

**OMB Package**  
**Earned Income Credit Research Studies:**  
**Evaluation of the “I Take Credit” EITC Marketing Campaign**  
**TIRNO-05-Z00003, Task Order 8**

**I. Introduction**

**Background/overview.** The Earned Income Tax Credit, or EITC, was created in 1975 to offset Social Security taxes for low-income, working families. The IRS estimates that 20-25% of taxpayers who are eligible for EITC don't file for it, and is looking to increase the number of eligible taxpayers who claim the tax credit, and to decrease the number of EITC claims that are paid in error. To support those goals, the IRS implemented a marketing campaign in 2006 entitled “I Take Credit” to promote public awareness of the EITC. The campaign was introduced to the public via bilingual (English and Spanish) printed publications (newspapers, flyers, and brochures) and public service announcements, and a national media event held on February 1, 2007 entitled, “EITC Awareness Day”. The products and activities generated by the campaign are intended to increase awareness about the tax credit, and to reach taxpayers who may not be aware that they qualify.

The purpose of Task Order 8 is to plan, conduct, analyze, and report on focus groups with EITC-eligible taxpayers to obtain their feedback about the effectiveness of the EITC “I Take Credit” marketing campaign. Results from the focus groups are expected to provide a qualitative assessment of taxpayers’ awareness of EITC, and whether current outreach strategies motivate taxpayers to find out if they are eligible to file for the credit. The goal of these discussions is to supply IRS with insights into the kinds of strategies that could motivate taxpayers to participate in EITC, and to suggest ways that the IRS can enhance the effectiveness of EITC outreach efforts.

Fifteen focus groups will be conducted with taxpayers who are eligible to receive EITC. Participants will represent EITC-eligible taxpayers who did and did not file for EITC in Tax Year 2006. At least three of the discussions will be conducted with Spanish-speaking participants. IRS will provide Westat with lists of EITC-eligible taxpayers representing members of both groups (EITC filers and non-filers). The discussion protocol will be developed to address the experiences that members of each group have had with EITC, and to collect feedback about the effectiveness of “I Take Credit” marketing strategies. These discussions will take place in 7 different cities (2 groups in 6 cities, 3 groups in 1 city) that represent the 4 regions within the continental United States<sup>1</sup> (Northeast, Midwest, South, West.)

**Objectives of data collection.** The most important objectives of these focus groups are to supply IRS with insights into eligible taxpayers’ awareness of EITC, and the kinds of strategies that could motivate taxpayers to file for the tax credit. Focus groups present an opportunity for the IRS to solicit qualitative feedback from these two groups of taxpayers about issues such as:

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<sup>1</sup> As defined by the U.S. Census Bureau

- Taxpayers’ awareness of EITC and how they learned about it;
- Taxpayers’ awareness of, and use of EITC resources on [www.irs.gov/eitc](http://www.irs.gov/eitc), including the “EITC Assistant”;
- Taxpayers’ awareness of the EITC “I Take Credit” campaign and its associated products and marketing materials;
- Feedback about the current marketing campaign;
- Suggestions for outreach strategies that would inform taxpayers about EITC and motivate participation; and,
- Barriers to EITC participation.

## II. Methodology

**Sample design.** Westat will conduct 15 focus groups - 2 groups each in 6 cities and 3 groups in 1 city – in 7 different cities across the Continental U.S. No more than 10 respondents will participate in each discussion group. Participants will represent EITC-eligible taxpayers who did and did not file for EITC in Tax Year 2006. At least 3 of the discussions will be conducted with Spanish-speaking participants. In recruiting participants, we will strive to include individuals who represent:

- EITC-eligible taxpayers who have filed for the tax credit;
- EITC-eligible taxpayers who have not filed for the tax credit;
- Taxpayers from urban, suburban, and rural areas;
- Taxpayers residing in cities where the “I Take Credit” campaign was implemented; and,
- Taxpayers residing in areas served by the IRS Volunteer Income Tax Assistance (VITA) Program.

**Data to be collected.** Qualitative data will be collected that help identify eligible taxpayers’ awareness of EITC, and their reactions to marketing materials that have been designed to motivate taxpayers to file for the tax credit. Each discussion will be audio-taped with participants’ consent. Based upon the transcripts from the groups, the results will be analyzed to identify themes that arise in the groups about the major topics under discussion (e.g., awareness of EITC and related IRS online resources; awareness of, and feedback on “I Take Credit” marketing materials; potential motivators for, and barriers to filing for the credit).

**How data will be used.** Results from the focus groups will be used to provide insight about how aware EITC-eligible taxpayers are of the tax credit, and how they respond to materials that the IRS has designed to increase awareness of EITC. While these qualitative results are not generalizable to the entire “EITC-eligible taxpayer population”, they do provide valuable input about the kinds of strategies that could motivate taxpayers to participate in EITC, and ways that the IRS can enhance the effectiveness of EITC outreach efforts.

**How data will be analyzed.** Using control analysis strategies, we will systematically review and analyze the transcripts from each of the 15 focus groups to identify themes that emerge. This procedure begins with analyzing each line of the transcript and generating substantive “open” coding categories. We may also use NVivo 7, a software package that enables the coding, linking, shaping, searching, and modeling of qualitative data.

