



2007 Meeting Minutes Earned Income Tax Credit (EITC) Issue Committee

- November 19, 2007
- October 15, 2007
- September 24, 2007
- August 13, 2007
- June 1 - 2, 2007
- May 14, 2007
- March 12, 2007
- January 8, 2007

EITC Issue Committee Meeting Minutes November 19, 2007 10:30 AM Teleconference

Program Owner

- O'Brien, Mary - EITC Office - Analyst
- Foley, Barbara - EITC Office - Analyst

Designated Federal Official

- De Jesus, Inez - Plantation, FL - Acting Manager

Committee Members Present

- Kennedy, Jeff - Louisville, KY - Member
- Sosa, Iris - Fontana, CA - Member
- Tanna, Wayne - Honolulu, HI - Member
- Wernz, Stanley - Cincinnati, OH - Chair
- Widmer, Harris - Fargo, ND - Member

Committee Members Absent

- Broniarczyk, Robert - Romeoville, IL - Member
- Cooper III, Reuben - Atlanta, GA - Vice Chair

TAP Staff

- Jenkins, Audrey - Brooklyn, NY - Analyst

Public Participant

Pat Bryant, TAP Member, Area 4

Welcome/Announcements/Review Agenda

Wernz welcomed the committee, IRS staff and public.



Roll Call

Quorum Met

Focus Group Project City Reports

Focus groups with preparers were held in eight states; Baltimore, Chicago, Houston, Las Vegas, Memphis, Miami, Milwaukee and Seattle. Each member was assigned a transcript to review and summarize. They were charged with reporting out the most common items of concern for the preparers.

Miami (Tanna)

- length of time it took to get an answer from the toll free line
- accuracy of answer received from toll free line
- information needed from clients to determine their eligibility
- need to educate the client in regards to financial literacy
- discrimination against certain clients because of their economic status
- public service announcements that were misleading and causing false expectations as to the amount of the EITC the taxpayer would receive

Chicago (Stan for Betty Chen)

Betty Chen (New York) prior to her resignation was assigned Chicago. Stan forwarded his comments to her and inquired if anyone had any comments to please forward them to him.

Las Vegas (Jeff)

- Due diligence-preparers feel like they have to work as auditors. Guidelines from the IRS are not clear
- Dependents; Definition of child-guidelines are not clear. There should be a streamlined flow chart in Publication 17

Memphis (Stan)

Please refer to October meeting minutes. Any additional comments please forward them to Stan to incorporate.

Milwaukee (Harris)

- Communication-waiting on the telephone for long periods of time to get assistance and they were not aware of the EITC for Preparers.com website.
- Complexity of the law as it applies to the definition of child
- Credibility problem some of their clients.

Seattle (Iris)

- Software should be updated annually because they rely heavily on the due diligence in the software
- Signature line for the Due diligence form so the Taxpayer can be held accountable
- EITC for Tax Preparers.com; were not aware. Preparers who were aware though that it was not a legitimate website because it was not .gov
- Search engine on IRS.gov gives them too many results. Rather use Google because results are limited
- Form 8109B – is very difficult to get



- CP2000 – there should be a better way to respond to these letters. When the taxpayer tries to fix the problem.
- Better communication between IRS, taxpayer and preparer.
- When the IRS request additional information, there should be a way to track information submitted.

Chicago (Bob)

- Some forms submitted were correct but IRS returned them for error. When called to inquire, the taxpayer was reduced to tears.
- Long delays on toll free lines
- Email is the most desired means of communication
- Practitioner's hotline does not work all the time. They should be able to be assisted instead of being transferred around.

Everyone was instructed to put there reports in writing and send to Stan with a copy to Audrey. Stan will summarize and roll up for Mary O'Brien.

Joint Committee Report

TAP election has been going on and you should have received an email from Steve Berkey. Once you submit your vote you will receive a conformation. If you have submitted a vote and have not received a conformation email Steve Berkey to see if he has received your ballot.

The annual meeting is scheduled for the week of December 10th. December 10th is also the date for introductions and training for the new members. On Wednesday, December 12th the EITC committee is scheduled for our group dinner. Everyone has not responded. If you have not responded please do as soon as possible. Stan will continue with a reservation at the new

EITC Office Report

All focus groups are now complete. At the last two focus groups we experience a problem because of poor participation. There should be two transcripts for Miami. There was another focus group held via telephone. Houston was held at different location than originally planned.

Westat will also being doing an analyst on all of the focus groups.

Please submit your self assessments to Stan by 11/30/07.

Public Participation

Pat Bryant asked if the members got any feedback on E-File at any of the focus groups.



EITC Issue Committee Meeting Minutes

October 15, 2007

10:30 AM

Teleconference

Program Owner

- O'Brien, Mary - Washington, DC - EITC Office
- Foley, Barbara - Milwaukee, WI - EITC Office

Designated Federal Official

- Goldberg, Gloria - Brooklyn, NY - Acting Mgr.

