

2005 Taxpayer Advocacy Panel Recommendations

TAP N05-077	Payment Voucher & Stub Usability		Status:	Closed	
Date Elevated to IRS:	2/16/2005	Date Counter Response to IRS:		Date Response(s) Received:	
Issue Statement:	Usability tests are one tool the IRS uses to obtain taxpayer and practitioner input on IRS materials. Notice Committee members observe usability testing and then provide feedback to the IRS.				
Goal Statement:					
Proposal:	Notice Committee members observed the testing of the Payment Voucher and Notice Stub in Atlanta, Cincinnati and Los Angeles and provided feedback on the vouchers and stubs to the IRS.				
Response from:	Linda Lightner, Dynamic Project Team (DPT) Leader				
Response Notes:	The feedback from TAP at the stakeholder meeting regarding the usability testing is used to prepare the final version.				

TAP E05-002	Form 8867 Paid Preparer's EITC Checklist		Status:	Elevated Directly by Committee	
Date Elevated to IRS:	4/12/2005	Date Counter Response to IRS:		Date Response(s) Received:	
Issue Statement:	EITC Program Analyst Alisa Blum requested at the Committee's teleconference March 17, 2005, feedback from the EITC Committee on Form 8867, Paid Preparer's Earned Income Credit Checklist.				
Goal Statement:					
Proposal:	The Committee re-submitted Proposals for improvement of Form 8867, Paid Preparer's Earned Income Credit Checklist (TAP A03-018) that the Committee submitted on July 14, 2003, and also submitted a compilation of supplemental individual comments about the form.				
Response from:					
Response Notes:					

TAP Z05-074	Taxpayer Service Budget Reductions		Status:	Closed	
Date Elevated to IRS:	4/26/2005	Date Counter Response to IRS:	5/20/2005	Date Response(s) Received:	5/20/2005
Issue Statement:	The IRS proposed reducing budgets for taxpayer services, including closing dozens of IRS walk-in centers				
Goal Statement:					
Proposal:	The Joint Committee directed the TAP Chair to write Commissioner Everson and urge him to offer TAP the opportunity for input on the proposed budget reductions, and a delegation of Joint Committee members met with the Commissioner in May. TAP members expressed concern about the effect on compliance of reducing funding for taxpayer services and about the IRS' lack of data on the demographics of walk-in center users, the effect of improved services on compliance among the population using walk-in centers, and the effect of reducing face-to-face interaction opportunities on taxpayers' sense of connection and obligation to the tax system and				

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	government. One member noted that walk-in centers serve a valuable function as the source of tax forms that are otherwise unavailable to people without Internet access and reported that kiosks up and down the coast were defective.
Response from:	Mark W. Everson, Commissioner of Internal Revenue
Response Notes:	The Commissioner suggested a role for TAP helping walk-in center managers develop plans for providing quality taxpayer service within budget constraints and proposed TAP representatives meet with him periodically. The IRS has suspended plans to close walk-in centers pending further study. The Commissioner and members of the Joint Committee will meet in early 2006 to further discuss taxpayer service.

TAP 505-001	Form 433 A/B Comments		Status:	Closed	
Date Elevated to IRS:	4/30/2005	Date Counter Response to IRS:		Date Response(s) Received:	4/30/2005
Issue Statement:	Carla Long from the National Taxpayer Advocate office requested comments on the Collection Information Statement, Form 433 both A and B.				
Goal Statement:					
Proposal:	Suggestions on the collection information statements in general and specific comments on the individual forms were submitted. General Comments included a suggestion for three separate forms, one each for wage earners, self-employed individuals and businesses, the spacing, and usability of the forms.				
Response from:	Carla Young				
Response Notes:	Team re-writing Forms 433 A&B received the suggestions of TAP and considered them in their work.				

TAP E05-006	EITC Performance Measurement		Status:	Elevated Directly by Committee	
Date Elevated to IRS:	5/6/2005	Date Counter Response to IRS:		Date Response(s) Received:	7/10/2005
Issue Statement:	The EITC Committee was asked to serve as a focus group to discuss the concept and task of assessing EITC Program performance as well as provide the TAP perspective of EITC program performance and performance measures.				
Goal Statement:					
Proposal:	<p>The Committee provided feedback to assist IRS in answering the following questions regarding performance measurement:</p> <ul style="list-style-type: none"> • What is defined as good performance from the EITC Program? • How does the average taxpayer know when the EITC Program is successful? • Should the EITC Program share performance measurements and performance results with taxpayers? What would the performance measurements from the EITC Program consist of – compliance measures, outreach measures, etc.? How would those measures of performance be helpful to the average taxpayer? What would be the best way –frequency, communication vehicle, etc. - to deliver those performance measures to the average taxpayer? • What expected benefits should the EITC Program anticipate from sharing performance information? • What taxpayer behavioral changes should be anticipated from providing additional performance information. 				
Response from:	Lauren Komar and Alexandria Wise from Booz Allen Hamilton				

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Response Notes:	The consulting firm that conducted the research of EITC Performance Measures provided their results to the Committee.
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TAP N05-010	Exam Soft Notices	Status:	Closed, Proposal Partially Accepted		
Date Elevated to IRS:	5/20/2005	Date Counter Response to IRS:		Date Response(s) Received:	6/20/2005
Issue Statement:	Beverly Mobley and Lois Bailey, EITC Redesign Team, brought two notices titled, Please Help us Confirm your Qualifying Child and Please Help use Confirm your Filing Status to the May 20, 2005 Notice Committee for feedback on improving the notices.				
Goal Statement:					
Proposal:	The Committee provided suggestions on improving the "Please Help us Confirm your Qualifying Child," " Please Help us Confirm Your Schedule C or C-EZ Business Income," and "Please Help us Confirm your Filing Status" exam notices.				
Response from:	Beverly Mobley and Lois Bailey, EITC Redesign Team				
Response Notes:	The EITC Redesign team thanked the Committee for their feedback and candid comment. The team also forwarded a draft of the revised notices which included many of the Committee's suggestions.				

TAP N05-082	CP 78 Notice Scoring	Status:	Closed		
Date Elevated to IRS:	5/21/2005	Date Counter Response to IRS:		Date Response(s) Received:	5/21/2005
Issue Statement:	The Committee was asked to score the readability and usability of the CP 78, Balance Due, Reminder Notice, using the IRS Document Assessment Tool.				
Goal Statement:					
Proposal:	The Notices Committee submitted their scoring of the CP 78.				
Response from:	James Cesarano, W&I Program Analyst				
Response Notes:	Notices are scored in three main categories: Message & Task, Logical Structure, and Presentation. The score is used by the IRS to make decisions on revising the notice, and/or when necessary, assessing the benefit(s) of revising the notice. This activity is completed and this item is closed.				

TAP E05-003	Dear EITC Preparer Letter	Status:	Elevated Directly by Committee		
Date Elevated to IRS:	5/24/2005	Date Counter Response to IRS:		Date Response(s) Received:	
Issue Statement:	The EITC Committee was asked to comment on a letter to tax professionals who prepare tax returns claiming the Earned Income Tax Credit (EITC) and have a history of errors on their returns.				
Goal Statement:					
Proposal:	The Committee recommended tailoring the letter to an individual and perhaps a version tailored to corporate preparers. The Committee suggested changes to strengthens the letter, including stating that Form 8867 or its equivalent should be used and that records should be kept for at least three years.				

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	The Committee suggests the numbered list of “common errors” be changed to a check box type list so the boxes could then be check marked to indicate which of the “common errors” are being committed by the addressee along with a fifth check box marked “Other”. The “Other” would be reserved for errors not listed as “common errors” but errors that are specific to the addressee.
Response from:	
Response Notes:	

TAP E05-004	Tips for Choosing Tax Preparer Letter		Status:	Elevated Directly by Committee	
Date Elevated to IRS:	5/24/2005	Date Counter Response to IRS:		Date Response(s) Received:	
Issue Statement:	The EITC Committee was asked to comment on "Tips for Choosing a Tax Preparer" which provides information on how to check the credentials of professional tax preparers, contains tips for the taxpayer to consider when choosing a tax preparer, and what tax professionals are required to provide.				
Goal Statement:					
Proposal:	The Committee recommended changing the title from "Tax Preparer" to "Paid Tax Preparer" and reformatted and edited the wording of the letter.				
Response from:					
Response Notes:					

TAP 205-012	Forms Testing/Form 1040S		Status:	Closed	
Date Elevated to IRS:	6/1/2005	Date Counter Response to IRS:		Date Response(s) Received:	
Issue Statement:	IRS will be developing a new form, Form 1040S especially for use by senior citizens. TAP has previously participated in the form creation and forms testing processing and would like to continue to do so. TAP is especially interested in participating in this process for the Form 1040S.				
Goal Statement:	The purpose of our letter is to ask the IRS to allow TAP to continue to have input into the form creation and form testing process.				
Proposal:					
Response from:					
Response Notes:					

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TAP N05-011	DAT Spreadsheet		Status:	Closed, Proposal Accepted	
Date Elevated to IRS:	6/15/2005	Date Counter Response to IRS:		Date Response(s) Received:	7/6/2005
Issue Statement:	The Committee was given an Adobe document to score notices using the Document Assessment Tool (DAT) Spreadsheet.				
Goal Statement:					
Proposal:	The Committee developed a spreadsheet to help score notices. The Committee recommended IRS adopt the TAP spreadsheet as the official document to be used when scoring notices using the DAT.				
Response from:	Bonnie Babcock, Tax Law Analyst, Notice Support Group				
Response Notes:	<p>IRS is pleased to use your format as the notice scoring standard. The Excel format proposed is very easy to use, and it incorporates a nice summary sheet on the first page.</p> <p>As a point of interest, the Notice Support Group was simultaneously working on a similar project. We'd like to incorporate a few additional features as minor enhancements to your spreadsheet:</p> <ul style="list-style-type: none"> <input type="checkbox"/> A summary score on the scoring page for each section <input type="checkbox"/> A bar graph on the summary page <input type="checkbox"/> Drop-down boxes to allow mouse selection of grades <p>We look forward to collaborating with you to perfect a tool that will benefit both the TAP and the IRS.</p>				

TAP V05-009	VITA/TCE Training Materials		Status:	Closed, Proposal Partially Accepted	
Date Elevated to IRS:	6/15/2005	Date Counter Response to IRS:		Date Response(s) Received:	9/16/2005
Issue Statement:	TAP members were asked to review and reformat Publication 3189, Volunteer E-File Administrator Guide and review and rewrite the comprehensive and integrated problems in Publication 678, Volunteer Assistor's Guide for use in Volunteer Programs.				
Goal Statement:					
Proposal:	The TAP members worked with six IRS tax analysts from various IRS offices and two people representing AARP to address the assigned tasks. It was the recommendation of the team that problems CW and CP be rewritten as integrated problems that could be used when teaching the TaxWise software. Problem A is already in this format. It was further recommended that these three problems be removed from Pub 678 and be placed in the front of the existing test booklet. Two Groups of TAP Panel Members participated in this activity.				
Response from:	Cynthia McKinney, Senior Tax Analyst, SPEC				
Response Notes:	The result was a multiplicity of changes to each publication and a thorough test of all problems contained therein. The problems were run both manually and by using "TaxWise" software. Corrections were forwarded to a central group within SPEC for inclusion in the publications prior to print				

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TAP M05-008	Tax Rights and Responsibilities Education		Status:	Elevated Directly by Committee	
Date Elevated to IRS:	7/8/2005	Date Counter Response to IRS:		Date Response(s) Received:	
Issue Statement:	There are large numbers of new immigrants and many more American citizens with limited English proficiency (LEP) who have no understanding of the tax system of the United States and in many case no experience with such a tax system. In order to comply with Executive Order 13166 which mandates federal agencies to provide meaningful access to products and services to persons with LEP, there must be a plan for educating such persons with their rights and responsibilities under our tax system.				
Goal Statement:					
Proposal:	The Committee prepared a suggested outline for a proposed basic course with suggested audience and implementation sites. The Committee recommended that the Internal Revenue Service partner with a local public school system that teaches English as a Second Language (ESL) classes or basic education classes, or a college or junior college system that does the same, or a Low Income Tax Clinic (LITC) to produce, implement, evaluate and disseminate to organizations across the country such a curriculum which can be used and modified to meet local needs.				
Response from:					
Response Notes:	As assigned by the program owner, a subcommittee developed a proposed basic course outline. A plan to make use of this material as well as to monitor promising pilot programs like the one now in progress in the St. Louis ESL model has not been developed.				

