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# The FTA – IRS Tactical Advisory Group

Tim Blevins  
FTA Annual Meeting  
June 5, 2006

## What is the TAG?

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- Formed January 2003 by request of IRS Electronic Tax Administration (ETA)
- IRS representatives from Wage & Investment, Small Business/Self Employed, Mission Assurance Security Services and Electronic Tax Administration with other resources as needed
- Six states invited by FTA

## What is the TAG?

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- Original State members CA, NY, SC, MD, VA, IL
  - 2005 new states AZ, DE, KS
  - 2006 new states NM, PA, NC
- Facilitated by IRS and FTA
- 2006 Co-Chairs – Tim Blevins, KS and Peter Maser, IRS

## Who's on it?

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- Key IRS representatives by function
- State members to represent all states
  - Balance of size, geography
  - FTA facilitates communications
- State members serve 2-year terms
- A portion of the State members rotate off every year
  - Liaison with TIGERS for technology implementation

## TAG Charter

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- 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

## 1120 FedState Corporate

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- Business requirements delivered
- State interest mobilized
- Deployment team formed
- 2 states in production, 11 testing.
- Technical work ongoing in TIGERS
- TAG provides oversight

## Joint Marketing

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- Sharing research findings with states with goal of increasing efile.
- Multilingual Initiative
- IRS shared electronic IRS strategy
- States shared Telefile strategies
- FedState message included in IRS ads
- Develop “best practices” -- States/IRS

## Fed/State EFTPS Payments

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- 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, BofA, IL, & SC

## Monitor IRS Trends

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- Assess impact on states
- Create state awareness
- Ensure communication and coordination
- Examples:
  - **Consolidation of Extensions**
  - **Expansion of Third Party Data Store**
  - **Prisoner Fraud Detection**

## Data Security Issues

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- Participation in Security Summit
- Review of high-level policy
- Determined need for Security Subgroup
  - State information security officers
  - Executive level IRS support
  - Six states plus TIGERS
  - Bi-weekly conference calls

## Data Security Issues

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- Update of Publication 1075
- Review of system-specific settings (“SCSEMs”) and self-audit tools
- Security of IRS data in state data warehouses
- Pilot strong authentication for MeF
  - Foreign nationals/background checks

## Information Returns

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- Receiving, storing and retrieving IR is common problem for IRS and states
- Single Point W-2 proposal did not solve IRS issues
- Exploration of “clearinghouse” concept similar to health industry medical records

## New Initiatives

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- Fed/State 1065/1040/FSET e-file
- Fed/State ERO registration
- Authentication and Signatures
- Understand IRS Enterprise Architecture and its implications for the states
- Compliance issues

## Join Us!

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- Three states will join TAG for 2007
- Opportunity for other states to participate in TAG Subcommittees
- Executive level participation in setting direction for Fed/State e-initiatives
- Three face meetings per year
- New members welcomed at September 2006 face meeting

## Join Us!

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- If your state is interested, please contact Jonathan Lyon, FTA
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## QUESTIONS?

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