

Appendix F – Sample Reminder Card

OMB Package TAS 2011 Tax Forums Focus Groups

Introduction

The Taxpayer Advocate Service (TAS) is looking to identify ways to improve Customer Satisfaction and Business Results within IRS by working with taxpayers and tax practitioners to understand their experiences in working with the IRS and TAS. To this end, TAS wants to hold discussion groups to obtain tax practitioners' thoughts, opinions, and experiences about the following areas:

1. *Publication 1, Your Rights as a Taxpayer*;
2. Collection Issues for Small Businesses; and
3. Use of social networking sites to obtain tax information.

TAS is interested in evaluating the current Publication 1 to see if there could be improvements. We want to gather the thoughts and perceptions of the practitioners as to whether the Publication 1 adequately explains and protects taxpayer's rights. This will be determined by asking tax preparers about their clients' experiences with Publication 1 in terms of do they understand the information contained in the publication and how can it be improved. With today's challenging economic environment, we will discuss Collection Issues for Small Businesses at the tax forums this year. Specifically, we want to know how the challenging economic environment and the new IRS initiatives in collections are affecting small businesses in terms of paying taxes. . We also want to know how this affects business actions such as entering into installment agreements and lien filings. Finally, TAS is exploring the use of social media to publicize TAS. We want to know if using social media to communicate our message helps reach more taxpayers, specifically those who frequently use social media sites as information sources.

The Taxpayer Advocate Service will conduct focus groups at the IRS sponsored Tax Forums. The Tax Forums provide a unique opportunity to solicit the opinions of practitioners about these topics. The Tax Forums are continuing professional education events that will be held in several cities during the summer of 2011. The cities and dates include: Atlanta June 28-30, Orlando July 12-14, Dallas July 26-28, San Jose August 9-11, Las Vegas August 16-18, and Washington DC Metro August 30-September 1.

The focus groups findings will be shared with different areas of TAS to improve communication tools and will provide information on topics of interest for projects such as those included in the TAS Annual Report to Congress.

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Background

The National Taxpayer Advocate (NTA) is interested in hearing tax practitioners' opinions and experiences with several distinct areas of IRS interactions with taxpayers. One area of importance to the NTA is the *Publication 1, Your Rights as a Taxpayer* and determining if this publication is understood by taxpayers. We would like to know if the publication contains the information needed to help taxpayers understand their rights, and how the publication can be improved. Our interest in learning more about how the challenging economy and IRS collection initiatives are affecting the small business owners will help us ensure that procedures are followed; and help us determine if assistance is reaching small business owners. We will explore the potential effectiveness of using new social media sites (e.g., Facebook) to communicate with taxpayers we might not otherwise reach. Each area will be discussed separately below, and separate focus groups will be conducted for each topic.

Publication 1, Your Rights as a Taxpayer

Publication 1 serves as a means of informing taxpayers of their most important rights within the tax system. It also explains the examination, appeal, collection, and refund processes within the IRS. Because of the importance of the information contained in this publication, it is critical that taxpayers understand the contents. Besides gathering general information about participants' awareness of Publication 1, these focus groups will discuss the contents, how and when taxpayers receive the publication, and ideas for improving the publication.

Collection Issues for Small Business

The National Taxpayer Advocate (NTA) is responsible for reporting to Congress every year on the most serious problems (MSPs) taxpayers face in dealings with the IRS. In order to reach this goal, the NTA obtains input from many different sources. These focus groups are being conducted to allow direct input from taxpayers' representatives about previous contacts with the Collections function of the IRS and how those contacts are affecting their clients. We will explore the IRS's recently announced revision of its collection strategy which attempts to assist taxpayers struggling under current economic conditions. The National Taxpayer Advocate is interested in hearing tax preparers' opinions on specific problem areas and suggestions within these areas to target improvement efforts within the IRS, including:

- Identifying what collection issues the participants' small business clients face;
- Discussing IRS' collection policies toward small businesses
- Understanding the practitioners perception of how IRS is negotiating payment alternatives;

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- Determining how well the new IRS initiative works and identifying suggestions for improving the initiative; and
- Understanding what TAS can do to assist the small business taxpayer in this economic climate.

