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# File My Return Invitation Letters

## Qualitative Research

### EXECUTIVE SUMMARY

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### Political Neutrality Statement

NRG Research Group certifies that the final deliverables fully comply with the Government of Canada political neutrality requirements outlined in the Communications Policy of the Government of Canada Procedures for Planning and Contracting Public Opinion Research. Specifically, the deliverables do not include information on electoral voting intentions, political party preferences, and standings with the electorate or ratings of the performance of a political party or its leaders.



Andrew Enns  
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## Executive Summary

### Introduction and Background

In the November 2015 mandate letter to the Minister of National Revenue, it stated the following:

*“As Minister of National Revenue, your overarching goal will be to ensure that the CRA is fairer, more helpful, and easier to use.”*

To attain this goal, several top priorities were identified, one of which was:

- To ensure that the Canada Revenue Agency (CRA) is a client-focused agency that will:
  - Offer to complete returns for some clients, particularly lower-income Canadians and those on fixed incomes, whose financial situation is unchanged year-to-year; and,
  - Support more Canadians who wish to file taxes using no paper forms

To effectively meet its service mandate, the CRA has developed a new service offering called “File My Return.” This service, to be launched in February 2018, will allow those who qualify to file their individual tax return over the telephone by answering a few yes/no questions and, if applicable, providing information regarding the provincial benefit amounts and refundable tax credits they wish to claim. File My Return involves no paper forms, no calculations, and is free.

In February 2018, an invitation letter and provincial information sheet (when applicable) will be mailed to each person who is eligible to use the File My Return service.

The CRA has drafted an invitation letter and provincial information sheet (when applicable) that applies to each sub-group of the File My Return target audience. Research is required to determine if these communication materials will be effective in helping the CRA to meet its service mandate. The CRA will use this research to gauge the effectiveness of, and refine as necessary, the wording of the communication material that will be sent to persons eligible to use the File My Return Service.

### Research Objectives

The CRA will be sending an invitation letter and provincial information sheet (when applicable) to those eligible to use the new File My Return service. The purpose of the research is to ensure that the letter and information sheets convey that the service is for them, are easy to understand, contain all the required content, and have instructions that are easy to follow.

## Overview of Methodology

CRA contracted NRG Research Group (NRG) to conduct a qualitative research study to test the effectiveness of communication materials to assist the CRA to meet its service mandate. The CRA will use this research to gauge the effectiveness of, and refine as necessary, the wording of the communication material that will be sent to persons eligible to use the File My Return service. A series of focus groups were conducted across Canada between the dates of October 16<sup>th</sup> and October 19<sup>th</sup>, 2017. Two groups were held at four locations segmented somewhat by paper and online tax filers.

NRG was responsible for the telephone recruitment of individuals to participate in the focus group sessions. The sample frame for recruitment consisted of records sourced from the CRA, who were individuals who might qualify to use the new File My Return service. Individuals were qualified for the study using a screening instrument developed jointly by NRG and the CRA. Specifically, these are individuals who indicated having no income, or their only income was from one or more of the following sources (OAS, CPP, QPP, EI, Workers' compensation, social assistance payments and net federal supplements). None of the participants had employment income (including self-employment). This instrument can be found in the Appendices attached to this report.

A total of 82 participants were recruited by telephone, with 67 attending the discussions. Each group lasted approximately 1.5 to 2 hours and was moderated by a trained research professional. Andrew Enns with NRG moderated all the groups except for those held in Montreal. John Patterson of Patterson, Langlois Consultants moderated the Montreal groups, which were conducted in French.

The groups were moderated using a prepared discussion guide developed jointly by NRG and the CRA, which can be found in the Appendices attached to this report. All participants received a \$90 honorarium in appreciation for their feedback.

This research was qualitative in nature, not quantitative. As such, the results provide an indication of participants' views about the issues explored, but they cannot be generalized to the larger population.

The contract amount for this project was \$47,121 (including HST).

## Key Findings

Overall, the letter is structured well and understandable to recipients. The language used is not perceived as overly complex as to make it a challenge to read and comprehend. The material did successfully communicate the File My Return service, although, given it was a new service, there were questions raised regarding specifics in terms of how it worked.

A main finding arising from the research is that the letter would benefit with a slightly expanded and stronger introduction of the File My Return service and why the recipient was being invited to use the new service.

A stronger introduction to the service would also go some length in addressing another concern that comes up frequently in the discussion. That is the phrase, "...you are likely eligible...". This catches peoples' attention and not always in a good way. It makes some people suspicious about the program and question if they should they bother investigating further. Some language indicating that "if the information below is correct you, are eligible for the service". The goal should be to make this statement more assertive as opposed to 'likely'.

In addition, some direction on how to interpret the Step by Step information could be provided in the letter. Perhaps providing a brief introduction such as:

*The information below is broken into 3 easy steps:*

- *Step 1 is confirming that the information we have about you is still accurate*
- *Step 2 is some information you need to have before you call File My Return*
- *Step 3 provides the number to call*

Adding the above would situate the Steps in the letter better for the recipient.

The benefits of the File My Return service should be more expressly stated in the opening of the letter. As discussed below, the line in Step 3 stating "...all benefits and credits will be included..." is generally well received but, it comes too late in the letter. With the intended target population, dollars matter a great deal and if there is any sense this service may not maximize tax benefits and credits, it will be concern and a barrier to uptake.

A final introductory edit for consideration would be to more overtly indicate this is an automated call-in service. The majority of readers assumed they would speak to a live agent should they call the 1-800 #. The fact the service is an automated interactive voice recording (IVR) service is not received with great enthusiasm; however, it is also not identified by most participants as an absolute deal breaker in terms of them trying the service.

Another aspect of the material to be aware of relates to the Information Sheet regarding benefits and credits. In a few groups, particularly Vancouver and Kitchener-Waterloo, there was reasonably strong concern voiced about the potential the File My Return service will miss some credits available to an individual. As noted above, this is not a population open to risk and missing out on taking advantage of a tax credit, benefit and forfeit some monetary return on their taxes.

Overall, there was reasonable interest in trying the File My Return service should eligible participants be invited. This was particularly the case for individuals who clearly understood that their income tax filing was very basic and generally unchanging from year to year. These participants did appreciate that the File My Return service would represent a considerable saving in time and effort.

Many older individuals said they would be likely to discuss the invitation letter with a son or daughter to get their feedback. Among those who use a third party for their tax preparation needs said they might share the letter with them to get their advice. A few participants also said they would visit the CRA website to find out some additional information and confirm its legitimacy. Concerns about fraud and scams are quite prevalent among this population, so there is some hesitation about new things that sound very good.