

Office of Management and Budget Clearance Package

Treasury Inspector General for Tax Administration
IRS Tax Forum Survey

May 15, 2009

SECTION I: INTRODUCTION

Background

Under the Internal Revenue Service Restructuring and Reform Act of 1998 (RRA 98) TIGTA has the statutory authority to investigate attempts to impede the administration of the internal revenue laws. This extends to investigations of impropriety by preparers, taxpayers and IRS employees. TIGTA also conducts audits of the IRS's programs, policies and procedures, including the IRS's oversight of the tax preparer community.

Through its Office of Communications, TIGTA conducts programs to educate and inform tax preparers about TIGTA's mission and activities. This includes media relations, posting content on www.tigta.gov, outreach to organizations representing preparers and direct contact with preparers.

TIGTA and Tax Preparers

Since 1999, TIGTA has worked to promote the fair administration of the American tax system. That effort has included regular outreach to tax preparers, who are on the front lines of tax administration.

According to a February 2009 TIGTA audit report, "paid tax return preparers are a critical component and stakeholder in tax administration and represent an important intermediary between taxpayers and the IRS. The tax return preparer community provides a unique opportunity to affect taxpayer behavior and compliance with the tax laws." More than half of the 154.7 million individual Federal income tax returns filed in 2007 were prepared by paid tax preparers.

About the IRS Tax Forums

The IRS will hold the 2009 IRS Nationwide Tax Forums (Tax Forums) in six cities across the nation between July and September of 2009. The Tax Forums consist of seminars by IRS management and other tax experts who provide current instruction on tax law, compliance, and ethics. The IRS Tax Forums provide an opportunity for tax preparers to learn nuts and bolts information about tax issues and obtain continuing professional education (CPE) credit.

According to the IRS, approximately 15,000 paid tax preparers attend the Tax Forums each year. An analysis of participant evaluations from the 2008 Tax Forums found that 52 percent attend to "receive the latest word from the IRS" and to obtain CPE credit.

TIGTA and the Tax Forums

TIGTA management conducts presentations at the Tax Forums to educate and inform preparers about TIGTA's mission and activities. In recent years, the presentations have emphasized TIGTA's criminal investigations involving tax preparers. In addition to the presentations, TIGTA special agents have staffed booths in Tax Forum exhibit halls, responding to inquiries from tax preparers.

In 2008, TIGTA's Office of Audit staffed an information table in the mezzanine adjacent to the Tax Forum educational sessions and expressed an interest in participating in TIGTA's presentations at future Tax Forums.

TIGTA's Office of Communications has responsibility for TIGTA's involvement in the 2009 Tax Forums. The Inspector General or the Principal Deputy Inspector General will conduct TIGTA's Tax Forums presentations.

Objectives of Data Collection

To increase the effectiveness of TIGTA's outreach to tax preparers, TIGTA proposes to survey preparers attending the Tax Forums. The survey will assess the current level of knowledge that preparers have of TIGTA's mission and activities; identify what types of information preparers would be interested in receiving about TIGTA and the manner in which they would like to receive information.

SECTION II: METHODOLOGY

Sample Design

Determining an appropriate sample size is difficult due to the lack of current information regarding the number of paid tax preparers. In a March 2006 audit, TIGTA estimated there were approximately 407,000 tax preparers. In a September 2008 audit, TIGTA reported that the IRS does not know the number of paid tax preparers.

Since preparers attending the Tax Forum have expressed interest in increasing their knowledge of tax laws and regulations, TIGTA will use the average number of preparers attending Tax Forums each year (15,000) as a starting point. TIGTA does not track the number of visitors to its Tax Forums exhibits.

Therefore, we propose a sample size of 1,200 preparers (an eight percent sample), which would be achieved by soliciting preparers who approach either the exhibit booth or the information table.

Who is Conducting the Research and Where?

The survey will be administered by TIGTA employees staffing the information table and exhibit booth at the Tax Forums. Since it will be a collateral duty, there will be no additional cost to TIGTA.

The survey will be tabulated and analyzed by TIGTA's Office of Communications as part of their regular duties.

Cost

The estimated cost of the survey is \$60 for photocopying.

Dates Collection Begin/End

The Tax Forums begin July 7 in Las Vegas and end September 24 with the close of the Tax Forum in Atlanta. The Tax Forums schedule is as follows:

- Las Vegas, NV: July 7-9
- San Diego, CA: July 14-16
- Orlando, FL: August 4-6
- New York, NY: August 25-27
- Dallas, TX: September 8-10
- Atlanta, GA: September 22-24

Solicitation Script

Hello: Thank you for stopping by TIGTA's exhibit booth/information table. Would you be willing to participate in a brief anonymous survey of tax preparers?

(If yes): We are trying to determine what preparers know about TIGTA and what information they might be interested in receiving. The survey should take no more than five minutes. We

will not ask you or name or for any identifying information, other than the type of preparer you are (full-time, part-time, attorney, accountant, or enrolled agent).

The Paperwork Reduction Act requires that the IRS display an OMB control number on all public information requests. The OMB Control Number for this study is 1545-1432. 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, Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave. NW, Washington, DC 20224.

Methods to Maximize Response Rate

We will let the participants keep the TIGTA pens we will provide them to complete the survey.

Efforts to Not Duplicate Research

TIGTA has not conducted a formal survey of tax preparers.

Participant Criteria

The only criterion for participation is that the candidate be a tax preparer. TIGTA staff will only solicit those preparers approaching the TIGTA exhibit booth or information table.

Anonymity/Disclosure/Security Issues

Participants in this survey will not be asked for any personally identifiable information. The only demographic information that will be solicited is occupation (full-time preparer, part-time preparer, attorney, accountant, CPA, or enrolled agent. This survey will not solicit tax return or taxpayer information.

The IRS will ensure compliance with the Taxpayer Bill of Rights II. All participants will be treated fairly and appropriately.

The security of the data used in this project and the privacy of participants will be carefully safeguarded at all times. Security requirements are based on the Computer Security Act of 1987 and Office of Management and Budget Circular A-130, Appendices A7B. Physical security measures include a locked, secure office. Audiotapes are stored in locked cabinets. Transcription of audiotapes are stored in locked cabinets or shredded. Data security at the appropriate levels has been accomplished. Systems are password protected, users profiled for authorized use, and individual audit trails generated and reviewed periodically.

The IRS will apply and meet fair information and record keeping practices to ensure privacy protection of all participants. This includes criterion for disclosure—laid out in the Privacy Act of 1974, the Freedom of Information Act, and Section 6103 of the Internal Revenue Code—all of which provide for the protection of taxpayer information as well as its release to authorized recipients.

Privacy will be safeguarded; participants will not be identified to IRS personnel. In addition, no participant names will be mentioned in the reports or data files. Participants will be advised that comments will be audio taped. Privacy is assured by virtue of agency policy.

Estimated Burden Hours

With a proposed sample size of 1,200 preparers, and as estimated completion time of less than five minutes, TIGTA estimates that the total taxpayer burden will be 6,000 minutes, or 100 hours (1200 x 5/60).

Contact

For questions regarding the survey, contact:

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