



2007 Meeting Minutes Volunteer Income Tax Assistance (VITA) Issue Committee

- November 6, 2007
- August 7, 2007
- June 19, 2007
- May 21-23, 2007
- May 5, 2007
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- March 6, 2007
- February 6, 2007

Volunteer Income Tax Assistance (VITA) Committee Teleconference Meeting Minutes November 6, 2007 12 PM – 1 PM ET

Designated Federal Official
Sandy McQuin, TAP Manager

Committee Members Present
Sandra Bland, Minnesota
Paul Brubaker, Pennsylvania
Patricia Bryant, Tennessee
Emilio Cecchi, Maryland
Elizabeth Colvin, Texas
Laura Criel, New Mexico
Paul Duquette, Chair, Wisconsin
Harvey Epstein, New Hampshire
Harold Gadon, Rhode Island
Carolyn Hutchinson, North Carolina
Hank Mosler, Florida
Richard Rousseau, Vice-chair, Texas
Ferd Schneider, Ohio

Program Owners
Nan Ellen Fuller,
Cindy Jones,

TAP Staff
Patti Robb, Note Taker
Marisa Knispel, Program Analyst

Visitor
Gil Yanuck, Panel Member
Tom Rowlette, Systemic Advocacy
Linda Baker, Systemic Advocacy
Steve Swartz, TAS
Barbara DelBene, Center for Economic Progress



Welcome

Paul Duquette welcomed everyone to the final VITA Issue Committee meeting for 2007. The next VITA Committee meeting will be in Washington, DC, during the annual meeting. The meeting minutes through August have been posted on TAPSpace. The minutes from the October meeting will be sent out for everyone's input.

Roll Call

Quorum met.

Program Owners Report

Nan Ellen Fuller and Cindy Jones from Stakeholder Partnerships, Education and Communication (SPEC) in Atlanta were on the call. They did not have a report but wanted to hear what the committee members had to say.

Education and Product Development Teams Form 6744, Volunteer Assistors Guide - Test

The test is on the IRS.gov website. To find the test, go to the search block and type in Form 6744, and that will bring up the test. The Link & Learn should be on the IRS.gov website by this weekend. This project has been completed.

Pat Bryant downloaded test and took it and said it is extremely good as it hits all the points needed. Duquette will send this information to all his volunteers to let them know the test is there if they are interested to see what it will look like. Duquette thanked the team for all their hard work.

Publication 678W

This project was completed.

Publications 3189, Volunteer e-file Handbook, and 4012, VITA/TCE Resource Guide

This project has been completed. Publication 3189 was mailed out already. It seems to meet all our changes. Publication 4012 is also on the IRS.gov website. It looks really good and will meet all our requirements. Duquette said this has become a powerful tool for VITA.

Process Based Training

This manual is currently Publication 4491, *Volunteer Tax Return Preparation Programs Student Training Guide*, is on IRS.gov website and will be there for a while. It includes basic, intermediate, advanced, military and international information and it is a large file. It's in very good shape but we have heard there were some errors not corrected in a timely basis. Brubaker will print it and begin to review it tomorrow; most parts looked at so far are very good and addressed the committee's concerns. Laura Criel asked if everyone on the VITA committee could get a hard copy.

Nan Ellen Fuller said hard copies can be ordered through the SPEC territory offices. AARP received about 70 advance copies. If you ordered a copy by October 24, you should have it by Thanksgiving. Publication 4555, Instructors Guide, goes with it but is not available yet. Fuller said they just finished it last week. It will be posted on IRS.gov this week but will only be posted for a limited time. Brubaker suggested all VITA members get a printed copy of this too. Look at it and see if you can identify any weaknesses. It is a large document and needs to be more compact. This guide is not to be used at the site. Harvey Epstein said he has a hard copy and found a couple errors.



TaxWise Beta Testing

Three documents on TAPSpace.

- TaxWise beta test: this was a team effort between vita, IRS and AARP. Concluded that it works pretty much like last year. Security changes are transparent to users. [Attachment #1](#).
- Improvements needed to TaxWise. There was good discussion and we gave UTS folks a lot of good information. They were very receptive to our comments. [Attachment #2](#).
- Schedule D loss carryover values – several areas looked at this. Bottom line is process for paper filers is in good shape. Electronically – there is a worksheet that can be printed out. [Attachment #3](#).

Comments:

McQuin said the Schedule D issue has been brought up several time and the IRS has asked us not to forward this to them anymore. It is a burdensome process and the IRS cannot do it. That is the bottom line. If you want to take it up for the separate calculation for electronic filing, that is a separate issue.

TAP sends their recommendations to the IRS, not to vendors. TAP will lose credibility and some IRS cooperation if they continue to send recommendations forward regarding this issue. You have other avenues or can send letters to the IRS as an individual taxpayer. The IRS said they will not add anything to the Schedule D.

Brubaker disagreed. Maybe this could be something for TaxWise to address.

Duquette believes this is a problem and doesn't know how it could be solved. We need to let taxpayers know they need to take their paperwork with them when they go to a VITA site. McQuin thinks this is more of a taxpayer education issue.

McQuin acknowledged the amount of work everyone has done with these issues. This committee has accomplished a great deal and she thanked everyone for all the hard work.

Publication 4491

Havey indicated she found some errors in Publication 4491. Cindy Jones responded to them. If you do a quality review via computer, do not need to do an intake form; you can do the TaxWise exception.

Public Input

Steve Swartz was told by SPEC that volunteers can take L&L test two times. Will that be a problem with new learners? Duquette replied that is ample as it is an open book test. Brubaker suggested telling new volunteers to treat this as if they are doing their own return. Criel said this will be more of a problem with the seasoned volunteers; if they don't take the time to find the answer, they should not be doing returns.

Staff News

McQuin said the support for the VITA Committee is moving out of Milwaukee. It will be going to Brooklyn and Marisa Knispel will be the analyst for VITA beginning in December. McQuin will be at the meeting in December to facilitate since Brooklyn does not have a permanent manager at this time. The program owner still needs to provide the vision for this committee.



Miscellaneous

Duquette wanted to thank everyone for allowing him to make a difference. He thinks the VITA Committee has made a difference and thinks that TAP is making a difference.

Meeting Adjourned



**Volunteer Income Tax Assistance (VITA) Committee
Teleconference Meeting Minutes
August 7, 2007 12 PM – 1 PM ET**

Designated Federal Official

Sandy McQuin, TAP Manager

Committee Members Present

Paul Brubaker, Pennsylvania
Patricia Bryant, Tennessee
Emilio Cecchi, Maryland
Laura Criel, New Mexico
Paul Duquette, Chair, Wisconsin
Harvey Epstein, New Hampshire
Harold Gadon, Rhode Island
Hank Mosler, Florida
Richard Rousseau, Vice-chair, Texas
Ferd Schneider, Ohio

Members Absent

Sandra Bland, Minnesota
Elizabeth Colvin, Texas
Carolyn Hutchinson, North Carolina

TAP Staff

Patti Robb, Note Taker

Visitor

Gil Yanuck, Panel Member

Welcome

Paul Duquette welcomed everyone to the meeting.

Roll Call

Quorum met.

Education and Product Development Teams Volunteer Test

Laura Criel said they are working on the volunteer test. The various segments have been divided among the task force. They had a conference call on August 1, and everyone is on target. The test is pretty much what this committee wanted it to be. Each section will have twenty questions. They will not have questions that compound errors. They have also been tasked to make sure all competencies are tested and are tested in the right part of the test. She hasn't seen other parts of the test other than what she worked on. A beta test will be coming up. A volunteer will be able to take the Link & Learn test twice (limit). The same scenarios will be used for the test and retest, but the questions will be different.



Publication 678W

Schneider saw the second draft of Publication 678W, *Volunteer Student Guide*, but it was without the appendices. One of them will have the answer in them. There are several problems in each section right now. One of them is with TaxWise. He had suspicions that the test will parallel the problems in the 678W. He also found out that Cincinnati will get the Process Based Training (PBT) this year. The kits that go out; some will have PBT, but most will get 678W. Next year the plan is to eliminate the 678W. He said he believes the answers will cover 2006 and 2007, but he will try to find out for sure and get back to the whole committee.

Gil Yanuck said we are only going to be allowed to beta test TaxWise in October. The instructor packet will not have the answers; you will have to ask for them. The correct answers could be in the new publication. You don't have to have the final version of the software to know what is true.

Criel said the test is using the 2007 draft form. The competencies should be added to the 678W because we were instructed to test them.

Schneider said the format is very similar to last year in the publication and the test.

Publications 3189, Volunteer e-file Handbook, and 4012, VITA/TCE Resource Guide

Pat Bryant said the revised Publication 3189 has been sent for review. The practitioner Personal Identification Number (PIN) is shown as the preferred method. There will be an area for the self select PIN for those who want to use it. Paul Brubaker was working on Publication 4012. Hal Gadon said with self select PIN, you will have to retain the W-2s, 1099s, etc. Criel asked about the publications as they relate to the various tax forums going on. What are they doing with the information being handed out at the forums. McQuin was at the Chicago forum was not sure what they are doing.

Bryant indicated that the changes will be for this filing system.

Brubaker said the biggest change in Publication 4012 is in the instructions. Tax law will still be in the front and there will be a yellow section on TaxWise. They took out references that are specific to TaxWise. Manual was reconstructed somewhat. They tried to make it flow like you are doing a return. Our last meeting was about three weeks ago. Also, the TaxWise file name will be a randomly generated name and that is to improve security. Anytime you are in doing backups, you can see the return you need. This is only so the filename does not show up in the directories.

Yanuck said the AARP Tax Aide was sent out this morning. Once you get a copy of that, it will be pretty self explanatory.

ACTION: Gil will send a copy of the AARP Tax Aide to Duquette and he will forward to the whole committee.

Bryant said you will not be able to get onto TaxWise online this year if you have not been on it before. She said Microsoft may not delete temporary internet files when you exit the program.

Yanuck stated there are ways to delete these files but they suggest new users do not use.

Schneider said he got an email from AARP last week, suggesting not using TaxWise online unless you used it last year.

Process Based Training

No report.



TaxWise Beta Testing

TaxWise invited TAP and AARP Tax Aide to send a representative to Rome, GA, to be involved in the 2007 TaxWise beta test. Hank Mosler will be attending this session. Duquette thinks this is terribly important. Mosler said we should suggest what we want to see tested. There is no detailed vision set yet. He was in touch with a tech in AARP, and he wants to see that all the new features are tested to make sure they work properly. Mosler thought they should take tax scenarios to run through the test. We have been collecting "improvement opportunities" to open a dialog. If you have thoughts on what should be tested, please send them to me.

ACTION: VITA Committee members send input to Mosler on what areas to look at during the TaxWise Beta Testing opportunity.

Mosler will send out a collective list to ensure he is capturing everyone's thoughts.

Duquette sent his listing of recommendations to be forwarded to the Program Owner. He hasn't received any responses from the VITA Committee members, so he will forward to Carol Barnett at COB tomorrow. Mosler asked for one more day to look at the final paper.

Miscellaneous

Duquette congratulated Mosler for being selected to meet with the Commissioner on August 16, 2007. He will represent us well.

Mosler asked if anyone had something specific they would like to see addressed. We are also meeting with Rich Morgante, Director, Wage and Investment (W&I), after the meeting with the Commissioner. Do you have any input for him?

ACTION: Please email Mosler with suggested topics for the meeting with the Commissioner and Rich Morgante.

Schneider said he already sent his idea to Maryann Motza who was putting the list of topics to be addressed. His suggestion was a revision to all the 1040 forms to make them standard. It would make the training easier if they were all in the same format.

McQuin said one of the main issues raised by the focus group during the Chicago Tax Forum was the uniformity of the Form 1099. The focus group was made up of practitioners and preparers.

