

**Supporting Statement**  
**Approval Request to Conduct Cognitive and Psychological Research Data**  
**Collection (OMB #1545-1349)**

**Taxpayer Advocate Service (TAS) Focus Group Interviews on Publication 1**

**A. JUSTIFICATION**

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

The Taxpayer Advocate Service (TAS) is taxpayers' voice at the IRS. Our job is to ensure that every taxpayer is treated fairly, and each knows and understands his or her rights. *As an independent organization within the IRS, we help taxpayers resolve problems with the IRS and recommend changes that will prevent the problems.* In order to fulfill our mission we need insight into taxpayers' experiences with IRS processes and products. This information is not readily available from existing data sources and it will help TAS better understand taxpayers' service and information needs pertaining to these topics.

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

TAS is looking to understand how participants learn about IRS processes and their knowledge of taxpayer rights and responsibilities pertaining to federal income taxes. TAS is responsible for developing the content of Publication 1 to educate taxpayers on their rights and responsibilities, and inform taxpayers about the IRS's Collection, Examination (Audit), and Appeals processes. To this end, TAS wants to conduct focus groups interviews to obtain taxpayers' and tax practitioners' thoughts and opinions about four different versions of Publication 1.

The focus groups findings will be combined with other organizational information to suggest ways to improve Publication 1's content, layout, and communication and distribution strategies. These groups will provide information that may be used to modify publication content or included in the TAS Annual Report to Congress. The feedback received will not institute new policy, yet enable TAS to effectively meet taxpayer needs.

**3. Consideration Given to Information Technology**

While TAS considered electronic options for this research, ultimately we decided the TAS focus groups will be conducted in person. TAS wants to make sure all pertinent socioeconomic groups and segments of the population are represented. TAS considered other options, but decided in person groups were the best option for including all taxpayers, particularly taxpayers with lower income and education levels who may not be technologically savvy.

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

We were unable to find any current research on our topics of study from a taxpayer's perspective. Our focus groups will gather information on taxpayers' and tax practitioner's current opinions and their ability to understand and use Publication 1. This timely, qualitative research will help identify current issues of concern to taxpayers and tax professionals. No similar data are currently gathered or maintained by the Agency.

##### **Publication 1 – Taxpayers' Rights and Responsibilities**

TAS is responsible for the IRS publication providing information about taxpayers' rights and responsibilities in relation to federal income tax laws. This publication also contains information on how IRS Appeals, Collection, and Examination processes work. There are four varieties of this publication: 1) Pub 1 provides information only about taxpayers rights and responsibilities, 2) Pub 1A provides everything in Pub 1 plus information on the IRS Appeals process, 3) Pub 1C provides everything in Pub 1 plus information on the IRS Collection process, 4) Pub 1E provides everything in Pub 1 plus information on the IRS Examination process. To develop a publication that is both useful to, and used by taxpayers, TAS needs insight into taxpayers' awareness and understanding of their rights and responsibilities, as well as how taxpayers learn or prefer to learn about rights and responsibilities. Additionally, TAS needs to know how taxpayers prefer to receive this information and the best time to provide the information.

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

Small business or other small entities are not targeted for these groups and will only be involved if they meet screening criteria and agree to participate. TAS will minimize the burden on them by reminding them that participation in the focus groups is voluntary.

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

Without this feedback, TAS will not have timely perspectives and insights from the taxpayers and tax practitioners concerning Publication 1 (taxpayer rights and responsibilities and the Appeals, Collection, or Examination processes). These topics concern the National Taxpayer Advocate and she requires feedback from external stakeholders to understand concerns from those who use these programs or need information to better understand their rights with the IRS and meet their tax obligations.

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

NA

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

Russell Research was consulted for study design and data collection decisions.

## **9. Payment or Gift**

Russell Research will pay qualified recruits a \$75 stipend each for participating in the TAS sponsored focus group interviews. This research consists of in-person focus groups, from specific types of respondents, particularly taxpayers with lower income and education levels in addition to tax practitioners. Also, the expected participation time is 1.5 hours which is longer than the standard 1 hour.

