

**Supporting Statement**  
**Information Collection (ICR) Approval Request to Conduct Customer Satisfaction**  
**Research (OMB #1545-1432)**  
**FTD Alert Customer Satisfaction Survey**

**A. JUSTIFICATION**

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

The recently developed Small Business/Self-Employed (SB/SE) Concept of Operations, commonly referred to as CONOPS, provided impetus to further expand early intervention efforts. The Alert X Pilot is one of three components in Collection's "Early Intervention Employment Tax Initiatives." The Alert X Pilot is intended to determine the most appropriate treatment stream for taxpayers, using Federal Tax Deposit (FTD) information combined with other data. The primary goal of the Alert X Pilot is to identify taxpayers that show a reduction in deposits earlier in the quarter than the current process does and to contact taxpayers before delinquencies occur, positively influencing future compliance through education and information.

The survey will solicit feedback on the value of the contacts to the taxpayer, their effectiveness in contributing to filing and payment compliance, suggestions for program improvement and identification/quantification of any additional burden associated with FTD Alert X revenue officer contacts.

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

The survey will solicit feedback on the value of the contacts to the taxpayer, their effectiveness in contributing to filing and payment compliance, and suggestions for program improvement.

Survey results will be used to help determine if IRS contact is more of a burden/hardship on taxpayers, or if it is helping them. The results will be used to help make recommendations on the timing and volume of FTD Alerts.

**3. Consideration Given to Information Technology**

The FTD Alert Customer Satisfaction Survey will be administered by mail to the population of 5000 Taxpayers who have reduced or missed Federal Tax Deposits and were contacted by Field Collection revenue officers during the Early Intervention Initiatives Alert X Pilot within the last quarter of tax year 2015 and the first quarter of tax year 2016.

**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**

SB/SE initiatives fall under the IRS' goal to "improve service to make voluntary compliance easier, and enforce the law to ensure everyone meets their obligation to pay taxes." If the requirement is not funded, SB/SE will not have the external measures used to assess their success in meeting IRS goals. This will also cause SB/SE to be less effective as it will not have the data to know which products and services identified by customers need improvement or need to be developed to service these populations.

## **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**

No payment or gift will be provided to respondents.

## **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 – (Display in both paragraph and table format)**

The survey 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 5 minutes.

Based on a sample of potential respondents of 5,000 and a response rate of 15%, we expect 750 survey participants, leaving 4,250 non-participants.

The contact time to determine non-participants could take up to two minutes to read the pre-contact letter and result in 166.7 (5000 potential respondents x 2 minutes/60) burden hours.

For participants, the time to complete the survey is 5 minutes. The time burden for participants is 62.5 (750 x 5/60) burden hours.

The total burden hours for the survey is (166.7 + 62.5) = **229.2 burden hours**

Type of Collection	Participation	Response Time (minutes per person)	Total Burden (Hours)
Potential participants	5,000	2 minutes	166.7 hrs.
Customers who respond to survey	750	5 minutes	62.5 hrs.
<b>Grand Total (column 4)</b>			<b>229.2 hrs.</b>

### 13. Costs to Respondents

There is no cost to respondents resulting from the collection of information.

### 14. Costs to Federal Government

The estimated cost is \$10,000. This cost is a portion of the total contract cost, which includes two separate surveys.

### 15. Reason for Change

Not applicable.

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

The survey data is collected via mail questionnaire and is an established and tested survey instrument. If changes are made to the questionnaire, they are expected to be minor.

All survey responses will be released only as summaries. SB/SE Finance, Research & Strategy, Research shall hold the identities of the taxpayers responding to the survey, private to the extent permitted by law. SB/SE FR&S Research ensures that taxpayers responding to the survey are guaranteed anonymity. Upon completion of data collection and cleaning, Research will provide de-identified survey data to the SB/SE Collection Policy. This data will not include any individually identifying information such as name, address, or taxpayer identification number.

### 17. Display of OMB Approval Date

Not applicable

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

These activities comply with the requirements in 5 CFR 1320.9.

## **19. Dates Collection of Information will Begin and End**

February 22, 2016 through June 30, 2016

## **B. STATISTICAL METHODS**

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

5,000 businesses that have reduced or missed Federal Tax Deposits and were contacted by Field Collection revenue officers during the Early Intervention Initiatives Alert X Pilot.

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

The vendor will administer the survey by mail. 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 on IRS letterhead about the survey, 2) cover letter and questionnaire, and 3) 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.

### **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, contact:

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**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
- Cover letter for non-respondents