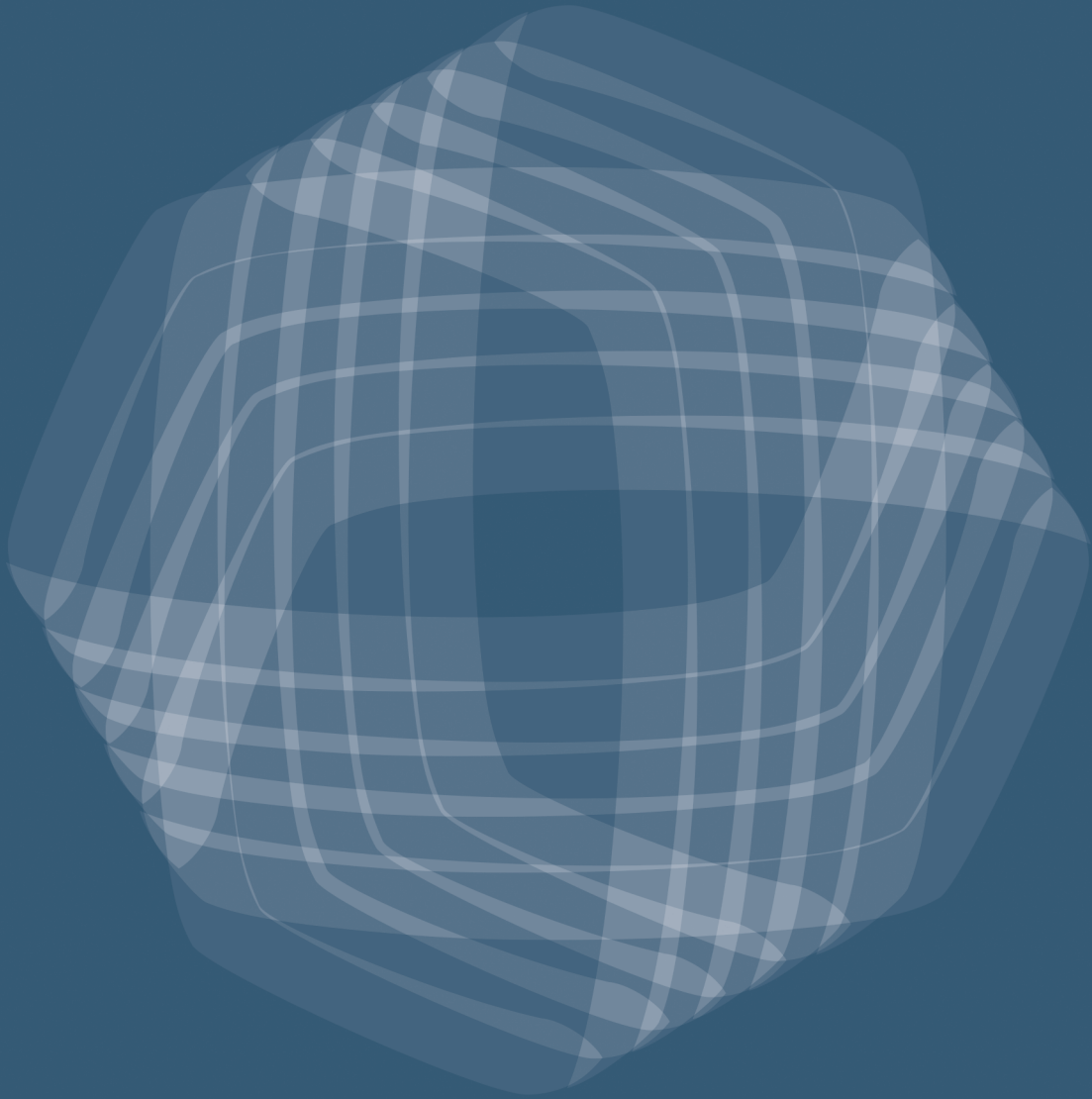




# Business Taxpayer Burden Survey



**Your experience matters to us.**

**BTB**

# Business Taxpayer Burden Survey

## Frequently Asked Questions

### What is the purpose of this survey?

The purpose of this survey is to measure what it costs business taxpayers to comply with federal tax rules and regulations. For most establishments, these costs are a combination of time spent and out-of-pocket expenses. Please be assured that you will not be asked about the income or other financial details of your business's tax return.

This questionnaire relates to the activities associated with federal income tax compliance during the most recent tax year as well as the preparation and filing of your 2016 federal income tax return. It does NOT include any other tax returns (i.e., employment, excise, information returns, state and local, etc.) filed for the same period. This includes any filings completed in the 12 months leading up to the filing of your business's 2016 federal income tax return.

### Who should complete this survey?

The individual most responsible for maintaining the financial records for your business or making the financial and tax-related decisions for your business should complete this questionnaire. You may need to consult with others in your organization to complete the survey and we encourage you to do so. This survey concerns the time and costs spent by your business, not the time and costs spent by your external service provider if you had one. Please do not forward this survey to your external service provider.

