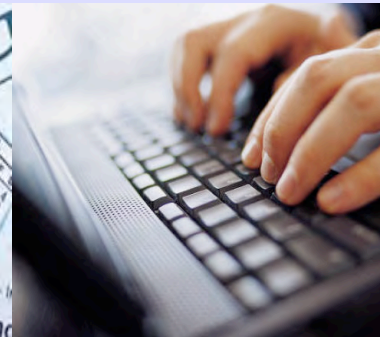


**FTA Technology Conference 2010**

# **FTA-IRS Tactical Advisory Group (TAG)**

Terry Garber  
South Carolina Department of Revenue  
TAG Charter Member





# What is TAG

**Chartered in 2003 with these objectives:**

- **Improve communication between state tax agencies and the IRS on e-initiatives.**
- **Increase IRS and state understanding of each other's challenges regarding e-initiative development and implementation.**
- **Enhance cooperation between states and IRS when considering e-initiative priorities and strategies.**
- **Provide recommendations to assure that cooperation in e-government efforts maximizes business value for both the IRS and state tax administrations while reducing burden and increasing service for taxpayers.**



# Who is TAG

- **Co-Chairs**: Doreen Warren, State of Idaho and Diane Fox, IRS
- **Six State Representatives**: AL-CO-CT-ID-ND-UT-WV
- **Key IRS Representatives**: Electronic Tax Administration, Government Liaison, Cyber Security, Office of Safeguards.
- **State Co- Chair of the TIGERS Group**: Terry Garber
- **FTA Staff Member**: Jonathan Lyon
- **IRS Staff Member**: Cassandra Daniels
- **Participation**: Electronic Tax Administration and Governmental Liaison



# TAG Success Stories

- **Multi-Language Initiative (MLI)**
- **Joint Marketing**
  - **Fed/State Ad campaigns**
  - **Best Practices for e-File Marketing**
- **Electronic Return Originator (ERO) Registration**
- **Modernized eFile Fed State 1120, 1120S and 1065**



# What's on the Radar Now

- **Advancing eFile Study**
- **Modernized eFile (MeF) Fed State 1040**
- **Modernized Internet EIN**
- **Security**
- **Suspicious Filer Program**
- **State Reverse File Match Initiative (SRFMI)**
- **W2 Compliance**
- **SSN Elimination and Reduction**



# Advancing eFile Study

- **Congress is Encouraging E Filing**
- **IRS Commissioned to Look at Options**
- **TAG Members Provided Input Into the Study and Plan**



# Modernized eFile (MeF)

- **1040: Getting off the ground**
- **1120, 1120S, 1065: Established and Growing**
- **Tigers: Where the Action Is!**

IRS: <http://www.irs.gov/efile/content/0,,id=171945,00.html>

FTA: <http://www.statemef.com/index.shtml>



# Modernized Internet EIN

- **Launched September 2007**
- **Pilot States: NY, SC**
- **Links from State Registration Portals**
- **Passes data from State to IRS**
- **If interested, contact:**
  - **Bonnie Harrison (859-669-5538 / [Bonnie.Harrison@irs.gov](mailto:Bonnie.Harrison@irs.gov))**
  - **Vera Liggins (202-283-6643 / [Vera.L.Liggins@irs.gov](mailto:Vera.L.Liggins@irs.gov) )**



# Security

- **Ongoing TAG Security Subcommittee**
- **Review of new IRS Publication 1075**
- **Safeguard and Security Workshops**
- **State Information Security Officers**
- **Secure Data Transfer (SDT)**
- **Secure Email**



# Suspicious Filer Program

- **FTA facilitates the electronic exchange of suspicious filer info between participating states.**
- **FTA Sponsored – State Participants**
- **IRS Participation – How to Enable**



# State Reverse File Match

- **State Matches Against Federal Data**
- **State Sends Discoveries to IRS**
- **TAG Oversight**
- **Most states Now Participating**
- **State Confidentiality Issues**



# W2 Compliance

- **IRS Obtains W2 Data from Social Security Administration**
- **Identify Under Withholders who do not pay outstanding liability**
- **Letter to Employer/Employee**
- **Lock Withholding at Single, No Exemptions**
- **Pilot to share this data with States, evaluate results**



# SSN Elimination and Reduction

- **IRS' Office of Privacy, Information Protection and Data Security (PIPDS)**
- **Phased Program**
  - **Date Gathering**
  - **Data Analysis**
  - **Implementation**
- **Pilot to Redact Forms 1099, 1098, 5498**
- **TAG Submission of State Concerns**



## Future TAG Initiatives – State Survey

- **TAG ask Commissioners and Senior Staff of states to prioritize direction of future TAG initiatives through survey.**
- **To identify contact points who can participate in teleconferences and brainstorm.**
- **Provided survey and asked to provide contact points and level of interest.**



# Commissioner Responses

1. **On-Line Filing or E-filing**
2. **Data Matching/Data Mining/Data Warehousing**
3. **Voluntary Compliance**
4. **Internal Operations**
5. **Audit**
6. **Improving Agency Performance**
7. **Collections**
8. **Technology**
9. **Criminal Enforcement**

