



Taxpayer Risk Assessment Questionnaire

OMB # 1545-1432
RMR #11-05-158
Summer - Fall '11

Final Version

RUSSELL INTERNAL NOTES IN RED.

RESPONDENT INFO PAGE

All respondents will be **Self-Prepared Filers** in FY 2011, stratified into 5 cells as shown to the right, but with each cell sampled randomly from its own list - to be provided by IRS.

The **"Non-Tax Software"** cell is a **Control** cell, against which the 4 **"Tax Software"** cells will be analyzed. In addition to the cell vs. cell analyses, we will conduct analyses of the 2 **V-Coder** cells and the 2 **Non V-Coding e-Filer** cells - and also the combination of all 4 **"Tax Software"** cells, with all aggregate groups weighted.

g data maintained after validation) #

(109--

NON-TAX SOFTWARE CELL = FY 2011 ALL-PAPER FILERS

1) **All-Paper Filers:** Prepared By Hand On Paper & Filed A Paper Return (n=**1,000**)...1 ...114

TAX SOFTWARE CELLS = FY 2011 SELF-PREPARED-USING-TAX-SOFTWARE CELLS

V-CODERS (n=2,000, SUB-STRATIFIED AT...)

2) Used A Tax Software **Package** To Prepare, But Filed A Paper Return (n=**1,000**).....2

3) Used Tax **Software Found Online** To Prepare, But Filed A Paper (n=**1,000**).....3

RUSSELL TAB: IRS will provide proportions so that weights to be applied to data from each of the V-Coder sub-groups.

NON V-CODING e-FILERS (n=2,000, SUB-STRATIFIED AT...)

4) Used A Tax Software **Package** To Prepare, And Filed Electronically (n=**1,000**).....4

5) Used An **Online Tax Prep & Filing Service** And Filed Electronically (n=**1,000**).....5

RUSSELL TAB: IRS will provide proportions so that weights to be applied to data from each of the Non V-Coding e-Filer sub-groups.

CITY _____ ST _____ ZIP _____ c(xxx,xxx) ST CODE _____ c(xxx,xxx)

IRS AREA: Check & Monitor EACH CELL for Area Distribution. Area.....1 Area.....2 Area.....3 Area.....4 Area.....5 ...115

PHONE # (AC- _____) _____

PROGRAMMER, CAPTURE A-L-L LIST APPENDS:

RETURN TYPE: (THE 3 PAID SEGMENTS ARE EXCLUDED)

- SELF-SIMPLE.....1
- SELF-INTERMEDIATE.....2
- SELF-COMPLEX.....3
- AGI...**
- Negative AGI.....1
- \$0 to \$17,000.....2
- \$17,001 to \$25,000.....3
- \$25,000 to \$35,000.....4
- \$35,001 to \$54,000.....5
- \$54,001 to \$75,000.....6
- \$75,001 to \$100,000.....7
- \$100,001 and over.....8

FILING STATUS CODE:

- SINGLE.....1
- MARRIED FILING A JOINT RETURN.....2
- MARRIED FILING A SEPARATE RETURN.....3
- HEAD OF HOUSEHOLD.....4
- QUALIFYING WIDOW(ER) W/DEPENDENT CHILD.....5

OTHER POSSIBLE APPENDS:

- RAL/REFUND ANTICIPATION LOAN.....1
- USED ELECTRONIC PAYMENT.....2
- USED ELECTRONIC REFUND/DIRECT DEPOSIT.....3
- EARNED INCOME TAX CREDIT (EITC) RECIPIENT.....4
- FY 2011 FORM TYPE (1040EZ, 1040A, 1040).....5
- IF AVAILABLE: FY 2009 FILING METHOD.....6
- IF AVAILABLE: FY 2010 FILING METHOD.....7

CALL DURING 4-9 PM TIME PERIOD IN ALL TIME ZONES & KEEP RECORD OF DATE, TIME AND DISPOSITION OF EACH ATTEMPT:

| | NA/ Busy/ VM | Phone Number Disc'd. | No Such Person | Refused (Stop After 3 Tries) | Callback Sche- duled | Over- Quota: Gender | Over- Quota: Age | Qualified, But Not Complete | Com- pleted Survey |
|--|--------------------|----------------------------|----------------------|------------------------------------|----------------------------|---------------------------|------------------------|-----------------------------------|--------------------------|
| 01 DATE: _____ TIME: _____ (am) (pm) | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 02 DATE: _____ TIME: _____ (am) (pm) | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 03 DATE: _____ TIME: _____ (am) (pm) | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 04 DATE: _____ TIME: _____ (am) (pm) | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 05 DATE: _____ TIME: _____ (am) (pm) | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 06 DATE: _____ TIME: _____ (am) (pm) | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 07 DATE: _____ TIME: _____ (am) (pm) | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 08 DATE: _____ TIME: _____ (am) (pm) | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 09 DATE: _____ TIME: _____ (am) (pm) | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |

Start Of Survey
FIELD & TAB: VIRTUALLY ALL ON LISTS WILL QUALIFY.
MONITOR & CONTROL GENDER & AGE VS. EXPECTATIONS.

INTERVIEW O-N-L-Y PERSONS ON EACH LIST BEING PROVIDED BY IRS. AFTER REACHING THIS PERSON, INTRODUCE YOURSELF WITH:

Hello, I'm _____ of Russell Research, a national research firm. The Internal Revenue Service wants to improve IRS tax filing services, and has asked us to independently survey Taxpayers and get your experiences and opinions. Your participation in this survey is entirely voluntary and your responses will be kept strictly private and never revealed to anyone - including the IRS. The survey should take about 15 minutes and we'd appreciate your participation. (IF ANY HESITATION, READ...) If you have any concerns about talking to us, please log onto IRS.gov and search "market research", where you'll see examples of the independent survey work Russell has conducted for the IRS over the years.

