



# Taxpayer Advocacy Panel

IMPROVING THE IRS

# ANNUAL REPORT 2010





To: Timothy F. Geithner  
Secretary of the Treasury

Douglas Shulman  
Commissioner of Internal Revenue

Nina E. Olson  
National Taxpayer Advocate



Subject: TAP 2010 Annual Report

Although the fundamental success of the Taxpayer Advocacy Panel (TAP) is due to the collaborative efforts of its members, the greatest strength of the TAP is its independence. This was never more evident than in 2010.

This past year, the TAP took a fresh look at the needs of taxpayers and decided to focus much of its efforts on correspondence examinations. But rather than limiting its attention to individual issues, the TAP expanded its efforts to begin addressing systemic problems associated with the correspondence examination process. As a result, the TAP initiated a comprehensive report, which we believe will lead to major improvements in the correspondence examination process.

Addressing systemic problems that affect a large number of taxpayers is a cost-efficient use of the TAP. It is also the most effective way for TAP to accomplish its core mission - advocating for the taxpayer.

The most effective way to improve the taxpayer experience is to address systemic problems, rather than minor issues. In 2010, the TAP did both. We conducted outreach, identified issues, and made recommendations to the IRS regarding individual issues. In addition, we identified systemic problems associated with the IRS that adversely affect taxpayers --- and we offered solutions. The substance of what the TAP accomplished in 2010 is detailed in the following Annual Report.

In a report dated June 27, 2011, the Treasury Inspector General for Tax Administration (TIGTA) indicated that the Taxpayer Advocate Service (TAS) was pursuing minor issues and recommended that TAS should address systemic problems. While not directly applicable to the TAP, the concerns raised by TIGTA mirror a change process the TAP began to implement in 2010 as noted

above. In addition, the TAP is currently modifying its process and procedures to reflect a greater degree of focus on systemic issues.

The 2010 Annual Report shows that the skills, talents, and dedication of a diverse group of citizens from across the United States are a valuable and effective resource. As a volunteer-based and independent collaborative team, the TAP can, and will, continue to improve the taxpayer experience.

Sabby Jonathan, CPA  
2010 TAP Chair

# 2010 TAP Annual Report

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## Introduction

The Department of the Treasury (Treasury) created the Taxpayer Advocacy Panel (TAP) in 2002 in response to a review of Internal Revenue Service (IRS) advisory committees. The TAP's predecessor, the Citizen Advocacy Panel, operated in ten states. In 2002, Treasury recommended a nationwide expansion of the Citizen Advocacy Panel based on the contributions of the earlier panel, and renamed it Taxpayer Advocacy Panel. The TAP is an independent advisory committee and operates under the ground rules defined by the Federal Advisory Committee Act (FACA) to ensure that advice by advisory committees is objective and accessible to the public.

The Department of the Treasury, the IRS, and the National Taxpayer Advocate oversee the TAP. The Taxpayer Advocate Service (TAS) provides funding and technical, administrative, and clerical support essential to accomplish the TAP's objectives.

The TAP members represent all 50 states, the District of Columbia, and Puerto Rico. The 2010 Panel consists of 101 citizen taxpayers. Treasury appoints each TAP member for a three-year term. New panel members replace approximately one-third of the panel each year after a recruitment program each spring. The TAP website ([www.improveirs.org](http://www.improveirs.org)) details the recruitment process.

The TAP members represent diverse experiences, skills, backgrounds, and interests. They are:

- full-time employees working for both the public and private sectors;
- retirees;
- volunteers with other organizations, including AARP/Tax Counseling for the Elderly (TCE) and Volunteer Income Tax Assistance (VITA);
- immigrants who want to help their new nation;
- fathers, mothers, grandparents; and
- citizens who care about the United States and want to help make it a better place to live and work.

A listing of 2010 TAP members can be found in [Appendix A](#) of this report.

## TAP Objectives and Scope

The TAP provides a taxpayer perspective on critical tax administrative programs and helps to identify “grassroots” tax issues. The TAP provides listening opportunities for independent taxpayer comments and suggestions regarding IRS service and customer satisfaction and has direct access to the appropriate operating divisions. The TAP focuses primarily on issues that fall within the jurisdiction of the Wage & Investment (W&I) and Small Business/Self-Employed (SB/SE) operating divisions.

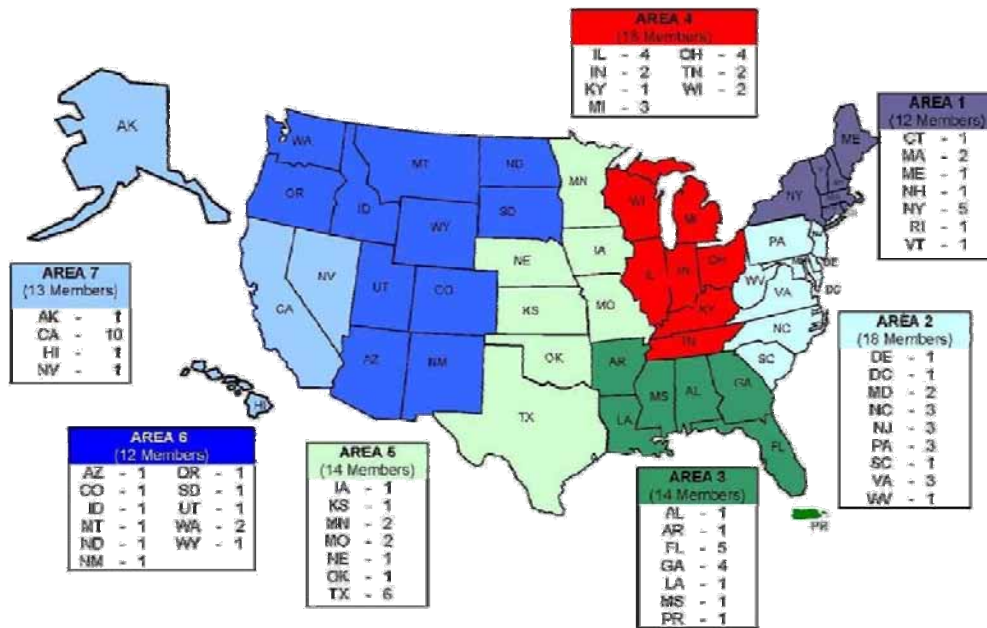


TAP Director Shawn Collins and 2010 TAP Chair Sabby Jonathan



# TAP Geographic Committee Map

TAP Geographic Area Committee Map 2010



[Text Version](#)

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## *TAP Member Responsibilities*

Each TAP member has the following responsibilities:

- Participate on one of seven geographically based Area Committees. The TAP panel members represent their home states. The Area Committees identify taxpayer concerns, research the issues and improvement opportunities with the IRS, and elevate recommendations to IRS management. Area Committees operate in a bottom-up fashion, focusing on taxpayer issues and concerns.
- Participate on one of seven Project Committees. The IRS program owners define the scope of work for six of the seven Project Committees. The Project Committees work the projects, develop project recommendations, and forward these recommendations to IRS management. Project Committees operate in a top-down fashion focusing on the IRS issues and project support requests.
- Conduct individual outreach activities with the taxpaying public and paid tax preparers to identify grassroots taxpayer issues and serve as a listening post for the IRS.
- Participate in team events with the various departments of the IRS to interface with the taxpaying public including: Town Hall meetings, Tax Preparer forums, and TAS outreach events.
- Attend the one-week annual TAP meeting in Washington, D.C.
- Attend one two- to three-day meeting for each of the two committees, typically held in the first part of the year.
- Participate in monthly telephone conferences with team members from the Area and Project Committees to address and work on program issues and assignments.
- Participate in additional special project events associated with Area and Project Committee assignments.

This volunteer work typically requires from 300 to over 500 hours per year for panel members. Additional time is required for TAP members in team leadership positions.



TAP Members at work. From left Norma Woodard, Ralph Sacarello, Josefina Villarreal, and Tom Walker

### ***Outreach: How TAP Listens To Taxpayers***

During 2010, the TAP told the TAP story to a wide variety of individual taxpayers and organizations both large and small with participation in more than 2,000 outreach events and interaction with more than seven million members of the taxpaying public. These outreach events were also used to identify taxpayer issues and concerns with the IRS. The key objective of the TAP outreach program is to identify issues that can affect a large group of taxpayers. Another important objective is to address issues for improved work processes and forms and documents within the IRS.

The TAP does not work on legislative issues or with individual tax returns. The TAP refers taxpayers with legislative issues to their local Congressional representatives and refers individuals with specific issues dealing with their own tax returns directly to the IRS or the TAS.

The following table summarizes the wide-ranging outreach activities conducted by the TAP members in 2010. Notable events included individual one-on-one events, large audience programs, social networking media, and mass media events that reached hundreds and thousands of the taxpaying public simultaneously.

<b>Outreach event</b>	<b>Number of Events</b>	<b>Estimated Total Audience</b>
Individual or Small Group Contact	1,276	5,763
Speeches and Presentations	343	17,050
Internet	71	265,616
Media Articles <sup>1</sup>	48	1,959,311
Seminars	61	4,418
Media Interviews <sup>1</sup>	16	5,147,187
Fairs and Expo Booths	38	9,057
Correspondence	16	499
EITC Day	16	951
Forums	9	2,424
Tax Forums	6	13,250
TAP/TAS Town Hall Events	3	124
Other	136	8,443
<b>TOTAL</b>	<b>2,043</b>	<b>7,434,093</b>

<sup>1</sup> These estimated totals are based on data collected from TV and radio stations and reflect market share or potential audience.

**Figure 1.** Summary of Outreach Efforts by TAP Members During 2010.

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# 2010 TAP Area and Project Committee Accomplishments

## TAP Area and Project Committee Organization

The seven TAP Area Committees are charged with soliciting comments from the taxpaying public on experiences and improvement opportunities for the IRS. The Area Committees review these comments, identify the most promising opportunities, research the taxpayer issues, and make appropriate recommendations to the IRS. This work process is driven by the taxpaying public.

The TAP Area Committees are organized by seven regions in the United States and have 12 – 18 TAP members per committee. The TAP map shown on page 5 provides additional detail on Area Committee geographic structure.

The scope of work for the seven TAP Project Committees in 2010 is as follows: Six of the seven TAP Project Committees work on projects defined by IRS program executives. Each committee has 12 – 18 members from around the country. The Project Committees work with the IRS to define problems and then develop project recommendations to address the topics identified by the IRS. This work process is a top-down process directed by the IRS management. The IRS values TAP efforts on IRS-defined projects as the TAP members bring a variety of backgrounds and thinking which can lead to fresh approaches which may not be apparent to the internal IRS organization.

The final TAP Project Committee (Communications) works on internal TAP communication opportunities including member feedback, TAP work processes (TAP Handbook), TAP web products (improveirs.org and TAPSpace), and TAP documentation standards.

## TAP Issues and Projects Touch Many IRS Functions

The total number of activities presented to the Area and Project Committees are presented below based on the nature of the IRS business function or domain impacted by the activity.

<b>IRS Function</b>	<b>Issue/Projects</b>	<b>Percentage</b>
Tax Forms and Pubs	154	22.22%
Others	74	10.68%
Return Processing	73	10.53%
Communication	58	8.37%
Notice Improvement	44	6.35%
Taxpayer Assistance Centers	42	6.06%
Toll-Free Number	39	5.63%
Taxpayer Rights	27	3.90%
Audits	26	3.75%
Collection Process	25	3.61%
Payments	23	3.32%
Website	22	3.17%
E-File	20	2.89%
Education	12	1.73%
Third-Party Return Preparation	10	1.44%
Offers in Compromise	9	1.30%
VITA	9	1.30%
Penalty & Interest	8	1.15%
SB/SE	7	1.01%
EITC	6	0.87%
EFTPS	3	0.43%
Ad Hoc	1	0.14%
Appeals	1	0.14%
<b>TOTAL</b>	<b>693</b>	

**Figure 2.** Summary of issues the TAP received for consideration by topic in 2010.



## TAP Made 135 Recommendations to the IRS

The TAP Area and Project Committees completed a significant amount of work in 2010 and submitted 135 recommendations to the IRS. As shown in the following table, the seven Area Committees completed work on 101 Issues and elevated recommendations to the IRS.

The six external Project Committees completed 34 projects and documented project recommendations to the IRS. Finally, the TAP Communications Committee completed an additional nine projects for internal TAP application.

