

The logo for Center Forward, featuring the words "CENTER" and "FORWARD" in a blue, serif font. The text is arranged in two lines, with "CENTER" on top and "FORWARD" below it. A thin red horizontal line with a small red dot in the center separates the two words. Two red curved lines, resembling arcs, frame the text from above and below.

C E N T E R
FORWARD



CENTER FORWARD
**AMERICAN ENGAGEMENT
AND PERCEPTIONS OF THE
INTERNAL REVENUE SERVICE**





Center Forward conducted a national poll in September 2021 to understand more about Americans' view of the Internal Revenue Service (IRS). Taxpayers gave the agency extremely high marks for the added work the IRS took on in distributing three rounds of Economic Impact Payments and COVID related stimulus checks to millions of eligible taxpayers, a task no one knew the agency would be doing before the pandemic hit. But, a majority of Americans still do not trust the IRS to look out for their best interests when trying to get the lowest tax bill and the best refund.

In addition to surveying the public's opinion of the tax agency, the poll also asked about a proposal being considered to allow the IRS to begin preparing tax returns for families and individuals. Taxpayers would have the option to accept the return the IRS prepared for them, make changes to it, or reject it and instead prepare and file their own alternate return. This proposal is known as a return-free tax system. The poll found that some would favor this system because of its ease and convenience, while others believe that it will cost more than the current tax filing system and do not trust the IRS to prepare taxes. Additionally, taxpayers say they wouldn't use any IRS tax prep system because they overwhelmingly feel it's an inherent conflict of interest for the tax collector to also act as the tax preparer.

This poll also found that many Americans are concerned about this system because it may not account for capital gains, itemized deductions, business income, employee business expenses, moving expenses, or individual retirement accounts.

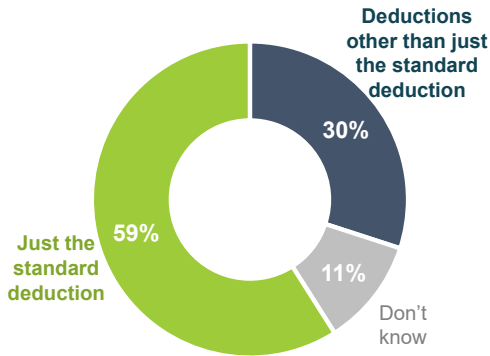
A handwritten signature in blue ink that reads "C Kramer". The signature is fluid and cursive, with the first letter "C" being particularly large and stylized.

Cori Kramer
Executive Director, Center Forward

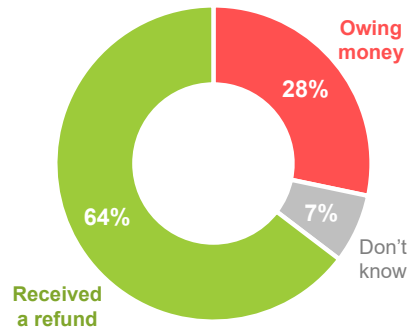
The Internal Revenue Service (IRS) was founded in 1862 and is responsible for the collection of federal taxes and enforcement of U.S. tax laws. Since its establishment, the agency's role has grown to processing tax returns, conducting criminal investigations, and overseeing tax-exempt organizations and retirement plans. It's one of the largest organizations of the federal government with almost 74,500 employees. In 2020, the IRS processed nearly 253 million tax returns.

Most people report using just the standard deduction, getting a refund, and few have been audited.

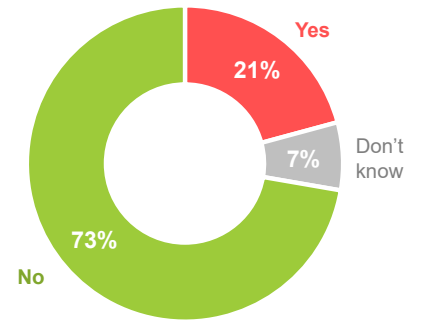
When you last filed your federal taxes, did you end up just taking the standard deduction or take other itemized deductions?



When you last filed your federal taxes, did you end up owing money to the IRS, or did you receive a refund?

