

Appendix B: Recruiter's Guide for the "Small Business Health Care Tax Credits" Focus Groups

One 90 minute focus group. Recruit 20 for approximately 8-10 to show up for each group.

Hello, my name is _____ and I am an employee of the Internal Revenue Service. The IRS is hosting a series of focus groups across the U.S. to learn from tax preparers and small business owners. I am recruiting approximately 10 tax preparers to participate in one of these focus group discussions. The focus group will gather ideas and opinions from you about a small business health care tax credit available through the Affordable Care Act (H.R. 3590/45R of Internal Revenue Code). IRS wants to know what you have heard about this tax credit, your views on using it, and how the IRS could better communicate with the small business community concerning tax issues.

Note: If the respondents are concerned about participating, tell them that the IRS specifically prohibits you from revealing any information about them to the IRS or anyone else.

First, may I ask you some qualifying questions?

Question #1: Are you a federal tax return preparer and/or small business owner?

If the answer is "yes, federal tax preparer" ask question #2.

If the answer is "yes, small business owner" ask question # 3.

If the answer is no to both, do not invite the person.

Question #2: (If federal tax preparer) Do you prepare returns for small businesses with 25 employees or less?

If the answer is yes, invite the participant.

If the answer is no, but the person is a small business owner, ask question # 3.

If the answer is no and the person is not a small business owner, do not invite the person.

Question #3: If small business owner, how many employees do you have? (Ballpark figure is fine).

If the number is 25 or less, invite the participant.

If the number is more than 25, do not invite the participant.

Invitation

We would like to invite you to participate in the focus group titled 'Small Business Health Care Tax Credits' with about 9 other people. Again, we want to hear your opinions, views and ideas. The session should take about 90 minutes and will be held on __ (day) __ at __ (time) __ in Room _____.

Note: Read the Paperwork Reduction Act

The Paperwork Reduction Act requires that the IRS display an OMB (*Office of Management and Budget*) control number on all public information requests. The OMB Control Number for this focus group is 1545-1349. Also, if you like, I can give you a name and address where you can send comments and questions regarding this process or suggestions for making it simpler.

Note: Read only if Person asks for address to send comments to:

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

Thank you and have a nice day. We look forward to meeting with you on (DATE) at (TIME)

Appendix C: Moderator's Guide for the “Small Business Health Care Tax Credits” Focus Group

Precursory Language [*Includes: introduction, purpose statement, focus group interviewing / moderating, ground rules and warm-up*]

INTRODUCTION

Hi! My name is _____. I am a focus group moderator from the Internal Revenue Service (Research Community). This is my co-moderator _____. We would like to thank you for being here today.

We've asked you to join the focus group here today to explore your thoughts and ideas about the small business health care tax credit that is part of the Patient Protection and Affordable Care Act passed in March 2010. You may also know this as Section 45R of the Internal Revenue Code.

PURPOSE STATEMENT

This focus group has three goals. The first is to explore what you have learned about the small business health care tax credit. The second is to learn your views on using it. The third is to gather ideas on how the IRS can effectively communicate with the small business community. We would like to gather your opinions, experiences, and suggestions to assist us in this effort. The discussion will last approximately 90 minutes.

FOCUS GROUP INTERVIEWING AND MODERATING

Before we start, let me ask how many of you have ever participated in a focus group before?

For those of you who have not, let me explain. Focus groups are a type of group interview, and they are designed to promote interaction among participants for the purpose of eliciting a diversity of views, ideas, and opinions about the topics under discussion.

The Focus Group Moderator is an individual who serves as an objective third party in the interview. The role of the moderator is to gather information for the originator of the request. My job as your moderator is to:

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

Also, please note that in the interest of time, there may be occasions where I may have to interrupt the conversation in order to move on to another topic or set of questions.

