 - *IRS can take taxpayer to civil or criminal court.*
 - *Trust fund recovery penalty and other monetary penalties.*
 - *IRS can take personal funds of business owner.*

- ❖ How would you explain these consequences to your clients?

Marketing

- ❖ What information should be included in marketing about trust fund taxes?
Probe for:
 - *Definition of trust fund taxes*
 - *Monetary penalties*
 - *Increased filing penalties*

- ❖ Who should the information go to?
Probe for:
 - *Tax practitioners*
 - *Businesses*
 - *Business owners*
 - *Both*

- ❖ When should taxpayers receive information on trust fund taxes?
Probe for:
 - *When they apply for an EIN*
 - *When they file form 941*
 - *When they become delinquent*

- ❖ How should this information be distributed to small business owners?
Probe for:
 - *E-mail*
 - *Paper-mailings*
 - *Newspaper or television advertisements*
 - *Irs.gov or other website*
 - *Mailing with Tax Forms*
 - *Through Tax Practitioner*

- ❖ How should this information be distributed to tax practitioners?

- ❖ In addition to marketing how can the IRS best educate small business owners about trust fund tax compliance?

EFTPS – (Ask these if time allows)

I'd like to ask a few final questions about EFTPS.

- For those of you who have clients that use EFTPS, what do they like about it?
- What don't they like about EFTPS?
- Why do you think some small business owners don't use EFTPS to pay and check their tax payments online?
- How do you think a change in threshold for mandatory EFTPS filing would affect small business owners?

❖ **Conclusion**

Are there any more comments about Small Business Employment Taxes and Trust Funds that you would like us to take back to IRS?

Are there any other issues you'd like to discuss?

Thank you for all your help. As our partners in tax administration, your ideas and opinions are very important to us. We hope that by working together we can truly help you and your clients when it comes to tax management. Your participation here today is valuable and greatly appreciated.

Appendix C. Screener and Moderator's Guide for the "e-Strategies" Focus Groups

Screener Guide for "e-Strategies" Focus Group

Hello, my name is _____ and I am an employee of the Internal Revenue Service. I am recruiting approximately 10 tax practitioners to participate in one of the focus group interviews that will be held during this tax forum.

First, may I ask a few qualifying questions? (We need preparers who have used e-services or at least have knowledge of e-service products.)

Question 1: Are you an e-file provider? Do you use e-service products regularly? (If yes, they are qualified, invite them to the focus group. If not, ask Question 2)

Question 2: Do you know what the e-services products are? Do you plan to use them in the upcoming filing season? (If yes, then invite them to the group.)

If the preparer has no knowledge of or experience with e-services, move on to the next candidate. If you they have knowledge or experience with e-services, then invite them to the focus group.

We would like to invite you to participate in the focus group that will discuss the Small Business/Self-Employed Division's e-Strategy. You and a small group of up to 12 practitioners with provide feedback on e-Services, e-Filing, and e-Compliance. The IRS needs to hear your opinions, views and ideas. The session should take approximately 2 hours at _____ am/pm in Room _____.

The Paperwork Reduction Act requires that the IRS display an OMB control number on all public information requests. The OMB Control Number for this focus group is ZZZZ-ZZZZ. We estimate the time required to be two hours. Also, if you have any comments regarding the time estimates associated with this study or suggestions on making this process simpler, please write to:

Internal Revenue Service
Tax Products Coordinating Committee
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1111Constitution Ave. NW
Washington, DC 20224

Moderator Guide for "Building a Small Business/Self Employed e-Strategy, e-Compliance, e-Filing and e-Services" Focus Group

Hi! My name is _____ and I'm a focus group moderator from the Internal Revenue Service. This is my co-moderator _____.

The IRS is committed to using technology to support customers and improve business outcomes. SB/SE would like to get your feedback on an overall e-Strategy that will help us reduce burden, support practitioners, and increase e-filing.

