Appendix B

Office of Management and Budget (1545-2250)
Customer Satisfaction Research for Continuous (Annual) Surveys
Summary of Data Collections (2021-2024)

Control #: BU-21-368 **Re:** CCE Mail
Participants: 11,366 (1,239 Requests) **Burden Hours**: 104
Cost: $499,698 **Response Rate**: 11%
Purpose: Campus Correspondence Exam (CCE)/Return Integrity and Correspondence Services (RICS) measures external customer satisfaction with its products and services to ensure these programs enhance taxpayer's abilities to understand and meet their obligations under Federal tax laws. Feedback from external customer satisfaction surveys is critical for assessing the customer's perception of our products and services and for helping the three program areas identify as early as possible, areas/processes that require intervention and improvement. Most of the Internal Revenue Service (IRS) audits are conducted by the Correspondence Exam program. W&I CCE conducts mainly audits of tax returns which include all Earned Income Tax Credit (EITC) (pre-refund and post refund) and Pre-Refund Non-ETIC cases with most of the audits being pre-refund cases. This survey will help improve the consistency of information provided by the IRS throughout the process, Keep the taxpayer better informed of the status of their case, and improve how well the IRS letter explains why taxpayers' documents are (or are not) accepted.
Findings: In FY2024, the vast majority of respondents felt the IRS met their expectations during the call. The largest proportion of customers called to get an explanation of the letter they received. The second largest called to ask about the status of their case.
In FY24Q3, overall customer satisfaction across campuses was 50%. The strongest predictors of satisfaction were the length of the audit process from start to finish, consistency of information provided by the IRS, and service received on the phone call.
Actions Taken/Lessons Learned: Based on the FY2024 findings, Fors Marsh recommended the IRS take steps to enhance their top predictors of satisfaction to improve customer experience and increase overall satisfaction. The IRS should conduct focus groups with RCEO customers to gain insight into what would engender customers' trust and ascertain what customers are attempting to accomplish. The IRS could also consider implementing a call-back process where customers do not have to wait on hold to complete what they need to do.
Based on the FY24Q3 findings, Fors Marsh recommended the IRS provide better estimates for the length of the audit process, hold focus groups and interviews with taxpayers to identify potential sources of inconsistent information, and review call logs to identify common reasons for calling the IRS.

Control #: BU-21-391 **Re:** Domestic IC/CIC Survey
Participants: 250 (5,821 Requests) **Burden Hours**: 327
Cost: $ **Response Rate**: 5%
Purpose: The objective of the domestic customer satisfaction survey will be to gauge customer expectations and perceptions about LB&I services. Each customer surveyed will be given an opportunity to express their opinion about the services they have received. As customer satisfaction results are analyzed and new policies/programs initiated by LB&I, additional interaction with internal and external customers may be required to fully understand the root causes for stagnant satisfaction levels, chronic areas of dissatisfaction, or to obtain customer perspective.
Findings: Base Year: Overall satisfaction in 2021 (4.21 mean) is like the previous year (4.37); about 8 in 10 auditee participants express satisfaction with their experience. If those who disagreed with the result of their audit are removed from the study, overall satisfaction increases to 4.47 mean. Compared to last year's survey participants, administrative burden directionally worsened, with only 23% of auditees reporting the low or no burden on their tax department, compared to 28% in 2020. The greatest sources of burden are searching for supporting documentation and the volume of 'any and all' IDRs. Timelines and time spent are consistent pain points. Those with audits lasting more than nine months are less satisfied with their audit experience (77-78%) versus those whose audits were completed in eight or fewer months (94%).

Option Year 1: Overall satisfaction with 2022 auditee participants dropped to 69% (top-2 box), with neutral responses increasing to 17% (top-2 box). Taxpayer experience is strongest in the preparation and planning phases, while most needing improvement in communication and effort/burden. Satisfaction is higher when taxpayers use digital communications, reach final agreement, or trust the IRS to fairly enforce taw laws. Employees not following Quality Job Aides, particularly those related to sharing and discussing the approved mid-cycle, audit plan, and risk analysis with the taxpayer, may result in decreased satisfaction among taxpayers.

