2010 e-Strategy Constituent Study

Findings From Research Conducted Among 1040 Return Filers And Filers Of Schedules "C", "E" And "F"

Prepared For:

Internal Revenue Service
United States Department of the Treasury

CASRO

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Table Of Contents

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Research Background, Purpose, Method, Scope & Timing

- The IRS is developing an e-Strategy to guide development and enhancement of services to meet the electronic world tax needs of constituent groups.

- As a part of this initiative, the IRS and Russell conducted the **e-Strategy Constituent Study** in order to <u>better understand how to serve the electronic tax needs of 4 constituent groups</u>:

  - **1040 Return Filers**

  - **1040 Schedule C Filers**

  - **1040 Schedule E Filers**

  - **1040 Schedule F Filers**

- The specific objectives here were to determine:

  - <u>Whether</u> the <u>current</u> electronic tax applications and services available to these groups are <u>sufficient</u> or not.

  - And the <u>level of interest</u> in <u>five proposed new IRS e-Applications and Services</u> (to allow assessment of the potential level of demand for the five services).

- The study was conducted by <u>telephone</u> <u>9/1—10/13</u>, 2010, among <u>Taxpayers drawn from the IRS database</u> as having some indication of need* for electronic services, with all further screened at the start of the survey for having <u>regular access to the Internet</u>.

- The <u>total sample size was 3,002</u>, stratified as follows based upon the relative size and importance to the e-Strategy initiative of each constituent group.

  1) 1,502 **1040 Return Filers** – i.e., filers of the standard Individual Income Tax Return in Part Year '08/ Processing Year '09.

  2) 1,000 **1040 Schedule C Filers** of Profit Or Loss From Business (Sole Proprietors) in Part Year '08/ Processing Year '09.

  3) 250 **1040 Schedule E Filers** of Supplemental Income & Loss (from RE rental, royalties, partnerships, S corps, estates, trusts, REMICs, etc.) in Part Year '08/ Processing Year '09.

  4) 250 **1040 Schedule F Filers** of Profit Or Loss From Farming in Part Year '08/ Processing Year '09.

  * "Having some indication of need" defined by filing type (intermediate/complex) and other characteristics. For IRS list pull details, see Appendix Page 29.

Detailed Findings

In reading this report, please keep in mind that the four target Constituent groups are analyzed <u>individually</u> and never combined into a total group. The IRS decided to treat each Constituent group as its own stand-alone segment and not to combine them into a "total". Therefore, there are no "total" data shown in the report and to show a "total" would require weighting of each Constituent group back to its real-world proportion within the sum of all Constituents across all four groups.

STATISTICAL NOTATION USED IN REPORT

○ Circled data are significantly HIGHER than comparative data at a 95% confidence level.

☐ Boxed data are significantly LOWER than comparative data at a 95% confidence level.

Measures Of Sufficiency
Of Current Electronic Tax Applications & Services

Past Contact/Interaction With IRS For Tax Information Or Assistance

- One objective of the study was to determine how sufficient current IRS tax information and assistance is for the four Constituent segments. IRS cannot identify all Taxpayers who contact/interact with the IRS and analyze their behavior, so survey respondents were asked a series of questions about this. Results of the first of these showed that contact/interaction was highest among filers of Schedules C and E.

Contacting The IRS Seeking Tax Info/Assistance
% Ever And *% With Past Year* Contact

Base = Total Per Segment: 1040 (1,502), Sch C (1,000), Sch E (250), Sch F (250)
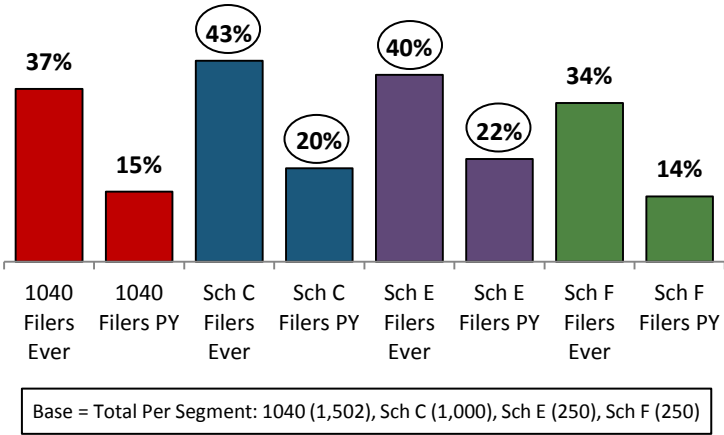
Q3: Have you ever contacted the IRS, or had any interaction with the IRS, in which you were seeking information or assistance with a tax matter?

Q5: Approximately when did you last contact or interact with the IRS seeking information or assistance with a tax matter?

- The main methods of contact/interaction with the IRS were, first, Telephone and then Visits To IRS.gov. This was true of all four segments, with the only notable variations across segments being…

  - Substantial contact via Mail among filers of Schedule E.

  - And a skew toward Telephone and away from the Internet among Schedule F Filers.

How Respondents Have Ever Contacted/Interacted With IRS

	1040 Return Filers	Sch C Filers	Sch E Filers	Sch F Filers
Total Ever Contacted/Interacted With IRS For Info/Tax Assistance	552 %	426 %	99 %	86 %
By Telephone	**67**	**71**	**70**	**77**
Went To IRS Website – IRS.gov	**51**	**54**	**51**	**44**
By Mail	18	22	30	27
Went To IRS Tax Assistance Center	11	13	17	13
By e-Mail	10	12	16	8
Some Other Way	1	3	3	6
Can't Recall	1	1	1	0

Q4: In which of the following ways have you ever contacted the IRS or had interaction with the IRS, in which you were seeking information or assistance about a tax matter?

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5

Profiles Of Filers Who Have Ever Contacted/Interacted With The IRS

- Analysis of the personal and tax filing characteristics of <u>Constituents who have contacted/interacted with IRS</u> vs. <u>those who have not</u> showed few differences that could serve as points of targeting those WITH contact/interaction.

- The only clear point of difference was intuitive – <u>Preparation</u>, with those who were <u>Self/VITA-Prepareds in each of the four segments being more likely</u> to contact or interact with the IRS than those who had used Paid Preparers.

How Those Ever Contacting/Interacting With IRS Differ From Those Who Have Not

	1040 Filers Contacted IRS	1040 Filers Have Not	Sch C Filers Contacted IRS	Sch C Filers Have Not	Sch E Filers Contacted IRS	Sch E Filers Have Not	Sch F Filers Contacted IRS	Sch F Filers Have Not
Total Respondents	552	940	426	567	99	149	86	163
% Male	51	50	44	45	49	48	35	36
% Female	49	50	56	55	51	52	65	64
Average Age	(51)	49	(53)	51	54	54	53	53
Average AGI (000)	$96	$92	$82	$84	$105	$116	$82	$92
% IRS Area 1	17	23	17	19	31	33	6	5
% IRS Area 2	32	27	26	26	32	38	28	29
% IRS Area 3	20	20	19	24	16	15	29	32
% IRS Area 4	15	14	20	16	15	10	29	30
% IRS Area 5	16	16	19	15	5	3	8	4
% Married Filing Jointly	68	68	76	(86)	82	78	88	94
% Filing Single	21	24	19	11	14	18	12	6
% Filing Head Of HH	9	6	4	3	4	3	0	0

How Those Ever Contacting/Interacting With IRS Differ From Those Who Have Not

	1040 Filers Contacted IRS	1040 Filers Have Not	Sch C Filers Contacted IRS	Sch C Filers Have Not	Sch E Filers Contacted IRS	Sch E Filers Have Not	Sch F Filers Contacted IRS	Sch F Filers Have Not
Total Respondents	552	940	426	567	99	149	86	163
% Complex	76	75	-	-	-	-	-	-
% Intermediate	23	25	-	-	-	-	-	-
% With Refunds	81	(85)	72	73	76	70	65	71
% Bal-Dues	(18)	14	26	27	22	29	35	28
% Self/VITA-Prepared	**(64)**	**45**	**(46)**	**27**	**(38)**	**24**	**20**	**12**
% Paid Prepared	**36**	**(55)**	**54**	**(73)**	**62**	**(76)**	**80**	**88**
% w/1+ Math Errors	6	4	6	4	8	7	7	4
% Used Free File	1	0	1	1	0	1	0	0
% V-Coded Return	14	14	22	25	46	46	29	28
% Claiming EITC	7	7	-	-	-	-	-	-
Avg. # Of Schedules	1.4	1.3	-	-	-	-	-	-

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Reasons For Contacting IRS – Specific Issues/Information Needs

- All Taxpayers in the study were read a list of possible reasons for contacting the IRS (a list built upon IRS records of top reasons for Call-In/Walk-In) and asked to identify the types of tax information needs/issues they <u>have had in the past and wished they could have easily contacted the IRS for MORE info or assistance</u>.

