

Supporting Statement
OMB Information Collection Request (ICR) Approval to Conduct
Customer Satisfaction Research (OMB #1545-1432)

Title of Research: W&I Asian Limited-English Proficient Taxpayers Study

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.

2. Purpose and Use of the Information Collection

The Multilingual and Agency Services (MAS) Branch of the IRS is responsible for developing Service-wide strategies and policies that target the specific needs of limited-English proficient (LEP) taxpayers, and to identify key areas of improvement that must be addressed to meet those needs.

LEP taxpayers experience difficulties conducting business with the IRS that present unique challenges for both the taxpayer and the IRS. The IRS provides language assistance to taxpayers for whom English is a second language, which can result in increased hardships, taxpayer burden, and noncompliance among this fast-growing group. Further, some LEP taxpayers come from cultures where there is a lack of trust of the tax system or government in general, which may affect their interactions with the IRS. Establishing and maintaining trust between the IRS and the LEP community is an important step in bringing LEP taxpayers into the system and keeping them there.

MAS seeks to develop a deeper understanding of Asian LEP taxpayers and capture insights about the attitudes and understanding of these populations as it relates to their taxpaying obligations. To that end, MAS plans to administer a survey to Chinese, Korean, and Vietnamese LEP individual and self-employed/small business taxpayers to assess their language assistance, outreach, education and return preparation needs to assist in their compliance of IRS tax laws.

The efforts resulting from the study will help the IRS build a more trusting relationship while educating LEP taxpayers to better understand their basic tax rights and responsibilities and encourage electronic filing. MAS seeks contractor assistance with qualitative and quantitative methodologies to achieve these goals.

M&P requires a commitment from a contractor to establish sampling methods to select valid samples from the appropriate populations, and to conduct telephone, web-based, and/or mail surveys designed and owned by M&P. The purpose of the survey is to:

- understand the cultural nuances and perceptions of taxes and the IRS;
- determine the needs among LEP populations so that the IRS can provide better services and outreach to this growing segment of the U.S. population;
- identify barriers to filing taxes; and
- provide the IRS with information to be used in marketing and communication efforts related to reaching Chinese, Korean, and Vietnamese LEP taxpayers in a way that is more impactful and relevant.

3. Consideration Given to Information Technology

Considering the target population for this study, the surveys will be administered face-to-face using a tablet/laptop computer.

4. Duplication of Information

As the MAS Branch, we are involved in LEP studies across IRS and consult to ensure no duplication of efforts through the IRS Language Services Executive Advisory Council, which meets regularly to share across IRS the needs of the LEP population based on data-driven research and help IRS employees better assist the LEP.

5. Reducing the Burden on Small Entities

Included in the research population are both individual taxpayers, and small business taxpayers, where "small business" is defined as individuals who file a Form 1040 with a Schedule C, Profit or Loss from Business, Schedule E, Supplemental Income and Loss Schedule F, Profit or Loss from Farming or Form 2106, Employee Business Expenses as well as small businesses with assets under \$10 million.

6. Consequences of Not Conducting Collection

Failure to obtain this data collection will result in failure to meet IRS Strategic Goals to "facilitate participation in the tax system by all sectors of the public" and to "remove impediments to participation for groups with language, cultural or other barriers." Additionally, failure to complete this study would impede W&I from meeting its strategic goal to "reduce W&I taxpayer burden by improving, quality, efficiency, and service delivery."

7. Special Circumstances

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

8. Consultations with Persons Outside the Agency

Pacific Consulting Group has been contracted to coordinate with Internal Revenue Service, Multilingual and Agency Services Branch to consult, perform data collection, and reporting for this study.

9. Payment or Gift:

Each person who completes the survey will receive an incentive (cash payment) of \$20. During the data collection process, the interviewer, a fluent speaker of the language, will intercept potential respondents, and will screen them into the survey. If they qualify, then the survey data will be collected using a tablet/laptop computer. It may be self-administered by survey respondent, or if needed, the survey respondent will be assisted by an interviewer (who would read out the questions aloud).

10. Confidentiality:

During screening, prospective respondents will be read the following: This survey is being conducted for the Federal Government by an independent national research organization, Pacific Consulting Group. Your answers are anonymous and private. No personal identifying information will be released to the government to the extent permitted by law. Your responses will be combined with others and reported collectively.

