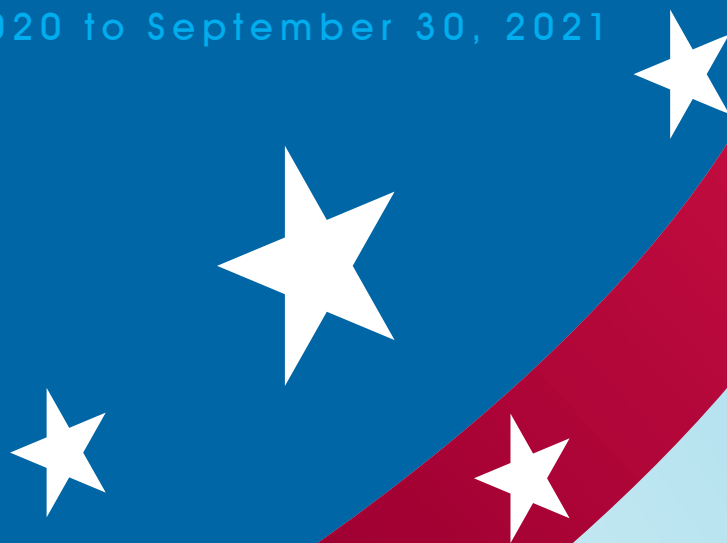


2021

INTERNAL
REVENUE
SERVICE

DATA BOOK

October 1, 2020 to September 30, 2021



Department of the Treasury Internal Revenue Service

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The IRS Mission

Provide America's taxpayers top-quality service by helping them understand and meet their tax responsibilities and enforce the law with integrity and fairness to all.

Internal Revenue Service

Data Book, 2021

This report describes activities conducted by the Internal Revenue Service during Fiscal Year 2021 (October 1, 2020, through September 30, 2021). It provides information on returns filed and taxes collected, enforcement, taxpayer assistance, the IRS budget and workforce, and other selected activities.

When using information from this report, cite the *Internal Revenue Service Data Book, 2021*, as follows—

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The Internal Revenue Service Data Book Online

The *Internal Revenue Service Data Book* tables for the current year and previous years may be found online at <https://www.irs.gov/statistics/soi-tax-stats-irs-data-book>. An archive of historical *Data Books* and its predecessor from 1863 to 2021 is also available on the site. For additional information, contact Statistical Information Services at 202-803-9285 or e-mail sis@irs.gov.

Letter from the Commissioner

I'm pleased to present the Fiscal Year 2021 *Internal Revenue Service Data Book*. This publication will give everyone an idea of the important work that takes place at the IRS, year in and year out, to help taxpayers. We also hope it will help illustrate our accomplishments over the past year and the many ways IRS employees provide service to the nation.

Sharing these data will give readers insights into the broad scope of our work. My experience as Commissioner has strengthened my belief that a fully functioning IRS is critical to the success of our nation. Each year, the IRS collects more than \$3 trillion in taxes and generates approximately 96 percent of the funding that supports the Federal Government's ability to perform its vital functions, helping fund the great work of our nation on everything from education to defense. We serve and interact with more Americans than any other public or private organization.

The COVID-19 pandemic continued to present some of the greatest challenges in our agency's history, and the way our employees responded illustrates the significant role that the IRS plays in the overall health of our country. Thanks to the agility and flexibility of our workforce, the IRS continues to operate in a virtual work environment, with the majority of employees working remotely to protect their safety.

During Fiscal Year (FY) 2021, IRS employees processed more than 261.0

million tax returns and other forms, including 167.9 million individual income tax returns, an increase of 6.8 percent from FY 2020. Electronically filed individual returns accounted for 90.0 percent (151.1 million) of these. More than 12.2 million business returns were filed, an increase of 7.7 percent from last year. Of these returns, 10.6 million were filed electronically, up from 10.4 million in FY 2020.

Again in 2021, we were called on to provide economic relief during this national crisis while also fulfilling our agency's core responsibilities of tax administration. IRS employees answered Congress' call to deliver two more rounds of Economic Impact Payments. The IRS also implemented changes to the Earned Income Tax Credit, the Child Tax Credit, and other refundable credits as part of the American Rescue Plan Act passed by Congress in March 2021.

An important aspect of our work in FY 2021 has been enhancing the taxpayer experience. This year's *Data Book*, as in years past, includes insights on taxpayers' opinions from the long-running Comprehensive Taxpayer Attitude Survey that has helped inform IRS service improvements since 1999. The IRS continued to implement provisions of the Taxpayer First Act and engaged in thoughtful conversations with taxpayers and employees to improve IRS operations and our interactions with customers. In January 2021, we

took a major step on this journey by issuing our Report to Congress. This document is our roadmap for making major innovations in serving taxpayers, continuing to enforce the tax laws in a fair and impartial manner, collaborating across the agency, and training IRS employees.

We are committed to providing meaningful services of a nature and quality that every American deserves, which is why we continued working to improve those services during FY 2021, even with ongoing challenges related to the pandemic. Our live toll-free call volume increased 21.2 percent to more than 21.7 million calls answered, up from almost 17.9 million in FY 2020. Capabilities to provide in-person assistance remained limited because of the pandemic, but contacts at Taxpayer Assistance Centers increased slightly to almost 1.1 million.

However, we realize that more work remains. Despite valiant efforts by our employees, who are handling large portfolios and new responsibilities, at the end of 2021 we were still working through processing tax returns filed that year, and we were unable to answer an unprecedented number of telephone calls. In other words, in many areas we have been unable to deliver the level of service and enforcement that our taxpayers and tax system need and deserve. IRS employees want to do more for all taxpayers, and we will continue to do everything possible with the

limited resources available to us.

Knowing the difficulties of providing immediate assistance in person or on the phone to many customers, we conducted extensive outreach to educate taxpayers about the tools and guidance available at IRS.gov. Our website usage continued to rise on a historic trajectory, with just shy of 2.0 billion site visits in FY 2021, up 24.7 percent from last year's record-breaking numbers. We also had close to 632.4 million inquiries on our "*Where's My Refund?*" online tool that enables taxpayers to check the status of their tax refund.

In FY 2021, we continued emphasizing service to diverse communities and took important steps to further improve the amount of assistance we provide in multiple languages. For the first time in the history of the IRS, the Form 1040 was available in Spanish during the 2021 tax filing season. We also debuted Schedule LEP, giving taxpayers with limited English proficiency the opportunity to indicate whether they wanted to be contacted by the IRS in a language other than English. Using Schedule LEP, taxpayers could choose from 20 different languages!

In addition to expanding our multilingual offerings, we improved the taxpayer experience by providing new virtual services and online tools to tax professionals so they can better assist their clients when there is a need to interact with the IRS. A great

example of these efforts is the new electronic option for tax professionals to obtain digital signatures from individual and business clients and submit authorization forms to the IRS. Furthermore, during 2021, we introduced an online account for tax professionals and will continue to add functionality, enabling more types of transactions to be completed online in a secure environment.

In the enforcement area, we continued to develop innovative approaches to understanding, detecting, and resolving potential noncompliance, in order to maintain taxpayer confidence in the tax system. We are working to improve examination selection and our processes by expanding the use of data analytics and artificial intelligence. We have taken additional steps to improve coordination of enforcement efforts across the agency, including creating an Office of Fraud Enforcement and an Office of Promoter Investigations. These and other steps will help us do a better job of rooting out tax fraud, especially with shutting down abusive tax avoidance transactions, such as syndicated conservation easements, micro-captive insurance arrangements, and abusive transactions involving virtual and cryptocurrencies.

While on the subject of enforcement, I want to say how proud I am of our Criminal Investigation (CI) division, which continues to make great strides investigating tax and financial fraud

in all forms. I'm especially proud of their efforts in conjunction with the dark web illicit marketplace known as Silk Road. CI special agents tracked cryptocurrency transactions from Silk Road, which led to the Justice Department seizing more than \$1 billion in cryptocurrency related to Silk Road's closure.

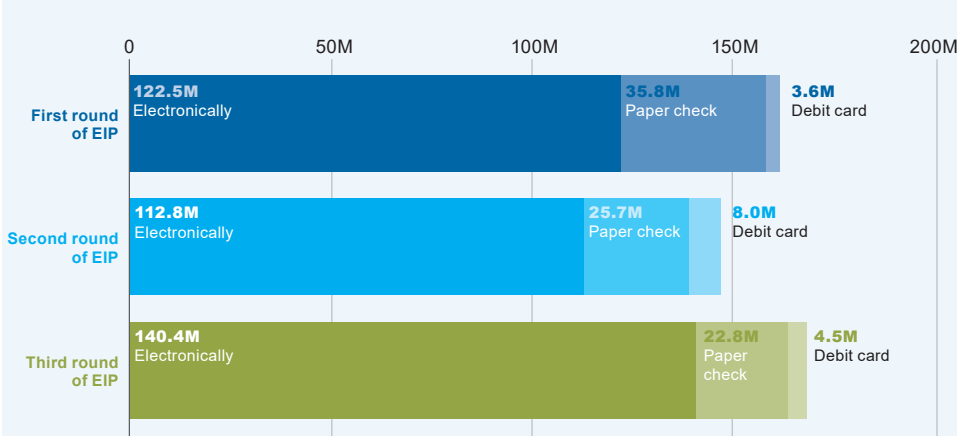
While this *Data Book* includes many interesting statistics, there's more to the IRS story. Beyond the numbers that quantify our operations, it's important to also discuss how much IRS employees care. The IRS is made up of people who give back to their communities and help one another. Our employees provide significant support for those devastated by hurricanes, wildfires, and other natural disasters, and across the nation, they continued to do amazing work in their communities to help those impacted by COVID-19. You can read more about this in the *IRS 2021 Progress Update*, an annual report on IRS.gov covering the same period as the *Data Book*.

