
Session Two:

Influencing Individual
Taxpayer Behavior



2010 IRS Research Conference

Facilitated Self-Assistance Enhances Taxpayers' Taxpayer Assistance Center (TAC) Experiences



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FSRP Background

- The Facilitated Self-Assistance Research Project (FSRP) was initiated during the research and development of the Taxpayer Assistance Blueprint (TAB), Phase 2 Report
 - Pilot (FSRP Phase 1):
 - Planning began in 2006
 - 15 sites
 - Data collected from March 10 to April 15, 2008
 - Report released in September, 2008
 - FSRP Phase 2: 2008 – 2009
 - Planning in 2008
 - 50 sites
 - Data collected from January 2 to April 30, 2009
 - Report released in September, 2009
 - FSRP Extended Pilot: 2010
 - Most phase 2 sites continued (49/50 sites)
 - Data collected from January 2 to April 30, 2010

FSRP Team

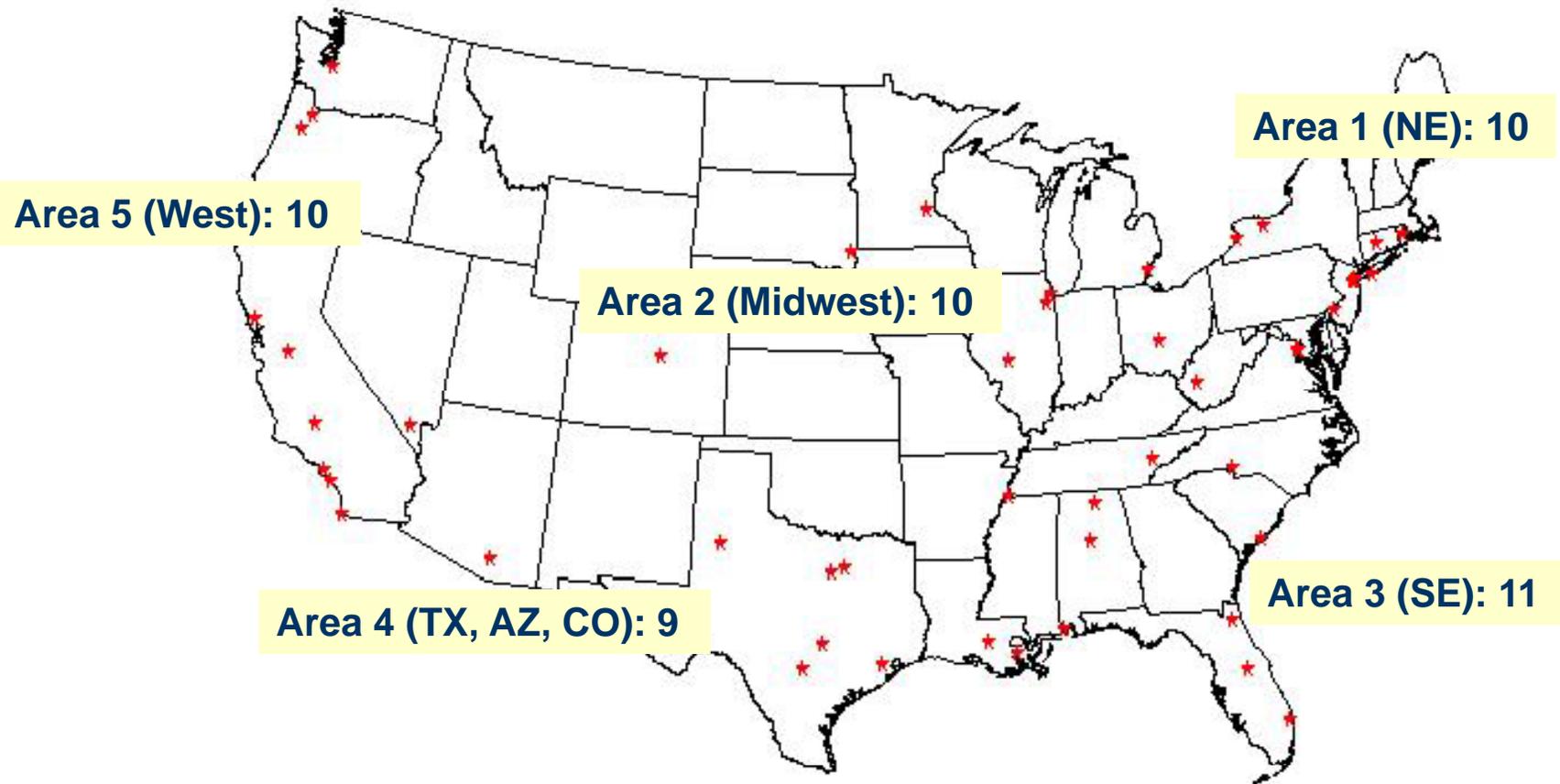
- The FSRP was a collaborative effort among Wage and Investment Research and Analysis (WIRA), Field Assistance (FA) and Modernization and Information Technology Services (MITS)
 - Project led by Wage & Investment (W&I) Field Assistance
 - A MITS team created an integrated system and provided ongoing technical support
 - WIRA oversaw data collection and analysis and produced research report

