

OMB Clearance Package Economic Stimulus Payment Survey Cognitive Testing

I. Introduction

Congress passed the Economic Stimulus Act of 2008 (Pub.L. 110-185, 122 Stat. 613, enacted 2008-02-13) to provide for several kinds of economic stimulus intended to boost the United States economy in 2008 and to avert or ameliorate a recession.¹ The Economic Stimulus Act provides tax rebates to low and middle income individuals, tax incentives to stimulate business investment, and an increase in the limits imposed on mortgages eligible for purchase by government-sponsored enterprises.² Starting in May, the IRS began sending economic stimulus payments to more than 130 million US households.³

To accomplish the task of completing the 2008 filing season and also preparing IRS systems and staff to send out millions of rebate checks to U.S. individuals in time to positively affect the economy, the IRS rapidly responded to the legislation. The IRS updated IRS.gov with economic stimulus payments information (including an online payment calculator), partnered with media contacts and volunteer organizations to encourage taxpayers to file for the rebates, and developed an Internet video to inform the public.⁴ The IRS held a nationwide outreach effort titled “Super Saturday” on March 29, 2008.⁵ The IRS also sent millions of notices to individuals informing them of their economic stimulus payments.⁶

The IRS also worked closely with several federal agencies, such as the Social Security Administration (SSA) and Veterans Affairs (VA) to target special populations. Since retirees, disabled veterans and low-wage workers who usually are exempt from filing a tax return must do so in 2008 in order to receive a stimulus payment.

The IRS would like to conduct cognitive testing to assist in the development of a survey of individuals who were eligible to receive Economic Stimulus Payments (ESP). The survey will be used to determine their perception and actual performance of the IRS in executing the economic stimulus payments. This includes the effectiveness of IRS communications as well as implementation of the Economic Stimulus Act. OMB approval of the survey will be sought under separate cover.

¹ Wikipedia, *Economic Stimulus Act of 2008*, http://en.wikipedia.org/wiki/Tax_rebate (June 2008).

² *Id.*

³ IRS, *Facts about the 2008 Stimulus Payments*, <http://www.irs.gov/newsroom/article/0,,id=179095,00.html> (February 2008).

⁴ IRS, *Economic Stimulus Payments News and Legal Guidance*, <http://www.irs.gov/newsroom/article/0,,id=179388,00.html> (June 2008).

⁵ IRS, IRS Sets March 29 as “Super Saturday” to Help Retirees, Veterans and Low-Income Workers Receive Economic Stimulus Payments, <http://www.irs.gov/newsroom/article/0,,id=180648,00.html> (March 24, 2008).

⁶ IRS, *Economic Stimulus Payment Notice*, http://www.irs.gov/pub/irs-utl/economic_stimulus_payment_notice.pdf (June 2008).

Objectives of Data Collection

The overall objective of this project is to gather qualitative data on the problems/issues/questions people have regarding the IRS's implementation of and communications about the ESP. The output of the cognitive tests will be input for constructing and refining a quantitative survey.

II. Methodology

Sample Design

- Phone Portion: PCG will listen to up to 20 interviews as part of pretest, noting hesitation points and portions of the survey for which respondents have questions or need clarification. The pretest questionnaire will include questions to test cognitive understanding and questionnaire length. We will do this by inserting questions at key points throughout the survey to ensure question clarity. Through this test, we can also determine where the question flow could be optimized, and where additional explanatory language needs to be inserted, or where wording appears to be redundant. The IRS will be able to participate in this telephone pretest. We will report back responses to the cognitive questions and recommend changes to the final questionnaire based on these responses and the telephone pretest.
- Online Portion: Knowledge Networks, our subcontractor for the online panel, will conduct cognitive debriefing interviews among 30 respondents over the telephone. Respondents will be contacted after completing the questionnaire online, and asked specific questions about the survey and their survey experience. Each interview lasts about 15 minutes. The online pretest questionnaire will also contain a few open-ended questions that ask respondents if there was anything confusing about select portions of the questionnaire.

Data Collection Dates

It is expected that data will be collected between October 2, 2008 and October 15, 2008

Data to Be Collected

Since cognitive testing is qualitative in nature, feedback and impressions noted during the sessions will be reported. Hesitation points and portions of the survey for which respondents have questions or need clarification will be noted.

How Collected Data Will Be Used

The data will be used to develop a survey to determine perceptions and actual performance of the IRS in executing the ESP.

How Data Will Be Analyzed

As the data resulting from cognitive testing is qualitative in nature, the analysis will consist of a report of the feedback and behaviors recorded during the cognitive testing. The demographic data will be tabulated and frequencies will be reported.

Who Is Conducting the Research?

Pacific Consulting Group (PCG) in conjunction with W&I Research and Analysis will be conducting the research. PCG will work with SRBI and Knowledge Networks to conduct the data collection task

Location – City, Date, and Facilities

Testing will be conducted on the phone and over the internet; therefore there is no specific location for testing

Recruitment Efforts

This data gathering effort will be carried out telephonically through the use of random digit dialing and over the internet utilizing Knowledge Network's on-line panel.

Stipend

Participants are volunteers and no stipend will be offered or paid.

Efforts to Not Duplicate Research

This is a test of a survey to improve the questionnaire before the survey is fielded. No other tests of the survey are planned.

III. Participants Criteria

The target population for this test is the universe of people impacted by the economic stimulus package.

IV. Privacy, Disclosure, Confidentiality, Security Issues

The IRS will ensure compliance with Taxpayer Bill of Rights II. All participants will be treated fairly and appropriately.

The security of the data used in this project and the privacy of participants will be carefully safeguarded at all times. Security requirements are based on the Computer Security Act of 1987 and Office of Management and Budget Circular A-130, Appendices A7B. Physical security measures include a locked, secure office. Audiotapes are stored in locked cabinets. Transcription of audiotapes are stored in locked cabinets or shredded. Data security at the appropriate levels have been accomplished. Systems are password protected, users profiled for authorized use, and individual audit trails generated and reviewed periodically.

The IRS will apply and meet fair information and record-keeping practices to ensure privacy protection of all participants. This includes criterion for disclosure—laid out in the Privacy Act of 1974, the Freedom of Information Act, and Section 6103 of the Internal Revenue Code—all of which provide for the protection of taxpayer information as well as its release to authorized recipients.

Confidentiality will be safeguarded. During the data collection process, participants will not be identified to IRS personnel. In addition, no participant names will be mentioned in the reports or data files. Participants will be advised that comments will be audiotaped. Confidentiality is assured by virtue of agency policy. The terms of IRS's contract with the data collection requires that the confidentiality of any data be maintained.

V. Estimated Burden Hours

Total burden hour estimate = 39 Hours

The estimated time to complete the cognitive testing of the survey is 45 minutes per participant. We assume a 60% response rate for the phone.

34 non-respondents at 2 minutes each	= 66 minutes	= 1 hour
20 Phone participants at 45 minutes each	= 900 minutes	= 15 hours
30 On-line participants at 45 minutes each	= 1350 minutes	= 23 hours

Expected Response Rate - Justification for Responses Rate Below 50%
Based in previous surveys we are expecting a response rate of 60%

VI. Estimated Cost of Study

The total estimated cost associated with this survey pre-test is \$23, 000

VII. Attachments

A: Draft Questionnaire with Probes