

Individual Taxpayer Burden Survey

Internal Revenue Service

# 1040	U.S. Inc	the Treasury—Internal Revenue Service Iividual Income Tax	Return ²
Name,		Jan. 1–Dec. 31, 2010, or other tax yearme and initial	ar beginning Last nam
Address, Add		urn, spouse's first name and init	ial Last nar
See separate instructions.	Home addre	ess (number and street). If you h	nave a P.O. box, s
R L Y		r post office, state, and ZIP co	de. If you have a
Presidential Election Campaign	n ► Check h	nere if you, or your spouse	if filing jointly,
Filing Status		ingle Iarried filing jointly (even if	only one had
Check only one ox.		larried filing separately. Er nd full name here. ►	nter spouse's 🤄
xemptions	6a 🗌	Yourself. If someone car	n claim you as
xemptions	b	Spouse	
		endents:	(2) Depend social security
	(1) First name	Last name	

Privacy Act Notice for Individual Taxpayer Burden Model Data Collection

The Privacy Act of 1974 states that when we ask you for information, we must first tell you our legal right to ask for the information, why we are asking for it, and how it will be used. We must also tell you what could happen if you do not provide it and whether or not you must respond under the law.

Our legal right to ask for this information is 5 U.S.C. 301.

The primary purpose for requesting the information is to analyze the role of taxpayer burden in tax administration. We will also use the information to fulfill the IRS' obligations to the Office of Management and Budget and Congress for information required by the Paperwork Reduction Act, and to provide tax policy analysis support to the Office of Tax Analysis at the Department of the Treasury. We will also use the information provided to better understand taxpayer needs and burden reduction opportunities.

Tax information may be disclosed only as provided by 26 U.S.C. 6103. Providing the information is voluntary.

OMB No: 15XX-NEW. Expires XX-XX-XXXX. This report is authorized under the Paperwork Reduction Act. Data collected will be shared with IRS staff, but your responses will be used for research and aggregate reporting purposes only and will not be used for other non-statistical or non-research purposes such as direct enforcement activities. The information that you provide will be protected to the fullest extent allowable under the Freedom of Information Act (FOIA). Public reporting burden for this collection of information is estimated to average 15 to 20 minutes, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to IRS Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Avenue, NW, Washington, DC 20224.



Individual Taxpayer Burden Survey

The purpose of this survey is to provide Congress and the President with accurate estimates of the time and money taxpayers spend to follow federal tax rules and regulations. Tax administrators and policy makers use this information to reduce and manage taxpayer burden. By taxpayer burden, we mean all of the *time and money spent during the course of the year by you, your spouse, business employees, friends, or relatives* to complete your 2010 individual federal income tax return. Please <u>do not include</u> the time spent by a tax professional on your behalf. However, because we are interested in your costs, we will be asking about money you may have paid to a tax professional.

Most of the activities associated with the completion of your tax return occur when the return is prepared and filed. However, some tax activities, notably recordkeeping, tax planning, and researching tax law changes, may occur *throughout the year* and we ask that you consider all of this time and money when providing your responses. You may need to consult with others when completing this survey, and we encourage you to do so. However, please do not have your tax professional complete this survey for you. We are interested in <u>your experiences</u>.

The person in your household most involved in the completion of your 2010 individual federal income tax return should complete this survey. Your individual federal income tax return refers to Form 1040, 1040-A, or 1040-EZ, as well as any associated forms, schedules, and worksheets that you completed or filed. It does not include forms associated with state and local income taxes, partnerships, corporations, estates, employment taxes, excise taxes, or anyone else's individual federal income tax return.

We expect that it will take about 15 to 20 minutes to complete this survey. Your time may vary based on your individual experiences. Please be assured that you will <u>not</u> be asked about specific income or other financial information. All information you provide will be used for research purposes only.