Actions Taken/Lessons Learned: Base Year:

- Communication and expectation management are the antidote to long exam durations, so ensure all exam team members have these skills and protocols in their repertoire.
- Determine if exams in the nine-to-ten-month range could be reduced to under eight months as that is the threshold where taxpayer dissatisfaction decreases.
- Query examiners on what they think drove taxpayers to say they experienced exams more than 12 months longer than what they expected and improve communications such as more honest estimates of the time it will take; provide more rationale/explanation to the exam time and communicate what the taxpayer's role is in reducing exam length.
- Commission a team to explore what taxpayers of different profiles would find useful in reducing the burden of looking for supporting documentation. For example, is there an organizational tool or checklist taxpayers can get pre-kickoff to help them retrieve their documents more efficiently?

Option Year 1:

Alleviating the level of burden on taxpayers is the most effective way to increase overall satisfaction.

- Assess agent knowledge and competency on a consistent basis to identify training needs.
- Schedule ongoing trainings with the agents to ensure they have the necessary knowledge and skills to handle cases effectively.
- Enhance marketing efforts for taxpayer digital communications to raise taxpayers' awareness about this service.
- Continue efforts to improve the user experiences of the digital channels, as positive encounters with the Service are linked to higher overall satisfaction.

Examine the process, frequency, and quality of the audit information being provided to taxpayers.

- Increase the clarity of the information by using visuals, simplified language, and practical examples.
- Increase the number of updates provided to taxpayers to ensure they feel better informed and involved, thereby increasing their sense of control throughout the process.

Control #: BU-21-392 **Re:** International Compliance Mail
Participants: 151 (6,778 Requests) **Burden Hours**: 373
Cost: $ **Response Rate**: 3%

Purpose: The objective of the international customer satisfaction survey will be to gauge customer expectations and perceptions about LB&I services. Each customer surveyed will be given an opportunity to express their opinion about the services they have received. As customer satisfaction results are analyzed and new policies/programs are initiated by LB&I, additional interaction with internal and external customers may be required to fully understand the root causes for stagnant satisfaction levels, chronic areas of dissatisfaction, or to obtain customer perspective.

Findings: Base Year: Though the sample was small in 2021 and limited the opportunity to find significant differences, overall satisfaction decreased (3.05) compared to the previous four years (ranging from 3.28 to 3.38.) Taxpayers have been consistently rating courtesy of their auditor most satisfactory (3.79 in FY2021). Time-related attributes were the least satisfactory with the amount of time spent on exam (2.60), length of exam process (2.65), and explanation of how long the process would take (2.74) receiving the lowest satisfaction ratings. Relative satisfaction was also low for communication, for example, how well IRS communicated with you throughout the audit process (2.81), explanation of why more records was required after initial appointment (3.09), and explanation of why changes were made (3.10).

Option Year 1: The sample size was small in 2022 as well as in the previous year. Overall satisfaction increased (3.27) compared to 2021 (3.05) and is currently the highest it has been in the last four years. The taxpayers participating in the 2022 survey are most satisfied with auditor-specific attributes such as tax knowledge of auditor (3.64) and courtesy of auditor (3.64). Satisfaction for length of the exam process from start to finish (3.11) and amount of time the taxpayer personally had to spend on the examination (3.08) increased in 2022, after a steady decline in the last three years (ranging 2.60 to 3.0). Taxpayers note higher levels of dissatisfaction related to communication-related attributes such as explanation of how long the exam process would take from start to finish (2.93) and timeliness of status updates provided by the auditor (2.90).
Actions Taken/Lessons Learned: Base Year: Based on the Net Impression Leverage Analysis, the highest impact improvements are the amount of time personally spent on the exam followed by the length of exam. Additionally, open-ended comments identify lack of communication as a major issue.

Option Year 1: Based on the Net Impression Leverage Analysis, Service providers should concentrate improvement efforts on time and communication-related attributes, more specifically on how well the IRS communicates with taxpayers throughout the audit process and the amount of time each taxpayer personally spent on the exam.

