

Attachment 1: Screener Guide

Participant Screener for
Testing IRS Form 1040NR

OMB # 1545-1349

Hello, my name is _____. I am calling on behalf of Macro International, a research and consulting firm in the Washington DC area. We are working with the Internal Revenue Service (IRS) to talk to people about some recent changes the IRS has made on one of their tax forms. We are looking for participants for a focus group we are holding in [insert city].

IF ASKED: (EACH INTERVIEWER WILL HAVE THIS INFORMATION).

If respondents ask how their name was obtained, tell them their phone number was randomly selected from a list of individuals in the local calling area. If respondents are concerned about participating, tell them that our contract with the IRS specifically prohibits me from revealing anything more than their first name to the IRS or anyone else, whether or not they participate in the focus group.

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 or suggestions regarding the process for recruiting potential participants in the focus groups.

*Internal Revenue Service
Tax Products Coordinating Committee
1111 Constitution Ave, NW IR-6526
SE:W:CAR:MP:T:T:SP
Washington, DC 20024*

Your answers to these questions will be held completely private by Macro, meaning we will not provide anything more than your first name to the IRS. The incentive you will receive is in cash and **is not reported as income to the IRS.**

This focus group is being held on behalf of the IRS and **is not** in conjunction with the U.S. Citizenship and Immigration Services (formally known as the Immigration and Naturalization Service).

Would you be interested in participating?

- () Yes.....Continue
() No.....Thank and terminate

1. Do you consider yourself to be fluent in English?

() Yes

If yes ask: Do you read and write in English?

(Yes).....

.....Continue

(No)

.....Terminate

() No.....
.....Terminate

-
2. Are you a tax professional? (Individual who prepares 25 or more Federal tax returns each year)
- Yes Continue
 No.....Continue to Q4
3. For the tax year 2007, did you prepare 25 or more IRS Form 1040NR or 1040NR-EZ? [**Note to recruiter: Form 1040NR is the U.S. Nonresident Alien Income Tax Return and 1040NR-EZ is U.S. Income Tax Return for Certain Nonresident Aliens with No Dependents**]
- YesContinue to Q6
 No..... Terminate
4. The form we will be looking at in the focus group is Form 1040NR—the U.S. Nonresident Alien Income Tax Return. For tax year 2007, did you file a Form 1040NR, or Form 1040NR-EZ –U.S. Tax Return for Certain Nonresident Aliens with No Dependents? [**Note to recruiter: Try and recruit mostly 1040NR filers, but if needed some respondents can have used 1040NR-EZ**]
- YesContinue
 No Terminate
5. For the tax year 2007, how did you file your tax return? [**Note to recruiter: Try and recruit all paper and pencil filers, but if needed some respondents can have used software**]
- Self-prepared using paper and pencil.....Continue
 Self-prepared using softwareContinue
 Using a preparer..... Terminate
 Not sure Terminate

For questions 6-10, recruit a mix of individuals

6. Into which of the following categories does your age fall?
- Less than 18.....Terminate
 - 18 to 33Continue
 - 34-44.....
.....Continue
 - 45 to 65.....
.....Continue
 - 66 and older.....
.....Continue

7. Please identify your highest completed level of education? [May opt out]

 Opted out

8. So that we can be sure that all backgrounds are represented in our project, could you please tell me the race or ethnic origin you identify with [1 or more responses OK; may opt-out if they wish].

- Hispanic or Latino/a
- American Indian or Alaska Native
- Asian
- Black or African American
- Native Hawaiian or other Pacific Islander
- White
- Opted out

9. **For Nonresident Aliens Only:** In what country was your passport issued?

 opted out

10. Record Gender—DO NOT ASK UNLESS UNABLE TO DETERMINE; may opt-out if they wish.

- Female
- Male
- Opted out

INVITATION

Thank you for answering our questions. Based on your responses, we would like to invite you to participate in a focus group which will be held in [insert city] [insert date] at [insert time]. The total time will be no more than 2 hours. We will provide everything that you need to participate in the focus group. Your participation is completely voluntary. We will provide you with a [insert amount of incentive] stipend for participating as well as a light meal and refreshments.