Taxpayers and Tax Preparers Use of Social Networking Sites for Tax Information

The third topic for discussion involves the use of social media sites (e.g., Facebook) to help further the mission of the Taxpayer Advocate Service (TAS). The TAS is interested in improving the effectiveness of our outreach to taxpayers. By exploring the practitioners' experiences with social media sites, TAS will collect valuable data that will help us better utilize these new communication outlets. TAS believes social media sites offer the potential to help taxpayers understand our role in serving as an advocate on their behalf. Our aim is to improve taxpayers' willingness to use TAS to help them solve their tax problems. This will ultimately help to improve tax administration and reduce taxpayer burden while simultaneously improving taxpayer satisfaction.

2011 IRS Nationwide Tax Forums

All groups will be held in conjunction with the 2011 IRS Nationwide Tax Forums. Participants will be recruited from the attendees, with attendance ranging from 1,800 to 5,700 tax professionals per location (based on past forums). The Nationwide Tax Forums are a series of meetings providing tax professionals with information on new tax laws, hands-on workshops, and networking opportunities. Attendees do earn continuing professional education (CPE) credits for attending many of the programs. The IRS partners with the National Association of Enrolled Agents (NAEA), the National Association of Tax Professionals (NATP), the National Society of Accountants (NSA), the National Society of Tax Professionals (NSTP), the American Institute of Certified Public Accountants (AICPA), and the American Bar Association (ABA). Forum Highlights Include:

Seminars – Hear the latest tax information on more than 40 relevant tax topics from top IRS executives and leading industry experts.

Workshops – Participate in hands-on workshops on the Form 990, and other initiatives.

Exhibits – Visit dozens of exhibitors displaying a wide selection of products and services that support the IRS e-file Program.

Continuing Professional Education (CPE) Credits – Attendance at Nationwide Tax Forum seminars qualifies for Continuing Professional Education (CPE) for

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Enrolled Agents, CPAs, and California Tax Education Council (CTEC) participants.

Certified Financial Planner (CFP) Credits – The IRS is registered with the Certified Financial Planner Board of Standards, Inc. The board has the final authority on the acceptance of individual tax forum courses for continuing education credit for certified financial planners.

Practitioner Case Resolution – Bring tough cases or questions on tax law to the Practitioner Case Resolution room and meet one-on-one with IRS representatives to resolve the case or issue.

Networking Opportunities – Network with key IRS executives and industry experts; reconnect with friends and colleagues, share information and best practices.

IRS Oversight Board – Visit with Oversight Board representatives and offer your comments on various IRS initiatives and programs.

Electronic Federal Tax Payment System (EFTPS) – Visit the EFTPS Registration Booth and see how tax professionals can make their clients' tax payments easier, while reducing their own paperwork.

Focus Groups – Participants are randomly selected to participate in focus groups and provide candid feedback on key topics. Various Business Operating Divisions (BODs) will be conducting focus groups during the tax forums.

Objectives

The overall objective of this project is to gain insight on tax professionals' opinions and experiences in several different areas: the effectiveness of the current Publication 1 in helping taxpayers understand their rights; how the challenging economic climate and IRS collection procedures impact small business owners; and the usefulness of social media tools in TAS's efforts to reach taxpayers. This qualitative data will be used in project work within the Taxpayer Advocate Service, to shape our communications tools and to develop an understanding of issues for the TAS Annual Report to Congress. It will be used to improve the language and content placed by TAS on social media outlets. The specific business questions to be explored by this project include:

- *What are the tax professionals' opinions regarding the effectiveness of the Publication 1 in helping taxpayers understand their rights?*
- *What are tax professionals' opinions as to the effectiveness of the new IRS collection initiatives to assist small business owners in meeting their tax obligations in the current economic climate?*

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- *What potential value do social media sites offer as a means of furthering TAS's message to help taxpayers solve their problems with the IRS?*

The project will encompass: recruiting participants, moderating the focus groups, and preparing a report for TAS summarizing the qualitative feedback from participating tax professionals. Comments will be used to identify potential issues on which to focus TAS project work and better target our communication strategy.

