



## 2003 Meeting Minutes Joint Committee

- December 16, 2003
- November 18, 2003
- October 21, 2003
- October 4, 2003
- September 16, 2003
- September 5-6, 2003
- August 19, 2003
- July 15, 2003
- June 17, 2003
- May 20, 2003
- May 2-3, 2003
- April 22, 2003
- March 18, 2003
- February 18, 2003
- January 21, 2003

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### Joint Committee Minutes

*December 16, 2003*

#### Members Present

- Mario Burgos, Efiling
- Bernie Coston, DFO
- Skip Eshelman, Notices
- James Grimaldi, Area 1
- Gwen Handelman, EITC
- Cheyanna Jaffke, Area 7
- Robert Meldman, Ad Hoc
- Paul Nagel, Schedule C Non-filers
- Tom Seuntjens, TAP Chair
- Teresa Smedley, Area 4
- Leonard Steinberg, Payroll Taxes
- George Sullivan, Area 3
- Bruce Twomley, Multilingual
- Sherry Whah, Area 6
- Lillian Woo, Area 5

#### Members Absent

- David Meyer, Area 2



## Staff Present

- Sandy McQuin, TAP Manager
- Judi Nicholas, TAP Manager
- Patti Robb, Note Taker
- Barbara Toy, Program Analyst

## Welcome / Announcements / Review Agenda

Tom Seuntjens opened the meeting by welcoming everyone and reviewing the agenda.

## Roll Call

Total members present - 15; quorum met.

## National Office Report

Bernie Coston spoke to Nina Olson, National Taxpayer Advocate (NTA), about recruitment and will be meeting with her again the week of January 5, 2004, to talk about rolling out the recruitment process. Coston spoke to the Taxpayer Advocacy Panel (TAP) web site contractor letting them know to continue readying the recruitment web site. Coston added that the Taxpayer Advocacy Panel (TAP) is going to be looking at a variety of methodologies for recruitment in the upcoming year.

Seuntjens stated that the Joint Committee would like continuing feedback on the process and the involvement when there is any opportunity and asked Coston to review the process during our next conference call.

**ACTION: Coston will update the Joint Committee about the recruitment process during the next conference call scheduled for January 20, 2004.**

**ACTION: Coston will update Seuntjens about the recruitment process immediately after his meeting with the NTA.**

Coston reported that he has been in contact with the offices of Sue Sottile and Michael Chesman and has sent up meetings with both; Sottile on December 17, 2003 and Chesman on January 7, 2004. The main purpose of the meetings for introductions and Coston will address the desire to have regularly scheduled meetings with the TAP Chair, the liaisons, and himself. Seuntjens added that the regularly scheduled meetings should include the TAP Vice Chair, Bob Meldman. Gwen Handelman mentioned that at a prior Joint Committee meeting, there was talk about getting representatives on various IRS task forces that mirror TAP issues. Coston noted this and will follow-up on this issue and find out what is appropriate. Seuntjens stated that the original discussion specified the name, Jim Grimes, who is part of the IRS Earned Income Tax Credit (EITC) task force that could possibly parallel the TAP EITC committee. TAP might not be involved directly, but wants some type of communication vehicle with the IRS teams.

**ACTION: Toy will separate this issue from the action item concerning the TAP chair as liaison to other IRS advisory groups and mention Grimes specifically.**

Coston has tasked Judi Nicholas with preparing a holiday greeting for all TAP members from Coston and Seuntjens.

Seuntjens asked Coston to extend an invitation to the NTA to attend TAP subsequent meetings since Olson had expressed an interest in joining the conference calls and the Joint Committee welcomes her presence. Seuntjens expressed his desire to meet with the oversight board as well as with Treasury and the Commissioner to deliver the annual TAP report. Coston will share this information with Mary Clare Whitehead, NTA Executive Assistant.



**ACTION: Coston will extend an invitation to Nina Olson to attend future TAP Joint Committee meetings.**

#### **Review of Assignments**

Completed assignments were deleted. It was unclear whether the assignment from last month for all chairs to set a date for their face-to-face meetings and to have the calendar updated was complete.

**ACTION: Toy will check on status of calendar updated with all face-to-face meetings**

McQuin stated that Kraushaar had delivered the generic news release and was not clear on the other items. Mario Burgos stated it is very disheartening when we are told we are going to get something but it never materializes and Seuntjens asked McQuin to talk to Kraushaar over the next two to three weeks to get an actual response to each of these items and report back to the Joint Committee by the January meeting with this information.

**ACTION: McQuin will deliver the generic release to Joint Committee and check on other two items.**

#### **Review / Approve Minutes**

Minutes were approved by consensus with no changes.

#### **Agenda Items**

##### **Recommendation Tracking and Response Process**

Discussion included changing the number of days and the format for written acknowledgements. The words in full or part were added to each item dealing with accepting the recommendation and the title was changed from referral to recommendation. Coston will check with Sottile and Chesman on reducing the number of days for acknowledgement from 30 days to 20 days. The Joint Committee also wanted to add that a response must be written.

**ACTION: Coston will discuss reducing the number of days for the acknowledgement of the proposal receipt with the liaisons.**

In addition, the Joint Committee discussed the handling of the responses. It was decided that first, the Joint Committee will have a discussion of the response led by the chair of the originating committee. The chair will then bring the response back to their committee to review. If you accept and close the issue, get back to the Barbara Toy, the Joint Committee Analyst, with that information. When issues are closed, they will be identified as closed. The closed issues will be shown as closed during the month and then dropped off the status report. If the committee needs more research or clarification on the issue, a request should be sent back to the program owner. Ultimately, if the committee chooses to reopen the issue or change the direction, the original recommendation should be closed and a new referral sent to the Joint Committee and if elevated a new number will be assigned.

#### **TAP Status Report**

##### **Response on Financial Literacy - Meldman**

Congress has passed the Fair Credit Reporting Act into law that includes financial literacy and education improvement. The law develops a national strategy to improve financial literacy and establishes a Commission to provide guidance. The Department of Treasury oversees the Commission. The act is H.R. 2622-2, Title V, Financial Literacy and Education Improvement. The entire act can be linked from the following address:



[http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=108\\_cong\\_bills&docid=f:h2622enr.txt.pdf](http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=108_cong_bills&docid=f:h2622enr.txt.pdf)

Mario Burgos is credited for locating the final bill and was given kudos for being the one to pick the bill up and send the link to the Joint Committee.

### **Form 99, Return of Organizations Exempt from Income Tax - Teresa Smedley**

TAP received a response on this proposal from Steven T. Miller, Director of Exempt Organizations. Smedley acknowledged the Area 4 sub committee for the tremendous job. Some recommendations will be implemented and some are still being reviewed. The proposal asked the Internal Revenue Service (IRS) to simplify the Form 990 instructions. Exempt Organizations is developing a series of pamphlets for non profit organizations to do just that. TAP also recommended that IRS assistance for non profits be publicized. IRS is including more information and instructions for the Form 1023 which is the application for the non profit status and is adding the information to the determination letter publicizing the toll free number and internet site. Exempt Organizations is considering developing tutorials for help in preparing the Form 990 for implementation in 2005. They are intending to promote the electronic filing of exempt organization returns, and are incorporating our suggestions into that plan. There are plans are to include information on who must file, what the filing requirements are, and that the Form 990 EZ is an alternate choice in the determination letter to the organization. As far as penalty abatement, while they said the reasonable cause standard is a legal standard and cannot be changed because of regulations, Miller said 65% of penalties in 2002 were abated. Smedley needs to bring this back to Area 4 but believes Area 4 will be satisfied by the implementation of our recommendations and will be closing this issue at the next meeting. Smedley mentioned the nice write-up on TAP's Form 990 proposal on the Guidestar web site ([www.guidestar.org/news/newsletter/tap.jfp](http://www.guidestar.org/news/newsletter/tap.jfp)) thanks to the efforts of Panel Member, Leslie Malcolmson.

**Action: Toy will send out TAS newsletter with Form 990 write-up to chairs.**

### **Response on Quality Control of IRS Correspondence - Jim Grimaldi**

Grimaldi needs to bring this response to Area 1 for discussion. The response stated a 100% review was not feasible and that IRS states it does have a quality control review based on a statistical sample.

### **FreeFile Alliance - Lillian Woo**

TAP forwarded two sets of recommendations; one in June and another set last month. We have no written response but the Area 5 subcommittee did have a teleconference with Terry Lutes, Deputy Director, Modernization and Information Technology. One proposal was for TAP to partner with FreeFile which will not happen. Our recommendations provided in June were considered during the negotiations but based on the government, private sector relationship; IRS is limited on what they can do. Woo will take the response to Area 5 for discussion by whole committee. Seuntjens suggested even though the subcommittee had the conversation with Lutes, it would be good to get a written response to bring this issue to closure. Coston felt that a written response should be standard procedure.

**ACTION: Coston will discuss receiving a written response on the FreeFile Alliance proposal with Sue Sottile.**

### **TAP 03-015 Provider Identification Number - Sandy McQuin**

This issue originated from Area 6 and had to do with an identification number for dependent care providers. The recommendation was to give providers a simpler and specific identification number using an application form similar to what practitioners now use. Sue Sottile forwarded a response from Bob Erickson, Senior Technical Advisor.



Tax Forms & Publications, to McQuin by email. The response said that the proposal could not be adopted unless the regulations are changed. To amend the regulations would require involvement of Chief Counsel and the Secretary for Tax Policy. There is a specific exception for practitioners. The next step is for the committee to decide if they want to make a proposal to change the regulations to the NTA. Sherry Whah will take it back to her committee to discuss and make a decision.

**ACTION: Sherry Whah will take it back to her committee to discuss the response on the Provider Identification Number.**

### **Third Party Authorization - Toy**

This issue originated in Area 3. TAP had forwarded a request to the NTA to request counsel advice on the Third Party Authorization check box. Prior to having received this response, the IRS greatly expanded the check box authorizations to include all authorities included in the Form 8821 and the authority was expanded to expire on the anniversary date of the due date for filing the return. Because this change covers the gist of Area 3's concerns, the issue should be brought back for discussion in Area 3. Counsel will not provide advice until Area 3 reviews the letter and decides if it should go forward with changes or should be closed.

**ACTION: Toy will discuss the third party authorization issue with George Sullivan so it can be brought back to Area 3.**

**ACTION: Sullivan will place the original memo to the NTA on the Area 3 agenda based on the expanded authority of the Third Party Authorization check box designation for review.**

### **Communication Strategy (Refer to Plan in 11/18/03 Joint Committee Minutes) - Meldman**

Meldman received few comments on the communication strategy but did some tweaking to the original document and a few grammatical changes. This document should be dated December 16, 2003 and finalized.

**ACTION: Toy will remove Draft from document; make grammatical changes as indicated by Meldman , and send out to all panel members.**

### **Monthly Committee Reports Action Items**

#### **TAS Authorities - RRA 98 - Bruce Twomley**

Twomley introduced the revised proposal which he revised and condensed with the help of Gwen Handelman and Meldman. **Consensus reached on elevating issue.**

**ACTION: Toy will place TAS Authorities RRA 98 into letter format and elevate to the NTA.**

#### **Immediate Telephone Call Feedback - David Meyer**

Meyer was not able to attend the meeting but left message that this issue will be brought back to the Area 2 committee for review and removed from agenda.

#### **Refund Check Envelope-George Sullivan**

Seuntjens apologized to Sullivan for not recalling that this item would be moved ahead in the agenda since Sullivan could not remain for full telephone call.

**ACTION: Toy will place the Refund Check Envelope Issue on the January agenda.**



### **Public Awareness of Taxpayer Advocate Service (TAS) - Whah**

This is referral is in response to 35 emails Area 6 received in response to a survey. It appeared to Area 6 that the general public is unaware of the existence of TAS.

Coston replied that TAS is currently in the process of unveiling a major marketing strategy campaign that will be introduced at the January TAS training. Seuntjens asked for an update on the campaign before the next Joint Committee meeting. Twomley stated his concern that people who don't know about TAS are the people who need them most. There seems to be lacking good notice about TAS on correspondence to taxpayers.

McQuin suggested Coston could brief Area 6 on their next conference call and Coston agreed.

**ACTION: Coston will provide TAS Marketing Campaign update to Area 6 by conference call scheduled for January 16, 2004, at 2pm PT (5pm ET).**

### **Processing Problems - Whah**

Whah introduced the issue. A taxpayer files multiple year tax returns and receives a refund for one tax year. The recommendation is to place a hold on all refunds until all returns are processed. Meldman stated there is no way to know if a unfiled return has a balance due until it is processed but there are other issues here too--interest netting problems, and believes the issue needs additional research. Handelman thought the issue belongs more in the realm of IRSAC (Internal Revenue Service Advisory Council) and not TAP's since it favors IRS administration by protecting revenue. Twomley referred to the taxpayer who brought the problem to TAP, who filed for multiple years. IRS issued a refund for one year and the taxpayer assumed IRS had resolved all accounts and spent the money. Taxpayer was not able to repay the refund and the account is currently uncollectible. Based on that taxpayer's experience, Twomley believes TAP should represent the issue. Coston cautioned about working issues on an individual basis rather than for all taxpayers. Issue will be taken back to the committee for fuller explanation and more study.

**ACTION: Sherry Whah will take Processing Problems back to her committee for fuller explanation and more study.**

### **Closing**

Seuntjens thanked every one for attending the meeting and mentioned that the next meeting will be January 20, 2004 at 1:30 pm ET.

Handelman asked about the annual report process. Seuntjens replied that he sent a rough draft to Coston, Toy, and McQuin for formatting and that a copy should be sent over the holidays, by email for Joint Committee review. Handelman asked if there is going to be a similar compilation made of issues elevated from the issue committees as there was for those from the area committees.

Seuntjens thought was the area issues go through the Joint Committee while the issue committees send their recommendations directly to their program owner. McQuin suggested asking Sottile and Chesman to get some feedback from the program owners on the issue committee activities. Since program owners must have to report to someone on the recommendations they are getting from these committees, it should be easy to compile. Every issue committee does things so differently in terms of the kinds of input they are giving to program owners and you want to credit the committees for all they are doing.

**ACTION: Coston will speak to Chesman and Sottile about a feedback mechanism or reporting mechanism from the program owners.**



Coston thanked the panel members who attended the Low Income Tax Clinic meeting last week and looks forward to meeting the rest of the panel members. Seuntjens thanked and wished all Happy Holidays.

Meeting Adjourned.

**Assignments:**

**Joint Committee Members:**

1. Chairs and staff should send in their own comments in writing, by the April Joint Committee meeting, on how to be more effective as a committee. They will be consolidated to be discussed at the May face-to-face meeting (11/18/2003).
2. Each chair should speak to his/her analyst and committee and decide when to have the one face-to-face meeting (11/18/2003).

**Kraushaar:**

1. Work with McQuin to develop:
2. Pocket-sized Quick Media Tips
3. Clear fact sheet on who TAP is and what TAP does
4. Generic News Release (09/05/2003 and 09/06/2003)

**Coston:**

1. Update the Joint Committee about the recruitment process during the next conference call scheduled for January 20, 2004.
2. Update Seuntjens about the recruitment process immediately after his meeting with the NTA.
3. Extend an invitation to Nina Olson to attend future TAP Joint Committee meetings.
4. Discuss reducing the number of days for the acknowledgement of the proposal receipt with the liaisons
5. Discuss receiving a written response on the FreeFile Alliance proposal with Sue Sottile
6. Provide TAS Marketing Campaign update to Area 6 by conference call scheduled for January 16, 2004, at 2pm PT (5pm ET).
7. Speak to Chesman and Sottile about a feedback mechanism or reporting mechanism from the program owners.
8. According to charter and TAP Guidance Document, the TAP Chair and Vice Chair have designated role as liaisons with other IRS advisory groups: ETAAC, TE/GE, ACT, IRSAC, and IRPAC. In addition, the TAP Chair and Vice Chair are the points of contact with the TAP staff, TAS, SB/SE, W&I, and other IRS Operating Divisions and Functions and Treasury to provide briefings on TAP activities, next steps, and action items. Also consider ways for other TAP members to partner with IRSAC and IRPAC. (05/20/2003)
9. TAP and IRSAC sometimes have similar committees working the same issue as the TAP issue committees, for example each have a subcommittee on EITC. Jim Grimes is the lead of the EITC task force.

**McQuin:**

1. Deliver the generic release to Joint Committee and check on other two items under Kraushaar's action items.
2. Compile a list of panel members who have resigned. This will be forwarded to the chairs. Any new resignations should be sent to Seuntjens and Toy. They will notify the chairs who in turn, will notify the rest of their committee.



**Staff:**

1. Chairs and staff should send in their own comments in writing, by the April Joint Committee meeting, on how to be more effective as a committee. They will be consolidated to be discussed at the May face-to-face meeting.

**Sullivan:**

1. Sullivan will place the original memo to the NTA on the Area 3 agenda based on the expanded authority of the Third Party Authorization check box designation for review.

**Toy:**

1. Check on status of calendar updated with all face-to-face meetings.
2. Place TAS Authorities RRA 98 into letter format and elevate to the NTA.
3. Remove Draft from communication document; make grammatical changes as indicated by Meldman , and send out to all panel members
4. Discuss the third party authorization issue with George Sullivan so it can be brought back to Area 3.
5. Send out TAS newsletter with Form 990 write-up to chairs
6. Separate this issue from the action item concerning the TAP chair as liaison to other IRS advisory groups and mention Grimes specifically
7. Place the Refund Check Envelope Issue on the January agenda.
8. Develop a form for collecting the inventory of knowledge, skills, and abilities and find a way for the information to be easily accessed on TAPSpeak. (09/05/2003)
9. Follow-up with Program Manager Ferree to send copy of telephone protocol to new members. (10/04/2003)
10. Get breakdown of top 50 issues on SAMS that are not assigned as a project to TAS employees. (05/02 -05/03, 2003)
11. Toy and Balmer will have draft of issue matrix subcommittee report and list of categories to all Joint Committee members by November meeting.

**Whah:**

1. Take back to Area 6 committee to discuss the response on the Provider Identification Number.
2. Take Processing Problems back to Area 6 committee for fuller explanation and more study.





## **Joint Committee Minutes**

*November 18, 2003*

### **Members Present:**

- Mario Burgos, Efiling
- Skip Eshelman, Notices
- James Grimaldi, Area 1
- Gwen Handelman, EITC
- Cheyanna Jaffke, Area 7
- Sandy McQuin, DFO
- Robert Meldman, Ad Hoc
- David Meyer, Area 2
- Paul Nagel, Schedule C Non-filers
- Tom Seuntjens, TAP Chair
- Teresa Smedley, Area 4
- Leonard Steinberg, Payroll Taxes
- George Sullivan, Area 3
- Sherry Whah, Area 6
- Lillian Woo, Area 5
- Elizabeth Brodbine-Ghoniem, for Multilingual
- Eileen Shuman

### **Members Absent:**

- Bruce Twomley, Multilingual

### **TAP Staff:**

- Bernie Coston, TAP Director
- Inez E. De Jesus, TAP Program Analyst
- Audrey Jenkins, TAP Program Analyst
- Marge O'Brien, Acting TAP Manager
- Sandra Ramirez, TAP Manager
- Patti Robb, note taker
- Barbara Toy, TAP Program Analyst

### **Welcome/Announcements/Review Agenda**

Tom Seuntjens opened meeting by welcoming everyone.

### **Roll Call**

- Total members present - 15; quorum met.

### **National Office Report**

Sandy McQuin announced that Bernie Coston was selected as the new Director for the Taxpayer Advocacy Panel. He was the executive assistant to Arlene Kay in Systemic Advocacy. Members may recall Coston from his attendance at the annual TAP meeting.



Coston and McQuin have been working on the budget. The IRS is facing a budget cut; all federal agencies are facing serious budget cuts. Coston and McQuin brought the budget to what they believe is the bare minimum but it has not been approved. TAP has already spent \$120,000 of the Fiscal Year 2004 budget on the annual meeting and there is still recruitment coming early next year. To reduce costs TAP will explore alternatives to face-to-face interviews. The face-to-face meetings are important, but right now the TAP budget will only allow only one for each issue and area committee and possibly two for the Joint Committee. The budget has not been approved but this is the projection. The cuts to all Federal Agencies' budgets are expected to affect 2005 as well, possibly a 5% decrease. Seuntjens asked if the chairs should go back to each committee to let them know and Coston replied yes because committees scheduled for two they need to decide the date of their only face-to-face meeting. Seuntjens asked that each chair speak to his/her analyst and committee and decide when to have the one face-to-face meeting. Staff will modify the calendar and reissue as this process is completed. Coston restated that TAP is still hoping to approve the two face-to-face meetings for the Joint Committee but will not know until the budget is approved. Coston will send a message to all chairs concerning the budget so they can follow up with their committees.

**ACTION: Each chair should speak to his/her analyst and committee and decide when to have the one face-to-face meeting.**

**ACTION: Staff will modify the calendar and reissue as the committees reschedule their face-to-face meetings.**

Coston and McQuin will be on a recruitment call with the White House Liaisons. They have received the names of the panel members who are willing to extend their term a year and more volunteered than are needed for the one third remaining. Coston and McQuin will be discussing the selection process on this conference call.

**ACTION: An updated Joint Committee roster will be sent out now that Coston has been selected as Director.**

#### **Review of Assignments**

All Kraushaar's action items are still in process except the generic news release. It is available and needs to be personalized with a quote and the personal information for each panel member.

It was noted that not all chairs had received the attendance charts.

**ACTION: McQuin will compile a list of panel members who have resigned. This will be forwarded to the chairs.**

Staff has developed a preliminary form to collect knowledge, skills, and abilities (KSA) for all panel members. The information will be on TAPSpeak after completion. The form needs further development. After completion, it will be sent out to all panel members to complete and to perspective panel members when they are interviewed.

Toy is also working to develop a tracking system for the elevated issues per Michael Chesman's suggestion at the annual meeting. Seuntjens added a reminder that the process has still not been discussed and approved by the Joint Committee and needs to be added to the next agenda.

**ACTION: Toy will add the Recommendation Process to the December Joint Committee agenda and attach a copy of the process to the agenda.**

#### **Review/Approve Minutes**

The minutes from the October 21, 2003, teleconference were approved with minor amendments.



## **Agenda Items**

### **Review and approve modified issue matrix**

Toy and Balmer have not been able to meet regarding the matrix put it will become a priority in the next two weeks.

### **Update and discuss summary page of recommendations**

The last three recommendations will be changed from 03-xxx, to 04-001, 002, etc. They will be moved to a 2004 Elevated Issue Index.

### **Review master calendar and determine the Joint Committee's two face-to-face meetings in 2004 - when and where**

The first meeting should be after the end of the filing season. After discussion, the following dates and locations were chosen:

- May 6-8, 2004 in Chicago , IL
- September 9-11, 2004, in Denver, CO

### **Scope of Authority for Ad Hoc Committee**

There were four issues being considered by the Ad Hoc Committee. Robert Meldman sent the issues to the National Taxpayer Advocate (NTA), Nina Olson, and she has already provided feedback on each of the issues. Now, the Ad Hoc is bringing the issues to the Joint Committee for assignment to AD Hoc:

1. Registration and certification of tax return preparers - NTA gave approval to work. Ad Hoc asked that panel members contact anyone who would like to be heard on this issue, collect their input and suggestions, and report back with their recommendations.
2. Confidentiality of information provided to return preparers by taxpayers - NTA okayed this issue. Area 3 has an interest in this issue and would like to work on this issue with Ad Hoc.
3. The issuance of ITINs to immigrants without social security numbers - NTA replied that this would soon be a non-issue since it is being worked by agencies outside the IRS.
4. Issues being faced by the IRS in large case (LMSB) issues - NTA prefers that TAP does not work large case issues. It is not part of the TAP charter. TAP should be working W&I and SBSE issues.

McQuin had a discussion with Olson and asked if any committees were working on Taxpayer Assistance Centers (TAC) and their service to taxpayers. Olson feels this would be a great issue for TAP and that IRS would benefit from TAP's viewpoints and recommendations on this issue. Areas 5 and 3 are both looking at parts of this issue.



**Communication Strategy**

Meldman presented a draft of the Communication Strategy that Ad Hoc developed with Karen Kraushaar:

<b>TAP Communication Strategy (DRAFT)</b>	
<b>Positioning</b>	<ul style="list-style-type: none"> <li>• With the appointment of its first national director and representatives in all 50 states, the Taxpayer Advocacy Panel is now positioned to strengthen its voice and identity nationwide as the preeminent national forum for taxpayers to make their voices heard directly at the IRS.</li> </ul>
<b>Objective/Outcomes:</b>	<ul style="list-style-type: none"> <li>• <i>Provide a national communication strategy for the Taxpayer Advocacy Panel, helping raise its profile and thereby strengthen its identity as the leading voice for the taxpayer in all 50 states with the ability to shape IRS policies and procedures that directly affect taxpayers.</i></li> <li>• Raise public awareness of TAP by increasing               <ul style="list-style-type: none"> <li>○ Outreach Events</li> <li>○ Marketing</li> <li>○ Partnering with Key Stakeholder Groups</li> </ul> </li> </ul> <p>By raising TAP's profile both externally and internally, increasing visibility and awareness among all its audiences and stakeholders, improved brand recognition of TAP's national identity will be achieved. This recognition will increase participation and feedback from taxpayers and allow TAP members to achieve broader influence within IRS, ensuring that their pre-decisional input is received concerning IRS policy and/or procedural matters directly affecting taxpayers.</p>
<b>Background:</b>	<p>The Taxpayer Advocacy Panel was created in October 2002 with the expansion of the old Citizen Advocacy Panel, first established in 1998. With the appointment of its first national director last December and members in all 50 states, a national communication strategy is needed to allow the organization to achieve its full potential as truly and effectively representing the voice of the taxpayer.</p>
<b>TAP Mission</b>	<p>The Taxpayer Advocacy Panel, a volunteer citizens group, listens to taxpayers, identifies taxpayers' issues, and makes suggestions for improving IRS service and customer satisfaction.</p>
<ul style="list-style-type: none"> <li>• <b>Strategy One:</b></li> </ul>	<p>Raise profile externally with taxpayers and stakeholders</p> <ul style="list-style-type: none"> <li>• <b>Tactic 1:</b> Improve outreach to local taxpayers. Activities to include:           <ul style="list-style-type: none"> <li>○ Creation of generic template for a meeting advisory notice that will publicize upcoming local meetings in newspapers, on local cable television bulletin boards, etc had been completed.</li> <li>○ E-mail procedures to TAP board members of process for announcing/publicizing meetings, including generic leave-behind card to hand out concerning upcoming meetings.</li> </ul> </li> <li>• <b>Tactic 2:</b> Solicit and receive increased stakeholder participation at meetings; increase diversity of representation of public and stakeholders at meetings. Activity: create exit surveys for meeting participants, including solicitation of answer to "How did you hear about us?"</li> </ul>

	<ul style="list-style-type: none"> <li>• Tactic 3: Increase citizen participation at public meetings by coordinating TAP public and outreach events with local/field media staff, incl. Jody.</li> <li>• Tactic 4: Identify ways to partner with community and national media stakeholders to maximize publicity of public meetings and TAP success stories.</li> <li>• Tactic 5: Compile and summarize results of SAMS data analysis (see below) and distribute/publicize those results through a variety of communications vehicles:             <ul style="list-style-type: none"> <li>○ Stakeholder briefings (NTA Olson)</li> <li>○ Congressional briefings (NTA Olson)</li> <li>○ Targeted national media interviews for NTA to promote key messages from data analysis.</li> <li>○ Targeted local media interviews for panel members to promote key messages from data analysis.</li> </ul> </li> <li>• Tactic 9: raise profile externally with marketing products: i.e., calling cards for TAP members announcing upcoming meetings.</li> </ul>
<b>Audience (Strategy One)</b>	<ul style="list-style-type: none"> <li>• Taxpayers</li> <li>• Media</li> <li>• Stakeholders</li> <li>• Congressionals (members and staff)</li> </ul>
<b>Strategy Two:</b>	<p>Raise profile internally</p> <ul style="list-style-type: none"> <li>• Tactic 1: Review and revise all current materials including web page materials to reflect latest changes and information</li> <li>• Tactic 2: Write newsletter article on TAP activities for TAS newsletter and IRS newsletter (New Directions?) <b><i>In progress</i></b></li> <li>• Tactic 3: Design and conduct a quantitative analysis using data of inputs from panel members to answer the question: What Do Taxpayers Want? <b>NOTE:</b> This tactic will have both internal and external applications, as it will be used for public outreach as well.             <ul style="list-style-type: none"> <li>○ Activity for NTA Olson: Conduct a meeting with top IRS officials and managers with NTA to announce/discuss results of data analysis.</li> <li>○ Meet and greet on Capitol Hill with NTA Nina E. Olson with key congressionals (members and staff) - possibly in conjunction with release of SAMS data-analysis results.</li> </ul> </li> <li>• Tactic 4: Identify other opportunities to raise TAP's profile in IRS materials and communication vehicles to include newsletter, Intranet websites, etc. Meet with HR/personnel to identify ways to put information on TAP in new hires' orientation materials.</li> <li>• Tactic 5: Create a system for notifying TAS managers and LTA's with as much advance notice as possible of upcoming public meetings in their areas.</li> <li>• Tactic 6: Improve partnership with key stakeholders (activities to include regular meetings with local chapters of AICPA, other stakeholder groups) Meet with IRS stakeholder outreach organizations to identify ways for TAP to participate in IRSAC/IRPAC meetings and Stakeholder Relationship Council Meetings, Stakeholder Partnership Education and Communication (SPEC).</li> </ul>

<b>Audience (Strategy 2)</b>	<ul style="list-style-type: none"> <li>• All IRS employees and managers</li> <li>• All TAS employees and managers</li> <li>• Members of Congress (NTA)</li> </ul>
<b>Strategy 3</b>	<p><b>Improve media outreach</b></p> <p>Tactic 1: Refine and develop advanced media training for TAP members (in progress)</p> <p>Tactic 2: Develop guidelines and procedures for TAP members to conduct media interviews and notify headquarters of their occurrence (in progress)</p> <p>Tactic 3: Improve local visibility of TAP members (activities to include editorial board meetings, appearances on local community access television, paid commercial/network TV affiliates and local talk radio stations)</p> <p>Tactic 4: Offer public speaking training for TAP members.</p>
<b>Audience (Strategy 3)</b>	<ul style="list-style-type: none"> <li>• TAP members</li> <li>• TAP managers</li> <li>• Designated federal officials (if necessary)</li> <li>• Media stakeholders</li> </ul>
<b>Strategy 4 (Long Term)</b>	<ul style="list-style-type: none"> <li>• Explore the possibility of conducting live chat sessions on <a href="http://improveirs.org">improveirs.org</a></li> </ul>

TAP needs a more firm copy by December. Meldman asked how many present had attended Kraushaar's training session at the annual meeting. It was excellent and could be repeated at area or issue committee meetings.

**ACTION: All chairs should review strategy one and strategy two and get back to Meldman with your suggestions.**

McQuin stated that the internal communication strategy has already been working. As proof, TAS sends out a newsletter every Wednesday; three of the past four has included something about TAP. But, the word still needs to get out to other employees.

**ACTION: Put communication strategy on the December agenda.**

**Q & A not addressed at All TAP meeting**

Panel members raised four questions that were not given to Judi Nicholas in time to address at the All TAP meeting in October. Staff has prepared answers to the questions which will be distributed to all panel members .

**Q: Need a clarification from TAP that the TAP membership does not and will not encumber on the panel member rights as a private citizen. In other words are we at all times able to freely speak as private citizens?**

A: On private citizen rights, this question may stem from Nina's discussion on legislative issues and the difference between representing you and your own opinions and representing the panel. Becoming a panel member does not in any way encumber one's rights as a private citizen to lobby



their congressional representatives or to talk freely to anyone on their opinions. However, when the member is representing TAP, they should not present their personal opinion as being part of TAP's program or message.

**Q: Can we combine another face-to-face meeting at one place and at one time for the full panel sometime during the year in addition to October?**

A: This will not work for the area committees because they are charged with holding open meetings in their geographic area and as far as issue committees go, I can't clearly see the benefit of holding one large meeting. However, as an alternative, I suggest members consider piggy-backing on other meetings similar to what Schedule C did after the Joint Committee meeting last May. Some of the larger Areas have 3 members on each issue committee, they should work together to try to schedule the meetings together. Also, as far as cost, larger meetings tend to cost more than 7 smaller meetings. Mainly because we can usually negotiate for one free meeting room or one at low cost but trying to get free or low cost for 7 rooms is more difficult. Members who would like to reduce their travel time should actively work within their committees to try the smaller combo meetings of an area and an issue meeting.

At the Joint Committee it was mentioned that one benefit of a combined meeting is for additional educational opportunities. This is a valid consideration but not within our current budget.

**Q: Categorize all recommendations forwarded by the Joint Committee by criteria focus: Customer, Employee or Business Results to match how IRS categorizes issues.**

A: These are three measures IRS uses to gauge their performance against their strategic plan. These are referred to as the balanced measures: Customer Satisfaction, Employee Satisfaction and Business Results. The idea is that IRS gears their goals and objectives towards achieving a balance between all three, and that IRS would not sacrifice customer or employee satisfaction solely to meet our goals for business results nor would IRS sacrifice a business result solely to ensure meeting customer or employee satisfaction goals. For example, if IRS makes e-filing easier and cheaper to increase customer satisfaction and increase business results by meeting the goal of achieving an increase in the number of taxpayers who file electronically, IRS may not be able to provide certain services to taxpayers if the resource expenditure was prohibitive no matter how much happier that might make them. In theory, any given initiative or improvement really should have a positive impact to one degree or another on all three of the measures. When preparing strategic plans we are asked to explain how each balanced measure will be impacted by our proposed initiatives and goals.

It's a good idea when developing TAP's recommendations to consider how they may impact the IRS' strategic goals and balanced measures and/or to reference how they might assist the IRS achieve strategic goals and improve balanced measures. This may help sell your recommendations to the IRS. However, it's not necessary to categorize them this way since any given recommendation could conceivably impact all three.

**Q: If members have legislative recommendations should they be sent through the Joint Committee to Nina instead of directly to Nina by the individual so the JC is informed and recommendations are tracked by TAP.**

A: If an Area or Issue committee supports sending a Legislative recommendation, it should go directly to Nina with a courtesy copy the joint committee and these will be tracked for Nina's response. For individual ideas, if your opinion is not endorsed by area and all of TAP through joint committee, your opinion as a private citizen would not be tracked by TAP staff. This is why Nina suggested members submit their personal opinions and suggestions for legislative issues directly to Systemic Advocacy. Systemic Advocacy will track the issue. A link to the TAS website has been or will soon be emailed to all TAP members and will be available on TAPSpeak for easy, continuing reference.

**ACTION: Toy will send Q & As to all panel members.**



## Monthly Committee Reports Action Items

### TAS Authorities RRA 98

Members did not receive the updated issue soon enough for adequate review. The item will be added to the December meeting agenda for further discussion. Chairs with comments on this issue should forward them to Bruce Twomley with copy to Toy.

**ACTION: Chairs with comments on TAS Authorities RRA 98 should forward them to Bruce Twomley with copy to Toy.**

### Free File Alliance Proposals

An Area 5 subcommittee is working with Terry Lutes, Deputy Chief Information Technology Services, and Paul Mamo, Tax Analyst, Tax Administration Coordination. Area 5 is elevating five issues as addendums to elevated issue TAP 03-003. Statements of issue:

1. The taxpayer should be informed before they begin their tax return and invest any time in preparing the return of any charges by the free file service providers regarding forms such as Schedule C or for other services.
2. Records retention of individual tax returns within the FreeFile Alliance Partnership.
3. Eliminate Refund Anticipation Loans (RALs) solicitation by Alliance Members.
4. State income tax filing within the FreeFile Alliance Partnership
5. For IRS to meet the goal of 80% of tax returns be electronically filed by 2007, it needs to know why taxpayers are not using the FreeFile Alliance and electronic filing. Area 5 recommends IRS negotiate with the alliance to permit surveying users on how they felt about the service.

**Consensus reached on elevating each of the recommendations separately.**

**ACTION: Toy will format the elevated issues; submit to Seuntjens for review; and elevate to Wage and Investment.**

### Immediate Telephone Call Feedback

This issue is held over until the December meeting.

### Closing

Seuntjens stated that based on an email from Ed Hanna, the former chair of Area 3, he has developed a document outlining strategies for TAP committees to be more effective.

**ACTION: Chairs and staff should send in their own comments in writing, by the April Joint Committee meeting, on how to be more effective as a committee. They will be consolidated to be discussed at the May face-to-face meeting.**

**ACTION: Toy will distribute Seuntjens' document on being an effective committee to start the discussion.**

Meeting adjourned.





## **Assignments:**

### **All Joint Committee Members:**

- Chairs and staff should send in their own comments in writing, by the April Joint Committee meeting, on how to be more effective as a committee. They will be consolidated to be discussed at the May face-to-face meeting
- Each chair should speak to his/her analyst and committee and decide when to have the one face-to-face meeting.
- Chairs aware of open items that have not received a response from Olson should inform McQuin (10/04/2003)

**All chairs should review strategy one and strategy two and get back to Meldman with your suggestions.**

### **Kraushaar:**

- Work with McQuin to develop :
  - Pocket-sized Quick Media Tips
  - Clear fact sheet on who TAP is and what TAP does
  - Generic News Release (09/05/2003 and 09/06/2003)

### **McQuin:**

- McQuin will compile a list of panel members who have resigned. This will be forwarded to the chairs.
- Staff has tracked attendance; McQuin will send attendance charts to committee chairs.
- According to charter and TAP Guidance Document, the TAP Chair and Vice Chair have designated role as liaisons with other IRS advisory groups: ETAAC, TE/GE, ACT, IRSAC, and IRPAC. In addition the TAP Chair and Vice Chair are the points of contact with the TAP staff, TAS, SB/SE, W&I, and other IRS Operating Divisions and Functions and Treasury to provide briefings on TAP activities, next steps, and action items. Seuntjens asked Temple for a copy of the charter last January and February. Seuntjens did attend one meeting with IRSAC, but thinks he and Lowe need more involvement, more interfaces, more executive focus, and an inroad to these people. In addition, TAP and IRSAC sometimes have similar committees working the same issue, for example each have a subcommittee on EITC. McQuin should also consider ways for other TAP members to partner with IRSAC and IRPAC. (05/20/2003)
- Regular scheduled conference calls were supposed to be set up with Temple , Chesman, Sottile, and Seuntjens ; this has not been done. (05/20/2003)

### **Seuntjens:**

- Draft a cover letter for the AMT Instructions and form proposal and share it with the Joint Committee for review and comment

### **Staff:**

- Chairs and staff should send in their own comments in writing, by the April Joint Committee meeting, on how to be more effective as a committee. They will be consolidated to be discussed at the May face-to-face meeting
- Staff will modify the calendar and reissue as the committees reschedule their face-to-face meetings



**Toy:**

- Distribute Seuntjens' document on being an effective committee to start the discussion
- Format the elevated issues; submit to Seuntjens for review; and elevate to Wage and Investment
- Send Q & As from All TAP meeting to all panel members
- Put communication strategy on the December agenda
- Add the Recommendation Process to the December Joint Committee agenda and attach a copy of the process to the agenda
- An updated Joint Committee roster will be sent out now that Coston has been selected as Director
- Develop a form for collecting the inventory of knowledge, skills, and abilities and find a way for the information to be easily accessed on TAPSpeak. (09/05/2003 and 09/06/2003)
- Format Proposal for the Electronic Deposit of Form 1040X Refund and elevate to Sottile
- Format Pubs and SE Tax for Newspaper Carriers and elevate to Chesman.
- Toy will format OIC Processing Problem, include Handelman's suggestion, and elevate to Chesman.
- Follow-up with Program Manager Ferree to send copy of telephone protocol to new members. (10/04/2003)
- Get breakdown of top 50 issues on SAMS that are not assigned as a project to TAS employees. (05/02 -05/03, 2003)
- Toy and Balmer will have draft of issue matrix subcommittee report and list of categories to all Joint Committee members by November meeting.



## **Joint Committee Minutes**

*October 21, 2003*

### **Members Present:**

- Mario Burgos, Efiling
- Skip Eshelman, Notices
- James Grimaldi, Area 1
- Gwen Handelman, EITC
- Cheyanna Jaffke, Area 7
- Robert Meldman, Ad Hoc
- David Meyer, Area 2
- Paul Nagel, Schedule C Non-filers
- Judi Nicholas, acting Designated Federal Official (DFO)
- Tom Seuntjens, TAP Chair
- Teresa Smedley, Area 4
- Leonard Steinberg, Payroll Taxes
- George Sullivan, Area 3
- Bruce Twomley, Multilingual Initiative
- Sherry Whah, Area 6
- Lillian Wo , Area 5

### **TAP Staff:**

- Inez E. De Jesus, TAP Program Analyst/note taker
- Nancy Ferree, TAP Program Manager
- Patti Robb, note taker
- Nancy A. Sitzberger, TAP Program Manager
- Barbara Toy, TAP Program Analyst

### **Welcome/Announcements/Review Agenda**

TAP Chair Tom Seuntjens opened meeting timely by welcoming everyone.

**Roll Call-** was taken by Management Assistant Patti Robb. Total Members Present=16

Quorum of 9 was met.

### **National Office Report**

Acting DFO Judi Nicholas provided the following information:

- Attendance records will soon be available to all Committee Chairs.
- The National Taxpayer Advocate is currently working to identify appropriate groups and individuals (IRSAC, IRPAC, etc.) for the TAP Chairperson to contact for information sharing and collaboration on issues of joint interest.
- While in Washington DC , acting TAP Director Sandy McQuin will meet with Sue Sottile, and Mike Chesman to discuss issue tracking and to obtain a status report on current issues. As part of the meeting, McQuin will discuss scheduling a conference call to include TAP Chair Seuntjens .
- A tracking system for those issues sent to the National Taxpayer Advocate is being developed and will be worked the week of October 27.



- The TAP committee chairs will be provided a list of current member vacancies for their respective committees.

Acting DFO Nicholas stated that any other questions or concerns should be directed to her and she will share them with McQuin.