(IF AGREEABLE, CONTINUE...) We are required by law to provide you the Office Of Management and Budget Control Number for this information request. That number is 1545-1432. In addition, if you have any comments about the time estimate to complete the survey or ways to improve the survey, you can write to the IRS. Would you like the address? (IF YES, ADDRESS IS...) IRS Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave. NW, Washington, DC 20224. Are you willing to participate?

>> IF "YES", CONTINUE w/Q1 - UNLESS YOU DETECT THAT RESPONDENT SPEAKS MAINLY SPANISH, IN WHICH CASE, ASK HIM/HER TO HOLD WHILE YOU TRANSFER TO A BI-LINGUAL INTERVIEWER, WHO WILL SECURE A LANGUAGE PREFERENCE AND CONTINUE THE INTERVIEW.

>> IF "NO"/REFUSED AFTER SUFFICIENT RE-CONTACT, THANK & RECORD AS "Refused" IN BOX ON COVER PAGE.

RUSSELL WILL PROVIDE TRANSLATION AND VALIDATION OF TRANSLATED SURVEY.

IF "YES", THANK RESPONDENT FOR PARTICIPATING AND START WITH:

1. First, for the record, are you male or female? (CIRCLE ANSWER BELOW.)

TO ALLOW GENDER CONTROLS AND PREVENT FEMALE SKEW, IRS TO PROVIDE DATA SHOWING GENDER %s PER CELL.

Male (MONITOR AND CONTROL TO IRS %s For Each Cell—TBD FROM IRS LISTS).....1 ...121
Female (MONITOR AND CONTROL TO IRS %s For Each Cell—TBD FROM IRS LISTS).....2

>> IF OVER QUOTA, THANK, TERM & TALLY BELOW. OTHERWISE, CONTINUE.

1 2 3 4 5 6 7 8 9 10

RECORD AGE TO CHECK VS. IN-GOING QUOTA EXPECTATIONS:

2. And which of the following age categories includes your age? (CIRCLE ANSWER BELOW.)

TO PREVENT SKEW TO OLDER, IRS TO PROVIDE LISTS WITH "YEAR OF BIRTH", WHICH ALLOWS RUSSELL TO CONTROL AGE AND ALLOWS LATER W&I GENERATIONAL ANALYSIS BY:
Millennials -- 1982 and after
Gen X -- 1964 - 1981
Boomers -- 1944 - 1963
Seniors -- 1943 and before

Under 18.....(TERM)
18-29 (MONITOR AND CONTROL TO IRS %s For Each Cell—TBD FROM IRS LISTS).....1 ...122
30-40 (MONITOR AND CONTROL TO IRS %s For Each Cell—TBD FROM IRS LISTS).....2
41-50 (MONITOR AND CONTROL TO IRS %s For Each Cell—TBD FROM IRS LISTS).....3
51-60 (MONITOR AND CONTROL TO IRS %s For Each Cell—TBD FROM IRS LISTS).....4
Age 61 Or Over (MONITOR AND CONTROL TO IRS %s For Each Cell—TBD FROM LISTS)...5
REFUSED.....(TERM)

>> IF OVER-QUOTA/WRONG AGE, TERM & TALLY. OTHERWISE, CONTINUE.

1 2 3 4 5 6 7 8 9 10

READ: Our survey is about your experiences with and opinions of Federal tax return PREPARATION and FILING as it relates to your Individual Federal Income Tax Return. Please keep in mind that, when we talk about "PREPARATION", we're talking about the process during which you obtain guidance, complete all forms, and check your return BEFORE submitting or filing it. And when we talk about "FILING", we're talking about what you do AFTER your return has been prepared and is ready for submission to the IRS, either electronically or by paper in the mail.

IN ALL QUESTIONS, KEEP IN MIND THAT WE ARE INTERVIEWING B-O-T-H PAPER AND ELECTRONIC USERS.

Q3 IS A CONTEXT Q, DESIGNED TO GET RESPONDENTS THINKING ABOUT INFORMATION SOURCES FOR PREP & FILING.

3. Let me start by asking where and who you go to for information about how to prepare and file your Federal income tax return. (RECORD RESPONSE, PROBE, AND USE THIS QUESTION TO SET A CONVERSATIONAL TONE TO THE SURVEY.)

...OE

...OE

ADDRESSING KEY QUESTIONS (KQ) # 1, 2, 3 & 6, SURVEY QS 4-9 ARE DESIGNED TO QUANTIFY WHERE TAXPAYERS LEARN ABOUT PREP & FILING, THE EXTENT OF THEIR RELIANCE ON INSTRUCTIONS AND GUIDES THAT COME WITH TAX SOFTWARE (OR IN THE CASE OF THE CONTROL, WITH THEIR PAPER METHOD), AND WHERE THEY LEARN ABOUT METHODS OF FILING.

4. **KQ2:** You may have mentioned some of these, but do you get any of your *information about how to prepare and file your return* from any of the following sources? (READ RANDOMIZED LIST AND CLICK ALL THAT APPLY.)

- The IRS's website, IRS.gov.....1
- The websites of companies that provide tax software.....2
- Tax information websites *other than* IRS.gov or software company websites.....3
- The instructions and guides that come with tax software programs or paper returns.....4
- A tax professional, such as an accountant, CPA, or tax preparer.....5
- Family members, friends, neighbors, or co-workers.....6
- Tax guides or books found in libraries or bookstores.....7
- Information heard or read on Radio, on TV, in newspapers/magazines, etc.....8
- (READ LAST:) Or some other source of information about preparation and filing (CLICK & PROBE).....9
- SPECIFY OTHER SOURCE: _____
- (DON'T READ, BUT CLICK IF:) None of the above/did not get information from any source (SKIP TO Q6)...0

...000

...OE

ASK ALL:

5. **KQ2:** (IF "NONE" IS THE RESPONSE TO Q4 OR IF THERE IS ONLY ONE NON-"NONE" RESPONSE, SKIP TO Q6. IF TWO OR MORE NON-"NONE" RESPONSES TO Q4, PULL FORWARD THOSE RESPONSES INTO THE LIST BELOW AND ASK Q5:) Which one of these would you say is your primary source of information about how to prepare and file your return? (READ RANDOMIZED NARROWED CHOICES & CLICK ONE ANSWER.)

