

**Supporting Statement**  
**2019 Research Applied Analytics & Statistics (RAAS) Comprehensive Taxpayer Attitude Survey**

**Justification for Emergency Processing**

The Comprehensive Taxpayer Attitude Survey (CTAS) has been conducted in August of each year since 1999. The primary objective of the survey is to capture updated time series data on taxpayers' tax compliance attitudes, service channel preferences, and behaviors, which can be compared to findings from previous surveys, providing insights into any changes in taxpayer views over time, which will provide greater insight into taxpayer attitudes, preferences, and behaviors that are of strategic importance to tax administration.

The survey began as part of the Service-wide initiative to maintain a system of balanced organizational performance measures mandated by the IRS Restructuring and Reform Act (RRA) of 1998. This CTAS is also a result of Executive Order 12862 that requires all government agencies to survey their customers.

The results of CTAS are provided up the IRS chain of command to the Commissioner and are shared publicly, including publication in the annual IRS Data Book. Additionally, these results have received significant public interest, with information from the survey being cited regularly in national publications.<sup>1</sup>

In light of this public disclosure of the survey results, OMB determined in August 2019 that it would be more compliant with the requirements of the Paperwork Reduction Act for this survey not to be approved by OMB under an umbrella generic ICR, but rather for it to receive its own control number. Previously, this survey had been conducted under OMB Control Number 1545-1432, which is a generic ICR for customer feedback. Given the timeframe, it isn't possible for the IRS to follow normal clearance procedures to request a new OMB control number given the long-established schedule and preparations that have been made for the survey to be conducted in August and September 2019. As such, IRS requests OMB emergency approval of this new ICR by August 16, 2019.

Absent emergency approval, the IRS would be unable to field this survey in August 2019, which would create a break in the historical trend of data the IRS has been collecting for 20 years, will prevent the IRS from meeting its mandates required under the RRA, and will be a noticeable absence to the public which has grown accustomed to having this information available each year.

**A. JUSTIFICATION**

**1. Circumstances Making the Collection of Information Necessary**

The Internal Revenue Service (IRS) conducts the Comprehensive Taxpayer Attitude Survey as 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.

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<sup>1</sup> See, for example, "Why Americans Don't Cheat on Their Taxes", *The Atlantic*, April 2019, <https://www.theatlantic.com/magazine/archive/2019/04/why-americans-dont-cheat-on-their-taxes/583222/>

This is also a result of Executive Order 12862 that requires all government agencies to survey their customers.

The IRS' office of Research Applied Analytics & Statistics (RAAS) is sponsoring this annual survey (formerly conducted by the IRS Oversight Board) with the objective of better understanding what influences taxpayers' tax compliance, their opinions of the IRS, and their customer service preferences, as well as how these taxpayer views change over time.

This survey has been conducted each year since 1999 and the 2019 survey is planned to run from August 14, 2019 through September 30, 2019.

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

The findings from this survey will continue to provide RAAS and IRS with a clear and reliable taxpayer context that aids the Service in its review of the performance of current IRS taxpayer service and enforcement programs designed to improve voluntary compliance; and in the Service's proposals for strategic performance measures. The data being tracked includes measures on public attitude regarding cheating on taxes, payment of their fair share of taxes, trust in the IRS to fairly enforce tax laws, and factors that influence taxpayers to honestly report and pay taxes, as well as evaluating a large range of services provided by the IRS. The results of this survey allows the IRS to determine the impact of its programs on public perception, as well as determine which services are most valued by the public and which services should be enhanced or de-emphasized given the limited IRS budget. This will directly impact the public by improving their opportunities and avenues for interaction with the IRS. For transparency, select aggregate results are published in the annual IRS Data Book and a more detailed report of survey result is released on the IRS website.

## **3. Consideration Given to Information Technology**

In 2018, in addition to using a combined landline and cell phone survey of 1,000 individual respondents, the IRS conducted a concurrent online survey of 1,000 individual respondents in hopes of transitioning to this less expensive option in the future. RAAS will use the same methodology again this year, running concurrent telephone and online surveys.

All phone interviews will be conducted using a Computer Assisted Telephone Interviewing (CATI) process. Interviewers will be professionally trained and continuously monitored and supervised. Telephone survey respondents, both male and female adults age 18 and older, will be selected via a nationwide, dual frame blended Random Digit Dialing (RDD) sample of all landline and cell phone telephone households in the continental United States. The RDD sampling system is computer-based and provides an equal probability of selection for every telephone household. The sample represents telephone households with both listed and unlisted phones in their proper proportions.

All online interviews will be conducted using an online panel. In advance, and totally independent of this RAAS survey, participants have been recruited by the vendor's sub-contractor and have voluntarily completed its online panel registration surveys and provided their e-mail addresses, names, and addresses to the contractor. Later, in August 2019, a subset of these registrants will be asked by the sub-contractor to participate in RAAS' survey. That subset of potential online survey participants will be selected via a probability-

based sampling methodology designed to provide a statistically representative sample of U.S. adults.

Fielding such a concurrent survey using an online panel and the same questions as those in the dual-frame RDD telephone survey will provide RAAS valuable insight into a possible switch to a lower-cost online panel survey methodology for this annual survey in the future, while at the same time preserve the unique value of the historical time series data based on the RDD telephone survey methodology. Having comparative results from both survey methods will ensure RAAS has a way to gauge any differences in the survey responses between 2018 and 2019 that are primarily attributable to the differing survey methodologies, versus those differences that reflect real changes in the respondents' views - providing a means for adjusting the historical time series data, if needed, so as to maintain the comparability/integrity of the prior historically recorded trends.