TAP 605-007	Refund Misleads Taxpayer		Status:	Closed, Proposal Rejected	
Date Elevated to IRS:	7/11/2005	Date Counter Response to IRS:		Date Response(s) Received:	8/16/2007
Issue Statement:	When multiple-year tax returns are filed or in cases when the same tax year is adjusted, taxpayers may receive a refund check prior to a notice of a balance due. Taxpayers who receive a refund check might reasonably believe that the refund check fully settles their tax obligations since taxpayers typically do not receive an explanation notice with the check.				
Goal Statement:					
Proposal:	<p>TAP proposed:</p> <ol style="list-style-type: none"> 1. Provide instructions to taxpayers filing multiple year returns on how to signal the IRS that more than one return needs to be processed promptly. 2. Have multiple year returns processed by the same employees, in the same area, at the same time. 3. Place an indicator on the system for each tax return in processing and hold all refunds until all returns have completed processing. 4. Provide an explanation with refund checks warning the taxpayers when there could be outstanding tax liabilities. 5. Provide taxpayers the option to elect to have a refund held until all their tax obligations are determined. 				
Response from:	Sue Sottile, Director, Tax Forms and Publications				
Response Notes:	IRS cannot implement this recommendation. We have done everything we believe is reasonably possible considering our current systemic environment to ensure taxpayers do not receive refunds when they have an open tax liability. We however do not have anyway of discerning when a taxpayer has or might have filed all of their tax obligations. Returns cannot be processed as a group nor can we place an indicator on the system for each tax return in processing unfortunately it is not a relational data base therefore we don't have that capability. We also				

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	cannot systemically send a notice with a check or electronic deposit since the systems are not compatible at this time and the notice is actually generated especially in the case of direct deposit often a week or two after the deposit has occurred. We are aware of our systemic limitations and the issue it presents for taxpayers include the problem you have noted and as we modernize our systems we are incorporating these enhancements into our requirements.
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TAP C05-005	TAPSpeak Recommendations		Status:	Closed, Proposal Implemented	
Date Elevated to IRS:	7/20/2005	Date Counter Response to IRS:		Date Response(s) Received:	7/20/2005
Issue Statement:	TAP members use TAPSpeak infrequently. One of the most important reasons identified for members not using the system is that much of the information on the system is not current. And, since many TAP members are not using TAPSpeak, staff does not update the system as regularly as they had in the past.				
Goal Statement:					
Proposal:	TAP Staff should begin using TAPSpeak as the principal (not exclusive) means to distribute draft and final minutes, reports, and other materials to TAP members. Staff will use the TAPSpeak email notification system to inform members when new information is posted. The Communication Committee will also develop educational materials for TAP members on using the system. After TAP begins to use TAPSpeak, the Communication Committee will reevaluate the system for possible improvements or whether or not TAP should continue to support the system.				
Response from:	TAP Joint Committee & Bernie Coston, Director TAP				
Response Notes:	TAP staff updated TAPSpeak and began to use TAPSpeak as the primary method of communication. The Communication Committee will continue to develop improvements to TAP's web-based forum.				

TAP Z05-075	TIGTA Audit		Status:	Closed	
Date Elevated to IRS:	7/29/2005	Date Counter Response to IRS:		Date Response(s) Received:	
Issue Statement:	Representatives of the Treasury Inspector General for Tax Administration (TIGTA) requested input from TAP on the impact of closing IRS walk-in centers for an audit assessing the methodology used by the IRS to select walk-in centers to be closed.				
Goal Statement:					
Proposal:	Area Committee Chairs and the TAP Chair participated in a teleconference with TIGTA representatives and communicated concern that compliance will likely suffer if taxpayers cannot get to walk-in centers because the services provided are vital, questioned how much really would be saved by closing walk-in centers when training volunteers to pick up the slack also is costly, and suggested that cost savings could be realized by sharing space with other government services rather than closing walk-in centers.				
Response from:					
Response Notes:	The TIGTA report was released in February 2006 but no mention was made about stakeholder input, including TAP's.				

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TAP N05-078	Penalty & Interest Notice Usability Testing		Status:	Elevated Directly by Committee	
Date Elevated to IRS:	8/1/2005	Date Counter Response to IRS:		Date Response(s) Received:	8/1/2005
Issue Statement:	Usability tests are one tool the IRS uses to obtain taxpayer and practitioner input on the IRS website. Notice Committee members observe usability testing and then provide feedback to the IRS.				
Goal Statement:					
Proposal:	Notice Committee members observed the testing of the Penalty and Interest notices and provided feedback on the notice revisions to the IRS.				
Response from:	Linda Lightner, Dynamic Project Team (DPT) Leader				
Response Notes:	The feedback from TAP at the stakeholder meeting regarding the usability testing is used to prepare the final version of the notice.				

TAP A05-021	IRS CPE Standards		Status:	Elevated Directly by Committee	
Date Elevated to IRS:	8/9/2005	Date Counter Response to IRS:		Date Response(s) Received:	
Issue Statement:	Inconsistent and weak emphasis is placed on the Internal Revenue Service's Continuing Professional Education (CPE) requirements.				
Goal Statement:					
Proposal:	TAP recommended that the IRS reconsider curtailing the amount of face-to-face meetings training due to budgetary constraints.				
Response from:					
Response Notes:					

TAP A05-062	EITC Assistant		Status:	Elevated Directly by Committee	
Date Elevated to IRS:	8/11/2005	Date Counter Response to IRS:		Date Response(s) Received:	9/22/2005
Issue Statement:	EITC Senior Policy Analyst Robert Mattingly requested the EITC Committee to review and suggest changes to the "EITC Assistant," which is a web-based tool accessible via a link on the EITC home page of the IRS website used to determine whether a taxpayer is eligible for the EITC and the possible credit amount.				
Goal Statement:					
Proposal:	The Committee recommended simplifying and clarifying the tool to ease navigation and encouraging its use through advertising and information on the web site that will motivate use. In addition, the Committee provided detailed specific recommendations on improving the usability of the "EITC Assistant."				
Response from:	David R. Williams, Director, Earned Income Tax Credit				
Response Notes:	IRS has already begun to incorporate messages promoting the EITC Assistant into all EITC communications products and marketing materials and to incorporate committee recommendations into the updated version of the EITC Assistant for release in December 2005				

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	Some text modifications and clarifications were accepted, and changes that require programming are under review.
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TAP C05-024	TAP Success Stories		Status:	Closed, Proposal Implemented	
Date Elevated to IRS:	8/17/2005	Date Counter Response to IRS:		Date Response(s) Received:	8/17/2005
Issue Statement:	TAP members need a set of "Success Stories" as an easy-to-use reference to promote TAP during outreach activities and to respond to anyone who may ask "What has TAP done?"				
Goal Statement:					
Proposal:	The Communication Committee developed a set of success stories to encourage and assist TAP members with their outreach activities. The committee selected 20 elevated recommendations that provide good examples of what TAP has done recently to assist taxpayers and improve IRS' customer service. The items have been categorized into specific audience groups to provide the TAP member with some accomplishments that relates to their specific audience.				
Response from:	Bernard E. Coston, Director, TAP and TAP Joint Committee				
Response Notes:	The success stories gathered by the communication committee were accepted and distributed to all panel members. The Communication Committee will continue to keep the "Success Stories" reference list up-to-date.				

TAP C05-025	Outreach Materials		Status:	Closed, Proposal Implemented	
Date Elevated to IRS:	8/17/2005	Date Counter Response to IRS:		Date Response(s) Received:	9/17/2005
Issue Statement:	TAP needs to gain taxpayers attention, make them aware of TAP, and name recognition or branding.				
Goal Statement:					
Proposal:	The Communication Committee developed a New TAP poster for used in the IRS Taxpayer Assistance Centers and developed an Outreach Took-Kit which was designed to provide each TAP member a kit with all need information and materials to conduct successful outreach activities.				
Response from:	Bernard E. Coston, Director, TAP and TAP Joint Committee				
Response Notes:	The TAP poster developed by the Communication Committee was approved and will be distributed to all TAC offices. The Outreach Took-Kit was approved and will be distributed to all new and returning TAP members.				

TAP 205-014	Form 1065 Schedule D Change		Status:	Closed, Proposal Accepted	
Date Elevated to IRS:	8/19/2005	Date Counter Response to IRS:		Date Response(s) Received:	8/16/2007
Issue Statement:	Form 1065, Schedule D (Capital Gains and Losses for Partnerships), Part 1 provides only four (4) lines to record capital gains and losses - Assets held 1 year or less. Taxpayers with more than four transactions must attach a supplemental sheet. Only four lines also are available for Part 2 Long-Term Capital Gains and Losses –Assets held more than 1 year. Any more than four (4) transactions require a supplemental sheet.				
Goal Statement:					

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Proposal:	TAP recommended that two additional lines be added to record both short term and long term transactions so that partnerships with more than four (4) transactions in either category will not be required to attach an additional supplemental sheet to complete the return.
Response from:	Sue Sottile, Director, Tax Forms and Publications
Response Notes:	IRS has identified room to add at least one more line to the short- and long-term sections of the form. This additional wording, which would match that of the Form 1040 version, will be added to form 1065.

TAP 305-015	VITA/TCE Uniform Taxpayer Identification Requirements		Status:	Closed, Proposal Implemented	
Date Elevated to IRS:	8/22/2005	Date Counter Response to IRS:		Date Response(s) Received:	1/30/2006
Issue Statement:	There are discrepancies among official IRS publications, Volunteer Income Tax Assistance (VITA) training materials, and instructions from IRS employees to VITA site coordinators regarding what identifying documents taxpayers must present at VITA and other volunteer tax preparation sites.				
Goal Statement:					
Proposal:	TAP recommended that the IRS develop and distribute consistent guidelines for identification needed for taxpayers to obtain help from volunteer tax sites. The same taxpayer identification requirements should apply to all volunteer tax preparation assistance sites. The requirements should be clearly communicated to taxpayers and volunteer preparers in written materials and oral instructions provided by IRS representatives.				
Response from:	Elizabeth Blair, Chief, Oversight and Analysis, SPEC Field Operations, Communication, Assistance, Research, and Education (CARE)				
Response Notes:	The photo identification requirement has been in the Publication 678, Volunteer Assistor's Guide, Student Text, for 2004 and 2005. The language requires the photo identification and the language uses the word must. A copy of the Publication 678 (Rev. 2005) page 13 and Publication 678 (Rev. 2004) page 5 was attached.				

TAP 105-019	Federal Lien Release on Credit Records		Status:	Closed, Proposal Rejected	
Date Elevated to IRS:	8/22/2005	Date Counter Response to IRS:		Date Response(s) Received:	8/16/2007
Issue Statement:	When a lien is released, taxpayers are not informed that the IRS is not responsible for informing credit bureaus. It is the responsibility of the taxpayer to ensure that the lien is expunged from credit bureau and public records after the IRS is paid. Otherwise, the lien will reappear in a future credit search.				
Goal Statement:					
Proposal:	TAP recommended that Notice 48, Release of Federal Tax Lien, be revised to notify taxpayers that, in order to minimize the effect of the federal tax lien on their credit history, a copy of the Certificate of Release of Federal Tax Lien should be sent to each credit reporting agency, and the Notice should be included with the taxpayer's copy of the Certificate. Revision and inclusion of Notice 48 with the certificate of lien release that is mailed to the taxpayer would alleviate the number of complaints received by local Taxpayer Advocate Service offices and Taxpayer Assistance Centers, as well as, provide better customer service to the client community. It would also mitigate the negative financial impact of a tax lien on a taxpayer's credit				

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	score that might adversely affect the interest rates charged the taxpayer.
Response from:	Sue Sottile, Director, Tax Forms and Publications
Response Notes:	The Notice 48 has been revised and does include information about contacting and providing copies of the release to credit bureaus. The majority of lien documents are returned to the IRS. Further, there is language on the taxpayer's copy that instructs them to retain the document in case there are questions.

TAP 405-020	Current Tax Forms and Instructions Availability		Status:	Closed, Proposal Accepted	
Date Elevated to IRS:	8/26/2005	Date Counter Response to IRS:		Date Response(s) Received:	7/11/2008
Issue Statement:	Not all current tax forms and instructions are available at IRS Taxpayer Assistance Centers (TACs).				
Goal Statement:					
Proposal:	TAP recommended that, upon a customer's request, every IRS walk-in taxpayer assistance site should provide a paper copy of any IRS form, other than scannable forms, together with instructions needed to prepare the current year's tax return.				
Response from:	Vicky L. Carr, Analyst, HQ Field Assistance, Operations & Training				
Response Notes:	Field Assistance (FA) revised procedures to allow for printing of current year forms and instructions in Taxpayer Assistance Centers. The FA IRM was updated to reflect this change on June 27th, 2008.				

