

IRS**News Release****Media Relations Office****Washington, D.C.****Tel. 202.622.4000****For Release: 6/04/01****Release No: IR-2001-55****IRS TO SURVEY BUSINESS COMMUNITY ABOUT COMPLIANCE BURDEN**

WASHINGTON – As part of a continuing effort to improve service, the Internal Revenue Service is conducting a survey to measure the time and cost burden placed on business taxpayers in complying with federal income tax laws and regulations.

The survey, sponsored by the IRS's Large and Mid-Size Business Division, includes a version for business taxpayers and one for practitioners. Approximately 2,500 taxpayers and 2,000 practitioners have been randomly selected from the IRS Business Master File and are being mailed a request to participate in the anonymous survey. Two weeks later, they will be mailed the survey itself.

LMSB serves a customer base of approximately 225,000 business filers with assets in excess of \$5 million.

"We welcome this opportunity to hear directly from LMSB customers," said Larry Langdon, Commissioner, LMSB. "Their survey feedback, should they choose to participate, will provide us with valuable information we can use to help meet their needs."

The survey seeks to gather information on businesses' costs related to outside preparation of tax forms and documents, as well as on the time and cost businesses spend on compliance activities within the company. These may be associated with recordkeeping, purchase of tax software, internal preparation of tax forms and documents or any other income tax-related activity or product.

The survey also asks participants to identify provisions of the tax code they have most difficulty complying with and areas of the compliance process where time and cost burden could be reduced.

"We expect to use the survey results to identify areas where we can reduce the taxpayers' and practitioners' burden," said Langdon. "I encourage anyone who is contacted to participate."

The University of Michigan helped design and will independently conduct the survey to ensure complete impartiality, confidentiality and anonymity of the taxpayers and practitioners involved. The university will receive and analyze the survey results and submit a report to the IRS on its findings. The report will quantify the burden, identify the most and least burdensome aspects of the law, regulations and compliance process, and identify areas of potential burden reduction.

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Once it receives the report, LMSB will explore opportunities to reduce the burden on its customers. Potential remedies could include streamlining the compliance process, simplifying forms, addressing widespread and recurring issues throughout the business community and more.

The survey should be completed by September 2001.

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