I am very proud of what our employees accomplished in FY 2021, but everyone at the IRS wants to do more to improve service to taxpayers and the nation. I continue to believe the greatest strength of the IRS is its hardworking, dedicated people. They are why I'm prouder than ever to be able to say, "I'm Chuck Rettig, and I work with the Internal Revenue Service."

Chuck Rettig

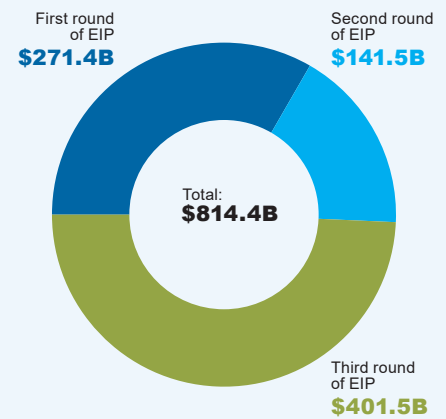
Commissioner of Internal Revenue

Number of Economic Impact Payments by Type



SOURCE: IRS, RAAS, March 2022

Amount of Economic Impact Payments



IRS Response to the COVID-19 Pandemic

As the COVID-19 pandemic continued into 2021, the IRS persisted in providing tax administration relief to millions of taxpayers and served an essential role by implementing legislative programs that provided financial assistance for Americans, all while continuing to operate in a manner that protected the health and safety of its employees and taxpayers. For the second year in a row, the IRS extended the deadline for individuals to file and pay Federal income tax—from April 15, 2021, to May 17, 2021. Highlights of other activities are described below.

Protecting Employees and Providing Administrative Relief to Taxpayers

The IRS's top priority throughout the COVID-19 pandemic continues to be protecting the health and safety of taxpayers and the IRS workforce. With critical support from our Information Technology Division, we set records by having more than 61,000 employees teleworking at one time. The IT Division provided the equipment necessary to allow thousands of our customer service representatives to telework, which gave crucial help to the IRS in its efforts

to provide phone assistance during a period of overwhelming demand. In FY 2021, Congress provided the IRS with \$2.4 billion in supplemental funding to support its role in the nation's recovery from the COVID-19 pandemic.

Facilitating Further Financial Assistance to Taxpayers

The IRS, in coordination with the Bureau of the Fiscal Service, issued more than 476.1 million payments through three rounds of Economic Impact Payments (EIPs), totaling more than \$814.4 billion during 2020 and 2021. Employees in various IRS offices collaborated to improve delivery of each round of payments. The American Rescue Plan Act of 2021 authorized a third round of payments (EIP 3), which was signed into law on March 11, 2021. The IRS started issuing checks the very next day—March 12, 2021—providing immediate help to people across the country. The 2020 Recovery Rebate Credits allowed individuals who did not receive their first- or second-round EIPs, or who received less than the amounts they were eligible for, to claim the credits when they filed their 2020 tax return.

IRS employees also worked hard to implement changes to the Earned Income Tax Credit, the Child Tax Credit (CTC), and other refundable credits as part of the American Rescue Plan. One very important change allowed up to half of the Tax Year 2021 CTC to be disbursed as advance payments to eligible families from July through December. As a result, during the second half of 2021, more than 37 million families—covering more than 61 million qualifying children—received more than \$93 billion in advance CTC payments. For information on EIPs and advance CTC payments issued by State during Fiscal Year 2021, see Tables 7 and 8 in this publication.

Providing Tax Relief for Businesses Affected by the Pandemic

Throughout the pandemic, the IRS continued to administer legislative provisions that provided economic relief to businesses. Refundable tax credits were available to small and mid-sized businesses that provided paid sick and family leave to employees who took leave between April 1, 2020, and March 31, 2021, because they were unable to

COVID-19 Employer Credits Claimed, by Type of Credit

[Money amounts are in billions of dollars]

Type of credit	Number of employers	Employer credit amount reported on Forms 941, 943, 944, and CT-1	Number of Forms 7200 processed	Advance amount paid to employers using Form 7200
	(1)	(2)	(3)	(4)
Total [1]	1,163,228	69.3	109,532	18.6
Employee retention credit	457,856	58.2	n.a.	n.a.
Sick and family leave credit	781,094	10.1	n.a.	n.a.
COBRA premium assistance credit	23,030	1.0	n.a.	n.a.

n.a.—not available

[1] Some Form 941 filers reported multiple credits; however, filers (employers) are only counted once toward the total. Therefore, the total number of credits claimed exceeds the total number of employers.

NOTES:

Includes credits reported on the following forms: 941 (employer's quarterly tax return); 943 (employer's tax return for agricultural employees); 944 (employer's annual tax return); and CT-1 (railroad retirement tax return). Form 7200 (advance payment of employer credits due to COVID-19) allowed employers to request an advance payment, which would then be reconciled on the appropriate employment tax return. The last day to file Form 7200 was January 31, 2022. While counts include all credits claimed, amounts include only the amounts paid, not the amounts claimed.

Includes all returns processed as of March 31, 2022.

SOURCE: Small Business/Self Employed, Examination Deputy Operations, Headquarters Examination, Specialty Exam Policy.

work for reasons such as mandated COVID-19 quarantines, were caring for someone with COVID-19, or were unable to work due to childcare issues, such as school or daycare closures. Credits were also made available for employers providing leave to obtain and recover from receiving COVID-19 vaccines from April 1, 2021, through September 30, 2021.

The Employee Retention Credit was designed to encourage businesses with full or partial suspensions due to government orders or certain declines in gross income to keep employees on their payroll. Eligible employers could claim a refundable tax credit equal to a portion of qualified wages (including health plan expenses) that were paid after March 12, 2020, and before January 1, 2022.

The COBRA health benefit premium

assistance tax credit allowed employers to be reimbursed for COBRA premiums paid to provide coverage to qualifying individuals. COBRA provides certain former employees, retirees, spouses, former spouses, and dependent children the right to temporary continuation of health coverage at group rates. As of March 31, 2022, nearly 1.2 million employers total had received one or more of these credits, totaling almost \$70.0 billion.

Serving Taxpayers With New Online Tools and Webpages

To help taxpayers claim COVID-19-related relief payments and tax credits, and stay informed about issues related to the pandemic, IRS released online tools and published new COVID-19 pages on IRS.gov. Furthermore, the IRS released a new Online Account (OLA) feature that enabled individuals

to retrieve information on the amounts of EIP 1 and EIP 2 they received for the purpose of preparing 2020 tax returns.

In addition to COVID-19-related tax relief, the IRS provided vital online tools to support the 2021 advance CTC payments and reduce child poverty. These online tools included:

- The Child Tax Credit Non-filer Signup Tool, which helped eligible families who were not required to file tax returns register for the monthly payments.
- The Advance Child Tax Credit Eligibility Assistant, to help families verify whether they qualified for advance CTC payments.
- The Child Tax Credit Update Portal, which enabled families to verify their eligibility, update their bank account information and mailing address, and provide other information to the IRS.

Selected COVID-19 Relief Webpages and Online Tools, Calendar Year 2021

Webpage [1]	Pageviews	Self-serve tool	Session visits
/coronavirus/get-my-payment	728,165,941	Get My Payment	677,698,852
/coronavirus/economic-impact-payments	94,371,134	Child Tax Credit Update Portal	33,497,924
/coronavirus/get-my-payment-frequently-asked-questions	89,914,779	Child Tax Credit Nonfiler Tool [2]	3,126,764
/credits-deductions/child-tax-credit-update-portal	82,446,679		
/credits-deductions/advance-child-tax-credit-payments-in-2021	82,283,913		
/coronavirus-tax-relief-and-economic-impact-payments	70,233,822		
/newsroom/recovery-rebate-credit	56,410,823		

[1] Reflects pageviews over the entire calendar year; however, not all webpages existed the entire year. For example, web traffic for Economic Impact Payment pages was highest in January through March, while the advance Child Tax Credit pages were not created until June.

[2] The Child Tax Credit Nonfiler Tool redirected visitors to an external website. Therefore, this represents the number of visitors who clicked the link from an IRS.gov webpage.

SOURCE: Online Services data derived from Google Analytics.

Taxpayer Attitudes and Service Channel Preferences

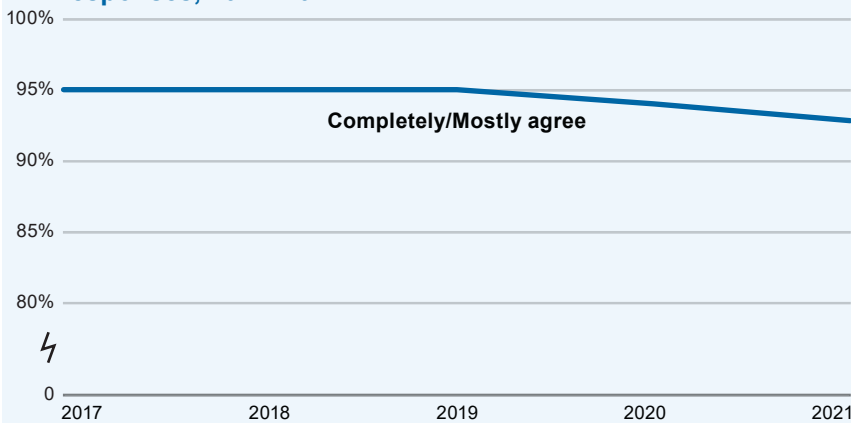
The Comprehensive Taxpayer Attitude Survey (CTAS) provides important information that has informed IRS decision-making since 1999. In 2021, CTAS asked more than 2,000 taxpayers about their points of view and service channel preferences using cell phone, landline phone, and online interviews.