### How was my business selected for this survey?

Your business was randomly selected from the millions of businesses that filed a federal income tax return in 2016.

If you own more than one business, please look at the address label of this mailing to see which business was randomly selected to receive this survey.

### How will my answers be used?

Please be assured that 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.

### Why should I participate?

While participation is voluntary, information about your business's tax preparation experience will help the IRS reduce taxpayer burden. We encourage you to take a few minutes of your time to participate. By doing so, you will make sure that businesses like yours are represented.

### How long will this survey take?

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.

### Who can I contact with questions?

If you have questions about the content of this survey please call Karen Stein at Westat by phone at 1-888-450-8610 or send an email to IRS-BTB@westat.com. If you would like to speak to someone at the IRS, please email Brenda Schafer at Brenda.Schafer@irs.gov.

## Web Survey Instructions

If you would prefer to complete the survey on the web, you may do so by following the instructions below. Web responses are processed more quickly and will help ensure that you don't receive follow-up contacts.

### 1. Go to the website.

To take the survey online, please go to:

[www.IRSBTBSurvey16B.org](http://www.IRSBTBSurvey16B.org)

### 2. Log in.

You will need the following username and password to access the survey:

**Username: [UID]**

**Password: [PWD]**

### Problems?

If you have any technical difficulties, including problems with the website, please call 1-888-450-8610 or send an email to IRS-BTB@westat.com.

**Si usted desea contestar esta encuesta en español, por favor llame al 1-888-450-8610 o envíe un correo electrónico a IRS-BTB@westat.com.**

**Instructions:**

Please use a black or blue pen to complete this form.

Mark  to indicate your answer.

If you want to change your answer, darken the box  and mark the correct answer.

**Tax Preparation Methods And Activities**

This part of the survey collects general information about your business. Please answer all questions with reference to the most recent tax return year. The most recent tax year includes the 12 months leading up to the filing of your business's most recent federal income tax return.

1. Which of the following methods did your business use to prepare its most recent federal income tax return? Include activities done by external service providers.

Did your business use...

Mark all that apply.

- A tax preparation service? (e.g., a CPA, a tax lawyer, an enrolled agent, a registered tax preparer)
- A tax advisory/planning service?
- Accounting and/or financial software?
- Tax preparation software? (e.g., CCH®, OneSource™, CORPTAX, custom software)
- Owners or employees of your business?
- Any other method(s)? *Please describe:*

2. In addition to preparation of your business's federal income tax return, for which of the following activities did your business engage an external service provider during the most recent tax year?

Mark all that apply.

- Accounting or bookkeeping?
- Estimated income tax payments?
- Tax advisory services?
- Pre-tax fringe benefits? (e.g., pension plan, health care benefits)
- Individual income tax preparation for owners or partners of your business?
- Other activities? *Please describe:*



### Tax Department Personnel And Budget

As mentioned in the FAQs, the purpose of this survey is to measure what it costs business taxpayers to comply with federal tax rules and regulations. For most establishments, these costs are a combination of time spent and out-of-pocket expenses (e.g., fees paid to external service providers, software costs). In the next few sections we will ask for estimates of these costs.

3. Does your business have a dedicated in-house tax department?

- Yes → Please go to question 4 below.
- No → Please skip to question 7 on page 4.

4. What was the total annual budget for the tax department (including all consolidated subsidiaries) in the most recent tax year?

4A. Total tax department budget?

\$ 

--	--	--	--	--	--	--	--	--	--

 . 

--	--

Dollars

Cents

Don't know

4B. Of the amount in 4A, how much was spent exclusively on federal income tax compliance?

\$ 

--	--	--	--	--	--	--	--	--	--

 . 

--	--

Dollars

Cents

Don't know



5. Of the amount entered in question 4A, how much was allocated to costs related to internal tax department costs and external (out-sourced) services provided to the tax department?

5A. Internal tax department costs?

\$ 

--	--	--	--	--	--	--	--	--	--

 . 

--	--

Dollars

Cents

Don't know

5B. Of the amount in 5A, how much was spent exclusively on federal income tax compliance?

\$ 

--	--	--	--	--	--	--	--	--	--

 . 

--	--

Dollars

Cents

Don't know

5C. Cost(s) of external services provided to tax department?

\$ 

--	--	--	--	--	--	--	--	--	--

 . 

--	--

Dollars

Cents

Don't know

5D. Of the amount in 5C, how much was spent exclusively on federal income tax compliance?

\$ 

--	--	--	--	--	--	--	--	--	--

 . 

--	--

Dollars

Cents

Don't know

6. Did any other departments allocate part of their budget to tax compliance activities? These departments could include but are not limited to the following: IT, Payroll, Comptroller, Human Resources, and Subsidiaries.

6A. Allocation to tax compliance activities from other department(s)?

\$ 

--	--	--	--	--	--	--	--	--	--

 . 

--	--

Dollars

Cents

Don't know

6B. Of the amount in 6A, how much was spent exclusively on federal income tax compliance?

\$ 

--	--	--	--	--	--	--	--	--	--

 . 

