

**2008 CUSTOMER BASE SMALL BUSINESS AND SELF EMPLOYED (SBSE) SURVEY—
CATI (n=2500)**

| | | |
|---------------|---------------------------------------|----|
| | <u>Quotas:</u> | |
| Form Type | Cell 01: Form 1120/1120A (n=350)..... | 01 |
| (From Sample) | Cell 02: Form 1120S (n=400)..... | 02 |
| | Cell 03: Form 1065 (n=400)..... | 03 |
| | Cell 04: Form 1040C (n=700)..... | 04 |
| | Cell 05: Form 1040E (n=400)..... | 05 |
| | Cell 06: Form 1040F (n=250)..... | 06 |

(SAMPLE READ-IN SHOULD INCLUDE: COMPANY NAME, PERSON NAME [IF ANY], FORM TYPE, NEW BUSINESS, COMPLIANCE ISSUE)

Date of Call: _____ Interviewer's ID: _____

Time Began: _____ Time Ended: _____

Name: _____ Telephone #: (____) _____

SCREENER

(NOTE: IF CELLS 4-6, REMOVE TERM "BUSINESS" THROUGHOUT THE SURVEY.)

Hello, this is _____ from Pacific Market Research calling on behalf of the IRS, the Internal Revenue Service.

(INITIAL REFUSAL)

| | | | | | | | | | |
|----|----|----|----|----|----|----|----|----|----|
| 00 | 01 | 02 | 03 | 04 | 05 | 06 | 07 | 08 | 09 |
| 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 |
| 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 |

S1. (S1a.) (IF BUSINESS WITH NAME) May I please speak with [READ-IN CONTACT NAME]?

- S
- Yes, speaking (SKIP TO INTRO 1).....1
- No longer works here.....2
- No such person.....3
- Not available/bad time (SKIP TO S7 (S1e)).....4
- Refused (SKIP TO SHORT INTRO).....5

S2. (S1b.) Let me confirm, is this (READ-IN COMPANY NAME)?

- S
- Yes (SKIP TO S8 (S2)).....1
- No (TALLY & TERMINATE).....2

(TT2)

| | | | | | | | | | |
|----|----|----|----|----|----|----|----|----|----|
| 00 | 01 | 02 | 03 | 04 | 05 | 06 | 07 | 08 | 09 |
| 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 |

BEFORE TERMINATE ADD SCRIPT:

I need to talk to someone in the specific company I mentioned, so we will not be able to conduct the survey today. Thanks for taking the time to talk with me and have a good day.

(SHORT INTRO) We are conducting a study for the IRS about filing federal income taxes. The goal is to help the IRS reduce the burden to taxpayers and improve their services. We will not ask for any personal information, and the interview is strictly anonymous.

S3. (S1b_1.) May I please speak with the person who is the most familiar with filing [business] income taxes?

- S
- Yes, speaking (SKIP TO S14 (S3b)).....1
- No longer works here.....2
- No such person.....3
- Not available/bad time (SKIP TO S7 (S1e)).....4
- Refused (TALLY AND TERMINATE).....5

(TT2a)

| | | | | | | | | | |
|----|----|----|----|----|----|----|----|----|----|
| 00 | 01 | 02 | 03 | 04 | 05 | 06 | 07 | 08 | 09 |
| 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 |

S4. (S1b_2.) Let me confirm, is this (READ-IN COMPANY NAME)?

- S
- Yes (SKIP TO S8 (S2)).....1
- No (TALLY & TERMINATE).....2

(TT2b)

| | | | | | | | | | |
|----|----|----|----|----|----|----|----|----|----|
| 00 | 01 | 02 | 03 | 04 | 05 | 06 | 07 | 08 | 09 |
| 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 |

BEFORE TERMINATE ADD SCRIPT:

I need to talk to someone in the specific company I mentioned, so we will not be able to conduct the survey today. Thanks for taking the time to talk with me and have a good day.

S5. (S1c.) (IF BUSINESS WITH NO NAME) Have I reached [READ-IN COMPANY NAME]?

| | |
|-----------------------------|----------|
| | <u>S</u> |
| Yes (SKIP TO S8 (S2))..... | 1 |
| No (TALLY & TERMINATE)..... | 2 |

BEFORE TERMINATE ADD SCRIPT:

I need to talk to someone in the specific company I mentioned, so we will not be able to conduct the survey today. Thanks for taking the time to talk with me and have a good day.

(TT3)

| | | | | | | | | | |
|----|----|----|----|----|----|----|----|----|----|
| 00 | 01 | 02 | 03 | 04 | 05 | 06 | 07 | 08 | 09 |
| 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 |

(INTRO 1) We are conducting a study of individual and small business taxpayers for the IRS to gather opinions and attitudes about filing federal income taxes. Your answers will help the IRS reduce the burden on taxpayers like you in filing taxes and help the IRS improve their service to taxpayers. We will not ask for any of your personal information, and the interview is strictly anonymous.

S6. (S1d.) Let me confirm that I'm speaking with the person who is the most familiar with filing [business] income taxes. Are you that person?

| | |
|---|----------|
| | <u>S</u> |
| Yes (SKIP TO S14 (S3b))..... | 1 |
| No (SKIP TO S9 (S2A))..... | 2 |
| Firm does not file taxes (TALLY & TERMINATE)... | 3 |
| Refused to do survey (TALLY & TERMINATE)..... | 4 |

(TT4)

| | | | | | | | | | |
|----|----|----|----|----|----|----|----|----|----|
| 00 | 01 | 02 | 03 | 04 | 05 | 06 | 07 | 08 | 09 |
| 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 |

S7. (S1e.) Is (READ IN CONTACT NAME) the person who is the most familiar with filing [business] income taxes.

- S
- Yes (SET TIME TO CALL BACK).....1
- No (SKIP TO S9 (S2A)).....2
- Firm does not file taxes (TALLY & TERMINATE)...3
- Refused to do survey (TALLY & TERMINATE).....4

(TT5)

| | | | | | | | | | |
|----|----|----|----|----|----|----|----|----|----|
| 00 | 01 | 02 | 03 | 04 | 05 | 06 | 07 | 08 | 09 |
| 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 |

S8. (S2.)I need to speak to the individual who is the most familiar with filing [BUSINESS] INCOME TAXES. That is, the person who usually is in charge of keeping records, and either files the taxes, or gives the records to a tax professional, or signs the forms. Are you that person?

- S
- Yes, speaking (SKIP TO INTRO 2).....1
- No, someone else (CONTINUE).....2
- Company no longer in business (TALLY & TERMINATE).....3
- Different company name (TALLY & TERMINATE).....4
- Refused (TALLY & TERMINATE).....5

(TT6)

| | | | | | | | | | |
|----|----|----|----|----|----|----|----|----|----|
| 00 | 01 | 02 | 03 | 04 | 05 | 06 | 07 | 08 | 09 |
| 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 |

BEFORE TERMINATE ADD SCRIPT:

I need to talk to someone in the specific company I mentioned, so we will not be able to conduct the survey today. Thanks for taking the time to talk with me and have a good day.

S9. (S2a.) Could you please give me the name and telephone number of that person?

- S
- Yes, (SKIP TO UPDATE SCREEN).....1
- Not sure who that is (CONTINUE).....2
- Refused (TALLY & TERMINATE).....3

(TT7)

| | | | | | | | | | |
|----|----|----|----|----|----|----|----|----|----|
| 00 | 01 | 02 | 03 | 04 | 05 | 06 | 07 | 08 | 09 |
| 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 |

S10. (S2b.) Can you give me the name or number of someone who might know?

- S
- Yes, (GO TO UPDATE SCREEN).....1
- Refused (TALLY & TERMINATE).....2

(TT8)

| | | | | | | | | | |
|----|----|----|----|----|----|----|----|----|----|
| 00 | 01 | 02 | 03 | 04 | 05 | 06 | 07 | 08 | 09 |
| 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 |

UPDATE NAME AND PHONE NUMBER

NAME: _____

PHONE: _____

S11. (S2c.) Can you transfer me to that person?

- | | |
|--|----------|
| | <u>S</u> |
| New person comes to phone (SKIP TO INTRO 2)..... | 1 |
| Not available/bad time (SET TIME TO CALL BACK)..... | 2 |
| Can't/won't transfer call (TERMINATE AND CALL BACK)..... | 3 |
| Refused (TALLY & TERMINATE)..... | 4 |

(TT8)

| | | | | | | | | | |
|----|----|----|----|----|----|----|----|----|----|
| 00 | 01 | 02 | 03 | 04 | 05 | 06 | 07 | 08 | 09 |
| 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 |

(INTRO 2) Hello, this is _____ with Pacific Market Research calling on behalf of the IRS, the Internal Revenue Service. We are conducting a study of individual and small business taxpayers for the IRS to gather opinions and attitudes about filing federal income taxes. Your answers will help the IRS reduce the burden on taxpayers like you in filing taxes and help the IRS improve their service to taxpayers. We will not ask for any of your personal information, and the interview is strictly anonymous.

TACK-UP A

(CONTINUE IF UNSURE WHAT "MOST FAMILIAR" IS) That is, the person who usually is in charge of keeping tax records, and either files your [business's] income taxes or gives the records to a tax professional.

(CONTINUE IF SAYS OUR ACCOUNTANT/TAX PROFESSIONAL DOES EVERYTHING) We want to get the opinions of people who aren't tax professionals. I just need to speak with the person [in your business] who works most closely with the accountant or tax professional.

(CONTINUE IF STILL INSISTS ACCOUNTANT/TAX PROFESSIONAL DOES EVERYTHING) There won't be any questions about your specific tax returns, so you don't have to know any details. We want to hear from everyone, even if you just prepared the records, and a tax professional does the rest. We will be conducting a separate survey addressed just to tax professionals. I just need to speak to the person [in your business] who signs the tax forms.

(IF RESPONDENT ASKS) The interview takes about 15 to 20 minutes to complete.

S12. (S3.) Let me confirm that I'm speaking with the individual [in your business] who is the most familiar with filing [business] income taxes. Are you that person?