Highlights of the Data

It Is Every American's Civic Duty To Pay Taxes

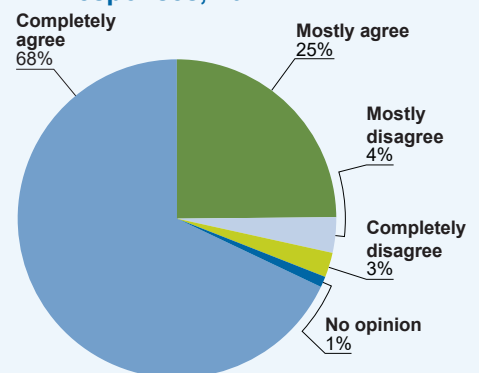
- Most taxpayers still view paying their fair share of taxes as their civic duty, but in 2021, this perspective continued a one-point decline that began in 2020.

All Responses, 2017–2021



NOTE: Blended phone and online responses began in 2017.
SOURCE: 2021 IRS Comprehensive Taxpayer Attitude Survey

All Responses, 2021



NOTES: Responses include both phone and online survey responses. No opinion includes: Don't know/Not applicable/No response. Pie chart does not total 100% due to rounding.

What Is an Acceptable Amount To Cheat on Income Taxes?

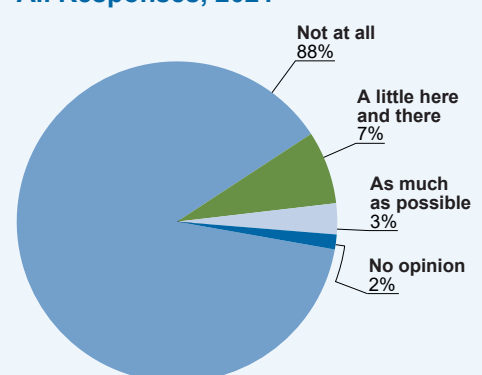
- Most taxpayers still agree that cheating on their income taxes is not at all acceptable. The percentage agreeing increased one point this year.

All Responses, 2017–2021



NOTE: Blended phone and online responses began in 2017.
SOURCE: 2021 IRS Comprehensive Taxpayer Attitude Survey

All Responses, 2021

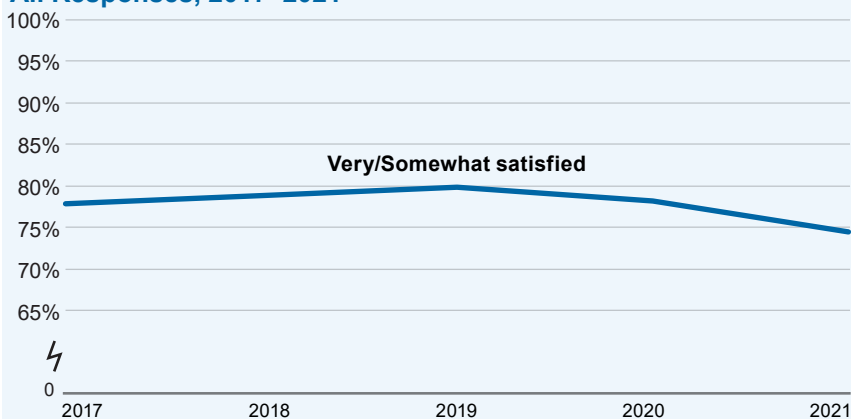


NOTES: Responses include both phone and online survey responses. No opinion includes: Don't know/Not applicable/No response.

Satisfaction with Personal Interactions with the IRS

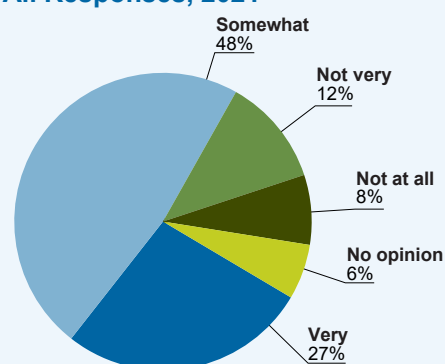
- Though most taxpayers are satisfied with their personal interactions with the IRS, the percentage of those who are satisfied declined a statistically significant three points.

All Responses, 2017–2021



NOTE: Blended phone and online responses began in 2017.
SOURCE: 2021 IRS Comprehensive Taxpayer Attitude Survey

All Responses, 2021

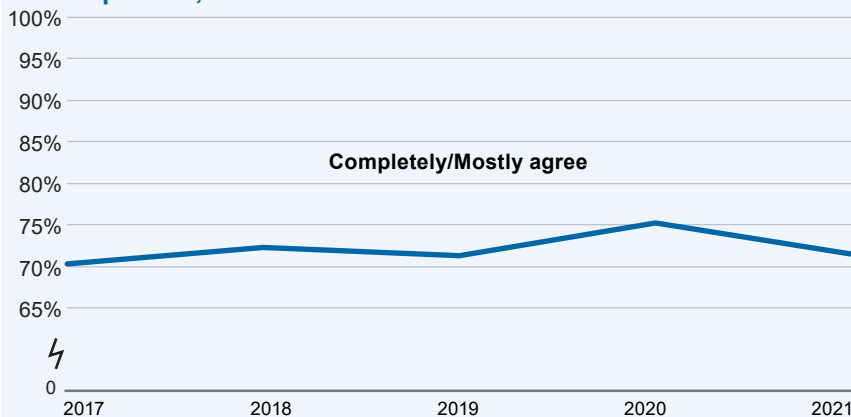


NOTES: Responses include both phone and online survey responses.
No opinion includes: Don't know/Not applicable/No response. Pie chart does not total 100% due to rounding.

Trust in the IRS To Protect Tax Records from Cyber Criminals

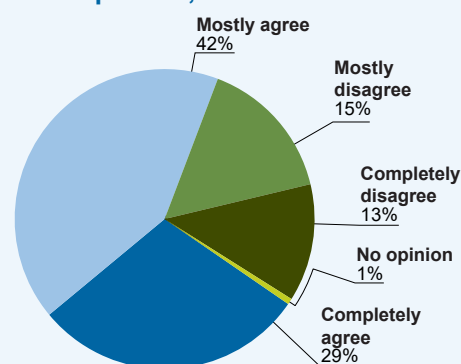
- The percentage of taxpayers agreeing that they trust the IRS to protect tax records from cyber criminals decreased a statistically significant four points in 2021.

All Responses, 2017–2021



NOTE: Blended phone and online responses began in 2017.
SOURCE: 2021 IRS Comprehensive Taxpayer Attitude Survey

All Responses, 2021



NOTES: Responses include both phone and online survey responses.
No opinion includes: Don't know/Not applicable/No response.

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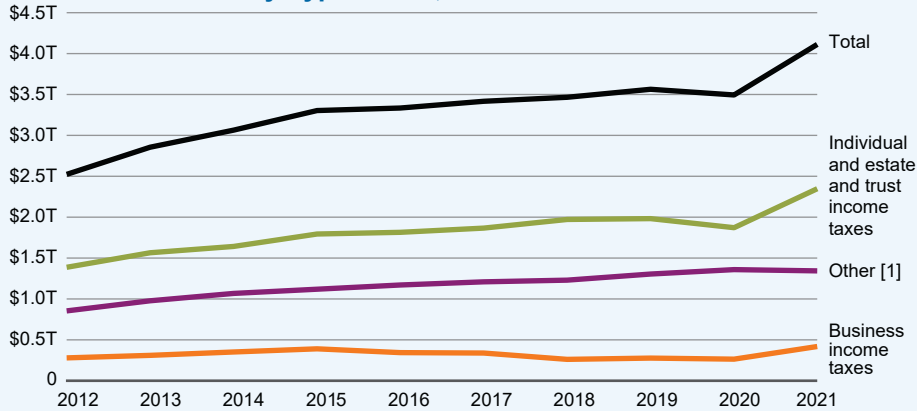
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Gross Collections by Type of Tax, Fiscal Years 2012–2021

[1] Includes employment, estate and gift, and excise taxes.