#### **Review of Assignments (From October 4, 2003 Meeting)**

Everyone was reminded that if any committee has sent an email directly to National Taxpayer Advocate, Nina E. Olson, that requires a response, please provide McQuin with the date, and title of the item. This does not relate to informational issues.

Action item related to the Form 6251 (Alternative Minimum Tax) will be addressed later in today's meeting.

The IRS Telephone System recommendation was returned and needs to be coordinated among the Area Chairs from Area 2, 3, and 6. Make sure that all the issues each area had are covered and once this is done, this will be removed from the assignment list.

Karen Kraushaar committed to providing the following items:

- Pocket-sized Quick Media Tips
- Clear fact sheet on who TAP is and what TAP does
- Generic News Release (09/05/2003 and 09/06/2003)

The TAP Director will contact Kraushaar to find out the status of the items.

These will be kept on the list until a final product is delivered.

Paul Nagel's concern on the Schedule C Non-filer committee status was removed from the list by agreement.

There is still an outstanding item recommended by Steinberg which is for the staff to develop a form for an inventory of knowledge, skills and abilities among panel members to be shared with all members.

#### **Toy's assignments**

Copy of telephone protocol to new members - Action: Toy to follow-up with Program Manager Ferree. (This document will be helpful for new chair when conducting conference calls).

It was suggested that the date be added to the template.

Gwen Handelman made an inquiry about the consolidated calendar and DFO Nicholas shared that TAP Director has already requested that the staff update the database by October 24, 2003. Once completed, it will be shared with all the chairs.

Seuntjens requested the calendar be sent to the Joint Committee for use in scheduling their face-to-face meetings.

**ACTION: Toy will add setting time and location of Joint Committee's face-to-face meeting(s) to next meeting agenda.**



**ACTION: Each analyst is to send out updated rosters to each committee as well as to the Joint Committee. (Expectation of 2-4 weeks from today)**

### **Review/Approve Minutes**

#### **September 5-6, 2003**

Minutes were approved with minor adjustments.

#### **September 16, 2003**

Minutes were approved with minor adjustments.

#### **October 4, 2003**

Minutes were approved with minor adjustments.

### **Agenda Items**

Seuntjens reminded everyone that the Annual Assessment Reports for each committee were due by October 15, 2003, and some have not been received. He emphasized that he needs these as soon as possible so that he can prepare the Annual Report. Robb is to provide TAP Chair with a list of those that have not responded yet and he will contact them individually. Robb will also be sending out an email to remind the chairs.

Seuntjens stated that it is important to capture all outreach activities. This is of great value for the annual report.

### **Monthly Committee Reports - Action Items**

- **Form 6251 Improvements-Alternative Minimum Tax (carried over from October 4, 2003 )**

Woo provided the committee with background about how this issue was elevated. The area committee rewrote the purpose of the form to explain to the taxpayer who must file and why.

The committee re-confirmed the National Taxpayer Advocate's (NTA) position on the Alternative Minimum Tax.

The committee worked closely with Bob Erickson, IRS Tax Law Specialist, who is the program owner of this form. He specifically asked the committee for their recommendations.

Handelman said she did not have a comfort level with approving a recommendation that she did not have time to review. This led to an extensive conversation among the members on the proper wording to use, e.g. we approve, we endorse, to convey the Joint Committee's meaning when elevating an issue to the IRS. **Proposal approved for elevation by consensus after Joint Committee approves wording of cover letter.**

**ACTION: Seuntjens will draft the cover letter for this issue and share it with the Joint Committee for review and comment.**

- **Committee Members that Have Attendance Problems**

Skip Eshelman referenced that DFO Nicholas had already covered this earlier on this call. TAP Chair emphasized that there are two areas Chairs need to address: 1) the attendance problem, 2) and the level of involvement issue. This is a responsibility all the Chairs have to handle.



- **Pubs and SE Tax for Newspaper Carriers**

James Grimaldi shared how a citizen brought to his area's attention that the parents of a fourteen-year-old who worked part time as a Newspaper Carrier had a question on whether he was liable for self-employment tax. This parent spoke to several IRS representatives and received conflicting answers to the question. Publication 533, Self-Employment Tax, is not clear on this matter. It needs simplification. In one area, it states that carriers under age 18 are not subject to self-employment tax but in another area, the information is not mentioned.

Area 1's proposal is to put a sentence on Page 6 of Pub 533, which states that under carriers and vendors under age 18 are not subject to self-employment tax. Sullivan shared that he has experience from being in the newspaper business that no child under 18 is subject to self-employment tax. **By consensus this proposal will be elevated.**

**ACTION: Toy will format this proposal and elevate to Chesman.**

- **Proposal for the Electronic Deposit of Form 1040X Refund**

Sullivan stated that currently Form 1040X does not allow for direct deposit. Their proposal is to allow electronic deposit on overpayments that result when amending an individual tax return. **By consensus this proposal will be elevated.**

**ACTION: Toy will format this proposal and elevate to Sottile.**

- **OIC Processing Problem**

Cheyanna Jaffke stated that when a taxpayer files an Offer-in-Compromise Form 656, it is stated that they must be in full compliance by being current with their yearly filing of tax returns. Since an individual may not be required to file a tax return for a particular year, this may result in an offer being rejected inappropriately.

Area 7 proposes adding a statement to the instructions for Form 656 that states, advising filers to include a written statement stating I did not file for xxxx tax year, since I did not meet filing requirements. Handelman suggested that a list of items of why IRS might reject an offer should also be included in two places on the instructions. **By consensus this proposal will be modified to include the recommendations and elevated.**

**ACTION: Toy will format this proposal, include Handelman's suggestion, and elevate to Chesman.**

- **Taxpayer Advocate Service (TAS) Authorities-Restructuring Reform Act of 1998**

Bruce Twomley stated that there seems to be some confusion among TAS employees regarding their ability to issue a Taxpayer Assistance Order (TAO) to release a non-systemic levy. Program Manager, Nancy Sitzberger, requested clarification since her understanding after reading the proposal is different than Twomley's explanation.

**ACTION: Twomley will work with Sitzberger and Toy to reword the proposal.**

**By consensus, all agreed that this proposal will be elevated after editing for clarity.**



- **Multilingual Initiative Issue Committee Letter to Commissioner**

Seuntjens stated that Lassar's letter to the Commissioner was being shared as information to all.

- **Counsel's Response: Check the Box Authority-**

On hold until reply is received from Counsel.

- **Ad Hoc**

Meldman stated that the Ad Hoc committee has four issues pending and welcomes possible issues from the other committees.

### **Follow-up Items from Panel Members**

Seuntjens very quickly went over the last four agenda items which were questions brought to him by panel members at the October meeting. After discussion at next Joint Committee meeting, the answer to the questions will be distributed to all members.

1. Need a clarification from that the TAP membership does not and will not encumber on the panel member rights as a private citizen. In other words, are we at all times able to freely speak as private citizens?

Seuntjens stated that this should not be a problem as long as you indicate these are your private thoughts and not those of the committee.

2. Can we combine another face-to-face meeting at one place and at one time for the full panel sometime during the year in addition to October?

Seuntjens clarified that this would mean the entire committee to have two face-to-face meetings and then give up one area/issue face-to-face meeting? This issue will be elevated to McQuin and placed on next month's meeting agenda.

3. Categorize all recommendations forwarded by the Joint Committee by criteria focus: Customer, Employee or Business Results? They believe this is the way the IRS categorizes issues.

Seuntjens needs clarification on this matter. This issue will also be carried over to next month's meeting agenda.

4. If members have legislative recommendations they should send them through the Joint Committee to NTA instead of directly to NTA so the Joint Committee is informed and recommendations are tracked by TAP.

Seuntjens emphasized that all recommendations from the committees should come to the Joint Committee not only as information, but also in order to monitor and keep track of the recommendations properly.

### **Closing**

Seuntjens went over the following agenda items:

1. The updated Issue Committee Matrix Report and List of Categories that Balmer, Meyer, and Toy will be working on needs to go out to all Joint Committee members for approval at next meeting.



**ACTION: Toy will send out updated report format and list of categories to all Joint Committee members.**

2. Chesman's tracking system on TAP's recommendations needs to be added to agenda for the November Joint Committee Meeting.

Meeting Adjourned

**Assignments:**

**All Joint Committee Members:**

- Chairs aware of open items that have not received a response from Olson should inform McQuin and consider bringing to Joint Committee. (10/04/2003)

**Kraushaar:**

- Work with McQuin to develop:
- Pocket-sized Quick Media Tips
- Clear fact sheet on who TAP is and what TAP does
- Generic News Release (09/05/2003 and 09/06/2003)

**McQuin**

- Staff has tracked attendance; McQuin will send attendance charts to committee chairs.
- Track the elevated issues (including the four all ready elevated) and check the status every 30 days. Provide a monthly status report to the Joint Committee: who has it, when they got it, and the current status. (09/05/2003 and 09/06/2003)
- According to charter and TAP Guidance Document, the TAP Chair and Vice Chair have designated role as liaisons with other IRS advisory groups: ETAAC, TE/GE, ACT, IRSAC, and IRPAC. In addition the TAP Chair and Vice Chair are the points of contact with the TAP staff, TAS, SB/SE, W&I, and other IRS Operating Divisions and Functions and Treasury to provide briefings on TAP activities, next steps, and action items. Seuntjens asked Temple for a copy of the charter last January and February. Seuntjens did attend one meeting with IRSAC, but thinks he and Lowe need more involvement, more interfaces, more executive focus, and an inroad to these people. In addition, TAP and IRSAC sometimes have similar committees working the same issue, for example each have a subcommittee on EITC. McQuin should also consider ways for other TAP members to partner with IRSAC and IRPAC. (05/20/2003)
- Regular scheduled conference calls were supposed to be set up with Temple, Chesman, Sottile, and Seuntjens; this has not been done. (05/20/2003)

**Staff**

- Each analyst is to send out updated rosters to each committee as well as to the Joint Committee. (Expectation of 2-4 weeks from today)
- Develop a form for collecting the inventory of knowledge, skills, and abilities and find a way for the information to be easily accessed on TAPSpeak. (09/05/2003 and 09/06/2003)

**Seuntjens:**

- Draft a cover letter for the AMT Instructions and form proposal and share it with the Joint Committee for review and comment





**Toy:**

- Add setting time and location of Joint Committee's face-to-face meeting(s) to next meeting agenda.
- Format Proposal for the Electronic Deposit of Form 1040X Refund and elevate to Sottile
- Format Pubs and SE Tax for Newspaper Carriers and elevate to Chesman.
- Toy will format OIC Processing Problem, include Handelman's suggestion, and elevate to Chesman.
- Send copies of Joint Committee minutes to new members. (10/04/2003)
- Follow-up with Program Manager Ferree to send copy of telephone protocol to new members. (10/04/2003)
- Consolidate calendar and distribute to all Joint Committee members. (10/04/2003)
- Reformat three elevated issues and send to Seuntjens for approval. (10/04/2003)
- Add the date the area approved to the template and send out to Joint Committee members and the managers. (09/05/2003 and 09/06/2003)
- Get breakdown of top 50 issues on SAMS that are not assigned as a project to TAS employees. (05/02 -05/03, 2003)
- Toy and Balmer will have draft of issue matrix subcommittee report and list of categories to all Joint Committee members by November meeting.

**Twomley Sitzberger and Toy:**

- Work together to reword the proposal On TAS authorities



## Joint Committee Minutes

*Saturday, October 4, 2003*  
Grand Hyatt Hotel  
Washington, D.C.

### Members present:

- Mary Balmer, for David Meyer, Area 2
- Mario Burgos, E-Filing
- Skip Eshelman, Notices
- James Grimaldi, Area 1
- Cheyanna Jaffke, Area 7
- Gwen Handelman, EITC
- Robert Meldman, Ad Hoc
- Sandy McQuin, Designated Federal Official
- Paul Nagel, Schedule C Non-Filers
- Tom Seuntjens, TAP Chair
- Teresa Smedley, Area 4
- Leonard Steinberg, Payroll Taxes
- George Sullivan, Area 3
- Bruce Twomley, Multilingual
- Lillian Woo, Area 5
- Sherry Whah, Area 6

### Members absent:

- David Meyer, Area 2

### Staff Present:

- Sandra Ramirez
- Patti Robb, Note Taker
- Barbara Toy, Program Analyst

**Quorum: 16 Members present, quorum of 9 met**

### Welcome/Announcements/Review Agenda

Seuntjens welcomed all and asked all members to introduce themselves and state their committee. Seuntjens asked all Joint Committee to try to attend each meeting. However, if the chair is not able to attend the meeting, the chair should ensure the committee vice chair or another member of the committee attends.

### National Office Report

McQuin has started a discussion with the national public liaison for other IRS Federal Advisory Committee Act (FACA) groups including IRPAC (Information Reporting Practice Advisory Committee) and, in particular, his attendance at the orientation of new IRSAC (Internal Revenue Service Advisory Committee). McQuin has also started discussion to include Seuntjens in the Operating Division quarterly business meetings and to tie this into the presentation of the TAP annual report.



Woo looked at the amended charter and questioned why it expired in October 2004. McQuin replied that they have already started the process of renewing the charter and that the process for renewal differs from the amendment process and is not as involved.

### **Distribution of Minutes/Review of Assignments**

Seuntjens stated that the Joint Committee worked on administrative issues for the first six months and it was important to get processes and foundations set. The new chairs will not deal with as much administrative tasks and can focus on reviewing items forwarded by the area and issue committees. Part of the new chair's responsibilities include a monthly committee report, due to Analyst Toy the 8<sup>th</sup> of each month.

### **Action: Toy will send the Monthly Committee forms to new chairs.**

The Monthly Committee Report tells what the committee has done for the past month. It includes information on meetings held; issues raised and researched, and outreach activities. It is also used to attach proposals brought to Joint Committee by the area committees to review for elevation and to attach proposals sent to the program owners by the issue committees for awareness. The reports also help you formulate your committee's mid-year assessment and then an annual report.

The draft annual report was due October 1, 2003, and the final report is due by the 15<sup>th</sup> of October. Seuntjens will then pull together the annual report for Treasury. Seuntjens will provide an outline of the annual report to the Joint Committee to review and provide input, either wordsmith or content. After approval the annual report will be published, bound, and distributed.

Seuntjens suggested new chairs review the past year's Joint Committee minutes.

### **ACTION: Toy will send copies of Joint Committee minutes to new members.**

Seuntjens added that it is difficult to reach consensus at a face-to-face meeting and the protocol is hard enough but on telephone conference, reaching consensus is different and suggested new chairs receive a copy of telephone protocol.

### **ACTION: Toy will send copy of telephone protocol to new members.**

### **Minutes**

All members received a copy of the minutes and were asked to review the minutes for approval at the next meeting scheduled for October 21, 2003, at 1:30 EDT.

### **Meetings**

Joint Committee teleconferences are held the third Tuesday of each month at 1:30 Eastern Time. Seuntjens proposes a May meeting which will be after most committees have held their first face-to-face and also a later August or September meeting. Committee decided to wait for consolidated calendar of all committee meetings to schedule the face-to-face meetings.

### **ACTION: Toy will consolidate calendar and distribute to all Joint Committee members.**

### **Assignments**

The first assignment reviewed from the September 16, 2003, Joint Committee draft minutes was a reminder to all chairs to copy McQuin on all information being forwarded to Nina Olson, the National Taxpayer Advocate (NTA). Olson asked McQuin to develop a tracking system to ensure Olson responds and/or takes action on all items sent to her. To make the system work, McQuin needs to be aware of all items sent to Olson.



**ACTION: Chairs aware of open items that have not received a response from Olson should inform McQuin and consider bringing to Joint Committee.**

Seuntjens told committee members that he had invited Colleen Kelly of the National Treasury Employees' Union (NTEU) or her representative to this Joint Committee meeting. Kelly was invited for the Joint Committee to understand NTEU's point of view and to give NTEU a better understanding of TAP. TAP is also asking NTEU to help get the TAP message to IRS employees. Balmer questioned whether this changed what the Joint Committee had agreed to in the September meeting. Seuntjens replied that Joint Committee agreed not to invite NTEU to the all TAP meeting to address the entire panel but not the Joint Committee.

All names of the alternates for the vacancies known at the time were sent to Treasury for approval two weeks ago. Staff will try to fill as many vacancies as we can. This time, McQuin sent more names forward than we had vacancies. This way if the alternate we contact is no longer willing to serve, we can contact the next alternate. Handelman asked if that meant the panel would be at full strength if all the alternates are approved. McQuin replied no because some vacancies occurred after the list was sent forward. Seuntjens said that there may continue to be new vacancies as chairs address participation issues. Burgos mentioned that it was a measure of involvement, not just looking at the minutes to see who has not attended. Some members are more involved in one committee over another or in subcommittee work. McQuin stated the missing step is that chairs of both committees need to have a conversation and then talk to the committee member to find out the cause of the non-involvement and if lack of interest, do they want to remain on panel. Smedley stated that there may be extenuating circumstances that caused a member not to participate but the member may want to become more active.

**ACTION: Staff has tracked attendance; McQuin will send attendance charts to committee chairs.**

Handelman stated that the IRSAC action item is incomplete because she had also raised the question of committees working with IRSAC. She mentioned that IRSAC also had an Earned Income Tax Credit (EITC) subcommittee, and her committee was interested in forming a partnership.

**Action: Toy will broaden the action item concerning IRSAC to include not only the Chair and vice chair but possibly subcommittees of each working on similar issues.**

TAP had the experience of not being able to contact a panel member through email or telephone. A letter was sent to the member asking about their lack of involvement and if they wished to continue with TAP. The letter contained a statement that if we don't hear from you by such and such a date, we will consider the lack of response a desire to resign from TAP. The letter was sent from an Area office but Seuntjens prefers letter be sent from National Office. McQuin agreed as long as both the chairs and program managers were involved or attempted to be involved in the initial conversations.

Remainder of assignments were either completed and dropped or are carried over to these minutes.

**Agenda Items:**

**All TAP Meeting**

Nothing to add so skipped.

**Issue Matrix Subcommittee Update**

Balmer stated that the purpose of the Issue Matrix is to identify duplication of issues, identify issues of broad concern, and facilitate communication between committees. The categories are now defined by problems and Balmer suggested categories more on a functional basis. Some follow the IRS functional units or type of service IRS provides. There will be a primary category and a secondary category



specific to the primary and further identifying the issue. The subcommittee will try to assign categories as best as it can but TAP can add or subtract categories as we need them. The last part of the task is to develop a report that contains all information we need and is easy.

**ACTION: Toy and Balmer will have draft of issue matrix subcommittee report and list of categories by October 21, 2003.**

**Acknowledgement letters format**

Decision was made to place the acknowledgement letters into use by staff and that chairs should send comments or input on format to Toy.

**Monthly Committee Reports Action Items**

**Provider Identification Number approved by consensus.**

**W-4 Clarification approved by consensus.**

**Hold Music approved by consensus.**

**Form 6251, Alternative Minimum Tax - Individuals**

Woo presented the proposal. The program owner suggested the Area 5 subcommittee review the form and make suggestions on putting it into natural language. The program owner does have a courtesy copy but we are asking the suggestions be elevated through the formal channels. Handelman stated that the proposal looked much like what our issue committee does and it is not possible for members of the Joint Committee to perform the research and analysis to evaluate the proposal. This proposal should be handled more like an issue committee proposal and not be sent through the Joint Committee. Discussion followed on if the area has already done the research and analysis, and how extensive the Joint Committee's review should be. In addition, for the Area 3 proposal regarding EFTPS (Electronic Funds Transfer Payment System) worksheet and the voice response system, the program owner already agreed to the suggestion and the Joint Committee just reviewed the proposal and sent a thank you and acknowledgement through the formal channels. Seuntjens felt the new chairs should have some level of confidence in saying that the proposal is acceptable and due to lack of time, proposed that this item be carried forward to the October 21, 2003, meeting.

**ACTION: Chairs will review the Form 6251, Alternative Minimum Tax - Individuals proposal for discussion at the October 21, 2003 meeting .**

**Closing**

Seuntjens reminded chairs to post the Joint Committee dates to their calendars. Three items were brought to Seuntjens by panel members, and they will be placed on the agenda for the next month's meeting.

**Assignments:**

**All Joint Committee Members**

- Chairs aware of open items that have not received a response from Olson should inform McQuin and consider bringing to Joint Committee.
- Review the Form 6251, Alternative Minimum Tax - Individuals proposal for discussion at the October 21, 2003, meeting.



- Copy McQuin who is responsible for placing items on the tracking system to Olson on any items requiring a response to ensure the item is placed on the system.
- Chairs should send any comments to Toy on items that need to be included in the Issue Committee Proposal forms by September 12, 2003. (09/05/2003 and 09/06/2003)
- Draft of annual report by October 1, oral presentation of reported at all TAP meeting and final version to Toy by October 15, 2003. (09/05/2003 and 09/06/2003)

### **Area Chairs**

- Incorporate all aspects of the holding process for the toll free system in time of the September 21st meeting. (09/05/2003 and 09/06/2003)

### **Kraushaar**

- Work with McQuin to develop :
  - Pocket-sized Quick Media Tips
  - Clear fact sheet on who TAP is and what TAP does
  - Generic News Release (09/05/2003 and 09/06/2003)

### **McQuin**

- Staff has tracked attendance; McQuin will send attendance charts to committee chairs.
- Track the elevated issues (including the four all ready elevated) and check the status every 30 days. Provide a monthly status report to the Joint Committee: who has it, when they got it, and the current status. (09/05/2003 and 09/06/2003)
- According to charter and TAP Guidance Document, the TAP Chair and Vice Chair have designated role as liaisons with other IRS advisory groups: ETAAC, TE/GE, ACT, IRSAC, and IRPAC. In addition the TAP Chair and Vice Chair are the points of contact with the TAP staff, TAS, SB/SE, W&I, and other IRS Operating Divisions and Functions and Treasury to provide briefings on TAP activities, next steps, and action items. Seuntjens asked Temple for a copy of the charter last January and February. Seuntjens did attend one meeting with IRSAC, but thinks he and Lowe need more involvement, more interfaces, more executive focus, and an inroad to these people. In addition, TAP and IRSAC sometimes have similar committees working the same issue, for example each have a subcommittee on EITC. McQuin should also consider ways for other TAP members to partner with IRSAC and IRPAC. (05/20/2003)
- Regular scheduled conference calls were supposed to be set up with Temple, Chesman, Sottile, and Seuntjens ; this has not been done. (05/20/2003)

### **Nagel**

- Forward his concern on the work done on Schedule C Non-filers to Chesman. (09/05/2003 and 09/06/2003)

### **Staff**

- Develop a form for collecting the inventory of knowledge, skills, and abilities and find a way for the information to be easily accessed on TAPSpeak. (09/05/2003 and 09/06/2003)
- Notify chairs if they notice conflicts when placing items on calendar. (09/05/2003 and 09/06/2003)



## Toy

- Send copies of Joint Committee minutes to new members .
- Send copy of telephone protocol to new members.
- Consolidate calendar and distribute to all Joint Committee members.
- Broaden the action item concerning IRSAC to include not only the Chair and vice chair but possibly subcommittees of each working on similar issues.
- Add the date the area approved to the template and send out to Joint Committee members and the managers. 09/05/2003 and 09/06/2003)
- Get breakdown of top 50 issues on SAMS that are not assigned as a project to TAS employees. (05/02 -05/03, 2003)
- Toy, Balmer, and Meyer will have draft of issue matrix subcommittee report and list of categories by October 21, 2003.



## Joint Committee Minutes

Tuesday, September 16, 2003

### Members Present:

- Mary Balmer, Area 2
- Phil Bryant, Notices
- Mario Burgos, E-Filing
- Sherry Whah for Justin Doucette, Area 6
- Walter Fish, Area 1
- Gwen Handelman , EITC
- Sharon Lassar, Multilingual
- Sandy McQuin, Designated Federal Official
- Robert Meldman, Area 4
- Paul Nagel, Schedule C Non-filers
- Tom Seuntjens, TAP Chair
- Leonard Steinberg, Payroll Taxes
- Lillian Woo, Area 5

### Members Absent:

- Justin Doucette, Area 6
- Chris Lowe, Ad Hoc
- Cheyanna Jaffke

### Others in Attendance:

- Nancy Ferree, Program Manager
- Nina Olson, National Taxpayer Advocate
- Barbara Toy, Program Analyst
- Patti Robb, Note Taker

### Welcome/Announcements/Review Agenda

Seuntjens opened the meeting and explained that the agenda was abbreviated because a Federal Register Notice was not filed for the meeting. This meant that no deliberations could be made without notice to the public; all items remaining are administrative in nature.

### Roll Call

#### National Office Report

Nina Olson is providing the report from National Office today. First, Olson announced that the amend charter which has been bounced around for ages, due to changes in the signature line and other smaller changes, was signed on September 10, 2003. Seuntjens asked about the substance of the amendment. Olson replied that the amendment included the name change, nation-wide expansion, direct access to the operating divisions, and was signed by Mark Everson and Teresa Mullett Ressel. Olson will send out copies and Sandy McQuin will distribute.

**ACTION: McQuin will distribute copies of the charter at the October All TAP meeting.**





Olson has asked McQuin to develop a tracking system for items sent to Olson for action or response. Olson acknowledged that some items have gotten lost for example, the survey the Ad Hoc committed suggested for the USA Today. Olson read it; thought it was great idea but the item got lost and was never responded. The tracking system will enable Olson to know when items are received and when they need a response. This tracking system will be in addition to the tracking systems used to submit proposals for the area and issue committees to the operating divisions that McQuin is also developing.

**ACTION: Chairs should copy McQuin who is responsible for placing items on the tracking system to Olson on any items requiring a response to insure the item is placed on the system.**

Olson gave another example of an item that needs to be on the tracking system the excellent letter TAP sent to Secretary Snow. The letter has come back to the National Taxpayer Office for response and Olson will be partnering with TAP on this initiative.

Olson has raised the issue of National Treasury Employee Union (NTEU) representation at TAP meetings to Treasury and she concurs with the response. TAP should bring the taxpayer's perspective from the grass roots and we are not sure access to NTEU representatives is necessary. If you need employee feedback, talk directly to employees not necessarily to a NTEU representative. There are already established vehicles for IRS to get NTEU comments and suggestions.

Handelman believes Area 3's view on NTEU partnership was misunderstood. Many proposals from issue and area committees will need to have union concurrence to implement. Area 3 really viewed their request more as a public relations move; establishing a cooperative relationship which served to educate TAP members about the union and to form this cooperative relationship. It has been the Florida designees experience that all employee input had to first be cleared through NTEU.

Olson will seek counsel advice on whether TAP has the same requirements as IRS management for notifying NTEU when meeting with employees.

Olson is not saying don't invite NTEU what she is making clear, is that Treasury and she are seeking your input as a TAP member. Seeking NTEU comment is getting away from Treasury's vision of getting the taxpayer's perspective.

Olson has asked Deryle Temple to serve as a liaison with Wage and Investment (W&I); the Taxpayer Advocate Service (TAS) already had a liaison for SBSE Small Business/ Self-employed and asked Temple to fill the role as the W&I liaison. McQuin is in the Senior Management Readiness Program (SMRP). Part of this program is an acting assignment at a higher management level so it was a perfect fit for McQuin to take over as acting TAP Director. The announcement for the TAP Director closes within two weeks but the selection process will not enable the announcement of a new director prior to the October meeting. Seuntjens asked if that meant a new director could be named within the next 90 days and expressed TAP's need to have a permanent director. Olson thought the 90 days was close and understood and shared Seuntjens concerns about naming a permanent director.

Seuntjens next raised the question of Treasury approval of the replacements and the importance of having new members attend the October meeting. Olson agreed and stated both she and Treasury recognizing the importance agreed members should attend the meeting even if the tax and FBI checks were not completed. A discussion followed about the number of vacancies and Olson found out that McQuin had not received the names of replacements that were already approved.



**ACTION: McQuin will follow up with Mary Clare Whitehead, Olson's Executive Assistant, to resolve the matter and invite the approved alternates to the October meeting. McQuin will also resubmit the list of vacancies that occurred after this initial approval for Olson to bring to Treasury.**

Seuntjens raised the question of staggered terms and asked how Treasury felt about TAP's proposal. Olson and Treasury accepted the proposal and Olson asked the program managers to start the process by canvassing members on who would like to stay an additional year. The distribution would then need to be discussed with Treasury to ensure a balanced panel.

### **Review of Assignments**

McQuin discussed the tracking system of elevating issues and other items with Sue Sottile but has not had the opportunity to meet with Mike Chesman. Sottile turned over the proposals to the program owners and not having heard otherwise assumed the process was working. We have agreed to meet to develop the tracking system and to establish regular monthly meetings. Seuntjens stated that it was very important that the TAP Chair be included in the meetings with the liaisons so he has a clear understanding of the status of the elevated proposals and McQuin agreed.

Since the minutes of the Denver Joint Committee are not out it was decided to delay additional review of assignments until the October meeting in Washington, DC.

### **Agenda Items:**

#### **Denver Meeting**

It is important for Seuntjens as chair and for the other committee members to have feedback on how the meeting worked. Therefore, Seuntjens would like the meeting satisfaction survey for Denver be completed and the practice of sending surveys after each meeting resumed. Seuntjens will advocate for doing a better job of keeping the meetings focused.

**ACTION: Send satisfaction survey for the Denver Joint Committee meeting.**

#### **Final Review of October Agenda**

There was discussion of possibly shortening the topics of the break out sessions but in the short time frame available it was decided that was undoable. There may be an overflow of interest in some workshops such as Outreach but we will not be able to judge until the survey is complete. Responses to the survey of interest in the workshops are due on September 22. Staff will then place on agenda and some sessions may be cancelled and more popular workshops will be run more than once.

**ACTION: Toy will distribute survey results on Wednesday, September 24th to Joint Committee members.**

**ACTION: Toy will indicate rank with number 1 being the highest to avoid confusion.**

**ACTION: Agenda still has time discrepancies with the headers stating 8:30 but the action starting at 8:00. Toy will correct these time discrepancies; correct start time is 8:30, end time on Thursday and Friday is 5:30 and on Saturday, 12:30.**

### **Carryover administration items:**

#### **Review Issue Matrix**

There is a concern that discussion of the needed improvements to the Issue Matrix by telephone and with full committee is not doable and that a subcommittee should be formed. Seuntjens asked for volunteers and Handelman, Hanna, Balmer, and Steinberg volunteered. Handelman asked if was



possible for subcommittee members to arrange travel earlier in the day on Wednesday so a meeting could be held. It was agreed.

**ACTION: Toy will find a meeting place and subcommittee will met in Washington , D.C. on October 1, 2003, 2:00 to 4:00 EDT. Toy will email confirmation and send out materials prior to meeting.**

#### **Acknowledgement letters format**

Seuntjens and Steinberg had some suggestions on improving the notices and Handelman already turned in their suggestions to Toy. Balmer asked if the notices can be used as templates and paragraphs adapted to fit the situation. No, the letters are meant to be standard with just the indicated items changing and staff would be issuing the letters under the chair's signature. However, It was realized that there is no template to fit the situation when the individual problem is referred to TAS or to IRS for resolution. This letter will be included in packet for approval at the October meeting.

**ACTION: Toy will combine suggestions and reformat acknowledgement letters for approval at DC meeting.**

#### **Monthly Committee Reports Action Items**

Clarify appropriate channels of communication between TAP Committees and IRSAC, other IRS/Treasury advisory committees and between TAP and NTEU.

Seuntjens believes it should be left to IRS management to gain union support. Handelman felt most members didn't understand how critical it is to gain union support to help TAP's proposals be implemented. Hanna stated the reason Area 3 wanted NTEU attendance is to get their concurrence and encouragement on getting the TAP message to employees. Handelman stated the main purpose was to establish a cooperative relationship with NTEU, and for panel members to understand NTEU's perspectives and the barriers NTEU finds in implementing proposals. Seuntjens opened the discussion to the floor. Meldman felt TAP's role is advocate for taxpayer and not for IRS internally. Balmer believes TAP staff can adequately report on possible barriers to the union accepting the implementation of the proposed procedures and possible barriers making NTEU representatives at meetings unnecessary. There was concern about TAP usurping management's prerogative in working with NTEU. McQuin provided background on the Florida 's Citizen Advocacy Panel's (CAP) relationship with employees. When CAP first started, employees were concerned that their interactions with CAP would be part of their evaluation. CAP has worked very hard to assure employees that that is not warranted and TAP wanted to work with employees to improve IRS customer service and satisfaction. Seuntjens asked for a show of hands for inviting NTEU representatives to the All TAP meeting. Majority did not agree. Members made it clear that it was not indicative of their feeling toward forming a cooperative relationship with NTEU but more of timing--the lateness of the request and the shortness of time on the agenda.

#### **Discuss vacancies**

Burgos wanted to bring up that the Efiling subcommittee has lost three members and he has no sense of replacements prior to October. Seuntjens stated that the drop n the number of panel members is part of normal attrition and ten percent is not unexpected. Seuntjens stated this only reiterated the importance of developing a system of continuous replacement. Steinberg stated his committee had also lost three members. Seuntjens expressed hope that some of the unbalancing could be corrected by the reselection of issue committee assignments in October.

**ACTION: McQuin should notify Area chairs of new member's attendance so chairs can mentor them.**

#### **Closing**

Reminder that the draft of the October report is due by October 1st and the final by October 15.



## Assignments:

### All Joint Committee Members

- Copy McQuin who is responsible for placing items on the tracking system to Olson on any items requiring a response to insure the item is placed on the system.
- Chairs should send any comments to Toy on items that need to be included in the Issue Committee Proposal forms by September 12, 2003 . (09/05/2003 and 09/06/2003)
- Draft of annual report by October 1, oral presentation of reported at all TAP meeting and final version to Toy by October 15, 2003. (09/05/2003 and 09/06/2003)

### Area Chairs:

- Incorporate all aspects of the holding process for the toll free system in time of the September 21st meeting. (09/05/2003 and 09/06/2003)

### Kraushaar

- Work with McQuin to develop:
  - Pocket-sized Quick Media Tips
  - Clear fact sheet on who TAP is and what TAP does
  - Generic News Release (09/05/2003 and 09/06/2003)

### McQuin

- Distribute copies of the charter at the October All TAP meeting.
- Follow up with Mary Clare Whitehead, Olson's Executive Assistant to resolve the matter and invite the approved alternates to the October meeting. McQuin will also resubmit the list of vacancies that occurred after this initial approval for Olson to bring to Treasury.
- Notify Area chairs of new member's attendance so chairs can mentor them.
- Track the elevated issues (including the four all ready elevated) and check the status every 30 days. Provide a monthly status report to the Joint Committee: who has it, when they got it, and the current status. (09/05/2003 and 09/06/2003)
- Address selection/replacement of panel members so all states are represented. (05/20/2003)
- According to charter and TAP Guidance Document, the TAP Chair and Vice Chair have designated role as liaisons with other IRS advisory groups: ETAAC, TE/GE, ACT, IRSAC, and IRPAC. In addition the TAP Chair and Vice Chair are the points of contact with the TAP staff, TAS, SB/SE, W&I, and other IRS Operating Divisions and Functions and Treasury to provide briefings on TAP activities, next steps, and action items. Seuntjens asked Temple for a copy of the charter last January and February. Seuntjens did attend one meeting with IRSAC, but thinks he and Lowe need more involvement, more interfaces, more executive focus, and an inroad to these people. (05/20/2003)
- Regular scheduled conference calls were supposed to be set up with Temple , Chesman, Sottile, and Seuntjens ; this has not been done. (05/20/2003)

### Nicholas

- Forward the letter to the other program managers to be used for other members who are not responsive. (09/05/2003 and 09/06/2003)



## **Nagel**

- Forward his concern on the work done on Schedule C Non-filers to Chesman. (09/05/2003 and 09/06/2003)

## **Staff**

- Develop a form for collecting the inventory of knowledge, skills, and abilities and find a way for the information to be easily accessed on TAPSpeak. (09/05/2003 and 09/06/2003)
- Notify chairs if they notice conflicts when placing items on calendar. (09/05/2003 and 09/06/2003)

## **Toy**

- Send satisfaction survey for the Denver Joint Committee meeting.
- Indicate rank with number 1 being the highest to avoid confusion.
- Agenda still has time discrepancies with the headers stating 8:30 but the action starting at 8:00. Toy will correct these time discrepancies; correct start time is 8:30, end time on Thursday and Friday is 5:30 and on Saturday, 12:30.
- Combine suggestions and reformat acknowledgement letters for approval at DC meeting.
- Find a meeting place and subcommittee will met in Washington, D.C. on October 1, 2003, 2:00 to 4:00 EDT. Toy will email confirmation and send out materials prior to meeting.
- Based on the eight questions submitted to Sottile and Chesman, rewrite the objective for their portion of the agenda. (09/05/2003 and 09/06/2003)
- Format the proposal on Just in Time to Sottile. (09/05/2003 and 09/06/2003)
- Format and forward the Form 990 Proposal to program owners. (09/05/2003 and 09/06/2003)
- Format proposal and send out to committee members by September 12, 2003. (09/05/2003 and 09/06/2003)
- Format the proposal and forward to Sottile. (09/05/2003 and 09/06/2003)
- Forward Mary Balmer's annual report as an example of how much details required. (09/05/2003 and 09/06/2003)
- Format the Quality Control Process for Notices and forward to Sottile. (09/05/2003 and 09/06/2003)
- Format the Offer in Compromise proposal and forward it to Chesman. (09/05/2003 and 09/06/2003)
- Add the date the area approved to the template and send out to Joint Committee members and the managers. (09/05/2003 and 09/06/2003)
- Toy will format a letter to acknowledge the efforts of the program owners and to thank them and forward the letter to Chesman. (09/05/2003 and 09/06/2003)
- Ensure Margie Kinney and Sottile update definition of issues for W & I and SB/SE for presentation prior to October 2003. (05/02 -05/03, 2003)
- Work with Fish to separate two proposals on phase ins and outs. Then, format proposal on including a chart of all phase ins and outs and forward to Seuntjens for elevating. (07/15/2003)
- Get breakdown of top 50 issues on SAMS that are not assigned as a project to TAS employees. (05/02 -05/03, 2003)



## **Joint Committee Minutes**

September 5-6, 2003  
Hotel Teatro, Denver, CO

### **Members present:**

- Mario Burgos, E-Filing
- Justin Doucette, Area 6
- C. Morgan Edwards for Phil Bryant, Notices
- Walter Fish, Area 1
- Gwen Handelman, EITC
- Ed Hanna, Area 3
- Cheyanna Jaffke , Area 7
- Sharon Lassar, Multilingual
- Bob Meldman, Area 4 and Ad Hoc
- Paul Nagel, Schedule C Non-Filers
- Tom Seuntjens, TAP Chair
- Leonard Steinberg, Payroll Taxes
- Lillian Woo, Area 5
- Sandy McQuin, Acting TAP Director

### **Members Not Present:**

- Mary Balmer, Area 2
- Phil Bryant, Notices

### **Staff Present:**

- Barbara Toy, Program Analyst
- Patti Robb, Note Taker
- Nancy Sitzberger, Acting TAP Manager

### **Guests:**

- Martha Curry, National Office A
- Nancy Ferree, TAP Manager
- Karen Kraushaar, Comm. & Liaison
- Judi Nicholas, TAP Manager
- Sandra Ramirez, TAP Manager

### **Quorum**

14 Members present; quorum of 9 met

### **Welcome/Announcements/Review Agenda**

Seuntjens welcomed Sandy McQuin as acting director. McQuin is excited to be here and have the chance to be acting director. McQuin stated that the National Taxpayer Advocate, (NTA) is anxious that you know you have her backing. Your time is valuable; we want to use it wisely; and TAP staff is here to ensure things go smoothly.

## Review of Assignments

1. The draft annual report is due by October 1 to Toy. Remember, you will be making a 10-minute presentation at the annual meeting. The final report is due October 15.
2. All area chairs should have reminded their committee members about the annual meeting.
3. On tracking the elevated issues, McQuin was asked by the NTA to develop a tracking system for both items sent to NTA that require a response as well as the tracking system McQuin is developing with Mike Chesman and Sue Sottile. Seuntjens stated that the Joint Committee is still waiting for the status and acknowledgment of elevated issues and wants to be kept appraised of the status of every issue.
4. The next action item was assigned to Lowe and was a request for information about rolling out new programs to small or mid-sized businesses. Nicholas reported that an article was prepared for suggestions on how to get IRS changes out to small businesses using the What's On TAP paper (Area 4) for soliciting suggestions. Ad Hoc had only received a couple responses. Ad Hoc has forwarded the information to Marjorie Miller.
5. As far as the marketing materials, Nicholas reported that all the materials submitted on the Ad Hoc Committee list were on the approved list. Nicholas added that prototypes would be brought to the annual meeting so everyone knows what they are and choose what materials they want.
6. McQuin said that Nina Olson responded to Handelman. Olson will raise the NTEU issue to Treasury and the partnership council. Handelman said that Area 3 raised this issue back in June and had asked that Colleen Kelly address the panel at the annual meeting. It has not moved forward and Area 3 is frustrated. The protocol is that TAP should establish a relationship with NTEU. McQuin will continue to update the Joint Committee on this issue.

There are close to 20 vacancies on the panel now. Toy made a list of all the vacancies and potential vacancies and forwarded the complete list of alternates for those positions to Olson. Olson took the list to Treasury and we are hoping to get approval for the alternates. However, they have not been contacted for over a year so they may no longer be interested. Seuntjens instructed the chairs to contact members who have not participated in panel work and find out what their intentions are; do they intend to retire from the panel? This needs to be done quickly so we can get replacements if necessary and the new members can attend the annual meeting. McQuin will do exit interviews with the panel members who resigned and adding that National Office was still working on the issue of panel members moving to a different state. Seuntjens believes they should be representing their current area and if that state has no vacancies that should be placed on the alternate list. Seuntjens stressed that all committees need full support and all members need to be active. Nicholas added that she sent out a letter to one disengaged panel members that could not be reached by either telephone or email. The letter asked the member what their intentions were towards the panel and stated that if we don't hear from you by a certain date; we will consider the no response as a resignation from the panel.

**ACTION: Nicholas will forward the letter to the other program managers to be used for other members who are not responsive.**

Seuntjens reminded the area chairs to check with the chair of the member's issue committee chair since there are some members involved in either their area or issue committee but not the other. Program managers should confirm that both chairs agree on the non-participation and that the area chair has tried to communicate with the panel member before sending out the letter. Steinberg added that panel members who are not fully participating in both committees should not qualify for the three-year term.

