

**Supporting Statement**  
**1545-2250**  
**Internal Revenue Service Request for 3-Year Approval of Continuous**  
**Customer Satisfaction Information Collections for the period 2018-2021**

**A. Justification**

**1. Circumstances Necessitating Collection of Information**

We are requesting a three-year approval that will allow us to continue to conduct 31 specific customer satisfaction and opinion surveys (see attached listing), and continue to use a data-driven approach to understanding customer satisfaction at the Internal Revenue Service (IRS). Collecting, analyzing, and using customer opinion data is a vital component of IRS's Balanced Measures Approach, as mandated by Internal Revenue Service Reform and Restructuring Act of 1998 and Executive Order 12862.

The three-year approval will streamline our ability to provide for a wide range of initiatives that will better serve the public. This clearance will enable IRS to continue to gather critical baseline and trend data to monitor the results of these initiatives and gain the taxpayer's perspective on the extent of the initiatives success, and will enable IRS to continue to monitor the effectiveness of its initiatives from not only a business perspective, but also from the customer's perspective. Particularly critical initiatives include correspondence improvements, filing services, taxpayer education and communication and increased e-file.

The information collected from taxpayers, practitioners, and a few small entities, will help ensure that users of IRS programs and services have an effective, efficient, and satisfying experience. In regard to online services, this feedback will provide insights into customer preferences for online information and services on IRS.gov that will meet their needs to resolve inquiries and their accounts on their own. This collection of feedback will contribute directly to the improvement of content and services provided online.

**Clearance Procedures**

This clearance is submitted by the Statistics of Income (SOI) Division on behalf of several IRS operating functions, including but not limited to Small Business/Self Employed (SB/SE), Large Business and International (LB&I), Tax Exempt and Government Entities (TEGE), and Wage Investment (W&I).

The surveys included in this clearance request have been reviewed by the Statistics of Income Division to ensure:

- Consistency with IRS' mission and strategic objectives

- Technical adequacy as to frame, sample selection, expected response rates, quality control in data gathering, recording, and analysis of data
- Minimizing customer burden
- Ensuring that all surveys are truly voluntary and private to the extent allowed by law
- Consistency with clearance guidelines
- Consistency with applicable laws and regulations (e.g. the Paperwork Reduction Act of 1995, and the Privacy Act of 1974.)
- Consistency with the June 6, 2002, memorandum from the Office of Information and Regulatory Affairs (OIRA) Administrator Graham titled “Ensuring Full Compliance with the Paperwork Reduction Act”
- Timely submission to the Office of Management and Budget of the final data collection instrument, along with specific burden estimates and a summary of the objectives of the various data collection projects

Copies of the specific survey instruments are attached.

## **2. Use of the Data**

Due to the varied nature of the customer data needed, a variety of data collection methods are being employed, including web and mail surveys, in-person written surveys, telephone surveys, and other means as appropriate. The data collected in these information collection efforts will indicate what our customers require of us and where we meet or fail to meet their needs. This customer feedback serves as a guide for making product and/or service improvement decisions.

## **3. Use of Improved Information Technology**

The methodology employed in each data effort was chosen for the minimization of burden on the public. This includes minimal length of the data collection instrument itself, along with the utilization of the smallest sample size necessary to obtain valid and reliable information that is consistent with the objectives of the data collection effort. Instead of standard mail surveys or face-to-face interviews, some data collection efforts will utilize live or automated telephonic interviews, e-mail, internet, or other available technologies.

Interviewers may receive specific training in techniques to obtain responses. Contractors may use social exchange principles to maximize survey response rates. These include establishing trust that the survey is legitimate, establishing the anonymity of the respondent, preparing a list of frequently asked questions to help address respondent concerns, explaining the value and uses of the survey data, making multiple contacts, using a respond-by date to help motivate timely responses, making it convenient to participate, and reduce participation burden.

