

Supporting Statement
Approval Request to Conduct Customer Satisfaction Research OMB 1545-1432

Title: 2016 Oversight Board Comprehensive Taxpayer Attitude Survey

A. JUSTIFICATION

1. Circumstances Making the Collection of Information Necessary

The IRS Oversight Board was created by the IRS Restructuring and Reform Act of 1998 (RRA 98) <https://www.treasury.gov/irsob/documents/statute.pdf>, which was enacted to improve the IRS so that it could better serve the public and meet the needs of taxpayers. The Oversight Board is a nine-member independent body charged to oversee the IRS in its administration, management, conduct, direction, and supervision of the execution and application of the internal revenue laws and to provide experience, independence, and stability to the IRS so that it may move forward in a cogent, focused direction. The Board initiates this annual survey with the objective of better understanding what influences taxpayers' tax compliance, their opinions of the IRS, and their customer service preferences, and how these taxpayer views change over time.

2. Purpose and Use of the Information Collection

The findings from this survey will provide the Board with a clear and reliable taxpayer context that aids Board members in their review of the performance of current IRS taxpayer service and enforcement programs designed to improve voluntary compliance; and in the Board's deliberations on related IRS budget recommendations, proposals for strategic performance measures, and other matters that fall under the Board's statutory responsibility to oversee the IRS in its administration of internal revenue laws.

3. Consideration Given to Information Technology

In 2016, in addition to using a combined landline and cell phone survey of 1,000 individual respondents, the Board also will add a concurrent online survey of 1,000 individual respondents in the hope of transitioning to this less expensive option in the future.

All phone interviews will be conducted using a Computer Assisted Telephone Interviewing (CATI) process. Interviewers will be professionally trained and continuously monitored and supervised. Telephone survey respondents, both male and female adults age 18 and older, would be selected via a nationwide, dual frame blended Random Digit Dialing (RDD) sample of all landline and cell phone telephone households in the continental United States. The RDD sampling system is computer based and provides an equal probability of selection for every telephone household. The sample represents telephone households with both listed and unlisted phones in their proper proportions.

All online interviews will be conducted using the vendor's online panel. In advance, and totally independent of this Board survey, participants have been recruited by the contractor and have voluntarily completed its online panel registration surveys and provided their e-mail addresses, names, and addresses to the contractor. At a subsequent point in time during August 2016, a subset of these registrants will be asked by the contractor to participate in the Board's survey. That subset of potential online survey participants will be selected via the contractor's proprietary probability-based sampling methodology, which is designed to provide a statistically representative sample of U.S. adults.

Fielding such a concurrent survey using an online panel and the same questions as those in the dual-frame RDD telephone survey will provide the Board valuable insight into a possible switch to a lower-cost online panel survey methodology for the Board's annual survey in the future, while at the same time preserve the unique value of the historical time series data based on the RDD telephone survey methodology. Having comparative results from both survey methods will ensure the Board has a way to gauge any differences in the survey responses between 2015 and 2016 that are primarily attributable to the differing survey methodologies, versus those differences that reflect real changes in the respondents' views - providing a means for adjusting the historical time series data, if needed, so as to maintain the comparability/integrity of the prior historically recorded trends.

4. Duplication of Information

In conducting this research, the Board will coordinate closely with the IRS to ensure that the research is conducted in such a way that it will provide maximum benefit to sound tax administration. IRS staff from the Office of Research, Analysis, and Statistics will assist in survey design. Additionally, information from past and ongoing Oversight Board surveys, IRS research, and other research by non-profit organizations will be considered. No similar data are gathered or maintained by the Agency or are available from other sources known to the IRS Oversight Board.

5. Reducing the Burden on Small Entities

The audience for this survey is individuals, not small entities/businesses.

6. Consequences of Not Conducting Collection

The IRS Oversight Board would no longer be able to get critical input needed to provide a clear and reliable taxpayer context that aids Board members in their review of the performance of current IRS taxpayer service and enforcement programs designed to improve voluntary compliance, and in the Board's deliberations on related IRS budget recommendations, proposals for strategic performance measures, and other matters, that fall under the Board's statutory responsibility to oversee the IRS in its administration of internal revenue laws.

7. Special Circumstances

There are no special circumstances. The information collected will be used for statistical purposes.

8. Consultations with Persons Outside the Agency

It is expected that GfK Custom Research LLC (GfK) will conduct this research and that the analysis will be conducted in GfK's offices in Washington, DC, Princeton, NJ, and New York, NY.

9. Payment or Gift

No incentives are given for phone surveys; for online surveys GfK offers points as an incentive, which can be redeemed for merchandise, gift cards, or other items. Points are based on length of surveys. The average redemption value for completion of a 23 minute survey is \$1.38.

10. Confidentiality

The survey will be conducted by random digit dialing, and no sensitive personally identifiable information will be compiled by the vendor as part of the database for this survey, nor passed along to the IRS Oversight Board. Additionally, the vendor has signed a non-disclosure agreement as part of the contract with the Oversight Board and will take steps that ensure

specific records cannot be tied to individual taxpayers. Research personnel will ensure that privacy and security of the results will be adhered to, to the extent allowed by law. Public and official access to the information will be tightly controlled.