Methodology

To accomplish the objectives of this project we will conduct focus groups in conjunction with IRS sponsored tax forums in six metropolitan areas across the United States. One focus group will be conducted on each topic per city for a total of six focus groups for each topic (one session in each area; Publication One; Collection Issues for Small Business Taxpayers, and the use of social networking sites to obtain tax information).

Focus group interviews are a directed discussion on a specific topic with a small group of eight to twelve people. As a type of group interview, focus groups use group interaction to stimulate relatively spontaneous responses to the supplied topics. The goal is to explore the feelings, opinions and beliefs people hold, and to learn how these feelings shape overt behavior. Focus groups provide insight and direction rather than quantitatively precise or absolute measures. They are useful for gathering information in a given field and generating hypotheses based on participants' opinions. The main advantage focus groups offer is the opportunity to observe considerable interaction on a topic in a limited period of time. An important aspect of focus groups is that they give rise synergistically to insights and solutions that may not come about without them.

The market segment for this project consists of tax practitioners and taxpayers' representatives. TAS executives and managers will use the data gathered during the focus group interviews to better serve taxpayers by better understanding problems with the IRS collection procedures affecting small business owners, the clarity of the Publication 1, and improve taxpayer awareness of TAS via the use of social media sites.

Our step by step approach follows:

Step 1 – We met with our customer to determine the objectives for this project. After clarifying objectives for the focus groups, and, if necessary, we developed a screener's guide (see Appendix D) to recruit participants and a moderator's guide (see Appendix A, B, and C) to be used during the focus groups.

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Step two – So that we obtain a diverse group of focus groups participants, we prepared a demographic sheet (see Appendix E) to be used by the screener. TAS employees will use the demographic sheet and the screener's guide to solicit and select focus group participants.

Step 3 – Experienced moderators from TAS will conduct the focus groups and share moderating and scribing duties. Debriefing notes will be contemporaneously prepared by the note taker/scribe and the moderator after each session. Sessions may also be recorded to assist in preparation of the final report.

Step 4 – Because a focus group analysis is strictly qualitative, we will report the feedback and behaviors received during the focus groups. A brief description of the focus group participants will be provided. Unlike quantitative studies, the sample is neither randomly selected nor representative of a target population so the results cannot be generalized or treated statistically. We will report our findings to the customer in the form of a summary report.

Sample Design

We wanted to include a diverse mix of our population of tax preparers based upon the following aspects:

- Gender (visual)
- Type of Professional
- Age
- Client Type

The interviews will gather qualitative data only that will not be, nor presented to be, representative of the population. The study will obtain geographic diversity via the different cities used for the tax forums.

Data to be Collected

TAS proposes to use the focus group interviews to identify and capture a range of ideas on: problems encountered when small business taxpayers are working with the Collection function; increase the understanding of the Publication 1, and the use of social media outlets to reach out to taxpayers. This data will be used to support project work within TAS, revise marketing materials, and shape our communications strategy.