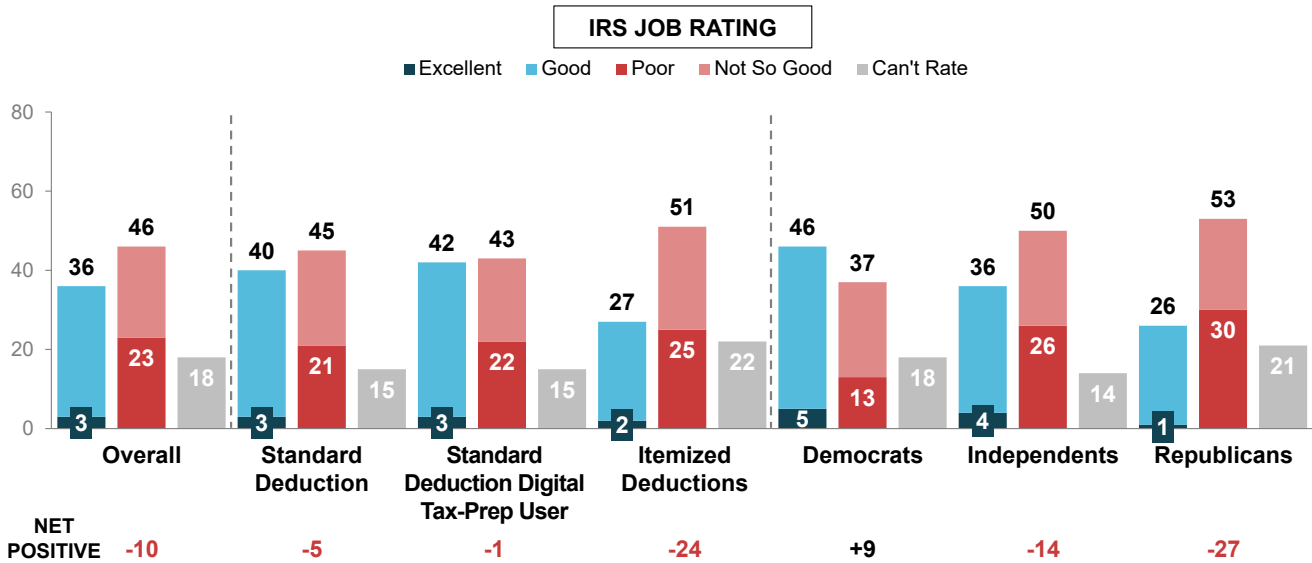


Have you ever had your taxes audited by the IRS?



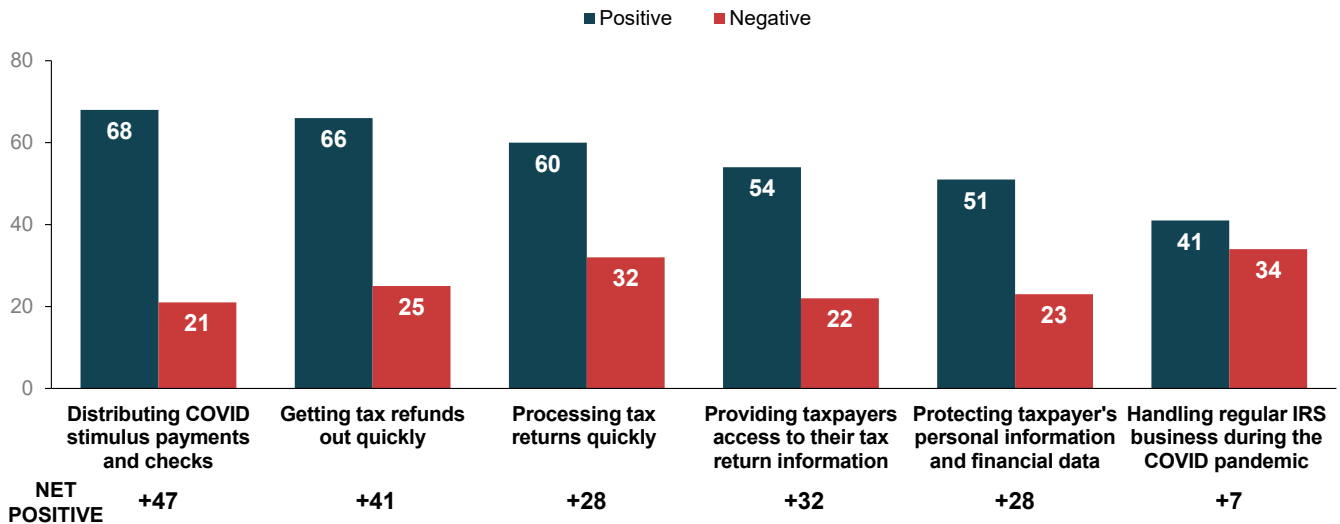
Americans, especially non-Democrats, are net negative on the IRS, with intensity on the negative side across the board.

