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Small Business/Self-Employed Operating Division's e-Strategy e-Compliance, e-Services, and e-Filing

What is the SB/SE e-Strategy?

- e-Compliance
 - Exploring opportunities to reduce cycle time and improve workload identification.
- e-Services
 - Expanding e-Services to increase customer satisfaction and business productivity.
- e-File
 - Leveraging and expanding electronic filing initiatives.

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Why develop an e-Strategy?

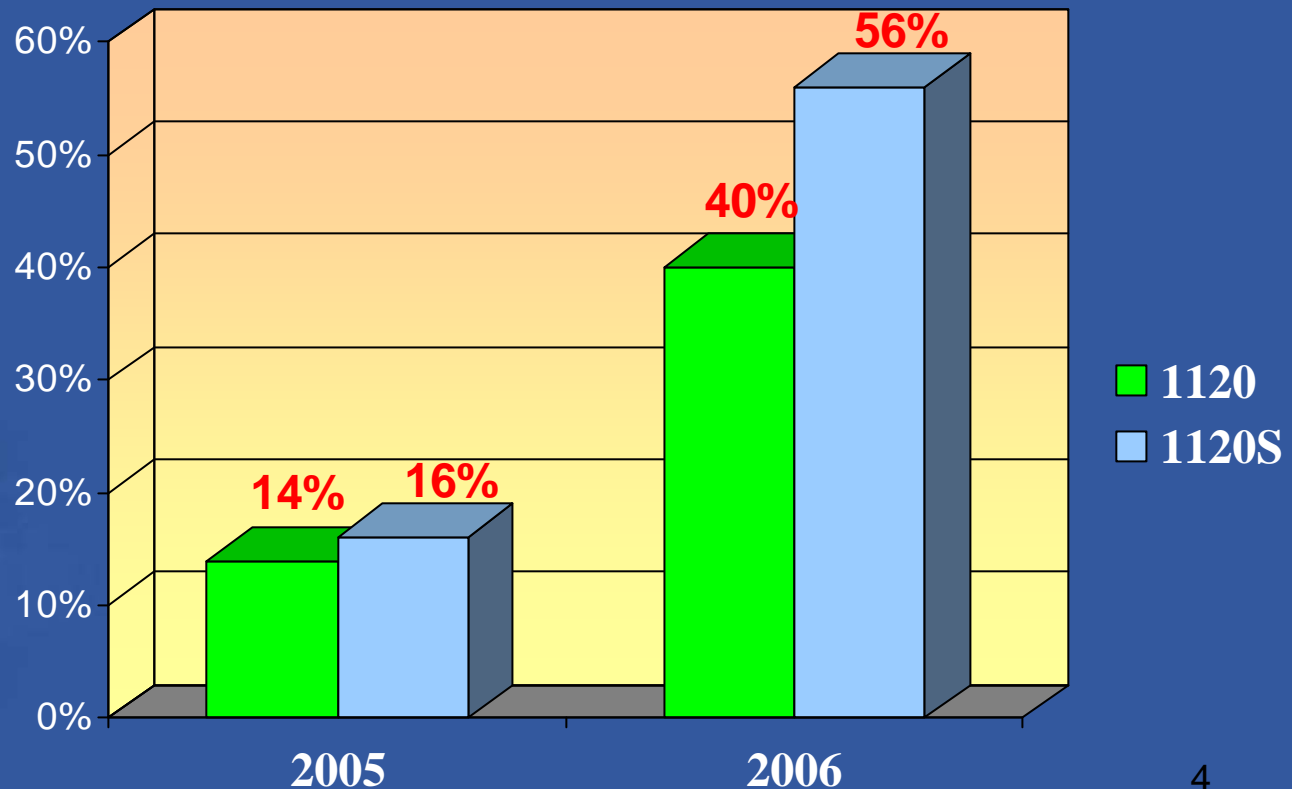
SB/SE is developing an e-Strategy to:

- Achieve an SB/SE strategic priority.
- Reduce burden.
- Support tax practitioners who want greater e-Capabilities.
- Optimize customer support and business outcomes with technology.
- Reduce the \$345B Tax Gap.
- Maximize efforts to increase e-filing.

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What is the impact of state e-file mandates?

