

**Information Collection Request (ICR) for the 2016
Affordable Care Act (ACA) Premium Tax Credit (PTC) Error Survey
Wage & Investment Strategies and Solutions (WISS)**

ATTACHMENT A: Participant Screener for ACA Noncompliance PTC Error Focus Groups - Paid-Preparers

Recruiting Goals

- Two focus group sessions to be conducted by phone.
 - Recruit a mix for questions 3-5 from the screener guide.

Recruiting criteria (from supplied recruitment pool)

- Person must be a tax professional with a valid IRS PTIN for Filing Season 2015 and 2016
- Have had a PTC-related error associated with at least one of their clients' tax returns in Filing Seasons 2015 and 2016 (WISS will provide sampling pool)
- Participant must be person most familiar with the preparation of the returns with the PTC-related errors in 2015 and 2016 (in cases where multiple tax preparers assisted in the completion of the return and/or in cases in which a tax professional allowed other tax professionals to file returns under their PTIN)
- At least 18 years of age
- Diverse in terms of the number of years preparing tax returns, number of returns prepared during current filing season, and number of employees working for the company of the participant.
- Recruit for 90 minute focus group

Interview Specifications

- Fors Marsh Group will recruit participants for 90 minute focus group sessions
- Fors Marsh Group will schedule two focus group sessions for WISS researchers between the dates of 05/01/2016 and end on 05/31/2016.

Participant Screener for ACA PTC Error Feedback Focus Group Sessions

INTRODUCTION

Hello, my name is _____ and I am calling on behalf of Fors Marsh Group. We are conducting a paid

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study in coordination with the Internal Revenue Service to gather feedback and opinions on your experience preparing tax returns, with particular attention to the elements of your clients' returns pertaining to the Affordable Care Act Premium Tax Credit.

The study will consist of 90 minute sessions to help the IRS. The focus group will be conducted by an IRS researcher through the phone and will be scheduled during business hours. If you are eligible and decide to participate, you will receive a \$75 honorarium. The focus group discussion will be strictly for research, and all of your comments will be held private to the extent covered by law. Your participation in this focus group is voluntary and there are no penalties if you choose not to participate. Would you be interested in participating?

- Yes - Continue
- No - Terminate: Thank you for your time. Have a good [day/evening].

[If YES above] I'd now like to ask a few questions to see if you meet the criteria for the interview.

Screening Questions

1. Were you a registered tax preparer with the IRS during Filing Seasons 2015 and 2016? (*Note to recruiters: Explain that a registered tax preparer is someone who applied for and was granted a Preparer Tax Identification Number (PTIN) or that renewed their PTIN during Filing Season 2015 and then renewed their PTIN for Filing Season 2016 OR a tax preparer working under another tax preparer with a newly issued or renewed PTIN for Filing Season 2015 that was renewed in 2016*).

- Yes - Continue
- No - Terminate: Thank you for your time, but unfortunately you do not qualify for this focus group. Have a good [day/evening].

2. Were you the only person to use that PTIN to file returns during Filing Seasons 2015 and 2016?

- Yes - Continue
- No - Were you the person most familiar with the preparation of the Premium Tax Credit returns filed under the PTIN? (*Note to recruiters: Explain that, if multiple tax preparers are using the same PTIN or working the PTC returns, you need to recruit the preparer who has the most first-hand knowledge regarding the filing of the PTC Returns under PTIN*).
- (Yes) - Continue
- (No) - May I please speak to the person most familiar to explain this study and see if they are eligible and interested in participating?
- (Yes) - Continue with new person
- No - Terminate: Thank you for your time, but unfortunately you do not qualify for this focus group. Have a good [day/evening].

3. Describe your current ability to recall specific details regarding the Premium Tax Credit returns you filed for clients during Filing Seasons 2015 and 2016? (Read list and have potential participant pick one of the four choices)
- Very weak recollection-Terminate: Thank you for your time. Have a good [day/evening].
 - Weak recollection-Terminate: Thank you for your time, but unfortunately you do not qualify for this focus group. Have a good [day/evening].
 - Strong recollection-Continue
 - Very strong recollection-Continue
4. Did any of your clients receive a letter from the IRS regarding Premium Tax Credit information on their tax year 2015 return?
- Yes - Continue
 - No - Terminate: Thank you for your time, but unfortunately you do not qualify for this focus group. Have a good [day/evening].

If speaking to new individual, go through **INTRODUCTION** script again and re-start screening questions.

(Note to recruiters: Recruit mix of questions 5 through 6.)

