

# The FTA – IRS Tactical Advisory Group

# FTA Annual Meeting June 13, 2005



#### What is the TAG?

- Formed by request of IRS Electronic Tax Administration (ETA)
- IRS representatives from W&I, SBSE, and ETA with other resources as needed
- State members AZ, DE, IL, KS, SC, and VA
- Facilitated by IRS and FTA
- Chaired by Terry Garber, SCDOR





Key IRS representatives by function

- State members to represent state perspectives
  - Balance of size, geography
  - FTA facilitates communications
- State members serve 2-year terms
- off every year

#### **TAG Charter**

- Coordinate tactical planning for einitiatives between IRS and states
- Improve communication and cooperation on priorities and strategies
- Agree on cooperative methods
- Produce/Facilitate outcomes





Facilitated FedState 1120 e-filing

- Coordinated Joint Marketing efforts
- Recommended FSET adoption
- Contributed to W-2 SPEF Business Case
- Facilitated FedState use of EFTPS
- Reviewed IRS e-strategic plans



## 1120 FedState MeF Release 3

Business requirements delivered

- State interest mobilized
- Deployment team formed
- 26 states have indicated interest for 1/06
- Technical work ongoing in TIGERS

AG provides input/coordination



All states surveyed – and responded

- Marketing resources varied
- Interest in partnering high
- IRS shared e-marketing strategy
- FedState message included in IRS ads
- Develop "best practices" -- States/IRS



#### **FSET Promotion**

Promote awareness of current program

- Both within IRS and States
- Lobby for "full fed/state architecture" for FSET program when moved to MeF platform
- Plan for full fed/state implementation





### W-2 Single Point E-File

Surveyed states for interest

- Revenue benefit from timely data in electronic form
- Contributed to IRS development of Business Case
- Significant burden reduction to business community



## Fed/State EFTPS Payments

IRS/FMS desire to increase use of EFTPS

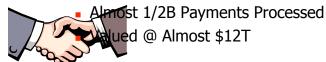
- Possible synergy, especially with withholding payments – "one stop" for businesses
- State issues are being resolved
  - Need for data with payments
  - Variations in formatting among states
- Pilot effort: IRS, FMS, B of A, IL, SC, VA





## Fed/State EFTPS Payments

- EFTPS Background
  - Established in November 1996
  - Free Service to Taxpayers
  - Businesses & Individuals Pay Federal Taxes Electronically
  - Payments Can be Made by Telephone Voice Response or via the Internet





# Fed/State EFTPS Payments

- Pilot Planning
  - FMS & IRS Sponsoring
  - Federal & State Payments Initiated from One Source
  - No co-mingling of Federal and State Funds
  - Focus on State Withholding Taxes
  - ACH formatted files will be used
  - Only Debit Payments included in the Pilot

\$1 & SC Committed to Pilot

KS, NY & VA Acting in an Advisory Capacity



# Fed/State EFTPS Payments

- EFTPS Helps Segment Market
  - EFT Mandated Groups
  - EFTPS Potential Groups
    - Individual Payers
    - Batch Remitters
    - Bulk Payers



State Web Services



## Strategy Plan Review

- Awareness of IRS e-initiative plans
- Provide "tactical" input
- Foster IRS State e-dialogue
- Prepare for cooperative efforts
- Planning for all to work together





#### **New Initiatives**

- Fed/State 1065/1040 e-file
- ERO registration
- Security and authentication
- Understand IRS Enterprise Architecture and its implications for the states





#### Join us!

- Three TAG states will roll off this year
- Three new state members needed
- Executive level participation in setting direction for Fed/State e-initiatives
- Monthly Conference Calls
- Three face meetings per year

# **QUESTIONS?**



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