- In general, across all segments, the <u>top reasons for contacting IRS</u> related to:

    - **How To Get A Specific Tax Form**

    - **Questions About A Notice/Letter From The IRS**

    - **Special Topics** (credits/deductions, AMT, pensions, sale of homes, etc.)

    - **Refund Status**

    - **Effects Of New Legislation**

    - **Questions About Unresolved Tax Issues**

    - **Tax Law**

- Most info points/issues had higher mentions among those who said they had contacted or interacted with the IRS **<u>during the past year</u>** – probably because their info/assistance needs are more current.
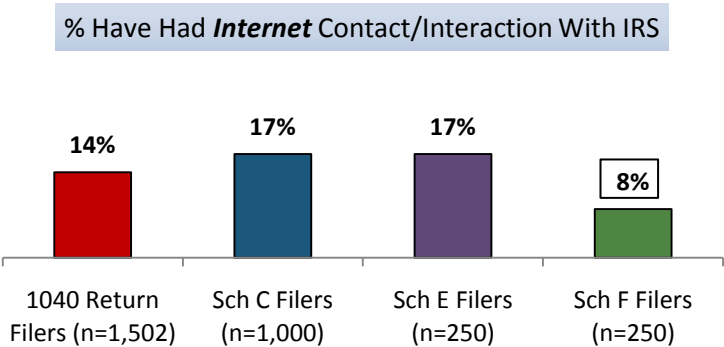
Reasons For Contacting IRS – Top Issues/Information Needs

	1040 Filers		Sch C Filers		Sch E Filers		Sch F Filers	
	Total 1040 Filers	Con-tacted IRS Past Year	Total C Filers	Con-tacted IRS Past Year	Total E Filers	Con-tacted IRS Past Year	Total F Filers	Con-tacted IRS Past Year
Total Respondents	1502	228	1000	204	250	54*	250	34*
	%	%	%	%	%	%	%	%
Net Mentioning Anything	**60**	**93**	**63**	**92**	**65**	**91**	**56**	**91**
How to get a specific tax form	**23**	**42**	**25**	**45**	**32**	**50**	**22**	**50**
Qs about a notice/letter from IRS	**21**	**37**	**29**	**44**	**31**	**52**	**23**	**35**
Special topics (credits/deductions, AMT, pensions, home sale, etc.)	**22**	**30**	**21**	**28**	**24**	**28**	**17**	**21**
Status of expected refund	**20**	**32**	**18**	**27**	**18**	**20**	**17**	**29**
Effects of new legislation	**18**	**22**	**16**	**19**	**22**	**33**	**19**	**24**
Qs about unresolved tax issues	**14**	**26**	**16**	**28**	**16**	**24**	**13**	**24**
Tax law	**14**	**25**	**14**	**18**	**16**	**24**	**10**	**15**
Balance-due/money owed on taxes	10	18	11	19	12	15	10	21
Request for an EIN	6	7	13	19	15	24	9	24
Order copy of a prior-year return	8	15	10	10	12	11	7	3
Arrange payment options	7	14	9	15	7	9	6	15
How to file individual tax return	8	15	9	15	8	6	3	0
Income verification	6	7	5	5	4	0	5	0
Never want to contact IRS at all	39	7	37	8	34	9	44	9

Q6: I'm going to read a list of possible reasons a Taxpayer might contact the IRS. Stop me if I mention something you have had a question about in the past, where you wished you could have easily contacted IRS for more information or assistance.

*Caution: Small Base.

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Constituent Groups' History Of Internet Contact With The IRS

- Only about one-sixth of the Taxpayers in three of the Constituent segments said they had ever had contact or interaction with the IRS **via the Internet** – and with Schedule F Filers notably lower than the others in Internet contact.

- However, the low claimed "Internet contact" is mainly a matter of question context; as shown on the next page, when asked directly about having visited *IRS.gov*, far more in each segment said they have visited the IRS's website.

% Have Had *Internet* Contact/Interaction With IRS

- Among Taxpayers in each segment who said they have had "Internet contact" with the IRS, the main avenue, by far, has been IRS.gov.

Types Of *Internet* Contact/Interaction With IRS

	1040 Return Filers	Sch C Filers	Sch E Filers	Sch F Filers
Total Have Had Internet Contact/Interaction With IRS	213 %	166 %	42* %	20* %
Going to/activity at the IRS website – irs.gov	**75**	**76**	**88**	**70**
Going to/activity at other, non-IRS websites	12	10	10	25
I filed my taxes electronically/e-filed	5	3	0	0
Emailed them/email correspondence	2	2	0	0
All other mentions	5	7	0	10
Can't recall/Don't know	3	5	5	5

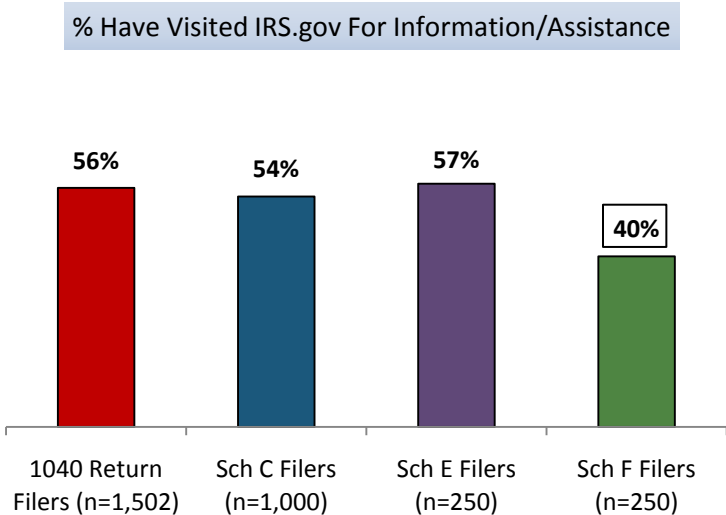**NOTE: These were voluntary responses only – this list was not read to respondents.**

*Caution: Small Base.

Q9: Have you ever had any direct contact with or interaction with the IRS through the Internet?

Q10: (IF "YES" TO Q9) What types of Internet contact or interaction with the IRS have you had? (DO NOT READ CHOICES – JUST CIRCLE ALL THAT APPLY.)
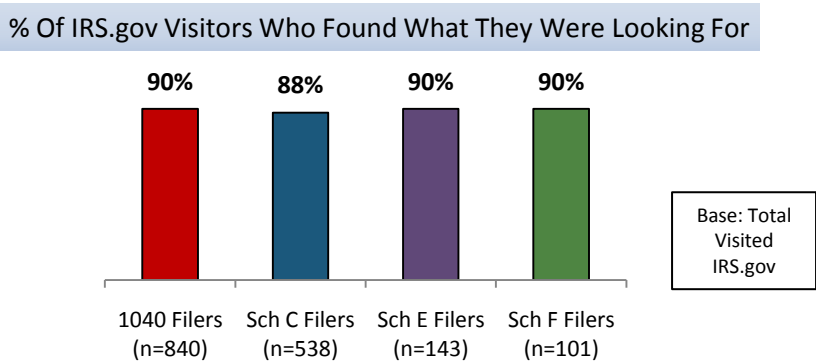
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8

Constituent Groups' History Of Contact With The IRS Via IRS.gov

● Asked directly, just over half of three of the segments said they have <u>Ever Visited IRS.gov</u> – with Schedule F Filers again significantly lower in this respect than the other three segments.

% Have Visited IRS.gov For Information/Assistance

56%	54%	57%	40%
1040 Return Filers (n=1,502)	Sch C Filers (n=1,000)	Sch E Filers (n=250)	Sch F Filers (n=250)

● <u>About 9 out of 10 in each segment who had been to IRS.gov said that they had found what they were looking for there</u>. Among the ***extremely small sub-samples*** <u>who did not</u>, main missing items were Information On Deductions/Tax Credits and Specific Forms.