TAP 705-016	TAS Authority to Release ACS Levies		Status:	Closed, Proposal Rejected	
Date Elevated to IRS:	8/26/2005	Date Counter Response to IRS:		Date Response(s) Received:	8/16/2007
Issue Statement:	IRS currently does not include computer-generated Automated Collection System (ACS) levies upon wages in the category of systemic or automated levies under Internal Revenue Manual (IRM) Section 13.1.4.2.3.19(1) (April 1, 2003). This interpretation deprives the Taxpayer Advocate Service (TAS) of delegated authority to release an ACS levy, and, thereby, creates a risk of delay that could cause irreparable harm to a taxpayer in a case where the taxpayer has shown the levy would cause significant hardship, as defined by statute.				
Goal Statement:					
Proposal:	TAP recommended that the IRS should classify ACS automated levies as systemic levies that TAS has delegated authority to directly release, as described in IRM Section 13.1.4.2.3.19(1).				
Response from:	Nina E. Olson, National Taxpayer Advocate				
Response Notes:	<p>In this case, TAS does not agree that ACS levies should be included as automated levies under the provisions of IRM 13.1.4.2.3.19 (1) and subject to TAS levy release authority.</p> <p>Presently, TAS employees have the delegated authority to release levies which are systemically generated in certain circumstances under provisions as described in IRM 5.19.9.1.1. This authority can be exercised only if two conditions are met: the levy must be systemically generated as under an automated levy program, and the account must not be open in another function. TAS employees must secure sufficient information to warrant the levy release under IRM guidelines, such as proving the levy is creating a hardship, but they are not overruling a substantive determination by the IRS because the levy was generated by computer.</p>				

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	<p>In contrast, a wage levy issued by ACS is not a systemically-generated levy, as an IRS employee must take into account substantive issues in the decision-making process. Such issues include analyzing financial information and determining alternative resolutions to collect the delinquent taxes. Thus, if TAS employees were given the authority to release an ACS wage levy, TAS would be overruling a substantive decision made by an IRS Compliance employee. Under the delegation order, the TAS employee would have to operate as an IRS Compliance employee and not as an advocate for the taxpayer. In addition, the taxpayer's account is open in another function and TAS has no delegated authority to take action on the account.</p> <p>The authorities delegated to TAS employees are by nature routine and nonsubstantive, and require little independent judgment or in-depth research. A TAS employee would have to analyze financial information and "stand in the shoes" of an IRS enforcement employee if given wage levy release authority. Thus, a TAS employee could not effectively advocate for the taxpayer because the employee would have to "straddle" IRS's policy on compliance versus TAS' mission of helping taxpayers solve their problems with the IRS.</p> <p>Moreover, we had previously identified an inconsistency between the Collection IRM (5.11.7) and our IRM (13.1.4) that may have contributed to the uncertainty regarding Task's authority in the levy release context. IRM 5.11.7.2.1.2 provides that TAS employees can "release systemically generated levies such as the FPLP, but only on modules not assigned to ACS Status 22 or collection field Status 26." IRM 13.1.4.2.3.19(2), however, only prohibits TAS from releasing a levy for modules assigned in Status 26, and does not make any reference to the prohibition on releasing a levy in ACS Status 22. Revisions to IRM 13.1.4 are in progress to make our IRM consistent with the Collection IRM.</p> <p>The correct approach to the wage levy problem is the timely release of wage levies by the IRS. The NTA raised the issue of timely levy releases as a "Most Serious Problem" in her 2005 Annual Report to Congress.³ As a result of that report and recommendations, the IRS instituted systemic enhancements for prompt levy releases and conducted employee training to ensure that ACS employees can identify economic hardships created by an IRS levy. The NTA continues to work with the IRS to identify levy-related issues and to find ways to improve the process of releasing levies timely.</p>
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TAP 105-017	Form W-4 Changes/Multi-job Households		Status:	Closed, Proposal Partially Accepted	
Date Elevated to IRS:	9/9/2005	Date Counter Response to IRS:		Date Response(s) Received:	8/16/2007
Issue Statement:	Underwithholding by multiple-job households is likely because of the difficulty of correctly completing Form W-4, Employee's Withholding Allowance Certificate, and/or because taxpayers are unaware of the need to complete additional Forms W-4 with their other employer(s) when a second or third job is acquired.				
Goal Statement:					
Proposal:	<p>TAP recommended that Forms and Publications make changes to Form W-4, as follows:</p> <ol style="list-style-type: none"> 1. Delete the current IRS warning titled "Form W-4 Warning: Two earners/Two Jobs" because it is inaccurate in many situations and substitute more accurate language such as suggested below. 2. Prominently display on the top of Form W-4 a statement along the lines of the following: <p>CAUTION: Two Earners/Two Jobs If you have two or more jobs, or if your spouse is also working, you may be subject to owing tax at the end of the year. To claim the correct number of allowances, either:</p> <ol style="list-style-type: none"> 1. Fill out the worksheet on page 2; 2. Consult with your tax advisor; 3. Call the IRS at 1-800-829-1040 for assistance; or 4. Go to (use an alias for the IRS withholding calculator, such as www.irs.withholdingcalculator.gov). 				

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	Revise the last sentence under the heading "Purpose" on Form W-4 to a statement along the lines of the following: "because your tax situation may change, you may want to refigure your withholding with any employer at any time during the year."
Response from:	Sue Sottile, Director, Tax Forms and Publications
Response Notes:	<p>1. Partially adopted. The 2007 revision of Form W-4 has a changed heading: Two-Earner/Multiple Jobs and we added a reference to Publication 919 for more details.</p> <p>2. Not Adopted. There is insufficient space to add the proposed CAUTION. The March 2007 revision of Publication 919, How Do I Adjust My Tax Withholding, refers to the withholding calculator on irs.gov. There is insufficient space to add more details to Form W-4 and retain a 2-page form.</p> <p>3. Adopted. IRS will revise the last sentence under the heading Purpose to read: Because your tax situation may change, you may want to refigure your withholding after a change occurs and each year."</p>

TAP 105-018	W-4 Calculator Access		Status:	Closed, Proposal Rejected	
Date Elevated to IRS:	9/9/2005	Date Counter Response to IRS:		Date Response(s) Received:	8/16/2007
Issue Statement:	The IRS has a Withholding Calculator on www.irs.gov which is a good tool for simplifying the process of calculating the correct amount of withholding but is not highly publicized and is difficult to locate on the IRS website.				
Goal Statement:	Simplify locating the Form W-4 withholding calculator.				
Proposal:	TAP recommended that the IRS create a direct link or alias, such as www.irs.withholdingcalculator.gov, that will allow taxpayers to access the withholding calculator without having to navigate through the rest of the IRS website and that can be easily referenced in forms, instructions, and publications addressing withholding.				
Response from:	Sue Sottile, Director, Tax Forms and Publications				
Response Notes:	Since the November, 2005 redesign of IRS.gov, a taxpayer is able to easily access the Withholding Calculator from the IRS.gov Home Page by clicking on the More Online Tools link in the Online Tools area (the bottom left corner of the page). Once they are on the More Online Tools page, users simply click on the IRS Withholding Calculator link. It is also a link on the Individual page of irs.gov that clearly describes the calculator with a link within the description that takes them directly to the calculator.				

TAP 505-022	IRS Partnering		Status:	Closed, Proposal Partially Accepted	
Date Elevated to IRS:	9/12/2005	Date Counter Response to IRS:		Date Response(s) Received:	8/16/2007
Issue Statement:	Studies of taxpayer use demonstrate a strong need for personalized service as provided by Taxpayer Assistance Centers (TACs). However, the IRS plans to close numerous TACs, resulting in the reduction of a significant number of staff positions across the nation, in order to reduce expenditures.				
Goal Statement:					
Proposal:	TAP recommended that the IRS review and expand the option of partnering with other government service agencies to provide TAC services at reduced cost.				
Response from:	Sue Sottile, Director, Tax Forms and Publications				

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Response Notes:	IRS does not have plans to close TACs in any locations in FY 2007. IRS decisions on TACs will be based on application of the processes recommended in the Taxpayer Assistance Blueprint (TAB). Two of the recommendations outlined in the TAB Phase 2 Report relate directly to TACs, however, neither recommendation included closing TACs. IRS is currently using the results of the TAB Phase 2 Report as part of the review process to identify any potential changes to TACs and services provided to taxpayers. This process includes gathering and validating current data to support the 26 Taxpayer Values and Government Value criteria expressed in the Phase 2 TAB Report. The TAB Strategic Plan Overview is a five-year vision for IRS taxpayer service delivery. As we determine any longer term changes in our TAC plans we will consider your recommendation.
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TAP 705-080	Comments on E-file Brochure		Status:	Closed, Proposal Partially Accepted	
Date Elevated to IRS:	9/16/2005	Date Counter Response to IRS:		Date Response(s) Received:	1/1/2006
Issue Statement:	IRS has developed brochures informing taxpayers of the benefits of electronic filing and how to file tax returns and pay taxes electronically.				
Goal Statement:					
Proposal:	Area 7 was asked to provide feedback on updating an IRS publication promoting e-file. A committee member reviewed the draft version of the Publication, 1357, IRS e-file—consider it done,” and proposed changes to the wording and format of the publication.				
Response from:					
Response Notes:	The new Publication 1357 for 2006 incorporated most of TAP’s recommendations.				

TAP C05-030	TAP Member Surveys		Status:	Closed, Proposal Implemented	
Date Elevated to IRS:	9/17/2005	Date Counter Response to IRS:		Date Response(s) Received:	9/17/2005
Issue Statement:	TAP needs to better understand and support future TAP activities: TAP needs to identify : <ul style="list-style-type: none"> <input type="checkbox"/> whether new TAP members have received adequate training and understand TAP's expectations of them in performing TAP's mission; and <input type="checkbox"/> some of the issues members may have encountered in conducting or trying to conduct outreach activities which will help to develop additional materials or training needs to improve this important function. 				
Goal Statement:					
Proposal:	Committee presented completed surveys to the Joint Committee and proposed that staff distribute the survey.				
Response from:	Bernard E. Coston, Director, TAP and TAP Joint Committee				
Response Notes:	The surveys for first year members and the outreach survey were accepted and will be distributed to TAP members at the appropriate time.				

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TAP C05-059	TAP Member Handbook		Status:	Closed, Proposal Implemented	
Date Elevated to IRS:	9/17/2005	Date Counter Response to IRS:		Date Response(s) Received:	9/17/2005
Issue Statement:	TAP members need a resource explaining TAP policies and procedures in an easily usable format.				
Goal Statement:					
Proposal:	The Communication Committee conducted a review of all available materials and the handbook was completely revised and updated.				
Response from:	Bernard E. Coston, Director, TAP and TAP Joint Committee				
Response Notes:	The TAP Member Handbook was approved and will be published and available to all TAP members.				

TAP S05-048	Simplifying Collection Statements (433-A and 433-B)		Status:	Elevated Directly by Committee	
Date Elevated to IRS:	9/21/2005	Date Counter Response to IRS:		Date Response(s) Received:	
Issue Statement:	The complexity of Collection Information Statements, Form 433-A for individual taxpayers and Form 433-B for businesses, burdens taxpayers applying for either an installment agreement or an offer-in-compromise.				
Goal Statement:					
Proposal:	Simplify Collection Information Statements by revising Form 433-A and 433-B to reduce the burden on taxpayers applying for an installment agreement or an offer-in-compromise.				
Response from:					
Response Notes:					

TAP S05-044	Revising Examination Notices/Documents		Status:	Elevated Directly by Committee	
Date Elevated to IRS:	9/21/2005	Date Counter Response to IRS:		Date Response(s) Received:	
Issue Statement:	Notices, letters and other documents sent to taxpayers prior to an examination do not adequately inform taxpayers what documents to present to the examiner nor explain the examination process.				
Goal Statement:					
Proposal:	The Office of Taxpayer Burden Reduction (OTBR) and TAP reviewed various documents sent to taxpayers prior to examination, and recommended improvements.				
Response from:					
Response Notes:					

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TAP S05-045	Revising Form 940, Unemployment Tax Form		Status:	Elevated Directly by Committee	
Date Elevated to IRS:	9/21/2005	Date Counter Response to IRS:		Date Response(s) Received:	
Issue Statement:	Form 940, Employer's Annual Federal Unemployment Tax Form, is unclear and difficult to complete.				
Goal Statement:					
Proposal:	The Office of Taxpayer Burden Reduction (OTBR) and TAP worked to revise Form 940, Employer's Annual Federal Unemployment Tax Form, to make it clear and easy to complete. This follows the redesign of Form 941, Employer's Quarterly Federal Tax Return. TAP recommended that the instructions for Form 940 be included with the Form, not separately, to be more accessible. TAP also recommended revising the worksheet on the Form and combining Form 940 and Form 940EZ.				
Response from:					
Response Notes:					

TAP S05-047	Employers Annual Federal Tax Program		Status:	Elevated Directly by Committee	
Date Elevated to IRS:	9/21/2005	Date Counter Response to IRS:		Date Response(s) Received:	
Issue Statement:	Filing employment tax returns quarterly creates a burden on employers with less than \$1,000 employment tax liability in a year.				
Goal Statement:					
Proposal:	TAP made recommendations on improving the annualized employment tax return for employers with less than \$1,000 employment tax liability.				
Response from:					
Response Notes:					