<b>Committees</b>	<b>2010 Total</b>	<b>2009 Total</b>	<b>2008 Total</b>
Area Committee Issues Elevated	88	53	21
Area Committee Issues Sent to Systemic Advocacy	13	14	5
<b>Subtotal – Area Committee Issues Completed</b>	<b>101</b>	<b>67</b>	<b>26</b>
Special Project – Recommendation	0	0	1
Project Committee External Projects Completed	34	62	86
<b>Subtotal – Project Committee External Projects</b>	<b>34</b>	<b>62</b>	<b>86</b>
<b>Subtotal – Area and Project Recommendations Forwarded to the IRS</b>	<b>135</b>	<b>129</b>	<b>113</b>
Project Committee Internal Projects Completed	9	8	7
<b>Subtotal – Internal Projects Completed</b>	<b>9</b>	<b>8</b>	<b>7</b>
<b>Total Deliverables Completed by TAP</b>	<b>144</b>	<b>137</b>	<b>120</b>

**Figure 3.** Summary of Elevated and Referred Issues and Completed Projects by TAP Committees for 2008 through 2010.

These results demonstrate that the TAP continues to serve the role of an independent listening post and provides significant ideas for change to the IRS.

## TAP Area Committees Elevated 101 Recommendations

The Area Committees completed work on 101 taxpayer issues and elevated recommendations to the IRS. Eighty-eight of these issues were defined and researched by TAP Area Committees using the standard TAP work process, reviewed by the TAP Joint Committee, and then elevated to IRS management for their consideration and subsequent action.

Thirteen additional issues were defined to be so time critical that they were sent to the TAS Office of Systemic Advocacy for immediate intervention and action by the IRS.

The following table provides detail on the work completed by each of the Area Committees and compares favorably with prior years. In addition, the Committees have a number of taxpayer issues under study, which will be carried over into the 2011 TAP program.

Area Committee	Issues Elevated	Referrals to Systemic Advocacy	2010 Total	2009 Total	2008 Total
1	16	2	18	8	6
2	10	0	10	6	6
3	9	0	9	6	4
4	9	7	16	15	3
5	22	4	26	21	0
6	3	0	3	5	3
7	19	0	19	6	3
<b>Total</b>	<b>88</b>	<b>13</b>	<b>101</b>	<b>67</b>	<b>25</b>

Figure 4. Summary of Elevated Issues and Referrals by Area Committee for Calendar years 2008 through 2010.

The factors for the increase of issues since 2008 include the substantial increase in Outreach Activity, the responsiveness of IRS stakeholders to the efforts of TAP, and the enthusiasm and spirit of the newest TAP volunteers.



Area Committee at work. Clockwise from Top: TAP Member Bradford Lee, IRS Staff Patti Robb, and TAP Member Daniel Fretheim

## IRS Response to TAP Area Committee Recommendations

When the Joint Committee elevates an issue from the Area Committee, it is referred to the appropriate IRS department. The IRS takes TAP recommendations seriously. However, at times, they are limited in their ability to implement them due to the following:

- Availability of personnel;

- Cost of implementation;
- Difference in IRS management philosophy; and/or
- Balance of easing taxpayer burden while ensuring enforcement of tax obligations.

After evaluating the recommendation the IRS will formally respond to the TAP Chair regarding the review and implementation if appropriate.

The following table provides an overview of IRS responses to the 101 recommendations elevated by TAP Area Committees to the IRS in 2010 with illustrative data for 2009 and 2008.

<b>Status</b>	<b>2010 Responses</b>	<b>2009 Responses</b>	<b>2008 Responses</b>
Accepted	18	22	14
Partially Accepted	12	10	2
Referred to Systemic Advocacy – Accepted <sup>1</sup>	9	7	
Referred to Systemic Advocacy – Rejected <sup>1</sup>	1	4	
Referred to Systemic Advocacy – Legislative <sup>1</sup>	3	3	
Rejected	37	9	9
Under Review <sup>1</sup>	16	12	
Other	5		1
<b>Total</b>	<b>101</b>	<b>67</b>	<b>26</b>

<sup>1</sup> New Status Category in 2009

Figure 5. Summary of IRS Responses for 2008 through 2010.



TAP Project Committee discusses Taxpayer Assistance Centers.

## TAP Project Committees Focused and Productive in 2010

The Project Committees are formed to work on projects for one year and are redefined at the beginning of each TAP year. Hence, there is usually no carryover work by individual Project Committees from year to year. IRS Program Managers redirect TAP resources to work on the most urgent IRS issues each year.

The six TAP Project Committees completed work on 34 projects in 2010. These Project Committees took direction and worked on projects requested by the IRS. The Communications Committee completed nine projects focused on internal TAP work processes and tools to improve organization, productivity, and efficiency.

<b>Project Committee</b>	<b>2010 Projects Completed</b>	<b>2009 Projects Completed</b>	<b>2008 Projects Completed</b>
EITC	2	2	5
Forms and Pubs	17	12	22
MLI <sup>1</sup>		5	
Notices Improvement	4	32	40
SB/SE Burden Reduction	6	2	6
TAC	1	1	1
VITA	4	7	12
<b>Subtotal – External Projects</b>	<b>34</b>	<b>61</b>	<b>86</b>
Communications	9	8	7
Video Project		1	
<b>Subtotal – Internal Projects</b>	<b>43</b>	<b>70</b>	<b>93</b>

<sup>1</sup> New Committee for 2009, merged with Notices for 2010

Figure 6. Summary Project Committee Work, 2008 through 2010.

The numbers in the Figure 6 should not be used to compare Project Committee productivity. Each Project Committee counts their projects completed in a manner that is most appropriate to meet the needs of the IRS Program Owner. For example, the Notices Improvement Committee continued support of the IRS Program Owner but to a much less degree with the advent of the internal IRS organization for handling correspondex notices. In addition, the Taxpayer Assistance Center Committee (TAC) worked on one major project for the entire year and developed a set of improvement recommendations to enable the IRS TAC offices to better serve the taxpaying public.

The TAP continued to track Project Committee deliverables after a major procedural change in 2008. Each notice reviewed by the Notices Committee and each form or publication reviewed by the Forms and Pubs Committee was logged and counted as a separate

project. Further details on the projects completed by each Project Committee may be found later in this report in the Area and Project Committee Reports section.

## Summary and Future Considerations

Both the TAP Area and Project Committees were highly productive in 2010 and produced many recommendations to IRS management. The IRS continues to view TAP as a valued independent partner to assist the IRS to carry out their mission: “To provide America’s taxpayers top quality service by helping them to understand and meet their tax responsibilities and by applying the tax law with integrity and fairness to all.”

Suggestions for consideration as TAP moves forward in future years:

With the increasing number of recommendations over the past few years, the TAP members and leadership have sought further understanding of the impact within the IRS on behalf of the taxpayer. When the positive or partial acceptances of the individual recommendations are made, the TAP continues to question the steps taken for implementation and what material benefits are achieved. This is the key priority for 2011.

While the number of TAP recommendations submitted to the IRS continued to increase in 2010, the percentage of recommendations accepted or partially accepted by the IRS declined. In 2010, TAP received a 46 percent positive response rate, down from 71 percent in 2009 and 62 percent in 2008. The TAP has discussed this trend with the IRS and is working on a revised focus on elevating issues that will have a greater impact for a larger number of taxpayers.

The TAP continues to identify the most productive sources of issues from taxpayers. Outreach efforts continue to increase in larger numbers, especially social media initiatives. Using all types of outreach contacts helps promote the values of the TAP, but the members strive to focus outreach efforts in ways that generate opportunities to develop issues to improve customer service within the IRS.

A large number of taxpayer issues resurface each year. The TAP should consider whether opportunities exist to promote these reoccurring issues with the IRS in a more directed way.



Acting TAP Director Steve Berkey, 2011 TAP Vice Chair John Kim, TAP Director Shawn Collins, 2010 TAP Chair Sabby Jonathan, and 2011 TAP Chair/2010 TAP Vice Chair Tom Walker



## Special Achievements and Events

### EITC Awareness Day

For the third year, the TAP partnered with the IRS in events across the country designed to increase awareness about the Earned Income Tax Credit (EITC). The IRS and community partnerships organized and hosted hundreds of events throughout the country and 12 TAP members participated in 19 events in 11 states, providing information to taxpayers about the TAP and the EITC.

During EITC events, the TAP members spoke with approximately 950 taxpayers and visited with attending dignitaries including mayors, local, state and congressional representatives, and staff members. Members also conducted media outreach, contacting television and radio stations to promote the events.

While the IRS was providing information to taxpayers about EITC, the TAP members used the events to increase awareness about the TAP and to solicit grassroots issues from taxpayers attending the events.

### TAP Released 2009 Annual Report and Held Discussions with IRS Commissioner

The TAP released its 2009 Annual Report during the summer and on October 12, 2010, the TAP leadership team met with IRS Deputy Commissioner Services and Enforcement Steve Miller to share the report and discuss several important topics of interest to the TAP and the IRS.

Representing the TAP at the meeting were TAP Director Shawn Collins, TAP Chair Sabby Jonathan, TAP Vice Chair Tom Walker, Communications Chair Susan DaCorte, and Area 7 member Lee Battershell. Also in attendance was National Taxpayer Advocate Nina Olson.

The TAP leadership group discussed the following topics with Deputy Commissioner Miller:

- The TAP 2009 Annual Report;
- TAP Recruitment and the selection of new members;
- Successful partnership between the TAP and the IRS;
- Highlights of outreach and special activities completed by the TAP;
- Areas of customer service improvement identified by the TAP over the past several years; and
- Ways to improve the “taxpayer experience” with the IRS.

The members also visited with IRS Program Owners in both the W&I and SB/SE operating divisions where they discussed the partnership between the TAP and the IRS, how to improve procedures and identifying projects that TAP committees could complete in 2011.



TAP Members Susan DaCorte and Tom Walker, IRS Deputy Commissioner Steve Miller, and TAP Members Sabby Jonathan and Lee Battershell

## TAP Charter Renewed

The Department of Treasury Assistant Secretary for Management and Chief Financial Officer, and IRS Commissioner approved the 2010 TAP Charter in February 2010 to authorize the activities of the Panel for the next two years. In accordance with the FACA, Department of Treasury officials filed the renewal charter with the U. S. Senate Committee on Finance, the U.S. House of Representatives Committee on Ways and Means, and the Library of Congress Federal Advisory Committee Desk on March 16, 2010. This approval allows TAP to continue as a federal advisory committee through March 2012.

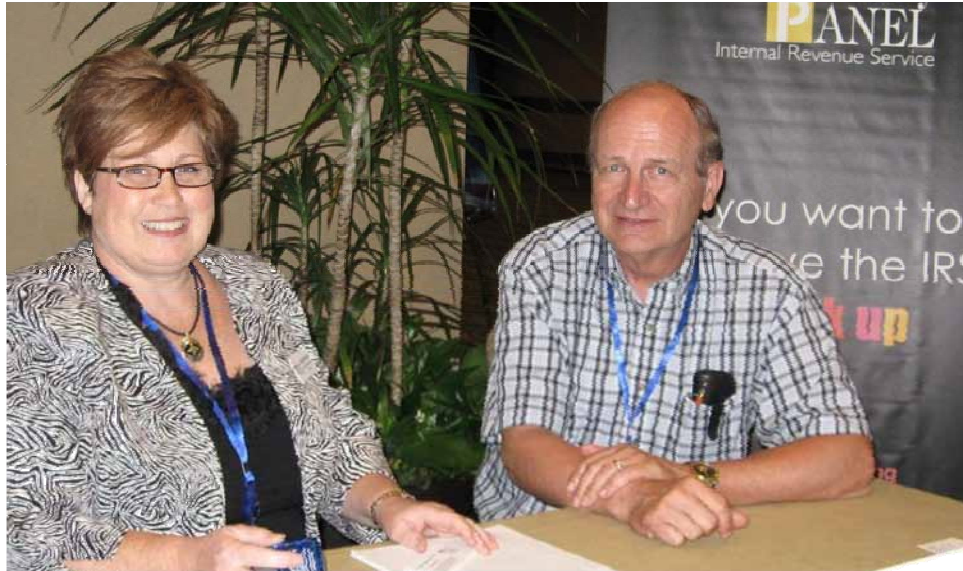
The renewed charter incorporates recommendations from Treasury Inspector General for Tax Administration (TIGTA) Audit # 2009-10-121 of the TAP program, to revise the charter to clarify the liaison role of the TAP staff and accurately reflect the dual roles of TAP members. The new charter also changes the process for how TAP subcommittees that work on projects or topics of interest to the IRS can advise the agency. These Project subcommittees must now forward their recommendations to the TAP Joint Committee for review and approval before submission to the IRS. This may extend the time it will take for subcommittees to provide responses and recommendations to the IRS program owners but the change was necessary to comply with FACA requirements.

## Nationwide Tax Forums

The TAP members attended each of the six IRS Nationwide Tax Forums held in 2010 to promote an awareness of the TAP among the tax practitioner community, elicit comments from practitioners about their experience with the IRS, and to gather facts and suggestions on how to improve customer service and IRS products.

Panel members, with support from IRS staff, attended Forums in Atlanta, Chicago, Las Vegas, New York, Orlando, and San Diego. They provided TAP literature and answered questions at the venue located outside the main conference rooms.

In addition to speaking with forum attendees throughout the day, TAP members also conducted focus group sessions at each location to further explore issues and identify opportunities for IRS improvement.



