



2007 Meeting Minutes Area 6

- November 27, 2007
 - October 25, 2007
 - September 27, 2007
 - August 30, 2007
 - July 13, 2007
 - June 28, 2007
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 - April 26, 2007
 - March 29-31, 2007
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-

Area 6 Committee Meeting Teleconference Minutes November 27, 2007

Designated Federal Official

Judi Nicholas

Attendance

George Bates
Milissa Bensen, Vice Chair
Marilynn Clapp
Laura Criel
Jerry Fireman
Steve Maisch
Maryann Motza, Chair
Joe Shields
Ed Uhrig
Harris Widmer

Absent

Neil Mitchell
Willy Nordwind

Staff

Bernie Coston, TAP Director
Janice Spinks, TAP Analyst

Guest

Howard Choder

Welcome/Announcements

Judi opened the meeting and welcomed the participants. Roll call was completed and a quorum was



met. Maryann welcomed everyone to this final Area 6 conference call for 2007. She also announced that Dean Conder has been chosen as the new TAP representative for Colorado.

Director's Comments

Bernie thanked the Area 6 members for their phenomenal work throughout this past year. He recognized Jerry and Maryann for their commitment to the program and for their efforts, which went far beyond the call of duty. They will be missed when they retire from TAP. Bernie also mentioned that the list of new TAP members has not been approved by Treasury.

Bernie reminded the members that the deadline to submit their choice for an issue committee is today. He also mentioned that a liaison has been appointed to work with TAP and the Wage & Investment division on timely responses to TAP recommendations. The committee members replied that the response time from IRS on TAP recommendations has vastly improved.

Outreach Review

Milissa provided the outreach review. She noted that 128 contacts were made in October. For this past year, Area 6 has done an outstanding job on conducting outreach and reporting their outreach events. Judi added that outreach data has been gathered by the Communication committee's measures subcommittee. It comes as no surprise that Area 6 leads all other areas in outreach.

IRS Services Subcommittee Report

Milissa reported on the activities of the subcommittee.

Issue 4227 (Toll-Free Service – Request to Speak with a Supervisor): Milissa reported that the subcommittee is not sure which approach they're going to take on this issue. For now, Milissa is working with Dave on drafting several possible options to narrow down the issue.

Recommendation 606-021 (Customer Service, Improve Quality): Milissa stated that the IRS will not accept this recommendation because the IRS has already established a method of dealing with the Taxpayer Assistance Blueprint (TAB). A letter to the IRS program owner, submitted through the Joint Committee, confirmed TAP's role in working with the Taxpayer Service Program Management Office (TSPMO). The subcommittee suggests that this recommendation be closed.

DECISION: Recommendation 606-021 will be closed as "Closed, Proposal Accepted".

Public Input

Mr. Howard Choder, a practitioner in Seattle, Washington and former IRS Revenue Officer, provided oral comments during the conference call. Mr. Choder commented on the recent update to the financial standards that IRS uses to grant taxpayers an installment agreement or an offer in compromise. Standards were previously set for transportation, housing allowances, housekeeping supplies, food and other necessary living expenses. These standards were based on the taxpayer's income and the number of family members in the household. Recently, the IRS removed the ability to calculate allowable amounts based on the income and family members in the household. Mr. Choder expressed his concern that the IRS has unfairly made one "flat fee" for all of the standards. Overall, some of the allowed expenses are not even reasonable or accurate.

Maryann noted that this sounds like an issue which should be worked within the Taxpayer Burden subcommittee. Marilyn agreed and noted that the subcommittee has worked similar issues in the past. Marilyn asked if actual expenses (instead of those allowed by IRS) could be used. Mr. Choder said that actual expenses could be used, but proof of expenses (receipts) is often requested for the last three months. It can be difficult to prove these expenses, especially food expenses.

ACTION: Judi will communicate with Mr. Choder via e-mail after she verifies that the issue has been loaded on the TAP database.

ACTION: The issue Mr. Choder raised will be assigned to the Taxpayer Burden Subcommittee for research and analysis.



Taxpayer Burden Subcommittee Report

Marilynn reported on the activities of the subcommittee.

Recommendation 607-3233 (Rules for Self-Employed Taxpayers): Marilyn said that she has been trying to get in touch with the Wage & Investment (W&I) project manager listed on the IRS' response to this recommendation. Recently, the project manager returned Marilyn's calls, leaving a message which states that he would be happy to discuss the Form W-9 IC part of the recommendation. Marilyn noted that Dave will also try contacting the W&I project manager for more information.

Recommendation 607-3400 (IRA Minimum Distribution): After some dialogue with Dave, Marilyn learned of a new method of replying to IRS when the committee does not agree with the IRS' response. The subcommittee is waiting for Dave to check with the Joint Committee analyst for further information on this new process. Maryann recommended that a letter be composed and provided to the Joint Committee which will then be submitted to IRS. Judi cautioned the subcommittee to refrain from simply restating the case and submitting it back to the IRS. The subcommittee wondered how many taxpayers were penalized with this penalty. The committee found that some of the arguments made for the change were not explicitly listed in the recommendation that went to IRS. Judi felt that it would be appropriate to provide the IRS the subcommittee's new arguments for the recommendation.

ACTION: Dave will try to find some statistics on the number of taxpayers that are penalized because they did not distribute their IRA before age 70 ½.

ACTION: The subcommittee will work on restating the issue with the arguments that were raised in today's meeting.

Miscellaneous Subcommittee Report

Laura reported on the subcommittee's recent activities.

Recommendation 606-018 (Form W-10 Employer ID Number): Laura noted that the IRS did not agree with the committee's recommendation to minimize identity theft by instructing the care provider to apply for an employer identification number (EIN) instead of using their Social Security number on Form W-10. Judi said that the problem may be that the IRS does not want to manage an extra identifying number.

ACTION: The subcommittee will discuss the points raised and come to a final conclusion at the next subcommittee meeting.

Annual Self-Assessment

Maryann reminded the members that a request for input to the Area 6 self-assessment was e-mailed to all members and staff. On November 20, 2007, a link with this information was also posted to TAPSpace. The self-assessment will be used to assist the authors of the TAP annual report. It will also provide helpful information on what can be improved and which best practices should be maintained.

ACTION: Members will provide their feedback to Maryann by Tuesday, December 4, 2007.

Annual Meeting Update

Maryann informed the members that they should receive their pre-read materials shortly. Dinner reservations have been made for Tuesday, December 12, 2007.

Joint Committee Business

Maryann announced that Hank Mosler was elected TAP Chair and MJ Lee as TAP Vice-chair. The Joint Committee is also working on reviewing and refining the process of writing the annual TAP report. Maryann also reminded everyone to complete and submit the TAPSpace survey by November 30, 2007.



Recap Action Items and Timeframes

Janice recapped the action items from the meeting.

End of Meeting Assessment

Everyone agreed that this was a productive meeting.

Closing

Judi closed the meeting.



**Area 6 Committee Meeting
Teleconference Minutes
October 25, 2007**

Designated Federal Official

Chet Blair

Attendance

George Bates
Milissa Bensen, Vice Chair
Marilynn Clapp
Laura Criel
Jerry Fireman
Steve Maisch
Neil Mitchell
Maryann Motza, Chair
Joe Shields
Ed Uhrig
Harris Widmer

Absent

Willy Nordwind

Staff

Judi Nicholas, TAP Program Manager
Dave Coffman, TAP Analyst

Welcome/Announcements

Chet opened the meeting and welcomed the participants. Roll call was completed and a quorum was met. There were no members of the public attending the call.

Outreach Review

Milissa provided the outreach review for September. Seven members submitted an outreach report which reflects a total audience of 345 people. Milissa noted that a majority of the outreach for September was attributed to Harris who partnered with TAS on one of their outreach events. Harris said that he will again be partnering with TAS and share a booth at an upcoming event in Bismarck, North Dakota. He's expecting 250 people to attend the event. Joe added that many of his outreach leads are coming from TAS.

Milissa mentioned that some of the organizations she's contacted for outreach have asked her to conduct her outreach after the holidays. Other Area 6 members have also received the same response.

IRS Services Subcommittee Report

Milissa provided the report, commenting on recommendations that were returned to the IRS as well as their active issue.

Recommendation 05-007 (Refund Misleads Taxpayer): Milissa noted that IRS is not going to be able to make the changes as recommended by Area 6. The subcommittee suggests accepting the IRS' response and closing the recommendation.

DECISION: Recommendation 05-007 will be closed as "Closed, Proposal Rejected".