5. How many years have you been preparing tax returns? (Read list)
- 1 (this filing season was the preparers' first year)
 - 2-5
 - 6-10
 - 11 or more
6. How many total tax returns would you estimate you prepared this season (filing season 2015)? (Read list)
- under 10
 - 11 to 100
 - 101-1,000
 - More than 1,000

INVITATION

Thank you for answering our questions. Based on your responses, you qualify for the focus group session. We would like to invite you to take part in this study. There will be two options to participate in a focus group; one will take place on [date] at (time) and another will take place on [date] at (time), both during business hours. You will receive a \$75 honorarium after the session as a token of our appreciation for your participation.

7. Are you willing and able to participate the focus group session on either of the date and times mentioned above?
- Yes - Continue
 - No - Terminate: Thank you for your time. Have a good [day/evening].

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8. Which date and time are you available to participate?

Fors Marsh Group will consult with IRS throughout recruitment process to schedule preparers during available time slots until quota is met for focus group sessions.]

Notate practitioner's agreed upon focus group session time and date.

I'm glad that you will be able to join us! At this point I need to collect contact information from you in order to be able to remind you of your appointment and to distribute the \$75 stipend to you after your interview participation. IRS researchers will not be provided with this information.

(Note: This information is required only as a part of this study. Your information is kept strictly private to the extent allowed by law. Your phone number is required only for a reminder call that will be made prior to the start of the research study).

- First name:
- Last name:
- Email:
- Daytime phone:
- Evening phone:
- Mailing Address:
- City:
- State:
- Zip Code:

Thank you. We are inviting only a few people, so if for some reason you are unable to participate, it is very important that you notify us as soon as possible so we can find someone else to take your place. Please call or email *[insert contact and phone, email]* if this should happen.

IRS researchers will conduct the focus group session themselves. Since we, Fors Marsh Group , a research group contracted by the IRS, will not share identifying information, including your phone number, with the IRS, we will provide a toll-free conference line for the focus group session. On the day of the focus group, at the time you have agreed upon, please call this number: xxx-xxx-xxxx. If you have a pen and paper available, I can repeat the number so you have it written down. We will also contact you prior to the focus group date to remind you of your appointment.

We look forward to having you participate on *[insert appropriate date]*.

We are required by law to report to you the OMB (Office of Management and Budget) Control Number for this public information request. That number is 1545-1349. In addition, if you have any comments about the time estimate associated with this study or suggestions on making this process simpler, you may write to the IRS. Would you like the address?

[If yes]

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Also, if you would like to read the official IRS announcement regarding this study, please visit the following URL on the IRS website: [http://www.irs.gov/\[REST OF ADDRESS\]](http://www.irs.gov/[REST OF ADDRESS]).

Thank you for your time. We will be in touch again the day before the session to confirm your attendance.

TERMINATE TEXT

Thank you very much for your time, and thank you for answering our questions. Unfortunately, based on the requirements, we are not able to extend you an invitation. Perhaps we can include you in a future research session. Have a good [*day/evening*].

ATTACHMENT B: Participant Reminder Call for ACA Noncompliance PTC Error Focus Groups - Paid-Preparers

Participant Reminder Call for Noncompliance PTC Error Focus Groups - Paid-Preparers

Hello, my name is _____ and I am calling on behalf of [insert Contractor name]. We spoke on _____ (date and time) concerning your participation in a paid study in coordination with the Internal Revenue Service to gather feedback and opinions on your experience preparing federal tax returns, with particular attention to the elements of your clients' returns pertaining to the Affordable Care Act Premium Tax Credit.

As a reminder, the study will consist of a 90 minute focus group session with an IRS researcher through the phone and you will receive a \$75 honorarium for your participation. The interview discussion will be strictly for research, and all of your comments will be held private to the extent covered by law. We have you scheduled to participate in this interview on _____ (date) at _____ (time). Are you still able to participate in this study on that time and on that date?

Yes - Continue

No - Are you sure you will not be able to participate? If not, please provide a reason for our recruiting documentation purposes.

[If YES above] As previously discussed, on the day of your focus group session, at the time you have agreed upon, please call this number: xxx-xxx-xxxx. We look forward to having you participate on *[insert appropriate date]*.

ATTACHMENT C: Focus Group Moderator's Guide

Affordable Care Act (ACA) Noncompliance Among Self Preparers and Paid Practitioners: Understanding Circumstances leading to Premium Tax Credit Errors

Interviewer Introductions

Hello. My name is _____ and I'm a researcher with the Internal Revenue Service and will be conducting our focus group session today. Thank you for participating today to help us better understand your experiences preparing tax returns, specifically on issues surrounding reporting or reconciling the Premium Tax Credit. We appreciate you taking the time to participate in this discussion.