TAP Members Kelly Wingard and Raymond Buschmann

## Town Hall Meetings

The National Taxpayer Advocate and the TAP held three public town hall meetings to elicit feedback from taxpayers about their experience with the IRS and to gather direct input and suggestions on how to improve customer service and IRS products. These events, initiated in FY 2006, have been very successful in raising public awareness of both TAP and TAS and in gaining valuable feedback from taxpayers on a variety of tax issues.

The town hall meetings were held on February 16 in Albuquerque, New Mexico, on March 18 in Denver, Colorado, and on May 4 in Burlington, Vermont.

Attendees had questions and comments on several issues including:

- Problems calling IRS toll-free numbers (wait time, inconsistent answers, lack of continuity in service);
- Service in Taxpayer Assistance Centers;
- Lack of IRS forms available in Spanish; and
- Organizational structure of the IRS.

Other discussion topics included the National Taxpayer Advocate's Annual Report to Congress, collection issues, tax liens, offers in compromise, overzealous revenue officers, centralization of services and the assistance available from the Taxpayer Advocate Service.



National Taxpayer Advocate Nina Olson

## TAP Project Committee Work on Key IRS Issues

The culmination of a multi-year initiative of a TAP Ad-Hoc subcommittee resulted in the public release of a new IRS online video series, “Your Guide to an IRS Audit.” SB/SE Exam Director Monica Baker said, “This product, in development for several years, is a true collaboration, created by experienced IRS examiners with input from national tax practitioner groups and the Taxpayer Advocacy Panel.” The TAP members met monthly to develop the topics for the ten chapters and further contributed evaluation and comments on the different stages of the video project. The video series will help small business taxpayers and their tax preparers better understand the IRS audit process.

## TAP Lends a Citizen Voice to IRS Live Webinars

TAP panel members participated in two IRS Live webinars. The webinars are educational programs on a variety of topics of interest to the public and hosted by the IRS. TAP appeared in the following IRS Live events:

1. Collecting Employer Taxes on Tips – September 29, 2010 – Viewers got the latest updates from IRS and industry experts on the aspects of collecting the employer’s share of employment taxes on tips that employees report on Form 4137, *Social Security and Medicare Tax on Unreported Tip Income*, including:
  - The purpose of Form 4137;
  - How the IRS can use Form 4137 to determine employment taxes due;
  - Details about the IRS compliance project to determine employment taxes; and
  - What employers can expect if they are contacted under the project.

TAP was represented by Vermont panel member Jo Ann Corksie Gibbons who served on the TAP SB/SE Project Committee dealing with employees who receive tips.



2. Making a Noticeable Difference – November 17, 2010 – Viewers learned the latest from IRS and industry experts about:
  - Why IRS notices needed revision;
  - The purpose of the Office of Taxpayer Correspondence;
  - The redesigned notices -- how they better meet the needs of the taxpayers; and
  - Cross-channel coordinating – using IRS.gov to support taxpayers who receive notices.

California panel member and National TAP Chair Sabby Jonathan represented TAP and shared the citizen's perspective on IRS notices.

## IRS Oversight Board Public Forum

On February 3, 2010, TAP Vice Chair Tom Walker attended the annual public forum of the IRS Oversight Board in Washington, D.C. The panel discussion addressed the following topics:

- Methods available to the IRS to identify, hire and retain key employees;
- Methods to minimize the Tax Gap with respect to small businesses; and
- The ability of the IRS to form positive working relationships with large corporate taxpayers to promote “partnerships where the IRS and taxpayers can work together toward resolution of tax issues.

The format of the meeting this year did not lend itself to significant input from TAP, but the panel discussion provided a great opportunity for TAP to understand internal IRS initiatives. Attendance at the public meeting represented a significant opportunity to raise awareness of TAP among key IRS stakeholders.

## New TAP Director

The National Taxpayer Advocate selected Shawn Collins, Acting TAP Director, to fill the Director position on a permanent basis. Collins

began her IRS career as a clerk in Examination in 1985, and went on to serve as a Revenue Officer, Equal Employment Opportunity (EEO) investigator, and VITA coordinator before joining the Low Income Taxpayer Clinic (LITC) program in 2006. She graduated from the Senior Manager Readiness Program in 2009 and served as Acting TAP director since August of 2008.



TAP Vice Chair Tom Walker and TAP Director Shawn Collins

## Recruitment

The TAP recruitment drive for new members in 25 states ended on April 30, 2010.

During the recruitment period, the TAP received 520 applications. This compares to 900 applications received in 2009. The decline in applications is attributed to recruiting in only 25 states as opposed to 39 in 2009 and not recruiting in traditionally high volume applicant states like Florida and Texas. The TAP management team ranked all the applications in May and interview panels consisting of a TAP



manager, a Local Taxpayer Advocate, and a current TAP member interviewed the highest ranked candidates in June.

In July 2010, the TAP provided the National Taxpayer Advocate a list of recommended selections to fill 28 member vacancies, plus alternate candidates for future vacancies. The National Taxpayer Advocate forwarded her recommendations to the IRS Commissioner for approval and to the Department of the Treasury for final selection.

New TAP members began their three-year terms in December 2010 at the TAP Annual Conference in Washington, D.C.



**TAP Members and IRS Staff at Annual Meeting**

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## Taxpayer Suggestions Approved by the IRS

During 2010, the seven area committees reviewed 605 suggestions and issues presented by taxpayers at Town Hall Meetings, Tax Forums, the TAP toll-free line, [improveirs.org](http://improveirs.org), and other venues. Of the 605 suggestions and issues reviewed, 101 were developed and elevated to IRS through the TAP Joint Committee; of these, the IRS approved 30 completely or in part. The approved recommendations focused on the following key areas: Improving Taxpayer Experience; Forms and Publications; Education; and Systemic Advocacy. A description of some of these recommendations, by key area, follows.

### Improving Taxpayer Experience

When procedures are insufficient or inaccurate, taxpayer confusion and resentment increase which leads to frustration by those trying to comply with tax laws and file an accurate return. During 2010, the TAP listened to taxpayers and submitted the following recommendations to help improve the taxpayer's experience:

- Lack of Ability to Identify IRS Employees – IRS protocols do not permit a way to readily identify an employee using their assigned ID number. IRS said managers may now search for employees using the IRS internal Discovery Directory by placing the cursor on the Standard Employee Identification Number (SEID) field and typing the 10 digit ID number. (16906)
- Direct Deposit of Refund – Input of erroneous bank routing and/or bank account numbers for direct deposit of refunds by IRS employees or Volunteer Income Tax Assistors may lead to erroneous refunds issued to the wrong taxpayers and be unrecoverable to redirect to the correct taxpayer. Stakeholder Partnership, Education and Communication (SPEC) agreed to continue to stress the huge importance of quality and information verification during volunteer training. (17840)
- List Bankruptcy Toll Free Number in Publication 908, *Bankruptcy Tax Guide* – There is a toll free telephone number for taxpayers

facing bankruptcy; however, the number is not readily available to the taxpaying public. Publication 908 is posted on the IRS website and the number will be published on the IRS website as well. The IRS will be able to regularly update the number on the website version if it were to change. (16866)

- Release of Federal Tax Levy – The IRS Collection representatives do not consistently provide levy release documentation by fax when requested by taxpayers and representatives. The IRS will begin a pilot program, E-FAX Services, which will enable employees to fax levy releases from their desktops. The IRS also is addressing other concerns raised regarding errors in processing levy releases. (17722)
- First Time Event Penalty Abatement – The IRS may allow a first time abatement of a taxpayer's penalty for an initial infraction, however, several filing/payment periods may elapse before a taxpayer is aware of the requirement to file/pay, causing penalties to accrue without abatement ability for all subsequent periods. TAP would like to see relief to the taxpayer from additional penalties arising from the same first-time infraction. The IRS responded as they continue to make enhancements to the penalty program, they may revisit this suggestion. The Office of Servicewide Penalty (OSP) is planning to conduct an in-depth review in June 2011 of its programs to leverage feedback for improvement. (16731)
- Taxpayer Assistance Center (TAC) – Increase Hours/Days of Operation – TAP proposed the IRS open the TACs on Saturdays at least twice each month during the filing season and once a month during the rest of the year. IRS is committed to expanding service hours on weekdays and Saturdays in select TACs for the upcoming filing season, where taxpayer demand is present and where resources are available to accomplish it. (16840)
- Website e-Services Passwords - TAP would like to improve the ease of system access for practitioners who use e-Services by making it easier for them to reset expired passwords. The IRS submitted a work request for several updates to the registration

pages to reflect the expired password procedures. IRS is waiting for funding approval of the work request. (16627)

- Request to Speak to a Specific IRS Employee – TAP recommended the IRS make taxpayers and practitioners aware at the outset that IRS technology will not permit them to reconnect with the same responder. IRS responded this TAP recommendation has been implemented. (16721)
- Revocation of Subchapter S-Corporation Election – The IRS agreed to revise the 2010 revision of the instructions for Form 1120S, *U.S. Income Tax Return for an S Corporation*, to clarify the meaning for Reg. Sec. 1.1362-6 with respect to which Service Center a Revocation Statement should be filed. (17690)
- Central Authorization Number (CAF) Number Errors – TAP recommended the IRS provide an efficient procedure for a representative to inform the IRS they were erroneously assigned more than one CAF number as the telephone number provided on Notice CP-547, *We Assigned You a Central Authorization File (CAF) Number*, is seldom answered. The IRS agreed to remove the number completely and require communication by another medium such as fax only. (18153)
- IRS Assistors Refuse to Help When Taxpayer Uses Speakerphone – Some IRS telephone assistors have demanded that callers turn off their speakerphones as a condition of receiving service. The use of speakerphone is not prohibited in the Internal Revenue Manual (IRM) used by assistors, so the IRS agreed to issue a Servicewide Electronic Research Program (SERP) alert to remind assistors the IRM does not prohibit the taxpayer from use of any unsecured platform. (17641)
- Forms Available for Business e-Services – TAP recommended Forms 1099 and 1098 be available for business taxpayers through e-Services. The IRS said they will initiate a request to improve the Disclosure Authorization system to include this capability. (19183)
- E-File in Rural Areas – The requirement for registered tax preparers to e-file will impose hardships on those in areas where

high-speed internet service is not available. TAP recommended the IRS waive the e-filing requirement for those preparers. IRS will develop a process for tax preparers with extenuating circumstances to request a waiver from the legislative mandate. (17836)

- Examiners are not allowed to Provide Email Address – TAP recommended the IRS allow employees to use limited email correspondence with taxpayers or their representatives to set appointments, clarify information, and exchange documents. IRS Cybersecurity is working on a Secure Registration Based Email (SRBE) process, which if and when implemented, would allow email communication with taxpayers. SB/SE will participate in the Phase I rollout of the Secure Registration Based Email pilot which will include the capability to send secure email messages to federal and state partners. (17246)
- Taxpayers may be Over-reporting State/Local Refunds – TAP suggested IRS show both the taxable and the nontaxable amounts on the Form 1040, *U.S. Individual Income Tax Return*, so that time is saved by both the taxpayer and the IRS. Taxpayers receive notices because the amount reported on their Form 1040 line 10 differs from the amount shown on their Form 1099-G, *Certain Government Payments*. IRS plans to adopt this suggestion when space is available. (17383)

## Form and Publications

Providing clear and specific instructions for the taxpayer to follow is one of the main goals for the IRS. The IRS has agreed to implement the following TAP recommendations;

- Update Publication 583, *Starting a Business and Keeping Records* – Due to recent changes in the technology field, Publication 583 should provide guidance on computerized record keeping and document retention. (18427)
- Publication 505, *Tax Withholding and Estimated Tax* – The language regarding the underpayment penalties in Publication 505 is misleading. The language will be revised for clarity. (17016)

- Filing an Extension for Home Owner's Association – Homeowners Associations (HOA) file Form 7004, *Application for Automatic Extension of Time to File Certain Business Income Tax, Information, and Other Returns*, to request an extension of time to file its income tax return. IRS should provide guidance that the entity type selected on Form 7004 must match the entity type assigned when the HOA was initially established. (17442)
- Clarify the Difference Between *e-file* and Free File – TAP asked the IRS to revise the descriptions in the tax instructions and any other IRS publications in which *e-file* and Free File are addressed so the distinction between the two is clear to the taxpayer. (17803)
- Show the Tax Year on 1040 Worksheets – The majority of worksheets do not have the tax year printed at the top of the page. IRS agreed to add a year indicator to the header on the pages of the instruction booklets. (18221)
- Practitioners Want a List of POAs – TAP asked the IRS to develop a report on e-Services that a practitioner can run to obtain an up-to-date list of all their POAs without writing a letter to request one. The IRS agreed to the recommendation and is taking action to request the change. (17280)

## Education

The panel recommendations included different ways to educate the general public on income taxes.