We have some ground rules that I would like to go over:

- Please talk one at a time and in a voice at least as loud as mine.
- Because it is hard to listen to your comments and capture everything, my co-moderator will be taking notes as well as recording this session. The recorder will be used to help us summarize the session and ensure that we convey your ideas and opinions accurately in the report and then the recordings from this session will be destroyed.
- During this discussion, please use first names only. All comments in this room will be kept private—your name will not be used anywhere in the written materials.
- Avoid side conversations with your neighbors, but feel free to engage in group discussions if relevant to the topic.
- I need to hear from everyone during the course of the conversation, but each person does not need to answer every question.
- There are no right or wrong answers.
- If someone makes a point and you want to chime in, you can respond directly to the responses from other participants.
- There will be no formal break; however, if you need to go to the restroom, please feel free to do so, but rejoin the group as quickly as possible.
- Your comments are very important to us and we do want to hear everyone, so please turn off any cell phones or beepers.

We are required by law to report to you the OMB control # for this public information request. That number is 1545-1349.

Warm Up

Let's begin by getting to know each other a little better. Please introduce yourself to the group and tell us:

Note: Go around the table.

- o Your first name,
- o what type of business you work for or own,
- o how long you've been in this business,
- o how many employees are in your own business, and
- o what types of returns you file or prepare.

Section One: Learning About the Health Care Tax Credit

To start off today's discussion, I want to discuss what you and your clients have learned about the small business health care tax credit.

In the next set of questions and at some other points in today's discussion, I will start by asking a question about your own experiences and then ask a similar question about the experiences of clients for whom you prepare returns, in order to keep these differences clear.

1. What have you learned about the small business health care tax credit?

Probes:

What are the requirements for claiming this credit?

- Number of employees [*less than 25 FTEs*]
- Average annual employee wages [*less than \$50 thousand*]
- Amount of premiums covered by employer [*at least 50%*]

What is the maximum amount of credit offered through 2013?

- For profit [35%]
- Non-profit [25%]

When do eligible small businesses get less than the maximum credit?

[Businesses with 11-25 FTEs and businesses with average wages between \$25 and \$50 thousand]

How is the credit claimed?

- Calculate using Form 8941
- Carrying back or forward unused credits

- Can take credit into account when figuring estimated tax payments

Now, for those of you who prepare tax returns for small businesses, I would like to discuss what you know about what your clients have learned about the small business health care tax credit.

2. What have your clients learned about the small business health care tax credit?

Probes:

What do they know about the requirements for claiming this credit?

- Number of employees [*less than 25 FTEs*]
- Average annual employee wages [*less than \$50 thousand*]
- Amount of premiums covered by employer [*at least 50%*]

What do they know about the maximum amount of credit offered through 2013?

- For profit [35%]
- Non-profit [25%]

What do they know about when do eligible small businesses get less than the maximum credit?

[Businesses with 11-25 FTEs and businesses with average wages between \$25 and \$50 thousand]

What do they know about how is the credit claimed?

- Reducing taxes owed
- Carrying back or forward unused credits
- Can take credit into account when figuring estimated tax payments

Next, I would like to discuss how you and your clients get information about the small business health care tax credit and how well the different kinds of communication work. Once again, I will first ask you to answer from your own perspective, and then I will ask what you know about your clients' perspective.

3. How did you get information about the small business health care tax credit?

Probes:

How did you get this information from the IRS?

How useful and timely are these IRS sources of information and why?

- USPS mail such as postcards and notices
- Printed versions of official IRS publications
- Email
- IRS seminars/ forums
- IRS.gov
- IRS Help Line
- Any other form of IRS communications

How did you get this information from non-IRS Sources?

How useful and timely are these non-IRS sources of information and why?

- Clients
- Trade Associations
- Professional Associations
- Print Media/ Publications(Magazines, Newspapers)
- Non-IRS web sources
- Software vendors
- Social Media (Facebook/ Twitter etc.)
- TV or Radio
- Other

{Ask Tax Return Preparers}

4. How did your clients get information about the small business health care tax credit?

Probes:

How did they get information from the IRS?

How useful and timely are these IRS sources of information and why?

- USPS mail such as postcards and notices
- Printed versions of official IRS publications
- Email
- IRS seminars/ forums
- IRS.gov
- IRS Help Line
- Any other form of IRS communications

How did they get information from non-IRS Sources?