- | | |
|--|----------|
| | <u>S</u> |
| Yes (SKIP TO S14 (S3b))..... | 1 |
| No (CONTINUE)..... | 2 |
| Not available/bad time (SET TIME TO CALL BACK).... | 3 |
| Firm does not file taxes (TALLY & TERMINATE)..... | 4 |
| Refused to do survey (TALLY & TERMINATE)..... | 5 |

(TT9)

| | | | | | | | | | |
|----|----|----|----|----|----|----|----|----|----|
| 00 | 01 | 02 | 03 | 04 | 05 | 06 | 07 | 08 | 09 |
| 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 |

S13. (S3a.) May I speak to that person?

| | |
|---|----------|
| | <u>S</u> |
| New person comes to phone (RETURN INTRO 2)..... | 1 |
| Person not available (SET TIME TO CALL BACK)..... | 2 |

TACK-UP A

(CONTINUE IF UNSURE WHAT “MOST FAMILIAR” IS) That is, the person who usually is in charge of keeping tax records, and either files your [business’s] income taxes or gives the records to a tax professional.

(CONTINUE IF SAYS OUR ACCOUNTANT/TAX PROFESSIONAL DOES EVERYTHING)
We also want to get the opinions of people who aren’t tax professionals. I just need to speak with the person who works most closely with the accountant or tax professional.

(CONTINUE IF STILL INSISTS ACCOUNTANT/TAX PROFESSIONAL DOES EVERYTHING)
There won’t be any questions about your specific tax returns, so you don’t have to know any details. We want to hear from everyone, even if you just prepared the records and a tax professional does the rest. We will be conducting a separate survey addressed just to tax professionals. I just need to speak to the person who signs the tax forms.

(IF RESPONDENT ASKS) The interview takes about 15 to 20 minutes to complete.

TACK-UP B

(IF RESPONDENT IS HESITANT ABOUT ANONYMITY)
We are bound by law not to link the answers you give with any information that could be used to identify you. Neither the IRS nor anyone else will know who you are or what answers you personally provided. We do this so that you can be comfortable in telling us what you really think, not what you think the government wants to hear.

(IF ASKS HOW THEY WERE SELECTED, READ) You were randomly selected from a list of all small businesses in the U.S. who filed taxes for tax year 2007. The IRS does not know which businesses we are contacting, and we are prohibited from ever disclosing your name or the name of your business to the IRS or to anyone else.

(IF RESPONDENT ASKS FOR LEGAL AUTHORITY TO CONDUCT SUCH A SURVEY, READ)
This survey has been approved by the Office of Management & Budget. There is an OMB control number for this public information request. That number is 1545-1432.

(IF RESPONDENT WANTS TO COMMENT ON THIS SURVEY, READ) If you have any comments about the time estimate to complete the survey or ways to improve the survey, you may write to the IRS, Would you like that address? (IF YES, READ)
Internal Revenue Service

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

(USE AS NEEDED)

The survey will help the IRS to better understand the needs of individual and small business taxpayers, and develop ways to improve the quality of service they provide. It will also help the IRS reduce the burden that taxpayers face in meeting their tax obligations.

S14. (S3b.) Are you a tax professional?

| | <u>S</u> |
|----------------|----------|
| Yes..... | 1 |
| No..... | 2 |
| Not sure | 3 |
| Refused | 4 |

IF CODE 1 SAY: "Please answer my questions thinking about your experience with [IF CELLS 04, 05, or 06 say "your"; IF CELLS 01, 02, or 03 say "your business"] own federal taxes, not your clients' taxes.

S15. (S4.) Did [you/your business (PRETEST: you or your business)] file a federal tax return in 2008 for INCOME EARNED IN 2007?

| | <u>S</u> |
|--|----------|
| Yes (USE DUMMY = 1)..... | 1 |
| No (USE DUMMY = 2, SKIP TO S21 (S6) (Pretest TERMINATE))..... | 2 |
| Not sure (USE DUMMY = 1, SKIP TO S21 (S6) (Pretest TERMINATE))...3 | |
| Refused (USE DUMMY = 1, SKIP TO S21 (S6) (Pretest TERMINATE))...4 | |

DUMMY 1 = 2007
 DUMMY 2 = 2006

NOTE: IF DUMMY = 2 THEN USE "2006" THROUGHOUT SURVEY INSTEAD OF "2007."

(IF CODES 2, 3 OR 4 IN S15 (S4) IN PRETEST THEN TALLY & TERMINATE)
 (BEFORE TERMINATE READ: "Unfortunately you do not qualify for this survey. Thank you so much for your willingness to participate in our research and have a great day.")

(FOR PRE-TEST SKIP TO S17 (S4B))

NOTE TO INTERVIEWERS: IF RESPONDENT SAYS "I do not have a business", SAY: "Did you file a federal tax return in 2008?"

S16. (S4a.) You or your business filed Form [INSERT CORRECT FORM FROM SAMPLE] for your 2006 income taxes. Did you file the SAME form or a DIFFERENT one for your 2007 [business] income taxes?

| | <u>S</u> |
|--------------------|----------|
| Yes, SAME..... | 1 |
| No, DIFFERENT..... | 2 |
| Not sure | 3 |
| Refused | 4 |

(IF CODES 1, 3 OR 4 IN S16 (S4A), AUTOPUNCH FORM TYPE FROM SAMPLE READ-INTO S17 (S4B) AND SKIP TO S21 (S6). ASK S17 (S4B) IF CODE 2 IN S16 (S4A). ASK S17 (S4B) IF PRETEST.)

S17. (S4b.) Did you file any of the following TAX forms for your 2007 taxes? Did you file form...? (READ ENTIRE LIST. PAUSE AFTER EACH ANSWER AND WAIT FOR A RESPONSE)

| | | <u>S</u> |
|---------------|---|----------|
| | 1120 or 1120A for a C Corporation | 1 |
| | 1120S for an S Corporation..... | 2 |
| | 1065 for a Partnership..... | 3 |
| | 1040 Schedule C for an Individual..... | 4 |
| | 1040 Schedule E for an Individual (including trust, estate, and passive-partnership or "S" corporation recipients)..... | 5 |
| | 1040 Schedule F for an Individual with farm income..... | 6 |
| | Other..... | 7 |
| (DO NOT READ) | Not sure..... | 8 |
| (DO NOT READ) | Refused..... | 9 |

(Note for interviewers: "for an Individual" includes those who file jointly)
 (WHEN S17 (S4B) IS MENTIONED ELSEWHERE IN SURVEY, USE FIRST CODE GIVEN (LOWEST NUMBER) FOR S17 (S4B))
 (IF CODE 7 OR 8 OR 9 IN S17 (S4B) IN PRETEST THEN TALLY & TERMINATE)
 (IF CODE 7,8, OR 9, GO TO INSTRUCTIONS BEFORE S21 (S6))
 (BEFORE TERMINATE READ: "Unfortunately you do not qualify for this survey. Thank you so much for your willingness to participate in our research and have a great day.")

(IF CODE 5 IN S17 (S4B), ASK S18 (S4c) ELSE SKIP TO S19 (S4d))

S18. (S4c.) Did you or your business also file Form 1120S for an S Corporation or Form 1065 for a Partnership?

| | <u>S</u> |
|----------------------|----------|
| Yes, Form 1120S..... | 1 |
| Yes, Form 1065..... | 2 |
| No..... | 3 |
| Not sure | 4 |
| Refused | 5 |

(IF CODES 2 OR 3 IN S17 (S4B) , ASK S19 (S4d) ELSE SKIP TO S20 (S5a))

S19. (S4d.) Did you personally also file Form 1040 with Schedule E for flow through income for your 2007 taxes?

| | <u>S</u> |
|----------------|----------|
| Yes..... | 1 |
| No..... | 2 |
| Not sure | 3 |
| Refused | 4 |

(ASK IF CODE 5 IN S17 (S4B) ; OTHERWISE, SKIP TO S21 (S6))

S20. (S5a.) What TYPE of income or loss was claimed in your Schedule E, was it...? (READ LIST) (IF BOTH, TAKE FIRST ANSWER)

| | <u>S</u> |
|-------------------------------|----------|
| Rental or Royalty Income..... | 1 |

| | | |
|---------------|-------------------|---|
| | Other Income..... | 2 |
| (DO NOT READ) | Not sure..... | 3 |
| (DO NOT READ) | Refused..... | 4 |

(IF CODE 5 IN S17 (S4B) , OR (CODE 7,8,OR 9 IN S17 (S4B) AND CELL(5)) SKIP TO QUESTIONNAIRE)

(IF S15 (S4)=2,3,4 OR S17 (S4B) =7,8,9) SAY:

You or your business filed Form [INSERT CELL] for your 2006 income taxes.

S21. (S6.) In what year did [IF CODES 4, 5, OR 6 in S17 (S4B) READ “you”; IF CODES 1, 2, OR 3 IN S17 (S4B) READ “your business”] start filing Form _____ ? [READ IN FROM S17 (S4B) OR IF S17 (S4B) =7,8,9 READ IN FROM CELL]

(IF S15 (S4)=2,3,4 OR S17 (S4B) =7,8,9), SHOW INTERVIEWER INSTRUCTION:IF RESPONDENT SAYS THEY DON'T REMEMBER FILING THAT FORM, SAY: You filed this form type in 2006.

_____ (RECORD YEAR 1906 to 2008)
 Not sure.....9999

S22. (S7.) Is this your FIRST business? (DO NOT READ)

| | |
|---------------|----------|
| | <u>S</u> |
| Yes | 1 |
| No..... | 2 |
| Not sure..... | 3 |
| Refused..... | 4 |

NOTE 1: IF SCREENER SHOWS THAT DID NOT FILE 2007 TAXES FOR ONE OF THE SIX ALLOWED FORMS, THEN ASK ABOUT 2006 INSTEAD.

NOTE 2: FOR ALL 1120, 1120S, AND 1065 FROM Q4B SAY “BUSINESS” AND FOR ALL 1040 OMIT “BUSINESS” IN ALL QUESTIONS SINCE THEY ARE INDIVIDUALS.

TACK UP

(USE AS NEEDED, IF RESPONDENT SAYS THEY CANNOT ANSWER QUESTIONS BECAUSE TAX PROFESSIONAL DOES EVERYTHING FOR THEM)
We want to learn about the tax experience of individuals and small businesses, even if they use a tax professional. We will have a separate survey of tax professionals. We want you to answer the questions as best you can. You can always tell me that you are do not know the answer to any question.