Massachusetts Mandatory e-File & the Impact on Federal e-File rates



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Strategy Development Focus Areas

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	e-Compliance	e-Services	e-Filing	
Small Business				1120 1120S 1065/1065 B
Self Employed				1040 Schedule C
Specialty Tax				Estate & Gift Excise Employment

SB/SE e-Projects

- Electronic Filing of Federal Tax Liens (e-Lien)
- Electronic Installment Agreements (e-IA)
- Excise Tax e-File & Compliance (ETEC) Project



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e-Filing for businesses

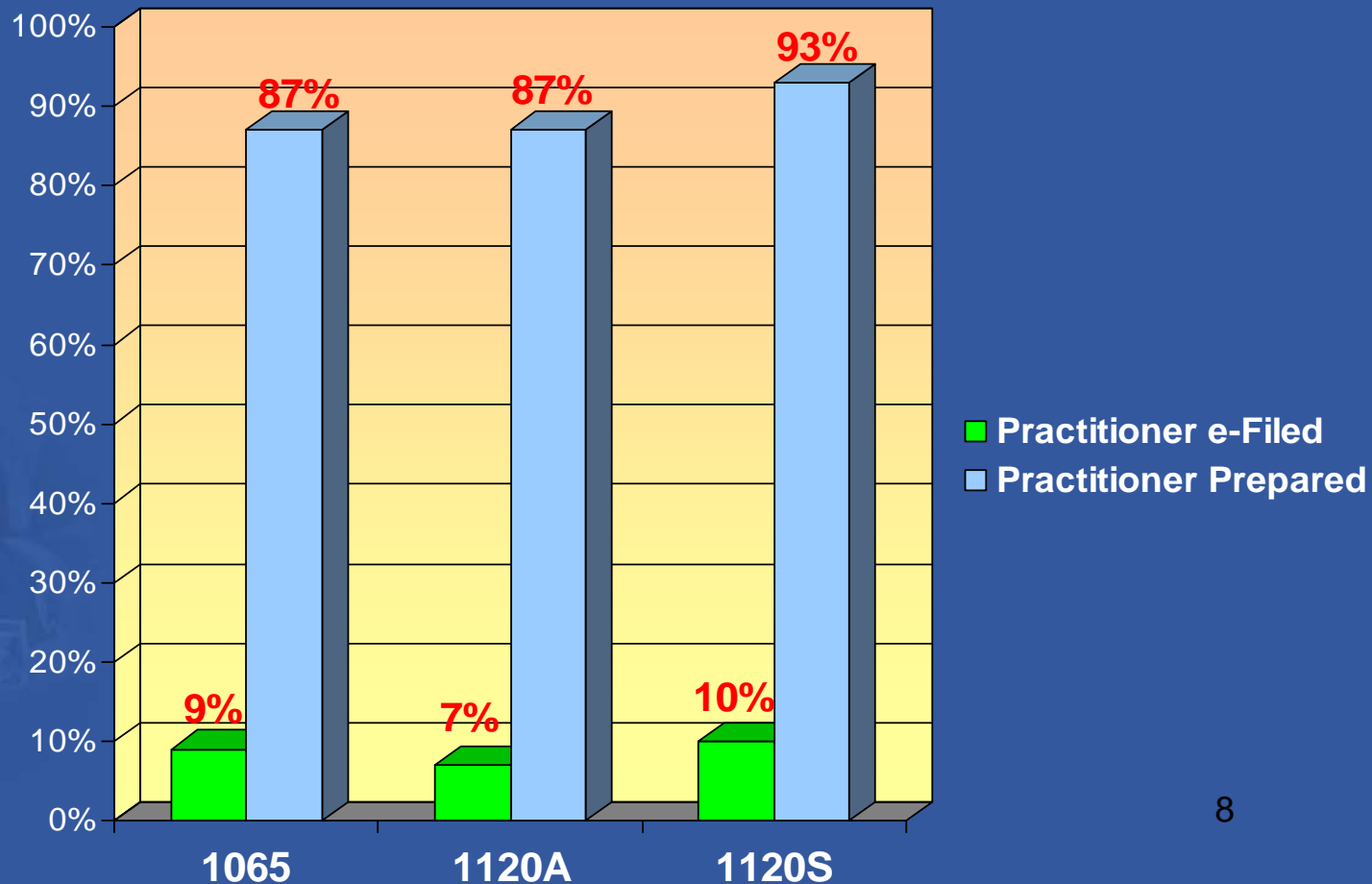
Modernized e-File (MeF)

- A modernized web-based platform for filing tax and information returns (1120 and 1065 families) electronically through the Internet.
- Benefits include:
 - Processing in real time
 - Enhanced customer service support
 - Accepting e-File returns w/PDF attachments

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Tax Practitioners & e-File

Practitioner Prepared Returns vs. Practitioner e-Filed Returns in 2006



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Reasons for Low e-File Rate

- Not all tax forms can be used with MeF
- Different e-file capabilities for state and federal taxes
- Some clients prefer paper tax return data versus electronic
- IRS e-filing system is not user friendly

What are other reasons ?

Point of Contact

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Outreach & Education Products

- **Virtual Small Business Tax Workshop DVD – 10-lesson interactive video**
- **Small Business Resource Guide CD-ROM**
- **Tax Calendar for Small Businesses and Self-Employed**
- **Tax Talk Today – Monthly Web cast for tax professionals**
- ***E-News for Tax Professionals* and *E-News for Small Businesses* – Weekly electronic newsletters**