

Appendix B: Recruiter's Guide for the "Health Care, HIRE Act Tax Credits for the Small Business Community" Focus Groups

One 90 minute focus group. Recruit 20 for approximately 8-10 to show up for each group.

Hello, my name is _____ and I am an employee of the Internal Revenue Service. The IRS is hosting a series of focus groups across the U.S. to learn from tax preparers and small business owners. I am recruiting approximately 10 tax preparers to participate in one of these focus group discussions. Management at the IRS has asked me to gather ideas and opinions from you about some new tax credits available to the small business community through the Affordable Care Act (H.R. 3590) and the HIRE Act (H.R. 2847). IRS wants to know what you have heard about the tax credits, how you learn about new tax credits, how to better communicate with the small business community when new tax credits become available, and if there are barriers to claiming the credits for which you are eligible.

Note: If the respondents are concerned about participating, tell them that the IRS specifically prohibits you from revealing any information about them to the IRS or anyone else.

First, may I ask you some qualifying questions?

Question #1: Are you a business owner?

*If the answer is yes, ask question #2.
If the answer is no, ask questions #3.*

Question #2: How many employees do you have? (Ballpark figure is fine).

*If the number is 25 or less, invite the participant.
If the number is more than 25, do not invite the participant.*

Question #3: Are you a federal tax return preparer?

*If the answer is yes, ask question #4.
If the answer is no, do not invite the participant..*

Question #4: Do you prepare returns for small businesses with 25 employees or less?

*If the answer is yes, invite the participant.
If the answer is no, do not invite the participant.*

We would like to invite you to participate in the focus group titled 'Health Care, HIRE Act Tax Credits for the Small Business Community' with about 9 other people. Again, we want to hear your opinions, views and ideas. The session should take about 90 minutes and will be held on __ (day) __ at __ (time) __ in Room _____.

Note: Read the Paperwork Reduction Act

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 1545-1349. If you have any comments regarding the time estimates associated with this study or suggestions on making this process simpler, I can give you an address to write to.

Note: Read only if Person asks for address to send comments to:

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

Appendix C: Moderator's Guide for the “Health Care, HIRE Act Tax Credits for the Small Business Community” Focus Group

INTRODUCTION

Hi! My name is _____. I work for the Internal Revenue Service and I will be your focus group moderator for this discussion. This is my co-moderator _____.

The purpose of today’s focus group is to help the Small Business Team to understand how the small business community is reacting to the small business health care tax credit in the Affordable Care Act, the new tax benefits in the Hiring Incentives to Restore Employment (HIRE) Act, and how IRS can effectively communicate with the small business community. We would like to gather your opinions, experiences, and suggestions to assist us in this effort.

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:

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 helping guide the flow of conversation. My co-moderator will be the note taker. **NO NAMES WILL BE USED IN THE REPORT.**

We will be here approximately 90 minutes. Please turn off or silence any cell phones.

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.

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 by getting to know each other a little better. Please introduce yourself to the group and tell us:

Note: Go around the table.

- o Your first name,
- o what type of business you work for,
- o how long you've been in this business,
- o how many employees you have, and
- o what types of returns you file or prepare.

Small Business Health Care Tax Credit from the Affordable Care Act (Patient Protection and Affordable Care Act)

To start off today's discussion, I want to discuss the small business health care tax credit that is part of the new Patient Protection and Affordable Care Act passed in March 2010.

What have you learned about the new small business health care tax credit?

- Probes:** Amount of credit offered employers?
 Requirements for claiming this credit?
 How have you and your clients heard about the credit?

Will the new credit help you or your clients to start, or continue to, provide health insurance to employees?

- Probes:** If yes,
- How does the new credit make providing employee health insurance more affordable for your or your clients' business?
 - How does the new credit help your or your clients' business overall?

If no,

- What are the barriers to using the new tax credit?
- Why don't you or your clients plan to use it?

If you could change the health care tax credit to help you or your clients offer health insurance to employees, what changes would you make?

Probes: What changes would you make in the credit itself?
What changes in the requirements for claiming the credit would you make?

Hiring Incentives to Restore Employment (HIRE) Act Employer Tax Benefits

Next, I want to discuss the two new tax benefits from the HIRE Act that are available to employers who hire qualified unemployed workers.

What have you learned about the new tax benefits for hiring previously unemployed workers?

Probes:

What have you learned about the temporary payroll tax exemption for qualified employees?

What have you learned about the general business tax credit for retaining qualified employees for at least 52 weeks?

What have you learned about which employees qualify for the payroll tax exemption/retention tax credit ?

How have you heard about the temporary payroll tax exemption?

Did the HIRE payroll tax exemption play a role in your or your clients' hiring of any new employees?

Probes: If yes,

- How does the payroll tax exemption help you or your clients hire new employees?
- How does the payroll tax exemption help your or your clients' business overall?

If no,

- What are the barriers to hiring new employees?

Did the HIRE retention credit play a role in your or your clients' hiring of any new employees?

Probes: If yes,

- How does the retention credit help you or your clients retain employees?
- How does the retention credit help your or your clients' business overall?

If no,

- What are the barriers to retaining employees?

Did you or your clients change hiring plans or practices due to any provision in the HIRE Bill?

Probes: If yes,
- What changes have you or your clients made?

If no,
-What kind of tax exemptions or credits would help you or your clients hire and retain employees?

Communications with Small Business Owners

What methods should we be using to ensure all small business owners are aware of all available tax credits? Where do each of you get your information?

Probes: What IRS communications do you read?
What are other sources of information on new business tax credits that you trust?
Are there methods that are better or worse for you?
Are there particular issues you think have caused confusion or need more clarification in the small business community?

Conclusion

Are there any more comments or issues on the topics we've covered today that you'd like to discuss?

Thank you for all your help. Your ideas and opinions are very important to us. Your participation here today is valuable and greatly appreciated