Before we start, let me ask how many of you have ever participated in a focus group before? For those of you who have not, let me explain. A focus group is research tool used to gather ideas and opinions from a group of individuals with a common characteristic or experience by means of directed discussion.

We have some ground rules that I would like to go over:

The IRS has arranged this room during this conference for you to speak with us. We only need to know your first name in order to keep the discussion moving.

There are no **right or wrong answers**. Everyone's opinion is valuable so I'd like everyone to participate. Please speak one-at-a-time, loudly, and clearly.

I will be watching our time and directing our conversation. My co-moderator will be the note taker. Because it's hard to listen to your comments and capture everything, we will also tape this session. The tape will only be used to refresh our memory and to ensure that we convey your ideas and opinions accurately in the report. **(NO NAMES WILL BE USED IN THE REPORT)** Once the report is written, the tape is destroyed.

We will be here about 2 hours. There will be no formal break; however, if you need to stretch, go to the restroom, or walk around a little, please feel free to do so but please come back quickly. Your comments are very important to us. Please turn off any cell phones and/or beepers.

We are required by law to report to you the OMB control # for this public information request. That number is ZZZZ-ZZZZ.

Warm Up

Let's begin! Please give me your first name only, how long you've been in business and what types of returns you prepare. *Note: Go around the table, this question helps gauge individual vs. business client mix and will give an idea of what forms the practitioners are filing.*

The Small Business/Self-Employed division of the IRS is developing an electronic strategy that will use technology to support practitioners and taxpayers, reduce burden, and optimize business outcomes. A well-defined strategy will promote e-Filing and ultimately help narrow the tax gap. We need your help in establishing the strategy.

e-Services

1. What is e-Services?
2. How do you define e-Compliance?
3. How do you define e-Filing?

We will discuss e-Compliance and e-Filing in more detail later. For the moment, think of e-Services:

Which e-Services do you use?
(Write on flipchart)

What e-Services do you want?
(Write on flipchart)

What do your customers want?
(Write on flipchart)

How will those e-Services help you?

How will those e-Services help taxpayers?

What should the IRS do first?

- How long should it take?

Tell me about your experience when you registered for e-Services?

- How long ago did you register? *(New users may have different experiences than old users).*
- What recommendations do you have to change the registration process?

Tell me about your experiences with the Practitioner Taxpayer Identification Number Application?

- How long ago did you apply? *(New users may have different experiences than old users).*
- What improvements can be made to the PTIN application process?

Tell me about your experiences with the Taxpayer Identification Number Matching (TIN) Application?

- How often do you use TIN?

Tell me about your use of Disclosure Authorizations (DA) through e-Services?
Probes:

- How long have you been using the DA product? *(it is fairly new)*
- Describe the positive features of DA

- Describe any problems with DA

Tell me about your use of Electronic Account Resolution (EAR) through e-Services?

Probes:

- How long have you been using the EAR product? (*it is fairly new*)
- What do you like about EAR?
- Dislike?

Tell me about your use of the Transcript Delivery System (TDS) through e-Services?

Probes:

- How long have you been using the TDS product? (*it is fairly new*)
- Describe the positive features of TDS?
- Describe any problems you have experienced with TDS?

Are there any other thoughts on e-Services?

e-Filing

Existing data shows that adoption of e-Filing for Small Business/Self-Employed returns remains low compared to other returns. SB/SE returns include 1065s, 1120As, and 1120Ss. Practitioners prepare the majority of these types of returns but do not e-File them.

Please tell me about the types of returns that you e-File vs. the returns that you do not.

Probe:

- Are there any particular reasons that you do not e-File 1065s?
- Are there any particular reasons that you do not e-File 1120s?
- On Form 1040s, does the amount and type of schedules that are attached make a difference in which returns you e-File? Why?
- What would change this?

What affect do you think state mandates to e-File have on federal returns?

e-Compliance

The IRS Small Business/Self-Employed Division intends to use technology to dramatically improve e-Compliance capabilities.