7. Seuntjens asked for a copy of the charter to be distributed to the Joint Committee but we are still waiting. Seuntjens did attend one IRSAC meeting. Handelman learned through a former student that IRSAC also has an Earned Income Tax Credit (EITC) subcommittee. Handelman suggested that TAP and EITC work together but was told we couldn't.



8. McQuin is working with Chesman and Sottile to set up regular scheduled conference calls.
9. Discussed developing tracking system earlier.
10. Regarding the action item on the marketing strategy, a subcommittee of Ad Hoc is fine tuning the strategy now and will be presenting it to the full Ad Hoc Committee in October. Nicholas will work with Karen Kraushaar.
11. McQuin stated that Kraushaar will work with TAP on news releases and this will be discussed later in meeting.
12. The letter to counsel has been forwarded.
13. Financial Literacy letter has been forwarded and TAP should have response in next couple weeks.
14. Phase In/Out Proposal--Ramirez found inaccuracies in this report which she will have corrected and then forward to Toy for formatting and submission.
15. Breakdown of top 50 issues on SAMS. Seuntjens asked that this be made a top priority and it will be reassigned to McQuin.

### **Review/Approve Minutes**

Motion to approve August minutes, seconded, and consensus reached.

### **Marketing Campaign**

Seuntjens introduced Kraushaar and stated that Kraushaar would be working on the marketing campaign and both an internal and external communication strategy. Kraushaar stated it was a delightful opportunity to work with the committee and a marvelous example of how important it is that a group having a national reach gets the word out to both the public and internal audience. Kraushaar attended this meeting mainly to listen and hear what the members' experience has been with the media and to determine how to plan the communication strategy to get the TAP message out.

Kraushaar would like to be viewed as an in-house consultant to get media attention and to fend off negative attention. She stated that whenever you are dealing with media you need both a defensive and offensive strategy. For the last five years, government has had to focus on a defensive strategy but believes we need to change to a proactive strategy. TAP is a good offensive strategy since TAP has just recently reached the critical mass with representation from all states.

Kraushaar has been working with media for 20 years, starting with the Detroit News and then moving to Washington bureaus. She then chose to work with the public relations side of the business which in her view is one of the most interesting games in media.

Media has been deeply shaken by the Jackson Blair scandal with the made up quotes and interviews. Editors ignored warning bells and the scandal served as a wake up call for newspapers of record to wake up and police themselves. In addition, self help books advocate to tune out negative news and not listen to the media. Twenty four hour internet news, satellite and cable news provide another area of competition that newspaper editors have never seen before. Media is bombarded by inputs from all different sources--congressional representatives, charities, school boards, etc. What they have in common is trying to get their message out to the media. Kraushaar's job is to get TAP's message out; to let people know the importance of the organization and how the public can help. The internal audience of 110,000 employees and 2,000 in Taxpayer Advocate Service (TAS) is another large audience that TAP needs to reach.

Kraushaar then asked for a show of hands for Joint Committee members' comfort level when the phone rings and it is a local newspaper reported. Eight members had a high level of comfort, two medium, and 2 low level. Seuntjens who has a high level of comfort offers to call the reporter back and then takes the time to outline what he wants to say and then calls back as quickly as he can. Kraushaar agreed to offer to call back or to have you must air points already prepared, know what messages you need to get out. Her key role is to help create and provide the tools for TAP to turn media contacts to your advantage. Lassar suggested figuring out what the reporter's bias is so you can frame your response accordingly. Kraushaar stated your bill of rights, or one tip for media success





is to find out who the reporter is working for, is the reporter a staff reporter or a free lance. If unsure, call the paper or organization to find out if they are on staff. Fish mentioned how difficult it was to get media attention in the New York , New Jersey area and McQuin added that this was TAP's biggest problem, how to get media attention. What hook or spin to put on our message to get it into the papers. Steinberg suggested emailing or calling news reporters who handle tax news, explain who you are, and offer to be a source if a story arises. Steinberg has also sent in response to published articles; he hasn't been published yet but hopes to establish a relationship. Meldman stated that after offering report a free lunch there was one very good article published but that was the extent of the coverage. Kraushaar stated that what TAP is experiencing is part of the unprecedented competition that the media is involved in and that the last thing TAP should do is to issue another news release that ends up on the cutting room floor. Best way to get TAP message in to the right hands is for members to develop a personal relationship with their local news persons. Reporters are not invulnerable to praise, fifty percent of their contacts is complaints. Pick up the phone, praise an article they have done on tax issues and add by the way have you thought of this aspect or this is how TAP could have helped. McQuin pointed out that TAP's message is not only to make people aware of TAP's successes but also to get people to pick up the phone or visit the TAP website to bring TAP their grass roots issues.

TAP members should respond to any tax related national news story and put a local and TAP spin on it. But, it needs to be done quickly within 48 hours and there might not be time for Kraushaar to get a news release out to all the local media outlets or even to all TAP members. It was suggested Kraushaar develop generic news releases that members can insert their name and information and send to local media and she agreed. At some time down the road, it would be ideal situation, if news release directly in response to the article could be distributed. Members also need to have written guidelines on what they should be doing and what they should avoid doing.

**ACTION: Kraushaar will work with McQuin to develop:**

- **Pocket-sized Quick Media Tips**
- **Clear fact sheet on who TAP is and what TAP does**
- **Generic News Release**

**October all TAP Meeting Agenda Items - Expectations of Chesman/Sottile**

Seuntjens stated that TAP has already forwarded recommendations and wants to know the status of the issues--Have they received the issues? Are they important to them? How was the proposal received? Even if negative, TAP wants to know. Also, we need to know the process of providing feedback to the panel? Fish said his committee had put many hours into issues that were elevated and wants to know what is happening to keep the interest level high.

Steinberg said he had heard that as TAP heads into our second year, the issue committees may not change but their direction might. Steinberg believes the redefinition should be a joint project between the program owners and the issue committee. McQuin stated that the program owners have been asked to provide more information and clarify exactly what the issue committee is about so members can make a better decision on choosing a committee. But bear in mind, that the issue committees are put forth for a reason and the IRS is more likely to commit to working on those issues that fit best into their strategic plans. Doucette stated that last October, we were given a very broad description of the issue committees but with parameters. He prefers IRS gives the broad scope and let the committee members decide the focus.

Doucette wondered if the three issues elevated by Area 6 would be addressed since they did not fit into the strategic plan. He wants to talk about the process from start to finish. Also, how do Chesman and Sottile fit into TAP procedures? Why are issues sent to them and not the NTA? How do they fit into TAP relative to Treasury and the NTA?



Woo agreed that TAP needs to have feedback on the elevated issues. There has been some talk about possibly forming another committee around the issue Area 5 elevated on free filing but we have not heard anything--how do issues redefine themselves?

Meldman wanted to ask what to do when we contact the program owner while doing research and never receive a response or hear they are not interested in the issue, where do we go from there?

Lassar asked what the incentives are for a program owner to see that TAP is successful. Do they answer to anyone? Is there any accountability between the program owner and the reason they are assigned to an issue? Who decides what we are supposed to accomplish?

Edwards stated the issue behind the Notice committee is so complex. There are more than 200 notices and the process for changing a notice is so complex. Do we know what we should be working, just on the notices or improving the process? Where do we fit in? If program owners don't draw us into the process should members bring themselves in?

Burgos wondered if requesting a response within 30 days is realistic because neither Sottile nor Chesman are decision makers.

Hanna stated that TAP needs feedback on both area and issue committee recommendations graded on how much priority it will be given. Handelman added that panel members know IRS has limitations based on resources but panel wants to know if their proposal would receive high or low priority. Jaffke wanted to know what consideration would be give to forming issue committees in areas with a high amount of interest such as installment agreements and can panel have some inputs on which issues become committees. Toy stated that the program owners in the Small Business/Self-Employed (SBSE) and Wage and Investment (W&I) Operating Divisions along with the NTA determined the seven issues to be worked by TAP. McQuin added that staff could not possibly support more than seven issue committees. Nicholas said that the Ad Hoc committee is probably the most underused and that the Joint Committee should hand off some of these issues to them. Handelman would like the program owners to be very specific about what the assignments are and what are the expectations for these assignments? Also, IRS has various task forces working on issue similar to TAP's issue committees. Is there any way TAP can have representation on these task forces? Edwards added that many of the task forces meet for two weeks or more. What about the budget? McQuin stated that panel members could possibly meet with the task force for a shorter or via conference call. Steinberg asked if we can't participate in the task forces, can we supply information so there is no duplication of effort.

### **Conference Call with Mike Chesman/Sue Sottile to Discuss Expectations**

Based on the discussion, the Joint Committee framed the following questions or comments for Chesman and Sottile.

1. Seuntjens --Who will ensure program owners are responsive to our recommendations and describe process?
2. Doucette --Overview of Chesman and Sottile's role as liaisons from their perspective and how it fits into TAP relative to NTA and Treasury.
3. Lassar--What are incentives for issue committee Program Owners to make TAP successful to accomplish their strategic goals?
4. Seuntjens --Who identifies the issues for 04? Will they remain same or be refocused and what level of participation should current committee members have in this process?
5. Steinberg --Program Owners should provide parameters and issue committee members should have role in narrowing or choosing the focus.
6. Handelman --Regarding the Issue Committee Proposal form, who completes, who selects? The form should describe the associated strategic issue and be specific about expectations for assignments and activities.



7. Meldman--Regarding research and analysis - where do you go if your program owners are uninterested or unresponsive?
8. Woo--IRS has task force teams on same issues as some TAP Issue Committees can TAP members serve on these teams or at minimum could teams share summary or what level of participation should there be?

Sottile stated that from her perspective is if we see recurring issues, we would propose to include them as issue committees or work them through Ad Hoc. Next year, issues will be realigned with our priorities and budget. They will also be data driven.

TAP will get feedback. It is my understanding that area committees identify grass roots issues and work issues locally. Seuntjens replied that TAP is currently not getting enough feedback. McQuin, Sottile, and Chesman should work together to set up a feedback mechanism that provides more than a notice of general reassignment. Sottile stated that steps would be taken and she would work with McQuin going back to the original design and that assured members that their proposals were being taken seriously.

Doucette commented that TAP is lacking an overview of the structure behind TAP. At the October meeting, we would like a top to bottom overview. Where do you as liaisons fit in? Chesman replied that they were the bridge between TAP and SBSE and W&I. Doucette added that panel members need to be reminded of this at the annual meeting. When TAP elevates an issue, we need to know we used all resources available. If you decide not to elevate an issue, then where do we go? Chesman replied that our funding is limited and it depends on the scope of the recommendation. We will owe you an explanation as to the status of where we are on the issue - what happens and why.

Lassar asked what incentive program owners have to make TAP successful Chesman and Sottile both replied to come to them both have some influence within our areas to make things happen. However, when a choice has to be made between priorities it sometimes depends on the budget. Sottile added that program owners were picked that were receptive to working with TAP. Steinberg asked about working with the program owners on defining the issues and asked if the program owner would listen? If not, Steinberg feels members might lose interest. Chessman replied that so far, the committee members have not been shy about sharing their ideas and he would expect that to continue. The program owner should be prepared to discuss the viability of looking at the issue being presented. We should have a good dialog as to what is possible and what cannot be done due to lack of resources. Folks should want to work where they can have an impact. They need to realistic. Chesman asked if the current chairs were continuing. Seuntjens replied that the majority are and all chairs are looking to correct the lack of involvement and get all members interested. Handelman stated that issue identification should be as specific as possible and hopefully not exclusive. Give us a chance to suggest variety or direction. Sottile replied that W&I is always open to reasonable requests. Handelman added that issue committees are not getting written feedback in response to their written proposals. We do not get feedback to our recommendations.

Meldman said that generally he finds program owner responsive and cooperative. But what if they aren't and this question is directed more at the research phase in the areas before the issue is worked? Chesman replied that any problems should be brought to his or Sottile's attention. Woo asked how TAP can establish a more cooperative relationship between the task forces and committees? Sottile thought there were regulations regarding this issue. McQuin asked that if not full participation at some point during deliberations the task force could contact TAP for input or to share information. Sottile will speak to NTA at the annual meeting about this. Chesman added that if third parties are prohibited from being part of a task force discussion, TAP should still be able to give input. McQuin asked Chesman and Sottile to please keep TAP in mind when new task forces are formed. **End of conference call.**



Fish asked for feedback on all the elevated issues at the October meeting. A discussion on how the acceptance of TAP proposals is so closely tied to the budget and if it doesn't fit into IRS's scope, TAP may be looking at time frames for implementation that goes for years. Seuntjens did not think most recommendations would be limited by the budget. However, it needs to be a concern and should be addressed. Burgos also said maybe we should get rid of the area committees and all become issue committees to work IRS strategic priority issues. Handelman agreed with Burgos and suggested it might be more rewarding that way, TAP could still provide a geographic balance. But, Handelman asked if there wasn't a way for TAP to affect IRS' priorities?

Sitzberger briefly explained how IRS does their strategic plan. The first step is to do an environmental scan for trends to look at when doing the plan. TAP elevated issues should be fed into this environmental scan.

Meldman did not support getting rid of area committees; we are all TAP taxpayer advocates, not IRS.

Edwards mentioned that he hasn't seen area local issues brought to the table. Most area issues have become national in scope. McQuin replied that TAP staff will be working with you on outreach activities. The more you get out there, the more issues you will get. There will be an outreach workshop at the annual meeting. Nagel mentioned that the Schedule C Non-filer Committee is concluding the work it was assigned and what will happen? Nicholas mentioned that one or two subcommittees are close to concluding but there are large untapped areas.

**ACTION: Nagel will forward his concern on the work done on Schedule C Non-filers to Chesman.**

Hanna questioned if Chesman and Sottile were the correct two people to send our recommendations to? McQuin replied, yes, they are the liaisons to the operating divisions although they are not the direct managers to the program owners.

#### **October All TAP Meeting Agenda Items**

Seuntjens announced that Nicholas will act hostess during the meeting. Nicholas suggested that instead of having the self-introduction one after another, we should ask the new members to introduce themselves and then each person should introduce themselves during the area committee reports. A discussion followed on seating arrangements and whether the seating should be open or by area. One concern was that new members would feel more comfortable if they would be seated with their area committee another that members might prefer sitting with their issue committee. The decision was to leave at open seating but ask the chairs to mentor the new members and introduce them to the other members in the area committee. Discussion returned to self-introductions and how the introduction of committee members would fit into the 10 minute allotted time for the reports.

**Consensus reached to have self-introduction and Nicholas will ask each member to say their name, occupation, state, area and issue committee assignment.**

Steinberg asked if Treasury representative and commissioner would take questions. Probably not because of time frame, but anyone who wants to make sure they cover a particular subject should send in the question prior to the meeting.

There was concern that current issue committee chairs would be making the selection of an issue committee prior to their reconfirmation. Chairs who are not reconfirmed may want to change their committee selection. It was agreed that the issue committee reconfirmation should be one of the first items on the agenda and chairs who are not reconfirmed could move to their second choice issue committee.

Bob Meldman made motion for Joint Committee to endorse the reconfirmation of Seuntjens as chair, Nagel seconded the motion. Motion was withdrawn.



Next, discussion turned to logistics of reconfirmation. First, there will be a vote on reconfirmation. If Seuntjens is reconfirmed, no further action is necessary. If not, Nicholas will announce that members interested in placing their names on the ballot, should submit their name to staff. Candidates will be given time to address the entire panel on Friday evening and ballots will be collected and counted on Saturday morning and the name of the new chair will be announced at close of business on Saturday.

**ACTION: Based on the eight questions submitted to Sottile and Chesman, Toy will rewrite the objective for their portion of the agenda.**

Fish suggested members have their issue selection forms at the time of the presentations and hand them in at the end of the day and this was agreed to. Handelman asked McQuin what would be covered during the Administrative Issues part of the agenda. McQuin replied that the new volunteer agreement and a few travel issues. Handelman suggested another issue that continually comes up is being reimbursed for other supplies such as envelopes or paper. Nicholas mentioned that the agenda did not have a place for questions and answer period for members and that would be added. We will use the same method we used last year--members write down their questions and place them either in a box or on a flip chart and we will set aside time on the agenda to answer the questions.

Discussion then turned to putting aside a time on the agenda for asking panel members to vote on a term for chairs because the terms were not set by either the guidelines or by charter. It was decided that this type of decision was better made by consensus since everyone can leave the room feeling they were part of the decision and had the opportunity to speak on the issue. With the size of the panel reaching consensus would be very difficult and Handelman stated certain things like elections lend themselves to a vote by majority so couldn't the policy be for elections use a majority vote and other decisions be made by consensus. It was agreed that reaching consensus with the entire panel would not work but changes to procedures should be made in the Joint Committee who represent all members by consensus.

Doucette motioned to set the term of chair as two years from the date of election. Motion seconded; discussion ensued. Concern was that if the chair was not competent, two years would be too long and a one year term with possibility of a second one year term was better policy. Others preferred two year term with right to impeach chair.

### **Workshops**

The name of the Getting to Grass Roots Issues was changed to Media Relations.

There followed a discussion about the strategic planning process and how that fit into TAP. TAP would like an understanding of the IRS operational priorities, as well as how TAP can influence them. It was decided that the objective and title should be changed to reflect a brief overview of the strategic planning process and how that fits into TAP writing proposals.

Nicholas mentioned that our intention was to complete all the objectives and survey members on which workshops they would like to attend. Based on interest, we may drop workshops or run some twice.

Steinberg asked that we should be sure to have flow chart and the mission statements of the overview of the IRS.

### **Issue Committee Meetings**

Seuntjens added that this issue committee meeting will be a chance to dialogue with the program owners and possibly new members at a face-to-face meeting.

### **Committee Reports**

Seuntjens cautioned chairs to watch their ten minutes very well and plan very closely because we



would have a time keeper. Burgos wanted to make sure all chairs celebrate the successes of the panel regardless of what frustrations there have been in the past year.

*September 6, 2003*

**Continuation of Administrative Items**

Seuntjens asked that either the program managers or the program analysts should conduct the reconfirmation process.

**Monthly Committee Reports Action Items**

Seuntjens would like the format of all elevated proposals to be consistent, polished, and professional looking. Some of the proposals are missing key parts such as summary of issue, the background of the issue, or does not identify the author.

**ACTION: Toy will send out format for proposals to Joint Committee members and all program managers.**

**3-19 Schedule K-1s for S Corporations is being elevated**

Handelman provided the legislative background that does not require a balance sheet if total receipts are under \$250,000. The downside of the legislation is that shareholders will not have the information they need to calculate basis when they sell. Fish wondered why the amount of loans paid off was necessary only need to know balance at end of year. Lassar recommended scratching that part.

Steinberg suggested it would be clearer to number items if more than one aspect is covered in a proposal. Lassar offered to reword the proposal.

Discussion interrupted by telephone call; Meldman joined by conference call so agenda was changed to address Area 4's issues.

**Just in Time Policy**

This proposal revolves around Package X and other information that goes out to Volunteer Income Tax Assistance (VITA). The subcommittee originally looked at the Form 5500, **Annual Return Report of Employee Benefit Plan**, Form 5500, **Annual Return Report of Employee Benefit Plan** but found out it was a one-time problem and dropped the issue. Steinberg suggested TAP monitor the issue. Basically, the problem is with the publishing of the forms in the Package X. The forms are available electronically but not in the published format. Many practitioners still find the hard copy of the Package X helpful so we are not proposing eliminating it but publishing it in a loose-leaf format rather than a bound version.

**Seuntjens motion to elevate proposal; Nagel seconded, and consensus was reached .**

**ACTION: Toy will format the proposal on Just in Time to Sottile.**

**Form 990, Return of Organization Exempt From Income Tax**

The subcommittee recommended a communication and educational campaign to help small non-profits to learn and fulfill their filing obligation. **Nagel moved to elevate; Handelman seconded, and motion passed by consensus.**

**ACTION: Sitzberger will locate the owner of the Form 990 issue.**

**ACTION: Toy will format and forward the Form 990 Proposal to program owners.**



### **Review Third Party Authorization**

Hanna presented the proposal to increase the authority of the third party authorization by check a box. The Joint Committee has recently submitted a request to Counsel to answer specific questions. This proposal was returned to Area 3 to hold until Counsel advice was received.

### **Communication between TAP and IRS employees**

Area 3 recommends that all employees be informed about TAP. TAP wants employees to feel comfortable in coming to TAP and we release there is a reward program for employee suggestions, but we still believe employees may want another avenue. There was question of whether this proposal was already covered by Ad Hoc and Kraushaar's marketing strategy but it was decided elevating the proposal would only show the importance of communication. Ad Hoc should continue to work on the strategy but acknowledge that this proposal was sent forward. **Consensus reached to forward proposal.**

**ACTION: Toy will format the proposal on Communicating with IRS employees to Nina Olson.**

### **Telephone Listing/Answer Quality/Complaint Process**

Panel members Tim Jarrell and Buck Paolone have been working the toll free issue all year. Part of the problem is that IRS employees give their name and badge numbers at the beginning of the phone call and callers might not realize its importance. Our recommendation is that there be recording advising callers to jot down the employee's name, badge number, date, and substance of call. The committee also recommended having a routing system to tax experts and giving callers the option to call an employee directly if a second contact is necessary.

Meldman would not want to be bound by anything that took place during a telephone conversation. Steinberg and Doucette suggested also recommending jotting down call center. McQuin mentioned that the proposal to put the local telephone number in the phone book was made into law. It was then questioned how some of the recommendations in this proposal compared to the proposals from Area 3 on the toll free number. Jaffke pointed out that Area 7 had also considered some of these recommendations but dropped them after talking to an IRS subject expert who said IRS did not have technology. Area 6 is also working on similar issues. It was decided Area 6 would take the lead on all issues having to do with placing the caller on hold and that Steinberg , Balmer, Jaffke, and Hanna would have a conversation on the remainder of the toll free issues and decide who would take the lead on the issue.

Handelman stated that this duplication pointed out that the issue matrix was indeed not working. Seuntjens stated that areas can work on similar subjects but at least need to have an understanding of what segment the other area is working and how they complement each other. McQuin added that toll free proposals may have to be separated because different portions would have different owners. For example, the routing problem and hold issues would go to one area, the information about local telephone numbers to another. The analyst for your area will provide that information to you.

**ACTION: Doucette will incorporate all aspects of the holding process for the toll free system in time of the September 21 st meeting.**

**ACTION: Toy will format proposal and send out to committee members by September 12.**

### **3-19 Schedule K-1s for S Corporations is being elevated**

Lassar reread the proposal with the adjustments. Doucette felt this was increasing the burden on owners of s corporations and he does not necessarily want to release any more information to the IRS than he needs to. Seuntjens added that it seemed to be more of a benefit for tax preparer's and that TAP is not advocates for tax preparers by tax payers. Lassar stated the benefit to taxpayers is that if you don't have knowledge or proof of you basis, your basis is zero. Doucette replied that he had



plenty of proof in his filing cabinet to prove basis but he doesn't choose to disclose it. Lassar replied that we are trying to save taxpayer from themselves. Hanna stated this discussion had occurred in the area and the intention was not to place a burden on the taxpayer but be helpful. Handelman added that this was good support for the importance of including the background in any proposals sent forward. Motion was made to elevate proposal, motion was seconded, and motion failed.

Fish suggested the proposal be modified by making this optional or requiring worksheet. Hanna will bring the matter back to Area 3 with the these concerns.

## **ITINs**

Fish explained that the author, Elizabeth Brodbine-Ghoniem has a special interest in Low Income Tax Clinics and in low income taxpayers. This recommendation proposes a special marketing campaign to explain the proper use of the Individual Taxpayer Identification Number. It was decided that the flyer was not really relevant and that references to the flyer would be deleted. **Consensus reached on elevating the ITIN proposal.**

**ACTION: Toy will format the proposal and forward to Sottile.**

## **Quality Control Process for Notices**

Area 1 had an example of a notice that was sent to taxpayer about his installment agreement. The notice was compiled by using the IRS select a paragraph system. The notice did not provide the taxpayer the correct information. Area 1 found out from the service center that the IRS sent out the notices without a quality review system. But, the information was wrong there is a system. It is not a 100% review; it is a sampling system where only a certain number are reviewed. The proposal was changed to reflect this and change develop a quality review system is inadequate and needs improvement. **Elevation of proposal approved by consensus .**

**ACTION: Toy will format the Quality Control Process for Notices and forward to Sottile.**

## **Offer in Compromise**

Area 1 proposed to increase the criteria for waiving the \$150.00 waiver in compromise fee. **Lassar moved to elevate with changes; Steinberg seconded, and proposal was elevated.**

**ACTION: Toy will format the Offer in Compromise proposal and forward it to Chesman.**

Woo suggested the date of the area's approval also be added to the template so we have a clear path, we know where it came from and when. This was agreed to.

**ACTION: Toy will add the date the area approved to the template and send out to Joint Committee members and the managers.**

## **IRS Toll-Free Number**

Steinberg stated that Area 2 already agreed to combine the toll free issues.

## **EFTPS Short Form Worksheet**

This is a perfect example of form not following function. The phone prompts for the Electronic Funds Transfer Payment System (EFTPS) do not match the worksheets in the instructions. Area 2 worked with the program owner who has already agreed to make the corrections to the Voice Response System so the prompts match the worksheet. There was a discussion of whether the letter should still be forward and it was decided that it should and include an acknowledgement t and thank you to the program owner. **Proposal accepted by consensus.**





**ACTION: Toy will format a letter to acknowledge the efforts of the program owners and to thank them and forward the letter to Chesman.**

Steinberg talked to Meldman about the Form 990 proposal. Meldman did not know that non-profits is one of Steinberg 's specialties. Steinberg suggested a database that lists the tap member's functional expertise so members can use other members as resources. Steinberg could have assisted the subcommittee who worked the issue and have added to the discussion. Discussion started on how to develop but advice was to decide if you want and staff will get it done.

**ACTION: Staff will develop a form for collecting the inventory of knowledge, skills, and abilities and find a way for the information to be easily accessed on TAPSpeak.**

Nagel announced that one his committee members found an excellent resource on the IRS website called Understanding Taxes. Nagel was asked to make other members aware of its existence.

### **Financial Literacy**

The Ad Hoc committee asked Woo to request that the Joint Committee endorse Financial Literacy as a top priority for TAP and place the endorsement in the annual report. Handelman stated the EITC Committee was also very interested in the Financial Literacy campaign as well as EITC literacy and their EITC committee had asked areas to partner with the local coalitions. Steinberg added that Nina Olson had also made Financial Literacy a topic of her report to congress and perhaps TAP could work with the NTA on Financial Literacy.

McQuin stopped to clarify what Handelman meant about the area committees hooking up with local coalitions to work on EITC outreach and financial literacy. The definition of TAP outreach is to go out and talk about TAP, what it's about and its mission and to gather grass roots information. It is not about spreading the word about EITC and Financial Literacy. It is not your role to say I am a TAP member and I want to talk to you about EITC. However, the partnerships are good in reaching pockets of people, we would not ordinarily contact.

Lassar went back to Woo's point about raising awareness of financial literacy. Lassar finds out that many do not mention your tax responsibilities and that it is important to stress tax filing obligations when talking about financial literacy.

Jaffke is also on the EITC committee and wanted to know why when she was doing an outreach on TAP, she couldn't be distributing information on EITC and financial literacy as well. McQuin replied because you are spokespersons for TAP not the IRS. Handelman asked as advocates for taxpayers, isn't it okay to distribute information that helps taxpayers. McQuin said we need to go back to original mission and it is TAP is here to listen to taxpayers and raise their concerns to the IRS. Discussion arose on how this was different than the Ad Hoc committee looking at the Financial Literacy campaign. Woo replied with the analogy that what Ad Hoc is saying is here's where the bus should be going, but we are not driving the bus. Seuntjens asked how panel could endorse and talked about the logistics of using Woo's metaphor and making this issue understandable to a roomful of people. Doucette stated that as representatives of the membership at large, the Joint Committee should make the endorsement. Jaffke's concern is that this was outside of TAP's mission to gather information, but Seuntjens explained that TAP already gathered the information and was now proposing a way to solve the problem but starting an education campaign. TAP is not conducting the campaign, but endorsing it. Doucette added that almost every committee had a subcommittee on educational campaigns.

Lassar proposed the following wording:

TAP endorses the National Taxpayer Advocate effort to promote financial literacy. Helping people understand their financial and tax obligations, rights and responsibilities and to identifying a process that promotes financial literacy.



Seuntjens asked where the proposal would be sent and Lassar replied that TAP would just adopt it and put it in the annual report. Woo said the goal is to have full panel endorsement rather than just Ad Hoc's. **Lassar motioned to pass the endorsement of Financial Literacy as top priority, Nagel second, and it was passed by consensus to place endorsement in the annual report.**

Fish talked about a conflict between an area and issue committee and asked that chairs be more careful to not schedule over each other's meetings. McQuin stated it is really not chair's responsibility but each panel member's when meetings are scheduled they should talk about any conflicts.

- **ACTION:** Staff will notify chairs if they notice conflicts when placing items on calendar.
- **ACTION:** Chairs should send any comments to Toy on items that need to be included in the Issue Committee Proposal forms by September 12.
- **ACTION:** Toy will forward Balmer's annual report as an example of how much detail is required.

Jaffke proposed added a field for issues considered but dropped on the issue matrix.

National Office is working on clarifying the communication channels.

#### **Assignments:**

##### **All Joint Committee Members**

- Chairs should send any comments to Toy on items that need to be included in the Issue Committee Proposal forms by September 12, 2003 .
- Draft of annual report by October 1, oral presentation of reported at all TAP meeting and final version to Toy by October 15, 2003 . (09/05/2003 and 09/06/2003)

##### **Area Chairs**

- Incorporate all aspects of the holding process for the toll free system in time of the September 21st meeting. ( 09/05/2003 and 09/06/2003 )

##### **Kraushaar**

- Work with McQuin to develop:
  - Pocket-sized Quick Media Tips
  - Clear fact sheet on who TAP is and what TAP does
  - Generic News Release

##### **McQuin**

- Track the elevated issues (including the four all ready elevated) and check the status every 30 days. Curry will provide a monthly status report to the Joint Committee: who has it, when they got it, and the current status.
- Follow-up with Nina Olson on protocol to follow when TAP works with NTEU.
- Address selection/replacement of panel members so all states are represented. ( 05/20/2003 )
- According to charter and TAP Guidance Document, the TAP Chair and Vice Chair have designated role as liaisons with other IRS advisory groups: ETAAC, TE/GE, ACT, IRSAC, and IRPAC. In addition the TAP Chair and Vice Chair are the points of contact with the TAP staff, TAS, SB/SE, W&I, and other IRS Operating Divisions and Functions and Treasury to provide briefings on TAP activities, next steps, and action items. Seuntjens asked Temple for a copy of



the charter last January and February. Seuntjens did attend one meeting with IRSAC, but thinks he and Lowe need more involvement, more interfaces, more executive focus, and an inroad to these people. ( 05/20/2003 )

- Regular scheduled conference calls were supposed to be set up with Temple , Chesman, Sottile, and Seuntjens ; this has not been done. ( 05/20/2003 )
- Deliver a process and format for elevating issues in 30 days, June 2, 2003. (05/02 -05/03, 2003)

#### **Nicholas**

- Forward the letter to the other program managers to be used for other members who are not responsive.

#### **Nagel**

- Forward his concern on the work done on Schedule C Non-filers to Chesman.

#### **Sitzberger**

- Locate the owner of the Form 990 issue.

#### **Staff**

- Develop a form for collecting the inventory of knowledge, skills, and abilities and find a way for the information to be easily accessed on TAPSpeak.
- Notify chairs if they notice conflicts when placing items on calendar.

#### **Toy**

- Based on the eight questions submitted to Sottile and Chesman, rewrite the objective for their portion of the agenda.
- Format the proposal on Just in Time to Sottile.
- Format and forward the Form 990 Proposal to program owners.
- Format proposal and send out to committee members by September 12.
- Format the proposal and forward to Sottile.
- Forward Balmer's annual report as an example of how much detail is required.
- Format the Quality Control Process for Notices and forward to Sottile.
- Format the Offer in Compromise proposal and forward it to Chesman.
- Add the date the area approved to the template and send out to Joint Committee members and the managers.
- Toy will format a letter to acknowledge the efforts of the program owners and to thank them and forward the letter to Chesman.
- Insure Margie Kinney and Sue Sottile update definition of issues for W & I and SB/SE for presentation prior to October 2003. (05/02 -05/03, 2003)
- Work with Fish to separate two proposals on phase ins and outs. Then, format proposal on including a chart of all phase ins and outs and forward to Seuntjens for elevating. (07/15/2003)
- Get breakdown of top 50 issues on SAMS that are not assigned as a project to TAS employees. (05/02 -05/03, 2003)



## **Joint Committee Teleconference Minutes**

*August 19, 2003*

### **Members present:**

- Mary Balmer, Area 2
- Mario Burgos, E-Filing
- Justin Doucette, Area 6
- C. Morgan Edwards for Phil Bryant, Notices
- Walter Fish, Area 1
- Gwen Handelman, EITC
- Ed Hanna, Area 3
- Sharon Lassar, Multilingual
- Bob Meldman, Area 4
- Paul Nagel, Schedule C Non-Filers
- Tom Seuntjens, TAP Chair
- Leonard Steinberg, Payroll Taxes
- Charles Taylor, Area 7
- Lillian Woo, Area 5
- Deryle Temple, Director

### **Staff Present:**

- Sandy McQuin, TAP Manager
- Barbara Toy, Program Analyst
- Patti Robb, Note Taker

### **Members Not Present:**

- Phil Bryant, Notices
- Chris Lowe, Ad Hoc

**Quorum: 15 Members present, quorum of 9 met**

### **Welcome/Announcements/Review Agenda**

Tom Seuntjens said today's meeting will be shortened to one hour because we will spend talking in depth on these topics at the September meeting.

### **Review of Assignments**

Ed Hanna asked if the annual reports should include the information from the mid-year report. Seuntjens replied yes; they should be all inclusive. Mary Balmer asked if an issue is still in process, should it be included. Again, the answer is yes; it should be included under issues being worked.

Handelman asked when the reports are due; a discussion ensued. The TAP annual report will follow the IRS fiscal year, starting on October 1 and ending September 30. Each committee will present a ten minute annual assessment report at the October meeting. So, a draft version of the report will be needed by October 1 and the final version should be forwarded to Barbara Toy by October 15. Toy will compile and distribute prior to the October 21 Joint Committee meeting. The reports will be discussed at that meeting and again at the November meeting.



**ACTION: Area Chairs should remind members of October meeting. Also, forward any ideas for workshops to Toy.**

**ACTION: Draft of annual report by October 1, oral presentation of reported at all TAP meeting and final version to Toy by October 15.**

Handelman asked about the status of considering a process for program owners to send out written response to recommendations from issue committees as well as the proposals elevated from the Joint Committee. Deryle Temple replied that she and Sandy McQuin will be meeting in Washington, D.C. the next week to discuss this process. Temple added that Treasury had already made decision regarding vacancies and that also would be topic of discussion. Temple also asked that any new vacancies be forwarded to national office as soon as possible. Seuntjens would like new members to attend the October meeting so it was best if selections were made soon. Balmer asked what the terms of the replacements would be-would they complete the original member's term or serve a full two years. Seuntjens asked if the terms could be two years because it would ease the burden on existing members. Temple will add these thoughts to discussion next week.

Walter Fish asked about the members who don't participate. Seuntjens would like to have chairs follow-up with members not participating and forward vacancies both to national office and him.

Karen Kraushaar will attend the Joint Committee in September and will discuss the process of communicating with media and marketing strategy.

**ACTION: Toy will add Kraushaar segment to Agenda for Denver meeting.**

Temple passed on the responsibility for the financial literacy issue to Judi Nicholas, Program Manager for the Ad Hoc Committee, who is working to provide all the available information.

Temple will provide direction to the panel on how to deal with taxpayers who have personal tax problems. The individual cases need to be referred to the TAP staff that will refer them to the Taxpayer Advocate Service.

Toy has started to work with Area 1 on separating the legislative and administrative portions of the proposals regarding the phase-ins of credits and deductions. Part of the problem with the proposal is it is in the Acrobat pdf format and is not easily edited.

**ACTION: Chairs should forward recommendations in an editable format that is compatible with Microsoft word.**

### **Third Party Check Box Authorization**

Area 3 would like to elevate the recommendation that the third party authorization be expanded to allow preparers to find out the amount of estimated tax payments made in the succeeding year and to expand the authorization to be equivalent to the Form 2848, Power of Attorney and Declaration of Representative. Toy stated that the question at hand is whether this letter is ready to go forward to Counsel and suggested the proposals added by Area 3 be put on hold until Counsel's response is received. Counsel's advice will let the Joint Committee know if the proposal is legislative or procedural. Meldman added that as code sections are now the authorization could not be expanded and it was easy to get around this problem by attaching a power of attorney form to each return. **Consensus reached on sending memo forward to Temple to forward to Counsel.**

**ACTION: Toy will finalize Counsel memo and forward to Temple**

Handelman asked about the protocol of approaching the National Treasury Employees Union (NTEU). Temple requested this action item be move to her assignment and she would follow up to find out the status.



### **Review/Approve Minutes**

Minutes were approved with modifications.

### **September Face to Face**

The goal is to have the best meeting possible and Seuntjens will try to keep the administrative portion short. All Joint Committee actions items not discussed at this meeting will be addressed on Saturday morning and any incoming proposals will also be added to the Saturday morning agenda. It was decided that due to holiday, all pre-read information would be mailed by August 27, 2003.

### **October All TAP Meeting**

There is only one month to finalize the agenda. Some items missing from the Agenda are the mandatory code of conduct training and the Joint Committee meeting after the all TAP meeting. Seuntjens reminded chairs to please plan to stay an additional hour for the meeting. Seuntjens discussed the reconfirmation of TAP chair and stated that if the Area and Issue committees were being asked to reconfirm the chairs it was only fair for the TAP chair position be reconfirmed.

**Reminder: If you want an issue or proposal to be placed on the Joint Committee agenda, you need to list it as an action item.**

### **Assignments:**

#### **All Joint Committee Members**

- Forward recommendations in an editable format that is compatible with Microsoft word
- Draft of annual report by October 1, oral presentation of reported at all TAP meeting and final version to Toy by October 15
- Forward any ideas for workshops to Toy.

#### **Area Chairs:**

- Area Chairs should remind members of October meeting.

#### **Curry:**

- Track the elevated issues (including the four all ready elevated) and check the status every 30 days. Curry will provide a monthly status report to the Joint Committee: who has it, when they got it, and the current status.
- Follow up with Temple to ensure Olson has received the Capital Loss Limitation Issue (05/20/2003)

#### **Lowe**

- Bring the issue of rolling out New Programs to Small/Mid-sized Businesses to Ad Hoc and respond to Marjorie Miller within 30 days. (06/17/2003)

#### **McQuin/Temple**

- Determine which materials can be ordered through policy and the government printing office.



## Temple

- Follow-up with Nina Olson on protocol to follow when TAP works with NTEU.
- Address selection/replacement of panel members so all states are represented. (05/20/2003)
- According to charter and TAP Guidance Document, the TAP Chair and Vice Chair have designated role as liaisons with other IRS advisory groups: ETAAC, TE/GE, ACT, IRSAC, and IRPAC. In addition the TAP Chair and Vice Chair are the points of contact with the TAP staff, TAS, SB/SE, W&I, and other IRS Operating Divisions and Functions and Treasury to provide briefings on TAP activities, next steps, and action items. Seuntjens asked Temple for a copy of the charter last January and February. Seuntjens did attend one meeting with IRSAC, but thinks he and Lowe need more involvement, more interfaces, more executive focus, and an inroad to these people. (05/20/2003)
- Regular scheduled conference calls were supposed to be set up with Temple, Chesman, Sottile, and Seuntjens; this has not been done. (05/20/2003)
- Deliver a process and format for elevating issues in 30 days, June 2, 2003 (05/02 -05/03, 2003)
- Develop a strategic plan on appropriate TAP involvement for developing marketing strategy and present to Joint Committee in June (05/02 -05/03, 2003)
- Clarify the policy on news release for the Joint Committee by May 20, 2003, conference call (05/02 -05/03, 2003)
- Check to see what information the Taxpayer Advocacy Service already has on Financial Literacy and forward the information to Ad Hoc (05/02 -05/03, 2003) (05/02 -05/03, 2003)

## Toy

- Finalize Counsel memo and forward to Temple
- Add Kraushaar segment to Agenda for Denver meeting
- Insure Margie Kinney and Sue Sottile update definition of issues for W & I and SB/SE for presentation prior to October 2003. (05/02 -05/03, 2003)
- Work with Fish to separate two proposals on phase ins and outs. Then, format proposal on including a chart of all phase ins and outs and forward to Seuntjens for elevating (07/15/2003)
- Present list of approved marketing materials to Ad Hoc for their final decision (07/15/2003).
- Get breakdown of top 50 issues on SAMS that are not assigned as a project to TAS employees (05/02 -05/03, 2003)



## **Joint Committee Teleconference Minutes**

*July 15, 2003*

### **Members Present:**

- Mary Balmer, Area 2
- Justin Doucette, Area 6
- Walter Fish, Area 1
- Gwen Handelman, Earned Income Tax Credit
- Ed Hanna, Area 3
- Sharon Lassar, Multilingual
- Sandy McQuin, Designated Federal Official
- Robert Meldman, Area 4
- Paul Nagel, Schedule C Non-filers
- Tom Seuntjens, TAP Chair
- Leonard Steinberg, Payroll Taxes
- Charles Taylor, Area 7
- Lillian Woo, Area 5

### **Members Absent:**

- Phil Bryant, Notices
- Mario Burgos, E-Filing
- Chris Lowe, Ad Hoc

### **Others in Attendance:**

- Nina Olson, National Taxpayer Advocate
- Deryle Temple, Director
- Barbara Toy, Program Analyst
- Patti Robb, Note Taker

**Quorum:** 13 Members Present, quorum of 9 met

### **Welcome/Announcements/Review Agenda**

Tom Seuntjens welcomed all and added that the meeting would last two hours today, as Nina Olson and Deryle Temple will join us. Also, last month a review of the open action items was added to the agenda but because the agenda is so long today, this agenda item is delayed until the August meeting.