Committee Members Present

- Kennedy, Jeff - Louisville, KY - Member
- Sosa, Iris - Fontana, CA - Member
- Tanna, Wayne - Honolulu, HI - Member
- Wernz, Stanley - Cincinnati, OH - Chair

Committee Members Absent

- Broniarczyk, Robert - Romeoville, IL - Member
- Chen, Betty - New York, NY - Member
- Cooper III, Reuben - Atlanta, GA - Vice Chair
- Widmer, Harris - Fargo, ND - Member

TAP Staff

- Jenkins, Audrey - Brooklyn, NY - Analyst/Note Taker

Other Attendees

Baiza, Deanna, Treasury Inspector General Tax Administration (TIGTA), Audit Manager, Kansas City, MO

Fulte, Karen, Treasury Inspector General Tax Administration (TIGTA), Auditor, Kansas City, MO

Welcome/Announcements/Review Agenda

Stanley Wernz welcomed all members, IRS staff and guests.

Roll Call

Quorum not met.

Joint Committee Report

Stanley Wernz - the Joint committee has developed a new procedure for electing the TAP Chair. The TAP Chair will be elected prior to the Annual meeting. Second and third year members will vote on Chair and Vice-Chair. Members may self nominate. Anyone interested please contact Bob Myers. Everyone should have received an email from Bernie explaining the new procedure. The timeline is 10/19 for nominations, 11/5 for slate announcement, with the election completed by 11/23.

Focus Group Project

Mary O'Brien informed that committee that the focus groups are going well. The final focus group will



be held this week, in Houston. To date the committee has received three raw transcripts to review. As the focus groups have progressed, the information has been plentiful.

Focus Group Evaluations

Stanley Wernz reviewed both the Memphis and Baltimore transcripts. Transcripts were very raw and not easy to follow. There were many areas where the discussion seemed to get lost. Stanley asked if it was possible to obtain the actual tape of the focus group. Mary O'Brien informed us that because of disclosure policies the actual tape would not be available to the committee. She also stated that some of the discussions were lost because people were talking over each other and the transcriber was not able to capture everything. Stanley suggested numbering items to make the flow of document easier.

Gloria Goldberg informed the committee that she and Audrey Jenkins would be putting all of the transcripts on a spread sheet to see if we can identify any trends.

Under the due diligence portion of the Memphis transcript, there might be an avenue that the committee should explore. Jeff Kennedy stated that issues with the software would be off limits to the committee. However, concentrating on the knowledge requirement the practitioner should have in order to ask the proper questions may be an avenue we need to explore.

Foster child qualifying as a child concerns was discussed in the focus group. The unified definition of a child was a legislative issue which the IRS revisited a couple of years ago. However, the fact that the EITC Office should maybe clarify the issue as it pertains to the EIC may be an area for the committee to address. People claiming other people's children, was also mentioned. There were questions as to where the child resided. There are currently some specific questions. Therefore this may not be a clarity issue. It seems to be an integrity issue. Stanley wondered if there is an education issue in this portion. Iris Sosa suggested that the individuals who go to preparers for filing are not aware of the rules or care. They know that EITC refund is available and they want it. They are not aware of how they qualified for the credit. The committee will be exploring educating taxpayers on the qualifications of the credit. This may increase participation and compliance.

Bob Bronciaryk pointed out via email that when taxpayers call a toll free line for questions, they receive different assistors every contact. The suggestion is to assign one assistor per taxpreparer. This would not be possible because when taxpreparers call the toll free line for assistance the calls go through what we call gates. The calls are routed to the next available assistor. Calls are routed all over the country to all of the time zones to provide better customer service. Taxpayers are assigned a contact person only at the point of an audit or if there is some other special circumstance where they have received correspondence to contact the IRS to resolve a problem. There was also an issue with the knowledge level of the assistors answering the telephone. Audrey informed the committee that there is ongoing training and CPE for these assistors. This is an issue which comes up all the time with the Area committees as well. Audrey suggested if the committee was interested in suggesting some additional training on the EIC for the assistors that would be a good addition to their report. Gloria suggested that the practitioner's hotline might be an avenue where we can expand this issue.

Email was a big hit during the time of Katrina. This seems to be the preferred way of communication.

Ways to improve - Proving identity prior to filing. Checking to verify that a child has not been claimed. This is a disclosure issue and an invasion of privacy.

Doing away with the EIC was also a comment. This is a legislative issue and beyond the committee's scope.

Focus Group participants suggested IRS find ways to expedite returns, including replies when the wrong spouse has claimed the child. From experience of the group, the turn around time is already within 24 - 48 hours.



Stan has encouraged everyone to please send him their comments as soon as possible. To date he has not received any comments. Negative responses are also requested.

Public Participation

Deann Baiza thanked the committee for allowing her to sit in on the meeting and address the committee. Deann explained that her office is doing a body of work on EITC Program and how well the EITC Office administers it with a focus on improving participation for those that are truly entitled to it. Deann was very pleased with the information she gathered this morning from the meeting.