Voters taking the standard deduction and those using digital tax prep software are much closer to parity.



Despite an overall negative job rating, voters generally report positive ratings for the IRS' special COVID – related responsibilities.

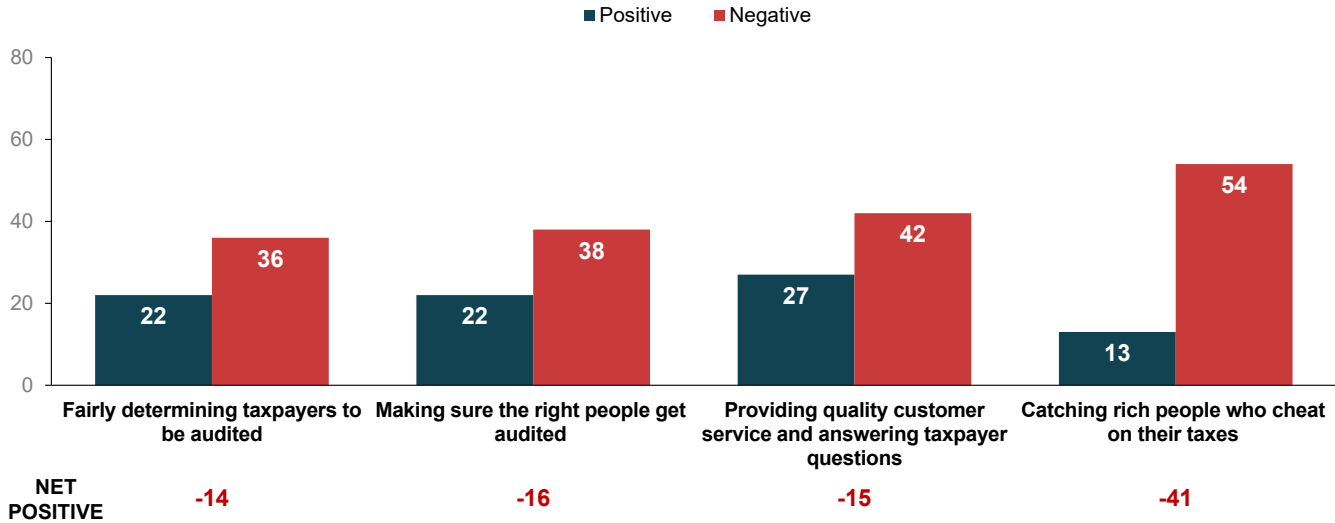
Here are a few different services that the IRS provides. For each one, please rate the job the Internal Revenue Service is doing...



Voters do *not* think the IRS is doing a good job at handling tax issues in a fair manner.

Customer service and answering customer questions are also an issue.

Here are a few different services that the IRS provides.
For each one, please rate the job the Internal Revenue Service is doing...

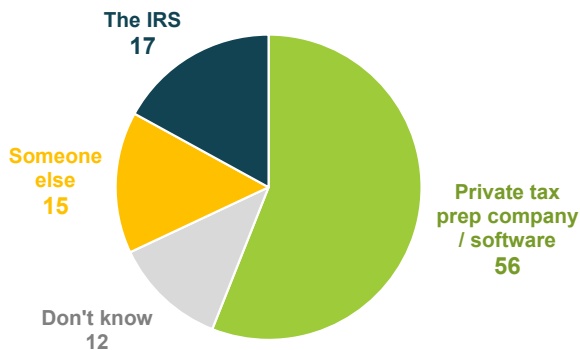


When it comes to taxes, voters inherently do not trust the IRS to look out for their best interests.

They much more trust a private company to get them the lowest tax bill and the best refund.

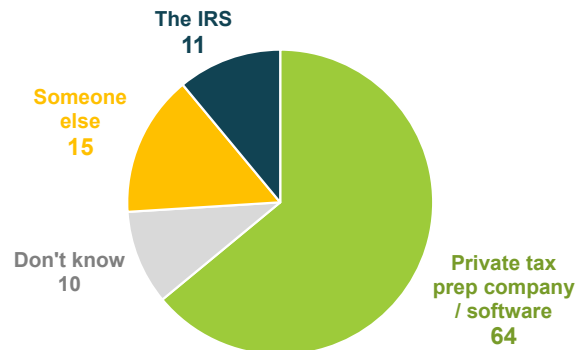
Who would you trust more to make sure you pay no more than you owe in taxes?

