

VII. Appendices

Appendix 1 – Prior OMB Package Focus Group Discussion Questions (for information only)

FOCUS GROUP DISCUSSION QUESTIONS *Small Business Participants from California, Texas, Miami and New York*

Trusted Sources of Information

1. If a friend or relative who just started a business asked you about tax obligations, where would you tell them to go for help? Why did you identify those resources?
2. How did you learn about your tax obligations? What specific information and education have you received that has helped you understand your tax obligations? How can the IRS assist you to better understand your tax obligations?
3. If you were to be contacted by the IRS about tax compliance, who would you go to first for advice? Why?
4. Do you have community-based organizations that offer you advice on important matters (tax and non-tax related)? How do you get that information from the organization? What are some examples of groups you trust when receiving government, financial or tax related information? Would you like to receive that type of information directly from the IRS?
5. Although many businesses use a tax professional for assistance, it is important for small businesses themselves to remain aware of legislative changes that impact them. For example, are you aware that in the next few years, credit card issuers will provide the IRS with information relative to the volume of business generated through credit card transactions? Where did you or where would you be likely to hear about a change such as this? How would you like to receive this type of information and from what types of sources?

IRS Awareness and Perception

6. Are you aware of various IRS products and services including:
 - IRS Web Site:
 - e-News for Small Businesses
 - [Worker Classification Webcast](#)
 - FAQs, Etc.
 - Small Business Self Employed (SBSE) 2010 Tax Calendar (Publication 1518)
 - Tax Information for Small Business and Self-Employed Taxpayers (Publication 4667)
 - Small Businesses Tax Responsibilities (Publication 4591)
 - Small Business Tax Workshops
 - In person
 - On line / virtual
 - CD / DVD format

How did you learn about these products and services? Were any especially useful for starting and continuing to run your business and why? Were any of these products useful in resolving tax issues? Why?

7. Is there anything that keeps you from contacting the IRS directly for assistance (i.e. obstacles, lack of information, IRS perceptions)? What can the IRS do to increase your level of comfort in communicating about your tax questions?
8. Are you currently receiving routine tax information or reminders from sources other than the IRS? What are you receiving, what is most helpful and from whom? What routine tax reminders/resources would be helpful to receive from the IRS and how would you prefer to receive them (i.e., email, text, videos, YouTube, twitter, webinars, voice, other)?

Tax Lessons Learned

9. If a friend or relative started a business today, what are the top three pieces of advice you would give regarding federal tax obligations? Regarding your federal tax obligations, what top three things do you wish you had more information on? How can the IRS better assist you in these areas?
10. What is the most difficult tax issue you deal with as a small business owner? Why is it so difficult? How have you dealt with it and where did you go to solve the problem? How can the IRS better assist you in working with this issue in terms of outreach and education?

Compliance

11. What can IRS do to make it easier to meet your tax responsibilities relating to reporting, filing and payment (i.e., receiving tax guidance, understanding instructions, completing forms, cost to complete and submit forms, finding dollars to pay taxes, YouTube, Form Wizards, etc.)? What might the IRS do to make things easier for you to be compliant?
12. A lot of small businesses have tax compliance issues – it happens! What factors (i.e., lack of knowledge, too difficult, economic situation) would most influence a small business to be non-compliant? How can the IRS provide a small business with information to increase the level of compliance?

Communications

13. Have you had any direct contact with the IRS or any of its representatives in the past 5 years? If so, could you share what the most recent experience was like?
14. If you were given the opportunity, would you provide the IRS with an email address for communications purposes so that the IRS could send you emails that would contain links to relevant tax information and other alerts related to small business owners (filing date reminders, 1099 contractor payment levels, etc.)? Why or why not?

15. What is your experience in working with or communicating with the IRS as compared to other federal agencies (e.g., SSA, OSHA, etc), state agencies or other companies? Are there parts of those examples that the IRS should consider using? How could IRS communications be improved?
16. Do you have any communication examples from private industry that could serve as best practices for the IRS to model? (i.e., sign up for alerts / email distribution for interested topics, tracking of returns similar to FedEx, tailored communications based on small business attributes, etc.)