### **Review/Approve Minutes**

After incorporating changes, the May face-to-face meeting minutes were approved by consensus.

Modifications were made to the June 17 minutes and they were approved.



## Agenda Items

- **Issue Matrix**

Mary Balmer asked first, could we add a color legend at the end of the matrix for identification and second, of the issues listed, are we differentiating between active and open? Toy replied that she tried to list just the active issues. Balmer replied that only issues being actively worked should be listed. Issues that have just come in and are not being worked should not be listed; we need consistency. Handelman agreed that the list should be consistent and that only open issues should be identified. A discussion of whether active issues, issues in the parking lot, issues in subcommittees, or issues not yet prioritized should be listed. It was agreed there should only be two categories: active and parking lot and that it was up to the chairs to indicate which issues were active and which were in the parking lot. It is important to indicate if an issue is in the parking lot because another committee could choose to work the issue. Parking lot issues should be listed in **RED**; active issues in **BLACK**. Handelman asked when you list a form number, put a name after it. Not everyone can identify forms by their numbers. Handelman also asked that related issues be clustered and have descriptive titles.

**ACTION: Toy to redo matrix according to guidelines and send out for review.**

**ACTION: Chairs should review updated matrix and sent corrections to Toy.**

- **September Face-to-Face Meeting**

The September face-to-face meeting will be in Denver. Travel day is Thursday, September 4, meet all day on Friday and until noon on Saturday. Travel day home is Saturday afternoon. The main purpose of the meeting is to review some administrative issues and to finalize the agenda for October. The agenda for the September meeting will be discussed on the Joint Committee conference call in August.

- **October All TAP Meeting**

The meeting dates are October 2-4, 2003. Travel to the meeting will be on Wednesday, October 1, meet all day on Thursday and Friday, October 2-3, and until noon on Saturday, October 4. The meeting will be at the Grand Hyatt in Washington, D.C. There is a proposed agenda out that will be finalized at the September face-to-face meeting in Denver. TAS is actively pursuing the Commissioner and Secretary of Treasury to attend. As Olson stated, she has confirmation from the Commissioner. Each committee chair will be asked to make a ten-minute self-assessment presentation during the meeting. Part of the focus of the meeting is the vision for the 2004 issue committees. Some of the current committees are currently working well and some are not so strong. The Joint Committee will ask the program owners to explain each issue fully so members can make a better choice of issue committees and participate in their issue committee more fully. Last year there was only a paragraph or so to identify each issue. There is a strong chance the current issue committees will continue.

Handelman stated she didn't believe there was enough time on the agenda for panel members to introduce themselves and suggested adding additional time and to move volunteers for chair to the end of the first day and questioned why that was on the agenda. Seuntjens replied that all the area committee and issue committee chairs were being reconfirmed; the committee can confirm their current chair or decide to elect a new chair. And he felt it was best to have a reconfirmation of the TAP chair as well. Meldman stated the Ad Hoc Committee took this issue up at the last face-to-face and reconfirmed Lowe as chair. Meldman added that Area 4 had planned to reconfirm the chair at their next meeting as well. Other area committees have also recently gone through the process or were planning to at next face-to-face meeting. Seuntjens agreed that area committees could reconfirm before the annual meeting and if they hadn't done so prior to October, should do so at the annual meeting. But the issue committees won't have another face-to-face meeting and the members of the issue committees may change, as they will be given the chance to change issues at the annual meeting. So issue committees should reconfirm at the annual meeting.



The members of the Joint Committee discussed whether or not TAP Chair Seuntjens should be reconfirmed at the annual meeting or by the Joint Committee members. It was decided that since the whole membership had voted for the chair, the whole membership should reconfirm their support of Seuntjens as chair. But the reconfirmation will be moved earlier in the agenda.

Walter Fish suggested seating everyone at their "own" area table at the annual meeting. But, Seuntjens stated it was too big a job to try to assign seats and everyone can sit where they want to. Day two of the meeting will be breakout sessions with different educational options. Handelman suggested starting at 8:30 on the second day. Temple stated TAS needed to recertify the Code of Conduct, go over travel issues, and cover other administrative issues and did not want to repeat this class more than one time so asked that it be removed from selection list and placed as separate agenda topic.

Time should be added at the beginning of day two giving TAP chair candidates five minutes to speak at the meeting. The Joint Committee should meet on Saturday afternoon, 12:30 to 1 pm, after the annual meeting ends.

**ACTION: Toy will rework draft agenda.**

**ACTION: Chairs will finalize October agenda during September meeting.**

**ACTION: Toy will send out another reminder of October meeting in mid August so we have the greatest number of panel members attending the annual meeting.**

**ACTION: Area chairs should remind committee members about October meeting dates and the importance of attendance.**

- **Suggestions for Presentations at October Meeting**  
Burgos was not on call; topic to be discussed at September meeting.

#### **Monthly Committee Reports Action Item**

- **Financial Literacy - Meldman**  
Meldman presented the letter from the Ad Hoc committee for approval by the Joint Committee. There were no objections and the letter will be forwarded to the Commissioner and Secretary of Treasury. ACTION: Toy will format the letter and send to Seuntjens for forwarding.
- **TAP Marketing - Meldman**  
Meldman reported for the Ad Hoc Committee that the Ad Hoc was not zealous to change the TAP name and would proceed with the marketing plan with Taxpayer Advocacy Panel. Ad Hoc suggests using the materials from CAP and just change CAP to TAP and go forward. Temple added that IRS had a new policy recommendation on trinkets and the policy was being reviewed at the manager's meeting. Temple and McQuin would determine which materials could be ordered and present the list to Ad Hoc. Handelman wondered if Ad Hoc had discussed which items would be the most effective at getting TAP's information out. It was agreed this was beyond the scope of Ad Hoc or TAS, and to let Temple and McQuin determine what could be ordered and leave the decision to that. Fish asked when the materials would be available by October and expressed concerns that first tax forum did not have enough materials. Temple replied that this was a vendor problem and would not occur again.

**ACTION: McQuin/Temple will determine which materials can be ordered through policy and the government printing office.**



**ACTION: Toy will present list to Ad Hoc for their final decision.**

- **Earned Income Tax Credit (EITC)/Financial Literacy Outreach**  
Handelman presented the EITC and financial literacy outreach proposal that the EITC Committee developed. The Committee proposes that area committees partner with local coalitions listed (by area) in the attachment to the EITC Committee June Monthly Report. These coalitions provide tax assistance and information about who is and is not eligible for the EITC and promote financial literacy in low-income communities (e.g., setting up bank accounts to avoid high check cashing fees and allow tax refunds to be automatically and expeditiously deposited as an alternative to high-rate refund anticipation loans). Handelman asked area committee chairs to propose outreach to and cooperation with such local coalitions to their committee members.
- **Inflation/Phase Out & Deductions**  
Fish said that a number of our people had complaints from preparers that all phase ins and outs are different and it is confusing. Area 1's suggestion is to include a chart in the instruction booklet that brings all the limitations in one place. Handelman thought the suggestion was good but questioned if all the attachments were necessary. Fish replied that the handout was actually two proposals; one legislative that will be sent directly to Systemic Advocacy from Area 1, and the proposal to include the chart. Fish and Toy will work together to separate the proposal and forward each correctly.

**ACTION: Toy will work with Fish to separate two proposals. Then, format proposal on including a chart of all phase ins and outs and forward to Seuntjens for elevating.**

**ACTION: Fish will forward legislative proposal on standardizing phasing in and out and linking them to inflation to Olson and Temple who will bring to Systemic Advocacy.**

- **Including Resolved Area Issues in Annual Report**  
Balmer asked if an issue arises in an area that is very easy to resolve, and is resolved, should the issue be included in the annual report as a success. Seuntjens replied that yes, the issues should be forwarded as a success on the end of the year self-assessment report.
- **Format for Issue Committee Contribution to Annual Report**  
Nagel asked what format should be used for a committee's contribution to the annual report.

**ACTION: Toy will forward format for end of year assessment to all chairs.**

#### **National Office Report**

Temple will send out an update on all her action assignments, including, TAP vacancies, TAPSpeak, media relations, the email notations, on Friday, July 18, 2003. The response will include all completed actions or the expected date of completion. Temple will also be sending a copy of the NTA report for all panel members to each office to distribute.

**ACTION: Temple will send out assignment status report by Friday, July 18, 2003.**

**ACTION: Toy will amend agenda to add National Office report after roll call and then the review of assignments.**

**ACTION: Curry will track the elevated issues (including the four all ready elevated) and check the status every 30 days. Curry will provide a monthly status report to the Joint Committee: who has it, when they got it, and the current status.**

#### **Review of Assignments**

Held off for August Meeting.



### **Closing**

The next meeting will be Tuesday, August 19, 2003, at 1:30 pm EDT. Meeting adjourned.

### **Assignments:**

#### **All Joint Committee Members**

- Review updated matrix and send corrections to Toy.
- Chairs will finalize October agenda during September meeting.
- Assure members without a tax background that they are a very important part of TAP and their comments are needed.(06/17/2003)
- Send comments and input about legislative issues directly to Olson but do not limit to subjects she is scheduled to testify before Congress (05/02 -05/03, 2003) (05/02 -05/03, 2003)
- Starting with attached self-assessment format, send suggestions to change format to Seuntjens (05/02 -05/03, 2003)
- Take another look at the revised operating procedures with their respective committees (05/02 -05/03, 2003)
- Forward all subsequent issues concerning Freefile to Woo, Area 5 (05/02 -05/03, 2003)

#### **Area Chairs:**

- Area chairs should remind committee members about October meeting dates and the importance of attendance.
- Do a simple survey of committee members; would you like additional orientation on IRS? What are the areas of interest? (05/20/2003)
- In conjunction with the analyst, will bring the TAPSpeak training to their area committee members (05/02 -05/03, 2003)

#### **Balmer**

- Double check on W 4 withholding issue to verify Area 2 has closed and forwarded to Area 6. (06/17/2003)

#### **Curry**

- Curry will track the elevated issues (including the four all ready elevated) and check the status every 30 days. Curry will provide a monthly status report to the Joint Committee: who has it, when they got it, and the current status.
- Bring the Joint Committee recommendation to add either TAP Action or TAP info to the subject line of all TAP emails so the recommendation can be disseminated to all TAP staff and implemented. (06/17/2003)
- Work together with Toy on putting a name to the action items listed under Staff. (06/17/2003)
- Inform Temple of Joint Committee's decision to forward recommendations directly to Mike Chesman and Sue Sottile with copies to Temple and the NTA and that committee considered Temple's desire for routing through National Office (06/17/2003)
- Follow up with Temple to ensure Olson has received the Capital Loss Limitation Issue (05/20/2003)

#### **Kinney**

- W&I and SB/SE need update definition of issues for presentation prior to October 2003. (05/02 -05/03, 2003)



## **Lowe**

- Bring the issue of rolling out New Programs to Small/Mid-sized Businesses to Ad Hoc and respond to Marjorie Miller within 30 days. (06/17/2003)

## **McQuin/Temple**

- Determine which materials can be ordered through policy and the government printing office.

## **Sottile**

- W&I and SB/SE need update definition of issues for presentation prior to October 2003 (05/02 -05/03, 2003)

## **Staff**

- Provide a National Office directory to the Joint Committee by way of email (05/02 -05/03, 2003)
- Staff will request LMI to add a link feature back to the item on email notifications and to make the calendar available in word format for those members who prefer a printed version (05/02 -05/03, 2003)
- Staff will develop uniform numbering system for proposals (05/02 -05/03, 2003)

## **Temple**

- Follow-up with Nina Olson on protocol to follow when TAP works with NTEU.
- Temple will send out assignment status report by Friday, July 18, 2003. **(06/17/2003)**
- Address selection/replacement of panel members so all states are represented. (05/20/2003)
- Seuntjens is waiting for an internal report on National Office concerns and issues that Temple agreed to share with Lowe and him. (05/20/2003)
- According to charter and TAP Guidance Document, the TAP Chair and Vice Chair have designated role as liaisons with other IRS advisory groups: ETAAC, TE/GE, ACT, IRSAC, and IRPAC. In addition the TAP Chair and Vice Chair are the points of contact with the TAP staff, TAS, SB/SE, W&I, and other IRS Operating Divisions and Functions and Treasury to provide briefings on TAP activities, next steps, and action items. Seuntjens asked Temple for a copy of the charter last January and February. Seuntjens did attend one meeting with IRSAC, but thinks he and Lowe need more involvement, more interfaces, more executive focus, and an inroad to these people. (05/20/2003)
- Regular scheduled conference calls were supposed to be set up with Temple, Chesman, Sottile, and Seuntjens; this has not been done. (05/20/2003)
- Deliver a process and format for elevating issues in 30 days, June 2, 2003 (05/02 -05/03, 2003)
- Develop a strategic plan on appropriate TAP involvement for developing marketing strategy and present to Joint Committee in June (05/02 -05/03, 2003)
- Clarify the policy on news release for the Joint Committee by May 20, 2003, conference call (05/02 -05/03, 2003)
- Check to see what information the Taxpayer Advocacy Service already has on Financial Literacy and forward the information to Ad Hoc (05/02 -05/03, 2003) (05/02 -05/03, 2003)
- Provide directions for dealing with Taxpayer's personal tax problems in writing

## Toy

- Toy will amend agenda to add National Office report after roll call and then the review of assignments
- Forward format for end of year assessment to all chairs
- Forward Joint Committee minutes to Olson after each meeting
- Work with Fish to separate two proposals on phase ins and outs. Then, format proposal on including a chart of all phase ins and outs and forward to Seuntjens for elevating
- Present list of approved marketing materials to Ad Hoc for their final decision.
- Format the Financial Literacy letter and send to Seuntjens for forwarding
- Redo issue matrix according to guidelines and send out for review
- Toy will send out another reminder of October meeting in mid August so we have the greatest number of panel members attending the annual meeting
- Reformat Local Telephone Numbers and forward to Seuntjens to submit to the applicable IRS Division (06/17/2003)
- Work with Curry on putting a name to the action items listed under Staff (06/17/2003)
- Draft a letter to Counsel requesting opinion on whether the third-party authorization can be, or how much it can be, expanded administratively (05/20/2003)
- Carry over all open action items to next month's minutes until closed
- List of types of forums and information that is out there to Joint Committee (05/20/2003)
- Obtain Counsel advice on the third party check box authorization for the Joint Committee (05/20/2003)
- Add "Report on Action Items" to each agenda (05/20/2003)
- Send full roster of panel members to all chairs (05/02 -05/03, 2003)
- Get breakdown of top 50 issues on SAMS that are not assigned as a project to TAS employees (05/02 -05/03, 2003)
- Review monthly committee reports and mid-year assessments and consolidate best practices for discussion (05/02 -05/03, 2003)
- Write-up proposal about panel member transitional terms and forward to Temple to take to Treasury (05/02 -05/03, 2003)
- Reformat Social Security Worksheet TAP-002-03 and forward to Seuntjens to submit to the applicable IRS Division (05/02 -05/03, 2003)
- Reformat Freefile Alliance Team TAP- 003-03 and forward to Seuntjens to submit to the applicable IRS Division (05/02 -05/03, 2003)



## Joint Committee Teleconference Minutes

June 17, 2003

### Members Present:

- Mary Balmer, Area 2
- Mario Burgos, E-filing
- Martha Curry, DFO
- Justin Doucette, Area 6
- Walter Fish, Area 1
- Gwen Handelman, Earned Income Tax Credit
- Ed Hanna, Area 3
- Sharon Lassar, Multilingual
- Chris Lowe, Ad Hoc
- Robert Meldman, Area 4
- Paul Nagel, Schedule C Non-filers
- Tom Seuntjens, TAP Chair
- Leonard Steinberg, Payroll Taxes
- Charles Taylor, Area 7
- Lillian Woo, Area 5

### Members Absent:

- Phil Bryant, Notices

### Others in Attendance:

- Kimberly Chin, Center on Budget and Policies
- Nancy Feree, Program Manager
- Dan Rinke, CCH
- Patti Robb, Note Taker
- Barbara Toy, Program Analyst

Quorum: 15 Members Present, quorum of 9 met

### Review/Approve Minutes

Tom Seuntjens asked if everyone had a chance to review the minutes from the May 2-3 meeting which were mailed out last week. Or, would members prefer having more time and approve them at the next meeting? If there is any possibility, Gwen Handelman would like to hold off because they are posted publicly. **Seuntjens asked for additional comment and by silence reached consensus on chairs reviewing for approval at the July Teleconference.**

Seuntjens then asked if members were ready to approve the May 20 minutes. **Handelman and Seuntjens requested changes and after incorporating changes, the minutes were approved by consensus.**

### September Face-to-Face Meeting

Martha Curry called Seuntjens to notify him that Deryle Temple authorized another face-to-face meeting for the Joint Committee. Seuntjens preference is September 19-20th, a day and a half meeting. Fly in Thursday evening, full day Friday, part day Saturday and return home Saturday



afternoon and asked for other thoughts. Justin Doucette stated that the dates conflicted with the Area 6 meeting and the Las Vegas Tax Forum. Handelmann suggested meeting earlier in September and earlier in the week. Nagel suggested meeting Saturday and Sunday. But, the concern was that although there was concern for using part of the work week, neither did people want to give up both days of the weekend. Discussion ensued about rearranging conference calls and other dates.

**Consensus was reached on September 4th for the travel date, and meeting all day on September 5, half day on September 6, returning home that same evening.**

Next, Seuntjens asked for chairs to choose a meeting location based on both cost and convenience of travel. Each chair was given two choices and here is the tally of votes:

- Albuquerque 9
- Chicago 6
- Denver 6
- Dallas 4
- St. Louis 2
- Oklahoma City 1
- Kansas City 0

Staff will check flight schedules to/from Albuquerque to see if it is feasible. The selection will be based on vote tally and convenience of travel to and from.

#### **IRSAC Survey-Rolling out New Programs to Small/Mid-Sized Businesses**

Seuntjens received an email from Marjorie Miller who is on IRSAC, the IRS Advisory Committee to the Commissioner. Marjorie Miller requested feedback from TAP, and Seuntjens believes it is a good idea to have some rapport between TAP and IRSAC. Seuntjens then asked if any committee, Ad Hoc, SB/SE E-filing, or SB/SE Schedule C, would be willing to pick up this issue and respond to Miller. Chris Lowe replied that the Ad Hoc Committee is just finalizing a larger project and would be willing to take on this issue.

**ACTION: Lowe will bring the issue of rolling out New Programs to Small/Mid-sized Businesses to Ad Hoc and respond to Marjorie Miller within 30 days.**

#### **Monthly Committee Reports Action Items**

##### **Consider Name Change to "Treasury Advisory Panel"**

Lowe brought this issue from the Ad Hoc Committee who is developing the TAP marketing strategy. The committee spent a lot of time discussing the strategy at its face-to-face meeting in St. Louis. The most important conclusion that needs to be reached before the marketing campaign is started, is an agreement on the name. The Ad Hoc committee has some discomfort in terms of the name, Taxpayer Advocacy Panel, and spent time discussing each of the three words. On the first word: Taxpayer - the panel is appointed by Secretary of Treasury, and the panel thought stressing Treasury was most important. There was concern about using Treasury since it is so large and there was no clear connection to taxes. But, it was decided that the connection to taxpayers was covered in the Internal Revenue Service portion of the logo. On the second word: Advocacy - the panel is more advisory in nature than advocacy. Our role is more advisory, the panel is not standing up to advocate for taxpayers against the IRS. Ad Hoc recommends sending a letter to the Commissioner, Secretary of Treasury, and the National Taxpayer Advocate recommending the name change. There is a timing sensitivity to this recommendation because you need to make the change before beginning the marketing campaign. Lowe stated the discussion on changing from Advocacy to Advisory took the most time but felt the change from Taxpayer to Treasury was important. Steinberg raised the question of whether the name was created by legislation. Toy clarified that the panel was created by executive order, and the decision to change the name could be made by Treasury as part of the executive branch of government. Seuntjens stated in following with IRSAC as an advisory council to the commission, advisory is good. And, in his mind, the membership is large enough to be considered a





panel rather than council. Seuntjens added that the panel is chartered out of Treasury so agreed with the change to Treasury. Hanna prefers advocacy. The panel tries to be advocates for taxpayers; that is the guideline Area 3 goes by, and at every outreach he tells citizens that this is the panel and we advocate for you. Seuntjens stated that Hanna raised a good point and that panel did not act as advisors to the management of IRS but as advocates for improved service for taxpayers. Steinberg stated that in reality, we are not advocates because they have the ability to affect change and we can't. Handelman disagreed because advocates can only advocate and have no guarantee of success. Handelman thinks taxpayer is better word for marketing although Treasury advisory is more impressive for my resume. Nagel agreed with using advocacy. Balmer likes Taxpayer Advocacy Panel, but it is misleading because we are not working with legislative issues and not truly advocating for taxpayers. Meldman stated that an advocate is generally one that stands with you and opposes, and the IRS is definitely not our opponent. The charter does not indicate that we should be on the taxpayers' side against the IRS. Fish stated that basically we are an advisory committee and we are supposed to come up with issues, but we also advocate for the issue and that has greatest impact on public. Lowe stated we can't really advocate or be a champion for people's issues. Seuntjens asked for a tally of who agreed to change and those who opposed. There were 10 no votes and 3 yes votes. Seuntjens then asked the chairs that supported the change if they could put thumbs sideways or live with the consensus not to change. They agreed.

**ACTION: Lowe should discuss decision with Ad Hoc and bring back to Joint Committee if it is still believe to be major problem and the marketing campaign can't proceed.**

#### **Revised Operating Procedures**

Phil Bryant had suggestions on changes to operating procedures but since he was not present to discuss the issue was place on hold until next meeting.

#### **Elevated Issue - Local Telephone Numbers**

Fish from Area 1 presented the issue. A panel member who lives in a non-populous area in Maine discovered that people call the local IRS number only to get a recording, which gives the toll free number to call for specific information. For many callers in Maine and other rural areas, the call is a toll call. The callers are charged for the long distance call just to get the recording. The phone book should say this number has a message only, indicate the local number is not a toll free call, list the IRS toll free numbers, and the number for the Taxpayer Advocate Service. Handelman stated that a message service only would not be descriptive enough. The phone listing should say this has a recorded message only, and then should list the toll free numbers. There was discussion on whether it was feasible to indicate whether it was a toll call or not, and it was agreed that that was too complicated. **With a change in wording to indicate the message was recorded, consensus was reached to forward the issue on to IRS.**

**ACTION: Toy will reformat Local Telephone Numbers and forward to Seuntjens for submission to the applicable IRS Division.**

#### **Awaiting report on limitations for "Check the Box"**

Hanna requested update on this issue. Toy has not drafted the letter to counsel. Toy is still researching this issue. She will draft a letter for Hanna's approval, then forward to Counsel. Steinberg stated this is very important and based on the practitioners he deals with, everyone would like to see this expanded.

Hanna added that a lot of practitioners are very interested in this issue. And he wants something very definitive of what it does, and how it can be, or if it can be expanded.

**ACTION: Toy will draft a letter to Counsel requesting opinion on whether the third-party authorization can be, or how much it can be, expanded administratively.**

#### **Suggestion that emails begin with "TAP" to simplify communication.**

Meldman presented this issue for Area 4. An area 4 member suggested "TAP" be added to the subject line on all TAP emails so they don't get missed or accidentally dumped as SPAM. Seuntjens reminded chairs that it was agreed at the face-to-face meeting to mark messages as either "Action" or "Info"



and was this in addition to? It was agreed that TAP should be inserted before either the action or info, and that the whole panel should adopt. Curry agreed to discuss with Temple to disseminate to all staff. Seuntjens added that Curry should add that it is a Joint Committee recommendation.

**ACTION: Curry will bring the Joint Committee recommendation to add either "TAP Action" or "TAP info" to the subject line of all TAP emails so the recommendation can be disseminated to all TAP staff and implemented.**

### Review of Assignments

Seuntjens reviewed the four action items for all Joint Committee members from the May 2-3 minutes:

- Send comments and input about legislative issues directly to Olson but do not limit to subjects she is scheduled to testify before Congress
- Check issue matrix for accuracy and look again for duplication of issues
- Starting with attached self-assessment format, send suggestions to change format to Seuntjens
- Take another look at the revised operating procedures with their respective committees And, asked if chairs had any questions about the action items.

Under Area Chairs, the first item adding action or info to emails was replaced by new action item, and the chairs and analysts are acting on the second action item of rolling out TAPSpeak.

Areas 3, 4, and 6 working on withholding issue is still an overlap. Hanna stated that Area 3 dropped. Doucette stated Area 6 is following up on this issue and would still like to work the issue. Lassar asked who in Area 6 is working the issue because she would like to forward some comments. Burgos replied it is Sherry Whah. Balmer stated that it was her belief that Area 2 had already closed this issue and forwarded to Area 6 but she would double check.

**ACTION: Balmer to double check on W 4 withholding issue to verify Area 2 has closed and forwarded to Area 6.**

Handelman and Toy completed the action items on the Preparer Record Keeping and the action item will be dropped. But, Handelman stated she has received only a few comments in response to the email requesting comments on the Form 8867, Paid Preparer Earned Income Credit Checklist, on this issue and again urged chairs to ask their committee members to respond.

Chesman, Kinney, and Sottile did not have time to respond and actions will be carried over.

**ACTION: Toy and Curry will work together on putting a name to the action items listed under Staff.**

Seuntjens stated that the Joint Committee is still waiting for procedures on elevating issues. Curry indicated that the process was not completed but Temple had indicated her desire that the issues coming from the committees go through her and her office. Seuntjens replied that the Joint Committee will send the elevated issues directly to the program owners with copies to Temple since the Joint Committee wants to ensure they know status of issues. Handelman stated it was her understanding that is not the way the issue committee works. Now we give recommendations to staff not directly to program owners. Burgos replied that the SB/SE Issue Committee works directly with the program owner and most is done verbally but copies go to staff. Schedule C also goes directly to program owner. Seuntjens agreed that issue committees work directly with program owners and of course Temple's office needs to be in loop for all communications, but this discussion referred to area committee issues. Burgos stated that there are two sides to this issue: number one is according to flowchart our legislative recommendations go back to Olson, and number two is that what is lacking from this call is that Temple and/or no one from Treasury (the liaison) is on this call. We have no representative, no one to make decisions. Hanna wants to make sure the issues are handled efficiently and get to right party. Meldman agreed that issues should go directly to program owner with copy to



Temple and Olson. Taylor added that if the issues are routed through the Designated Federal Official, we have to make sure there is a good amount of tracking. Doucette added that Area 6 felt there were some issues that Area 6 would like to work with program owner. With those Area 6 felt very close to, part of the recommendation to the Joint Committee would be a request to work. Doucette's understanding is that analyst would figure out who the program owner is and direct the issues to them. He added that issues should go to the Joint Committee, then the program owner, and then to Temple. Woo agreed with Seuntjens that the issues should go to Chesman and Sottile with copy to Temple and the National Taxpayer Advocate (NTA) for area committees. Issue committees can continue to work directly with the program owner, with copies to NTA and Temple. We can't be effective if we send everything through national office. How will we know how things are going if we send them through national office?

Handelman asked to clarify, that issue committees can continue to work directly with program owners. Seuntjens replied yes, and if they are participating in each meeting, informed by minutes. Balmer and Burgos also support Seuntjens in sending issues directly to Michael Chesman and Sue Sottile. There were no objections so Seuntjens will proceed to do that with copies to NTA and Temple. Seuntjens asked Curry to inform Temple of how the committee is handling the action item and to let her know that Curry did indicate Temple's desire.

**ACTION: Curry will inform Temple of Joint Committee's decision to forward recommendations directly to Mike Chesman and Sue Sottile with copies to Temple and the NTA, and that committee considered Temple's desire for routing through National Office.**

Curry reported on the second action item developing a marketing strategy that Temple is still working with the new person in media relations in TAS communications office. Temple is encouraging Ad Hoc to continue to develop some ideas for local activities and to forward the ideas to her. Meldman stated that Ad Hoc was waiting to hear a thumbs-up or thumbs-down on the name change before going forward with marketing strategy but had planned for series of articles called "What's on TAP." This is designed for practitioner groups to insert in their newsletters. Seuntjens stated that Ad Hoc should continue to work directly with Temple as program owner, but to keep Joint Committee informed.

**ACTION: Toy will carry over all open action items to next month's minutes until closed.**

Hanna raised the issue that there is a need for people not involved with IRS or closely allied (such as those involved in education) on TAP. Hanna believes it is very important that this be stressed at orientation and asked that each chair add a comment at the next meeting--Even if you do not have a tax background, you are a very important part and we need your comments.

**ACTION: Committee chairs should assure members without a tax background that they are a very important part of TAP and their comments are needed.**

Handelman asked that the issue matrix be added to the agenda for the next meeting. She wants to ensure the Issue Matrix is working as intended.

**ACTION: Toy will update matrix with changes suggested during this call and send out prior to July 1st. The matrix will not be updated using June's Monthly Committee Reports until after the discussion.**

Seuntjens challenged all chairs: We have almost three pages of issues on the matrix already and haven't seen many issues elevated to the Joint Committee. We need to start putting priority on these issues and try to get to the Joint Committee for the September face-to-face so we have a number to review and can include the issues in our annual report. Concentrate on the issues in front of you. Seuntjens would like two issues submitted from each committee by September. The issues don't have to be complicated. Making them bigger or working them longer won't necessarily make them more adoptable. Hanna stated that committees may be taking on too many issues at once. His committee, Area 3, will not take any more new issues until they wrap up what's on the table right now.

Meeting adjourned.



## **Assignments:**

### **All Joint Committee Members**

- Assure members without a tax background that they are a very important part of TAP and their comments are needed.
- Send comments and input about legislative issues directly to Olson but do not limit to subjects she is scheduled to testify before Congress (05/02 -05/03, 2003) (05/02 -05/03, 2003)
- Check issue matrix for accuracy and look again for duplication of issues (05/02 -05/03, 2003)
- Starting with attached self-assessment format, send suggestions to change format to Seuntjens (05/02 -05/03, 2003)
- Take another look at the revised operating procedures with their respective committees (05/02 -05/03, 2003)
- Forward all subsequent issues concerning FreeFile to Area 5 (05/02 -05/03, 2003)

### **Area Chairs:**

- Do a simple survey of committee members; would you like additional orientation on IRS? What are the areas of interest? (05/20/2003)
- In conjunction with the analyst, will bring the TAPSpeak training to their area committee members (05/02 -05/03, 2003)

### **Balmer**

- Double check on W 4 withholding issue to verify Area 2 has closed and forwarded to Area 6.

### **Curry**

- Bring the Joint Committee recommendation to add either TAP Action or TAP info to the subject line of all TAP emails so the recommendation can be disseminated to all TAP staff and implemented.
- Work together with Toy on putting a name to the action items listed under Staff.
- Inform Temple of Joint Committee's decision to forward recommendations directly to Mike Chesman and Sue Sottile with copies to Temple and the NTA and that committee considered Temple's desire for routing through National Office
- Follow up with Temple to ensure Olson has received the Capital Loss Limitation Issue (05/20/2003)

### **Kinney**

- Provide criteria used in Burden Reduction to TAP for Criteria Proposed for TAP Recommendations (05/02 -05/03, 2003)
- W&I and SB/SE need update definition of issues for presentation prior to October 2003. (05/02 -05/03, 2003)

### **Lowe**

- Discuss decision with Ad Hoc and bring back to Joint Committee if it is still believed to be major problem and the marketing campaign can't proceed
- Bring the issue of rolling out New Programs to Small/Mid-sized Businesses to Ad Hoc and respond to Marjorie Miller within 30 days.



### **Sottile**

- W&I and SB/SE need update definition of issues for presentation prior to October 2003 (05/02 -05/03, 2003)

### **Staff**

- Provide a National Office directory to the Joint Committee by way of email (05/02 -05/03, 2003)
- Staff will request LMI to add a link feature back to the item on email notifications and to make the calendar available in word format for those members who prefer a printed version (05/02 -05/03, 2003)
- Staff will develop uniform numbering system for proposals (05/02 -05/03, 2003)

### **Temple**

- Address selection/replacement of panel members so all states are represented. (05/20/2003)
- Seuntjens is waiting for an internal report on National Office concerns and issues that Temple agreed to share with Lowe and him. (05/20/2003)
- According to charter and TAP Guidance Document, the TAP chair and vice chair have designated role as liaisons with other IRS advisory groups: ETAAC, (TE/GE) ACT, IRSAC, IRPAC. In addition the TAP Chair and Vice Chair are the points of contact with the TAP staff, TAS, SB/SE, W&I, and other IRS Operating Divisions and Functions and Treasury to provide briefings on TAP activities, next steps, and action items. Seuntjens asked Temple for a copy of the charter last January and February. Seuntjens did attend one meeting with IRSAC, but thinks he and Chris need more involvement, more interfaces, more executive focus, and an inroad to these people. (05/20/2003)
- Regular scheduled conference calls were supposed to be set up with Temple, Chesman, Sottile, and Seuntjens; this has not been done. (05/20/2003)
- Deliver a process and format for elevating issues in 30 days, June 2, 2003 (05/02 -05/03, 2003)
- Develop a strategic plan on appropriate TAP involvement for developing marketing strategy and present to Joint Committee in June (05/02 -05/03, 2003)
- Clarify the policy on news release for the Joint Committee by May 20, 2003 conference call (05/02 -05/03, 2003)
- Check to see what information the Taxpayer Advocacy Service already has on Financial Literacy and forward the information to Ad Hoc (05/02 -05/03, 2003) (05/02 -05/03, 2003)
- Provide directions for dealing with Taxpayer's personal tax problems in writing

### **Toy**

- Reformat Local Telephone Numbers and forward to Seuntjens to submit to the applicable IRS Division.
- Update matrix with changes suggested during this call and send out prior to July 1st. The matrix will not be updated using June's Monthly Committee Reports until after the discussion.
- Work with Curry on putting a name to the action items listed under Staff.
- Draft a letter to Counsel requesting opinion on whether the third-party authorization can be, or how much it can be, expanded administratively. (05/20/2003)
- Carry over all open action items to next month's minutes until closed
- List of types of forums and information that is out there to Joint Committee (05/20/2003)
- Obtain Counsel advice on the third party check box authorization for the Joint Committee (05/20/2003)



- Add "Report on Action Items" to each agenda (05/20/2003)
- Send full roster of panel members to all chairs (05/02 -05/03, 2003)
- Get breakdown of top 50 issues on SAMS that are not assigned as a project to TAS employees (05/02 -05/03, 2003)
- Review monthly committee reports and mid-year assessments and consolidate best practices for discussion (05/02 -05/03, 2003)
- Write-up proposal about panel member transitional terms and forward to Temple to take to Treasury (05/02 -05/03, 2003)
- Reformat Social Security Worksheet TAP-002-03 and forward to Seuntjens to submit to the applicable IRS Division. (05/02 -05/03, 2003)
- Reformat Freefile Alliance Team TAP- 003-03 and forward to Seuntjens to submit to the applicable IRS Division. (05/02 -05/03, 2003)



## **Joint Committee Teleconference Minutes**

*May 20, 2003*

### **Members Present:**

- Mary Balmer, Area 2
- Phil Bryant, Notices
- Mario Burgos, E-filing
- Martha Curry, DFO
- Justin Doucette, Area 6
- Gwen Handelman, Earned Income Tax Credit
- Ed Hanna, Area 3
- Sharon Lassar, Multilingual
- Robert Meldman, Area 4
- Paul Nagel, Schedule C Non-filers
- Tom Seuntjens, TAP Chair
- Leonard Steinberg, Payroll Taxes
- Charles Taylor, Area 7
- Lillian Woo, Area 5

### **Members Absent:**

- Walter Fish, Area 1

### **Others in attendance:**

- Emily Roberts for Chris Lowe, Ad Hoc
- Nancy Feree, Program Manager
- Barbara Toy, Program Analyst
- Sandy McQuin, Program Manager
- David Meyer, Vice-chair Area 2
- Patti Robb, Note Taker

### **Welcome/Announcements/Review Agenda**

**Quorum: 14 members present, quorum of 9 met**

### **Review/Approve Minutes**

Committee reached consensus on approving April 22, 2003 teleconference minutes.

### **Meeting Satisfaction Surveys**

Seuntjens told chairs that if they are not already using the survey form, it would be a good idea to use for your own committee. Feedback is valuable and could improve the progress of your meetings. On our survey for our face-to-face meeting in Washington, DC, two areas had low scores. To Seuntjens, anything scoring below a 4 is unacceptable. One low score was in meeting pace. As leaders, we all have a lot of enthusiasm and desire to participate but that tends to make us stray and slacken the pace. In the future, Seuntjens will keep more in focus. Do not think him as rude if he interrupts, but remember he is trying to keep committee on focus and keep up the pace.



### **October Annual TAP Meeting**

Seuntjens spoke to Nina Olson and it was always her intention to hold an annual meeting in October and she has requested that Henry Lamar, the Deputy National Taxpayer Advocate will locate the funds so we can have the annual meeting in October. It is still uncertain about the second Joint Committee face-to-face meeting but we need to set dates for October and no longer try to hook up with one of the tax forums. Seuntjens asked Martha Curry if she knew when the IRS Annual Business meeting was being held in October. Curry replied that there was no definite date nor was it certain a meeting would be held. Seuntjens stated we can readjust the dates when the meeting is scheduled but for now let's set a date for the October Annual meeting. Seuntjens proposed Wednesday, Thursday, and Friday, October 8th, 9th and 10th and Saturday the 11th for committee meetings and asked for other thoughts. Nagel preferred staying with the original dates of October 2nd through 4th. Seuntjens had forgotten that date was tentatively set. Taylor also prefers the 2nd through 4th. Steinberg suggested starting Wednesday and going through Saturday and Lassar agreed. Balmer would be flexible for either date; Handelsman had no preference and thought it more important to schedule in conjunction with IRS executive meeting and shouldn't that be part of our response to the National Taxpayer Advocate (NTA)? The plan is to travel on Wednesday and have a full day on Thursday. Steinberg thinks full days for program owners and executives are needed. Seuntjens recapped that the first choice would be the 2nd through 4th and meeting would be three full days, second choice would be to tie in with executive meeting. Also, the meeting should be held in Washington, D.C.

### **Monthly Committee Reports Action Items**

#### **Committee on content and use of Form 8867 (preparer's checklist)**

Handelman requested all committee chairs solicit feedback from the practitioners on their committees and thanked Barbara Toy for sending the request out to all practitioner panel members. Handelsman has received only one response so chairs please mention to your committee members again. Steinberg has responses but they are verbal. Handelsman asked if Steinberg would mind writing them up in an informal email and Steinberg agreed.

#### **Orientation of TAP Members/Presentation of Issues**

Nagel feels non-tax professionals don't speak up because they are uncomfortable about the topics and would like to have an orientation for non-tax professionals at the October meeting. Seuntjens stated we should consider adding training or a general overview of tax law and the IRS at orientation for non-practitioners. Steinberg suggested surveying entire panel for interest. Topics should include IRS terminology, procedures, and language. Seuntjens replied that this was a tall order and how much time would it take? IRS 101 could take quite a bit of time --a quarter of day.

Balmer asked what kind of basics are you thinking of--tax law? What could be done in two hours? Steinberg replied that they were considering things more like terminology or how Offers in Compromise work. Balmer thought this type of information should be clarified when you are working on an issue. Seuntjens added that it is the responsibility of the chairs or presenter to give a good background as you get into the issue. Before elevating the issue, everyone should be at same level of understanding to make sure there is true consensus. There is no way you can do real justice to any particular issue in the time that could be allotted at the annual meeting. Nagle spoke to non practitioners as to why they were so quiet during meetings and was told it was because they were not comfortable talking tax terms with tax professionals. Seuntjens replied that two to four hours of training will not take away the shyness or discomfort. Chairs need to keep encouraging them to ask questions, to get the information they need. Handelsman added that we have to continue to remind nonprofessionals that their opinion is particularly valuable. We need their perspective, we, as tax professionals, have a certain amount of mind set and need that outside view. A survey is good idea to find out if members think their participation would be enhanced by a two-hour 101. And if they do, what subjects would they like to have covered? The Joint Committee could meet during this time frame and set up alternate training for other panel members. Seuntjens told Handelsman that these are very good points and asked who for other thoughts on this? Steinberg asked what training IRS provided for their people? Meldman stated the little book that CCH sent out is as close as you can get





to a summary form; the tax training session is a five semester course. Steinberg doesn't think the training should have that much depth. Meyer said in only a few hours you can do not more than scratch the surface; handing out materials as needed is a better idea. Burgos stated that from a non practitioner stand point, he has no interest in sitting through this training. When I don't feel informed about one particular topic, I get information from the web site, the Local Taxpayer Advocate, or TAP staff. But in all seriousness, it would be helpful to know what resources are available and how to get needed information.

**ACTION: Toy get list of what types of forums and information is out there to Joint Committee.**

Seuntjens added that our jobs as chairs is to keep encouraging, coaching, and educating everyone. At the same time, making sure some members aren't way out in front or way behind-bringing everyone together. Consensus reached on surveying members.

**ACTION: Each Area Chair should do a simple survey of committee members; would you like additional orientation on IRS? What are the areas of interest?**

**Monthly Committee Reports Action Items**  
**Committee members would like clarification of IRS' role with TAP and, TAP's overall direction as a result of the Joint Committee face-to-face meeting.**

Seuntjens would prefer to wait until minutes are out and asked for clarification of the question. David Meyer answered that when he left the meeting, he was more confused with what we were supposed to be doing particularly with IRS deciding on the Earned Income Tax Credit (EITC) pre-certification before TAP input. Meyer's impression is that the IRS is really running this group and TAP has two purposes: 1) To assist IRS with our expertise as practitioners and members of community, and 2) Bring forth grass roots issues. But, when he sat through the meeting, it seemed to him the Service was running the show. Thought we were independent. What is our continued role? Seuntjens replied that the IRS was pretty much the show on day one. But, if you were there on day two, the Joint Committee got back to the issues. Proposals come before the Joint Committee and we make recommendations to the IRS. It really hasn't had a chance to work yet. Mike Chesman and Sue Sottile will be our ears at the IRS. Handelman added that there is a misperception about the EITC issue committee. The committee was disappointed that the task force came up with their recommendation before we were consulted, and the committee is still working their issue. Meyer stated that there still seems to be some lingering confusion regarding EITC and certification of preparers. The Taxpayer Advocacy Panel (TAP) is still active but there are some concerns on how effective we will be until we see feedback. Seuntjens asked Balmer and Meyer to call him to discuss issue further.

