

Request for Applications to Participate in the 2003 IRS Individual e-file Partnership Program

Announcement 2002-101

The Stakeholder Partnerships, Education and Communication (SPEC) function within the Internal Revenue Service (IRS) is continuing its efforts to establish IRS *e-file* partnerships with various entities. The IRS is seeking non-monetary *e-file* partnerships for **Filing Season 2003**. No applications for funding (monetary compensation) will be considered. Applications may be submitted by a commercial business, non-profit organization, state government or local government. Applications are not solicited from other Federal government agencies. The program is an annual program and covers the period January 2003 through October 15, 2003. **All prior year partners must reapply for Filing Season 2003.**

BACKGROUND

The IRS Restructuring and Reform Act of 1998 (RRA 98) requires the IRS to receive 80 percent of all returns electronically by 2007. RRA 98 authorized the IRS Commissioner to promote the benefits of and encourage the use of *e-file* services. As a result of RRA 98, the IRS enters into non-monetary partnerships with businesses to offer low cost income tax preparation and electronic filing for qualified taxpayers.

Continued opportunities for growth in electronic tax administration are evident. For Filing Season 2002, the IRS received over 46 million electronically filed returns, an increase of 16% over the previous year. Visit the IRS web site, www.irs.gov, "IRS e-file for Tax Professionals, Software Developers, and Transmitters" for the most current results from market research on individual taxpayers: demographic data and psychographic studies. This includes attitudinal surveys, customer satisfaction surveys, Public Service Announcements (PSAs)/Paid Advertising Tracking Studies and any focus group results.

The IRS currently accepts 115 forms and schedules for electronic filing. Visit the IRS

web site (www.irs.gov) for a complete listing of accepted forms and schedules.

FILING SEASON 2003

For Filing Season 2003, the IRS will focus on the **1040** series income tax returns covering "IRS e-file Using a Tax Preparer" and "IRS e-file Using a Personal Computer." Additional emphasis is being placed on the following features: "Self-Select Personal Identification Number (PIN) for *e-file*"; "Using e-file for Federal/State Returns", and "Electronic Payment Options" for balance due and estimated payment options.

Emphasis should also be placed on the first-time filer population. IRS research indicates that this segment of the population continues to lag behind other segments of the population that *e-file*. In addition, research indicates that *e-file* is still lagging in the self-prepared simple segment. Another area of emphasis is to reach those taxpayers who continue to file computer prepared paper returns (v-code). Research indicates that the number of v-code returns continues to increase (76% of all v-code returns are prepared by paid preparers). Emphasis should be placed on encouraging v-code filers to electronically file their returns through the marketing and promotion of the benefits of *e-file*.

The IRS expects all accepted partners to aggressively market, promote and offer *e-file* services through October 15, 2003. The IRS will supply the partners with the Filing Season and post April 15 *e-file* campaign message(s), if available, to target additional qualified taxpayers, *i.e.*, extensions, military returns, etc. Pending the passage of legislation, Participants are encouraged to offer the April 30 due date extension for *e-file*.

For additional information on the various *e-file* programs, features, and market research, visit our web site at www.irs.gov. For a listing of our current partners and the services they offer, refer to the IRS *e-file* Partners Page at www.irs.gov.

Participants will receive hyperlinks from the IRS web site to the Participant's web site. Potential Participants may request links for the following categories: **IRS e-file Partners for Taxpayers, IRS e-file Partners for Tax Professionals, IRS e-file Partners for Financial Institutions/Employers, and IRS e-file Partners for Credit Card Payment Options.**

PARTICIPATION REQUIREMENTS

- The Participant (Electronic Return Originator, Intermediate Service Provider, Software Developer, and Transmitter) must be in good standing with the IRS, comply with the *e-file* requirements stated in the IRS Revenue Procedure 2000–31, 2000–2 C.B. 146, Publications 1345 and 1345A, 26 U.S.C. 7216, U.S.C. 6103, and pass the annual Suitability and Participants Acceptance Testing (PATS) conducted by the IRS. All other Participants are exempt from these requirements.
- The Participant will offer their products and services to filers of the 1040 Series returns, including complicated returns, balance due returns, Federal/State returns, and 1040EZ returns. The Participant is encouraged to reach first-time filers and v-coders. The participant will offer a variety of *e-file* features including the Self-Select PIN, Electronic Payment Options, Direct Deposit of Refunds, etc.
- The Participant will aggressively market, promote and offer *e-file* services through October 15, 2003. The Participant will use the current Filing Season *e-file* marketing/promotional messages developed by the IRS. In addition, the Participant will use the post April 15 *e-file* campaign message(s) and other promotional tools, if available, to target qualified taxpayers, *i.e.*, extensions, military returns, etc.
- The Participant is encouraged to offer the April 30 due date extension for *e-file*, upon passage of authorizing legislation.
- The Participant will have a hyperlink(s) from the IRS web site to their site. Participants will not have a URL(s) containing the word “IRS”.
- The Participant will place the IRS *e-file* logo on its web site.
- The Participant will provide a description (350 characters or less) for each hyperlink placed on the IRS *e-file* Partners Page. The Participant will have a link(s) to the IRS web site.
- The Participant will not offer its services and/or products based on the condition in obtaining an eligible taxpayer’s consent to solicitations of additional business.