% Of IRS.gov Visitors Who Found What They Were Looking For

90%	88%	90%	90%
1040 Filers (n=840)	Sch C Filers (n=538)	Sch E Filers (n=143)	Sch F Filers (n=101)

Base: Total Visited IRS.gov

Top Mentions Of What They Could Not Find At IRS.gov

	1040 Filers	Sch C Filers	Sch E Filers	Sch F Filers
Total Visited IRS.gov But Couldn't Find What Looked For	53*%	43*%	11*%	7*%
Information on deductions/tax credits	17	12	18	0
Forms/needed a specific form	9	21	9	29
Information on how to file taxes	6	2	0	0

*Caution: Extremely Small Bases.

Q11: Please tell me if you have ever been to the IRS's website, IRS.gov, for tax information or assistance.

Q12: (IF "YES" TO Q11) Did you find what you were looking for?
Q13: What were you looking for that you could not find?

9

Constituent Concerns About Electronic Contact/Interaction With The IRS

- At the end of the survey, and after exposure to the new e-App/Service concepts, Constituent Taxpayers were asked to state with confidentiality any concerns they have about contacting/interacting <u>electronically</u> with the IRS.

- As shown to the right, about one-third or more of each segment offered <u>no concerns</u> about electronic contact or interaction with the IRS.

- Among those <u>with</u> concerns, the top mentions related heavily to **Security** issues – the need for a guarantee of personal information being secure, a concern about personal information (e.g., SSN) being at risk, and concerns about hackers and identity theft.

Q39: We've talked about possible new electronic services from the IRS and about Taxpayers such as yourself contacting or interacting with the IRS electronically. Please take a moment to think about it and then tell me any concerns you might have about contacting or interacting electronically with the IRS. Please be as open and frank about this as possible, as your responses are strictly confidential and will help the IRS take Taxpayer concerns into account as it designs electronic services.

Concerns About Electronic Contact/Interaction With IRS

	1040 Filers	Sch C Filers	Sch E Filers	Sch F Filers
Total Respondents	1502 %	1000 %	250 %	250 %
Security Issues (net)	47	47	50	45
Personal Security Issues (subnet)	**21**	**26**	**24**	**24**
Don't want personal info online (i.e. SSN, etc.)	13	15	15	16
Hackers/info might get into wrong hands	11	13	13	12
Worry about identity theft	3	5	2	4
Trust Issues (subnet)	4	4	3	5
Don't trust the internet/computer	3	3	2	5
Other Security Issues Mentions				
If it's guaranteed secure, I'm OK with it –				
but without that guarantee, I'm concerned	**21**	**17**	**21**	**18**
Preference (net)	4	6	8	10
Prefer talking to a real person	3	3	3	4
Accuracy (Worried about errors/mistakes)	2	3	2	2
All Other Miscellaneous Mentions				
Don't like doing things on Internet/electronically	2	2	2	4
No concerns/none/nothing/don't know	**40**	**39**	**32**	**38**

10

Profiling The 4 Constituent Groups In Terms Of Electronic Sophistication

- Looking at each segment's daily access to technology, it is clear that <u>one Constituent group – Schedule F Filers – stand out as less tech-connected</u> than the others.

- And, in line with their lower connectedness, the <u>Schedule F Filers have notably lower participation in Internet activities</u> than the other segments.

Daily Access Of Constituent Groups To Specific Electronic Products/Services

Total Respondents	1040 Return Filers 1502 %	Sch C Filers 1000 %	Sch E Filers 250 %	Sch F Filers 250 %
A computer – desktop or laptop	97	96	96	93
Internet access w/high-speed/DSL/cable modem	90	89	89	76
Internet access using a dial-up connection	8	9	13	25
E-mail through a personal e-mail account	90	90	92	83
E-mail through a business e-mail account	53	53	55	44
A landline or regular, non-cell telephone	95	94	94	96
Cell phone w/text msg/internet browsing	62	63	61	52
Basic cell phone w/o text msg/internet browsing	39	41	46	55
A smart phone such as a Palm, Blackberry, etc.	24	24	29	14
None of the above	0	1	0	0

Internet Activities In Which Constituent Groups Participate On A Regular Basis

Total Respondents	1040 Return Filers 1502 %	Sch C Filers 1000 %	Sch E Filers 250 %	Sch F Filers 250 %
Using search engines to research topics/interests	91	91	92	88
Making travel, hotel or other reservations	71	69	82	57
Online shopping/purchases/email with retailers	69	70	73	61
Online banking/bill-pay/email w/finl institutions	64	61	59	45
Online bill-pay/email w/other businesses	58	56	56	41
Scheduling/responding to social events/orgs.	48	49	48	33
Blogging/social networking (Twitter, MS, FB, LI)	45	49	38	36
Transactions/email w/govt (auto reg, taxes, etc.)	34	32	40	20
Online financial investing/email w/investment cos	24	22	27	14
Scheduling dr/dentist/prof'l. appointments	15	15	16	10
None of the above	4	4	4	8

Q7: Which if any of the following electronic products or services do you have daily access to?

Q8: Which if any of these types of Internet activities do you participate in on a regular basis?

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Measures Of Interest
In Five Possible New IRS e-Applications & Services

Testing Appeal & Usefulness Of The Five Potential New e-Apps/Services

- The next major objective of the research was to determine the <u>level of interest in five proposed new IRS e-Applications and Services</u>, with results to be used by the IRS in assessing the potential level of demand for the five services.

- The five e-App/Service concepts are shown to the right. Exposure to these was rotated to avoid survey position bias. These concepts were also read with care, with no elaboration by the interviewer – except in the one instance of "Tax Return History Service", where "a small fee" was cited and if asked about that by respondents, interviewers were instructed by IRS to elaborate with "it would likely be under $10".

- After respondents were exposed to each concept, they were asked how likely they would be to ever use the e-App/Service, followed by diagnostic questions about potential usage of each.

New e-Apps/Service Concepts
As Read Verbatim To Respondents

IRS Account Information & Update Service – This secure electronic service would be available at IRS.gov. It would allow you to view and print the status of your current tax account and any other information that the IRS has about you for the past three years, and to update your personal account information.

Electronic Notices Service – This electronic service would allow you to choose to have IRS notices, such as balance due or math error notices, delivered by e-mail instead of receiving them by postal mail.

Payment History, Arrangements & Balance Due Service – This secure electronic service would be available via IRS.gov. It would allow you to view your tax payment history for the last six years and any payment arrangements you have made with the IRS, and to view your current tax balance due amount.

IRS Appointment Scheduling Service – This electronic service would be available through IRS.gov. You could schedule telephone and office appointments with IRS personnel and make any necessary changes in appointments – all through the IRS.gov website.

Tax Return History Service – This secure electronic service would be available via IRS.gov. This service would allow you to order, for a small fee, a photocopy of your tax return for any of the last six years. *(IF RESPONDENT ASKED WHAT A "SMALL FEE" IS, INTERVIEWERS OFFERED ONLY THAT "IT WOULD LIKELY BE UNDER $10".)*

Likelihood Of Use Of Potential e-Apps/Services

● The e-Apps/Services attracting highest interest were *IRS Account Information & Update Service* and *Electronic Notices Service*. This was true in each Constituent group, though interest was always lower among Schedule F Filers.

By Segment: % Definitely/Probably/Might, Definitely/Probably, And Definitely Use Each e-App/Service