## **10. Confidentiality**

TAS will provide privacy to the extent allowed by law. Personal or sensitive information will not be disclosed. Only first names will be used in interviews (first initial of last name will be used if there are duplicate names). Some individual taxpayer data will be used (name, address, and phone number if available) to recruit participants. Data security and limited use are contractually required of our vendor. All appropriate privacy requirements and background clearances will be obtained and followed. We will also control official access to the information and will not allow public access to the information. TAS will not ask for any information that could be used to identify the taxpayers in the focus group interviews. TAS designed the moderator guides such that no personally identifiable information (PII) is captured.

The data returned to IRS will have no identifying information relating specific records to individual taxpayers. Nonetheless, IRS will ensure that privacy to the extent allowed by law and security of the aggregated results will receive the utmost attention. Public and official access to the information will be tightly controlled. Data security approaching level C-2 will be accomplished using the Windows XP/7 operating system.

We will apply fair information and record-keeping practices to ensure protection of all taxpayers. 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 taxpayer information as well as its release to authorized recipients.

We will limit and control the amount of information that we collect to those items that are necessary to accomplish the research objectives. We will protect the privacy of the focus group participants by not using names in our report. Data will be maintained according to required record management guidelines.

## **11. Sensitive Nature**

Even though the Publication 1 focus groups are not considered sensitive, the nature of the topic will be disclosed during the screening process and recruits will be asked if they would be willing to discuss this topic in a group of up to 10 individuals. All individuals called will have the option to refuse to participate in the group. We keep sensitive questions to the absolute minimum, and we allow participants to decline to answer if they are uncomfortable answering.

## **12. Burden of Information Collection**

There will be 24 total focus group sessions across the 3 topic areas (Publication 1A, Publication 1C, and Publication 1E, each group will also review the generic version of Publication 1). The vendor will recruit 13 qualified individuals for each of the 24 groups –  $13 \times 24 = 312$  total recruits; with the expectation being that no more than 10 of 13 recruits will show up at each discussion site and complete participation –  $10 \times 24 = 240$  total participants. Considering all factors (responsiveness, willingness, and travel), we expect no more than 10% of initial calls will result in recruitment to the groups. That means that a total of 3,120 persons will have to be screened to reach the 312 total recruits – with 2,808 being screened for 2 minutes (to learn they either refuse or do not qualify), with  $(312-240 =) 72$  agreeing but not showing (though still requiring 5 minutes of reminder time in advance of the group), and with 240 attending and completing participation (and also requiring 2 minutes screening and 5 minutes reminder time, plus 90 minutes of group discussion time).

As shown in the table below, the contact time to screen participants will be about 2 minutes, resulting in 94 burden hours for screened non-recruits ( $2,808 \times 2 = 5,616$  minutes / 60 minutes = 94 burden hours); the 72 recruits who do not show will result in another 9 burden hours ( $72 \times 2$  minutes contact time = 144 minutes plus  $72 \times 5$  minutes of reminder time = 360 minutes;  $144+360 = 504$  minutes / 60 = 8.4 burden hours rounded up to 9); and the 240 participants will result in 388 burden hours ( $240 \times 2$  contact time = 480 minutes plus  $240 \times 5$  minutes reminder time = 1,200 minutes plus  $240 \times 90$  minutes of focus group discussion time = 21,600 minutes; with  $480+1,200+21,600 = 23,280 / 60 = 388$ ). Total burden hours = **491** ( $94 + 9 + 388$ ).

Type of Collection	Estimated Burden		
	Number of Respondents	Time per Response	Total Hours
Screening potential participants (ultimately are not recruited)	2,808	2 minutes	94 hrs
Screening, recruiting and reminding recruits who do not show up at the focus group sites	72	7 minutes	9 hrs
Screening, recruiting, reminding, and 90 minutes of discussion time for actual participants	240	97 minutes	388 hrs
<b>Total Burden Hours</b>			<b>491 hrs</b>

### 13. Costs to Respondents

NA

### 14. Costs to Federal Government

The estimated cost of the 24 focus groups in this package of 3 topics is \$216,000. They are part of a larger contract that includes focus groups on six different topics and one survey.

### 15. Reason for Change

Not applicable.

