



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





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
- TN, 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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