

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

Title: 2018 Research Applied Analytics & Statistics (RAAS) Comprehensive Taxpayer Attitude Survey

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.

Research Applied Analytics & Statistics (RAAS) is sponsoring this annual survey (formerly conducted by the IRS Oversight Board) 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 RAAS and IRS with a clear and reliable taxpayer context that aids the Service in its review of the performance of current IRS taxpayer service and enforcement programs designed to improve voluntary compliance; and in the Service's proposals for strategic performance measures.

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 IRS Oversight Board also conducted a concurrent online survey of 1,000 individual respondents in hopes of transitioning to this less expensive option in the future. RAAS will conduct the combined landline and cell phone surveys, and online survey concurrently again this year.

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 RAAS 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 2018, a subset of these registrants will be asked by the contractor to participate in RAAS' survey. That subset of potential online survey participants will be selected via a

probability-based sampling methodology 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 RAAS valuable insight into a possible switch to a lower-cost online panel survey methodology for this 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 RAAS has a way to gauge any differences in the survey responses between 2016 and 2018 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, RAAS will coordinate closely with the rest of IRS to ensure that the research is conducted in such a way that it will provide maximum benefit to sound tax administration. RAAS will assist in survey design. Additionally, information from past and ongoing RAAS 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 RAAS.

5. Reducing the Burden on Small Entities

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

6. Consequences of Not Conducting Collection

RAAS would no longer be able to get critical input needed to provide a clear and reliable taxpayer context that aids IRS in their review of the performance of current IRS taxpayer service and enforcement programs designed to improve voluntary compliance, and in RAAS' proposals for strategic performance measures.

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 a contractor will conduct this research.

9. Payment or Gift

No incentives are given for phone surveys; for online surveys. Other incentive such as points which can be redeemed for merchandise, gift cards, or other items may be offered. 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 RAAS. Additionally, the vendor 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 RAAS.

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 8.9%, we anticipate that of the 22,852 screened, 2,033 will agree to participate in the survey ($22,852 \times 0.089 = 2,033$), and 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. ($23 \times 2,056/60 = 788.3$ participation burden hours). **The total estimated burden for this survey is $(190.4+788.3) = 978$ burden hours.**

Screened/Interviewed	No. of Respondents	Participation Time	Burden
Total Screened	22,852	0.5 minutes	190.4 hours
Total Participants	2,056	23.0 minutes	788.3 hours
Total Burden Hours			978 hours

13. Costs to Respondents

There is no dollar cost to respondents.

14. Costs to Federal Government

\$ \$289,306.50

15. Reason for Change

No Change is being requested. This is a new Information Collection Request.

16. Tabulation of Results, Schedule, Analysis Plans

The data will be collected using concurrent telephone and online surveys in August 2018. 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 RAAS 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 RAAS better direct the IRS.

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 Begin and End

August 1, 2018 through September 30, 2018

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 approximately 700 landlines 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. A subset of the panel will be asked by the contractor to participate in RAAS's survey. That subset of potential online survey participants will be selected via a probability-based sampling methodology 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.

For online surveys, points may be offered by the contractor as a participation incentive, which can be redeemed for merchandise, gift cards, or other items. The contractor will:

- keep surveys open for a minimum of 7-10 days;
- and deliver a reminder to non-completes.

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.

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.

5. Contacts for Statistical Aspects and Data Collection

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