Attachment 1
Screener Guide
Confirmation Letter
Reminder Phone Script

Screener Guide

Hello, my name is ___________. I am calling on behalf of ICF Macro, a research and consulting firm in the Washington DC area. We are working with the Internal Revenue Service (IRS) to obtain feedback on a revised form they are developing. We are seeking participants for a focus group we are holding in [insert city].

IF ASKED: (EACH INTERVIEWER WILL HAVE THIS INFORMATION)

If respondents ask how their name was obtained, tell them their phone number was randomly selected from a list of individuals in the local calling area. If respondents are concerned about participating, tell them that our contract with the IRS specifically prohibits me from revealing their name or any information about them to the IRS or anyone else. Participation in this focus group will not affect your taxes or filing status.

This project has been approved by the U.S. Office of Management and Budget (OMB). The OMB Clearance Number is 1545-1349. If you like, I can give you a name and address where you can send comments and questions regarding these time estimates or suggestions for making this process simpler.

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

Your answers to these questions will be held completely Private by ICF Macro, meaning we will not provide your name or any identifying information to the IRS.

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

( ) Yes
If yes ask: Do you read and write in English?
(Yes)..Continue
(No) ....Terminate
( ) No..Terminate

2. Did you file a federal tax return this year?

( ) Yes..Continue
( ) No..Terminate

3. Did you file a Form 1040, Individual Income Tax Return for 2010?
( ) Yes ....………… ……………………. ....Continue
( ) No.. ....Terminate

4. For the tax year 2010, how was your income tax return filed? (*Note to recruiter*: Try and recruit paper and pencil filers, but 60% per group can have used software)

( ) Self-prepared using paper and pencil……………………….Continue
( ) Using preparer (40% Maximum per group)………………Terminate
( ) Not sure……………………………………………………Terminate

5. Did you file a Schedule D, Capital Gain and Losses, with your 2010 or 2009 Form 1040 Federal Income Tax Return?

( ) Yes………………...Continue
( ) No………………...Terminate

6. Do you expect to sell stock and file Schedule D (Form 1040) again in 2011 or 2012?

( ) Yes………...Continue
( ) No………………..Terminate

For questions 7-13, recruit a mix of individuals

7. Into which of the following categories does your age fall? M*ay opt-out if they wish to.*
( ) less than 18.. ....Terminate
( ) 18 to 33
( ) 34-44
( ) 45 to 64
( ) 65 and older

8. What was your filing status on your most recent tax return? [Read responses and check one]
( ) Single
( ) Married/jointly
( ) Head of household
( ) Widow/widower

9. Please identify your highest completed level of education. [M*ay opt-out if they*

wish to.]

( ) Less than 9th grade
( ) 9th grade to 12th grade, no diploma
( ) High school graduate (or GED)
( ) Some technical or vocational school
( )Technical or vocational school graduate
( )Some college, no degree
( )Associate Degree
( )Bachelor's Degree
( ) Master's Degree
( )Post-Master's Degree

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

10. Are you of Hispanic or Latino origin (ethnicity)?
( ) Yes
( ) No

11. Which of the following best describes your race (Accept all multiple answers)?
( ) White
( ) Black or African American
( ) Asian
( ) Native Hawaiian or other Pacific Islander
( ) American Indian or Alaska Native

12. Which of these categories does your total annual household income fall into?
( ) Less than $10,000
( ) $10,000 but less than $15,000
( ) $15,000 but less than $25,000
( ) $25,000 but less than $35,000
( ) $35,000 but less than $50,000
( ) $50,000 but less than $75,000
( ) $75,000 but less than $100,000
( ) $100,000 or more

13. Record Gender—DO NOT ASK UNLESS UNABLE TO DETERMINE; may opt-out they wish to.
( ) Female
( ) Male

INVITATION

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

Are you willing to participate?
( ) Yes...Continue
( ) No...Terminate

I'm glad that you will be able to join us! We will provide you with a $75 stipend for participating as well as a light meal and refreshments. At this point I need to collect some contact information from you. Then we will send you a confirmation letter and directions to the facility via e-mail.

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

Do you have any questions?