ACTION: Duquette will send Mosler a copy of his and Schneider's suggested topics for the meeting with the Commissioner and Rich Morgante.

Mosler will not work detailed issues, but will bring these issues to his attention. Both Acting Commissioner Kevin Brown and his replacement Linda Stiff will be in attendance.

Mosler said the Joint Committee talked about how to elect a new chair and vice chair for TAP for the annual meeting. This information should be coming down through your area committees. If you have suggestions, please forward them to your area chair.

Duquette said there is a discussion going on right now on TAPSpace regarding the election process. Schneider said he feels the largest problem is getting enough people to run for Chair and Vice-chair.

Public Input

None



Staff News

McQuin is back as TAP manager in Milwaukee; her detail as Director, Low Income Tax Clinic (LITC) is completed. Patti Robb was selected as the secretary to the TAP Director.

Miscellaneous

Duquette will ask Carol Hutchinson for a progress report on PBT.

ACTION: Set up a conference call with Carol Barnett, Sandy McQuin, Barbara Foley, and Paul Duquette.

Meeting Adjourned

Next meeting, September 4, 2007

ACTION ITEMS

- **Gil will send a copy of the AARP Tax Aide to Duquette and he will forward to the whole committee.**
- **Committee members send input to Mosler on what areas to look at during the TaxWise Beta Testing opportunity.**
- **Email Mosler with suggested topics for the meeting with the Commissioner and Rich Morgante.**
- **Duquette will send Mosler a copy of his and Schneider's suggested topics for the meeting with the Commissioner and Rich Morgante.**

McQuin will set up a conference call with Carol Barnett, Sandy McQuin, Barbara Foley, and Paul Duquette.



**Volunteer Income Tax Assistance (VITA) Committee
Teleconference Meeting Minutes
June 19, 2007 12 PM – 1 PM ET**

Designated Federal Official:
Barbara Foley, Program Analyst

Program Owner:
Janie Neal, Senior Program Analyst, Stakeholder Partnerships, Education and Communication (SPEC)

Committee Members Present:
Emilio Cecchi, Maryland
Laura Criel, New Mexico
Paul Duquette, Chair, Wisconsin
Harvey Epstein, New Hampshire
Harold Gadon, Rhode Island
Carolyn Hutchinson, North Carolina
Hank Mosler, Florida
Richard Rousseau, Vice-chair, Texas
Ferd Schneider, Ohio

Members Absent:
Sandra Bland, Minnesota
Paul Brubaker, Pennsylvania
Patricia Bryant, Tennessee
Elizabeth Colvin, Texas
Donna Tremblay, Georgia

TAP Staff:
Patti Robb, Note Taker

Visitor:
Gil Yanuck, Panel Member
Rolando Delloquis, National Community Center for Progress
Maria Barnhart, Program Analyst, SPEC

Welcome

Paul Duquette welcomed everyone to the meeting.

Roll Call

Quorum met.

Program Owner's Report

Janie Neal is sitting in for Nan Ellen Fuller. She thanked everyone for all their input. The team is not making any drastic changes to Publication 678W, *Comprehensive Problems and Exercises Workbook*. They are removing some Hurricane Katrina extension information, adding fees back in, and changing the strategy for providing answers. The information about TaxWise online was expanded in Publication 3189, *Volunteer e-file Handbook*. Stakeholder Partnerships, Education and Communication (SPEC) is still working on the Process Based Training.



Using a Personal Identification Number (PIN) to sign an electronically filed return will be mandated and the Form 8453, *U.S. Individual Income Tax Declaration for an IRS e-file Return*, will not be used to sign the return. Answers will not be coming with Publication 1155, *2007 Facilitators Guide*. The answers will be available electronically. Publication 4189, *Guidelines and Answers*, will be available on a CD.

Approval of Subcommittee Recommendations E-filing

- **Practitioner PIN** – “The Practitioner PIN (Personal Identification Number) should be the recommended electronic signature method for all Volunteer Return Preparation Program (VRPP) locations. Also, ask Universal Tax Systems (UTS) to set this method as the default in the software that comes to the volunteer preparers and update the Publication 3189, *Volunteer e-file Handbook*, to designate the Practitioner PIN as the preferred signature method. If UTS cannot set the Practitioner PIN as the default for VRPP sites, the Publication 3189 should include instructions on setting up the Practitioner PIN as the default.

Hal Gadon would like this recommendation to eliminate the self-select PIN. Duquette feels strongly that practitioners don't have the problems volunteers have using the self-select PIN because they have the taxpayer's prior year information and may prefer the paperless method. **This recommendation was approved.**

- **Printing**—The “setting print packet” instructions starting on Page 39 of the Publication 3189, *Volunteer e-file Handbook*, are not clear and should be revised to be easily understood by the volunteers for flexibility & ease of use.

The Committee agreed to strike last part of sentence then approved.

- **Three Day Rule**—The IRS should revise the Publication 3189 page 56 concerning the rule to submit returns within three calendar days to include some exception language regarding emergencies in the volunteer program. Jeff Bledsoe (IRS) agreed to look into this procedure for background and advice.

The Committee agreed to send forward after removing the reference to Jeff Bledsoe.

- **Lack of Equipment**—We recommend research be done by IRS into a program that could bring donated laptops for use by the volunteers in areas where they do not have the proper equipment to expand the e-file program. Since the availability of equipment at volunteer sites is very uneven with some sites having plenty of equipment and other sites unable to complete the full mission for lack of equipment, primarily computers or laptops. The VITA Committee recommends that potential sources that each location may use and review of grant possibilities be disbursed to VRPP locations thru the local or district SPEC coordinator.

The Committee felt this needed more clarification and will be addressed at another meeting.

- **Training EFIN**—SPEC should publicize the availability of the training EFIN (Electronic Filing Identification Number) that allows volunteers to access online pre-use software to practice preparing returns. Volunteers need to be comfortable using the software preferably before opening tax day. Also, the means to obtain the training EFIN should be promoted to volunteer leaders as well as to the volunteers.

The Committee Agreed to send forward.



- **Routing Transit Numbers**—TaxWise should add a list of bank routing transit numbers as resource material to TaxWise. If UTS cannot or will not add, SPEC should provide a list in their resource material that is pre-loaded onto the computers.

The Committee felt the numbers changed too frequently to be practical and preferred to see a check with the routing transit and account number and this recommendation was rejected.

DECISION: The approved e-file recommendations will be amended as changed and sent to the Program Owner.

Branding

Emilio Cecchi said there was no intention to classify recommendations as high, medium, or low. But, the Committee felt this was important so Hank Mosler will forward his recommendations to Duquette to share with everyone. All members should send their thoughts on classifying the recommendations which can be worked out via email. (See [below](#)). Laura Criel thinks branding should address materials to recruit volunteers. This will be addressed at the next meeting.

DECISION: The Committee reached consensus on elevating the Branding Recommendations after they are prioritized.

Training

Harvey Epstein has a problem with the 80 percent passing grade. It would be acceptable if there are at least 15 questions in a section. Duquette asked if the Committee wanted to add that it should be at least 15 questions. With 15 questions, you are at 80 percent if you miss three of them. If you have less than 15 questions, you can be in dire straits.

DECISION: The Committee reached consensus to elevate the Training recommendation after changing the recommendation to include at least 15 questions.

TaxWise Subcommittee

Hank Mosler was hoping to have a standing group to provide support to the software developers. Epstein said AARP has a beta testing software group that might provide an ongoing test community. It is lead by a national technology committee and was just set up this past year. They may be interested in beta testing these materials. Pat Bryant was concerned this would over extend the VITA Committee which already is involved in many different projects. She said there are Tax Aide people who already provide input into this process and this would be a duplication of efforts. If we have problems, the Tax Aide people can tell the UTS people. Epstein stated he was not aware of a group within AARP that worked directly with UTS. Bryant clarified that the information about technical problems AARP gathers gets forwarded to the IRS to pass on to UTS. Duquette asked if the committee felt this recommendation should be sent to SPEC so they can comment back and let us know if we should pursue it. We are at the point where this cannot move forward without input. Volunteers had any number of problems this past season that could have been headed off if there was early testing in the field. Epstein said it would be good to allow beta testing in October or November. Criel said to make sure to indicate that this is a preliminary report asking for comments and input.

ACTION: Foley will forward TaxWise recommendation to SPEC people for their input.

Education and Product Development Teams Volunteer Test

Criel reported that the volunteer test meeting went very well and all went home with assignments. The group discussed the 80 percent passing grade and decided to continue with that level to be certified. Volunteers will be required to be certified using an IRS test either Link & Learn or a paper document; partners will not be allowed to use their own test this year.



Concern was raised about the amount of time it takes to complete the test; however there is a list of competencies for each level. There needs to be balance in reducing the test time and matching competencies. The basic, intermediate, and advanced will be cut down; the military and international will stay the same. The scenarios will be cut down as well, from nine to a total of four or five. The time can be reduced by being careful not to test for a competency more than once. The team is trying to cut the time but maintain the integrity of the test. Duquette said the most important part is to make sure the test does not compound errors. Epstein warned that the test should not be reduced so far the number of questions would jeopardize passing the test. Because the answers to the test will be controlled, the credibility of the program will be enhanced. People will have to be certified before they get the answer key. Link & Learn will be available on the web by the first of November; the answer key will be for the 2007 tax law.

Also, the team is trying to find examples of different types of forms so volunteers know that information reporting forms are not standardized.

Publication 678W

Ferd Schneider said he got a copy of the notes from the May 15-17 meeting in Atlanta which he was not able to attend. There will not be much changed in Publication 678W, Comprehensive Problems and Exercises Workbook. The answers to the test will now be in the Publication 678W. Schneider will be involved in future conference calls.

Publications 3189 and 4012

Pat Bryant said things are going well. For the Publication 3189, *Volunteer e-file Handbook*, information that is common to TaxWise and TaxWise on line is being combined. The first deadline is June 25. Brubaker is working the Publication 4012, *VITA/TCE Resource Guide*, issue. Bryant saw the first draft and it's not going to change much. The biggest change is to remove the references to using the F9 key and instead use the link within the software because the function key is not available in the online version. They added additional screen shots and they eliminated the Form 8453, *Individual Income Tax Declaration for an IRS e-file Return*, from and moved the signature section to a prominent spot. The team is communicating through email, sending our revisions, which they combine and then sent back out for more input.

Process Based Training

There is very little to report at this time except that intermediate, advanced and international will be added.

Test

Hal Gadon asked if AARP will accept Link & Learn for certification this year. Criel answered that there has not been a commitment yet, but the training group is recommending that it be allowed.

Public Input

Gil Yanuck said there is reluctance to use Link & Learn because it can be circumvented by the number of times the test can be taken.



Staff News

We are currently conducting new panel member interviews. Thanks for all your help. All TAP staff will be out of the office attending their TAS symposium the week of July 23. Kayla Walker's detail as TAP manager will end at the end of June.

Meeting Adjourned

Next meeting, August 7, 2007, Noon ET

DECISIONS:

- The approved e-file recommendations will be amended as changed and sent to the Program Owner.
- The Committee reached consensus on elevating the Branding Recommendations after they are prioritized.
- The Committee reached consensus to elevate the Training recommendation after changing the recommendation to include at least 15 questions

ACTIONS:

Foley

- Forward TaxWise recommendation to SPEC people for their input.

Uncompleted Action Items from Previous Meetings

None

Volunteer Income Tax Assistance (VITA) Branding Recommendation

Committee Focus

The Internal Revenue Service (IRS) provides equipment, software, and training materials. The IRS sets the standards for volunteer certification and program operations. The IRS needs to increase the visibility and promote the credibility of the free tax preparation.