Improving the service provided online requires assessment of the preferences of content and services online and require us to collect, analyze, and interpret

information gathered to identify the online content and services of the highest interest to users of online products such as IRS.gov. This information will be used to prioritize web site development work. The solicitation of feedback will target areas such as: information taxpayers and practitioners would like to access online; tasks taxpayers and practitioners would like to complete online; and online services available in the private sector that taxpayers and practitioners would like to have available on IRS.gov. Responses will be assessed to plan and inform efforts to improve the usefulness of the content and services on IRS.gov for taxpayers and practitioners who want to resolve their inquiries and accounts. If this information is not collected, vital feedback from taxpayers and practitioners regarding their preferences and needs for online content and services will be unavailable.

#### **4. Efforts to Identify Duplication**

Survey questions relate specifically to IRS products and services and do not duplicate what other agencies are doing. This information is generally not available from other sources within the IRS or externally.

Review and approval systems within IRS have been established to ensure the duplication of data gathering within the IRS is eliminated. As potential duplications of data gathering are identified on proposed surveys, it will be required that these efforts be combined or if possible eliminated.

#### **5. Methods to Minimize Burden on Small Businesses or Other Small Entities**

Small Businesses may be surveyed relative to issues of concern to them as customers and users of IRS products and services; however, all data collection efforts will be voluntary and no respondents will be required to consult or access business records for detailed factual information.

#### **6. Consequences of Less Frequent Collection of Federal Programs or Policy Activities**

This clearance generally involves data collection activities which occur continuously on an annual and semi-annual basis. This provides the necessary information needed to measure improvement over time.

#### **7. Special Circumstances Requiring Data Collection to be Inconsistent with Guidelines in 5 CFR 1320.5(d) (2)**

The IRS will collect information under this clearance in a manner that complies with 5 CFR 1320.5(d) (2).

#### **8. Consultation with Individuals Outside of the Agency on Availability of Data, Frequency of Collection, Clarity of Instructions and Forms, and Data Elements**

a. Other agencies - not applicable.

b. Within the IRS, coordination occurs on each proposed project through other areas of the IRS. Care is taken to ensure that efforts do not duplicate those of opinion research or surveys conducted by contractors at the request of the IRS subject matter specialists. The individuals consulted for this coordination are:

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c. There are no unresolved problems.

d. No other comments have been received; however, continual feedback from the scientific community is an important aspect of the proposed research. In both laboratory and field studies, consultation with representatives of various fields of psychology, anthropology, sociology and the like, will have direct impact on the future course of research projects, and promises to determine the feasibility of data collection and the validity of research studies.

We received one comment regarding the Federal Register notice dated March 31, 2018.

IRS received a comment to consider conducting an external survey of external stakeholders of the Whistleblower Program. The comment has been forwarded to the Whistleblower Office for consideration. The Whistleblower Office has not conducted an external customer satisfaction survey and does not currently have a plan to implement a survey.

## **9. Explanation of Decision to Provide any Payment or Gift to Respondents**

At times, incentives are authorized as a thank you for, and to encourage participation in IRS surveys. Currently, respondents may be authorized up to \$40 to encourage survey completion. However, it is requested that exemptions and exceptions to this payment amount be considered on a case-by-case basis.

#### **10. Assurance of Privacy of Response**

Agency policy dictates non-disclosure of taxpayer information. Survey respondents contacted by mail, Internet, or some other form of written communication will be advised on the survey form, cover letter, or other accompanying document that participation is voluntary and that the data provided will be kept private to the extent allowed by law. As part of the introduction to a data gathering effort during telephone or personal interview, the interviewer will inform respondents that the survey is voluntary and that the data provided will be kept private to the extent allowed by law. For all surveys under this clearance, the IRS Office of Privacy Compliance will be consulted for a Privacy Impact Assessment (PIA) and adherence to privacy rules.

#### **11. Justification of Sensitive Questions**

Questions are not normally of a sensitive nature and should not pose a problem to respondents. However, on occasion, some respondents may consider some of the standard demographic questions as sensitive in nature (e.g., questions that request the respondent's age, gender, education, or household income). Demographic questions are useful in profiling and tracking the responses and are helpful in evaluating the results; therefore, respondents will be encouraged to answer these questions, but assured that their participation is completely voluntary.