Legend

D/P/M = Definitely, Probably, Or Might Use

D/P = Definitely Or Probably Would Use

Def = Definitely Would Use
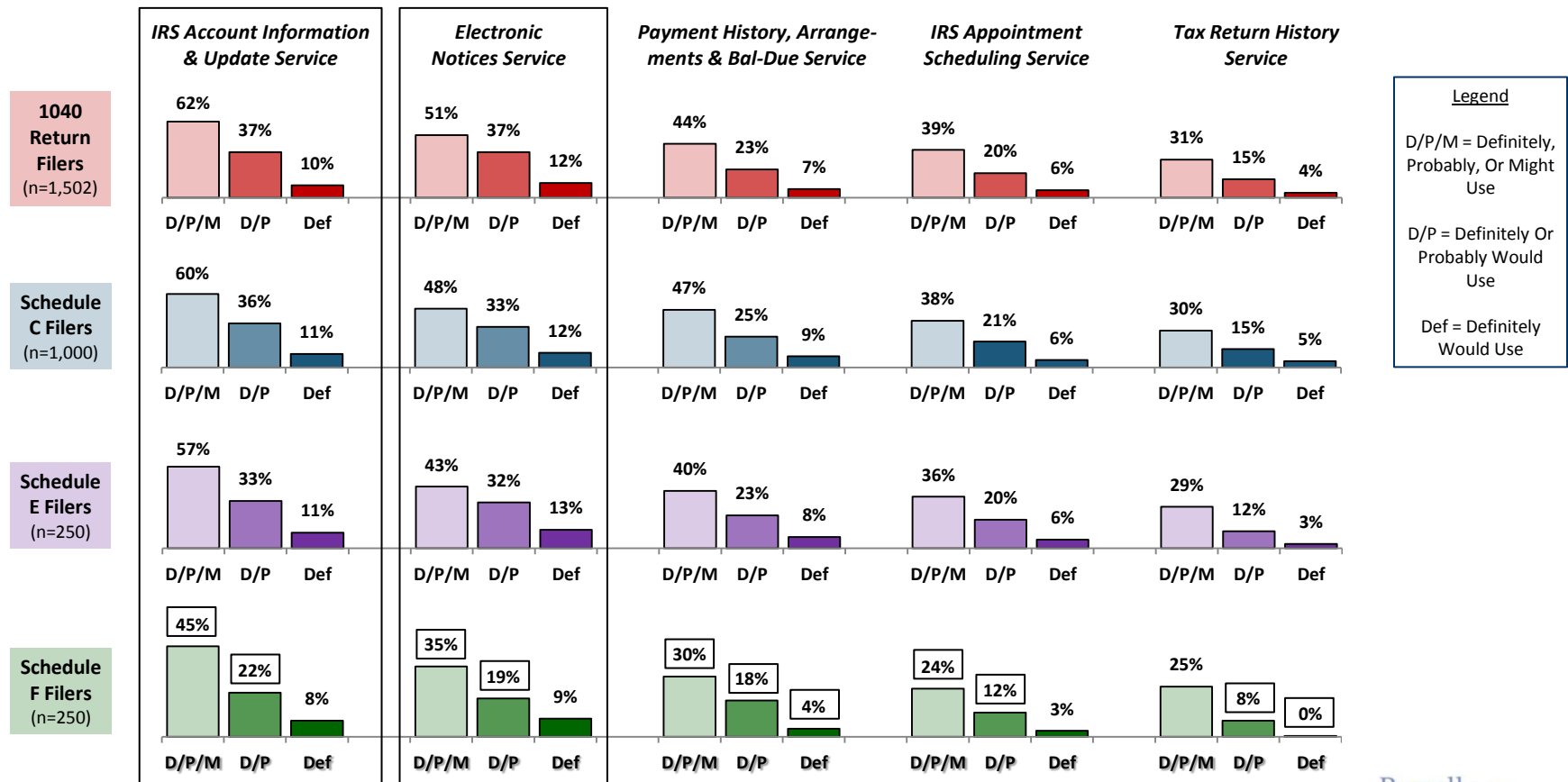
Qs 14, 18, 22, 30, 34: How likely are you to ever use the electronic service I just described?

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14

Diagnostic Measures: *IRS Account Information & Update Service*

- Diagnostic measures for the <u>IRS Account Information & Update Service</u> concept showed that – among those with at least some interest (and rating themselves as "definitely", "probably", or "might" use the service), <u>the average number of expected usages of it per year was around 2</u> – specifically, ranging from 1.7 among 1040 Return Filers to 2.0 among filers of Schedules E and F.
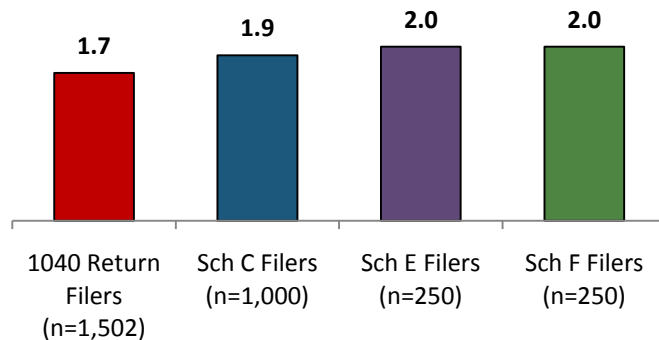
- Among those with at least some interest, <u>top perceived benefits</u> were Convenience, Gives Me More Control of My Tax Situation, and Time Saving. Among those NOT interested, <u>top barriers to use</u> were Lack of Need, Security Concerns, and Using A Paid Preparer.

Among Each Constituency, Average # Uses Per Year Among Those Who Def/Prob/Might Use

1040 Return Filers (n=1,502)	Sch C Filers (n=1,000)	Sch E Filers (n=250)	Sch F Filers (n=250)
1.7	1.9	2.0	2.0

Among Def/Prob/Might Use: Benefits Of Using It

	1040 Filers	Sch C Filers	Sch E Filers	Sch F Filers
Total Definitely/Probably/Might Use	930 %	604 %	142 %	113 %
It would be convenient	**38**	**39**	**40**	**36**
Gives me more control of my tax situation	**28**	**28**	**20**	**27**
It would save me time	**12**	**15**	**18**	**17**
Would get a faster response from IRS	8	8	9	13
Check/verify my information	7	8	8	7

Among Prob/Def NOT Use: Reasons Would Not Use

	1040 Filers	Sch C Filers	Sch E Filers	Sch F Filers
Total Probably/Definitely NOT Use	572 %	396 %	108 %	137 %
No need/wouldn't use it	**32**	**27**	**22**	**26**
Security issues	**16**	**18**	**14**	**23**
Have acct./tax preparer who handles this	**13**	**22**	**30**	**28**
Need copies/paper trail	8	6	9	7
Computer barriers (dislike internet)	7	8	5	7

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Diagnostic Measures: *Electronic Notices Service*

- Diagnostic measures for <u>Electronic Notices Service</u> showed that among those with at least some interest in the concept, <u>the average number of expected usages per year</u> was <u>highest at 2.6 among Schedule C Filers</u> and <u>lowest at 1.5 among 1040 Return Filers</u>.
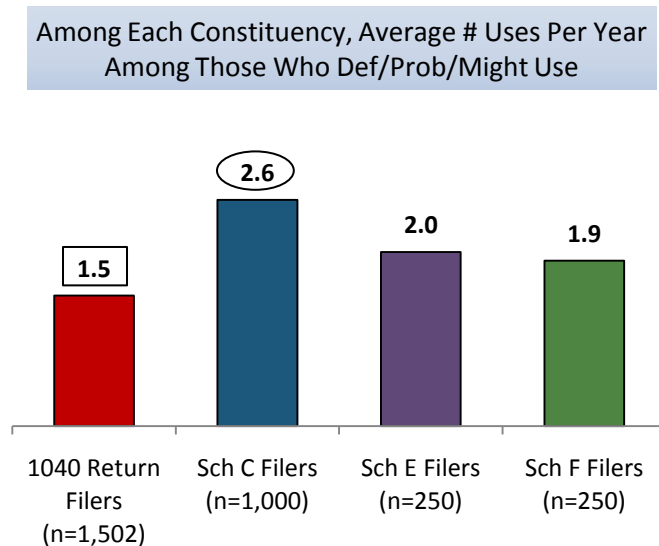
- Among those with at least some interest in this concept, <u>top perceived benefits</u> were Convenience, Time Saving, and Would Get Faster Response From IRS. Among those NOT interested, the <u>top reason for non-interest</u> was Prefer To Have Notices Mailed.

Among Each Constituency, Average # Uses Per Year Among Those Who Def/Prob/Might Use

	1040 Return Filers (n=1,502)	Sch C Filers (n=1,000)	Sch E Filers (n=250)	Sch F Filers (n=250)
Value	1.5	2.6	2.0	1.9

Among Def/Prob/Might Use: Benefits Of Using It

	1040 Filers	Sch C Filers	Sch E Filers	Sch F Filers
Total Definitely/Probably/Might Use	773	479	107	87
	%	%	%	%
It would be convenient	**45**	**45**	**42**	**43**
It would save me time	**23**	**20**	**30**	**30**
Would get a faster response from IRS	**17**	**19**	**13**	**16**
Gives me more control of my tax situation	11	11	18	8
Would get faster resolution of tax issues	11	10	7	14

Among Prob/Def NOT Use: Reasons Would Not Use

	1040 Filers	Sch C Filers	Sch E Filers	Sch F Filers
Total Probably/Definitely NOT Use	729	521	143	163
	%	%	%	%
Prefer to have it mailed	**23**	**24**	**13**	**20**
No need/wouldn't use it	16	10	9	13
Security issues	13	13	12	14
Dislike internet/don't check email	13	17	21	25
Already have an accountant/tax preparer	7	12	15	15

<u>Qs 15, 19, 23, 31, 35</u>: Estimate the number of times a year, on average, you might use it..