Control #: BU-21-402 **Re:** Field Collection Survey
Participants: 2,140 (24,495 Requests) **Burden Hours**: 2,041
Cost: $52,743 **Response Rate**: 9%
Purpose: This program has four (4) primary objectives: Obtain survey data that is representative of the taxpayer experience in the Field Collection program; Identify customer expectations of the Field Collection Programs; Track customer satisfaction on Field Collection program at the national level and site-level for the closed case surveys; Identify operational improvements and improvements to taxpayer experience
Findings: Overall satisfaction was 65% among Field Collection respondents in both Survey Years 2022 and 2021. This was a 4 percentage-point decrease from overall satisfaction in Survey Year 2020 (69%). The top improvement opportunity for this program is in keeping taxpayers up to date on their field collection process.
Actions Taken/Lessons Learned: Results from this survey are being used to identify potential customer satisfaction improvement opportunities.

Control #: BU-21-403 **Re:** Field Exam Mail
Participants: 2,214 (16,515 Requests) **Burden Hours**: 1,376
Cost: $51,743 (all Field Surveys) **Response Rate**: 14%
Purpose: This program has four (4) primary objectives: Obtain survey data that is representative of the taxpayer experience in the Field Examination program; Identify customer expectations of the Field Examination Programs; Track customer satisfaction on Field Examination program at the national level and site-level for the closed case surveys; Identify operational improvements and improvements to taxpayer experience
Findings: Overall satisfaction was 54% among Field Examination respondents in Survey Year 2022. This was a 4 percentage-point increase from Survey Year 2021, when overall satisfaction was 50%. The top improvement opportunity for this program is in the length of the audit process from start to finish.
Actions Taken/Lessons Learned: Results from this survey are being used to identify potential customer satisfaction improvement opportunities.

Control #: BU-21-404 **Re:** Excise Tax Mail Survey
Participants: 467 (1,775 Requests) **Burden Hours**: 148
Cost: $55,611 (all Field Surveys) **Response Rate**: 21%
Purpose: This program has four (4) primary objectives: Obtain survey data that is representative of the taxpayer experience in the Field Specialty programs; Identify customer expectations of the Field Specialty

Programs; Track customer satisfaction on Field Specialty programs at the national level and site-level for the closed case surveys; Identify operational improvements and improvements to taxpayer experience
Findings: Overall satisfaction was 81% among Excise Tax respondents in Survey Year 2022. This was a 5 percentage-point increase from Survey Year 2021, when overall satisfaction was 76%. The top improvement opportunity for this program is in the explanation of payment options.
Actions Taken/Lessons Learned: Results from this survey are being used to identify potential customer satisfaction improvement opportunities.

Control #: BU-21-405 **Re:** Estate and Gift Survey
Participants: 329 (1,630 Requests) **Burden Hours**: 136
Cost: $55,611 (all Field Surveys) **Response Rate**: 20%
Purpose: This program has four (4) primary objectives: Obtain survey data that is representative of the taxpayer experience in the Field Specialty programs; Identify customer expectations of the Field Specialty Programs; Track customer satisfaction on Field Specialty programs at the national level and site-level for the closed case surveys; Identify operational improvements and improvements to taxpayer experience.
Findings: Overall satisfaction was 70% among Estate & Gift Tax respondents in Survey Year 2022. This was a 4 percentage-point increase from Survey Year 2021, when overall satisfaction was 66%. The top improvement opportunity for this program is in the IRS' communication throughout the audit process.
Actions Taken/Lessons Learned: Results from this survey are being used to identify potential customer satisfaction improvement opportunities.

Control #: BU-21-406 **Re:** Employment Survey
Participants: 364 (2,810 Requests) **Burden Hours**: 234
Cost: $55,611 (all Field Surveys) **Response Rate**: 13%
Purpose: This program has four (4) primary objectives: Obtain survey data that is representative of the taxpayer experience in the Field Specialty programs; Identify customer expectations of the Field Specialty Programs; Track customer satisfaction on Field Specialty programs at the national level and site-level for the closed case surveys; Identify operational improvements and improvements to taxpayer experience
Findings: Overall satisfaction was 73% among Employment Tax respondents in Survey Year 2022. This was a 5 percentage-point increase from Survey Year 2021, when overall satisfaction was 68%. The top improvement opportunity for this program is in the explanation of adjustments.
Actions Taken or Lessons Learned: Results from this survey are being used to identify potential customer satisfaction improvement opportunities.