TAP S05-043	Prioritizing SB/SE Notices		Status:	Elevated Directly by Committee	
Date Elevated to IRS:	9/21/2005	Date Counter Response to IRS:		Date Response(s) Received:	
Issue Statement:	Some notices sent to taxpayers on business issues are unclear and/or inaccurate.				
Goal Statement:					
Proposal:	The Office of Taxpayer Burden Reduction (OTBR) and the TAP worked on prioritizing which notices sent to business taxpayers should be considered for revision based on factors such as volume, IRS satisfaction, taxpayer satisfaction, taxpayer burden, impact on IRS operating divisions, et. Once prioritized these notices will be revised for accuracy and clarity.				
Response from:					
Response Notes:					

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TAP S05-046	Extension Project		Status:	Closed, Proposal Implemented	
Date Elevated to IRS:	9/21/2005	Date Counter Response to IRS:		Date Response(s) Received:	
Issue Statement:	It is a burden on taxpayers to submit multiple applications for extension to file income tax returns.				
Goal Statement:	Extending the period of automatic filing extensions from four months to six months.				
Proposal:	<p>TAP Recommended revising Form 4868, Application for Automatic Extension to File U.S. Individual Income Tax Return, and Form 7004, application for Automatic Extension of Time to file Corporation Income Tax return.</p> <p>1) to create a uniform automatic six-month extension for all non-corporate taxpayers; 2) to remove the signature requirement and request for explanation on the extension forms; and 3) to decrease the number of forms by consolidating the two extension forms for individuals (Form 4863 and Form 2688) to one and combine four of the business extension forms into one, resulting in the consolidation of six of the current extension forms.</p>				
Response from:					
Response Notes:	<p>Beginning January 1, 2006, most individuals and businesses will be able to request a full six-month tax-filing extension, without a reason or even a signature.</p> <p>The new streamlined and simplified procedures are expected to save taxpayers between \$73 million and \$94 million annually, by eliminating or consolidating several existing IRS forms.</p> <p>A tax-filing extension does not extend the tax-payment deadline</p>				

TAP 105-027	IRC on the IRS Website		Status:	Closed, Proposal Rejected	
Date Elevated to IRS:	9/23/2005	Date Counter Response to IRS:		Date Response(s) Received:	10/21/2005
Issue Statement:	The IRS web page, IRS.gov, contains two links to the Internal Revenue Code (the "Code"), neither of which contains the most recent changes to the Code, potentially misleading those who seek to access the Code from the IRS web page and resulting in serious errors.				
Goal Statement:	To provide taxpayers and tax professionals with access to the most current version of the Internal Revenue Code.				
Proposal:	Ideally, the information to which these links take the user should be current. If this is not possible, the IRS should consider placing a current version of the Code on IRS.gov.				
Response from:	Bert W. Dumars, Director, Electronic Tax Administration				
Response Notes:	<p>DuMars thanked TAP for the suggestion and said the goal of assisting taxpayers and tax professionals in identifying current IRC requirements was very admirable and worthy of careful consideration. He agreed that it would be ideal if the external IRC resource sites the IRS website links to provided current information. Unfortunately, there is no public domain copy available of a completely current codified IRC. Instead, all such copies are provided by private vendors for a fee per user. Therefore, IRS is not able to implement the first proposed solution. The sites currently referenced are the best non-fee sources of the IRC available at this time.</p> <p>In addition, Congress has traditionally disfavored the IRS acting in competition with services provided by the private business sector. This is a major barrier that prevents the IRS from implementing TAP's recommendation to place the current IRC on IRS.gov. Even if that barrier could be overcome, the IRS does not internally maintain the current codified IRC, so does not have the information available to post. Keeping a codified copy of the IRC up-to-date is a major undertaking, which explains the current success of the fee-based services.</p>				

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TAP 105-026	Form 5500 and 5500EZ, Downloadable		Status:	Closed	
Date Elevated to IRS:	9/23/2005	Date Counter Response to IRS:		Date Response(s) Received:	
Issue Statement:	For small businesses, the current IRS procedures for obtaining and filing Form 5500, Annual Return/Report of Employee Benefit Plan, or 5500EZ, are overly burdensome because of the difficulty of acquiring a version of the form that can be filed with the IRS while the alternative of filing the form electronically can be very expensive. The forms on the website are not machine-readable, so taxpayers must call and have paper forms mailed or pay for electronic filing.				
Goal Statement:	To ease taxpayer burden and reduce IRS costs associated with filing Form 5500 or 5500EZ.				
Proposal:	TAP recommended that, as part of the IRS technology upgrade, the IRS develop software to obtain necessary data from printed versions of Forms 5500 and 5500EZ downloaded from the IRS website and that taxpayers be allowed to submit these printed versions of forms downloaded from the web. In the interim, until downloaded forms can be submitted, TAP recommended that the IRS send two copies of these forms each year to each taxpayer that submitted a paper copy in the preceding reporting year.				
Response from:					
Response Notes:	All forms 5500 must now be filed electronically.				

TAP F05-023	New and Revised Tax Forms & Publications		Status:	Closed, Proposal Accepted	
Date Elevated to IRS:	9/23/2005	Date Counter Response to IRS:		Date Response(s) Received:	8/16/2007
Issue Statement:	Over the past three years, TAP has received more than one hundred suggestions for improving IRS forms, instructions and publications.				
Goal Statement:					
Proposal:	TAP recommended that Tax Forms and Publications seek TAP pre-decisional input whenever new forms and publications are to be developed or current forms and publications revised. TAP has elevated numerous grassroots recommendations concerning forms and publications to the IRS and has worked directly with IRS program owners to improve many of the IRS's forms and publications.				
Response from:	Sue Sottile, Director, Tax Forms and Publications				
Response Notes:	We have extensive review processes and where ever possible seek outside stakeholder input both pre and post decisional however this is not always possible due to both timing of tax law changes and the sheer volume of tax products. IRS maintains an inventory of over 1,000 tax products and receives suggestions for revisions from a significant number of sources. We also when possible have usability processes including focus groups to access new and revised products. Due to the volume of suggestions received for tax products in 2005 from the Taxpayer Advisory Panels, IRS established a centralized process for the TAP Ad Hoc Forms Committee to receive recommendations from the various TAP committees. In this way, the Committee reviews each proposal, eliminates duplicates, ensures the proposals represent a national viewpoint, and sends them directly to IRS Tax Forms and Publications for consideration. IRS still believes this is the best vehicle for the panels to provide feedback on tax products. Product proposals can be raised				

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	by Area Committees, but should be centralized through the Ad Hoc Forms Committee.
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TAP N05-066	CP504 Series of Notices Scoring		Status:	Closed	
Date Elevated to IRS:	9/26/2005	Date Counter Response to IRS:		Date Response(s) Received:	11/21/2005
Issue Statement:	The Committee was asked to score the readability and usability of IRS notice CP 504, Urgent Notice - Balance Due, used for both individuals and businesses, using the IRS Document Assessment Tool.				
Goal Statement:					
Proposal:	The Notices Committee submitted their scoring of the CP 504.				
Response from:	Jay Duffy, Lana Fernandez, Michael Peleg, Linda Lightner, Arlene Flores, and Antonia Keeling, Collection Notices Dynamic Project Team				
Response Notes:	The team thanked TAP members for participating in scoring the DAT for the collection notices and was pleased that the score on CP504 improved from a C- to a B.				

TAP 505-013	AMT Education		Status:	Closed, Proposal Partially Accepted	
Date Elevated to IRS:	9/30/2005	Date Counter Response to IRS:		Date Response(s) Received:	8/16/2007
Issue Statement:	At present, millions of middle income taxpayers likely are unaware of the Alternative Minimum Tax (AMT) or the possibility that they may have to pay AMT within the next few years.				
Goal Statement:	Alert taxpayers to their potential AMT liability.				
Proposal:	TAP recommended that the IRS educate taxpayers about the AMT, just as the IRS has made an effort to educate the public about the Earned Income Tax Credit, Taxpayer Advocate Service, and e-filing. For example, the IRS could distribute printed material explaining the AMT and conduct a public awareness campaign through media releases. TAP attached two prototype models as examples of what the average taxpayer might find helpful.				
Response from:	Sue Sottile, Director, Tax Forms and Publications				
Response Notes:	The IRS recognizes the significant implications of the current AMT rules. Our media materials will emphasize the availability of the AMT Assistant on IRS.gov which the vast majority of taxpayers can use to quickly confirm that they need go no further in calculating AMT. We will include AMT prominently in our filing season campaign to alert taxpayers that might be impacted. We continue to also work with software providers to include alerts and information on AMT. The Service will monitor on-going Congressional activity on this subject and continue to appropriately alert taxpayers to any changes in the law and the potential for AMT liability. Where however do not plan to expand printed materials as the majority of taxpayers impacted by AMT use paid preparers and computerized software for return preparation.				

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TAP 405-038	Requiring Display of RAL Information		Status:	Closed, Proposal Rejected	
Date Elevated to IRS:	9/30/2005	Date Counter Response to IRS:		Date Response(s) Received:	8/16/2007
Issue Statement:	Many taxpayers, especially low-income and taxpayers with limited English proficiency who are applying for the Earned Income Tax Credit (EITC), are not aware that refund anticipation loans (RALs) are not actually a refund but loans that carry substantial risks for taxpayers if they do not receive the refund they had anticipated and against which they have borrowed.				
Goal Statement:	Encourage taxpayer awareness that RALs are loans that carry substantial risks to the borrower				
Proposal:	<p>TAP made the following recommendations:</p> <p>1. Develop a large-size poster displaying basic information about RALs for taxpayers, stating: "A RAL or 'Refund Anticipation Loan' is a loan that carries an interest charge. It is not the taxpayer's actual refund, but is less than the actual refund. Furthermore, taxpayers who fail to receive their full anticipated refund must still pay back the entire RAL with interest."</p> <p>2. Require that Electronic Return Originators (EROs) prominently display this RAL information poster in a prominent location at their business site, and add this to the list of requirements in Publication 1345, Handbook for Authorized IRS e-file Providers of Individual Income Tax Returns.</p>				
Response from:	Sue Sottile, Director, Tax Forms and Publications				
Response Notes:	IRS does not plan to distribute posters. We currently provide EROs with specific legal requirements and obligations regarding RALs as it relates to tax law and the Truth in Lending laws provide protection for the consumer including specific requirements around information that must be provided to the consumer on the cost of the loan. We do not agree additional printed materials and posting of this information would have any material affect on consumers' acceptance or non acceptance of a RAL. We will continue to provide messaging in our overall campaign encouraging low income and LEP taxpayers to take advantage of Free File and direct deposit to speed the issuance of their refunds. Free File Consortium members are prohibited from offering ancillary products such as RAL loans.				

