

OMB Supporting Statement
IRS Large & Mid-Size Business Division
COMPLIANCE ASSURANCE PROCESS (CAP) SURVEY 2008

Background

LMSB historically has been in a continuous audit relationship with its largest customers. Both customers and LMSB are seeking innovative ways to improve relationships, save resources and make compliance with tax law easier. Selected customers have volunteered to be part of a pre-filing program called Compliance Assurance Process (CAP). CAP is a good faith attempt to resolve all issues and reach agreement between IRS and its customer prior to the customer filing their corporate tax return.

The program provides for pro-active comprehensive disclosures of information on all significant completed business transactions, continuous collaborative interactions, and accelerated issue resolution. IRS interacts directly with customers to understand the business operation of the customer, review significant business transactions, and conduct risk assessment to evaluate tax compliance and tax reserve impacts. Purpose is to identify compliance issues for resolution. Key CAP components are real-time customer interaction with issue identification and resolution.

The survey will be web based and conducted by an outside contractor, Pacific Consulting Group (PCG) and one of their web subcontractors.

Objective

A primary goal for the contractor shall be to use the customer feedback to identify and prioritize service improvements the IRS should make in the improvement of CAP program. The survey questions will be designed to gather customer feedback and experiences with regard to ease of process, impact on reducing taxpayer burden, efficiency of issue resolution and professionalism of IRS personnel. The objective will be to gauge customer expectations and perceptions about LMSB services in relationship to CAP as opposed to the more conventional post return filing examination relationship. Each customer surveyed will be given an opportunity to express their opinion about the services they have received. The product of the CAP survey should facilitate more effective management of LMSB by:

- Providing insight from the customer's perspective about possible improvements.
- Providing useful input for program evaluation and execution at the programmatic and field office level of service delivery.

Research Methodology

The methodology used in this survey will be a web based scripted survey. All 73 taxpayers who have volunteered for the CAP program will be invited to participate in the

survey via email solicitation that will include a secure web link. The culmination of the responses will create a score that will be tabulated based on numerical scores given on the response questions. Questions will utilize a 1-5 rating scale, with 1 being very dissatisfied and 5 being very satisfied. Questions for both surveys (Coordinated Industry and Industry) will cover the following six key areas:

- CAP Preparation
- CAP Process
- Information Requests
- Audit Manager, Account Coordinator and Field Specialists
- Issue Resolution
- Proposed Adjustments
- Demographics

Data collection will be in April-May 2008.

Draft First Screen

OMB # xxxx-xxxx

As part of its continuing effort to improve the CAP audit process, the IRS is conducting ongoing research to understand customer satisfaction with the audit. The voluntary survey takes about 10 minutes to complete. Your individual responses will be kept completely confidential, and the results will be presented to LMSB only in aggregate form. If you have any questions about this survey, please e-mail the survey coordinator at <mailto:jleighty@traintech.com>.

Our contract with IRS-LMSB authorizes us to collect taxpayer specific information. Therefore responding to the survey is not an unauthorized disclosure of taxpayer information. Prior to taking the survey, if you would like to verify the authenticity of the survey request, you may contact Jim Morton, LMSB Program Analyst by phone (404-338-7127) or by email (jim.morton@irs.gov).

The Paperwork Reduction Act requires that the IRS display an OMB control number on all public information requests. The OMB Control Number for this study is 1545-1432. Also, if you have any comments regarding the time estimates associated with this study or suggestions on making this process simpler, the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave. NW, Washington, DC 20224.

Draft Email Solicitation

TO: Name
FR: LMSB CAP Survey Administrator

A few days ago, you should have received an email from LMSB staff of the IRS concerning an annual customer satisfaction survey about the CAP process. LMSB is

interested in obtaining your feedback about the CAP process for continuous improvement efforts. You may have participated in similar research in the past. With the growth of the program, we are gathering feedback in a more quantitative fashion with the use of an online survey, rather than taking your time to provide your comments by telephone. LMSB is not contacting taxpayers directly but is using the contractual services of Pacific Consulting Corporation and its subcontractor Training Technologies, Inc. to administer this survey. This company is acting on behalf of LMSB and all information conveyed will be confidential.

Below is a link to the survey and a user name and password for accessing the survey. The survey will take approximately 10 minutes to complete. The user name and password is unique to each respondent and designed to further protect the confidentiality of responses. Please take the time to participate in this study before xxx (INSERT DATE) and use this opportunity to be candid about our performance.

If you have any questions about the objectives of this study please contact Jim Morton, Program Analyst at 404-338-7127 or jim.morton@irs.gov. If you are experiencing any technical difficulties, please contact Jenni Leighty at jleighty@traintech.com. Thank you in advance for your participation.

<URL TO SURVEY>

Estimated Cost: \$46,000

Estimated Burden Hours

Each survey will take about 10 minutes. Based on a census of CAP population, total hours would be 13 hours (10 minutes each for 73 participants). Based on prior research with this audience and expected response rates from online surveys, we expect a response rate of 80%.

Confidentiality, Disclosure, and Security

The answers provided are confidential and the business and individual identity information is not shared with the IRS. They are under no obligation to participate or complete the survey, it is completely voluntary. However, the participation solicitation email will encourage their participation so that their answers will help the IRS provide better service to the business community. Our contract with PCG authorizes them to collect taxpayer specific information. Therefore responding to the survey is not an unauthorized disclosure of taxpayer information. Prior to taking the survey, each participant who would like to verify the authenticity of the survey request, may contact Jim Morton, LMSB Program Analyst by phone (404-338-7127) or by email (jim.morton@irs.gov).

To access the survey, respondents will need to access the web survey link that is only provided to respondents. In addition, each respondent will be provided with a unique user name and password. These unique user names and passwords will protect access

to the website and ensure security of responses from others who might access the website.

Contact

For questions regarding the study or discussion guide design, contact:

Jim Morton
Program Analyst, LMSB
Performance, Quality Assurance and Audit Assistance
401 W. Peachtree Street, Stop 151-R
Atlanta, GA 30308
404-338-7127
jim.morton@irs.gov

Attachment:
Survey Questionnaire Draft