Control #: BU-21-407 **Re:** CSCO Mail Survey
Participants: 4,006 (32,255 Requests) **Burden Hours**: 2,688
Cost: $121,858 (all Campus Collection Surveys) **Response Rate**: 13%
Purpose: This program has four (4) primary objectives: Obtain survey data that is representative of the taxpayer experience in the Campus Collection program; Identify customer expectations of the Campus Collection Programs; Track customer satisfaction on Campus Collection program at the national level and site-level for the closed case surveys; Identify operational improvements and improvements to taxpayer experience.
Findings: Overall satisfaction was 50% among CSCO respondents in Survey Year 2022. This was a 3 percentage-point increase from Survey Year 2021, when overall satisfaction was 47%. The top improvement opportunity for this program is in the comparison of the IRS process with an ideal process.
Actions Taken/Lessons Learned: Results from this survey are being used to identify potential customer satisfaction improvement opportunities.

Control #: BU-21-410 **Re:** CCE Mail Survey
Participants: 2,455 (25,270 Requests) **Burden Hours**: 2,106
Cost: $156,571 (all Campus Exam Surveys) **Response Rate**: 10%
Purpose: This program has four (4) primary objectives: Obtain survey data that is representative of the taxpayer experience in the Campus Examination program; Identify customer expectations of the Campus Examination Programs; Track customer satisfaction on Campus Examination program at the national

level and site-level for the closed case surveys; Identify operational improvements and improvements to taxpayer experience.
Findings: Overall satisfaction was 55% among CCE respondents in Survey Year 2022. This was a 4 percentage-point increase from Survey Year 2021, when overall satisfaction was 51%. The top improvement opportunity for this program is in the length of the audit process from start to finish.
Actions Taken/Lessons learned: Results from this survey are being used to identify potential customer satisfaction improvement opportunities.

Control #: BU-21-412 **Re:** AUR Mail
Participants: 3,222 (16,190 Requests) **Burden Hours**: 1,349
Cost: $156,571 (all Campus Exam Surveys) **Response Rate**: 20%
Purpose: This program has four (4) primary objectives: Obtain survey data that is representative of the taxpayer experience in the Campus Examination program; Identify customer expectations of the Campus Examination Programs; Track customer satisfaction on Campus Examination program at the national level and site-level for the closed case surveys; Identify operational improvements and improvements to taxpayer experience.
Findings: Overall satisfaction was 68% among AUR respondents in Survey Year 2022. This was a 4 percentage-point increase from Survey Year 2021, when overall satisfaction was 64%. The top improvement opportunity for this program is in the length of the entire AUR process.
Actions Taken/Lessons Learned: Results from this survey are being used to identify potential customer satisfaction improvement opportunities.

Control #: BU-21-414 **Re:** CAP Survey
Participants: 87 (124 Requests) **Burden Hours**: 21
Cost: $ **Response Rate**: 70%
Purpose: The objective of the CAP customer satisfaction survey will be to track customer satisfaction with the CAP process over time, to identify customer characteristics that influence satisfaction ratings, and to identify areas where improvements will have the greatest impact on customer satisfaction. Survey data should provide specific, actionable results that may be used to guide process improvements.
Findings: Overall, nearly all the 2022 CAP participants are satisfied or very satisfied with the CAP program (99% in top-2 box). Taxpayers were particularly highly satisfied with CAP features (96% top-2 box) and preparation (94% top-2 box). The vast majority (99% top-2 box) would recommend CAP to other organizations. Recommendations for CAP would be based on resolving issues in real time (29%), followed by efficiency/ease (24%) and having a collaborative relationship with the IRS team (23%). CAP's impact on tax certainty continued at high levels (84% increased tax certainty "a lot"). Taxpayers measure the success of CAP primarily by the time to closure and issue resolution (49% of metrics mentioned).
Actions Taken/Lessons Learned: Among the CAP elements, the issue identification and proposed adjustment process had the lowest level of "very satisfied" (68% and 70% top-box, respectively). Within the issue identification component, satisfaction with the use of the compliance assurance process research credit questionnaire (CRCQ) and the use of the material intercompany transaction template (MITT) is relatively low (55% and 57% top-box). Within the issue resolution area, 100% were very satisfied with the efficiency of the fast-track settlement process in place for the 2022 CAP participants. The greatest burden in the audit process for the taxpayers was the staff resources required for audit (41% of mentions).