How Data Will Be Used

The participants' comments will be used to provide insight into the effectiveness of communication materials including Publication 1 and social media messages. These comments will allow Taxpayer Advocate Service to more fully understand the

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customer's perspective about these products and can be used in combination with other information to modify messages and content. This will ultimately provide better service to TAS customers. The information provided will allow us to better understand the issues faced by small business owners who may be struggling to meet their financial obligations, and identify potential problem areas for consideration in the National Taxpayer Advocate's Annual Report to Congress. We will use the information provided by the practitioners on the wording in the Publication 1 to make it a publication that is clear, concise and informative for the taxpayer. The groups on the use of Social Media sites will help TAS improve its ability to send its message to taxpayers. The results are not designed to and will not be projected to the population. Conclusions drawn are only applicable to the participants, not the general population. This qualitative information will provide insight as to the opinions, thoughts, and behaviors of the focus group participants. The feedback received from these focus groups will not be used to institute new policy, but will help the Taxpayer Advocate Service understand how to more effectively meet taxpayers' needs. TAS executives and managers will use the data gathered during the focus group interviews to better serve taxpayers by better understanding problems with the IRS collection procedures affecting small business owners, the clarity of the Publication 1, and improve taxpayer awareness of TAS via the use of social media sites.

Data Collection Beginning and End

The focus group interviews are planned for summer/fall of 2011 (June – September).

Who Is Conducting the Research?

The Taxpayer Advocate Service is responsible for recruiting and screening participants, preparing screener and moderator guides, moderating the groups, and compiling and summarizing the results. We have research analysts trained in all aspects of focus groups including moderating the focus groups, analyzing the qualitative data, and preparing report findings. TAS Systemic Advocacy and Communications and Liaison are working together to conduct the focus groups.

Cost of Study

The moderating and note taking will be performed by individuals whom the Taxpayer Advocate Service would be sending to the IRS Tax Forums, regardless of the whether the focus groups were held or not. However, the cost estimates are below.

The estimated costs for the travel to the six focus groups for 2 moderators and one notetaker are:

2 moderators who will also recruit (\$1,500 x 6 X 2) \$18,000

1 note taker (\$1,000 X 6 X 1) \$6,000 (the notetaker may be local in some instances)

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As noted, workers will spend the remainder of their time on other Tax Forum activities)

Total Cost **\$24,000**

Stipend

No stipend will be paid to focus group participants. We will provide participants with a small trinket as a thank you for participating in the focus groups. This year's thank you gift is a travel bag bearing a TAS logo, which includes three containers that can hold products such as shampoo and conditioner. We ordered 300 bags at \$1.70 each for a total expenditure of \$510. Based upon other groups that have been conducted at past tax forums, we believe this will be sufficient to attract participants.

Recruitment Efforts

The tax forum participants have a busy schedule, and our efforts to recruit compete against their desires to attend other courses and/or seminars. We attempt to overcome these obstacles by beginning recruitment early and conducting groups on topics that are interesting to preparers. We also try to schedule groups during break periods because participants do not receive continuing professional education (CPE) credit for their efforts. This hurts our efforts to recruit.

Location

Focus group interviews will be conducted in Atlanta, GA; Orlando, FL; Dallas, TX; San Jose, CA; Las Vegas, NV; and Washington, DC.

Expected Response Rates

Based upon experiences, we have found the response rate is equal to 10 percent of the attendees who visit the focus group booth at the Tax Forum. However, about half of the people who sign up, participate in the focus groups. Regardless, the IRS understands that all data collected from this effort is qualitative in nature, and that no critical decisions will be made by TAS solely from the analysis of data from these groups. The results from these focus groups are simply one piece of a larger set of information needed to assess practitioner/ taxpayer needs related to services provided by the IRS.

Methods to Maximize the Response Rates

TAS does several things to try to improve the response rates. One, TAS recruits early in the Tax Forum to try to fit into the schedules of participants as they align their interests. Two, we encourage participants to come and share their opinion with the IRS. Finally, we try to conduct the focus groups during the midday (lunch) break, as this helps us avoid competing with the other seminars, presentations, etc.

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Test Structure / Design

Focus groups are a form of qualitative research. Each focus group will have approximately eight to ten participants. Each participant will be encouraged to share his or her thoughts and opinions. The conversation is free flowing. The moderator will ensure each participant is comfortable sharing their experiences.