- The IRS's website, IRS.gov.....1
- The websites of companies that provide tax software.....2
- Tax information websites *other than* IRS.gov or software company websites.....3
- The instructions and guides that come with tax software programs or paper returns.....4
- A tax professional, such as an accountant, CPA, or tax preparer.....5
- Family members, friends, neighbors, or co-workers.....6
- Tax guides or books found in libraries or bookstores.....7
- Information heard or read on Radio, on TV, in newspapers/magazines, etc.....8
- (READ LAST:) Or some other source of information about preparation and filing (CLICK & PROBE).....9
- SPECIFY OTHER SOURCE: _____

...000

...OE

6. **KQ6:** Regardless of whether you prepare and file your Federal income tax return using a tax software program or a paper return, you have instructions and guides that come with the software program or paper return. To what extent do you rely upon the instructions and guides that come with software programs or paper returns for your information about how to prepare and file a Federal income tax return? Do you...(READ CHOICES AND CLICK ONLY ONE ANSWER.)

- Rely Completely On Those Instructions & Guides.....1
- Rely Mostly.....2
- Rely Some.....3
- Rely Very Little.....4
- Or Not Rely At All On Those Instructions & Guides.....5

...000

7. **KQs 3&6:** To what extent do you rely upon the instructions and guides that come with software programs or paper returns to determine which forms, schedules, or attachments that you need for your return? Do you...(READ CHOICES AND CLICK ONLY ONE ANSWER.)

- Rely Completely On Those Instructions & Guides.....1 ...000
- Rely Mostly.....2
- Rely Some.....3
- Rely Very Little.....4
- Or Not Rely At All On Those Instructions & Guides.....5

8. **KQs 1&6:** And to what extent do you rely upon the instructions and guides that come with software programs or paper returns for your knowledge of current tax laws, rules, and issues? Do you...(READ CHOICES AND CLICK ONLY ONE ANSWER.)

- Rely Completely On Those Instructions & Guides.....1 ...000
- Rely Mostly.....2
- Rely Some.....3
- Rely Very Little.....4
- Or Not Rely At All On Those Instructions & Guides.....5

9. **KQ2:** There are several METHODS of Federal income tax preparation and filing available to Taxpayers, including both electronic and paper methods. Which, if any, of the following sources do you go to to learn about the METHODS of tax preparation and filing that are available? (READ RANDOMIZED LIST AND CLICK ALL THAT APPLY.)

- The IRS's website, IRS.gov.....1 ...000
- The websites of companies that provide tax software.....2
- Tax information websites other than IRS.gov or software company websites.....3
- The instructions and guides that come with tax software programs or paper returns.....4
- A tax professional, such as an accountant, CPA, or tax preparer.....5
- Family members, friends, neighbors, or co-workers.....6
- Tax guides or books found in libraries or bookstores.....7
- Information heard or read on Radio, on TV, in newspapers/magazines, etc.....8
- (READ LAST:) Or some other source of information about methods (CLICK & PROBE).....9
- SPECIFY OTHER SOURCE:.....
- (DON'T READ, BUT CLICK IF:) None of the above/did not get information from any source.....0 ...OE

10. **KQ4:** When you are choosing a method of Federal income tax preparation and filing for the first time or a method that is different from what you have used in the past, approximately how much total time do you spend researching and/or deciding which RETURN PREPARATION method you'll use? Would you estimate that you spend...(READ CHOICES AND CLICK ONLY ONE ANSWER UNDER COL. 10A BELOW.)

KQ4: And approximately how much total time do you spend researching and/or deciding which RETURN FILING method you'll use? Would you estimate that you spend...(READ CHOICES AND CLICK ONLY ONE ANSWER UNDER COL. 10B BELOW.)

- | | Time Spent
Researching/Deciding
Preparation
Method | Time Spent
Researching/Deciding
Filing
Method | |
|--|---|--|------------|
| Less than 10 minutes.....1 | | 1 | ...000-000 |
| 10 to 29 minutes.....2 | | 2 | |
| 30 to 59 minutes.....3 | | 3 | |
| 1 hour to 4 hours.....4 | | 4 | |
| 5 hours to 8 hours.....5 | | 5 | |
| Or, more than 8 hours.....6 | | 6 | |
| (DON'T READ BUT CIRCLE IF:) Don't Know...7 | | 7 | |

**RUSSELL TAB: CALC MEAN/
WEIGHTED AVERAGE FOR
EACH AND FOR THE TOTAL
OF THE TWO.**

Q11 IS INTENDED TO CAPTURE THE IMPORTANCE OF DIMENSIONS WITHIN THE 5 "BUCKETS" - I.E., TO GO BEYOND JUST HAVING TAXPAYERS REACT TO THE 5 BROAD BUCKET ITEMS. THIS QUESTION IS ALSO INTENDED TO ANSWER ANOTHER KEY QUESTION FROM KICKOFF - "HOW DO THEY CHOOSE A PARTICULAR FILING METHOD".