- Understanding Taxes – TAP encouraged the IRS to partner with volunteers to teach the Understanding Taxes program in high schools and college classrooms. The IRS agreed the use of *Understanding Taxes* should be expanded and addressed this concern with the National Council of Economic Education (NCEE). (16728)
- Empowered Taxpayers – A large number of taxpayers are uninformed regarding even the basics of our federal income tax

system. This lack of knowledge prevents many taxpayers from preparing their own tax returns. TAP recommended the IRS set up a pilot program at VITA/TCE sites to teach taxpayers how to do their own returns with the limited assistance of trained volunteers. (17625)

- Universal IRS Database – Telephone customer service representatives do not utilize the IRS Accounts Management System (AMS) when speaking to taxpayers. In subsequent calls, the taxpayer frequently has to repeat the same information already given. TAP recommended IRS representatives be made aware of the existing database and taught how to access and utilize its information. Managers of IRS employees should incorporate a proactive positive and negative employee feedback program to enhance the utilization of this “customer satisfaction” issue. (16776)

## Systemic Advocacy

The Office of Systemic Advocacy is a function within the IRS Taxpayer Advocate Service that identifies systemic problems. The TAP referred thirteen issues to the Office of Systemic Advocacy during 2010. The Office of Systemic Advocacy intervened in nine instances, referred three for legislative consideration, and rejected one. The nine instances in which the Office of Systemic Advocacy intervened were:

- Tie Breaking Rules for a Qualifying Child – TAP asked the IRS to ensure all IRS websites reflect the same information clarifying the Tie-Breaker Rules for a Qualifying Child are not mandatory. (16695)
- Direction to Wait for Revised Form 5405 to Claim First-Time Homebuyer Credit (FTHBC) – The IRS was rejecting Forms 5405, *First Time Homebuyer Credit and Repayment of the Credit*, filed by taxpayers who purchased a home after November 6, 2009, due to new legislation. They were told to re-file their forms after the newly revised Form 5405 was issued. The current version of instructions states the credit can be claimed for purchases prior to December 1, 2009. TAP asked the IRS to expedite processing of



the FTHBC claimed for these purchases by allowing the use of the only available version of Form 5405. (16805)

- Change of Address on Amended Returns – TAP asked IRS to ensure employees are aware of the requirement to input a change of address when a new address is listed on an amended return and the box is checked “yes” indicating the address should be changed. (16811)
- Requirements for First-Time Homebuyer Credit – The required First Time Homebuyers substantiation makes it impossible to file electronically. TAP asked the IRS to fix the software to allow electronic filing with the required documents. (16886)
- Schedule M, *Making Work Pay Credit*, Instructions Error – Taxpayers who used the farm optional method to compute their 2009 self-employment tax are receiving CP 12 notices stating their Schedule M credits were computed incorrectly. The instructions for the worksheet differ from the formula IRS used to compute the credit during processing. TAP requested IRS to correct their processing of Schedule M. (17804)
- New Online Practitioner Tax Identification Number (PTIN) Registration Software Glitch – TAP identified the CAF number section of the online PTIN application did not allow for the full listing of the CAF number. The IRS corrected the problem on October 4, 2010. (18949)
- Government Retiree Credits and Early Retirement – Schedule M does not allow Federal Employees Retirement Service (FERS) government retirees to get the \$250 credit unless they lie and say they are under the Civil Service Retirement Service (CSRS) retirement. TAP requested the IRS issue clearer instructions for proper processing of the form. (16896)
- Free File Fillable Forms Error on 1040EZ – Taxpayers cannot claim the standard deduction when they are claimed as a dependent when using Free File Fillable Forms online. Systemic Advocacy shared this with the Electronic Tax Administration (ETA). (16934)

- Operations Assistance Request (OAR) with Unpostable Code 299-RC6 Returned – The Submission Processing Unit in Fresno, CA, did not have instructions for working with Unpostable Code 299RC6 so was telling the IRS offices to hold the items and not submit them. Guidance was sent to the Technical Analysis and Guidance (TAG) for awareness. (19076)



TAP Member Donald Thomas

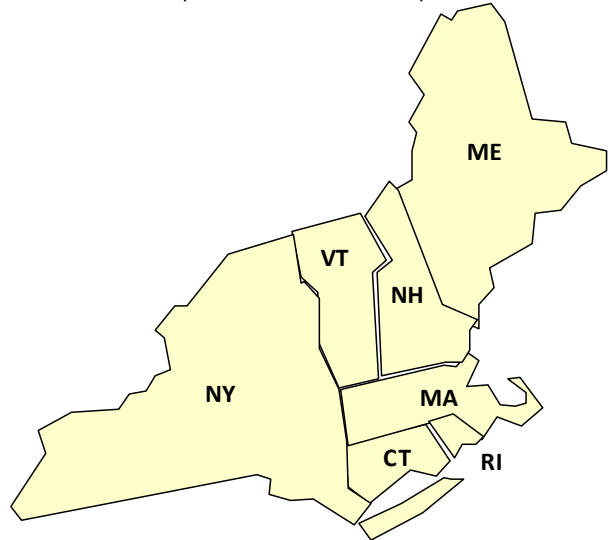
# Chair Reports

## Area 1 Committee

Area 1 represents the taxpayers of seven states: Connecticut, Maine, Massachusetts, New Hampshire, New York, Rhode Island, and Vermont.

### Area 1 Members

Frank Alvarado (CT)  
Mark Bernstein (NY)  
Haidee Cabusora (NY)  
Linda Gambardella (NY)  
Felicia Garant (ME) – Vice Chair  
Jo Ann Gibbons (VT)  
Robert Jackson (RI)  
John Leggett (NH)  
Cheryl Morse (MA) - Chair  
Alan Murray (NY)  
Jeffrey Steinberg (NY)  
Gerald Stepner (MA) – Vice Chair



### Designated Federal Official

Elaine Benedetti, Local Taxpayer Advocate, Rhode Island

### Staff

Louis Morizio, Program Manager (NY), Audrey Y. Jenkins, Program Analyst (NY), Meredith Odom, Program Analyst (NY), Rose Babb, Secretary (NY).

### Activities & Achievements Summary

- Identified and evaluated 66 issues,
- Elevated 18 issues to the Joint Committee in 2010,
- Conducted 492 outreach events with an estimated potential audience of 85,020 taxpayers, and
- Received 52 applications for member vacancies in Maine (2), New Hampshire (13), New York (30), and Rhode Island (7).

## Highlights

The dedication of our members, combined with a new work process, enabled us to move quickly on issues brought to us by taxpayers and our Local Taxpayer Advocates.

Our presence at the New York Tax Forum enabled us to talk with hundreds of attendees. We returned from the Forum with over 30 possible issues to investigate.

Area 1 began a mentoring program for new members. We began sharing our "Best Practices" for outreach by having two members on each conference call share what they had accomplished and how.

Area 1 volunteers actively worked in the community to promote the TAP mission and to identify issues with taxpayers and tax preparers. One Area 1 member was tapped as a panelist in a live IRS webcast in September. Notable outreach events included:

- Participation in EITC Awareness Day at various Area locations;
- Support of the IRS at the National Taxpayer Advocate's Town Hall meeting in Burlington, Vermont;
- Attendance at the IRS Tax Forum in New York City; and
- Staffing of booth at National Tax Preparer Annual Meeting in Austin, Texas in August.



TAP members Felicia Garant and Cheryl Morse

## Area 2 Committee

Area 2 represents the taxpayers of eight states and the District of Columbia; Delaware, Maryland, New Jersey, North Carolina, Pennsylvania, South Carolina, Virginia, and West Virginia.

### Area 2 Members

Raymond Boyle (DE)  
David Cain (WV)  
Audrey Child-Tomie (NJ)  
Patricia Davis (MD)  
Andrew Feng (VA)  
Seth Flanders (PA)  
Richard Grzebinski (NC)  
Edward Johnson (NJ)  
Frances Johnson (DC)  
John Lees (PA)  
Theresa Matthews (NC)  
Louise McAulay (SC)  
Robert McQuiston (PA)  
Ernest Miller (NC)  
Robert Patterson (PA)  
Mary Jean Potenzzone (NJ) – Chair  
Connie Sharpe (MD)  
Donald Thomas (VA) – Vice Chair  
Erica Webber (VA)



### Designated Federal Official

Tina Juncewicz, Local Taxpayer Advocate, North Carolina

### Staff

Nancy Ferree, Program Manager (FL), Marianne Ayala, Program Analyst (FL), Donna Powers, Program Analyst (FL), Anita Fields, Secretary (FL)

## Activities & Achievements

- Identified and evaluated 81 issues,
- Elevated 10 issues with recommendations to the Joint Committee,
- Conducted 74 outreach events with an estimated potential audience of 247,437 taxpayers, and
- Received 123 membership applications for member vacancies in District of Columbia (5), North Carolina (23), New Jersey (44), Pennsylvania (35), South Carolina (14), and West Virginia (1).

## Highlights

The Area 2 Committee began the year with a first-year TAP member elected as Chair. The 19 TAP members breathed new life into the business of Area 2 using the IRS TAP staff to aggressively resolve outstanding issues to prepare for the activities of 2010.

The team approach allowed simultaneous work on several issues with reporting to the full Area for approval and escalation to the Joint Committee. We worked a larger number of issues than in prior years as each team divided the analysis, research and writing of issues according to their strengths and areas of expertise. As a result, we enjoyed an extremely productive year working 81 issues and ultimately elevating 10 issues to the Joint Committee and IRS.



TAP Member Ray Boyle

## Area 3 Committee

Area 3 represents the taxpayers of six states and one territory: Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, and Puerto Rico.

### Area 3 Members

Justin Axelrod (FL)  
Miya Burt-Stewart (FL)  
Susan DaCorte (FL)  
Karie Davis-Nozemack (GA)  
Luis Fuentes (PR)  
Herbert Hayes (AL)  
Randee Head (GA)  
Deidre Jackson (LA)  
Louis Kapugi (GA) - Chair  
Susan Lynn (FL) – Vice Chair  
Eboni Moss (GA)  
Elizabeth Mossad (FL)  
Amoretta (Sue) Tatum (AR)  
Tommy Thompson (MS)



### Designated Federal Official

Rose Browne, Local Taxpayer Advocate, Georgia

### Staff

Nancy Ferree, Program Manager (FL), Sallie Chavez, Program Analyst (FL), Donna Powers, Program Analyst (FL), Marianne Ayala, Program Analyst (FL), Anita Fields, Secretary (FL)

## Activities & Achievements

- Identified and evaluated 83 issues,
- Elevated 9 issues with recommendations for improving customer service,
- Conducted 500 outreach events with an estimated potential audience of 476,019 taxpayers, and
- Received 39 membership applications for member vacancies in Alabama (18), Louisiana (9), Mississippi (11), and Puerto Rico (1).



TAP Member Luis Fuentes

## Highlights

Outreach with the taxpayer and the tax preparation community continued to be a high priority for Area 3 members in 2010. We participated in the Orlando and Atlanta Tax Forums. We met with two focus groups including 25 tax practitioners who contributed 62 potential issues for improving customer service within the IRS.

Area 3 members also participated in the EITC Awareness Day throughout the region and cooperated with Local Taxpayer Advocate meetings with legislative delegations.

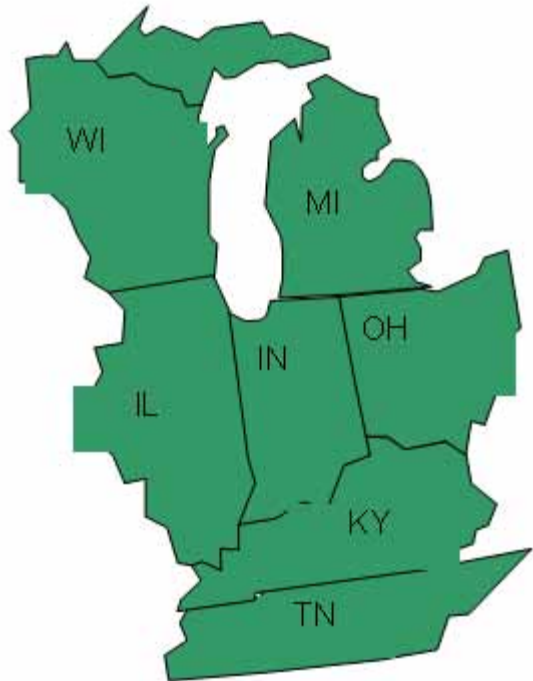


## Area 4 Committee

Area 4 represents the taxpayers of seven states: Illinois, Indiana, Kentucky, Michigan, Ohio, Tennessee, and Wisconsin.