Efforts Not to Duplicate Research

Although IRS conducts research with individuals in a variety of areas, we do not measure the effectiveness of the Publication 1 for taxpayers. Our groups will gather information on tax practitioner opinions of the effectiveness of the publication. This qualitative research will help identify issues of concern from tax professionals, as well as taxpayers' perspectives. TAS believes the nationwide Tax Forums provide a cost effective way to solicit public feedback on the effectiveness of programs, policies, and initiatives. Likewise, there is limited research on the usefulness of materials that taxpayers acquire via social media sites. While the IRS has an understanding of the effects of some the collection activities, it does not have the same knowledge about recently implemented changes associated with collection policies on small businesses. IRS really needs to better understand how it can help small business taxpayers manage their tax responsibilities during this challenging economic climate. Preparers will have insights into how best to provide information, in the terms of what to include, how to format the information and what communication mechanism is most effective. Focus groups are an excellent method for identifying these types of customer oriented concerns and issues.

Participant's Criteria

A list of the criteria used to recruit participants may be found in the Appendix.

Estimated Burden Hours

The estimated time to complete the participant screening is two minutes and the estimated time for each focus group attendee is 1 hour. We will assume a 10% percent success rate in soliciting qualified participants.

Screening Burden		
Total number of potential participants screened: (participants screened for each group and 3 groups held per location = 20 screenings per focus group X 3 focus groups X 6 Forums= 360 participants). Screening burden is only calculation for those individuals who indicate an interest in participating in one of the focus groups.	360	People
Estimated time to complete screening	2	Minutes
Estimated participant screening burden (360 X 2 minutes = 720 minutes / 60 = 12 hours)	12	Hours

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Focus Group Participation Burden		
Estimated number of participants: 30 participants per tax forum (n=10 for each focus group). There will be 6 focus group locations. We will conduct three focus group sessions at each location (18 groups) for a total of 180 participants.	180	People
Time to conduct the focus group (1 hours)	1	Hours
Estimated focus group participant burden (180 X 1 = 180)	180	Hours
Total burden (screening and focus group participation (screening burden of 12 hours + focus group burden of 180 hours = 192)	192	Hours

Privacy, Security, Disclosure, and Anonymity

TAS will ensure that the utmost scrutiny is given to privacy, security, and disclosure when reporting the comments from the focus groups. Only first names will be used in both recruiting and groups (first initial of last name will be used if there are duplicate names). No individual taxpayer data will be used for this project. Only qualitative data derived from focus group discussions will be used in the report. We will limit and control the amount of information that we collect to those items that are necessary to accomplish the research objectives.

No vendor is being used in the recruitment process. We are partnering with Tax Forum sites to use their facilities for the focus group interviews. We will protect the privacy of the focus group participants by not using names in our report. We will also control official access to the information and will not allow public access to the information. The screener's guides will be destroyed when we have completed the project and there is no further need for the data. Recordings of focus group discussions will immediately be erased or destroyed after information is transcribed.

We will apply fair information and record-keeping practices to ensure protection of all participants. The criterion for disclosure laid out in the Privacy Act, the Freedom of Information Act, and section 6103 of the Internal Revenue Code provides for the protection of information as well as its release to authorized recipients.

Special Tallies and Other Information

The following information will be provided within 60 days after the close of the focus group data collection operations:

1. Findings: a brief summary of significant (important) findings that were evidenced in the results.
2. Actions taken or lessons learned: a brief summary of actions taken or lessons learned as a result of the findings.
3. Number of participants screened.

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4. Number of focus group participants.
5. Date the data collection began
6. Date the data collection ended.
7. Cost: reproduction costs, travel, overtime payments, and any other costs incurred as direct result of the focus groups.
8. Burden hours.

Attachments

- Appendix A – Publication 1 Moderator’s Guide
- Appendix B – TAS & Social Media Moderator’s Guide
- Appendix C – IRS Small Business Collection Policies Moderator’s Guide
- Appendix D – Screener Guides
- Appendix E – Recruiter's Tally Sheet
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