

**SUPPORTING STATEMENT**  
**Approval Request to Conduct Customer Satisfaction Research**  
**Pretesting of W&I Taxpayer Experience Survey (TES) 2016**

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**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.

Wage and Investment (W&I) conducts transactional customer satisfaction surveys to obtain satisfaction ratings and customer feedback on various aspects of the customer's experience. While some of the surveys do address pre-filing and filing concerns, they do so reactively: i.e., the customer takes the initiative because of a problem, issue, or question they have, and those functions respond as best they can. Relatively little is known about the pre-filing and filing needs and preferences of the W&I market segment, including those taxpayers who have minimal or no contact with W&I beyond filing their tax returns.

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

The objective of this task is to test English and Spanish versions of the Taxpayer Experience Survey.

The key goals of this research are:

1. To test the Taxpayer Experience Survey
2. To identify improvements that can be made to the survey prior to administering it.

**3. Consideration Given to Information Technology**

The Taxpayer Experience Survey provides insight into the needs, opinions, and behaviors of the 1040 filer population. The English TES questionnaire will be administered to 20 persons by a contractor in order to pretest the instrument and make modifications to it prior to administering it via a web-panel. The Spanish TES questionnaire will be administered to 8 persons for the pretest. A separate supporting statement is being submitted for the web administration.

**4. Efforts Not to Duplicate Research**

This will be the only pretest of the 2016 TES and the TES is the only study currently conducted that provides the opportunity to hear from W&I's full taxpayer base on a broad range of

customer service issues, with the objective of identifying how to prioritize strategies for improving customer satisfaction.

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

Small entities are not involved. The survey test has been designed to minimize burden on the respondent. The time that a respondent takes to complete the survey and respond to questions about the survey has been carefully considered. Each respondent will be allowed to participate in only one survey. This will aid in decreasing respondent burden.

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

Without the pretest, the survey will be less effective at providing IRS with information about W&I taxpayers.

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

There are no special circumstances. The information collected will be voluntary and will not be used for statistical purposes.

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

A Contractor will conduct this pretest and the survey research.

#### **9. Payment of Gift**

The contractor will provide a \$40 stipend to each pretest participant.

The justification for this is that without it, the contractor may not be able to attract subjects to participate in this study. Offering incentives for participating in this type of research is a standard industry practice.

#### **10. Confidentiality**

All participants will be subject to the provisions of the Taxpayer Bill of Rights II during this study and the vendor will ensure that all participants are treated fairly and appropriately.

The security of the data used in this project and the privacy to the extent allowed by law of taxpayers will be carefully safeguarded at all times. Security requirements are based on the Computer Security Act of 1987 and Office of Management and Budget Circular A-130, Appendices A & B. Physical security measures include a locked, secure office. Notes are stored in locked cabinets or shredded. Data security at the C-2 level is accomplished via the Windows NT operating system. Systems are password protected, users profiled for authorized use, and individual audit trails generated and reviewed periodically.

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. 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 test 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. We will apply the fair information and record-

keeping practices to ensure protection of all survey respondents. 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 information as well as its releases to authorized recipients.

**11. Sensitive Nature**

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

**12. Burden of Information Collection**

The survey pretest has been designed to minimize burden on the respondent. The time that a respondent takes to complete a survey and respond to questions about the survey has been carefully considered and only the most important areas are being tested. The respondent will participate in only one pretest. This will aid in decreasing respondent burden.

Using a response rate of .4%, a total of 7,000 requests will need to be made to recruit 28 actual participants. Time to determine whether the contact is qualified to participate is 2 minutes for non-qualified taxpayers ( $2,533 \times 2/60=84.3$  hours) and time for recruiting qualified participants is 20 minutes for English ( $3,306 \times 20/60=1102$  hours) and 25 minutes for Spanish ( $494 \times 25/60=205.8$  hours) and actual participation time is 1 hour ( $28 \times 60/60=28$  hours). Only 60% of contacts will qualify. Of those qualified, we anticipate approximately 1% will agree to participate. Total Burden for this study is 1420.3 hours ( $1,195.5+224.8=1420.3$ ).