11. **KQ4:** Next, I'm going to read some possible characteristics of tax preparation and filing METHODS and ask you to rate each one in terms of how important it is to you when you are CHOOSING a method for the first time, or choosing a method that is different from what you have used in the past. After I read each characteristic, please tell me if you consider it: *Extremely Important, Very Important, Somewhat Important, Not Very Important, or Not At All Important*. Let's start with...**(INSERT 1ST CHARACTERISTIC IN THE RANDOMIZED LIST.)** How important is this characteristic when you are choosing a method of preparation and filing? **Is it...****(INTERVIEWER: RE-READ RATING SCALE FOR FIRST CHARACTERISTIC AND THEN BE PREPARED TO RE-READ THE SCALE AS NECESSARY TO REMIND RESPONDENT OF IT.)**

Characteristics are listed below under the 5 "buckets" of Risk, but in the actual survey, these characteristics will be randomized from respondent to respondent to avoid order bias. One other note: in a telephone survey rating question, it is important to keep all attribute/characteristic wording as short and simple as possible. Note that we will develop an average for each bucket that quantifies importance on the bucket level.

| | | | | |
|----------------------------------|------------------------|---------------------------------|-------------------------------|---------------------------------|
| Extreme- ly Impor- tant | Very Impor- tant | Some- what Impor- tant | Not Very Impor- tant | Not At All Impor- tant |
|----------------------------------|------------------------|---------------------------------|-------------------------------|---------------------------------|

ACCURACY

- | | | | | | |
|---|---|---|---|---|------|
| <input type="checkbox"/> Is 100% accurate in calculating income, refunds or taxes owed.....1 | 2 | 3 | 4 | 5 | ...1 |
| <input type="checkbox"/> Provides ample help in avoiding errors and problems with the IRS.....1 | 2 | 3 | 4 | 5 | ...2 |
| <input type="checkbox"/> Accurately applies current tax laws.....1 | 2 | 3 | 4 | 5 | ...3 |

SECURITY AND PRIVACY

- | | | | | | |
|---|---|---|---|---|------|
| <input type="checkbox"/> Keeps your tax return 100% secure until it reaches the IRS.....1 | 2 | 3 | 4 | 5 | ...4 |
| <input type="checkbox"/> Provides 100% privacy for your personal tax information.....1 | 2 | 3 | 4 | 5 | ...5 |
| <input type="checkbox"/> Does not involve 3 rd parties - it's just between you and the IRS.....1 | 2 | 3 | 4 | 5 | ...6 |

BURDEN

- | | | | | | |
|--|---|---|---|---|-------|
| <input type="checkbox"/> Makes it very easy and convenient to prepare and file taxes.....1 | 2 | 3 | 4 | 5 | ...7 |
| <input type="checkbox"/> Provides clear instructions and guidance in preparing and filing a return.....1 | 2 | 3 | 4 | 5 | ...8 |
| <input type="checkbox"/> Is the least time-consuming way to prepare and file taxes.....1 | 2 | 3 | 4 | 5 | ...9 |
| <input type="checkbox"/> Provides faster refunds.....1 | 2 | 3 | 4 | 5 | ...10 |
| <input type="checkbox"/> Lets you send in all of your tax documents with your return.....1 | 2 | 3 | 4 | 5 | ...11 |

RELIABILITY

- | | | | | | |
|--|---|---|---|---|-------|
| <input type="checkbox"/> Makes sure that your return reaches the IRS on time.....1 | 2 | 3 | 4 | 5 | ...12 |
| <input type="checkbox"/> Is not subject to delays or a return getting lost while en route to the IRS.....1 | 2 | 3 | 4 | 5 | ...13 |
| <input type="checkbox"/> Is a method that works the way it is supposed to work.....1 | 2 | 3 | 4 | 5 | ...14 |
| <input type="checkbox"/> Is available when you want to use it.....1 | 2 | 3 | 4 | 5 | ...15 |

QUALITY & VALUE

- | | | | | | |
|--|---|---|---|---|-------|
| <input type="checkbox"/> Is the best method for your specific income and tax situation.....1 | 2 | 3 | 4 | 5 | ...16 |
| <input type="checkbox"/> Provides the best value for its cost.....1 | 2 | 3 | 4 | 5 | ...17 |

THE SURVEY WILL BE PROGRAMMED FOR COMPUTERIZED ADMINISTRATION, SO "INSERTS" OF PREVIOUS RESPONSES/KNOWN CHARACTERISTICS WILL BE AUTOMATIC AND NOT REQUIRE AN INTERVIEWER TO REFER BACK TO PREVIOUS ANSWERS.

ASSUMING IRS LISTS WILL HAVE PRIOR 2 YEARS FILING METHODS APPENDED, WE WILL NOT ASK ABOUT THEIR PAST METHODS, BUT INSTEAD WILL ASK ABOUT THEIR INTENT TO USE THE SAME METHOD NEXT YEAR AS USED IN 2011. THE FOLLOWING INTRODUCTION MAKES SURE THEY AND WE ARE TALKING ABOUT THE SAME METHOD WHEN THEY ARE ANSWERING OTHER KEY QUESTIONS SHORTLY - "WHAT CONCERNS DO THEY HAVE" AND "WHAT PROBLEMS HAVE THEY HAD" WITH EACH METHOD.

READ THE FOLLOWING INTRO TO THE NEXT QUESTIONS: According to our records, in the most recent tax filing season, you...(INSERT METHOD CORRESPONDING TO RESPONDENT'S CELL #.)

| | | |
|---|---|--------|
| Cell 1).....Prepared Your Federal Income Tax Return By Hand On Paper Forms And Then Mailed It In To The IRS..... | 1 | ...000 |
| Cell 2).....Used A Tax Software Package To Prepare Your Federal Income Tax Return, But Then Printed It Out And Mailed It In To The IRS..... | 2 | |
| Cell 3).....Used Tax Software Found Online To Prepare Your Federal Income Tax Return, But Then Printed It Out And Mailed It In To The IRS..... | 3 | |
| Cell 4).....Used A Tax Software Package To Prepare Your Federal Income Tax Return And Then Submitted It To The IRS Electronically..... | 4 | |
| Cell 5).....Used An Online Tax Preparation & Filing Service To Prepare Your Return And Then Submitted It To The IRS Electronically..... | 5 | |

12. **KQs 7&8:** Thinking about all aspects of your experience in preparing and filing your return that way, how likely are you to use THE SAME METHOD of preparation and filing for your Federal Income Tax Return next year? Do you think that you...(READ CHOICES & CIRCLE ONE ANSWER.)

