

# OMB Clearance Package

## Chinese LEP Taxpayer Preference Study

### Introduction

The Language Services Office of the Internal Revenue Service (IRS), Wage and Investment division facilitates IRS's administration of policies and strategies supporting the delivery of language assistance to LEP taxpayers. The LSO regularly researches the needs of LEP taxpayers as directed by Executive Order 13166 and works with the different operating Business Operating Units within the IRS to identify improvements in products and services for the LEP community.

### Background

LSO has used focus groups, surveys, and other methods in the past to identify limited English proficient taxpayer needs, preferences and awareness regarding products and services. These studies have focused primarily on the need of Spanish LEP taxpayers which is the largest segment of the LEP customer base. This study will focus on the needs, preference and awareness of the Chinese LEP taxpayers, the second largest LEP group. It will result in the adoption of various specific suggestions for improvement to specific products, services and communication strategies aimed at helping this taxpayer segment. **The feedback received will not institute new policy, yet enable the Service to effectively meet taxpayer needs.**"

### Objectives of Research

The objective of these focus groups is to gather input from Chinese LEP taxpayers about the current awareness of tax information, products and services currently available to comply with their tax obligations and their needs for the future. The project has the following five objectives:

- Assess the Chinese LEP taxpayer's level of awareness about basic tax information
- Assess previous experience with filing, paying, and service use
- Identify communication preferences
- Assess knowledge and usefulness of specific products and services particularly the Chinese content on the IRS' Multilingual Gateway on irs.gov
- Identify current and future needs for language assistance

This information will assist the division in developing clear tax products that assist Chinese LEP taxpayers in voluntarily meeting their tax obligations. To achieve these objectives, the division plans to conduct a total of 6 focus groups, (3 per city) in 2

separate cities: New York and Los Angeles, two regions with large Chinese LEP populations. Four of the focus groups will be with individual taxpayers and 2 will be with small business taxpayers. Each focus group will consist of at least 8 participants, with 10 being the ideal number of participants. Upon arrival, participants will be re-screened to confirm their eligibility.

Each focus group will allow sufficient time for the following three activities to be completed: a more conventional focus group discussion session to discuss preferences and awareness around tax products and services, an online survey exercise and a final session to conduct usability of the Chinese LEP section of IRS.gov Multilingual Gateway.

PCG will be responsible for paying the participants the honorarium, identifying and securing the focus group facilities and ensuring that they are computer ready meaning that the site will have computers the participants can utilize as part of the focus group activities.

Upon completion of this project PCG will submit a report of findings to LSO to determine improvements that could be made.

## **Methodology**

### Sample design

The population for this study consists of individual and small business taxpayers. All participants must be limited English proficient and fluent in reading, writing, and speak Mandarin Chinese.

Taxpayers must meet the following criteria:

- Over age 18
- Filed a tax return in either 2011 or 2010 either on their own, either by hand or computer with software, or through the use of preparer.

<b>Individual</b>	File a 2011 or 2010 Form 1040, 1040A or 1040-EZ US Individual Income Tax Return
<b>Business</b>	Filed a 2011 or 2010 Form 1040, 1040A or 1040-EZ US Individual Income Tax Return with a Schedule C

The maximum number of participants per focus group will be 10. A screener guide has been prepared for professional recruiters to use to recruit participants for each of the focus groups (see Attachment 1).

The focus groups will be held in geographically dispersed cities in the country with large Chinese LEP population. Three focus groups will be conducted in the following cities; Los Angeles, CA, and New York, NY. Two focus groups per city will be held with individual taxpayers who are wage earners, employed by someone other than themselves and file a form 1040. One focus group per city will be held with small business owners who file a form 1040 with a Schedule C. Recruiters will inform participants that they will need to read Chinese but will not restrict by written form (Traditional vs. Simplified). The vendor will test written form preference in the focus groups. We will not restrict by computer literacy so that findings are not biased to computer channel preference instead the vendor will have staff on hand to provide assistance with the computer activities.

#### Data collection date

Data will be collected the weeks of May 16 and May 30, 2011

#### Data to be collected

Data gathered will be taxpayers' reactions to the current services and tools available to the Chinese LEP taxpayers including the Chinese content multilingual web pages on irs.gov. Data on the website will be gathered on the following:

- Ease of use
- Readability
- Overall content
- Usefulness
- Clarity of language
- Layout and organization
- Type size and font
- Order of presentation
- Ease of locating information.

#### How the data will be used

The goal of a focus group is to solicit general opinions about a topic. An important aspect of focus groups is that they give rise to insights and solutions that may not be derived from other methods. Focus group interviews are qualitative research, meaning no statistical difference between groups can be determined. Specifically, they are a directed discussion with small groups of 8 to 12 people on a specific topic.

Experienced moderators from PCG will conduct the focus groups using a moderator guide that has been developed (see Attachment 2).

Audiotapes and scribes' notes will be used to assist with feedback documentation during the focus groups.

#### Who is conducting the research?

Pacific Consulting Group (PCG) will conduct the research for TF&P.

#### Location—region/city and facilities

The PCG staff will conduct 6 focus groups (three per city) in the following cities:

- Los Angeles, CA,
- New York, NY

Facilities to conduct the focus groups will be provided by the vendor.