While participation is voluntary, information about your tax preparation experience will help the IRS better understand how to reduce taxpayer burden. We encourage you to take a few moments of your time to participate. By doing so, you will ensure that households like yours are represented.

You will find answers to frequently asked questions on the inside of the back cover. If you have further questions about the content of this survey or would like to request a Spanish version, please contact Jocelyn Newsome at 1-888-848-0934 or send an email to IRStaxpayerburdensurvey@westat.com. If you would like to speak to someone at the IRS, please call the Communications & Liaison office at 202-622-6440 or send an email to *public liaison@irs.gov.

IRS ITB Survey Introduction Questionnaire

Section A. General Questions about Your Taxes

The questions below ask about the ways in which you completed your 2010 federal income tax return.

1.	How did you complete your 2010 federal income tax return?
	Check all that apply.
	☐ I did it myself using paper forms
	☐ I used a tax preparation website, software, or mobile app (such as TurboTax, TurboTax SnapTax, TaxACT, or H&R Block At Home)
	I had expert assistance from someone such as a paid preparer, a paid professiona (e.g., a bookkeeper, accountant, or lawyer), an employee of my business, or an unpaid volunteer
2.	Why did you choose this method for completing your 2010 federal income tax return?
	Check all that apply.
	☐ Ease of use
	☐ Time
	☐ Familiarity with method
	□ Cost
	☐ To ensure that my tax return was completed accurately
	☐ To receive all of the deductions, credits, and refunds for which I was qualified
	☐ To reduce the risk of audit
	☐ Other
	Please specify:

3. How did you receive your refund or make a payment for your 2010 federal income tax return?			
Refund Method	Payment Method		
☐ Direct deposit	☐ Credit or debit card		
☐ Check mailed from the IRS	☐ Personal check		
Received an early or immediate refund directly through a tax preparer or software provider for an additional fee, such as a Refund Anticipation Loan or Check (RAL or RAC) or Rapid Refund	☐ Electronic funds withdrawal from checking/savings account ☐ U.S. Treasury's Electronic Federal Tax Payment System (EFTPS) ®		
☐ Other <i>Please specify:</i> ☐ Did not make a payment or rece	eive a refund		

Section B. Recordkeeping

The following questions ask about the records you may have kept in order to prepare your 2010 federal income tax return. These records include forms you may have received from your employer or financial institution(s), as well as tax-related documents you may have kept.

4.		r or not you used them, which of the following types of information did you or your 2010 federal income tax return?
	Check a	Il that apply.
		Wages and salaries or tips Such as W-2 forms, pay stubs, or timesheets
		Investment income Such as interest, dividends, capital gains or losses
		Retirement income Such as IRA distributions, pensions, annuities, or social security benefits
		Deductions from income Such as health savings accounts, IRAs, student loan interest, tuition, fees, or educator expenses
		Business income Such as income associated with a sole proprietorship, farm, rental real estate, royalties, a partnership, or an S-corporation
		Business expenses Such as car and truck expenses, supplies, utilities, legal and professional services, office expenses, depreciation, taxes & licenses, deductible meals & entertainment, or advertising
		Itemized deductions Such as medical and dental expenses, taxes (state and local, real estate, sales taxes including taxes on a new motor vehicle), home mortgage interest, charitable contributions, casualty and theft losses, or unreimbursed employee expenses
		Credits associated with dependents Such as child and dependent care expenses, earned income tax credit (EITC), child tax credit, or additional child tax credit
		Other tax related items
		Please specify