**4. Duplication of Information**

In conducting this research, RAAS will coordinate closely with the rest of IRS to ensure that the research is conducted in such a way that it will provide maximum benefit to sound tax administration. RAAS will assist in survey design. Additionally, information from past and ongoing RAAS surveys, IRS research, and other research by non-profit organizations will be considered. No similar data are gathered or maintained by the Agency or are available from other sources known to RAAS.

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

This survey seeks opinions from individuals and does not impose any burden on small entities/businesses.

**6. Consequences of Not Conducting Collection**

RAAS would no longer be able to get critical input needed to provide a clear and reliable taxpayer context that aids IRS in its review of the performance of current IRS taxpayer service and enforcement programs designed to improve voluntary compliance, and in RAAS' proposals for strategic performance measures. In addition, the long time series of taxpayer attitudes on paying taxes and service channel preference would be broken.

**7. Special Circumstances**

There are no special circumstances.

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

Since this request is being submitted under Emergency Clearance procedures, the agency has not had time to solicit public comments in advance, however a notice will be published in the *Federal Register* soliciting public comments on the submission during the period of OMB review. Further public comment on the information collection will be sought in the months following approval as well in accordance with the regular Paperwork Reduction Act procedures.

Additionally, this survey has been conducted for nearly two decades under OMB Control Number 1545-1432, on which the IRS has routinely solicited public comment, and the burden estimates here are well-established based on the bureau's past experience.

**9. Payment or Gift**

No incentives are given for phone surveys. For online surveys, other incentives, such as points, which can be redeemed for merchandise, gift cards, or other items may be offered. Points are based on the length of surveys. The average redemption value for completion of a 20-minute survey is \$1.38.

**10. Confidentiality**

The survey will be conducted by random digit dialing, and no sensitive personally identifiable information will be compiled by the vendor as part of the database for this survey, nor passed along to RAAS. Additionally, the vendor will take steps that ensure that specific records cannot be tied to individual taxpayers. Research personnel will ensure that privacy and security of the results will be maintained, to the extent allowed by law. Public and official access to the information will be tightly controlled.

**11. Sensitive Nature**

This survey is not sensitive in nature and will include only standard demographic questions that cannot be tied to any individual. No sensitive personally identifiable information will be collected and shared with RAAS.

**12. Burden of Information**

The study will be conducted via concurrent telephone and online surveys. Our target number for completed surveys is 1,000 each for the two survey modes, for a total of 2, 000 interviews. It is estimated that more than 2,000 interviews will need to be conducted to achieve this goal.

With an estimated response rate of 5%, we anticipate screening 39,273 respondents, who will take 30 seconds each to either accept or decline to participate. 2,045 respondents will agree to participate in the survey, which represents the total number of interviews, including oversamples when quotas are met and those who only partially complete the survey. Their participation time is 23 minutes per response. **The total estimated burden for this survey is 1,111 burden hours.**

Screened/Interviewed	No. of Respondents (How many will respond to this collection?)	No. of Responses per Respondent (How many times?)	Avg. Burden per Response	Total Annual Burden (in hours)	Average Hourly Wage Rate	Total Annual Respondent Cost*
Total Screened	39,273	1	0.5 minutes	327	\$24.98	\$8,175
Total Participants	2,045 (Included in the above)	1	23 minutes	784	\$24.98	\$19,582
<b>Total</b>	<b>39,273</b>			<b>1,111</b>		<b>\$27,758</b>

\*Totals may not appear to add correctly due to rounding.

**13. Costs to Respondents**

There are no out-of-pocket costs to respondents. The total estimated annual cost burden to respondents is estimated to be \$27,758, accounting for the value of their time. 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 Bureau of Labor Statistics May 2018 National Occupational Employment and Wage Estimates - United States.<sup>2</sup>

#### **14. Costs to Federal Government**

The cost to the federal government is \$294,439.15, based on the cost of paying the contractor to conduct the surveys.

#### **15. Reason for Change**

Previously the Comprehensive Taxpayer Attitude Survey (CTAS) was approved under 1545-1432, however after consultation with the Office of Management and Budget, the Internal Revenue Service has decided to seek approval for the Comprehensive Taxpayer Attitude Survey (CTAS) separately from the remainder of the 1545-1432 OMB collection.

This is a change due to agency discretion, however as the survey has been approved previously, it does not reflect an actual increase in burden to the public.

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

The data will be collected using concurrent telephone and online surveys in August and September 2019. Data from the surveys will contain no sensitive personally identifiable information and will be assembled into a database in which responses are anonymous and tabulated into aggregate level results that summarize taxpayer compliance attitudes and IRS service preferences, and their relationships to key characteristics such as employment status and age. The data will help RAAS to further develop general service improvement in tax administration.

Because the expected response rate is less than 50%, no critical decisions will be made solely from the analysis of the data from this survey. The results of this survey are simply one piece of a larger set of information needed to assess taxpayers' attitudes and needs and help RAAS better direct the IRS. The Executive Report of the survey will be published on the IRS Tax Stats website in the spring of 2020. A few highlights from the Executive Report will be published in the IRS Data Book, which is published in March of each year. The results will be high level totals with some demographic groupings.

#### **17. Display of OMB Approval Date**

IRS is seeking approval to not display the expiration date for OMB approval, as this is a limited-duration collection and disclosure over the telephone adds time and complexity to the script.

#### **18. Exceptions to Certification for Paperwork Reduction Act Submissions**

These activities comply with the requirements in 5 CFR 1320.9.

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<sup>2</sup> [https://www.bls.gov/oes/current/oes\\_nat.htm](https://www.bls.gov/oes/current/oes_nat.htm)