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

Once OMB approval is received, potential participants will be contacted via phone. It is expected that we will need approximately three months to field, administer, and summarize focus group findings.

Interviews will be summarized after each focus group and compiled into a final report no later than the end of February 2014. The final report will be a summary of key data findings by topic based on the discussions generated in the focus group interviews. This information will be used to report on taxpayers' and preparers' experiences with the IRS's ACS and SS-8 processes and understanding of taxpayers' rights and responsibilities pertaining to federal income taxes. The information will also be used in conjunction with other internal IRS data to suggest improvements to these specific processes as appropriate.

## **17. Display of OMB Approval Date**

We are requesting no exemption.

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

These activities comply with the requirements in 5 CFR 1320.9.

## **19. Data Collection Date**

Recruiting for focus group participants will begin immediately after receiving OMB approvals (preferably in October 2013, but no later than January 2014). All groups must be completed in time to finalize the study reports by the end of February 2014 when our vendor contract expires (this contract cannot be extended).

## **B. STATISTICAL METHODS**

The primary purpose of these collections will be for internal management purposes; there are currently no plans to publish the summary reports from this research. This research is qualitative and thus cannot be generalized to the population.

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

TAS will not provide recruiting lists to the vendor. The vendor will provide an RDD recruiting list for the Publication 1 groups since most individuals are eligible to participate.

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

Calls will be made to potential participants using lists or Random Digit Dialing (RDD). Participants will be screened and balanced using the appropriate characteristics for the focus group topic and include gender and tax preparer use. Calls will be made from a center that operates 16 hours a day, seven days a week. Eligible adults will be interviewed on the phone and either thanked for their time or invited to participate in the focus group interviews. Minimal information will be collected during this screening process to report back to OMB in the summary report.

Potential participants in this study will be telephoned/called by trained telephone interviewers operating from the vendor's national telephone interviewing center in East Rutherford, NJ. This center operates from 10 a.m. to 12 midnight to allow for 10 a.m. to 9 p.m. calling hours in each US continental time zone.

Potential participants in the Publication 1 groups will be selected from a Random Digit Dialing (RDD) list of computer-generated telephone numbers in working telephone exchanges across the US. The vendor will provide the RDD list. This RDD list will include a representative proportion of landlines (65%) and cell/mobile (35%). (There is no need for an nth selection randomization procedure with an RDD sample, as it is already randomized as it is being computer-generated.)

The vendor's telephone interviewing staff will still screen potential study candidates and identify potential participants per the screening criteria for each study. The telephone numbers of potential participants will be dialed up to 10 times in order to establish contact with a potential participant, with most of these dialings resulting in non-contact (number busy, voice-mail, non-working, etc.). After the first live contact with a potential participant, interviewers will request their participation in a focus group. If they agree, they will still be screened for qualification and if qualified, invited to the group. If they do not agree/refuse, they will be re-contacted by a more senior interviewer who will also try to get their participation. If they then refuse again, this person will be recorded in call records as a refusal and not contacted again.

For each focus group discussion, the vendor will recruit 13 qualified participants, with the expectation being that no more than 10 will actually show up at the group site and participate in it.

Minimal information will be collected during this screening process to report back to OMB in the summary report.

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

The vendor will strive to maximize response and cooperation rates among those participants they call by using experienced interviewers, calling multiple times, and offering qualified participants a stipend to participate in the focus groups.

The vendor will strive to maximize response and cooperation rates among those potential participants whom they call by: (1) using up to 10 attempts at live contact; (2)

by using more senior interviewers to try to convert refusals to completed surveys; and (3) by offering qualified persons a \$75 stipend to participate in the focus groups.

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

Because of vendor experience, procedures will not require testing.

#### **5. Contacts for Statistical Aspects and Data Collection**

Several contacts will be available for assistance with the statistical requirements. TAS Research will provide analysts with expertise in statistics to assist this effort. The vendor (contractor) will provide experts with knowledge of statistics as well.

Primary Contact: Carol Hatch, TAS Research, 501 396-5954 or [carol.m.hatch@irs.gov](mailto:carol.m.hatch@irs.gov)