

**Supporting Statement  
Approval Request to Conduct Cognitive and  
Psychological (or Customer Satisfaction) Research  
(OMB #1545-1349)**

**TITLE: 2014 IRS SURVEY OF INDIVIDUALS LIVING ABROAD FOCUS GROUPS**

**A. JUSTIFICATION**

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

The fast pace of change in the global economy requires an equally fast pace of change within the Internal Revenue Service (IRS). The IRS must strategically manage resources, associated business processes, and technology systems to effectively and efficiently meet international service and enforcement missions. To accomplish these goals, the IRS has developed a Multi-year Plan for Service-Wide International Tax Administration and formed the International Planning and Operations Council. Wage & Investment Research & Analysis (WIRA), in support of the strategic initiatives of this plan, is working with Large Business and International (LB&I) to increase IRS knowledge regarding taxpayers living abroad.

To achieve this, WIRA administered the 2014 Survey of Individuals Living Abroad that focused on why some individuals living abroad do not file a tax return, their awareness of certain tax provisions and forms specific to International Taxpayers, and how the IRS can encourage voluntary compliance among this population. During the 10-week administration period, approximately 500 individuals responded to the survey either by mail or online. As a follow-up to this survey, WIRA proposes conducting a series of telephone focus groups with survey participants. The information obtained from these focus groups will allow the IRS to better understand the perceptions, experiences, and decision making processes of individuals living abroad with regards to understanding and meeting their U.S. filing requirements. The collection of this information will provide valuable insight into how the IRS can encourage voluntary compliance among International Non-Filers.

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

Given the success of the 2014 IRS Survey of Individuals Living Abroad, follow-up telephone focus groups will be conducted with survey participants to gain insight on their tax-related experiences living abroad. Specifically, the purpose of these focus groups is to gain a better understanding of how taxpayers determine whether they have a filing obligation and how they choose to file, their awareness of tax provisions specific to international taxpayers, and their experiences using information and services provided by the IRS. This information will help identify opportunities for service enhancement, targeted outreach, and education of International Non-Filers.

**3. Consideration Given to Information Technology**

N/A

**4. Duplication of Information**

Other IRS functions have not gathered similar data.

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

N/A

**6. Consequences of Not Conducting Collection**

Without this feedback, the IRS will not obtain the information needed to help identify opportunities for service enhancement, targeted outreach, and education of International Non-Filers.

## 7. Special Circumstances

There are no special circumstances. The information collected will be voluntary and will not be used for statistical purposes.

## 8. Consultations with Persons Outside W&I

N/A

## 9. Payment or Gift

A \$40 stipend will be provided to focus group participants. This is an industry-standard amount for participating in this form of research.

## 10. Confidentiality

No Personally Identifiable Information (PII) will be collected during the focus groups; no names or identifying information will be used in the final report. Furthermore, data returned to the IRS from the contractor will not have any identifying information relating specific records to individual 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. The IRS will ensure that privacy, to 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 aggregated information will remain password protected at all times. Data security approaching level C-2 will be accomplished using the Windows 7 operating system. Digital audio files used to capture the testing sessions will be destroyed when the project is completed and there is no further need for the data. WIRA will apply fair information and record-keeping practices to ensure protection of all taxpayers.

## 11. Sensitive Nature

No questions of personal or sensitive information will be asked during the focus groups.

## 12. Burden of Information Collection

The recruitment phase will take approximately 5 minutes per participant and 2 minutes for those not interested in participating. From prior experience, we estimate contacting 200 individuals to recruit 48 taxpayers. Six focus groups will take place in the form of a one-hour conference call. Participants will dial a toll-free number at a designated date and time. The estimated burden for participants will be one hour x 48 taxpayers (expected 8 participants per group).

Category of Respondent	Number of Respondents	Participation Time	Burden
Recruitment for Focus Groups – Not Interested	152	2 minutes	5 hours
Recruitment for Focus Groups – Participants	48	10 minutes	8 hours
Participation in Focus Group	48	60 minutes	48 hours
<b>Total Burden</b>			<b>61 hours</b>

## 13. Costs to Respondents

No costs to respondents are anticipated.

## 14. Costs to Federal Government

The anticipated cost to the Federal Government is approximately \$17,604. These costs are for focus group recruiting, moderating, and reporting costs as well as participant incentive fees.

## **15. Reason for Change**

N/A

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

While the findings obtained from this study will be used for general service improvement, they cannot be generalized to the overall population, and are not intended for publication or other public release.

## **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. Dates collection will begin and end**

October 1, 2014 – December 30, 2014

## **B. STATISTICAL METHODS**

### **1. Universe and Respondent Selection**

International Non-Filers segmented by those with and without a perceived filing obligation will be included in the focus groups. Each of these individuals indicated their willingness to participate in future research at the end of the survey, and provided their phone number and/or email address to be contacted. Focus groups will be scheduled for 60 minutes, and will be limited to 8 participants.

### **2. Procedures for Collecting Information**

All recruitment and focus group participation will occur via telephone. Contractors from ICF International will moderate the focus groups.

### **3. Methods to Maximize Response**

Standard procedures will be used in order to obtain the highest response rate possible for the focus groups. The focus groups will be scheduled during times convenient for participants, when possible, and a \$40 incentive will be offered to encourage participation.

### **4. Testing of Procedures**

No pretest is necessary for these focus groups; W&I has evidence from previous focus group studies that the methodology is appropriate for the research questions being asked.

### **5. Contacts for Statistical Aspects and Data Collection**

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