How can technology change the audit experience?

- Do you think there are better ways for the IRS to select which returns to audit?
- When a return that you prepared is selected for an audit, are there any ways that technology can change the experience?
- How can we reduce audit cycle times?

How can technology improve the IRS's interaction with taxpayers?

How can technology be used to improve your interactions with the IRS?

e-Strategy Communication

How do you currently receive news and information about the items we have discussed today?

How would you like to receive that news and information in the future?

What do you do now if you have questions about e-Services?

What other meetings or seminars have you participated in where e-Services are discussed?

- Who hosts those events?
- Are IRS personnel usually involved?

What suggestions do you have on how we can improve communication about e-Services?

Conclusion

Are there any more comments about these topics that you would like us to take back to IRS?

Are there any other issues you'd like to discuss?

Thank you for all your help. As our partners in tax administration, your ideas and opinions are very important to us. We hope that by working together we can both become more effective. Your participation here today is valuable and greatly appreciated.

Appendix D. Screener and Moderator's Guide for the "Increasing Voluntary Compliance" Focus Groups

Screener Guide for the 'Increasing Voluntary Compliance' Focus Group

Hello, my name is _____ and I am an employee of the Internal Revenue Service. I am recruiting tax practitioners to participate in one of the focus group interviews that will be held during this tax forum. The IRS has asked me to conduct the interviews at this forum to gather ideas and opinions about strategies to increase voluntary compliance and reduce the Tax Gap.

May I ask you a few qualifying questions?

Question #1 - Are you familiar with any of the tax gap fact sheets?

NOTE: Show practitioners one of the laminated copies of a tax gap fact sheet.

If the practitioner is not familiar with the tax gap fact sheets, ask Question #2.

NOTE: Show the practitioner the list of tax gap fact sheet topics and ask:

Question #2 – Do any of these fact sheet topics look familiar to you?

If the practitioner does not recognize any of the topics, then go on to the next potential recruit. Thank him/her for his/her time. **Do Not Select.**

If the practitioner answers yes to Question #1 or Question #2, invite the practitioner to participate in the focus group.

We would like to invite you to participate in the 'Increasing Voluntary Compliance' focus group interview session with about nine other practitioners. Again, we want to hear your opinions, views, and ideas. The session should take approximately two hours, starting at ____am/pm in Room _____.

The Paperwork Reduction Act requires that the IRS display an OMB control numbers of all public information requests. The OMB control number for this study is #####. ~~1545-1349~~. If you have any comments regarding time estimates associated with this study or suggestions on making this recruitment process simpler, I can give you an address where you can send your comments.

READ ONLY IF ADDRESS IS REQUESTED.

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

Moderator's Guide for 'Increasing Voluntary Compliance' Focus Group

Hi! My name is _____ and I'm a focus group moderator from the Internal Revenue Service. This is my co-moderator _____.

The IRS has a strong commitment to provide excellent customer service and, in that light, an active program to explore ways to increase voluntary compliance among taxpayers. The SB/SE Communications, Liaison and Disclosure division would like to get your feedback to help us improve how we provide education and outreach to ensure all taxpayers pay their fair share.

Before we start, let me ask how many of you have ever participated in a focus group before? For those of you who have not, let me explain. A focus group is research tool used to gather ideas and opinions from a group of individuals with a common characteristic or experience by means of directed discussion.

We have some ground rules that I would like to go over:

- The IRS has arranged this room during this conference for you to speak with us. We only need to know your first name in order to keep the discussion moving.
- There are no **right or wrong answers**. Everyone's opinion is valuable so I'd like everyone to participate. Please speak one-at-a-time, loudly, and clearly.
- I will be watching our time and directing our conversation. My co-moderator will be the note taker. Because it is hard to listen to your comments and capture everything, we will also tape this session. The tape will only be used to refresh our memory and to ensure that we convey your ideas and opinions accurately in the report. **(NO NAMES WILL BE USED IN THE REPORT)** Once the report is written, the tape is destroyed.
- We will be here about two hours. There will be no formal break; however, if you need to stretch or go to the restroom, feel free to do so but please come back quickly. Your comments are very important to us. Please turn off any cell phones and/or beepers.
- We are required by law to report to you the OMB control # for this public information request. That number is #####-#####.1545-1349.