### Area 4 Members

Carolyn Adams-Dodds (MI)  
Sandra Akbar (IL)  
Raymond Buschmann (IL)  
Jacqueline Granger (WI)  
Matthew Kosanovich (OH)  
Wayne Mackie (MI)  
Lev Martyniuk (OH)  
David Monnier (IN)  
Robert Mull (MI)  
Todd Oetken (KY) – Vice Chair  
Joyce Rhyan (OH)  
Ann Spiotto (IL) - Chair  
Rita Taylor (OH)  
Dianne Turner (TN)  
Stephen Vanderver (IN)  
Mary Jo Werner (WI)  
Marilyn Young (TN)  
Kelly Wingard (IL)



### Designated Federal Official

Betty Martin, Local Taxpayer Advocate, Tennessee

### Staff

Roy Block, Program Manager (WI), Ellen Smiley, Program Analyst (WI), Patti Robb, Program Analyst (WI), Lisa Gabriel, Program Analyst (WI), Annie Haywood, Secretary (WI)

## Activities & Achievements

- Identified and evaluated 106 issues,
- Elevated 16 issues with recommendations to the Joint Committee,
- Participated in numerous events to promote EITC Day,
- Conducted 122 outreach events reaching an estimated audience of 70,037 taxpayers, and
- Received 90 membership applications for member vacancies in Illinois (61) and Michigan (29).



TAP Members Mary Jo Werner, Wayne Mackie, and Lev Martyniuk

## Highlights

Two Area 4 TAP members joined the IRS TAP staff from Washington, D.C. and the Milwaukee office to meet with participants at the Chicago Tax Forum. An estimated 2,100 tax practitioners attended the Tax Forum and we met with over 1,000 of the attendees at the TAP booth. We presented the TAP message and discussed many issues with these Tax Forum participants including IRS customer service issues.

Area 4 members also facilitated a discussion session with tax practitioners who covered a range of topics, customer service issues and suggestions for improving the IRS. Area 4 members are currently evaluating thirty-two of the issues identified.

The members of Area 4 worked on many important issues during 2010. One that stands out involves correspondence audits. The Area 4 recommendation included modifications to IRS instructions, tax forms and audit guide.

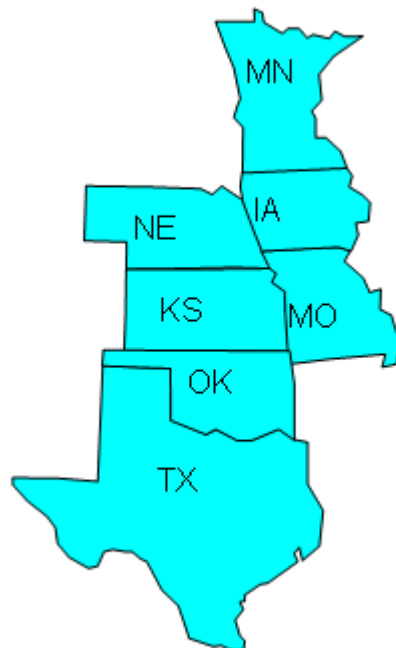
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## Area 5 Committee

Area 5 represents the taxpayers of seven states: Iowa, Kansas, Minnesota, Missouri, Nebraska, Oklahoma, and Texas.

### Area 5 Members

Craig Capehart (TX)  
Ken Donnelly (MO)  
Daniel Fretheim (IA) - Chair  
Carolyn Kalchthaler (TX)  
Bradford Lee (MN)  
J.T. (Zak) Manuszak (KS)  
Anne Rasmussen (MN) – Vice Chair  
Jackie Rollins (TX)  
Ralph Sacarello (TX)  
Paul Shoemaker (NE)  
Swarna Vallurupalli (MO)  
Josefina Villarreal (TX)  
Thomas Walker (TX)  
Norma Woodard (OK)



### Designated Federal Official

Marian Adams, Local Taxpayer Advocate, Kansas

### Staff

Roy Block, Program Manager (WI), Patti Robb, Program Analyst (WI), Ellen Smiley, Program Analyst (WI), Lisa Gabriel, Program Analyst (WI), Annie Haywood, Secretary (WI)

### Activities & Achievements

- Identified and evaluated 115 issues,
- Elevated 26 issues with recommendations to the Joint Committee,
- Conducted 102 outreach events reaching an estimated audience of 575,390 taxpayers, and

- Received 14 membership applications for member vacancies in Nebraska.

## Highlights

The Area 5 members have a varied background and worked well capitalizing on their individual strengths. The influx of new members contributed to a fresh outlook and the dedication and energy of the new and seasoned volunteers resulted in work on many new issues.

Working on the diverse topics is a very time intense process, especially for members without a tax background. The Area 5 motto was, “a little more time spent on the front end in the development of the issue will lead to successful implementation by the IRS.”

Area 5 members participated in many outreach activities. The one-on-one activities outnumbered all others as volunteers shared the TAP message with fellow travelers, other waiting patients at doctors’ offices, individuals at restaurants, etc. Members also reached out to small groups such as women’s clubs, civic organizations, senior center groups, academic groups, and special interest groups. Member interviews were published in newspapers or broadcast on the radio. Several members have used the social media for connecting with taxpayers.



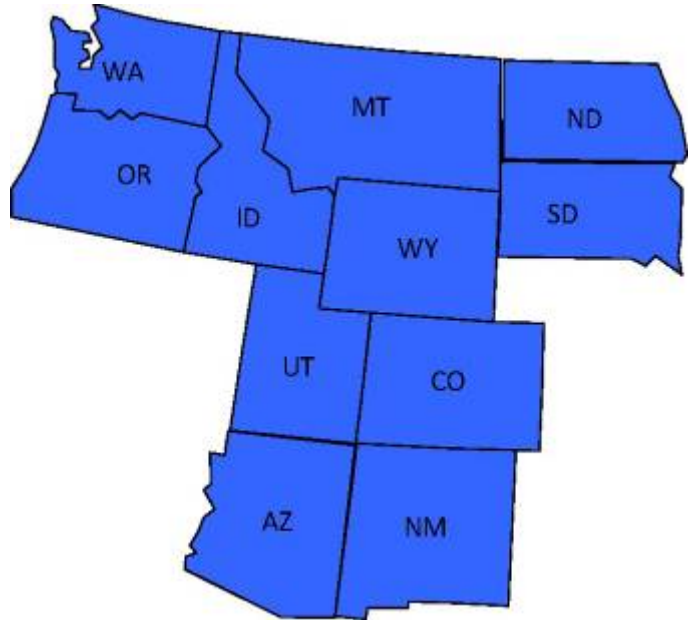
TAP Members Norma Woodard, Ralph Sacarello, Josefina Villarreal, Zak Manuszak, and Carolyn Kalchthaler

## Area 6 Committee

Area 6 represents the taxpayers of 11 states: Arizona, Colorado, Idaho, Montana, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington, and Wyoming.

### Area 6 Members

Kirsten Ball (UT)  
Harlan Barnett (WA)  
Eileen Birge (WA)  
Herb Bohrer (ID) – Chair  
Dean Conder (CO)  
Nancy Eik (MT) - Vice-Chair  
Joan Gustafson (AZ)  
Richard Holland (ND)  
Charnia Parrish (NM)  
Chris Paustian (SD)  
Beverly Phillips (OR)  
Karla Toomer (WY)



### Designated Federal Official

Teresa Thompson, Local Taxpayer Advocate, Montana

### Staff

Judi Nicholas, Program Manager (WA), Timothy Shepard, Program Analyst (WA), Nina Pang, Program Analyst (WA) and Kymberly Hand, Secretary (WA).

### Activities & Achievements

- Identified and evaluated 68 issues,
- Elevated 3 issues with recommendations to the Joint Committee and subsequently elevated to the IRS,

- Conducted 321 outreach events with an estimated audience of 229,774 taxpayers, and
- Received 112 membership applications for member vacancies in Colorado (22), Idaho (5), South Dakota (1), Washington (83), and Wyoming (1).

## Highlights

Area 6 members attended National Taxpayer Advocate Town Hall Meetings in Albuquerque, NM, and Denver, CO. Two Area 6 members teamed with IRS TAP staff at the IRS Tax Forums in Las Vegas, NV, and San Diego, CA.

Two Area 6 volunteers conducted media interviews reaching large audiences.

Area 6 lost one member, Chris Paustian from South Dakota due to health issues, and one member from Oregon due to resignation. The South Dakota position was filled through recruiting, and an alternate was selected in Oregon.



TAP Member Karla Toomer

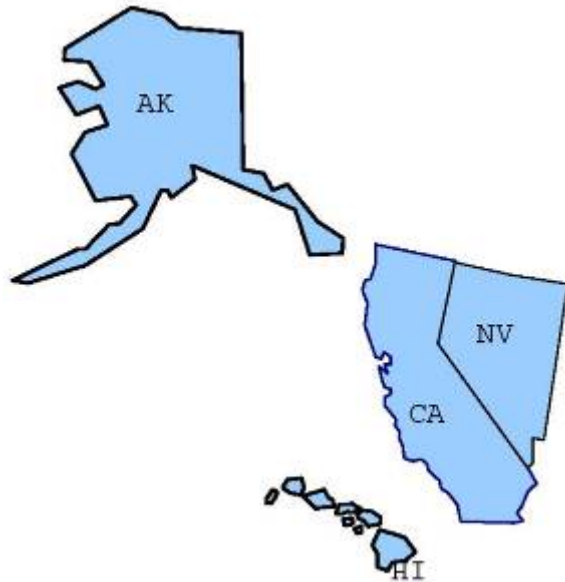


## Area 7 Committee

Area 7 represents the taxpayers of four states: Alaska, California, Hawaii, and Nevada

### Area 7 Members

Lee Battershell (CA)  
Richard Coonradt (NV)  
Sandra Finestone (CA)  
Gary Iskowicz (CA)  
Sabby Jonathan (CA)  
David Kahn (CA)  
John Kim (HI) – Chair  
Ming Ni (Minnie) Lau (CA)  
Howard Levine (CA)  
Patricia O’Neill (CA) – Vice-Chair  
John Rodgers (AK)  
Richard Waterman (CA)  
Clifford Young (CA)



### Designated Federal Official

Dorry Curran, Local Taxpayer Advocate, Los Angeles, California

### Staff

Judi Nicholas, Program Manager (WA), Janice Spinks, Program Analyst (WA), Timothy Shepard, Program Analyst (WA), Nina Pang, Program Analyst (WA) and Kymberly Hand, Secretary (WA).

### Activities & Achievements

- Identified and evaluated 86 issues,
- Elevated 19 issues with recommendations to the IRS for resolution,
- Conducted 432 outreach events reaching an estimated audience

- of 5,750,416 taxpayers, and
- Received 90 membership applications for member vacancies in California (83) and Nevada (7).

### **Outreach Details**

The year 2010 marked the second consecutive year that the TAP National Chair is an Area 7 member—and those two years follow a year when an area member was National Vice Chair. Area 7 members have been very willing to volunteer extra hours to serve in leadership positions at that level. Area members continue to lead and actively participate in the efforts at the Joint Committee level.

Area members participated in EITC events and in the Tax Forums in San Diego and Las Vegas. The Area 7 members spearheaded the TAP effort to focus on issues related to Campus Correspondence Examinations. The area designated a subcommittee to specifically deal with this major issue. That effort has led the creation of a Joint Committee subcommittee to deal with those issues and resulted in two new SB/SE project committees for 2011.

The area integrated a new quality review process. This initiative allows more efficiency for members and improved recommendations for the IRS.



TAP Member John Kim and TAP Vice Chair Tom Walker

Area 7 members met with IRS Subject Matter Experts (SME) to discuss issues and cooperatively develop strategies to improve the IRS processes. This approach is growing in popularity and has the very great potential to streamline the issue recommendation and implementation process.

The Area 7 team implemented the mentoring initiative to introduce TAP to new members. This experience launched the national focus on mentoring of new TAP members.

Area 7 volunteers participated in Outreach activities with professional groups and in one-on-one encounters with taxpayers. Notable achievements include:

- A television interview aired in March that included a former area member;
- The Military Officers Association of America (MOAA) published an article about TAP;
- A local FOX affiliate interviewed a member about TAP and volunteer recruitment;
- A State Assemblyman added the TAP website <http://improveIRS.org>, after meeting with a TAP member;
- The IRS Commissioner recognized a TAP member for 40 years of VITA service;
- A FOX morning show interviewed a TAP member about taxes and TAP; and
- A member discussed TAP and new member recruitment on the “Live with Regis & Kelly” show.

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## Communications Committee

The Communications Committee is tasked with identifying, expanding and promoting TAP's internal (e.g., intra-membership) and external (e.g., public, government) communications through messages, methods, materials and measurements. The group acts on behalf of TAP as a whole, so does not coincide with any IRS program and as such does not have an IRS "program owner." The group works holistically on broad topics. Three subcommittees work on specific tasks: e-TAP, External, and Internal.

