

**Supporting Statement**  
**Approval Request to Conduct Customer Satisfaction Research (OMB #1545-1432)**  
**Identity Protection Personal Identification Number Customer Experience Survey**

**A. JUSTIFICATION**

**1. Circumstances Making the Collection of Information Necessary**

In 2011, a conjoint study was conducted to investigate taxpayers' preferences among options for contacting the IRS to resolve tax-related issues. Taxpayers made trade-off decisions between various service delivery configurations that included service tasks expected to be available within 2-4 years of completion of the study and realistic performance attribute categories derived from IRS policy and Subject Matter Experts (SME) in each service channel. The data collected in this project was used to create the Taxpayer Choice Model (TCM).

The current research project is aimed at collecting conjoint data for service needs and attributes not currently contained in the TCM. The new data will be used to assist a joint effort by W&I Compliance and Online Services (OLS) to develop digital communication options for taxpayers related to compliance tasks, such as those involved in completing a corresponding audit. Specifically, the data gathered from this conjoint survey will be used to predict potential use of new services by service need and determine how to best design new online services to maximize their use. Using conjoint data to run "what if" scenarios through the TCM will save the IRS money by giving W&I Compliance and OLS insight into which types of digital communication services may be most appealing to the taxpaying population and how much different attributes affect service channel choice for these specific service needs.

**2. Purpose and Use of the Information Collection**

The main objective of this project is to determine how tax-related task attributes, service channel attributes, and barriers/perceived burden impact online service channel selection among taxpayers. This comparative value analysis process will evaluate online service channel options for use by taxpayers.

Information collected from the survey will be used to determine tasks for which to build compliance digital communication products and how to design the products in order to draw taxpayers to the new digital product.

**3. Consideration Given to Information Technology**

The study will use a conjoint survey to collect data using web panels.

The conjoint questionnaires include screening criteria, profile questions, full descriptions of choice attributes and attribute levels, a training task, and conjoint screens that are

programmed to be administered in a randomized fashion. A copy of the survey questionnaire and invitation are attached.

#### **4. Duplication of Information**

This is currently the only conjoint study being conducted to inform compliance digital communication product development. WIRA, W&I Compliance, OLS, and BMO are working together on the development of these digital communication products and no duplication exists within these four divisions.

#### **5. Reducing the Burden on Small Entities**

N/A

#### **6. Consequences of Not Conducting Collection**

Not conducting collection would cause the IRS to make decisions about new products without taxpayer preference data to assist them in understanding which products taxpayers are willing to use, how to best design the products for maximum taxpayer preference, and how to communicate the new product in a way that gives taxpayers the information most important to them when making decisions about service channel use.

#### **7. Special Circumstances**

There are no special circumstances. The information collected will be voluntary. These statistics will be used in making management decisions such as taxpayer service channel development.

#### **8. Consultations with Persons Outside the Agency**

WIRA is working with Fors Marsh Group (FMG) to administer the survey to taxpayers.

#### **9. Payment or Gift**

The IRS is not providing payment or gift to survey respondents. However, the IPSOS panel has a reward system set up with their panel members based on their response to any survey administered through the IPSOS panel.

#### **10. Confidentiality**

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

The security of the data used in this project and the privacy of taxpayers 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 A & B. Physical security measures include a locked, secure office. Notes are stored in locked cabinets or shredded.

The IRS will apply and meet fair information and record-keeping practices to ensure privacy protection of all taxpayers to the extent allowed by law. This includes criteria 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.

The survey data will not contain any taxpayer names, Social Security Numbers, or Taxpayer Identification Numbers. Participants will not be identified in any of the documents or files used for this project. We will limit and control the amount of information we collect to those items that are necessary to accomplish the research questions. We will carefully safeguard the security of data utilized as well as the privacy of the survey respondents. We 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 releases to authorized recipients.

## 11. Sensitive Nature

No questions will be asked that are of a personal or sensitive nature.

## 12. Burden of Information Collection

Based on previous conjoint surveys conducted by the IRS, WIRA expects a response rate of approximately 40%. Based on that response rate, 5,750 taxpayers will be contacted and asked to participate and WIRA expects 2,300 of those taxpayers to complete the survey.

WIRA estimates that the total burden hours for this project come to 1,840 hours. The burden hour estimates breakdown as follows:

Category of Respondent/Activity	No. of Respondents	Participation Time	Burden Hours
Read Invitation Email	5,750	3 minutes	287.5 hours
Read Reminder 1 Email*	5,290	3 minutes	264.5 hours
Read Reminder 2 Email*	4,600	1 minute	76.7 hours
Read Reminder 3 Email*	3,680	1 minute	61.3 hours
Complete Survey	2,300	30 minutes	1,150 hours
		<b>TOTAL BURDEN HOURS</b>	<b>1,840 hours</b>

\* The estimates for the Reminder 1, Reminder 2, and Reminder 3 emails are based on the following: 20% of the taxpayers will complete the survey online in time to not receive the Reminder 1 email, 50% of the 2,300 taxpayers needed will complete the survey after Reminder 2 email (and therefore not receive Wave 3 and Wave 4 mailings), and 90% of the 2,300 needed will complete the survey before the last Reminder email is sent.