Recommendation 05-035 (Change in Refund Notification): Milissa explained that the IRS knows the problem exists, but they can't make the recommended changes until their systems are updated. The subcommittee recommends accepting IRS' response and closing the recommendation.

DECISION: Recommendation 05-035 will be closed as "Closed, Proposal Rejected".

Recommendation 606-021 (Customer Service, Improve Quality): IRS has replied that the recommendation is already being addressed through the Taxpayer Services Program Management Office (TSPMO). According to the response, TSPMO will work with TAP on the recommendations made in the Taxpayer Assistance Blueprint (TAB) report. Jerry noted that the IRS responded positively to the committee's intent but not to the method the committee recommended. The subcommittee has drafted a letter for the Joint Committee's approval. The letter, which will be addressed to the IRS program owner, recognizes the joint efforts of TSPMO and TAP in implementing the changes and informs the IRS that the TAP Director will contact TSPMO as an initial effort to bring both organizations together to work on the TAB recommendations.

ACTION/DECISION: Maryann will forward the draft letter to the Joint Committee for their approval.

ACTION: Dave will contact the Joint Committee analyst for an extended follow-up to this response.

Issue 4227 (Toll-Free Service – Request to Speak with a Supervisor): Milissa explained that the subcommittee has explored the issue and discovered that there lacks a consistent procedure within all call sites for referring a caller to the employee's supervisor. Judi mentioned that, while the phone technology is the same in all sites, there is no consistent process for actually referring the caller to the supervisor. Jerry added that the subcommittee does not know if the problem is from a one-time incident or if it is more widespread. The full committee recommended the subcommittee continue to explore this issue.

ACTION: Any committee member that would like to comment on the issue should e-mail Milissa with their input.

Taxpayer Burden Subcommittee Report

Marilynn reported on the current activities of the subcommittee.

Recommendation 05-034 (TAS Toll Free Number): Marilyn informed the committee that the initial concern was the inability to reach an individual at the TAS toll-free number. The response from the IRS indicates that the TAS toll-free number script has been changed, and is in the process of being updated again, to allow the caller to more easily reach an individual. Marilyn noted that the IRS responded favorably to the recommendation and the subcommittee is requesting the recommendation be closed.

DECISION: Recommendation 05-034 will be closed as "Closed, Proposal Accepted".

Recommendation 607-3400 (IRA Minimum Distribution): The committee's recommendation of duplicating the "TIP" on the mandatory distribution of an IRA, in a more logical place within the instructions, was not accepted by the IRS. The IRS replied that the "TIP" is appropriately addressed, as it currently exists, in the tax form instructions.

The committee determined that the subcommittee should follow-up on the recommendation with the IRS program owner. George and Milissa stated that a conversation with the program owner may be a good approach to getting the IRS to accept the recommendation. Judi suggested the subcommittee hold a conference call with the program owner, informing her of the merits to their recommendation.

ACTION: Dave will coordinate a subcommittee conference call with the program owner. He will also request an extended follow-up from the Joint Committee analyst.



Recommendation 607-3233 (Rules for Self-Employed Taxpayers): Marilyn informed the committee that the IRS has agreed with the committee's recommendation. However, one of the main elements of the recommendation – the creation of a form that could be used by independent contractors to have taxes voluntarily withheld from their pay – was not addressed in the IRS' reply. The committee asked Marilyn to contact the analyst listed on the IRS' letter and ask him if the form for independent contractors is being considered by IRS.

ACTION: Marilyn will contact the IRS analyst for further clarification on the form for independent contractors.

ACTION: Dave will request an extended follow-up from the Joint Committee analyst.

Issue 4201 (E-File – Businesses Changing Names): Marilyn stated that there are occasions where businesses will change their name without changing their employer identification number. The name change cannot be completed electronically. The issue is still in the early research stages.

Miscellaneous Subcommittee Report

Neil reported on the subcommittee's current activities.

Recommendation 04-027 (Fax Numbers on Notices): Overall, the IRS agrees with the committee's recommendation but they do not have the fax server capabilities needed to implement it. The subcommittee requests that this recommendation be closed.

DECISION: Recommendation 04-027 will be closed as "Closed, Proposal Accepted".

Recommendation 606-018 (Form W-10 Employer ID Number): Neil explained that the subcommittee thought they had a relatively simple recommendation but the IRS said the recommendation cannot be accepted without a change to the Internal Revenue Code. The subcommittee is asking for an extended follow-up date while they research the code section outlined in the IRS' response.

ACTION: Dave will contact the Joint Committee analyst and request an extended follow-up to this response.

Recommendation 607-3942 (E-Services, Providing AGI): Neil reported that the IRS agrees with the recommendation and will implement it as soon as possible.

DECISION: Recommendation 607-3942 will be closed as "Closed, Proposal Accepted".

Issue 3541 (Disclosure – IRS Policy Hinders State Administrator's Duties): Neil stated that the subcommittee has tried to work this issue from several different directions, but the result is always the same – a legislative change would need to be made.

DECISION: Issue 3541 will be closed as "Legislative".

Input for Area 6 Annual Meeting Agenda

Referring to a copy of last year's Area 6 annual meeting agenda, Dave asked the committee for input to this year's Area 6 annual meeting agenda. Overall, the committee preferred to use the same format for this year's meeting.

ACTION: Dave will work with Maryann, Milissa, Judi and Chet to formulate the Area 6 agenda for the upcoming annual meeting.

Input for the Area 6 & 7 Combined Meeting

Judi reminded the committee that an administrative meeting, including both Area 6 and 7 members, took place last year at the annual meeting. The purpose of this combined meeting was to review some administrative details and to provide some refresher training on the issue process. Committee members will be asked to participate by facilitating some discussion items during the meeting.

ACTION: Judi will e-mail the chairs and vice-chairs of Area 6 and 7 to initiate a conference call to plan the agenda for the combined meeting.



2008 Monthly Meeting Dates & Times

Judi suggested that the committee continue with the existing meeting date/time (fourth Thursday at 1:00 pm, Pacific Time) for 2008. Milissa asked if the meeting time could be moved back one-half hour.

ACTION: Dave will check with Joe and Willy to determine if holding monthly meetings at 12:30 pm (Pacific), on the fourth Thursday of the month, will fit within their schedules.

Joint Committee Business

Maryann reported that the Joint Committee also reviewed some of the responses from committee recommendations made to the IRS.

Also discussed at the last Joint Committee meeting were problems related to TAP travel. The key to successful travel and reimbursement is to work with the TAP staff and keep them informed of any problems or changes with a member's travel arrangements.

Non-returning TAP members will be asked to participate in an exit survey.

Recap Action Items and Timeframes

Dave recapped the action items and pertinent timeframes that were discussed during this meeting.

End of Meeting Assessment

Judi made note that the committee had a lot of ground to cover and they made a good use of their time during this meeting.

Closing

Chet closed the meeting.



**Area 6 Committee Meeting
Teleconference Minutes
September 27, 2007**

Designated Federal Official

Chet Blair

Attendance

George Bates
Milissa Bensen, Vice Chair
Marilynn Clapp
Laura Criel
Jerry Fireman
Neil Mitchell
Maryann Motza, Chair
Willy Nordwind
Joe Shields
Ed Uhrig
Harris Widmer

Absent

Steve Maisch

Staff

Judi Nicholas, TAP Program Manager
Dave Coffman, TAP Analyst
Marla Ofilas, TAP Staff

Welcome/Announcements

Chet opened the meeting and welcomed the participants. Roll call was completed and a quorum was met. There were no members of the public attending the call.

Taxpayer Assistance Blueprint Report (Phase 2)

The full committee had an open discussion of the Taxpayer Assistance Blueprint (TAB) Phase 2 report. Jerry facilitated the discussion and asked members to provide their opinions, thoughts and comments. Maryann and Jerry will take the feedback from the Area 6 members and share it with the Joint Committee at their face-to-face meeting in Chicago.

Outreach Review

Milissa reviewed the August outreach report, commenting on notable outreach activities. Eighty-one contacts were made, not including the approximately 5,000 attendees at the 2007 IRS Tax Forum in Las Vegas, Nevada.

IRS Services Subcommittee Report

- #4227 (Toll-Free Service – Request to Speak with a Supervisor)

The subcommittee discovered that the only Internal Revenue Manual (IRM) guidance for IRS employees who receive a request from a taxpayer to speak with a supervisor, is in a situation where the taxpayer feels the employee's decision is unfair or if an agreement cannot be reached. Members asked Dave to determine if the IRM previously had a "supervisor call -back" policy. If there was such



a policy, why was it removed? Also, the members asked Dave to find any local guidance at any other IRS call sites which relate to supervisor call-backs.

