

OIC forms simplification qualitative focus group to understand the effectiveness of OIC forms redesign

**Internal Revenue Service
OMB # 1545-1349**

August 28, 2009

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I. Introduction

Background/Overview:

From September 2009–October 2009, the Internal Revenue Service (IRS) OIC redesign team, with assistance from Porter Novelli and Siegel+Gale will conduct a qualitative research study to understand the effectiveness of IRS Offer In Compromise (OIC) forms redesign.

Objectives of testing:

The primary objective of this research is to understand respondent perception and comprehension of existing OIC forms and instructions (specifically Forms 433A, 656 and Worksheet) compared to their redesigned versions. A secondary objective is to identify areas to refine and gain insights into any communications issues.

II. Methodology

Porter Novelli and Siegel+Gale will design and implement a qualitative research study with up to 40 US taxpayers. We will conduct the study with 4 groups of individuals, where each group will have up to 10 people and each will evaluate a specific notice type:

- + Business group evaluating original forms
- + Business group evaluating redesigned forms
- + General taxpayer group evaluating original forms
- + General taxpayer evaluating redesigned forms

Criteria will be established to qualify business and general taxpayer segments and individuals will be recruited accordingly. Qualified participants would then be mailed a package that would contain materials including instructions, a descriptive scenario, answer sheet, and the appropriate OIC forms (see appendix). They would be asked to complete the forms to the best of their ability from the scenario and answers provided as they would if they were actually applying for a compromise. Participants will be asked to document their experience and attend a focus group with other individuals that have filled out a similar form. In these groups, individuals will discuss things such as but not limited to their experiences, perceptions, problem areas, how they dealt with problems, and suggested improvements.

Data collection date:

Testing will be conducted from mid-September 2009–early October, 2009.

Data to be collected:

The research study will collect answers related to perception and comprehension for both “before” and “after” versions of the IRS OIC forms and instructions. More specifically we will probe for the following:

- + Strengths and weaknesses of each form
- + The ease with which they could complete the process
- + Areas of difficulty
- + Suggested improvements
- + Overall perceptions

How data will be used:

The research data and findings will be used to validate the improvement of the redesigned IRS OIC forms and instructions, identify areas to further refine, and create a benchmark.

How data will be analyzed:

Porter Novelli and Siegel+Gale will use the research collected as a source for form and instruction redesign. The research will be reviewed, analyzed, and the answers will be summarized. Siegel+Gale will document the summary findings and anecdotal comments from the research and develop recommendations. Summary analysis will validate the proposed content and design direction, with suggested areas for improvement.

Who is conducting the research?

Porter Novelli, Siegel+Gale, IRS OIC and Savitz Field and Focus

Location:

Research respondents will be drawn from the Washington DC metro area.

Stipend:

A stipend of \$250 will be offered to respondents who complete OIC forms relating to a wage-earner scenario while a stipend of \$300 will be offered to respondents who work from a small-business scenario since the small business forms are lengthier. The stipend aims to encourage participation and to thank respondents for sharing their time and contributions to our research.

Recruitment efforts:

Individuals will be recruited two weeks prior to conducting the groups. Recruiting will be done via the phone. To qualify respondents must meet a set of pre-determined criteria, including U.S. residency and have paid federal taxes in the last two years. Those people that agree to participate will be mailed a packet that will contain forms and instructions for them to fill out. Within a few days of mailing these forms, we will follow-up with participants again by phone to ensure that they have received the information and answer any questions. In addition, we will confirm that they are still interested in participating in the groups. In the event that people drop out of the exercise, we will conduct a second round of recruiting to make up for any shortfall.

Expected response rates:

This is qualitative research and response rates are not relevant

Research structure:

Porter Novelli, Siegel+Gale, and IRS OIC will test “before and afters” of IRS OIC forms during the testing.

- 1 Form 656 with 656A
- 2 Form 433A and 433B
- 3 Payment Worksheet

The average length of time to complete the forms in their homes will be 90 minutes over a one-week period followed by in-person participation in focus group interview of another 90 minutes.

16-20 participants will be mailed a packet of existing OIC forms and instructions along with a scenario of data about a fictional wage-earner who wants to file an Offer in Compromise. They will be asked to complete the forms following the scenario and instructions and then bring their completed forms with them when they participate in a focus group interview the following week. As they complete the forms, they will be instructed to put red dots (“stickies”) next to any areas that they find particularly confusing.

This process will be duplicated with another 16-20 participants who will receive a scenario of data about a fictional small business owner instead.

Efforts to not duplicate research:

This research is not duplicative and is needed to understand the effect that simplifying the OIC forms and instructions has on taxpayer behavior and comprehension.

III. Participant criteria

Participants in this study will be limited to individuals over the age of 18 that reside in the US and have filed a tax return in the last five (5) years.

IV. Privacy/disclosure/security issues

Porter Novelli and Siegel+Gale will ensure compliance with the Taxpayer Bill of Rights II. All participants will be treated fairly; Porter Novelli and Siegel+Gale will maintain anonymity without attribution of respondent and protect their data from inappropriate usage. Participants will be instructed not to provide any private or taxpayer data, any identifying information, nor will any questions be asked about the taxpayer's specific situation. The research data will be protected on a survey deployment server, its integrity maintained during data capture, analysis, and usage, as well as sharing and transmission to the IRS.

V. Burden hours

Participants in the research study will be required to read a fictional taxpayer scenario, complete the forms following the instructions based on the data in the scenario and attend a focus group the following week to discuss the forms completion experience. They will not have to provide any information prior to the research, nor will they be contacted for additional information afterwards.

The desired response for the focus group is 40 participants. It is estimated the potential burden to screen candidates will be nominal (less than one minute) as not all candidates will qualify. For those who complete the study we estimate timing to be as follows: 15 minute phone screening/follow-up, 90 minutes to complete the packet, 90 minute focus group interview and 120 minutes in travel time.

Therefore, the total burden involved in the study will be 210 hours (40 participants X 315 minutes per notice equals 12,600 minutes; 12,600 minutes divided by 60 minutes/hour = 210 hours).

Estimated Burden Hours	
210 hours	For participants to be screened, complete forms, and travel/attend focus group
210 hours	Total estimated burden

VI. Research cost

\$14,400

- Recruiting (4 groups...recruit 10 or 8 to show) \$5,000
- Incentives (4 groups...8 per group) \$6,400
- Facilities \$2,000
- Overages \$1,000