

Membership Balance Plan
Internal Revenue Service
Electronic Tax Administration Advisory Committee (ETAAC)

- (1) Name. Electronic Tax Administration Advisory Committee (ETAAC).
- (2) Authority. The establishment and operation of the ETAAC is required by the Internal Revenue Service (IRS) Restructuring and Reform Act of 1998, Title II, Section 2001(b) (2).
- (3) Mission/Function. The ETAAC's purpose is to provide continuing input into the development and implementation of the IRS's strategy for electronic tax administration. The ETAAC provides an organized forum for discussion of electronic tax administration issues including the prevention of identity theft and refund fraud and as well as other issues in support of the overriding goal that paperless filing should be the preferred and most convenient method of filing tax and information returns. ETAAC members convey the public's perceptions of IRS electronic tax administration activities, offer constructive observations about current or proposed policies, programs, and procedures, and suggest improvements. The ETAAC's duties are to research, analyze, consider, and make recommendations on a wide range of electronic tax administration issues and to provide input into the development and implementation of the strategic plan for electronic tax administration. The ETAAC reports annually to the Commissioner of the Internal Revenue Service and ultimately Congress.
- (4) Points of View. The number and membership balance of the ETAAC is not static and will vary depending on the IRS's needs and the work of the ETAAC. Each ETAAC member is appointed to represent a point of view from within the electronic filing community, including organizations varying in size and type. Each member may also represent a customer segment based upon topics of interest to those in the electronic filing industry.

ETAAC members are selected through a structured application process that targets individuals with experience in cybersecurity and information security, tax software development, tax preparation, payroll and tax financial product processing, systems management and improvement, implementation of customer service initiatives, consumer advocacy and public administration.

ETAAC members are representatives from the electronic filing community,

including: tax practitioners, tax preparers, computerized tax processors, business owners and state tax administrators. Subject matter or technical expertise in tax software and electronic filing as they relate to accuracy, security and privacy are necessary to accomplish the tasks of the ETAAC. Individuals with experience as a senior official with a state agency, academia, or private industry are likely to have the appropriate level of technical expertise.

When making an employment status determination of the ETAAC members, the IRS looks at the express language of the ETAAC's charter and considers that ETAAC members (a) do not receive compensation other than travel expenses for services on the committee; (b) do speak for recognizable nongovernmental groups or stakeholders; and, (c) are not supervised by a Federal government employee.

(5) Geographic diversity is also important for ETAAC.

(6) Candidate Identification Process.

- a. Cross-section. IRS solicits applications and nominations for the ETAAC by placing a notice in the Federal Register, issuing a news release, and using industry partners and IRS staff to disseminate both communications. After receiving nominations and applications, the IRS develops a list of qualified candidates. The candidates are selected based on their skills, expertise and qualifications and geographic and stakeholder diversity, after taking into consideration the characteristics of members that will be leaving a vacancy in the ETAAC.
- b. Agency staff involved. A cross-section of IRS staff participates in the selection process for membership.
- c. Vacancies. Vacancies will be filled annually, using a process to match as closely as possible the balance and diversity characteristics of the departing member or the issues of interest to the committee.
- d. Term limits. Each member is appointed for a term of one, two or three years with the option for a one-year extension.

(7) Subcommittee Balance. ETAAC may form subcommittees (or subgroups) for any purpose consistent with the charter. Such subcommittees must report directly to the ETAAC parent committee and do not make recommendations directly to Federal Officials. Therefore, ETAAC subcommittees are not covered by the Act

and are not subject to the Act's requirement that committees be "fairly balanced."
41 C.F.R. § 102-3.35.

- (8) Other. The IRS will take whatever other steps are necessary to ensure a balanced membership on the ETAAC.
- (9) Date Prepared. This Membership Balance Plan was updated August 10, 2016 and was reviewed on January 28, 2020 with no changes.