At this time, the subcommittee is still working and researching the issue.

Taxpayer Burden Subcommittee Report

- #4201 (E-File – Businesses Changing Names)

The subcommittee discussed the problem and asked Dave to research e-services to determine if an online entity name change would be a “good fit” in the program. Dave reviewed the features of the IRS e-services. It does not appear that e-services allow the user the ability to make changes to the taxpayer’s entity information. The members asked for additional research.

At this time, the subcommittee is still working and researching the issue.

Miscellaneous Subcommittee Report

- #3541 (Disclosure – IRS Policy Hinders State Administrators’ Duties)

The subcommittee prepared a draft referral to help formulate the issue and frame the possible solution(s). The proposed solution was to seek a revenue ruling similar to revenue ruling 2004-53, which would specifically find that State Social Security Administrators have a material interest and an investigative purpose in receiving audit results and other compliance-type findings of state and local governments. Another possible solution is to request clarification and reinterpretation of revenue ruling 2004-53 to include State Social Security Administrators within the definition of “material interest” and “investigative purpose.”

Concerns were raised on the potential recommendation to seek a revenue ruling. Such rulings can be costly. The subcommittee thought that the second solution of changing the regulation would be a better avenue to pursue. Further research on such a solution is needed. Judi confirmed that a recommendation to change a regulation is within the scope of TAP.

At this time, the subcommittee is still working and researching the issue.

IRS Responses

The IRS has responded to several issues that were submitted by Area 6 over the last few years. The issues were assigned to the subcommittees to review at their next subcommittee meetings. Members were asked decide their next action to the responses received and prioritize their assigned issues.

ACTION: Each subcommittee will review the IRS responses during their next subcommittee call. Each subcommittee will recommend a disposition of the issue to the full committee at the next Area 6 meeting.

Joint Committee Business

Maryann reported that issue #3455 was approved by the Joint Committee. The recommendation will now be elevated to IRS. At this time, there are no other active Area 6 issues for the Joint Committee to review.

Maryann informed the members that the Joint Committee will hold a face-to-face meeting from October 11 to October 13, 2007 in Chicago. Maryann will attend as Chair of Area 6 and Jerry will attend as chair for the TAC Issue Committee.



Maryann also reminded the members that the TAP Annual meeting will be held in Washington D.C. on December 11 through 14, 2007.

End of the Meeting Assessment

Members felt that the meeting went well. Maryann thanked the members for their participation.

Chet closed the meeting

Next Scheduled Meeting: Thursday October 25, 2007



**Area 6 Committee Meeting
Teleconference Minutes
August 30, 2007**

Designated Federal Official

Chet Blair

Attendance

Milissa Bensen, Vice Chair
Laura Criel
Steve Maisch
Neil Mitchell
Maryann Motza, Chair
Joe Shields
Ed Uhrig
Harris Widmer

Absent

George Bates
Marilynn Clapp
Jerry Fireman
Willy Nordwind

Staff

Judi Nicholas, TAP Program Manager
Dave Coffman, TAP Program Analyst
Marla Ofilas, TAP Secretary

Welcome/Announcements

Chet opened the meeting and Maryann welcomed the members. Roll call was taken and a quorum was met.

Taxpayer Burden Subcommittee Report

- **4170 (Offers in Compromise – Income Information)**

The subcommittee reviewed page 4 of the offer in compromise packet (Form 656) which states that the IRS may require financial information on non-liable cohabitants for offer verification purposes. The members discussed this and concluded that the existing procedure is fair. It would not be fair for the rest of the community if an offer applicant were to claim expenses which are currently being paid by a cohabitant. Since most expenses are "household" expenses, the income and expenses of the entire household should be examined. The subcommittee recommends that this issue be dropped.

Maryann noted that Willy has received quite a bit of input on the offer process from the practitioner community. She recommended that the committee review the issue with Willy prior to dropping it.

DECISION: The full committee agreed to table the issue until panel member Willy Nordwind (who wasn't present at the meeting) could weigh in on the decision.

ACTION: Dave will contact Willy prior to the September Area 6 meeting and get his input on dropping this issue.



- **4201 (E-file – Businesses Changing Names)**

Business taxpayers cannot file electronically if their business changed names during the year. They are forced to file a paper return, even though they are operating under the same Employer Identification Number (EIN).

The subcommittee discussed the problem and asked Dave to research e-services to determine if an online entity name change would be a "good fit" in the program. Dave reviewed the features of e-services and concluded that e-services does not allow the user the ability to make any changes to the taxpayer's entity information (name, address, phone #, etc.).

ACTION: The subcommittee will work on drafting a referral for the next committee meeting.

Outreach Review

Milissa reviewed the outreach report for the month of July. Outreach efforts resulted in more than 18,000 taxpayers becoming aware of the TAP mission.

Judi announced that additional funding for outreach efforts is available through the end of September.

ACTION: Members interested in conducting outreach requiring reimbursement should contact Judi before incurring any expenses.

IRS Services Subcommittee Report

- **4175 (Compliance – Using Census Data)**

The subcommittee reviewed and discussed the issue. The subcommittee recognizes that there are privacy concerns with the IRS delving into census data to determine filing requirements. In addition, such acts by the IRS may undermine the mission of the census. Census data does not necessarily reflect individual income or filing status, both of which are used to determine a filing requirement. The subcommittee feels that this issue is truly beyond the scope of TAP and recommends that it be dropped.

DECISION: The full committee agreed to drop the issue.

- **4227 (Toll-Free Service – Request to Speak with a Supervisor)**

The IRS Services Subcommittee decided to work this issue and updated it to an "active" status. The subcommittee has requested IRS phone site procedures for frontline employees who have a customer on the phone that would like to speak with a supervisor. Also, the subcommittee wants to know if the Taxpayer Bill of Rights and the Internal Revenue Code address a request to speak to a supervisor.

Miscellaneous Subcommittee Report

- **3541 (Disclosure – IRS Won't Disclose Names of EIN Applicants)**

The subcommittee met and included Mr. Dean Conder, Colorado Deputy State Social Security Administrator, as a subject matter expert. The subcommittee discussed how the current IRS disclosure policy hinders the ability of State Social Security Administrators to carry out their duties. While a change to Internal Revenue Code (IRC) 6103 is not within TAP's charter, a change to a related regulation or revenue ruling may be possible. The issue title, issue statement and brief description of problem were also updated to more accurately reflect the issue.



Committee Referrals in the Joint Committee Discussion Room

The full committee reviewed the new discussion room process and the process of the Joint Committee quality review team.

Area 6 members expressed concerns with the quality review process. Area 6 recently elevated an issue to the Joint Committee which was then returned by the Joint Committee Quality Review Team with extensive changes. Members felt that the review, completed by the Joint Committee Quality Review Team, changed the content of the referral. Members thought that the team was tasked to look for grammatical and formatting errors.

ACTION: Milissa and Ed will join the next Joint Committee teleconference and express their concerns about the review process.

Joint Committee Business

Maryann informed the committee that the improved TAPSpace is up and running. Maryann encouraged members to use the site and provide any feedback on the system to Steve Berkey.

Maryann reported that TAP leaders and some members met with Acting Commissioner Brown in Washington, DC. Maryann explained that the meeting was very productive and thanked Dave for his assistance in producing the agenda and meeting materials. The notes from the meeting can be found on TAPSpace.

DECISION: Due to lack of time, the full committee agreed to postpone discussion on "Chair Elections" and "Returned Recommendations to Area 6". The committee will discuss these topics during their next teleconference.

Las Vegas Tax Forum

Laura and Milissa reported on their experience at the Las Vegas Tax Forum. They stated that the TAP table was in a very busy area, giving them the opportunity to speak to a lot of forum participants. Laura and Milissa also observed that most of the people they spoke with were not even aware of TAP. In addition, 19 new issues were raised and several participants expressed interest in becoming TAP members.

End of Meeting Assessment

The members felt this was a productive meeting. Maryann thanked the members and Chet closed the meeting.

Next Scheduled meeting: Thursday, September 27, 2007



**Area 6 Committee Meeting
Teleconference Minutes
July 13, 2007**

Designated Federal Official

Chet Blair

Attendance

George Bates
Milissa Bensen, Vice Chair
Marilynn Clapp
Laura Criel
Jerry Fireman
Steve Maisch
Neil Mitchell
Maryann Motza, Chair
Joe Shields
Ed Uhrig

Absent

Willy Nordwind
Harris Widmer

Staff

Judi Nicholas, TAP Program Manager
Dave Coffman, TAP Analyst
Marla Ofilas, TAP Secretary

Welcome/Announcements

Chet opened the meeting. Maryann welcomed the members and roll was taken. A quorum was met.