- The Participant’s web site will not contain inappropriate content nor will the Participant provide links to inappropriate content.
- The Participant will clearly disclose to users its customer service support options and privacy policy.
- The Participant should submit written notification, *i.e.*, email, to the IRS of changes/additions/deletions to URLs, link descriptions, etc.
- The Participant will submit a Performance Report to the IRS Point of Contact by May 30, 2003. The report will cover Filing Season activities (*i.e.*, statistical information, web site activity, etc.). The IRS Point of Contact will provide written reporting instructions and requirements to accepted participants.

PERFORMANCE STANDARDS

- The IRS will have the accepted participant’s hyperlink(s) available on the IRS web site by December 31, 2002, or before the start of electronic filing, subject to the participant’s passing of the annual Suitability and PATS testing. Hyperlinks will remain on the IRS *e-file* Partners Page at least through October 15, 2003, or later.
- The IRS will rotate on a daily basis the hyperlinks that exist on the IRS *e-file* Partners Page.
- The IRS may establish a link from the IRS *e-file* Partners Page to the Free Internet Filing Consortium web page.
- The IRS will accept, if appropriate, the Participant’s written request for changes/additions/deletions to a URL, link description, etc.
- The IRS has a right to review the Participant’s web site(s) to ensure that participation requirements are met.
- The IRS will not endorse specific offerings or products, but will promote the IRS *e-file* Partners Page. A “Site Disclaimer” will exist on the IRS web site before the user enters the Participant’s web site.

PARTICIPATION TERMS

- The IRS Individual *e-file* Partnership Program is an annual program, and all prospective Participants, including returning Participants, must re-apply each year following the

guidelines in the announcement advertised on www.irs.gov.

- If the IRS determines that the participant is not meeting the “Participation Requirements,” the IRS may terminate its partnership with the Participant and remove the participant’s hyperlink(s) from the IRS *e-file* Partners Page.
- The Participant should notify the IRS immediately if it wishes to terminate its partnership with the IRS. The notification should be submitted through email to the IRS Point of Contact or sent to the Point of Contact’s address.

APPLICATION PROCESS

Applications should contain the following:

- Include the Applicant’s Point of Contact information (name, title, address, telephone number, fax number and e-mail address) for discussion of your application.
- Identify the Applicant’s secure web site.
- Identify the Applicant’s tax preparation software (if applicable).
- Include the Applicant’s Electronic Filer Identification Number (EFIN) and/or Electronic Transmitter Identification Number (ETIN) (if applicable).
- Identify the Applicant’s hyperlink(s) and provide a short description (350 characters or less) of the services and products to be promoted on the IRS *e-file* Partners Page. In addition, the Applicant should provide the associated URL(s). **The URL(s) address cannot contain the word “IRS.”** Indicate the category for each hyperlink(s): **IRS *e-file* Partners for Taxpayers, IRS *e-file* Partners for Tax Professionals, IRS *e-file* Partners for Financial Institutions/Employers, and IRS *e-file* Partners for Electronic Payment Options.** Refer to the IRS *e-file* Partners Page (www.irs.gov) for examples of link descriptions.
- Identify the Applicant’s communication vehicle(s) (*i.e.*, web site, marketing/promotional products, etc.) to market and promote your products and services and IRS *e-file*. Describe the incentives, discounts, offers, benefits to taxpayers or other specific approaches to increase *e-file* volumes.

- Certify the Applicant's compliance with the privacy and disclosure provisions of 26 U.S.C. 7216 and 26 U.S.C. 6103 (if applicable).

If your application is denied, you will receive written notification from the IRS with an explanation of the denial.

IRS POINT OF CONTACT/ APPLICATION SUBMISSION

Applications to participate in the IRS Individual *e-file* Partnership Program should be submitted as a Word document through email at ***WIE-filepartners@irs.gov** (Please make sure there is an asterisk before the WI (Wage and Investment) when submitting an application.) An application may also be sent to Karen Bradley at the following address:

Internal Revenue Service
5000 Ellin Road
Lanham, MD 20706
Attention: Karen Bradley
W:CAR:SPEC:FO:IMS
C5-351

If you wish to have a hyperlink(s) on the IRS *e-file* Partners Page by **December 31, 2002, or before the start of electronic filing**, your application must be submitted by **December 4, 2002**, otherwise, there is no deadline for your application.

Illustrations of marketing materials may be submitted in Adobe Acrobat Portable Document (PDF) or other appropriate files.

Any questions regarding the development of applications, the submission of Performance Reports, or any other type of contact for this program should be directed to **Karen Bradley at (202) 283-7034** or through email to ***WIE-filepartners@irs.gov** (Please make sure there is an asterisk before the WI (Wage and Investment) for any type of email contact.)

APPLICATION EVALUATION

All applications will be evaluated based on the required information provided to the IRS and the applicant's ability to fulfill their responsibilities. Prior year performance will also be considered when evaluating applications from returning partners.

ACCEPTANCE/DENIAL OF APPLICATION

If your application is accepted, you will receive written notification from the IRS.