*******Reminder*******

Next meeting will be November 19, 2007 which had to be rescheduled due to the Veteran's Day holiday.



**EITC Issue Committee Meeting Minutes
September 24, 2007
10:30 AM
Teleconference**

Program Owner

- O'Brien, Mary - EITC Office - Analyst

Designated Federal Official

- Goldberg, Gloria - Brooklyn, NY - Acting Mgr.

Committee Members Present

- Cooper III, Reuben - Atlanta, GA - Vice Chair
- Kennedy, Jeff - Louisville, KY - Member
- Sosa, Iris - Fontana, CA - Member
- Tanna, Wayne - Honolulu, HI - Member
- Wernz, Stanley - Cincinnati, OH - Chair
- Widmer, Harris - Fargo, ND - Member

Committee Member Absent

- Broniarczyk, Robert - Romeoville, IL - Member
- Chen, Betty - New York, NY - Member

TAP Staff

- Jenkins, Audrey - Brooklyn, NY - Analyst/Note Taker

Welcome/Announcements/Review Agenda

Stanley Wernz welcomed everyone and opened the meeting at 10:31AM. He informed the committee that this meeting will be a short one.

Focus Group Project

Mary O'Brien thanked everyone for their patience while waiting for the OMB clearance and the revision of the focus group dates. She informed the committee that she had forwarded a list of the revised dates to Audrey Jenkins and if they had not received it yet it is forthcoming.

To date there have been two focus groups completed; Memphis, 9/11 and Baltimore, 9/13. The third focus group will be held tomorrow in Seattle, 9/25. There has been a lot of participation. The new EITC Director is expected to attend one of the upcoming focus groups.

Focus Group Report

Dale Cooper attended the Memphis focus group held on September 11, 2007. He stated participation was good and the group was very vocal. All participants were Tax Preparers who had attended Tax Forums. They were extremely knowledgeable on the EITC and extremely computer literate. Due diligence came up before it was addressed. The conversation was very much forthcoming but the group had to be brought back a couple of times because they kept getting off focus. The group also had to be stopped so that all comments could be captured. There were one or two issues that came up that are systemic issues and could be very good for TAP. The focus group went on for at least 30 to 40



minutes past the prescribed time. After the focus group, Dale spoke with two people, one of whom expressed some interest in becoming a TAP member. The TAP website and contact numbers were provided to both participants.

Dale stated that after attending the focus group he realized it maybe difficult to narrow down the focus of next year's EITC Committee.

Upcoming Focus Group Suggestions

In preparation for the completion of the focus groups, Stanley secured a sample transcript from Mary to use as a guide to prepare a focus group evaluation for the committee. Stanley stated that the sample that he received is very different from the focus group he participated in. Stan asked Mary if it was possible for the transcript to have numbered lines. This would make it more user friendly for the committee to submit their comments to the responsible party. Although the first transcript the committee will be receiving will be very raw data, Mary will ask Westat if it is possible. That will allow the members to notate each item and flesh out what they may consider an EITC issue, which should be marked with an E, and for what they consider an Area issue, mark with an A. Stanley asked for everyone to take the responsibility of one of the focus groups. Everyone should evaluate all transcripts and send the responsible party your comments. The assignments are as follows:

City - Focus Group Date - Responsible Member

- Memphis - September 11 - Stan Wernz
- Baltimore - September 13 - Dale Cooper
- Seattle - September 25 - Iris Sosa
- Chicago - October 2 - Betty Chen
- Las Vegas - October 4 - Jeff Kennedy
- Milwaukee - October 9 - Harris Widmer
- Miami - October 11 - Wayne Tanna
- Houston - October 16 - Robert Broniarczyk

Stanley informed that committee that by the October 15, 2007 EITC meeting there will seven focus groups completed. Hopefully we should have received a couple of transcripts to review.

Public Participation

None



**EITC Issue Committee Meeting Minutes
August 13, 2007 - 10:30 AM
Teleconference**

Program Owner

- O'Brien, Mary - EITC Office

Designated Federal Official

- Goldberg, Gloria - Brooklyn, NY - Acting Mgr.

Committee Members Present

- Chen, Betty - New York, NY - Member
- Cooper III, Reuben - Atlanta, GA - Vice Chair
- Kennedy, Jeff - Louisville, KY - Member
- Tanna, Wayne - Honolulu, HI - Member
- Wernz, Stanley - Cincinnati, OH - Chair
- Widmer, Harris - Fargo, ND - Member

Committee Members Absent

- Broniarczyk, Robert - Romeoville, IL - Member
- Sosa, Iris - Fontana, CA - Member

TAP Staff

- Jenkins, Audrey - Brooklyn, NY - Analyst
- Odom, Meredith - Brooklyn, NY - Note Taker

Welcome/Announcements/Review Agenda

Wernz welcomed the committee and thanked everyone for completing the Survey from the Face to Face Meeting.