Are you willing to participate?

- Yes.....Continue
 No.....Terminate

I'm glad that you will be able to join us! At this point I need to collect some contact information from you. Then we will send you a confirmation letter and directions to the facility via e-mail.

Name: _____
Address: _____
Telephone # (Day): _____(Evening) _____
E-mail Address: _____

We are only inviting a few people, so it is very important that you notify us as soon as possible if for some reason you are unable to participate. Please call *[insert recruiter contact and phone]* if this should happen. We look forward to having you participate on [insert day] at *[insert time]*.

Do you have any questions?

Great! Thank you for your time and we will be in touch again the day of the focus group. Please remember to bring reading glasses if you use them.

TERMINATE TEXT

Thank you very much for your time, and thank you for answering our questions. Unfortunately, based on the focus group requirements, we cannot extend you an invitation. Perhaps at a later time we can include you in a future focus group. Have a good *[day/evening]*.

Attachment 2: Moderator's Guide

[Note: Information in regular type is meant to be said by the moderator. Instructions for the moderator are included in italics].

I. Welcome and Introductions

A. Introduction of the moderator.

Good morning/afternoon. My name is <insert first name> and I will be your moderator for this session. I am employed by Macro International, a management consulting firm located just outside of Washington, DC. Today I will be asking for your input about Form 1040NR, which is the U.S. Nonresident Alien Income Tax Return. The Tax Forms and Publications Division of the IRS would like your thoughts about some revisions they are considering making to the form and its instructions.

The IRS will take into considerations comments from this focus group and others that we are conducting around the country (Alexandria, VA; New York, NY; Los Angeles, CA; and Dallas, TX) when it changes the form and instructions.

B. What is a moderator?

Before we begin, I want to let you know that I'm not an expert on the form we will be discussing or any other IRS tax forms. My job as a moderator is to:

- Help guide the flow of conversation
- Make sure everyone's comments are heard
- Ensure that questions about various aspects of the topic are covered

You will see me referring to this outline during our session. The outline includes all issues I need to raise with the group, and helps me keep the discussion on track. It is important that we cover all the issues. Therefore, I may have to break off the conversation in order to move on to another area in the guide.

C. Informed Consent

Moderator: All participants will have reviewed and signed the informed consent for their participation in the focus group prior to coming into the focus group room. This will be handled by a designated staff at the focus group facility and confirmed by a staff of Macro International.

Before coming into the room, you were asked to review and sign an informed consent form for your participation in the discussion. I just want to go over some of the key points on the consent form to make sure we are in agreement. Review consent form, emphasizing audio- and videotaping, observers, privacy, and use of first names only.

Before we begin, I'd like to go over some basic ground rules for our discussion tonight.

Ground Rules

Before we begin, I'd like to review some ground rules for today's discussion.

- 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, NW, IR-6526, Washington, DC 20224.
- 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 would like to hear from everyone in the group, but you don't have to answer every question.
- 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 for us to 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 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 anyone needs to use the restroom, they are located (specify). There is no need to stop the discussion.

- Your participation is voluntary.
- If you have a cell phone, please turn it off or set to vibrate.
- The session will last about two hours.

Do you have any questions before we get started?

D. Introduction of Participants

First, I'd like each of you to introduce yourself to the group (first name only).

Moderator: for taxpayers ask:

- Please share with us what country issued your passport
- Did you complete Form 1040NR or Form1040NR-EZ?
- Did you prepare the form yourself – paper/pencil or did you use a software package such as Turbo Tax to prepare your tax return? Did a tax preparer prepare your return?
- How did you file your tax return? Mailed it (paper), e-filed, other

Moderator: for tax preparers ask:

- Approximately how many 1040NR and 1040NR-EZ tax returns did you prepare for clients in TY 2007?

Moderator: Thank participants after the introductions. Remind participants that your job is to ask questions and, if needed, to ask them to clarify their responses.

II. Initial Comparison of Current Form 1040NR and Revised Form 1040NR

Current Form 1040NR

Let's take a look at the current Form 1040NR. This is the current form that you will use to file your 2008 income tax return. **Distribute copies of Form and Instructions**

(Note to moderator: please allow 10 minutes for the participants to read it over)

Let's talk for a moment about the current Form 1040NR and instructions.

