



## The FTA – IRS Tactical Advisory Group

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FTA Annual Meeting  
June 13, 2005



## What is the TAG?

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- 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





## Who's on it?

- Key IRS representatives by function
  - State members to represent state perspectives
    - Balance of size, geography
    - FTA facilitates communications
  - State members serve 2-year terms
  - A portion of State members rotate off every year



## TAG Charter

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





## What has TAG done?

- 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
- TAG provides input/coordination





## Joint Marketing

- 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
- Almost 1/2B Payments Processed
- Valued @ Almost \$12T



## 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
- TX & SC Committed to Pilot
- IL, 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

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



## Join us!

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- 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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