QUESTIONNAIRE

1. (1.) Now, I would like to ask you some questions about **keeping records** for your tax return. Who determined how to keep your [business'] [2006/2007] tax records, was it...? (READ LIST)

| | |
|---|----------|
| | <u>S</u> |
| You..... | 1 |
| Someone else in the company..... | 2 |
| A tax professional outside the company..... | 3 |

- (DO NOT READ) A friend or relative outside the company.....4
- (DO NOT READ) Someone else.....5
- (DO NOT READ) Not Sure.....6
- (DO NOT READ) Refused.....7

(IF CODE 1 IN Q1 (Q1), AUTOPUNCH CODE 1 IN Q2 (Q2) AND SKIP TO Q3 (Q4); OTHERWISE ASK Q2 (Q2))

2. (2.) How involved were you in keeping records for your [business's] [2006/2007] taxes, were you very involved, somewhat involved, or not at all involved? (DO NOT READ)

- S
- Very involved.....1
- Somewhat involved.....2
- Not at all involved (SKIP TO Q4 (Q9a)).....3
- Not sure (SKIP TO Q4 (Q9a)).....4
- Refused (SKIP TO Q4 (Q9a)).....5

3. (4.) Please rate your satisfaction with keeping records for your [2006/2007] [business] taxes using a scale of 1 to 5 where 1 is very dissatisfied and 5 is very satisfied. (IF NECESSARY, REPEAT SCALE)

- S
- 1 Very dissatisfied.....1
- 2.....2
- 3.....3
- 4.....4
- 5 Very Satisfied.....5
- Not sure.....6
- Refused.....7

4. (Q9a.) Did you ever visit the IRS Web Site for any reason regarding your [2006/2007] [business] taxes either before filing or to resolve post-filing issues?

- S
- Yes.....1
- No.....2
- Not Sure.....3
- Refused.....4
- Tried to use, but did not work.....5

5. (Q9b.) Did you ever call an IRS Toll-Free phone line for any reason regarding your [2006/2007] [business] taxes, (IF NECESSARY READ either before filing or to resolve post-filing issues)?

- S
- Yes.....1
- No.....2
- Not Sure.....3
- Refused.....4
- Tried to call but did not get through.....5

6. (Q9c.) Did you ever visit an IRS local office, or Taxpayer Assistance Center, for any reason regarding your [2006/2007] [business] taxes (IF NECESSARY READ either before filing or to resolve post-filing issues)?

- | | |
|---------------|----------|
| | <u>S</u> |
| Yes..... | 1 |
| No..... | 2 |
| Not Sure..... | 3 |
| Refused..... | 4 |

7. (Q9d.) Did you ever send the IRS a letter for any reason regarding your [2006/2007] [business] taxes (IF NECESSARY READ either before filing or to resolve post-filing issues)?

- | | |
|---------------|----------|
| | <u>S</u> |
| Yes..... | 1 |
| No..... | 2 |
| Not Sure..... | 3 |
| Refused..... | 4 |

8. (10.) Did you contact the IRS specifically to get forms, instructions, information or guidance when you were preparing to file your [business's] [2006/2007] taxes using any method, including the IRS Web site or Toll-Free line? This does NOT include responding to a notice the IRS sent you. (DO NOT READ)

- | | |
|--|----------|
| | <u>S</u> |
| Yes..... | 1 |
| No..... | 2 |
| Not Sure..... | 3 |
| Refused..... | 4 |
| Tried to use, but did not get through..... | 5 |

(ASK IF CODE 1 IN Q4 (Q9A) OR CODE 1 IN Q9_1 (Q11_2); OTHERWISE, SKIP TO Q15 (Q25))

10. (19.) What was your primary reason for visiting the IRS **Web site**? (DO NOT READ) (PROBE)? [NOTE: If respondent says there were multiple reasons or visited multiple times, SAY: "Please give me your single most frequent reason for visiting the Web site"]

(IF SAYS "GET INFORMATION" Say: what type of information?)

- | | |
|---|----------|
| | <u>S</u> |
| Get forms or instructions..... | 01 |
| Get information on which forms to file..... | 02 |
| Get information about keeping records..... | 03 |
| Get information about business deductions..... | 04 |
| Get information about completing or filing income taxes..... | 07 |
| Get information about employment taxes/payroll/Form 940 or 941. | 08 |
| Get information about estimated taxes/quarterly payments..... | 09 |
| Get information on how to get help with taxes..... | 10 |
| General information/find out what's new/surfing..... | 13 |
| Other (Please Specify) _____ | 14 |
| Not sure..... | 15 |
| Refused..... | 16 |

11. (19a.) When you visit the IRS Web site, how do you typically find the information you are looking for? Do you...? (READ):

| | <u>S</u> |
|---|----------|
| Go directly to your bookmarks for the site..... | 01 |
| Use the search engine..... | 02 |
| Go directly to the "Individuals" or "Business" "tabs"..... | 04 |
| Browse until you find what you want..... | 05 |
| Use some other method to find the information (please specify _____)..... | 06 |
| Not Sure..... | 07 |
| Refused..... | 08 |

12. (19b.) Compared with other Web sites you use to conduct business, how would you rate the IRS Web site as a place to conduct business with IRS? Would you say the IRS Web site is...(READ): (NOTE: IF ASKED WHICH WEB SITE, SAY: "IRS.gov")

| | <u>S</u> |
|---------------------|----------|
| Much Better..... | 1 |
| Better..... | 2 |
| About Equal..... | 3 |
| Worse..... | 4 |
| Much Worse..... | 5 |
| (DNR) Not Sure..... | 6 |
| (DNR) Refused..... | 7 |

13. (23.) Please rate your satisfaction with the IRS Web Site using a scale of 1 to 5, where 1 is very dissatisfied and 5 is very satisfied. (IF NECESSARY, REPEAT SCALE)

| | <u>S</u> |
|--|----------|
| 1, Very Dissatisfied..... | 1 |
| 2..... | 2 |
| 3..... | 3 |
| 4..... | 4 |
| 5, Very Satisfied (SKIP TO Q15 (Q25))..... | 5 |
| Not Sure (SKIP TO Q15 (Q25))..... | 6 |
| Refused (SKIP TO Q15 (Q25))..... | 7 |

14. (24a.) I will now read you a list of five possible changes to the IRS Web site. Please tell me which one of these changes you think would most improve the IRS Web site. (READ COMPLETE LIST) (NOTE: If respondent immediately says "nothing" then DO NOT READ LIST, and instead enter CODE 07. If says "I have no idea" DO NOT READ LIST and instead enter CODE 08).

| | <u>S</u> |
|--|----------|
| ONE Making information easier to find..... | 01 |
| TWO Making information easier to understand..... | 02 |
| THREE Improving the Search Engine..... | 03 |
| FOUR Allowing you to perform simple tax calculations online..... | 04 |
| FIVE Allowing you to file and pay your taxes online..... | 05 |
| Or something else (Please Specify) _____..... | 06 |
| (DO NOT READ) Nothing/None of the above..... | 07 |
| (DO NOT READ) Not Sure..... | 08 |
| (DO NOT READ) Refused..... | 09 |

15. (25.) Now I want to ask you some questions about **preparing and filing** your [business] income tax return. Who prepared your [business's] [2006/2007] tax return, was it...? (READ)

| | <u>S</u> |
|--|----------|
| You..... | 1 |
| Someone else in your business..... | 2 |
| Tax professional (DNR: includes accountant, CPA, Enrolled Agent, and other tax professionals)..... | 3 |
| (DO NOT READ) A friend or relative outside the company..... | 4 |
| (DO NOT READ) Someone else..... | 5 |
| (DO NOT READ) Not Sure..... | 6 |
| (DO NOT READ) Refused | 7 |

16. (29.) How did [IF Q15 (Q25)=CODE 1 READ "you"; IF Q15 (Q25)=CODE 3 READ "your tax professional"; ELSE READ "the person who prepared your taxes"] file your [2006/2007] [business] income tax return with the IRS? Was it...? (READ LIST)

| | <u>S</u> |
|--|----------|
| Sent by <u>regular mail</u> | 1 |
| Sent <u>electronically</u> by computer with no paper copy mailed (e-file). 2 | 2 |
| (DO NOT READ) Not sure, filed by someone else..... | 3 |
| (DO NOT READ) Not sure..... | 4 |
| (DO NOT READ) Refused..... | 5 |

(SKIP TO Q18 (Q41) IF DUMMY=2)

17. (37.) How did you or your tax professional file your 2006 [business] income tax return with the IRS for the prior year? Was it...? (READ)

| | <u>S</u> |
|--|----------|
| Sent by <u>regular mail</u> | 1 |
| Sent <u>electronically</u> by computer with no paper copy mailed (e-file). 2 | 2 |
| (DO NOT READ) Not Sure..... | 3 |
| (DO NOT READ) Refused..... | 4 |

20a. (38) Did [IF Q17 (Q25)=CODE 1 READ "you"; IF Q17 (Q25)=CODE 3 READ "your tax professional"; ELSE READ "the person who prepared your taxes"] use tax preparation software to prepare your [2006/2007] [business] income tax return?

| | <u>S</u> |
|---------------|----------|
| Yes..... | 1 |
| No..... | 2 |
| Not Sure..... | 3 |

(IF S17 (S4B) =CODE 2 or CODE 3, AUTOPUNCH CODE 3 IN Q18 (Q41) AND SKIP TO Q20 (Q45), OTHERWISE ASK)

18. (41.) Did you owe money or did you receive a refund on your [2006/2007] [business] taxes? (DO NOT READ). NOTE TO INTERVIEWER: If respondent says, "I got a refund but later found out I owed money" SAY: "When the return was originally filed".

| | <u>S</u> |
|----------------------------|----------|
| Owed money..... | 1 |
| Received refund..... | 2 |
| Neither, even balance..... | 3 |

Received refund, but applied it to estimated tax or other money owed.....6
 Not Sure.....4
 Refused.....5

(ASK IF CODE 1 IN Q18 (Q41); OTHERWISE SKIP TO Q20 (Q45))

19. (43.) How did you pay the money owed? Did you pay by...? (READ)

S

Check.....1
 Credit Card.....2
 Electronic Payment.....4
 Other.....5
 (DO NOT READ) Not Sure.....6
 (DO NOT READ) Refused.....7

NOTE TO INTERVIEWER: IF ASKED ABOUT ELECTRONIC PAYMENT: Includes EFTPS, Electronic Federal Tax Payment System)

(IF CODE 1 IN Q15 (Q25), AUTOPUNCH CODE 1 IN Q20 (Q45) AND SKIP TO Q21 (Q46); OTHERWISE ASK)

20. (45.) How involved were you in preparing and filing your [2006/2007] [business] income taxes, were you...? (READ LIST)

S

Very involved.....1
 Somewhat involved.....2
 Not at all involved (SKIP TO Q23 (Q48)).....3
 (DO NOT READ) Not Sure (SKIP TO Q23 (Q48)).....4
 (DO NOT READ) Refused (SKIP TO Q23 (Q48)).....5

21. (46.) Please rate your satisfaction with preparing and filing your [2006/2007] [business] income taxes using a scale of 1 to 5, where 1 is very dissatisfied and 5 is very satisfied.