Roll Call

Quorum Met

Joint Committee Report

- The TAPSpace revision is complete. TapSpace was revised to improve information retrieval for TAP members. Members are encouraged to do more communications through TAPSpace.
- The TAP Annual Report for 2006 is still in draft form and is expected to be completed this week before the meeting with the Acting Commissioner.
- There was a discussion at the last JC meeting whether there will be a reception for the members the first night of the Annual Meeting.
- There was discussion for this year's election of TAP Chair and Vice Chair. Ideas will be canvassed throughout the committees on how to elect the TAP Chair.
- The JC has been reviewing the Social Security mismatch, the Schedule D carryover issue and the Referral Process to have items elevated through the JC.



Committee Assignment Update

O'Brien informed members that Focus Groups were suppose to start this week of August 13, 2007, but OMB hasn't given clearance yet so the Baltimore Focus group will be postponed to a later date. All other Focus Groups will go on as scheduled. WESTAT will provide the committee with a transcript of each Focus Group by the end of the week after the focus group is held. O'Brien hopes some members will be able to attend.

Cooper states the revised screener's guide that was sent out to the members included the changes the committee issued.

O'Brien suggested that the committee make recommendations on any EITC product they think needs to be developed and different ways of communicating with preparers. Results from the focus groups are qualitative instead of quantitative. Cooper suggest the committee as a group should look at the results from the focus groups to see if there is enough information to come up with a recommendation as to how the IRS can improve communication with third parties on the EITC. What are the preparers looking for from the IRS? These comments will help the committee prepare the recommendation. Members will receive a transcript of the questions and responses from the Focus Group. This will show different responses from other parts of the country. A rough draft of the data and the initial analysis will be provided by Westat; once this report it is approved by the stakeholder, O'Brien will forward it to Jenkins electronically for distribution to the committee and posting to TAPSpace.

Focus Group Assignment

Due to limited funds, TAP will not be able to send someone to all of the scheduled focus groups. There will be a list of individuals who reside in near by or neighboring states who will be invited to attend selected focus groups. Anyone else interested in attending please submit your name for consideration.

Review/Wrap up

Members should review all focus group transcripts and be able to discuss and develop some recommendations. If needed, more research will be done.

Next Meeting

September 24, 2007 – 10:30 AM ET



EITC Issue Committee Meeting Minutes

June 1- 2, 2007

Washington, DC

Face to Face Meeting

Program Owner

- Mary O'Brien - Washington, DC - Program Analyst

Designated Federal Official

- Fay, John - Washington, DC - Program Analyst

Committee Members Present

- Broniarczyk, Robert - Romeoville, IL - Member
- Cooper, Dale - Atlanta, GA - Vice Chair
- Sosa, Iris - Fontana, CA - Member
- Tanna, Wayne - Honolulu, HI - Member
- Wernz, Stanley - Cincinnati, OH - Chair
- Widmer, Harris - Fargo, ND - Member

Committee Members Absent

- Chen, Betty - New York, NY - Member
- Kennedy, Jeff - Louisville, KY - Member

TAP Staff

- Jenkins, Audrey - Brooklyn, NY - Analyst
- Odom, Meredith - Brooklyn, NY - Secretary

Other Attendees

- Roberts, Tiah - Washington, DC - Analyst
- Westat

Welcome

Wernz welcomed members and staff the first 2007 EITC face to face meeting.

Roll Call

Quorum met

Joint Committee Report

Wernz informed the committee of some of the proposals sent forth to the JC;

- E-Service - Area 6 (Preparers must provide adjusted gross income to E-file)
- Gold Star Program - Area 1, (Recognize members of the IRS for their contributions)



Cooper states that when an issue goes up to the JC, it loses effectiveness because of the quality review team. Although the team has a check list, everyone interprets things differently. Sometimes a word change, changes the entire document.

Broniarczyk feels the TAP Member Handbook was issued to the member too late. Wernz suggest the handbook goes out before the Annual Meeting. Fay stated this is a good idea, however because of revisions, and going through IRS channels for printing which takes some time.

National Office Update

Fay informed the committee that Coston is on a detail but is still working with TAP. Recruitment ended a month ago in May. TAP manager and staff met in Ft. Lauderdale, FL to rank applications. There were about 400 application submitted. Applicants were not allowed to apply for those states that didn't have vacancies. Interviews will start June 11, 2007 and will run for about 3 weeks. This year, applications will go forth the Olson and Treasury earlier than in the past. Because of the amount of hours there are to volunteer, the time commitment is highly emphasized to the applicants.

Elevated issues are being handled by Coston & Sottile (W&I Liason). They have committed to meet once a month to work out a system for elevated issues. Ramirez, TAP Program Manager has been reassigned and will be working in the LITC office. The Brooklyn office will have an acting manager until Ramirez's position is filled.