#### **AMT**

Lillian Woo stated she had nothing further on AMT at this time. The subcommittee needs to bring their report to Area 5 first. But, this issue since it is legislative will not come to the Joint Committee but directly to the NTA. What the subcommittee has done is track all AMT legislation. This issue is not a new position for either TAP or Taxpayer Advocate Service. Seuntjens added that it's still a priority issue. Woo will keep the Joint Committee apprised. Last week, there was a long article in the Wall Street Journal regarding the impact of AMT.

#### **Certification of Practitioners**

Steinberg attended the New Jersey Association of enrolled agents meeting and handed out surveys on the certification of non-professional practitioners. Level of anger and frustration out there among practitioners is very high. The National Association of Tax Professionals is also very hot under the collar about some practices of franchised and store-front preparers. People are not getting the type of services they are entitled to and combining this with EITC fraud, it really became raucous. They want something to be done and feel that the longer the IRS procrastinates, the worse the problem will get.



It is a major issue for the State of New Jersey. Seuntjens thanked Steinberg for the update. We will forward to Lowe and Ad Hoc. Please send a copy to Handelman too.

Seuntjens, Olson, and Deryle Temple wanted to follow-up on survey regarding certification of preparers. Lowe, as chair of Ad Hoc, wanted to bring the issue back to the Joint Committee but since Ad Hoc is an issue committee and Olson is the owner, it was decided to forward the information directly to Olson but keep Joint Committee informed.

### **Capital Loss Limitation**

Seuntjens said that at our face-to-face meeting, we talked about Jim Abraham's work on many different issues. Many were legislative, and because of the memo, we are not going to work these issues. Meldman sent Abraham's information to NTA on May 5, 2003 for her comments. Hopefully she will acknowledge. Seuntjens thanked Meldman for sending Jim Abraham's issue to Nina Olson.

**ACTION: Curry will follow up with Temple to ensure Olson has received the Capital Loss Limitation Issue.**

### **National Office Report**

Seuntjens is still waiting for Temple's follow-up on the following issues and wants the Joint Committee to be aware of the issues:

1. Address selection/replacement of panel members so all states are represented.
2. Elevation of issue process. The Joint Committee reached consensus on elevating two issues to IRS. Toy was asked to format the issues and to elevate through Chesman and Sottile. Temple said she would work with Chesman and Sottile to develop best process. This process needs to be brought back to the Joint Committee and clarified so the Joint Committee can reach consensus on the process and elevate the issues.
3. Seuntjens is waiting for an internal report on National Office concerns and issues that Temple agreed to share with Lowe and himself.
4. According to charter and TAP Guidance Document, the TAP chair and vice chair have designated role as liaisons with other IRS advisory groups: ETAAC, (TE/GE)ACT, IRSAC, IRPAC. In addition the TAP Chair and Vice chair are the points of contact with the TAP staff, TAS, SB/SE, W&I, and other IRS Operating Divisions and Functions and Treasury to provide briefings on TAP activities, next steps, and action items. Seuntjens asked Temple for a copy of the charter last January and February. Seuntjens did attend one meeting with IRSAC, but thinks, Chris and him need more involvement, more interface, more executive focus, and an inroad to these people.
5. Marketing strategy. The Joint Committee heard from NTA that TAP needs a marketing strategy and the Ad Hoc Committee was asked to develop but Temple pulled it from Ad Hoc until she develops a strategic plan on appropriate TAP level of involvement for developing marketing strategy. Seuntjens believes Ad Hoc should continue to work the issue.
6. Regular scheduled conference calls were supposed to be set up with Temple, Chesman, Sottile, and Seuntjens; this has not been done.
7. Reconfirmation of issues committees. Some don't have as strong a focus and the question raised was do we have the right issues or should we refocus?

Seuntjens wanted the Joint Committee to hear that he has mentioned the above issues to Temple in the past and wants her to know that they are on the board. Seuntjens then asked if any of the chairs had other issues? Woo asked Temple about filling vacancies in TAP, some were never filled and we now have one or two other vacancies. Temple indicated she would get to it when she got to it. Where are we with this issue? Balmer received an email from a program manager stating there were no funds to reimburse for outreach activities. McQuin interjected that she would clarify but her understanding is that travel, other than local travel, has to be approved by Temple, not that there are no funds.



**ACTION: McQuin will get clarification on travel funds for outreach activity.**

Hanna is still trying to find out extent of third party check-box authority and Nagel added that committee would like official response from IRS. Toy stated that it is her understanding, but she has not been able to obtain written verification, that the check box third party authorization is not considered to grant the rights of a power of attorney. Therefore, the information is limited only to the information that was included or should have been included on the current year return. It is IRS' position that increasing the third party authorization to the power of attorney level would require legislation. IRS does not support changes to the legislation because of the disclosure and privacy issues it would raise.

**ACTION: Toy will obtain Counsel advice on the third party check box authorization for the Joint Committee.**

Mario Burgos has three issues for Temple:

1. Including links to document on TAPspeak in the notification emails. The request was forwarded to National Office and Burgos is waiting for Temple's decision. Mario won't use TAPspeak until he gets response.
2. At face-to-face, Margie Kinney gave a list of points to consider when elevating issues to Small Business/Self-Employed (SBSE).
3. As a Joint Committee member, Burgos is really disappointed that Temple will not be here as the Designated Federal Official. With Burgos's experience running a non-profit, he wouldn't have an executive committee meeting without being present. It's bothersome to him that Temple is not present, it sends the wrong message to him and across the board.

Seuntjens agreed that this was discouraging and Justin Doucette echoed Burgos' comments. Burgos added a positive note, that a conference call on e-filing to get direction and focus is scheduled. Seuntjens understands that Temple can't manage 14 groups, but she should be on this call. Meldman asked if this is not her function, what is her function? To Doucette, it seems the TAP panel is the most out of the loop about what is happening with the panel. Seuntjens agreed that Temple should keep us informed. Handelman said Temple attended both days of their EITC meeting and she is going to be doing a lot of traveling. Seuntjens agreed that Temple is active with EITC and has spent time with other committees. But there are open issues that need to be addressed. Handelman asked what he meant, do you mean that TAP is not being involved in reorganizing issue committees? It really wasn't contemplated that members would be involved because the issues arise from the IRS strategic plan. Other topics TAP wants to address should come through area committees. Seuntjens said that Handelman was correct in that view but there are issues out there that can be addressed. Although TAP might not be part of decision regarding the issues chosen, we can ask for the decision before October so members can be educated and select an issue during the October all TAP meeting.

Nagel asked how much input TAP has in selecting replacements and Seuntjens replied that we can give input if we sit in on new interviews. Seuntjens is trying to get answers so TAP can go forward.

Balmer brought up SAMS. Every issue that comes through from the areas should be researched in SAMS. So, if your analyst is not doing already, talk to your analyst.

Seuntjens stated that was good advice for avoiding duplication.

Burgos stated it is troubling that we are waiting for responses to ACTION items and would like to make a suggestion that action items become part of the agenda.

Seuntjens will keep track of the issues and bring them up if they are missed. All persons assigned an action item will report on the status at the meeting.



**ACTION: Toy will add "Report on Action Items" to each agenda.**

Seuntjens challenged the area committees to bring issues forward. Each area chair should address idea of having at least one or two more issues before the annual meeting. Now, is the time to start bringing issues to Joint Committee and would like to have them by September so they can be communicated to whole panel at October meeting.

Seuntjens asked for update on TAPSpeak. Toy trained the analysts and it is now up to the analysts and area chairs to bring to all panel members.

Meldman inquired about dealing with inactive participants. Seuntjens said the Joint Committee talked about this at the face-to-face. First, chairs should contact individual to find out why they are not participating. Talk to their other chair (issue/area). If both chairs agree it is a problem and can't resolve, they should bring the matter to Seuntjens. Seuntjens may decide to have the Joint Committee hold a vote to remove the member but the decision ultimately goes back to Treasury.

Meeting Adjourned.

**Assignments:  
Area Chairs**

- Each Area Chair should do a simple survey of committee members; would you like additional orientation on IRS? What are the areas of interest?

**Curry**

- Follow up with Temple to ensure Olson has received the Capital Loss Limitation Issue

**McQuin**

- Get clarification on travel funds for outreach activity

**Toy**

- List of types of forums and information is out there to Joint Committee
- Obtain Counsel advice on the third party check box authorization for the Joint Committee
- Add "Report on Action Items" to each agenda.



## **Joint Committee Teleconference Minutes**

*May 2, 2003 Washington, D.C.*

### **Members Present:**

- Mario Burgos, E-filing
- Justin Doucette, Area 6
- C. Morgan Edwards, Notices
- Walter Fish, Area 1
- Robin Gausebeck, Area 4
- Gwen Handelman, Earned Income Tax Credit
- Ed Hanna, Area 3
- Sharon Lassar, Multilingual
- Chris Lowe, Ad Hoc
- Paul Nagel, Schedule C Non-filers
- Tom Seuntjens, TAP Chair
- Leonard Steinberg, Payroll Taxes
- Deryle Temple, Designated Federal Official (DFO)
- Charles Taylor, Area 7
- Lillian Woo, Area 5

### **Members Not in Attendance:**

- Mary Balmer, Area 2

### **Others in Attendance:**

- Tersheia Carter, Program Analyst
- Martha Curry, Program Analyst
- Patti Robb, Note Taker
- Barbara Toy, Program Analyst

### **Guests:**

- Michael Chesman, Director, Office of Taxpayer Burden Reduction, SB/SE
- Kim Harris, Logistics Management Institute (LMI)
- Arlene Kay, Executive Director, Systemic Advocacy
- Margie Kinney, Supervisory Program Analyst, SB/SE
- Nina Olson, National Taxpayer Advocate
- David K. Shepherd, Logistics Management Institute (LMI)
- Sue Sottile, Director, Strategic Planning, W&I

### **Public in Attendance:**

- Linda Stihlhorst
- Hunter Alexander

**Quorum: 14 members present, quorum of 9 met**



Welcome/Announcements/Review Agenda

Tom Seuntjens stated the purpose of the meeting is that the Taxpayer Advocacy Panel (TAP) needs to identify its product and who is to receive it in order to accomplish our goals and get the feedback and action we want.

### **Introductions**

Each area and issue committee representative, staff, and guests introduced themselves. Seuntjens welcomed guests but stated Joint Committee would not be accepting oral comments. Comments should be directed to the area committees.

Deryle Temple introduced new members of the National Office staff, program analysts, Martha Curry and Tersheia Carter. They just started last week. National Office staff will take ownership of issues, be in charge of strategic vision, and be conduit to the Program Owners, the National Taxpayer Advocate, and Treasury. Curry will serve as the Designated Federal Official (DFO) for the Joint Committee, effective future meetings. Temple stated that the Joint Committee is one of the issue committees and the DFOs for the issue committees will eventually be a field area manager. Temple is still in the process of hiring field managers. The field managers will each have one area and an issue committee assignment; one field office will have two issue committees. Curry will serve as DFO until all managers are on board, but the support will still be provided by Barbara Toy and Patti Robb to provide continuity and maintain relationships. Temple will attend and participate in Joint Committee meetings as Director and will provide National Office direction. Curry will sit in on committee meetings, both area and issue, to provide national perspective. This will not be to take over field responsibilities, but to provide a high level overview of what's going on across the board, common trends, common issues, problems, and successes. Curry will be the one consistent person working on issues, analyzing data, and providing information and data to help you focus your time and emphasis. Curry will also act as a liaison between the National Taxpayer Advocate, (NTA) and Arlene Kay, (Director, Systemic Advocacy), and the Internal Revenue Service (IRS) program owners for area and issue committees. The national office now has a general telephone number members can use; we also have a secretary, LaVerne Walker. National Office should be more responsive now that we have a dedicated staff.

**ACTION: Staff will provide a National Office directory to the Joint Committee by way of email.**

### **National Office Report**

Randy Swartz, who was the DFO for Area 1, was recently selected as National Director for Low Income Tax Clinic (LITC). Peter Gorga will become the permanent DFO for Area 1. Temple is trying to minimize changing personnel. When taxpayers come to panel members with individual issues, their individual issue will be sent to the Taxpayer Advocate Service. One thing the Deputy National Taxpayer Advocate (NTA) and the NTA has requested is that we communicate to our staff that individual issues should be sent to the area program manager and not the Local Taxpayer Advocate who acts as the DFO.

### **Nina Olson, National Taxpayer Advocate (NTA), Speaks to Joint Committee**

Nina Olson announced that IRS has a new commissioner; Mark Everson was confirmed last night. Olson stated she wanted to cover the topics that members were concerned about: The burden on volunteers--amount of time that members spent on issues; the number of resignations; the belief that folks were brought in too early on issues without enough knowledge of issue; the role of TAP regarding legislative proposals, the annual meeting, and who should receive the TAP annual report.



By listening in on conference calls and talking to others from the IRS Operating Divisions who have worked with TAP on issue committees, feels panel members should take great pride in the incredible skills brought to the IRS and in providing a different viewpoint. IRS still has a learning curve in working with the different viewpoints, but the IRS is beginning to understand and recognize the relationship as a partnership. Olson has worked to have IRS go to TAP and to make the contact predecisional, and IRS has already used some of TAP's recommendations. Not always-a case in point is that IRS has taken position on tax preparers' certification without consulting the NTA or TAP although Olson assigned this as an issue to the Ad Hoc committee. Olson is trying to make it known throughout IRS that they should work seriously with TAP predecisionally so IRS cannot be accused of paying only lip service to TAP. Olson is concerned about TAP members' devotion and the amount of time members are spending on issues. TAP's input and comments are critical, but this shouldn't become a second full-time job. TAP staff should be your first IRS contact for any information or research. Utilizing the staff to get the information you need is not meant to restrict the information you receive, but to minimize duplicate requests. TAP has already placed a burden on IRS Operating Division resources and Olson wants to make sure that TAP first utilizes TAP staff and then Taxpayer Advocate Service resources before requesting assistance from IRS Operating Divisions.

Leonard Steinberg, Chair of Small Business/Self-Employed Payroll Tax Committee, had three questions for Olson. First, he commented that members from both area and issue committees had strong feelings on providing input on legislative issues. Members feel very strongly on providing input to the NTA for inclusion in the Annual Report to Congress. Steinberg stated he didn't feel enough people or the right people read the NTA Annual Report to Congress. TAP needs a renewed emphasis on putting forth those legislative issues that could be incorporated into the NTA report through Joint Committee. Second, TAP needs a database of all issues brought before TAP and a repository for research on these issues to avoid duplication of issues, and as TAP transitions, insurance that issues are not being redeveloped all over again. Third, what is role of systemic advocacy in relationship to TAP-it's not adequately defined. Are we in competition, in lieu of, or supposed to work together?

Olson replied first to questions two and three. Systemic Advocacy (SA) has its system. Arlene Kay has been with SA for 12 months. Kay will be here this afternoon to talk more about Systemic Advocacy. Kay's last position was Director of Quality and Innovation for Large/Mid-Sized Businesses. Since being here, Kay, in a short period of time, developed Systemic Advocacy Management System (SAMS); a database that receives all systemic issues and proposals from sources inside and outside of IRS. People outside the IRS can go to the TAS website and click on systemic advocacy to submit issues. We are working on a system so people can track their issue. IRS and TAS employees can now input issues and track them. The previous systemic advocacy system used long forms, which included a lengthy justification for the change, including cost effects and a screening system that stifled ideas. The system now has input on TAS website directly from public and practitioners. Employees also can input directly to SAMS without going through their manager or any other layers. Employees can track the status of their issues on the system but presently the public cannot because of security issues. The issues are no longer screened but SA has a weighting system. Issues are ranked by the number of taxpayers affected and the impact on taxpayer rights, which is a particular focus of Olson's. After ranking, issues may be assigned to an SA analyst for further development. Some are sent to the Operating Divisions, but SA maintains a control of the proposal. Some are legislative proposals that may be included in the NTA Annual Report to Congress. The engineering is in place for either a part of database or similar system to track TAP issues. At this point, Temple stated that TAP staff is working on a database with Systemic Advocacy already. Olson stated that she is very sensitive that TAP is separate from systemic advocacy and that TAP should have its own tracking system which can be built using or within the SAMS architecture.

As far as question one, Olson agrees that not enough people read the Annual Report. It can be overwhelming, but there is a five-page preface summary, and the on-line version is broken into sections so you can isolate one part easily. The CD-rom version was not built that way but will be next year. Olson disagrees with the report going into a black hole, as she briefs the Ways and Means Committee, and every tax counsel for each member of the Finance committee. Last year, the House



passed legislation that included nine of the NTA's issues. There was no answering legislation from the Senate before adjournment but Ways and Means already passed 11 or 12 of my legislative proposals including some from this year's report-the husband\wife co-owned business proposal rather than be forced into filing as a partnership or filing only one Schedule C and only one getting credit for self-employment credit, they could each file a Schedule C and claim the self-employment credit. Legislation regarding the uniform definition of a child has also been introduced. TAS has been given a great opportunity to influence legislation on the proposals in the NTA Report to Congress. Only the NTA can directly propose legislation to Congress; the commissioner has to go through Treasury. TAS employees are kept informed of the status of legislative proposals by email, and Deryle Temple can forward the legislative proposal information to TAP. In terms of Olson's own opportunities to discuss proposed legislation, she has a very busy "hearing" season coming up and has been given opportunities to speak and feels she has a great deal of influence.

Regarding TAP's role in addressing legislative proposals, Olson sent this legislative issue question to the federal advisory board expert in Counsel for a response. It is very clear that unless your charter specifically authorizes you to author or propose legislation, you do not have the authority to do so. It is not a TAP function. There are not enough hours in the day for TAP to address legislative proposals. Doing so siphons off from where IRS and Treasury need you, which is as an advisory board to the executive branch. However, if TAP sees a legislative issue that really needs fixing or is a really good idea, raise the issue to Arlene Kay and Olson who may choose to include the issue in the NTA Report to Congress. If TAP is working an issue and you come to the conclusion after checking with Counsel that it cannot be worked administratively, send the issue to Olson with a copy to Kay or through SAMS for Systemic Advocacy to complete development of the issue. The issue should not be included as an issue worked in your annual report, but as one proposed to the NTA for consideration. Handelman asked Olson if the issue should come directly from the toll free telephone system to SAMS? And just how much time TAP should devote to developing the issue? Olson replied that it is a question of resources and suggested directing the caller to input the issue directly into SAMS through the website. If Systemic Advocacy is already working the issue, Olson requested that TAP forward any information to her or the employee assigned, and they will get back to TAP on what they are doing with the issue. Leonard Steinberg replied that this would eliminate some of our committee members' frustration as far as letting these issues go. Olson replied that it provides another point of view for her to mention that TAP is working on this issue, which helps get TAP's good work recognized and gets the issue to the committee in charge of that subject. Walter Fish congratulated Olson on being subject to the Alternative Minimum Tax (AMT). Olson replied that TAS steers clear from making proposals regarding broad tax policy about whether tax rate is appropriate, or whether it is an incentive toward savings versus consumption, etc. AMT has those broad policy implications. What TAS can talk about is the administration of the tax code. The policy is clear but the statute is not working as it was intended or it is creating a burden. As an advocate, Olson is very careful because she does not have authority to make broad policy. That is why last year's NTA proposal on AMT is about the administration of the code and not about policy. Fish stated his pet peeve is he believes the use of emails is being abused and he would prefer a weekly packet. Olson agreed that management and staff should use the email more wisely to support TAP. But if staff takes the information and puts in into an orderly fashion, they could be accused of filtering information.

Lillian Woo said she had been designated by the Area 5 Committee to ask why AMT was dropped from the Report to Congress. Olson replied that it not dropped and that was an incorrect perception. With the report already over 400 pages, Olson was not going to waste paper repeating proposals from prior years. None of the legislative proposals are considered dropped but become part of the NTA legislative history. Because of this misperception, TAS will create a schedule of legislative activity and include footnotes, "for greater detail refer to 2001 NTA report." Woo replied that it would be helpful for our membership to know all past issues and to have a list for reference. That way, members won't feel the issue has been totally neglected. Olson replied that she would take these concerns back to Systemic Advocacy. Olson added that this was a classic example on the role of TAP and what TAP should be doing as an advisory board. Olson can take this input from TAP and state this is the point of view of TAP, a Treasury advisory board to the IRS. It provides an ally for Olson and also gets TAP recognition.





C. Morgan Edwards from Area 2 and representing the Wage and Investment Notices Committee asked Nina about the return preparer certification licensing and the distinction between certification and licensing. Olson replied that she was not proposing licensing but certification. She added that return preparer associations are in support of this education and certification proposal. What concerns Olson about today's tax preparers is that return preparers completing paper returns were more serious about tax preparation and obtaining the necessary training, even if they only practiced a few months of the year. With electronic filing and the Earned Income Tax Credit (EITC), you now have a whole realm of people in return preparation that have nothing to do with tax or tax products; they are selling guns, furniture, and check cashing. This is what makes this proposal different than any time before--it is a different environment. We are not looking at traditional preparers but those not covered by Circular 230. The certification process will force these people to take their job seriously and make a decision to become serious about tax preparation or about selling products.

Edwards talked about the relationship between banks and IRS and Refund Anticipation Loans (RAL). In his experience, banks give very short terms and loans become due in 30 days and following is how this issue ties into notices. If there is an error on the return, a notice is generated that may take a substantial amount of time to process. In the meantime, the taxpayer is being hounded by the bank for the loan payment. The refund is already spent and there is a serious problem. The issue is, what should the relationship between IRS and the banks be, and how will the IRS process questionable returns and how long will they take? Olson replied that she works the EITC issue daily and a statement like this from TAP is incredibly valuable. Olson requested members email her with these types of issues to bring them to her attention. This is something she can bring to IRS showing how their system is creating real problems. This is part of financial literacy and taxation. Olson will be asking Ad Hoc to work on financial literacy because this is good role for TAP as citizens, to talk about financial literacy -RALs and persons not having accounts for direct deposit. Edwards suggested expansion of free file and an expansion of education directly from IRS. If people know they can get refund within 10 days they will not go after a RAL.

Robin Gausebeck representing Area 4 talked about time commitment. Area 4 just had a 2-day face-to-face substantive meeting in Cincinnati. Based on that experience, Area 4 would like to suggest that Area committees have more direction in the use of TAP's budget. Area 4 would like to have more frequent face-to-face meetings because they believe it is more effective than conference calls and devoting an hour here or there. All members agreed that we got a substantial amount of work done in a short period of time. We made more progress in day and half than in 7 months of being an active panel through teleconferences or in subcommittees. Area 4 is willing to take measures to save money when having meetings-less expensive hotels, less expensive places to travel to and from-Olson replied that TAP is a Treasury advisory committee and Olson was told very clearly that actual face-to-face meetings should be limited because of geographic distribution and travel expense. Treasury told us there would be no more money. Olson thought it best to have an annual meeting and have some, but not as many, face-to-face meetings. But Olson can understand that it is more difficult to get work done in bits and pieces and that Area 4 had a valid point. Olson will take this issue back to Treasury. Gausebeck restated that Area 4 wasn't asking for more money, but they were asking to be part of decision in how money is spent. There may be some union issues involved in these decisions, and even if analyst agrees to lodging arrangements, the union may object and Olson cannot approve. Olson asks that TAP lay the important groundwork out through telephone conferences and when you reach a critical point, hold the face-to-face meeting.

Gwen Handelman stated that part of the time commitment burden is that some material for meetings is not given in a timely fashion. Olson interjected that staff needs to work more efficiently. Handelman added that members have received a lot of good information, but it gets overwhelming. For the face-to-face EITC meeting coming up, there are tons of pre-read information. For this committee to be effective, we need more money so issue committees can hold more than one face-to-face meeting. Olson agreed that IRS has too much information, is not organized, and there is this inability to get it organized. Olson's experience with IRS and TAS is that there is a period of incredible inefficiency trying to get information in usable format. But Olson disagrees that a face-to-face is necessary for



organizational purposes. The best method of sorting information is to hack away at bits at a time and not spend dollars on face-to-face meetings wading through this information. TAP managers and staff are redefining their roles, which caused delays in getting information. Olson recommended members utilize staff to help organize information but warned about the danger of having staff over-sort the information and losing valuable information.

Handelman supports giving committees more discretion and choice on the budget for holding meetings. Next, Handelman asked Olson to consider whether or not it is too burdensome for TAP members to be on both an issue and area committee. Area committees consider a wide range of issues and some are very technical and issue committees, while the issue can become technical, can focus on their one issue. Would it be a better allocation for members to choose and not have both an area and issue committee assignment? Olson replied that TAP exists because Treasury and IRS define what issues you work based on strategic plan, and the area committee is a balance to this so TAP can raise its own issues. That's the reason for area committees--to balance the IRS direction of issues. Knowing the reason both area and issue committees were formed; Olson would feel more comfortable that TAP members talk among themselves and if TAP chooses and believes it would be a better use of resources, make a proposal to change.

Mario Burgos stated very quickly to provide another point of view, he doesn't mind amount of emails and can't stand paper. His suggestion is that as part of process, staff compile a summary of information from monthly reports for the annual report and members write the remainder. Burgos understands the legislative issues will go to Systemic Advocacy for inclusion in Report to Congress and NTA's role with legislative issues is unique in that NTA can propose legislation. But, what he doesn't understand is how systemic issues fit into TAS. Olson stated that basically the job of systemic advocacy is to look into proposals brought to them by employees or public. Systemic Advocacy is divided into individual and business, and the director of systemic advocacy reports directly to her. Systemic Advocacy deals with larger systemic issues, and on the other side, case advocacy, works specific cases. Olson added that Arlene Kay would be discussing this later. But, it is Systemic Advocacy's job to look at issues brought to them by TAP, a TAS employee, an IRS employee, or Congress. They look at why is it happening-is it an aberration, is someone not following directions, or is it designed incorrectly--and make suggestions to correct the problem.

Burgos stated that in his life experience if you want something done, it works better when you try to communicate directly rather than going through layers. It seems to him the trend in TAP over the last few months is that layer upon layer has been added. At one point, TAP went directly to NTA, now it needs to go through Martha Curry, to Temple, and then some to Systemic, and some to IRS, which is an awful amount of filters. Olson replied that any member could email her directly with their concerns. Copy Temple, Kay, and program managers, but on a day-to-day basis, information requests should go through staff. Burgos's concern is that he, as an individual, can directly to Olson, but the strength of him as an individual is not all that great.

But the strength, the value of TAP, as we represent the nation and there are 102 of us, sends a much stronger message. Seuntjens interjected that this also was his question, and where are our eyes and ears for this group as advisory group for Treasury? He would hope that someone from Treasury would be the eyes and ears, as well as someone from NTA office. Olson replied that April Lehman is liaison for Treasury for TAP and oversees some of the other Treasury advisory groups. Temple and Olson meet regularly with Lehman about TAP, not on issues, but the substance matter--the management. But if there is a proposal where you would need subject matter experts from Treasury such as on Financial Literacy, that could be arranged. But Olson said she wanted to get back to issue of layers. There are serious management issues in the Taxpayer Advocacy Panel aspect of her organization not the panel, her employees. As the manager of this whole organization with 2,200 TAS employees in 74 sites, we have been looking at the Taxpayer Advocacy Panel and the staff to make sure it is organized in the right way to support, and has the skills to support the individual volunteers and the subcommittees as a whole. Olson doesn't have confidence yet in the structure of TAP, and some of the things seen as layers are in fact decisions Temple and Olson have made to make the program work.



TAS needs to judge employees on how they are doing their job and there are no quality standards in TAP, and Olson stated she didn't know how these employees were being evaluated. This is not a good way to run a business. To the substance point, I don't want you to walk away if you have an issue and you don't feel it is being addressed and it is an issue panel members think is important to panel members, write, email, or fax Olson directly with a copy to Temple or Curry. Burgos replied that this is what he liked best about Olson; she was only one in IRS that accepted direct emails and faxes. Olson added that she also wanted people to know that she also reads all her emails and does also respond to them. Olson said that we may not have gotten the right management staff for TAP, but that is what we are trying to do. Burgos replied that if staff support he has been receiving is substandard, the only thing next is to read my mind before I say things because the staff support has been amazing. But the challenge he has had is his connection with the program owner and that person's response. Olson replied this is part of the problem. It is not the people we have on staff, it is that in TAS, we have to define how the staff gets it to the IRS. That's where Temple and Curry come in-getting your issue to the right person in the IRS. Staff has to get to the right person. The IRS is hierarchical and requests need to go through the management structure; it needs to go through Curry or Temple because that is the right level. This is an internal issue. I am not saying the staff isn't doing everything they need to, but we can't have them doing everything they should be doing for you and then hitting a wall.

Sharon Lassar prefers emails and teleconferences and prefers not to travel for meetings. Lassar wanted to address certification for practitioners: Lassar would like to see a nationally maintained database of preparers for people to look to find if a person is certified but also to check anyone who is licensed by including links to state's other licensing databases. The database should be searchable by name, location, specialty, or by type of license. An issue that arose from the Multilingual Initiative subcommittee is it should also be searchable by language spoken by practitioner. It would make it more simple to find a certified preparer. Lassar keeps being told that this cannot be done, but believes it is relatively simple to do and is do-able. Olson asked Lassar to please be sure Lassar's comments get to the subcommittee working on Certification of Preparers. Olson likes the idea and also hears it cannot be done. This is not helpful and if you put your mind to it, you can find a way to get it done. Instead IRS needs to find a way it can be done before there is a directive from Congress. Oregon and California both have a system of certifying preparers; Oregon's is more burdensome requiring bonding for preparers and consultants and has different levels of competency. Oregon has database that people can check for status of certification. IRS's position is that states should be regulating preparers, but Olson doesn't want 50 different regulatory agencies. Lassar added that it should be a voluntary registration, and the database should identify Certified Public Accountants (CPAs), attorneys, and enrolled agents. There should also be a page defining what the different levels mean and what each can do for you. For example, Lassar is not a practicing CPA and would not want to be on database.

Olson recapped each issue. Olson will take proposal back to systemic advocacy about including a status report, an archive of past issues in the NTA report to Congress, and also include TAP's references and work on legislative proposals as part of history in the Report to Congress. Olson also talked about how TAP can cover legislative issues in its own annual report so TAP's viewpoint is on the record. The roles of systemic advocacy will be covered later with Arlene Kay. There also is a difference in opinion about the workload and use and volume of email, but Olson believes better organization would cure that problem. We will also have a status report of issues from past reports and indicate they are still supported. Olson will get the NTA's congressional testimony schedule out to the panel with possible topics to be covered, and it would be great to say TAP has been studying this issue and this is their position. It may not be Olson's position, but it is an important position. Olson also talked about important issues like RALs and that TAP has identified other things that create a burden for members, such as over abundance of emails. Olson will wait to hear from panel where members want balance between Issue and Area committees, and she is very open to any suggestions, but she reminded the panel that realistically there is no more money for TAP. Olson is also open to suggestions on alternate ways of holding face-to-face meetings, but reminded that there may be union issues involved. Olson discussed management and why there are layers and how we are trying to reduce burden on TAP managers. The subject of member's resignations was brought up and Olson told the panel, TAP would be doing exit interviews to find out why people are leaving.



**ACTION: Joint Committee should send comments and inputs about legislative issues directly to Olson but do not limit to subjects she is scheduled to testify before Congress.**

**Discussion/Adoption of Joint Committee Operating Procedures/Definitions of Issues and Issue Flow/Start time Commitment/Participation of Members**

Seuntjens discussed the need to come to understanding, make some decisions on these procedural issues, and how we communicate by email or otherwise.

**Time Commitment.**

Committee decided to start with the Time Commitment issue. Leonard Steinberg commented on the chair's additional responsibility. Chairs understand their commitment as a chair requires extra work and they have additional burden serving on another committee. Walter Fish added chairs actually wear three hats here and suggested chairs should only have the one committee assignment. Justin Doucette's concern was that a state or a part of one might not have representation. Steinberg added that working on both committees gives members a broader perspective and more appreciation for working on issues in both area and issue committees. Steinberg and other members of his issue committee feel everyone should be on both committees. Steinberg agrees it does become a little overwhelming at times, especially during the tax-filing season and sometimes the emails are too much. But he personally does not have a problem with the time commitment. As an area chair, Doucette wouldn't mind having the opportunity to drop the issue committee membership and would be more comfortable making the decision if it was not mandated. Woo suggested Area chairs poll members stating here is your commitment; here is what you are actually doing, and how do you feel? C. Morgan Edwards suggested better ways of communicating would mean less time spent reviewing materials and therefore, less time invested as a TAP volunteer. Gausebeck stated that Area 4 discussed this at their meeting and agreed to scale back the number of issues worked and to prioritize the issues. Some issues are put on the back burner until another one is completed. Ed Hanna believes as an area chair, it would be better not to be on an issue committee. Handelman is the mirror image of Hanna's feelings--would like to stay on issue committee but drop area committee because it is too much. Handelman would like to opt out of area committee without feeling guilty, but she wants to add that this also extends to subcommittee chairs and some members. Our committee has already had two resignations--at least people ought to have a choice to be on both or just one. Also, when assignments are made, there should be sensitivity to geography. Nagel added that not all panel members want to be on a subcommittee within a committee and should they be forced to participate? Should they be required? Steinberg pointed out if they opt out of a committee, the burden gets spread out disproportionately to those left. Fish wondered how drastic was this loss if they were not active or not contributing anyway? Burgos added that if members averaged six hours a week. That is the amount of time members committed to and suggested members utilize the staff more. Burgos relies on TAP staff to help by putting together reports so he can tweak them. As far as research, he evaluates and may summarize the research, but delegates the responsibility to gather the information. Lassar agreed TAP took a lot of time, but it is within our commitment. She added that staying on both committees helps keep the lines of communication open. Gwen Handelman is on her area committee even though she is not as active in area as in her issue committee, it is good to have her at meeting just to have her viewpoint. But how do we rid ourselves of panel members who do not participate? Lassar does have someone on her issue committee that hasn't met the 90% attendance requirement and it is her understanding that the attendance rate is not present in the area as well. Hanna added that participation depends on our personal workloads and also people have different skills. Charles Taylor stated level of participation has a lot to do with background with practitioners workload is not nearly the same as those who are not. People come to the table with different skills and their assignments or workloads should be reflected. Steinberg added that some people, not having extensive background in IRS, had a severe learning curve. He suggested if we meet again as a whole committee or for future members, there should be a class on process and flow within IRS and a brief overview of tax law. At least, people would have understanding of terminology and how things work in IRS. Paul Nagel added that non-practioners were more reluctant to add to discussions. Burgos felt there is a flip side to this issue--practioners come in with a lot of assumptions about how and what IRS can do, but non-practioners come in with a clear mind. Steinberg replied that as a practitioner, he



doesn't always agree with the IRS but besides that things like terminology are still an issue. Seuntjens brought the committee back to the time commitment discussion.

Doucette asked what is the risk if we give members the choice to opt out of one committee, either an issue or area will be underserved. Seuntjens believes the risk is in having no representative in an area. Seuntjens thoughts are that you have to participate on both and that chairs should take the leadership role and allow members to opt out of subcommittee work on one committee or another, but not both, and to make sure you have good participation level. Hanna agreed that members in the areas still collect data and perform outreach. Seuntjens summarized his thoughts; chairs should participate in both sides so you don't lose the feel of the whole TAP, but chairs should have option to not participate in subcommittee work and asked what other chairs thought. Handelman revised her proposal for members to designate one committee as their primary and not fully participate in the other. Fish agreed with Handelman but suggested not making it a policy, but let chairs put into practice. Doucette believes the issue is more inherent to chairs because chairs have an obvious primary committee. But to make a blanket statement about opting out of subcommittees is tough because each committee operates differently. Not all have subcommittees, and subcommittees are formed differently. Chris Lowe agrees with Handelman. One strength of the Citizen Advocacy Panel (CAP), was its ability to focus on one issue, and Lowe would like to focus on Ad Hoc. At end of two years, the committee can look back and say we were effective. At the end of two years, the hill testimony won't be our legacy. Being on Joint Committee and chair of Ad Hoc easily satisfies his commitment. Lassar stated that if she had only one committee, she could then, because of interest and availability, focus 100% on the one committee. Lowe would rather send up four good issues at the end of the year than 100 insubstantial issues. Steinberg again brought up the problem of under-representation. Lowe's argument is the area can represent his geographic area, not just the member from a state. Lowe understands the principal and importance, but it should be weighed against the effectiveness of TAP. Seuntjens asked for consensus on chair's level of participation. Can we agree that as chairs, you should feel free to tell chair of your other committee you will not participate in sub work. Consensus not reached--11 thumbs up, 2 can live with it, and 1 opposed.

Steinberg said he could change his vote but he is a firm believer in unintended consequences and asked; how will this affect the future of TAP? We don't know what long-term implications will be. It may evolve that the only issues worked would be those flowing from IRS, but they are not our issues. Area work is as important as issue work; there has to be a balance and it is a commitment we made. If we cannot accept this, we should not have taken the responsibility of chair. The level of expertise in this room is extraordinary, and to not utilize this resource to its fullest extent is short sightedness. Lowe countered that we can only do so much. You can only drive a car 150 miles an hour so long. If you force the value in this room to work on all committees, you dilute that value. We are already seeing resignations throughout TAP, and Lowe can see unintended consequences in resignations if we enforce the 90% attendance requirement. Steinberg says we need a safety valve. Everyone should be committed to two committees; chairs have the Joint Committee and the committee they chair, so they should not have another area or issue committee. Seuntjens stated chairs should still have the assignment and the chair would still participate in other committee, but not in subcommittee work. Temple stated that by definition you all serve on subcommittees. There are seven Area Committees, and eight issue committees: Three Wage & Investment (W&I), three Small Business/Self-Employed (SB/SE), Ad Hoc, and Joint Committee. Doucette asked that we restate not allowing chairs to resign fully. They are still part of the quorum and should attend meetings, but they don't have to be active members. Seuntjens asked if we restate that chairs are not obligated to participate in more than attendance at secondary meetings, could we reach consensus or should we put this in the parking lot? Edwards added that people will naturally gravitate to that proposal. **Joint Committee reached consensus that as chairs you can opt out of subcommittee work in the secondary committee and are not obligated to participate more than attendance at secondary meetings.**

Handelman proposed extending same rule to vice chairs and subcommittee chairs actively involved in research. Hanna disagrees because too many members might drop subcommittees. Fish asked why do we have to define, why can't it just happen? Gausebeck suggested each chair should define work in



any subcommittee so it's broken into small enough parts to fit everyone. **Seuntjens asked for consensus on extending to all members--thumbs down to opt out for volunteers that are not chairs.**

Steinberg proposed to leave decision to individual chairs. Handelman did not believe that it needs to be proposed. Members expressed concern that discussion of this issue was taking too long. Lowe expressed that it was important for TAP to self-govern and even if it takes longer, the Joint Committee should take the time to set a policy. Discussion followed on how extensive the problem was and if it mostly concerned members of the EITC committee and if it was only the one committee, perhaps the committee should be split or they might need to prioritize the issues, or ask for more TAP staff support. Handelman replied that the Joint Committee should not micromanage and that the EITC committee subcommittees were appropriate to the issue. Area 3 members had also expressed concern about time commitment but Hanna thought members accepted the burden. Lillian Woo said Area 5, based on idea that one size doesn't fit all, identified a zillion issues but determined to have only 2 subcommittees at a time. There is an idiosyncratic response to this issue. Charles Taylor felt panel spent way too much time on this and that individual chairs should deal with the issue. Handelman disagreed with leaving to individual chairs and believes it should be policy. Lowe proposed giving TAP chair the ability to exempt, which brings the authority outside of each individual committee. Seuntjens preferred leaving to individual chairs. Handelman put thumb down because she did not believe Joint Committee was being responsive to all panel members.

Handelman believes some of the Area 3 members are over burdened. If people are spending more than 300 hours, they should be able to opt out. Handelman stated she didn't want to spend any more time on this issue and as time goes on, the issue might change. Seuntjens appreciated everyone's view and he was not trying to ram this down anyone's throat, but because joint committee could not reach consensus, each chair will have to manage the workload within their own group.

#### **How to release disengaged panel members.**

Some members have not been active in either area or issue committee and are not responsive to emails. Chairs want an established policy for handling non-participating members. The policy is that first the chair of the committee should talk to the affected person. Next, the chair should have a conversation with the chair of the other committee. If the member is disengaged in both issue and area committee but doesn't want to resign, the chairs should bring the matter to the TAP chair. The TAP chair may call for a vote to dismiss at the next scheduled Joint Committee meeting. Affected member must be informed of the vote prior to the meeting. Although Joint Committee votes on dismissal of member, it is Treasury's decision on whether or not to remove member.

**ACTION: Toy send full roster of panel members to all chairs.**

#### **Reconfirming Chairs at Annual Meeting in October.**

Seuntjens would like the chairs of each committee to have the opportunity to reconfirm chairs for every committee, including the Joint Committee at the annual meeting. He believes it will make chairs more productive as leaders if we get reconfirmation of the job we are doing. Seuntjens also believes the issue committees need to be re-identified as not everyone has perfect match of experiences or interests. Steinberg suggested the annual meeting serve two purposes; one to hold a face-to-face with area and issue committees. Burgos asked why wait till annual meeting for change in issues? Seuntjens replied that he believed we need to do some prework on the issues and understand exactly how we are going to do it, and have orientation for each issue presented at the face-to-face meeting by the program owners. It would be more difficult for members to decide if they want to opt out if they don't know which issue would be a better fit. Handelman added that it doesn't all have to be done face-to-face. If there is to be reconsideration, let members know in advance. Nagel suggested that as soon as members know they can be reassigned, they can look at minutes of other issue committees to find out background. Temple stated that since the IRS program owner is the one to focus the issue, TAP isn't part of the decision. Seuntjens asked if we don't have an active program owner or committee, don't we want to make sure it's a valuable issue or to see if IRS needs to redefine the issue? Temple replied



that there should be discussion on what ties it to the business strategic initiative. Gausebeck suggested in addition to allowing people to move, also adjust size of committee based on anticipated workload. Seuntjens said there has to be a balance. Too few people limits the sharing of ideas. Nagel wondered if there should be term limits for the chairs, but everyone agreed there is a natural limit because of volunteer term limits. A proposal was put forward to reselect issues at October meeting and to reaffirm chairs. Fish had thumbs down to the proposal. Fish suggested instead of reconfirming chairs, have the co-chair assume responsibility for the second year. Not all committees have co-chairs. Fish also suggested that selection of issues and reconfirmation be held even if October meeting was not held. **Proposal restated so issue committee selection and reconfirmation be held with or without a face-to-face and it was passed by consensus.**

### **Demonstration of TAP Speak**

Kim Harris and David Shepherd from LMI, who are contractors for website and our web forum, gave a demonstration of TAP Speak. Questions and systemic problems about TAP speak should be directed to TAP staff. The joint committee decided to let area chairs and the area analysts decide how to roll out TAP Speak to its members.