S

1, Very Dissatisfied.....1
 2.....2
 3.....3
 4.....4
 5, Very Satisfied (SKIP TO Q23 (Q48)).....5
 (DO NOT READ) Not Sure (SKIP TO Q23 (Q48)).....6
 (DO NOT READ) Refused (SKIP TO Q23 (Q48)).....7
 (DO NOT READ) Not applicable/Preparer did it (SKIP TO Q23 (Q48))

8

22. (47a.) I will now read you a list of three possible changes to the process of preparing and filing your [business] income taxes. Please tell me which one of these changes you think would most improve this process. (READ COMPLETE LIST) (NOTE: If respondent immediately says "nothing" then DO NOT READ LIST, and instead enter CODE 07. If says "I have no idea" DO NOT READ LIST and instead enter CODE 08).

S

ONE Making forms and instructions easier to understand.....01
 TWO Making it easier to complete the forms.....02
 THREE Providing a better explanation of tax changes from previous years. .03

- Or something else (Please Specify) _____ 04
- (DO NOT READ) Nothing/None of the above.....07
- (DO NOT READ) Not Sure.....08
- (DO NOT READ) Refused.....09

(IF S17 (S4B) =CODE 2 or CODE 3, AUTOPUNCH CODE 2 IN Q23 (Q48) AND SKIP TO Q29 (Q59), OTHERWISE ASK)

23. (48.) Now I have some questions for you about paying **estimated taxes**. Did you [or your business] pay estimated taxes for [2006/2007]? (DO NOT READ)

- S
- Yes.....1
- No (SKIP TO Q29 (Q59)).....2
- Not Sure (SKIP TO Q29 (Q59)).....3
- Refused (SKIP TO Q29 (Q59)).....4

24. (49.) Who calculated the amount due for your [2006/2007] estimated tax payments, was it...? (READ)

- S
- You.....1
- Someone else in your business.....2
- Tax professional (DNR: includes accountant, CPA, Enrolled Agent, and other tax professionals).....3
- (DO NOT READ) A friend or relative outside the company.....4
- (DO NOT READ) Someone else.....5
- (DO NOT READ) Not Sure.....6
- (DO NOT READ) Refused.....7

25. (50.) How did you pay your estimated taxes, did you pay by...? (READ)

- S
- Check.....1
- Credit Card.....2
- Electronic Payment.....4
- Other.....5
- (DO NOT READ) Not Sure.....6
- (DO NOT READ) Refused.....7

NOTE TO INTERVIEWER: IF ASKED ABOUT ELECTRONIC PAYMENT: Includes EFTPS, Electronic Federal Tax Payment System)

(IF CODE 1 IN Q24 (Q49), AUTOPUNCH CODE 1 IN Q26 (Q52) AND SKIP TO Q27 (Q57); OTHERWISE ASK)

26. (52.) How involved were you in paying your [2006/2007] estimated taxes, were you...? (READ)

- S
- Very involved.....1
- Somewhat involved.....2
- Not at all involved (SKIP TO Q29 (Q59)).....3
- (DO NOT READ) Not Sure (SKIP TO Q29 (Q59)).....4
- (DO NOT READ) Refused (SKIP TO Q29 (Q59)).....5

27. (57.) Please rate your satisfaction with paying your [2006/2007] **estimated** taxes using a scale of 1 to 5, where 1 is very dissatisfied and 5 is very satisfied.

| | <u>S</u> |
|---|----------|
| 1, Very Dissatisfied..... | 1 |
| 2..... | 2 |
| 3..... | 3 |
| 4..... | 4 |
| 5, Very Satisfied (SKIP TO Q29 (Q59))..... | 5 |
| (DO NOT READ) Not Sure (SKIP TO Q29 (Q59))..... | 6 |
| (DO NOT READ) Refused (SKIP TO Q29 (Q59))..... | 7 |

28. (58a.) I will now read you a list of four possible changes to the process of preparing and paying your estimated taxes. Please tell me which one of these changes you think would most improve this process. (READ ENTIRE LIST) (NOTE: If respondent immediately says “nothing” then DO NOT READ LIST, and instead enter CODE 07. If says “I have no idea” DO NOT READ LIST and instead enter CODE 08).

| | <u>S</u> |
|--|----------|
| ONE Making forms and instructions easier to understand..... | 01 |
| TWO Making it easier to complete the forms..... | 02 |
| THREE Providing better explanations of tax changes from previous years.... | 03 |
| FOUR Providing more guidance on calculating the amount due..... | 04 |
| Or something else (Please Specify) _____..... | 05 |
| (DO NOT READ) Nothing/None of the above..... | 07 |
| (DO NOT READ) Not Sure..... | 08 |
| (DO NOT READ) Refused..... | 09 |

(IF CODE 5 IN S17 (S4B), AUTOPUNCH CODE 2 IN Q29 (Q59) AND SKIP TO Q30 (Q59a), OTHERWISE ASK)

29. (59.) My next questions are about preparing and filing **employment taxes**. Did you or your company have any employees **INCLUDING** yourself in [2006/2007]?

| | <u>S</u> |
|---------------|----------|
| Yes..... | 1 |
| No | 2 |
| Not Sure..... | 3 |
| Refused..... | 4 |

(IF CODE 2 IN Q29 (Q59), AUTOPUNCH CODE 0 IN Q30 (Q59a) AND SKIP TO Q31 (Q60), OTHERWISE ASK)

30. (59a.) How many regular salaried employees **INCLUDING YOURSELF** did you or your company have in [2006/2007]? [IF UNSURE, SAY: Can you give me a rough estimate?]

(IF ASKS WHETHER TOTAL FOR YEAR OR CURRENT NUMBER, SAY: the total number on the payroll for the year)

(IF ASKS ABOUT PART-TIME OR SEASONAL EMPLOYEES, SAY: Include salaried part time and seasonal employees, but not contractors. In other words, anyone to whom you issued a W-2, but not a 1099.)

ENTER NUMBER 0 to 997; 998 = Not Sure; 999= Refused

(IF CODE 2 IN Q29 (Q59) AND CODE 4, CODE 5, OR CODE 6 in S17 (S4B) , AUTOPUNCH CODE 2 IN Q31 (Q60) AND SKIP TO Q39 (Q70c), OTHERWISE ASK)

31. (60.) Does your business pay employment taxes? (DO NOT READ)

| | <u>S</u> |
|------------------------------------|----------|
| Yes..... | 1 |
| No (SKIP TO Q39 (Q70c))..... | 2 |
| Not Sure (SKIP TO Q39 (Q70c))..... | 3 |
| Refused (SKIP TO Q39 (Q70c))..... | 4 |

NOTE TO INTERVIEWER: If asked for clarification, say: "this is referring to Form 941 or 944 or your payroll taxes".

32. (61.) Who prepared and filed your [2006/2007] employment taxes, was it...? (READ)

| | <u>S</u> |
|--|----------|
| You..... | 1 |
| Someone else in your business..... | 2 |
| Tax professional (DNR: includes accountant, CPA, Enrolled Agent, and other tax professionals)..... | 3 |
| A payroll service (DNR: like PAYCHEX/ third party firm)..... | 4 |
| (DO NOT READ) A friend or relative outside the company..... | 5 |
| (DO NOT READ) Someone else..... | 6 |
| (DO NOT READ) Not Sure..... | 7 |
| (DO NOT READ) Refused..... | 8 |

NOTE TO INTERVIEWER: If asked for clarification, say: "this is referring to Form 941 or 944 or your payroll taxes".

33. (62.) How did [IF Q32 (Q61)=1 READ "you"; IF Q32 (Q61)=3 READ "your tax professional"; IF Q32 (Q61)=4 READ "your payroll service"; ELSE READ "the person who prepared your taxes"] file your employment taxes for [2006/2007]? (READ)

| | <u>S</u> |
|--|----------|
| File all year by regular <u>mail</u> | 1 |
| File all year <u>electronically</u> by computer (e-file)..... | 2 |
| File part of the year by mail and part of the year <u>electronically</u> (e-file)... | 6 |
| (DO NOT READ) Filed by telephone (Tele-file)..... | 3 |
| (DO NOT READ) Not Sure (SKIP TO Q35 (Q65))..... | 4 |
| (DO NOT READ) Refused (SKIP TO Q35 (Q65)) | 5 |

NOTE TO INTERVIEWER: If asked if you mean file or pay, say: "file only, not pay".

(SKIP TO Q35 (Q65) IF DUMMY=2)

34. (62a.) How did you, your tax professional, or your payroll service file your 2006 employment taxes for the prior year? Did you...? (READ)

| | <u>S</u> |
|--|----------|
| File all year by regular <u>mail</u> | 1 |
| File all year <u>electronically</u> by computer (e-file)..... | 2 |
| File part of the year by mail and part of the year <u>electronically</u> (e-file)... | 6 |
| (DO NOT READ) Filed by telephone (Tele-file)..... | 3 |
| (DO NOT READ) Not Sure..... | 4 |
| (DO NOT READ) Refused | 5 |

NOTE TO INTERVIEWER: If asked if you mean file or pay, say: "file only, not pay".