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

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

Confirmation Letter

<Insert date>

Dear <insert name>,

Thank you for agreeing to participate in a focus group discussion on <insert date> at <insert time> at <insert facility name>. Please arrive 15 minutes before the start of the focus group so that you can complete some paperwork and have something to eat. Snacks and refreshments will be provided. As a thank you for participating in the focus group, you will be given $75 at the end of the discussion.

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

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

Thank you for your time and participation.

[Insert facility manager’s name]
[Insert name of facility] on behalf of ICF Macro.

Focus Group
Schedule D, Capital Gains and Losses, and
Form 8949, Sales and Other Dispositions of Capital Assets
Moderator's Guide

I. Welcome and Introductions: 5 minutes

A. Introduction of the moderator.

Hello! I'm (MODERATOR'S NAME) from ICF Macro and will be moderating today's group discussion. Today I will be asking for your input about Schedule D, Capital Gains and Losses and Form 8949, Sales and Other Dispositions of Capital Assets. These forms are used with Form 1040, which is the U.S. Individual Income Tax return. The Tax Forms and Publications Division of the IRS is revising the Schedule D and has created a new form, Form 8949.

First, I would like to thank all of you for coming in today. Our discussion will take about two hours. I would like to know your real attitudes and feelings, so please be as open and frank with me as you can. Your comments and suggestions are very important to us and the IRS may make changes to the Schedule D and Form 8949 and their instructions based on comments from this focus group and others that we are conducting around the country (Calverton, MD, Las Vegas, NV, Minneapolis, MN and New Orleans, LA).

B. What is a moderator?

Before we begin, I want to let you know that I'm not an expert on the schedule or form we will be discussing nor am I an IRS employee. I was hired to get your perceptions, opinions, and suggestions. There are no right or wrong answers; so please don't hold back. My job as a moderator is to:

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

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

C. Ground Rules

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

- For the IRS to speak with the public, we are required to have approval from the Office of Management and Budget. Their approval number for this project is1545-1349. Also, if you have any comments regarding the time estimates associated with this study or suggestions on making this process simpler, please write to the: IRS Tax Products Coordinating Committee, 1111 Constitution Avenue, NW, IR-6526, Washington, DC 20224. [*Moderator: Post this bullet on newsprint/white board for each session*

- We are audio-taping the meeting for use in preparing a report about findings. Because we are taping this meeting, I ask that you speak loudly and clearly. If I think you are speaking too softly to be heard on the recording, I will ask you to speak up.

- Please speak just one at a time so everyone has a chance to participate.

- Don't engage in side conversations-- we need for everyone to hear what the others are saying and for everything that's said to be heard easily on the recording.

- Sometimes I'll go around the table and ask everyone for their input. At other times, I will just throw a topic open for general discussion.

- Participation -- we would like to hear from everyone in the group, but you don't have to answer every question.

- No evaluation -- there are no right and wrong answers. We expect differences in how people see things, and we need to know about these differences.

- Feel free to disagree or question each other. The purpose of a group session is for us to learn things in group interchanges that we don't get out of one-on-one discussions. If someone says something you disagree with, please let us know.

- Some observers are present behind the one-way mirror. They want to hear what you have to say about the topics we'll discuss, but we don't want you to feel constrained by their presence.

- If anyone needs to use the restroom, they are located (specify). There is no need to stop the discussion.

- Your participation is voluntary. Therefore, at any point in time you may leave the room.

- If you have a cell phone, please turn it off or set to vibrate.

- The session will last about two hours.

D. Informed Consent

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

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

E. Introduction of Participants: 10 minutes

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

- How do you prepare your return? Do you use paper forms, fillable forms or tax preparation software?

Probe: What are your reasons for choosing this method to prepare your return?

II. Discussion and Exercise: 90 minutes

Note to Moderator: Please provide the following explanation to participants before you begin

"The new Form 8949 will replace the Schedule D-1, Continuation Sheet for Schedule D. You will now use the new Form 8949, instead of Schedule D-1, to report the sale of each capital asset, but you will not have to compute gain or loss for each separate transaction. Instead you will carry totals from Form 8949 to Schedule D and then figure your overall gain or loss on Schedule D.