The Paperwork Reduction Act requires that the IRS display an OMB control number on all public information requests. The OMB Control Number for this focus group is 1545-1432 so, if you have any comments, questions or concerns regarding this focus study, 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*

Appendix 2 – Online Web Survey

IRS Market Outreach and Education Survey	OMB Number: ####-####
<p>Thank you in advance for your time and ideas. When you have completed the questionnaire, please click the SUBMIT ANSWERS button at the bottom of the page.</p>	
<p>Introduction / Background:</p> <p>The IRS is trying to gain a better understanding of small business outreach and education needs and how best to fulfill those needs. Specifically, the IRS wants to understand how business owners receive their business and tax related information in order to understand and comply with their tax obligations. The IRS has three specific goals for this survey:</p> <ul style="list-style-type: none"> To identify the preferred methods of receiving business information To understand the attitudes and business practices that influence compliance To determine the trusted and most common sources of information 	
<p>Protection of Privacy:</p> <p>MITRE, the IRS FFRDC hosting this survey, assures you that your responses are private. No identifying information will be captured and only summary information will be compiled. There will be no further follow-up questions to you. Your participation is greatly appreciated.</p>	
<p>Intended Participants:</p> <p>Respondents should be small business owners or independent contractors.</p> <p style="color: red; font-size: small;"><i>Important Note: Please try to avoid using ampersands [&] or other symbols in your text answers.</i></p>	
<p>1. Are you a Small Businesses Owner or Independent Contractor?</p> <p><input type="radio"/> Yes <input type="radio"/> No</p>	
<p>2. Please specify your ethnicity and race.</p> <p>Ethnicity: <input type="radio"/> Hispanic or Latino <input type="radio"/> Not Hispanic or Latino</p> <p>Race: <input type="radio"/> American Indian or Alaska Native <input type="radio"/> Asian <input type="radio"/> Black or African American <input type="radio"/> Native Hawaiian/Other Pacific Islander <input type="radio"/> White</p> <p><input type="radio"/> I prefer not to answer.</p>	
<p>3. Please specify your age range:</p> <p><input type="radio"/> Younger than 18 <input type="radio"/> 18-29 <input type="radio"/> 30-54 <input type="radio"/> 55-64 <input type="radio"/> 65+</p> <p><input type="radio"/> I prefer not to answer.</p>	
<p>4. How long have you been in business?</p> <p><input type="radio"/> New business <input type="radio"/> 1-5 years <input type="radio"/> 6-10 years <input type="radio"/> 11-19 years <input type="radio"/> 20+ years</p>	
<p>5. Please select the principle industry that best fits your type of business: <input type="text" value="Please Select..."/></p> <p><input type="radio"/> Other, please specify: <input style="width: 150px;" type="text"/></p>	
<p>6. Where does your business operate from? <input type="text" value="Please Select..."/></p> <p><input type="radio"/> Other, please specify: <input style="width: 150px;" type="text"/></p>	
<p>7. Complete this statement. I conduct business...</p> <p><input type="radio"/> Entirely via the Internet <input type="radio"/> Mostly via the Internet <input type="radio"/> Occasionally via the Internet <input type="radio"/> Almost never via the Internet</p>	
<p>8. How would you describe your knowledge of small business tax obligations?</p> <p><input type="radio"/> New Business - Beginning to learn <input type="radio"/> New Business - Aware <input type="radio"/> New Business - Fully aware of all tax obligations</p> <p><input type="radio"/> Established Business - Beginning to learn <input type="radio"/> Established Business - Aware <input type="radio"/> Established Business - Fully aware of all tax obligations</p>	
<p>9a. If a friend or relative who just started a business asked you about tax obligations, and you could only pick ONE source (not including IRS or accountant/CPA), what source would you highly recommend?</p> <p><input type="radio"/> Friends, family, or other related support</p> <p><input type="radio"/> Business organizations (e.g., SBA, SBDC, etc.). Please provide organization name: <input style="width: 100px;" type="text"/></p> <p><input type="radio"/> Community organization (e.g., faith-based, non-profit organization, etc.). Please provide organization name: <input style="width: 100px;" type="text"/></p> <p><input type="radio"/> Industry/professional organizations (e.g., associations, etc.). Please provide organization name: <input style="width: 100px;" type="text"/></p> <p><input type="radio"/> Funding Sources. Please provide type of organization (e.g., bank, credit union, economic development center, etc.): <input style="width: 100px;" type="text"/></p> <p><input type="radio"/> Web sources. Please provide site address(es): <input style="width: 100px;" type="text"/></p> <p><input type="radio"/> Other, please specify: <input style="width: 100px;" type="text"/></p>	

9b. Please describe the key reasons you selected the resource in the above question.