Business Question

- Does changing the TAC business model to more differentiated service delivery increase taxpayer and/or government value?



FSRP Phase 2 Project Sites (50)

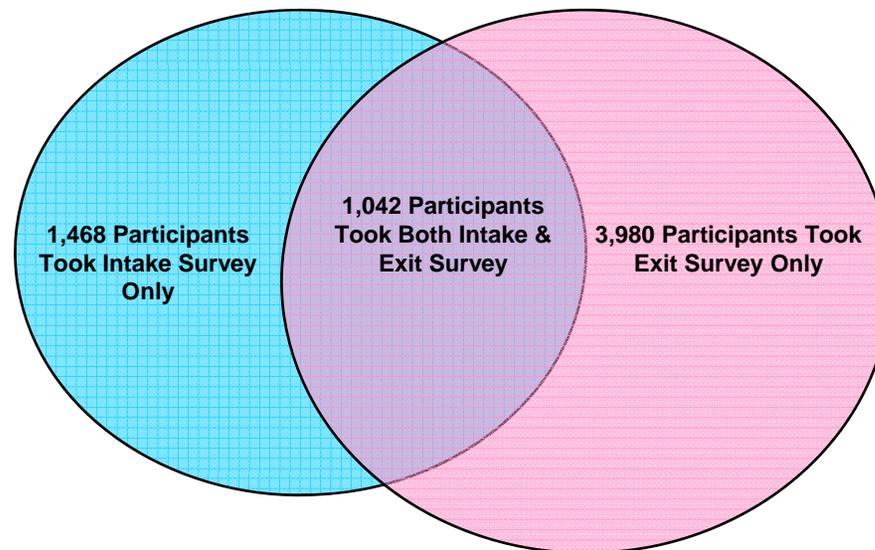


Data Collected

Instrument	Purpose	Information Collected	Collection Mode
Screening/ Recruitment	Determine participation eligibility; invite eligible taxpayers to participate	English language skills, physical ability to use workstations (by observation), service task, preparedness to perform service tasks, and time at check-in	“Screener” enters information into computer
Intake Survey	Demographic information from taxpayers willing to participate	Participants’ previous resolution attempts, ZIP Code, age, income level, and gender	“Screener” enters information into computer
Exit Survey	Participants’ experiences with facilitated self-assistance	Reason for visit, issue resolution, ease of use, satisfaction, plans to seek further assistance, reason for not getting needed service, method for seeking further service, prior methods used, past IRS resources used, use of IRS.gov in future and open-ended comments about how the IRS can improve service.	Participant enters information into computer