What We Have Learned So Far

1. The IRS needs to increase advertising and promotion of the free tax preparation program to the public as it does with e-filing
2. Volunteer tax preparers are held to high standards, IRS certified, and undergo regular quality review requirements.
3. The IRS wants to reduce or eliminate the tax preparation services offered by the Taxpayer Assistance Centers (TAC). As the TAC offices reduce their role in the tax preparation, the IRS must play an active role in helping VITA reach the taxpayers currently served by the TAC office.

Recommendations

1. The IRS should increase the visibility and promote the credibility of free tax preparation.
2. Create customizable Public Service Announcements (PSA) for local VITA groups to use on television and radio – consistent message



3. Integrate VITA information into existing IRS material in a visible way (for example: an ad for VITA on the back page of the "Instructions for Form 1040" and "1040A instructions" booklets)
4. Include information about VITA in mailings to clients who call the IRS and request that forms be mailed to them
5. Include information about VITA with the press releases, e-file messaging and advertising that the IRS currently does
6. Conduct mailings to specific target groups such as Earned Income Tax Credit (EITC) recipients about VITA
7. Make information about free assistance from VITA more visible and easily accessible on the homepage of IRS.gov
8. Have a poster in each site noting the volunteer who is preparing "your" return has been trained in current tax law and has been certified as competent to prepare the return by successfully completing a test designed by the IRS
9. As people call the IRS and are on hold, have a message about VITA inserted into the hold music
10. Update and widely distribute Publication 3676A, "VITA E-file Poster"
11. Partner with other government agencies that work with low-income families to include information about VITA in their mailings
12. Solicit support of National Taxpayer Advocate (NTA) and Local Taxpayer Advocates (LTA) to promote/endorse VITA / Tax Counseling for the Elderly (TCE) during their outreach efforts
13. IRS should be sharing available promotional products with partners
14. Produce camera-ready products that can be placed in various types of media. These should be available for downloading
15. Create a smaller (bi-fold, business envelope size) write-up / brochure, which we could mail out and leave / distribute in public service announcement type places (community buildings, libraries, public buildings) to promote VITA

TAP endorses soliciting neighborhood leaders to promote VITA and recommends additional efforts be put into identifying rural partners.

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**Taxpayer Advocacy Panel
Vita Committee Minutes
May 21 -23, 2007**

**Sheraton Gunter
San Antonio, TX**

Monday, May 21, 2007
Tuesday, May 22, 2007
Wednesday, May23, 2007

Designated Federal Official:

Kayla Walker - Acting TAP Manager

Program Owner:

Billy Hubbard - Territory Manager, Stakeholder Partnerships, Education and Communication (SPEC),
Communication, Assistance, Research, and Education (CARE)
Carol A Barnett - Director, Product & Partnership Development, SPEC, CARE
Libby Blair - Chief, Oversight and Analysis, SPEC Field Operations, CARE
Jeff Bledsoe - Chief, Individual Marketing Services
Nan Ellen Fuller - Acting Chief, Education and Product Development Staff, SPEC, CARE
Barbara Sowder - Project Manager, Process Based Training (PBT)

Committee Members Present:

Paul Brubaker - Pennsylvania
Patricia Bryant, Tennessee
Emilio Cecchi, Maryland
Laura Criel, New Mexico
Paul Duquette, Chair, Wisconsin
Harvey Epstein, New Hampshire
Harold Gadon, Rhode Island
Carolyn Hutchinson, North Carolina
Hank Mosler, Florida
Richard Rousseau, Vice-chair, Texas
Ferd Schneider, Ohio

Members Absent:

Sandra Bland, Minnesota
Elizabeth Colvin, Texas

TAP Staff:

Barbara Foley, Program Analyst
Patti Robb, Note Taker
John Fay, Senior Program Analyst

Monday, May 21, 2007

Goals and Expectations of the Meeting

Billy Hubbard talked about the goals and expectations for the meeting:

1. Fulfill some of the Committee's request regarding TaxWise. Libby Blair has arranged for an analyst that liaisons with Universal Tax Systems (UTS) to join via conference call
2. Jeff Bledsoe and Libby Blair will talk about the Volunteer Return Preparation Program (VRPP)



3. Carol Barnett will talk about product and partner development
4. Nan Ellen Fuller will talk about the training program
5. Barbara Sowder will talk about Process Based Training (PBT)

Leslye Baronich is unable to make it to this meeting. Hubbard hoped the discussion would be very open and frank as they are during the Committee's conference call and hopefully the committee will bring together the subcommittees' recommendations by the end of this meeting.

Office Report

Kayla Walker is currently on a detail as Milwaukee Taxpayer Advocacy Panel (TAP) Manager. The detail is scheduled to end mid-August. She is currently a senior analyst in the Little Rock, Arkansas, Taxpayer Advocate Service office.

John Fay reported that Bernie Coston and the managers spent the past week in Florida ranking the TAP applications. 381 applications were received to fill about 40 vacancies. The quality of the applicants is very impressive. Staff will make a concerted effort this year to emphasize that volunteering for the Taxpayer Advocacy Panel (TAP) is a very significant commitment and the 300 to 500 hours is a conservative time estimate. Staff has planned to survey members who leave early as to why they are leaving. When a vacancy occurs, if someone is already selected as an alternate and is still interested, they will be brought on. It was suggested TAP make it mandatory to attend the orientation.

ACTION: TAP staff should inform potential member to check their spam or junk mail to allow IRS.gov extensions to go through.

Expectations from the Program Owner

With Hubbard retiring at the end of this month, it is a good time to talk about the expectations from the Program Owner for the VITA Committee and the ability of the committee to bring up issues that are outside the scope of the program owner's focus. The VITA Committee members are in a better position than the program owners to know what is happening in the field. Ferd Schneider said that the VITA committee is unique in that most people who sit on this committee have spent time as tax counselors for the elderly and low income taxpayers and most times have more experience than many people in SPEC. The Committee should continue to work on the focus provided by the Program Owner but also inform SPEC on issues happening in the field.

As VITA committee members what do we expect from the program owner?

- An area committee works on issues where they have some experience. The process takes years – whereas an issue committee is geared to the strategic plan
- Timely responses (feedback) on formal and informal recommendations
- There should be joint interest in the issues worked and the program owner should come in fully briefed and with a full understanding of what TAP can do for the IRS
- Tell the committee where program is headed, the top problems, and the vision for the program
- Two ways of looking at issues: those provided by the program owner and those brought from the field back to the program owner which could help IRS fix problems as they arise and prevent them from becoming major issues
- Fast track issues that have a national impact rather than a regional impact
- Do not take TAP recommendations as criticism of the program; they are meant to help improve the program
- Have the authority to implement recommendations
- Help committee members define national rather than regional issues



- Consideration of member's commitment to filing season
- Provide vision of where the VITA program is going – site volume; urban versus rural; tax/financial counseling versus return preparation; financial responsibility education; degree of support from the Internal Revenue Service (IRS); role of VRPP outside of filing season

Hubbard said there has been a big growth in the VITA Program. The VRPP has three distinct customer bases, elderly, low-income and military, each heading in a different direction. SPEC had been recruiting partners having an interest in assisting low income taxpayers. In the last seven years, SPEC has tried a leveraging model for the partners to provide equipment and fund VITA sites. The VITA program has seen the most growth. The military is pulling away from volunteer prepared returns to promoting online self preparation. The Tax Counseling for the Elderly (TCE) sites are financed through grants and are striving to maintain their current level and number of volunteers. IRS has done well in developing programs in metropolitan areas but is still looking at ways to bring the same services to rural areas. The VRPP sites only provide tax return preparation and do not give financial advice. That is left to the partners who provide counseling on asset development planning, provide banking services, run programs to help low income persons to buy a house and generally to help them into a financially stable environment. IRS wants to partner with groups interested in bringing this type of financial literacy to low-income folks.

SPEC has a team defining where the SPEC program is going and developing a new model. If IRS goes to a multi-service partnership model, where would the military and TCE fall? The team has come to the conclusion that TCE and the military program need to be kept separate and apart from the new model. But, before IRS can advance the new model for the VITA program, it needs to get a handle on the quality initiative.

The new business model will develop a program around the baby boomers reaching the senior status, will still be committed to the military side, and will develop a program that emphasizes financial asset development in both rural and metropolitan areas. IRS will build partnerships with those interested in building financial literacy—maintaining financial stability, managing a budget, avoiding loan and other financial scams, etc. Epstein noted that there seems to be more joint TCE and VITA sites. Hubbard replied that this is another way to leverage partnerships.

IRS has had some new major funding initiatives, more partnerships for both urban and rural settings and an increase in the budget. The increase in budget will help provide more staff support and hopefully more computers. IRS currently has an inventory of 10,000 computers. VITA members told Hubbard that another way both TCE and VITA sites need support is in recruiting volunteers for tax return preparation and for instructors.

IRS will continue to improve the training materials which should reduce the burden on instructors but Hubbard said IRS is considering getting more involved in providing training. More support will be added at the local level. For example the El Paso office covers all of East Texas and with additional staff, IRS will be able to provide more assistance in training. IRS also recognizes it needs to change its recruiting focus to find volunteers who have computer experience.

Hubbard said IRS is trying to find ways to provide the same services to rural areas. It is more difficult to find partners as rural areas do not have the same resources as urban areas. SPEC wants the VITA Committee to bring some perspective to the IRS on increasing service to rural areas.

Finalize Training Recommendations

Paul Brubaker said the goal is to get this information in a format to present to the program owner and asked for comments and suggestions on listed items. The committee discussed the recommendations and the comments and suggested changes are in bold font.



COMMITTEE FOCUS

The Subcommittee is providing input concerning four (4) areas related to training and certification of volunteers of the VITA and TCE/AARP programs. Our focus is to document those parts that we feel are working well as well as noting items that we feel need improvement. Although Link and Learn is not considered a separate training material, we offer some suggestions concerning this process.

The four items addressed are:

1. Publications 678, *Volunteer Student Guide*, and Publication 678W, *Comprehensive Problems and Exercises Workbook*.
2. Publication 4491, *Process Based Training – Student Guide*.
3. Forms 6744, *Volunteer Assistor’s Guide – Test*, and Form 6745, *2005 Retest*, (also guidelines and answers – Pub 4189) – Publication 4012, *VITA/TCE Resource Guide*.

OVERALL

There is concern over the timely availability of, and the need for, improved accuracy and clarity of these materials

Most instructors are required to complete the test prior to the availability of a current year’s version of TaxWise.

There have been numerous corrections to the printed materials in recent years. It is difficult to communicate these corrections on a timely basis to instructors and volunteers.

Has the IRS reviewed any training materials developed by outside sources? Do they address quality reviews to ensure accuracy and if so how extensive are they?

There needs to be more training on Form 1099-MISC, Miscellaneous Income, and allowable expenses since this is becoming a growing sector of our clients.

1. VOLUNTEER STUDENT GUIDE AND WORKBOOK (PUBLICATIONS 678 and 678W)

- Sequence of lessons did not follow sequence for completing Form 1040, U.S. Individual Income Tax Return
- Good use of examples and exercises
- Better suited for new volunteers (due to the number of examples and exercises) than returning volunteers
- Size is cumbersome. Suggest move examples and exercises to 678W – this will allow transition of 678W to support Process Based Training as well as standard training
- Needs more varied versions of information reporting forms (Forms 1099-R, Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc. and Forms W-2, Wage and Tax Statement
- Practice exercises need to reflect the types of taxpayer’s scenarios that are prevalent for VITA and TCE clients. Add Military, intermediate, and basic.
- Publication 678 is getting too large; take practice exercises out and move to the 678W.

