

Supporting Statement

OMB Information Collection (ICR) Approval Request to Conduct

Approval Request to Conduct Cognitive and Psychological Research
(OMB #1545-1349)

FY 2021 Customer Experience Expectations and Needs (CEEN) 1099 Focus Groups

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 Internal Revenue Service (IRS) uses a balanced measurement system consisting of business results, taxpayer satisfaction, and employee satisfaction. The use of these balanced organizational performance measures is mandated by the IRS Restructuring and Reform Act of 1998. Executive Order 12862 also requires all government agencies to survey their taxpayers and incorporate taxpayer experience in their process improvement efforts. Additional guidance and industry best practices indicate the importance of understanding customer experience, expectations and needs when looking to make operational improvements. There is also some research that indicates an improved customer experience can lead to improved compliance.

The Taxpayer First Act - Section 2102 requires the IRS to have an online suite for Form 1099 preparation, filing, and maintenance.

2. Purpose and Use of the Information Collection

The overall objective of this task is to collect feedback from SB/SE taxpayers regarding their preparation, filing, and maintenance needs and preferences for Forms 1099. This SB/SE Research effort serves the 1099 Portal Development & Implementation Team, led by Exam Case Selection. These focus groups will provide the 1099 Portal Team with customer experience and user design feedback.

3. Consideration Given to Information Technology

Survey will be administered via phone and /or face to face. (focus groups)

4. Duplication of Information

Similar data is not gathered or maintained by SB/SE or available from other sources known to SB/SE.

5. Reducing the Burden on Small Entities

Small businesses or other small entities may be involved in these efforts but SBSE will minimize the burden on them by sampling and communicating with their representatives when appropriate. The estimate for the number of Small Business records is less than 3 percent of the total population available to sample. Additionally, this survey is voluntary; therefore, entities may choose not to participate if they deem it too burdensome.

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 requirement is not funded, SB/SE will not have the external measures used to assess their success in meeting IRS goals. This will also cause SB/SE to be less effective as it will not have the data to know how products and services need improvement or need to be developed to service these target populations.

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

ICF IS THE OUTSIDE CONTRACTOR working with the agency in creating the survey questionnaire

9. Payment or Gift:

NA

10. Confidentiality:

Respondents’ privacy will be protected to the extent allowed by law. Access to all case-related data is maintained by SBSE employees within IRS database. Access is limited and restricted to assigned individuals on an as needed basis.

11. Sensitive Nature

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

12. Burden of Information Collection –

Category of Respondent	No. of Respondents	Participation Time	Burden Hours
Recruitment Screening – Non-participants	725	0 minutes	0
Recruitment Screening – Qualified Participants	199	4 minutes	13.27
Focus Group	20	60 minutes	20
Totals			33.27 hrs

13. Costs to Respondents

There is no dollar cost to respondents. The total estimated annual cost burden to respondents is \$855.71. The surveys take place across the United States with a cross-section of individuals. This estimate was created using the mean hourly wage for all occupations (\$25.72) from the BLS May 2019 National Occupational Employment and Wage Estimates - United States.

14. Cost of Federal Government

Estimated cost is \$16,192 for focus groups.

15. Reason for Change

No change is being requested. This is a new request

16. Tabulation of Results, Schedule, Analysis Plans

The results of this focus group will be used to identify ways to improve the SB/SE customer experience and increase voluntary compliance. Feedback collected provides useful information, but it does not yield data that can be generalized to the overall population. IRS will hold the identities of respondents' private to the extent permitted by law. Data quality summary containing procedures and results of quality assurance testing of feedback data capture and processing will be submitted cleansed, labeled, formatted, re-coded data.

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 –

06/01/2021– 10/01/2021

B. STATISTICAL METHODS

1. Universe and Respondent Selection

Survey participants will be extracted from a random sample of participants who have filed Forms 1099 with the IRS.

The contractor utilizes a subcontractor National Opinion Research Center (NORC) at the University of Chicago who has a panel of people interested in participating in cognitive interviews on a wide variety of subject matter. The PII comes from this panel in which people voluntarily provide their information to the contractor when participating cognitive reviews. Since its founding, NORC at the University of Chicago has conducted numerous social research projects involving opinion survey, panel survey, marketing research, and other data collection, for government agencies, nonprofit agencies, and corporations. No PII comes from the IRS.

2. Procedures for Collecting Information

The Contractor shall propose the data collection mode or modes for focus group administration to ensure accurate representation of the screener criteria. The method and data collection instruments shall serve a diagnostic purpose, directing the IRS to the most critical factors affecting taxpayer satisfaction and the taxpayer experience in 1099 preparation and filing, and to courses of action that will address them.

3. Methods to Maximize Response

NORC invites panel members who are likely to fit the SBSE population to answer the screener questions. The first 20 people who opt -in, fit the screener requirements and are available for interviews at an open time slot will be interviewed. The contractor shall develop and execute a sampling plan that is acceptable to the IRS. The sampling plan should represent the small business 1099 filer customer base.

4. Testing of Procedures

The data quality summary should cover, but is not limited to, steps and procedures to test the validity of data capture and processing, and the accuracy of open-ended thematic analyses. Data quality assurance procedures must be appropriate to survey mode. IRS representatives will participate in data quality testing as appropriate to survey mode. Results of data quality testing will be submitted to the SBR COR and SBR survey researcher(s) before taxpayer interviews are conducted.

5. Contacts for Statistical Aspects and Data Collection

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