FSRP Survey Participation

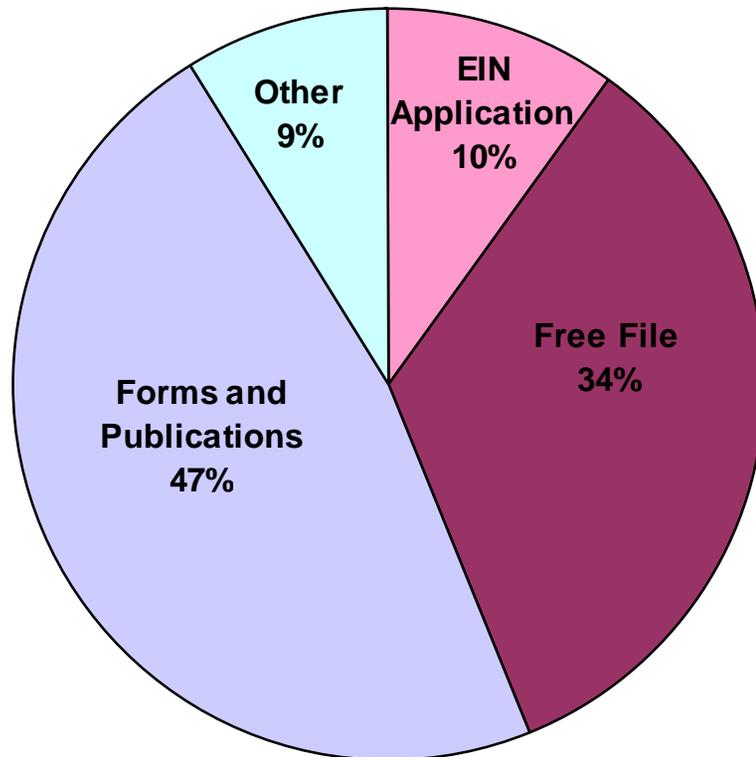
- Of taxpayers judged eligible for the project, about half (49 percent) chose to try the new service option.
- Of 7,858 facilitated self-assistance users, 6,490 responded to one or both of the project's surveys (i.e., Intake and Exit Surveys).
- Despite operational variation and technical issues sufficient data was collected in order to increase the IRS' understanding of potential taxpayer and government value of facilitated self-assistance.



Profile of Facilitated Self-Assistance Users

- Most facilitated self-assistance users were age 54 or under (78%) and nearly half were age 25 to 44 (48%).
- Approximately half (51%) of respondents had a total household income of \$35,000 or less.
- Males and females made up 54% and 44% of the sample, respectively.

Distribution of Main Service Tasks



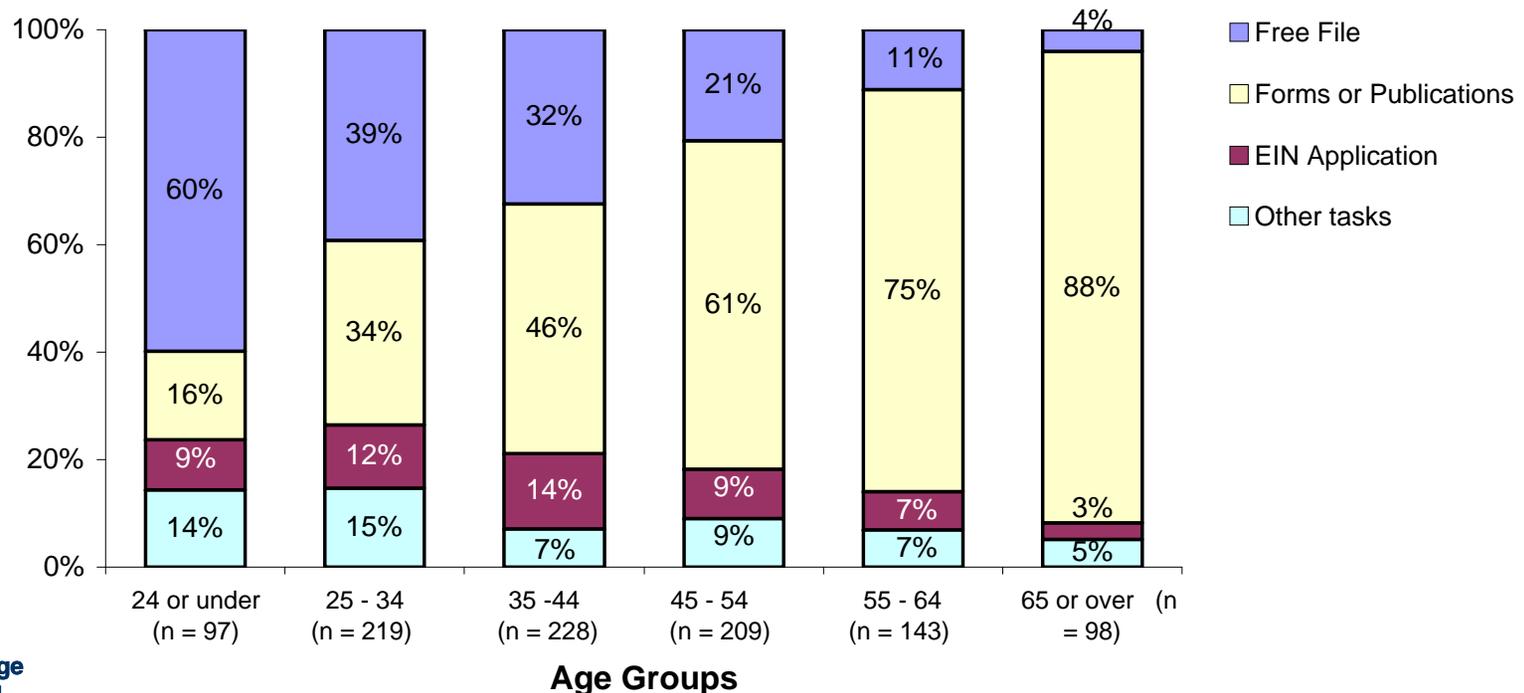
Source: FSRP Intake Survey data, January 2 to April 30, 2009.

