



## 2002 Meeting Minutes Area 1

- November 9, 2002
  - November 4, 2002
  - October 7, 2002
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### **Area 1 Committee Meeting November 9, 2002 Providence, Rhode Island**

#### **Opening of the Meeting**

Chairperson Fish opened the meeting at 10:05AM Eastern Time and welcomed all participants.

#### **Panel Members Attending**

- Walter Fish, NY, Chair
- James Grimaldi, NY, Vice Chair
- William R. Swartz, NY, DFO
- Abigail Alicea, NH
- Aimee Brace, NY
- Catherine Kelly, ME
- Diane Mignano, RI
- Paul Nagel, NY
- Shamsey Oloko, NY
- Eileen Shuman, VT
- Charles Silva, MA

#### **TAP Staff and IRS Staff Attending**

- Marisa Knispel, TAP Program Analyst
- Nancy Ferree, TAP Program Manager
- Barry S. Levine, W&I Program Analyst

#### **Meeting Schedule**

Chair Fish revised the schedule for upcoming teleconferences. A change was made from monthly teleconference on the first Monday of each month to the last Tuesday of each month. An exception will be in December 2002 when the teleconference will be held on December 3rd.

#### **Outreach Speech Presentation**

Chair Fish presented a speech he wrote for use in Outreach presentations. The speech gave a brief history of CAP and reorganization to TAP, the aim of TAP and the dedication in the volunteerism of TAP members.

After a brief critique, all members offered consensus on using this speech for Outreach activities.



### **Reaching the Public**

DFO Swartz discussed outreach and marketing materials. Members reviewed materials used in CAP.

Also, DFO Swartz mentioned the opportunity of having a training session with media specialist on exploring ways to deal with media and outreach opportunities.

Member Shuman indicated that all Area 1 members as well as remaining members of the TAP Panel should be notified of Issue Committee activities. All members agreed to give a briefing of their Issue Committee's activities at each Area 1 meeting.

DFO Swartz explained that as a Local Taxpayer Advocate, he is involved in outreach opportunities. He agreed to filter Outreach Program information in the NYC/ Long Island area to local members. He also suggested that other members contact their Local Taxpayer Advocate for this information within their area.

The logistics of outreach presentations were discussed. Members were advised to obtain approval from Analyst Knispel or DFO Swartz prior to outreach presentations that require budgetary funds.

The *TAP Speaker Request Form* was discussed as a useful tool to maintain statistical information on outreach activities done by Area 1 members. After an outreach presentation, the member should complete this Form and forward it to Analyst Knispel for recording.

Member Shuman informed the members of the opportunity she received from her employer to announce her involvement in TAP in the company's newsletter. This opportunity would carry the message to 20,000 employees.

This information ensued a discussion on the many vehicles available to reach the public. Newsletters, public presentations, and participation in trade shows, tax forums and fairs are among the possibilities considered. DFO Swartz pledged support from TAP staff and IRS in these activities.

### **Using E-mail**

A discussion evolved on the excessive use of e-mail. Members, DFO and Analyst agreed to use the terms of "FYI, Action Required, Urgent" to define the importance and urgency related to specific e-mail.

### **October 8th Meeting Minutes**

Minutes for October 8th Meeting in Alexandria, VA were approved by consensus.

### **Schedule and Location of Future Meetings**

Members discussed possible locations for future Area 1 meetings. Suggestions made were Portsmouth, NH, Manchester, NH, Brattleboro, VT, Buffalo, NY and Brooklyn, NY. Analyst Knispel will study cost estimates for these locations before selection is made.

Subsequently, dates and time of meetings will be discussed. The locations chosen will supersede those selected in the past.

### **Issues Discussed**

DFO Swartz emphasized the importance of communicating to the TAP organization the issues concerning the public. Any member who is presented with an individual issue from a resident of his/her area should communicate this issue or concern to the rest of the committee. Any member's personal concerns with the tax system should also be addressed.

Following this, Member Nagel introduced the issue of backup withholding. A 30% withholding of income reported on a Form 1099 is imposed when a taxpayer neglects to file a tax return or provides



and incorrect taxpayer identification number (TIN). When the taxpayer complies with regulations, the IRS reviews the case and cancels the withholding by notifying the financial institution(s). However, Member Nagel explained that IRS conducts this process of cancellation and notification only once a year, in January. The process is unfair and should be reviewed. Member Nagel recommended that the process be studied and analyzed with the possibility of changing it to a quarterly or semiannual review.

Member Shuman recommended creating a universal form for issues presented in TAP. The form would allow members to 1) be aware of the issues 2) analyze and study possible ramifications that the issue may present.

Member Kelly discussed IRS's local office number. Calling this number costs \$1.00 per call and the caller is introduced to a recorded message but no live assistance. Analyst Barry Levine, who specializes in Field Assistance, explained that the caller has the option to leave a message and will receive a response from an IRS employee the same day. Members understand that availability of the local IRS office numbers is due to a Congressional mandate, but recommend that this number be published with the warning "recorded message" in the local phone books.

