



2002 Meeting Minutes W&I EITC Issue Committee Meetings

- October 30, 2002
 - October 7, 2002
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Issue Committee (W & I EITC) Meeting Minutes

Date: October 30, 2002

Location: Teleconference

Opening of the Meeting

Committee Chair Handelman opened the meeting at 2:10PM Eastern Time. She announced that the meeting would be a closed administrative meeting and thus that substantive issues could not be discussed. She explained that the Federal Advisory Committee Act does not allow for co-chairs and so she and Member DeMarais had agreed that, although they would conduct committee business as co-chairs, Member Handelman would be designated committee chair and attend Joint Committee meetings, and Member DeMarais would be Committee Vice-Chair. She requested members not be shy about speaking or interrupting if necessary.

Roll Call

Panel Members Attending

- Laura DeMarais, Crystal, MN, Vice Chair
- Daniel Drumel, Wind Lake, WI
- Gwen Handelman, Fort Lauderdale, FL, Chair
- Cheyanna Jaffke, Placentia, CA
- Catherine Kelly, Corinth, ME
- Marisa Knispel, Brooklyn, NY, DFO
- Leslie Malcolmson, Detroit, MI
- Robert Maziarz, Hainesport, NJ
- Shamsey Oloko, Staten Island, NY
- Joe Reder, Richland, WA
- Faith Vinikoor, Baltimore, MD
- Wilson, Nan, Overland Park, KS

Absent

- Robert Burke, Chicago, IL
- Linda Miller, Memphis, TN



TAP Staff and IRS Staff Attending

- McGurn, James, TAP Analyst (Note Taker)
- Nancy Ferree, TAP Program Manager
- Elaine Munroe for Susan Boehmer, EITC Program Manager

Review and Approval of Minutes

Committee Vice Chair DeMarais led discussion of the notes of the Alexandria meeting. The Panel members noted misspelling and grammatical mistakes. These will be corrected. The Panel members formed consensus to accept and approve the notes.

Overview of Materials Provided by Program Owners

Committee Chair Handelman discussed the four reports received. She reported that she, Vice Chair DeMarais, and DFO Knispel consider the reports too lengthy and technical to ask all Committee members to read, although they recommended that the Over claims Subcommittee read the document on the Recertification Program.

Required Reading

The members formed consensus to read the following materials before the next teleconference: the outreach materials distributed at the orientation, the new EITC form (which can be downloaded from the IRS web site), GAO report GAO-02-290R on under claims (which can be downloaded from www.gao.gov), and the following excerpts from the National Taxpayer Advocate's 2001 Report to Congress, which DFO Knispel will provide to those who do not have a copies: "Most Serious Problems Encountered by Taxpayers" numbers 2 (Multiple Definitions of "Qualifying Child"), 3 (Determining Earned Income Tax Credit Eligibility), 5 (Documenting Earned Income Tax Credit Eligibility), 6 (Refund Inquiries), 7 (Earned Income Tax Credit Examinations), 11 (Re-certification of Earned Income Tax Credit Eligibility) & 18 (Lack of Access to Free Tax Preparation for Low-Income Taxpayers). There was consensus not to have the entire committee read the lengthy discussion of legislative recommendations on family status issues in the NTA's 2001 Report to Congress, although a subcommittee may decide to do so at some point. In addition, members agreed to look through the materials Member Malcolmson sent out on the Chicago Earned Income Credit Outreach Program (before the next teleconference). Committee members also agreed to read new Publication 596 when it becomes available in a month or so and will be distributed by Elaine Munroe.

Report on Joint Committee Teleconference

The Joint Committee will be meeting once a month. Committee Chairs have been requested to submit a monthly report by the 14th of each month. The Joint Committee will provide all TAP committees standard agenda formats and consistent standards for self-assessment.

Meeting Schedule

The members formed consensus to teleconference on the 3rd Wednesday of each month at 2:00 PM Eastern Time. The first face-to-face meeting will be May 7 and 8 in Chicago. DFO Knispel will be coordinating the arrangements for this meeting.

Supplementary Ground Rules

The Committee formed consensus on the following new ground rules during meetings:

- 2/3 of members must be present to establish a quorum.
- Teleconference etiquette: no speakerphones or cell phones should be used.
- Members should identify themselves when speaking.
- Get in the habit of using email to communicate with copies to all members on substantive issues. Label the subject of the email. Check e-mail regularly.