(IF CODE 1 IN Q32 (Q61), AUTOPUNCH CODE 1 IN Q35 (Q65) AND SKIP TO Q36 (Q67); OTHERWISE ASK)

35. (65.) How involved were you in preparing, filing, and paying employment taxes, were you...? (READ)

| | |
|-----------------------------|----------|
| | <u>S</u> |
| Very involved..... | 1 |
| Somewhat involved..... | 2 |
| Not at all involved..... | 3 |
| (DO NOT READ) Not Sure..... | 4 |
| (DO NOT READ) Refused..... | 5 |

36. (67.) How did you pay your employment taxes, did you pay by...? (READ)

| | |
|-----------------------------|----------|
| | <u>S</u> |
| Check..... | 1 |
| Credit Card..... | 2 |
| Electronic Payment..... | 4 |
| Other..... | 5 |
| (DO NOT READ) Not Sure..... | 6 |
| (DO NOT READ) Refused..... | 7 |

NOTE TO INTERVIEWER: IF ASKED ABOUT ELECTRONIC PAYMENT: Includes EFTPS, Electronic Federal Tax Payment System)

(SKIP TO Q39 (Q70c) IF CODES 3, 4, OR 5 IN Q35 (Q65); OTHERWISE, ASK)

37. (69.) Please rate your satisfaction with preparing and filing your [2006/2007] employment taxes using a scale of 1 to 5, where 1 is very dissatisfied and 5 is very satisfied.

| | |
|---|----------|
| | <u>S</u> |
| 1, Very Dissatisfied..... | 1 |
| 2..... | 2 |
| 3..... | 3 |
| 4..... | 4 |
| 5, Very Satisfied (SKIP TO Q39 (Q70c))..... | 5 |
| Not Sure (SKIP TO Q39 (Q70c))..... | 6 |
| Refused (SKIP TO Q39 (Q70c))..... | 7 |

38. (70a.) I will now read you a list of four possible changes to the process of preparing, filing, and paying your employment taxes. Please tell me which one of these changes you think would most improve this process. (READ ENTIRE LIST) (NOTE: If respondent immediately says "nothing" then DO NOT READ LIST, and instead enter CODE 07. If says "I have no idea" DO NOT READ LIST and instead enter CODE 08).

| | |
|--|----------|
| | <u>S</u> |
| ONE Making forms and instructions easier to understand..... | 01 |
| TWO Making it easier to complete the forms..... | 02 |
| THREE Providing better explanations of tax changes from previous years.... | 03 |
| FOUR Making payment easier..... | 05 |
| Or something else (Please Specify) _____..... | 04 |
| (DO NOT READ) Nothing/None of the above..... | 07 |
| (DO NOT READ) Not Sure..... | 08 |
| (DO NOT READ) Refused..... | 09 |

(ASK IF (CODE 2 IN Q16 (Q29) AND CODE 1 IN Q17 (Q37)) OR (CODE 2 IN Q33 (Q62) AND CODE 1 IN Q34 (Q62a)); OTHERWISE, SKIP TO Q41 (Q70e))

Now I have a few questions for you about **e-filing and electronic payments**.

39. (70c.) Earlier, you said that you switched from paper filing in 2007 to e-filing in 2008 your [IF CODE 2 IN Q16 (Q29) AND CODE 1 IN Q17 (Q37) say "income taxes"; IF CODE 2 in Q33 (Q62) AND CODE 1 IN Q34 (Q62a) say "(and) your employment taxes"]. Who decided that you would switch to e-filing, was it...? (READ LIST)

| | <u>S</u> |
|--|----------|
| You or someone in your business..... | 1 |
| Your tax professional..... | 2 |
| (DO NOT READ) Your payroll service..... | 3 |
| (DO NOT READ) Different people made separate decisions.... | 4 |
| (DO NOT READ) Not Sure..... | 5 |
| (DO NOT READ) Refused..... | 6 |

40. (70d.) What was the primary reason that [IF Q39 (Q70c)=CODE 1 READ "you"; IF Q39 (Q70c)=CODE 2 READ "your tax professional"; IF Q39 (Q70c)=CODE 3 READ "your payroll service"; ELSE READ "you or the person who made the decision"] switched to e-filing? (DO NOT READ) (PROBE ALL CODE 6 (OTHER) ANSWERS).

| | <u>S</u> |
|-------------------------------|----------|
| More Convenient/Easier..... | 2 |
| Faster refund..... | 3 |
| More efficient..... | 5 |
| E-filing was required..... | 9 |
| Other (Please Specify): _____ | 6 |
| Not Sure..... | 7 |
| Refused..... | 8 |

(ASK IF CODE 1, 2, OR 5 IN Q19 (Q43), OR CODE 1, 2 OR 5 IN Q25 (Q50), OR CODE 1, 2, OR 5 IN Q36 (Q67); OTHERWISE, SKIP TO Q42 (Q71))

[READ ONLY IF SKIPPED Q39 (Q70c): Now I have a few questions for you about **e-filing and electronic payments**.]

41. (70e1.) Earlier, you said that you did not electronically pay your [IF CODE 1, 2, OR 5 IN Q19 (Q43) say "income taxes"; IF CODE 1, 2 OR 5 IN Q25 (Q50) say "(and) estimated taxes"; IF CODE 1, 2, OR 5 IN Q36 (Q67) say "(and) employment taxes"]. Why did you choose not to pay electronically? (DO NOT READ) (IF RESPONDENT ASKS "Is it possible to file a paper return but pay electronically?" ANSWER: "Yes, it is possible to pay electronically even if you did not file electronically". DO NOT SAY ANYTHING ELSE.) (IF NECESSARY SAY: "What do you mean by that?") (PROBE ALL CODE 10 (OTHER) ANSWERS).

| | <u>S</u> |
|--|----------|
| Don't trust security of electronic payments..... | 01 |
| Don't trust that electronic payments will arrive at IRS..... | 02 |
| Don't use/not familiar with a computer..... | 03 |
| Did not know about electronic payments..... | 04 |
| Was not able to pay electronically in my situation..... | 05 |
| It's the way I've always done it..... | 06 |
| I like to have a paper trail/ record of my payments..... | 07 |
| Easier not to pay electronically/Prefer the other way..... | 08 |

| | |
|---|----|
| Preparer did it for me..... | 09 |
| Other (Please Specify): _____..... | 10 |
| Not Sure..... | 11 |
| Refused..... | 12 |
| Not set up for it..... | 13 |
| <u>Did</u> electronically pay income taxes..... | 14 |
| <u>Did</u> electronically pay estimated taxes..... | 15 |
| <u>Did</u> electronically pay employment taxes..... | 16 |

42. (71.) My next questions are about any **notices** from the IRS. In 2008, did you RECEIVE a notice in the mail or any communication from the IRS **that dealt with returns you had previously filed?** (DO NOT READ)

| | |
|----------------------------------|----------|
| | <u>S</u> |
| Yes..... | 1 |
| No..... | 2 |
| Not Sure..... | 3 |
| Refused (SKIP TO Q64 (Q93))..... | 4 |

(ASK IF CODES 2 OR 3 IN Q42 (Q71); OTHERWISE SKIP TO Q45 (Q78))

43. (73.) What about in **2007?** (DO NOT READ)

| | |
|------------------------------------|----------|
| | <u>S</u> |
| Yes..... | 1 |
| No (SKIP TO Q64 (Q93))..... | 2 |
| Not Sure (SKIP TO Q64 (Q93)) | 3 |
| Refused (SKIP TO Q64 (Q93))..... | 4 |

(ASK ONLY IF CODE 1 IN Q42 (Q71) OR CODE 1 IN Q43 (Q73); OTHERWISE SKIP TO Q64 (Q93))

(MOVED)

44. (79b.) Was the notice regarding your...? (READ LIST, ROTATE)

| | |
|--|----------|
| | <u>S</u> |
| Income taxes..... | 1 |
| Estimated taxes..... | 2 |
| Employment taxes..... | 3 |
| (DO NOT READ OR ROTATE) More than one type of taxes..... | 4 |
| (DO NOT READ OR ROTATE) Other (Please Specify)..... | 5 |
| (DO NOT READ) Not Sure..... | 6 |
| (DO NOT READ) Refused..... | 7 |

(IF CODE 1 OR CODE 2 IN Q44 (Q79b), DO NOT READ CODE 9 IN Q45 (Q78); IF CODE 3 IN Q44 (Q79b), DO NOT READ CODE 8 IN Q45 (Q78))

45. (78.)What was the reason for the notice? Was it...? (READ ENTIRE LIST, CHOOSE ALL THAT APPLY)

| | |
|-------------------------------------|----------|
| | <u>M</u> |
| Penalty for <u>late</u> filing..... | 01 |
| Income that was not reported..... | 02 |
| Not paying the full amount due..... | 03 |
| Problems with deductions..... | 04 |

| | |
|--|----|
| Not making all required estimated tax payments..... | 08 |
| Not making all required Federal Tax deposits (employment taxes)..... | 09 |
| Not filing a required form..... | 10 |
| Or something else (Please Specify): _____..... | 05 |
| (DO NOT READ) Not Sure..... | 06 |
| (DO NOT READ) Refused..... | 07 |

(ASK IF CODE 2 IN Q45 (Q78); OTHERWISE SKIP TO Q47 (Q78b))

46. (78a.) What was the type of unreported income? Was it...? (READ LIST)

| | |
|---|----------|
| | <u>S</u> |
| Wages or salary..... | 01 |
| Dividend or interest income..... | 02 |
| Capital gains..... | 03 |
| Retirement or pension (including Social Security)..... | 04 |
| Rents or royalties..... | 05 |
| Business income..... | 06 |
| Farm income..... | 07 |
| Unemployment compensation..... | 09 |
| Contributions to or withdrawals from 401 (k) or IRAs..... | 12 |
| Some other income (SPECIFY) _____..... | 08 |
| (DO NOT READ) Not Sure..... | 10 |
| (DO NOT READ) Refused..... | 11 |

(ASK IF CODES 4, 5, OR 6 IN S17 (S4B) AND CODE 4 IN Q45 (Q78); OTHERWISE SKIP TO Q48 (Q78c))

47. (78b.) Was the problem with deductions with...? (READ LIST)

| | |
|--|----------|
| | <u>S</u> |
| Schedule A, personal deductions or credits..... | 1 |
| Schedule C, business deductions and credits..... | 2 |
| Alternative Minimum Tax restrictions..... | 4 |
| Some other deductions (SPECIFY) _____..... | 3 |
| (DO NOT READ) Not Sure..... | 5 |
| (DO NOT READ) Refused..... | 6 |

48. (78c.) Did the notice say you owed money?

| | |
|-----------------------------|----------|
| | <u>S</u> |
| Yes..... | 1 |
| No..... | 2 |
| (DO NOT READ) Not Sure..... | 3 |
| (DO NOT READ) Refused..... | 4 |

(ASK IF CODE 1 IN Q48 (Q78c); OTHERWISE SKIP TO Q51 (Q80)).