Westat Presentation

Westat is a survey research team from Rockville, MD. They do both Quantitative research and Qualitative research. 99% of their business comes from federal clients. They have worked with the EITC office since 2002. EITC taxpayers were surveyed from the studies and quantitative estimates were provided. There were comparisons on people that went through the process and people that didn't. Focus groups were done in Connecticut. Focus groups were made up of people that many different goals. Focus groups are sometimes misunderstood. You have the ability to take an Idea and get in to much more detail than a telephone survey. The idea is to present the types of people you are more interested in. They want the members to come up with essential questions. The people are pulled from a list provided by the IRS. They target people in certain areas. There is sometimes \$ incentives. Experiments have been done with incentives because participation has gone down. Large corporations like H& R Block are excluded. Westat is interested in what TAP members recommend. When recruiting, they are not looking for a needle in a hay stack. Previously they made 300 calls were to get 11 groups. One way to motivate people is to get the word out through TAP. O'Brien informed the members they may go to www.irs.gov and go to the EITC webpage to retrieve the Quantitative Westat reports and to see what EITC does.

Focus Group Logistics

Cooper suggests a due diligence requirements. O'Brien suggests asking the taxpayers if they have ever been visited by the IRS. O'Brien informs the committee about other offices besides EITC that deliver EITC programs. There are different functions and divisions that deal with the IRS. These organizations may give info on due diligence. The focus groups should consist of a mix of people. Westat states that having focus groups in a professional facility such as community centers or churches are very important. This is better for audio taping. Offering incentives such as tickets to tax forums or offering to pay for transportation will encourage people to participate. Westat will work on this in July and August and have the research done by September. The goal of the focus groups is to identify issues which help determine how well the IRS communicates with preparers and the clients they serve. In addition, the IRS wants to learn how to increase preparer participation and compliance with making EITC claims. The purpose of the focus group is to learn about third party tax preparers' awareness of online tools available to them through the IRS to process Earned Income Credit (EIC) claims, and to collect feedback about the utility and quality of those tools. Participants represent two groups:



1. "Tool Acquainted" – third-part tax preparers who have looked at and/or used EIC online tools available through irs.gov and EITCfortaxpayers.gov;
2. "Tool Unacquainted" – third party preparers who do not know that the IRS offers EIC tools online.

In addition to providing insight into preparers' awareness of and experiences with EIC online tools, the discussion will yield suggestions about how the IRS can disseminate information about the availability of EIC resources, and enhance their utility to tax preparers.

Screener's Guide

1. Do you prepare EITC returns?
 - o How Many?
 - 1 – 100
 - 101 – 1000
 - 1001 and up
 - o If unknown, how many preparers work at your company?
 - 0 – 254
 - 26 – 500
 - 500 and up
2. Do you participate at the Tax Forums?
3. Do you use paper & pencil or computer generated? How many?
4. Would you mind participating in an "observed focus group"?

Moderator's Guide

1. What resources do you use to access information for assistance in tax preparation?
 - o IRS printed documents
 - o IRS internet resources
 - o Other printed tax preparer service materials
 - o Other internet resources
 - o Org. resources; CPA news letters
2. Are you aware of the IRS Tax Site; www.irs.gov?
3. Are you aware that the IRS has online tools and resources to help tax professionals prepare EITC claims?
4. Information flow – percent of each
 - o How do you get information from the IRS web, membership groups, CPE providers, snail mail?
5. Most effective way to get info to you?
6. How do you prepare EITC returns?
7. Do you know about or have you read pub 596?
8. Due diligence paragraph – if preparer does not have a computer, how does the preparer communicate with clients? Is the preparer filing a Power of Attorney (POA) from 2848D on behalf of each client and thus receiving copies of communications with clients regarding the EITC or do they assume client will contact them if the client receives a notice? Is the preparer always aware of IRS communication with client?
9. Continuing education (EITC Updates, etc.)

Pre-Group Questionnaire



1. Do you prepare paper and pencil, computer or both?
2. Information source: How do you get information from the IRS? Email, snail mail, post office forms, or other resources (society membership, VITA, LITC, etc.)
3. Operation: year round, seasonal (thru tax season) firm.
4. Communication with clients Qualifications – No H&R Block/Jackson Hewitt/No Non Paid preparers. Break out – Urban/Rural/Suburban. No due diligence visits. Is there a way for subsequent contact – post focus groups?