2. PROCESSED BASED TRAINING GUIDE (PUBLICATION 4491)

- Follows sequence of Form 1040
- Integrates tax law learning with tax return preparation software
- Emphasizes integration of process to use interview sheet and quality review with tax preparation
- Lacks the depth of examples and exercises of Student Guide
- Need to either reference Workbook (Pub 678W) or develop replacement to utilize more examples in training
- Lacks lessons for Advanced, Military, and International certifications



- Suggest more references to the resources used and available on VITA sites, the Form 1040 Instruction booklet, Publication 17 and the Volunteer Resource Guide rather than duplicating the information
- Suggest TaxWise training concerning the use of Form 2210, Underpayment of Estimated Tax by individuals. Specifically, there needs to be training on how to treat the form when it pops up and/or how to disable the form to let the IRS calculate the penalty if any is due

3. VOLUNTEER ASSISTOR'S TEST AND RETEST (PUBLICATIONS 6744 and 6745)

- Support 80% certification level with all questions having equal value
- Support use of scenario based questions without compounding of answers
- Support questions that ensure volunteers use intake sheet, reference guide and quality review form*
- Need to provide enough forms to complete all test questions
- Because of timing of when instructors need to be certified, need to either allow early testing to use previous years software or provide availability of early version of current year's version for certification also provide answers for both tax years
- Eliminate trick questions – examples (Q 5-6 concerning childcare paid to mother who was not eligible for SS number, Q 7-9 energy credit)
- Test to the basics – The test should be consistent from year to year and only test to the basic competencies. This would avoid concerns over last minute congressional changes such as "extenders" in 2006 and items that have a limited life such as the Telephone Excise Tax and Residential Energy Credit for 2006. These items should be addressed in training but do not need to be in the certification exam.
- Volunteer Resource Guide questions should not have a page number as an answer, instead ask for a specific piece of information. For example, a question regarding the Child Tax Credit might be: which step of the "interview Tips for Child Tax Credit" in the 4012 asks the question, "Did the child provide over half of his or her own support for 2006?"

***(Intent of the test should be to make sure volunteers know where to get the answer.)**

4. VOLUNTEER RESOURCE GUIDE (PUB 4012)

- Guide needs to be streamlined – one suggestion is to let the guide be a reference for tax law like it was in previous years and have a separate reference for computer software (TaxWise and TaxWise Online)

Brubaker sees resources being funneled away from the Publications 678 and 678W and toward PBT. Ferd Schneider does not want the Publication 678 to go away although he thinks it needs improvement; it is simply getting too cumbersome to use. There should be more training in tax law before learning how to input electronically and his site does not have the equipment available early enough to do the PBT. Most agreed Link & Learn is a valuable resource for those who cannot attend the formal training but it is difficult to use in some rural areas having only dial-up service.

Harvey Epstein thinks the 80 percent certification is too high for new volunteers, but returning volunteers should be held to the 80 percent certification. Volunteers continue to learn on site and errors are caught through quality review. Bryant said Certified Public Accountants) are certified at 70 percent. Why are volunteers held to 80 percent? She lost one returning volunteer because they didn't pass the test. Duquette surveyed volunteers to see if they thought 80 percent was too high and not one of them said yes. Brubaker didn't lose anyone even though some people did fail the first test. More returning members failed the first attempt because they were used to the old testing process.



Program Owners Report

Carol Barnett is Director, Product and Partnership Development. She introduced the IRS staff. Barnett said before joining SPEC, she was Director for the Human Capital office.

Libby Blair thanked all volunteers for their hard work during the filing season. She gave an overview of the filing season statistics:

Returns Prepared: 2.53 million (which surpassed the IRS goal of 2.3 million)

E-File rate: 87.4%

1040 EZ TETR returns : 90,678 (Telephone Excise Tax Return)

37% E-filed

Zero AGI (Adjusted Gross Income) returns e-filed: 75,086 (this allowed filing of TETR returns as well as state returns electronically)

ITIN E-filed: 15,025 (Individual Taxpayer Identification Number)

Split Refunds: 1,471

Direct Deposit: 44%

PIN use 75% (Personal Identification Number)

The use of PINs to electronically sign returns has increased. In its report, The Treasury Inspector General for Tax Administration (TIGTA) recommended that the Form 8453, Individual Income Tax Declaration for an IRS e-file Return, be eliminated or used only when necessary. SPEC considers the VRPP as having a great year quality-wise. The SPEC goal for quality this year was 55 percent and the quality rate is 56.4 percent. Both TIGTA and SPEC quality reviews showed that the sites having problems are not using the quality review process, mainly not using the intake sheet properly. Blair was asked if the TIGTA report could be shared with the committee. The TIGTA report will be provided when it is published probably sometime in July.

The SPEC quality review measured more than TIGTA but covered only VITA and TCE sites. SPEC did not do Military sites since the SPEC personnel could not get on base anonymously. SPEC plans to do more reviews next year and include both TCE and Military criteria. SPEC found that the use of the intake sheet is crucial to getting returns correct. And, if the sites had done the designated quality review, the errors would have been caught. The quality review process starts with the intake sheet and the interview of the taxpayer to ensure the information is correct, then the preparation of the return, and last, the designated quality review preferably by another person. The intake sheet is intended to be a memory jogger to ensure information is not missed; it is designed as a tool. Over 3,200 returns at 1,100 sites were reviewed this year. Next year, SPEC will be doing more discretionary reviews rather than the mandated ones done this year.

Hank Mosler asked if there was a quality review process for paid preparers. Blair replied that it was outside of the realm of TIGTA or SPEC but the General Accounting Office does review and found that most often it was the Earned Income Tax Credit that was figured incorrectly. SPEC can generate reports on the errors for a particular site. Territory managers in your area can provide this information. Brubaker said getting this data back down to the sites is important; it can indicate the specific issues causing the errors which the sites can then correct.

ACTION: Foley will send the TIGTA report to committee members after it is released.

Process Based training – Barbara Sowder

Publication 4491, *Process Based Training*, is not available online because it has TaxWise screen shots which might be construed as an endorsement of the product by the IRS. IRS is trying some creative solutions to include tax return preparation information in the publication.

Nan Ellen Fuller said IRS is also looking at ways to use the software along with Link & Learn. Barnett said it is not acceptable that the online training does not match the book and/or classroom training.



SPEC will find a way to integrate; it may take years but eventually it will get there in a way that follows the law and the rules. One solution is that IRS develops its own software; however, this may not prove possible as it could be construed as competing with private enterprise.

Barbara Sowder noted the PBT pilot test showed the training needed some tweaking but was essentially a good product. The pilot will be expanded next year and SPEC will do more quality reviews of the sites. This year, there were five quality review shopping trips at PBT sites and the results showed the quality was higher.

For next year, the PBT team is working on adding the advanced and military portions. The team also worked to remove all duplications in the material from the Publications 4012 and 17 and instead referring the volunteer to the publications.

Barnett said the IRS will need to do marketing of PBT before eliminating the Publication 678 with its partners as well as internally since some people want to continue with the way it has always been done. TAP has already experienced the resistance from members not on the VITA Committee but the TAP definitely endorses the new training method.

Sowder said SPEC has looked at the issues raised by the VITA Committee but not all are doable. Some are out of the scope of the volunteer program. Nan Ellen Fuller said SPEC will continue to ask TAP to provide specific feedback on PBT and is looking for TAP to provide feedback on the facilitator's guide. Sowder asked for volunteers to help develop the guide; there should not be any travel involved.

DECISION: A sub committee was formed to work on the PBT facilitator's guide Carol Hutchinson is chair; Emilio Cecchi, Pat Bryant, Laura Criel and Paul Brubaker are members. ACTION: Foley will send the team members contact information to Nan Ellen Fuller.

Jeff Bledsoe, Chief, Individual Marketing Service, said one of the main things his office does is liaison with the office that promotes and monitors electronic filing. Last year only 44 percent used the electronic PIN as the signature method; this year, it was at 75 percent. This is a 400 percent increase in the use of electronic PINs to sign the electronically-filed tax return. Also, IRS saw a significant decrease in rejects and a significant increase in direct deposit. IRS is now looking at mandating the PIN signature method and having a form process that will work around the exceptions.

Duquette asked what discussions have gone on about volunteer sites maintaining paper records for three years. Bledsoe replied that IRS has determined that the volunteer sites are required to maintain the records but is looking at ways the sites can ship forms to centralized files.

Training Recommendations

Fuller gave an update of teams forming this year where VITA Committee members have a role:

1. Publication 678W comprehensive exercise team met last week. Ferd Schneider is on this team
2. The test team does not anticipate significant changes this year. Laura Criel and Rick Rousseau will assist the team.
3. The Publications 3189 and 4012 team is Pat Bryant and Paul Brubaker
4. The members for the Process Based Team have yet to be identified.

In the past, IRS allowed partners to develop their own test. Last year nine partners submitted tests and were told it may be the last year. This year SPEC provided the proposed test to its partners and asked for feedback. With the emphasis on quality, IRS felt it needed more control over the test and answer key. SPEC would like volunteers to review the PBT lessons.

DECISION: A subcommittee was formed to assist IRS in reviewing the PBT lessons.



Carolyn Hutchinson is chair; Emilio Cecchi, Paul Brubaker, Laura Criel, Paul Duquette and Pat Bryant are members.

Link & Learn

Publication 678 FS, *Foreign Student and Scholar Volunteer Student Guide*, and the 678 PR, *2005 Puerto Rico Supplement*, are currently available only in paper versions but will be part of Link & Learn this year. Link & Learn will be available on CD in November this year too. The only down side to offering the CD is they are not easily changed or updated. The Publication 4480, Link & Learn Taxes Kit, can still be ordered in bulk by instructors and this year a notice when Link & Learn starts up informs the user that the Publication 4480 should be ordered.

Hal Gadon asked if anyone had experience using the TaxWise University. Hubbard said he found it extraordinarily time consuming and it covered areas that did not apply to VITA. Brubaker said he attended the TaxWise training which was a three day course and felt he got two hours of excellent information. Bryant also attended the training and felt too much time was spent on TaxWise online.

Ferd Schneider asked why AARP TCE volunteers can not be certified using the Link & Learn test. Blair replied that AARP is the IRS' largest partner and had developed their own processes and products prior to SPEC being formed. IRS does not want to add burden to partners by dictating to them. Sowder said one of the things that makes SPEC so unusual is they are asking people to work with them and not making demands. Brubaker said the teams working on the SPEC projects have a chance to really interact and influence SPEC's partners.

Another problem with using the Link & Learn certification test is that if you miss a question but still pass the test, the system does not tell where the error occurred. It only provides the information when the test is failed.

Link & Learn observations and recommendations

- The Link & Learn system is self paced and allows each student to progress at their own rate which is an important aspect of the Link & Learn system design.
- The certification test currently needs to be taken in one sitting. It is not possible to take part of the test one day and then continue at a later time. TAP recommends the design of the Link & Learn test system be modified to permit students to take the test in several different sessions. This modification is important to students who cannot dedicate a single block of time to the online testing. TAP understands that IRS is prohibited from placing cookies on the user's system which prevents this feature and supports the IRS in investigating having Link & Learn hosted on a non IRS site so volunteers would be able to establish a user name and password and do sections of the training and test at different times.
- TAP recommends blank forms, tax tables and EITC tables be provided through the site to expedite the use of the system.
- Is there any vision in the future to consider calculation within the system? Fuller said they are hoping to integrated software into Link & Learn. However, it is difficult as IRS cannot use TaxWise screen shots as Link & Learn is on the public domain and IRS cannot appear to endorse a commercial product.
- The certification test should be available in two versions for those who would like to take it earlier. IRS should consider having answers for the previous and current tax years. Volunteers need to be certified for the current tax year and this could mean that volunteers would need to take the test twice. This is a problem IRS struggles with as often there are tax law changes as late as December also it is not possible to certify everyone in every aspect of the tax law. There needs to be some balance.