49. (79.) Did the notice say you owed money due to...? (READ ENTIRE LIST, ROTATE, CHOOSE ALL THAT APPLY)

| | |
|---|----------|
| | <u>M</u> |
| Incorrect deductions..... | 1 |
| Incorrect tax calculation..... | 2 |
| Underpaid estimated tax payment..... | 3 |
| Late filed or improperly filed federal tax deposit..... | 4 |

- (DO NOT ROTATE) Other (Please Specify).....5
 - (DO NOT READ) Not Sure.....6
 - (DO NOT READ) Refused.....7
50. (79a.) Did you owe money because you or your practitioner made a mistake or did you owe money because you did not have the money to pay the IRS at the time that your taxes were due?
- S
 - Made a mistake.....1
 - Did not have the money to pay amount owed.....2
 - (DO NOT ROTATE) Other (Please Specify).....5
 - (DO NOT READ) Not Sure.....6
 - (DO NOT READ) Refused.....7

51. (80.) Was the notice about an issue you knew about when you filed the return or made the payment or were you surprised to find out about the error?
- S
 - Knew about issue.....1
 - Surprised to find error.....2
 - Not Sure.....3
 - Refused.....4

52. (81.) Did you or your tax professional contact the IRS about the issue? (DO NOT READ until after answer) (IF ANSWER YES READ: Would that be... (READ ANSWER OPTIONS 1-4)
- S
 - No.....5
 - Yes, only you1
 - Yes, only someone else in your firm (SKIP TO Q54 (Q85)). 2
 - Yes, only your tax professional (SKIP TO Q54 (Q85)).....3
 - Yes, both you and your tax professional.....4
 - Not Sure (SKIP TO Q54 (Q85)).....6
 - Refused (SKIP TO Q54 (Q85)).....7

(IF Q52 (Q81)=2 ASK Q52a (Q81a); ELSE SKIP TO Q53 (Q82)

52a. (81a.) Why didn't you contact the IRS? Was it because...? (READ)

- S
- No response was needed.....1
- Or because someone else contacted the IRS for you.....2
- (DNR) Not Sure.....3
- (DNR) Refused.....4
- (DNR) Tried, but did not get through.....5

(IF CODE 2, 3, 5, 6, OR 7 IN Q52 (Q81) SKIP TO Q54 (Q85); ELSE CONTINUE)

(IF Q5 (Q9b)=2 SKIP Q53_1 (Q82_1); IF Q7 (Q9d)=2 SKIP Q53_2 (Q82_2))

53. (82.) How did you contact the IRS about the issue in your notice, did you use...? (READ) (ONLY READ QUESTION ONCE, DO NOT REPEAT BEFORE Q53_3 (Q82_3), etc)

(DO NOT READ) (DO NOT READ)

| | | <u>Yes</u> | <u>No</u> | <u>Not Sure</u> | <u>Refused</u> |
|----------------|---|------------|-----------|-----------------|----------------|
| 53_1 (82_1) | The telephone number listed in the notice | 1 | 2 | 3 | 4 |
| 53_2 (82_2) | Mail correspondence | 1 | 2 | 3 | 4 |
| 53_3 (82_3) | Another method (Please Specify) | 1 | 2 | 3 | 4 |

54. (85.) Was the issue in your notice...? (READ)

S

| | | |
|---------------|--|---|
| | Resolved <u>in your favor</u> | 1 |
| | Resolved but <u>not</u> in your favor..... | 2 |
| | <u>Not</u> resolved (SKIP TO Q57 (Q88))..... | 3 |
| (DO NOT READ) | Resolved but unsure in whose favor..... | 7 |
| (DO NOT READ) | Not Sure..... | 4 |
| (DO NOT READ) | Refused..... | 5 |

55. (86.) Who made the mistake that led to the IRS issuing the notice, was it...? (READ)

S

| | | |
|---------------|-------------------------------------|---|
| | You or someone in your company..... | 1 |
| | Your tax professional..... | 2 |
| | The IRS..... | 3 |
| (DO NOT READ) | Other, specify _____..... | 6 |
| (DO NOT READ) | Not Sure..... | 4 |
| (DO NOT READ) | Refused..... | 5 |

56. (87.) When the issue was resolved, did...? (READ)

S

| | | |
|--|--------------------------------|---|
| | You owe money to the IRS..... | 1 |
| | The IRS owes money to you..... | 2 |
| | Or was no money owed..... | 3 |
| | Not Sure..... | 4 |
| | Refused..... | 5 |

57. (88.) Approximately how many hours did you spend trying to resolve the issue in the notice? (DO NOT READ)

ENTER NUMBER 0 to 9000; 0=Less than one hour; 9001= over 9000; 9998 = Not Sure; 9999= Refused

(ASK IF CODE 1 OR CODE 2 OR CODE 7 IN Q54 (Q85); OTHERWISE SKIP TO Q59 (Q88b))

58. (88a.) Approximately how many months after you received the notice were you informed that the issue was resolved? (DO NOT READ)

ENTER NUMBER 0 to 9000; 0=Less than one month; 9001= over 9000; 9997 = Was not informed that issue was resolved; 9998 = Not Sure; 9999= Refused

59. (88b.) Did you use a tax professional to help you resolve this issue? (DO NOT READ)

- | | |
|---------------|----------|
| | <u>S</u> |
| Yes..... | 1 |
| No..... | 2 |
| Not Sure..... | 3 |
| Refused..... | 4 |

(IF CODE 1 in Q59 (Q88b), ASK Q60 (Q88c); ELSE SKIP TO Q61 (Q89))

60. (88c.) Did you have to pay the tax professional for this help? (DO NOT READ)

- | | |
|---------------|----------|
| | <u>S</u> |
| Yes..... | 1 |
| No..... | 2 |
| Not Sure..... | 3 |
| Refused..... | 4 |

(IF CODE 1 OR CODE 4 IN Q52 (Q81), AUTOPUNCH CODE 1 IN Q61 (Q89) AND SKIP TO Q62 (Q91); OTHERWISE ASK)

61. (89.) How involved were you in resolving the issue in the IRS notice, were you...? (READ)

- | | |
|---|----------|
| | <u>S</u> |
| Very involved | 1 |
| Somewhat involved..... | 2 |
| Not at all involved (SKIP TO Q64 (Q93))..... | 3 |
| (DO NOT READ) Not Sure (SKIP TO Q64 (Q93))..... | 4 |
| (DO NOT READ) Refused (SKIP TO Q64 (Q93))..... | 5 |

62. (91.) Please rate your satisfaction with resolving your notice using a scale of 1 to 5, where 1 is very dissatisfied and 5 is very satisfied.

- | | |
|---|----------|
| | <u>S</u> |
| 1, Very Dissatisfied..... | 1 |
| 2..... | 2 |
| 3..... | 3 |
| 4..... | 4 |
| 5, Very Satisfied (SKIP TO Q64 (Q93))..... | 5 |
| (DO NOT READ) Not Sure (SKIP TO Q64 (Q93))..... | 6 |
| (DO NOT READ) Refused (SKIP TO Q64 (Q93))..... | 7 |

63. (92a.) I will now read you a list of five possible changes to the process of resolving IRS notices. Please tell me which one of these changes you think would most improve this process. (READ ENTIRE LIST) (NOTE: If respondent immediately says "nothing" then DO NOT READ LIST, and instead enter CODE 07. If says "I have no idea" DO NOT READ LIST and instead enter CODE 08).

- | | |
|--|----------|
| | <u>S</u> |
| ONE Issuing the notice more quickly..... | 01 |
| TWO Making the notice easier to understand..... | 02 |
| THREE Giving you more time to respond to the notice..... | 03 |

FOUR Acknowledging receipt of the information you submit.....04
 FIVE Processing the information you submit more quickly.....05
 Or something else (Please Specify) _____.....06
 (DO NOT READ) Nothing/None of the above.....07
 (DO NOT READ) Not Sure.....08
 (DO NOT READ) Refused.....09

64. (93.) Now I have a question for you about your **overall** tax experience. Take all factors we have just discussed into account, including:

- (SHOW TO EVERYONE): Keeping records;
 - (SHOW ONLY IF CODE 1 IN Q4 (Q9A)): Using the IRS Web Site;
 - (SHOW ONLY IF CODE 1 IN Q5 (Q9B)): Using the Toll-Free line;
 - (SHOW TO EVERYONE): Preparing and filing your [business] income return;
 - (SHOW ONLY IF CODE 1 IN Q23 (Q48)): Preparing and filing estimated taxes;
 - (SHOW ONLY IF CODE 1 IN Q31 (Q60)): Preparing and filing employment taxes;
 - (SHOW ONLY IF ASKED Q45 (Q78)): Resolving issues in notices from the IRS.
- How satisfied are you with your **OVERALL** tax experience for [2006/2007]? Please use the scale from 1 to 5, where 1 is very dissatisfied and 5 is very satisfied?

| | <u>S</u> |
|-----------------------------|----------|
| 1, Very Dissatisfied..... | 1 |
| 2..... | 2 |
| 3..... | 3 |
| 4..... | 4 |
| 5, Very Satisfied..... | 5 |
| (DO NOT READ) Not Sure..... | 6 |
| (DO NOT READ) Refused..... | 7 |

CONTACTS TO AVOID ISSUES

64a. (93a_1.) Thinking again about your overall tax experience, how many times did you contact the IRS or visit IRS.gov regarding your (2007/2006) tax return? [IF NECESSARY: Your best guess is fine"]

ENTER NUMBER 0 to 99; 97= 97 or more; 98 = Not Sure; 99= Refused

(ASK IF Q64a (Q93a_1)=2 THROUGH 97; ELSE SKIP TO Q65 (Q93a))

64b. (93a_2.) Did you contact the IRS multiple times about he same issue? (DO NOT READ)

| | <u>S</u> |
|---------------|----------|
| Yes..... | 1 |
| No..... | 2 |
| Not sure..... | 3 |
| Refused..... | 4 |

(ASK IF CODE 1 IN Q64b (Q93a_1); ELSE SKIP TO Q65 (Q93a))

64c. (93a_3.) When you contacted the IRS multiple times about the same issue, were you trying... (READ)

- S
- To get information or guidance before filing taxes.....1
- Or to resolve an issue in a notice from the IRS.....2
- (DNR) Both.....3
- (DNR) Other (specify).....4
- (DNR) Not sure.....5
- (DNR) Refused.....6

(IF Q64a (Q93a_1)=0, AUTOCODE Q65 (Q93a)=2 AND SKIP TO Q67 (Q93_1__

65. (93a.) Did **any** contacts with the IRS - whether through the phone, mail, or the website - help you avoid problems or errors? (DO NOT READ)

- S
- Yes.....1
- No (SKIP TO Q67 (Q93_1)).....2
- Not sure (SKIP TO Q67 (Q93_1)).....3
- Refused (SKIP TO Q67 (Q93_1)).....4

66. (93b.) Which method of contact **most** helped you avoid problems or errors? Would that be...?