TAP A05-061	Publication 17 Searchability		Status:	Elevated Directly by Committee	
Date Elevated to IRS:	9/30/2005	Date Counter Response to IRS:		Date Response(s) Received:	
Issue Statement:	Taxpayers have a difficult time finding information when researching using the on-line version of Publication 17, Your Federal Income Tax For Individuals. This leads to a high level of frustration and difficulty in completing tax forms.				
Goal Statement:					
Proposal:	TAP recommended changing how the taxpayer finds tax information on www.irs.gov. TAP proposed using an advanced search engine and various options for looking up answers to questions about individual tax situations, focused on Publication 17. This would be accomplished by creating an icon on the IRS homepage. The recommendation included using typical search options: Table of Contents, Index, Keyword Search, but also a fuzzy logic search capability.				
Response from:					
Response Notes:					

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TAP 405-042	Return Processing and RAL Appeal		Status:	Closed, Proposal Rejected	
Date Elevated to IRS:	9/30/2005	Date Counter Response to IRS:		Date Response(s) Received:	8/16/2007
Issue Statement:	Refund anticipation loans (RALs) appeal to taxpayers because the Internal Revenue Service (IRS) cannot process returns as promptly as taxpayers need funds.				
Goal Statement:	The IRS should embark on a program that will ultimately allow for direct deposit of refund checks within 24 hours of a return's submission.				
Proposal:	The IRS should implement procedures to speed up the processing of e-filed returns and direct deposit of refunds into taxpayer bank accounts. Initially, the IRS should strive to process returns and direct deposit refunds within 48 hours of submission. Ultimately, the IRS's goal should be to process returns and direct deposit refunds within 24 hours of submission.				
Response from:	Sue Sottile, Director, Tax Forms and Publications				
Response Notes:	<p>Because IRS processing is done in cycles, total refund processing times depend on whether returns are eligible to be posted to CADE (modernized system) or the Individual Master File (IMF) and the time and day of the week they are received. Error- and problem-free returns eligible for CADE are processed in 24 to 36 hours and sent to Financial Management Services the federal agency responsible for both direct deposit of refunds or issuance of a paper check. Returns processed to IMF are on a weekly cycle, so returns without errors or problems can process in as few as six or as many as 12 days depending when they are received and processed. Intervening weekends add an additional 24 to 48 hours: CADE does not process returns on weekends; Financial Management Service does not receive or process files on weekends; and the Automated Clearing House receives but does not process files on weekends. In short, CADE refunds and Direct Deposits take five to seven days; IMF refunds and Direct Deposits take nine to 15 days. This means that CADE will get refunds to taxpayers two to eight days faster based on the day of the week the return is filed. CADE offers the greatest opportunity for delivering refunds more quickly. Each year IRS shifts more taxpayers from IMF processing to CADE as it expands the CADE capabilities. Returns with EITC are most likely to have refunds that collateralize RALs and they are scheduled to begin moving to CADE in 2008.</p>				

TAP M05-063	LEP Survey		Status:	Elevated Directly by Committee	
Date Elevated to IRS:	9/30/2005	Date Counter Response to IRS:		Date Response(s) Received:	
Issue Statement:	Limited English Proficient (LEP) individuals have a need for special services from the Internal Revenue Service (IRS) and IRS needs to obtain grass-roots, "frontline" feedback from LEP taxpayers about IRS Multilingual products and services.				
Goal Statement:					
Proposal:	The team assessed the needs of LEP customers who reside in ethnic islands identified by the Multilingual Initiative (MLI) LEP Demographic Assessment. The team developed a report of their findings, which included recommendations on the best methods of communicating with this customer group.				
Response from:					
Response Notes:	As an assignment from the IRS and in cooperation with the IRS, the committee developed a needs assessment survey of particular ESL groups in selected states. Additionally, the individual committee members helped in the local distribution of the survey. One value of the committee undertaking this project is that the committee is free of OMB requirements (that apply to the IRS) that could impair such a survey. Individuals completing the survey were to respond directly to the IRS. The committee is awaiting the results of the survey as well as IRS' evaluation of the project.				

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TAP 405-039	Advertising RAL Alternatives		Status:	Closed, Proposal Partially Accepted	
Date Elevated to IRS:	9/30/2005	Date Counter Response to IRS:		Date Response(s) Received:	8/16/2007
Issue Statement:	Many taxpayers, especially low-income and taxpayers with limited English proficiency ("LEP taxpayers"), request refund anticipation loans (RALs) because they are unaware of other methods of speeding up their tax refund through the use of early filing, e-filing, and direct deposit.				
Goal Statement:	Inform taxpayers about alternative measures to obtain a speedy tax refund besides the use of expensive RALs.				
Proposal:	TAP recommends that the IRS direct its current advertising campaign toward educating taxpayers on how to speed up their tax refunds through the use of early filing, e-filing, and direct deposit. IRS could also inform low-income and LEP taxpayers about these alternatives to RALs through Low Income Taxpayer Clinics (LITCs).				
Response from:	Sue Sottile, Director, Tax Forms and Publications				
Response Notes:	<p>Every filing season, IRS and our national and local partner organizations conduct an extensive asset building outreach campaign to educate low-income taxpayers about the benefits of financial literacy. Integral to this campaign is the promotion of both e-filing and direct deposit to ensure timely receipt of a taxpayer's federal income tax refund. Additionally, many of the community organizations with whom our SPEC organizations partners open their volunteer tax preparation sites early in the filing season to ensure taxpayers file timely and are able to receive their refund as soon as possible.</p> <p>Also, part of the overall marketing message to taxpayers, including low income and LEP taxpayers, is to e-file early and use direct deposit and receive your refund in as little as 10 days. This audience is also encouraged to use Free File since the Free File Consortium members are prohibited from offering ancillary products such RAL loans. We provide the LEP with our marketing information however LITC has a limited clientele since it is specific to assist taxpayers with tax problems. Our partnerships are our best advertisers and we continue to work aggressively to inform taxpayers on how to receive free taxpayer assistance.</p>				

TAP A05-060	Educating Taxpayer About Publication 17		Status:	Elevated Directly by Committee	
Date Elevated to IRS:	9/30/2005	Date Counter Response to IRS:		Date Response(s) Received:	
Issue Statement:	IRS Publication 17, Your Federal Income Tax For Individuals, is not very well known or frequently used by most taxpayers even though it is widely regarded as an encyclopedia of tax information and help. The Ad Hoc committee was asked by the IRS Forms and Publication Division to develop a plan to educate the public about Publication 17.				
Goal Statement:					
Proposal:	TAP recommended that public awareness and use of Publication 17 be promoted by creating a logo with a catchy phrase that is easily identifiable and producing and distributing information about Publication 17. Suggested distribution included: place poster in all IRS locations as well as locations where tax materials or information and advice are available, distribute to volunteer groups and training centers, all IRS help lines should reference Publication 17, ask tax preparation software companies to include the short description of Publication 17 in their packages, and work with Internet search sites to configure tax information question responses to show Publication 17 as a resource.				
Response from:					
Response					

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TAP 405-041	Enforcement of RAL Requirements		Status:	Closed, Proposal Partially Accepted	
Date Elevated to IRS:	9/30/2005	Date Counter Response to IRS:		Date Response(s) Received:	8/16/2007 4/1/2008
Issue Statement:	Providers of refund anticipation loans (RALs) do not always provide other than cursory information to taxpayers regarding the nature and risks of RALs, so many taxpayers, especially low-income and taxpayers with limited English proficiency who are claiming the Earned Income Tax Credit, are not aware that a RAL is a loan that carries substantial risks for taxpayers if they do not receive the refund they had anticipated and against which they have borrowed.				
Goal Statement:	The IRS should increase enforcement of the requirements listed in Publication 1345, Handbook for Authorized IRS e-file Providers of Individual Income Tax Returns, related to RALs.				
Proposal:	TAP recommended that the IRS increase the number of site visits and impose penalties on electronic return originators (EROs) with RAL disclosure requirements that are not in compliance. TAP recommended increasing the site visits, at minimum, to 3% for 2006 and 5% for 2007. Additionally, penalties should be imposed on identified EROs not in compliance, increasing the severity if there are multiple noncompliance issues in one site visit or repetitive instances of noncompliance over several site visits to the same location.				
Response from:	Sue Sottile, Director, Tax Forms and Publications				
Response Notes:	The IRS has committed available compliance resources to identify and correct both the returns and the noncompliant behavior of egregious return preparers who prepare noncompliant returns. Once identified, the IRS then takes the necessary steps to ensure that the preparer is either brought into compliance or no longer prepares returns. We continue to review our strategies and will consider your recommendations as we continue to address this issue. Area 4 will send additional comments on this issue as a response to IRS ANPRM, "Guidance Regarding Marketing of Refund Anticipation Loans (RALs) and Certain Other Products in Connection with the Preparation of a Tax Return."				

TAP 405-040	Debt Indicator Elimination		Status:	Closed, Proposal Rejected	
Date Elevated to IRS:	9/30/2005	Date Counter Response to IRS:		Date Response(s) Received:	8/16/2007 4/1/2008
Issue Statement:	By providing the debt indicator to third parties who file returns electronically, the IRS encourages refund anticipation loans (RALs) and makes it appear the IRS endorses RALs. Providing the indicator also raises major privacy issues.				
Goal Statement:	The goal is to remove the IRS as the intermediary in loans to taxpayers based upon the amount of their federal income tax refund.				
Proposal:	TAP recommended that the IRS stop providing the debt indicator to third-party Electronic Return Originators who arrange RALs for their taxpayer clients.				
Response from:	Sue Sottile, Director, Tax Forms and Publications				
Response Notes:	IRS does not support this recommendation as long as third parties can legally provide RALs. We believe elimination of the debt indicator will harm taxpayers, especially those of low income for the following reasons. We have evidence that: <ol style="list-style-type: none"> 1. elimination of the indicator increases the risk to the lender 2. increased risk to the lender results in increased cost to the taxpayer Increased cost results in additional debt and more default on their loans. Area 4 will send additional comments on this issue as a response to IRS ANPRM, "Guidance				

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	Regarding Marketing of Refund Anticipation Loans (RALs) and Certain Other Products in Connection with the Preparation of a Tax Return."
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TAP N05-079	IRS Website for Penalty and Interest Calculation Usability	Status:	Elevated Directly by Committee		
Date Elevated to IRS:	10/1/2005	Date Counter Response to IRS:		Date Response(s) Received:	10/1/2005
Issue Statement:	Usability tests are one tool the IRS uses to obtain taxpayer and practitioner input on the IRS website. Notice Committee members observe usability testing and then provide feedback to the IRS.				
Goal Statement:					
Proposal:	Notice Committee members observed the testing of the IRS website for penalty and interest calculation and recommended the IRS make additional improvements before releasing it for public use.				
Response from:	Linda Lightner, Dynamic Project Team (DPT) Leader				
Response Notes:	The feedback from TAP at the stakeholder meeting regarding the usability testing is used to prepare revisions.				

TAP E05-064	EITC Web Pages, Architecture or Structure	Status:	Elevated Directly by Committee		
Date Elevated to IRS:	10/4/2005	Date Counter Response to IRS:		Date Response(s) Received:	
Issue Statement:	The Committee was asked to make recommendations about the structure of the Earned Income Tax Credit (EITC) website needs to make it more accessible to taxpayers and tax preparers.				
Goal Statement:					
Proposal:	The Committee recommended the website limit sharply the number of links on any given page to five and provide a branching navigational plan that allows the user to locate the specific information that he/she needs. Users are better able to work their way through such a hierarchy than to find the information they need from a display of 90 links.				
Response from:					
Response Notes:					

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TAP E05-065	Content of the EITC Web Page(s)		Status:	Elevated Directly by Committee	
Date Elevated to IRS:	10/4/2005	Date Counter Response to IRS:		Date Response(s) Received:	
Issue Statement:	The Committee was asked to comment on the content of the EITC website, which may be redundant and/or be missing information.				
Goal Statement:					
Proposal:	The Committee observed that redundancy is almost required in the site since so many items are intertwined and provide reference to definitions and statements contained in other locations. The Committee provided specific comments focused on several suggested additions to given areas: Earned Income Tax Credit (EITC) Can Lower Federal Tax Liabilities - Ask How; 2005 Earned income Tax Credit Certification Test; Frequently Asked Questions and Answers.				
Response from:					
Response Notes:					

TAP N05-067	CP23, 24 and 25 Notices Scoring		Status:	Closed	
Date Elevated to IRS:	10/18/2005	Date Counter Response to IRS:		Date Response(s) Received:	11/21/2005
Issue Statement:	The Committee was asked to score the readability and usability of IRS notices CP 23, Estimated Tax Discrepancy, Balance Due of \$5 or More, the CP 24, Overpaid, Estimated Tax Discrepancy, Overpayment of \$1 or More, and the CP 25, Even Balance, Estimated Tax Discrepancy, Balance Due <\$5, Overpayment <\$1, using the IRS Document Assessment Tool.				
Goal Statement:					
Proposal:	The Notices Committee submitted their scoring of the CP 23, 24, and 25 Notices.				
Response from:	Jay Duffy, Lana Fernandez, Michael Peleg, Linda Lightner, Arlene Flores, and Antonia Keeling, Leadership Team Members				
Response Notes:	Notices are scored in three main categories: Message & Task, Logical Structure, and Presentation. The score is used by the IRS to make decisions on revising the notice, and/or when necessary, assessing the benefit(s) of revising the notice. This activity is completed and this Item is closed.				

TAP 305-029	SS-4 Correction Notice		Status:	Closed	
Date Elevated to IRS:	10/20/2005	Date Counter Response to IRS:		Date Response(s) Received:	8/16/2007
Issue Statement:	IRS instructions to taxpayers regarding how to correct an incorrect social security number on a Form SS-4, Application for Employer Identification Number, creates an unnecessary burden by directing the taxpayer to obtain official documentation from the Social Security Administration to verify the number.				
Goal Statement:	Clarify the process for correcting an erroneous social security number on an Application for Employer Identification Number.				
Proposal:	TAP recommended that the IRS add a sentence to the Request for Missing Information to				

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	Validate Internet EIN directing the taxpayer to either correct the social security number on line 7 and return the SS-4 by fax or mail or contact the Social Security Administration for verification if the taxpayer believes the social security number submitted is correct.
Response from:	Sue Sottile, Director, Tax Forms and Publications
Response Notes:	Effective 7/23/2007, the existing Internet EIN application is being replaced by a completely redesigned, interactive application. The new Modernized Internet EIN application is in a question and answer format, similar to the popular tax software products on the market. Validations, such as name and SSN matching, are performed in a real-time environment. So if there is a mismatch, the taxpayer is advised of this during the online session and given 3 opportunities to correct the problem. If the taxpayer is unsuccessful, he/she is directed to SSA to resolve the issue.