- TAP recommends that students be able to take the test twice electronically and then be required to retest on paper. This allows the instructor to easily find where the errors occurred.

Meeting adjourned for Monday, May 21, 2007

Tuesday, May 22, 2007

TaxWise Discussion

Bruce Foster joined the meeting via conference call. He is currently acting as the liaison to UTS. Foster addressed the major adjustments planned for the next year. The technical issue which caused the system to be unavailable toward the end of the filing season was identified; a correction was made to the database and a backup system put in place to prevent the same type of problem from occurring in the future.

Last year, there were some problems when updates were issued; the Committee suggested TaxWise thoroughly test updates before issuing. It was suggested that updates be rolled out to a relatively small group prior to the mass roll out to catch any problems. Foster responded that generally upgrades are related to tax law changes, expanded capability of who can file electronically, or to correct software problems. The amount of testing is dependent on the urgency of the upgrade.

If UTS does independent testing before the product goes out next season, the Committee suggested the beta testing include VITA and TCE members. Foster will bring this to UTS' attention.

Both the 2006 and 2007 versions of TaxWise are compatible with the VISTA operating system and UTS does not foresee problems with capability.

Hal Gadon asked how to disengage the Form 2210, Underpayment of Estimated Tax by Individuals, *Estates and Trusts* from calculating automatically. Foster did not know but will find out.

Mosler asked what approach IRS used to test the software. Foster replied that the test program is similar to Link & Learn but it is not all inclusive. IRS depends on the contractor to test and ensure the software is running within the correct parameters.

Epstein said TaxWise is problematic with printers and the software will not recognize printers that are installed using Plug and Play. Printers have to be deleted and manually installed. The printer works with any other application on the system outside of TaxWise but not within. This causes a major problem with shared printers using a parallel switch. The software will not recognize the printers unless the system is rebooted or the computer is wired directly to the printer which is very cumbersome. It was mentioned that this problem can be worked around by creating an adobe print file which then can be sent to the printer outside of TaxWise. Foster will work with UTS on this problem.

Brubaker said he likes the auto-fill feature 90 percent of the time. However, he has found a particular problem with routing transit numbers. After entering one and going to a new field where a zero is required, the system insists on automatically filling the field with the routing transit number even when you try to use back space to delete the number and reenter. You are forced to enter a dummy number and then use the backspace key to correct. There should be a stack of data related to each field. That is, when you are in a city field, the auto fill choices should be names of cities previously entered in that field and not all alpha fields available.



Hubbard said he was asked about wireless and the IRS policy. What is the TaxWise policy about this? Foster said we cannot prohibit it but we discourage it as we cannot be sure the person who set up the network made sure it was secure.

Duquette asked if there is any movement by TaxWise to allow a version of TaxWise to be used when the high speed connection is not available. Trying to do tax returns on line over dial up would be too slow. Foster replied that the online and desktop versions were two very different systems and does not know that there will be that offline capability.

Another problem Duquette found with TaxWise online is you cannot carry information from one year to the next. Foster will bring this issue to UTS. Brubaker said their SPEC wants all the sites to use TaxWise online. If you want people to switch to TaxWise online, it needs to have all the features of the desktop version, what is the plan to mature? One difference is the inability to print a portion of the return in the online version. Brubaker said the horror here is if you review the return and see a minor error such as, transposed letters in a name, that does not change the calculations, you have to print the whole return; you can not print the current page. Foster said UTS is aware of that problem and is working to improve the online version and make it parallel to the desktop version. Other problems are fewer drop-down box entries available and you have to manually enter all the information. There are some good features for the online version but for now Brubaker prefers the desktop version.

Schneider has found problems on some of the fields that will not accept a zero; one is when you have minimal wages and the amount of withholding is zero and another example is when the capital gain or loss is zero. He had to enter a dollar to file the return. He does not suggest UTS allow the field to be blank since that is an indicator that the field was just missed but a zero manual entry should be allowed.

Brubaker had a problem with addresses are carried forward they are in red and you can only remove the red by retyping the same information.

TaxWise will now encrypt both prior year and current year data. TaxWise has moved away from using the Social Security Number (SSN) to name the returns. The system will now generate names randomly to store the files. Last year, the system allowed users to enter a file name and not use the SSN.

The concern is that having the random file names would make it more difficult to select returns for transmitting or printing unless you use the wide filter capability. He also suggested allowing the wide filter for restoring returns. Foster will talk to UTS about this.

ACTION: A subcommittee was formed to write-up the TaxWise testing proposal and present it to the full committee. Mosler is the Chair and Brubaker and Epstein will assist.

Duquette said IRS needs to make it simpler and easier to file electronically. More information is required on an electronic return than a paper return. He prepared a return for a student who had six Forms W-2 and only made \$4,000. It took an hour to do the return; it would have been much quicker to do a paper return. Criel said if the information reporting forms were standardized, they could be scanned. It is not necessary to provide as much data for a Form in the 1099 series but that is because the reporting forms go to the IRS; whereas, the Forms W-2 are filed with the Social Security Administration and IRS does not have access to the information until mid-summer.

Barbara Sowder said if an auditor pulls a paper return for review, copies of the reporting forms are attached. But, there would be nothing with the electronic return except for what is entered into the system. Jeff Bledsoe will take this issue to submission processing for their input.

The Branding and Electronic Filing Subcommittees attended their break-out sessions.



Wednesday, May 23, 2007

Subcommittee Report Outs
VITA Branding Recommendations

Committee Focus

The Internal Revenue Service (IRS) provides equipment, software, and training materials. The IRS sets the standards for volunteer certification and program operations. The IRS needs to increase the visibility and promote the credibility of the free tax preparation program.

What Was Learned So Far

1. The IRS needs to increase advertising and promoting to the public as it does with e-filing
2. Volunteer tax preparers are held to high standards, IRS certified, and undergo regular quality review requirements.
3. The IRS wants to reduce or eliminate the tax preparation services offered by the Taxpayer Assistance Centers (TAC). As the TAC offices reduce their role in tax preparation, the IRS must play an active role in helping VITA reach the taxpayers previously served by the TAC office.

Recommendations

1. The IRS should increase the visibility and promote the credibility of free tax preparation.
2. Create customizable Public Service Announcements (PSA) for local VITA groups to use on television and radio
3. Integrate VITA information into existing IRS material in a visible way (for example: an ad for VITA on the back page of the Instructions for Form 1040 and the Form 1040A,
4. Include information about VITA in mailings to clients who call the IRS and request forms be mailed to them
5. Include information about VITA with the press releases, e-file messaging and advertising the IRS currently does
6. Conduct mailings to specific target groups such as Earned Income Tax Credit (EITC) recipients
7. Make information about free assistance from VITA more visible and easily accessible on the homepage of IRS.gov
8. Have a poster in each site noting the volunteer who is preparing "your" return has been trained in current tax law and has been certified as competent to prepare the return by successfully completing a test designed by the IRS
9. As people call the IRS and are on hold, have a message about VITA inserted into the hold music
10. Update and widely distribute Publication 3676A, VITA E-file Poster
11. Partner with other government agencies that work with low-income families to include information about VITA in their mailings
12. Solicit support of National Taxpayer Advocate (NTA) and Local Taxpayer Advocates (LTA) to promote/endorse VITA and TCE during their outreach efforts
13. IRS should be sharing available promotional products with partners
14. Produce camera-ready products that can be placed in various types of media; these should be available for downloading
15. Create a smaller (bi-fold, business envelope size) write-up / brochure, which we could mail out and leave / distribute in public service announcement type places (community buildings, libraries, public buildings) to promote VITA
16. TAP endorses soliciting neighborhood leaders to promote VITA and recommends additional efforts be put into identifying rural partners

Fuller will send a copy of the SPEC products to Kayla Walker, acting TAP Manager who will forward to the Branding committee members. The Committee will review the available materials and make



suggestions for improving them.

e-file Subcommittee

Pat Bryant reported that the committee refined the list of recommendations on e-file that they will present to the Joint Committee soon. SPEC wanted to get feedback on encouraging volunteers to file electronically rather than on paper and asked subcommittee why volunteers were resistant to electronic filing. The subcommittee members' sites all filed electronically for the vast majority of returns and were not able to provide assistance to IRS on this topic. The subcommittee refined their list of recommendations and will present to full committee at the next meeting.

The Committee brainstormed these ideas for non-participation in e-file:

- Lack of Electronic Return Originators; many are not willing to accept additional responsibilities or to volunteer the extra time
- Not enough computers so some counselors use paper
- Volunteers refuse to use computers
- Lack of storage space so volunteers need to bring all the equipment, set up at the temporary site and then break down some volunteers are not willing to carry printers
- Closing sites to decrease paper filing is not acceptable; move forward by recruiting new volunteers who are committed to electronic filing
- The recruitment message must say you need computer skills
- E-filing should be made top priority because it increases accuracy

Miscellaneous Issues

Link & Learn

Link & Learn is available the full year; next year's version will be available November 1.

Reporting Forms Inconsistencies

Brubaker said in his experience preparing returns, the biggest impact on return preparation is the non-standardization of forms. It can impact every aspect of tax preparation, whether volunteer or paid return preparation. It is also confusing to taxpayers. He has examples of the differences and varieties used and is working on a five year strategy for standardizing the forms.

Duquette was concerned that the VITA Committee would spend a good deal of time working the issue but then where would it go? The issue committee does not have any way to send recommendations up except to our own program owner. This should be referred to an area committee to elevate. He will bring this up at the Joint Committee meeting to see which area should work on the issue. Schneider agreed that referring the issue to an area committee was the proper thing to do but suggested the VITA committee write a position paper supporting the area recommendation based on it being a problem with VITA training and has an impact on all the volunteers preparing returns. Area 2 already has a subcommittee working this issue and already has three recommendations and it seems they each will go to different owners. Foley suggested leaving the Form W-2 alone as they are a Social Security Administration form.

Practitioner PIN

Gadon said SPEC is about 99 percent there. He has heard that around June 1 there may be some very important information coming out regarding Form 8453. The next step is to eliminate the self select PIN option. There is no reason for the volunteers to use it and eliminating it would result in a great cost savings.

Jeff Bledsoe suggested tackling one issue at a time. He thanked everyone for all their help in making this work.



Penalty for Underpayment of Tax

There is a problem with the software automatically calculating a penalty and can volunteers trust the penalty calculation as accurate. Volunteers are not trained on computing the Underpayment of Tax penalty. Foley said you cannot use the calculation that comes up from TaxWise as it may not be right. There are a whole slew of reasons why it may not be accurate and completing the Form 2210, Underpayment of Estimated Tax by Individuals, Estates and Trusts, is out of scope for volunteers. Duquette suggested a box to check for having IRS calculate the penalty. However, the taxpayer needs to be warned that they might be penalized and what they need to do if they receive a letter from the IRS. Volunteers need to know how to handle the Form 2210. Blair assured the Committee that SPEC will provide direction on handling the form 2210 in next year's training and reference material.

Committee Members' Concerns/Suggestions/Issues

Brubaker said he heard there is an internet site to help some one determine if they needed to file an income tax return or not. Here is a link to the site on IRS.gov
<http://www.irs.gov/individuals/article/0,,id=96623,00.html>

Rousseau said he is pleasantly surprised at the difference in an issue committee and area meeting. The area committee does the outreach and gets input, but the issue committee really is the citizen providing the information to the IRS. Information was certainly flowing between members and program owners and eyes were opened on both sides during this meeting. It has been a very enlightening meeting. It worked well; the Committee produced some good products but still has a lot of work to do.