- S
- An IRS phone line1
- Mail correspondence.....2
- Or the IRS Website.....3
- (DO NOT READ) Visiting an IRS site.....7
- (DO NOT READ) Other.....8
- (DO NOT READ) Multiple methods.....4
- (DO NOT READ) Not sure5
- (DO NOT READ) Refused6

66a. (93c.) What type of contacts helped you avoid problems or errors? Was it contacts...? (READ)

- S
- To get information or guidance before filing taxes.....1
- Or to resolve an issue in a notice from the IRS.....2
- (DNR) Both.....3
- (DNR) Other (specify).....4
- (DNR) Not sure.....5
- (DNR) Refused.....6

E-Services

READ: I will now read you a list of electronic services that are available to taxpayers through the IRS Web site, IRS.gov. For each service, I will ask if you are aware that this service exists and if you have used it.

67. (93_1.) Have you heard of the IRS electronic “Where’s My Refund?” service? (READ)

- S
- Yes.....1
- No.....2
- Not sure.....3

Refused.....4

IF CODE 2, 3, OR 4 IN Q67 (Q93_1), AUTOMATICALLY ENTER CODE 2 FOR Q68 (Q93_2) AND SKIP TO Q69 (Q93_3).

68. (93_2.) Have you ever used this service (if necessary, clarify: The service is "Where's My Refund")? (READ)

| | |
|---------------|----------|
| | <u>S</u> |
| Yes..... | 1 |
| No..... | 2 |
| Not sure..... | 3 |
| Refused..... | 4 |

69. (93_3.) Have you heard of the online Alternative Minimum Tax Assistant for Individuals? (READ)

| | |
|---------------|----------|
| | <u>S</u> |
| Yes..... | 1 |
| No..... | 2 |
| Not sure..... | 3 |
| Refused..... | 4 |

IF CODE 2, 3, OR 4 IN Q69 (Q93_3), AUTOMATICALLY ENTER CODE 2 FOR Q70 (Q93_4) AND SKIP TO Q71 (Q93_5).

70. (93_4.) Have you used this service (if necessary, clarify: The service is the Alternative Minimum Tax Assistant)? (READ)

| | |
|---------------|----------|
| | <u>S</u> |
| Yes..... | 1 |
| No..... | 2 |
| Not sure..... | 3 |
| Refused..... | 4 |

71. (93_5.) Have you heard of the online Sales Tax Deduction Calculator? (READ)

| | |
|---------------|----------|
| | <u>S</u> |
| Yes..... | 1 |
| No..... | 2 |
| Not sure..... | 3 |
| Refused..... | 4 |

IF CODE 2, 3, OR 4 IN Q71 (Q93_5), AUTOMATICALLY ENTER CODE 2 FOR Q72 (Q93_6) AND SKIP TO Q73 (Q93_7).

72. (93_6.) Have you used this service (if necessary, clarify: The service is the Sales Tax Deduction Calculator)? (READ)

| | |
|---------------|----------|
| | <u>S</u> |
| Yes..... | 1 |
| No..... | 2 |
| Not sure..... | 3 |
| Refused..... | 4 |

73. (93_7.) Have you heard of the online IRS Withholding Calculator? (READ)

| | |
|---------------|----------|
| | <u>S</u> |
| Yes..... | 1 |
| No..... | 2 |
| Not sure..... | 3 |

Refused.....4

IF CODE 2, 3, OR 4 IN Q73 (Q93_7), AUTOMATICALLY ENTER CODE 2 FOR Q74 (Q93_8) AND SKIP TO 75 (Q93_9).

74. (93_8.) Have you used this service (if necessary, clarify: The service is the IRS Withholding Calculator)? (READ)

S

Yes.....1
 No.....2
 Not sure.....3
 Refused.....4

75. (93_9.) Have you heard of the electronic service that allows taxpayers to apply for an Employer Identification Number online? (READ)

S

Yes.....1
 No.....2
 Not sure.....3
 Refused.....4

IF CODE 2, 3, OR 4 IN Q75 (Q93_9), AUTOMATICALLY ENTER CODE 2 FOR Q76 (Q93_10) AND SKIP TO Q77 (Q103a).

76. (93_10.) Have you used this service (if necessary, clarify: the service is applying for an EIN online)? (READ)

S

Yes.....1
 No.....2
 Not sure.....3
 Refused.....4

(PROGRAMMER: SHOW ON SINGLE SCREEN):

WE ARE ALMOST DONE NOW. WE APPRECIATE YOUR PATIENCE. REMEMBER THAT ALL ANSWERS ARE ANONYMOUS.

85. (103j.) Now I will read you a series of statements about the IRS and paying taxes. As I read each one, please rate your level of agreement with it on a scale of 1 to 5 where 1 is strongly disagree and 5 is strongly agree. How much do you agree or disagree that ... (READ LIST) (IF NECESSARY REPEAT: "Please rate your level of agreement on the scale of 1 to 5 where 1 is strongly disagree and 5 is strongly agree".) (READ IF NECESSARY: "We are just looking for your opinion")

| | | <u>Strongly Disagree</u> | | | | <u>Strongly Agree</u> | <u>Not Sure</u> | <u>Refused</u> |
|--------------|--|------------------------------|---|---|---|---------------------------|---------------------|----------------|
| 85 (103j) | Preparing and filing a correct tax return takes too much time? | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 86 (103k) | A federal tax return is more complex than any other financial documents I deal with during the year? | 1 | 2 | 3 | 4 | 5 | 6 | 7 |

| | | | | | | | | |
|--------------|--|---|---|---|---|---|---|---|
| 87 (103l) | The instructions for completing tax forms are too complex to understand? | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 88 (103m) | Filing a complete tax return is complex because of the number of forms required? | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 89 (103n) | Calculating the correct tax is a complex process? | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 90 (103o) | Calculating the Alternative Minimum Tax is a complex process? | 1 | 2 | 3 | 4 | 5 | 6 | 7 |

92. (103_1.) Has anyone you know had their tax return questioned or audited by the IRS in the last year? (READ: Yes or no?)

| | |
|---------------|----------|
| | <u>S</u> |
| Yes..... | 1 |
| No..... | 2 |
| Not Sure..... | 3 |
| Refused..... | 4 |

(IF CODE 1 IN Q92 (Q103_1), ASK Q93 (Q103_2); ELSE SKIP TO Q94 (Q103_3))

93. (103_2.) Did hearing about what happened to that person make you more careful in preparing your own returns? (DO NOT READ)

| | |
|---------------|----------|
| | <u>S</u> |
| Yes..... | 1 |
| No | 2 |
| Not Sure..... | 3 |
| Refused..... | 4 |

94. (103_3.) Have you seen or read any news reports about the IRS catching people who cheated on their taxes? (DO NOT READ)

| | |
|---------------|----------|
| | <u>S</u> |
| Yes..... | 1 |
| No..... | 2 |
| Not Sure..... | 3 |
| Refused..... | 4 |

(IF CODE 1 IN Q94 (Q103_3), ASK Q95 (Q103_4); ELSE SKIP TO Q96 (Q103_5))

95. (103_4.) Do you think that such reports make taxpayers more likely to accurately report and pay the taxes they owe? (DO NOT READ)

| | |
|---------------|----------|
| | <u>S</u> |
| Yes..... | 1 |
| No | 2 |
| Not Sure..... | 3 |
| Refused..... | 4 |

95a. (103_4a) Last year, the U.S. Congress passed new laws about third party reporting on certain types of transactions. One law requires credit card companies to report business receipts from credit card transactions. Another law requires brokerage firms to report the original cost basis of stock purchases. Do you think these laws will ...? (READ)
 (MULTIPLE RESPONSE: ONLY ONE RESPONSE FROM FIRST 3 OPTIONS, PLUS OPTION 4 IF INDEPENDENTLY MENTIONED)

| | <u>M</u> |
|--|----------|
| Lead people to more accurately report their income..... | 1 |
| Lead people to find other ways to mis-state their income | 2 |
| Or make no difference..... | 3 |
| (DNR) Add burden/waste time..... | 4 |
| (DNR) Not Sure..... | 5 |
| (DNR) Refused..... | 6 |

95b. (103_4b.) Now I have a question for you about information from the IRS. What additional types of information or guidance would you like the IRS to provide in order to help you meet your tax obligation? I will read a list and please say yes or no to each one. How about information on...(READ)?

| | | <u>Yes</u> | <u>No</u> | (DO NOT READ) <u>Not Sure</u> | (DO NOT READ) <u>Refused</u> |
|----------------------|--|------------|-----------|-------------------------------------|------------------------------------|
| 95b_1. (103_4b_1) | Tax law changes | 1 | 2 | 3 | 4 |
| 95b_2 (103_4b_2) | Return preparation, including how to report different types of income or deductions | 1 | 2 | 3 | 4 |
| 95b_3. (103_4b_3) | How to respond to and resolve notices or account issues | 1 | 2 | 3 | 4 |
| 95b_4 (103_4b_4) | Penalty and interest charges | 1 | 2 | 3 | 4 |
| 95b_5 (99_5) | How your tax professional can represent you | 1 | 2 | 3 | 4 |
| 95b_6 (103_4b_6) | Information or guidance on anything else that I didn't mention, specify_____ | 1 | 2 | 3 | 4 |

Tax Professional

These next questions are about tax professionals

IF CODE 1 OR 2 IN Q15 (Q25) ASK Q96 (Q103_5); ELSE SKIP TO Q98 (Q103_7).

