

**OMB SUPPORTING STATEMENT
FOR CONDUCTING A STUDY TO BETTER UNDERSTAND WHAT SERVICES
TAXPAYERS WANT FROM THE IRS
May 26, 2008 – September 12, 2008**

Introduction

The IRS would like to field a custom survey to better understand how to better service the taxpayer community. This is a time critical project. It must be completed by the end of FY08. Results will be used as part of the Taxpayer Assistance Blueprint (TAB) which will be reviewed by Congress. The IRS Office of Program Evaluation and Risk Analysis (OPERA) is proposing a solution that will leverage an online and an offline survey using Forrester Research's Technographics data services.

Forrester's Technographics studies are the largest and longest-running surveys of technology's impact on consumer trends and demands outside of the US Census. Each year, Forrester's Technographics organization fields surveys designed to uncover how consumers think about, buy and use technology, consume media, their advertising behaviors, thoughts and preferences related to technology, demographics and more.

In order to meet the needs of OPERA and TAB, Forrester is will leverage Forrester's Technographics services to uncover the needs of the taxpayers. This will allow the IRS to meet their Congressional deadline and provide all the data necessary for the IRS to determine what services taxpayers want and how they would like those services delivered. By leveraging Forrester Technographics data base the IRS will complete their analysis in the most efficient and cost effective method.

Customer Satisfaction Survey

In order to meet the needs of the IRS, Forrester is proposing that the IRS leverage Forrester's Technographics services to uncover the needs of the taxpayers. In order to reach both the online and offline taxpayers, Forrester is recommending the following approach.

Forrester will create the survey in collaboration with the IRS by building off the current questions asked in the Technographics survey. This will provide the IRS with a robust data set and will not only be able to assist the IRS in understanding what services the taxpayer is looking for, but also will uncover additional information about their overall preferences, how they like to engage, their trust levels, etc.

The survey will be conducted with both an offline and online audience. The offline audience will be reached utilizing the re-contacted 2008 Benchmark Sample. The results of this survey will be appended to the Technographics Benchmark database to give the IRS a complete view of these taxpayers leveraging the larger data set.

In order to uncover the needs of the taxpayers who are online, the same survey questionnaire that was used in the offline survey will be fielded via the online Omnibus study. This will allow the IRS to maximize its question space while utilizing previously fielded questions. Forrester will handle all aspects of survey administration including programming, fielding, weighting and cleaning of survey data. Once the data is collected, Forrester will clean the data sets and present the IRS with a completed SPSS data file.

It is important to note that all survey respondents whether offline or online will be anonymous, the IRS will not have access to their identity of the individuals participating in the study.

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Design and Methodology – Offline Survey

The offline mail survey, conducted from June 2008 through August 2008, will obtain a guaranteed sample of 2,000 U.S. individuals. Roughly 4,000 individuals will be randomly selected and contacted from the pool of respondents who completed the North American 2008 Benchmark Survey, which was fielded in February 2008 and March 2008. This estimate assumes a 50% response rate. Respondents will be motivated to complete the survey by having the opportunity to enter into a monetary sweepstakes

Re-contacted respondents will receive a one-page survey with 10-15 questions or 80 lines. Once the re-contact data is received, an SPSS file will be created, cleaned, and weighted that contains not only the IRS data, but also all the data from the 2008 Benchmark Survey. The data will be weighted to match key Census numbers and be representative of the US population.

Design and Methodology – Online Omnibus Survey

The online survey, conducted in August 2008, will obtain a guaranteed sample of 5,000 US online individuals. The team will randomly select a sample of respondents from an online access panel of 2.5 million individuals. We estimate that of the respondents that click on the survey link, a 31% response rate will be achieved.

Respondents will receive an email invitation to take part in an online survey regarding technology. They will be notified that by completing the survey, they have the opportunity to enter into a monetary sweepstakes. Once the data has been received, an SPSS file will be created, cleaned, and weighted that contains not only the IRS data, but also data that address key demographic, psychographic, and technology behaviors of

the respondents. The data will be weighted to match key Census numbers and be representative of the US online population.

Estimates of the Burden of Data Collection

The offline and online surveys have been designed to minimize burden on the respondent. This will be done by leveraging Forrester's Technographics' Database that will provide the IRS with 13 pages of additional survey data that has been captured in recent Technographics' surveys. This will provide the IRS with the additional key information on not only what services the taxpayer would like but how they would like those services delivered and made available. This information will ensure that any investment made in additional services will provide the benefit to the taxpayer that they were intended to deliver.

The time that a respondent takes to complete the survey has been carefully considered and only the most important areas are being surveyed. The average time of survey completion is expected to be 10 minutes. The questions are generally one sentence in structure and on an elementary concept level.

We have made every attempt in designing this survey to maximize response rate.

Using the response rate of 50 percent, for respondents, the burden in hours for the offline survey is estimated to be 333 hours (2,000 surveys x 10 minutes / 60 minutes). For non-respondents, the total number of burden hours is estimated to be 33 hours (2,000 surveys X 1 minute / 60 minutes).

Using the response rate of 30 percent, for respondents, the burden in hours for the online survey is estimated to be 833 hours (5,000 surveys x 10 minutes / 60 minutes). For non-respondents, the total number of burden hours is estimated to be 191 hours (11,500 surveys X 1 minute / 60 minutes).

The grand total is estimated to be 1,390 hours.

Privacy, Security, Disclosure and Confidentiality

All participants will be subject to the provisions of the Taxpayer Bill of Rights II during this study and the contractor will ensure that all participants are treated fairly and appropriately.

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. Confidentiality is assured by virtue of agency policy. The terms of IRS's contract with Forrester Research requires that the confidentiality of any data be maintained.

Participants will not be identified in any of the documents or files used for this project. The contractor will carefully safeguard the security of data used as well as the privacy of the survey respondents. The contractor will apply the fair information and record-keeping practices to ensure protection of all survey respondents. The criterion for disclosure laid out in the Privacy Act, the Freedom of Information Act, and section 6103 of the Internal Revenue Code provides for the protection of information as well as its release to authorized recipients.

Other Information

The following information outlines the deliverables for this engagement:

- 1) One page survey 10-15 questions or 80 lines.
- 2) Excel delivery file.
- 3) Cleansing of the data.
- 4) Excel spreadsheet with crosstabs of your questions and Forrester-sponsored questions by standard demographics (SPSS file also available)
- 5) The results of the offline survey will be appended to our Benchmark survey. This will provide you with all the demographic data, as well as all the additional information that is captured in Technographics.
- 6) 5,000 guaranteed completed surveys online and 2,000 guaranteed completed offline.
- 7) Demographics for U.S. surveys: total U.S., gender, age, income, number of kids, college education, region (9), broadband, Technographics segmentation, technology attitude, primary motivation.
- 8) Additional custom data cuts beyond standard demographics provided by Data Advisor

The fixed price cost for this project is: \$67,125.00. This cost does include travel expense of data specialist or analyst.

Statistical Contact

For questions regarding the study or questionnaire design or the statistical methodology, contact:

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