TAP 305-028	EFTPS Correcting Erroneous Payments		Status:	Closed, Proposal Accepted	
Date Elevated to IRS:	10/20/2005	Date Counter Response to IRS:		Date Response(s) Received:	8/16/2007
Issue Statement:	Taxpayers and professionals are not adequately advised by the IRS how to timely cancel or obtain a refund for an erroneous quarterly estimated tax deposit payment (Form 1040ES) made via Electronic Funds Transfer Payment System (EFTPS) within 48 hours of the due dates.				
Goal Statement:	Make readily available to taxpayers and professionals instructions on options for correcting erroneous EFTPS payments.				
Proposal:	TAP recommended that IRS add instructions to EFTPS brochures outlining remedies for taxpayers who make erroneous EFTPS payments within 48 hours of the due date.				
Response from:	Sue Sottile, Director, Tax Forms and Publications				
Response Notes:	IRS agrees with this recommendation and will review its EFTPS marketing materials and make appropriate revisions to better educate the taxpayer with regards to erroneous 1040ES payments. Area 3 will review documentation for the 2007 tax season to determine if it adequately covers erroneous EFTPS payments.				

TAP N05-070	CP503 Series of Notices Scoring		Status:	Closed	
Date Elevated to IRS:	11/9/2005	Date Counter Response to IRS:		Date Response(s) Received:	11/21/2005
Issue Statement:	The Committee was asked to score the readability and usability of the CP 503 notice, the second reminder the Internal Revenue Service sends regarding a balance due, using the IRS Document Assessment Tool.				
Goal Statement:					
Proposal:	The Notices Committee submitted their scoring of the CP503 Notice series.				
Response from:	Jay Duffy, Lana Fernandez, Michael Peleg, Linda Lightner, Arlene Flores, and Antonia Keeling, Leadership Team Members				
Response Notes:	Notices are scored in three main categories: Message & Task, Logical Structure, and Presentation. The score is used by the IRS to make decisions on revising the notice, and/or when necessary, assessing the benefit(s) of revising the notice. This activity is completed and this Item is closed.				

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TAP N05-068	CP501 Notice Series Scoring		Status:	Closed	
Date Elevated to IRS:	11/9/2005	Date Counter Response to IRS:		Date Response(s) Received:	11/21/2005
Issue Statement:	The Committee was asked to score the readability and usability of the CP 501 notice series, the first notices from the Internal Revenue Service that a balance is due, using the IRS Document Assessment Tool.				
Goal Statement:					
Proposal:	The Notices Committee submitted their scoring of the CP501 Notice series.				
Response from:	Jay Duffy, Lana Fernandez, Michael Peleg, Linda Lightner, Arlene Flores, and Antonia Keeling, Leadership Team Members				
Response Notes:	Notices are scored in three main categories: Message & Task, Logical Structure, and Presentation. The score is used by the IRS to make decisions on revising the notice, and/or when necessary, assessing the benefit(s) of revising the notice. This activity is completed and this Item is closed.				

TAP N05-069	CP521 Notice Series Scoring		Status:	Closed	
Date Elevated to IRS:	11/9/2005	Date Counter Response to IRS:		Date Response(s) Received:	11/21/2005
Issue Statement:	The Committee was asked to score the readability and usability of the CP 521 notices, the installment agreement reminder notices, using the IRS Document Assessment Tool.				
Goal Statement:					
Proposal:	The Notices Committee submitted their scoring of the CP521 Notice series.				
Response from:	Jay Duffy, Lana Fernandez, Michael Peleg, Linda Lightner, Arlene Flores, and Antonia Keeling, Leadership Team Members				
Response Notes:	Notices are scored in three main categories: Message & Task, Logical Structure, and Presentation. The score is used by the IRS to make decisions on revising the notice, and/or when necessary, assessing the benefit(s) of revising the notice. This activity is completed and this Item is closed.				

TAP Z05-076	Taxpayer Assistance Blueprint		Status:	Closed	
Date Elevated to IRS:	11/14/2005	Date Counter Response to IRS:		Date Response(s) Received:	
Issue Statement:	Under the auspices of Director of Customer Assistance, Relationships, and Education Mark Pursley, the IRS will establish an operational roadmap for customer service for presentation to Congress, and TAP members were asked to respond to a "Taxpayer Assistance Blueprint (TAB) IRS Customer Service Questionnaire."				
Goal Statement:					
Proposal:	The TAP Chair solicited responses to the questionnaire from TAP's 49 returning members and 41 recently-retired members and received 40 responses (26 from returning members and 14 from former members). The Chair forwarded to the IRS the completed questionnaires along with an overview summarizing the results in the context of previous and ongoing TAP work on service issues. As indicated in the overview, the responses to the questionnaire mirrored the taxpayer				

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	<p>assistance issues that TAP members have been considering in area and issue committees and TAP recommendations already submitted to IRS program owners. Among the results: telephone is the preferred form of contact with the IRS (by an overwhelming majority) and the principal challenges/barriers taxpayers face receiving services they need are: (1) access and/or accuracy issues with telephone service; (2) inaccessibility or limited hours of service of Taxpayer Assistance Centers (TACs); (3) lack of taxpayer Internet access or computer literacy; (4) taxpayer lack of understanding of tax law and terminology; (5) taxpayer fear of the IRS; and (6) IRS website limitations.</p> <p>As indicated in the overview, the responses to the questionnaire mirrored the taxpayer assistance issues that TAP members have been considering in area and issue committees and TAP recommendations already submitted to IRS program owners. Among the results: telephone is the preferred form of contact with the IRS (by an overwhelming majority) and the principal challenges/barriers taxpayers face receiving services they need are: (1) access and/or accuracy issues with telephone service; (2) inaccessibility or limited hours of service of Taxpayer Assistance Centers (TACs); (3) lack of taxpayer Internet access or computer literacy; (4) taxpayer lack of understanding of tax law and terminology; (5) taxpayer fear of the IRS; and (6) IRS website limitations</p>
Response from:	
Response Notes:	

TAP N05-071	CP523 and CP523F Notice Scoring		Status:	Closed	
Date Elevated to IRS:	11/16/2005	Date Counter Response to IRS:		Date Response(s) Received:	11/21/2005
Issue Statement:	The Committee was asked to score the readability and usability of the CP 523 and CP523F, Installment Agreement Default Notices, using the IRS Document Assessment Tool.				
Goal Statement:					
Proposal:	The Notices Committee submitted their scoring of the CP 523 and CP 523F.				
Response from:	Jay Duffy, Lana Fernandez, Michael Peleg, Linda Lightner, Arlene Flores, and Antonia Keeling, Leadership Team Members				
Response Notes:	Notices are scored in three main categories: Message & Task, Logical Structure, and Presentation. The score is used by the IRS to make decisions on revising the notice, and/or when necessary, assessing the benefit(s) of revising the notice. This activity is completed and this Item is closed.				

TAP S05-081	Electronic Installment Agreement User Testing		Status:	Closed	
Date Elevated to IRS:	11/16/2005	Date Counter Response to IRS:		Date Response(s) Received:	11/16/2005
Issue Statement:	SB/SE was asked to participate in in the "Electronic Installment Agreement User Testing" held at the IRS new Carrollton Federal building.				
Goal Statement:					
Proposal:	Members from SB/SE and Area 2 provided feedback on the electronic installment agreement.				
Response from:	Rosalie J. Calhoun, Electronic Installment Agreement Project Manager				

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Response Notes:	As a result of feedback from TAP, the IRS has delayed implementation of the electronic installment agreement system and is working on improvements before it is released.
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TAP 105-031	Interest and Penalty Calculator on IRS Website		Status:	Closed, Proposal Partially Accepted	
Date Elevated to IRS:	12/12/2005	Date Counter Response to IRS:		Date Response(s) Received:	8/16/2007
Issue Statement:	Many taxpayers who file or contemplate filing returns after the due date are unaware of the magnitude of the late filing and late payment penalties and interest assessed on past due tax obligations.				
Goal Statement:	Assist taxpayers estimate and simplify payment of late filing and late payment penalties and interest due on their tax obligations.				
Proposal:	<ol style="list-style-type: none"> 1. Provide a late filing/late payment penalty and interest calculator on the IRS website similar to that provided by the New York State Department of Taxation and Finance on its website at http://www7.nystax.gov/PAIC/paicHome. 2. Make clear that the calculation is only an estimate and is based on the payment as of a specified date. 3. Reference the interest and penalty calculator in the Form 1040 Instructions and other appropriate IRS publications. 				
Response from:	Sue Sottile, Director, Tax Forms and Publications				
Response Notes:	We will consider the development of a late filing/late payment penalty and interest calculator in our web based initiatives as a future enhancement.				

TAP 205-033	Form SS-4 & LLCs		Status:	Closed, Proposal Partially Accepted	
Date Elevated to IRS:	12/22/2005	Date Counter Response to IRS:		Date Response(s) Received:	2/3/2006
Issue Statement:	The instructions for Form SS-4, Application for Employer Identification Number (EIN), that are available for applications to be submitted online provide different directions for taxpayers seeking an EIN for a Limited Liability Company (LLC) than the instructions for applications to be submitted in hard copy.				
Goal Statement:	Create a consistent and complete set of instructions for Form SS-4 for use by both online customers as well as those who submit hard copy applications.				
Proposal:	TAP recommends that the IRS consolidate the two separate sets of instructions available for Form SS-4. Instructions pertaining only to the mechanics of paper filing or online filing would differ, but the line-by-line instructions on how to complete the form should be the same. A search for the Form SS-4 on the IRS website should bring up the consolidated instructions applicable to both paper and on-line filing and then link to both the paper application and the electronic application site. For a short-term solution to the problem, the IRS should incorporate the instructions for LLCs from page 4 of the Form SS-4 instructions for paper filers into the Form SS-4 instructions for online filers.				
Response from:	Betsy Kinter, Director of Accounts Management				
Response Notes:	The TAP recommendation that one comprehensive set of instructions be developed for both online and hard copy applications is not one IRS should adopt because in April 2007, the current online EIN program will be replaced by an interactive application similar to a TurboTax-type product and there will not be a need for any online instructions because the system will walk the applicant through the process.				

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	IRS canvassed both EIN subject matter experts and the TAP for input on the on-line instructions and incorporated many of the suggestions into the updated product.
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TAP 605-034	TAS Toll-Free Number	Status:	Closed, Proposal Partially Accepted	
Date Elevated to IRS:	12/28/2005	Date Counter Response to IRS:		Date Response(s) Received: 8/16/2007
Issue Statement:	Some important TAS criteria are missing from the message script for the Taxpayer Advocate Service (TAS) toll-free telephone number (1-877-777-4778), and it does not give the caller a readily available option to speak directly with an Internal Revenue Service (IRS) representative.			
Goal Statement:	Callers to the TAS toll-free hotline who meet TAS criteria should be provided adequate options to address their circumstances and have more direct access to an IRS representative.			
Proposal:	The TAS toll-free number greeting should provide more detailed menu options, including, in appropriate cases, the option to speak directly with an IRS representative. The attached document, Proposed TAS Toll Free Message, contains specific suggested wording for the TAS opening message			
Response from:	Nina E. Olson, National Taxpayer Advocate			
Response Notes:	<p>In the last year, we have made several changes to the NTA toll-free script and have incorporated some of the TAP recommendations. We are currently in the process of enhancing the script in an effort to assist taxpayers in determining their need to come to TAS based on TAS case acceptance criteria.</p> <p>The following script has been recommended:</p> <p>Welcome to the Internal Revenue Service National Taxpayer Advocate's help line. Your call may be monitored for quality purposes. For Spanish, press 2.</p> <p>The Taxpayer Advocate Service is an independent organization within the IRS whose employees assist taxpayers who are experiencing economic harm, who are seeking help in resolving tax problems that have not been resolved through normal channels, or who believe that an IRS system or procedure is not working as it should. You may be eligible for Taxpayer Advocate Service assistance if:</p> <ul style="list-style-type: none"> • You are experiencing economic harm or significant cost (including fees for professional representation), • You have experienced a delay of more than 30 days to resolve your tax issue, or • You have not received a response or resolution to the problem by the date that was promised by the IRS. <p>For questions about your tax return, your refund or payment, the federal tax laws, or if you have not previously contacted the IRS about your tax-related issue, please press 1.</p> <p>If you have previously contacted the IRS about your tax-related issue and believe you are eligible for Taxpayer Advocate Service assistance, please press 3.</p> <p>To hear these options again, please press 9.</p> <p>If 1 is pressed, the caller will hear:</p> <p>"To better process your call, you are being transferred to the IRS Tax Help Line for Individuals at 1-800-829-1040. To check the status of your refund, call the Refund Hotline at 1-800-829-1954. You will need to know your social security number, filing status and the exact whole-dollar amount of your expected refund. To order forms and publications call 1-800-TAX-FORM (1-800-829-3676). Many of the services offered on the IRS toll-free lines are also available 24 hours a day 7 days a week on the Internet at IRS.gov."</p>			

