

## **Appendix A: Schedule for 2008 IRS Nationwide Tax Forums**

<b>City</b>	<b>Dates</b>
Atlanta, GA	July 1 - 3
Chicago, IL	July 22 - 24
Orlando, FL	Aug. 5 - 7
Las Vegas, NV	Aug. 19 - 21
New York, NY	Aug. 26 - 28
San Diego, CA	Sept. 9 - 11

## **Appendix B: Screener Guide for the “Improving Communication – Field Exam Audit Process” Focus Groups**

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 you assisted any of your clients with a field examination within the last 2 years?

If the practitioner indicates that s/he has experience with assisting her/his clients with field examinations then invite the practitioner to participate in the focus group.

We would like to invite you to participate in the focus group on Improving Communication - Field Exam Audit Process 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 1545-1349. 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

## **Appendix C: Moderator's Guide for the "Improving Communication – Field Exam Audit Process" 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 improving its Field Exam Audit process through feedback from practitioners on communications, length of audits, and the quality of the experience.

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 the 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.

### **Warm Up**

Let's begin! Please give me your first name only and a little background about yourself.

*Go around the table.*

### **Background**

The National Exam Audit Process team is aware that there are opportunities to improve the field exam audit process. They are looking for your opinions and insight into the audits you have attended over the past couple of years. They are looking for your opinions on how to improve the current field exam experience.

### **General Questions**

What kind of businesses do you represent or tax work do you do?

How many times in the last 2 years have you represented a taxpayer in a field audit?

### **Quality**

How was the experience?

*Probe:*

*Good/bad/Indifferent*

*Quality audit conducted*

*Adjustments presented in a complete manner*

How could it have been better?

*Probe for reasons to make changes*

Were the written documents provided **related to the audit** helpful in progressing the audit to a conclusion?

*Probe:*

*Appointment letter*

*Information Document Requests*

*Letters issued*

### **Communications**

What are your thoughts on IRS' communications regarding the audit?

*Probe:*

*Contact needs to be made sooner*

*More in-depth requests for information*

*Initial contact about information needed for audit*

What methods should the Examiner use to communicate with you?

*Probe:*

*E-mail*

*Phone*

*Written communication*

Which method do you prefer (list answers on flip chart)?

*Probe: Reasons for preferred method*

How do you feel about electronic records?

*Probe for media types and software*

*QuickBooks*

*Peachtree*

Would it enhance the audit process if you submit information related to the books and records to examiners through a secure site or secure e-mail?

*Probe: How?*

How did you prepare your client for the audit?

What information did they find most helpful?

Could the Service provide better information to assist with this process? If so, what?

What information about the audit process do you feel could be communicated better by the Service?

Did the initial request for records ask for documents specific to the audit issues?

*Probe:*

*Client's understanding as to what was needed*

*How it applied to him /her or their business*

What is your position with regard to having the client at the interview?

Is there a difference if it is a regular client vs. a new client? If so, what is the difference?

How often do you expect communications with the examiner during an audit?

*Probe:*

*Specific timeframes for status of the audit*

*Reminder calls prior to first appointment or closing conference*

### **Length of Audit**

How do you feel about the length of the audits you have attended?

How long do you expect an audit to last?

*Probe:*

*# of days*

*# of months*

How much time do you expect to apply to an audit?

What expectation did your client have related to the length and time of the audit?

How realistic was the length of time of the audit?

There are two types of audits – Office and Field audits – Is your expectation related to time different for the two types of audits?

What are your expectations related to the records requested/needed for the two types of audits?

How many have heard the term (*write on flipchart*) **Mutual Commitment Date**?

(Count answer out loud)

### **Read definition for those who have not heard of the term:**

A Mutual Commitment date is the end result of a discussion among the taxpayer, power of attorney, and revenue agent (examiner.) The discussion covers the roles and responsibilities of each party involved in the audit, the time needed to obtain additional records and sets a tentative date for completing the audit based on information known at the first appointment. The

conclusion of the audit is the date the examiner expects to issue a report of proposed changes or advises that no-changes are being proposed. This process is used in field examinations only.

How many of you have had this discussion in your audits? (Count out loud)

If not, do you feel the Mutual Commitment Date discussion would be helpful in reducing the length of the audit?

*Probe:*

*Everyone is clear on the expectations and responsibilities each have during the audit*

### **Professionalism**

What was the professionalism of the examiner in your audit experience?

What was the examiner's affect on the audit experience?

What can the examiner do to make the audit process more professional?

*Probe:*

*Less burden*

What is your policy with regard to handling an audit?

*Probe:*

*Timeliness*

*Provision of records*

*Keeping clients informed*

*Ensuring client meets deadlines*

*Setting appointments*

What can you do to be a better professional in relation to the audit?

What type of items do you generally do if an individual asks you to handle an audit you do not have as a regular client?

What can the Service do to make an audit more efficient?

What can the Service do to make an audit more effective?

What can you do to improve the process?

### **Conclusion**

Are there any more comments about the Exam Audit Process that you would like to further discuss before we end this session? Thank you for all your help. Your participation here today is valuable and greatly appreciated.