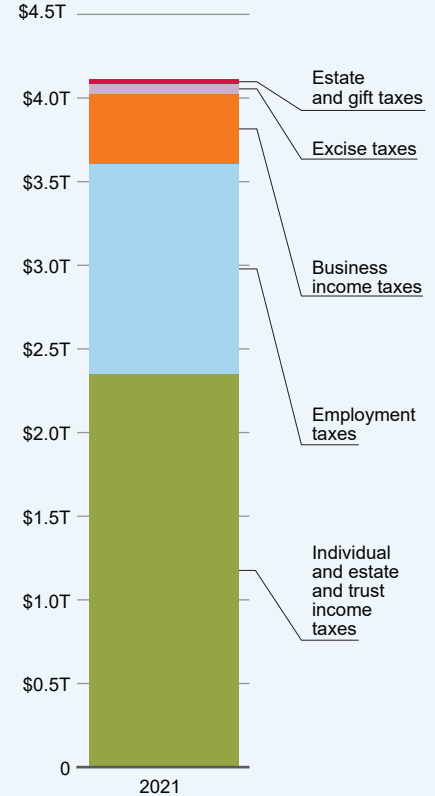
SOURCE: Selected IRS Data Books, Table 1

Returns Filed, Taxes Collected, and Refunds Issued

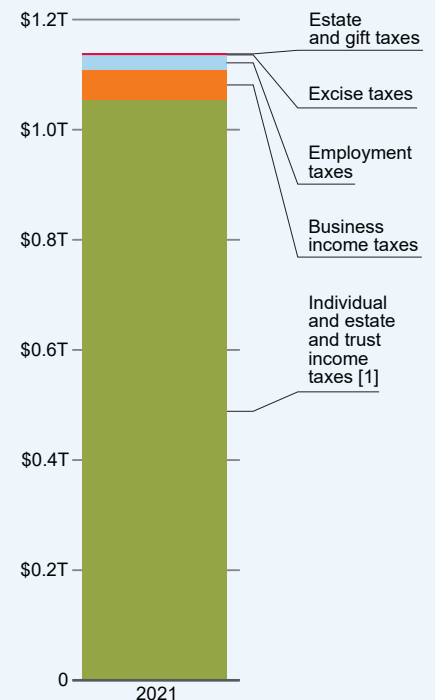
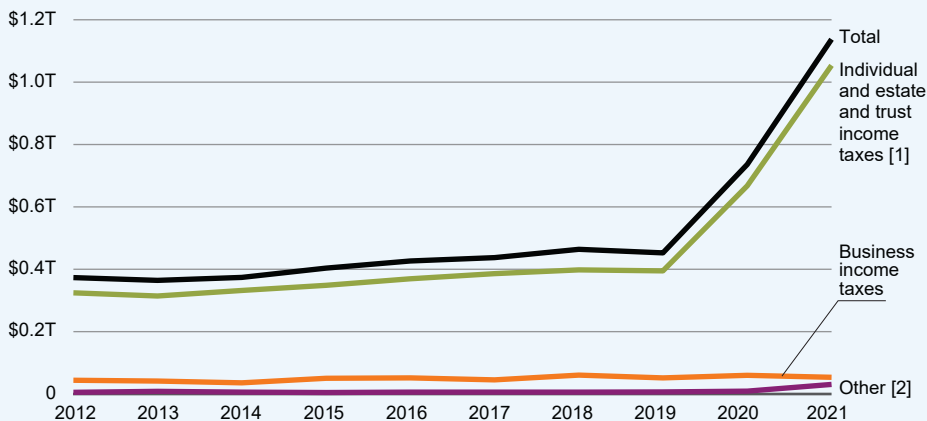
This section of the *Data Book* provides a broad overview of the main functions performed by the IRS: processing Federal tax returns and collecting revenue. It also provides additional details on returns filed, returns filed electronically, gross collections, and tax refunds by State and type of tax.

Highlights of the Data

- The IRS collected more than \$4.1 trillion in gross taxes in Fiscal Year (FY) 2021 (Tables 1 and 5) and issued almost 600.1 million refunds (Table 7), amounting to more than \$1.1 trillion (Tables 1 and 8).
- Individual income tax withheld and tax payments, combined, totaled more than \$2.3 trillion before refunds (Tables 1 and 6).
- The IRS also collected \$419.0 billion in income taxes, before refunds, from businesses in FY 2021 (Tables 1 and 6).

Gross Collections by Type of Tax, Fiscal Year 2021

SOURCE: 2021 IRS Data Book Table 1

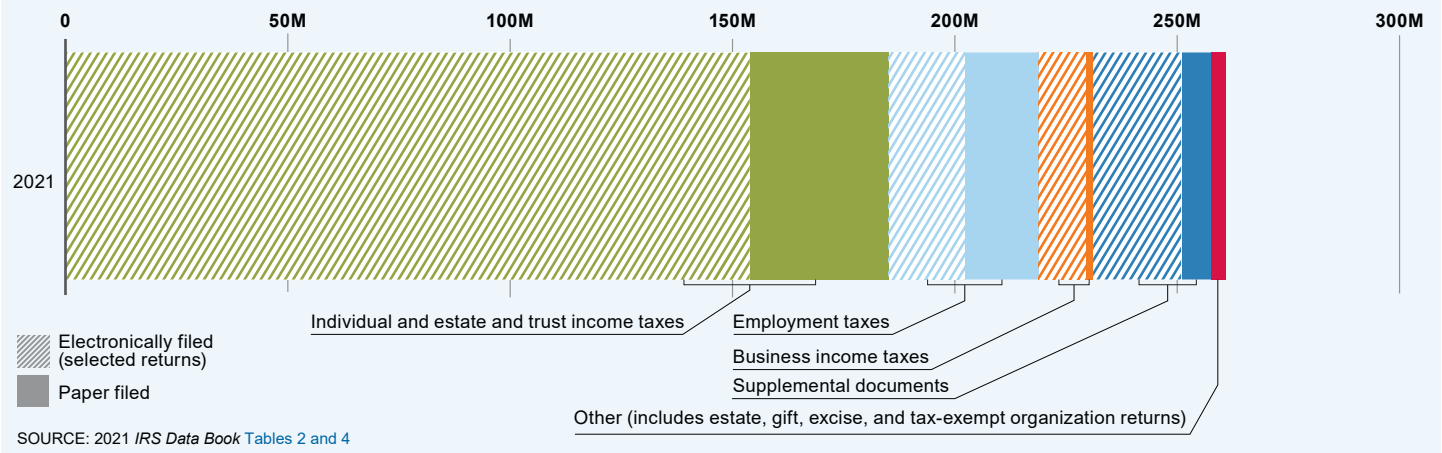
Refunds by Type of Tax, Fiscal Year 2021**Refunds by Type of Tax, Fiscal Years 2012–2021**

[1] The IRS issued nearly \$585.7 billion in payments to taxpayers in Fiscal Year (FY) 2021 as a result of legislation passed by Congress in response to the COVID-19 pandemic. Of this, \$539.3 billion were classified as economic impact payments (EIPs) and \$46.4 billion were considered advance child tax credits. These payments are considered advance refundable tax credits for returns to be filed for Tax Years 2020 and 2021 and, therefore, are classified as refunds issued during FY 2021.

[2] Includes employment, estate and gift, and excise taxes.

SOURCE: Selected IRS Data Books, Table 1

Number of Returns Filed, by Return Type, Fiscal Year 2021



- The IRS processed more than 261.0 million Federal tax returns and supplemental documents (Tables 2 and 3) in FY 2021.
- The IRS issued almost 596.9 million refunds to individuals in FY 2021, totaling just over \$1.0 trillion (Tables 7 and 8).
- Paid preparers filed more than 83.9 million individual tax returns electronically, and taxpayers filed almost 4.7 million returns using the IRS Free File program (Table 4).
- In FY 2021, nearly 18.3 million tax refunds included a refundable child tax credit and more than 26.4 million included a refundable earned income tax credit (Table 7).
- Nearly 203.6 million returns and other forms were filed electronically. These represented almost 78.0 percent of all filings. For individual tax returns, 90.0 percent were filed electronically (Table 4).
- The IRS collected the most total tax (before refunds) from California, New York, and Texas in FY 2021, while California, Texas, and Florida had the largest total refunds issued (Tables 5 and 8).

Number of Individual Returns Filed, by Filing Type, Fiscal Year 2021

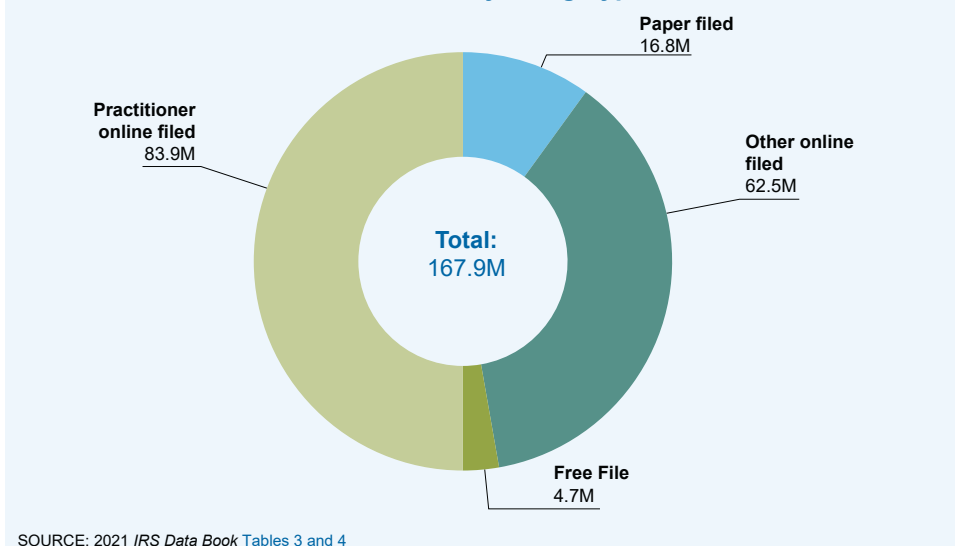


Table 1. Collections and Refunds, by Type of Tax, Fiscal Years 2020 and 2021

[Money amounts are in thousands of dollars]