Members reached consensus on conducting a study on flat tax rate. The study should include statistics on the number of taxpayers who advocate this tax policy. Analyst Levine explained that this issue has been a long time study of Treasury's Assistant Secretary for Tax Policy Pamela Olson. Analyst Knispel will research this issue.

Member Shuman inquired about the modification in the tax law for income requirements applicable to deductions and credits in the individual tax return to meet inflation changes. Analyst Knispel will research these requirements and phase-out limitations and their relation to inflation factors.

Vice Chair Grimaldi presented a NYC local issue regarding grants given to individuals and businesses affected by the disaster of September 11, 2001. The grants, established by Congress, are not addressed by prior tax rulings. The grants given to individual taxpayers are, as interpreted by the IRS, exempt from taxation while the grants to businesses are not. This seems to be inequitable and unfair treatment of businesses and corporations. The law is not well defined on this issue and the committee wishes to study the law to make a possible legislative recommendation. DFO Swartz addressed the equity and fairness of the tax treatment of these grants as compared to other grants. Again, Analyst Knispel will research this issue.

Member Oloko discussed IRS policy of free tax preparation in the Taxpayer Assistance Centers (TACs). Member Oloko feels that IRS's policy on restricting taxpayer's income to a specific dollar limit in order to receive this free service (\$34,000 in tax year 2001) is unfair to the public and a cause for EITC under claims. Member Oloko suggested that IRS increase the advertising of the free tax preparation service.

Analyst Barry Levine analyzed the discussion and offered the cause and effect of this free tax preparation issue in relation to over and under claims of the EITC. He also explained that the Refund Anticipation Program is a reason why many taxpayers opt to seek the services of a paid tax preparer. Also, the Agency's recent change to the exclusive practice of e-file tax preparation and the policy of not preparing Schedule C have become major factors in the decreased use of IRS's free tax preparation service in TACs. Analyst Levine continued the discussion on IRS' services by explaining the Agency's staffing and funding problems to meet a more advertised IRS free tax preparation program. He referred to other IRS programs that offer free tax preparation such as VITA, TPE, etc. as ways to service the public.

As an end to the Area 1 Committee's discussion of issues, DFO Swartz suggested the creation of subcommittees on the issues discussed and the election of a spokesperson per subcommittee.



Members shared consensus in electing Paul Nagel as spokesperson of "Backup Withholding", Eileen Shuman as spokesperson for "Inflation Factors" and "Flat Tax Rate", Catherine Kelly for "Toll-free Issues" and James Grimaldi for "9/11 Grants"

#### **Old CAP Issues**

Vice Chair Grimaldi reviewed the issues and recommendations of the former CAP Panel. Among the issues were a Tax Fraud Referral Program proposal, additional placement of kiosks, Small Business Workshops, Federal Tax Deposit Coupons, check box initiative, changes to Form 4868 and educational videos.

Program Manager Ferree suggested research be made on the current stage of IRS's process to follow up on these recommendations. Analyst Knispel will do research.

#### **Partnership For Change Video**

All participants viewed an eight-minute video entitled "Partnership For Change". The video showed former Florida CAP members who explained the purpose of the Citizens Advocacy Panel. After this video, members watched a thirty-second Public Service Announcement produced in Florida. Program Manager Ferree informed the members that audiocassettes were also available. These cassettes were distributed to radio stations in Florida and the videotapes were played in post offices throughout the state. All members enjoyed the videotapes and concurred that a new one should be produced for TAP as an outreach tool for the Program. Analyst Knispel will inquire with IRS Communications on a new video production and on a Power Point presentation of this material.

#### **Closing of Meeting**

Acting Chair James Grimaldi closed the meeting at 2:00PM, EST.



**Area 1 Committee Meeting  
November 4, 2002  
Teleconference**

**Opening of the Meeting**

Chairperson Fish opened the meeting at 1:05PM Eastern Time and welcomed all participants.

**Roll Call** Vice Chair Grimaldi took attendance.

**Panel Members Attending**

- Walter Fish, NY, Chair
- James Grimaldi, Vice Chair
- William R. Swartz, DFO
- Abigail Alicea, NH
- Catherine Kelly, ME
- Diane Mignano, RI
- Eileen Shuman, VT

**Absent Panel Members**

- Aimee Brace, NY
- Paul Nagel, NY
- Charles Silva, MA
- Shamsey Oloko, NY

**TAP Staff and IRS Staff Attending**

- Marisa Knispel, TAP Program Analyst
- Nancy Ferree, TAP Program Manager

**Meeting Agenda for November 9th**

Chair Fish reviewed the proposed agenda for the upcoming Area 1 meeting in Providence, Rhode Island. He indicated that at the meeting, he'd like to share with the members a speech he wrote for presentation at his local Chamber of Commerce. The speech gives a brief explanation of the TAP Program.

