

**Taxpayer Advocate Service (TAS) Focus Group Interviews
2018 IRS Tax Forums on Audit Process and Service Needs
Approval Request to Conduct Cognitive and Psychological Research Data
Collection (OMB #1545-1349)**

A. JUSTIFICATION

1. Circumstances Making the Collection of Information Necessary

The Taxpayer Advocate Service (TAS) is taxpayers' voice at the IRS. Our job is to ensure that every taxpayer is treated fairly, and each knows and understands his or her rights. *As an independent organization within the IRS, we help taxpayers resolve problems with the IRS and recommend changes that will prevent the problems.* To fulfill our mission, we need insight into taxpayers' experiences with IRS processes and products. Topics will focus on experiences practitioners have with IRS delivery channels and experiences with the IRS audit process. Tax preparers will discuss their opinions of existing programs and services, in addition to suggestions for future changes. This information is not readily available from existing data sources and it will help TAS better understand taxpayers' service and information needs pertaining to these topics.

2. Purpose and Use of the Information Collection

TAS is looking to understand participants' thoughts about two different topics related to IRS processes and services. One group will focus on practitioner's experiences dealing with IRS' delivery channels and service offerings, and whether practitioners prefer different channels for different types of services. The other group will discuss how the practitioners view the IRS audit process including correspondence and face-to-face audits. TAS wants to conduct focus group interviews with tax professionals to gain insight into their experiences.

The focus groups findings will be combined with other organizational information to suggest ways to improve the process involving installment agreements or TAS operations, and will provide information on topics of interest for projects such as those included in the TAS Annual Report to Congress. Having the ability to anecdotally understand the level of understanding of the services offered by TAS is important to serve taxpayers and practitioners better. The feedback received will not institute new policy, yet enable TAS to effectively meet taxpayer needs.

3. Consideration Given to Information Technology

TAS considered electronic options for this research, but decided to collect the information in person to obtain more detailed and nuanced information. TAS decided in person groups were the best option for including most types of preparers at a relatively low cost.

4. Duplication of Information

We were unable to find any current research on our topics of study from a tax preparer's perspective. Our focus groups will gather information on tax practitioner's current opinions on issues with current delivery channels, options they would like to see, and the current audit process. This timely, qualitative research will help identify issues of concern to tax professionals and their clients. No similar data are currently gathered or maintained by the Agency.

Exploring Tax Practitioners IRS Service Needs and Use

TAS is interested in tax practitioners' thoughts, experiences, and ideas about IRS service offerings and delivery channels. This includes learning about what types of services are most important to practitioners and their preferred method for receiving services. Specifically, we will discuss the different types of services available and whether other services are needed, participants thoughts on emerging delivery methods, and how IRS can best meet their needs.

Experiences with the IRS Audit Process

TAS is interested in tax practitioner's thoughts and experiences with various types of IRS audits. This includes identifying the topics addressed in the examination, if it was conducted in person or by correspondence. We are also interested in preparers' opinions concerning the returns selected for audit and the issues reviewed, the quality of the examination, and knowledge of the examiner.

5. Reducing the Burden on Small Entities

Small business or other small entities are not targeted for these groups and will only be involved if they meet screening criteria and agree to participate. TAS will minimize the burden on them by reminding them that participation in the focus groups is voluntary.

6. Consequences of Not Conducting Collection

Without this feedback, TAS will not have timely perspectives and insights from tax practitioners concerning the IRS's examination process and how well the current IRS service channels meet their needs. These topics are of concern to the National Taxpayer Advocate and she requires feedback from external stakeholders to understand concerns from those who use these programs or need information to better understand their rights with the IRS.

7. Special Circumstances

There are no special circumstances. These focus group interviews differ from other pre-recruited groups in that there are no incentives paid to participants and potential participants are recruited in person.

8. Consultations with Persons Outside the Agency

No consultations were held with persons outside the agency. Online searches did not identify any similar information available.

9. Payment or Gift

No payment or gift will be provided to the participants.

10. Confidentiality

TAS will provide privacy to the extent allowed by law. Personal or sensitive information will not be disclosed. Only first names will be used in interviews (first initial of last name will be used if there are duplicate names). We will also control official access to the information and will not allow public access to the information. TAS will not ask for any information that could be used to identify the taxpayers in the focus group interviews. TAS designed the moderator guides such that no personally identifiable information (PII) is captured.

TAS will ensure that privacy to the extent allowed by law and security of the aggregated results will receive the utmost attention. Public and official access to the information will be tightly controlled. Data security approaching level C-2 will be accomplished using the Windows XP/7 operating system.

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.