How useful and timely are these non-IRS sources of information and why?

- Did you provide them information? If so, how?
 - Have they asked you if they are eligible for this credit or for help in claiming this credit specifically?
- Trade Associations
- Professional Associations
- Print Media/ Publications(Magazines, Newspapers)
- Web/Internet other than irs.gov
- Software vendors
- Social Media (Facebook/ Twitter etc.)
- TV or Radio
- Other

Section Two: Using the Small Business Health Care Tax Credit

Next, I would like to discuss using the health care tax credit.

1. If you are eligible to claim the health care credit for your own business, did you claim it or do you plan to?

Probes:

Why or why not?

- Benefits and costs
- Had or did not have enough information
- Ease or difficulty of making claim
- Confidence or uncertainty about the future
- Other

{Ask Tax Return Preparers}

2. If your clients are eligible to claim the health care credit, did they claim it or do they plan to?

Probes:

Why or why not?

- Benefits and costs
- Had or did not have enough information
- Ease or difficulty of making claim
- Confidence or uncertainty about the future
- Other

For the next two questions, we will combine the discussion of your experience with your perspective on your clients. But please let us know whether you are commenting about your own experience or that of your clients.

3. What have you and your clients found difficult or easy about claiming the health care credit?

Probe:

Can you provide specific examples?

4. What could the IRS do to make it easier to claim the credit for you and your clients?

Section Three: IRS Communications with Small Business Owners

In this section, I would like to discuss your ideas on the best methods of communicating about small business tax matters in general with tax preparers and small business owners.

Here, I will go back to asking you to answer a series questions from your own perspective, and then I will ask a series about your clients.

1. Where do you usually get tax information?

Probes:

What IRS communications do you read?

Do you use irs.gov?

If you need to contact the IRS, how do you do it?

What other small business communications and publications do you read?

Do you get tax information from meetings and seminars?

Do you get tax information from taking courses?

Do you get tax information from particular websites other than irs.gov?

Do you get tax information from sources such as the Small Business Administration, the Chamber of Commerce, and the Small Business Development Center?

Do you have any other important sources of tax information we have not discussed?

{Moderator: If this topic has not been discussed in answer to Q 1 above, ask directly}

2. Do you get tax information from social media sites such as Facebook or Twitter?

3. What sources of tax information do you find credible?

Probe:

Why do you find this source credible?

4. Where do your small business clients usually get tax information?

Probes:

Do they get it from you?

How do you communicate with them?

Do they read IRS publications and notices?

Do they visit irs.gov?

Do they contact the IRS?

Do they read small business communications and publications?

Do they get tax information from meetings and seminars?

Do they get tax information from particular websites, other than irs.gov?

Do they get tax information from sources such as the Small Business Administration, the Chamber of Commerce, and the Small Business Development Center?

Do they have any other important sources of tax information we have not discussed?

{Moderator: If this topic has not been discussed already in answer to Q 5 above, ask directly}

5. Do they get tax information from social media sites such as Twitter and Facebook?

6. What sources of tax information do they find credible?

Probe:

Why do they find this source credible?

Here, I will switch back to asking you questions covering both you and your clients at once.

7. What methods do you think the IRS should be using to communicate with you and your small business clients about important tax issues?

Probes:

What communication channels work well and why?

What communication channels do not work well and why?

[For both]

- USPS mail such as postcards and notices
- Printed versions of official IRS publications
- Email newsletter subscriptions
- IRS National Tax Forums
- IRS Video Web Portal
- IRS seminars/ forums
- IRS.gov
- IRS Help Line
- Liaison Meetings with Trade and Professional Associations
- News Releases
- Social Media (Facebook/ Twitter etc.)
- TV or Radio
- Other

8. How do you think the content of IRS Communications could be improved?

Closing

Well, we've had an informative discussion here today. Before we go, does anyone have any more comments or issues that they would like to discuss?

*****[Moderator and co-moderator should discuss any topic areas needing further clarification at this point.]*

Conclusion

Thank you for all your help. Your ideas and opinions are very important to us. Your participation here today is valuable and greatly appreciated.