Outreach Review

Milissa reviewed the Area 6 outreach spreadsheet. Area 6 made 356 contacts during the month of June.

IRS Services Subcommittee Report

- **3455 IRS Assumptions on Social Security Base Amount**

The Area 6 Quality Review committee reviewed the draft Joint Committee referral. The subcommittee is ready to elevate the recommendation to the Joint Committee.

DECISION: The full committee agreed to elevate the referral with no changes.

ACTION: Maryann will include the approved referral with the Area 6 monthly report.

Taxpayer Burden Subcommittee Report

- **4171 Offer in Compromise – Appealing IRS Decisions**

The subcommittee determined that Form 656 provides adequate information about the appeals process after an offer in compromise is rejected. Also, the IRS passes each potentially rejected offer through an independent review process before communicating the rejection to the taxpayer. The



subcommittee recommended that this issue be dropped.

DECISION: The full committee agreed to drop the issue.

- **4172 Offers in compromise – Centralization Reduces Services**

While working on issue # 4171, the subcommittee explored issue # 4172. The subcommittee referred to the Treasury Inspector General for Tax Administration (TIGTA) audit, dated March 26, 2007 (reference number: 2007-30-058), which concludes with the finding that centralized offer in compromise sites are effectively evaluating offers. The subcommittee felt that this finding, along with the fact that IRS Revenue Officers are routinely asked to work more complex offers requiring an investigation, is evidence that the issue should be dropped.

DECISION: The full committee agreed to drop the issue.

- **4181 Offer in Compromise – Submitting Bank Statements**

Subcommittee discussed and noted that page 4 of Form 656 states, "Annotate items that do not apply to you with "N/A". If the taxpayer does not have a bank account, he/she should note "N/A" on any line asking for bank account information. The subcommittee recommended that this issue be dropped.

DECISION: the full committee agreed to drop the issue.

- **4228 Offer in Compromise – Centralized Processing Problems**

The subcommittee discussed this issue and felt that the problems experienced by this practitioner are part of an isolated incident and not a widespread problem. The problem has already been referred to the Taxpayer Advocate Service. The subcommittee recommended that this issue be dropped.

DECISION: The full committee agreed to drop the issue.

Miscellaneous subcommittee Report

- **3541 Disclosure – IRS Won't Disclose Names of EIN Applicants**

The subcommittee will work on expanding the issue statement to more appropriately address the problem. Dave has already started the research requested by the subcommittee.

Taxpayer Assistance Blueprint Report (Phase 2)

Maryann informed the committee that Jerry will facilitate an open discussion of phase 2 of the Taxpayer Assistance Blueprint (TAB) report during the August 30th meeting.

ACTION: Dave has agreed to e-mail the report's TAPSpace web link to the committee members.

Joint Committee Business

Maryann reported that she is serving on a subcommittee which is preparing for a group of TAP members to meet with Acting Commissioner Brown. The meeting will be held in August and the TAP members will raise general TAP issues and concerns to the Commissioner.

Communication Committee Activities

Maryann reminded the members to complete the new and returning member surveys that were sent by TAP Analyst, Janice Spinks.

ACTION: Dave agreed to ask Janice to resend a copy of the survey to those members who had not yet responded.



Maryann also reported that TAPSpace will be unveiled on August 13. There will be no access to TAPSpace from August 6 to August 12, in preparation for the roll out.

Closing

Dave recapped the action items. Maryann thanked everyone for their participation and Chet closed the meeting.

Next Scheduled Meeting: Thursday, August 30, 2007



**Area 6 Committee Meeting
Teleconference Minutes
June 28, 2007**

Designated Federal Official

Chet Blair

Attendance

George Bates
Milissa Bensen, Vice Chair
Marilynn Clapp
Laura Criel
Jerry Fireman
Steve Maisch
Neil Mitchell
Maryann Motza, Chair
Willy Nordwind
Ed Uhrig
Harris Widmer

Absent

Joe Shields

Staff

Judi Nicholas, TAP Program Manager
Dave Coffman, TAP Analyst
Marla Ofilas, TAP Secretary

Guests

Sue Sottile, Director of IRS Forms and Publications
Bob Erickson, IRS Tax Law Specialist
Michael Farnsworth

Opening/Welcome

Chet opened the meeting. Maryann welcomed the members and guests. Maryann asked if there were comments from the public. No comment was made from the member of the public attending the teleconference.

Roll call was taken and a quorum was met.

Instructions for Form 8850 – Comments

Sue explained that she is every interested in engaging with each TAP Area committee to get feedback on the redesign of Form 8850.

Bob stated that the population most impacted by the form consists of the rural renewal counties in the eastern states of Area 6. This would include the Dakotas, Montana, and some counties in Wyoming and Colorado. Bob explained that if an employer hires someone after May 25, and they live in a rural renewal county, they receive a tax credit up to \$2,400 per employee as long as the employee is at least 18 years of age but not yet turned age 40.



Bob felt that there needs to be more publicity on this credit. He asked the TAP members to get the word out to employers that may be able to claim the credit.

Maryann opened the topic up for discussion. Some members provided ideas for advertising the form. Bob noted that the focus should be to draw attention to "What's New" on first page of the instructions.

Judi pointed out that Sue and Bob are particularly interested in the reaction to the form and/or set of instructions, not just the concept. George felt the instructions were clear and straightforward. Milissa asked if "rural renewal counties" should be its own bullet item since this is where the IRS is trying to draw attention. The full committee continued to provide suggestions and comments to the form, which will be taken into consideration for the 2008 revision.

ACTION: Sue and Bob are very interested in feedback from the public. The members will solicit their local community for feedback on the form and instructions. A list will be compiled and given to Dave for consolidation.

Outreach Review

Milissa reported that 42 outreach events were attended by area 6 members and 497 people were reached during those events. In addition, 199 people were reached during the TAC surveys.

Miscellaneous Subcommittee Report

- **4092 – Student Loan Interest Deduction**

The subcommittee informed the members of the research completed on tax cases, tax laws and revenue rulings. The subcommittee determined that if a non-borrower were to assume the note, they would become liable for the debt and would be able to claim the interest as a deduction. The subcommittee also considered how a change, as recommended, even to law, could effect other tax deductions and have broader implications beyond this issue. Discussion continued with the subcommittee exploring the fairness of the potential recommendation. If someone takes the risk to secure a loan and make payments, whether collateral is involved or not, they should be able to reap any benefits available from taking that risk. The subcommittee recommended that this issue be dropped.

DECISION: Full committee agreed to drop the issue.

- **3541 – Disclosure-IRS won't disclose names of EIN applicants**

The subcommittee decided to make this their next issue to work and changed the status to "Active".

IRS Services Subcommittee Report

- **3455 IRS Assumptions on Social Security Base Amount**

The subcommittee reported that a draft Joint Committee referral was sent to the Area 6 Quality Review (QR) group. The next step is for the IRS Services Subcommittee to review the QR recommendations. This will be completed at their July 3rd subcommittee meeting.

ACTION: The full committee will review the recommendation and reach a final decision at the next Area 6 teleconference.

Taxpayer Burden Subcommittee Report

- **4171 – Offer in Compromise Appealing IRS Decisions**



The subcommittee reported that there are several problems related to the offer process -- the \$150 fee, the non-refundable 20% down and the problems experienced with centralizing the offer program. The subcommittee asked Dave to determine if Revenue Officers are still working offers in compromise or if all parts of the offer process have been centralized. Dave was also asked to research the top five reasons for rejecting an offer, the offer in compromise review (independent review) process as well as any appeals procedures available to the taxpayer.

While researching, Dave came across an audit from the Treasury Inspector General's office for Tax Administration (TIGTA). Audit # 2007-30-058 provides information about an audit completed on the centralized OIC process. The results of the audit are quite favorable, in that the centralized sites effectively evaluated offers in compromise from self-employed taxpayers.

The subcommittee plans to discuss the report during their next teleconference.

Joint Committee Business

Maryann reported that she attended the Joint Committee face-to-face meeting in Denver. During the meeting, Maryann provided the Area 6 mid-year report. It was intended to provide an overview of year-to-date activities.

Maryann also reported that the TAPSpace roll out will take place during mid August. The new version should be more user-friendly.

Maryann reminded the committee members to respond to the new/returning member surveys. The surveys are administered by the Communication Committee to recognize and initiate improvements wherever needed.

Closing

Maryann thanked the members for attending the meeting. Chet closed the meeting.

