

Supporting Statement
Approval Request to Conduct Customer Satisfaction Research
Collection for the
2015 IP-PIN Customer Experience Mail Survey
Wage & Investment Division
Wage & Investment Research & Analysis (WIRA)

A. JUSTIFICATION

1. Circumstances Making the Collection of Information Necessary

The Internal Revenue Service (IRS) enlists a balanced measurement system consisting of business results, customer satisfaction, and employee satisfaction. This initiative is part of the Service-wide effort to maintain a system of balanced organizational performance measures mandated by the IRS Restructuring and Reform Act (RRA) of 1998. This is also a result of Executive Order 12862 that requires all government agencies to survey their customers.

The IRS has marked the accounts of taxpayers who were confirmed victims of identity theft. The marking of the account indicates the account as having a potential for tax return and/or tax refund fraud. These tax account owners were provided an Identity Protection Personal Identification Number (IP-PIN). An IP-PIN is a six-digit number assigned to eligible taxpayers to help prevent the misuse of their Social Security number by identity thieves for the purposes of filing fraudulent federal income tax returns.

In January 2014, the IRS launched the IP-PIN online service pilot. This tool was required for identity theft victims in TY 2013 and offered as an option to select taxpayers who filed their prior year tax return with an address in Florida, Georgia, or the District of Columbia, and who successfully obtained an electronic filing pin (ePIN) through the electronic filing pin (EFP) system. In January 2015, the IRS expanded on the initial pilot population allowing all taxpayers who filed their TY 2013 return in Florida, Georgia or the District of Columbia to get an IP-PIN. Additionally, in December 2014 taxpayers whose accounts the IRS believed may be at risk for identity theft were sent the CP 01F notice, inviting them to obtain an IP PIN for their TY 2014 return from the online system.

In support of taxpayers who have become victims to the crime of identity theft, and those choosing to project their identity, the IRS wants to ensure that it assists and minimizes the impact it is having on the applicable taxpayers' accounts. **Wage & Investment Research (WIRA)** has been tasked with surveying taxpayers who received an IP-PIN for TY 2014. The feedback from taxpayers will help the IRS better understand taxpayers' experiences with the IP-PIN process.

2. Purpose and Use of the Information Collection

WIRA is conducting a Customer Experience Survey to gather feedback from individual taxpayers who received an IP-PIN, or were invited to obtain an IP-PIN for TY 2014 returns.

The goals of the survey are to gather information on the effectiveness of IRS outreach about the IP-PIN program, taxpayer experiences with filing returns using the IP-PIN, taxpayers' reasons for not electing to obtain an IP-PIN, and taxpayer experiences with contacting the IRS about the IP-PIN. This information will help the IRS determine how well current IP PIN processes are working and what areas could benefit from revision in order to increase awareness and use of the IP-PINs and taxpayer's benefits from the IP-PIN program.

Specifically, WIRA will use the survey to gather information about:

1. taxpayers experience receiving or obtaining an IP-PIN using the online system
2. taxpayers experience using their IP-PIN
3. reasons why taxpayers choose not to obtain an IP-PIN
4. customer perceptions of the IP-PIN
5. taxpayer experiences with contacting the IRS about an IP- PIN

3. Consideration Given to Information Technology

The collection survey will be administered by mail and online during a specific range of time.

4. Duplication of Information

This survey will provide valuable information that is not available in any internal IRS data source.

5. Reducing the Burden on Small Entities

N/A

6. Consequences of Not Conducting Collection

If the requirement is not approved, W&I Research will not have the external measures used to assess their success in meeting IRS goals for improving customer service for those who have experienced identity theft.

7. Special Circumstances

There are no special circumstances. The information collected will be voluntary. These statistics could be used in making management decisions such as in business improvement opportunities.

8. Consultations with Persons Outside the Agency

N/A

9. Payment or Gift

N/A

10. Confidentiality

The IRS will apply and meet fair information and record-keeping practices to ensure privacy to the extent allowed by law 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 will not contain tax return or taxpayer information. Survey 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 to the extent allowed by law of the survey respondents to the extent allowed by law.

11. Sensitive Nature

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

12. Burden of Information Collection

The survey interview is designed to minimize burden on the taxpayer. The time that a respondent takes to complete the survey is carefully considered and only the most important areas are being surveyed. The average time of survey completion is expected to be 10 minutes.

Based on a sample of potential respondents of 7,600 and a response rate of 15%, we expect **1,140 survey participants**, leaving **6,460 non-participants**. The contact time to determine non-participants could take **up to two minutes to read the pre-contact letter**, with the resulting contact burden being **7,600 x 2 minutes = 15,200/60 minutes = 253.0 burden hours**.

For participants, total participation time is 10 minutes. The time burden for participants is $1,140 \times 10 = 11,400/60 \text{ minutes} = 190.0 \text{ burden hours}$.

The total burden hours for the survey is $(190.0 + 228.0) = \mathbf{443.0 \text{ burden hours}}$

Category of Respondent	No. of Respondents	Participation Time (in minutes)*	Burden (in hours)
Potential Respondent Request for Participation	7,600	2	253.0
Expected participants	1,140	10	190.0
Totals			443.0

Estimated Response Rate: 15%

Total Burden Estimate = 443.0

13. Costs to Respondents

N/A

14. Cost to Federal Government

The estimated cost is \$45,000.

15. Reason for Change

N/A

16. Tabulation of Results, Schedule, Analysis Plans

The survey data is collected via mail and/or online questionnaire and is an established and tested survey instrument. If changes are made to the questionnaire, they are expected to be minor. Revising the coding scheme for open-ended questions is one example. The survey includes several ratings questions evaluating IP PIN. In addition, ample space is provided for suggestions for improvement.

Survey scoring for this contract is based on the percentage of respondent responding in the affirmative to each potential question response. All survey responses will be released only as summaries. The contractor shall hold the identities, of the taxpayers responding to the survey, private to the extent permitted by law. The contractor ensures that taxpayers responding to the survey are guaranteed anonymity. The contractor will not provide the IRS with data or status updates that are linked to individual respondents. Upon completion of data collection and cleaning, the contractor will provide de-identified survey data to the IRS. This data will not include any individually identifying information such as name, address, or taxpayer identification number.

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

July 1, 2015 through September 30, 2015

B. STATISTICAL METHODS**1. Universe and Respondent Selection**

Survey participants will be pulled randomly from the know population of taxpayers who used an IP PIN in filing their 2014 tax return.

2. Procedures for Collecting Information

The contractor will administer the survey by mail and online. Standard procedures will be used in order to obtain the highest response rate possible for the mail survey. These will include: 1) a pre-notification letter about the survey, 2) cover letter and questionnaire, 3) a postcard reminder, and 4) a cover letter and a copy of questionnaire to non-respondents.

3. Methods to Maximize Response

The questionnaire length is minimized to reduce respondent burden; thereby, tending to increase response rates. Respondents are assured anonymity of their responses. Also, weighting procedures can be applied to adjust aggregated data from those who do respond.

4. Testing of Procedures

The questionnaire is an established and tested survey instrument. If changes are made to the questionnaire, only minor changes are expected. Revising the coding scheme for open-ended questions is one example.

5. Contacts for Statistical Aspects and Data Collection

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

Howard Rasey
Social Scientist
Wage & Investment
Strategy & Finance
Research
Research Group 3
404-338-8571
Howard.W.Rasey@irs.gov

Survey instruments include the following and are attached in one document as a separate file.

- Pre-notification letter on IRS letterhead
- Cover letter and questionnaire
- Postcard reminder
- Cover letter for non-respondents