

SUPPORTING STATEMENT
Internal Revenue Service
Research Applied Analytics & Statistics (RAAS)
Comprehensive Taxpayer Attitude Survey
OMB #1545-2288

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

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. 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.

The 2020 survey is planned to run from August 1, 2020 through September 30, 2020 and will be conducted annually at the same time each year through 2023.

2. USE OF DATA

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 allow 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. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

In addition to using a combined landline and cell phone survey of 1,000 individual respondents, the IRS will conduct a concurrent online survey of 1,000 individual respondents.

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. 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 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. EFFORTS TO IDENTIFY DUPLICATION

The information obtained through this collection is unique and is not already available for use or adaptation from another source.

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.

5. METHODS TO MINIMIZE BURDEN ON SMALL BUSINESSES OR OTHER SMALL ENTITIES

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

6. CONSEQUENCES OF LESS FREQUENT COLLECTION ON FEDERAL PROGRAMS OR POLICY ACTIVITIES

Less frequent collection would not allow RAAS to get the critical input needed. It provides 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,

as well as in RAAS' proposals for strategic performance measures. The long time series of taxpayer attitudes on paying taxes and service channel preference would be broken.

7. SPECIAL CIRCUMSTANCES REQUIRING DATA COLLECTION TO BE INCONSISTENT WITH GUIDELINES IN 5 CFR 1320.5(d)(2)

There are no special circumstances requiring data collection to be inconsistent with Guidelines in 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 notice will be published in the *Federal Register* soliciting public comments on the submission during the period of OMB review.

We received no comments during the comment period in response to the Federal Register notice dated March 17, 2020 (85 FR 15253).

9. EXPLANATION OF DECISION TO PROVIDE ANY PAYMENT OR GIFT TO RESPONDENTS

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. ASSURANCE OF CONFIDENTIALITY OF RESPONSES

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. JUSTIFICATION OF SENSITIVE QUESTIONS

A privacy impact assessment (PIA) has been conducted for information collected under this request as part of the "IRS Oversight Board Comprehensive Taxpayer Attitude Survey (CTAS)" system and a Privacy Act System of Records notice (SORN) has been issued for this system under IRS 00.001 IRS 00.001 Correspondence Files and Correspondence Control Files. The Internal Revenue Service PIAs can be found at <http://www.irs.gov/uac/Privacy-Impact-Assessments-PIA>.

12. ESTIMATED BURDEN OF INFORMATION COLLECTION

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
Total	39,273			1,111		\$27,758

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

13. ESTIMATED TOTAL ANNUAL COST BURDEN 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.¹

To ensure more accuracy and consistency across its information collections, IRS is currently in the process of revising the methodology it uses to estimate burden and costs. Once this methodology is complete, IRS will update this information collection to reflect a more precise estimate of burden and costs.

14. ESTIMATED ANNUALIZED COST TO THE 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. REASONS FOR CHANGE IN BURDEN

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. The previous package was an emergency approval for six months that was discontinued prior to expiration. This action reduced the burden to zero. We are making this submission to reinstate the information collection and are not making any changes to the burden previously approved.

¹ https://www.bls.gov/oes/current/oes_nat.htm

16. PLANS FOR TABULATION, STATISTICAL ANALYSIS AND PUBLICATION

The data will be collected using concurrent telephone and online surveys in August and September 2020, and subsequent periods through 2023. 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 2021, and subsequent years through 2023. 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. REASONS WHY DISPLAYING THE OMB EXPIRATION DATE IS INAPPROPRIATE

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 THE CERTIFICATION STATEMENT

These activities comply with the requirements in 5 CFR 1320.9.