Next meeting: Friday, July 13, 2007



**Area 6 Committee Meeting
Teleconference Minutes
May 24, 2007**

Designated Federal Official

Judi L. Nicholas

Attendance

Milissa Bensen, Vice-Chair
Marilynn Clapp
Laura Criel
Jerry Fireman
Steve Maisch
Maryann Motza, Chair
Willy Nordwind
Ed Uhrig
Harris Widmer

Absent

George Bates
Neil Mitchell
Joe Shields

Staff

Janice Spinks, TAP Program Analyst
Marla Ofilas, Note Taker

Opening/Welcome

Judi opened the meeting and Maryann welcomed the members. Roll call was taken and a quorum was met.

Citizen Input

There was no citizen input; however, Dean Conder from Denver, Colorado was introduced as the TAP alternate for Colorado.

Outreach Review

Milissa provided the Area 6 outreach stats for April 2007. The members made 471 contacts, completed two media interviews and reached 20,000 people through media outlets. There were a total of 38 outreach events for the month.

Milissa suggested that members contact their local library for possible outreach events. Milissa discovered that her local library hosts a monthly forum, with a regular attendance of about 50 people, where they have agreed to advertise TAP. Harris added that members should partner with the IRS Taxpayer Liaison for outreach events.

Marilynn asked how issues raised during outreach events are assigned to Area 6. Maryann explained that Dave reviews all outreach reports. If there are any issues that are a result of outreach, they are recorded on the database and assigned to a subcommittee. Maryann suggested that members send Dave an e-mail as soon as an issue is received rather than waiting to submit it with their outreach reports.



Milissa informed the committee that the TAP car at the Pinewood Derby took second place. Judi asked Milissa for a photo of the car. The photo would be used to promote TAP.

ACTION: Milissa will take a picture of the TAP-decorated car that ran in the Pinewood Derby. The picture will be displayed for all TAP members to see

Subcommittee Reports

- **IRS Service Subcommittee Report**

- **#3455 – Social Security Benefits-IRS Assumptions on Base Amount**

The subcommittee explained that IRS is sending notices to taxpayers who file a return as married filing separately and use the \$25,000 Social Security base amount. IRS assumes that the taxpayer did not live with his/her spouse at any time of the year and sends a correction notice to taxpayers who use the \$25,000 base amount. There is no way for the taxpayer to indicate whether they lived with a spouse during the year. The IRS assumes the worse case and sends correction notices to all taxpayers who use the \$25,000 base amount.

The subcommittee reported that they have completed their draft Joint Committee referral and it has been forwarded to the Area 6 Quality Review subcommittee. The subcommittee would like the full committee to review the referral and respond with their input via e-mail.

Judi noted that the Ad Hoc issue committee is working on providing suggestions for redesigning the Form 1040. Judi suggested that Dave or Janice contact the Ad Hoc Committee program analyst, to see if the proposal for issue # 3455 can be included with Ad Hoc's proposal. The full committee agreed.

ACTION: Area 6 members are to provide comments/feedback regarding the draft Joint Committee Referral for issue # 3455 to Melissa by May 30th. Milissa will provide the information to Dave on May 31st for the IRS Services subcommittee meeting on June 5th

ACTION: Melissa will send a new draft of the referral to all members along with an invitation to attend the June 5 meeting.

ACTION: The full committee will decide at the June 28th Area 6 teleconference whether the referral is ready to be elevated to the Joint Committee.

ACTION: Janice will consult with the analyst for the Ad Hoc committee regarding a project in place to overhaul Form 1040. Janice will check to see if this proposal could be included in the updates.

- **Taxpayer Burden Subcommittee Report**

- **#4171 Offer in Compromise (O.I.C) – Appealing IRS Decisions**

The subcommittee reported that they have decided to work on the offer in compromise problems which were raised at the Phoenix town hall meeting. The problems were broken down into four potential issues. The subcommittee decided to first work and research why taxpayers are not given the opportunity to appeal the IRS' decision when the offer is rejected.



The analyst did initial research and found that in fiscal year 2006, approximately 59,000 offers were received. Of those, approximately 15,000 were accepted for a total amount of approximately \$283,746,000 (IRS Data Book, 2006). The following is OIC acceptance information from prior years:

2005 Offers

Received: 74,311
Accepted: 19,080
Amount: \$325,640,000 (approx)

2004 Offers

Received: 106,025
Accepted: 19,546
Amount: \$275,331,000 (approx) (source: NTA 2007 Objectives Report to Congress)

The subcommittee reported that they are still in the research process and should have more to report during the next meeting.

ACTIONS: Marilyn asked the committee members to send any comments/feedback on the offer process directly to her. She will also invite Area 6 members to participate in the next subcommittee teleconference.

- **Miscellaneous Subcommittee Report**
 - **#4100 – Retirement Plans – Delay in IRS Approving Employee Benefit Plans**

The subcommittee met and concluded that the response times for determination letters are adequate, given their scope and complexity. The Employee Plans division has instituted a means to level out some of the demand for determination letters. They have also adopted a cutting-edge outreach strategy to ensure their customers aware of the requirements for determination letter requests. Most importantly, the taxpayer/plan manager has the right to a status conference with the Employee Plans Determination Manager, Technical Manager or their designee if the request has been pending for at least 270 days. If the conference is denied, or if the taxpayer prefers to by-pass the status conference, the taxpayer may petition the tax court. The subcommittee has decided to recommend dropping this issue based on the conclusion.

DECISION: The full committee agreed with the subcommittee’s recommendation to drop issue # 4100.

- **#4092 – Student Loan Interest Deduction**

Willy explained that students paying off education loans are not allowed to deduct the interest on the loans that their parents secured, even though the students may be making the loan payments. At this time, the subcommittee is still working and researching the issue.

Joint Committee Business

Maryann reported that the Joint Committee approved issue #3942 (E-Services – Requirement to Provide AGI to Register) with no objections. The issue will be elevated to the IRS. In addition, issue #3400 (IRA -- Minimum Required Distribution at Age 70 ½) will be placed on the next Joint Committee agenda for discussion at their face-to-face meeting in Denver.

Maryann noted that a subcommittee has been formed to brainstorm top IRS issues. These issues will be raised during an upcoming meeting with the new or interim commissioner. The Joint Committee



feels that a meeting with the new IRS Commissioner will be a good opportunity for TAP to be seen in a more favorable light.

TAP applications have been ranked and staff will begin contacting potential TAP members for interviews. Judi hopes to have interviews completed by the end of June.

End of Meeting Assessment

No comments were provided.

Closing

Maryann closed the meeting and thanked the members for their participation.

Next Scheduled Meeting: June 28, 2007



**Area 6 Committee Meeting
Teleconference Minutes
April 26, 2007**

Designated Federal Official

Chet Blair

Member Attendance

George Bates
Milissa Bensen, Vice-Chair
Laura Criel
Jerry Fireman
Steve Maisch
Neil Mitchell
Maryann Motza, Chair
Willy Nordwind
Joe Shields
Harris Widmer

Absent

Marilynn Clapp
Ed Uhrig

Staff

Judi Nicholas, Program Manager
Dave Coffman, Program Analyst

Opening/Welcome

Chet opened the meeting and Maryann welcomed the members. Roll call was taken and a quorum was met.

Outreach Review

Milissa informed the committee that outreach events from March reached 458 people.

IRS Services Subcommittee Report

- **#3455 – IRS Assumptions on Social Security Base Amount**

Milissa reported that the subcommittee has formulated their recommendation. A draft Joint Committee referral has been completed and will be discussed at the next subcommittee meeting. The final document should be ready for review at the next Area 6 teleconference.

Taxpayer Burden Subcommittee Report

- **#3400 – Early Withdrawal Penalty – Inadequate Instructions**

George reported that the subcommittee members have taken the feedback they received from the full committee and are in the process of completing the draft referral. They should have a final draft ready to share at the next Area 6 teleconference.



Miscellaneous Subcommittee Report

- **# 4100 – Employee Plans – Delay in IRS Approving**

Laura reported that the subcommittee has decided to work this issue. The subcommittee wanted to know the process for approving 401(k) plans, including timeframes, as well as any backlogs where applications are processed. It appears that the Employee Plans operating division is aware of the backlog and has placed information about the delays on the www.irs.gov web page.

In addition, the subcommittee has requested research to see if employee plans can begin operating while the IRS is considering their request for a determination. In some instances, non-profit organizations can start conducting business while the IRS considers their application for tax-exempt status. Could the same be true for employee plans? Could the lack of response to the determination letter be attributed to the applicant not submitting required information timely?

Laura explained that the subcommittee has provided Dave with additional questions to research and will have additional information to report out during the next teleconference.