In-scope tasks for FSRP

- Forms and Publications
- Free File or Free File Fillable Forms
- Employer Identification Number (EIN) Application
- Where's My Refund?
- Frequently Asked Tax Questions and Answers
- Earned Income Tax Credit (EITC) Assistant
- IRS Withholding Calculator
- On-Line Payment Agreement
- E-File Locator Service
- Economic Stimulus Payment/Rebate
- Electronic Federal Tax Payment System (EFTPS)

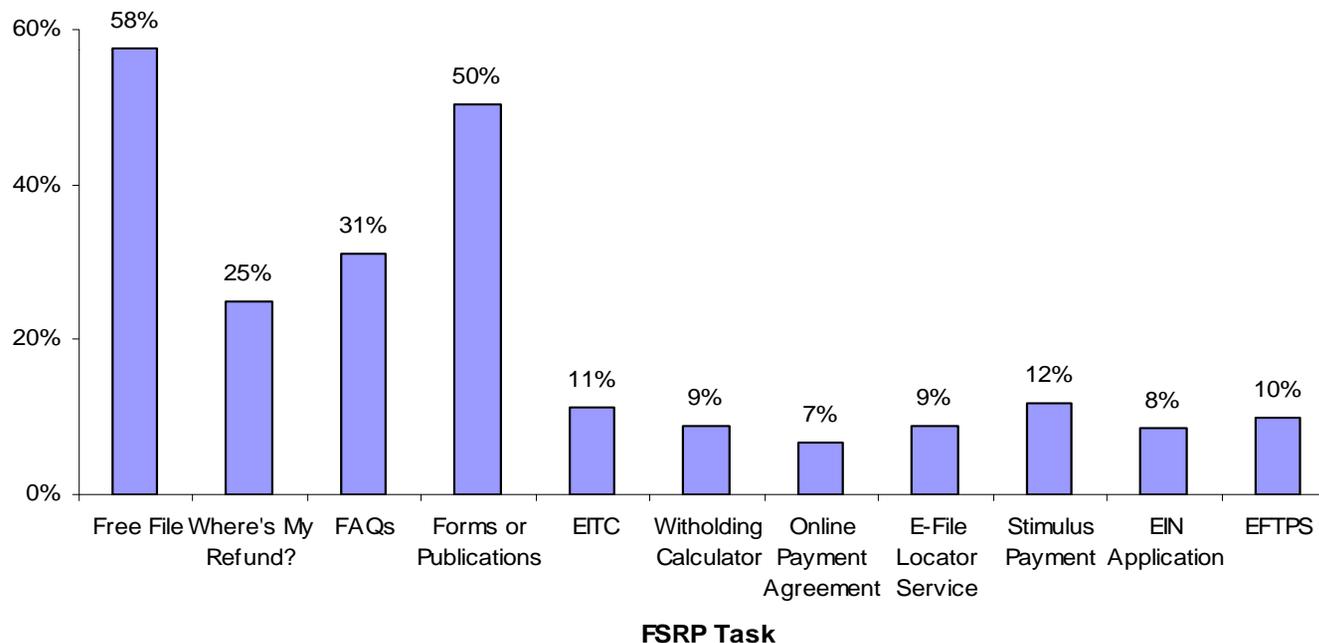
Workstation Users by Age and Main Service Task