- Definitely will use the same method next year.....1 ...000
- Probably will use the same method.....2
- Might or might not use the same method.....3
- Probably will not use the same method.....4
- or, Definitely will not use the same method next year.....5

REGARDLESS OF RESPONSE ABOVE, ASK:

13. **KQs 7&8:** Why do you feel that way - what are your specific reasons for saying that you... (INSERT RESPONSE FROM PREVIOUS QUESTION & THEN ENTER VERBATIM ANSWER, PROBING IN A LADDER-DOWN-AND-ACROSS PATTERN FOR CLARITY OF ANSWER AND FULLNESS OF RESPONSE.)

(PROBE) _____

- 14. **KQ7:** We just talked about how you feel overall about your most recent method of tax preparation and filing, in which you (INSERT METHOD CORRESPONDING TO RESPONDENT'S CELL #.). Next, I'd like to know if you have any specific concerns about this method that you feel could affect you and your Federal income tax return. Let me read some possible issues that could exist with any method of tax preparation and filing. Stop me if I mention any issue that you are concerned may happen to you and your Federal income tax return using this particular method. (INTERVIEWER: READ EACH ITEM IN LIST, AND PROBE FOR OTHERS NOT ON THE LIST, AND RECORD ALL CONCERNS IN COLUMN 14.)
- 15. **KQ8:** Next, have you ever had specific problems with that method that DID affect you or your Federal income tax return? Let me read the same list of possible problem areas. Stop me if I mention any problem that you've had with this method. (READ EACH ITEM IN LIST, AND PROBE FOR OTHERS NOT ON THE LIST, AND RECORD ALL PROBLEMS IN COLUMN 15.)
- 16. **KQ10:** (FOR EACH ITEM CLICKED IN Q15, ASK:) As I read the problems you said you've experienced with this method of tax preparation and filing, please tell me if you believe each problem was due MAINLY: (1) to flaws in the method and how it operates; (2) to the instructions or guides that came with the method; (3) to your own understanding of a tax issue that was involved (4) to the tax laws or the IRS; or (5) to some other factor.

THE GOAL HERE IS TO QUANTIFY PERCEIVED RISKS ("CONCERNS") VS. REPORTED RISKS ("PROBLEMS"); AND (2) TO IDENTIFY TAXPAYERS' ATTRIBUTION OF RISKS ("PROBLEMS") THEY'VE EXPERIENCED. WE WILL NEXT ASK THEM TO DETAIL PROBLEMS SO WE CAN ISOLATE ACTUAL RISKS VS. GENERAL COMPLAINTS ABOUT THE TAX SYSTEM/HAVING TO PAY TAXES/ETC. THE EXPECTATION IS THAT THERE WILL BE A LIMITED NUMBER OF "PROBLEMS" PER RESPONDENT. NOTE THAT WE WILL DEVELOP AN AVERAGE FOR EACH BUCKET THAT QUANTIFIES THE RISK OF THE ENTIRE BUCKET.

-----Q16--Attribution Of Problem-----

| Q15 | To | To | To | To | To | To |
|----------|--------|----------|---------|-------|-----|--------|
| Have | Flaws | Instruc- | Tax- | | | |
| Had | In | tions | payer's | | | |
| These | Method | Or | Under- | | | |
| These | Pro- | And | stand- | | | |
| Concerns | blems | That | ing | | | |
| About | With | How It | Of | | | |
| This | This | Op- | With | | | |
| Method | Method | rates | Method | Issue | IRS | Factor |

ACCURACY

- It is not 100% accurate in calculating income, refunds or taxes owed.....1 1 1 2 3 4 5 ...1
- It does not provide enough help to avoid errors or problems with the IRS...2 2 1 2 3 4 5 ...2
- It does not accurately apply tax laws.....3 3 1 2 3 4 5 ...3

SECURITY AND PRIVACY

- It does not keep your tax return 100% secure until it reaches the IRS.....4 4 1 2 3 4 5 ...4
- It does not provide 100% privacy for your personal tax information.....5 5 1 2 3 4 5 ...5
- It involves 3rd parties, which can lead to a problem.....6 6 1 2 3 4 5 ...6

BURDEN

- It does not make it easy or convenient to prepare and file taxes.....1 1 1 2 3 4 5 ...7
- It does not provide clear instructions and guidance in preparing and filing. .2 2 1 2 3 4 5 ...8
- It is not the least time-consuming way to prepare and file taxes.....3 3 1 2 3 4 5 ...9
- It does not provide faster refunds.....4 4 1 2 3 4 5 ...10
- It does not let you send in all of your tax documents with your return.....5 5 1 2 3 4 5 ...11

RELIABILITY

- It does not make sure that your return reaches the IRS on time.....1 1 1 2 3 4 5 ...12
- It is subject to delays or a return getting lost while en route to the IRS.....2 2 1 2 3 4 5 ...13
- It is a method that does not work the way it is supposed to work.....3 3 1 2 3 4 5 ...14
- It is not always available when you want to use it.....4 4 1 2 3 4 5 ...15

QUALITY & VALUE

- It is not the best method for your specific income and tax situation.....5 5 1 2 3 4 5 ...16
- It does not provide the best value for its cost.....6 6 1 2 3 4 5 ...17

(ASK LAST:) Other concerns/problems not in the list (SPECIFY) _____x x 1 2 3 4 5 ...18

PROGRAMMER & INTERVIEWER: FOR EACH PROBLEM REPORTED IN Q15, PROBE FOR SPECIFIC DETAILS OF THAT PROBLEM IN Q17 BELOW. Q17 WILL BE REPEATED FOR EACH REPORTED PROBLEM.