The subcommittee decided to remove the reference to "401(k)" in the issue statement. Dave has changed the issue statement to read: "The length of time it takes for the IRS to approve employee benefit plans is unacceptable."

- **#4168 – Audit Assessments – Statute of Limitations**

The subcommittee reviewed the issue and determined that the taxpayer can always waive the statute of limitations. The subcommittee decided to recommend to the full committee to drop the issue.

DECISION: The full committee agreed to drop issue #4168.

Town Hall Topics

Dave provided a list of issues raised at the Tempe Town Hall. Maryann asked for the issues to be divided among the subcommittees.

DECISION: The full committee agreed that all offer in compromise issues would be assigned to the Taxpayer Burden subcommittee.

DECISION: The full committee agreed to assign issues #4173 (Problem Solving Day – No Longer Offered by IRS), #4175 (Compliance – Using Census Data), #4176 (Audits – Knowledge of Schedule C), #4178 (Identity Theft – IRS Filing Returns for Victims), and #4180 (TAS Employees – Handling Hardship Cases) to the IRS Services subcommittee.

DECISION: The full committee agreed to assign issues #4169 (Return Processing – Transferring for Adjustments), #4174 (Backup Withholding – Correcting Info Provided to Brokers), #4177 (Interest – IRS Employees Abating Interest), and #4179 (Advanced EITC – Homeless Recipients that are not Eligible) to the Miscellaneous subcommittee.

Milissa asked if someone was able to contact the VITA volunteer who provided many of the issues at the town hall. Judi indicated that she sent an e-mail to Mary Murphy, Local Taxpayer Advocate, for the contact information. Judi is still waiting for a reply.



ACTION: Judi will initiate a second contact with Mary Murphy to get the VITA volunteer's contact information.

Joint Committee Business

Maryann reported that the Taxpayer Assistance Blueprint (TAB) Phase 2 report has been delivered to Congress. Maryann suggested that Area 6 discuss this report at a future Area 6 meeting.

ACTION: The TAB Phase 2 report will be listed as a topic for discussion at a future Area 6 meeting.

Maryann explained that the Joint Committee postponed Area 6 issue #3942 during the April teleconference. Issue #3942 will be added to their agenda for the May teleconference.

Finally, Maryann submitted a list of issues to JT Wright, TAP Chair, to be discussed with the new IRS Commissioner. Maryann asked the members to submit issues to her and she will forward them on to JT.

ACTION: Area 6 members will send Maryann an e-mail with any issues that they want raised to the Commissioner.

Area 6 Quality Review (QR) Subcommittee

During the Area 6 face-to-face meeting in Phoenix, the members agreed that there should be a quality review subcommittee, similar in operation to the Joint Committee's Quality Review team. Area 6's Quality Review subcommittee would review and provide grammatical and style edits on referrals before they are elevated to the Joint Committee.

Three members volunteered to serve on the Area 6 Quality Review subcommittee; George Bates, Laura Criel, and Milissa Bensen. Judi Nicholas will also serve on the subcommittee.

DECISION: The Area 6 Quality Review (QR) subcommittee will be modeled after the Joint Committee Quality Review team. A member from each Area 6 subcommittee will be on the QR subcommittee. However, when a subcommittee submits a referral to QR, the QR member from that subcommittee will not be involved in the QR process. Judi Nicholas will also serve on the QR subcommittee.

Area 6 Face-to-Face Meeting in 2008

DECISION: The full committee agreed to meet in Park City, UT on May 1, 2, and 3, 2008.

Closing

Chet closed the meeting and thanked the members for their participation.

Next Scheduled Meeting: May 24, 2007



**Area 6 Face-to-Face Meeting
Phoenix, AZ
March 29 - 31, 2007**

Thursday, March 29, 2007

Designated Federal Official

Chet Blair

Attendance

Bates, George
Bensen, Milissa
Clapp, Marilyn
Criel, Laura
Fireman, Jerry
Maisch, Steven
Mitchell, Neil
Motza, Maryann
Shields, Joe
Uhrig, Ed
Widmer, Harris

Staff

Judi Nicholas, TAP Program Manager
Dave Coffman, TAP Program Analyst
Marla Ofilas, TAP Secretary

Opening/Welcome

Chet opened the meeting. Maryann welcomed the members and reviewed the agenda. Marla took roll and quorum was met.

Outreach Review

Milissa reviewed the Area 6 outreach efforts from the month of February. Maryann explained that the Communication Committee is working on creating a new outreach report to identify media, forums, and attending conventions. This will assist in estimating the audience on outreach efforts to large groups of people. Milissa concluded that Area 6 exceeds the number of outreach activities compared to the rest of TAP.

Maryann also added that the outreach toolkit, found on TAPSpace, provides a lot of helpful information, including prepared scripts which can be used during outreach.

Outreach Commitment

The members took time to review their outreach commitments for 2007.

Judi informed the members that TAP has started recruitment for 2008. The dates for submitting applications are March 19 to April 30. An article on TAP will be featured in *The Wall Street Journal*. Judi is hopeful that more citizens will apply after reading the article.

ACTION: Dave will e-mail the members a copy of the article when it appears.



Subcommittee Reports

Miscellaneous Subcommittee

- **3942 (E-services – Requirement to Provide AGI to Register)**

The subcommittee reported that the referral was discussed and reviewed by the Joint Committee's Quality Review subcommittee. Minor changes were made and the referral will be on the Joint Committee's April 4 agenda.

Maryann briefly explained the role of the Quality Review Subcommittee. The subcommittee receives all elevated issues from all Area committees within TAP. They are charged with ensuring that all referrals are grammatically correct, use proper referral format and the recommendations being submitted have been thoroughly researched. Nina Olson, National Taxpayer Advocate, has been impressed with the referrals that are being elevated to IRS. Maryann also encouraged members to listen in on the Joint Committee teleconferences. She felt that the experience would serve as a great opportunity to better understand the issue process. The Joint Committee agenda and call-in number can be found on TAPSpace.

Neil concluded the report by explaining that the subcommittee will be prioritizing the new and parking lot issues during their breakout session tomorrow. The subcommittee is looking forward to working on a new issue.

Taxpayer Burden Subcommittee

Marilynn reported that the recommendation for issue # 3233 (Estimated Tax Payment Rules for Self-Employed Taxpayers) was approved by the Joint Committee and has been elevated to IRS. Marilynn said that she's excited about the recommendation and hopes the IRS accepts and implements it.

Currently, the subcommittee is working on issue # 3400 (IRA – Minimum Required Distribution at Age 70 ½). The subcommittee would like to increase awareness and identify publications where an alert or tip could be placed within the instructions to help educate taxpayers on the required distribution.

Marilynn concluded that the subcommittee hopes to start working on a referral during their breakout session tomorrow.

IRS Services Sub-Committee

The subcommittee reported that they will be working on their referral for issue #3455 (Social Security Benefits – IRS Assumption on Base Amount) during their breakout session. The subcommittee is also looking into issue # 3695 (Telephones – Unable to Reach Actual Person). It was recently discovered that Area 2 is working on a similar issue. Dave will contact the Area 2 analyst to get a status update on their issue.

TAP Member Handbook

Maryann informed the members that the handbook has been revised. The official and updated version can be found TAPSpace. Hard copies will be mailed out to the members once they're received from the printer. Maryann explained that the TAP member handbook is a consolidation of TAP administrative decisions.

Town Hall Briefing

The members took time to review their assigned duties for the TAP Town Hall meeting. Speeches were reviewed and critiqued.



Closing

Chet closed the first day of the Area 6 meeting.

Friday, March 30, 2007

Designated Federal Official

Chet Blair

Attendance

Bates, George
Bensen, Milissa
Clapp, Marilyn
Criel, Laura
Fireman, Jerry
Maisch, Steven
Mitchell, Neil
Motza, Maryann
Nordwind, Willy
Shields, Joe
Uhrig, Ed
Widmer, Harris

Staff

Judi Nicholas, TAP Program Manager
Dave Coffman, TAP Program Analyst
Marla Ofilas, TAP Secretary

Opening/Welcome

Chet opened day two of Area 6 face-to-face meeting.

Town Hall Debriefing

Members shared their observations from yesterday's TAP-sponsored town hall meeting with Nina Olson, National Taxpayer Advocate.

All agreed that the town hall meeting could have continued far past the allotted time. During the meeting, participants were eager to share their experiences with the IRS. The members felt that Nina did a great job of listening to the comments and concerns from the public.

Members also observed that the town hall participants spoke in great length on the problems they've experienced with the Offer-in-Compromise (OIC) process.

ACTION: Dave will compose a list of all the OIC issues that were raised at the town hall. He will share it with the Area 6 members.

