

**Supporting Statement**  
**OMB Information Collection (ICR) Approval Request to Conduct**  
**Cognitive-Psychological Research (OMB# 1545-1349)**

**Return Preparer Data Security Practices Focus Group**

**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.

The Nationwide Tax Forums sponsored each year by the IRS offer a unique opportunity to solicit the opinions, experiences, and ideas of tax practitioners about important issues for taxpayers and for the IRS.

The focus group feedback will help IRS gain a better understanding of how the IRS could improve communication (targeted message content and delivery type) to assist tax professionals in understanding the importance of data security (protect sensitive client data) as well as identify and implement sufficient security plans and security measures.

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

The market segment of interest for this research consists of independent or sole proprietor practitioners (not a part of a franchise) attending the 2019 Nationwide Tax Forum who e-file tax returns. They may or may not have employees working for them.

**3. Consideration Given to Information Technology**

The focus groups will be conducted face-to-face during the 2019 IRS Nationwide Tax Forums. Conducting face-to-face focus groups allows interaction which can help elicit in-depth thoughts and discussions. There is also opportunity to probe participant responses and can yield richer data than paper or electronic surveys. Face-to-face focus groups also give the moderator more opportunity to read and use nonverbal cues to control the flow of discussion.

**4. Duplication of Information**

The face-to-face focus group sessions will provide valuable information that is not available in any internal IRS data source.

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

Small entities are not included in this collection of information.

**6. Consequences of Not Conducting Collection**

SB/SE initiatives fall under the IRS' goal to "improve service to make voluntary compliance easier, and enforce the law to ensure everyone meets their obligation to pay taxes." If the focus group is not approved, SB/SE will not have the necessary data to help further understand how to improve communication to assist tax professionals in understanding the importance of data security and assist them in methods of identifying and implementing sufficient security plans and security measures to safeguard their clients' data.

**7. Special Circumstances**

There are no special circumstances relating to this request. The participation in the focus group and the information collected will be voluntary.

**8. Consultations with Persons Outside the Agency**

No one outside of the IRS will be consulted.

**9. Payment or Gift:**

No honorarium or non-monetary incentives will be given to the participants.

**10. Confidentiality:**

The IRS will apply and meet fair information and record-keeping practices to ensure privacy to the extent allowed by law and protection of all taxpayers to the extent allowed by law. 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 focus group questions do not request tax return or taxpayer information. Focus group 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 objectives. We will carefully safeguard the security of data utilized as well as the privacy to the extent allowed by law of the focus group participants.

**11. Sensitive Nature**

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

**12. Burden of Information Collection**

A total of five focus groups, one in each of five cities (National Harbor, MD, Chicago, IL, New Orleans, LA, Orlando, FL, and San Diego, CA.), will be conducted with no more than 10 participants per session. The total burden hours estimated is **65 burden hours**.

The estimated time to *screen* a person is 3 minutes. Based on past experience, we will assume that 60 people will be screened at each site (60 people x 5 sites = 300 people) before 20 invitations are issued. We will assume that 20 invitations will need to be issued to ensure that 10 people will be present for each focus group. The burden for screening potential participants is 15 hours (300 people x 3 min screening / 60 min).

The estimated time for *participating* in each of the focus group is 1 hour. We will assume a maximum number of 10 participants in each of the five focus groups. The total participation burden is 50 hours (50 participants x 60 minutes / 60 minutes).

Type of Collection	Participation	Response Time (minutes)	Total Burden (hours)
Potential Respondents Contacted	300	3	15
Expected Participants	50	60	50
<b>Grand Total Burden</b>			<b>65</b>

**13. Costs to Respondents**

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

**14. Cost of Federal Government**

The total estimated cost allocation for this specific topic is \$5,000 (\$15,000/3 focus group topics). The total estimated cost of conducting all three focus group topics planned for this year in all five cities is \$15,000.

**15. Reason for Change**

No change is being requested. This is a new request

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

At the completion of the five Tax Forums, the focus group responses will be released in a report as summary observations and categorized by the topic of discussion in the moderator's guide. The report will not contain any individually identifying information such as name, address, or taxpayer / practitioner identification number. The moderator ensures that tax practitioners participating in the focus group are guaranteed anonymity. Upon completion of data collection and delivery of the report, the focus group data will remain on a secured IRS server for three years.

#### **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**

Data collection will begin July 9, 2019 and end September 19, 2019.

### **B. STATISTICAL METHODS**

#### **1. Universe and Respondent Selection**

Focus group participants are screened and selected from the tax practitioners attending the 2019 IRS Nationwide Tax Forums.

#### **2. Procedures for Collecting Information**

Trained focus group moderators from SB/SE Research will screen and invite tax practitioners using a screener's guide approved by the SB/SE business unit. There will be two focus group moderators in each focus group. One moderator will conduct the focus group using a moderator guide and the second moderator will be documenting the participants' responses and possibly non-verbal expressions (excitement, head nods, doubt, etc.).

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

The moderator's guide contains open ended questions to obtain candid opinions and suggestions about the topic of discussion. Additionally, some of the questions contain probes to be used by the moderator if responses are minimal. The probes also serve as memory joggers for the focus group participants.

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

The screener and moderator guides were developed with the assistance of the SB/SE business unit. If changes are made to the moderator guide, they will be minimal. Revising a question to make it understandable is one example of a potential change.

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

For questions regarding the study or focus group questions or methodology, contact:

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