#### **12. Estimated Burden of Information Collection**

The total annual respondent burden during this three-year approval period is estimated to be 35,500 hours. A variety of questionnaires will be used in these data gathering efforts (see attached survey instruments). This estimate is based on our experience from prior years as these are annual surveys as further explained in item 15.

#### **13. Estimated Total Annual Cost Burden to Respondents**

There is no monetary cost to respondents for participating in these data gathering efforts. All costs associated with these efforts are born by the IRS.

#### **14. Estimated Annualized Cost to the Federal Government**

The actual cost to the government is not yet determined. The estimated cost, based on prior years, for these 31 surveys for the three year period is \$6 million.

### **15. Reasons for Change in Burden**

No change in burden requested from prior year. It is estimated that 106,500 burden hours will be used over the course of the next three years (35,550 hours per year x 3 years = 106,500 hours over 3 years.).

### **16. Plans for Tabulation, Statistical Analysis and Publication**

Data analysis techniques used will include frequency distributions, calculation of mean scores, improvement prioritization analysis, select cross-tabulations, significance testing, and analysis of open-ended comments. In most cases, data is transferred to the contractor to conduct analysis and to prepare reports. If not, the analysis and reporting will be conducted by the IRS business unit sponsoring the survey.

Basically survey scoring is based on the Customer Satisfaction Survey Score response average to the keystone question – “Everything considered, rate your overall satisfaction with the service you received during.” Questions utilize a 5-point rating scale, with 1 being very dissatisfied and 5 being very satisfied.

The data collected will be used to survey and track customer satisfaction for IRS customers at the site level and nationally. The respondent data is analyzed with a view to:

- Provide insight from the customer’s perspective about possible improvements.
- Provide useful input for program evaluation and execution at the programmatic and area office level of service delivery.
- Provide additional information on important “drill down” areas.

The contractor will hold the identities of respondents private to the extent allowed by law. The contractor will not provide the IRS with data or status updates that are linked to individual respondents. Upon completion of data collection and cleaning, the Contractor will provide de-identified survey data to the IRS. This data will not include any individually identifying information such as name, address, or taxpayer identification number.

The information will be collected on an annual or semi-annual basis and in most cases will be for internal use. Where appropriate, as in the case of summary data on general satisfaction with IRS performance, some information may be released outside the agency.

### **17. Reasons why Displaying the OMB Expiration Date is Inappropriate**

Displaying the expiration date may cause problems with respondents for data collection programs that overlap the three-year authorization periods. Would-be respondents might be inclined to refuse to participate if the form carries an

authorization date that is expired or is soon to expire. Internally, and based on several calls from field, it is believed that anyone within the IRS is entitled to use approved forms with an authorization date that has not expired, even though they never officially requested an OMB approval to use the form. Removal of the OMB expiration date will help lessen the likelihood that the form is used by any unauthorized personnel.

### **18. Exceptions to the Certification Statement**

There are no exceptions.

Note: The following paragraph applies to all of the collections of information in this submission:

An agency may not conduct or sponsor data gathering efforts, and a person is not required to respond to a collection of information, unless the collection of information displays a valid OMB Control Number. Books or records relating to a collection of information must be retained as long as the contents may become material in the administration of any Internal Revenue law. Generally, tax returns and tax return information are confidential, as required by 25 U.S.C. 6103.

#### **B. Collections of Information Employing Statistical Methods.**

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

The surveys covered under this clearance vary greatly with regard to universe and respondent selection. Some surveys represent respondents selected from a comprehensive range of IRS functions and activities or customer characteristics related to many products or services. Others represent respondents selected from an extremely limited range of IRS functions and activities or customer characteristics related to narrowly defined products or services.

In most cases, the contractor develops the sampling plan that includes the target population and sampling frame, sampling specifications, expected reliability of the sample estimates, preliminary sampling weights, and the strategy of achieving target quotas within key strata. The contractor is responsible for running standard checks to ensure complete mailing addresses and administers the survey on a monthly basis. The contractor releases responses as summaries in a de-identifiable format to the IRS. Data will not include any identifying information such as name, address, and taxpayer identification number.