- Younger respondents appeared most likely to use facilitated self-assistance for Free File (60%).
- Most seniors age 65 or over (88%) used facilitated self-assistance to obtain forms or publications.



Future Intentions to Use IRS.gov

- After completing tasks using facilitated self-assistance, nearly three quarters (73 percent) of respondents said they would use the IRS website (www.IRS.gov) again for at least one service.



Future Intentions to Use IRS.gov (cont.)

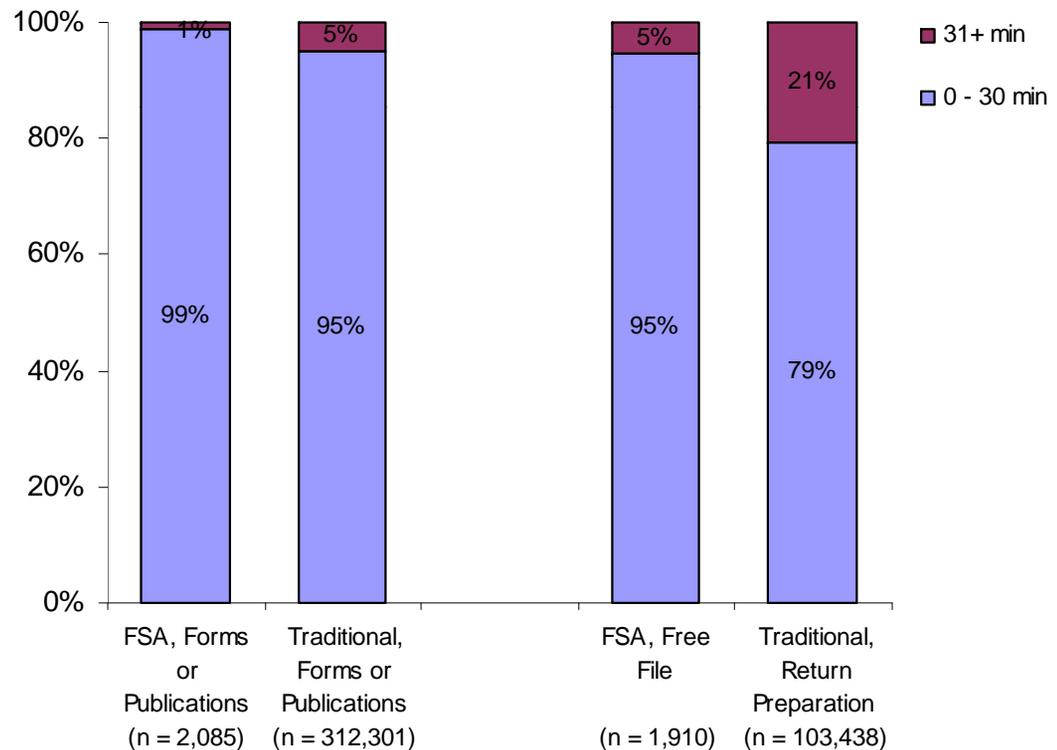
- Of taxpayers who used workstations to Free File or obtain IRS Forms or Publications, most said that in the future, they would use the IRS website to perform the *same* task again.
 - 95% said would use IRS.gov for Free File
 - 83% said they would use IRS.gov to get Forms or Publications

– The telephone system does not work. The number stays busy. I liked being able to do the filing myself. The assistance of [IRS facilitator name] helped boost my confidence to tackle it myself next year.