Schedule D has been redesigned as a summary form for information from this newly created Form 8949.

We will look at that Form 8949 and revised Schedule D in a few moments.

However, before we begin we would like you to give you the opportunity to look at the existing Schedule D and D-1 to refresh your memory on these products we are changing and to use a reference as we discuss the new forms."

Give the participants 5 minutes to look at the existing Schedule D and D1.

Okay now that you had a few moments to review the existing form, we will begin the review and discussion of the new forms.

Hand out both the Form 8949 and the revised Schedule D. Give the participants 10 minutes to review both forms and 20 minutes for discussion (10 minutes per form).

- Now that you have had a chance to review the existing and new forms. Let's begin our discussion with the new Form 8949, what is your reaction to the new form?

  Probe: Concerns and comments about print size, font type, layout, organization of topics, etc.

- Please look at the flow of the form. Do you see anything that could be changed? Moved to another location on the form?

- Looking at the wording of the form. Are there any lines that are confusing?

  Probe: If they state the wording of a line is confusing, ask how they would reword the line to make it clearer or easier to understand

Great, thank you for your feedback on the Form 8949. Let's turn our attention to the revised Schedule D I handed out earlier.

- Now that you have reviewed the schedule, what is your reaction to the revised Schedule D?

  Probe: Concerns and comments about print size, font type, layout, organization of topics, etc.

- Please look at the flow of the form. Do you see anything that could be changed? Moved to another location on the form?

- Looking at the wording of the form. Are there any lines that are confusing?

Note to Moderator: Hand out Scenario 1. Read the scenario with the participants. Give the participants 20 minutes to complete the form and 30 minutes for discussion.

Okay, let's begin our discussion of the scenario with the Form 8949

- Was it easy to find information on F1099-B that needed to be transferred to Form 8949?

Probe: If not, what would make it easier for you to find and transfer the information?

- Did you have any trouble determining where to put the short term vs. the long term gains on the Form 8949?

    Probe: If so what caused you difficulty in determining where to put this information?

- Did you have any trouble determining whether to check box A, B, or C on the Form 8949?

- Do you think the new Form 8949 made it easier or more difficult to report your gains and losses?

    Probe: What made it easier or more difficult? Attempt to obtain concrete examples

    Probe: Was reporting the short term and long term capital gains or losses on your 2011 form harder, easier, or about the same as reporting them on your 2010 form?

- Was there sufficient space to put your information?

- Did you experience any difficulties with identifying/ entering the codes in column (b) on the Form 8949?

- Probe: Did you experience any problems with finding the code in the instructions for completing column (b)?

- Is there anything on the revised Form 8949 we could change to make it more understandable, easier to complete?

Now let's discuss the Schedule D as it relates to the scenario

- Was it easy or difficult to find the information on your completed F 8949 that needed to be transferred to the Schedule D?

    Probe: What specifically made it difficult or easy to transfer the information to Schedule D?

    Probe: Was there sufficient space to put your information on the Schedule D?

Did you have any trouble determining which lines of Schedule D to fill out? If so, why?

- Was reporting your gains and losses on your 2011 Schedule D harder, easier, or about the same as reporting them on your 2010 Schedule D?

Let's talk about the instructions for the newly revised Schedule D

- Did anyone use the instructions of the revised Schedule D? (Get a count of hands).

  Probe: For those who did not use the instructions, is there a reason why you did not use them?

- For those that did use the instructions for the Schedule D, did you experience any problems with understanding the instructions?

  Let's review the scenario for a minute did anyone have any trouble understanding the scenario? If so, was there anything we could change to make the scenario more understandable?

Note to Moderator: If time permits, go over the correct answers with the participants.

IV. False Close: 5 minutes

Note to Moderator: Explain that you will be back in a minute while you check in with the observers to see if they have any addition questions they would like you to ask.

V. Closing: 2 minutes

Thinking about our discussion tonight, is there anything else you would like to share regarding either the Schedule D or Form, 8949 we looked at today.

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

Thank You/Wrap Up

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

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

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

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

We look forward to seeing you tomorrow.