## **Appendix D: Screener Guide for the "Correspondence Examinations – How Can We Improve the Process?" Focus Groups**

Hello, my name is \_\_\_\_\_ and I am an employee of the Internal Revenue Service. I am recruiting approximately 20 tax practitioners to participate in one of the focus group interviews that will be held during this tax forum. Management at the IRS has asked me to conduct the interviews at this forum to gather ideas and opinions about your experiences with the correspondence examination program and to solicit your input on how to improve the process.

First, may I ask you a qualifying question?

Question #1 – Have you assisted any of your clients with a campus correspondence examination (audit) in the last three years?

If the answer is yes to either question, then invite the practitioner to participate in the focus group.

We would like to invite you to participate in the focus group on improving the correspondence examination process with about nine other tax practitioners. Again, we want to hear your opinions, views and ideas. The session should take approximately 2 hours and will be held 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 1545-1349. 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:

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1111 Constitution Ave. NW  
Washington, DC 20224

## Appendix E: Moderator's Guide for the "Correspondence Examinations – How Can We Improve the Process?" Focus Group

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

The Small Business/Self-Employment Division of the IRS wants to improve the correspondence examination (audit) process and make it less burdensome for taxpayers. We would like to gather your opinions, experiences, and suggestions with the program 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 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. Please turn off any cell phones and/or beepers. 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 1545-1432.

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### 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.



## **General Questions**

Roughly how many correspondence audits, originating from a Campus, have you been involved in during the past two years?

**Probe:** Offer ranges (less than 10, more than 10) if participants are having difficulty coming up with a number.

Which of the Campuses have you dealt with? (*Brookhaven, Philadelphia, Memphis, Cincinnati, Ogden, Andover, Austin, Atlanta, Fresno, Kansas City*)

Tell me about your experiences with the Campus correspondence examination process.

**Probe:** What worked? What didn't work? Fairness of the process to the taxpayer?

*(Note to moderator: these items should come out from the question above. If not, make sure you probe.)*

Before you became involved with the audit, what attempts did your client make to resolve the issue?

## **Timeframes**

How do you feel about the amount of time it takes from beginning to end to resolve a correspondence examination originating from an IRS Campus?

**Probe:** Do you feel it's reasonable? Why or why not?

How do you feel about the 30-day timeframe given to provide supporting documentation?

**Probe:** Is it too short? Why or why not?

What do you as practitioners need to do to meet the request for documentation deadline?

By a show of hands, how many of you asked for an extension of time to provide the documents?  
*(Record count)*

*If any participants raised their hand, ask the following questions:*

Why did you need an extension?

What was your experience with asking for an extension?

**Probes:** Was the IRS receptive? What problems did you have getting an extension?

### **Level of Effort**

How much effort was required of you or the taxpayer to prepare for a correspondence exam originating from a Campus?

What other suggestions do you have to make the Campus correspondence exam process run more smoothly?

**Probe:** Ask practitioners to expand on suggestions offered.

### **Correspondence from the IRS**

Now I'd like to discuss the letters received from the IRS during the Campus correspondence exam process. I will distribute copies of the initial contact letters for reference. (*Hand out copies of contact letters to participants*).

What are your thoughts about the initial contact letters that are sent to taxpayers notifying them of an audit? *NOTE: Letter 566(SC) or Letter 566-B*

**Probes:** Is the language and wording appropriate? Why or Why not?  
Complexity of the message?  
How clear is the letter at explaining what the IRS needs from the taxpayer?

Disregarding the outcome of the case, what are your thoughts about the final letter and/or report from the IRS?

**Probes:** How well does it explain the decision on the case?  
How clear are the options and rights of the taxpayer if he/she doesn't agree with the outcome?

What would make correspondence from the IRS more useful to you and your clients?

### **Contacts with IRS Representatives**

By a show of hands, how many of you had contact with an IRS representative during a Campus correspondence exam? (*Record count*)

What method of contact (telephone versus letter) did you use? (*Record Count*)

Tell me about your experience with the IRS representative during the Campus exam.

What did you think about the explanations you received from IRS representatives?

**Probes:** Did you have to ask more questions after the explanations?  
Did you have to make additional calls to the IRS to understand the process?

In your opinion, did you have a successful experience with the IRS representative(s)?

How could the IRS improve your experience with the IRS Campus representatives during a correspondence exam?

**Probe:** What should the IRS Campus representatives be doing differently?

### **Acknowledgement - Receipt of Documentation**

We have one last topic to discuss today. I'd like to get your opinions and suggestions on receipt and acknowledgment of the documentation you send in to the IRS.

How do you feel about the way the IRS acknowledges the receipt of information from you or the taxpayer during a Campus correspondence audit?

By a show of hands, how many of you experienced receiving a **Notice of Deficiency** even though the proper documentation and/or final examination report was sent in and received by the IRS? (*Record Count*)

**Probes:** Tell me about your experiences.

How much additional time did it take you to resolve the examination?

How can the IRS handle the receipt of mail and posting of information to the taxpayer's account better during a Campus correspondence audit?

### **Additional Overall Improvement Ideas**

What would make the correspondence examination process better for you and your clients?

### **Conclusion**

Are there any more comments or 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.