Wait Time: Traditional Service vs. Facilitated Self-Assistance

- TAC visitors using facilitated self-assistance and traditional service experienced similar wait times for forms or publications. However, wait times were longer for taxpayers using traditional TAC service for return preparation.

– A wonderful experience ~ the assistance I received from the IRS Employee made the process even easier...I plan to use the system again for my 2009 filing. GREAT Job IRS ~ keep up the good work! No more Waiting!

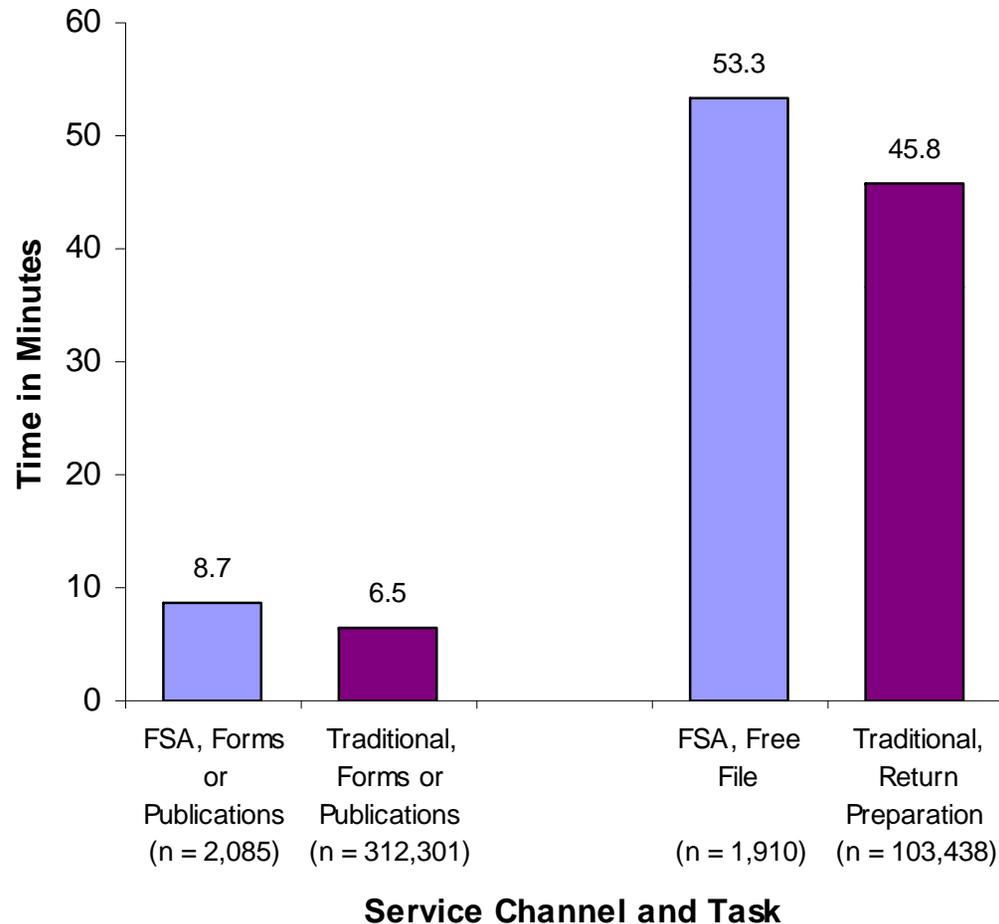


Service Channel and Task

Sources: FSRP Screening and Exit Survey data, January 2 to April 30, 2009; Business Objects, January 2 to April 30, 2009.

Service Time: Traditional Service vs. Facilitated Self-Assistance

– I was really impressed by the fast service that I got today! All of my questions and concerns were answered. I know that if I have any more questions then I can use the website or come to my local IRS office to receive further assistance.



Perceived Issue Resolution

- Overall, most facilitated self-assistance users (89%) reported that they were able to get an answer to their question or complete their transaction using the service option

– Having the assistance of [IRS facilitator name], made the experience of filing on line much easier. As long as there is someone present for assistance, I think that people will get used to filing on line and it will become easier.