11. Sensitive Nature

This survey is not sensitive in nature and will include only standard demographic questions that cannot be tied to any individual. No sensitive personally identifiable information will be collected and shared with the Oversight Board.

12. Burden of Information

The study will be conducted via concurrent telephone and online surveys. Our target number for completed surveys is 1,000 each for the two survey modes, for a total of 2,000 interviews. It is estimated that more than 2,000 interviews will need to be conducted to achieve this goal. With an estimated response rate of 9.24%, we anticipate that of the 29,473 screened, 2,723 will agree to participate in the survey ($29,473 \times 9.24\% = 2,723$). 2,723 represents the total number of interviews, including oversamples when quotas are met and those who only partially complete the survey. Participation time is 23 minutes. ($23 \times 2,723/60 = 1,043.8$ participation burden hours. **The total estimated burden for this survey is $(245.6+1,043.8) = 1,289.4$ burden hours.**

Screened/Interviewed	No. of Respondents	Participation Time	Burden
Total Screened	29,473	0.5 minutes	245.6 hours
Total Participants	2,723	23.0 minutes	1,043.8 hours
Total Burden Hours			1,289.4 hours

13. Costs to Respondents

There is no dollar cost to respondents.

14. Costs to Federal Government

\$175,394

15. Reason for Change

The survey mode has been enhanced by the addition of an online panel to explore the feasibility of realizing cost savings to the government in the future, while retaining the comparability and historical integrity of prior year results and trend lines.

16. Tabulation of Results, Schedule, Analysis Plans

The data will be collected using concurrent telephone and online surveys in August 2016. Data from the surveys will contain no sensitive personally identifiable information and will be assembled into a database in which responses are anonymous and tabulated into aggregate level results that summarize taxpayer compliance attitudes and IRS service preferences, and their relationships to key characteristics such as employment status and age. The data will help the IRS Oversight Board to further develop general service improvement in tax administration.

Because the expected response rate is less than 50%, no critical decisions will be made solely from the analysis of the data from this survey. The results of this survey are simply one piece of a larger set of information needed to assess taxpayers' attitudes and needs and help the Oversight Board better direct the IRS.

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 Begin and End

The survey would be conducted between August 1 and August 31, 2016, pending receipt of OMB clearance.

B. STATISTICAL METHODS**1. Universe and Respondent Selection**

Taxpayers over the age of 18 that match the demographic characteristics of the U.S. population will be reached via random digit dialing and the vendor's representative online panel.

2. Procedures for Collecting Information

The data will be collected using a telephone survey of 700 landline and 300 cell phone respondents as well as an online survey of 1,000 additional respondents.

All phone interviews will be conducted using a Computer Assisted Telephone Interviewing (CATI) process. Interviewers will be professionally trained and continuously monitored and supervised. Telephone survey respondents, both male and female adults age 18 and older, would be selected via an RDD probability sample of all landline and cell phone telephone households in the continental United States. The RDD sampling system is computer based and provides an equal probability of selection for every telephone household. The sample represents telephone households with both listed and unlisted phones in their proper proportions.

All online interviews will be conducted using the vendor's online panel. In advance, and totally independent of this Board survey, participants have been recruited by the contractor and have voluntarily completed its online panel registration surveys and provided their e-mail addresses, names, and addresses to the contractor. At a subsequent point in time during August 2016, a subset of these registrants will be asked by the contractor to participate in the Board's survey. That subset of potential online survey participants will be selected via the contractor's proprietary probability-based sampling methodology, which is designed to provide a statistically representative sample of U.S. adults.

3. Methods to Maximize Response

For phone surveys, up to five attempts will be made to reach each selected household (an original attempt, plus four more attempts to reach households that did not answer earlier calls). All attempts will be made during evening and weekend hours, since those are the times when working respondents are most likely to be at home. Calling attempts will be scheduled for different days of the week and weekends and will be spaced as far apart as is possible, within the restraints of the survey schedule.

Data is expected to be collected using GfK's telephone centers located in the following cities:

- Rexburg, ID and

- Twin Falls, ID

Dialing may occur across multiple centers but all calls will be conducted during nighttime hours, 5:00 p.m. - 9:00 p.m. respondent time during weekdays, plus 10 a.m. – 6 p.m. on Saturdays and 3 p.m. – 9 p.m. on Sundays.

For online surveys, GfK offers points as a participation incentive, which can be redeemed for merchandise, gift cards, or other items. GfK also:

- strives to keep surveys open for a minimum of 7-10 days
- delivers a reminder to non-completes
- requires panelists to re-register each year
- gives panelists 24/7 access to surveys through a revamped and updated askGfK portal.

4. Testing of Procedures

The vendor will fully brief field staff responsible for data collection and the fieldwork will be monitored. Pretesting may be done with internal staff, a limited number of external colleagues, and/or customers who are familiar with the programs and products. If the number of pretest respondents exceeds nine members of the public, the Agency will submit the pretest instruments for review under this clearance. All data will be cleaned and aggregated into a single database. The vendor is a member of CASRO and ESOMAR and adheres to the CASRO Code of Standards and Ethics for Survey Research Organizations as well as to internal quality assurance standards that address all components of the research process.

5. Contacts for Statistical Aspects and Data Collection

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