96. (103_5.) Why did you decide NOT to use a tax professional for your 2007 taxes? (DO NOT READ)

| | <u>S</u> |
|--|----------|
| Too expensive/cost..... | 01 |
| No need/taxes were not complicated..... | 02 |
| Do not trust tax professional/more comfortable doing my own taxes..... | 03 |
| Employee handles taxes/pay employee..... | 04 |

- It is the way I have always done it.....05
- (DO NOT READ) Other, specify _____.....06
- (DNR) I am a tax professional.....09
- (DNR) I do use a tax professional.....10
 - (DO NOT READ) Not sure.....07
 - (DO NOT READ) Refused.....08

97. (103_6.) Have you ever in the past used a tax professional for filing your income taxes?
(DO NOT READ)

- S
- Yes.....1
- No2
- Not Sure.....3
- Refused.....4

IF CODE 3 in Q15 (Q25) ASK Q98 (Q103_7), ELSE SKIP TO Q110 (Q103_19).
READ: These next questions are about your tax professional.

98. (103_7.) What type of tax professional do you use for filing your income taxes? Is it a...?
(READ LIST)

- S
- CPA.....1
- Enrolled Agent.....2
- Tax attorney.....3
- National tax preparation firm like H & R Block or Jackson-Hewitt.....8
- Another Tax professional.....4
 - (DO NOT READ) Other.....5
 - (DO NOT READ) Not sure.....6
 - (DO NOT READ) Refused.....7

99. (103_8.) In what calendar year did you start using any tax professional for filing your income taxes?

IF RESPONDENT ANSWERS "2009", ask did you use a professional for your 2007 taxes filed in 2008? If yes, enter 2008. If no, enter 2009.

Year

(RANGE=1900 TO 2009)
ENTER A NUMBER FROM 1900 TO 2009
ENTER 9998 IF NOT SURE
ENTER 9999 IF REFUSED

100. (103_9.) In what calendar year did you start using your current tax professional for filing your income taxes?

IF RESPONDENT ANSWERS "2009", ask did you use a professional for your 2007 taxes filed in 2008? If yes, enter 2008. If no, enter 2009.

Year

(RANGE=1900 TO 2009)

ENTER A NUMBER FROM 1900 TO 2009
 ENTER 9998 IF NOT SURE
 ENTER 9999 IF REFUSED

101. (103_10.)What influenced your decision to use a tax professional? (DO NOT READ)

- S
- Cost/cheaper to use professional than file myself.....01
- Time/taxes too time consuming.....02
- Fear of making mistakes/getting audited.....03
- Taxes too complicated.....04
- Recommendation/advice from others.....05
- (DO NOT READ) Other, specify _____.....06
- (DO NOT READ) Not sure.....07
- (DO NOT READ) Refused.....08

IF Q100 (Q103_9) IS GREATER THAN "2006", ASK Q102 (Q103_11); ELSE SKIP TO Q103 (Q103_12).

102. (103_11.)Why did you switch tax professionals in the past few years? (DO NOT READ)

- S
- Cost.....01
- Location.....02
- Too many mistakes/made a big mistake/incompetent.....03
- Taxes more complicated now.....04
- Recommendation/advice from others.....05
- (DO NOT READ) Other, specify _____.....06
- (DO NOT READ) I did not switch.....09
- (DO NOT READ) Not sure.....07
- (DO NOT READ) Refused.....08

103 (103_12.) Does your tax professional work alone or with others in a firm? (DO NOT READ)

- S
- Work alone.....1
- Work at a firm (DNR: includes owner of firm with employees).....2
- Not sure.....3
- Refused.....4

104. (103_13.)How often do you interact with your tax professional? Is it...? (READ LIST)

- S
- Once or twice a year.....1
- Three or four times a year.....2
- More often than four times a year....3
- (DO NOT READ) Not sure.....4
- (DO NOT READ) Refused.....5

105. (103_14.)How does your tax professional charge you? Is it...(READ LIST)

- S
- An hourly fee.....1
- A fee per return or service.....2
- A flat fee or retainer.....3
- (DO NOT READ) Not sure.....4
- (DO NOT READ) Refused.....5

106. (103_15.) Does your tax professional also help you with tax planning? (DO NOT READ)

- S
- Yes.....1
- No.....2
- Not Sure.....3
- Refused.....4

107. (103_16.) Does your tax professional also advise you on business matters? (DO NOT READ)

- S
- Yes.....1
- No.....2
- Not Sure.....3
- Refused.....4

108. (103_17.) If you received an IRS notice, would you rely on your tax professional to help you resolve the issue in the notice? (DO NOT READ)

- S
- Yes.....1
- No.....2
- Not Sure.....3
- Refused.....4

109. (103_18.) If you were audited, would you rely on your tax professional to represent you during the audit? (DO NOT READ)

- S
- Yes.....1
- No.....2
- Not Sure.....3
- Refused.....4

(PROGRAMMER: SHOW ON SINGLE SCREEN):

These last few questions are for classification purposes. Again the information you provide is completely anonymous.

110. (103_19.) Would you describe yourself primarily as (READ ENTIRE LIST):

- S
- A business owner.....1
- A self-employed contractor.....2
- An employee of a company that you do not own.....3
- (DNR) Other, (specify).....4
- (DNR) Not Sure.....5
- (DNR) Refused.....6

(ASK IF CODES 1, 2, OR 3 IN S17 (S4B) ; OTHERWISE SKIP TO Q113 (Q106))

111. (104.) Which of the following best describes your company's gross revenues for [2006/2007]. You can stop me when I reach your category. Is it...? (READ)

- S
- Less than \$50,000.....1
- \$50,000 but less than \$500,000.....2
- \$500,000 but less than \$1 million3

- \$1 million but less than \$10 million.....4
- (DO NOT READ) Over \$10 million.....5
- (DO NOT READ) Not Sure.....6
- (DO NOT READ) Refused.....7

112. (105.) What were your company's total assets in [2006/2007]? You can stop me when I reach your category. Were they...? (READ)

- S
- Less than \$50,000.....1
- \$50,000 but less than \$500,000.....2
- \$500,000 but less than \$1 million3
- \$1 million but less than \$10 million.....4
- (DO NOT READ) Over \$10 million.....5
- (DO NOT READ) Not Sure.....6
- (DO NOT READ) Refused.....7

(ASK IF CODES 4, 5, OR 6 IN S17 (S4B); OTHERWISE SKIP TO Q115 (Q107a))

113. (106.) What were your gross receipts or rentals reported on your 1040 for [2006/2007]? You can stop me when I reach your category. Were they...? (READ)

- S
- Less than \$50,000.....1
- \$50,000 but less than \$500,000.....2
- \$500,000 but less than \$1 million3
- \$1 million but less than \$10 million.....4
- (DO NOT READ) Over \$10 million.....5
- (DO NOT READ) Not Sure.....6
- (DO NOT READ) Refused.....7

114. (107.) What was your net taxable income from all sources reported on your 1040 for [2006/2007]? You can stop me when I reach your category. Was it...? (READ)

- S
- Less than \$50,000.....1
- \$50,000 but less than \$500,000.....2
- \$500,000 but less than \$1 million3
- \$1 million but less than \$10 million.....4
- (DO NOT READ) Over \$10 million.....5
- (DO NOT READ) Not Sure.....6
- (DO NOT READ) Refused.....7

(ASK IF CODE 4 IN S17 (S4B); OTHERWISE SKIP TO Q116 (Q107b))

115. (107a.) Was the gross income on your 2007 Income Tax return ...? (READ ENTIRE LIST)

- S
- Mostly from wages and salary earned working for someone else.....1
- Mostly from operating your own business2
- About equal from wages and salary and from your own business3
- (DO NOT READ) Not Sure.....4

(DO NOT READ) Refused.....5

(ASK IF CODE 1, 3, or 4 IN S17 (S4B); OTHERWISE SKIP TO Q117 (Q110))

116. (107b.) What is your main type of business? Is it ...? (READ)

| | |
|--|----------|
| | <u>S</u> |
| Retail sales..... | 01 |
| Wholesale sales and distribution | 02 |
| Food and beverage | 03 |
| Construction..... | 04 |
| Financial services | 05 |
| Real estate | 06 |
| Manufacturing..... | 07 |
| Healthcare | 08 |
| Other services | 12 |
| Something else, specify _____ | 09 |
| (DNR) Farming | 13 |
| (DO NOT READ) Not Sure..... | 10 |
| (DO NOT READ) Refused..... | 11 |

(PROGRAMMER: SHOW ON SINGLE SCREEN):

We are at the last question and it is about illegal tax schemes. Thank you for your patience.

117. (110.) Have you ever been approached by someone regarding ways to save money on your taxes that you thought were illegal? (DO NOT READ)

| | |
|-----------------------------|----------|
| | <u>S</u> |
| Yes..... | 1 |
| No..... | 2 |
| (DO NOT READ) Not Sure..... | 3 |
| (DO NOT READ) Refused..... | 4 |

(ASK IF CODE 1 IN Q117 (Q110); OTHERWISE FINISH SURVEY)

118. (111.) How did you learn whether they were legal or not? (DO NOT READ)

| | |
|---|----------|
| | <u>M</u> |
| Asked/from practitioner..... | 1 |
| Checked IRS Web site..... | 2 |
| Other Internet research..... | 3 |
| Asked/from friends or business associates...4 | 4 |
| From mass media..... | 5 |
| Common sense..... | 9 |
| Other, specify: _____...6 | 6 |
| Not sure..... | 7 |
| Refused..... | 8 |

Those are all the questions I have for you today. My supervisor may want to verify that I spoke with you. May I please confirm that I reached you at (INSERT TELEPHONE NUMBER), and may I have JUST your first name?

That's the end of our survey. I'd like to thank you very much for your willingness to participate in our research. Thanks again, and have a wonderful day / evening!