--	--

Dollars

Cents

Don't know





The next item asks you to allocate the hours or FTE reported in question 7A across different activities. For example, if you reported 1,000 hours in question 7A, then the hours you report in parts 1 - 6 in the table below should add up to 1,000 hours.

**7B. How would you distribute the time reported in question 7A across each of the following tax-related activities? (Parts 1 - 6 should add up to the total number of hours or FTE reported in question 7A.) Please note that this time is for in-house staff only, not any external service providers.**

1. Tax recordkeeping, including reconciling financial and tax records?

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	:	<input type="text"/>	<input type="text"/>
Hours							Minutes	

OR

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	.	<input type="text"/>	<input type="text"/>
FTE							

2. Tax planning?

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	:	<input type="text"/>	<input type="text"/>
Hours							Minutes	

OR

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	.	<input type="text"/>	<input type="text"/>
FTE							

3. Gathering materials, learning about tax law, and using IRS or non-IRS resources?

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	:	<input type="text"/>	<input type="text"/>
Hours							Minutes	

OR

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	.	<input type="text"/>	<input type="text"/>
FTE							

4. Calculating and depositing estimated income tax payments?

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	:	<input type="text"/>	<input type="text"/>
Hours							Minutes	

OR

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	.	<input type="text"/>	<input type="text"/>
FTE							

5. Completing and submitting your federal income tax return?

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	:	<input type="text"/>	<input type="text"/>
Hours							Minutes	

OR

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	.	<input type="text"/>	<input type="text"/>
FTE							

6. All other income tax-related activities? *Please describe:*

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	:	<input type="text"/>	<input type="text"/>
Hours							Minutes	

OR

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	.	<input type="text"/>	<input type="text"/>
FTE							









### Fees Associated With Tax Compliance

Please think about how much money your business spent to comply with its tax obligations. Costs associated with tax compliance are a very important part of assessing burden, so please provide the most accurate estimate you can.

8. How much did your business pay all external service providers for tax and tax-related services received during the most recent tax year?

8A. Total fee(s) paid to external service providers for tax and tax-related services?  
*If no money was spent on external service providers → Please skip to question 9.*

\$ 

--	--	--	--	--	--	--	--	--	--

 - 

--	--

Dollars

Cents

Don't know

8B. Of the amount in 8A, how much was spent exclusively for federal income tax planning?

\$ 

--	--	--	--	--	--	--	--	--	--

 - 

--	--

Dollars

Cents

Don't know

8C. Of the amount in 8A, how much was spent exclusively for federal income tax return preparation?

\$ 

--	--	--	--	--	--	--	--	--	--

 - 

--	--

Dollars

Cents

Don't know

9. How much money, if any, did your business spend during the most recent tax year on tax-specific software?

Note: Include any costs your business may have incurred for annual maintenance and updates.

Total money spent on all tax-specific software?

\$ 

--	--	--	--	--	--	--	--	--	--

 - 

--	--

Dollars

Cents

No money spent on tax-specific software

Don't know



10. If applicable, how much money was spent on other business-related tax activities not included in questions 8 and 9 for the most recent tax year? This may include money spent on electronic submission, photocopies, tax research services, tax publications and journals, transportation, postage, or IRS user fees.

Note: Do NOT include money your business spent on external service provider(s), tax software, or employee compensation.

10A. Total money spent on all other business-related tax activities?

\$ 

--	--	--	--	--	--	--	--	--	--	--	--

 . 

--	--

Dollars

Cents

Don't know

10B. Of the amount in 10A, how much was spent exclusively for your business's most recent federal income tax return?

\$ 

--	--	--	--	--	--	--	--	--	--	--	--

 . 

--	--

Dollars

Cents

Don't know

### Import And Export Activities

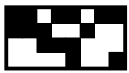
11. During the most recent tax year, did your business prepare documents for use by United States or foreign customs authorities related to taxes and duties for...

11A. Imports into the United States?

- Yes
- No
- Don't know

11B. Exports from the United States?

- Yes
- No
- Don't know



58424

## Additional Questions

12. On average, how many full-time and part-time employees, if any, did your business have during the most recent tax year? Please include partners or owners, but do not include any independent contractors. Independent contractors are workers who are not treated as employees for employment tax purposes.

12A. How many full-time employees?

--	--	--	--	--	--	--

Don't know

12B. How many part-time employees?

--	--	--	--	--	--	--

Don't know

13. How many state income tax returns did your business file during the most recent tax year?

--	--	--	--

Number of returns

Don't know

14. How many people, if any, helped you answer the questions on this survey?

None

1

2

3

4 or more

**Thank you for completing our survey.**

## **Privacy and Paperwork Reduction Act Notice for Business 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' statutory 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. Not providing all or part of the information requested may reduce our ability to address taxpayer concerns regarding paperwork reduction.

OMB No: 1545-2212. 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 Special Services Section, SE:W:CAR:MP:T:M:S, Room 6129, 1111 Constitution Avenue, NW, Washington, DC 20224.