### Members

Lee Battershell (CA)  
Susan DaCorte (FL) – Chair  
Joan Gustafson (AZ)  
Sabby Jonathan (CA)  
Carolyn Kalchthaler (TX)  
J. T. (Zak) Manuszak (KS)  
Cheryl Morse (MA)  
Chris Paustian (SD)  
Mary Jean Potenzzone (NJ)  
Joyce Rhyan (OH)  
Connie Sharpe (MD)  
Paul Shoemaker (NE) – Vice Chair  
Karla Toomer (WY)  
Dianne Turner (TN)

### Designated Federal Official

Roy Block, TAP Program Manager, Wisconsin

### Program Owner

Shawn Collins, Director, Taxpayer Advocacy Panel

## **Staff**

Patti Robb, Program Analyst (WI), Ellen Smiley, Program Analyst (WI), Lisa Gabriel, Program Analyst (WI); Annie Haywood, Secretary (WI)

## **Committee Work Scope (Deliverable)**

The Communications Committee develops communications strategies and products used by TAP both for internal TAP business and for interacting with the taxpaying public. The Committee responds to requests from the Joint Committee and from the TAP Director. The Communications Committee works only on administrative TAP business and is not subject to FACA requirements regarding open meetings.

## **Projects Completed**

The Communications Committee completed nine projects with recommendations approved for TAP:

- Editing and publishing of 2009 TAP Annual Report;
- Documentation of member needs for new TAPSpace;
- Participation in development of TAP branding and logo with marketing vendor;
- Deployment of interim Issues database;
- Compilation and distribution of an all-TAP Biography book;
- Creation of a Skills Inventory tool to capture interests and expertise of TAP volunteers;
- Update of Outreach Toolkit;
- Update of TAP Success Stories; and
- Compiled recommendations from member surveys to improve TAP.

## **Additional Communications Committee Work**

- **e-TAP:** Since its beginnings in 2008, this subcommittee has worked to unify responsibility for identification and development of

electronic communications concepts. Initiatives include social media (e.g., Facebook, Flickr, iPods Myspace, YouTube); TAPLinks – web site links with Congressional offices and relevant civic and professional associations; and the enhancement and management of TAP websites (e.g., ImproveIRS.org and TAPSpace).

- **External Subcommittee Team:** The External Subcommittee creates and develops TAP marketing/public relations concepts including: update of the outreach tool kit including an update of the success stories; the TAP Member Handbook; marketing materials; newsletter; success stories; and tradeshow cooperatives.
- **Internal Subcommittee Team:** The Internal Subcommittee identifies and implements projects to enhance the member experience including: Exiting Member surveys; an Interaction Plan developed to promote effective member development at the Annual Meeting and face-to-face meetings; and a spreadsheet to facilitate preparation of the Annual Report.

### **Ongoing projects for 2011**

- Further development and preliminary implementation of the Congressional outreach project to establish a link to ImproveIRS.org on the website of each member of Congress. The goal is to raise awareness of TAP and its mission, and potentially increase the number and types of issues from taxpayers;
- Update of the Outreach Toolkit and TAP Member Handbook;
- Administration of the annual Member Surveys; and
- Overall responsibility for compiling and editing the 2010 TAP Annual Report.

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## Earned Income Tax Credit (EITC) Committee

### **Members**

Sandra Akbar (IL)  
Frank Alvarado (CT)  
Eileen Birge (WA)  
Haidee Cabusora (NY)  
Jacqueline Granger (WI)  
Herbert Hayes (AL)  
Robert Patterson (PA)  
Gerald Stepner (MA)  
Amoretta (Sue) Tatum (AR)  
Josefina Villarreal (TX) - Chair  
Erica Webber (VA) – Vice Chair

### **Designated Federal Official**

Nancy Ferree, TAP Program Manager, Florida

### **IRS Program Owners**

Verlinda Paul, Director, EITC Office, and Barbara Foley, Program Analyst EITC Office

### **Staff**

Marianne Ayala, Program Analyst (FL), Donna Powers, Program Analyst (FL), Anita Fields, Secretary (FL)

### **Committee Work Scope (Deliverable)**

The EITC Committee is responsible for improved cooperation between Volunteer Income Tax Assistance (VITA) centers, EITC,

and the Low Income Tax Clinics (LITC); improvements in the “EITCForTaxPreparers.com” website; improvements in training and education modules; increased participation in EITC benefits; and modification of Publication 3524, *EITC Eligibility Checklist Poster*.

### **Completed Project Details**

EITC members were divided into two groups. Each applied their skills towards the following described projects:

**Power Point Presentation for use in EITC Education Modules** - Members prepared a PowerPoint presentation for use with a group of volunteer tax preparers including low income tax clinic preparers. This new direction for IRS moves away from education materials directed to employers and offers the tools to build awareness and availability of the EITC with preparers.

**Enhancement of Training Modules for teaching EITC to volunteer tax return preparers** – Members recommended potential changes to the training modules for unpaid or volunteer tax return preparers to improve their level of responsibility for verification of eligibility and correctness of information needed to calculate EITC. In addition, this subcommittee presented an explanation of the distinctions of the responsibilities between paid and volunteer tax preparers.

### **Additional Project Accepted:**

**EITC Tax Preparer Toolkit Webpage** – The EITC Committee examined all aspects of the website including checking all links involved on this site, flow of requirements involved with EITC, and testing the process of enrollment for taking the EITC test.

## Notice Improvement Committee

### **Members**

Mark Bernstein (NY)  
Raymond Boyle (DE)  
Karie Davis-Nozemack (GA)  
Andrew Feng (VA)  
Linda Gambardella (NY)  
Randee Head (GA)  
Richard Holland (ND)  
Frances Johnson (DC)  
Ernest Miller (NC) – Chair  
Alan Murray (NY)  
Seth Flanders (PA)  
Norma Woodard (OK) – Vice Chair

### **Designated Federal Official**

Louis Morizio, TAP Program Manager, New York

### **IRS Program Owners**

Sydney Gardner, Wage and Investment (W&I) Program Owner, Ann Gelineau, Program Manager, and Jim Cesarano, Program Analyst

### **Staff**

Audrey Y. Jenkins, Program Analyst, (NY), Meredith Odom, Program Analyst (NY), Rose Babb, Secretary (NY)

### **Committee Work Scope (Deliverable)**

## **Projects Completed**

- Finalized a multi-year project to score Correspondence Letters;
- Reviewed the Document Assessment Tool (DAT) to determine if it still worked for the new notices coming from the IRS Office of Taxpayer Correspondence. The DAT is an Excel spreadsheet format that allows the committee to rate notices and determine a score for that notice. Compared the DAT scoring tool with the Generic Scorecard. The Generic Scorecard method of evaluation notices provides an overall assessment of the notice but does not quantify the results like the DAT;
- Compared the British Assessment Scorecard (BAS) with the DAT assessment tool. The British Assessment Scorecard is a notice tool used by the United Kingdom taxing authorities. Reviewed and made recommendations to update the DAT assessment tool with some of the items found in the British Assessment Score Card; and
- DAT scored and evaluated over 20 notices and letters.

## **Major Accomplishments**

The IRS assigned a multi-year project, Notices Landing Page Project, to the Notices Committee. The Committee will create a Frequently Asked Questions (FAQ) section for notices which will be linked to <http://www.irs.gov> in two parts.

The first stage of the project, Redesigned Taxpayer Notices, required the team to identify the issues and opportunities for improvement related to the access and use of the landing page.

The second stage of the project, Landing Page, required the team to compile a list of FAQ for old and newly-approved notices.

## Small Business/Self-Employed (SB/SE) Burden Reduction Committee

The SB/SE Committee included many members currently working within the tax preparation and related fields that made 2010 an excellent year with a very strong committee. The members brought a mix of tax industry knowledge, management experience, organizational skills and most of all, a good work ethic.

The SB/SE Committee was initially divided into the four subcommittees but reorganized mid-year due to a fifth project and recognition of the need for additional resources on complex projects.

The committee met in Dallas, Texas, for their face-to-face meeting that afforded the time to complete much of their work. The committee used this intense meeting time to bond together as a team.

We look forward to the challenges and projects in the next 2011 TAP year!

### **Members**

Carolyn Adams-Dodds (MI)  
Kirsten Ball (UT)  
Harlan Barnett (WA) - Chair  
David Cain (WV)  
Jo Ann Gibbons (VT)  
Richard Grzebinski (NC)  
Deidre Jackson (LA)  
Ming Ni (Minnie) Lau (CA)  
Bradford Lee (MN)  
John Lees (PA)  
Susan Lynn (FL)  
Theresa Matthews (NC)  
Beverly Phillips (OR)  
Anne Rasmussen (MN)  
John Rodgers (AK)  
Thomas Walker (TX)  
Mary Jo Werner (WI)  
Clifford Young (CA) – Vice Chair

## **Designated Federal Official**

Judi Nicholas, TAP Program Manager, Washington

## **IRS Program Owners**

Phyllis Grimes, Program Manager, and Tonjua Menefee, Senior Tax Analyst

## **Staff**

Janice Spinks, Program Analyst (WA); Nina Pang, Program Analyst (WA); Timothy Shepard, Program Analyst (WA); Kymberly Hand, Secretary (WA)

## **Committee Work Scope (Deliverable)**

Responsible for identification and reduction of the burden of the self-employed and small businesses in relation to Schedule C, and the reduction of the burden faced by aging Americans in meeting their federal tax requirements and obligations.

At the 2009 Annual TAP Meeting in Washington, DC, the Small Business/Self Employed (SB/SE) Division of the IRS presented to the SB/SE TAP Project Committee four projects on which it wanted pre-decisional input. The TAP SB/SE Project Committee accepted that challenge and formed these subcommittees to work the projects.

## **Projects Completed**

**IRS Calendar Project Subcommittee** - The 2010 IRS Tax Calendar for Small Business and Self-Employed Taxpayers (Publication 1518) is packed with useful information on general business taxes, IRS and Social Security Administration (SSA) customer assistance, electronic filing and paying options, retirement plans, business publications and forms, common tax filing dates, federal legal holidays, etc.

This calendar is used for a number of outreach activities (Nationwide Tax Forum, National Phone Forums, webinars, live broadcast shows, etc.) as a method of promoting voluntary compliance by reminding practitioners and small business owners of the most common filing dates and other tax administration obligations.

SB/SE members identified suggestions to continue improving this product including:

- Review the monthly tax topics;
- Review the reminders;
- Review the tax tips for success (for small businesses);
- Suggestions for themes/artwork examples;
- Feedback on whether or not this product should be only available electronically; and
- Suggest other tax items that should be included.

**Solution Saturday Outreach Project Subcommittee** - The IRS offered a new outreach event called Solution Saturday at five IRS taxpayer assistance centers in 2009 to assist individual taxpayers in economic hardship. This event was similar to “Problem Solving” days the IRS had conducted in the past. The SB/SE Division was exploring the possibility of similar events for small business owners. The SB/SE committee was asked to answer these questions:

- Where and when should these events take place?
- Should the IRS limit which types of businesses seeking services (no non-profits, no OIC candidates etc)?
- How should the event be advertised?
- What other resources should be made available (partner with SBA, etc)?
- Other considerations to reach and assist small business and self-employed taxpayers.

**Volunteer Agreements (TIPS) Project Subcommittee** - Voluntary compliance agreements are designed to enhance tax compliance among tipped employees through taxpayer education instead of through traditional enforcement actions, such as tip examinations. The SB/SE committee offered feedback on the following:

- Do the agreements promote compliance?
- Do taxpayers understand the impact of non-compliance?
- Do the agreements secure employers' buy-in?
- Alternatives?

**Audit Technique Guides (ATG) Project Subcommittee** - Audit Technique Guides help industry partners address complex tax issues. Originally designed to assist in training Revenue Agents, the 39 ATG contain common and unique industry issues, business practices, industry terminology and other information. The committee tackled the daunting and tedious review of the ATG with particular attention to:

- Review all new or revised ATGs for clarity of content;
- Check to see if the language is too technical;
- Are their industries under represented?
- Are there other groups that could benefit from the guides?

**Chore Payments Project Subcommittee** – A significant compliance issue exists for the correct reporting of payments (chore payments) made for the care of an elderly or disabled individual. Under current law, the elderly/disabled person is presumed to be an employer with full responsibility for completing appropriate paperwork which may be difficult due to their condition. The SB/SE Committee reviewed current products developed to promote compliance with chore payments for clarity of content and message consistency with specific focus on:

- Consider developing an informational brochure on Chore Payments, and
- What organizations should we partner with to disseminate the information?



## Taxpayer Assistance Center (TAC) Committee

### **Members**

Herbert Bohrer (ID)  
Craig Capehart (TX)  
Audrey Child-Tomie (NJ)  
Dean Conder (CO) – Vice Chair  
Patricia Davis (MD)  
Nancy Eik (MT)  
Dan Fretheim (IA)  
John Leggett (NH)  
Louise McAulay (SC)  
Dave Monnier (IN)  
Patricia O’Neill (CA)  
Ann Spiotto (IL)  
Tommy Thompson (MS) - Chair

### **Designated Federal Official**

Roy Block, TAP Program Manager, Wisconsin

### **IRS Program Owners**

Leslye Baronich, Director, Field Assistance (FA); Jane Brough, Supervisory Financial Management Specialist; Toni Horton, Program Analyst; Beth Braddock, Program Analyst.