**EITC Issue Committee Meeting Minutes
May 14, 2007
Teleconference**

Program Owner

- O'Brien, Mary - Washington, DC - Analyst

Designated Federal Official

- Ramirez, Sandra - Brooklyn, NY - Manager

Committee Members Present (These attendees count for quorum)

- Broniarczyk, Robert - Romeoville, IL - Member
- Chen, Betty - New York, NY - Member
- Cooper, Dale - Atlanta, GA - Vice Chair
- Sosa, Iris - Fontana, CA - Member
- Wernz, Stanley - Cincinnati, OH - Chair

Committee Members Absent

- Kennedy, Jeff - Louisville, KY - Member
- Tanna, Wayne - Honolulu, HI - Member
- Widmer, Harris - Fargo, ND - Member

TAP Staff

- Jenkins, Audrey - Brooklyn, NY - Analyst
- Odom, Meredith - Brooklyn, NY - Secretary

Other Attendees

- O'Brien, Mary - EITC
- Roberts, Tia - EITC
- Schmitt, Bill - Center of Budget and Policy, Washington, DC

Welcome

Wernz opened the meeting at 12:31 PM welcoming the committee and IRS staff.

Roll Call

Quorum met

Review of Assignments

Chen gave an overview of the work the Technology Subcommittee. The committee discussed how useful IRS products are to the practitioners. How familiar and how satisfied they are. They also review the topic of information flow. How EITC preparers are getting their information from the IRS. Are they getting it via snail mail, the web or membership groups? Due diligence was another topic that was brought up by Johns as a topic that should be discussed. Are EITC preparers aware there are rules? Will an annual refresher course be useful?



Wernz informed the committee that the focus group characteristics qualification recommendation went forward to O'Brien. Johns wants to discuss some items with the committee but she is on an extended leave. She doesn't have a replacement at this time. Wernz expressed some concerns with the timeline for the work to be produced from the committee. have an update as to when information will be provided to complete this work. Wernz is proposing the committee meet once a month. He would like for the committee to meet monthly on the second Monday at 10:30 AM ET. The EITC committee had 3 members to resign. Wernz would like to discuss the difference between small and medium sized organizations. Roberts will inform the committee of the difference. Ramirez informed the committee that there isn't any baseline data for outreach. This assignment exists for this committee and the focus group to start a baseline for the outreach data. Wernz would like to know the source that documents the statement that 20 to 25% of eligible individuals did not apply for the EITC. Wernz feels as if this information will be helpful in the screening process. Cooper feels that these criteria will help to identify the type of individual and you can look at this individual relative to their type of income. You can more or less determine what type of firm they are more likely to use. If they are low income, they are going to use a mom or pop business opposed to a larger firm because the larger the firm the more the cost.

O'Brien informed the committee that since Johns is on extended leave, professional researchers from WESTAT will be working with the committee. WESTAT will attend the face to face meeting. The administrative committee sent some questions forward to EITC. Johns had a comment in reference to question #8. If possible to determine including focus group membership individuals who have received IRS EITC tax preparer letters because of returns reflecting potential for error. Johns does not want to focus on those who have due diligence visit. She would like to make it clear that it wasn't a due diligence visit that they had their correspondence with from the IRS. It was actually correspondence that was sent on behalf of the taxpayer on EITC error. Cooper agrees because if it is a due diligence visit, then the individual is on the IRS radar screen for more reasons than one. If they are on there for a due diligence visit, they normally don't venture to a focus group or a forum. Most practitioners that have due diligence visit with the IRS are usually the ones that cut corners. Cooper states that the question could be asked, as a practitioner, do you receive correspondence on behalf of your client, and if so, have you personally had a face to face meeting with the IRS regarding due diligence preparations of EITC or due diligence in any other manor? The committee agrees on Coopers change to the question.

Face to Face Assignment

WESTAT will meet with the committee at the face to face meeting. O'Brien states the committee will present WESTAT the problem statement, and how to improve communication with third party preparers. WESTAT will ask the committee questions as to what groups they are targeting. They will go through the moderators guide. WESTAT will record all information from the committee and they will go back and perfect the screener and the operator guide and come back to the committee with a proposal. They will start arranging for the focus groups. The committee needs to focus in on what cities are going to be looked at. A timeline will be developed for when these focus groups will be held. O'Brien asked that Ramirez and Jenkins speak with Coston about having some of the members attend the focus groups. WESTAT will prepare transcripts and a basic analysis of the results of the focus group and the committee will be able to make recommendations. The committee would like for the focus groups to be done by the end of August so the committee can do an analysis and make recommendations in September or October. The budget allows for the focus groups to be conducted in 8 different cities. The committee will make the recommendations on what cities will have the focus groups.

Meeting Recap

Cooper states that the admin committee has been submitted to be signed off on. From the technical standpoint, a little more work needs to be done on this which will be concluded at the face to face meeting. This is needed in getting WESTATS help.



Public Participation

Jenkins thanked Schmitt on participating in the meeting. Schmitt thanked the committee for allowing him to join. He also requested prior meeting minutes.

Next meeting, June 1 – 2, 2007 in Washington, DC.