Ease of Use

- Of facilitated self-assistance users who reported issue resolution, 94% indicated that facilitated self-assistance was “Just About Right” to “Very Easy to Use.”

– The experience for e-filing was easy to navigate. Would recommend it to family and friends

– While the online program was available and easy to use the customer service personnel made the information easier to find and the associate made getting questions tailored to my circumstances much less daunting.

Satisfaction with Service

- In general, nearly all (96%) respondents who reported issue resolution indicated that they were satisfied with the facilitated self-assistance service delivery option.

– I was surprised yet very pleased and grateful for the unexpected level of personal attention I was given today at this IRS location.

– This was a very productive trip to the IRS. I never knew that I could excess (sic) the computer to receive forms and publications that were not available at the office upon my visit there. Your people at the office were very helpful to me. I enjoyed my visit.

Facilitated Self-Assistance User Suggestions for Improvement

- Took 20 minutes... To (sic) long! need more terminals to assist tax payers*
- you need more then (sic) one person to help taxpayers on the computer.*
- After filing an e-mail or notification should be available. This would at least confirm that the information (data) was received and reviewed.*
- I came in for HELP and they send you to a computer (sic) where I would like to talk to a person.*
- I came for 2 forms for 2007 tax year and had to wait in line, and then had to use computer.*
- When the Federal government website says "free e-file" I believe the Federal government should make sure the chosen contractors honor the advertisement. They should be required to tell the consumer upfront about the ability to complete the e-file task.*

Limitations and Challenges

- Technical Issues
 - Missing Intake Survey data
 - 307,423 taxpayers were screened but we have Intake data for only 236,621 TAC visitors (23% data missing)
 - Multiple Customer Access Numbers (CANs) for a single taxpayer
- Survey Programming and Design Issues
 - Inadvertent skip pattern in Exit Survey
 - Non-exhaustive response categories in one Exit Survey item
- Operational Issues
 - Inconsistent adherence to project protocol
 - Screeners performing roles of both screener and facilitator

Conclusions

- Taxpayers who were willing to use facilitated self-assistance generally reported obtaining issue resolution, that the system was easy to use and satisfaction with service received.
- Facilitated self-assistance provides value to taxpayers by increasing their awareness of IRS online services.
- The time expenditure trade-off between wait and service time appears to be valuable to taxpayers.
- Facilitated self-assistance is a practical option for taxpayers who visit TACs for services available on IRS.gov.

Conclusions (cont.)

- Findings suggest that facilitators are a necessary component of facilitated self-assistance, and that knowledgeable facilitators helped make taxpayers' experience positive and beneficial.
- Seniors willing to use facilitated self-assistance for forms or publications appear to represent a unique cohort.
- Areas for improvement of facilitated self-assistance include computer systems and staff support.
- Marketing effectiveness significant factor in success.

Recommendations

- W& I Research & Analysis and MITS continue to collaborate with Field Assistance to develop selection criteria for the potential future implementation of facilitated self-assistance.
- If it is not feasible for all TACs to administer facilitated self-assistance, focus implementation in TACs with high volumes of taxpayers seeking tax return preparation assistance.
- Since a large number of taxpayers enter TACs to obtain forms, it was suggested that separate dedicated “express lane” computers be available for tasks that do not require the input of personal identifiers (i.e., names, social security numbers, etc.), such as obtaining forms or publications.
- Self-assistance remain *facilitated* with adequate staffing made available, to ensure that taxpayers are receiving needed assistance.
- Before implementing facilitated self-assistance in additional TACs, it was recommended that the systems first be thoroughly tested and all technical issues addressed.

Current State and Future of FSRP

- FSRP went off-line on May 1, 2010.
- W&I is now working with MITS enterprise services having all of this information at their disposal to justify, rationalize and prioritize features in their new system/service option.
- Resources now focused on an improved Facilitated Self-Assistance system for Filing Season 2011.
- Program name change: Facilitated Self-Assistance Resource Program (FSRP)

W&I Research & Analysis

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