1. 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, ease of understanding what entries mean, ease of locating information the form.

2. Thinking back to when you prepared Form 1040NR/1040NR-EZ, how would you describe your experience in filing the Form? Do you recall any difficulties you experienced in completing the Form?

Probe for details

3. If you could make changes to Form 1040NR what would you suggest?

Probe for details

4. I'd like to ask you to give the form and instructions a grade—

- Using a scale of A to F, with A being the best—excellent and an F being a failing grade, what grade would you give:
 - o The Form?
 - o The instruction?
 - o Finally, taking into consideration the Form and the instructions, what overall grade would you give the Form 1040NR?
- **Probe:** Why would you give the form/instructions that grade

Revised Form 1040NR

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 has made some modifications to the current form and would like to get your reactions to it.

Distribute Revised Form 1040NR and Instructions. Please take a few minutes to look over the revised Form 1040NR and instructions.

(Note to moderator: please allow 10 minutes for the participants to read it over)

5. 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, ease of understanding what entries mean, ease of locating information the Form.

6. How would you compare it to the current Form 1040NR?

Probe: What changes did you notice?

III. Scenarios and Discussion

Now let's take a look at this scenario. ***Distribute copies of the scenario.*** Please complete the entries on revised Form 1040NR using the information provided in this scenario. Be sure to use the instructions provided with the Form to complete them. Take about 20-30 minutes to complete the scenario.

Note to moderator: when everyone looks like they have finished, ask participants to put down their pencils and not make any modifications to the form.

7. Before we talk about the scenario I'd like to ask you to give the form and instructions a grade—
- Using a scale of A to F, with A being the best—excellent and an F being a failing grade, what grade would you give:
 - o The Form?
 - o The instruction?
 - o Finally, taking into consideration the Form and the instructions, what overall grade would you give the revised 1040NR?

Probe: Why would you give the form/instructions that grade?

Moderator: Collect the pencils from participants. Let participants know that you will provide the correct answers later in the session.

Okay, now we're going to spend some time talking about the scenario you just completed.

8. Now that you have worked with the revised Form 1040NR, was there anything about the form or its instructions that helped you as you completed the scenario?

Probe to the positive.—what specifically helped them complete Form 1040NR

9. Was there anything in the scenario that created difficulties for you?

Probe: What difficulties did you notice? Were there any specific lines or parts of the forms that you had difficulty with? What, if any changes you would make?

10. I'd like to ask you about specific sections of the form and whether or not

you had any problems. I'm also interesting in hearing any suggestions you have that you think will help improve the form.

- a. Filing Status—lines 1-6
- b. Dependents—line 7
- c. Income effectively connected with U.S. Trade/Business—lines 8-23?
- d. Adjusted gross income—lines 24-35
- e. Tax and credits—lines 36-52
- f. Other taxes—lines 53-58
- g. Payments—lines 59-70
- h. Refund—lines 71-73
- i. Amount you owe—Lines 74-75
- j. Third party designee
- k. Schedule A
- l. Tax on Income Not effectively Connected with a U.S. Trade or Business
- m. Other information

Moderator, ask Q 10 if necessary:

- 11. Now that you have actually worked with the revised Form 1040NR, what suggestions for improvement would you offer the IRS?

Now I'd like to spend a little more time talking about the instructions.

- 12. Did you use the instructions to help you complete Form 1040NR?
- 13. Did the instructions provide enough information to complete the Form?
 - b. If no, what difficulties did you encounter?
 - i. Are there specific changes you can suggest to improve the instructions?
 - c. If yes, what part(s) of the instructions did you find helpful?
- 14. Were there any words or was there any information that confused you?

Probe: what words or what information confused you? What would make it less confusing—e.g., what other word(s) would you use? What other instructions could be offered?

When we started this evening, we first looked at the current 1040NR (2008) and after talking about it for a few minutes we looked at and worked with the proposed Form 1040NR (2009).