### **Systemic Advocacy -- its role in the Taxpayer Advocate Service (TAS), Systemic Advocacy Partnering with TAP.**

Arlene Kay, Director, Systemic Advocacy, defined systemic advocacy as dealing with broader issues of concern to taxpayers either individual or business than the other side of taxpayer advocacy, case advocacy. Systemic Advocacy works in a variety of ways. One way is through Systemic Advocacy Management System (SAMS). Another way is by working with IRS to correct problems or before a policy is implemented, identify potential problems. Systemic Advocacy was requested by IRS oversight board because TAS was geared too exclusively to individual taxpayers' problems and the board wanted TAS to address a broader spectrum of issues. Systemic Advocacy provides a different perspective than rest of IRS, identifying unintended impact or consequences. For example, IRS was empowered to levy up to 15% of social security income. TAS raised the question, how are you going to take proceeds and what happens if you levy by percentage when Social Security is a persons only source of income? TAS intervened prior to implementation to ensure there is a total positive income before levy from IRS. EITC-TAS lives and breathes EITC. The IRS perspective is to address fraud problem. TAS perspective is to administer even-handedly and make sure the administration does not cause excessive hardship; that is, too much paperwork, etc. Several characteristics of systemic advocate are sound technical background and tenacity-the skin of a rhino. Frequently, you are only one advocating certain point of view. Systemic Advocacy addresses most pervasive problem or issues through its annual report, but the preferred way is to catch problems before new programs/initiatives are implemented. For example, the Offers in Compromise (OIC) focus of IRS changed. OIC is now a viable collection option. There have been problems in the implementation of the program. Systemic Advocacy is not looking at individual cases but systemic inconsistencies and inefficient procedures that are impeding program. Service has X number of resources to devoted to OIC processing, but Systemic Advocacy says the resource problem is a separate problem from the taxpayer's problem, and that IRS needs to find a way to serve the needs of taxpayers. Ed Hanna asked what was source of input to Systemic Advocacy. Kay replied that input sources are:

1. Internally through looking at source of cases brought to case advocacy
2. Personal contact (emails and letters)
3. SAMS
4. External contacts, liaison with professional groups

SAMS was implemented in March; suggestions can be input both internally and externally through irs.gov. Systemic Advocacy uses criteria to determine if issue should become a systemic advocacy project and how the issue ranks against other issues brought into system. Criteria, such as,



1. Are taxpayer's rights abridged?
2. How many taxpayers affected?
3. Immediacy of issue.
4. Is responsible area of IRS addressing?

At first, when SAMS started, Kay didn't want any curbs on it--the previous system was a cumbersome paper system filtered through many layers. Kay was warned that that without layers there would be mostly unusable suggestions. Kay finds people fairly sensible when they surface suggestions/problems. SAMS was first opened internal to TAS, then internal to IRS staff, and then externally. Most of external inputs are very good and are reflective of what is happening and come from individuals, as well as tax professionals. Another source of input is tax professional organizations and other groups such as groups of manufacturers. Generally, large business are already well represented. Part of the systemic charter is to address legislative issues, not large sweeping legislative proposals. TAP should not work legislative issues but feed into the SAMS system for inclusion in NTA Annual Report to Congress. But on other issues, Kay sees Systemic Advocacy and TAP as working in a complimentary fashion rather than overlapping. TAP can "tap" into SAMS for information--take a look at key issues. Is systemic advocacy working related issue? Is there research available? Systemic Advocacy can analyze cost of change. Determine what systems are involved. Kay said to look at Individual Taxpayer Identification Number (ITIN)), it is a big hot issue. An ITIN is a number given in lieu of Social Security Number (SSN) for those working in the country who do not qualify for a social security number. It was supposed to be used for tax filing purposes only, but it is used for bank accounts, driver's licenses, and other purposes. IRS did not discourage the wide spread use of ITINs but after 9/11, the IRS became more worried about access by terrorists. The range-of-proposals are wide on this issue. The law says if you earn wages, even if you're not a legal worker, you have to pay taxes. But the other hand, we are not going to give you a way to do it. Systemic Advocacy works with Treasury and the IRS operating divisions on this issue. This is a large issue, and if TAP works a part of the issue, Kay doesn't see a conflict. Kay would like to suggest that if TAP is working an issue, it is fed into SAMS so Systemic Advocates don't redo the research. Burgos talked about the problems with increasing Small Business/Self-Employed (SBSE) e-filing. The research is done and the IRS already knows the ten reasons people do not file electronically. One is that certain attachments cannot be filed electronically. IRS knows it is a problem but doesn't want to commit resources to curing the problem. How does Systemic Advocacy turn around and get done what needs to be done? Kay replied that Systemic Advocacy would try to find fresh opportunities for increasing electronic filing. We can't order IRS to do something but can point out the advantages of using our way of solving the problem and also could address the issue in the annual report to congress. Doucette asked what happens if issues entered on SAMS are not systemic issues and systemic advocacy won't work them? Kay replied that the individual will get directed to appropriate area of IRS, or the issue could be archived and worked in the future. Kay would like to work in tandem with subcommittees and would contact TAP for their reaction on Systemic Advocacy's approach. Kay hoped it would be a two way street--that we could leverage resources. Seuntjens added that we need to compliment each other and be careful not to duplicate. Edwards talked about the lengthy process of change for notices and wondered if Systemic Advocacy could circumvent this system? Kay replied that first Systemic Advocacy would look at the issue; is the information inaccurate? How many are affected? Are people being deprived of a statutory right? If egregious, then NTA can issue a statutory directive. Only the Commissioner can circumvent an NTA directive. Charles Taylor commented that even if there is overlap on issues, we bring different perspectives--external and internal. Tap also uses different techniques. Kay stated that SAMS tracks issues as they progress so TAP could check status of issues. But, Burgos wondered if systemic doesn't rank, why would TAP devote time to the issue? Kay replied that Systemic Advocacy might rank differently than TAP or might not work because of finite number of resources. Gausebeck stated that many issues brought to TAP through the web site or the toll free are legislative, and maybe we should be sending people to Systemic Advocacy to input the issue which would free TAP to work different issues. At first, Kay agreed to share all 1500 issues currently on SAMS, not all of which are active. But, Lowe assumed there is quantifiable number of issues that are on top and asked if it is fair to say that these top issues appear in the Report to Congress? Kay agreed, and Lowe asked for look at the top 50 issues that rank relatively high but are not assigned. Kay also stated that if the issue ranked high but was not assigned and TAP decided to pursue she would be interested in seeing research on





the topic. Kay added that even if TAP sees an issue is being worked by Systemic Advocacy look to see what the scope of the issue is, TAP should still work as they will bring a different perspective to the problem.

**ACTION: Toy will get breakdown of top 50 issues on SAMS that are not assigned as a project to TAS employees.**

**Operating Division Participation with TAP, Discuss experiences, what worked, what needs to be improved, consideration operating divisions are giving to TAP Recommendations**

Sue Sottile, Director, Strategic Planning, is the Manager for the National Partnership Liaison Relationships and is in the Stakeholder, Partnership, Education, and Communication part of Wage and Investment (W&I). At orientation many of the W&I executives were not present because the belief was that the time should be spent developing relationships with fellow members and the program owners. Sottile is the liaison between TAP and W&I. Sottile helped the design team write the charter and procedures. Sottile has experience in developing national public relations working with external groups. Sottile knows the value TAP brings to the table and believes the comfort level will grow in the next few months as TAP builds the relationship with IRS. It is important for TAP to build a relationship with the IRS since we can help each other. W&I has limited resources and needs to prioritize when developing our products and services and to gain TAP input. To do that, W&I has a strategic planning process. Sottile's role with TAP is to be involved as early as possible in knowing what our issues are in the field and on national issues, such as EITC. Sottile is working directly with the EITC committee. At the local level, TAP, Temple, and Sottile need to communicate to prioritize local interaction. The fact that W&I knows what the issues are is just the beginning. Service-wide issues such as EITC and Multilingual Initiative (MLI) are directed by the program owner, but W&I is open to fine tuning or identifying new issues. The W&I view of TAP is to identify critical issues and problem areas. The intent of W&I is to get TAP input as soon as new issues come in and work on some short term issues. The three issues for W & I were selected as issues because they are part of the strategic plan.

Margie Kinney, Supervisory Program Analyst, offered apology for Michael Chesman, Director, Office of Taxpayer Burden Reduction, who could not attend at this time but will attend later. Chesman asked Kinney to represent the Office of Taxpayer Burden Reduction. TAP offers something special to SBSE. For the most part, 80% of SBSE's returns are prepared by tax professionals. TAP offers something special to SBSE. For the most part, 80% of SBSE's returns are prepared by tax professionals. In contrast to focus groups, TAP offers SBSE the opportunity to share fundamental information with TAP overtime, and SBSE gains a different perspective by sharing back and forth. Surveys and focus groups represent only a personal view at one point in time. When SBSE and TAP members share, we end up with a much better product.

The Issue Committees are where TAP can have the most impact right now. The Operating Divisions in their strategic planning process are currently looking at 2005, and in some instances, such as systems changes, 2007. TAP needs a certain amount of patience. Changes may take years. Changes need to be fed into budget and strategic planning and then prioritized. What works with TAP is the commitment of participants and a desire to make changes; a willingness to work on issues. What doesn't work --TAP is an evolving process; it is a learning experience. Some committees are starting at a slower pace. SBSE is recommending face-to-face meetings earlier in the process. SBSE has no interest in creating a liaison or in having issues that go nowhere. SBSE is committing resources for TAP to have contacts so issues at least have reception. Kinney's issue committee met in early January and set up a system for working the issue, but not all the groups had that experience. SBSE has to make some effort to jump-start the other issue committees. Business issues differ from individual issues, where most issues are familiar to most TAP members. For business issues, a certain amount of expertise is needed to prepare these returns. In the future, SBSE wants to play more of a role in assigning people to the issue committees.



Kinney discussed what will happen to issues in SBSE. Issues coming from the area committees applicable to the business community will first be reviewed by our office. If there is substantial potential for burden reduction, it may mean our office will work the issue or take the issue to the Burden Reduction Counsel to assign to a task force. If there's not a substantial amount of burden reduction, we will assign the issue to a program owner and track it to ensure it is given consideration. In reality, IRS has very limited resources, the budget is very tight. If something falls outside of the established priorities, it is difficult to have it considered. Before sending issues forward, SBSE would like the area committees to give them thoughtful consideration--what are the pros and cons, problems in implementation, and the impact on taxpayers; and then put together a case for why the IRS should expand resources to move in that direction. Burgos thanked Kinney for format for reports; it is incredibly helpful to have that format. Burgos requested Kinney put the format in writing for area committees to consider when submitting issues.

**ACTION: Kinney will put together format for area committees to consider for submission of issues to SBSE.**

Burgos asked what the results were from the meeting held to determine what was going to happen with the e-filing committee. He stated the next e-filing committee meeting was scheduled next week and they still did not have an agenda. Kinney assured Burgos that there had been a plan to get in touch with him and he would know by Monday. Kinney also mentioned that SBSE wanted the e-filing face-to-face meeting moved up to June. Burgos replied that it was.

Doucette brought up the licensing/certification issue that Nina Olson had talked about earlier. His concern is that IRS already made a decision and TAP was left out. TAP would like assurances that its input will really be considered and requested pre-decisional. Down the road, Doucette does not want to find out TAP was not taken seriously, and that procedure was implemented without considering TAP's input. Kinney replied that as liaison, it was the Office of Burden Reduction's role to ensure there is buy-in from the SBSE operating division. Part of the reason both issue and area committees were formed was to get more buy in. SBSE doesn't want to waste TAP's time-it's too expensive for both TAP and IRS. Sottile requested clarification on how Ad Hoc received the issue. Temple replied that the committee was working the issue at the request of Olson. Doucette suggested that if TAP is left out of process, it means either Tap is being left out of office or the NTA is. Chesman entered the meeting and Seuntjens recapped the issue and said TAP wants to have the eyes and ears of the IRS. How do we start? Chesman replied that when TAP was designed, we wanted an organization that had realistic expectations and to have those realistic expectations fulfilled. So, the idea was to get folks to work on issues that IRS was currently highlighting. The Government Accounting Office (GAO) was highly critical of forms and publications for not having enough input from focus groups. From my experience in large organizations for 30 years, it takes at least 5 years, sometimes 10, to change the culture. As the organization starts moving to become more responsive, there are going to be bumps along the way--large slip ups in communication. My guess is that somehow the slip in not contacting TAP occurred because the right hand doesn't know what the left hand is doing. Communications in IRS are improving dramatically. Information sharing is better but communication slip-ups still happen. Chesman would be utterly flabbergasted if the IRS knew TAP was working an issue and someone made a decision not to contact TAP. Chesman can't say this will not happen in the future, but will commit to having it happen the least amount of times.

Nagel asked if SBSE could assure there will be a program owner on every call? Kinney agreed and will develop a back up system when owners are ill or not available. Handelman stated that the program owner for EITC has been on our calls. Our committee's problem was with the EITC pre-certification task force. Our committee tried to contact them for information but received no response for months. They finally asked for our input but needed the response immediately. Handelman also reported there was a problem with confidentiality and wondered why the program owner would bring this type of information to an advisory committee whose records are available to the public. Sottile replied that decision was made to approach the group to gain the citizen input because the IRS has been criticized for not getting the input pre-decisional and perhaps were not fully aware of the full impact. Chesman



added that getting input from taxpayers can be tricky for IRS when the issue is highly political and sensitive; especially if brought to a citizen group whose meetings are expected to be made public. Sottile stated on one hand, getting citizen input early in the process is the best way to develop a product, but it is difficult if the information is embargoed. Kinney added that as part of the Executive Branch, there is a certain process on highly political issues. The information doesn't go outside the Service until it goes through Treasury and they consult with the Office of Management and Budget (OMB), and next the IRS briefs Congress. Handelman asked why there form an EITC committee then for such a hot topic, why involve in pre-decisional if highly sensitive? Temple stated IRS not aware that committee was required to be public and we will do better job of informing IRS before this type of information is brought to a citizen group. Sottile reiterated that it was important to get pre-decisional input on this topic but both sides should have been more aware of the highly sensitive material and what should have been released.

Steinberg stated it appears that decisions are made in a closed environment and that results in not finding the systemic defects and what may or may not work. It is so closed that, we, as professionals the in field, are left to clean up the mess. Steinberg also talked about finding out about Systemic Advocacy and the apparent conflict with TAP. He was concerned that panel members were not told and that has an impact on the area and issue committees. Chesman agrees up to a point, but believes the IRS is getting better. It started with Charles Rossotti but there is a difference in the IRS. There is an openness and desire to change as much as possible and as quickly as possible, but it takes a long time for that to happen. You can put out directives, people think about it but it takes a while to become ingrained so people do not think of each instance as an exception.

Seuntjens stated that we now have a clearer idea of how the issue committees work with the program owners, but am still concerned with the areas. Who will be the eyes and ears for issues from the areas? Chesman and Sottile will most likely be recipients of issues but we need to know the process of getting these issues to you. TAP will be presenting the issues in its annual report which goes to the NTA and Treasury but who in the operating divisions will receive and what will the business owners be receptive? Also as issues are prioritized and elevated by Joint Committee how are they elevated?

Temple replied that she will be working with the two issue owners in developing a process for formally elevating issues, and she will include Seuntjens as part of the process. There needs to be one systemic method of elevating the issues since some issues may cross over to both W&I and SB/SE. Seuntjens would also like to know how IRS will keep TAP informed of the status of the issues as part of the process. Sottile stated that she as part of Stakeholder, Partnership, Education and Communication (SPEC) was very interested in knowing the grassroots issues that TAP will be elevating, and to find out what the issues are and how TAP defines the issue. Seuntjens added that TAP also needs to know the criteria that W&I and SB/SE are looking for and Temple replied that will be part of the conversation and that the conversation should take place in the next 30 days. Temple said what we can't have happen is to send issue up and then not having someone defined in the organization to address.

**ACTION: Temple will deliver a process and format for elevating issues in 30 days, June 2, 2003.**

Sharon Lassar asked if there was some sort of incentive for program owners to show successes by working with TAP. Lassar asked the question because her issue, Multilingual Initiative, has been redefined. Lassar is perfectly happy working with the program owner, but wanted to be reassured that committee was now working on the issue as IRS intended. Temple asked if Lassar was referring to Multilingual. Lassar replied that this issue crosses all committees since E-filing is also to be redefined. Lassar wants to know that the issue redefinition is okay at Sottile and Chesman's level and is what IRS needs. Sottile replied that she was in constant contact with program owners and chairs, and the whole purpose of the partnership is to be collaborative. Chair should be getting feedback. The purpose is to form an outside partnership. Sottile replied that W&I is formulating this partnership and may have decided the definition needed to be narrowed. Seuntjens interjected that the Joint Committee should



know if there is a redefinition. This information is needed prior to October; TAP will ask program owners to present issues and provide members opportunity to select another issue committee.

**ACTION: W&I and SB/SE need update definition of issues for presentation prior to October 2003.**

Morgan stated, as a student of bureaucracy, what I heard said of how you handle this process of certification of preparers or EITC. Morgan understands what IRS wanted to do by keeping in small circle and, as a citizen panel, we didn't need to know. It would have been better had the IRS brought the issue to the panel in a broader format not revealing the embargoed information. The IRS would not have to place limitations on how the group handled the information and the subject could have been approached with ease. The group could formulate suggestions that could have an affect on the decision. Handelman thought the issue committee is supposed to give feedback to the IRS while the areas go out and get ideas. But now issue committees are doing more of what the area committees are supposed to be doing and this leads to my confusion on what exactly is the role of the issue committee. Sottile restated she was at the meeting not only to share what is being done, but is also interested in feedback on what's working. Kinney stated that each committee's program owner develops the focus of the committee differently. The Payroll committee has a subcommittee that is surveying others because she wants much broader input. The Multilingual Committee is also surveying outside of the committee. Handelman stated it was her belief that issue committees should be using expertise of members and not gather issues from the community and the distinction in the role of the area and issue committees is being blurred. Kinney replied that the difference is the issue committee is focused on one issue. Burgos commented that at orientation, he was humbled by the people around him; he was surrounded by success and knowledge. He would personally take offense to be asked to do a survey when the IRS people are already doing the same thing at the same place. The program owners bring an issue and ask for feedback. The feedback is even better when you are told why it is wanted. Burgos is experienced in working with volunteers and believes it is bad to set up expectations for the volunteers, and to tell them there is a process when there isn't one. So maybe TAP should be suspended until there is a process in place. Seuntjens added that TAP has been here for 7 months and we are still waiting for issue flow clarification and an elevation process and wondered what does success look like? What are the expectations? This morning, we heard from Nina Olson that previously the Citizen Advocacy Panel (CAP) was not successful and we don't want to hear that about our panel. The volunteers need to start hearing that their issues will be recognized. Who is going to hear TAP issues? Chesman stated the word is "impact." Burden Reduction has an evaluation process--is it something the commissioner can do by changing a form, procedure, or policy,? What will be the impact? It was Chesman's belief in taking this job that he would have impact and it was part of his criteria for taking the job. It is hard to get things done in a bureaucracy but you have to keep slugging. Chesman is not suggesting it's working perfectly. We will get the process for TAP and the criteria we use in the Office of Taxpayer Burden Reduction--what will have greatest impact given IRS limited resources and what has a real chance of getting to fruition. Seuntjens added that impact is important, and as volunteers we feel obligated to have impact and feel if we fail, we fail twice--to taxpayers and to our fellow members.

**ACTION: Chesman will provide criteria used in Burden Reduction to TAP.**

**Mid Year Assessment Report on Individual Committees**

Seuntjens stated the objective of the assessment reports is to determine a format sufficient for the Joint Committee to do the annual report.

**Ad Hoc Committee - Chris Lowe**

In October, the Ad Hoc Committee was given the primary responsibility of certification of preparers issue and a few months later, was taken totally by surprise that IRS has already taken a position. The focus of the committee changed and the committee decided to survey the public to find out if this issue is quantifiable. We now had an opportunity to validate Olson's position as laid out in the Report



to Congress. Ad Hoc devised a poll to run in the USA today and the committee has been waiting for an okay from Olson on the survey, which appears we will not be authorized to do so. Next, Ad Hoc developed a survey to email to entire panel. Ad Hoc will synthesize that information and determine if this panel, more importantly a panel with a nation-wide scope, supports the cause of certification of tax preparers. Ad Hoc has had a similar roller coaster ride with the developing a marketing strategy for TAP. Ad Hoc solicited a contractor on a pro bono basis to develop strategy so general public has knowledge of what TAP does. The committee wanted to tie in the marketing with April 15 because of the heightened awareness of taxes. The marketing campaign was to be the apex of the face-to-face meeting in Saint Louis, but we got a message to hold from staff. Committee was told all public relations messages coming out had to be polished and scrubbed and it was job of IRS to do the marketing campaign. And now we hear the subject of financial literacy is really hot. Once bitten, twice shy! Ad Hoc could make a strong case for financial literacy. But, he is nervous about bringing this issue to his committee because at some point it may become a political hot potato and our good work is tossed out again. Lowe stated the frustration expressed is primarily from the chair's point of view. Lowe understand the issues are highly political but is concerned issues are tossed out if they challenge establishment or go in a different direction. One concern is that we report directly to NTA more accurately someone on her staff but our initial charter is to Secretary of Treasury as well as to commissioner and the NTA. Lowe knows the concept of the Ad Hoc committee is very new and concept of using Ad Hoc and Joint Committee is still being worked out but the point is we have had two issues handed to us and then just as soon we get our teeth into it, the issue pulled out. Steinberg suggested that Ad Hoc present this as additional rationale for Nina Olson to support her position. Lowe stated that Ad Hoc, in short order, shifted gears but until the issue is developed they couldn't promise Olson that the information would support her position. Lowe does anticipate that will be true but we can't taint the information.

Seuntjens stated that as far as the marketing strategy he was not informed that it was now "hands off" and that he was the one who passed off the assignment to Ad Hoc. He didn't understand the objection since they were not implementing the plan but merely putting together some thoughts. Seuntjens stated he did not understand why IRS would not want the input. Lowe when you cross the line and start talking about strategizing your approach to the media that's when red flags start going up. But, we were trying to develop or at least brainstorm a strategy for TAP members to do interviews for national press around April 15 activities to let people know TAP exists and wants input. Seuntjens asked if everything was shut down or could you still work on part so we can better market on who we are. Lowe replied that there was some discomfort and Temple can speak to this, when we wanted to go to someone who was willing to do pro bono work. Temple replied that she is still trying to address the issue and putting staff together hasn't allowed her to get to the marketing issue to determine the appropriate level of involvement for TAP to develop a strategic communication strategy both internal and external. Temple will not have spare time until June. My concern is that developing the internal strategy would take focus off issues and not that we didn't want input. But on adding more of a burden and adding more things when we aren't ready to go forward. Seuntjens replied that last October, TAP heard that it could develop their own news releases to make sure the panel is as effective as possible, to gather grassroots perspective and we still need to put together some type of strategy to let people know who we are and try to maximize this panel's efforts. Seuntjens still believes Ad Hoc should address the marketing strategy and not drop. Steinberg also asked if it is a matter of public relations that caused the red flags. Temple replied we are only talking about how to market TAP so people know you're there. Because the issue that Lowe brought up is this in realm of public relations. Seuntjens stated that news releases and other media coverage have been done by individuals and different committees but there is no overall strategy. Temple stated that the strategic plan on appropriate TAP involvement will be worked on in June.

**ACTION: Temple will develop a strategic plan on appropriate TAP involvement for developing marketing strategy and present to Joint Committee in June.**

Burgos pointed out two things to Temple from a volunteer perspective -my volunteers let tell me when I am overtaxing them. As a volunteer, I will let you know when I've had enough and ask you not to



make the decision, and a second point we were told in no uncertain terms last October that we have the freedom to go out to do any type of press release or any other media contact. Burgos believes TAP staff and Temple supports us and we weren't appointed by TAP staff. And, Burgos is really uncomfortable hearing Lowe say his desire to speak to someone was shut down. Temple said we were talking about two different things she is talking about the strategic marketing not individual news releases. A strategic plan to built into the business plan where we define TAP and what it will look like, and no one as far as every day meetings, no one has said people could not go out to media and building relationships within your community. Burgos pointed out that TAP is a national panel and asked if he wanted to go out to a nation-wide media power as a group, could he? Temple replied that they could. Burgos replied that if that was true, he had no issue. Temple pointed out that every business unit has a strategic plan. Burgos replied that TAP is not a strategic business unit of the IRS and that is the value of TAP. As a group, TAP empowers you not the other way. If it is the opposite way and you run us, we are dis-empowered. Woo expressed confusion on why the Ad Hoc committee had to request approval to approach USA Today from the NTA but was told that they could not do because it needed approval. Seuntjens told Lowe to continue to develop the marketing plan on the Ad Hoc agenda while waiting for clarification from Temple. Marketing department said one thing at orientation and Temple's received another message, we need clarification.

**ACTION: Temple will clarify the policy on news release for the Joint Committee by May 20, 2003 conference call.**

Lowe's last question is at what point we received the notification to have mid-year assessment. He was not aware and did not have a written report available. Seuntjens stated it was mentioned during previous conference calls and if was not stressed enough he apologized for that.

#### **W & I Notices - C. Morgan Edwards**

The chair of the notice committee, Phil Bryant, prepared the report and asked Edwards to cover two things; the notices themselves, and what committee has done. The committee has held monthly teleconferences and had one face-to-face in Austin. In addition, two members attended working sessions with IRS staff for the prioritizing of notices to be updated. One question raised is how much committee can participate in this process or whether it's an internal process. There are some concerns about the process for changing a notice or letter. It is like moving an elephant--a major chore. So, the committee is looking at notices that might change within 3 years and is subject to prioritization, which may push it farther down the pipe. The committee looks at the primary notice and attached messages. The committee reviewed the notice on Social Security Number (SSN) matching. One part of the notice covers the SSN not matching the one in the system, and the other a marketing message about when can you expect your refund if you efile. If I receive that message, I could care less about my SSN being wrong. I want to know how quickly I can get my refund. IRS has a whole passel of people to tell you what the notice means; it is notice resolution via telephone or in person. Another concern is some of the people in notice resolution do not have access to information they are responding to, and the computerized system that generates a notice is like a catalog shopping list. Employees plug in paragraphs so and end up with a two or three page notice that confuses the taxpayer. Notices is a complex issue, and the process to make change to the notices is even more complicated. Seuntjens added that the problem is too complex, but the program owner is doing good job of breaking it into friendly bits. After we go through a notice, we make suggested changes we want and the owner receptivity has been very good. Seuntjens believes part of the problem is calling the notices, notices. To him, a notice is more of a legal document or notification, and that IRS should be treating these more as communication documents rather than legal notices.

#### **W & I EITC Committee-Gwen Handelman**

Handelman started by saying everyone now has a pretty good idea of what has been happening in EITC. The reason I wanted to follow notices is that she would like both committees to agree that the EITC committee would continue to work on the rewording of EITC notices. The EITC notices have an exceptionally high no response rate. Because of the high rate it is hard to know the correct number of overclaims because so many are marked as no response to the audit notice. Our committee was asked



to provide comment on forms under revision. Only one of our suggestions was incorporated into the revision but we have hope for the future. Our disappointment is the committee feels there is a lack of direction and communication on what we should be doing. About 25% of persons eligible for the EITC don't file to claim the credit and about same percentage are erroneous claims. The committee requested feedback from practitioners on the content and use of EITC checklist. Preparers complete 23% of the erroneous claims. Preparers complete the Form 8867, which are not submitted with the return but kept incase of preparer audit. Handelman requested comments about content and use of Form 8867 from preparers on panel in writing. Fish joined this committee for one reason - for fraud and the Earned Income Credit. Fish would like to see a stop to a husband and wife both filing head-of-household and claiming the credit. Nothing we have done in this committee is addressing preparer fraud. Handelman is working on that point. Chesman asked a question on Form 941 there is a line for employer to claim credit for advanced EITC. Has your committee addressed that issue? Handelman replied that's in the parking lot and is not a priority issue for our committee. Chesman replied that SB/SE is redesigning the form 941 and I would be interested in feedback on that issue.

**ACTION: Toy will send out email to all members identified as practitioners requesting comments on the content and use of Form 8867, Paid Preparers Earned Income Credit Checklist.**

#### **Area 2 - David Meyer, Deputy Chair, for Mary Balmer**

(David Meyer stopped in to say hello, not aware that Mary Balmer couldn't attend at last moment and graciously presented the Area 2 report.) Area 2 has been doing significant outreach programs-- attending VITA meetings, visiting various institutes, and also doing other outreach activities by email. Mary Balmer promoted a Webinar through her company and received some suggestions. Had our first face-to-face in early March, which in addition to getting to meet each other, and was a valuable meeting. The meeting was well attended. The committee could have done a better job of prioritizing issues; some were too taxpayer specific, and others beyond scope of everyone's knowledge. Area 2 will continue to do outreaches and start prioritizing issues and get better at addressing those with higher priority. We will establish working sub committees on:

- Form 1041, U.S. Income Tax Return for Estates & Trusts, instructions are very difficult to follow.
- EFTPS
- IRS telephone system - improve instructions for phone prompts, inconsistent answers, improve training, long hold times. This has been problem for long time and best we can do is just make this a continuous issue
- Direct debit Installment Agreement - received comment that those using direct debit to pay the installment agreement are not receiving a monthly statement of account and our proposal will be that IRS provide that monthly summary

**ACTION: Toy send format for self-assessment report to Mary Balmer and David Meyer.**

#### **Multilingual Initiative (MLI)-Sharon Lassar**

Lassar said MLI has gone through process of defining their mission and just recently had a face-to-face meeting. Financial literacy is a part of MLI and includes: education about our tax system, information on English as Second Language (ESL), which is free of charge and open to any one, and lessons on how to get a flu shot. Committee found an ESL teacher in St. Louis that would help develop a continuing education program that teaches people to file tax returns. MLI is looking to set up pilot system with someone in St. Louis. If it works, it will be rolled out nation-wide. Another issue involves the executive order for translating vital documents. The discussion on what documents should be translated and what is necessary for legal translation are interesting discussions. Taylor asked if the committee is working with other agencies that have already translated forms, because California has a lot of those agencies. Lassar replied that they are surveying other public agencies for their input. The CAP in Brooklyn had initiated kiosks for multilingual. The kiosks provide basic information on how to



file, where to file, and things of that nature in more than one language. Steinberg replied that the kiosks are still installed.

### **Schedule C Non-filer - Paul Nagel**

Nagel reported that small business filers, self-employed sole proprietors, and non-corporate entities, have different filing requirements than W-2 filers. Filing is required if self-employment income is in excess of \$400; this creates a burden for taxpayers. Non-corporate identities doing service work get Form 1099 Miscellaneous if payment exceeds \$600 a year. Inconsistency with those numbers and to get social security credit for 2003, the minimum is \$890 (this amount is inflation adjusted) is one cause of the non-filing problem. The issue committee is making a recommendation for all three numbers to be the same. The SB/SE Schedule C committee relieves the time commitment problem by holding subcommittee conferences where most of work is already done, and only having full committee conferences to report to the full committee. Another related issue is estimated tax; the rate for self-employment tax, 15.3 %, is higher than the tax bill for most people. And, when the preparer hands them the tax return with the amount owing because no estimated tax is paid, do they file it? The preparer does not know. The payment of the extra tax is burdensome for many people, so is there another way to encourage and educate about estimated tax payments? Another cause of non-filing is that people avoid the Form 1099 by asking for payment of \$599 or asking for a cash payment, so education is another subcommittee. Steinberg added that pointing out advantages of reporting all income is part of education and outreach. Now taxpayers can have their own individual 401k plan to shelter income. Closing the gap in filing requirement and social security might help. TIGTA reported that objections to the recommendation to close the gap between the filing requirement and social security were from the Social Security Administration, not the IRS. It's really an issue of money. Chesman interjected that the IRS supported the recommendation to close the gap in its written response to the Treasury Inspector General for Tax Administration (TIGTA), but the objection to changing the law is from the Social Security Administration. Handelman suggested another carrot-- education on the benefit for low-income earners eligible to claim EITC. Handelman raised the issue if the committee had considered another reason for non-filing--the misclassification of independent contractors vs. employees issue. Nagel replied that the program owner stated that was not the focus of this issue committee. Chesman added that SB/SE and Burden Reduction were the main sponsors of an effort to improve the system for measuring taxpayer burden. The old system is very static and truly does not measure burden. It takes it account number of lines on forms but not how many lines are skipped. The new system is more elastic and a good model. It doesn't focus on number of lines, but different kinds of taxpayers and their burden and what if situations. The IRS accounts for about 80% of the burden on individuals. What this new methodology came out with is that the burden for W-2 individuals remained about the same, but about doubled for self-employed; nothing changed except the measurement. So not only do self-employed have additional burden, this group of taxpayers also have more fraud. Any time we focus on self-employed and reduce burden, IRS reduces tax burden overall.

### **SB/SE E-File Committee - Mario Burgos**

Burgos reported that their issues are more systemic. The largest question is the marketing problem. SBSE constitutes only 7% of eligible taxpayers file electronically. How do we increase this? Burgos questioned whether it was really an issue of marketing since most preparers are aware they can file electronically. The IRS is doing a fantastic job of educating the public. Our first task was to look at the marketing materials and web site. The committee looked at materials and provided some suggestions. They are basically great materials. Another subcommittee, E-file for Dummies, is doing a tremendous job working with the program owner who provided a technical writer to work with this committee. The marketing subcommittee surveyed preparers and the responses were very telling and matched what IRS marketing program already knew. The committee did a good job and reached about 1,000 to 2,000 people in a short amount of time. The committee has discovered reasons why it is not happening and is questioning whether the committee is still necessary. Burgos is eagerly awaiting the results of the conference call and what the direction of the committee will be for the next six months. Chesman stated that in his opinion much of what IRS had done for e-filing is advertising not marketing. It is not creating demand for a product. It's like selling life insurance to the young and healthy. People have reluctance to let IRS have this information electronically, but there is no doubt in





my mind that this can be overcome. Burgos said this leads nicely to our face-to-face in June in Atlanta. Originally, we planned to hold the face-to-face in conjunction with the Tax Forum but changed to June on Kinney's advice. Steinberg raised the issue of the cost of e-filing individual returns and problems encountered using commercial software. Burgos stated that free filing actually has more to do with W&I. From Burgos' survey, he found out that cost was not really an issue to high-end preparers. Steinberg stated another problem with e-filing is not being able to file electronically if you need to do manual overrides using certain software. Kinney stated that IRS provides specifications for tax preparation and transmitting software, but the software companies add their own features. Chesman stated the demand for a change in software has to come from its main customers, the preparers.

### **Self-Assessment Forms**

Seuntjens asked members to complete a separate self-assessment form for each day of the meeting.

### **Approval of April Teleconference Minutes**

Postponed until May 20, 2003 teleconference.

### **Term of TAP Appointments**

Seuntjens proposed changing the term of TAP appointment to start staggered terms so that the entire the membership would not turnover in same year. His proposal: At the end of the second year of this current term, one third of the panel members volunteer to stay on one more year. One half (one-third of the whole panel) of the new members will need to sign up for a three-year term. That way only a third of the membership will turn over every year, so the panel will not lose effectiveness. This makes the transition period much easier and shorter. Steinberg believes the plan is great for TAP, but asked if there was any thought of continuity in the program owners. Sottile and Chesman replied that the intention is to keep personnel as consistent as possible. Handelman inquired about filing vacancies. The reply was that's an ongoing issue and Temple needed to develop a process. As far as filling vacancies, Temple knows there are some alternates that can fill them, but needs to have Treasury make final approval. **Consensus was reached on forwarding the proposal about the one-third turnover and having the system in place by October so the recruitment process can start.**

*May 3, 2003  
Washington, D.C.*

### **Members Present:**

- Mario Burgos, E-filing
- Justin Doucette, Area 6
- C. Morgan Edwards, Notices
- Walter Fish, Area 1
- Robin Gausebeck, Area 4
- Gwen Handelman, Earned Income Tax Credit
- Ed Hanna, Area 3
- Sharon Lassar, Multilingual
- Chris Lowe, Ad Hoc
- Paul Nagel, Schedule C Non-filers
- Tom Seuntjens, TAP Chair
- Leonard Steinberg, Payroll Taxes
- Deryle Temple, Designated Federal Official (DFO)
- Charles Taylor, Area 7
- Lillian Woo, Area 5



**Others in attendance:**

- Martha Curry, Program Analyst
- Patti Robb, Note Taker
- Barbara Toy, Program Analyst
- Sandy McQuin, Program Manager
- Patti Robb, Note Taker

**Members Not in Attendance:**

- Mary Balmer, Area 2

**Transmittal of Documents and Email Communications**

Due to volume of email, TAP staff should be consistent in labeling email as either **ACTION** or **INFO** as appropriate. For Joint Committee, any documents over 12 pages should be posted to TAP Speak and a hard copy mailed out to members. All attachments should be in Word, Excel, or a format compatible to Microsoft Office or Adobe Acrobat.

**ACTION: All TAP members should adopt the use of the "Action" or "Info" labels for their email subject line.**

**ACTION: All Joint Committee documents over 12 pages should be posted to TAP Speak and a hard copy mailed to members. All electronic documents should be compatible with Microsoft Office or Adobe Acrobat.**

**TAPSpeak Discussion**

Joint Committee members discussed TAPSpeak and whether it would complicate matters by adding extra steps and would prefer everything on email. Others felt emails were an intrusion and would prefer checking TAPSpeak. It was agreed that both sides would be helped if a link feature back to the item was added to the email notification so members can easily located the items without looking through all of TAPSpeak. It was agreed to slowly incorporate the use of TAPSpeak by starting with posting the following: agendas, calendars, draft minutes, final minutes, and the monthly summary reports. It was also suggested to add links to forms and publication sites so all information is reachable through one site. The discussion turned to training the remainder of the TAP members in using TAPSpeak. It was agreed that the Area chairs in conjunction with the analyst will bring the training to their area committee members.

**ACTION: Staff will request LMI to add a link feature back to the item on email notifications and to make the calendar available in word format for those members who prefer a printed version.**

**ACTION: Area Chairs in conjunction with the analyst will bring the TAPSpeak training to their area committee members.**

**Mid Year Assessment Report on Individual Committees**

**Area 1-Walter Fish**

Area 1 has 3 subcommittees. One for phase-outs which identified 20 or 30 areas with income phase outs and the only one linked to inflation is the Earned Income Tax Credit (EITC). Another committee is looking at the 9\11 grants--some to individuals are exempt, some not; grants to corporations are taxable. The committee is looking at equity as well as education. Fish requested more IRS support on outreach. Some members are getting a lot of contacts, others not getting enough outreach. Seuntjens said that the Local Taxpayer Advocate (LTA) should have contacted each panel member. Chairs should



check back with their members and if it hasn't happened, contact staff. Temple reminded the panel members that the LTAs were asked to share their outreach plans, but that the program manager for their area is responsible or finding other outreach opportunities. Also, it doesn't mean members need to attend every outreach but just so members are aware of them.

### **SBSE Payroll Tax Committee--Leonard Steinberg**

Margie Kinney is the program owner for this issue committee. Our issue is the confusion caused by different filing requirements that leads to non-filing or errors in filing. The committee is looking at small businesses and self-employed, not payroll services. The subcommittees are: Federal and state combined reporting, and deposits. Deposit subcommittee has two issues, incentives for using e-file and practitioner signatures on returns. The Third subcommittee is surveying business owners and professionals about reporting payroll taxes. On the reporting side, working on linking states that have filing requirements and the federal. Assessment: two of the sub committees are doing outstanding work. The other should improve over the next six months (Fed/State). The issue is much larger than we thought and we have had communication problems. It is a large problem; each state has different reporting systems and it is difficult to synchronize of the individual states. Nagel asked if the committee considered the problem of classification of employees vs. independent contractor. Steinberg replied that committee is addressing only employment taxes. Hanna asked if it was determined how to deal with the privacy issue with the various states. Steinberg stated that privacy issue has not been brought up and he would pass on to committee. Part of the problem with combined reporting is the format; the states and federal government require different information and different formats.

### **Area 3 - Ed Hanna**

All committee members are participating except for some who said issues are too technical. The committee is trying to cut issues into bite-sized items, which help. Area 3 has monthly meetings and subcommittees have more communication in between. To shorten conference calls, we ask the sub-committees to submit information to everyone before the meeting so the issue can be covered in the few minutes allotted.

### **Area 4-Robin Gausebeck**

Gausebeck highlighted a couple of things from the report. One ties into yesterday's discussion, What's on Tap, a monthly column for practitioners' newsletters. The column covers what issues TAP is working on and contact name. Area 4 has an issue to elevate and others under consideration. One is the fact that people over 65 can not use TeleFile because of the difference in the amount of the standard deduction. In addition, and this ties in with Arlene Kay's mention of notices where the Social Security Number (SSN) could be seen; refund check envelopes. The window on the envelope is large enough that you can lift a corner and see the SSN. Area 4 is also looking at improvements to the W4 Form worksheets to help people more accurately determine number of withholding allowances. Sharon Lassar and Justin Doucette stated their committees were working similar withholding issues and Doucette wondered if issue matrix was working as intended.