Check all that apply. ☐ Form W-2 W-2 forms are year-end statements that are provided by employers to document the wages and withheld taxes of their employees. ☐ Form 1099 Form 1099 reports interest income from a bank, dividends on stocks, Social Security income, statements from brokers on sales of stocks or bonds, or income earned as an independent contractor. ☐ Form 1098 Form 1098 reports mortgage interest, tuition, or student loan interest paid. ☐ Schedule K-1 Schedule K-1 is used by a Partnership or S-Corporation to report a partner/shareholder's distributed share of income. ☐ Form 5498 Form 5498 reports contributions to retirement accounts such as IRAs and to medical savings accounts. ☐ Other Please specify: 6. How did you keep or organize the records you used to prepare your 2010 federal income tax return? Check all that apply. ☐ Stored records in a file folder or filing cabinet ☐ Stored records in drawer, box, or shoebox ☐ Entered information in a paper-based system, such as a ledger or notebook ☐ Stored information in a computerized system such as Excel, Quicken, MSN Money, or QuickBooks A paid professional such as a bookkeeper, accountant, or lawyer managed my records A third-party, such as a bank, financial institution or employer, maintained my records online ☐ Other Please specify:

5. Which of the following tax documents did you receive to complete your 2010

federal income tax return?

did you	ig about all of the records you kept for your 2010 federal income tax return, keep them for tax purposes only or were they also kept for business or al reasons?
	I kept the records exclusively for tax purposes
	I kept the records for tax and business/personal reasons
Section 0	C. Tax Planning
2010 federal reduce the ta	section asks about any tax-related planning you may have done for your income tax return. Tax planning includes any strategies taxpayers use to xes they owe, such as participating in a retirement account, making nations, or buying or selling assets.
	r or not you did them, did you consider the tax implications of any of the ng as part of your overall planning for your 2010 federal income tax return?
Check	all that apply.
	Buying or selling real estate, including purchasing a home to claim the first-time homebuyers credit or to deduct real estate taxes and mortgage interest
	Participating in or maintaining a retirement account such as a 401(k), any type of IRA, or a pension plan
	Investing in non-retirement tax-exempt or tax preferred investments or plans such as tax free bonds or education savings programs
	Buying or selling other investments such as stocks, bonds, or other securities
	Buying or disposing of assets such as equipment or supplies for a business, including any decisions made for section 179 accelerated depreciation expenses
	Structuring your business, such as deciding whether to form a partnership, LLC, or corporation
	Making charitable donations
	Making energy efficient improvements to your home in order to claim an energy tax credit
	Taking college or other educational classes in order to claim the American opportunity tax credit
	Other
	Please specify:
	None of the above

9. Whether or not you did them, did you consider doing any of the following activities for your 2010 federal income tax return? Check all that apply. Calculating tax withholding on Form W-4 when you started a new job Submitting a new Form W-4 to an existing employer to adjust your withholding Preparing estimated taxes Itemizing or claiming income deductions Claiming credits such as education credits, child tax credit, earned income tax credit, adoption credit, or residential energy credits Participating in a benefit plan such as a medical savings account (MSA), health savings account (HSA), flex savings, dependent care, or flexcare plans Other Please specify:

☐ None of the above

Section D. Resources Used to Complete Your Tax Return

You may have used a variety of resources when completing your 2010 federal income tax return. The next series of questions asks first about IRS resources and then about any other resources you may have used.

10. For each of the tasks listed below, which <u>IRS resources</u> (if any) did you use when completing your 2010 federal income tax return?

Check all that apply.

'	IRS RESOURCES			
TASKS	IRS Toll Free Tax Assistance Line	IRS walk-in site	IRS website or IRS2GO mobile app	IRS correspondence, such as mail or email
Obtain general tax information				
Obtain IRS forms, instructions, or publications				
Obtain answers to specific questions about my return				
	l c	lid not use any IRS	resources for thes	se tasks.

11. For each of the tasks listed below, what <u>non-IRS resources</u> (if any) did you use when completing your 2010 federal income tax return?

Check all that apply.

I	NON-IRS RESOURCES						
TASKS	Tax professional, such as tax preparer, accountant, lawyer, or volunteer	Friends or family	Tax preparation website, software, or mobile app	Non-IRS website, including social media and blogs	TV, newspapers, magazines, books, or guides	Library, post office, or community center	Seminars or classes
Obtain general tax information							
Obtain IRS forms, instructions, or publications							
Obtain answers to specific questions about my return							
		l di	d not use any	of these reso	ources for the	se tasks.	