17. **KQs 9&10: You mentioned having had a problem (problems) with the tax preparation and filing method in which you (INSERT METHOD CORRESPONDING TO RESPONDENT'S CELL #.). Your specific problem was that...(INSERT SPECIFIC PROBLEM FROM Q15). Please describe this problem in as much detail as possible, including its effects on your Federal income tax return filed in 2011. (INTERVIEWER: RECORD RESPONSE VERBATIM, PROBING THOROUGHLY SO THAT WE CAN DETERMINE THE PRECISE NATURE AND EXTENT OF THE PROBLEM.)**

ACCURACY

- It is not 100% accurate in calculating income, refunds or taxes owed..... _____ ...OE
- It does not provide enough help to avoid errors or problems with the IRS..... _____ ...OE
- It does not accurately apply tax laws..... _____ ...OE

SECURITY AND PRIVACY

- It does not keep your tax return 100% secure until it reaches the IRS..... _____ ...OE
- It does not provide 100% privacy for your personal tax information..... _____ ...OE
- It involves 3rd parties, which can lead to a problem..... _____ ...OE

BURDEN

- It does not make it easy or convenient to prepare and file taxes..... _____ ...OE
- It does not provide clear instructions and guidance in preparing and filing..... _____ ...OE
- It is not the least time-consuming way to prepare and file taxes..... _____ ...OE
- It does not provide faster refunds..... _____ ...OE
- It does not let you send in all of your tax documents with your return..... _____ ...OE

RELIABILITY

- It does not make sure that your return reaches the IRS on time..... _____ ...OE
- It is subject to delays or a return getting lost while en route to the IRS..... _____ ...OE
- It is a method that does not work the way it is supposed to work..... _____ ...OE
- It is not always available when you want to use it..... _____ ...OE

QUALITY & VALUE

- It is not the best method for your specific income and tax situation..... _____ ...OE
- It does not provide the best value for its cost..... _____ ...OE
- INSERT & READ "OTHER" SPECIFIC PROBLEM FROM Q15..... _____ ...OE**
- INSERT & READ "OTHER" SPECIFIC PROBLEM FROM Q15..... _____ ...OE**

(RUSSELL CODERS: IF ANY VERBATIM DESCRIPTION OF PROBLEMS INDICATES THAT RESPONDENT TRIED TO FILE ELECTRONICALLY BUT GAVE UP ON THE PROCESS BECAUSE OF FRUSTRATION/PROBLEMS, RECORD THIS SEPARATELY FOR THE TAB RECORD.).....1 ...000

TO GET AT KEY QUESTION #11 (“TO WHAT EXTENT WOULD THEY TRADE OFF ONE DIMENSION/BUCKET VS. ANOTHER”), WE HAVE DESIGNED A MULTI-COMPARISON QUESTION INVOLVING THE 5 BUCKETS, RESULTS OF WHICH WILL BE ANALYZED USING MAXIMUM DIFFERENCE SCALING ANALYSIS (AKA, “MAX DIFF”) – IN THIS CASE, A SPECIFIC VARIANT OF THE MAX DIFF TECHNIQUE ORIGINALLY DESIGNED BY SAWTOOTH SOFTWARE AND KNOWN AS A “MULTIPLE PAIRED COMPARISON” (OR MPC) DESIGN.

MAX DIFF IS A TRADE-OFF METHOD FOR MEASURING IMPORTANCE/PREFERENCE (HERE, “IMPORTANCE” AMONG THE 5 BUCKETS OF RISK POINTS). MAX DIFF ANALYSIS SHARES COMMONALITIES WITH CONJOINT ANALYSIS, BUT IS FAR MORE REALISTIC AS A METHOD TO EMPLOY IN A TELEPHONE SURVEY (AND CAN ONLY BE APPLIED HERE BECAUSE THERE ARE ONLY 5 BUCKETS TO MEASURE). APPLYING IT HERE, WE WILL FOCUS TAXPAYERS ON THE OVERALL THEMES OF THE 5 BUCKETS (REPHRASING THEMES SUCH AS “BURDEN” TO MAKE THEM MORE EASILY UNDERSTOOD BY TAXPAYERS) AND NOT ON THE DETAILED DIMENSIONS IN EARLIER QUESTIONS – THAT MANY DIMENSIONS WOULD OVERWHELM RESPONDENTS WITH SURVEY LENGTH AND ERODE THE QUALITY OF THEIR LATER-QUESTION RESPONSES. INSTEAD, WE WILL FIRST INTRODUCE AND DESCRIBE THE 5 BUCKETS (CALLING THEM “BENEFITS”) AND THEN READ RESPONDENTS 8 PAIRS OF “BENEFITS”, ONE PAIRING AT A TIME, AND ASK THEM TO INDICATE WHICH THEY CONSIDER “MORE IMPORTANT”. THE ONE THEY DO NOT CONSIDER MORE IMPORTANT WILL BE ASSIGNED AS “LESS IMPORTANT”, WITH THE MAX DIFF ANALYSIS THEN ASSESSING THE OVERALL IMPORTANCE OF EACH BENEFIT VS. ALL OF THE OTHERS. (NOTE: WITHIN THE SURVEY PROGRAM, THE 8 PAIRINGS WILL BE REPEATED ACROSS 4 VERSIONS OF THE RATING SCHEME, WITH THE BUCKETS ROTATED FULLY ACROSS ALL 4 VERSIONS, IN ORDER TO MAXIMIZE THE ACCURACY OF THE ESTIMATES OF IMPORTANCE SECURED IN THIS TECHNIQUE.