Schneider said this committee is unique. Things we work on in this committee are personal and very relevant to each of the members because they deal with the issues every year as volunteers. We need to recognize that this committee should get some leeway in recommending grass roots issues up.

Gadon thanked Hubbard for all his guidance.

Bryant said there was a suggestion that the VITA committee not meet on a monthly basis during the filing season. This seemed to be agreeable to staff, committee members, and program owners. Duquette felt this decision should be deferred to December when there are new members. Rousseau felt the committee should still meet but it could be more of an organizational meeting.

Duquette said to remember that there will always be situations coming up where someone can not attend the meeting. This committee always had a quorum which is important for continuity.

Brubaker said if we had not worked all year long, the Committee would not have accomplished this much.

Closing

Next meeting June 19, 2007

Decisions:

- A sub committee was formed to work on the PBT facilitator's guide Carol Hutchinson is chair; Emilio Cecchi, Pat Bryant, Laura Criel and Paul Duquette are members.
- A subcommittee was formed to assist IRS in reviewing the PBT lessons. Carolyn Hutchinson is chair; Emilio Cecchi, Paul Brubaker, Laura Criel, Paul Duquette and Pat Bryant are members.



Actions:

Foley

- Send the TIGTA report to committee members after it is released.
- Send the team members contact information to Nan Ellen Fuller.

Mosler, Brubaker and Epstein

- A subcommittee was formed to write-up the TaxWise testing proposal and present it to the full committee. Mosler is the Chair and Brubaker and Epstein will assist.

TAP staff

- Inform potential member to check their spam or junk mail to allow IRS.gov extensions to go through.

Uncompleted Action Items from Previous Meetings: None



**Volunteer Income Tax Assistance (VITA) Committee
Teleconference Meeting Minutes
May 1, 2007 12 PM – 1 PM ET**

Designated Federal Official

Kayla Walker, Acting TAP Manager

Program Owner

Billy Hubbard, Territory Manager, Stakeholder Partnerships, Education and Communication (SPEC)

Committee Members Present

Paul Brubaker, Pennsylvania
Patricia Bryant, Tennessee
Emilio Cecchi, Maryland
Laura Criel, New Mexico
Paul Duquette, Chair, Wisconsin
Harvey Epstein, New Hampshire
Harold Gadon, Rhode Island
Hank Mosler, Florida
Ferd Schneider, Ohio

Members Absent

Sandra Bland, Minnesota (excused)
Elizabeth Colvin, Texas (excused)
Carolyn Hutchinson, North Carolina
Richard Rousseau, Texas (excused)
Donna Tremblay, Georgia

TAP Staff

Barbara Toy, Program Analyst
Patti Robb, Note Taker

Visitor

Barbara DelBene, National Community Center for Progress
Steve Swartz, TAS, Lanham, MD

Welcome

Paul Duquette welcomed everyone to the May meeting.

Roll Call

Quorum met.

Review Agenda / Approve Minutes

Duquette said seven members sent back the meeting survey after the April meeting. He wanted to emphasize that the main purpose of the full committee meeting is to share information from the subcommittees and not to work the issues. The subcommittees work the issues. In addition, we need to try to stick to the agenda item at hand. Please, no side conversations, use your mute button if available; don't interrupt, and identify self before speaking.

ACTION: Barbara Toy will send out April minutes for approval by email.

Program Owner's Report

Billy Hubbard reported that overall the Volunteer Return Preparation Program (VRPP) went very well this year. There were approximately 2.3 million tax returns completed and electronic filing increased for volunteer tax preparation this year. The Treasury Inspector General for Tax Administration



(TIGTA) came in with a 56 percent quality rating this year; the Stakeholder Partnerships. Education and Communication (SPEC) internal quality review, which is more statistically valid since it is based on the number of returns filed, is at 64 percent.

Hubbard announced his intention to retire after the San Antonio face-to-face meeting. He is recommending the VITA Program Owner be an executive as the work this committee does and the impact made, warrants executive support.

Hal Gadon asked what criteria TIGTA uses for the quality review. Hubbard responded, accurate tax returns. It is based on scenarios and if the volunteer does not reach the set outcome, they fail the quality review. Harvey Epstein asked if the quality rating is broken down between Volunteer Income Tax Assistance (VITA) and Tax Counseling for the Elderly (TCE). It is combined. If the quality review information is available, it will be presented at the meeting in San Antonio. TIGTA does not do a large number of visits, only 30, but SPEC has found a trend. The volunteers who are making errors are not following the quality review process and are not using the intake sheets. Volunteers are not turning the sheet over and consequently miss some basic income information. Using this tool is important in producing a quality return.

Agenda Topics

Subcommittee Reports:

E-filing

Pat Bryant reported the e-filing subcommittee did not have a meeting in April. A list of ten recommendations was sent to all committee members for feedback and comments, but only two responses were received. More input is needed from the full committee to complete the recommendation.

ACTION: Pat Bryant will send the e-file recommendations to the full committee again.

ACTION: All members should review the e-filing draft recommendation and send comments to Pat Bryant.

Branding

Emilio Cecchi reported the subcommittee members exchanged notes from their last meeting and all the information was sent to the full committee. Elizabeth Colvin summarized the meeting and the committee's thoughts and sent out to subcommittee after the meeting. A discussion of this summary will be put on the agenda to be discussed in San Antonio. Duquette will follow-up with Elizabeth Colvin as to the next steps.

ACTION: Elizabeth Colvin's summary on branding will be sent to the full committee.

Brubaker suggested the three subcommittees, E-filing, Branding, and Training, each have a folder on TAPSpace for information sharing. Toy offered to post information in the folders on TAPSpace as only staff can add information there.

ACTION: Barbara Toy will add the three subcommittee folders to TAPSpace and post relevant items to the folders as needed.

Training

Brubaker sent an email to the full committee on April 1 asking for input regarding four specific training issues;

1. Student Guide / Workbook
2. Process Based Training (PBT)
3. Testing Materials
4. Resource Guide



Brubaker is trying to pull all the information he has received regarding training. Based on the TIGTA review, it is evident that the quality review process needs to be a large part of the training. There is still some concern but most agree with the 80 percent correct requirement for passing the test and becoming certified. But, there was a concern expressed that because of the importance of preparing a quality return, the passing rate should be 100. Another concern was raised that standard training did not teach the use of TaxWise. The use of PBT increases most students' knowledge of using the software; however, not all sites have computers available during training. In addition, many sites emphasize the tax law portion to ensure students pass the certification tests rather than training them to use the software properly. Another frustration is that information reporting forms are not standardized. Area 2 is working on a proposal on a requirement to standardize the format for information reporting forms. Volunteers needed training on how and where to find the proper information need to prepare the tax return correctly.

To date, Brubaker has not received much specific feedback or recommendations on the four issues. Please look at the email again and get back to him with comments, feedback, and suggestions. Brubaker asked that all comments and suggestions regarding training be sent to him by Friday, May 4, so he can consolidate for the subcommittee meeting. Duquette suggested that all committee members who are interested attend the subcommittee meeting.

ACTION: Toy will send Brubaker's email regarding the four subjects that the training subcommittee will focus on to the full committee for review.

Brubaker said he would like to see the scenarios TIGTA used for its reviews. The subcommittee can address where the errors occurred and emphasize these areas in the training and testing next year.

Face-to-Face Meeting

Mosler suggested adding a block of time to the agenda to discuss quality and the TIGTA quality review. He would also like to see time allotted for a presentation on TaxWise. Where is it going? Brubaker noted that TaxWise requires a significant amount of data entry for information that is not required on a paper tax return. Hubbard will check to see if a demonstration can be arranged. Mosler said he also would like to have a discussion on upgrades to TaxWise and the use of TaxWise online, its successes and/or problems. Bryant said a major concern of using TaxWise online is that there is no backup system for preparing returns if the connection is lost. In addition, information cannot be carried forward to the next tax year which increases data entry time and also creates greater risk of error.

ACTION: Duquette asked Mosler and/or anyone else who has suggestions for the agenda to put them in bullet point format and forward to Toy and him.

Public Input

Steve Swartz said most of the volunteers he works with use TaxWise software and have problems linking of the charitable non-cash and the charitable mileage worksheets. Has anyone else experienced these problems? Hal Gadon said he had the same problem.

Barbara DelBene asked if the May 4 subcommittee meeting was open to public and was informed it was.

ACTION: Toy will forward all Training Subcommittee information to Barbara DelBene and Steve Swartz who are welcome to join all subcommittee calls.

Meeting Adjourned

Next meeting, May 21-23, 2007 in San Antonio, Texas

Action Items:

All Members:

Review the e-filing draft recommendation and send comments to Pat Bryant.



Mosler and/or anyone else who has suggestions for the agenda to put them in bullet point format and forward to Toy and Duquette.

Pat Bryant

Send the e-file recommendations to the full committee again.

Barbara Toy

Send out April minutes for approval by email. :

Send Elizabeth Colvin's summary on branding to the full committee.

Send Brubaker's email regarding the four subjects that the training subcommittee will focus on to the full committee for review.

Forward all Training material information Barbara DelBene and Steve Swartz who are welcome to join all subcommittee calls.

Previous Uncompleted Action Items:

- Paul Brubaker should include thoughts on including the Form 2210, Underpayment of Estimated Tax by Individuals, Estates and Trusts, in volunteer training or recommending SPEC have written guidelines on how volunteers should disable the form.



**Volunteer Income Tax Assistance (VITA) Committee
Teleconference Meeting Minutes
April 3, 2007 12 PM – 1 PM ET**

Designated Federal Official

Barbara Toy, Acting TAP Manager

Program Owner

Billy Hubbard, Territory Manager, Stakeholder Partnerships, Education and Communication (SPEC)

Committee Members Present

Paul Brubaker, Pennsylvania
Emilio Cecchi, Maryland
Elizabeth Colvin, Texas
Laura Criel, New Mexico
Paul Duquette, Chair, Wisconsin
Harvey Epstein, New Hampshire
Harold Gadon, Rhode Island
Hank Mosler, Florida
Richard Rousseau, Vice-chair, Texas
Ferd Schneider, Ohio
Donna Tremblay, Georgia

Members Absent

Sandra Bland, Minnesota
Patricia Bryant, Tennessee
Carolyn Hutchinson, North Carolina

TAP Staff

Patti Robb, Note Taker

Visitor

Gil Yanuck, Panel Member
Barbara DeIBene, National Community Center for Progress
Steve Swartz, TAS, Lanham, MD

Welcome

Paul Duquette welcomed everyone to the meeting.

Roll Call

Quorum met.

Review Agenda / Approve Minutes

Public Input will be moved to the end of the agenda.

Members did not have enough time to review the minutes. If anyone has any changes to the March 6, 2007, minutes please let Barbara Toy know via email. They have already been approved by the chair.

ACTION: All members should review the March 6, 2007 minutes and email Toy with comments/changes by Friday, April 6, 2007.



Program Owner's Report

The April 2, 2007, results for electronically filed returns for VITA, AARP, and Tax Counseling for the Elderly (TCE) are as follows:

- VITA returns are up 26.6% - 618,000
- AARP returns are up 27% - 878,000
- TCE returns are up 24.8% - 31,000

The Internal Revenue Service (IRS)) is pleased with the electronic filing results. The Treasury Inspector General for Tax Administration (TIGTA).gave VITA a 43 percent quality rating. Many sites did not follow the quality review process or did not use the intake sheets properly. The intake sheets are two-sided; one side to be completed by the taxpayer and the other side by the volunteer. Some volunteers did not complete the second side of the intake sheet and errors were made on the returns. The rating is low but is a significant improvement over last year. Hubbard was not certain of the acceptance rate of returns but it is about 80 or 90 percent.