Section E. Completing Your Tax Return

The next questions ask about the ways in which you completed your 2010 federal income tax return.

12.	/ho (if anyone) helped you, however briefly, with your 2010 federal income tax eturn?	[
	heck all that apply.	
	☐ My spouse	
	☐ Other family members or friends	
	☐ Employee of my business	
	☐ Other	
	Please specify:	
	☐ No one helped me	
13	Which of the following <u>best</u> describes how you used IRS tax form instructions when completing your 2010 federal income tax return?	;
	☐ Read most or all instructions	
	☐ Read instructions as needed	
	☐ Did not need to read instructions at all	
	□ Because I used tax software or got help from a tax preparer, a family member, friend, I did not need to read instructions	or
	☐ Other	
	Please specify:	
	☐ None of the above	
14	Did you use a paid or volunteer professional, such as a tax preparer, bookkee accountant, or lawyer, when completing your 2010 federal income tax return?	
	☐ Yes	
	☐ No→ GO TO QUESTION 16	

2010 fed	eral income tax return?
Check a	ll that apply.
	ompleted a tax questionnaire or worksheet for my paid or volunteer professional
□P	rovided records to my paid or volunteer professional
□м	let with my paid or volunteer professional in person
	ommunicated with my paid or volunteer professional by telephone or email
	ompleted and reviewed my tax return with my paid or volunteer professional
	ther
ŀ	Please specify:
	one of the above
The next quest	ons ask about any tax preparation website, software or mobile app you
may have used 16. Did you u TurboTax income to	when completing your 2010 federal income tax return. use a tax preparation website, software, or mobile app, such as TurboTax, a SnapTax, TaxACT, or H&R Block At Home, to complete your 2010 federal ax return?
may have used 16. Did you u TurboTax income to	when completing your 2010 federal income tax return. use a tax preparation website, software, or mobile app, such as TurboTax, a SnapTax, TaxACT, or H&R Block At Home, to complete your 2010 federal ax return? es o → GO TO SECTION F
may have used 16. Did you u TurboTax income to	when completing your 2010 federal income tax return. Isse a tax preparation website, software, or mobile app, such as TurboTax, a SnapTax, TaxACT, or H&R Block At Home, to complete your 2010 federal ax return? The second of
may have used 16. Did you u TurboTax income ta □ Y □ N □ D 17. Which of software □ F □ S	when completing your 2010 federal income tax return. Isse a tax preparation website, software, or mobile app, such as TurboTax, a SnapTax, TaxACT, or H&R Block At Home, to complete your 2010 federal ax return? The selection is a second of the second o
16. Did you u TurboTax income to I N I N I S I S I S I S I S I D I D I D I D I D I D I D I D I D I D	when completing your 2010 federal income tax return. Isse a tax preparation website, software, or mobile app, such as TurboTax, a SnapTax, TaxACT, or H&R Block At Home, to complete your 2010 federal ax return? Isse a tax preparation website, software, or mobile app to SECTION F On't know → GO TO SECTION F The following best describes how you used a tax preparation website, or mobile app to complete your 2010 federal income tax return? Issued to the step-by-step computer-guided instructions to address specific electively used the step-by-step computer-guided instructions to address specific

15. How did you work with your paid or volunteer professional when completing your

•	u <u>electronically import</u> any of the following information into a tax preparation e, software or mobile app for your 2010 federal income tax return?
Check	all that apply.
	Data from last year's tax preparation software
	Data from an accounting software package, such as Quicken, MSN Money, or QuickBooks
	Data from my W-2(s)
	Data from my 1098(s), 1099(s), Schedule K-1(s) or other information returns
	Data from my bank, brokerage, or other financial accounts
	Did not electronically import any information

Section F. Time Spent on Tax-Related Activities

The next questions focus on the time you spent on activities related to the completion of your 2010 federal income tax return.

