



Research, Analysis & Statistics

STATISTICS OF INCOME

Joint Statistical Research Program Update

Joint Statistical Research Program

Seeks to increase partnerships between IRS and external researchers

Goals:

- Provide new insights into ways that existing tax policies affect people, businesses, and the economy
- Suggest tax policy solutions to advance the common good
- Provide new understandings of taxpayer behavior that could impact the administration of the U.S. tax system

Joint Statistical Research Program - Background

- Selected 16 projects in January 2012
 - 3 dropped due to scheduling or data problems
 - Also placed 4 projects within RAS: Office of Research and OTA
 - Fall 2013 NTA program included 10 JSRP papers
 - Fall 2014 NTA program includes 8 JSRP papers
- Several papers posted to SOI Working Paper page:
<http://www.irs.gov/uac/SOI-Tax-Stats-SOI-Working-Papers>
- Most current projects should be completed by the end of 2014

Joint Statistical Research Program – Lessons Learned

- Lessons learned from current projects
 - Researchers will be better served if SOI selects a small number of projects annually than larger numbers at irregular intervals
 - Administrative costs of project start-up add considerable staff burden
 - Background clearance and contract approval can significantly delay start-up when non-IRS staff require access to data
 - Aligning outside researcher and SOI staff availability is sometimes challenging, especially for academics
 - Administrative processes and available tech support at IRS facilities nationwide vary widely
 - Need to build in time for journal submission and revision process
 - Committee on National Statistics recommends maintaining a permanent web record of calls for proposals and selected research topics

Joint Statistical Research Program – Good News

2014 Call for Proposals
November 19 – December 14

- Select a small number of projects – 4 to 6?
- Projects would start in early 2015
- Coordinate closely with Treasury and other stakeholders

Project Solicitation and Selection

- Evaluation criteria:
 - Tax administration relevance
 - Data availability
 - Availability of SOI staff to participate in and/or oversee work
 - Researcher skills, quality of research plan, proposed timeframe
 - Contribution to SOI's goals and mission
- Projects selected by committee of RAS staff, Treasury and others

Data Access Arrangements

SOI assigns all projects to subject matter experts who:

- Serve as technical resource
- Monitor all aspects of the project to ensure compliance with:
 - Data access and security standards
 - Project scope and performance period
- Review all interim and final products for compliance with data-use and contract guidelines before they are released to the public
- When possible, participate in all aspects of the research, co-present and co-author presentations and published reports

Data Access Arrangements

No direct data access for non-IRS research partners:

- Performed under a simple Memorandum of Understanding outlining project and products
- Non-SOI research partner receives only summary data processed to prevent disclosure of individual taxpayer data
- Researchers may be given ‘dummy’ data to develop SAS or STATA code to facilitate complex analyses
- Provides outstanding training and career development opportunity for SOI staff

Data Access Arrangements

Limited data access for non-IRS research partners:

- Able to access only data required for analysis
- Access data only at an IRS facility using IRS equipment during normal business hours
- Must undergo full background investigation and data protection training
- Subject to disclosure penalties and prosecution
- SOI staff periodically audit projects to ensure all work relates to approved project

Data Access Arrangements

Intergovernmental Personnel Mobility Act (IPA):

- Open to permanent employees of Federal, State or local governments or non-profit research organizations
 - Students, including graduate assistants are not eligible
- Authorized by Title IV of the Intergovernmental Personnel Act of 1970 (5 U.S.C. 3371-3376)
- Must complete Office of Personnel Management Form OF-69, which is signed by IRS and the researcher's employer
- Creates an employee-like arrangement, managed through personnel systems
 - Qualifications, such as citizenship requirements, follow sponsoring agency guidelines.

Data Access Arrangements

Student Volunteer Service Program:

- Authorized under the Civil Service Reform Act of 1978, Title 5 (USC 3111)
- Provides work experience related to student's course of study
- Arrangement is between the school and the IRS
- Creates an employee-like arrangement, managed through personnel systems

Data Access Arrangements

Contracts with research teams:

- Data access is authorized under IRC 6013(n).
 - Data access must support tax administration as defined in IRC 6103(b)(4)
- Includes:
 - Interagency Agreements (funds are exchanged between agencies)
 - Memoranda of Understanding (zero dollar, between 2 agencies)
 - Contracts (one party is non-government)
- For a contract, researcher must be registered as a small business and obtain a Taxpayer Identification Number (TIN) from the IRS
- Contract is administered by the IRS contracting function and an SOI COTR following federal procurement rules
- Generally run 2 years with possible 6-month extension

Questions?

Contact:

Michael.E.Weber@irs.gov

(202) 803-9903

Barry.W.Johnson@irs.gov

(202) 803-9794