Type of tax	Gross collections [1]			Refunds [2]		Net collections	
	2020	2021	Percentage of 2021 total	2021	2021	Percentage of 2021 total	
	(1)	(2)	(3)	(4)	(5)	(6)	
United States, total	3,493,067,956	4,111,569,512	100.0	1,137,821,285	2,973,748,227	100.0	
Business income taxes	263,563,107	419,008,841	10.2	53,086,665	365,922,176	12.3	
Corporation income tax	262,619,583	417,824,136	10.2	n.a.	n.a.	n.a.	
Tax-exempt organization unrelated business income tax	943,524	1,184,705	[3]	n.a.	n.a.	n.a.	
Individual and estate and trust income taxes [4]	1,871,170,827	2,348,054,224	57.1	[5] 1,053,963,150	1,294,091,074	43.5	
Individual income tax withheld	1,269,498,820	1,531,700,915	37.3	n.a.	n.a.	n.a.	
Individual income tax payments [6]	567,944,758	762,349,659	18.5	n.a.	n.a.	n.a.	
Estate and trust income tax [7]	33,727,249	54,003,650	1.3	4,061,859	49,941,791	1.7	
Employment taxes	1,268,076,594	1,258,170,886	30.6	27,409,790	1,230,761,096	41.4	
Old-Age, Survivors, Disability, and Hospital Insurance (OASDHI), total [4]	1,256,622,090	1,246,588,732	30.3	27,220,135	1,219,368,597	41.0	
Federal Insurance Contributions Act (FICA)	1,186,906,549	1,174,597,439	28.6	n.a.	n.a.	n.a.	
Self-Employment Insurance Contributions Act (SECA)	69,715,541	71,991,293	1.8	n.a.	n.a.	n.a.	
Unemployment insurance	6,281,575	6,275,547	0.2	144,270	6,131,277	0.2	
Railroad retirement	5,172,929	5,306,607	0.1	45,385	5,261,222	0.2	
Estate and gift taxes	18,197,587	28,045,739	0.7	949,178	27,096,561	0.9	
Estate	17,115,476	23,425,026	0.6	922,326	22,502,700	0.8	
Gift	1,082,111	4,620,713	0.1	26,853	4,593,860	0.2	
Excise taxes [8]	72,059,841	58,289,822	1.4	2,412,501	55,877,321	1.9	

n.a.—Not available.

[1] Gross collections include penalties and interest in addition to taxes.

[2] Includes overpayment refunds, refunds resulting from examination activity, refundable tax credits, and other refunds required by law. Also includes \$3.0 billion in interest, of which \$1.1 billion was paid to corporations and \$1.9 billion was paid to all others (related to individual, employment, estate, gift, and excise tax returns). Excludes refunds credited to taxpayer accounts for tax liability in a subsequent year.

[3] Less than 0.05 percent.

[4] Collections of withheld individual income tax are not reported by taxpayers separately from Old-Age, Survivors, Disability, and Hospital Insurance (OASDHI) taxes on salaries and wages (under the Federal Insurance Contributions Act or FICA) and on self-employment income (under the Self-Employment Insurance Contributions Act or SECA). The OASDHI tax collections and refunds shown in this table are based on estimates made by the Secretary of the Treasury pursuant to the provisions of Section 201(a) of the Social Security Act as amended and include all OASDHI taxes. Amounts shown for individual income tax withheld and individual income tax payments were derived by subtracting the FICA and SECA tax estimates from total individual income tax withheld and individual income tax payments. Refund estimates, and, therefore, net collection estimates, were not made for the components of income and OASDHI taxes.

[5] The IRS issued nearly \$585.7 billion in payments to taxpayers in Fiscal Year (FY) 2021 as a result of legislation passed by Congress in response to the COVID-19 pandemic. Of this, \$539.3 billion were classified as economic impact payments (EIPs) and \$46.4 billion were considered advance Child Tax Credits. These payments are considered advance refundable tax credits for returns to be filed for Tax Years 2020 and 2021 and, therefore, are classified as refunds issued during FY 2021. The Coronavirus Aid, Relief, and Economic Security Act of 2020 (CARES Act), Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (CRRSAA), and the American Rescue Plan Act of 2021 (ARPA) included provisions to distribute economic impact payments (EIPs) to qualified taxpayers. The CARES Act authorized an EIP for eligible taxpayers of up to \$1,200 for individuals and \$2,400 for individuals filing a joint tax return, and up to an additional \$500 for each eligible child added. The CRRSAA created a second round of EIPs of up to \$600 for individuals and \$1,200 for individuals filing a joint tax return, and up to an additional \$600 for each eligible child. The ARPA created a third round of EIPs of up to \$1,400 for individuals, and \$2,800 for individuals filing a joint tax return, and up to an additional \$1,400 for each qualifying dependent. Additionally, under the ARPA, the Advance Child Tax Credit provision increased the child tax credit from \$2,000 to \$3,000 for Tax Year (TY) 2021. In the case of a qualifying child who was under the age of 6 as of the close of the calendar year, the credit was increased to \$3,600. Advance payments of up to half the TY 2021 Child Tax Credit were sent to eligible taxpayers from July 2021 through December 2021. This table includes only those payments issued through the end of the fiscal year, i.e., September 30, 2021.

[6] Includes collections of estimated income tax and payments made in conjunction with individual income tax return filings.

[7] Includes collections of estimated estate and trust income taxes and payments made in conjunction with estate and trust tax return filings.

[8] Excludes excise taxes collected by U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau. The Internal Revenue Service collected taxes on alcohol and tobacco until Fiscal Year 1988 and taxes on firearms until Fiscal Year 1991. Beginning with Fiscal Year 2015, some refunds, which had been classified as excise tax refunds in prior years, were reclassified as corporate tax refunds.

NOTES:

Detail may not add to totals because of rounding.

All money amounts are in current dollars.

Collection and refund data may not be comparable for a given fiscal year because payments made in prior years may be refunded in the current fiscal year.

Partnership, S corporation, regulated investment company, and real estate investment trust data are not shown in this table since these entities generally do not have a tax liability. Instead, they pass any profits or losses to the underlying owners, who include these profits or losses on their income tax returns.

SOURCE: Chief Financial Officer, Financial Management.

Table 2. Number of Returns and Other Forms Filed, by Type, Fiscal Years 2020 and 2021

[For Fiscal Year 2021 data by State, see Table 3]

Type of return or form	2020	2021	Percentage change
	(1)	(2)	
United States, total [1]	240,160,843	261,017,434	8.7
Income taxes, total	189,562,923	197,225,579	4.0
C or other corporation [2]	1,819,301	2,143,717	17.8
S corporation, Form 1120-S	5,044,303	5,355,449	6.2
Partnership, Form 1065	4,470,095	4,710,457	5.4
Individual, total [3]	157,195,302	167,915,264	6.8
Forms 1040, 1040-A, 1040-EZ, 1040-SR	156,580,123	166,902,984	6.6
Forms 1040-C, 1040-NR, 1040NR-EZ, 1040-PR, 1040-SS	615,179	1,012,280	64.6
Individual estimated tax, Form 1040-ES	17,579,898	13,215,644	-24.8
Estate and trust, Form 1041	2,820,317	3,241,024	14.9
Estate and trust estimated tax, Form 1041-ES	633,707	644,024	1.6
Employment taxes [4]	28,028,002	33,865,353	20.8
Estate tax [5]	15,023	28,473	89.5
Gift tax, Form 709	158,095	282,054	78.4
Excise taxes [6]	902,342	1,276,921	41.5
Tax-exempt organizations [7]	1,360,719	1,722,803	26.6
Supplemental documents [8]	20,133,739	26,616,251	32.2

[1] Excludes information returns (e.g., Forms 1098, 1099, 5498, W-2 and W-2G, and Schedule K-1); tax-exempt bond returns (Forms 8038, 8038-B, 8038-CP, 8038-G, 8038-GC, 8038-T, 8038-TC, and 8328); and employee retirement benefit plan returns (Forms 5500, 5500-EZ, and 5500-SF). See Table 21 for information on tax-exempt bond returns. See Tables 15 and 21 for information on employee retirement benefit plans. See Table 22 for data on information returns.

[2] Includes Form 1066 (real estate mortgage investment conduit income tax return) and the Form 1120 series as follows: 1120 (corporation income tax return); 1120-C (cooperative association income tax return); 1120-F (foreign corporation income tax return, except foreign life insurance company, foreign property and casualty insurance company, or foreign sales corporation); 1120-FSC (foreign sales corporation income tax return); 1120-H (homeowner association income tax return); 1120-L (life insurance company income tax return); 1120-ND (return for nuclear decommissioning funds); 1120-PC (property and casualty insurance company income tax return); 1120-POL (income tax return for certain political organizations); 1120-REIT (real estate investment trust income tax return); 1120-RIC (regulated investment company income tax return); and 1120-SF (income tax return for settlement funds). Form 1120-X (amended corporation income tax return) is included with Supplemental documents in this table.

Excludes Form 1120-S (S corporation income tax return), shown separately. Also excludes Form 990-T (tax-exempt organization unrelated business income tax return), which is included under Tax-exempt organizations in this table, although the tax reported on these returns is combined with Business income taxes in other tables.