Please include:

- Time spent on your federal income tax return, including Forms 1040, 1040-A, or 1040-EZ, as well as any associated forms, schedules, and worksheets that you completed or filed
- Time throughout the tax year as well as the tax filing season
- Time spent by family, friends, or business employees, however briefly

Please do not include:

- Time spent on state or local income tax returns
- Time spent on anyone else's federal income tax return
- Time spent responding to IRS notices or correspondence
- Time spent amending your 2010 federal income tax return
- Time spent on partnerships (Form 1065), corporations (Form 1120 or 1120-S), estates (Form 706), gifts (Form 709), trusts (Form 1041), employment tax (Form 940, 941, 943, 944, 945), or excise tax (Form 720)

19. How much time did you spend on the following activities for your 2010 federal income tax return?

If you did not spend any time on an activity, please enter a zero, as shown below:

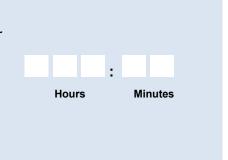


Recordkeeping

Include time spent throughout the tax year:

- Keeping track of tax-related information, such as records or receipts
- Collecting and organizing your tax-related records
- Making a special effort to obtain records or receipts

<u>Do not</u> include time spent on non-tax related business or personal recordkeeping.



 Tax planning Include time spent throughout the tax year: Researching strategies to reduce the taxes you owe Working with a tax professional (paid or volunteer) on tax planning Doing business tax planning related to your personal tax situation Calculating or changing withholding or estimated payments Do not include any time spent on financial planning that was not tax related. 	: Hours Minutes
 Gathering or purchasing materials Include time spent: Gathering IRS tax forms, instructions, or publications Selecting, buying, and installing tax preparation software or mobile app Selecting a tax preparation website Selecting a tax professional (paid or volunteer) 	: Hours Minutes
Completing and submitting your tax return Include time spent: Reading instructions and related materials Obtaining answers to general or specific questions about your return Completing and reviewing tax forms or worksheets, whether or not they were submitted Working with a tax professional (paid or volunteer) to complete your tax return Assembling and mailing your tax return Checking the status of your electronic submission Checking the status of your refund	: Hours Minutes

need to repo	ometimes spend time on tax provisions before realizing they did not ort on them. Did you spend <u>any</u> time on any of the following before u did <u>not</u> need to report on them?
Check all th	at apply.
☐ Chi ☐ Ear ☐ Qua ☐ Alte ☐ Unr ☐ Dep ☐ Edu	mized Deductions ild Tax Credit or Additional Child Tax Credit rned Income Tax Credit arterly Estimated Taxes ernative Minimum Tax reimbursed Business Expenses preciation or Amortization ucation Deductions or Credits edit for the Elderly or the Disabled ner
Plea	ase specify:
□ No →	GO TO SECTION G
Question 19)	you spent completing and submitting your tax return (reported in), how much of it did you spend on these tax provisions before u did <u>not</u> need to report on them?
Hours N	Minutes
☐ Dor	n't know

Section G. Costs of Completing Your Tax Return

The next questions ask about the costs associated with the completion of your 2010 federal income tax return.

Please include:

- Costs associated with your federal income tax return, including Forms 1040, 1040-A, or 1040-EZ, as well as any associated forms, schedules, and worksheets that you completed or filed
- Costs incurred throughout the tax year as well as the tax filing season

Please do not include:

- Costs associated with state or local income tax returns
- Costs associated with anyone else's federal income tax return
- Costs associated with responding to IRS notices or correspondence
- Costs associated with amending your 2010 federal income tax return
- Costs associated with partnerships (Form 1065), corporations (Form 1120 or 1120-S), estates (Form 706), gifts (Form 709), trusts (Form 1041), employment tax (Form 940, 941, 943, 944, 945), or excise tax (Form 720)