Tax Year 2014 was the first time taxpayers were required to report their compliance with the new Affordable Care Act legislation. This is a complex law, and understandably, there was some confusion about how to best comply with the regulations associated with it. The IRS is working to develop a stronger understanding of tax preparers' experience preparing client returns with Premium Tax Credit elements this year. Your input will be of great help to us to better plan communication and education materials and anticipate challenges taxpayer preparers may face when aiding their clients in complying with tax law.

Throughout our discussion today, I'll be asking you to describe your experience preparing 2015 tax returns for your clients (filed in 2016). Then I will be asking some additional questions about elements of those tax returns that relate to the Premium Tax Credit and for your comments and suggestions for how we can improve information provided to help tax preparers prepare their clients' returns. In addition, I'll be asking you to compare challenges in preparing PTC returns this year with your experiences and challenges preparing PTC returns during last filing season (2015, for tax year 2014) and also any challenges you might anticipate for next filing season. Your feedback will help us better understand the circumstances leading tax preparers to make mistakes on their clients' returns and develop strategies to avoid this in the future. After today's discussion, you will receive \$75 as a token of our appreciation for your time and input.

Have you ever participated in a focus group session like this one before?

Okay. Before we start, let me share with you some important information.

Disclosures/Informed Consent

1. **OMB Number.** The OMB Control Number for this study is 1545-1349. If you have any comments concerning the time estimates associated with this study or on how to make this process simpler, I will read to you an address you can write to.

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We can also provide this address to you at the completion of our discussion.

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There are no known risks to you for taking part in this focus group session. All the data the IRS collects will be kept private to the extent allowed by law. Your name will never be linked to your comments, nor will it appear in any written reports or publications. There are also no direct benefits to you for taking part in this interview, but your answers will help the IRS improve its services and materials to help tax preparers aid their clients in complying with tax law.

2. **Privacy.** Everything that you say here will be kept strictly private to the extent allowed by law. We will use first names only and names will not be used in any report. Again, all of your comments will be held private to the extent allowed by the law, so please feel free to tell me what you think.
3. **Voluntary Participation.** Your participation in this focus group is entirely voluntary. You do not have to answer any questions that you do not wish to answer but please keep in mind, there are no wrong answers. Also, you can stop your participation at any time.
4. **Observers.** There is another person on the conference line who will be listening in on today's focus group session and helping to take notes today.
5. **Time.** I will be watching our time and directing our conversation. This discussion will last for 90 minutes.
6. **Video and/or Audio Recording.** Because we want to assure we've collected all of your comments and suggestions, this session is being recorded so that we can write an accurate report about the issues that are raised during the discussion.

The following are ground rules about how the discussion should work:

Ground Rules

During our discussion today, please remember:

1. To talk one at a time in a voice as loud as mine.
2. To avoid side conversations with other focus group participants.
3. We would like to hear from everyone during our discussion, but do not feel obligated to answer every question.
4. Feel free to respond directly to someone who has made a comment. You don't have to address all your comments to me.
5. Speak your mind; say what is true for you. We are not looking for everyone to agree, and we are expecting to hear diverse perspectives.

Section 1: Tax Preparation Experience

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First, I'd like for you to tell me about your experience preparing federal tax returns for your clients that claimed the Premium Tax Credit this filing season (2016).

Describe any major issues or barriers you faced in filing accurate PTC returns for your clients during this filing season.

Did you need additional help to prepare your clients' returns?

If so, what specific information did you need?

What resources did you use to find this information?

IRS resources? Forms? Publications? Website?
Helpful? Why or why not?

Outside resources?
Which ones?
Helpful? Why or why not?

Did you use the same tools to prepare your clients' returns as in previous years? If not, why did you change? What did you use previously?

When did your clients typically become aware of the need to report information about their health insurance and the Premium Tax Credit?

How did they typically become aware of this requirement?

Do you recall any of your clients telling you they received a notice for their 2014 return?

Can you describe what the letter/notice was for?

Section 2: Error-specific Questions/Challenges

Did anyone experience issues with a client receiving the Advanced Premium Tax Credit (APTC) during the year but not reconciling the advanced amount they received on their return?

What do you believe lead to this issue?

Client was not informed they needed to reconcile this amount on their tax return?
Client did not receive insurance for the full year?
You were unaware these clients must claim the APTC and PTC on their tax return?
Other?

What could the IRS do to help prevent this issue moving forward?

Preparer education?
Communication with taxpayers?
Other?

Did anyone experience issues with a claiming the Premium Tax Credit or Advanced Premium Tax Credit

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for a client, but they were notified by the IRS they did healthcare coverage purchased at a marketplace exchange?

What do you believe lead to this issue?

