

**Moderator Guide for
NTF21 Changes in Partnership Environment and Where's Form 944?
Focus Groups**

Hi! My name is _____ and I'm a focus group moderator from the Internal Revenue Service. My co-moderators are _____ and _____, and they will be taking notes during our conversation.

We are seeking information about two topics today. First, we will discuss the changes taking place in the partnership environment to better understand the challenges, and concerns associated with partnerships for practitioners and taxpayers. Second, we are seeking information about the use of the Form 944, Employers ANNUAL Federal Tax Return.

For those of you who may not have participated in a focus group before, a focus group is a research tool used to gather ideas and opinions from a group of individuals with a common characteristic or experience by means of directed discussion. The common experience today is that everyone here should have partnership clients and be familiar with the filing of partnership tax returns.

(Note to Moderator: If someone does NOT have the appropriate experience, thank them and politely have them leave.)

Before we start, I need to go over several administrative items and some ground rules:

- Administrative items
 1. The written summary created from this session will NOT use any names nor reflect any personal information that could be traced to you.
 2. We ask you to respect others privacy and not share what is discussed today.
 3. As a standard practice and for the protection of your privacy, a Privacy & Civil Liberties Impact Assessment (PCLIA) has been submitted and approved for this project.
 4. The Paperwork Reduction Act requires that the IRS display Office of Management and Budget (OMB) control number on all public information requests. The OMB Control Number for this focus group is 1545-1349. Participation in this focus group is voluntary, and we estimate the length of the session will be one hour.

My job as the moderator is to help guide the flow of conversation, make sure everyone's comments are heard, and ensure the list of specific questions are covered in our session together. A few ground rules and then we'll get started:

- Ground Rules
 - Please silence any background noise and cell phones.
 - Everyone's opinion is valuable, so I'd like everyone to participate.
 - There are no right or wrong answers. Please speak up if you have a different point of view.
 - Whenever you speak, please state your name, then your response; we only need to know your first name during our discussion today.
- Does anyone have any questions?

Warm Up

Let's begin! Please give me your first name only, how long you've been working as a tax practitioner, approximately how many partnership returns you prepare each year, and how many Form 944s you help file each year.

- a) [Note to moderator]: Go around the phone [round-robin] and count.

Part A: Partnerships

- 1) How have partnerships for your clients changed over the past 10 years?
- 2) What strategic changes have you made due to the transition from TEFRA (eliminated in 2018) to BBA?

[Note to Moderator: BBA: The Bipartisan Budget Act of 2015 (otherwise known as BBA) repealed the TEFRA partnership procedures and the electing large partnership provisions and replaced them with a new centralized partnership audit regime effective January 1, 2018. TEFRA: Tax Equity and Fiscal Responsibility Act (TEFRA) of 1982. TEFRA is valid for partnership returns with tax years beginning before January 1, 2018.]

- 3) How/why are taxpayers utilizing the partnership structure in their overall tax planning?
- 4) What key factors impact taxpayer behavior with respect to partnership filing and reporting/compliance?
- 5) Why do your partnership clients ask for extensions and not file by the normal March 15 due date?
- 6) What misinformation do practitioners face with partnerships?
- 7) What topics or areas do practitioners want more information about with regards to partnerships?
- 8) How can the IRS help practitioners with partnerships?

Part C: Form 944

Form 944, Employers ANNUAL Federal Tax Return, was first introduced in 2006. It is designed so that the smallest employers, those whose annual liability for social security, Medicare, and withheld federal income taxes is \$1000 or less, can file and pay once a year instead of quarterly. We are collecting feedback to ascertain the potential taxpayer and tax practitioner burden and identify any unintended consequences of eliminating Form 944.

- 8) What percentage of your clients' returns include a Form 944?
- 9) How will the elimination of this form impact your business?
 - a) Are you aware of the Form 941 quarterly filing requirements?
- 10) Does the elimination add additional burden to running your business?
- 11) Do you typically e-file this form?
- 12) Would you consider e-filing the Form 941 if this change occurs?

Part D: Conclusion

- 13) Are there any additional comments about the topics we covered today?

Before we conclude, I would like to check with my co-moderator to see if they need any information clarified.

Thank you for sharing your thoughts and opinions today. Your participation and feedback are extremely valuable and will provide the IRS with information to consider. Have a great day!