



Trust Income Tax Burden Survey

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Your experience matters to us.

TEIT

Frequently Asked Questions

What is the Trust Income Tax Burden Survey?

The purpose of this survey is to gather data about the time and out-of-pocket costs you spent to prepare the Tax Year 2017 Form 1041 Income Tax Return for Estates and Trusts. This information will be used to better understand and estimate the burden faced by all fiduciaries who must file a Form 1041 income tax return for a trust. Please be assured that you will not be asked about income or other financial details.

When answering the questions, please think about the activities associated with the trust's Tax Year 2017 federal income tax return and/or any other federal income-related tax return(s) for the trust. Do not answer for any other tax returns filed for the same period, such as Form 706 (U.S. Estate Tax Return) or Form 709 (United States Gift Tax Return).

Who should complete this survey?

The individual most responsible for maintaining the financial records for the trust or making the financial and tax-related decisions for the trust should complete this questionnaire. Generally, this person is the trustee. Please feel free to consult with others to complete the survey.

If you serve as trustee for more than one trust, please see the address on the cover letter to determine to which trust this survey applies. We will refer to this trust as "the trust" throughout the survey.

Should I send this survey to my paid or volunteer tax professional?

No, please do not forward this survey to your paid or volunteer tax professional if you have one, because this survey concerns time and money spent by you or your organization, not theirs.

How was the trust selected for this survey?

The trust was randomly selected from the thousands of trusts that filed a federal income tax return in 2017.

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 the trust'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 this trust, and trusts that are similar to it, 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 contact Leanne Purvis at Westat by phone at 1-855-462-3937 or send an email to IRS-TEIT@westat.com.

If you would like to speak to someone at the IRS, please email Scott Leary at Scott.P.Leary@irs.gov. To read the official IRS announcement regarding this survey, please visit the following URL on the IRS website: <https://www.irs.gov/statistics/2017a-trust-income-tax-burden-survey>.

Web Survey Instructions

If you would prefer to complete the survey on the web, please follow 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.IRS-TEITSurvey2017A.org

2. Log in.

You will need the following PIN to access the survey:

PIN: [PIN]

Problems?

If you have any technical difficulties, including problems with the website, please call 1-855-462-3937 or send an email to IRS-TEIT@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

Please Note: If you serve as trustee for more than one trust, please see the address on the cover letter to determine to which trust this survey applies. We will refer to this trust as “the trust” throughout the survey.

Please answer all questions with reference to the trust’s Tax Year 2017 federal income tax return filing.

1. Which of the following methods did you use to prepare the trust’s Tax Year 2017 federal income tax return?

Mark all that apply.

- a. Paper forms and instructions
- b. An outside tax professional (e.g., a CPA firm, trust company, bank, a tax attorney, an enrolled agent, a registered tax preparer)
- c. Tax preparation website or software (e.g., TurboTax®, H&R Block®, CCH®, custom software)
- d. Other method(s), *please describe:*

Empty text box for describing other methods.

2. For which of the following income tax-related activities did the trust engage a paid or volunteer tax professional for Tax Year 2017?

Mark all that apply.

- a. Bookkeeping or accounting services
- b. Completing or revising trust legal documents
- c. Handling legal claims against the trust
- d. Financial planning services
- e. Other trust-related activities, *please describe:*

Empty text box for describing other trust-related activities.

- f. Did not engage a paid or volunteer tax professional



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Time Spent On Tax-Related Activities

3. This question asks about all the time you spent on activities related to the trust's Tax Year 2017 federal income tax return. These activities include completing, preparing, and submitting the trust's Tax Year 2017 federal income tax return and handling issues for one or more of the trust's previously-filed federal income tax returns.

Think about the time you spent on tax-related recordkeeping, tax planning, gathering tax-related materials, learning about tax law, using IRS or non-IRS resources, preparing and providing Schedules K-1, and calculating and depositing estimated tax payments.

Please include time spent:

- On the trust's federal income tax return as well as any associated forms, schedules, and worksheets that you completed or filed
- Throughout the tax year as well as the tax filing season, as applicable
- Corresponding or speaking with paid or volunteer tax professional(s), if any
- To prepare and provide beneficiaries' K-1s

Please do NOT include time spent:

- By a paid or volunteer tax professional
- On state or local income tax returns
- On non-income tax returns, such as Form 709 (United States Gift Tax Return), or excise taxes
- On foreign tax returns
- On information returns other than the beneficiaries' Schedules K-1 (e.g., Form 1099-MISC)

3A. How much time did you spend on the following activities for the trust's Tax Year 2017 federal income tax return? If you're not sure, please provide your best estimate.

1. Tax recordkeeping, including reconciling financial and tax records

			:		
Hours				Minutes	

No time spent

2. Tax planning

			:		
Hours				Minutes	

No time spent

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

			:		
Hours				Minutes	

No time spent

4. Calculating, reviewing, and depositing estimated income tax payments

			:		
Hours				Minutes	

No time spent



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5. Completing, reviewing, and submitting the trust's federal income tax return

				:		
Hours					Minutes	

No time spent

6. Calculating and reviewing distributions and accumulations

				:		
Hours					Minutes	

No time spent

7. Preparing, reviewing, and issuing K-1s related to distributions from the trust

				:		
Hours					Minutes	

No time spent

8. Time during Tax Year 2017 to resolve issues with one or more previously-filed trust federal income tax returns

				:		
Hours					Minutes	

No time spent

9. Other federal income tax-related activities, *please describe*:

				:		
Hours					Minutes	

No time spent

Costs Associated With Tax Compliance

Think about how much money the trust spent to comply with its federal income tax reporting obligations. Costs associated with tax compliance are a very important part of assessing burden, so please provide your best estimate.

4. How much money did the trust spend on all paid tax professionals, including trustee compensation, for all tax and tax-related service during Tax Year 2017?

\$						-		
	Dollars						Cents	

No money spent → **Skip to Question 5**

4A. Of the amount in Question 4, how much was spent only on the trust's Tax Year 2017 federal income tax planning and return preparation?

\$						-		
	Dollars						Cents	

No money spent



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5. How much money did the trust spend on a tax preparation website or software (e.g., TurboTax®, H&R Block®, CCH®, custom software) to prepare its Tax Year 2017 federal income tax return?

\$

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Dollars

Cents

No money spent

6. How much money did the trust spend during Tax Year 2017 on services related to resolving an IRS issue with one or more previously-filed trust federal income tax returns (IRS Exams, Collections, or Appeals)? Include both trustee compensation and fees paid to other tax professionals.

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Dollars

Cents

No money spent

7. How much money did the trust spend on other tax activities related to the trust income tax reporting requirements for Tax Year 2017? This may include money spent on electronic submission, photocopies, tax research services, tax publications and journals, transportation, postage, or IRS user fees.

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Dollars

Cents

No money spent

Additional Questions

8. In how many states did the trust file state income tax returns during the most recent tax year?

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Number of States

9. Did you serve as trustee or grantor for more than one trust in 2017?

Yes

No



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10. How are distributions from the trust calculated?

Mark all that apply.

- a. All distributable net income (DNI) must be distributed (simple trust)
- b. Percentage of income
- c. Trustee discretion (e.g., for beneficiary's education, support, or medical expenses)
- d. Beneficiary age
- e. Other, *please describe*:

11. Considering all activities related to the trust's federal income tax return, what do you find to be the most difficult part of complying with IRS's reporting regulations?

Thank You for Completing This Important Survey!

Sample

Privacy and Paperwork Reduction Act Notice for Trust Income Tax Burden 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.