Vice Chair Grimaldi explained a revision made to the original agenda after the visit from a local Media Specialist was cancelled. The Specialist was invited to speak on how to deal with the media and how to conduct outreach presentations. Executives from IRS Communications deemed that TAP's open meeting to the public was not a proper forum to address these issues hence the revision was made.

**Outreach**

Member Shuman informed the committee of her participation in an employer seminar conducted in her town of Brattleboro, VT where several federal and state agency officials addressed questions on how to start a business. Member Shuman was invited to briefly introduce herself and speak about TAP and its issue committees.

Following, Chair Fish indicated that maintaining records on Outreach and public presentation was important to the Program. Thus, Analyst Knispel is to be notified of any outreach activities, mainly those requiring fiscal approval.



### **Issues**

Member Shuman inquired as to how to record issues and/or concerns brought about by taxpayers. She suggested a form be created for this purpose. DFO Swartz explained that the Taxpayer Advocate Service uses Form 911 to record taxpayer's issues and/or problems. Analyst Knispel will bring sample of this Form to next meeting.

DFO Swartz also invited members to present their own issues and concerns to the committee. Issues will be discussed at the November 9th meeting.

Member Shuman proposed to have each state representative of our Area report on issues representing the state at each committee meeting. Local news is a source for these issues.

Member Kelly added that receiving reports on the different Issue Committees would also be beneficial. Since our Area 1 Committee members represent all TAP Issue Committees, it was suggested that each member give a briefing of his/her issue at each Area 1 committee meeting.

### **Closing of Meeting**

Chair Fish closed meeting at 2:00 PM, EST.



## **Area 1 Committee Meeting October 8, 2002**

The TAP members met for the first meeting of the Area 1 Committee on Tuesday, October 8, 2002 in Alexandria, VA at the Hilton Mark Center. The purpose of the meeting was to receive an orientation on the TAP Guidance, the Area Committee organization and begin to lay the foundation for the development of their Committee.

Members in Attendance:

- Catherine J. Kelly - Corinth, ME
- Charles W. Silva - Orleans, MA
- Aimee G. Brace - Buffalo, NY
- Walter Fish - Bellmore, NY
- James Grimaldi - Brooklyn, NY
- Paul Nagel - Glen Cove, NY
- Shamsey Oloko - Staten Island, NY
- Diane Mignano -North Kingstown, RI
- Eileen Shuman - Brattleboro, VT
  
- William R. Swartz - DFO
  
- Marisa Knispel - TAP Analyst
- Peter Paznokas- Facilitator

Committee Members expressed their goals and expectations of the first meeting and for the Committee:

- Goal for the Committee: "To help the taxpaying public and have fun while doing it".
- Goals for this meeting: To elect a Chair and Vice Chair. To determine frequency of meetings necessary to accomplish the Committee's goal. To determine quorum for the meetings and concurrence through consensus.

### **Area 1 Organization Overview**

Through the process of consensus, Chair Walter Fish and Vice Chair James Grimaldi were elected. Their duties and expectations were defined as indicated per Area Committee Operating Procedures.

Quorum was reached by consensus to be 50% of membership plus 1.

Meetings to be held monthly, first Monday of each month at 1:00 p.m. ET, via teleconference.

Face to face meetings will be held quarterly in a convenient and cost-effective location, pending DFO approval.

Outreach efforts will be used as a tool for disseminating information on TAP and bringing grassroots issues from Area constituents to the Committee.

Training will be identified as needed. Facilitation of training needs to be provided by Committee's Analyst.

Committee's Analyst will debrief committee members on current issues addressed by other Area Committees.



Committee will develop Strategic Plan to accomplish committee's goal.

**Development of Area 1 Committee Operating Procedures**

The Committee reviewed and revised TAP Area Committee Operating Procedures (see Attachment 1).

**Area 1 Committee Meeting Dates for 2002/2003:**

Meetings via teleconference will be held the first Monday of each month at 1:00 p.m. EDT, unless otherwise specified.

Face to face meetings will be held quarterly upon DFO approval.

- November 4th, teleconference at 1pm for preparatory purposes.
- November 9th, 10 am- 2pm, face to face meeting in Providence, Rhode Island for preparation of issues and subcommittees.

Attachments:

TAP Area Committee Operating Procedures

Handouts during the Meeting:

1. TAP Area Committee Operating Procedures
2. TAP Area/Issue Committee Start Up Questions
3. TAP Area/Issue Committee -- Behavior During Meetings
4. TAP Area/Issue Committee - Behavior Between Meetings

Possible Agenda topics for Future Meetings

**Agenda Topics**

November 4, 2002 - preparatory work for strategic plan

Attachments