<u>Qs 16, 20, 24, 32, 36</u>: Benefits of using it?
<u>Qs 17, 21, 25, 33, 37</u>: Reasons for not using it?

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16

Diagnostic Measures: *Payment History, Arrangements & Balance Due Service*

- Diagnostics for the <u>Payment History, Arrangements & Balance Due Service</u> showed that among those with interest in it, <u>the average number of expected usages of this concept per year ranged from 2.7—2.9 among filers of Schedules E and F to 1.8 among 1040 Return Filers</u>.
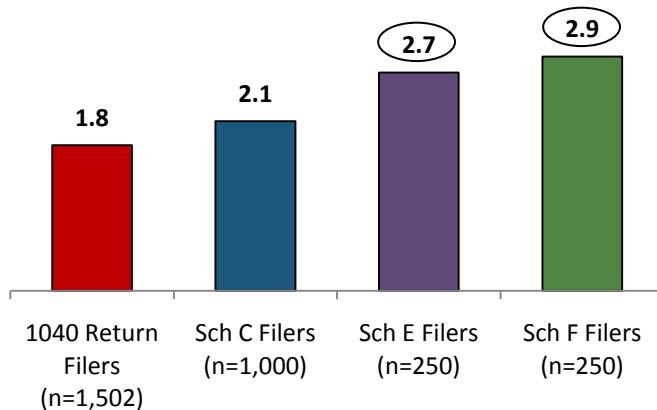
- And, among those interested in this concept, the <u>top perceived benefits</u> were Convenience and Gives Me More Control of My Tax Situation. Among those NOT interested, <u>the leading reason for non-use</u> was Lack of Need.

Among Each Constituency, Average # Uses Per Year Among Those Who Def/Prob/Might Use

	1.8	2.1	2.7	2.9
	1040 Return Filers (n=1,502)	Sch C Filers (n=1,000)	Sch E Filers (n=250)	Sch F Filers (n=250)

Among Def/Prob/Might Use: Benefits Of Using It

	1040 Filers	Sch C Filers	Sch E Filers	Sch F Filers
Total Definitely/Probably/Might Use	661	466	99	75
	%	%	%	%
It would be convenient	**37**	**41**	**33**	**35**
Gives me more control of my tax situation	**30**	**26**	**24**	**27**
It would save me time	13	13	18	19
Would get a faster response from IRS	10	11	11	11
Would get faster resolution of tax issues	8	8	9	8

Among Prob/Def NOT Use: Reasons Would Not Use

	1040 Filers	Sch C Filers	Sch E Filers	Sch F Filers
Total Probably/Definitely NOT Use	841	534	151	175
	%	%	%	%
No need/wouldn't use it	**23**	**21**	**24**	**22**
Need to have copies/paper trail	15	15	15	14
Prefer to pay right away	15	11	13	13
Never owe money – no balance due	15	10	8	6
Already have an accountant/tax preparer	9	17	15	26

Qs 15, 19, 23, 31, 35: Estimate the number of times a year, on average, you might use it..

Qs 16, 20, 24, 32, 36: Benefits of using it?
Qs 17, 21, 25, 33, 37: Reasons for not using it?

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Diagnostics: *Payment History, Arrangements & Balance Due Service* (Cont'd.)

- For this concept only, respondents were probed for their interest and expected usage in the concept with two benefits added. The first benefit, "*if this also allowed you to view and calculate penalties and interest that could be charged on balance due accounts*", generated lower usage interest than found for the original concept.

  <u>If It Allowed Viewing & Calculating Of Penalties & Interest</u>: % <u>Def/Prob/Might</u>, <u>Definitely/Probably</u>, And <u>Definitely</u> Use

  Shown Below: Among Def/Prob/Might, Avg. # Uses Per Year

| Avg. # Uses Per Year | 2.1 | 2.0 | 2.8 | 2.6 |

- Similarly, interest was lower (vs. the original concept) when respondents were asked "*if this also allowed you to view any tax payoff amounts and make arrangements for payment*".

  <u>If It Allowed Viewing Of Tax Payoff Amounts & Arrangements</u>: % <u>Def/Prob/Might</u>, <u>Definitely/Probably</u>, And <u>Definitely</u> Use

  Shown Below: Among Def/Prob/Might, Avg. # Uses Per Year

| Avg. # Uses Per Year | 1.8 | 1.9 | 2.5 | 2.2 |
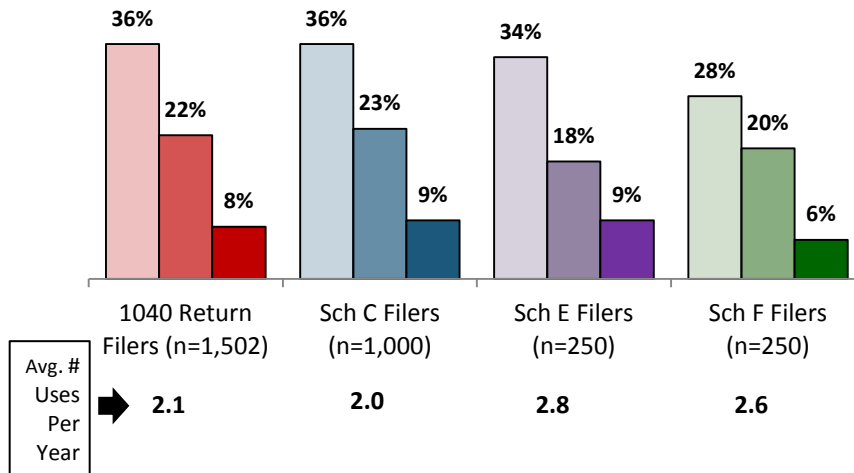
Q26: If this particular service <u>also allowed you to view and calculate penalties and interest that could be charged on balance due accounts</u>, how likely would you be to use it?
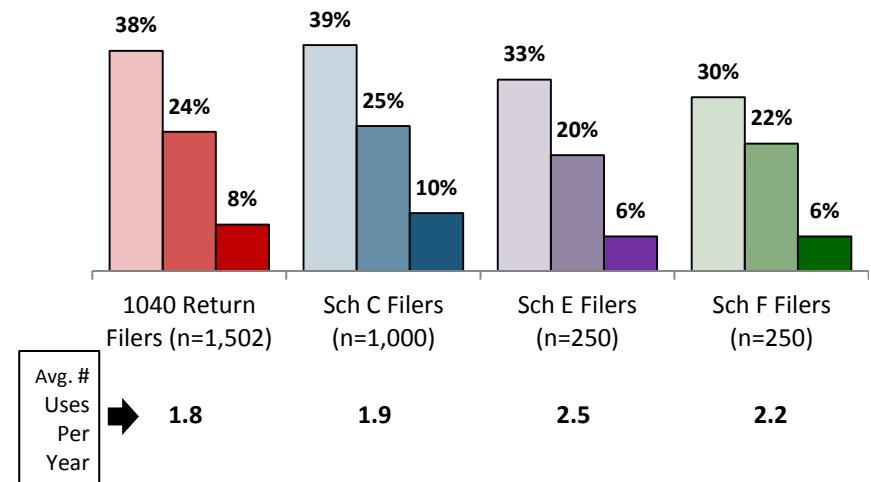
Q27: (IF DEF/PROB/MIGHT) About how many times a year, on average, would you use it?

Q28: And if this particular service <u>also allowed you to view any tax payoff amounts and make arrangements for payment</u>, how likely would you be to use it

Q29: (IF DEF/PROB/MIGHT) About how many times a year, on average, would you use it?

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18

Diagnostic Measures: *IRS Appointment Scheduling Service*

- Diagnostic measures for the <u>IRS Appointment Scheduling Service</u> concept showed that among those interested, <u>the average number of expected usages per year was highest among Schedule E and Schedule F Filers</u> – each at 1.9-2.0 times per year.
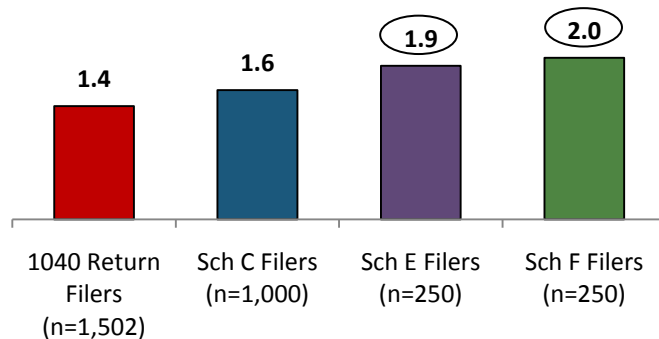
- Among those interested, the <u>top perceived benefit</u> by far was Convenience. Among those NOT interested, the <u>top reason for expected non-use</u> was Lack of Need.