[3] Includes the Form 1040 series as follows: 1040 (individual income tax return); 1040-A (individual income tax return, short form); 1040-C (income tax return for departing aliens); 1040-EZ (individual income tax return for single and joint filers with no dependents); 1040-NR (nonresident alien income tax return); 1040NR-EZ (income tax return for certain nonresident aliens with no dependents); 1040-PR (self-employment income tax return for Puerto Rico residents); 1040-SR (tax return for seniors) and 1040-SS (self-employment income tax return for U.S. Virgin Islands, Guam, American Samoa, and Northern Mariana Islands residents). Form 1040-X (amended individual income tax return) is included with Supplemental documents in this table. As a result of the Tax Cuts and Jobs Act of 2017, the Form 1040 was redesignated for Tax Year 2018, making Forms 1040-A and 1040-EZ obsolete. However, as prior year tax returns continue to be filed, the IRS may continue to see these forms.

[4] Includes Forms 940 (employer's Federal unemployment tax return); 940-EZ (employer's Federal unemployment tax return, short form); 940-PR (unemployment tax return for Puerto Rico residents); 941 (employer's quarterly tax return for income and Social Security taxes withheld for other than household and agricultural employees); 941-PR/SS (employer's quarterly tax return for Puerto Rico residents, or for U.S. Virgin Islands, Guam, American Samoa, and Northern Mariana Islands residents); 943 (employer's tax return for agricultural employees); 943-PR/SS (employer's tax return for agricultural employees for Puerto Rico residents, or for U.S. Virgin Islands, Guam, American Samoa, and Northern Mariana Islands residents); 944 (employer's annual tax return); 944-PR/SS (employer's annual tax return for Puerto Rico residents, or for U.S. Virgin Islands, Guam, American Samoa, and Northern Mariana Islands residents); and 945 (tax return of withheld income tax from nonpayroll distributions). Also includes Forms 1042 (tax return of withheld income tax on U.S.-source income of foreign persons); and CT-1 (railroad retirement tax return). Forms 941-X (adjusted employer's tax return for income and Social Security taxes withheld for other than household and agricultural employees); 943-X (adjusted employer's tax return for agricultural employees); 944-X (adjusted employer's annual tax return or claim for refund); 945-X (adjusted annual return of withheld Federal income tax or claim for refund); and CT-1X (adjusted railroad retirement tax return) are included in Supplemental documents in this table.

[5] Includes the Form 706 series as follows: 706 (estate and generation-skipping transfer tax return); 706-GS(D) (generation-skipping transfer tax return for distributions); 706-GS(T) (generation-skipping transfer tax return for terminations); and 706-NA (estate and generation-skipping transfer tax return for nonresident aliens). The Tax Cuts and Jobs Act of 2017 increased the filing threshold for estate tax returns beginning with Tax Year 2018.

[6] Includes Forms 11-C (occupational tax and registration for wagering return); 720 (excise tax return); 730 (excise tax return for wagering); 2290 (heavy highway vehicle use tax return); and 5330 (excise taxes related to employee retirement benefit plans return). Excludes excise tax returns filed with U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau. Form 4720 (excise tax return of charities and other persons) is included with Tax-exempt organizations in this table.

[7] Includes the Form 990 series as follows: 990 (tax-exempt organization information return, long form); 990-EZ (tax-exempt organization information return, short form); 990-N (electronic notice (e-Postcard) for tax-exempt organizations not required to file Forms 990 or 990-EZ); 990-PF (private foundation information return); and 990-T (tax-exempt organization unrelated business income tax return). Also includes Forms 4720 (excise tax return of charities and other persons); 5227 (split-interest trust information return); and 8872 (political organization report of contributions and expenditures). Tax collected on Form 990-T is combined with Business income taxes in other tables.

[8] Includes Forms 941-X (adjusted employer's tax return for income and Social Security taxes withheld for other than household and agricultural employees); 943-X (adjusted employer's tax return for agricultural employees); 944-X (adjusted employer's tax return or claim for refund); 945-X (adjusted annual return of withheld Federal income tax or claim for refund); 1040-X (amended individual income tax return); 1041-A (information return of charitable contribution deductions by certain trusts); 1120-X (amended corporation income tax return); 4868 (automatic filing extension for individuals); 5558 (filing extension for certain employee retirement plan returns); 7004 (automatic filing extension for corporations); 8752 (required payment or refund for certain S corporations and partnerships); 8868 (automatic filing extension for tax-exempt organizations); and CT-1X (adjusted railroad retirement tax return).

NOTES:

Detail may not add to totals because of rounding. Percentage changes are based on rounded data.

Due to continued challenges related to the COVID-19 pandemic and processing center shutdowns to protect the health and safety of employees, the IRS continues to experience processing delays for paper-filed forms.

SOURCE: Research, Applied Analytics, and Statistics; Statistics of Income.

Table 3. Number of Returns and Other Forms Filed, by Type and State, Fiscal Year 2021

State or area	Total [1]	C or other corporation income tax [2]	S corporation	Partnership	Individual income tax [3]	Individual estimated income tax	Estate and trust income tax
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
United States, total	261,017,434	2,143,717	5,355,449	4,710,457	167,915,264	13,215,644	3,241,024
Alabama	3,374,265	13,780	54,634	55,401	2,278,837	217,790	30,655
Alaska	558,995	2,712	10,587	8,650	366,721	5,058	4,679
Arizona	5,050,188	30,285	104,836	96,563	3,534,695	42,563	50,531
Arkansas	2,136,209	9,545	43,422	36,631	1,376,193	132,684	17,326
California	30,496,245	317,063	653,739	483,761	20,045,890	355,477	328,099
Colorado	4,750,628	30,640	134,997	117,279	2,999,659	40,270	52,628
Connecticut	3,068,160	21,880	30,618	71,720	1,891,174	318,444	55,308
Delaware	901,242	15,939	15,796	21,088	512,768	72,155	32,209
District of Columbia	629,922	11,974	7,055	14,060	364,992	51,887	7,245
Florida	19,723,616	218,678	707,315	370,088	11,458,934	1,269,658	208,828
Georgia	7,975,843	51,199	194,725	124,410	5,112,651	423,832	52,918
Hawaii	1,063,888	11,237	17,674	15,112	735,316	15,035	15,015
Idaho	1,373,473	6,573	34,617	33,256	875,291	9,915	10,733
Illinois	10,224,534	94,187	280,383	149,423	6,441,481	565,125	210,475
Indiana	5,004,782	20,594	93,798	69,542	3,392,012	397,427	38,648
Iowa	2,561,988	16,496	45,462	45,782	1,585,215	271,451	29,771
Kansas	2,105,798	12,704	37,815	44,335	1,430,119	16,994	28,125
Kentucky	3,154,322	12,714	53,810	49,551	2,115,739	237,188	24,955
Louisiana	3,325,996	19,541	55,130	63,715	2,175,612	185,352	21,686
Maine	1,220,409	6,628	24,510	15,607	719,781	108,723	40,127
Maryland	5,020,474	39,662	84,050	80,073	3,205,308	401,212	54,301
Massachusetts	6,013,221	55,959	101,921	91,478	3,708,415	560,531	144,766
Michigan	7,224,974	49,087	147,825	117,286	5,139,204	54,823	78,340
Minnesota	4,625,894	24,229	95,874	75,801	2,929,181	309,492	44,715
Mississippi	1,974,350	9,039	28,862	31,595	1,364,837	106,142	10,701
Missouri	4,956,039	23,737	72,649	82,518	3,061,479	372,451	87,541
Montana	969,777	8,189	28,106	24,790	558,048	10,695	13,274
Nebraska	1,646,338	9,259	35,353	32,712	967,732	13,509	16,718
Nevada	2,411,112	22,753	53,092	50,524	1,634,081	16,162	44,357
New Hampshire	1,204,943	9,527	11,979	19,704	753,155	124,084	19,800
New Jersey	7,969,874	65,088	117,152	197,102	4,768,952	645,503	194,205
New Mexico	1,413,899	7,231	21,368	20,791	1,024,532	10,975	11,182
New York	16,983,173	293,241	417,066	374,513	10,315,935	1,058,725	298,461
North Carolina	7,838,796	54,577	156,807	120,732	5,117,233	554,827	58,380
North Dakota	603,817	3,368	12,455	15,969	383,600	6,391	6,906
Ohio	8,508,974	47,707	129,146	141,591	6,027,452	53,551	102,871
Oklahoma	2,919,169	14,302	60,172	60,093	1,817,634	181,506	30,434
Oregon	3,249,616	16,891	62,569	57,160	2,145,710	31,397	33,801
Pennsylvania	10,422,552	50,941	172,900	165,944	6,672,714	988,988	142,567
Rhode Island	927,273	5,395	18,375	12,808	583,495	79,098	23,125
South Carolina	3,819,387	21,040	72,789	59,075	2,531,789	273,651	27,268
South Dakota	728,918	3,848	15,888	19,003	450,614	8,182	17,631
Tennessee	4,869,725	29,744	40,513	85,673	3,375,081	330,576	42,677
Texas	21,482,256	157,897	372,585	464,379	14,124,658	1,020,191	222,556
Utah	2,465,847	12,626	74,743	90,130	1,519,819	12,744	19,943
Vermont	601,637	4,452	10,661	8,512	348,693	72,105	7,508
Virginia	6,698,662	49,728	126,668	100,650	4,300,169	560,034	58,069
Washington	5,849,174	32,590	116,164	94,809	3,948,414	65,480	69,331
West Virginia	1,191,645	5,921	13,092	14,313	833,557	94,628	9,668
Wisconsin	4,601,151	26,081	67,166	65,824	3,040,557	331,205	71,649
Wyoming	530,348	7,801	15,284	21,123	292,529	3,680	9,689
Puerto Rico	522,237	554	369	2,035	228,865	53,148	436
Other [9]	2,071,679	56,884	883	25,773	1,328,742	72,930	8,193

Footnotes at end of table.

