

Supporting Statement

Internal Revenue Service Request for Approval of New Information Collection

A. Justification

1. Circumstances Necessitating Collection of Information

We are requesting a three-year approval to conduct 41 specific customer satisfaction and opinion surveys (see attached listing), which will allow us to continue to use a data-driven approach to understanding customer satisfaction at the Internal Revenue Service (IRS). Collecting, analyzing, and using customer opinion data is a vital component of IRS's Balanced Measures Approach, as mandated by Internal Revenue Service Reform and Restructuring Act of 1998 and Executive Order 12862.

The three-year approval will streamline our ability to provide for a wide range of initiatives that will better serve the public. This clearance will enable IRS to continue to gather critical baseline and trend data to monitor the results of these initiatives and gain the taxpayer's perspective on the extent of the initiatives success, and will enable IRS to continue to monitor the effectiveness of its initiatives from not only a business perspective, but also from the customer's perspective. Particularly critical initiatives include correspondence improvements, filing services, taxpayer education and communication and increased e-file.

The information collected from taxpayers, practitioners, and a few small entities, will help ensure that users of IRS programs and services have an effective, efficient, and satisfying experience. In regard to online services, this feedback will provide insights into customer preferences for online information and services on IRS.gov that will meet their needs to resolve inquiries and their accounts on their own. This collection of feedback will contribute directly to the improvement of content and services provided online.

Clearance Procedures

This clearance is submitted by the Tax Forms and Publications Division on behalf of several IRS operating functions, including but not limited to Small Business Self Employed (SBSE), Large Business and International, Tax Exempt and Government Entities, and Wage Investment (W&I).

The surveys included in this clearance request have been reviewed by the Statistics of Income Division to ensure:

- Consistency with IRS' mission and strategic objectives

- Technical adequacy as to frame, sample selection, expected response rates, quality control in data gathering, recording, and analysis of data
- Minimizing customer burden
- Ensuring that all surveys are truly voluntary and private to the extent allowed by law
- Consistency with clearance guidelines
- Consistency with applicable laws and regulations (e.g. the Paperwork Reduction Act of 1995, and the Privacy Act of 1974.)
- Consistency with the June 6, 2002, memorandum from OIRA Administrator Graham titled “Ensuring Full Compliance with the Paperwork Reduction Act”
- Timely submission to the Office of Management and Budget of the final data collection instrument, along with specific burden estimates and a summary of the objectives of the various data collection projects

Copies of the specific survey instruments are attached.

2. Use of the Data

Due to the varied nature of the customer data needed, a variety of data collection methods are being employed, including web and mail surveys, in-person written surveys, telephone surveys, and other means as appropriate. The data collected in these information collection efforts will indicate what our customers require of us and where we meet or fail to meet their needs. This customer feedback serves as a guide for making product and/or service improvement decisions.

3. Use of Improved Information Technology

The methodology employed in each data effort was chosen for the minimization of burden on the public. This includes minimal length of the data collection instrument itself, along with the utilization of the smallest sample size necessary to obtain valid and reliable information that is consistent with the objectives of the data collection effort. Instead of standard mail surveys or face-to-face interviews, some data collection efforts will utilize live or automated telephonic interviews, e-mail, internet, or other available technologies.

Interviewers may receive specific training in techniques to obtain responses. Contractors may use social exchange principles to maximize survey response rates. These include establishing trust that the survey is legitimate, establishing the anonymity of the respondent, preparing a list of frequently asked questions to help address respondent concerns, explaining the value and uses of the survey data, making multiple contacts, using a respond-by date to help motivate timely responses, making it convenient to participate, and reduce participation burden.

Improving the service provided online requires assessment of the preferences of content and services online and require us to collect, analyze, and interpret information gathered to identify the online content and services of the highest interest

to users of online products such as IRS.gov. This information will be used to prioritize web site development work. The solicitation of feedback will target areas such as: information taxpayers and practitioners would like to access online; tasks taxpayers and practitioners would like to complete online; and online services available in the private sector that taxpayers and practitioners would like to have available on IRS.gov. Responses will be assessed to plan and inform efforts to improve the usefulness of the content and services on IRS.gov for taxpayers and practitioners who want to resolve their inquiries and accounts. If this information is not collected, vital feedback from taxpayers and practitioners regarding their preferences and needs for online content and services will be unavailable.

4. Efforts to Identify Duplication

We have attempted to eliminate duplication within the agency, wherever possible. Survey questions relate specifically to IRS products and services and do not duplicate what other agencies are doing. This information is generally not available from other sources within the IRS or externally.

Review and approval systems within IRS have been established to ensure the duplication of data gathering within the IRS is eliminated. As potential duplications of data gathering are identified on proposed surveys, it will be required that these efforts be combined or if possible eliminated.

5. Methods to Minimize Burden on Small Businesses or Other Small Entities

Small Businesses may be surveyed relative to issues of concern to them as customers and users of IRS products and services; however, all data collection efforts will be voluntary and no respondents will be required to consult or access business records for detailed factual information.

6. Consequences of Less Frequent Collection of Federal Programs or Policy Activities

This clearance generally involves data collection activities which occur continuously on an annual and semi-annual basis. This provides the necessary information needed to measure improvement over time.

7. Special Circumstances Requiring Data Collection to be Inconsistent with Guidelines in 5 CFR 1320.5(d) (2)

The IRS will collect information under this clearance in a manner that complies with 5 CFR 1320.5(d) (2).