Among Each Constituency, Average # Uses Per Year Among Those Who Def/Prob/Might Use

Bar chart:
- 1040 Return Filers (n=1,502): 1.4
- Sch C Filers (n=1,000): 1.6
- Sch E Filers (n=250): 1.9
- Sch F Filers (n=250): 2.0

Among Def/Prob/Might Use: Benefits Of Using It

	1040 Filers	Sch C Filers	Sch E Filers	Sch F Filers
Total Definitely/Probably/Might Use	586	382	90	60
	%	%	%	%
It would be convenient	50	58	60	57
It would save me time	28	27	31	22
Would get a faster response from IRS	13	12	16	10
Gives me more control of my tax situation	10	10	7	7

Among Prob/Def NOT Use: Reasons Would Not Use

	1040 Filers	Sch C Filers	Sch E Filers	Sch F Filers
Total Probably/Definitely NOT Use	916	618	160	190
	%	%	%	%
No need/wouldn't use	31	26	23	23
Never need to go to IRS/make appointment	17	14	13	8
Already have an accountant/tax preparer	12	19	28	29
Don't want to contact IRS	7	6	6	4

Qs 15, 19, 23, 31, 35: Estimate the number of times a year, on average, you might use it..

Qs 16, 20, 24, 32, 36: Benefits of using it?
Qs 17, 21, 25, 33, 37: Reasons for not using it?

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19

Diagnostic Measures: *Tax Return History Service*

- Diagnostic measures for Tax Return History Service showed that this concept had the lowest expected usage levels, ranging from 1.4 to 1.9 (with Schedule F Filers having highest expected per-year usage).
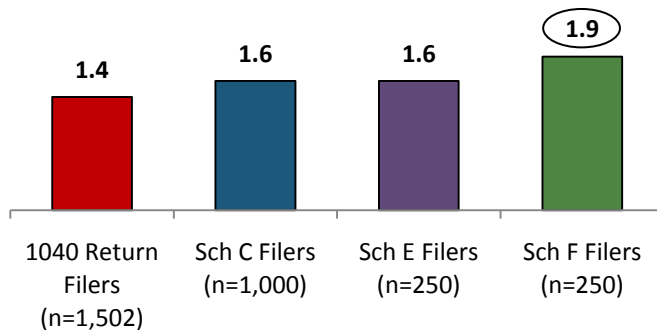
- Among those interested in this concept, the top perceived benefit was Convenience and, among those NOT interested, the top reason for non-usage, by far, was Need To Have Copies/Paper Trail.

Among Each Constituency, Average # Uses Per Year Among Those Who Def/Prob/Might Use

1.4 — 1040 Return Filers (n=1,502)
1.6 — Sch C Filers (n=1,000)
1.6 — Sch E Filers (n=250)
1.9 — Sch F Filers (n=250)

Among Def/Prob/Might Use: Benefits Of Using It

	1040 Filers	Sch C Filers	Sch E Filers	Sch F Filers
Total Definitely/Probably/Might Use	467	304	73	63
	%	%	%	%
It would be convenient	**49**	**51**	**42**	**57**
It would save me time	20	18	23	25
Gives me more control of my tax situation	15	17	21	14
For record keeping/back-up	14	12	11	8
Would get a faster response from IRS	8	10	10	16
Would get faster resolution of tax issues	7	8	4	10

Among Prob/Def NOT Use: Reasons Would Not Use

	1040 Filers	Sch C Filers	Sch E Filers	Sch F Filers
Total Probably/Definitely NOT Use	1035	696	177	187
	%	%	%	%
Need to have copies/paper trail	**71**	**68**	**69**	**65**
Already have an accountant/tax preparer	10	20	19	22
No need for it/wouldn't use	7	6	8	12

Qs 15, 19, 23, 31, 35: Estimate the number of times a year, on average, you might use it..

Qs 16, 20, 24, 32, 36: Benefits of using it?
Qs 17, 21, 25, 33, 37: Reasons for not using it?

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Estimating Potential Annual Usage Of Each e-App/Service

- While the IRS will conduct its own assessment of potential demand for each of the e-Apps/Services tested in the study, the data from the study – together with <u>IRS Part-Year Processing population data for each segment</u> – have been used to calculate (in advance) a simple estimate of <u>potential usage of each concept per year</u>.

- Note that <u>these estimates have been based upon respondents in the survey who said they *definitely, probably, or might use*</u> one of the e-Apps/Services. Naturally, not all of these would actually use an e-App/Service if it were available, but this provides an outside range of potential usage.

- Note, too, that we considered developing estimates based upon greater commitment to usage (e.g., just those who *definitely would use* or those who either *definitely or probably would use*). However, the base sizes for those definitions within three of the Constituent segments are too small for reliable estimation, so we limited estimation to the one definition with stable enough base sizes in all segments – Taxpayers who *definitely, probably, or might use*.

- All estimates are in ranges, since potential survey sampling error has to be factored into each calculation, and all estimates are rounded to the nearest million or where appropriate, thousands. **(For the detail involved in these estimates, see Appendix Page 26.)**

Outside Estimates Of Potential Annual Usage
Based Upon Total "**Definitely/Probably/Might Use**"

	IRS Acct Info & Update Service	Electronic Notices Service	Payment History Arrangements, & Balance Due Service	IRS Appt. Scheduling Service	Tax Return History Service
1040 Filers	43—52M	31—38M	32—40M	22—29M	17—23M
Sch C Filers	18—22M	15—30M	16—20M	8—13M	7—11M
Sch E Filers	11—22M	9—16M	11—23M	6—14M	4—9M
Sch F Filers	1.2—1.9M	773K—1.5M	1—2M	539K—1.1M	500K—1.2M
TOTAL =	**73—98M**	**56—86M**	**60—85M**	**37—57M**	**29—44M**

Note: with the base being "Definitely/Probably/Might Use", these are <u>outside</u> estimates of potential annual usage. In addition, there would be overlap of Schedules C, E, and F filers that would reduce these estimates.

"M" = Millions
"K" = Thousands

<u>IRS = Source For PART-YEAR Estimates Of Total # Filers in Each Constituency</u>
1040 Return Filers = 45,141,620 (Rounded To 45,142,000) – Note: "Intermediate" Only
Schedule C Filers = 17,158,995 (Rounded To 17,159,000)
Schedule E Filers = 14,493,043 (Rounded To 14,493,000)
Schedule F Filers = 1,666,157 (Rounded To 1,666,000)

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Targeting Taxpayers In Each Constituency With Any Interest In Each e-App/Service

- Those saying they definitely/probably/might use each concept were profiled in comparison to those who would not use, to see <u>who potential users might be and to provide IRS with possible points of targeting</u>. The differences in characteristics between **Potential Users** and Non-Users are highlighted below and to the right for each e-App/Service within each Constituent segment.