Table 3. Number of Returns and Other Forms Filed, by Type and State, Fiscal Year 2021—Continued

State or area	Estate and trust estimated income tax	Employment taxes [4]	Estate tax [5]	Gift tax	Excise taxes [6]	Tax-exempt organizations [7]	Supplemental documents [8]
	(8)	(9)	(10)	(11)	(12)	(13)	(14)
United States, total	644,024	33,865,353	28,473	282,054	1,276,921	1,722,803	26,616,251
Alabama	6,384	379,651	182	2,305	18,595	19,190	296,861
Alaska	1,081	87,766	43	485	3,081	4,918	63,214
Arizona	9,147	603,163	381	4,450	13,991	23,281	536,302
Arkansas	3,948	263,973	94	1,102	14,774	12,154	224,363
California	74,822	4,226,707	4,646	33,963	102,531	178,724	3,690,823
Colorado	11,971	741,518	427	6,118	16,593	29,860	568,668
Connecticut	14,995	363,000	646	6,225	9,341	20,391	264,418
Delaware	7,107	114,918	80	779	2,980	8,060	97,363
District of Columbia	2,544	78,730	96	1,039	603	13,428	76,269
Florida	47,663	2,602,410	2,117	27,509	71,832	99,903	2,638,681
Georgia	12,148	1,026,787	558	5,547	46,215	40,683	884,170
Hawaii	3,602	128,243	147	1,273	1,482	7,437	112,315
Idaho	2,135	230,102	90	1,161	11,295	7,912	150,393
Illinois	34,237	1,399,545	1,225	10,437	72,353	68,196	897,467
Indiana	7,699	579,661	289	3,932	34,093	35,255	331,832
Iowa	4,206	329,286	459	2,325	34,344	27,247	169,944
Kansas	6,541	300,342	268	2,515	22,482	15,641	187,917
Kentucky	6,598	366,506	184	2,399	18,145	17,553	248,980
Louisiana	4,326	428,645	175	1,944	16,115	17,244	336,511
Maine	3,640	178,765	88	1,315	6,989	10,120	104,116
Maryland	15,863	570,837	547	5,258	14,302	31,289	517,772
Massachusetts	28,710	753,663	1,357	11,330	16,530	43,932	494,629
Michigan	17,024	953,138	438	6,256	34,143	45,937	581,473
Minnesota	9,433	630,277	556	6,027	43,157	38,425	418,727
Mississippi	2,712	221,014	70	893	15,733	11,684	171,068
Missouri	13,268	708,433	431	4,152	32,815	48,100	448,465
Montana	1,556	178,893	97	1,098	10,092	9,490	125,449
Nebraska	3,299	230,756	292	1,540	27,898	53,207	254,063
Nevada	6,795	279,879	205	2,189	9,788	15,299	275,988
New Hampshire	5,082	153,402	113	1,797	5,668	8,945	91,687
New Jersey	22,167	1,039,632	1,002	9,612	29,084	53,562	826,813
New Mexico	2,556	169,602	74	1,165	7,533	8,757	128,133
New York	41,891	2,465,249	1,954	23,462	32,364	104,572	1,555,740
North Carolina	12,559	990,665	847	6,886	42,680	43,091	679,512
North Dakota	1,183	101,956	86	1,218	16,299	5,425	48,961
Ohio	18,764	988,680	659	8,240	47,148	106,263	836,902
Oklahoma	5,810	381,438	158	1,785	12,975	16,733	336,129
Oregon	7,353	497,049	617	4,197	15,712	22,916	354,244
Pennsylvania	25,850	1,240,663	982	11,624	49,201	82,903	817,275
Rhode Island	3,611	120,788	207	1,013	2,723	9,881	66,754
South Carolina	5,871	457,972	272	3,609	19,047	18,732	328,272
South Dakota	3,462	116,785	125	967	16,395	6,227	69,791
Tennessee	10,961	534,355	370	4,066	24,389	26,697	364,623
Texas	59,688	2,478,244	1,418	18,120	119,160	104,388	2,338,972
Utah	3,382	385,502	108	1,455	9,805	10,921	324,669
Vermont	2,190	90,694	61	828	3,446	6,162	46,325
Virginia	15,354	825,473	649	7,259	24,715	42,523	587,371
Washington	15,606	831,663	814	8,889	28,005	36,312	601,097
West Virginia	1,922	134,630	44	681	5,630	9,209	68,350
Wisconsin	11,949	584,258	434	5,622	30,937	36,352	329,117
Wyoming	2,863	95,884	59	1,045	4,671	4,654	71,066
Puerto Rico	59	206,949	37	104	101	1,581	27,999
Other [9]	437	17,212	1,195	2,844	6,941	1,437	548,208

Footnotes on next page.

Table 3. Number of Returns and Other Forms Filed, by Type and State, Fiscal Year 2021—Continued**Footnotes**

- [1] Excludes information returns (e.g., Forms 1098, 1099, 5498, W-2 and W-2G, and Schedule K-1); tax-exempt bond returns (Forms 8038, 8038-B, 8038-CP, 8038-G, 8038-GC, 8038-T, 8038-TC, and 8328); and employee retirement benefit plan returns (Forms 5500, 5500-EZ, and 5500-SF). See Table 21 for information on tax-exempt bond returns. See Tables 15 and 21 for information on employee retirement benefit plans. See Table 22 for data on information returns.
- [2] Includes Form 1066 (real estate mortgage investment conduit income tax return) and the Form 1120 series as follows: 1120 (corporation income tax return); 1120-C (cooperative association income tax return); 1120-F (foreign corporation income tax return, except foreign life insurance company, foreign property and casualty insurance company, or foreign sales corporation); 1120-FSC (foreign sales corporation income tax return); 1120-H (homeowner association income tax return); 1120-L (life insurance company income tax return); 1120-ND (return for nuclear decommissioning funds); 1120-PC (property and casualty insurance company income tax return); 1120-POL (income tax return for certain political organizations); 1120-REIT (real estate investment trust income tax return); 1120-RIC (regulated investment company income tax return); and 1120-SF (income tax return for settlement funds). Form 1120-X (amended corporation income tax return) is included with Supplemental documents in this table.
- Excludes Form 1120-S (S corporation income tax return), shown separately. Also excludes Form 990-T (tax-exempt organization unrelated business income tax return), which is included under Tax-exempt organizations in this table, although the tax reported on these returns is combined with Business income taxes in other tables.
- [3] Includes the Form 1040 series as follows: 1040 (individual income tax return); 1040-A (individual income tax return, short form); 1040-C (income tax return for departing aliens); 1040-EZ (individual income tax return for single and joint filers with no dependents); 1040-NR (nonresident alien income tax return); 1040NR-EZ (income tax return for certain nonresident aliens with no dependents); 1040-PR (self-employment income tax return for Puerto Rico residents); 1040-SR (tax return for seniors); and 1040-SS (self-employment income tax return for U.S. Virgin Islands, Guam, American Samoa, and Northern Mariana Islands residents). Form 1040-X (amended individual income tax return) is included with Supplemental documents in this table. As a result of the Tax Cuts and Jobs Act of 2017, the Form 1040 was redesigned for Tax Year 2018, making Forms 1040-A and 1040-EZ obsolete. However, as prior year tax returns continue to be filed, the IRS may continue to see these forms.
- [4] Includes Forms 940 (employer's Federal unemployment tax return); 940-EZ (employer's Federal unemployment tax return, short form); 940-PR (unemployment tax return for Puerto Rico residents); 941 (employer's quarterly tax return for income and Social Security taxes withheld for other than household and agricultural employees); 941-PR/SS (employer's quarterly tax return for Puerto Rico residents, or for U.S. Virgin Islands, Guam, American Samoa, and Northern Mariana Islands residents); 943 (employer's tax return for agricultural employees); 943-PR/SS (employer's tax return for agricultural employees for Puerto Rico residents, or for U.S. Virgin Islands, Guam, American Samoa, and Northern Mariana Islands residents); 944 (employer's annual tax return or claim for refund); 944-PR/SS (employer's annual tax return for Puerto Rico residents, or for U.S. Virgin Islands, Guam, American Samoa, and Northern Mariana Islands residents); and 945 (tax return of withheld income tax from nonpayroll distributions). Also includes Forms 1042 (tax return of withheld income tax on U.S.-source income of foreign persons); and CT-1 (railroad retirement tax return). Forms 941-X (adjusted employer's tax return for income and Social Security taxes withheld for other than household and agricultural employees); 943-X (adjusted employer's tax return for agricultural employees); 944-X (adjusted employer's tax return); 945-X (adjusted annual return of withheld Federal income tax or claim for refund); and CT-1X (adjusted railroad retirement tax return) are included in Supplemental documents in this table.
- [5] Includes the Form 706 series as follows: 706 (estate and generation-skipping transfer tax return); 706-GS(D) (generation-skipping transfer tax return for distributions); 706-GS(T) (generation-skipping transfer tax return for terminations); and 706-NA (estate and generation-skipping transfer tax return for nonresident aliens). The Tax Cuts and Jobs Act of 2017 increased the filing threshold for estate tax returns beginning with Tax Year 2018.
- [6] Includes Forms 11-C (occupational tax and registration for wagering return); 720 (excise tax return); 730 (excise tax return for wagering); 2290 (heavy highway vehicle use tax return); and 5330 (excise taxes related to employee retirement benefit plans return). Excludes excise tax returns filed with the U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau. Form 4720 (excise tax return of charities and other persons) is included with Tax-exempt organizations in this table.
- [7] Includes the Form 990 series as follows: 990 (tax-exempt organization information return, long form); 990-EZ (tax-exempt organization information return, short form); 990-N (electronic notice (e-Postcard) for tax-exempt organizations not required to file Forms 990 or 990-EZ); 990-PF (private foundation information return); and 990-T (tax-exempt organization unrelated business income tax return). Also includes Forms 4720 (excise tax return of charities and other persons); 5227 (split-interest trust information return); and 8872 (political organization report of contributions and expenditures). Tax collected on Form 990-T is combined with Business income taxes in other tables.
- [8] Includes Forms 941-X (adjusted employer's tax return for income and Social Security taxes withheld for other than household and agricultural employees); 943-X (adjusted employer's tax return for agricultural employees); 944-X (adjusted employer's annual tax return or claim for refund); 945-X (adjusted annual return of withheld Federal income tax or claim for refund); 1040-X (amended individual income tax return); 1041-A (information return of charitable contribution deductions by certain trusts); 1120-X (amended corporation income tax return); 4868 (automatic filing extension for individuals); 5558 (filing extension for certain employee retirement plan returns); 7004 (automatic filing extension for corporations); 8752 (required payment or refund for certain S corporations and partnerships); 8868 (automatic filing extension for tax-exempt organizations); and CT-1X (adjusted railroad retirement tax return).
- [9] Includes U.S. Territories other than Puerto Rico, U.S. Armed Service members overseas, and international.