Generally, the contractor or administrator, using software such as SPSS, will summarize the quantitative ratings and produce national and or area reports showing customer satisfaction scores. The contractor will include any relevant database variables in the analysis and will weight the survey responses as necessary to accurately reflect the entire customer base.

For the analysis reports, the contractor will use basic and advanced statistical techniques including:

- Survey counts and overall response rates
- The overall level of customer satisfaction with services provided
- The frequencies and mean for all survey items
- The difference in satisfaction ratings and attitudes across customer segments
- Analysis of the relationship between survey responses
- Analysis of the open-ended questions for improvement suggestions

Response rates to these voluntary customer surveys are also expected to vary greatly. For example, during the current three-year approval period for 1545-2250 under which these surveys were approved, response rates have varied from as low 41% for an internet survey up to 61% and as low as 30% up to 36% for a mail survey. This level of response is typical for IRS customer surveys and is considered adequate for making product and service improvement decisions. Non-response follow-up efforts are usually, but not always, employed. No follow-up is attempted if a customer fails to return a questionnaire following an in-office contact where the customer agreed to participate. However, non-response follow-up efforts, when employed, help ensure that a sufficient number of respondents are represented and that non-response bias is minimized.

## 2. Procedures for Collecting Information

Limited information from IRS customers, as well as users and potential users of new IRS technology will be collected. Respondents will be advised of the purpose of the survey and its voluntary nature via a cover letter or advance letter in the case of a telephone survey or in an email or as part of the survey introduction in the case of electronic surveys.

Survey data may be collected via mail, phone (IVR, toll-free, CATI), in-person, or web instrument (questionnaires, comment card, etc.) and all are established and tested survey instruments. If changes are made to the instruments, they are expected to be minor. Revising the coding scheme for open-ended questions is one example. The surveys may include several demographic items. In addition to the Office of Management and Budget (OMB) control number and Privacy Statement, all respondents will be provided with an address to offer comments concerning the data collection process.

### Modes of Collection

Mail-Participants are randomly selected from a database provided by IRS and offered the survey through mail by contractor. Established fielding methods and structure will mirror the Dillman approach (Dillman "The Tailored Design Method," 1999). These include 1) a pre-notification letter, 2) cover letter and



questionnaire, 3) a postcard reminder, and 4) a copy of cover letter and questionnaire to non-respondents.

Phone-The survey data is collected via an Interactive Voice Response (IVR) phone questionnaire. Generally at the completion of a service call, callers are randomly selected to participate in the survey. If the caller agrees, they are then transferred to complete the survey. When the survey has been completed, the response data may then be transferred to a contractor to conduct analysis and prepare reports if this task is contracted out. If not, the analysis and reporting will be conducted in-house by the IRS Business Unit sponsoring the survey.

Web-The sources of the sample are the database maintained by the contractor. The contractor shall use a web panel for survey administration that will accurately represent the U.S. adult taxpayer population and also accommodate skip patterns that allow for drill down analysis based on taxpayers who have used IRS services.

In-person- The respondent population consists of taxpayers who visit the Taxpayer Assistance Centers (TACs) nationwide. The survey or comment card is available to all TACs customers. TAC managers mail in the completed survey or comment cards to the contractor who then scans in the results.

### 3. Methods to Maximize Response

In an effort to enhance response rates, questionnaires have been tested or reviewed to ensure that the questions and instructions are clear, relevant, and unambiguous. Surveys employing non-response follow-up will require multiple contacts by telephone and/or by additional mailings of the questionnaire to ensure an adequate response. Also, weighting procedures may be applied to adjust aggregated data from those who do respond

### 4. Testing Procedures

IRS employees and/or their contractors who are familiar with the product or service under investigation review the questionnaires used in the surveys. In some cases, questionnaires may be pre-tested on up to nine external customers.

### 5. Contact for Statistical Aspects and Data Collection

SOI may be consulted with questions regarding any statistical aspects employed or data procedures used, or for administrative questions regarding the IRS use of this clearance should be directed to:

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