Profiling Potential Users Of IRS Account Information & Update Service

	1040 Filers DPM Use	1040 Filers Not Use	Sch C Filers DPM Use	Sch C Filers Not Use	Sch E Filers DPM Use	Sch E Filers Not Use	Sch F Filers DPM Use	Sch F Filers Not Use
Total Respondents	930	572	604	396	142	108	113	137
% Female	51	49	58	53	58	44	64	64
Average Age:	49	52	51	53	52	56	52	54
Average AGI (000):	$97	$89	$88	$77	$119	$103	$102	$77
% Self-Prep'd/VITA	56	46	39	29	32	28	14	15
% IRS Area 4	14	15	16	19	13	11	36	24

Profiling Potential Users Of Electronic Notices Service

	1040 Filers DPM Use	1040 Filers Not Use	Sch C Filers DPM Use	Sch C Filers Not Use	Sch E Filers DPM Use	Sch E Filers Not Use	Sch F Filers DPM Use	Sch F Filers Not Use
Total Respondents	773	729	479	521	107	143	87	163
Average Age:	49	51	50	53	53	55	53	53
% Self-Prep'd/VITA	60	43	40	31	40	22	17	13
Average AGI (000):	$98	$90	$91	$76	$113	$111	$95	$85

Profiling Potential Users Of Payment History, Arrangements & Balance Due Service

	1040 Filers DPM Use	1040 Filers Not Use	Sch C Filers DPM Use	Sch C Filers Not Use	Sch E Filers DPM Use	Sch E Filers Not Use	Sch F Filers DPM Use	Sch F Filers Not Use
Total Respondents	661	841	466	534	99	151	75	175
% Female	51	49	58	54	63	45	63	65
Average Age:	48	51	50	53	51	56	52	53
Average AGI (000):	$95	$93	$89	$78	$112	$112	$103	$82
% IRS Area 4	15	14	14	21	16	9	28	30

Profiling Potential Users Of IRS Appointment Scheduling Service

	1040 Filers DPM Use	1040 Filers Not Use	Sch C Filers DPM Use	Sch C Filers Not Use	Sch E Filers DPM Use	Sch E Filers Not Use	Sch F Filers DPM Use	Sch F Filers Not Use
Total Respondents	586	916	382	618	90	160	60	190
% V-Code	14	14	20	25	48	45	17	32
% Self-Prep'd/VITA	57	49	40	32	39	25	20	13

Profiling Potential Users Of Tax Return History Service

	1040 Filers DPM Use	1040 Filers Not Use	Sch C Filers DPM Use	Sch C Filers Not Use	Sch E Filers DPM Use	Sch E Filers Not Use	Sch F Filers DPM Use	Sch F Filers Not Use
Total Respondents	467	1035	304	696	73	177	63	187
Average Age:	48	51	50	52	51	55	50	54

From Profiling Questions

From Profiling Questions

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22

Key Findings

Key Findings

First, regarding **the sufficiency of current electronic tax applications and services**: while only just over one-third of these Constituent segments say that they have ever contacted/interacted with the IRS (higher among Self/VITA Prepared), results show that at least one-half or more HAVE been to IRS.gov and 9 in 10 of these say they found what they were looking for at the IRS website.

They apparently do not think of visits to IRS.gov as either "contact/ interaction" or "Internet contact" (and asked directly about "Internet contact with IRS", about 6 in 10 had concerns – mainly "security").

So, even though they do not think of online interaction with IRS as "Internet contact", about half ARE already interacting with IRS on that basis and most say they are satisfied with what the IRS is providing.

Diagnostic evaluation of the five new e-Apps/Services showed that…

- Among those with any interest in usage, the **top perceived benefits** were Convenience, Time Saving, and Gives Me More Control Of My Tax Situation.

- The **main reasons for likely non-use** varied by concept, with Lack of Need the main mention for *IRS Account Info & Update Service*, *Payment History, Arrangements & Balance Due Service*, and *IRS Appointment Scheduling Service*; while Prefer To Have It Mailed To Me was the top reason for *Electronic Notices Service*; and Need Copies/Paper Trail was the main reason for *Tax Return History Service*.

- Across all concepts, the **average number of expected annual usages per person** was about 1.5 to 3 times per year.

Finally, likelihood of use and # of annual usages (along with IRS estimates of Part-Year Processing) were used in calculating the **Page 21 estimates of potential annual usage of each e-App/Service** that give IRS a preview of concept potential before developing its own estimates.

Nonetheless, about 60% of each Constituent group identified questions or issues they have had in the past for which they wished they could have "easily contacted IRS" – the top ones being:

- **How To Get A Specific Tax Form**
- **Questions About A Notice/Letter From The IRS**
- **Special Topics** (credits/deductions, AMT, pensions, home sale, etc.)
- **Refund Status**
- **Effects Of New Legislation**
- **Questions About Unresolved Tax Issues**
- **Tax Law**

Finally for sufficiency of current e-Apps/Services, it was clear that Schedule F Filers stood apart from the other segments in being less tech-oriented and lower in past Internet contact with IRS.

Next, of the five e-Application/Service concepts tested here, two emerged as having higher likelihood of use than the others. These were:

1. *IRS Account Information & Update Service*
2. *Electronic Notices Service*

Those two concepts were followed in likelihood of use by…

3. *Payment History, Arrangements & Balance Due Service*
4. *IRS Appointment Scheduling Service*

With one concept having notably lower interest than the others…

5. *Tax Return History Service*

This rank order of the five concepts held across all four Constituent groups, though here too, Schedule F Filers stood out with notably lower interest in all concepts than each of the other three groups.

Appendix

Detailed Estimate Of Potential Annual Usage Of Each e-App/Service – Outside Estimate

IRS Account Information & Update Service

		1040 Filers	Sch C Filers	Sch E Filers	Sch F Filers
A)	Total # Of Filers In Each Constituency	45,142,000	17,159,000	14,493,000	1,666,000
B)	% "Definitely, Probably, Might Use"	62%	60%	57%	45%
C)	Factoring In Potential Survey Sampling Error	60—65%	57—63%	51—63%	39—51%
D)	Estimate Of # Potential Users (A x C)	27M—29M	10M—11M	7M—9M	650K—850K
E)	Avg. # Expected Usages Per Year	1.7	1.9	2.0	2.0
F)	Avg. # Factoring In Potential Sampling Error	1.6—1.8	1.8—2.0	1.6—2.4	1.8—2.2
TOTAL POTENTIAL USAGES/YEAR (D x F)		**43—52M**	**18—22M**	**11—22M**	**1.2—1.9M**

Payment History, Arrangements & Balance Due Service

		1040 Filers	Sch C Filers	Sch E Filers	Sch F Filers
A)	Total # Of Filers In Each Constituency	45,142,000	17,159,000	14,493,000	1,666,000
B)	% "Definitely, Probably, Might Use"	44%	47%	40%	30%
C)	Factoring In Potential Survey Sampling Error	42—47%	44—50%	34—46%	24—36%
D)	Estimate Of # Potential Users (A x C)	19M—21M	8M—9M	5M—7M	400K—600K
E)	Avg. # Expected Usages Per Year	1.8	2.1	2.7	2.9
F)	Avg. # Factoring In Potential Sampling Error	1.7—1.9	2.0—2.2	2.1—3.3	2.5—3.3
TOTAL POTENTIAL USAGES/YEAR (D x F)		**32—40M**	**16—20M**	**11—23M**	**1—2M**

Electronic Notices Service

		1040 Filers	Sch C Filers	Sch E Filers	Sch F Filers
A)	Total # Of Filers In Each Constituency	45,142,000	17,159,000	14,493,000	1,666,000
B)	% "Definitely, Probably, Might Use"	51%	48%	43%	35%
C)	Factoring In Potential Survey Sampling Error	49—54%	45—51%	37—49%	29—41%
D)	Estimate Of # Potential Users (A x C)	22M—24M	8M—9M	5M—7M	483K—683K
E)	Avg. # Expected Usages Per Year	1.5	2.6	2.0	1.9
F)	Avg. # Factoring In Potential Sampling Error	1.4—1.6	1.9—3.3	1.7—2.3	1.6—2.2
TOTAL POTENTIAL USAGES/YEAR (D x F)		**31—38M**	**15—30M**	**9—16M**	**773K—1.5M**

IRS Appointment Scheduling Service

		1040 Filers	Sch C Filers	Sch E Filers	Sch F Filers
A)	Total # Of Filers In Each Constituency	45,142,000	17,159,000	14,493,000	1,666,000
B)	% "Definitely, Probably, Might Use"	39%	38%	36%	24%
C)	Factoring In Potential Survey Sampling Error	37—42%	35—41%	30—42%	19—29%
D)	Estimate Of # Potential Users (A x C)	17M—19M	6M—7M	4M—6M	317K—483K
E)	Avg. # Expected Usages Per Year	1.4	1.6	1.9	2.0
F)	Avg. # Factoring In Potential Sampling Error	1.3—1.5	1.4—1.8	1.5—2.3	1.7—2.3
TOTAL POTENTIAL USAGES/YEAR (D x F)		**22—29M**	**8—13M**	**6—14M**	**539K—1.1M**

Tax Return History Service

		1040 Filers	Sch C Filers	Sch E Filers	Sch F Filers
A)	Total # Of Filers In Each Constituency	45,142,000	17,159,000	14,493,000	1,666,000
B)	% "Definitely, Probably, Might Use"	31%	30%	29%	25%
C)	Factoring In Potential Survey Sampling Error	29—33%	27—33%	23—35%	20—30%
D)	Estimate Of # Potential Users (A x C)	13M—15M	5M—6M	3M—5M	333K—500K
E)	Avg. # Expected Usages Per Year	1.4	1.6	1.6	1.9
F)	Avg. # Factoring In Potential Sampling Error	1.3—1.5	1.4—1.8	1.4—1.8	1.5—2.3
TOTAL POTENTIAL USAGES/YEAR (D x F)		**17—23M**	**7—11M**	**4—9M**	**500K—1.2M**

"M" = Millions
"K" = Thousands

IRS = Source For PART-YEAR Estimates Of Total # Filers in Each Constituency (11.02.10)
1040 Return Filers = 45,141,620 (Rounded To 45.142,000) – Note: "Intermediate" Only.
Schedule C Filers = 17,158,995 (Rounded To 17,159,000).
Schedule E Filers = 14,493,043 (Rounded To 14,493,000).
Schedule F Filers = 1,666,157 (Rounded To 1,666,000).