Control #: BU-21-418 **Re:** SPEC Partner/CSAT
Participants: 2,376 (595 Requests) **Burden Hours**: 446
Cost: $167,465 **Response Rate**: 26%
Purpose: The purpose for this research includes determine Partners' level of satisfaction with SPEC in supporting their efforts with the populations served, understand where SPEC needs to focus to improve satisfaction for their Partners, and identify the strength of desired positive outcomes—likelihood to recommend, likelihood to continue partnering and likelihood to expand program — to guide SPEC in attracting and retaining Partners.

Findings: SPEC continues to perform at high levels of satisfaction, particularly on Relationship Manager attributes. Virtual VITA/TCE model has the highest top-two box satisfaction (94%), while top-box satisfaction is clearly highest for Relationship Manager (74%). Partners are satisfied with their Relationship Manager's professionalism (95%). Relationship Manager's responsiveness was excellent (94%). However, satisfaction is relatively low for: FSA (81%), FEAB (68%), and Support for Growing the Client Base (63%). Focusing on improving FEAB and Support for Growing the Client Base would have the highest impact on overall satisfaction. More than two-in-three (68%) Partners indicate they were satisfied with the guidance and assistance from SPEC on FEAB. Just under two-in-three (63%) Partners are satisfied with growing the client base.
Actions Taken/Lessons Learned: FEAB Services is the highest leverage improvement area. Though 68% were satisfied and few (3%) were outright dissatisfied, there is room for improvement among the 29% who were neutral. Support to grow client base.
remains a high leverage item, though no longer the highest as it was in the two previous years. Just over three-in-five Partners (63%) are satisfied, which is important given the fact that 89% plan to grow (with 73% of those who plan to grow citing the increasing of volunteers as an important growth strategy). Tax Law and Software Training is the third highest leverage area. This is like last year, though the gap between the second highest and third highest improvement areas is higher this year. Improving the Online TaxSlayer Webinars would be most helpful.

Control #: BU-21-421 **Re:** CAS Adjustments
Participants: 1,083 (9,458 Requests) **Burden Hours**: 854
Cost: $120,000 **Response Rate**: 11%
Purpose: The Adjustments program responds to written customer technical and account inquiries, resolves customer account issues, provides payment options, processes amended returns, and related issues.
The objectives of the ongoing Adjustments Closed Case Survey are tracking customer experience (CX) measures over time and identifying what Accounts Management (AM) leaders and staff can do to improve taxpayer service.
Findings: Between October 2023 and March 2024, significantly fewer participants reported overall satisfaction with how the IRS handled their case when compared with April 2023 through September 2023 (52% vs. 65%, respectively). Relatedly, questions about taxpayers' satisfaction with getting, providing, and/or understanding information from the IRS all significantly declined this semiannual (Oct23-Mar24) period compared with last semiannual period (Apr23-Sep23).
Actions Taken/Lessons Learned: A report was provided to IRS executives.

Control #: BU-21-422 **Re:** Injured Spouse Survey
Participants: 1,069 (10,499 Requests) **Burden Hours**: 125
Cost: $321,714 **Response Rate**: 10%
Purpose: The purpose of this operational support contract is to survey W&I Accounts Management Injured Spouse customers to gauge their satisfaction with Injured Spouse services and obtain information for responding to customers' service needs in the future. The survey is used to identify ways the Injured Spouse program can be improved and to track customer satisfaction with the Injured Spouse program over time.
Findings: In FY 2024 Q1-Q3, Injured Spouse survey respondents reported similar scores for overall satisfaction and all five components of satisfaction compared to FY 2023. Additionally, Injured Spouse callers this year expressed similar levels of agreement with the service they received on their call compared to results from last year. The proportion of participants who said the outcome of their call was reasonable given what was provided to IRS decreased significantly this year compared to last year (61% vs. 65%, respectively). However, every other component of fairness in FY 2024 Q1-Q3 resembled results from FY 2023. Although respondents' expectations about the length of time the process would take were similar this year compared to last year, there were notable shifts regarding actual length of time. The proportion of participants who said the Injured Spouse process took 0 to 6 weeks or 7 to 11 weeks increased significantly from last year (22% and 32% vs. 17% and 21%, respectively). Correspondingly,