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	<p>The caller will then be transferred to the IRS Tax Help Line for Individuals. If 3 is pressed, the caller will hear:</p> <p>"To help you resolve your problem, you are being transferred to an IRS assistor who is not part of the Taxpayer Advocate Service. This assistor will try to resolve your issue. If he or she is unable to resolve the issue, or if you wish to contact the Taxpayer Advocate Service immediately, the assistor will refer your issue to the Taxpayer Advocate Service. The assistor can also give you direct contact information for the local Taxpayer Advocate in your area."</p> <p>If 9 is pressed, the menu will repeat.</p>
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TAP 705-036	Refund Website		Status:	Closed	
Date Elevated to IRS:	12/28/2005	Date Counter Response to IRS:		Date Response(s) Received:	8/16/2007
Issue Statement:	Taxpayers are not able to use the Internal Revenue Service (IRS) website to find out if they have an undeliverable tax refund from prior years although this information is available on other non-IRS web pages.				
Goal Statement:	Because every taxpayer who has made an overpayment of federal taxes deserves a refund, make the process of getting refund information and receiving prior year refunds as easy and seamless as possible.				
Proposal:	The IRS should recognize that IRC §6103 authorizes allowing taxpayers access to prior years' refund information via the Internet and provide a link on the "Where's My Refund" web page to a new web page called "Am I Due a Refund?" where taxpayers may search by name, city, state, and zip code for prior year refunds that were not delivered (undeliverable). The attached document, titled "TAP's Proposed 'Am I Due a Refund?' Page," contains a detailed description of the proposed web page.				
Response from:	Sue Sottile, Director, Tax Forms and Publications				
Response Notes:	<p>IRS issues a news release with a list of undelivered refunds every fall. The IRS legal position is that the IRS cannot publish a list of undelivered refunds on irs.gov. because IRC sec. 6103(m)(1) allows the disclosure of taxpayer and other identity information to the press and other media for purposes of notifying persons entitled to tax refunds after reasonable attempt to locate them, and a period of time has elapsed. The press and other media that receive the information are not subject to re-disclosure prohibitions and can publish the information on the internet. In an earlier legal opinion, we determined that the internet did not fall within the definition of "other media" in the Code. As a result, the IRS is not able to disclose this information directly via the internet. Treasury advocated in its 2000 Study on Taxpayer Privacy that section 6103(m)(1) should be amended to authorize the IRS to disclose the information on the internet. This proposed change has been the subject of a number of pieces of legislation that, for reasons totally unrelated to this particular issue, have not been enacted. Given the public stance on this issue, and the fact that legislative proposals have been made, it is not possible for IRS to do this without legislation. Additional questions can be directed to Joanne B. Minsky, Special Counsel to the Division counsel (W&I).</p>				

TAP 405-049	Publication 4221 in Determination Letters		Status:	Closed	
Date Elevated to IRS:	12/28/2005	Date Counter Response to IRS:		Date Response(s) Received:	
Issue Statement:	Many newly-created non-profit organizations have inadequate information about the filing and record-keeping requirements under Internal Revenue Code section 501(c)(3) that must be satisfied for an organization to be tax-exempt and eligible to receive tax-deductible contributions				

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Goal Statement:	To improve the compliance of newly-formed charities, by providing additional IRS outreach to the non-profit sector.
Proposal:	Include Publication 4221., Compliance Guide for 501(c)(3) Tax Exempt Organizations, with both the initial and final determination letters sent to all newly-formed 501(c)(3) organizations, and, whenever appropriate, with other correspondence, in order to educate charities regarding their responsibilities as exempt entities.
Response from:	
Response Notes:	

TAP 205-032	554, Older Americans' Tax Guide		Status:	Closed, Proposal Partially Accepted	
Date Elevated to IRS:	12/29/2005	Date Counter Response to IRS:		Date Response(s) Received:	2/10/2006
Issue Statement:	Publication 554, Older Americans' Tax Guide, which states its purpose is "to provide a general overview of selected topics that are of interest to older Americans," does not adequately address the concerns of the targeted audience.				
Goal Statement:	Clarify tax obligations and ease compliance for older Americans by revising and expanding Publication 554 to be useful to seniors researching information that is relevant to all their tax situations.				
Proposal:	TAP recommends that Publication 554 be revised to include the specified changes in the attachment to this document titled "TAP Proposed Changes to Publication 554."				
Response from:	Sue Sottile, Director, Tax Forms and Publications				
Response Notes:	The purpose of Publication 554 is to provide older American taxpayers with an overview of important tax issues and let them know where to find detailed information. With that purpose in mind, IRS carefully considered the suggestions and adopted many but not all of the TAP recommendations. Refer to the TAP 05-032 Response for a detailed response to each recommendation.				

TAP 105-058	Increasing Awareness of TAP in Publications		Status:	Closed, Proposal Partially Accepted	
Date Elevated to IRS:	12/29/2005	Date Counter Response to IRS:		Date Response(s) Received:	8/16/2007
Issue Statement:	By raising awareness of LITCs through the Taxpayer Advocacy Panel (TAP) remains largely unknown to the taxpaying public.				
Goal Statement:	Increase awareness of TAP so that taxpayers learn about and can then use this independent avenue for having their systemic issues considered by the IRS.				
Proposal:	<p>TAP recommended that a brief statement identifying TAP's mission and web address (www.improveirs.org) appear in some of the IRS publications most commonly used by taxpayers to learn about their rights, the individual federal income tax return, and collection and examination processes:</p> <ul style="list-style-type: none"> • Publication 1, Your Rights as a Taxpayer • Publication 17, Your Federal Income Tax (For Individuals) • Publication 594, What You Should Know About The IRS Collection Process • Publication 556, Examination of Returns, Appeal Rights, and Claims for Refund 				

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Response from:	Sue Sottile, Director, Tax Forms and Publications
Response Notes:	IRS Tax Forms and Publications will include information about the TAP in appropriate publications in their inventory except Publication 1 where there is no available space. IRS has already asked the Taxpayer Advocate Service to suggest a redesign for the Publication 1 to meet their needs.

TAP 105-057	LITC Information on EITC Notices		Status:	Closed, Proposal Rejected	
Date Elevated to IRS:	12/29/2005	Date Counter Response to IRS:		Date Response(s) Received:	8/16/2007
Issue Statement:	Currently, there is low public awareness of Low Income Taxpayer Clinics (LITCs) to which the Internal Revenue Service (IRS) provides funds to assist low-income taxpayers with their tax problems.				
Goal Statement:	Increase awareness of the services provided by LITCs.				
Proposal:	TAP suggests increasing awareness of LITCs among taxpayers most likely to qualify for their assistance by adding a small paragraph to notices relating to audits or denial of Earned Income Tax Credit (EITC) claims. The paragraph should reference Publication 4134, Low Income Taxpayer Clinic List, which generally is enclosed with such notices; offer succinct explanatory information on LITCs; and provide the IRS 1-800-829-1040 number and web address for the LITC Information page on irs.gov as possible sources of assistance in resolving the issues that are the subject of the correspondence				
Response from:	Sue Sottile, Director, Tax Forms and Publications				
Response Notes:	<p>The Service continues to revise EITC notices to include LITC information when major notice revisions are made and its inclusion is appropriate and feasible. We include LITC information in the following communications:</p> <ul style="list-style-type: none"> - CP 75, the initial audit notification letter, includes information about available assistance and includes Pub 4134 as an enclosure. If you have a significant hardship, you can contact the Taxpayer Advocate Service at 1-877-777-4778 (toll-free). A Low Income Taxpayer Clinic may be able to offer you free help. The enclosed Publication 4134, Low Income Taxpayer Clinic List, lists the clinics' locations and their eligibility guidelines." - Letter 566E, initial contact letter for questionable refund program, is being revised and revisions include adding information on LITCs. <p>Although it is not feasible to send Publication 4134 with all mailings due to printing and mailing constraints, the Service includes LITC information in original contact letters whenever possible, while avoiding redundancy in subsequent mailings. Additionally, the IRS includes contact information on the Taxpayer Advocate Service in much of its correspondence. As always we will continue to explore opportunities to raise awareness of these taxpayer assistance avenues.</p>				

TAP 205-055	Training of Volunteers for VITA/TCE E-filing		Status:	Closed	
Date Elevated to IRS:	12/29/2005	Date Counter Response to IRS:		Date Response(s) Received:	1/30/2006
Issue Statement:	Volunteers working in the AARP Tax Counseling for the Elderly (TCE) program do not receive adequate training in e-filing.				
Goal Statement:	Improve the quality of the training TCE volunteers receive on e-filing.				
Proposal:	The Internal Revenue Service (IRS) Stakeholder Partnerships, Education and Communication (SPEC) organization should work with AARP area coordinators to improve the e-file training provided to the volunteers. SPEC should consider monitoring or selective auditing of the training.				

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	A suggested outline for e-file training is attached to this recommendation.
Response from:	Libby Blair, Chief, Oversight and Analysis, SPEC Field Operations, Communication, Assistance, Research, and Education (CARE)
Response Notes:	The primary focus of the VITA Committee for 2006 is to make recommendations to Stakeholder Partnerships. Education and Communication (Stakeholder Partnerships. Education and Communication (SPEC) regarding improving volunteer training methods and materials. Therefore, the outline was referred to the Committee to take into consideration when making recommendations to SPEC.

TAP 305-054	Additional Tax Waiver Request		Status:	Closed, Proposal Partially Accepted	
Date Elevated to IRS:	12/29/2005	Date Counter Response to IRS:		Date Response(s) Received:	2/1/2006
Issue Statement:	When a taxpayer requests a waiver of the 50% additional tax for failure to receive a required minimum distribution from a qualified retirement plan, including an Individual Retirement Account (IRA), or an eligible 457 deferred compensation plan, the Internal Revenue Service (IRS) does not notify the taxpayer whether the IRS is going to waive the 50% additional tax but instead, without advance notification to the taxpayer, will simply send a refund if the waiver request is approved. In addition, neither the instructions for Form 5329, Additional Taxes on Qualified Plans, nor Publication 575, Pension and Annuity Income, notify taxpayers as to what courses of action are available to them if the IRS does not waive the 50% additional tax.				
Goal Statement:	Notify taxpayers of the status of requests for waive of the 50% additional tax for failure to make a required minimum distribution from a qualified retirement plan, etc., and what courses of action are available to them to request reconsideration.				
Proposal:	When a taxpayer requests waiver of the 50% additional tax for failure to receive a required minimum distribution form a qualified retirement plan, including an IRA or an eligible 457 deferred compensation plan, the IRS should notify the taxpayer in writing whether the IRS is going to waive the 50% additional tax. In addition, the instructions for Form 5329 and Publication 575 should notify taxpayers as to what courses of action are available to them if the IRS does not waive the 50% additional tax.				
Response from:	Betsy Kinter, Director, Accounts Management				
Response Notes:	<p>Adopting the TAP suggestion to notify taxpayers of the status of their waiver request is not feasible. It is possible that a waiver request may be included with a balance due return that is "shelved" in Submission Processing for a period of time during the filing season. Once a transcript is included in Accounts Management inventory, it should be worked and closed. There would be no benefit to providing a "status" update to the taxpayer.</p> <p>However, IRS will develop a specific reason code for input during the processing of the adjustment that will address excess accumulation tax adjustments. This will allow a better explanation to be generated on the notice to the taxpayer when the tax is abated. Also, the IRS will request programming to open IDRS Control bases when the internal transcripts generate which will allow more efficient inventory control and age monitoring of these cases. Furthermore, IRS will consider changes to the Form 5239 Instructions and related publications.</p>				

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TAP 405-050	Endorsement of the ACT Report		Status:	Closed	
Date Elevated to IRS:	12/29/2005	Date Counter Response to IRS:		Date Response(s) Received:	
Issue Statement:	TAP supports the recommendations made by the Advisory Committee on Tax Exempt and Government Entities (ACT) in their report of June 8, 2005, regarding project "IMPROVE."				
Goal Statement:	To support ACT's efforts to improve compliance among newly-created charities.				
Proposal:	TAP supported the eight recommendations made by the Advisory Committee on Tax Exempt and Government Entities (ACT) to improve the compliance of newly-created charities dated June 8, 2005.				
Response from:					
Response Notes:					

TAP 305-051	Form 656, Offer in Compromise Criteria		Status:	Closed, Proposal Partially Accepted	
Date Elevated to IRS:	12/29/2005	Date Counter Response to IRS:		Date Response(s) Received:	2/15/2006
Issue Statement:	The current instructions for Form 656, Offer in Compromise (OIC), do not clearly explain the criteria considered by the Internal Revenue Service (IRS) in determining whether an Offer in Compromise is acceptable.				
Goal Statement:	The goal of this recommendation is to promote better understanding by taxpayers of the OIC requirements.				
Proposal:	The instructions for Form 656 should be clarified. We recommend that the instructions (1) explicitly inform taxpayers that an OIC based on Doubt as to Collectibility will not be considered if the IRS determines that the taxpayer could pay the full tax liability under an installment agreement over the remaining period of the collection statute of limitations, (2) explain how a taxpayer can estimate that capability, (3) more clearly state that an OIC will also be rejected if the IRS determines that the taxpayer has sufficient assets to pay the tax in full immediately or within a short period of time, and (4) exclude distracting information that is not germane to completing the form.				
Response from:	Sue Sottile, Director, Tax Forms and Publications				
Response Notes:	TAP's input on this issue was very timely, as IRS was in the process of revising the Form 656 instructions. As part of this revision, IRS is considering revising the "Work Sheet to Calculate an Offer" on pages 8 and 9 of the instruction package. TAP's recommendations have merit and were given serious consideration in making the revisions.				