Hank Mosler raised the question on whether volunteers should complete the Form 2210, Underpayment of Estimated Tax by Individuals, Estates and Trusts; it sometimes pops up when the client has a balance owed. He asked if there were any written processes regarding the form. If volunteers should be completing the Form 2210 it needs to be included in the volunteer training. The form is filed as an explanation to avoid penalty for underpayment of estimated tax and is a very complicated form. If the form should not be completed, there needs to be some written guidance in how to set the defaults to disable the form or on how to treat when it does pop up. Duquette noted this information should go to Paul Brubaker who is chair for the Training Subcommittee to be included in the committee's recommendation.

ACTION: Paul Brubaker should include thoughts on including the Form 2210, Underpayment of Estimated Tax by Individuals, Estates and Trusts, in volunteer training or recommending SPEC have written guidelines on how volunteers should disable the form.

Duquette said his VITA site was audited last week. One problem encountered was that returns are prepared at a senior center and the center had a jar out with donations written on it. The donations are for the senior center, not the VITA site. Gil Yanuck suggested putting the jar at the very entrance of the senior center so it is not near the site itself. And Duquette replied that is how his site solved the problem. Duquette said they also don't use intake sheets at this site and the auditors were a little disturbed about that. However, the site does do a quality review of the returns. The site doesn't use the form to save time. Returns are done by appointment only and many of the clients are returning customers which make the intake sheet less valuable.

Agenda Topics Subcommittee Reports E-filing

The subcommittee is going to recommend that everyone use the practitioner pin method for electronically signing a return. The committee has compiled a set of written recommendations that will be sent out to the whole committee for comment. Other recommendations on the list include solutions to the printer incompatibility problem. The software will not interact with some of the equipment. The committee is also suggesting that members of the VITA Committee be included in the beta testing of the software and the wording be changed regarding the "three day rule" for transmitting tax returns to state that it can be waived in case of emergencies. Another issue the subcommittee looked at is the discrepancy in the distribution of equipment; some sites have too much equipment and some don't have enough. Mosler has an updated list of recommendations and will send to Toy. All the written information will be sent out to the whole committee for input and comments.

ACTION: Mosler will send an updated list of e-filing recommendations to Toy.

ACTION: Toy will send the e-filing recommendations to the whole committee for input.



Branding

Elizabeth Colvin reported the Branding subcommittee had a short meeting as Hubbard was unavailable. The committee discussed their ideas on how SPEC could publicize the Volunteer Return Preparation Program (VRPP) by email. The subcommittee is looking forward to having more time to work on the issue after the tax filing season is over.

Training

Duquette reported only three members attended this subcommittee meeting. Paul Brubaker sent out survey to all VITA committee members. Duquette sent the survey out to all the volunteers at his VITA site for their input. SPEC starts working on training material in May so the Committee should get the recommendations completed soon. All committee members should forward this request for comments on training to others in the volunteer program. The goal is to compile all of the input by April 30. That compilation will be available to review on TAPSpace. The subcommittee has a conference call scheduled for Friday, May 4 at 11 a.m. ET.

ACTION: Committee members should complete the training survey and return to Paul Brubaker. Committee members should also ask anyone they know who volunteers to prepare tax returns to complete the survey as well.

The goal is to have all the information compiled as a final document for review during the face-to-face meeting.

Face-to-Face Meeting

The meeting will be in San Antonio, May 20-23—Travel in on Sunday, May 20, meet at 8 a.m. on Monday (all day), meet at 8 a.m. on Tuesday (all day), and possibly meet until Noon on Wednesday. The agenda will drive whether the meeting will last two full days or two and a half days. Toy has been on the subcommittee calls and felt there is plenty of work to meet for two and a half days. Hubbard agreed. Duquette added that the committee met for two full days in Atlanta last year and were plenty busy. However, the agenda will set the final times.

Mosler asked if any other people from SPEC will be at the meeting. Hubbard said he invited Libby Blair, Chief, Oversight and Analysis, SPEC Field Operations, Communication, Assistance, Research and Educations (CARE), and Jeff Bledsoe, Chief, Individual Marketing Services, SPEC. Bledsoe said he will attend but Blair is not sure at this time. Hubbard will also invite the training manager and members of the Process Based Training (PBT) team. He will also invite the TaxWise liaison.

Public Input

Steve Swartz said the SPEC office in Maryland is pushing online TaxWise and asked if anyone has experience using it? Hubbard replied that one of his partner's from San Antonio is very enthusiastic with his experience in using TaxWise Online and wants to add 14 sites next year. SPEC is pushing online because of security and confidentiality concerns. It will also save on costs on distributing and gathering the computer equipment each year.

Gil Yanuck reported that electronic filing is improving in Nevada; the sites are averaging 83 percent e-file and some are as high as 97 percent. Regarding the comment about TaxWise on line, very few of the sites in Nevada have a dedicated high-speed line that can be tied up for five hours or more and the defaults cannot be set when using TaxWise online transmission. The Military VITA as well as other VITA sites has positive thoughts on using TaxWise online but there will be difficulties in rolling out to all sites.

Harvey Epstein mentioned that the online program could be used more if volunteers could use a wireless connection to the Internet but it is his understanding that volunteers are not to be using wireless. Hubbard is not certain of SPEC's current policy concerning wireless but will find out. But, the last he heard was that wireless is not to be used for transmitting any taxpayer information. Mosler said IRS will need to address these issues if it wants to increase the use of TaxWise online.

ACTION: Hubbard will find out SPEC's current policy concerning the use of wireless



Internet access.

Yanuck said every year his sites get laptops from the IRS and have to set them up; then at end of season they are sent back and completely wiped. The next year they get the computers back and they have to spend a great deal of time setting up the networks, installing software, trying to de-bug; some computers don't work; some equipment is incompatible; etc. Hubbard said SPEC talked about this problem just recently. It's expensive for IRS to send this equipment out every year, but safeguarding IRS information is the most important issue here and with the sensitivity surrounding the loss of the personal data on the computers lost by the Veteran's Department recently, it will not be changing soon.

Mosler expressed concern that TaxWise will only support the new VISTA operating system which will make most of the volunteer's existing hardware obsolete. Hubbard responded that Cindy Jones the liaison with TaxWise recognized this potential problem and assured him that both systems will be supported for the next few years.

Staff News

Sandy McQuin is on a detail as Director, Low Income Tax Clinic (LITC) for several months. Steve Berkey is acting until April 14, 2007. Kayla Walker, Taxpayer Advocate Service (TAS) Program Manager from Little Rock, AR, will be on a detail to act for McQuin for 120 days starting April 16, 2007..

Committee Members' Concerns

Duquette has received emails concerning problems volunteers are having where should he send the information? Hubbard responded that the emails should be sent to him and he will forward to correct party

Mosler said one of his seniors experienced a fraud incident and wouldn't it be nice if the volunteer sites had a list of the most common fraud scams to hand out at the volunteer sites

ACTION: Duquette is starting to plan the agenda for the face-to-face meeting, any one with agenda suggestions should send their ideas to Toy, Duquette and Hubbard.

Meeting Adjourned

Next meeting, May 1, 2007

ACTION ITEMS

- All members should review the March 6, 2007 minutes and email Toy with comments/changes by Friday, April 6, 2007.
- Paul Brubaker should include thoughts on including the Form 2210, Underpayment of Estimated Tax by Individuals, Estates and Trusts, in volunteer training or recommending SPEC have written guidelines on how volunteers should disable the form.
- Mosler will send an updated list of e-filing recommendations to Toy. Toy will send the e-filing recommendations to the whole committee for input. Committee members should complete the training survey and return to Paul Brubaker. Committee members should also ask anyone they know who volunteers to prepare tax returns to complete the survey as well.
- Hubbard will find out SPEC's current policy concerning the use of wireless Internet access. Duquette is starting to plan the agenda for the face-to-face meeting; any one with agenda suggestions should send their ideas to Toy, Duquette and Hubbard.

Previous Month's Uncompleted Action Items:

None



**Volunteer Income Tax Assistance (VITA) Committee
Teleconference Meeting Minutes
March 6, 2007 12 PM – 1 PM ET**

Designated Federal Official

Steve Berkey, Acting TAP Manager

Program Owner

Billy Hubbard, Territory Manager, Stakeholder Partnerships, Education and Communication (SPEC)
Lynn Tyler, Tax Analyst, Oversight and Analysis

Committee Members Present

Paul Brubaker, Pennsylvania
Patricia Bryant, Tennessee
Emilio Cecchi, Maryland
Elizabeth Colvin, Texas
Laura Criel, New Mexico
Paul Duquette, Chair, Wisconsin
Harvey Epstein, New Hampshire
Harold Gadon, Rhode Island
Hank Mosler, Florida
Richard Rousseau, Vice-chair, Texas
Ferd Schneider, Ohio

Members Absent

Sandra Bland, Minnesota
Carolyn Hutchinson, North Carolina
Donna Tremblay, Georgia

TAP Staff

Barbara Toy, Program Analyst
Patti Robb, Note Taker

Visitor

Gil Yanuck, Panel Member
Barbara DelBene, National Community Center for Progress
Steve Swartz, TAS, Lanham, MD

Welcome

Paul Duquette welcomed everyone to the meeting.

Roll Call

Quorum met.

Review Agenda / Approve Minutes

The February 6, 2007, minutes were approved by consensus.

DECISION: Consensus reached to approve the 2/6/2007 VITA minutes.



Program Owner's Report

Billy Hubbard has been on the Branding and Training subcommittee calls and has sent the information to headquarters, particularly on training, for their consideration. The Branding Subcommittee asked for any materials used to market the Volunteer Return Preparation Program (VRPP). But there is not much available. Hubbard said he hopes to meet with Elizabeth Colvin regarding the Branding Subcommittee later this month to set the direction for the subcommittee. The filing season is going well and the feedback on quality review shopping visits has been positive.

Agenda Topics Subcommittee Reports E-filing

Pat Bryant said the e-filing subcommittee looked at areas causing problems when e-filing.

- Printer problems. Volunteers have expressed problems with printers not interacting with the tax preparation software. The Lexmark printers supplied by Stakeholder Partnerships. Education and Communication (SPEC) have caused many of the problems; however, other brands have caused problems. Volunteers have found ways to make the printers work and the subcommittee is considering suggesting a guide explaining these work-a-rounds or moving equipment around.
- Self-Select PIN rejects. The software defaults are set to Self-Select Personal Identification Number (PIN) which always creates a large number of rejects because information is needed from the prior year's tax return. The volunteer sites need more guidance on how to set defaults and what needs to be signed and retained for each of the signature methods. Subcommittee is considering that Volunteer Income Tax Assistance (VITA) and Tax Counseling for the Elderly (TCE) only offer the Practitioner PIN signature method which has fewer rejects.
- Encryption problems.
- Subcommittee considering recommending more promotion of free filing especially for out-of-scope tax returns.
- Need some more detailed instructions to help site coordinators avoid networking problems.
- Three day rule for e-filing. Subcommittee not sure if this rule applies to all electronic filers or only volunteer sites and is waiting for the issue to be researched.

The next e-filing subcommittee call is Thursday, March 8, 2007 at 10 a.m. Central Time; 11 a.m. Eastern Time. Will ensure staff will be on all subcommittee calls.

ACTION: Toy will send out a reminder to all VITA Committee members with subcommittee meeting dates and time, as well as the face-to-face information.

Paul Duquette noted the committee briefly discussed how to promote more e-filing at volunteer sites. That is the major impetus of this subcommittee and the committee needs to look at how to promote e-filing with SPEC's partners. Any Committees members with ideas or suggestions for promoting e-filing for volunteer sites should please forward them to Bryant with a copy to Barbara Toy. Hubbard will not be available for the subcommittee meeting on Thursday, March 8.