**ACTION: Areas 3, 4, and 6 should take another look at withholding issue and determine which area should take lead on issue.**

**ACTION: All chairs should recheck issue matrix for accuracy and look again for duplication of issues.**

### **Area 5 - Lillian Woo**

Lillian Woo used the self-assessment format. Area 5's DFO and analyst provide extraordinary support. Area 5 members are able to reach consensus easily and work well together. Area 5 contact with their local taxpayer advocates has been cordial but now we have so many outreach opportunities, we must turn some down. As far as disappointments, we can now remove the number one disappointment, (demand on member's time) since Area 5 decided to address only two issues at a time. For the second disappointment (not having same level of experience and skill in group dynamics and problem



solving), members have rallied and combining skills and experiences now work together. Area 5 has found that building dynamics and problem solving skills has worked best in subcommittees. Steinberg interjected that it appears best practices have evolved in each committee while dealing with some of these difficulties and asked for best practices be put together and disseminated so they could be raised for discussion on other committees. Seuntjens replied that part of value of mid-year assessments is that chairs read, make notes, and try to implement some of these best practices.

**ACTION: Toy will review monthly committee reports and mid-year assessments and consolidate best practices for discussion.**

#### **Area 6 - Justin Doucette**

Area 6 is going along swimmingly with very efficient administrative procedures. Doucette personally liked Area 4's format for the mid-year assessment and suggested the possible inclusion in the annual report of an analysis of cooperation with IRS personnel, not tap staff. This speaks to; are we a joke? And if TAP is not to be taken seriously, maybe TAP should go away. Some IRS contacts personalize problems and become defensive; some contacts automatically say, no, we can't do that, instead of looking for how can they say yes. The TAP staff has done a stellar job of pushing back. When a commitment is made, it should be honored. The Taxpayer Advocate level of commitment is not there at all levels. Staff has been terrific but if you look through minutes and not all commitments are being met. Again I question what we are all doing here.

#### **Area 7-Charles Taylor**

Taylor reported that TAP staff support is tremendous and he commended the analyst, Mary Peterson's, support. Area 7 has 3 subcommittees: Marketing and Outreach, Budget Allocations, and Financial Literacy. The subject of Financial Literacy is topical right now in Orange County and there is Financial Literacy forum planned. Area 7 held a face-to-face meeting in Fresno; the media specialist in our area did a great job of getting us publicity. Area 7 is moving forward and will be more productive by take ideas from this meeting. Nagel noted that every area has a marketing or outreach committee and he wondered if it should be coordinated by Ad Hoc. Seuntjens replies that this is one of our jobs and each area has a different personality so having local marketing plan is good. Seuntjens reminded Taylor to work with Ad Hoc on financial literacy. Burgos volunteered to help out on this issue with Ad Hoc. Steinberg wondered if we have a definition of financial literacy. Deryle Temple stated we would find out. Seuntjens stated the issue is so massive there has to be one. Handelman stated that Treasury is also working a financial literacy aspect and has a program for low-income people to set up bank accounts. The EITC committee is interested in expanding that program to encourage direct deposits and movement away from refund anticipation loans. Edwards stated it would also stop the check-cashing gouge on refund checks. Seuntjens stated that Ad Hoc should pursue financial literacy issue with the National Taxpayer Advocate (NTA) and to keep Burgos and Area 7 involved as well.

**ACTION: Temple will check to see what information the Taxpayer Advocacy Service already has on Financial Literacy and forward the information to Ad Hoc.**

#### **Format of annual report**

Seuntjens stated the point of the chairs presenting the mid-year assessments was to help decide what data should be included in the annual report due in October. The formats should be consistent of each committee, but should be what works best for all chairs. Hanna's narrative is informative. Woo used the self-assessment form. Handelman used a revised version of the original format because the original was more appropriate for an area rather than issue committee. Fish suggested two reports-- one for area and one for issue. Chris Lowe preferred Handelman's format. Steinberg asked whom the report went to besides the NTA. Lowe replied that the charter very clearly states the report goes to NTA, Treasury Secretary, and the IRS Commissioner. Steinberg suggested an outline or preview to grabs their attention. Seuntjens stated Handelman's report is inclusive. Doucette asked if we will be including issues in our annual report? Seuntjens replied yes, a brief synopsis. Doucette liked Handelman's format but not the overall grading. Steinberg asked in area of accomplishments, will they be broken out by area, issue, or put together? Seuntjens replied it was something that needed to be



discussed, not necessary prior to October maybe November. Handelman did not believe ranking needed to be included but it was useful for me to understand how well my committee was proceeding. Seuntjens stated that self-assessments are amazingly honest and therefore good exercise but we don't need to pass on. Doucette wanted to take a step back on grading. My grading would be in levels;

- Committee Overall Grade 7
- Staff Support 10
- IRS Cooperation 2
- Chair 5

The point is overall grade is 6, but results or impact is different if we do grading at different levels. Seuntjens said we don't need grading but we do need to know your challenges and disappointments. Hanna suggests in lieu of numbers for grading, use narrative, it can be bulleted. There was a suggestion to change the disappointments category to "disappointments/challenges." Seuntjens suggested chairs do the grading but not necessarily include it in the report. Steinberg asked if there will be a personal presentation of the report. Lowe and Seuntjens replied that agreed it would be a good idea and will try for presentation. Seuntjens would like to have committees' final drafts for the annual report by the October all-panel member meeting. That gives Seuntjens two months to consolidate the TAP annual report. Seuntjens asked for consensus on using Handelman's format. It will be used for annual report and is due October 15, or by date of October meeting, whichever is earlier. The format doesn't have to be finalized at this meeting but chairs should start thinking about the different formats and what works best. **Consensus not reached on format but agreed to due date.**

**ACTION: Toy will attach Handelman's format excluding information to minutes.**

**ACTION: Starting with attached self-assessment format send suggestions to change format to Seuntjens.**

### **Administrative Issues**

#### **Definitions for TAP Issue Flow and Operating Procedures**

Seuntjens stated issue flow matrix is part of issue flow and should be included in Definitions for TAP Issue Flow. Joint Committee did not take meeting time to discuss document and any questions regarding the document should be addressed to Toy.

**Consensus reached on accepting Definitions for TAP Issue Flow.**

### **Operating Procedures**

Seuntjens asked for comments on operating procedures; there were none. **Consensus reached on accepting operating procedures.**

**ACTION: Chairs should take another look at the revised operating procedures with their respective committees.**

#### **Form 8867, EITC Checklist**

Handelman's committee would like to have comments on the Form 8867, EITC Checklist from practitioner members.

**ACTION: Handelman will forward email requesting comments on the Form 8867 to Toy.**



**ACTION: Toy will email request for comments to all members designated as tax practitioners.**

### **Tax Forums**

Deryle Temple reminded chairs to get names for members to attend the tax forums to the program managers. Due to budgetary constraints that limit travel, two members can attend each forum.

### **Filling Vacancies**

As far as recruitment efforts and filling vacancies, there is already a process in place. Depending on where the vacancy is, TAP may have to recruit. Temple will work with chairs and manager in that area for recruitment and interview process. There are some application packages already on hand and Temple needs to ask Treasury if the existing packages can be used. Steinberg asked with issue committees being geographically dispersed, when someone leaves an issue committee, will the replacement also go into that issue committee? Toy replied that for the one vacancy filled, staff provided the alternate with the issue committee selection package but did let the alternate know where the issue committee vacancy was and strongly suggested the alternate consider choosing that issue committee. Nagel asked if the panel makes the final decision on member selection. Temple replied that Treasury does but we would ask for input from the area chair because the chair can indicate some of the needs to the group. There was discussion if panel members' choice would be equal to IRS' and Edwards stated that the choice is at the discretion of the Secretary of Treasury and not a matter of voting. Steinberg questioned whether the imbalance in members would be corrected. For example, New Jersey has two members and North Carolina has three. The imbalances occurred because of the panel members chosen under the prior Citizen Advocacy design and would be corrected as terms ended or vacancies occurred.

**ACTION: Add note to prior action item: Toy should write proposal about panel member transitional terms and forward to Temple to take to Treasury.**

At this time, Carolyn Lewis who is newly selected DFO for Area 3 stopped in briefly to meet the Area 3 members.

### **Prioritization of Issues**

Seuntjens stated that now we have completed some of the administrative items that were on the agenda, which needed to be done to get the process moving. The previous CAP was organized differently so these processes needed to be set in place. The Joint Committee can now start moving the issues. Panel members, the experienced and non-experienced, the professionals and non-professionals and the diversity of members in the area committees is starting to work well and this takes time. Seuntjens is impressed that the area committees are starting to move issues forward. Second year should be better because we do not have the startup phase. The issue committees are also starting to work better with members and the IRS Program Owners to define the issue so committee can be more productive. Chairs of issue committees need to insure that Program Owners are responsive to their input.

For consensus on each issue we need thumbs up or down or sideways to test for consensus and forward each issue.

### **Preparer Record Keeping TAP 001-03**

Gwen Handelman of Area 3 started with statutory requirement that returns be maintained three years. The original temporary regulations stated the Secretary of Treasury could prescribe alternative means and the preamble allowed for electronic record. Comments on the proposed regulations are due July 24th. The issue was brought to Area 3 and the committee found the Treasury was requesting comments for the regulations. The comments have been written as approved by the Area 3 Committee because Area 3 was unsure of format to use. Seuntjens stated that if Joint Committee



approves, it would be best if the letter comes from whole panel. Handelman replied that is why an introduction was added; it is not normal procedures but it was necessary to explain the role of TAP.

There was discussion about the choice of the original wording would suggest keeping an electronic version of the actual form, or printable version, or just the data and ability to replicate the return. The purposes of commenting on the proposed regulations is that the temporary regulations isn't specific on whether or not you need to keep paper products but does not actually say electronic storage is acceptable even though the preamble says that's the intent. Seuntjens questioned how critical is it if the proposal isn't specific about storage of data or form. Steinberg replied that if the practitioner prepares a significant number of returns, data takes up less storage space. Gausebeck thought the critical part was data storage so preparer has ability to recreate the return as needed and suggested adding a sentence to that effect. Doucette stated the proposal worded as electronic storage would encompass all current formats plus any that may be developed. Doucette was also concerned that the wording did not suggest printable versions or the actual forms, because of the expense of maintaining the software for each of the tax years. **After a long discussion, the wording was perfected and the Joint Committee reached consensus on elevating.**

Seuntjens congratulated Area 3 on first proposal elevated by Joint Committee.

**ACTION: Handelman will make revisions and forward to Toy for final format of Preparer Record Keeping TAP-001-03 and distribution.**

#### **Format and Tracking Proposals**

Lowe suggested numbering each issue raised for tracking purposes i.e. short title no more than 4 or 5 words, then number TAP-001-03 (the 001 being the unique number of the proposal and the 03 for the year). The letter should be transferred to TAP stationery and contain TAP Chair's electronic signature. Copies should be sent to the National Taxpayer Advocate, Deryle Temple, and Michael Chesman. Numbered proposals should also be placed on the website and TAPSpeak. Lowe said the tracking number should also appear in the header of each subsequent page. Seuntjens suggested using pc for personal copy rather than cc.

#### **Limitations on Income Tax Deductions on Capital Losses**

Gausebeck, representing Area 4, recommended withdrawing the issue, Limitations on Income Tax Deductions on Capital Losses, as it is legislative and based on the Counsel opinion. Seuntjens replied that the Joint Committee needs to commend Abraham for all the personal efforts put into preparing this proposal. Gausebeck agreed to act as liaison for the committee in responding to Abraham. Burgos suggested sending the information to Olson per her invitation. There was discussion on whether the Joint Committee should act as a filter for determining if a legislative issue should be sent to Olson or not. It was decided that the invitation was not extend to TAP as a group so the issue will be returned to Area 4. Doucette suggested that the proposal should be numbered, logged in, and given consideration for inclusion in TAP annual report. It was suggested Abraham could bring to congressional representative but only as a private citizen and not as representative of TAP. Hanna reminded that issue was withdrawn so reaching consensus was not in Joint Committee purview.

#### **Social Security Worksheet TAP-002-03**

Gausebeck from Area 4 presented the Social Security Worksheet proposal. The social security worksheet in the instructions is visually confusing with the offset on line 1. While doing research for this proposal, committee member looked at the website version of the worksheet which has a different format and is not visually confusing. Basically, the recommendation is to make their worksheets consistent and use the format on the website. Taylor stated that the issue was not controversial and easy to implement. Seuntjens agreed and thought TAP could make impact with this suggestion but wondered how to address the letter. The letter should also acknowledge Dick Greenberg and Area 4 for the suggestion. **Consensus reached on forwarding 13 thumbs up one sideways.**



**ACTION: Toy will reformat, Social Security Worksheet TAP-002-03 and elevate**

**Alternative Minimum Tax**

Lillian Woo of Area 5 presented this proposal. Handelman stated that this issue was still on the NTA's active proposed legislation list. Woo stated the AMT sub committee is very passionate about this issue and track 28 bills that address AMT. The original purpose was to get AMT back on top priority list. Even though it wasn't dropped the committee will probably write minority report to be submitted to TAP or to NTA not espousing any particular legislation but their interest in the issue. If the issue is forwarded as a subcommittee of TAP, the Joint Committee will be copied.

**Freefile**

The Freefile proposal was submitted by Area 5. Steinberg suggested that there was a lot of cross issues in each of these recommendations and that each should be discussed separately. Woo agreed that the subcommittee has been getting input from other committees and the issues do cross committee lines. Lassar suggested picking one or two for this meeting and than addressing remainder at next Joint Committee meeting. Handelman suggested committee revisit issue in light of input from other committees. Seuntjens suggested sending back to committee. Woo suggested having members of the subcommittee on the Freefile alliance team would give them the opportunity to present their other proposals and this subcommittee will probably become an ongoing subcommittee for this issue. Seuntjens moved to accept and elevate the first proposal. **Consensus reached on elevating the first proposal to include TAP members on the FreeFile process and performance review. With the implementation of this recommendation, the TAP team members would then be able to advocate for the for the other recommendations and improvements.**

**ACTION: Toy will reformat, FreeFile Alliance Team TAP- 003-03 and elevate the proposal to include TAP members in the FreeFile process and performance review.**

**ACTION: All committee members will forward all subsequent issues concerning FreeFile to Area 5.**

**PTIN for Child Care Providers**

Justin Doucette of Area 6 is withdrawing this issue. He personally does not feel it is in a format that is ready for elevation and would like to provide more information before the proposal is presented. Nagel questioned why the number was necessary in the first place and that often the practitioner had to call the child-care provider to get the number. Fish suggested Area 6 consider recommending the requirement be eliminated altogether. Handelman stated that IRS could use the number to cross reference to make sure the income was reported on the Schedule C. Doucette replied that these were good points and that why he is withdrawing the proposal.

**Capital Loss Limit Increase**

Area 6 is withdrawing this issue based on Area 4's withdrawal as a legislative issue.

**Tax Tips on Hold**

Area 6 is withdrawing tax tips on hold to provide additional information.

Seuntjens asked Doucette how long it would take for Area 6 to prepare the issues and added that he only asked to start a competition between areas and keep the issues moving. Doucette stated it would not be before their face to face at end of month so probably June.

**Miscellaneous**

Temple reminded committee members that when taxpayers bring their personal issues to TAP, forward the issues to the TAP staff. The staff will complete the Form 911 requesting TAS intervention. We want to make sure they get the individual assistance they need and not fall through the cracks.





Don't give the issue to the local taxpayer advocate that is acting as the DFO but to the program manager

**ACTION: Temple will provide directions for dealing with Taxpayer's personal tax problems in writing.**

Seuntjens stated that he has been trying to keep up with what is going on in the committees by reviewing minutes and analyst will no longer have to forward when they are on TAPSpeak. Seuntjens will start listening in to other conference because it is important for him to know what is going on. He won't participate but just listen. Please make sure the call in number is on agenda. Seuntjens will and anyone listening in to conference calls should identify themselves so the chair knows you're there.

The Joint Committee will still have the May 20, 2003 conference call.

**Future Meetings**

Seuntjens recommended setting tentative dates for October all panel meeting. He is looking at October 2 - 4 or would mid-October be better. He also suggested later in the week, Thursday, Friday, and Saturday. Seuntjens would also like to set date for a Joint Committee face-to-face meeting in September to put closure to more issues and start finalizing for annual report. If we cannot meet in September, would like to add one day to the October meeting. The suggested meeting time for the September meeting is a day and a half.

Handelman the meeting in October should have a voluntary tax law and IRS orientation. Burgos would like the date set by June 1 so TAP members can arrange their calendars. The question was raised whether time should be set aside or extra time added for new members that did not have orientation. Seuntjens stated the members who could not attend orientation did have a telephone orientation that worked well and he doesn't believe it is necessary to spend the time.

The orientation last October was set to coincide with the IRS Annual Business meeting so the executives would be available for the TAP Orientation. When is that scheduled? Temple replied that the meeting may not be held and the decision depends on the new Commissioner's input. Seuntjens would like the commissioner, the NTA, and the Program Owners to attend the meeting and Gausebeck suggested having them attend working sessions instead of them just addressing us. Burgos suggested making sure the agenda includes working sessions and those program owners who can make a decision, actually say yea or nay. If we get to have an annual meeting this year, need buy-in by Commissioner, NTA, and executives.

Doucette suggested piggybacking at the tax forum in Las Vegas in September. The NTA will be there already. Temple stated that first she needed to check the budget to make sure the Joint Committee could have another meeting. Temple was also unsure that TAP could have an all panel meeting in October and given the way the budget works it may be best for the all member meeting to be held in September in conjunction with the Tax Forum in Las Vegas because all the executives would be attending the Tax Forum. Seuntjens stated his preference would be to forgo the second Joint Committee meeting if it meant we could have the annual all member meeting. Temple also stated there were other tax forums in August and maybe the annual meeting could be tied to the forum in St. Louis or Atlantic City.

Burgos restated that it was important to have working sessions and to have the actual program owner, not the person was tasked, but the actual owner. It is amazing how much can be done if the person does not need to go back but can do what ever needs to be done. Seuntjens stated if we can not have a face-to-face in September, we could substitute a regular conference call.



### **Logging Elevated Issues**

Doucette asked if the Joint Committee was going to log all the issues raised. Seuntjens replied that all issues should be logged on to a database and the numbering system should start immediately. The numbering system should start in the area where the issue arises and if an issues spins off from one area to another it should have new number. Issues approved by the Joint Committee will be retagged with the approved numbering system. Doucette assumed all areas were numbering the issues in the same manner as Anne Gruber does for Area 6 and proposed just adding the Area identification to that number. Not all areas are numbering their proposals so Burgos suggested staff generate the numbers. The numbers should identify the Area or Issue committee that generated the issue. Toy stated the numbering system would be easy since each Area is already numbered and for our database purposes each issue committee is assigned a letter of the alphabet. Contacts are currently number sequentially and the only problem could be that we will not be able to bring our current numbering system into the SAMS database when we switch to using that system. The number itself will have a history of the issue. Temple stated she thought the numbering system was to be used only to track the elevated issues and she needed to consult with the program managers to devise a numbering system that all the staff would be using.

### **ACTION: Staff will develop uniform numbering system for proposals.**

Seuntjens reminded committee members to complete and give the satisfaction surveys to Toy before they left and meeting was adjourned.

### **Assignments:**

#### **All Joint Committee Members**

- Send comments and inputs about legislative issues directly to Olson but do not limit to subjects she is scheduled to testify before Congress
- Check issue matrix for accuracy and look again for duplication of issues
- Starting with attached self-assessment format send suggestions to change format to Seuntjens
- Take another look at the revised operating procedures with their respective committees
- Forward all subsequent issues concerning FreeFile to Area 5

#### **Area Chairs:**

- All TAP members should adopt the use of the "Action" or "Info" labels for their email subject line
- In conjunction with the analyst will bring the TAPSpeak training to their area committee members

#### **Areas 3, 4, and 6**

- Take another look at withholding issue and determine which area should take lead on issue

#### **Handelman**

- Make revisions and forward to Toy for final format of Preparer Record Keeping TAP-001-03 and distribution



### **Kinney**

- Provide criteria used in Burden Reduction to TAP for Criteria Proposed for TAP Recommendations
- W&I and SB/SE need update definition of issues for presentation prior to October 2003.

### **Sottile**

- W&I and SB/SE need update definition of issues for presentation prior to October 2003

### **Staff**

- Provide a National Office directory to the Joint Committee by way of email
- Staff will request LMI to add a link feature back to the item on email notifications and to make the calendar available in word format for those members who prefer a printed version
- Staff will develop uniform numbering system for proposals

### **Temple**

- Deliver a process and format for elevating issues in 30 days, June 2, 2003
- Develop a strategic plan on appropriate TAP involvement for developing marketing strategy and present to Joint Committee in June
- Clarify the policy on news release for the Joint Committee by May 20, 2003 conference call
- Check to see what information the Taxpayer Advocacy Service already has on Financial Literacy and forward the information to Ad Hoc
- Provide directions for dealing with Taxpayer's personal tax problems in writing

### **Toy**

- Send full roster of panel members to all chairs.
- Get breakdown of top 50 issues on SAMS that are not assigned as a project to TAS employees
- Send out email to all members identified as practitioners and Content and use of Form 8867, Paid Preparers Earned Income Credit Checklist
- Send format for self-assessment report to Mary Balmer and David Meyer
- All Joint Committee documents over 12 pages should be posted to TAP Speak and a hard copy mailed to members. All electronic documents should be compatible with Microsoft Office or Adobe Acrobat
- Review monthly committee reports and mid-year assessments and consolidate best practices for discussion
- Attach Handelman's format excluding information to minutes
- Add note to prior action item: Toy should write proposal about panel member transitional terms and forward to Temple to take to Treasury
- Reformat Social Security Worksheet TAP-002-03 and elevate
- Reformat FreeFile Alliance Team TAP- 003-03 and elevate



## Joint Committee Teleconference Minutes

April 22, 2003

### Members Present:

- Mary Balmer, Area 2
- Phil Bryant, Notices
- Mario Burgos, E-filing
- Justin Doucette, Area 6
- Walter Fish, Area 1
- Gwen Handelman, Earned Income Tax Credit
- Ed Hanna, Area 3
- Sharon Lassar, Multilingual
- Chris Lowe, Ad Hoc
- Robert Meldman, Area 4
- Paul Nagel, Schedule C Non-filers
- Tom Seuntjens, TAP Chair
- Leonard Steinberg, Payroll Taxes
- Barbara Toy, Acting Designated Federal Official
- Lillian Woo, Area 5

### Others in attendance:

- Jim Abraham, Area 4 Member
- Tersheia Carter, National Office Program Analyst
- Martha Curry, National Office Program Analyst
- Patti Robb, Note Taker

### Members Not in attendance:

- Charles Taylor, Area 7
- Deryle Temple, Designated Federal Official

**Quorum:** 15 members present, quorum of 9 met

### Welcome/Announcements/Review Agenda

Thanks for joining. Face to face does accommodate communications. Issues starting to come to Joint Committee and will be addressed at face to face.

### Review/Approve Minutes

Minor modifications suggested. Accepted as modified. Do not need to send out again.

**ACTION: Toy will make modifications as stated and finalize minutes.**

### Agenda Items:

#### Issue Matrix

Barbara Toy indicated the Active Issues and Subcommittees were taken directly from the Monthly Committee Reports. The primary reason for the matrix is to find duplication. (Note from Toy: I tried to indicate duplication of issues by shading the box with the X for the committee taking the lead on the



issue. If there is more than one box shaded, its because it was not made clear who had lead.) Balmer questioned if the report out of systemic advocacy would replace this matrix. Tom Seuntjens' concern is the report would be lengthy and not reflective of the issues the committees were working. The problem is that the Systemic Advocacy system is set to record all issues not necessarily active issues or subcommittees. Abraham believes the matrix is beneficial for knowing if other regions support the idea, what level of priority, and how many other areas interested in same issue. Gwen Handelman was under the impression the primary purpose was to note duplication. As a tool, I don't think it is really doing it because of the free filing. Handelman also suggested separating subcommittees and issues because the name of the subcommittee doesn't always indicate its purpose. Seuntjens stated the intent is to look for duplication. This will have to be updated and streamlined as we go along. The purpose in reading the Monthly Committee Report (MCR) is; 1) it's a place to look for duplication, however if it's not titled correctly, we will not pick up, and 2) some duplication is okay, but chairs need to communicate.

**ACTION: Chairs should ensure all issues are listed and send corrections and comments to Toy. Toy will modify matrix to make name of subcommittees more descriptive.**

**Issue Flow document on hold until the May meeting.**

#### **Discuss/Approve Replies to Areas**

**Check Box.** Preliminary research indicates the Check Box Third Party Authorization was not perceived as a power of attorney but pertained to information on a return the third party had knowledge of and/or prepared. Toy is trying to locate the report of the Third Party Authorization Study to get clear picture of rationale behind the initiative. Hope to get the report so the issue can be finalized at the May meeting.

**Limitations on Income Tax Deductions on Capital Losses.** As Handelman stated, the memo is phrased not for reasons to reject but to request a discussion of issues not considered in the original document. Meldman started a discussion on whether the Joint Committee should be evaluating the issue on whether it is equitable or not equitable and/or if other issues should be raised. Handelman stated if we evaluate on equity, we should also consider the potential for manipulation so people pay the appropriate tax rate. She added that it seems we shouldn't make recommendations without considering why the provisions were originally put in place and respond as to why we're not considering that reason. Meldman wondered if research should be done to determine the original intent and Handelman responded that TAP was meant to be panel of citizens who should not be expected to behave as tax scholars but there are common sense concerns we should raise. Seuntjens stated that the Joint Committee was not in a position to discuss this issue now and it would be discussed at the May meeting to determine if it goes forward. He added that when the issue goes forward it should be understood and accepted as complete. Is it complete enough for us to make decision? Now, the decision is, is this response ready to be sent to Area 4? At this time, Ed Hanna mentioned that a new recommendation on this issue was raised by Area 6. Doucette stated Area 6 adopted because we thought Area 4 was not working. Doucette will ask Abraham and Jim Banks (Area 6) to consolidate this into one issue and work together to bring it to the May meeting. Balmer stated that this issue should have been placed on hold since it is legislative. Seuntjens replied that this was true and TAP should not research this extensively until we get Nina Olson's recommendations on legislative issues.

**ACTION: Toy will send response to Area 4 with copies to Area 6.**

#### **Review May meeting agenda**

Last meeting, there were comments about the number of speakers on Friday. These are not just persons speaking at you; there will be some interaction. As suggested, administrative topics were grouped together. On Day 2, we will also talk about midyear assessment report and create a format for all committees to use for the final report. Most of Day 2 will be presenting the issues, prioritizing, and finding a home for the issues. Seuntjens reminded chairs to bring their issues to the May meeting.



Leonard Steinberg asked when the agenda would be final. Seuntjens replied that he was only referring to the agenda format and that far as materials on issues and mid year report that could be finalized next week. Hanna suggested streamlining the meeting by having sign up sheet rather than roll call. But, it was decided that the introduction was important so members could get to know each other.

### **Monthly Committee Reports Action Items**

**Copies of Committee work product to NTA & TAP Director.** Handelman reported that a low-income taxpayer advocate got a copy of their report to the program owner-it is not sure if it was from a member of the EITC committee or not. Officially, the memo was sent to program owners not to the National Taxpayer Advocate (NTA) or TAP Director. Subsequently, NTA indicated that she would like copies of reports sent to the program owners. This raised two issues: 1) this is the first time we had any idea that our work product was to go to anyone other than program owners, and 2) if that is to be the routine, it should be indicated on the flow chart. Seuntjens stated that it should be staff responsibility to get this done. This will be reflected on flowchart.

**ACTION: Toy add step to Issue Committee flowchart to indicate work papers are to be forwarded to Director and NTA.**

**Confidentiality issues raised.** Handelman explained the second issue that arose from this incident. None of our work product is or should be confidential because meetings are open to the public. The public wouldn't necessarily be provided a hard copy of the memo or report, but the substance of it would be available to the public. If we are to keep information confidential, Handelman needs to know because members are asking to make work products available to media. Mario Burgos reminded committee that at Orientation, we were told we could go ahead and issue any sort of press release at any time. Robert Meldman said any committee information made public has to be the view of the committee, not the individual's own perspective. Woo stated that area 5 had instances where visitors requested copies of all work products before conference calls or meetings. Area 5's interpretation of FACA is that unless our committee has voted on it, we do not need to send the papers. After a decision has been made, the papers must be made public. Handelman stated the confidentiality issue is touchier for issue committees because area committees are more open and responsive to public. Issue committees get information from and provide feedback to program owners, and there are more concerns about sharing information when anything that goes to the committee has to be made public. Seuntjens stated Issue committees need guidance on IRS parameters for sharing information. Confidentiality issues should be identified and discussed with the program owner within the committee because it varies for each committee. Steinberg stated his committee has not put out any documentation; feedback is oral and the guidelines given to us at orientation is to come out with a periodic press release, letting public know what we are working on. Handelman added that the Earned Income Tax Credit (EITC) might be the only Issue Committee with confidentiality issues. The pre-certification initiative for EITC claimants is reasonably controversial and is in the development stage. However, the issue may arise in other committees--at some point, Ad Hoc may be preparing report on sensitive information concerning licensing of practitioners. Steinberg suggested that we add this topic to the program owner discussion at the face-to-face meeting.

A discussion about adding issue committee work products to the to the monthly committee reports followed and it was decided that it would be valuable

**ACTION: Chairs should add work products to Monthly Committee Report and Toy will add note to attach monthly work.**

**Consideration of the Meeting Satisfaction Survey.** Burgos attached a copy of the Satisfaction Survey the Efilng Issue Committee is using. The committee asked Burgos to share with Joint Committee so all chairs could consider using the survey form. The Efile committee strongly suggests others adapt it. Hanna thought it a good idea but Handelman stated she had sent her committee a



form earlier and although it wasn't quite as elegant, they were not receptive. The use of the form for all committees will be optional and the Joint Committee would like to thank efile for their good work.

**ACTION: Toy will send out form as separate document to all chairs.**

**Recommendation for inclusion of committee members if issue committees are to be reframed.** Burgos recommends at least the chairs of issue committees be included in the discussion of and decision on forming new issue committees. Seuntjens would like feedback from the other chairs on this recommendation. TAP must understand the issue committees and what they are about before the October meeting so members can choose an issue that is better suited to them. They should also have an opportunity to comment on the choices before they are finalized.

**ACTION: Toy will initiate email discussion of including TAP representation In Issue Committee Decision**

**Request that Joint Committee recommend to TA that all forms are e-enabled to comply with the mandate from Congress.** Burgos feels with Efiling it is obvious that IRS has the feedback that taxpayers and practitioners would use efile more if more forms were available. But, even if IRS knows they need to make all forms available to reach their goal of 80%, IRS seems comfortable with the number of forms offered. Seuntjens requested Burgos submit a formal write up for consideration in May. Handelman suggested area 5 work with e-filing so both W & I and SBSE were represented. Walter Fish added that any time explanatory documents such as describing stock split options are required to be attached, you couldn't e-file the return. Seuntjens suggested all non-standard forms be attached to signature form. Sharon Lassar added that with the use of the Personal Identification Number (PIN), the signature form is no longer required and added that congress' goal of 80% e filed is unrealistic, and who should be the ones to tell Congress it is no longer practicable.

**ACTION: Burgos working with Woo should submit a formal write up for consideration of Efiling Recommendations in May.**

**Investigate whether it is too much of a burden for panel members to serve on both an Area and Issue Committee.** Mary Balmer asked if a TAP member finds it is too burdensome, could they ask to be relieved of those responsibilities? Balmer added that she understood we could not relieve them of the area responsibility, because we need representation but maybe issue committee responsibility. Seuntjens replied that if individual is exceeding the agreed amount of volunteer hours and it will not put too much burden on the remainder of the members on the committee, the chair could consider it. The chair needs to manage the committee. Fish added that with he put in 250 hours in the Area and Joint Committee alone, and could not be active in the Issue subcommittee. Chairs of the individual committees should manage this within the committee but if there is a considerable amount of this happening, we will need to address as the Joint Committee. Handelman stated she would still like the Joint Committee, at some point, to address whether each person should have a dual assignment because we have already had some persons resign because topics discussed in the Area committee were too technical. Seuntjens agreed that there wasn't always a good match with experiences on issue committees. Phil Bryant also added that being chair is also overwhelming--in long run we are going to burn everyone out. This subject is part of the discussion on Saturday morning. Meldman would also like to add a discussion on what unexcused absence means to the discussion.

**Suggestions for streamlining record keeping.** Hanna stated this issue was ready for consideration next week and added that the IRS telephone problem is pervasive and not just on the 1040 number. Their committee is visiting the Atlanta telephone center in May and we will provide a very thorough report on telephone service after that point.



**ACTION: Toy will bring hard copies of action items on Monthly Committee Reports to May meeting.**

**Alternative Minimum Tax (AMT).** Lillian Woo stated Area 5 noticed NTA did not include in last annual report to congress. The Area 5 subcommittee is tracking bills concerning AMT in congress and will not take a position on specific bills but track them and make recommendations for next annual report.

**Suggestions for improving e filing.** This issue will be discussed at May meeting.

**Capital Gain Loss Carryover.** Doucette addressed earlier and issue will refine for May.

**Identification Number for Child Care Providers.** Area 6's concerns are privacy and identify theft.

**Hold Music.** A taxpayer suggestion is what Area 6 is asking committee to consider next week. Steinberg suggested IRS provide a list of other toll free numbers and their purpose during the hold times so if they had the wrong number they could call the correct one. Doucette asked if this type of brainstorming is more appropriate at Joint Committee or Area level. Seuntjens replied that it should usually be at area level or left to IRS.

**ACTION: Toy will contact Deryle Temple about action items from March Minutes.**

Although chairs are preparing mid-year assessments, monthly committee reports are still due May 8.

## Assignments

### All

- Ensure all your issues are listed in Issue Matrix and send corrections and comments to Toy

### Issue Committee Chairs

- Add work products to Monthly Committee Report and Toy will add note to attach monthly work

### Burgos and Woo

- Burgos working with Woo should submit a formal write up for consideration of Efiling Recommendations in May.

### Toy

- Make modifications as stated and finalize 03/18/2003 minutes
- Send response on Capital Loss Deduction Limitations to Area 4 with copies to Area 6
- Modify matrix to make name of subcommittees more descriptive.
- Add step to Issue Committee flowchart to indicate work papers are to be forwarded to Director and NTA
- Add note to attach monthly work products to Monthly Committee Reports
- Send out meeting satisfaction form as separate document to all chairs.
- Initiate email discussion of including TAP representation In Issue Committee Decision
- Bring hard copies of action items on Monthly Committee Reports to May meeting.
- Contact Deryle Temple about action items from March Minutes





## Joint Committee Teleconference Minutes

March 18, 2003

### Members Present:

- Mary Balmer, Area 2
- Phil Bryant, Notices
- Mario Burgos, E-filing
- Justin Doucette, Area 6
- Walter Fish, Area 1
- Gwen Handelman, Earned Income Tax Credit
- Ed Hanna, Area 3
- Sharon Lassar, Multilingual
- Chris Lowe, Ad Hoc
- Robert Meldman, Area 4
- Paul Nagel, Schedule C Non-filers
- Tom Seuntjens, TAP Chair
- Leonard Steinberg, Payroll Taxes
- Deryle Temple, Designated Federal Official (DFO)
- Charles Taylor, Area 7
- Lillian Woo, Area 5

### Others in attendance:

- Jim Grimaldi, Area 1, Vice Chair
- Barbara Toy, Program Analyst
- Sandy McQuin, Program Manager
- Patti Robb, Note Taker

**Quorum: 16 members present, quorum of 9 met**

### Welcome/Announcements/Review Agenda

Tom Seuntjens met with Deryle Temple a few weeks ago to discuss items to be worked:

- Role of Local Taxpayer Advocate is to educate, to facilitate grassroots avenues, and to inform panel members
- Legislative issues - if/how to address
- Flow of issues/duplication of issues
- Time restraints
- Role of chair and vice chair based on our charter as stated in the TAP Guidance document--we should have more interface interactions with the IRS and Treasury because it is important that the TAP panel get the appropriate visibility so the IRS Operating Divisions will be receptive to our recommendations.
- Annual report to Treasury and National Taxpayer Advocate (NTA) office -What ever that date is, the chairs of each committee should report to the joint committee 30 days earlier to give time to prepare a report from the total panel.
- Operating procedures and guidance. These are being updated and will be discussed at the May meeting.

**ACTION: Toy will update operating procedures and guidance before the May meeting.**



- Communication/marketing strategy for TAP. Seuntjens asked Chris Lowe to have the AD Hoc committee work on this issue.

**ACTION: Lowe will address communication/marketing strategy with Ad Hoc committee and report back to the Joint Committee as soon as possible but no later than the May meeting.**

- Budget
- May Agenda

### **Review/Approve Minutes**

Gwen Handelman wondered if all the attribution of comments were correct. She did not recall some of the comments coming from some of the people named. Meetings are not taped. Barbara Toy keys the discussions as they happen. If comments are attributed to the wrong person, please let Toy know. Handelman's main concern is she thought some of the comments attributed to panel member, David Meyer, might have actually come from TAP staff. It was agreed that it is important to distinguish between what is said by members and what staff says. Please report any discrepancies in the minutes to Toy.

Approved February 18, 2003 minutes by consensus.

### **Agenda Items:**

#### ***Chairs provide update on their committee, their focus, and feedback on support provided***

*Mary Balmer* said Area 2 is working on interesting issues, but many are legislative. (Temple interjected that she has met with Treasury and Nina Olson, NTA and discussed how to proceed with legislative issues. They should all be put on hold until the decision document comes from the NTA. The document should be completed and shared with Seuntjens within two weeks.) The majority of issues Area 2 is working revolve around the IRS telephone system and the Taxpayer Assistance Centers. Area 2 subcommittees will work with Area 3 subcommittees on several of the issues either with a cross-area subcommittees or splitting the issue. Another area of focus is EFTPS (Electronic Federal Tax Payment System) which is not user friendly. We also have an issue on electronic tax payments which may be related to the e-file committee so we will check with that committee for duplication. Another issue came into the group about direct debit installment agreements. Apparently with regular installment agreements, you get monthly statements from the IRS showing the balance on your account but if you choose a direct debit installment arrangement, you do not receive periodic statements. Area 2 is very busy right now and has a lot of work we can dig into. The big question is how to handle the duplication of efforts. The area committee is looking for direction from the Joint Committee.

*Phil Bryant* is concerned about time commitments. He gets emails from all over the nation and would like area emails or email for his committee only. It was decided to identify the subject of each mail in the first line of the email so members quickly know if it can be set aside or needs attention.

**ACTION: Identify subject of email in the first line of the message.**

*Mario Burgos* expressed disappointment in the change in the structure of the support staff. I have expressed this to Seuntjens and have heard from some of my fellow committee members with regard to the changes in DFO. I understand from a management standpoint, that it will be an improvement in the process, but from a volunteer standpoint, the fact that we are already at a disadvantage operating via conference calls and not having an opportunity to gel with a face-to-face meeting and it puts us at a disadvantage having a committee structure change. Even if it is a minor tweak. On another point-- the effectiveness of our committee, our program owner has been less than responsive and wasn't on the last conference call. This will hamper our committee in the long term. It makes us question whether the issue we are spending our time on is in fact the right issue when the program owner



doesn't feel it's necessary to show up for a meeting or even let anybody know that they are not going to be on the call. I've also left a message for the program owner and sent emails on different topics but have not received a response. Seuntjens agreed a committee couldn't be effective if the owner doesn't respond or work the issues with the committee appropriately. Seuntjens also mentioned that the current issue committees could be changed in October. If the owners don't feel that there is a need to continue an issue committee, a new one might be developed. This is something we need to discuss in May. Burgos questioned whether waiting a full year is wise. Seuntjens asked Burgos to put his concerns in an email to Temple or myself. We want the committees to add value and maybe we shouldn't wait until October.

*Justin Doucette* reported that Area 6 dropped off the organizational side several months ago and hit the ground running. We are tackling issues relatively efficiently. Generally, our issues are related to communication in one form or another. Whether it is getting information from the IRS or the IRS misinforming taxpayers. Initially, we tend to get brush off type answers from the IRS such as no, we can't do this or that is not possible, it's not our policy. Judi Nicholas, Program Manager, is working with the committee to improve the process. Area 6 has identified issues with offer-in-compromise. We have a face-to-face meeting scheduled for May in Seattle and one in connection with the Tax Forum in Las Vegas. Ed Hanna wondered why Las Vegas when TAP was told it was not an appropriate place to have meetings. Temple replied this policy was miscommunicated. This is an internal policy for the IRS because as a public organization we are accountable for spending taxpayers' money. But as far as the panel is concerned, you represent all taxpayers in all 50 states, so you should be going where you need to go to get feedback. Not Hawaii or Alaska, we need to have some limits.

*Walter Fish* from Area 1 reported that they are moving along slowly. Our outreach is not going along as I expected but we have an unusually large number of practitioners on our committee. We have a very serious issue having to do with 9/11. Grants were made to business in the 9/11 areas and they are taxable. When the issue was brought to the committee, we were turned off because it is legislative. But I think if we are to represent our area, we need to at least communicate the information our taxpayers bring us to the right people. James Grimaldi has been working with the 9/11 grants and was initially told that since the issue is legislative in nature, the committee really shouldn't spend time on it. However, wherever I go, and whenever I tell people what my duties are in TAP, invariably in New York City, the grants come up. It's not only the legislative side; there is confusion from taxpayers and even practitioners on what they should be doing. Are the grants definitely taxable? What should they be doing if they get a grant on December 31? Seuntjens suggested the area analyst research this subject and if you decide to proceed, bring it back to Joint Committee but also consider what other grass roots issues need to be worked.