**13. Costs to Respondents**

N/A

**14. Cost to Federal Government**

The cost is \$73,213.26.

**15. Reason for Change**

N/A

**16. Tabulation of Results, Schedule, Analysis Plans**

WIRA will provide FMG with the survey instrument for the conjoint survey. FMG will invite up to 9 taxpayers from the IPSOS panel to complete the survey instrument to ensure taxpayers understand the service channel, service, and service channel attribute language. WIRA will edit the survey as needed from those results. FMG and WIRA will test the survey instrument to ensure the survey is properly programmed.

Once the survey instrument is finalized, the contractor will administer survey using an online panel through IPSOS. The survey administration will include an initial invitation email with a link to the survey as well as three reminder emails. During the survey's administration, the contractor will provide Help Desk Support to survey recipients who may have questions.

WIRA requires 2,300 taxpayers to complete the survey. WIRA estimates that 5,750 taxpayers will need to be contacted in order to get the required sample size. This estimate is based on a 40% response rate, which is the response rate achieved in the 2011 conjoint survey administered using an online panel.

IPSOS has an internal method for tracking which panel members complete a survey for their internal reward system for survey completion. Therefore, only those panel members who have not completed the survey will receive reminder emails. If the 2,300 respondents complete the survey, any reminder emails scheduled after that would not occur.

Following the survey's administration, the contractor will provide WIRA the survey data in the form of a generic respondent number (numerical; i.e. 1, 2, 3, 4, 5 ...) and responses to the survey questions.

WIRA will use the data to create a model that will be used to run "what if" scenarios regarding service channel delivery configuration options.

**17. Display of OMB Approval Date**

N/A

**18. Exceptions to Certification for Paperwork Reduction Act Submissions**

N/A

## **19. Dates collection will begin and end**

The data collection period for survey administration is scheduled for December 16<sup>th</sup>, 2013 – December 30<sup>th</sup>, 2013.

## **B. STATISTICAL METHODS**

### **1. Universe and Respondent Selection**

Fors Marsh Group (FMG) will be conducting the research in conjunction with WIRA, Compliance, and OLS. The research will be conducted using an online panel through the subcontractor IPSOS.

Only those whose responses to screener questions that indicate that the person filed a tax return in 2013 (for tax year 2012) will be invited to participate. Additionally, the sample must include at least 50 taxpayers who had post-filing contact with the IRS (i.e., received a notice, audit, etc.) within the past 3 years. This subsample will be counted using a question near the start of the survey instrument.

### **2. Procedures for Collecting Information**

Online panel members (or non-panel internet users recruited from high-traffic websites) will be randomly selected to receive emails informing them of an upcoming research effort and inviting them to participate. Customers will be provided an address to a secure website and a distinct individual PIN to access the site and participate in the survey. Only those whose responses to screener questions that indicate that the person filed a tax return in 2013 (for tax year 2012) will be invited to participate. Additionally, the sample must include at least 50 taxpayers who had post-filing contact with the IRS (i.e., received a notice, audit, etc.) within the past 3 years. This subsample will be counted using a question near the start of the survey instrument.

### **3. Methods to Maximize Response**

We are utilizing an established online panel for survey administration. Survey administration will include an invitation email and up to three reminder emails (as needed) in an effort to maximize response rate. The contractor will provide a Help Desk for participants with questions or issues with the survey. The expected response rate is 40%. This is based on the response rate for the most recent IRS conjoint survey administered similarly to this conjoint survey.

### **4. Testing of Procedures**

Prior to finalizing the survey instrument, FMG will invite up to 9 taxpayers from the IPSOS panel to test the survey language by taking the survey to ensure taxpayers understand the service channel, service, and service channel attribute language. WIRA will edit the survey as needed from those results. WIRA expects the changes to be minimal and related only to wording of the specific items listed above. WIRA does not expect that the changes will include any of the following: an increase in the kind or amount of information sought; an increase in

coverage; an increase in the timing or frequency of reporting; a change in the sample design or collection method; or a change in the purpose for which the information is collected or required to be maintained.

The survey will be administered electronically; however there are no cookies involved. Survey participants will be provided a link/web address via a secure website. Transmission to/from the secure website for the survey will be “encrypted”.

Survey respondents will be selected from the subcontractor’s panel members and non-panel internet users. Potential respondents will be sent an email invitation to participate in a survey to understand their preferences for how to get help for tax-related service needs they may encounter. Participants will be provided a link/web address to a secure website and a unique PIN to access and respond to survey questions. Respondents will access the website and answer the preliminary questions pertaining to demographics and their history of interactions with the IRS. If their responses indicate they are not eligible to participate in the survey, their survey will be terminated. Those that are eligible will proceed through the survey and respond to randomized conjoint scenario attributes and levels presented to them. The subcontractor hosting the panel and survey will maintain a secure survey control system that will document the correspondence and track the status of all sample members by giving each sample member a unique sample ID. This sample ID is used in place of name, address, or other personally identifiable information.

## 5. Contacts for Statistical Aspects and Data Collection

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

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### **Attachments**

- 1) Survey Instruments and Wave Documents
- 2) Privacy Impact Assessment