EITC Issue Committee Meeting Minutes
March 12, 2007 - 10:30 AM
Teleconference

Program Owner

- Williams, David - Director, EITC

Designated Federal Official

- Ramirez, Sandra - Brooklyn, NY - Manager

Committee Members Present (These attendees count for quorum)

- Chen, Betty - New York, NY - Member
- Cooper, Dale - Atlanta, GA - Vice Chair
- Davis, JoAnn - Scott Depot, WV - Member
- Kennedy, Jeffrey - Louisville, KY - Member
- Sosa, Iris - Fontana, CA - Member
- Tanna, Wayne - Honolulu, HI - Member
- Wernz, Stanley - Cincinnati, OH - Chair
- Widmer, Harris - Fargo, ND - Member

Committee Members Absent

- Broniarczyk, Robert - Romeoville, IL - Member
- Lester, Judy - Chapel Hill, NC - Member
- Rivera, Ralph - Garland, TX - Member
- Widmer, Harris - Fargo, ND - Member

TAP Staff

- Knispel, Marisa - Brooklyn, NY - Analyst
- Odom, Meredith - Brooklyn, NY - Secretary

Other Attendees

- O'Brien, Mary - EITC Office
- Schmitt, Bill - Non-Budget and Policies Priorities

Welcome/Announcements/Review Agenda

Wernz welcomed the committee and quest.

Roll Call (quorum has been met)

Review of Assignment Progress

Technical Subcommittee

Chen discussed that the committees' goal is to learn how to increase preparer participation and compliance with making EITC claims. The first meeting was held to discuss which issues should be addressed by the moderators during the focus groups and if CPA's, enrolled agents, tax preparers or people who work for H & R Block should be invited. Some of the issues discussed were: How useful



are the available products the IRS has now? How familiar are preparers with using them? Are preparers satisfied?

Another topic is information flow (how preparers get the information from IRS). Do they receive their information from the web, mail, or through membership groups? Does their information come from IRS sponsored tax forums or through continuing education providers?

Due diligence issue was mentioned. Are preparers aware of the rules for required record keeping? Are they satisfied with this system? Are preparers aware of the audit system?

Cooper discussed the task prior to convening a focus group. One of the tasks is to determine the location of a focus group. Who is our target market (preparers who are self employed vs. the H & R blocks and Hewitt)? Being that IRS has a direct line with large agencies, they will not be part of this focus group.

The committee focused on self employed and the firm types outside of large firms. To focus on small and medium sizes preparers, you will use their EIN or SSN. The EIN implies there is a firm and SSN implies there is an individual. An EIN indicates a firm that may or may not be more than one person. Sometimes the preparer is also the reviewer. Is this situation desirable? You may also have firms preparing EITC returns when their people are not qualified to do these EITC returns. How do you communicate with these preparers? Do these preparers have the IRS check list? Do the clients provide them power of attorney? Are they filing paper returns opposed to using e-file?

Administrative Subcommittee

Wernz discussed the EITC Focus Groups Qualification Suggestions memo that was provided along with the agenda for this meeting. O'Brien suggests putting in characteristics of the people that the committee wants to talk to select for the focus group. Tanna stated that the LITC are not supposed to do income tax preparation unless it is a controversy already pending before the IRS. Some smaller size and mid-size firms are farming off non EITC qualified taxpayers to VITA sites because they can't get the fee. With EITC qualified family they can only charge them for the basic return. Without EITC preparers can't get to the refund anticipation loan to make the big money they make off the clients they are trying to seek. O'Brien reminded the committee to focus on how to reach tax preparers.

Westat Vendor Overview

O'Brien reviewed what the committees are doing as far as looking for people that work for small to medium sized accounting firms and paid preparer firm. Wernz would like an even mix of both. The committee is looking at paper/pencil and computer returns. They are also looking within the firms at the people who prepare and review returns. Do they have the same knowledge level? O'Brien gave the committee an extra week to have the recommendation approved.

Westat will be a consultant to the focus group process. They are a contact research firm. They serve agencies such as the government and they work with businesses and foundations. Their specialty is leading statistical research. They have developed skills and have experience in custom research and program evaluations. Westat has been in business for 31 yrs. They are based in Maryland. They have worked previously with IRS.

A committee member will be asked to be a spokes man during the kick off meeting. At the moment the EITC office is still in procurement with Westat and will not be able to talk to them until the procurement process is over. TAS wants to be involved with these focus groups. The kick off meeting will be held within the last two weeks of March. The focus groups will be during the summer and finished by August. The committee will be able to make their recommendations by November 30th.

Ramirez suggests the committee take more time to discuss this issue. Wernz suggest the committee come up with ideas for this recommendation by the end of the week. Cooper suggests members send



him all comments by Sunday and he will put them together and provide the entire committee with a summarized document by Tuesday.