11. Sensitive Nature: Study not sensitive

12. Burden of Information Collection:

The average time of survey completion is expected to be 15 minutes. Based on a sample of potential respondents of 2,040 and a response rate of 50%, we expect 1,020 survey participants, leaving 1,020 non-participants. The contact time to determine participants could take up to 2 minutes to ask screener questions, with the resulting burden being $2,040 \times 2 \text{ minute}/60 = 68$ burden hours.

For participants, total time to complete the survey is 15 minutes. The time burden for participants is $1,020 \times 15 \text{ minutes}/60 = 255$ burden hours.

The total burden hours for the survey is $(68 + 255) = 323$ burden hours.

Type of Collection	Participation	Response Time (minutes)	Total Burden (hours)
Potential Respondents Contact	2040	2	68
Expected Participants	1,020	15	255
Grand Total Burden			323

13. Costs to Respondents

There is no cost to respondents resulting from the collection of information.

14. Cost of Federal Government

\$182,811.

15. Reason for Change

No change is being requested. This is a new request.

16. Tabulation of Results, Schedule, Analysis Plans

At the end of the fielding period, the final set of survey data will be provided in SPSS file format. Survey responses will be reviewed for data quality. The final survey data set will be cleaned, and text responses collected from the open-end questions will be translated into English.

Pacific Consulting Group will provide draft analytical plan to review, discuss, edit, and finalize. Following a thorough review of the dataset, Pacific Consulting Group will revise the finalized analytical plan if necessary and conduct the planned analysis on the dataset in preparation for reporting.

Pacific Consulting Group will also provide a detailed work plan and schedule. The tabulation of results and reporting are expected to 8-10 weeks after the completion of fielding.

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 of Information will Begin and End

While the recent Government Shutdown has impacted our timeline, the timeframe for fielding this study is March 21, 2019 – April 22, 2019.

B. STATISTICAL METHODS

1. Universe and Respondent Selection

The universe for this study is:

- U.S. adults who file taxes, aged 18+, with a limited command of the English language (reading, writing, speaking), defined as “LEP taxpayers.”
- Both individual taxpayers, and small business taxpayers, where "small business" is defined as individuals who file a Form 1040 with a Schedule C, Profit or Loss from Business., Schedule E, Supplemental Income and Loss Schedule F, Profit or Loss from Farming or Form 2106, Employee Business Expenses as well as small businesses with assets under \$10 million.

- And who speak one of these languages fluently: Mandarin (Chinese), Vietnamese, or Korean.

A statistically valid convenience sample will be used for the study. During the data collection process, the interviewer, a fluent speaker of the language, will intercept potential respondents, and will screen them into the survey. The intercepting will occur at unique locations in areas of high concentration/ high traffic for the target ethnic groups. As much as possible, the selected geographical areas will span multiple states/regions within the United States where Asian LEP taxpayers tend to reside. There will be no specific set quotas by geographical area. Also, the representation of the Small Business/Self-employed (SBSE) portion of the sample will fall out naturally (i.e. there will be no hard quotas).

2. Procedures for Collecting Information

The English version of the survey will be programmed and tested by Pacific Consulting Group. The survey in Word will be translated into Chinese (Mandarin), Vietnamese, and Korean. The translations will then be overlaid on to the English survey program and data collection will begin shortly thereafter.

Data collection will begin with a soft launch of ten completed surveys per language to receive feedback on any issues with the survey (for example, questions that are not understood or are confusing to the respondents). After a review of any issues with the survey design, timing, or process, corrections will be made, and the full launch will commence shortly thereafter.

The data will be collected using a tablet/laptop computer. The survey may be self-administered by survey respondents, or if needed, the survey respondent will be assisted by an interviewer.

3. Methods to Maximize Response

- During the intercept, the interviewers will sight-screen on age before approaching potential respondents.
- The survey respondents will be assisted by an interviewer (who will read out the questions aloud if needed)
- Each person who completes the survey will receive an incentive (cash payment) of \$20.

4. Testing of Procedures

- The survey program in English will be tested for inclusion of all questions, logic and skips.
- The translated survey will be tested for clarity and understanding.
- After the soft launch of soft launch of ten completed surveys per language, the responses will be checked for any issues with the programing, understanding of questions and any issues related to timing or process.
- During data collection, responses will be checked for quality.

5. Contacts for Statistical Aspects and Data Collection

For statistical aspects of data collection, please contact Bharati Khanduja, at Pacific Consulting Group by phone at 650-223-8228 or email bkhanduja@pcgfirm.com. Cynthia Lee or IRS is the project manager and can be reached at Cynthia.Lee@irs.gov and 470-639-3174.