NET PRIVATE COMPANY	
Overall	+39
Standard Deduction	+37
Itemized Deductions	+50



Who would you trust more to make sure you get the maximum refund possible on your taxes?

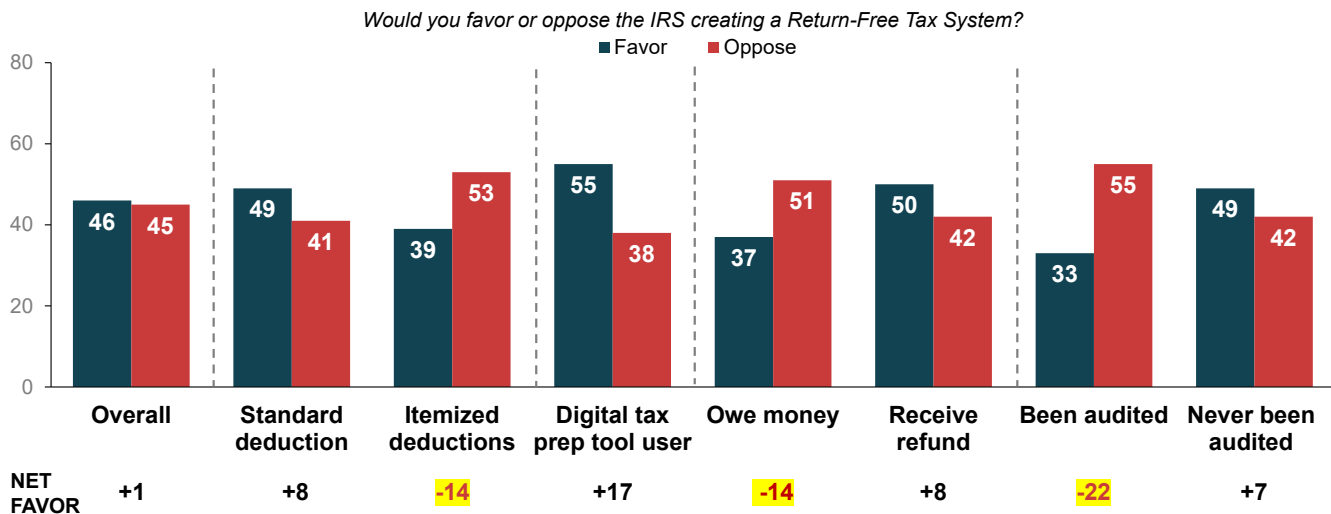
NET PRIVATE COMPANY	
Overall	+53
Standard Deduction	+43
Itemized Deductions	+73



Voters are initially divided on the creation of a Return-Free Tax System but intensity is stronger for opposition (31% strongly oppose) than for support (19% strongly favor).

Those with easy, simple returns lean towards favoring this while those who itemize, owe money, or have been audited in the past are more staunchly opposed.

There is a proposal to allow the IRS to prepare your tax return for you to file. To provide this free service, the IRS would create a new computer system to use the data it collects about you to prepare your tax return. This is called a Return-Free Tax System. Taxpayers would have the option to accept the return the IRS prepared for them, make changes to it, or reject it and instead prepare and file their own alternate return.



The most convincing arguments for and against a return-free tax system:

BEST SUPPORTER MESSAGE 31% Very convincing	BEST OPPONENT MESSAGE 47% Very convincing
<p>[OPTIONAL] Taxpayers who wish to continue using commercial services or accountants to prepare and file their taxes would still be able to do so. Taxpayers will not be forced to accept the IRS's prepared return and can choose to prepare their taxes any way they would like.</p>	<p>[CONFLICT] Allowing the IRS to be both the tax preparer and the tax collector is a conflict of interest. The IRS's responsibility is to collect maximum tax revenue and enforce tax laws, not help Americans take all the deductions they're allowed by law. We can't trust them to look out for taxpayers.</p>

ABOUT THE POLL

In coordination with Public Opinion Strategies, ALG Research conducted this bipartisan poll from August 23-30, 2021 with a sample size of 1,000 registered voters nationwide.

The margin of error is +/- 3.1 percentage points at the 95% confidence level.