We will limit and control the amount of information that we collect to those items that are necessary to accomplish the research objectives. We will protect the privacy of the focus group participants to the extent allowed by law by not using names in our report. Data will be maintained according to required record management guidelines.

11. Sensitive Nature

We will not collect sensitive information and participants may decline to answer if they are uncomfortable providing specific information. Participation is voluntary and individuals may decline the invitation to participate in the group.

12. Burden of Information Collection

Participant screening at the tax forums is a bit different than other venues or studies. Recruiting takes place the day before or the day of the groups. First, potential participants are asked if they are interested in participating in a focus group on the topic. If an individual expresses interest, they are provided more details and information and

screened as needed. Only one topic, Experiences with the IRS Audit Process, requires additional screening. The table below breaks out the time requirements by topic. A total of ten focus group sessions, five for each issue - IRS Audit Experiences and Practitioners' Use of IRS Services. TAS will recruit as many as 16 qualified individuals for each group – 16 x 10 groups (5 on each topic) = 160 total recruits; with the expectation that no more than 12 recruits will timely arrive at the prearranged location and ultimately participate in the groups – 10 x 12 = 120 total participants. We estimate that 25 percent of those asked if they are interested will agree to attend, or a total of 640 persons will have to be contacted to reach the 160 total qualified recruits.

Contact time to determine interest and screen is 5 minutes or $640 \times 5 = 3,200$ minutes / 60 minutes = 53 burden hours.

Additionally, it will take 1 minutes to remind confirmed participants of the focus group and provide directions or $160 (80 \text{ per topic}) \times 1 = 180$ minutes /60 minutes = 3 hours.

The 120 participants will result in 160 burden hours (120×80 minutes of focus group discussion time = 9,600 minutes / 60 = 160). Total burden hours = **216** (53+3+216).

Type of Collection	Estimated Burden			
	Number of Respondents - Services	Number of Respondents - Audits	Time (in minutes)	Total Burden Hours
Contact & screen potential participants	320	320	5	53
Remind confirmed participants	80	80	1	3
Focus group discussion time	60	60	80	160
Total Burden Hours				216

13. Costs to Respondents

The only cost to respondents is their time required to get to the location and participate in the group.

14. Costs to Federal Government

The estimated cost of the ten focus groups in this package of two topics is \$ 23,884 for the moderator and scribe. This includes travel costs & expenses for the tax forums.

15. Reason for Change

This is a new data collection. No change is being requested.

16. Tabulation of Results, Schedule, Analysis Plans

Once OMB approval is received and the tax forums are underway, potential participants will be contacted in person. We expect it will take approximately six months to field, administer, and summarize focus group findings.

Interviews will be summarized after each focus group and compiled into a final report no later than the end of December 2018. The final report will be a summary of key data findings by topic based on the discussions generated in the focus group interviews. This information will be used to report on taxpayers and preparers' experiences with different IRS channels and audit process. The information will also be used in conjunction with other internal IRS data to suggest improvements to these specific processes as appropriate.

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: July through September 2018.

B. STATISTICAL METHODS

The primary purpose of these collections will be for internal management purposes; there are currently no plans to publish the summary reports from this research. This research is qualitative and thus cannot be generalized to the population.

1. Universe and Respondent Selection

TAS will recruit from tax preparers attending the tax forums. Recruiters will attempt to get a variety of preparers with Audit experience or who need IRS services to participate in the focus groups.

2. Procedures for Collecting Information

Participants will be screened and balanced using the appropriate characteristics for the focus group topic and include gender, tax preparer type, experience level. Minimal information will be collected during this screening process to report to OMB in the summary report.

Recruiters will inform potential participants of the focus group topics and ask if they are interested in the topic, provide additional information about the focus groups, and ask qualified individuals to attend and participate in the focus group. We will recruit 16 qualified participants, with the expectation being that no more than 12 will show up at the group site and participate per group.

3. Methods to Maximize Response

We will strive to maximize response and cooperation rates among those potential participants by: (1) providing the topic and scheduled meeting time before recruiting participants; (2) by offering qualified persons the opportunity to voice their opinions on the identified topic, and (3) scheduling the groups during lunch periods or times that do not conflict with the most popular sessions.

4. Testing of Procedures

Because of prior tax forum experience, procedures will not require testing.

5. Contacts for Statistical Aspects and Data Collection

Since focus groups are a form of qualitative research, statistical requirements are minimal. TAS Research will provide support needed for this endeavor.

Primary Contact: Carol Hatch, TAS Research, 501 396-5954 or carol.m.hatch@irs.gov and Jeff A. Wilson TAS Research, 317 613-1600 or jeff.wilson@irs.gov