NOTE: THIS TECHNIQUE WILL PROVIDE US WITH BOTH A HIERARCHY OF IMPORTANCE (I.E., A RANK ORDER) OF THE 5 BENEFITS AS WELL AS A DIRECT COMPARISON OF EACH BENEFIT VS. THE OTHER 4 BENEFITS. THIS WILL TELL US (1) SPECIFIC TRADE-OFFS AND (2) THE OVERALL RESULT OF ALL TRADE-OFFS.

READ THE FOLLOWING INTRO TO Q18: Next, I would like to get your opinion of 5 possible benefits of a tax preparation and filing method. First, let me describe each benefit. (WITH THE 5 BENEFITS RANDOMIZED FROM RESPONDENT TO RESPONDENT, READ ALL BENEFITS & DESCRIPTIONS CAREFULLY AND THEN CONTINUE WITH Q18.)

- ACCURACY** – this includes being assured of accuracy in return calculations, refund or payment amounts, avoiding errors and problems, and having an accurate application of tax laws.
- SECURITY & PRIVACY** – being assured that your return is secure from the time it leaves you until it reaches the IRS and that your personal and financial information is kept completely private.
- FAST-EASY-CONVENIENT** – having fast preparation, filing, processing, and refunds, as well as clear, easy, and convenient return preparation and filing.
- RELIABILITY** – including working the way you expect it to work, being available when you want to use it, and being assured your return reaches the IRS on time, without costly or unnerving delays.
- QUALITY & VALUE** – getting the best method of preparation and filing for your specific tax situation and getting a good value for the cost of preparation and filing.

18. KQ11: Next, I will read two of the possible benefits at a time and ask you to tell me which one of the two is MORE important to you when you are preparing and filing your Federal income tax return. Let’s start with...(READ EACH PAIRING AND RECORD WHICH IS CONSIDERED “MORE IMPORTANT”. CLICK ANSWER AND THE SURVEY PROGRAM WILL AUTO-ASSIGN THE REMAINING BENEFIT AS “LESS IMPORTANT”, WITH THE MAX DIFF STATISTICAL TECHNIQUE USED TO PRIORITIZE BENEFITS DURING DATA ANALYSIS.)

PROGRAMMER WILL RANDOMIZE INSERT OF BENEFITS AND INTERVIEWER WILL READ 8 PAIRINGS, WHICH WILL ALLOW ANALYSIS OF ALL BUCKETS/BENEFITS VS. EACH OTHER AS WELL AS THE OVERALL RANK ORDER OF IMPORTANCE OF THE 5. AFTER EACH PAIRING AND RESPONSE TO IT, THE INTERVIEWER WILL REPEAT THE QUESTION WITH THIS LANGUAGE UNTIL ALL 8 PAIRING ASSESSMENTS HAVE BEEN COMPLETED: Here are the next two (two more/another two/etc.) possible benefits. Please tell me which one of these two is MORE important to you when you are preparing and filing your Federal income tax return.

TO GET AT KEY QUESTIONS 12-17 (RE: SOFTWARE PACKAGE PROVIDERS AND ONLINE TAX PREP & FILING SERVICES), QS 19-25 WILL BE ASKED ONLY OF THE 4 TAX SOFTWARE USER CELLS - WITH LANGUAGE INSERTED SPECIFIC TO THE TWO SOFTWARE PACKAGE USER CELLS VS. THE TWO ONLINE TAX PREP & FILING SERVICES CELLS. THE CONTROL CELL WILL BE SKIPPED TO Q26.

FOR CELLS 2-3-4-5 ONLY:

19. KQ13: The next questions are about (FOR CELLS 2 & 4: Tax Software Packages) (FOR CELLS 3 & 5: Online Tax Preparation & Filing Services).

First, which (CELLS 2 & 4: Tax Software Package) (FOR CELLS 3 & 5: Online Tax Preparation & Filing Service) did you use this year? (ENTER ANSWER BELOW AND IF UNCERTAIN OF THE SPELLING, ASK RESPONDENT TO SPELL IT.)

...OE

20. KQ12: Which of the following would you say were reasons you chose that (CELLS 2 & 4: Tax Software Package) (FOR CELLS 3 & 5: Online Tax Preparation & Filing Service)? (READ RANDOMIZED CHOICES, CLICK ALL THAT APPLY, AND THEN PROBE FOR OTHERS AND ENTER THEM.)

- Their claims of, or reputation for, accuracy and error-free returns.....1 ...000
- Their claims of, or reputation for, security & privacy.....2
- Their claims of, or reputations for, being fast-easy-convenient to use.....3
- Their claims of, or reputation for, reliability.....4
- Their claims of, or reputation for, quality and value.....5
- They were the lowest cost (ADDED HERE SINCE COST MAY BE A PRIMARY DRIVER OF CHOICE).....6
- (READ LAST:) Any other reason? (PROBE).....7
- (DON'T READ BUT CLICK IF:) Don't know/no answer/prefer not to answer.....8

21. KQ14: How would you rate the (FOR CELLS 2 & 4: Tax Software Package) (FOR CELLS 3 & 5: Online Tax Preparation & Filing Service) that you used this year on each of the following characteristics? Please use a rating scale of Excellent, Very Good, Good, Fair, or Poor. Let's start with...(READ RANDOMIZED CHARACTERISTICS AND SECURE A RATING FOR EACH.)