**Dates of data collection.** A total of 15 focus groups will be conducted – 2 groups in 6 cities and 3 groups in 1 city across the Continental U.S – beginning in February 2008. Data collection is expected to be complete by May 2008.

**Who is conducting the research.** The research is being conducted by Westat. Westat will not be using any subcontractors. Westat is located at 1650 Research Blvd., Rockville, MD 20850.

**Cost of study.** The total estimated cost of this research effort is \$259,448, which will be broken down across 6 tasks.

**Stipend.** A \$100 stipend will be provided to each focus group participant. The purpose of the stipend is to encourage participation, and to thank respondents for sharing their time and contributions to the discussion. A stipend of this amount is typical when conducting focus groups with populations that may incur child care and/or transportation expenses to attend the discussion.

**Recruitment efforts.** Westat will solicit participation of EITC-eligible taxpayers from lists provided by the IRS. We will track participation rates and provide reasons that taxpayers provide for choosing not to participate. We will also track the number of individuals who were invited to participate and the number who actually ended up participating.

**Location-region/city and facilities.** These discussions will take place in 7 different cities (2 groups in 6 cities, 3 groups in 1 city) that represent the 4 regions within the continental United States<sup>2</sup> (Northeast, Midwest, South, West.) Westat will seek space within professional focus group facilities in these locations to conduct the groups. If a professional facility is not available in a targeted location, we will secure a facility in which the group discussion can be conducted so as to ensure participants’ privacy and confidentiality.

**Methods to maximize response rates.** Since this is a qualitative effort, the calculation of response rate is not relevant. The results from these focus groups will not be representative of the population being studied. Nonetheless, we will still attempt to encourage participation during our recruiting phone calls. In addition, all participants will: (1) be sent a letter reminding them of the focus group, (2) receive a reminder telephone call one business day before the discussion group, and (3) be provided a stipend when they show up for the group.

**Efforts Not to Duplicate Research.** This is the first national, qualitative data collection effort that the IRS has conducted with EITC-eligible taxpayers to learn about their awareness of the tax credit and gather their feedback about the current marketing campaign.

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<sup>2</sup> As defined by the U.S. Census Bureau

### III. Participants Criteria

Participants will be selected from a sample of individuals who the IRS has identified as EITC-eligible taxpayers. A sample of potential participants will be drawn from each of 15 cities of interest to the IRS. The locations will be selected by the IRS to provide representation across the 4 geographic regions in the continental US. We will conduct 2 discussion groups in 6 cities and 3 groups in 1 city in the early evening to help accommodate taxpayers' work and family schedules. We are planning to use professional focus groups facilities in each city to conduct the groups.

### IV. Privacy, Security, Disclosure, Confidentiality

Westat personnel are trained in the importance of protecting data confidentiality. All project staff have signed the Assurance of Confidentiality Pledge, a general assurance of confidentiality. Data collected about respondents (e.g., name, address) will be kept in locked cabinets or areas when not in use. Once the recruiting task is completed, all respondent names and addresses contained in the screener will be shredded.

During the focus groups, only the first name of participants will be used. In addition, to protect the privacy of the respondents, no names will appear in any report documentation. Audiotapes will be destroyed once the transcripts are completed. No identifying information will be contained in the transcripts.

### V. Estimated Burden Hours

The estimated time to complete the participant screening is 4 minutes and the estimated time for each focus group attendee is 2 ½ hours including travel time (30 minutes each way). We will assume a 50% percent success rate in soliciting participation.

<b>Screening Burden</b>		
Total number of potential participants screened: [Approx. 50 participants screened for each of 15 focus groups (50 x 15 = 750)]	750	People
Estimated time to complete screening	4	Minutes
Estimated participant screening burden (750 X 4 minutes = 3000 minutes / 60 = 50 hours)	50	Hours
<b>Focus Group Participation Burden</b>		
Estimated number of participants: 150 participants (n=10 for each focus group). There will be 15 focus groups.	150	People
Time to conduct the focus group (1.5 hours) plus half hour commuting time each way (1 hour)	2.5	Hours
Estimated focus group participant burden (150 X 2.5 =)	375	Hours
<b>Total burden</b> (screening and focus group participation)	<b>425</b>	<b>Hours</b>

## **VI. Special Tallies and Other Information**

The following information will be provided to the EITC Office at IRS within 60 days after the close of the focus group data collection operations:

1. SOI Control Number
2. Title of study
3. Purpose of study
4. Findings: a brief summary of significant (important) findings that were evidenced in the results.
5. Actions taken or lessons learned: a brief summary of actions taken or lessons learned as a result of the screening and/or focus groups.
6. Number of participants screened.
7. Number of participants who were invited to the focus group.
8. Number of participants who actually participated in the focus group.
9. Date and times of the focus groups.
10. Date the data collection ended.
11. Actual burden hours
12. Estimated costs associated with the data collection.

### **Attachments**

- Attachment 1 – Telephone Screener
- Attachment 2 – Discussion Guide
- Attachment 3 – Consent Form