8. Consultation with Individuals Outside of the Agency on Availability of Data, Frequency of Collection, Clarity of Instructions and Forms, and Data Elements

a. Other agencies - not applicable.

b. Within the IRS, coordination occurs on each proposed project through other areas of the IRS. Care is taken to ensure that efforts do not duplicate those of opinion research or surveys conducted by contractors at the request of the IRS subject matter specialists. The individuals consulted for this coordination are:

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c. There are no unresolved problems.

d. No other comments have been received; however, continual feedback from the scientific community is an important aspect of the proposed research. In both laboratory and field studies, consultation with representatives of various fields of psychology, anthropology, sociology and the like, will have direct impact on the future course of research projects, and promises to determine the feasibility of data collection and the validity of research studies.

We received no comments during the comment period in response to the Federal Register notice (78 FR 3499), dated January 16, 2013.

9. Explanation of Decision to Provide any Payment or Gift to Respondents

At times, incentives are authorized as a thank you for, and to encourage participation in IRS surveys. Currently, respondents may be authorized up to \$40 to encourage survey completion. However, it is requested that exemptions and

exceptions to this payment amount be considered on a case-by-case basis.

10. Assurance of Privacy of Response

Agency policy dictates non-disclosure of taxpayer information. Survey respondents contacted by mail, Internet, or some other form of written communication will be advised on the survey form, cover letter, or other accompanying document that participation is voluntary and that the data provided will be kept private to the extent allowed by law. As part of the introduction to a data gathering effort during telephone or personal interview, the interviewer will inform respondents that the survey is voluntary and that the data provided will be kept private to the extent allowed by law. IRS Office of Privacy Impact will be consulted for a Privacy Impact Assessment and compliance.

11. Justification of Sensitive Questions

Questions are not normally of a sensitive nature and should not pose a problem to respondents. However, on occasion, some respondents may consider some of the standard demographic questions as sensitive in nature (e.g., questions that request the respondent's age, gender, education, or household income). Demographic questions are useful in profiling and tracking the responses and are helpful in evaluating the results; therefore, respondents will be encouraged to answer these questions, but assured that their participation is completely voluntary.

12. Estimated Burden of Information Collection

The total respondent burden during this three-year approval period is estimated to be 35,000 hours. A variety of questionnaires will be used in these data gathering efforts (see attached survey instruments). This estimate is based on our experience from prior years as these are annual surveys as further explained in item 15.

13. Estimated Total Annual Cost Burden to Respondents

There is no monetary cost to respondents for participating in these data gathering efforts. All costs associated with these efforts are born by the IRS. .

14. Estimated Annualized Cost to the Federal Government

The actual cost to the government is not yet determined. The estimated cost, based on prior years, for these 41 surveys for the three year period is: \$18,881,631.

15. Reasons for Change in Burden

This is a new request. It is estimated that 105,000 burden hours will be used over the course of the next three years and reflects the IRS' push to create a separate clearance specifically for the 41 annual customer satisfaction surveys conducted across several IRS Operating Divisions. These surveys were previously approved under OMB Clearance Number 1545-1432. The estimated 105,000 burden hours are merely being shifted from that Generic Clearance to this specific one.

16. Plans for Tabulation, Statistical Analysis and Publication

Data analysis techniques used will include frequency distributions, calculation of mean scores, improvement prioritization analysis, select cross-tabulations, significance testing, and analysis of open-ended comments. In most cases, data is transferred to the contractor to conduct analysis and to prepare reports. If not, the analysis and reporting will be conducted by the IRS Function.

Basically survey scoring is based on the Customer Satisfaction Survey Score response average to the keystone question – “Everything considered, rate your overall satisfaction with the service you received during.” Questions utilize a 5-point rating scale, with 1 being very dissatisfied and 5 being very satisfied.

The data collected will be used to survey and track customer satisfaction for IRS customers at the site level and nationally. The respondent data is analyzed with a view to:

- Provide insight from the customer's perspective about possible improvements.
- Provide useful input for program evaluation and execution at the programmatic and area office level of service delivery.
- Provide additional information on important “drill down” areas.

The contractor will hold the identities of respondents private to the extent allowed by law. 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.

The information will be collected on an annual or semi-annual and in most cases be for internal use. Where appropriate, as in the case of summary data on general satisfaction with IRS performance, some information may be released outside the agency.

17. Reasons why Displaying the OMB Expiration Date is Inappropriate

Displaying the expiration date may cause problems with respondents for data collection programs that overlap the three-year authorization periods. Would-be respondents might be inclined to refuse to participate if the form carries an authorization date that is expired or is soon to expire. Internally, and based on several

calls from field , it is believed that anyone within the IRS is entitled to use approved forms with an authorization date that has not expired, even though they never officially requested an OMB approval to use the form. Removal of the OMB expiration date will help lessen the likelihood that the form is used by any unauthorized personnel.

18. Exceptions to the Certification Statement on OMB Form 83-I

Not applicable.

Note: The following paragraph applies to all of the collections of information in this submission:

An agency may not conduct or sponsor data gathering efforts, and a person is not required to respond to a collection of information, unless the collection of information displays a valid OMB Control Number. Books or records relating to a collection of information must be retained as long as the contents may become material in the administration of any Internal Revenue law. Generally, tax returns and tax return information are confidential, as required by 25 U.S.C. 6103.