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## hot topics

[State Income Tax Filing Statistics](#)  
[March 20, 2009]

[Washington Wins FTA Award for Outstanding Training](#)

[Washington & California BOE Win FTA Award for Taxpayer Service & Education](#)

[State & Local Government Sales Tax Losses from Electronic Commerce](#)  
[Bruce, Fox & Luna] [April 13, 2009]  
[more research papers]

[UDITPA Revision Debate Continued; Study Committee Chair Resigns](#) [Daniel Schibley, CCH]  
[March 31, 2009]  
[more legal issues]

[FTA Testifies of VOIP Legislation](#) [March 31, 2009]  
[more on federal legislative issues]

[IRS Marketing Tools for State EFile Programs](#)  
[January 22, 2009]  
[more IRS information]

[Annual Supreme Court Review](#)  
[more legal issues]

[FTA Taxation of Services Survey - 2007](#)  
[All Data is now online]

[Update on IRS/Federal Data Exchange Programs](#)  
[Briefing Paper from Board Meeting][October 2008]

[New Listserv Responses Posted](#)  
[5 New Responses Added] [April 14, 2009]

## Meetings

[FTA Annual Meeting](#), Denver, CO, May 31-Jun 3, 2009

[FTA Fed/State Electronic Filing Symposium](#), San Diego, CA, May 3-6, 2009

[FTA Technology Conference and Exhibition](#), August 2-5, Boise, ID

[2009 FTA Meeting Calendar](#)

[more on Meetings](#)

## Publications

[TaxExpress - April 13, 2009 CONGRATULATIONS, WINNERS](#)

[State Tax Highlights - April 10, 2009](#)

[FTA Briefing Papers - October 2008](#)

[FTA Bulletins](#)

[By the Numbers Newsletter February 2009](#)

[back issues of discontinued newsletters](#)

[Directory of State Tax Administrators, 2008](#)

[more Publications](#)

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Legal Issues

Tobacco Tax Section

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Electronic Tax Administration

Motor Fuel Section

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Mtr Nexus

**Federal Legislation** latest on Federal Legislation affecting state taxation.

**Doggett's Smuggled Tobacco Prevention Act of 2007**

[More legislative information](#) . . . . .

**State Tax Agencies Collect over \$202 Million** through the **Federal Refund Offset Program** . . .

[More information](#) . . . . .

**Customs Data Exchange Project** . . . [Latest information](#) on obtaining Customs data in electronic format

[More information](#) . . . . .

**Performance Measures Project** . . . States working together to develop and share common measures for benchmarking tax agency activities.

[More information](#) . . . . .

**IRS Information** . . . Quick access to IRS information necessary for state tax administrators.

[New Study to Reduce the Tax Gap](#) . . .

[More information](#) . . . . .

**FTA-IRS Tactical Advisory Group (TAG)** . . . . States and IRS working together to improve cooperation on electronic initiatives.

[more information](#) . . . . .



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Special Projects - Mozilla Firefox

File Edit View History Bookmarks Tools Help

http://www.taxexchange.org/member/projects/tag\_projects.html

Firefox Updated Special Projects

# SPECIAL PROJECTS

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## FTA-IRS TAG

This group was formed in 2003 and is called the Tactical Advisory Group, or TAG. It is designed to provide advice and input on state-related issues related to electronic initiatives and issues for all IRS Business Operating Divisions and functional areas. There are six state members and six IRS members; IRS and a State member serve as co-Chairs for the group. For more information, view the [TAG Charter](#).

**hot topics**

- [suspicious file project](#)
- [streamlined sales tax project](#)
- [fta performance measures](#)
- [refund offset implementation](#)
- [edi task force](#)
- [customs data](#)

FTA-IRS Tactical Advisory Group (TAG)

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-Another Section-

Go

### Listing of TAG state and IRS members

### Briefing on TAG Progress and Initiatives

September, 2008

### Significant TAG Initiatives

brief description of areas worked and associated documents

- [Electronic Tax Administration](#)
- [Security](#)
- [Other](#)

### TAG Meetings

- [TAG Action Items](#) [September 10-11, 2008 meeting]
- [Draft Agenda for November 20, 2008 teleconference](#)
- [more on TAG Meetings](#)

### TAG Survey - Cooperation on Electronic Initiatives

### Templates

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**Click Address To Contact:**  
Jerry Coble, TAG State Co-Chair, [Jerry.Coble@dornc.com](mailto:Jerry.Coble@dornc.com)  
Phyllis Gattos, TAG IRS Co-Chair, [Phyllis.Gattos@irs.gov](mailto:Phyllis.Gattos@irs.gov)  
FTA Staff: Jonathan Lyon, [Jonathan.Lyon@taxadmin.org](mailto:Jonathan.Lyon@taxadmin.org)

Updated November 13, 2008

Done

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# Recruitment Announcement

- **Executive level participation in setting direction for Fed/State e-initiatives**
- **Monthly Teleconferences/One Face Meeting**
- **Three new states on TAG every year**
- **If your state is interested, please contact Jonathan Lyon, FTA**
- **[Jonathan.Lyon@taxadmin.org](mailto:Jonathan.Lyon@taxadmin.org)**
- **Phone 202-624-5894**