**BURDEN HOURS**

Category of Respondent (English)	No. of Respondents	Participation Time	Burden Hours
Recruitment Screening – Non-participants	2,204	2 minutes	73.5
Recruitment Screening – Qualified Participants	3,306	20 minutes	1,102
Cognitive Interview English	20	60 minutes	20
<b>Totals</b>			<b>1,195.5 hrs</b>

Category of Respondent (Spanish)	No. of Respondents	Participation Time	Burden Hours
Recruitment Screening – Non-participants	329	2 minutes	11
Recruitment Screening – Qualified Participants	494	25 minutes	205.8
Cognitive Interview Spanish	8	60 minutes	8
<b>Totals</b>			<b>224.8 hrs</b>

**Total Burden = 1420.3 hrs**

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**Estimated Response Rate: .4%**

**13. Costs to Respondents**

There is no cost to respondents for participation.

**14. Costs to Federal Government**

\$4,000.00

**15. Reason for Change**

No Change is requested. This is a new approval request.

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

Feedback collected provides useful information, but it does not yield data that can be generalized to the overall population. Findings will be used for survey improvement, but are not for publication or other public release.

The recruiting of the sample is the responsibility of the contractor. The 28 participants will provide qualitative insights to inform survey revisions. The contractor will use the analysis of this qualitative information to improve the quality of the survey instrument.

The contractor will hold the identities of respondents private to the extent permitted by law. The contractor will not provide the IRS with data or status updates that are linked to individual respondents. This data will not include any individually identifying information such as name, address, or taxpayer identification number.

**17. Display of OMB Approval Date**

IRS is seeking approval to not display the expiration date for OMB approval, as this is a one-time, limited-duration collection

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

These activities comply with the requirements in 5 CFR 1320.9.

**19. Dates collection will begin and end**

Collection will begin April 1, 2017 and end June 30, 2017.

**B. STATISTICAL METHODS**

Data collection will not apply statistical methods. A qualitative analysis of respondents' experiences with the survey will be performed. There are no plans to publish or otherwise release this information.

**1. Universe and Respondent Selection**

The sampling frame consists of W&I taxpayers.

**2. Procedures for Collecting Information**

The contractor will recruit participants for the survey pretest and will be responsible for establishing procedures for data collection. The contractor will prepare the data and conduct data analysis in accordance with accepted industry standard procedures.

The contractor will conduct a pretest by telephone to ensure that respondents understand the questions correctly and clearly, and to test the flow of the question set. The contractor will interview 28 participants for the test; that quantity is sufficient to uncover deficiencies in comprehension without incurring additional costs. Taxpayers will be identified from either pre-recruited participants who have agreed to participate in future research, and/or by purchased lists that the contractor will acquire from Survey Sampling, a well-regarded sampling source with U.S. household contacts. During the pretest, the contractor will note hesitation points and questions that respondents experienced difficulty answering. The contractor will also ask question probes following specific questions or question sections, such as “Was that easy or hard to answer?” “What does the term xyz mean to you?” and “Was there anything difficult in this section for you to answer?” The IRS will be able to listen to the pretest interviews. The pretest also provides an opportunity to ‘close up’ any new open-ended questions, which reduces coding costs. The contractor will review findings with the IRS and make adjustments to the final questionnaire based on pretest results as needed.

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

Standard procedures will be used in order to obtain the highest response rate possible for the TES pretest. The Contractor will recruit pretest participants and conduct the survey pretest. To encourage response to the pretest so that it can be completed efficiently, the contractor will be offering a \$40 incentive to pretest participants.

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

The purpose for this OMB approval application is to pretest the TES survey prior to launch.

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

For questions regarding the pretest, contact:

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401 West Peachtree St, Suite 2030  
Atlanta, GA 30308  
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*The Paperwork Reduction Act requires that the IRS display an OMB control number on all public information requests. The OMB Control Number for this study is 1545-1349. Also, if you have any comments regarding the time estimates associated with this study or suggestions on making this process simpler, please write to the, Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave. NW, Washington, DC 20224.*