#### Stipend

The purpose of the stipend is to encourage participation, and to thank participants for sharing their time and contributions to the discussion. The amount of the stipend varies by location of the focus group and target audience(s). Participants will each receive \$100 for a 2-hour session.

#### Recruitment efforts

Using the screener guide, a vendor in each city will recruit participants for the focus groups (see Attachment 1).

#### Efforts to not duplicate research

Direct interaction with taxpayers through focus groups has been a research design used by the IRS for a number of years. Solicitation of feedback from Chinese LEP on products and services and the Multilingual Gateway has not been previously tested in this format and therefore there is no duplication of research.

#### Test structure/design

After some general introductory questions, participants will look at online survey that will ask them about the preferences and experiences. Participants will be asked questions specific regarding their experiences, current and future needs, awareness of products and services for Chinese LEP taxpayers. Following this portion of the session, participants will be asked to view the Chinese content on the Multilingual Gateway on irs.gov and answer questions specific to content, navigation, layout, and appearance.

## **Sampling Plan**

Each focus group will have 8 to 10 participants. Research has demonstrated that this number of participants helps create the best group dynamics; the groups are sufficiently large to stimulate relatively spontaneous interaction, but small enough to give everyone sufficient opportunity to speak.

The screener guide will be used to qualify and select focus group participants. PCG will gather qualitative data only, which will not be, nor presented to be, representative of the population.

## **Participants Criteria**

To participate in the study, individual participants must have the following characteristics:

- Fluent in Chinese, reading, writing (traditional or simplified) and speak Mandarin Chinese
- Limited English Proficient in reading, writing and speaking
- filed a 2009 Form 1040, 1040A or 1040-EZ US Individual Income Tax Return
- at least 18 years old
- diverse in terms of age and gender

To participate in the study, business participants must have the following characteristics:

- Fluent in Chinese, reading, writing (traditional or simplified) and speak Mandarin Chinese
- Limited English Proficient in reading, writing and speaking
- filed a 1040 for 2011 or 2010 with a Schedule C, either self-prepared using paper or software or through a tax professional
- at least 18 years old
- diverse in terms of age and gender

## **Privacy, Security, and Disclosure**

The data returned to IRS TF&P will have no identifying information relating specific records to individual taxpayers. Nonetheless, TF&P will ensure that privacy and security of the aggregated results will receive the utmost attention. Public and official access to the information will be tightly controlled. The computer files containing this tabulated information will remain password protected at all times. Data security approaching level C-2 will be accomplished using the Windows XP operating system.

Audiotapes used to record testing sessions will be destroyed when the project is completed and there is no further need for the data.

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.

### Estimated Burden Hours

The estimated time to complete the participant screening is 5 minutes. The estimated time for each reminder call is 1 minute, with each testing session lasting 2 hours. We estimate that 10 percent of the taxpayers contacted for the study will qualify and be willing to participate. Using this percentage, a total of 800 individuals will need to be screened to recruit the needed 9 participants (8 study participants and 1 back-up participants) for each focus group. We estimate that 8 people will be sent home because we will only need 72 to stay for the focus groups. Of those being sent home, we estimate 30 minutes of travel time.

Total number of potential participants screened	800
Estimated time to complete screening	5 minutes
Reminder phone calls 1 minute/call)	80 minutes (80 x
<b>Estimated participant screening burden + 80 minutes)</b>	<b>68 hours (800 x 5</b>
Number of participants <b>(72)</b>	72
Time to conduct study (including 30 minutes for travel)	2.5 hours
Travel Time (8 participants sent home) x.5 hours)	4 hours
<b>Estimated study burden (72 x 2.5 + 4)</b>	<b>184 hours</b>
<b>Estimated total project burden hours</b>	<b>252 hours</b>

### Focus Group Arrangements

Pacific Consulting Group will manage every aspect of recruitment. They will use professional recruitment firms in Los Angeles, CA, and New York, NY. Focus groups will be held in the respective facilities in each city. Using the screener guide, each firm will recruit 10 participants for each focus group with a goal of having 9 participants for each group.

PCG will ensure that:

- Each participant receives directions to the focus group room.
- Each participant is re-screened upon arrival at the facility to confirm eligibility.
- All materials are ready for use in the focus group session, including tables and chairs, newsprint, colored markers, note pads, calculators, pencils, and audiotapes.
- Complimentary refreshments appropriate to the time of day are available for the focus group participants.
- Audio equipment is operating properly.
- Honoraria to participants are distributed upon the completion of the session.
- Last names or other identifying information are NOT available to IRS personnel.

## **Estimated Costs**

The total estimated cost associated with this study is \$49,000.

## **Special Tallies and Other Information**

Within 60 days after the completion of the focus groups, PCG will provide the following information:

- Actions taken or lessons learned
- Number of requests or attempts for taxpayer participation
- Number of focus group participants
- Cost
- Transcripts and audiotapes.

PCG will also produce the final report within 60 days of the final focus group.

## **Attachments**

Attachment 1 Screener Guide, Confirmation Letter, and Reminder Phone Script

Attachment 2 Moderator's Guide