If you had no costs associated with an activity, please enter a zero, as shown below: **\$** , **0**. Paid preparer services Include tax preparation or tax planning advice Tax preparation website or software Include the purchase price as well as live advice fees Do not include any general purpose accounting software, such as Quicken, MSN Money, or QuickBooks Fees for an early or immediate tax refund Include any fees paid directly to a paid preparer, website, or software provider for an early or immediate tax refund, such as a refund anticipation loan, check, or rapid refund Tax books, classes, or seminars Postage or filing fees Include costs associated with submitting your return, such as electronic filing fees, fees charged for paying your taxes by credit card, postage, faxes, or courier fees I did not have any costs associated with my 2010 federal income tax return. → GO TO SECTION H 23. Of the costs you reported in Question 22, was any of it associated with the completion of your state or local tax returns? ☐ Yes

22. How much did you pay for the following products or services to complete your

2010 federal income tax return?

☐ Don't know

Section H. Your Overall Experiences Completing Your Tax Return

The next questions ask about your experiences completing your 2010 federal income tax return.

24. Regardless of whether you received help from someone else like a tax preparer or friend, how comfortable did you feel completing your 2010 federal tax return?
☐ Very comfortable
☐ Comfortable
☐ Somewhat comfortable
☐ Not comfortable
25. Compared to other taxpayers, how would you evaluate your knowledge, skills, and abilities in completing your 2010 federal income tax return?
☐ Better than most taxpayers
☐ About the same as most taxpayers
☐ Not as good as most taxpayers

26. When completing their tax return information they provide is incompleting the IRS. At the time you complete how concerned were you that	mplete or that	it may be proc	essed inaccur				
	Not at all concerned	A little concerned	Somewhat concerned	Very concerned			
Your tax return was completed accurately?							
You would receive all of the deductions, credits, and refunds for which you were qualified?							
Your tax return would be processed accurately?							
You would be audited?							
27. Did you have to make a special effort, beyond what you expected, to complete your 2010 federal income tax return?							
☐ Yes → Please describe:							
□ No							

Section I. Demographic Items

The next series of questions ask about your background.

28. Wha	at is your gender?
	☐ Male
	☐ Female
20 Wha	at is the highest level of education that you have completed?
ZJ. VVIIC	
	Less than a high school diploma
	☐ High school graduate or GED
	☐ Some college
	☐ College graduate
	☐ Advanced degree
you	forms may be difficult, especially if English is not your primary language. Do feel that you had any language limitations that made completing your 2010 eral income tax return more difficult?
	☐ Yes
	□ No
	many state returns did you file? Do not include state income tax returns you have filed on behalf of others.
	□ 0
	□ 1
	□ 2
	□ 3
	☐ 4 or more

	for how the IRS could improve
	Finally, please share any suggestions you have f services or reduce taxpayer burden.

Thank you for completing our survey.

Frequently Asked Questions

What is the purpose of this survey?

The purpose of this survey is to provide Congress and the President with accurate estimates of the time and money taxpayers spend to follow federal tax rules and regulations. Tax administrators and policy makers use this information to reduce and manage taxpayer burden.

Who should complete this survey?

The person in your household most involved in the completion of your 2010 individual federal income tax return should complete this survey.

How will my answers be used?

Your responses to the survey will make it possible for the IRS to update estimates of the amount of time and money people spend preparing their tax returns each year. The IRS uses this information to learn how to reduce taxpayer burden. All information you provide will be used for research purposes only.

Why should I participate?

While participation is voluntary, information about your tax preparation experience will help the IRS better understand how to reduce taxpayer burden. We encourage you to take a few moments of your time to participate. By doing so, you will ensure that households like yours are represented.

How long will this survey take?

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Can I take this survey in Spanish?

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Who can I contact with questions?

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