

Supporting Statement
OMB Information Collection (ICR) Approval Request to Conduct
– Cognitive & Psychological Research – (OMB 1545-1349)

A. JUSTIFICATION

1. Circumstances Making the Collection of Information Necessary

The Taxpayer Advocate Service (TAS) is taxpayers' voice at the IRS. Our job is to ensure that every taxpayer is treated fairly, and each knows and understands his or her rights. *As an independent organization within the IRS, we help taxpayers resolve problems with the IRS and recommend changes that will prevent the problems.* In order to fulfill our mission we need insight into taxpayers' experiences with IRS processes and products. Topics will focus on specific IRS processes concerning installment agreements and customers' experiences with services provided by the Taxpayer Advocate Service. Tax preparers will discuss their opinions of existing programs and services, in addition to suggestions for future changes. This information is not readily available from existing data sources and it will help TAS better understand taxpayers' service and information needs pertaining to these topics.

2. Purpose and Use of the Information Collection

TAS is looking to understand participants' thoughts about two different topics related to IRS processes and services. One group will focus on practitioner's experiences dealing with IRS personnel in setting up installment agreements for their clients, including how the IRS determines allowable living expenses. The other group will discuss how the practitioners view the Taxpayer Advocate Service. TAS wants to conduct focus group interviews with tax practitioners to gain insight into practitioners' experiences when helping taxpayers use installment agreements to meet their tax payment obligations. The other focus group will focus on practitioner's awareness of TAS and their services including assessing the awareness of reporting systemic issues.

The focus groups findings will be combined with other organizational information to suggest ways to improve the process involving installment agreements or TAS operations, and will provide information on topics of interest for projects such as those included in the TAS Annual Report to Congress. Having the ability to anecdotally understand the level of understanding of the services offered by TAS is important to serve taxpayers and practitioners better. The feedback received will not institute new policy, yet enable TAS to effectively meet taxpayer needs.

Installment Agreements Issues with Allowable Living Expenses

TAS is interested in tax practitioners' thoughts, experiences, and ideas about IRS installment agreement arrangements and the way the IRS determines the allowable living expenses considered in a payment plan. This included current practices and operations, which include determining collection potential and considering the allowable living expenses. We would like to know what

practitioners expect when applying for streamline and non-streamlined agreements and if they seek assistance when at an impasse on the payment arrangement. Specifically we will discuss the different types of installment agreements, the experience they have with each kind, how is the monthly payment amount determined (by them or the IRS), are some clients in plans they can't afford, and are allowable living expenses tailored to each client's personal circumstances.

TAS Services – Awareness and Improvements

TAS is interested in tax practitioner's thoughts, experiences and ideas about the services offered by TAS, how preparers report issues affecting multiple taxpayers, suggestions for improvement, and how best to raise awareness of TAS systems. TAS has been in existence since 2001 and has been helping taxpayers and practitioners in resolve their IRS issues, as well as educating preparers about the Taxpayer Bill of Rights, and how best to advocate for their clients. Addressing issues that are systemic in nature is the focus of the Systemic Advocacy function of TAS. We will gather practitioners' thoughts on how well this service functions, and preparers' awareness and use of a system developed to alert TAS to issues affecting multiple taxpayers.

3. Consideration Given to Information Technology

TAS considered electronic options for this research, but decided to collect the information in person. TAS decided in person groups were the best option for including most types of preparers at a relatively low cost.

4. Duplication of Information

We were unable to find any current research on our topics of study from a tax preparer's perspective. Our focus groups will gather information on tax practitioner's current opinions on issues with establishing installment agreements and reaching agreement with the IRS on the allowable living expenses for their clients. This timely, qualitative research will help identify current issues of concern to taxpayers and tax professionals. No similar data are currently gathered or maintained by the Agency.

5. Reducing the Burden on Small Entities

Small business or other small entities are not targeted for these groups and will only be involved if they meet screening criteria and agree to participate. TAS will minimize the burden on them by reminding them that participation in the focus groups is voluntary.

6. Consequences of Not Conducting Collection

Without this feedback, TAS will not have timely perspectives and insights from tax practitioners concerning the IRS's processes and programs related to the establishing of valid installment agreements and awareness of services offered by TAS. These

topics are of concern to the National Taxpayer Advocate and she requires feedback from external stakeholders to understand concerns from those who use these programs or need information to better understand their rights with the IRS.

7. Special Circumstances

These focus group interviews differ from other pre-recruited groups in that there are no incentives paid to participants and potential participants are recruited in person.

8. Consultations with Persons Outside the Agency

No consultations were held with persons outside the agency. Online searches did not identify any similar information available.

9. Payment or Gift

There is no payment or gift provided to the participants.