Members provided the following suggestions and comments:

- Issue cards should be distributed prior to the beginning of the town hall meeting. The cards could include a box for the participant's name, contact information and any questions or concerns they may have. This will ensure that all questions or concerns are addressed if time is limited or if the participant does not have an opportunity to speak during the town hall meeting. They could be collected as participants leave the meeting.



- The lay taxpayers may have been overwhelmed by the tax professionals in the audience. It may be a good idea to provide an opportunity for the lay taxpayers to speak first.
- Issue cards and exit surveys should be combined. A white area on the back of the exit survey could be added so attendees can write their suggestions.
- The exit survey should also include the TAP website so participants can provide suggestions via the website instead of the issue cards.
- TAP should follow up with media regarding success of town hall meetings. A press release could be sent outlining the issues that were raised and the issues that were resolved.
- IRS personnel should be trained on the offer in compromise process. The meeting participants raised some concerns that IRS employees don't have an adequate understanding of the laws.
- The Joint Committee should address the concerns that were raised at the town hall meetings with Commissioner Everson at their earliest opportunity. The Commissioner should be informed of what TAP is hearing from the public.
- Several meeting participants stated that IRS and TAS should look into bringing back Problem Solving Day.
- Taxpayers want to be able to deal with someone locally after they submit their offer in compromise. They do not want to work with someone in a centralized office that's located on the other side of the country.
- There should be an appeals process if an offer in compromise is rejected by the IRS.
- The Commissioner should be provided with a list of all concerns raised at the town hall meetings.

ACTION: Members recognized one participant, a VITA volunteer, who worked with the homeless in the area. He raised several concerns during the town hall. Judi will get in touch with Mary Murphy and try to get contact information for the participant. Area 6 is interested in getting more information on the problems this person has experienced when working with the IRS.

Bernie noted that the next meeting with Commissioner Everson will be in May or early June. He will ensure that the Commissioner is informed of the town hall outcomes.

Bernie provided an update on a few TAP administrative issues. First of all, the current budget for TAP has been approved. This budget includes a TAP presence at this year's tax forums. Three TAP members and two staff members will be able to attend the forums. At the forums, TAP members may have some opportunity to conduct their own focus groups. The focus groups can be a great avenue for grassroots issues.

Bernie concluded by reporting that Nina Olson was very pleased with the town hall meeting and has started talking about strategies for town hall meetings in 2008.

Joint Committee Referral Refresher

Dave, Judi, and Bernie provided a review on the issue referral process. Maryann reiterated that the initial referral draft should be longer, including greater detail. After all, a referral can always be edited down. In addition, each subcommittee should utilize the referral checklist. Maryann also explained the review process of the Joint Committee Quality Review Subcommittee. This subcommittee reviews all elevated referrals to ensure all issues forwarded to the Joint Committee reflect quality work and are consistent with the Joint Committee referral requirements.

Prior to the subcommittee breakouts, Maryann stated the expectations of each subcommittee. This included prioritizing their assigned issues.

Subcommittee Break Out

The members separated into their subcommittees and worked their assigned issues.



TAPSpace

Prior to the end of the day, Maryann provided an update on TAPSpace. TAPSpace is undergoing improvements and an updated version should be available to TAP members in June. The Communication Committee solicited suggestions from members and staff and tried to implement the suggestions within the constraints of the budget. The home page will include information of the latest and greatest TAP news, commonly referred to as "Sizzle", to capture the attention of TAPSpace users. Communication Committee members will have an opportunity to review a demo of the improved TAPSpace at their upcoming face-to-face meeting.

Joint Committee Report

Maryann reported that the TAP Chair will be meeting with the Commissioner in April. As agenda topics become available, Maryann will share them with the Area 6 members.

End of Meeting

Bernie took this time to thank the members for the wonderful job they did during the town hall meeting. Bernie felt it was a success and is really pleased with all the issues that were raised.

Saturday, March 31, 2007

Designated Federal Official

Chet Blair

Attendance

Bates, George
Bensen, Milissa
Clapp, Marilyn
Criel, Laura
Fireman, Jerry
Maisch, Steven
Mitchell, Neil
Motza, Maryann
Shields, Joe
Uhrig, Ed
Widmer, Harris

Staff

Judi Nicholas, TAP Program Manager
Dave Coffman, TAP Program Analyst
Marla Ofilas, TAP Secretary

Opening/Welcome

Chet opened day three of Area 6 face-to-face meeting.

Area 6 2008 Face-to-Face Meeting

Members and staff discussed possible dates and locations for their next face-to-face meeting.

Possible dates that the committee considered were May 1, 2, and 3, 2008 in Park City, Utah. Members also suggested that the full committee tour the IRS Ogden campus.

ACTION: The full committee will confirm the dates and location during their April meeting.



Subcommittee Reports

- **IRS Services Subcommittee**
 - **Issue #3455 (Social Security Benefits – IRS Assumptions on Base Amount)**

The subcommittee reported that they've started work on issue #3455. They reviewed and discussed the issue and asked the analyst to find the number of taxpayers that claim Social Security benefits when they file as married-filing-separately (MFS). Dave was also asked to determine the types and quantity of "write-in identifiers" used on IRS tax returns.

- **Taxpayer Burden Subcommittee**
 - **Issue #3400 (IRA – Minimum Required Distribution at Age 70 ½)**

The subcommittee worked on drafting a referral of their issue to the Joint Committee. While discussing the issue, the members discovered that information on required distributions at age 70 ½ is located (appearing as a "tip") in the 1040 instructions. Unfortunately, the "tip" is located in the individual retirement arrangement (IRA) deduction area of the instructions. The members felt that the "tip" should actually be located under IRA distributions since the "tip" is discussing distributions.

The full committee provided comments and suggestions and felt that the issue should be elevated.

ACTION: Members will provide any input they have on the topic to Marilynn by Friday, April 6.

DECISION: The full committee approved and agreed to elevate the issue once the corrections are made.

The subcommittee also discussed issues that were presented by the public during the town hall meeting. The subcommittee members felt that improving offer in compromise procedures could be their next issue and asked for additional research.

- **Miscellaneous Subcommittee**

The subcommittee worked on prioritizing assigned issues.

- **Issue #3037 (Estate Tax Return Filing)**

The subcommittee decided to drop the issue because there are already checks and balances in place to deter such non-compliance within the financial world. For example, title companies require proof of the estate tax return filing prior to transferring property to heirs. Brokers also require proof of filing before transferring investments.

DECISION: The full committee agreed to drop issue # 3037.

- **Issue #3890 (Return Submission – Verifying with a Prior Year's AGI)**

The subcommittee decided to drop the issue because the IRS and taxpayer have a "shared secret", preventing fraudulent tax returns from being filed. The subcommittee suggests that a response be sent to the taxpayer explaining the reason for verifying a prior year's AGI when submitting a return electronically.

DECISION: The full committee agreed to drop issue # 3890.

- **Issue #3892 (IRS Contacts – Recording Contacts with IRS)**



The subcommittee decided to drop the issue based on the belief that this does not affect a large number of taxpayers.

DECISION: The full committee agreed to drop issue # 3892

- **Issue #4100 (Retirement Plans – Delays in IRS Approving 401 (k) Plans)**

The subcommittee has agreed to start research on this issue. Maryann will contact the taxpayer for more specific information. In addition, the subcommittee would like to check the Tax Exempt/Governmental Entities (TE/GE) web site for typical time frames for approving 401(k) plans.

Meeting Assessment

Each member provided a meeting assessment. Many agreed that time was limited and hoped that future face-to-face meetings could be longer. In addition, members felt it was a benefit to have the town hall meeting around the face-to-face meeting. This gave an opportunity to all members to participate and discover what goes into preparing for a town hall meeting.

End of Meeting

Chet and Maryann thanked everyone for their hard work. Chet closed the meeting.



**Area 6 Committee Meeting
Teleconference Minutes
February 22, 2007**

Designated Federal Official

Chet Blair

Attendance

Milissa Bensen, Vice Chair
Marilynn Clapp
Laura Criel
Jerry Fireman
Steve Maisch
Neil Mitchell
Maryann Motza, Chair
Willy Nordwind
Joe Shields
Ed Uhrig
Harris Widmer

Absent

George Bates

Guest

Dean Conder
Juan Rolon, Albuquerque Local Taxpayer Advocate

Staff

Judi Nicholas, Program Manager
Dave Coffman, Program Analyst
Marla Ofilas, Note Taker

Opening/Welcome

Chet open the meeting and Maryann welcomed the members and guest.