10. I currently receive tax information from the IRS (or other sources) through [please select all that apply]:

- Email
- Mail
- Newsletter (electronic or paper)
- In-person Contact
- Handouts/Brochures
- IRS.gov
- I currently do not receive tax information regularly.

Other, please specify:

11. I prefer to receive tax information, from the IRS, by [please select all that apply]:

- Email
- Mail
- Newsletter (electronic or paper)
- In-Person Contact
- Handouts/Brochures
- Text
- Videos
- You Tube
- Webinars
- Voicemails
- Online Forum
- Blog
- Accountant/Tax Practitioner

Other, please specify:

12. I am aware of the following current IRS products and services [please select all that apply]:

- IRS.gov
- Small Business Tax Calendar
- e-News for Small Businesses
- Virtual Small Business Tax Workshop CD
- Publication 4667, IRS Tax Information for Small Business and Self-Employed Taxpayers
- SSA/IRS Reporter
- Phone Forums
- Webinars
- Not familiar with IRS products and services.

Other, please specify:

13. What IRS products and services would be helpful to receive or have access to [please select all that apply]?

- Electronic Calendar - ability to download
- Filing/Payment Reminders

- Online Tax Forums
- Short Instructional Videos
- Webinars
- Welcome Package when EIN Established
- Online Transaction Summary/History
- Other, please specify:

14. What are the three most difficult *federal tax issues* you deal with as a business owner?

- Calculating estimated tax amounts
- Due dates for filings/tax payments
- Expense deduction clarification/eligibility
- Filing timeframes
- Independent contractor vs employee (1099 rules)
- Paying estimated taxes
- Record retention requirements
- Remembering to set aside money to pay taxes
- Other, please specify:

15. What top 3 things can the IRS do to make it easier to meet your tax responsibilities?

Easier filing (e.g., free e-filing)

Communicate my tax obligations and what is required

More leniency (i.e., grace periods, interest and penalties)

Provide assistance with completing forms

Provide more education (FAQ's, Webinars, how-to's)

Send alerts as key date reminders

Welcome kit with key forms and dates

Web chat

Wizard-like tool as provided with commercial tax preparation packages

Other, please specify:

16. What do you think are the top three factors that most influence a business to be non-compliant?

Attitude toward tax fairness and the IRS

Completing forms is too difficult

Lack of funds to pay

Lack of tax knowledge

Language barriers - Please specify language:

Reliance on tax professional

State of business (i.e., increased competition, cyclical industry, medical issues, etc.)

State of the economy

Unaware of other payment options

Uncertain of tax treatment for an issue

Other, please specify:

17. What other service, outreach or educational changes would you recommend to the IRS to help increase the level of business tax awareness and compliance?

18. Are there other federal or state agencies or companies from private industry that could serve as best practices for the IRS to model? List the organization or company and describe what functionality the IRS could adopt from that company, in terms of communication and outreach, to improve itself. Examples may include communications, information sharing, education, etc.

Paperwork Reduction Act Notice

The Paperwork Reduction Act requires IRS to display an OMB Control Number on all approved information requests. About ten minutes will be needed to complete this voluntary questionnaire. If you have any comments about the time estimate, or suggestions for simplifying the form please write to:
 Internal Revenue Service
 Tax Products Coordinating Committee
 SE:W:CAR:MP:T:T:SP
 1111 Constitution Ave. NW
 Washington, DC 20224

Appendix 3 – Advertisement Soliciting Participation for the Web Survey with Link for Participants to Take the Survey

Sample Survey Link Text

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OMB Number: ****-****

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Click to Participate!

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