TAP 305-052	Consolidate Presidentially Declared Disaster Area Information		Status:	Closed, Proposal Partially Accepted	
Date Elevated to IRS:	12/29/2005	Date Counter Response to IRS:		Date Response(s) Received:	2/17/2006
Issue Statement:	Information of special relevance to taxpayers in Presidentially declared disaster areas is difficult to locate because it is scattered among several Internal Revenue Service (IRS) Publications and also scattered within IRS Publication 547, Casualties, Disasters, and Thefts.				

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Goal Statement:	To improve and make more accessible income tax related information of special interest and relevance to taxpayers in Presidentially declared disaster areas.
Proposal:	Information of special relevance to taxpayers in Presidentially declared disaster areas should be consolidated in one place, as much as possible, for easy reference. The Area 3 Committee proposes two alternative solutions: One solution would be to have a new publication targeted at the needs of taxpayers in Presidentially declared disaster areas. A second possible solution would be to greatly expand the "Disaster Area Losses" section of Publication 547 and consolidate in that section all relevant information.
Response from:	Sue M. Sottile, Director, Tax Forms and Publications
Response Notes:	<p>The suggestion to expand the "Disaster Area Losses" section of Publication 547 has merit and IRS will expand it during the next revision. However, the discussion-about the exclusion of-gain-relating to a taxpayer's main home is too lengthy to be incorporated into Publication 547, which is why taxpayers are referred to Publication 523 for that information. It is most logically placed in Publication 523 because it applies whether or not a taxpayer's main home was in a Presidentially declared disaster area.</p> <p>IRS does not plan to create a new publication specifically for taxpayers in Presidentially declared disaster areas because that information either is or will be available in Publication 547 and in Publication 2194, Disaster Losses Kit for Individuals. IRS believes the information is best placed in Publication 547 because that is where taxpayers turn when they experience disaster losses. IRS does not believe duplication of that information in a new publication is the best use of our limited resources given the number of taxpayers affected by Presidentially declared disasters. When greater numbers of taxpayers are affected, IRS creates publications specifically dealing with particular disasters, such as Publication 4492, Information for Taxpayers Affected by Hurricanes Katrina, Rita, and Wilma, and Publication 3920, Tax Relief for Victims of Terrorist Attacks. IRS is concerned that creating another publication would result in possible confusion and needless overlap</p>

TAP 305-053	Form 1040 Package Distribution Policy Notification		Status:	Closed, Proposal Implemented	
Date Elevated to IRS:	12/29/2005	Date Counter Response to IRS:		Date Response(s) Received:	8/16/2007
Issue Statement:	Many taxpayers who received free assistance preparing paper returns from Tax Counseling for the Elderly (TCE) and Volunteer Income Tax Assistance (VITA) programs last year received no tax package this year and no notification of a change in the IRS forms distribution policy.				
Goal Statement:	Communicate to TCE/VITA taxpayers that 1040 packages will not be mailed to them and how they can obtain needed forms.				
Proposal:	The Internal Revenue Service (IRS) should inform taxpayers about policy changes affecting distribution of required forms to taxpayers when and how the IRS announces other changes in tax law and procedures.				
Response from:	Sue Sottile, Director, Tax Forms and Publications				
Response Notes:	<p>In the case of the VITA and TCE prepared returns, there was an internal instructional problem which caused an error in processing. This resulted in some VITA and TCE returns being coded as software prepared which resulted in IRS not mailing tax packages to some taxpayers in those groups. This was discovered and corrected in the middle of the 2006 filing season and therefore some filers did not receive a package for the 2007 tax year. This problem has been corrected and both groups will receive a tax package for the upcoming filing season.</p> <p>IRS is currently reviewing its policy on Form 1040 package distribution and will explore methods of informing taxpayers regarding existing forms distribution practices and communicating any changes to those practices. We agree that changes in the distribution of tax forms/packages should be communicated to taxpayers.</p>				

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TAP 205-073	TCE/VITA E-file Acknowledgements		Status:	Closed, Proposal Rejected	
Date Elevated to IRS:	1/3/2006	Date Counter Response to IRS:		Date Response(s) Received:	12/30/2006
Issue Statement:	Taxpayers who e-file through the Tax Counseling for the Elderly (TCE) program do not receive acknowledgement that their returns were received by the Internal Revenue Service (IRS). Most other e-file providers provide this service.				
Goal Statement:	Encourage greater use of electronic filing by taxpayers who file their returns through the TCE program by providing taxpayers proof that their returns were accepted by the IRS.				
Proposal:	TAP recommends that the IRS require TCE sites to send all taxpayers who file electronically through the TCE program Form 9325, Acknowledgment and General Information for Taxpayers Who File Returns Electronically, upon IRS acceptance of the return.				
Response from:	Libby Blair, Chief, Oversight and Analysis, SPEC Field Operations, Communication, Assistance, Research, and Education (CARE)				
Response Notes:	Based on the comments I can only assume the site(s) referenced are not using TaxWise software, which is the software provided by IRS for use at the volunteer sites. This assumption is made because of this statement "(TCE) program do not receive an acknowledgement that their return was received by the IRS" indicating the product being used by these sites do not require an EFIN (Electronic Filing Identification Number). The mitigation you have set in place, use of Form 9325 is o.k., but I wonder which box you are checking on this Form and how that satisfies the taxpayer's desire for proof of filing? Can I also assume the acknowledgements are sent direct to the taxpayers email account within 24-48 hours of transmission as required by law? If so, is that not adequate proof of filing?				

TAP 205-072	Form 8453/8879 VITA/TCE Mailing Requirements		Status:	Closed, Proposal Rejected	
Date Elevated to IRS:	1/3/2006	Date Counter Response to IRS:		Date Response(s) Received:	1/30/2006
Issue Statement:	The Internal Revenue Service (IRS) requires Volunteer Income Tax Assistance (VITA) and Tax Counseling for the Elderly (TCE) volunteers to collect copies of Form W-2, Wage and Tax Statement, and other information reporting forms that show an amount of tax withheld. One copy of the information forms and Form 8453, U.S. Individual Income Tax Declaration for an IRS e-file Return, or Form 8879, IRS e-file Signature Authorization, must be sent to the IRS service center after the return is accepted and another copy retained by the site or sent to the local IRS Stakeholder Partnership, Education and Communication (SPEC) office or other designated retention center. This requirement to send an additional copy to a designated retention center is unique to volunteer programs that file returns electronically and places an unnecessary burden on the volunteers.				
Goal Statement:	Reduce unnecessary burden on VITA and TCE volunteers.				
Proposal:	Eliminate the requirement that VITA and TCE volunteers collect and mail copies of taxpayers' Forms W-2 and other information returns, with Form 8453 or Form 8879, to a designated retention center, and instead train volunteers to instruct taxpayers to retain the copies with their tax return papers.				
Response from:	Blair, Chief, Oversight and Analysis, SPEC Field Operations, Communication, Assistance, Research, and Education (CARE)				
Response Notes:	The requirement for TCE sponsors to collect and retain copies of Form(s) W-2 and other reporting forms is not one posed just on the volunteer programs it is an IRS requirement to participate in the e-file program as an Electronic Return Originators (EROs). IRS e-file returns must contain all				

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	<p>the same information as returns filed completely on paper. EROs are responsible for ensuring that all paper documents required to complete the filing of returns are submitted to the IRS. EROs must also retain this data and make available to the IRS upon request, until the end of the calendar year in which a return was filed. EROs may electronically image and store all paper records they are require to retain for IRS e-file. The records must be available to the IRS for three years from the due date of the return or the IRS received date, whichever is later.</p> <p>The SPEC organization is always looking at ways to reduce the burden on the volunteers participating in our programs. The Self-Select PIN Program is one program that eliminates the requirement to maintain any additional signed documentation. The Self-Select PIN does require verification of the AGI from the taxpayer's prior year return for authentication and the taxpayer is required to enter their self-selected PIN. However, it eliminates the requirement to maintain any additional signed documentation. Considering all of the e-file signature methods, the Self-Select PIN applies the least amount of burden upon our volunteer partners.</p> <p>Additionally, the Practitioner PIN program is an allowable option by the VITA (Volunteer Income Tax Assistance) and TCE (Tax Counseling for the Elderly) programs. While this program does require the retention of Form 8879, IRS e-file Signature Authorization for a period of 3 years, it does have other benefits associated with the program. SPEC has initiated dialogue regarding the retention requirements associated with Form 8879 and is currently seeking a reduction in the time required to retain the form for our volunteer programs.</p>
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TAP 205-056	Forms W-7 and 1040NR Changes		Status:	Closed, Proposal Accepted	
Date Elevated to IRS:	1/5/2006	Date Counter Response to IRS:		Date Response(s) Received:	2/17/2006
Issue Statement:	Taxpayers who file Form 1040NR, U.S. Nonresident Alien Income Tax Return, either as a taxpayer with Dual Status or a Nonresident Alien, are experiencing problems when they file a Form W-7, Application for an Individual Taxpayer Identification Number for a dependent spouse. The IRS does not associate the spouse's Form W-7 with the taxpayer's Form 1040NR and must communicate with the taxpayers prior to issuing the Individual Taxpayer Identification Numbers (ITIN).				
Goal Statement:	Revise Form W-7 to allow a dependent spouse ITIN application to be easily associated with the spouse's Form 1040NR without requiring correspondence to complete processing the tax return.				
Proposal:	TAP recommends making changes to Forms W-7 and 1040NR and their instructions to alleviate the problems the IRS is experiencing associating dependent spouse ITIN applications with their spouse's tax return. The specific recommended changes are listed in the attached document titled "TAP Proposed Changes to Forms 1040 NR and W-7 and Instructions." TAP also recommends that the IRS involve the TAP Area 2 Committee in the process of implementing these changes.				
Response from:	Sue M. Sottile, Director, Tax Forms and Publications				
Response Notes:	<p>The ITIN unit of the IRS recommended adding an instruction and entry space to line g of the Form W-7 for the dependent/spouse of a nonresident alien to enter the name, visa number, and ITIN of the primary taxpayer filing the Form 1040NR. With this information, a separated W-7 can be easily associated with the primary taxpayer's Form 1040NR. This instruction should be added to line g rather than line e, which is for spouses of U.S. citizens or resident aliens.</p> <p>IRS believe adding these entries to line g of Form W-7 will obviate the need to make changes to the Form 1040NR as Submission Processing will now be able to associate the Form W-7 with the Form 1040NR based on information on the Form W-7.</p>				

TAP 605-035	Change in Refund Notification	Status:	Closed, Proposal Rejected		
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Date Elevated to IRS:	1/5/2006	Date Counter Response to IRS:		Date Response(s) Received:	8/16/2007
Issue Statement:	The Internal Revenue Service (IRS) does not provide a taxpayer an explanation of why a refund is less than expected at the time the refund is direct-deposited into the taxpayer's bank accounts. Existing IRS computer systems generate a refund discrepancy notice one or two weeks after the directly-deposited refund becomes available to the taxpayer.				
Goal Statement:					
Proposal:	As IRS computer technology advances, the IRS should create programming and processes that allow for the simultaneous distribution of a refund and a notice explaining why the refund amount varies from the amount shown on the return.				
Response from:	Sue Sottile, Director, Tax Forms and Publications				
Response Notes:	As stated by TAP, we agree that the current processing environment does not allow for the simultaneous issuance of a direct deposit refund and a notice. Currently, Notices are the only available method to notify taxpayers when their refund will differ from what was on their return. Taking into consideration the timeframe required to print and mail the notices, the direct deposit refund will always precede refund notice discrepancies. We do plan in our modernized systems to consider ways to improve this notification, but any significant improvements are a number of years away.				