Sub-committee Assignments

In a discussion led by Vice Chair DeMarais, consensus was reached to establish the following subcommittees. The members noted with asterisks agreed to act as subcommittee facilitators.

- Education, Publications & Forms. This subcommittee will work on proposed revisions to publications, forms, IRS notices, work sheets, schedule EIC, EIC Tables, etc. with the aim to simplify and/or clarify. Members DeMarais, Kelly, Oloko, and Wilson.
- Marketing & Outreach - This subcommittee will be responsible for keeping the Committee informed of articles, media events, local events and outreaches that deal with EITC. They will analyze and propose ways for the IRS to disseminate information about EIC (both internally and externally) and expand VITA. Members Drumel, Jaffke, Malcolmson, and Maziarz.
- Over Claims Analysis - This subcommittee will analyze the causes of and propose ways to alleviate the 27-31% over claim rate resulting from both inadvertent errors and fraudulent claims. Members Handelman, Reder, and Vinikoor.

Closing Remarks

All agreed the meeting went well and thanked the staff for their support.

Meeting Close

Committee Chair Handelman closed the meeting at 3:35 PM.



Issue Committee (W & I EITC) Meeting Minutes

October 7, 2002

The TAP members met for the first meeting of the W&I/EITC issue committee on Monday October 7, 2002 in Alexandria, VA at the Hilton Mark Center. The purpose of the meeting was to receive an orientation on the TAP Guidance, the W&I organization, and begin to lay the foundation for the development for their committee

Members in Attendance: Faith Vinikoor (MD), Dan Drumel (WI), Gwen Handelman (FL), Cheyanna Jaffke (CA), Nan Wilson (KS), Leslie Malcolmson (MI), Laura DeMarais (MN), Bob Maziarz (NJ), Joe Reder (WA), Shamsey Oloko (NY), Catherine Kelly (ME), Linda Miller (TN), Bob Burke (IL).

Other attendees included: Pete Paznokas (facilitator), Marisa Knispel (DFO), Stephen Bronson (EITC Program Office), Bill Phillips (IRS), William Zachary (IRS), Elaine Goldstein (IRS), Mary Davis (IRS) and Cindy Vanderpool (Scribe).

Mary Davis, Director of Strategy and Finance, W&I, opened the meeting with her presentation. She outlined the W&I structure and explained how EITC fits into Strategy and Finance. Her overview included a history of EITC, and the meaning of refundable credits. 25 year stats were shown and highlighted was the fact that 67% of EITC returns are prepared by preparers. Mary explained the Service had 2 challenges: 1) how to reach out to eligible individuals who are not claiming the credit and 2) compliance issues dealing with those claiming the credit who are not entitled either by inadvertent errors or fraudulent claims.

William Zachary stated that their resources could only target and audit approximately 300,000 of the 1.8 million returns with over claims. He said the complexity of the family structure (definition) and how it affects compliance issues is a constant struggle.

Pete discussed/explained the decision/consensus process as well as team dynamics. Also discussed by Pete were: components of a good agenda, ground rules, and the philosophy of Meyers Briggs.

The group looked at the TAP Issue Committee-Operating Procedures and chair responsibilities before taking nominations for the chair.

Joe, Laura and Gwen each self-nominated and discussed their backgrounds and reasons for wanting to be chair. The group voted to make the selection at the end of the session.

Pete continued his discussion on the importance of a scribe/who should scribe, the meeting structure, and the key elements of a good agenda. The discussion then moved to "Ground Rules" referencing two documents passed out: Behavior during Meetings, and Behavior between Meetings. The group voted to eliminate item # 15 in the Behavior during Meetings and item # 19 in the Behavior between Meetings documents.

The group engaged in conversation concerning productivity and their approach to scheduling meetings, i.e. scope, reference materials, demographics, decisions, etc. in order to keep the meetings targeted and focused. Lengthy discussion pursued around the ability for staff and IRS to provide a culled down executive summary of issues surrounding EITC so the committee can make key decisions in moving forward.

Zach, Sue & Mary agreed to get info to the team with great weight given to the Advocates Report. The staff will gather info relative to EITC provided to former CAPs and any other EITC info pulled together for previous CAP issues.



No decision will be made at this time on # of meetings and teleconferences. The discussion then concluded with a consensus to have Co-Chairs for the purpose of dividing duties. Laura and Gwen were elected and made their first decisions as Co-Chairs to have the first meeting be via teleconference and proposed 3 face to face meetings annually.

A round robin session occurred to mark the end of the meeting.