15. Which form do you prefer... the current 1040NR or revised 1040NR?
Probe: Why?
16. Is there anything about the current form that you would like the IRS to keep on the **revised** form?
17. Do you believe the revised Form 1040NR places a greater or lesser burden on the person that completes it, compared with the current Form 1040NR?
18. On a scale of 1 to 5, where 1 means "very difficult" and 5 means "very easy", how would you rate revised Form 1040NR on:
 - a. Ease of understanding what the entries on Form 1040NR mean.
 - b. Ease of understanding where to place the entries from Form 1040NR on other tax Forms.
 - c. Completing the Form

Moderator: At this point, tell participants the correct answers to the scenario and collect all forms

IV. False close

Explain that participants can discuss among themselves the answers while you check in with the observers to see if they have any addition questions they would like you to ask.

V. Closing

19. Thinking about our discussion tonight, is there anything else you would like to share regarding the forms and instructions we looked at today.

Thank you very much for coming this evening, and for sharing your ideas with us —we really appreciate your time.

Thank You/Wrap Up

Direct participants to area outside of the room to pick up their incentive.

**Attachment 3:
Informed Consent**

INFORMED CONSENT

Macro International Inc. (Macro) is conducting focus groups on behalf of the Internal Revenue Service (IRS), to gather reactions and opinions about IRS Form 1040NR.

You have been invited to participate in a discussion that will last no more than 2 hours with a representative of Macro. The IRS will be using these findings to improve Form 1040NR and its instructions. A report of the results from all of the discussions will be prepared by Macro for IRS.

Before you agree to join in this discussion, please review and consider the conditions listed below:

- Participation in this discussion is completely voluntary.
- Any questions you have about this study will be answered before the discussion begins.
- The discussion will be audio taped.
- The information you give will be private and your name will not be associated with your answers.
- Your name will not be used in any reports about this group and no quotes will be attributed to you.
- You may choose not to answer questions that you do not want to answer.
- You may choose to leave the discussion at any time for any reason.
- Although we believe that participation in this focus group poses little or no risk to you, some people may feel a little anxious about the discussion. You can choose not to answer any questions you do not want to answer.
- You will receive a monetary stipend to compensate you for your time.
- **Contact information:** If you have any questions or concerns about your participation in this focus group or have any questions about the study, please contact the project manager, Arlen Rosenthal at 301.572.0222. If you think participation in this research has caused you any harm, please contact the Institutional Review Board (IRB) at Macro International Inc. at 301-572-0340 and ask to speak to Ms. Rená Agee, the IRB secretary.

Your signature below indicates that you understand the conditions stated above and agree to participate in this focus group.

Print your name: _____ Date _____

Signature _____

Confirmation Letter

<Insert date>

Dear <insert name>,

Thank you for agreeing to participate in a focus group discussion on <insert date> at <insert time> at <insert facility name>. Please arrive 15 minutes before the start of the focus group so that you can complete some paperwork and have something to eat. Snacks and refreshments will be provided. As a thank you for participating in the focus group, you will be given \$XX at the end of the discussion.

The directions to the facility are attached. We are accessible by public transportation [insert bus number/subway station as appropriate]. If you would like to drive, parking is available [insert information about parking and any costs].

If you have any questions, please call <insert facility manager's name> at <facility phone number>.

Thank you for your time and participation.

[Insert facility manager's name]
[Insert name of facility] on behalf of Macro International Inc.

Reminder Phone Script

To be used no more than 24 hours prior to the scheduled focus group. If participant is not available, leave voice mail message and try back later.

Hello, may I speak to <insert name>? Hi, my name is <insert recruiter's name> and I work for Macro International. I'm calling to remind you about the focus group you agreed to participate in tomorrow at <insert time> at <insert location>. Are you still able to participate? Great! I <mailed/e-mailed> you directions to our facility. Did you receive the directions? **[If no**, read directions and follow with an e-mail.] **[If yes]** Do you have any questions about how to get to the facility?

Please remember to bring reading glasses if you use them. If you need to cancel for any reason, I would appreciate if you would call me at][insert phone number].

We look forward to seeing you tomorrow.