

Supporting Statement
Approval Request to Conduct Cognitive and Psychological Research
(OMB #1545-1432)
Chinese LEP Conjoint Survey

A. JUSTIFICATION

1. Circumstances Making the Collection of Information Necessary

The Multilingual and Agency Services (MAS) Branch of the Internal Revenue Service (IRS), Wage and Investment division facilitates IRS's administration of policies and strategies supporting the delivery of language assistance to Limited English Proficient (LEP) taxpayers. The MAS Branch regularly researches the needs of LEP taxpayers as directed by Executive Order 13166 and works with the different Business Operating Units within the IRS to identify improvements in products and services for the LEP community.

MAS has used focus groups, surveys, and other methods in the past to identify limited English proficient taxpayer needs, preferences and awareness regarding products and services. This study will expand upon conjoint (tradeoff preference) research conducted in 2011; the focus is to better understand how Chinese LEP taxpayers make tradeoffs in determining how to contact the IRS for information. It will result in the development or enhancement of specific IRS services and communication strategies aimed at helping this taxpayer segment.

2. Purpose and Use of the Information Collection

The main objective of this project is to determine how tax-related task attributes, service channel attributes, and barriers/perceived burden influence service channel selection among taxpayers. This comparative value analysis process will evaluate service channel options for use by Chinese LEP taxpayers.

Pacific Consulting Group, a contractor hired by MAS, will conduct the Chinese LEP Conjoint Survey with a random sample of taxpayers whose primary language is Chinese and who have limited English reading/speaking skills. Sections of the survey will include questions about:

- Tasks the participants have encountered/expect to encounter
- Service decisions relative to the task
- IRS and non-IRS service channel and application use
- Service channel and application performance attribute priorities
- Service channel and application attributes that create potential barriers or additional perceived burden

The data obtained from survey respondents will assist in evaluating various aspects of their experience and to provide input as to establishing the areas of the process that need improvement. The survey feedback received will not institute new policy, yet will enable the Service to effectively meet taxpayer needs.

3. Consideration Given to Information Technology

Not Applicable

4. Duplication of Information

This is currently the only conjoint study aimed at Chinese LEP taxpayers being conducted, and is an expansion of a similar survey conducted in 2011. PCG is coordinating with other IRS conjoint survey studies to ensure no duplication.

5. Reducing the Burden on Small Entities

Small entities are not involved in this research study.

6. Consequences of Not Conducting Collection

Without collecting taxpayer feedback about the need of Chinese LEP taxpayers, IRS would not have timely information that could be used to identify potential areas where service improvements could be made. Improvement to service should improve voluntary compliance and assist Chinese LEP taxpayers in answering their tax questions.

7. Special Circumstances

N/A

8. Consultations with Persons Outside the Agency

N/A

9. Payment or Gift

Participants will receive a token of appreciation of \$40 each, paid by Pacific Consulting Group. The purpose of offering a stipend is to thank people for taking the time (25-30 min.) to complete this in-depth survey. This amount has been approved for other IRS research among individual taxpayers.

10. Confidentiality

The data returned to IRS will have no identifying information relating specific records to individual taxpayers. Nonetheless, IRS will ensure that privacy to the extent allowed by law and security of the aggregated results will receive the utmost attention. Public and official access to the information will be tightly controlled. The computer files containing this tabulated information will remain password protected at all times. Data security approaching level C-2 will be accomplished using the Windows XP operating system. Audiotapes used to record testing sessions will be destroyed when the project is completed and there is no further need for the data.

We will apply fair information and record-keeping practices to ensure protection of all taxpayers. The criterion for disclosure laid out in the Privacy Act, the Freedom of Information Act, and section 6103 of the Internal Revenue Code, provides for the protection of taxpayer information as well as its release to authorized recipients.

11. Sensitive Nature

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

12. Burden of Information Collection

The total estimated burden is 183 hours.

| Activity | Per Person | Number of People | Total |
|--------------------------------|-------------------|-------------------------|----------------|
| Read Invitation to Participate | 5 minutes | 400 | 2,000 minutes |
| Complete Survey | 30 minutes | 300 | 9,000 minutes |
| | | TOTAL MINUTES | 11,000 minutes |
| | | TOTAL HOURS | 183 hours |

13. Costs to Respondents

Not Applicable.

14. Costs to Federal Government

The cost for this study is \$225,000.00. These costs are comprised of the following: hiring a vendor to recruit participants, conduct survey, analyze data and prepare report. It also includes costs for honorarium paid to survey participants and travel expenses for the vendor to come to DC and present findings to IRS management.

15. Reason for Change

Not applicable.

16. Tabulation of Results, Schedule, Analysis Plans

The vendor will prepare a report that will include the recommendations of the survey participants. The recommendations will be shared with the program owner for follow-up action.

17. Display of OMB Approval Date

We are requesting no exemption.

18. Exceptions to Certification for Paperwork Reduction Act Submissions

These activities comply with the requirements in 5 CFR 1320.9.

19. Data Collection Dates

Data will be collected within July and August 2012

B. STATISTICAL METHODS

The primary purpose of these collections will be for internal management purposes; there are no plans to publish or otherwise release this information.

1. Universe and Respondent Selection

This project will include taxpayers who filed a tax return in tax year 2011 and whose primary language is Chinese and who have limited English reading/speaking skills

2. Procedures for Collecting Information

A copy of the survey questionnaire and invitation are attached. The invitation will be distributed electronically and the survey will be administered online. IRS's vendor PCG and its subcontractor Knowledge Networks will be conducting the research. . The sample will be representative of the population and be comprised of 300 Chinese LEP taxpayers, randomly recruited nationwide to participate in the online survey. The expected response rate is 60%. This is based on a similar study conducted with Spanish LEP taxpayers (LEP conjoint survey, 2011), using a similar recruitment and survey administration method which had a response rate of 75%. We anticipate that the questionnaire will take approximately 25-30 minutes to complete, and will consist of a choice-based conjoint where participants are given specific attribute levels for a particular scenario and asked to choose which service delivery channel they would use

3. Methods to Maximize Response

Recruited participants will receive a monetary incentive for participating in the survey. Respondents will be assured privacy of their responses to the extent allowed by law. PCG will provide a Help Desk for participants with questions or issues with the survey.

4. Testing of Procedures

Pre testing will not be conducted

5. Contacts for Statistical Aspects and Data Collection

The vendor hired by the IRS will perform all statistical analysis for this project.