- Lack of client education surrounding their situation?
- Information surrounding the Premium Tax Credit you were unsure of as a preparer?
- Other?

What could the IRS do to help prevent this issue moving forward?

- Preparer education?
- Communication with taxpayers?
- Other?

Did anyone experience issues due to claiming Premium Tax Credit (or APTC) for a client, but they were deemed ineligible due to citizenship for the credit?

What do you believe lead to this issue?

- Client did not understand the eligibility criteria?
- Specifics surrounding eligibility to claim PTC and citizenship you were unsure of as a preparer?
- Other?

What could the IRS do to help prevent this issue moving forward?

- Preparer education?
- Communication with taxpayers?
- Other?

Did anyone experience issues due to the IRS stating information on a clients' Form 8962 regarding their dependents was different than the dependents claimed on their tax return?

What do you believe lead to this issue?

- Change in client household status during the year (ex: child moved out)?
- Information surrounding the Premium Tax Credit you were unsure of as a preparer??
- Other?

What could the IRS do to help prevent this issue moving forward?

- Preparer education?
- Communication with taxpayers?
- Improvements to Form 8962 or its instructions?
- Other?

Did anyone experience issues related to completion of entries into the Form 8962 or your tax software regarding information contained on the 1095-A?

Information related to the shared policy application?

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Information related to the Alternative Calculation for Marriage?
Information related to the annual calculation?
Information related to the Monthly premium amounts?
Information related to the second lowest cost silver plan premium amounts?
Information related to the APTC amounts?

What do you believe lead to these issues?

Lack of client education surrounding their situation?
Information surrounding the Premium Tax Credit you were unsure of as a preparer?
Other?

What could the IRS do to help prevent this issue moving forward?

Preparer education?
Communication with taxpayers?
Improvements to Form 8962 or its instructions?
Other?

Were there other challenges you faced we have not already discussed?

What do you believe lead to this challenge?

Lack of client education surrounding their situation?
Information surrounding the Premium Tax Credit you were unsure of as a preparer?
Other?

What could the IRS do to help prevent this issue moving forward?

Preparer education?
Communication with taxpayers?
Improvements to Form 8962 or its instructions?
Other?

Section 3: Anticipation of Issues for Next Filing Season

As a preparer, what PTC return issues are you anticipating for next filing season?

Are these issues you are currently dealing with or new issues?

What can the IRS do to prevent these issues?

Conclusion

This concludes today's session. I would like to thank you for coming to share your thoughts and ideas today. You have given us a lot of good information that we will share with relevant IRS personnel in an effort to improve communication and education materials to aid tax preparers in aiding their clients in complying with tax law specific to the Premium Tax Credit.

Before we go, is there anything else anyone would like to add? Thanks again!

Attachment D: Justification for Increased Stipend Amount

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Eligible participants must have had a return that triggered a specific IRS error code upon filing their return. As such, the criteria for the target population are complex. Some of the error codes have a low volume and the sampling pool is inherently small and difficult to recruit from. A higher stipend amount will likely reduce recruitment time and increase participation. These interviews will take place during business hours, so for tax professionals, we need to compensate them for their time. Many tax professionals make more than the allowed \$40 stipend at an hourly rate, so the incentive needs to be higher to encourage their participation. Also, previous research has shown it is more difficult to recruit participants during daytime hours.

The population for this study is smaller, so IRS anticipates it will be difficult to reach. Additionally the methodology for this study employs only one method of contacting the eligible participants. If there is no information on how to contact them via phone, or if they engage in any activity to screen calls from unknown numbers, the sampling pool automatically diminishes. There is a potential for some participants to have engaged in intentional noncompliance. If that is the case, we do not anticipate they will agree to participate, so again, the pool of participants shrinks.

The nature of this study is about non-compliance, whether it is intentional or not. Individuals may be hesitant to participate in the study due to concerns about the mistakes they made on their return and possible need to divulge additional information. Though IRS does not think their participation in this study poses any risk to individuals, they may disagree. They may have concerns about an IRS audit or further recourse from the IRS, though the information they choose to share will be protected to the extent the law allows.

The sampling pool for this study includes individuals all over the country; some will be in high cost-of-living areas (nearly 1/3 of individuals identified as being eligible at this point in time live in California and Texas, traditionally high-cost states) and some will be in low cost-of-living areas. IRS has no way of knowing who will agree to participate but expects that many in the high cost-of-living areas will not if the offered stipend is at the typically allowed amount of \$40. IRS feels that the recruitment time and effort required to get the number of participants needed and the geographic dispersion of the eligible individuals warrants a higher stipend to recruit more effectively in any area where an individual is contacted.