| | Excellent | Very Good | Good | Fair | Poor | |
|--|-----------|-----------|------|------|--------|--|
| <input type="checkbox"/> Accuracy.....1 | 2 | 3 | 4 | 5 | ...000 | |
| <input type="checkbox"/> Security & privacy.....1 | 2 | 3 | 4 | 5 | ...000 | |
| <input type="checkbox"/> Being fast-easy-convenient to use.....1 | 2 | 3 | 4 | 5 | ...000 | |
| <input type="checkbox"/> Reliability.....1 | 2 | 3 | 4 | 5 | ...000 | |
| <input type="checkbox"/> Being high quality and a good value.....1 | 2 | 3 | 4 | 5 | ...000 | |

22. **KQ15: Are you aware of any guarantees being offered by (CELLS 2 & 4: Tax Software Packages) (FOR CELLS 3 & 5: Online Tax Preparation & Filing Services) for any of the following benefits? (READ RANDOMIZED CHOICES AND CLICK ALL THAT APPLY.)**

- A guarantee of accurate, error-free returns.....1 ...000
- A guarantee of security & privacy.....2
- A guarantee of being fast-easy-convenient to use.....3
- A guarantee of reliability.....4
- A guarantee of quality and value.....5
- A guarantee of being lowest cost (added here since cost guarantees specifically may be present)...6
- (READ LAST:)** Any other guarantees? **(PROBE)** _____7
- (DON'T READ BUT CLICK IF:)** No/none/don't know/no answer.....8

23. **KQs 16&17: Have you ever switched from one (CELLS 2 & 4: Tax Software Package) (FOR CELLS 3 & 5: Online Tax Preparation & Filing Service) to another? (READ CHOICES AND CLICK ONE ANSWER.)**

- Yes **(ASK Q 24)**.....1 ...000
- No **(SKIP TO Q25)**.....2

24. **KQs 16&17: What were your reasons for switching from your former (CELLS 2 & 4: Tax Software Package) (FOR CELLS 3 & 5: Online Tax Preparation & Filing Service)? (RECORD RESPONSES VERBATIM AND PROBE FOR A FULL UNDERSTANDING OF WHY RESPONDENT SWITCHED METHODS.)**

_____ ...OE

_____ ...OE

_____ ...OE

(PROBE) _____ ...OE

_____ ...OE

ASK ALL:

25. **KQ5: (ASK ALL) As we near the end of the survey, let me ask about a different aspect of tax preparation and filing. First, did you use either a paid or unpaid preparer to help you prepare your Federal income tax return in 2011?**

- Yes **(SKIP TO Q27)**.....1 ...000
- No **(ASK Q26 NEXT)**.....2
- Don't know/no answer **(ASK Q26 NEXT)**.....3

26. **(IF "NO" OR "DON'T KNOW" TO Q25, ASK:) Have you ever used a professional tax preparer to prepare and/or file your Federal income tax return? (CLICK ANSWER.)**

- Yes **(ASK Q27 NEXT)**.....1 ...000
- No **(SKIP TO Q28 NEXT)**.....2
- Don't know/no answer **(SKIP TO Q29 NEXT)**.....3

27. **KQ5: (IF "YES" TO Q25 OR Q26, ASK:) You said you have used a professional tax preparer before. What are your reasons for using a professional tax preparer? (ENTER VERBATIM RESPONSES, LADDERING DOWN AND ACROSS FOR CLARITY OF ANSWER AND A COMPLETE RESPONSE.)**

_____ ...OE

_____ ...OE

(PROBE) _____ ...OE

28. **KQ5: (IF "NO" TO Q26, ASK:) You said you have never used a professional tax preparer. Why not? (ENTER VERBATIM, LADDERING DOWN AND ACROSS FOR CLARITY OF ANSWER AND A COMPLETE RESPONSE.)**

(PROBE)_____

...OE
...OE
...OE

ASK ALL:

29. The final questions are for classification only. Your answers to these questions will be held in the same strict confidence as all others in this survey, analyzed only in aggregate with other respondents, and never shared with anyone - including the IRS.

First, what was the highest level of education you completed? (DON'T READ LIST.)

- High School Or Less.....1 ...000
- Technical, Trade, or Business School.....2
- Attended College But Did Not Complete Degree.....3
- College Undergraduate Degree (BS/BA/etc.).....4
- Post-Graduate College Degree (MS/MBA/etc.).....5
- (CIRCLE IF:) Prefer Not To Answer.....6

30. Are you of Hispanic or Latino origin (ethnicity)...(READ & CIRCLE ONE ANSWER.)

USING OMB's 2-QUESTION APPROACH TO ETHNICITY & RACE.

- Yes.....1 ...000
- No.....2

31. Finally, what is your race? Please select one or more. (READ CHOICES AND CIRCLE ALL THAT APPLY.)

RUSSELL TAB: COMBINE RACE AND ETHNICITY Qs INTO A SINGLE TABLE IN THE TABS. CHECK FINAL PROFILE VS. CENSUS DATA AS THESE DATA FREQUENTLY REQUIRE WEIGHTING TO CENSUS.

- White.....1 ...000
- Black or African American.....2
- Asian.....3
- Native Hawaiian Or Other Pacific Islander.....4
- American Indian or Alaskan Native.....5

CLOSING COMMENTS:

That completes the survey. Thank you for your time and help. We are required by law to provide you the OMB (Office Of Management and Budget) Control Number for this public information request. That number is 1545-1432. In addition, if you have any comments about the time estimate to complete the survey or ways to improve the survey, you may write to the IRS. Would you like the address? (IF YES, ADDRESS IS...) *Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave. NW, Washington, DC 20224.* INTERVIEWER: AFTER COMPLETING INTERVIEW, CROSS-CHECK COMPLETENESS AND ACCURATE TRANSFER TO BOX ON PAGE 1 OF ALL APPLICABLE APPENDED DATA SHOWN FOR THIS RESPONDENT ON THE SAMPLING LIST.