### **Staff**

Ellen Smiley, Program Analyst (WI); Patti Robb, Program Analyst (WI); Lisa Gabriel, Program Analyst (WI); Annie Haywood, TAP Secretary (WI).

## **Committee Work Scope (Deliverable)**

In December, 2009, the IRS Field Assistance management requested the Taxpayer Advocacy Panel, Taxpayer Assistance Center (TAC) Project Committee review the current signage in the TACs and improve current communication methods.

## **Completed Project**

From January, 2010 through June, 2010, the Committee members visited 26 offices and interviewed TAC managers and employees in 15 states. All 13 Committee members were involved in the visits and observations.

The purpose of the visits to the TACs was to gain a better understanding of the communication process and signage in the TACs, receive insight from TAC employees and managers who deal daily with taxpayers, and identify ways to improve the instructional and informational signs, thus, improving customer service and satisfaction in the TACs.

Nine recommendations were developed and approved by the TAC Committee:

- Field Assistance (FA) management should determine message point sets for each type of TAC;
- FA management should eliminate unnecessary signs;
- TAC managers should follow the established IRM Process for all signs displayed in the TACs and FA management should modify the IRM Process to provide a sign template(s) for use in creating interim short-term signs;
- FA management should maximize the communication effect of each remaining Approved Sign through modification and standardization of the content, format, and using the “Psychology of Color;”
- TAC signs should be displayed external to the building where possible and access to information about TAC locations should be improved;
- FA management should consider the use of alternative communication methods;

- Each TAC Manager should utilize the Q-Matic or Q-Lite system to its full capacity at all times;
- FA management should develop a taxpayer communication assessment process; and
- FA management should be required to do on-site visits of all TACs on a recurring basis.

In December, 2010, the Committee submitted a report to the IRS including these nine recommendations. The TAC Committee concluded that implementing the recommendations could have a significant impact on improving communications with taxpayers and the appearance of the TACs.

The 2010 TAC Committee Report, *Signs and Visual Communication*, goes further than just reworking the existing signage and includes opening the door to new technological ways to communicate with customers in the TACs.

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## Tax Forms & Publications (TFP) Committee

### **Members**

Raphael Colon-Sacarello (TX)  
Sandra Finestone (CA)  
Luis Fuentes (PR)  
Felicia Garant (ME)  
Robert Jackson (RI)  
David Kahn (CA)  
Louis Kapugi (GA)  
Howard Levine (CA)  
Wayne Mackie (MI)  
Lev Martyniuk (OH) – Chair  
Elisabeth Mossad (FL)  
Robert Mull (MI)  
Charnia Parrish (NM)  
Jackie Rollins (TX)  
Rita Taylor (OH)  
Donald Thomas (VA) – Vice Chair  
Richard Waterman (CA)  
Kelly Wingard (IL)

### **Designated Federal Official**

Louis Morizio, TAP Program Manager, New York

### **IRS Program Owners**

Patty Wagner, Senior Tax Analyst, Tax Forms and Publications Division; Carole, Barnette, Chief Individual Branch; and Maria Cheeks, Policy Analyst.

## **Staff**

Marisa Knispel, Program Analyst (NY), Meredith Odom, Program Analyst (NY); Rose Babb, Secretary (NY).

## **Committee Work Scope (Deliverable)**

The Tax Forms and Publications (TFP) Committee members evaluate IRS forms and publications and collaborate with the relevant IRS Program Owner. TFP Committee members occasionally serve as a test panel for new IRS forms and other informational filing initiatives.

## **Projects Completed**

The TFP Committee began the 2010 TAP year with an emergency product that had to be completed before the end of December, 2009. The IRS asked the committee to review Form 5405, *First-Time Home Buyer Credit and Repayment of the Credit*. The subcommittee assigned to the review, responded on time with all of the work being done over the Christmas holidays.

The Committee proposed guidance to Publication 519, *U.S. Tax Guide for Aliens*. The current Publication does not address two types of aliens who have a significant presence in the larger U.S. immigrant community: refugees and asylum seekers. The recommendation resulted from work with an international refugee analyst working on a website link for refugees and asylum seekers.

TFP members concluded that the PDF format on the IRS website does not follow column format, restricting use of information when copying to a form. The Committee recommended that the IRS should improve the format of the electronic forms to make them more useful.

The Committee sent a recommendation to the IRS Senior Technical Advisor recommending the IRS delete the cents column on all IRS income tax returns and allow taxpayers to round cents up and down to the nearest dollar. This recommendation would help eliminate computational errors and increase free space on the Form 1040. This

initiative resulted in the IRS referral to IRS Legislative Affairs and from there to Congress.

TFP also assisted the IRS' Multilingual Initiative Strategy by participating in the review of Spanish language forms such as Forms 2848SP, *Power of Attorney and Declaration of Representative*, and its instructions and Form W-7SP, *Application for IRS Individual Taxpayer Identification Number*, and its instructions.

The TFP Committee reviewed and commented on the clarity of the language and structure used in the following forms and publications:

- Form 1099-B, *Proceeds from Broker Payments*;
- Form 1099-K, *Merchant Card and Third Party Payments*;
- Schedule K-1 (Form 1065) and Instructions, *Partner's Share of Income, Credit, Deductions*;
- Form W-7SP, *Application for IRS Individual Taxpayer Identification Number and Instructions (Spanish language version)*;
- Form 8822, *Change of Address*;
- Schedule D, *Capital Gains & Losses*;
- Form 1040 (3 versions);
- Publication 15 (Circular E), *Employer's Tax Guide*;
- Publication 15A, *Employer's Supplemental Tax Guide*;
- Form 706, *Estate (& Generation Skipping Transfer) Tax Return*; and
- Form 2848 (SP) and Instructions, *Power of Attorney and Declaration of Representative*.

The Program Owner conducted focus groups with TFP members on four key initiatives.

- Three new possible variations of Form 1040:
  1. Form 1099-A, *Acquisition or Abandonment of Secured Property*
  2. Form 1099-B, *Proceeds from Broker and Barter Exchange Transactions*
  3. Schedule D, K-1, *Capital Gains and Losses*

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## Volunteer Income Tax Assistance (VITA) Committee

### **Members:**

Justin Axelrod (FL) – Vice Chair  
Raymond Buschmann (IL)  
Richard Coonradt (IL)  
Ken Donnelley (MO)  
Gary Iskowitz (CA)  
Edward Johnson (NJ)  
John Kim (HI)  
Matthew Kosanovich (OH)  
Eboni Moss (GA)  
Timothy Oetken (KY)  
Jeffrey Steinberg (NY)  
Swarna Vallurupalli (MO)  
Stephen Vanderver (IN) - Chair  
Marilyn Young (TN)

### **Designated Federal Official**

Nancy Ferree, TAP Program Manager, Florida

### **IRS Program Owners**

Roger Burton, SPEC Territory Manager; Fred McElligott, Area Director, SPEC, Atlanta, GA., and Kate Lett-Deathe, SPEC Territory Manager

### **Staff**

Donna Powers, Program Analyst (FL), Sallie Chavez, Program Analyst (FL), Marianne Ayala, Program Analyst (FL), Anita Fields, Secretary (FL).

## **Committee Work Scope (Deliverable)**

The VITA Committee contributes to IRS efforts to ensure that the low and moderate income taxpayers who participate in the free tax assistance programs offered by VITA, AARP TaxAide, and Tax Counseling for the Elderly (TCE) receive quality service.

## **Project Details**

The 2010 VITA Project Committee considered and presented recommendations in three areas, including: Quality of Volunteer Tax Preparation (QVTP); Financial Education and Asset Building (FEAB) and Product Development. The Product development subcommittee worked closely with the IRS Education and Product Development Team (E &PD) in coordination with the scheduled updating for training material development.

## **Quality of Volunteer Prepared Tax Returns:**

The VITA Committee continued work from the 2009 initiative that provided suggestions and proposals for the improvement of tools for measuring the quality of volunteer prepared tax returns. Several recommendations were made and implemented. The program for 2010 examined ways to improve the quality of preparer returns using the developed measurement tools.

The 2010 Committee determined that volunteer training and site quality controls were the critical elements in the quality of returns that were prepared. The Committee developed a list of areas to examine that could help to strengthen the training of volunteers and site coordinators. The list consisted of twelve recommendations, divided into the three separate categories: training; site requirements; and, "best practices."

A subsequent proposal presented a new form, Form 6729-SR (*Site Review*), to give the Site or Local Coordinator the criteria under which the site will be evaluated during a Quality Statistical Sample review. By using this tool, the coordinator can evaluate the needs and

procedures to meet the requirements prior to a site review. Also, periodic “inspections” will help the site to stay in compliance and be prepared for any future reviews.

### **Financial Education and Asset Building (FEAB):**

The FEAB subcommittee provided proposals for two initiatives for Stakeholder, Partnership, Education and Communication (SPEC) FEAB programs.

The first initiative requested means to engage Partners in the offering and delivery of FEAB products as they relate to the VITA/TCE programs. Proposals included additional communication and interaction with partners in outreach programs. Included in these initiatives were meeting with partners more often, (i.e. quarterly), further education of partners about FEAB offerings, conferences and continuing to build strong relationships with partners currently offering FEAB in the communities.

The second initiative suggested SPEC develop value-added educational materials for taxpayers for use at VITA/TCE sites. Proposals included making educational material available to taxpayers waiting for or during assistance. One suggestion was a “financial checklist” for the taxpayer to check off any items he/she may want to know more about.

Suggested assistance could be in the form of IRS materials in the “Life Cycle Series” or a suggestion to contact a partner that may be able to provide additional information or assistance. Using this process, the counselor can direct the taxpayer to the partner or other resource to provide the additional information requested.

### **Training:**

Several VITA members were selected to participate in the Education and Product Development Program for developing the training materials for volunteer tax preparers.

Some members travelled to Atlanta to participate in the

development of workshops. Others contributed to the tasks of proofreading, making corrections and submitting suggested changes in the training materials. In addition, members participated in the “Beta Testing” of the Volunteer Test/Retest to ensure comprehension, understandability and fairness of the testing process and test questions.

In addition, a member tested the 2010 Tax Year version of the tax preparation software, TaxWise, and submitted an evaluation of the operation and validity of the program.

**Appendix A: Taxpayer Advocacy Panel Members  
January, 2010**

<b>Panel Member</b>	<b>City</b>	<b>State</b>	<b>Area</b>	<b>Issue Committee</b>
Rodgers, John	Anchorage	AK	7	SBSE
Hayes, Herbert	Huntsville	AL	3	EITC
Tatum, Amoretta (Sue)	Arkadelphia	AR	3	Notice Improvement
Gustafson, Joan	Prescott	AZ	6	Communications
Battershell, A. Lee	Carmichael	CA	7	Communications
Finestone, Sandra	Irvine	CA	7	Tax Forms and Publications
Iskowicz, Gary	Los Angeles	CA	7	VITA
Jonathan, Sabby	Palm Desert	CA	7	Communications
Kahn, David	Los Angeles	CA	7	Tax Forms and Publications
Lau, Ming Ni (Minnie)	Santa Clara	CA	7	SBSE
Levine, Howard	Van Nuys	CA	7	Tax Forms and Publications
O'Neill, Patricia	San Jose	CA	7	TAC
Waterman, Richard	Campbell	CA	7	Tax Forms and Publications
Young, Clifford	Newbury Park	CA	7	SBSE
Conder, Dean	Lakewood	CO	6	TAC
Alvarado, Frank	East Haven	CT	1	EITC
Johnson, Frances	Washington	DC	2	Notice Improvement
Boyle, Raymond	Wilmington	DE	2	Notice Improvement
Axelrod, Justin	Gainesville	FL	3	VITA
DaCorte, Susan	N Palm Beach	FL	3	Communication
Lynn, Susan	Orlando	FL	3	SBSE
Mossad, Elizabeth	Valrico	FL	3	Tax Forms and Publications
Burt, Stewart, Miya	Hollywood	FL	3	Communication
Davis-Nozemack, Karie	Atlanta	GA	3	Notice
Head, Randee	Warner Robins	GA	3	Notice Improvement
Kapugi, Louis	Sharpsburg	GA	3	Tax Forms and Publications