Public Participation

None



**EITC Committee Meeting Minutes
January 8, 2007, 10:30 AM EDT
Teleconference**

Program Owner

- Mary O’Brien, Program Analyst, EITC Office

Designated Federal Official

- Ramirez, Sandra, TAP Program Manager

Committee Members Present

Broniarczyk, Robert	Romeoville, IL	Panel Member
Chen, Betty	Pound Ridge, NY	Panel Member
Cooper III, Dale	Atlanta, GA	Vice Chair
Davis, JoAnn	Scott Depot, WV	Panel Member
Kennedy, Jeffrey	Louisville, KY	Panel Member
Lester, Judy	Chapel Hill, NC	Panel Member
Wernz, Stanley	Cincinnati, OH	Chair
Widmer, Harris	Fargo, ND	Panel Member

Committee Members Absent

Rivera, Ralph	Garland, TX	Panel Member
Sosa, Iris	Fontana, CA	Panel Member
Tanna, Wayne	Honolulu, HI	Panel Member

TAP Staff

- Jenkins, Audrey, TAP Program Analyst
- Knispel, Marisa, TAP Program Analyst
- Odom, Meredith, TAP Management Assistant

Other Attendees

- McDavid, Elijah, Policy Analyst, EITC Office
- Johns, Vivienne, Program Analyst, EITC Office

Welcome/Review of Agenda

Wernz welcomed all members and IRS staff. Wernz suggested the committee meet monthly instead of bi-monthly because of the Annual Assessment prepared by the 2006 EITC Committee. By consensus members decided to continue with the bi-monthly teleconferences as decided on at the Annual meeting in Washington.



Roll Call

Quorum met

Review of Assignment/Progress

Wernz asked if any members were able to access the websites O'Brien suggested for everyone to visit familiarize themselves with the EITC. Johns informed the committee of the objectives for the year which are to "improve communication with tax practitioners". There is an opportunity to conduct research activities in the upcoming focus groups that are done with practitioners in the summer at the tax forums. Johns suggested that the committee split into two subcommittees; one for the administrative portion and the other will handle the technical portion of the project. Wernz mentioned that he has concerns that the 2006 EITC committee felt they lost momentum when the committee was split. Johns informed the committee that this project will differ from last year's assignment and if the team decides they don't want to split they don't have too. She believes it would be more time effective to work in subcommittees. Jenkins informed the committee that subcommittees successfully worked in the past. Johns will serve as a subject matter expert to guide the committee, answer questions and to help the project move along. The Research department of the Wage & Investment division of the Internal Revenue and an outside contractor will be working with this as well. Data must be gathered before action can be taken. Communication with practitioners must be figured out. Tax Forums are a good ways to communicate with practitioners because they are all together at the same time. This is a good way to get the word out about EITC. Johns explained focus groups to the committee stating this is a facilitated discussion with a group of preparers which concentrate on 1 or 2 topics and is used to get a range of opinions in the shortest amount of time. It is an open discussion by individuals who service various taxpayers. The committee will prepare the moderators guide which is the discussion guide. There will be different opinions based on demographics. It is extensive and does require a trained facilitator; everything is audio, and sometimes video taped. A lot of times focus groups are used before a survey is distributed. If the customer is not sure of what the issues are, then focus groups are used to bring the issues out. The second form of qualitative study is Structured Survey. These are in written form, telephonic and in interview format. The responses are limited to specific answers to the questions. Statistical analysis can be done with the data. It requires time to develop more so than the focus groups because the focus groups are general questions. You're only going to get answers to what you asked. The third is Exit Interviews. They are similar to a survey. An individual just pulls someone aside to answer some questions. This can be time consuming, but it does give a more personal feel to the survey. Johns recommends using focus groups at the tax forums. If you need additional information you can develop a survey to do at next years Forum based on information from the previous Forum. Johns would like the committee to have the Office of Management and Budget's (OMB) package (approval process) ready by the end of March or beginning of April, this will time for any corrections if needed. Johns is expecting a final report by late September or October showing all results. Johns discussed the OMB Package is a document which explains the project will be carried out. OMB then approves the project and explains how to select the individuals, the moderators guide or the survey questions. This document must be done and approved by OMB prior to conducting the focus groups. A moderator guide and a discussion guide must also be developed. The moderator's guide is a guide for the person doing the moderating. The discussion guide, consist of open ended questions that stimulate questions.

The technical subcommittee will write the moderators guide and the discussion guide. This will include the questions that will be asked, what information is being seeked. The administrative subcommittee will figure out how to select the individuals, contact the individuals and how many individuals will be in each group.

Johns will forward Jenkins a guide on focus groups and other reading material for the committee to review prior to choosing a subcommittee. These items will explain how brainstorming session and planning sessions should go. One subcommittee will handle the logistics and the other group will handle the questions and technical documents that need to be written. The EITC office will provide the committee all resources needed to complete this task. A trained moderator will also be involved in this project.



Public Participation

N/A

Recap of New Action Items

Jenkins

- Provide committee with correct web address from O'Brien
- Send committee an email with a due date for subcommittee selection
- Send all pre-read materials from Johns

Johns

- Send Jenkins all pre-read materials for subcommittee selection

Members

Review pre-read materials and respond to Jenkins with subcommittee selection by due date.