



ELECTRONIC TAX ADMINISTRATION ADVISORY COMMITTEE

Electronic Tax Administration Advisory Committee (ETAAC) Virtual Public Meeting Thursday January 11, 2023 MINUTES

The Electronic Tax Administration Advisory Committee (ETAAC) held a virtual public meeting via conference call on January 11, 2023. The meeting was called to order by John Lipold, IRS Designated Federal Officer at approximately 12:30 p.m. ET. Mr. Lipold welcomed the public and provided logistical information. He noted that the meeting was the second public meeting of the 2022-2023 ETAAC Committee. Mr. Lipold then introduced Jared Ballew, ETAAC Chairperson, to provide remarks on behalf of the Committee.

Mr. Ballew thanked the IRS for its support, including hosting the committee in-person for the January meeting. He then offered a brief summary of the Committee's purpose. In particular, he noted that ETAAC's scope includes providing advice regarding the IRS's Identity Theft Tax Refund Fraud prevention efforts through the Security Summit. Mr. Ballew noted ETAAC is advisory, not oversight.

Mr. Ballew introduced this year's co-Vice Chairs, Timur Taluy and Vernon Barnett. He then asked Mr. Taluy to comment on the real time feedback efforts of the ETAAC since the November meeting. Mr. Taluy detailed that ETAAC looks to work collaboratively with the IRS to deliver its advice in a manner that is timely and useful, including delivering real-time feedback. He noted providing real-time feedback to IRS since the last meeting regarding the Inflation Reduction Act Implementation Plan Study requested by Treasury Secretary Yellen. Mr. Taluy also provided details about ETAAC's collaboration on a 1099k real time feedback in December that will continue to be worked moving forward. Mr. Taluy turned the meeting over to Mr. Barnett

Mr. Barnett thanked the Committee, which includes practitioners, state tax representatives and members of the private sector. He noted that ETAAC's diversity and depth of experience allows it to function in a way that is unique. Mr. Barnett thanked the IRS for their efforts in responding to committee inquiries with topics evaluated to date, and for future assistance as each of the sub committees begin their work.

Mr. Ballew shared that ETAAC developed three subgroups during the meeting this week that will drive the focus of this year's report.

- Filing an Income Tax Return A-Z
- Information Reporting Modernize / Digitize / Standardize Information Reporting
- Digitalization, Business, and Human Capital Modernization

Mr. Ballew then Introduced the leader for the Filing an Income Tax Return A-Z Subgroup Andy Phillips

Mr. Phillips reported a very successful working session where his subgroup will focus on developing thoughtful and modern recommendations to Congress and the IRS to address systemic challenges in electronic tax administration, with a special focus on the experience of individual and business taxpayers and the tax professionals that assist them along their journey in complying with their federal tax obligations.

Mr. Ballew then Introduced the subgroup for the Information Reporting Modernize / Digitize / Standardize Information Reporting Subgroup Hallie Parchman

Ms. Parchman reported a productive session this week diving deep into the opportunities in the information reporting space. We discussed having better availability of information reporting data for all parties which goes to Andy's sentiment on transparency. We also discussed mechanisms for enforcement and spent time discussing the 1099-K with the anticipated reduction in thresholds and how to make it easier for tax practitioners, taxpayers, and the IRS alike. Finally, we discussed recommendations related to the detection and prevention of Identity Theft/Fraud.

Mr. Ballew then Introduced the leader for the Digitalization, Business, and Human Capital Modernization subgroup Terri Steenblock

Ms. Steenblock outlined that this subgroup will focus on root causes for taxpayer journey disruptions that can be solved through the implementation of digital-by-default solutions that are modern and iteratively designed. There are significant key underlying infrastructure issues facing the IRS that affect the tax ecosystem., This group will pay specific attention to identifying the needs of major business modernization opportunities with a focus on improvements to the backend processes that support the tools and resources necessary to provide an exceptional taxpayer experience.

Mr. Ballew offered kudos to IRS for offering relief to taxpayers with the delay for implementation of \$600 reporting threshold for third-party payment platforms' Forms 1099-K.

Mr. Ballew then noted that ETAAC welcomes comments from the public, and opened the floor for comment by those on the call. Hearing no questions or comments, Mr. Ballew thanked the attendees and turned the meeting over to Mr. Lipold.

Mr. Lipold provided the email address for submission of comments to ETAAC: publicliaison@irs.gov and noted that ETAAC's prior reports and minutes can be found at [IRS.gov/ETAAC](https://www.irs.gov/ETAAC). Mr. Lipold thanked the attendees and concluded the meeting at approximately 12:45 p.m. ET.