<b>Panel Member</b>	<b>City</b>	<b>State</b>	<b>Area</b>	<b>Issue Committee</b>
Moss, Eboni	Atlanta	GA	3	VITA
Kim, John	Honolulu	HI	7	VITA
Fretheim, Daniel	Decorah	IA	5	TAC
Bohrer, Herbert	Springfield	ID	6	TAC
Akbar, Sandra	Chicago	IL	4	EITC
Buschmann, Raymond	Lake Forest	IL	4	VITA
Spiotto, Ann	Lincolnwood	IL	4	TAC
Wingard, Kelly	Decatur	IL	4	Tax Forms and Publications
Monnier, David	Indianapolis	IN	4	TAC
Vanderver, Stephen	Evansville	IN	4	VITA
Manuszak, J.T. (Zak)	Wichita	KS	5	Communication
Oetken, Todd	Louisville	KY	4	VITA
Jackson, Deidre	Mandeville	LA	3	SBSE
Morse, Cheryl	North Easton	MA	1	Communication
Stepner, Gerald	Peabody	MA	1	EITC
Davis, Patricia	Mitchellville	MD	2	TAC
Sharpe, Connie	Riva	MD	2	Communication
Garant, Felicia	Falmouth	ME	1	Tax Forms and Publications
Adams-Dodds, Carolyn	Detroit	MI	4	SBSE
Mackie, Wayne	Frankenmuth	MI	4	Tax Forms and Publications
Mull, Robert	Ann Arbor	MI	4	Tax Forms and Publications
Lee, Bradford	Mahtomedi	MN	5	SBSE
Rasmussen, Anne	Apple Valley	MN	5	SBSE
Donnelly, Ken	Lees Summit	MO	5	VITA
Vallurupalli, Swarna	Chesterfield	MO	5	VITA
Thompson, Tommy	Southaven	MS	3	TAC
Eik, Nancy	Missoula	MT	6	TAC
Grzebinski, Richard	Raleigh	NC	2	SBSE
Matthews, Theresa	Denton	NC	2	SBSE
Miller, Ernest	Raleigh	NC	2	Notice Improvement
Holland, Richard	Bismarck	ND	6	Notice Improvement
Shoemaker, Paul	Lincoln	NE	5	Communication

<b>Panel Member</b>	<b>City</b>	<b>State</b>	<b>Area</b>	<b>Issue Committee</b>
Leggett, John	Canterbury	NH	1	TAC
Child-Tomie, Audrey	Brick	NJ	2	TAC
Johnson, Edward	Florence	NJ	2	VITA
Potenzzone, Mary Jean	Glen Ridge	NJ	2	Communications
Parrish, Charnia	Albuquerque	NM	6	Tax Forms and Publications
Coonradt, Richard	Reno	NV	7	VITA
Bernstein, Mark	Roslyn Heights	NY	1	Notice Improvement
Cabusora, Haidee	New York	NY	1	EITC
Gambardella, Linda	Suffern	NY	1	Notice Improvement
Murray, Alan	Larchmont	NY	1	Notice Improvement
Steinberg, Jeffrey	Blauvelt	NY	1	VITA
Kosanovich, Matthew	Columbus	OH	4	VITA
Martyniuk, Lev	Cincinnati	OH	4	Tax Forms and Publications
Rhyan, Joyce	Cleveland	OH	4	Communication
Taylor, Rita	Cincinnati	OH	4	Tax Forms and Publications
Woodard, Norma	Choctaw	OK	5	Notice Improvement
Phillips, Beverly	Bend	OR	6	SBSE
Flanders, Seth	Allentown	PA	2	Notice Improvement
Lees, John	Evans City	PA	2	SBSE
McQuiston, Robert	Bryn Mawr	PA	2	Notice Improvement
Patterson, Robert	York	PA	2	EITC
Fuentes, Luis	Boqueron	PR	3	Tax Forms and Publications
Jackson, Robert	Middletown	RI	1	Tax Forms and Publications
McAulay, Louise	Florence	SC	2	TAC
Paustian, Chris	Mitchell	SD	6	Communication
Turner, Dianne	Knoxville	TN	4	Communication
Young, Marilyn	Nashville	TN	4	VITA

<b>Panel Member</b>	<b>City</b>	<b>State</b>	<b>Area</b>	<b>Issue Committee</b>
Capehart, Craig	Dallas	TX	5	TAC
Colon-Sacarello, Ralph	Pilot Point	TX	5	Tax Forms and Publications
Kalchthaler, Carolyn	Plano	TX	5	Communication
Rollins, Jackie	Austin	TX	5	Tax Forms and Publications
Villarreal, Josefina	Corpus Christi	TX	5	EITC
Walker, Thomas	Dallas	TX	5	SBSE
Ball, Kirsten	Sandy	UT	6	SBSE
Feng, Andrew	Arlington	VA	2	Notice Improvement
Thomas, Donald	Richmond	VA	2	Tax Forms and Publications
Webber, Erica	Alexandria	VA	2	EITC
Gibbons, Jo Ann	Montpelier	VT	1	SBSE
Barnett, Harlan	Olympia	WA	6	SBSE
Birge, Eileen	Seattle	WA	6	EITC
Granger, Jacqueline	West Bend	WI	4	EITC
Werner, Mary Jo	La Crosse	WI	4	SBSE
Cain, David	Marlinton	WV	2	SBSE
Toomer, Karla	Cokeville	WY	6	Communications



**Appendix B: 2010 Taxpayer Advocacy Panel IRS Staff**

<b>Name</b>	<b>Position Title</b>	<b>Location</b>
Shawn Collins	TAP Director	Washington, DC
Shelby Jenkins	TAP Director Secretary	Washington, DC
Steve Berkey	Senior Program Analyst	Plantation, FL
Susan Gilbert	Senior Program Analyst	Atlanta, GA
Otis Simpson	Senior Program Analyst	Washington, DC
Mary Ann Delzer	Database Analyst	Milwaukee, WI
Louis Morizio	TAP Program Manager	Brooklyn, NY
Rose Babb	Secretary	Brooklyn, NY
Audrey Jenkins	Program Analyst	Brooklyn, NY
Marisa Knispel	Program Analyst	Brooklyn, NY
Meredith Odom	Program Analyst	Brooklyn, NY
Roy Block	TAP Program Manager	Milwaukee, WI
Lisa Gabriel	Program Analyst	Milwaukee, WI
Annie Haywood	Secretary	Milwaukee, WI
Patti Robb	Program Analyst	Milwaukee, WI
Ellen Smiley	Program Analyst	Milwaukee, WI
Judi Nicholas	TAP Program Manager	Seattle, WA
Kymberly Hand	Secretary	Seattle, WA
Janice Spinks	Program Analyst	Seattle, WA
Nina Pang	Program Analyst	Seattle, WA
Timothy Shepard	Program Analyst	Seattle, WA
Nancy Ferree	TAP Program Manager	Plantation, FL
Anita Fields	Secretary	Plantation, FL
Marianne Ayala	Program Analyst	Plantation, FL
Sallie Chavez	Program Analyst	Plantation, FL
Donna Powers	Program Analyst	Plantation, FL

**Appendix C: 2010 TAP Area Committee IRS Designated Officials**

<b>Area 1</b>	<b>Position Title</b>	<b>Location</b>
Elaine Benedetti	Local Taxpayer Advocate	Boston, MA
<b>Area 2</b>		
Tina Junczewicz	Local Taxpayer Advocate	Philadelphia, PA
<b>Area 3</b>		
Rose Browne	Local Taxpayer Advocate	Atlanta, GA
<b>Area 4</b>		
Betty Martin	Local Taxpayer Advocate	Nashville, TN
<b>Area 5</b>		
Marian Adams	Local Taxpayer Advocate	Wichita, KS
<b>Area 6</b>		
Teresa Thompson	Local Taxpayer Advocate	Helena, MT
<b>Area 7</b>		
Dorothea Curran	Local Taxpayer Advocate	Los Angeles, CA

**Appendix D: 2010 TAP Project Committee IRS Program Owners**

<b>Communications</b>	
Shawn Collins	Program Owner
<b>Earned Income Tax Credit (EITC)</b>	
Verlinda Paul	Program Owner
Barbara Foley	Analyst
<b>Notice Improvement</b>	
Sydney Gardner	Program Owner
Jim Cesarano	Liaison
Ann Gelineau	Liaison
<b>Small Business/Self Employed (SB/SE)</b>	
Phyllis Grimes	Program Owner
Tonjua Menefee	Liaison
<b>Taxpayer Assistance Centers (TAC)</b>	
Leslye Baronich	Program Owner
Jane Brough	Program Owner
Toni Horton	Liaison
Beth Braddock	Liaison
<b>Tax Forms &amp; Publications</b>	
Patty Wagner	Program Owner
Carole Barnette	Liaison
Maria Cheeks	Liaison
<b>Volunteer Income Tax Assistance (VITA)</b>	
Roger Burton	Program Owner
Fred McElligott	Program Owner
Kate Lett-Deathe	Liaison

## ***Appendix E: 2010 TAP Recommendation Status Definitions***

### **Area Committees:**

<b>Status</b>	<b>Description</b>
<b>Elevated Issue, Awaiting IRS Reply:</b>	<b>A taxpayer issue forwarded from the TAP Joint Committee to the IRS and TAP is waiting for an IRS response.</b>
<b>Pending Review by TAP:</b>	<b>A taxpayer issue forwarded from the TAP Joint Committee to the IRS and TAP is considering the IRS response. TAP may be awaiting IRS response to a subsequent TAP resubmission.</b>
<b>Closed, Proposal Accepted by IRS:</b>	<b>A taxpayer issue accepted by the IRS. The proposal may or may not be implemented, but the IRS has agreed to the recommendation.</b>
<b>Closed, Partially Accepted by IRS:</b>	<b>A taxpayer issue partially accepted by the IRS. The proposal may or may not be implemented but the IRS has agreed to the recommendation in part.</b>
<b>Closed, Proposal Rejected by IRS:</b>	<b>A taxpayer issue or recommendation rejected by the IRS for various reasons as indicated in the IRS response.</b>
<b>Referred to F&amp;P-Accepted:</b>	<b>A taxpayer issue or recommendation forwarded directly to Tax Forms and Publications program owners and the IRS has agreed to the recommendation.</b>
<b>Referred to F&amp;P-Partially Accepted:</b>	<b>A taxpayer issue or recommendation forwarded directly to Tax Forms and Publications program owners and the IRS has partially agreed to the recommendation.</b>
<b>Referred to SAMS, Accepted:</b>	<b>A taxpayer issue which requires immediate intervention by the IRS. TAP forwards the recommendation directly to the Office of Systemic Advocacy using the Systemic Advocacy Management System (SAMS) database. Immediate action is taken by the IRS to resolve the issue or an advocacy project is initiated.</b>

<b>Status</b>	<b>Description</b>
<b>Elevated Issue, Awaiting IRS Reply:</b>	<b>A taxpayer issue forwarded from the TAP Joint Committee to the IRS and TAP is waiting for an IRS response.</b>
<b>Referred to SAMS, Rejected:</b>	<b>A taxpayer issue which requires immediate intervention by the IRS. TAP forwards the recommendation directly to the Office of Systemic Advocacy using the Systemic Advocacy Management System (SAMS). Immediate action is not taken by the IRS to resolve the issue or an advocacy project is not initiated.</b>
<b>Referred to SAMS, Legislative:</b>	<b>When a taxpayer issue relates to legislation, TAP forwards the recommendation directly to the Office of Systemic Advocacy using the Systemic Advocacy Management System (SAMS) for future consideration as a recommendation for legislative change by the National Taxpayer Advocate.</b>
<b>Closed, Under IRS Consideration:</b>	<b>A taxpayer issue forwarded from the TAP Joint Committee to the IRS, of which IRS commits further consideration. This may occur if IRS is currently evaluating a program or system and will consider TAP's recommendation during the process.</b>

**Project Committees:**

<b>Status</b>	<b>Description</b>
<b>Closed, Project/Assignment Completed:</b>	<b>A project or task completed by a Project Committee with the results and recommendations documented and forwarded to the IRS Program Owner.</b>

### *TAP Geographic Committee Map (Text Version)*

<b>Area</b>	<b>State</b>	<b>Members</b>
1	Connecticut	1
1	Massachusetts	2
1	Maine	1
1	New Hampshire	1
1	New York	5
1	Rhode Island	1
1	Vermont	1
2	Delaware	1
2	Washington, D.C.	1
2	Maryland	2
2	North Carolina	3
2	New Jersey	3
2	Pennsylvania	3
2	South Carolina	1
2	Virginia	3
2	West Virginia	1
3	Alabama	1
3	Arkansas	1
3	Florida	5
3	Georgia	4
3	Louisiana	1
3	Mississippi	1
3	Puerto Rico	1
4	Illinois	4
4	Indiana	2
4	Kentucky	1
4	Michigan	3
4	Ohio	4
4	Tennessee	2
4	Wisconsin	2
5	Iowa	1
5	Kansas	1
5	Minnesota	2
5	Missouri	2
5	Nebraska	1
5	Oklahoma	1

<b>Area</b>	<b>State</b>	<b>Members</b>
5	Texas	6
6	Arizona	1
6	Colorado	1
6	Idaho	1
6	Montana	1
6	North Dakota	1
6	New Mexico	1
6	Oregon	1
6	South Dakota	1
6	Utah	1
6	Washington	2
6	Wyoming	1
7	Alaska	1
7	California	10
7	Hawaii	1
7	Nevada	1

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