10. Confidentiality

TAS will provide privacy to the extent allowed by law. Personal or sensitive information will not be disclosed. Only first names will be used in interviews (first initial of last name will be used if there are duplicate names). We will also control official access to the information and will not allow public access to the information. TAS will not ask for any information that could be used to identify the taxpayers in the focus group interviews. TAS designed the moderator guides such that no personally identifiable information (PII) is captured.

TAS 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. Data security approaching level C-2 will be accomplished using the Windows XP/7 operating system.

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.

We will limit and control the amount of information that we collect to those items that are necessary to accomplish the research objectives. We will protect the privacy of the focus group participants by not using names in our report. Data will be maintained according to required record management guidelines.

11. Sensitive Nature

We will not collect sensitive information and participants may not answer if they are uncomfortable providing specific information. Participation is voluntary and individuals may decline the invitation to participate in the group.

12. Burden of Information Collection

A total of ten focus group sessions, five for each topic, will be held for the two topics (Installment Agreements and TAS Services). TAS will recruit as many as 16 qualified individuals for each group – $16 \times 10 = 160$ total recruits; with the expectation that no more than 12 recruits will timely arrive at the prearranged location and ultimately participate in the groups – $10 \times 12 = 120$ total participants. We estimate that 25 percent of those asked will agree to attend, or a total of 640 persons will have to be contacted to reach the 160 total recruits.

Contact time to determine non-participants is 2 minutes or $640 \times 2 = 1,280$ minutes / 60 minutes = 21.3 burden hours (round up to 22). It is estimated that it will take 5 minutes to remind confirmed participants of the focus group and provide directions or $160 \times 5 = 800$ minutes / 60 minutes = 13.3 hours (round up to 14 hours).

The 120 participants will result in 160 burden hours (120×80 minutes of focus group discussion time = 9,600 minutes / 60 = 160). Total burden hours = **196** (all partial hours rounded up to the next whole hour or $22+14+160$).

Type of Collection	Estimated Burden		
	Number of Respondents	Time per Response	Total Hours
Screening potential participants (ultimately are not recruited)	640	2 minutes	22 hours
Recruiting and reminding recruits who do and do not show up at the focus group sites	160	5 minutes	14 hours
Reminders and discussion time for actual participants	120	80 minutes	160 hours
Total Burden Hours			196 hours

13. Costs to Respondents

The only cost to respondents is their time required to get to the location and participate in the group.

14. Costs to Federal Government

The estimated cost of the 10 focus groups in this package of two topics is \$ 17,700 for the moderator and scribe. This includes travel costs & expenses for the tax forums.

15. Reason for Change

This is a new data collection and it does not request changes to a prior approval.

16. Tabulation of Results, Schedule, Analysis Plans

Once OMB approval is received and the tax forums are underway, potential participants will be contacted in person. We expect it will take approximately six months to field, administer, and summarize focus group findings.

Interviews will be summarized after each focus group and compiled into a final report no later than the end of December 2017. The final report will be a summary of key findings by topic based on the discussions generated in the focus group interviews. This information will be used to report on taxpayers and preparers' experiences with the installment agreements and TAS services. The information will also be used in conjunction with other internal IRS data to suggest improvements to these specific processes as appropriate.

17. Display of OMB Approval Date

We prefer not to display the OMB Approval date. However, we will add the OMB approval date if preferred once we receive it. .

18. Exceptions to Certification for Paperwork Reduction Act Submissions

These activities comply with the requirements in 5 CFR 1320.9.

19. Data Collection Date

July 2017 - December 2017.

B. STATISTICAL METHODS

The primary purpose of these collections will be for internal management purposes; there are currently no plans to publish the summary reports from this research. This research is qualitative and thus cannot be generalized to the population.

1. Universe and Respondent Selection

TAS will recruit from tax preparers attending the tax forums. Recruiters will attempt to get a variety of preparers with experience with installment agreements or TAS to participate in the focus groups.

2. Procedures for Collecting Information

Participants will be screened and balanced using the appropriate characteristics for the focus group topic and include gender, tax preparer type, experience level. Minimal information will be collected during this screening process to report to OMB in the summary report.

Recruiters will inform potential participants of the focus group topics and ask if they are interested in the topic, provide additional information about the focus groups, and ask qualified individuals to attend and participate in the focus group. We will recruit 16 qualified participants, with the expectation being that no more than 12 will actually show up at the group site and participate per group.

3. Methods to Maximize Response

We will strive to maximize response and cooperation rates among those potential participants by: (1) providing the topic and scheduled meeting time before recruiting participants; (2) by offering qualified persons the opportunity to voice their opinions on the identified topic, and (3) scheduling the groups during lunch periods or times that do not conflict with the most popular sessions.

4. Testing of Procedures

Because of prior tax forum experience, procedures will not require testing.

5. Contacts for Statistical Aspects and Data Collection

Since focus groups are a form of qualitative research, statistical requirements are minimal. TAS Research will provide support needed for this endeavor.

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