Other Types Of IRS Electronic Communication/Interaction/Services Wanted

Other Types Of Electronic Services Wanted From IRS

Total Respondents	1040 Return Filers 1502 %	Sch C Filers 1000 %	Sch E Filers 250 %	Sch F Filers 250 %
Provide Better Information	10	10	12	7
Clarify/update new tax laws	2	2	2	2
Have question and answer section	2	1	1	0
Easier to understand language/layman's terms	2	1	1	1
Ability to get all forms needed online	1	1	1	2
Explanation of deductions	1	1	1	0
Would like to know status of refund	1	1	0	1
Filing Specific	7	7	6	6
Eliminate need for third party	2	1	1	1
Lower taxes	1	1	0	0
Should be free to file/don't charge to file	2	1	1	1
Should offer software like Turbo Tax	1	1	1	0
Have a flat tax	1	1	0	1

Other Types Of Electronic Services Wanted From IRS (Cont'd.)

Total Respondents	1040 Return Filers 1502 %	Sch C Filers 1000 %	Sch E Filers 250 %	Sch F Filers 250 %
Ease/Convenience	6	5	4	6
Easier to understand language/layman's terms	2	1	1	1
Ability to get all forms I need online	1	1	1	2
Easier access	1	1	1	1
Hold time on phone is too long	1	1	0	0
Communication Options	5	7	2	3
Ability to communicate through email	1	2	1	1
Ability to speak to a real person on phone	1	1	0	1
Online chat	1	1	0	1
Live contact	1	1	1	0
Nothing/none	71	69	68	(76)
Don't know/no answer	2	3	2	0

Q 38: Aside from the IRS electronic services that we've just talked about, are there any other types of electronic communication, interaction, or services that you would like to see the IRS offer?

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Detailed Characteristics Of Each Constituent Sample vis-à-vis Population Characteristics

Detailed Characteristics Of Each Group

Total Respondents	1040 Survey Sample 1502	1040 Total Pop *	Sch C Survey Sample 1000	Sch C Total Pop **	Sch E Survey Sample 250	Sch E Total Pop ***	Sch F Survey Sample 250	Sch F Total Pop ****
Gender:								
% Male	50	na	44	na	48	na	36	na
% Female	50	na	56	na	52	na	64	na
Average Age:	50	43	52	45	54	50	53	50
Average AGI: (000)	$94	$69	$83	$63	$112	$113	$88	$76
Average # Of Schedules:	1.4	1.0	na	na	na	na	na	na
Filing Status:								
% Married filing joint	68	43	82	56	79	68	92	78
% Married filing separate	1	2	0	2	0	2	-	1
% Head of household	8	20	3	15	4	7	-	4
% Single	23	35	15	27	17	23	8	17
Balance Due Indicator								
% Even	1	1	1	2	2	2	1	3
% Balance due	15	10	26	26	26	27	30	27
% Refund	84	89	73	72	72	70	69	70

Source = Pop Of IRS Lists For Each Group (Proxy For Total Population/Group)
All Are PART-YEAR '08/Processing Year '09

*   1040 Return Filers Intermediate-Only = 45,141,620 (Rounded To 45,142,000)

**   Schedule C Filers Complex-Only = 17,158,995 (Rounded To 17,159,000)

***   Schedule E Filers Complex-Only = 14,493,043 (Rounded To 14,493,000)

**** Schedule F Filers Complex-Only = 1,666,157 (Rounded To 1,666,000)

Detailed Characteristics Of Each Group (Cont'd.)

Total Respondents	1040 Survey Sample 1502	1040 Total Pop *	Sch C Survey Sample 1000	Sch C Total Pop **	Sch E Survey Sample 250	Sch E Total Pop ***	Sch F Survey Sample 250	Sch F Total Pop ****
Consortium ID:								
% Not consortium	74	77	67	69	46	50	67	67
% Free File	1	1	1	1	0	-	0	0
% Did not free file	25	22	32	30	54	50	33	33
Return Type:								
% Complex	0	0	100	100	100	100	100	100
% Intermediate	100	100	0	0	0	0	0	0
No Simple In Study	x	x	x	x	x	x	x	x
V-Code:								
% No V-Code	86	85	77	75	54	56	72	73
% V-Code	14	15	23	25	46	44	28	27
Math Error Indicator:								
% No errors on return	95	91	95	91	92	93	95	95
% At least one error	5	9	5	9	8	7	5	5
Paid Preparer Indicator:								
% Self-prepared/VITA	52	40	35	31	30	23	14	14
% Paid prepared	48	60	65	69	70	77	86	86
EITC Indicator:								
% No EITC present	93	77	na	na	na	na	na	na
% EITC amount present	7	23	na	na	na	na	na	na

NOTE: Survey Sample characteristics may differ from those of Total Pop because of a number of factors – including the availability of identifiable telephone numbers for all parts of the sample (the IRS lists for the study required telephone number lookups).

Russell RESEARCH

28

How Lists For Each Constituent Group Were Drawn From The IRS Database

1040 Return Filers – The System of Record for the ETAMDB is 22.062. For Part Tax Year 2008/PY2009, use the main and entity tables, please extract 50000 random records of taxpayers who filed a 1040 <u>Intermediate</u> return and are between the age of 22 and 65 and put in an excel spreadsheet. Each record should contain the following attributes:

- Name and Address
- Actual Age
- Filing Status Ind
- Bal Due/Refund Ind

- Intermediate Return Ind
- Consortium Ind
- Filing Type Ind
- V-Code

- Math Error Ind
- Paid Prepared Ind
- Number of Schedules

- EITC Ind
- HCTC Ind
- AGI range from Nationwide Analysis

1040 Schedule C Filers – For Part Tax Year 2008/PY2009, use the main, SBSE and entity tables. Extract 50000 random records of taxpayers who filed a 1040 <u>Complex</u> return <u>with at least 1 Schedule C</u> and are between the age of 22 and 65 and put in an excel spreadsheet. Each record should contain the following attributes:

- Name and Address
- Actual Age
- Filing Status Ind
- Bal Due/Refund Ind

- Complex Return Ind
- Consortium Ind
- Filing Type Ind
- V-Code

- TC430 Ind
- Math Error Ind
- Paid Prepared Ind

- Number of Schedules
- NAICS Code
- AGI range from Nationwide Analysis

1040 Schedule E Filers – For Part Tax Year 2008/PY2009, use the main, SBSE and entity tables. Extract 20000 random records of taxpayers who filed a 1040 <u>Complex</u> return with a <u>Schedule E</u> and are between the age of 22 and 65 and put in an excel spreadsheet. Each record should contain the following attributes:

- Name and Address
- Actual Age
- Filing Status Ind
- Bal Due/Refund Ind

- Complex Return Ind
- Consortium Ind
- Filing Type Ind
- V-Code

- TC430 Ind
- Math Error Ind
- Paid Prepared Ind

- Number of Schedules
- NAICS Code
- AGI range from Nationwide Analysis

1040 Schedule F Filers – For Part Tax Year 2008/PY2009, use the main, SBSE and entity tables. Extract 20000 random records of taxpayers who filed a 1040 <u>Complex</u> return with a <u>Schedule F</u> and are between the age of 22 and 65 and put in an excel spreadsheet. Each record should contain the following attributes:

- Name and Address
- Actual Age
- Filing Status Ind
- Bal Due/Refund Ind

- Complex Return Ind
- Consortium Ind
- Filing Type Ind
- V-Code

- TC430 Ind
- Math Error Ind
- Paid Prepared Ind

- Number of Schedules
- NAICS Code
- AGI range from Nationwide Analysis