ACTION: Members with ideas or suggestions for promoting e-filing for volunteers sites should please forward them to Pat Bryant with a copy to Barbara Toy.

Branding

The branding subcommittee had a call and determined their first step was to find out what materials the Internal Revenue Service (IRS) had to promote VRPP and then review them for possible improvements. It was found out that IRS does not have marketing materials for the program. Elizabeth Colvin said that the committee would like to see posters, flyers, mentions in the most commonly used publications and the forms instructions. Incorporate "You may qualify for free tax preparation" into products IRS already has. It was mentioned that VITA is mentioned in the Form 1040, U.S. Individual Income Tax Return, Instructions. The committee will look at the instructions to



review what IRS already has.

ACTION: All members should forward any ideas and suggestions concerning branding of the VRPP to Elizabeth Colvin with copy to Barbara Toy.

This committee meets that last Tuesday of each month at 1 p.m. Eastern Time.

Training

Paul Brubaker said this subcommittee had an informal meeting on February 23 and discussed experiences with the training material and the administering of the test. The committee is gathering all the material and the draft should be available by May.

ACTION: All members should provide feedback on training materials, process based training, Link & Learn and the test to Paul Brubaker and Barbara Toy.

There was a discussion of where to send comments about using the tax return preparation software, the e-filing or the training subcommittee. Since Toy will be receiving copies of all input, she will coordinate with the subcommittee leaders on how the information is handled.

Public Input

Steve Swartz, a VITA Coordinator in Maryland, said they were told not to use the Form 8888, Direct Deposit of Refunds. Is that advice localized; is anyone using it and if so, what problems were encountered? Hal Gadon from Rhode Island said they were told by AARP/TCE not to use it. Toy said that Libby Blair stated at the e-filing Subcommittee meeting that SPEC made a deliberate decision not to prohibit the use of Form 8888, but not to teach or promote it either because from experience, they know that when a new program starts, the Internal Revenue Service (IRS) usually experiences start-up problems and that is why you have not heard a lot about this form from SPEC. Barbara Delbene said the VITA sites run by her coalition are doing many of these forms and have not experienced many problems except that there is no built-in check to verify the Routing Transit Number (RTN) or the account number like there is for a single source direct deposit or direct debit.

Gil Yanuck offered to send the guides developed for the sites in Nevada to anyone still having problems with setting defaults.

Staff News

Steve Berkey is acting as the TAP Manager in Milwaukee and will be the VITA Committee's Designated Federal Official (DFO) for the next month. Director Coston is looking to identify another manager to fill in for Sandy McQuin for the remainder of the time. Berkey complimented committee for work tackled to date; he reviewed the committee's minutes for the last few months and found them very interesting.

Committee Members' Concerns

Hal Gadon said SPEC is still supporting the use of the Self-Select PIN. He would like to have SPEC specify the Practitioner PIN which would reduce the number of rejects. There are many rejects using the Self-Select PIN since many taxpayers do not give or know the correct amount for their Adjusted Gross Income (AGI) from the prior year. Eliminating the Self-Select PIN would also help reduce confusion in what papers taxpayers need to sign and which documents need to be retained. Bryant added that volunteers are confused by what needs signing and what should be kept for each of the signature methods and the process should be made as easy as possible. Training would be much easier with only one method. It was also suggested that the default be pre-set to Practitioner PIN. Hubbard has heard from Blair that SPEC wants to provide alternatives to those who use electronic



filing for deciding how they chose to sign the return. He indicated he was leaning toward Gadon's direction.

There is lot of confusion on how to set defaults. Harvey Epstein thought the committee could suggest what defaults to use. Hubbard would like to see the IRS provide alternatives to fit all. Duquette asked which subcommittee would handle this suggestion. It was determined that the e-filing subcommittee will make a recommendation that volunteer groups use Practitioner PINS. Nearly 100 percent of rejects happened at one site because the default was not set to automatically select Practitioner PIN. Publication 3189, Volunteer e-file Handbook, could be changed to state the Practitioner PIN is the preferred method. Hubbard said he would discuss this issue with Libby Blair and Cindy Jones. Jones may be attending the VITA face-to-face meeting. Mosler said when running diagnostics the software should indicate what method was selected.

DECISION: The e-file Subcommittee will consider recommending the Practitioner PIN signature method be the preferred method and that the diagnostics show which signature method was selected.

Mosler noted after a return rejects, the correction is made to the return but the parameters do not reset; it still shows it is rejected. It would be nice to track the status of the return after it's corrected and the resubmitted.

Delbene noted that Publication 17, Your Federal Income Tax (for Individuals), has a nice promotion for FreeFile on page 10. Gadon said the IRS is promoting it by not having paper forms available.

Meeting Adjourned

Next meeting April 3, 2007 at 12 Noon ET

DECISIONS:

- Consensus reached to approve the 2/6/2007 VITA minutes
- The e-file Subcommittee will consider recommending the Practitioner PIN signature method be the preferred method and that the diagnostics show which signature method was selected.

ACTION ITEMS

- All members should forward any ideas and suggestions concerning branding of the VRPP to Elizabeth Colvin with copy to Barbara Toy.
- All members should forward any ideas and suggestions concerning branding of the VRPP to Elizabeth Colvin with copy to Barbara Toy.
- All members should provide feedback on training materials, process based training, Link & Learn and the test to Paul Brubaker and Barbara Toy.
- Members with ideas or suggestions for promoting e-filing for volunteers sites should please forward them to Pat Bryant with a copy to Barbara Toy.
- Toy will send out a reminder to all VITA Committee members with subcommittee meeting dates and time, as well as the face-to-face information.

Previous Month's Uncompleted Action Items: None



**Volunteer Income Tax Assistance (VITA) Committee
Teleconference Meeting Minutes
February 6, 2007 12 PM – 1 PM ET**

Designated Federal Official
Sandy McQuin, TAP Manager

Program Owner

Billy Hubbard, Territory Manager, Stakeholder Partnerships, Education and Communication (SPEC)
Libby Blair, Chief, Oversight and Analysis, SPEC Field Operations, Communication, Assistance, Research, and Education (CARE)
Jeff Bledsoe, Chief, Individual Marketing Services, SPEC
Cindy Jones, Acting Chief, Quality Assurance, SPEC
Lynn Tyler, Tax Analyst, Oversight and Analysis

Committee Members Present

Sandra Bland, Minnesota
Paul Brubaker, Pennsylvania
Patricia Bryant, Tennessee
Emilio Cecchi, Maryland
Elizabeth Colvin, Texas
Laura Criel, New Mexico
Paul Duquette, Chair, Wisconsin
Harvey Epstein, New Hampshire
Harold Gadon, Rhode Island
Carolyn Hutchinson, North Carolina
Hank Mosler, Florida
Richard Rousseau, Vice-chair, Texas

TAP Staff

Barbara Toy, Program Analyst
Isai Pallango, TAP Staff Note Taker

Visitor

Gil Yanuck, Panel Member
Ferd Schneider, Ohio
Donna Tremblay, Georgia

Welcome

Paul Duquette opened the meeting by welcoming members and requesting all panel members introduce themselves and provide personal background. It was noted all panel members shared personal information.

Roll Call

Quorum met.

Introductions

Billy Hubbard stated he was looking forward to a prosperous year meeting with all VITA Committee members. Hubbard introduced the rest of the SPEC staff.



Review Agenda / Approve Minutes

Duquette reviewed the meeting agenda. The VITA minutes from the Annual Meeting in Washington DC were approved by consensus.

DECISION: December 13, 2006 VITA Committee Minutes were approved by consensus.

Program Owner's Report

Billy Hubbard requested all panel members who coordinated training or took the VITA training provide him along with proper IRS personnel feedback. It was mentioned that all committee members should have received the overview of the subcommittee document from Duquette. The document is a draft and he anticipates participation from panel members in finalizing it.

Public Input

Gil Yanuck from Area 7 Committee shared that he runs the tax aid program in Northern Nevada and he is looking forward to helping the VITA Committee again this year.

Agenda Topics

Definitions of Subcommittees

Billy Hubbard welcomed questions or suggestions from all panel members.

Testing

Ferd Schneider provided his observations of the testing. Publications 678 and 678W, Volunteer Student Guide and Workbook, were much better than in the past. AARP in Cincinnati Ohio does not accept the testing certification through Link & Learn so he also had to complete a paper test. It was also noted that changes in the testing and the raised standards caused many volunteers to have to re-test. These changes were observed as appropriate and a good learning experience. Hal Gadon and Pat Bryant agreed with Schneider.

Henry Mosler requested that the Internal Revenue Service (IRS) Program provide information on the usage of Link & Learn and could the VITA Committee assist in increasing its usage. Hubbard stated that Link & Learn is currently used within his territory to certify SPEC personnel for Basic, Intermediate, Advanced, Military and International tax preparation. Cindy Jones added that all SPEC staff use Link & Learn to certify at the same level as their partners so they are able to quality review all returns and provide support. Libby Blair stated that SPEC's preference is that all SPEC personnel and partners use Link & Learn for certification. However, it is not a requirement since some volunteers and staff do not have internet access.

Elizabeth Colvin reported that her site is piloting Process Based Training (PBT). It is the only way her site can train the number of volunteers needed in the limited amount of time the volunteers have available. Paul Brubaker is also piloting PBT. One group of returning volunteers did not have enough computers available so the use of the software was only referenced. Another group of new volunteers used PBT. Brubaker liked the flow of the training because it follows the Form 1040, U.S. Individual Income Tax Return. Four students used Link & Learn on their own and then attended a four-hour workshop to do problems. Brubaker stated that one drawback of the PBT is there is not enough problems so they had to supplement the training.



Mosler stated to make the pilot testing successful; the IRS needs to have the appropriate structure and measures. Cindy Jones agreed and will share additional information regarding the pilot via e-mail in the near future.

Duquette requested the Training Subcommittee leader, Paul Brubaker, notify all VITA panel members via e-mail of subcommittee meetings so all can comment on their experiences. The subcommittee will meet on Friday, February 23, 2007 at 11 a.m. Eastern Standard.

ACTION: Paul Brubaker will send out a reminder email regarding the February 23, 2007 Training Subcommittee meeting.

E-filing

Hubbard stated that the focus of this subcommittee is to assess and recommend methods to overcome barriers to electronic filing within targeted areas. For example, Jeff Bledsoe stated that the military volunteer return preparation program is at 97 percent E-file, but other areas are in need of increased e-file usage.

Blair stated that the current grant program does not have built in support for electronic filing and she is looking to the subcommittee to formulate a strategy to overcoming electronic filing barriers. Blair and Lynn Tyler will work with the E-filing Subcommittee.

Branding

Hubbard stated that the SPEC business model is not happening right now and will not be until April or May. He recommended the branding issue be removed from under the business model and become a stand-alone subcommittee. Jeff Bledsoe and Hubbard will work with subcommittee members on this issue.

ACTION: Barbara Toy will work with members by email to set the time and date for the e-filing and Branding Subcommittees.

Staff News

Sandy McQuin stated that face-to-face meeting will be held in San Antonio Texas on May 21-23, 2007; this decision was based on cost comparison figures. It was also noted that McQuin will be leaving TAP for a period of four months on a detail to the Low Income Tax Clinic office.

Committee Members' Concerns

Duquette stated that this will be the time for members to raise VITA issues not covered under the focus of the subcommittees to SPEC. It will also be a time for members to comment on the meeting.

Meeting Adjourned

Next meeting March 6, 2007 at 12 Noon ET

DECISIONS:

- December 13, 2006 VITA Committee Minutes were approved by consensus.



ACTION ITEMS:

- Paul Brubaker will send out a reminder email regarding the February 23, 2007 Training Subcommittee meeting.
- Barbara Toy will work with members by email to set the time and date for the e-filing and Branding Subcommittees.