

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

Title of Research: LB&I Customer Satisfaction

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 IRS Large Business and International (LB&I) division has announced the identification and selection of campaigns since January 2017. This is a significant milestone for LB&I in the campaign effort. LB&I is moving toward issue-based examinations and a compliance campaign process in which the organization decides which compliance issues that present risk require a response in the form of one or multiple treatment streams to achieve compliance objectives. This approach makes use of IRS knowledge and deploys the right resources to address those issues

The campaigns are the culmination of an extensive effort to redefine large business compliance work and build a supportive infrastructure inside LB&I. Campaign development requires strategic planning and deployment of resources, training and tools, metrics and feedback. LB&I is investing the time and resources necessary to build well-run and well-planned compliance campaigns.

These campaigns were identified through LB&I extensive data analysis, suggestions from IRS compliance employees and feedback from the tax community. LB&I's goal is to improve return selection, identify issues representing a risk of non-compliance, and make the greatest use of limited resources.

2. Purpose and Use of the Information Collection

The survey is to understand taxpayer organization's experience with issue-based examinations. In addition, there is a component in the survey that asks about taxpayer experience with receiving and processing campaign soft letters that either provides education material about a specific tax topic or provides a nudge to correct a filed return. Goal is to uncover if these campaign measures help improve compliance and/or help reduce taxpayer burden with respect to an audit.

3. Consideration Given to Information Technology

This survey will be conducted online. Because email addresses are not available, survey invitations will be sent by mail to potential respondents. Each letter will include a simple web URL and a unique password. Respondents will use this URL and the password to log into the secure survey website and take the survey online.

4. Duplication of Information

This survey will provide valuable information that is not available in any internal IRS data source.

5. Reducing the Burden on Small Entities

No small entities are included in this survey. LB&I customer base are corporations with \$10 million or more in assets.

6. Consequences of Not Conducting Collection

Without this feedback, LB&I will not have the external measures needed to assess success in meeting campaign goals. LB&I also will not have the customer feedback on which areas within the campaign to improve, making LB&I less effective in achieving its campaign goals.

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

Consultation with our contractor Pacific Consulting Group which helped develop the survey.

9. Payment or Gift:

LB&I will not provide payment or other forms of remuneration to survey respondents.

10. Confidentiality:

The IRS will apply and meet fair information and record-keeping practices to ensure privacy to the extent allowed by law protection of all taxpayers. 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 survey will not contain tax return or taxpayer information. Survey 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 questions. We will carefully safeguard the security of data utilized as well as the privacy to the extent allowed by law of the survey respondents.

11. Sensitive Nature

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

12. Burden of Information Collection –

The average time of survey completion is expected to be about 15-20 minutes.

Based on a sample of potential respondents of 7,150 and a response rate of 7%, we expect 500 completed survey participants, leaving 6,650 non-participants. Potential respondents will receive 1 survey invitation letter and, 1 reminder postcard and a reminder survey invitation letter. The contact time to determine participants could take up to 5 minutes to read the email invitation, with the resulting burden for potential respondents being $7150 \times 5 \text{ minute}/60 = 596$ burden hours.

For participants, total time to complete the survey is 20 minutes. The time burden for participants is $500 \times 20/60 = 167$ burden hours.

The total burden hours for the survey is $(596 + 167) = 762$ burden hours.

Type of Collection	Participation	Response Time (minutes)	Total Burden (hours)
Potential Respondents Contacted	7,150	5	596
Expected Participants	500	20	167
Grand Total Burden			763

13. Costs to Respondents

There is no dollar cost to respondents. The total estimated annual cost burden to respondents is \$19,034.76. The surveys take place across the United States with all cross-sections of society. This estimate was created using the mean hourly wage for all occupations (\$24.98) from the BLS May 2018 National Occupational Employment and Wage Estimates - United States.

14. Cost of Federal Government

\$39,091.54. This is the cost of the project that will be paid to the contractor, Pacific Consulting Group

15. Reason for Change

This is the first year of survey after a pilot study was launched in 2018.

16. Tabulation of Results, Schedule, Analysis Plans

Analysis will be based on the entire sample. Analysis will include, but not be limited to frequencies, mean scores, cross-tabulations of any statistically valid segments and detailed verbatim coding and analysis.

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 – 5/1/2020 to 8/1/2020

B. STATISTICAL METHODS

1. Universe and Respondent Selection

LB&I will be providing a census of potential respondents who went through LB&I Campaigns to survey vendor. Survey vendor will remove duplicates in the sample and conduct the survey to the census.

2. Procedures for Collecting Information

Respondents will receive the survey invitation to the online survey through the mail. The invitation letter/postcards will include a simple URL with a unique password for each respondent. Respondents will be asked to enter the URL in their web browser and then use the password to access the survey. Up to 2 reminder postcards will be sent to non-respondents to remind them of the online survey.

3. Methods to Maximize Response

The questionnaire length is minimized to reduce respondent burden; purpose of the survey is clearly stated (improving LB&I services) as a benefit to the respondent's organization; thereby, tending to increase response rates. Respondents are assured anonymity of their responses.

4. Testing of Procedures

The online survey will be tested and approved by the survey vendor and by IRS LB&I staff. There will be a soft launch to ensure data collection quality. Initial data from the soft launch will be verified before the full launch.

5. Contacts for Statistical Aspects and Data Collection

For questions regarding the study or survey instrument design, contact
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