*Handelman* is looking forward to new support structure because of staff shortage. Perhaps the reason we are feeling that the time commitment is overwhelming is because of the staff allocation. We've got three subcommittees: Marketing and Outreach, Education, Publications, and Forms, and Over-claims analysis (looking at ways to reduce over-claims; two thirds of which are being prepared by paid preparers). The over-claims subcommittee is in the process of drafting a memo to Chris Lowe to explain our interest in the regulation of preparers and problems we see in that area. One of our tasks was to give feedback to the EITC task force that the IRS had set up. For months, we asked about this task force so we could provide feedback. Finally, at our last teleconference we were able to get the program manager of the implementation task force to speak to us. At that time, he requested we provide feedback on forms the task force drafted as part of a pre-certification program where EITC claimants would provide documentation in advance of claiming or simultaneously with their return. He wanted the feedback on the alternative documentation by mid March and the rest of our response by the end of April. After having waited for months and months to hear what they were all about, the committee was given a very short time frame for response. But, the committee members did draft a response providing great feedback and have feedback and a draft report on the rest of the issues he raised. One of our objections to the forms, was they required birth certificates and marriage certificates from people who were not the parents of the child. One member researched how hard it would be to get birth or marriage certificates when you are not one of the parties involved and found



out it was more burdensome than we thought. Many of our members are feeling overburdened because they are preparers or involved in volunteer tax preparation. We've had a hard time getting EITC statistics. Our committee is also very interested in e-filing.

*Hanna* is looking forward to working with Balmer on the issues they are working on right now. Area 3 will soon have two issues to move up to Joint Committee. One involved with record keeping and reducing paper burden is not requiring Schedule L balance sheet if assets are under 250,000. Most practitioners prefer to still have the schedule to provide a history. Would like to see a change in Schedule K1 for S-Corporations so they provide the same basis information for stock and for loans as provided with Schedule K-1s for partnerships. Another issue is inquiries on amount of estimated taxes paid. Preparers (particularly for elderly people) would like to streamline the process of inquiring about estimated tax payments so the preparers can get that information.

*Sharon Lassar* reported that the Multilingual Committee has three subcommittees. Their overall concern is that the program owner too broadly defined the issue. Research and information is not being offered. The program owner shares if the committee specifically asks but doesn't give information freely. The committee is not sure what they should be requesting and believes the program owner should have provided more background information. Seuntjens requested Lassar state the problem in an email so Temple and Seuntjens could bring it to the attention of the program owner.

**ACTION: Lassar to email Temple and Seuntjens regarding the Multilingual committee's interaction with the program owner**

*Lowe* reported that the Ad Hoc committee is continuing to work with NTA office to solicit feedback for the licensing of tax practitioners and working with USA today to have survey questions put on their poll guide. The first face-to-face will be in St. Louis on June 6-7, 2003. A subcommittee is looking at making recommendations to make TAP more visible, marketing TAP. We've had a very positive experience with the staff. The committee will forward what they have done and future initiatives to the Joint Committee.

*Bob Meldman* reported that Nina Olson was in Milwaukee on March 12, 2003. About 50 people attended a luncheon with her--tax practitioners, accounting executives and enrolled agents. There was nice press coverage of the outreach activity. From an Area 4 standpoint, we don't want any changes in staff or DFO; they have been very supportive and involved. Area 4 has worked with Area 5 committee to resolve some duplication of issues. Program owners have been responsive to our requests for information. Meldman has information to share with the EITC committee; the Low Income Tax Clinic in Milwaukee has been offered a grant from the Potawatomi Indians to fund a study on pre-certification.

**ACTION: Share pre-certification information with Handelman.**

*Paul Nagel* reported that the last meeting for Schedule C, Non-filer's was March 11, 2003. The DFO and the program owner, Margie McKinney, have attended our three subcommittee conference calls. One issue the committee is working on is consistent filing requirements for the Form 1099-Miscellaneous. Nagel believes TAP should have a statutory/legislative committee or some committee to deal with the legislative issues.

*Leonard Steinberg* would like a better understanding of how Systemic Advocacy relates to TAP and if related, TAP should be made aware of the relationship. Presently, the payroll committee has three subcommittees. One is putting together a survey regarding compliance for payment of quarterly payroll taxes. Program owner has been great to work with and very involved. Due to time commitments, our issue committee holds an all committee conference call every other month; the subcommittees meet more often and report to the chair on a monthly basis. This change to bimonthly meetings helps ease the time commitment problem. Resources are not as we'd like--meeting by teleconference is difficult, adding additional staff for support is helpful. All 102 panel members are



needed to give their time, effort, and expertise to complete TAP's agenda and mission. Steinberg shares Mario's consternation about the change in DFOs. This reflects a change in process and he feels the issue committees should have been asked for their input. While he understands personnel decisions are internal to the IRS, his objection is that the change should have been shared with the panel; not doing so was disrespectful to panel members.

*Charles Taylor* reported Area 7 had their first substantive face-to-face meeting in Fresno. The AMT (Alternative Minimum Tax) issue was brought up. Area 7 would like to do something to support the NTA Report to Congress with regards to her recommendation on AMT, Offers In Compromise, and changes to the Website and income limits. About 20 people attended their public forum. Although they would have liked better attendance; the meeting had nice press coverage.

*Lillian Woo* reported that Area 5 had their first face-to-face in Kansas City in February. Two speakers briefed the committee on innocent/injured spouse; and AMT. The committee decided to zero in on e-file and AMT. The subcommittees are in the process of doing research and will have a report for the whole panel. The AMT subcommittee is checking with their legislators on the fiscal notes. Staff support and the DFO for Area 5 is excellent. Outreach activities are phenomenal and include visits to congressional offices and VITA (Volunteer Income Tax Assistance) sites. The staff analyst is right on top of everything.

#### **Discussion regarding Flow of Issues**

Discussion postponed until next meeting. Final approval will be made at the May meeting.

#### **Capital Loss Deductions**

Following is an email from Handelman on this issue:

I regret that I do not have time to volunteer to draft the Joint Committee's response to the Area 4 proposal to increase and eventually eliminate the limits on capital loss deductions. However, I will attempt to explain my concerns so that they can be passed along to the Area 4 Committee. General Abraham's memorandum is admirably well-reasoned and thoughtful and serves as a good model for committee proposals. Nevertheless, I would like to see the Area 4 proposal address, first, the potential for manipulation, at least by those with substantial capital assets, if the limit on capital losses is eliminated or even increased; and, second, the equity of continuing to penalize married couples by allowing married individuals only half the capital loss deduction of a single individual. Third, I also have reservations about elevating any legislative proposals, especially those that would decrease federal revenues, until more proposals have been forwarded to the Joint Committee.

1. Potential for manipulation. The reason for the limit on capital losses is "selective realization." This refers to the fact that it generally is entirely up to the taxpayer to decide whether to sell property and thereby "realize" the gain or loss for tax purposes. Traditionally, the ethical foundation of the income tax has been taxation according to ability to pay. It is inconsistent with the ethic of ability to pay for a person to get a deduction for a realized capital loss where the taxpayer has unrealized capital gains in an equal or greater amount. At a time when many of us have experienced declines in the value of our capital assets, it is easy to forget that, typically, the value of some capital assets will increase during any given year, and the value of others will decline. Even in these difficult economic times when most of us have suffered declines in the value of equities we hold, the value of other capital assets, like bonds and real estate, may have increased. If a taxpayer decides to sell only property that has declined in value and hold property that has increased, a taxpayer whose total assets actually have increased in value is allowed to report income as if that taxpayer has less ability to pay taxes than a taxpayer with the same amount of ordinary income who did not sell any property (and, indeed, may not have any property to sell). Under current law the potential for mismeasurement of taxpayers' relative ability to pay taxes is limited to \$3,000, and it seems a small price to pay to allow taxpayers who have really experienced more losses than gains to reduce the tax liability on their ordinary income immediately, rather than having to wait for all losses to be carried forward until they have capital gains to offset. If capital losses were unlimited, however, those with extensive capital



resources would be able to greatly increase the mismeasurement of their relative ability to pay taxes by picking and choosing which property to sell. Moreover, under current law, taxpayers may put themselves back into essentially the same economic position as they were before they sold property such as a company's stock at a loss by repurchasing the the same type of property (like more stock in the same company) after waiting 30 days. Although the price may fluctuate some in 30 days, taxpayers with these sorts of assets can essentially have their cake and eat it, too: take the loss and also maintain their investment as if the property was never sold. So, these losses are in a sense only artificially "realized." I think that a proposal to increase or eliminate the capital loss limit ought to at least include discussion of these issues and, preferably, include provisions that would make the capital loss increase inapplicable when inappropriate.

2. Marriage Penalty. The Area 4 proposal advocates continuing to allow single individuals twice as large a deduction as married individuals. In view of the fact that the proposal strives to change the law for the better rather than just accepting the law as it is, I think the proposal should at least discuss the justification for and consequences of this disparate treatment rather than simply continuing this form of marriage penalty as it exists under the current capital loss provisions.

3. The Area 4 proposal acknowledges that tax law changes that would reduce federal revenues at a time of mushrooming federal deficits and prolonged economic decline would be "unacceptable." I do not think the proposal should be elevated if it is only theoretically endorsed by the Area 4 Committee. Even if Area 4 were prepared to offer the proposal for immediate legislative action (perhaps coupled with a revenue-enhancing proposal), I think the Joint Committee would be well advised to hold off elevating legislative proposals until near the end of our first term when we can asses the relative merits of committee proposals and prioritize them. I do not think that even meritorious proposals should be elevated on a "first come, first serve" basis.

I hope these comments are helpful to our process and welcome dialogue on all these issues.

Discussion followed on whether this email contained enough information to be used as a report back to Area 4. Items one and two need additional clarification. The decision was to route the discussion through emails again for any additional comment then to send back to Area 4 for clarification of the first and second items. The Joint Committee would like the information so it can be formally prioritized by the May meeting.

**ACTION: Send comments to Toy. She will forward responses to Area 4. Toy will forward Handelman's comments to Hanna.**

#### ***Review May meeting Agenda***

Seuntjens asked the committee to review the May agenda. Fish and Handelman agreed that ten hours was too long to listen to speakers. Handelman added there is too little time for actual substance and too many procedural discussions. Steinberg suggested breaking up speakers over two days and Seuntjens replied that we need to check on the flexibility of the speakers. Taylor added that a Schedule C Non-Filer committee meeting is right after the Joint Committee ends (using same room) and if the Joint Committee meeting is extended, the Schedule C Non-Filer meeting will have to be changed too. Handelman proposed that issue committee work product be submitted to the Joint Committee before the May meeting. This gives the Joint Committee the opportunity to send back for more information so decisions on prioritization can be made in May. For the Issue Committees, the feedback is going to the program owner so the Joint Committee doesn't see a lot. Seuntjens stated that it is very important for each committee chair or vice chair attend this May meeting. I will be asking for a mid-year assessment. Balmer asked what is going to be included in the TAP annual report?

Seuntjens replied that the annual report is a summation of what the panel has done to date. The area committees need to provide adequate information for the report.



**ACTION: Toy will send another copy of the self-assessment report.**

### ***Monthly Committee Reports Action Items***

#### **Develop process for identifying/working duplicate issues from the various areas**

There are three options:

- Chairs speak to each other and decide who wants to own issue
- Can work together
- Joint Committee can designate who will own the issue

It was decided by consensus that option number one is the preferred method. If the issue can be clearly defined into separate parts, each of the committees could take ownership of their part of the issue.

#### **Waiting for Response on "Check the box" limitations**

**ACTION: Toy will forward report before the April meeting.**

#### **Alternate Panel Members to Replace Inactive Members**

Taylor asked what steps should be taken to replace inactive Area 7 panel member. Chairs from other areas have same problem. It was decided that the first step would be for the chair to contact the member to see if they are still interested. There was discussion on what constituted an "unexcused absence" and what to do if the member is active in their area committee but not their issue committee or vice-versa. The procedure agreed to is: first, the chair from the committee should contact the panel member to find out their interest in continuing, next contact the chair of the other affected committee for feedback, and then, if necessary, elevate to Joint Committee.

#### **Recruiting and term appointments for panel members**

Taylor raised the issue of staggering terms for panel members so there is some overlap in terms. Can you extend the two-year term? Two years is not long enough. You just start to work together as a team. Balmer asked if members leave, would they be replaced? Woo said we have a vacant position in Nebraska that has never been filled; what is the status on that? (Seuntjens interrupted and asked Temple to cover replacements/alternates during the national office report).

**ACTION: Toy will obtain feedback from the Joint Committee on staggering terms and extended terms for panel members, then email these thoughts to Temple and the NTA.**

#### **National Office Report**

Temple said that as far as the TAP involvement in legislative proposals, I have met with Nina Olson and April Lehman, the Treasury's liaison to the White House, and clarification was received regarding TAP involvement in legislative proposals. As we speak, Nina is reviewing the draft of the document that has been prepared.

**ACTION: Temple - The decision document will be issued to Seuntjens as the TAP Chair for distribution to members soon, within the next two weeks.**

Temple brought up that the decision to ask Area 2 to act as a focus group for Free Filing was made based on the financial obligation and cost. Temple agreed that for future calls of this nature, calling for involvement from the TAP, will be elevated to the Joint Committee and then you can decide what members may have an interest or who desires to participate in a certain project. Temple agreed that if the free file group contacts her again or if a similar chance arises, she will bring the matter to the Joint Committee to decide which committee will participate.



Temple clarified that the TAP has been issued an appropriation. For the last six weeks, she has been aggressively worked looking at what the expectations are, not only from Nina (Olson), but also from Treasury, and by talking to Seuntjens getting feedback from him, and then from the staff to try to figure out what we need to do. But as far as the budget is concerned, there is just not an adequate amount to fill all your requests since there are administrative needs that need to be considered; daily operating needs that were not considered. We need to give the financial officer a document that indicates how we spend the money and if we need additional funds.

**ACTION: Temple will give a final response about approved meetings between now and mid-April.**

Next, Temple discussed issue committee rotation. Seuntjens and I talked about the concern raised by some members that they really did not have a good understanding of the national issues identified by the Service during the October Orientation. The question was whether they would have an opportunity to rotate at the end of the fiscal year. That's a decision you have to make within your group - it doesn't have to be elevated. Seuntjens stated members had concerns that they weren't well versed as to what these issue committees were all about in October when they ranked the issues one, two and three. Seuntjens thinks there are some members who don't feel they are, or who are not contributing to their max because it may not fit their talent or their interests. The question I have is should we open this up again in October to allow members to switch issue committees if in fact these issue committees remain? Temple stated that most strategic plans are for five years out, five to seven years so it is a possibility that they would stay the same. I just need to clarify that for you. I'll have that for the May meeting.

**ACTION: Temple will report on possible changes to issue committees at May meeting.**

The annual report is basically due by the end of the year. I am working with Arlene Kaye, Executive Director for systemic advocacy. Kaye is responsible for identifying and tracking issues where taxpayers have come into the organization for help. Her organization is also responsible for the National Taxpayer Advocate Annual Report to Congress. Kaye is one of the individuals that will address the group in May. It is critical that you understand the association. SAMS, Systematic Advocacy Management System, is the system we will use to track the issues that are identified through TAP. Kaye will address what systemic advocacy does; she will talk about SAMS, and the impact on TAP and the annual report.

The Local Taxpayer Advocate (LTA) responsibility to the TAP has been agreed to by Nina Olson and Henry Lamar, Deputy National Taxpayer Advocate, and all the Area Directors. The direction to the LTA is that they will share their individual outreach plans with their local TAP member or members if they happen to have two, the TAP members should be advising the LTA which of those outreaches they could or would like to attend. The LTA would then work to facilitate that and make it happen. As they see they are going to have additional opportunities to go out and make presentations whether it is going to be a congressional office, stakeholder groups, universities, small business associations, they are to let you know and give you an opportunity based on your availability and interests to participate either in giving a presentation or being available to hear their ideas as another method of securing information from taxpayers. The TAP management staff is responsible for identifying partnering efforts within and outside of the IRS, which TAP could be invited to participate or make a presentation. We really need to identify what the responsibilities of the TAP support staff vs what the local taxpayer advocates are supposed to do in support of the TAP. The TAP management staff is responsible for that. We are also responsible for working with internal stakeholders to identify opportunities for you to provide pre-decisional input. On any issue, the TAP support staff needs to develop a packet to bring to the issue committee or area committee that this is what's going on in the IRS, here's who has this issue, these are the latest concerns and give you something to start with. That's our job as the TAP support staff among many other things, but it is not the role of the local taxpayer advocate. As the director for the TAP, I will have the same responsibility as the field managers but at the national level. I am also trying to solidify a formal process for communicating the issues to the operating divisions on





an ongoing basis and actually have an audience with them. So you don't feel that you are identifying these things, bringing them up, and they are falling on deaf ears. Part of the expectation commitment I have made to Nina Olson is to develop that process so the panel can be even more effective whether it was an issue identified by the IRS or one the area committees has identified. As for the support of the business owners, I spoke to Sue Sottile and Michael Chesman who are the executive business owners assigned to each of the issue committees. Both of them are very interested in what is happening with the TAP panel. Temple is meeting with them early in April and then set up a time for Seuntjens to talk to them prior to the May meeting.

**ACTION: Temple will set up meeting between Seuntjens, Sottile, and Chesman prior to the May meeting.**

They are very concerned about the issues. The problem is we need to have an established process in place within TAP that as the managers who are responsible for working with these area managers, local managers, territory managers to bring you the support or get you the appropriate speakers or presentations at your meetings so you can be effective and productive. What's happening now is that information has not been elevated to anybody. So sometimes the support may not be what it should be; it may have the appearance that the business owners don't care but they are very much involved and committed to the entire process. I know some of you voiced some concerns about the DFO. I just want to apologize up front for the changes because it's inevitable that changes will occur and they will be difficult for my staff and for you as members but they should not and will not have any impact on our ability to serve you. If anything, we should be able to serve you more effectively. But I want to clarify that the DFO for the area committees are not being changed. There are acting DFOs assigned to two of the committees because Randy Swartz and Larry Morris are on extended assignments that prevent their continuous involvement. The decision was made by the Deputy Taxpayer Advocate to replace them by other LTAs. It is the issue committee DFO that has changed and there are reasons behind that. The Designated Federal Official (DFO) is responsible for helping to facilitate the meetings and they also have the role of working with the operating divisions management to ensure that you are getting the support that is required. That is not the responsibility of an employee. That is a management responsibility. So that duty has been changed and it will remain in effect. This is the first of many things you are going to see. These are not the decisions that I am going out to the panel and ask for your concurrence or even pre-decisional input. But we should be communicating them to you and I am going to be relying on the managers in the field to communicate to their area committees and I will communicate it to Seuntjens. After 60-plus days of being on the job, there are some other things that are coming into play. We are trying to increase the staff and have already asked for additional managers, which will hopefully be hired sometime before the end of April. I've put in a request to the commissioner for additional analysts. We are taking all the necessary steps so that we can increase the staff so they can be assigned effectively to the panel and provide the type of support you need. Effective mid April, the National Office, which is myself and my staff, will assume responsibility of the Joint TAP Committee. Barbara Toy will remain involved until after the May meeting, but after that she will resume her duties as a field analyst. A national office analyst will come in and do exactly what Toy is doing. You will still have the camaraderie and relationship working with your analyst. We're talking about the function of the DFO for the issue committee which will be the responsibility of the manager. But, that does not preclude you from having the communications that you have had with the analysts and/or managers on an ongoing basis. Seuntjens interjected that Temple has agreed to notify the Joint Committee by email in advance of changes in staffing. Woo reminded Temple that she was going to talk a little bit about a Nebraska panel member. Temple replied that Treasury has delegated the authority for choosing replacements for panel members to me. There are several options; bringing in alternates who have already been cleared; looking at other applicants or recruiting.



## **Joint Committee Teleconference Minutes**

*February 18, 2003*

### **Members present:**

- Deryle Temple, Designated Federal Official
- David Meyer for Mary Balmer
- Mario Burgos
- Justin Doucette
- Walter Fish
- Gwen Handelman
- Ed Hanna
- Sharon Lassar
- Robert Meldman
- Paul Nagel
- Tom Seuntjens, Chair
- Leonard Steinberg
- Charles Taylor
- Lillian Woo

### **Members not present:**

- Phil Bryant
- Chris Lowe

### **Others in attendance:**

- Barbara Toy, Note taker

**Quorum:** 14 members present, quorum of 9 met

### **Welcome/Announcements/Review Agenda**

Review/Approve Minutes: Approved January 21, 2003 Minutes

### **Agenda Items:**

#### **Discussion regarding Flow of Issues**

Barbara Toy authored the draft "Definition for TAP Issue Flow" document based on staff conference call discussion and an email from Lou Romito, Local Taxpayer Advocate in Pittsburgh. Tom Seuntjens stated it is a good draft providing good guidelines that don't need to be followed too rigidly. The panel still needs to define the Joint committee's activities in elevating an issue. Seuntjens will work with Deryle Temple and ask Nina Olson, the National Taxpayer Advocate (NTA) to draft those guidelines. Discussion ensued on the definitions. Not all chairs had received the draft and may send their comments to Toy. Lillian Woo thought the guidelines were clear and concise but provided enough latitude. David Meyer stated they basically encapsulated Area 2's discussions.

Sharon Lassar expressed concern that the Ad Hoc Committee could be working a lot of issues if each area committee elevated one issue a month. Seuntjens replied that not all issues would need to go to Ad Hoc; some could be passed on directly to the NTA or IRS. Or, the Joint Committee may refer the issue back to the initiating committee for further development or to work with the program owner.



But, the Joint Committee would not form subcommittees to work issues. Mario Burgos pointed out that if each committee is using the same process, the issues shouldn't need further development.

At this point, Leonard Steinberg raised the question on the Joint Committee's role is it as decision makers or acting as clearing house for issues, or if more than one committee raised the same issue, does the joint committee decide who works the issue? The decision was made to first look at the flow of issues in a pure environment where there is no duplication of issues. Seuntjens described this pure environment, the areas are working grass roots issues with a nation-wide scope and the Joint Committee is a decision making body on how issues are prioritized and how they are sent forward.

Steinberg asked if the only decision the Joint Committee makes is whether the issues goes or not. Seuntjens replied that the committee will also decide where it goes and advocate, act as cheerleaders for the issue. The Joint Committee will also review the issue, understand the issue, and through discussion, decide what to do with it. Temple reminded the committee that any decision making is whether the recommendations goes forward. It doesn't matter whether it is an administrative, procedural, or legislative issue. IRS program owners or the NTA makes the final decision on implementation. Burgos stated there is definite decision making on issues brought to the Joint Committee level if it has national ramification; the Joint Committee prioritizes and decides if it should be sent to Ad Hoc or if it should be turned back to the Area.

The question was raised whether the joint committee should basically accept what the other committees have brought forward.

Discussion then turned to the issues raised at the January Joint Committee meeting and how they were handled. Last month, decisions were recorded in the minutes but the notes were only brief. Hanna felt his committee expected a more formal type of response and also questioned the time frame because nothing is more demoralizing than the process taking too long and receiving no feedback. Gwen Handelman agreed there should be a more formal response than having people go through minutes. All our comments were not fully developed or expressed in the minutes. This gave some people the impression that the issue was not given sufficient discussion.

**Decision:** Committee reached consensus on preparing a formal reply.

Seuntjens proposed developing a vehicle for the response and it was decided that an email to the chair of the committee would be sufficient. Burgos suggested having certain area experts write the response, as opposed asking for general comments. After discussion of the issue, we finish with an action item with the names of members who agreed to write up the response and set a time restraint.

Handelman added that she felt the whole committee should review response and she would like to see others' responses because it is easier to build upon that response. If you are in agreement, you don't need to spend time repeating the same thoughts. There should be a deadline for the volunteers and a deadline for the whole committee to review and comment. Handelman warned that we need to strike a balance between the timeliness of the responses and taking into account that all of us can't respond immediately to all emails.

**ACTION:** Toy add the response procedure and other updates to the Issue Flow document

**ACTION:** Toy will initiate email responses on issue discussed at the January meeting and this meeting.

Seuntjens noted for that the joint committee will have a major impact on deciding or prioritizing issues as issues come into us from across the country. When the time comes to prepare our annual report to the NTA, we may need to reprioritize.



## Legislative Issues

Seuntjens opened the issue saying we need some input from the NTA before we can conclude the issue. Seuntjens believes the TAP charter is clear that we should consider all issues not exclude legislative. But the reality is if we put all efforts into legislative, we would hit a stonewall. We shouldn't exclude legislative but limit legislative and put majority of effort into procedural issues.

David Meyer stated his area is starting to see more and more issues regarding changes to the Internal Revenue Code (IRC), Capital loss carryovers, Alternative Minimum Tax (AMT), taxpayer rights. Whether to work certain issues gets to the guts of what the TAP should be doing and why TAP was created. Some believe TAP was put together to monitor how IRS interacts with the public and to curb abusive behavior. Another view is that TAP should deal with whatever issue comes its way either legislative or procedural. Meyer fears TAP may turn into a lobbying organization and go from being grass roots to tax professionals trying to push their personal agenda. Meyer further state TAP should make a distinction between issues asking for substantive legislative change and those requiring specific changes affecting procedures such as administering the failure to file penalty. Meyer's understanding is that TAP was put together, not to act as a commentator on substantive legislative change but to affect the administration of the code. Handelman stated there is sometimes a blurry line between substantive and technical corrections. Handelman agrees on the initial intent of TAP but look at an issue such as the NTA's proposal for a uniform definition of a child. It is a substantive change but if we are directed to look at grass roots issues these are the types of comments we hear. TAP does need to reflect the issues we get from the grass roots. Charles Taylor feels it is too complicated for the areas to break down the issues into legislative and administrative and maybe the issues should be brought to the ad hoc for categorization. Paul Nagel suggested creating a legislative committee. Temple stated TAP couldn't create additional committees; it is an administrative change that requires NTA approval. Temple also stated she needed to discuss with Nina Olson her stance on this issue. The intent is twofold: work with the IRS on key procedural and structural issues that the IRS brings to the panel and bring the grass roots input on any other issues to IRS' awareness. These issues may have legislative impact or process or procedural impact, so intent was not to preclude TAP from making legislative recommendations. Meyer again cautioned against TAP becoming another forum for lobbyists. Handelman believes it's a bad idea to send all these issues to the Ad Hoc and it should be the Joint Committee who hears the proposals and can direct the committee to narrow the focus or decide what else should be done. We could consider avoiding sweeping legislative changes not technical corrections to the code. Bob Meldman said the concept we discussed at our area meeting is whether we should bring up an issue if it is legislative. Area 4 believes TAP should find out the importance of the issue from our constituents and report the feedback from the citizens to the NTA. Seuntjens stated TAP should be careful of how its resources are allocated and doesn't want TAP to become a lobbyist effort because then TAP will not be effective. But, for legislative issues, some initial work should be done on the issue but the committees should be careful not to expend too many resources before bringing to issue to Joint Committee.

**Monthly Committee Reports Action Items** Joint committee act as a "clearing house" when issues cross area and issue committees Steinberg raised the question on the role of the Joint Committee in deciding on who which committee will develop an issue if the same issue is raised in more than one committee. Seuntjens replied that the Joint Committee is the decision maker on what grass roots issues go forward to the IRS. Also, the analysts should read all the committee reports and inform the chairs of any duplication. The chairs should also read through the reports. If duplication exists, the chairs of each affected committee should have a conversation and decide who will take the lead on the issue.

Meldman pointed out that the timing of the Monthly Committee Reports did not allow enough time for review prior to the meeting. Discussion about date ensued and panel requested an issue matrix showing issues and committees as a concise picture.

**Decision:** Change due date of Monthly Committee Reports to the 8th and Toy will compile the reports and the Issue Matrix and have out by the 12th



**ACTION:** Toy will develop an Issue Matrix

Next, the question was raised on whether more than one committee could develop the same issue or different aspects of the same issue. After discussion, it was decided that more than one committee could work an issue. Justin Doucette suggested in the case of more than one committee working an issue, one should still take lead. Handelman said this is a matter of how the issue is defined. It is important for the committee chairs to communicate. If the issue can easily be broken into two items each can take the lead on their separate parts. In addition, If the same issue is in an area and an issue committee, the program owners for the Issue Committee already have the lead by design and the other committees can only develop the issue if it is doesn't fit that committee's definition.

**Decision:** The decision was made to make it the responsibility of the chairs to communicate on duplicated issues, define the issues, and make the decision on which committee takes the lead on the issue.

#### **Discuss Time Commitment of Panel Members**

Paul Nagel stated panel members especially those who are tax practitioners expressed concern about their time commitments. In addition to regular monthly meetings for the area and issue committees, members are also asked to serve on subcommittees for each. Handelman suggested the structure of having members serve on two different committees might need a rethink. Ed Hanna suggested taking a look to see if being in both the area and issue is too much. Seuntjens stated that means there would be an average of six assigned to each committee. Or, Nagel said the membership size could be increased. Sharon Lassar reminded that the role of issue and area committees wouldn't be as extensive once it is defined and the panel is accustomed to its role. The issue committee focus is developed by owner. Issue committee members were wasting time developing lists of issues and bringing up new issues when the role of the issue committee is to provide feedback and input. The time commitment might vary by committee if you are provided a lot of material to review and asked for a lot of feedback. For example, Handelman's issue committee's (W & I Earned Income Tax Credit) focus was very broadly defined. Seuntjens stated that the issue committees need to focus on the direction given by the program owner and that chairs should continue to bring concerns to him and the joint committee. Chairs should also continue to encourage those members who are not contributing to participate more, which will ease time commitment of all.

Seuntjens announced that Nina Olson will be attending the May meeting and we can use that time to clarify what the view of the panel is in her eyes and how she will use our input.

**Action:** Chairs should get back to Toy or Seuntjens on the seriousness of the time commitment problem.

#### **Expanded power of attorney rights for check box on 1040**

Ed Hanna explained that Area 3 is recommending expanding the power of attorney rights granted by the check box on the 1040s. The Area 3 committee would like to see the powers extended to subsequent notices. Meldman stated this issue also came up in Area 4; systemically there is a problem because the regulation expires in a year, and we need more information on how the change came about, statutory or a change in the IRS manual.

**Action:** Toy will send out historical information on how the check box power of attorney change took effect.

#### **National Office Report**

Temple announced that staffing would be increased to include a program manager for each of the seven area committees. The program managers will also have responsibility for an issue committee. Program managers will be added to: Austin, Richmond, Brooklyn, and Los Angeles. Other structural changes in our own staff will follow. TAP staff is working on documents clarifying when you should



contact your Designated Federal Official (DFO), your Program Manager, or your Program Analyst. The list will also contain description of what types of work the staff should be doing for you to utilize the staff fully.

Temple also announced that the responsibility for the Low Income Tax Clinic (LITC) program has moved from Wage and Investment to the Taxpayer Advocate Service. As that organization is developed, Nina Olson would like to see lines of communication established between TAP and LITC.

**Closing**

Reminder that the March 18, 2003 teleconference will begin at 1:30 EST, 12:30 CST. The change in time to 1:30 EST is permanent.

Meldman talked about an outreach in Area 4. Nina Olson is visiting the Milwaukee TAS office and various practitioner groups are hosting a luncheon in her honor.

**Action:** Meldman will report on the outreach at the March Joint Committee meeting.



## **Joint Committee Teleconference Minutes**

*January 21, 2003*

### **Members present:**

- Deryle Temple, Designated Federal Official
- Mary Balmer
- Mario Burgos
- Justin Doucette
- Walter Fish
- Gwen Handelman
- Keith Johnson for Ed Hanna
- Chris Lowe
- Richard Morris for Bob Meldman
- Paul Nagel
- Tom Seuntjens, Chair
- Mary Peterson-O'Brien for Leonard Steinberg
- Charles Taylor
- Lillian Woo

### **Members not present:**

- Mary Lou Beyreis
- Phil Bryant

### **Others in attendance:**

- David Meyer
- Sandy McQuin, Program Manager
- Barbara Toy, Note taker

**Quorum:** 14 members present, quorum of 9 met

### **Welcome/Announcements/Review Agenda**

Tom Seuntjens, Chair, opened the meeting by welcoming all members back and wishing each a Happy New Year. He then requested the members and staff to turn to the last page of the minutes from 12/17 teleconference to review assignments. Seuntjens suggested chairs and staff use this part of the minutes each month as a checklist to make sure they have fulfilled their responsibilities.

### **Review/Approve Minutes**

Minutes approved after minor changes made.

### **Agenda Items**

#### **Introduction of new TAP Director**

Deryle Temple introduced herself. She apologized for not being available sooner but just found temporary office space. Temple requested a change in the start time or date of the Joint Committee calls. She is part of the Advocate Advisory Board which meets on the same Tuesdays, 11:30 am to 1:30 pm EST. Temple proposed moving the time to 1:30 pm EST. Seuntjens mentioned extending the



call an additional half hour so all agenda items could be covered thoroughly. Discussion followed. Consensus was the meeting would begin at 1:30 pm EST and be extended to 3:00 pm. (1 1/2 hours)

**ACTION:** Toy change conference calls time and send new notices to committee members showing change.

#### **Face-to-Face Meeting May 2-3 in D.C.**

Seuntjens is working with the staff on the agenda for the May meeting. Committee members who haven't done so already, and have suggestions for agenda topics or speakers, please contact Toy.

**ACTION:** All committee members contact Toy with your suggestions on agenda topics or speakers for the May Meeting.

#### **Self-Assessment Report Form Review**

It is important to close out the year-end report on goals and accomplishments for each committee including the Joint Committee by preparing a self-assessment. The Joint Committee will use these to report to Nina Olson, National Taxpayer Advocate (NTA) through Temple. The report form is a very rough draft and needs to be finalized and approved during the May meeting. Seuntjens asked for comments on the form itself and as to why the self-assessments were necessary. He referred back to the TAP Guidance document that mentions a self-assessment requirement.

**Action:** All chairs should send comments about modifications and other input about the self-assessment form to Toy prior to the May Meeting.

#### **Issue Form and Review**

Mary Balmer asked if a section should be added to the form for categorizing the issues and if this should be done by panel members submitting the issue. Categorizing the issues avoids duplication of efforts by more than one committee and is an easier way to see what issues are being raised. Seuntjens stated that any definition might not completely clarify the issue. Toy explained that staff had already developed 13 main categories and subcategories that further define the issues based on our prior experience with CAP.

Balmer did not have a preference for who categorized the issue as long as it was done. Temple stated form needs to be compatible with the new database system Systemic Advocacy is developing. Gwen Handelman asked who would be completing the form, just panel members or the staff as well? Toy clarified that only panel members will use the form for issues they bring in from outreach or their own experience. Staff will input issues from these forms as well as issues brought in through toll free, web comments, etc. directly into the database.

**ACTION:** Toy will send out categories to Joint Committee members right away.

#### **TAP Message Product**

Sandy McQuin stated that not all suggested changes were made to the power point, and thanked Justin Doucette for his efforts in preparing and updating the product. This power point was meant as a starting point. Members don't need to use every slide and can change it to work for them. If you need help, making the changes, please ask the staff for assistance. Methods of distributing the power point were then discussed. Staff will take care of distributing the power point to all members in a format they can use. Doucette reminded McQuin that the power point should be posted on the internal website once it is up and running. McQuin agreed. Handelman felt the message product was better after revision but still finds the acronyms incredibly off-putting. McQuin agreed to make changes.

**ACTION:** McQuin will coordinate staff to do complete distribution and put acronym explanations in the product.





### **Travel, Phone, Calling Cards and Letterhead**

McQuin reported that no travel cards would be issued to panel members. All the phone cards are being distributed from the Seattle office by the last week in January for most people however the panel members who were added late need to wait an additional week to receive their phone card. All members need to complete and return the property card included in the calling card package. Panel members who have not received the card should follow-up with Marla Ofilas or Judi Nicholas after February 1. Business cards will be delivered to the local offices for distribution by January 28, 2003. Temple stated that the letterhead format and logo is a topic of the manager's conference this week. Rena Girinakis from the Taxpayer Advocate Service Communication office will be working with Temple and the managers on developing the logo and letterhead. An update on this issue will be sent out after the conference.

**ACTION:** Chairs will inform panel members that if they don't have their calling cards by February 1, they need to contact the staff.

**ACTION:** Temple will update the joint committee on the logo and letterhead after the manager's conference

Toy noted that all forms are sent in a "Read Only" format. This makes it easier to save the form as a master template. Open the document as read only (click on the read only button), and save it using another name next, enter your information.

### **Joint Committee Action Items**

#### **Specific issues crossing over between area and issue committees**

The committee briefly discussed the issue process and the coordination of handling the same, similar, or different aspects of the same issue in more than one committee. The IRS defined items or issues that are presented to an issue committee based on the IRS priority for that area. This direct interaction and input to the IRS on their priorities gets the quickest results for the committee's recommendations. If an issue is identified that is not a priority of the IRS owner's on the issue committee, the issue should be picked-up by a panel member that desires to be the issue's owner with the agreement of the other committee members. The issue is then placed on an issue form and submitted to staff for posting to the system. The issue's owner should then present the issue to an area committee for discussion, research, and disposition. A discussion on how detailed reports should be and to whom the reports should be distributed followed. A decision was made to defer further discussion until a sample of the reports and cover letter is sent to committee members.

**ACTION:** Toy will put together sample reports and one-page cover letter and distribute prior to next month's meeting.

*Check a box power of attorney.* Toy explained the power of attorney check box on the tax return was an issue elevated by the Florida CAP. Last filing season was the first year for the check box power of attorney. The CAPs received complaints that IRS employees were not honoring the power of attorney. CAP elevated the issue to IRS who responded that the IRS manuals and policy followed the intent of the new law and that the problem was an employee awareness issue. To correct the problem, IRS immediately issued a bulletin to IRS employees to be more aware of the change in the law and also made the subject a topic of the Continuing Professional Education for the 2003 Filing Season. Keith Johnson asked if the check box power of attorney was meant to replace the CAF (Central Authorization File) system of power of attorneys and what safeguards were on the system. Toy responded: it is not and is limited to processing of the current year return. After the return is processed, the power of attorney is no longer valid. IRS Employees use the same method of asking certain questions to check disclosure as they do for any other telephone contact.



Seuntjens suggested that the issue be sent back to Area 3 for monitoring for this filing season. Consensus was to send the issue back to Area 3. Paul Nagel, a practicing CPA, suggested the power of attorney check box rights be expanded for any issue for that tax year.

**Action:** Johnson will discuss issue with Hanna and bring back to Area 3 for monitoring. Toy will discuss with the Area 3 program analyst to inform Gargiulo.

*What should panels expect after an issue is elevated to Joint Committee.* This process needs additional development and Seuntjens will write an initial draft. The process will be finalized and approved at the meeting in May. One thought however is that the Joint Committee should not have to extensively research the issue. The issue should be brought to the Joint Committee with enough development that a decision can be made on the disposition. Seuntjens asked for input on the process and a discussion followed. The source committee should perform enough research on the topic so they have a full understanding of the topic and are able to discuss, analyze, and then make a decision on dropping, monitoring, or elevating the issue to the joint committee. It is difficult to determine what type or how extensive the research and documentation needs to be because it depends on the nature of the issue involved. The Joint Committee will need to review all issues received and document to the source committee what additional research is needed to properly address the issue.

**ACTION:** Seuntjens will draft a process for the flow of issues elevated to the Joint Committee.

*Increase in Limits on Capital Loss Deduction.* Seuntjens stated that the joint committee should give a response to the author on whether a decision can be made on this issue without further documentation. If no additional information is necessary, it should be discussed and prioritized at the May face-to-face meeting. Handelman and Fish commented that the limit was there to decrease the potential manipulation of capital gains or loss rules as they exist and that potential manipulation increased as the limit increased. Seuntjens brought the discussion back to making a decision on whether or not the Joint Committee has enough information to work this issue. It was decided that there wasn't enough information on this submission and Joint Committee members should review the information again to decide and document what additional information is needed to make their decision as to proper disposition of the issue. Morris will report back to Area 4 on the status of the issue.

**ACTION:** Committee members should review the information again to decide and document what additional information is needed to make their decision as to proper disposition of the issue. Send comments to Toy prior to the February meeting.

**ACTION:** Morris will report back to Area 4 on the status of the issue

*National Office Report.* Nina Olson has been very busy visiting the Hill for comments on her Report to Congress. Temple has a few copies and will mail them to the Joint Committee immediately. Patti Robb will mail a copy of the report to each panel members as soon as they are available. The report will also be available on cd-rom. Any members interested in a cd-rom version should contact Robb. Temple is working with Rena Girinakis of Communications on media training. The media training will be a one or two day program and will be offered in each area. Attendance will be strictly voluntary. In response to a question from Charles Taylor, Temple stated her plan is to attend all face-to-face meetings. Temple will attempt to arrange her travel plans to allow attendance at these meetings according to the panels' schedules.



## **Assignments:**

### **Seuntjens**

- Draft a process for the flow of issues elevated to the Joint Committee

### **Temple**

- Update the joint committee on the logo and letterhead after the manager's conference
- Mail out copies of the Report to Congress to the Joint Committee members

### **McQuin**

- Coordinate staff to make complete distribution of the TAP Power Point presentation material and put acronyms' explanations in the product

### **Toy**

- Change conference call times and send new notices to committee members showing change
- Send out issue categories to Joint Committee members
- Put together sample reports and one-page cover letter and distribute prior to next month's meeting
- Discuss sending check box Power of Attorney issue with the Area 3 program analyst to inform Gargiulo that issue will be monitored
- Compile responses to Area 4 and forward to chair prior to February Meeting.

### **All Committee Members**

- Check last page of 12/17/2002 minutes and future minutes for assignments
- Contact Toy with your suggestions on agenda topics or speakers for the May Meeting
- Send comments about modifications and other input about the self-assessment form to Toy prior to the May Meeting
- Inform panel members that if they don't have their calling cards or phone cards by February 1, they need to contact Marla Ofilas or Judi Nicholas
- Review the information elevated by Area 4 and decide what further documentation is necessary or what questions they want answered. Respond to Toy prior to the February meeting
- If you are interested in a CD-rom version of the Report to Congress, let Patti Robb know.

### **Johnson**

- Discuss issue with Hanna for any additional thoughts on this issue and inform the Area 3 Committee that the "Check Box Issue" should be monitored and returned to the Joint Committee if problems continue or additional authority of this option is desired and is an issue.

### **Robb**

- Mail out copy of Report to Congress to all panel members except the Joint Committee members by February 1, 2003



**Morris**

- Report back to Area 4 on the status of the Increase in Limits on Capital Loss Deduction issue