significantly fewer participants said the process took 12 to 16 weeks or 17 or more weeks this year compared to last year (29% and 17% vs. 36% and 26%).
Actions Taken/Lessons Learned: Based on our findings from the first three quarters of FY 2024, Fors Marsh has recommended that the IRS should investigate taxpayers' knowledge gaps regarding the Injured Spouse decision-making process, promote respectful interactions between representatives and taxpayers during calls, and provide taxpayers with access to a detailed explanation of the Injured Spouse process.

Control #: BU-21-434 **Re:** ISP Mail Survey
Participants: 567 (7,175 Requests) **Burden Hours**: 598
Cost: $156,571 (all Campus Exam Surveys) **Response Rate**: 8%
Purpose: This program has four (4) primary objectives: Obtain survey data that is representative of the taxpayer experience in the Campus Examination program; Identify customer expectations of the Campus Examination Programs; Track customer satisfaction on Campus Examination program at the national level and site-level for the closed case surveys; Identify operational improvements and improvements to taxpayer experience.
Findings Overall satisfaction was 48% among ISP respondents in Survey Year 2022. This was a 3 percentage-point increase from Survey Year 2021, when overall satisfaction was 45%. The top improvement opportunity for this program is in whether the IRS provided an adequate description of the process.
Actions Taken/Lessons Learned: Results from this survey are being used to identify potential customer satisfaction improvement opportunities.

Control #: BU-21-437 **Re:** ACSS Mail Survey
Participants: 1,467 (20,640 Requests) **Burden Hours**: 1,720
Cost: $121,858 (all Campus Collection Surveys) **Response Rate**: 7%
Purpose: This program has four (4) primary objectives: Obtain survey data that is representative of the taxpayer experience in the Campus Collection program; Identify customer expectations of the Campus Collection Programs; Track customer satisfaction on Campus Collection program at the national level and site-level for the closed case surveys; Identify operational improvements and improvements to taxpayer experience.
Findings: Overall satisfaction was 51% among ACSS respondents in Survey Year 2022. This was an 8 percentage-point increase from Survey Year 2021, when overall satisfaction was 43%. The top improvement opportunity for this program is in how well the IRS process compares to an ideal process.
Actions Taken/Lessons Learned: Results from this survey are being used to identify potential customer satisfaction improvement opportunities.

Control #: BU-21-439 **Re:** TEGE Survey
Participants: 2,471 (13,793Requests) **Burden Hours**: 666
Cost: $414,125 **Response Rate**: 18%
Purpose: This research is conducted as part of the IRS agency-wide initiative (RRA 98 and Executive Order 12862) to monitor and improve taxpayer satisfaction with the service provided. The objectives of this study are to track customer satisfaction with determination and examination program over time and identify areas where improvements will have the greatest impact on customer satisfaction.
Findings: Overall satisfaction in some surveys were stable and increased while in other surveys decreased. For examples, overall satisfaction of EO Determination was 81% in FY 2021 to FY 2023 and overall satisfaction of EP Examination decreased from 82% in FY 2020 to 73% in FY 2022. In general, the decrease in overall satisfaction was due to decreases in satisfaction with the length of process and communication. During and post COVID-19, the response rates of determination and examination surveys decreased. For example, the response rate of EO Examination survey was 34% in FY 2018, 29% in FY 2020, and 21% in FY 2022.
Actions Taken/Lessons Learned: The open-ended comment portion at the end is a way to get feedback that we would not get otherwise. Two themes that emerged in recent surveys are customers' desire to have shorter length of process and more update on the status of their case with TE/GE.