Warm Up

Let's begin! Please give me your first name only, how long you've been in business and a general overview of the types of returns you prepare.

Go around the table.

Background

The IRS is committed to finding ways to increase compliance and reduce the tax gap, while minimizing the burden on the vast majority of taxpayers who pay their taxes accurately and on time. In an effort to assist small businesses and self-employed taxpayers to better understand their reporting, filing and payment obligations, the IRS designed a series of fact sheets aimed at educating the public about the components of the tax gap. Starting in June 2006, the IRS has published one fact sheet a month. Currently, there are a total of (**twelve**) fact sheets. A list of the topics is posted on the flipchart for reference.

NOTE: Prepare the flipchart list before the focus group. The number of fact sheets will change during the tax forum schedule. The topic list is provided as an appendix to the Moderator's Guide. It will be updated and distributed to focus group moderators as the tax gap fact sheets are released.

General Questions

How many of you are familiar with the fact sheets? (*show of hands*)

NOTE: Place copies of the fact sheets on the table for reference.

How many of you have read through any of the individual fact sheets? (*show of hands*)

Which one(s)? (*Indicate counts next to the listed topics on flipchart*)

NOTE: If there are participants who have not read through any of the sheets, ask them to read through one of two of the sheets on the table so they can contribute their opinions.

What is your overall opinion of the fact sheets?

What do you like about the sheets?

What do you dislike?

What do you think of the format (layout)?

How easy-to-understand is the information provided?

Probe: What do you think about the level of detail? Why?

Impact of Tax Gap Fact Sheets

What do you think about the topics covered in the fact sheet series?

Probe: Do the topics represent the areas you see business clients having problems with?

Which topics are most useful?

What new information did you learn from the fact sheets?

What additional topics would be useful to you?

Use of Fact Sheets

How many of you used any of the individual fact sheets? Which one(s)? *(Count)*

For what purpose did you use the sheet(s)?

How did the fact sheet assist you?

How many of you provided any of the fact sheets to taxpayers? *(show of hands)*

For those of you that did,

How did you provide the sheets to your clients (what method)?

Probe for: Printed copy, electronic copy, referral to irs.gov website.

When did you provide the sheets to your clients?

*Probe for: While completing return and discussing income or expenses?
As part of ongoing communications?*

What feedback have you received from your clients about the fact sheets?

How has client behavior changed as a result of the information contained in the fact sheets?

Method of Delivery

How did you hear about the fact sheet series?

Probe for: e-news for tax professionals; e-news for small business; headlines

Which method is more valuable to you and why: electronic or paper?
(Record count of each method)

How do you feel about the frequency of the sheets (once a month)?

Probe: Would any of you like to see the sheets produced more frequently? Less?

NOTE: If anyone in the group was not very familiar with the sheets before today, ask the following question:

For those of you who were not very familiar with the fact sheets before today, how are we missing you?

Additional Ideas for Increasing Voluntary Compliance

What other ideas do you have on how to **educate** individual taxpayers on complying with their tax obligations, particularly small business or self-employed taxpayers subject to little or no information reporting?

What other methods can the IRS utilize to broaden its **reach** to both the tax practitioner and individual taxpayer community?

Conclusion

Are there any more comments about these topics that you would like us to take back to the IRS?

If you were the Commissioner of the IRS, what actions would you take to reduce the tax gap?

Thank you for all your help. Improving voluntary compliance requires that the IRS work closely with the tax professional community to understand the most effective ways to support ethical preparers. As our partners in tax administration, your ideas and opinions are very important to us. Your participation here today is valuable and greatly appreciated.