Outreach Review

The full committee reviewed the outreach report for the month of January 2007. Milissa commented that it was a busy month for outreach and that the members did a good job.

Outreach Commitments for 2007

Maryann reminded members to prepare their outreach commitments for 2007. In previous years, Area 6 members formulated and shared their commitments at the beginning of the year. This helped them to keep their outreach efforts on track for the coming year. Milissa suggested that outreach activities cover all areas, from one-on-one contacts to speaking to larger groups.

Action: Dave will send an e-mail to Area 6 members, asking them to submit their 2007 outreach commitments. Dave will include the list of 2006 commitments as a guide. Members will send their 2007 commitments to Dave by the revised deadline of March 22nd.



Subcommittee Reports

IRS Services Subcommittee Report

- #3695 (Telephones – Unable to Reach Actual Person)

The subcommittee discovered that Area 2 submitted a similar recommendation to IRS with issue #3925 (Option for Access to Person on IRS Toll-Free Lines). Based on the similarities, the subcommittee suggested to the full committee that issue #3695 be returned to the parking lot. In addition, the analyst will monitor the progress of Area 2's recommendation.

Decision: The full committee agreed to place issue #3695 in the parking lot. The analyst will monitor the progress of issue #3925.

- #3689 (Liens – Problem with Centralized Lien Desk)

The subcommittee recommends that this issue be dropped. Based on research that was completed, the phone number in question was found to be working. Staff followed up with the originator of the issue. He has since found another way to contact the centralized lien desk. The subcommittee felt that the issue has resolved itself.

Decision: Full committee agreed that issue #3689 should be dropped.

Taxpayer Burden Subcommittee Report

- #3400 (Early Withdrawal Penalty – Inadequate Instructions)

The subcommittee met and a decision was made to change the title and issue statement. The subcommittee agreed that IRA owners need to know about the mandatory distribution at 70 ½ years of age before they reach that age. The subcommittee hopes to be ready to draft a recommendation at the face-to-face meeting in Phoenix.

Miscellaneous Subcommittee Report

- #3942 (Requirement to Provide AGI to Register for e-services)

During their last meeting, the subcommittee reviewed a set of "mock-up" e-services screen prints. The mock-ups reflect the changes being recommended by the subcommittee. Maryann drafted a Joint Committee referral for this issue and shared it with the full committee.

Decision: The full committee agreed with the proposed recommendation; however, the committee would like clarification on the use of Individual Taxpayer Identification numbers (ITINs) before the recommendation is elevated to the Joint Committee.

Area 6 Face-to-Face Meeting/TAP Town Hall

Judi reported that the Phoenix face-to-face meeting and the TAP town hall will take place on March 29th, the first day of the Area 6 face-to-face meeting. The town hall will be held at Arizona State University (ASU). The Area 6 meeting scheduled for the afternoon of March 29th will be shorter than usual. This will allow time to prepare for the evening's town hall meeting. Judi anticipates that all



members will participate in the town hall; however, only 3 or 4 will have a role in the opening presentation.

Decision: Milissa agreed to host the town hall. Laura, Ed, and Joe agreed to speak at the opening presentation. Marilyn agreed to facilitate the Focus Group meeting that will be held immediately after the town hall concludes.

Action: Judi will schedule a teleconference and inform the town hall presenters of their presentation topics.

Recap Action Items and Timeframes

Dave reviewed the actions from the meeting. Maryann reminded the members that the scheduled March teleconference was canceled since the committee will be meeting in Phoenix the following week.

Dave also expressed appreciation to all the Area 6 members that participated in the administration of the TAC surveys. Dave noted that a majority of the Area 6 members volunteered to administer the survey.

Jerry asked for an update on issue #3279 which was approved by the Joint Committee in November. He wanted to know if the recommendation was elevated to the IRS. Judi indicated that she was not sure if the issue was elevated. She asked Dave to research the progress of #3249 and report at the next meeting.

Action: Dave will check with Barbara Toy on issue #3249 to see if it has been elevated to the IRS.

Closing

Chet thanked the members and closed the meeting.



**Area 6 Committee Meeting
Teleconference
January 25, 2007
Minutes**

Designated Federal Official

Chet Blair

Attendance

George Bates
Milissa Bensen, Vice Chair
Marilynn Clapp
Laura Criel
Jerry Fireman
Steve Maisch
Neil Mitchell
Maryann Motza, Chair
Willy Nordwind
Joe Shields
Ed Uhrig
Harris Widmer

Staff

Judi Nicholas, Program Manager
Dave Coffman, Program Analyst
Marla Ofilas, Note Taker

Opening/Welcome

Chet opened the meeting and Maryann welcomed everyone. Roll call was taken and a quorum was met.

Outreach Review

Milissa reviewed the December 2006 outreach report. December's outreach efforts reached 110 people. Milissa also reported that she will be participating in a radio interview in the near future.

Outreach Commitments for 2007

Maryann stated that last year's Area 6 members were able to maintain their focus on outreach by creating personal outreach commitments for the year. Maryann asked the members to spend some time formulating outreach commitments for 2007. Dave provided copies of the 2006 outreach commitments for members to use as a reference.

Action: Members will e-mail their 2007 outreach commitments to Dave by February 8, 2007.

Laura informed the members that there is a new Local Taxpayer Advocate (LTA) in Albuquerque, New Mexico. Laura stated that she would like the opportunity to meet her new LTA. The members felt that TAP should extend an invitation for each LTA within Area 6 to listen in on a conference call.

Action: Judi and Chet will work on inviting Area 6 LTA's to future conference calls.

Steve asked Judi for the Seattle Taxpayer Advocate Service (TAS) outreach schedule. Judi informed the members that the TAP staff has access to the schedule for each state.



Action: Dave will gather and e-mail the TAS outreach schedule for each state within Area 6.

Taxpayer Burden Subcommittee Report

- **#3400 Early Withdrawal Penalty – Inadequate Instructions**

Marilynn reported that subcommittee met in January and decided that the title of the issue needs to be modified. During Marilyn's report, the committee agreed that the existing title poses a problem for the subcommittee. Marilyn added that the subcommittee will propose language in the Form 1040 which will clearly refer the reader to Publication 590 when needed.

Action: Members will e-mail Marilyn with their comments and suggestions.

Miscellaneous Subcommittee Report

- **#3942 – Requirement to Provide AGI to Register for E-services**

Willy reported that a when a CPA (or tax preparer) wants to access e-services, he or she is required to provide their adjusted gross income (AGI). Some CPA's/tax preparers feel that they should not be required to provide the AGI figure from their personal returns because they are using the services for business purposes to assist a client. Dave researched the issue and found that the IRS imposes this requirement because they are exerting maximum security of taxpayer account information. The subcommittee is recommending that language be added in various locations of the e-services web site, explaining the importance of security. Dave added that the subcommittee is working on a set of mock-ups to illustrate the changes as they would appear on the e-services web site.

IRS Services Subcommittee Report

- **#3695 Telephones – Unable to Reach Actual Person**

Milissa reported that the subcommittee reviewed several other TAP issues that dealt with IRS phone services. They were informed that Area 2 had recently worked a similar issue and provided a recommendation to the Joint Committee. The subcommittee has not reviewed Area 2's recommendation yet, but it will be a topic of discussion for their next meeting.

TAP Budget

Judi gave a brief overview of the TAP budget, noting that the IRS is working on a continuing resolution for 2007. To help minimize travel expenses, Judi asked Marla to prepare and distribute a spreadsheet with a list of flight arrival times for the next face-to-face meeting. This will allow members to minimize travel costs by sharing rides to and from the airport.

Action: Marla will prepare a spreadsheet with flight and travel information.

TAP Town Hall

Judi reported that the National Taxpayer Advocate, Nina Olson, has chosen Phoenix as a town hall meeting location. While a date for the town hall has not been decided, Judi asked members to e-mail their interest in participating in the event. Three to four representatives of Area 6 are expected to participate in the town hall.

Action: Members interested in participating in the Phoenix town hall will send Judi an e-mail.



Joint Committee Business

Maryann reported on the chair training she attended in Dallas in January. Maryann explained that the only request that came out of the training was that members be asked to update their bios on TAPSpace within the next two weeks.

Action: Members will log onto TAPSpace and update their bios by February 16, 2007.

End of Meeting Assessment

Jerry reported that the TAC issue committee is conducting a customer survey in February and March. The survey will focus on the customer's experience they had while visiting a taxpayer assistance center. Members are being asked to volunteer in administering the survey. Interested members should contact Dave.

Maryann asked if there were additional comments. No comments were made. Maryann thanked everyone for their participation and Chet closed the meeting.

Next meeting is scheduled for February 22, 2007.