NOTES:

Detail may not add to totals because of rounding.

Classification by State is based on the individual's address (or, in the case of businesses, the location of the principal office or place of business). However, some individuals may use the address of a tax attorney or accountant. Sole proprietors, partners in a partnership, or shareholders in an S corporation may use their business addresses. Such addresses could have been located in a State other than the State in which the individual resided. Similarly, taxes withheld reported by employers located near a State boundary might include substantial amounts withheld from salaries of employees who reside in a neighboring State. Also, while taxes of corporations may be paid from the principal office, the operations of these corporations may be located in one or more State(s).

Due to continued challenges related to the COVID-19 pandemic and processing center shutdowns to protect the health and safety of employees, the IRS continues to experience processing delays for paper-filed forms.

SOURCE: Research, Applied Analytics, and Statistics; Statistics of Income.

Table 4. Number of Returns and Other Forms Filed Electronically, by Type and State, Fiscal Year 2021

State or area	Total [1]	C or other corporation income tax [2]	S corporation	Partnership	Individual income tax	
					Total individual returns [3]	Online
						Total filed [4]
	(1)	(2)	(3)	(4)	(5)	(6)
United States, total	203,590,236	1,522,151	4,880,504	4,206,285	151,135,568	67,188,098
Alabama	2,618,672	10,099	50,866	49,558	2,077,422	901,493
Alaska	432,497	1,663	9,744	7,498	325,766	178,897
Arizona	4,169,275	16,483	92,715	81,083	3,175,271	1,613,080
Arkansas	1,638,864	7,535	40,253	32,508	1,259,536	533,046
California	25,348,265	251,564	615,165	442,957	18,031,449	6,459,213
Colorado	3,828,958	18,854	121,954	100,521	2,712,522	1,441,669
Connecticut	2,307,053	15,104	28,796	66,568	1,718,504	733,452
Delaware	675,018	11,780	13,709	18,622	463,873	230,609
District of Columbia	475,172	3,649	6,339	12,642	324,272	174,716
Florida	14,961,453	154,921	626,755	324,721	10,185,768	4,418,531
Georgia	6,338,038	31,842	176,836	112,918	4,676,865	2,215,035
Hawaii	808,373	7,033	14,275	10,886	631,006	275,830
Idaho	1,097,134	4,009	32,425	30,008	803,333	379,852
Illinois	7,915,590	57,511	238,218	129,689	5,837,143	2,444,422
Indiana	3,880,864	12,092	82,940	60,423	3,126,186	1,528,699
Iowa	1,861,472	12,616	42,822	39,810	1,455,146	544,444
Kansas	1,743,156	9,856	35,421	39,428	1,330,435	599,572
Kentucky	2,416,435	7,798	47,475	42,851	1,961,888	848,372
Louisiana	2,520,073	14,699	49,611	54,686	1,942,510	890,106
Maine	896,508	3,887	22,124	13,843	647,983	330,400
Maryland	3,751,998	20,704	74,179	68,545	2,814,466	1,335,417
Massachusetts	4,663,965	35,556	97,296	86,777	3,370,261	1,385,254
Michigan	5,961,151	34,384	134,904	104,498	4,684,724	1,996,068
Minnesota	3,595,089	14,407	88,869	66,477	2,706,858	1,142,819
Mississippi	1,537,573	7,276	26,730	28,302	1,240,632	540,298
Missouri	3,674,212	16,704	67,064	72,112	2,792,741	1,310,857
Montana	756,443	5,663	26,227	22,129	514,770	227,321
Nebraska	1,225,215	7,766	33,594	29,490	904,150	399,729
Nevada	2,009,082	16,326	48,482	44,070	1,480,277	689,143
New Hampshire	889,977	5,539	10,763	17,086	681,170	368,846
New Jersey	6,145,309	51,458	111,363	184,670	4,342,046	1,383,101
New Mexico	1,139,982	4,414	19,035	17,325	919,351	480,137
New York	13,659,424	242,479	397,538	360,128	9,668,480	3,183,604
North Carolina	6,016,068	29,917	139,555	105,544	4,666,284	2,288,362
North Dakota	475,730	2,494	11,457	14,115	356,578	150,038
Ohio	7,035,955	30,521	110,856	120,074	5,519,669	2,698,133
Oklahoma	2,204,290	10,134	54,430	52,518	1,667,590	791,049
Oregon	2,661,871	11,820	58,096	50,163	1,938,149	1,061,931
Pennsylvania	7,773,963	34,388	155,771	147,983	6,025,188	2,736,512
Rhode Island	725,118	3,575	16,955	11,658	537,829	204,187
South Carolina	2,963,236	11,535	66,284	52,960	2,319,562	1,098,198
South Dakota	576,389	3,017	15,097	17,472	420,539	178,882
Tennessee	3,825,504	19,999	37,079	77,853	3,105,227	1,564,669
Texas	16,523,879	119,742	335,473	407,268	12,585,757	6,366,678
Utah	2,058,300	8,232	69,989	80,878	1,400,863	696,383
Vermont	424,438	2,376	9,910	7,606	317,831	153,589
Virginia	5,090,385	28,026	117,817	91,503	3,890,843	2,096,746
Washington	4,726,820	21,414	107,001	81,969	3,569,821	2,031,814
West Virginia	878,308	3,859	10,971	11,212	753,348	393,374
Wisconsin	3,579,325	18,299	64,184	61,574	2,808,574	1,261,901
Wyoming	410,761	6,113	14,106	18,640	269,024	129,147
Puerto Rico	99,306	304	262	1,024	46,501	11,451
Other [11]	598,300	40,715	724	21,442	129,587	91,022

Footnotes at end of table.

Table 4. Number of Returns and Other Forms Filed Electronically, by Type and State, Fiscal Year 2021—Continued

State or area	Individual income tax—continued		Estate and trust income tax	Employment taxes [7]	Excise taxes [8]	Tax-exempt organizations [9]	Supplemental documents [10]
	Online—continued	Practitioner filed [6]					
	Free File [5]						
	(7)	(8)	(9)	(10)	(11)	(12)	(13)
United States, total	4,655,683	83,947,470	2,783,518	17,227,173	821,129	1,244,121	19,769,787
Alabama	62,962	1,175,929	25,723	139,812	13,641	16,374	235,177
Alaska	9,797	146,869	3,898	28,229	522	3,920	51,257
Arizona	113,218	1,562,191	37,270	333,518	8,875	18,464	405,596
Arkansas	42,967	726,490	15,317	79,550	9,867	10,266	184,032
California	468,690	11,572,236	286,179	2,671,103	77,278	124,887	2,847,683
Colorado	89,466	1,270,853	43,405	360,076	8,878	23,468	439,280
Connecticut	44,994	985,052	42,998	219,778	4,391	16,507	194,407
Delaware	14,454	233,264	27,061	64,110	1,798	5,411	68,654
District of Columbia	13,077	149,556	5,611	58,666	111	10,660	53,222
Florida	278,764	5,767,237	181,827	1,425,439	59,076	63,563	1,939,383
Georgia	157,728	2,461,830	46,389	532,438	36,704	33,559	690,487
Hawaii	16,170	355,176	11,331	55,901	683	5,777	71,481
Idaho	27,193	423,481	9,247	84,174	4,016	6,635	123,287
Illinois	171,754	3,392,721	186,850	694,039	53,286	50,648	668,206
Indiana	111,817	1,597,487	30,997	267,840	19,682	27,499	253,205
Iowa	37,825	910,702	22,570	109,193	18,701	23,584	137,030
Kansas	38,924	730,863	24,725	124,533	12,116	12,601	154,041
Kentucky	64,237	1,113,516	20,840	119,600	11,896	14,453	189,634
Louisiana	62,670	1,052,404	17,942	171,377	11,562	14,653	243,033
Maine	22,338	317,583	10,802	106,214	3,280	8,207	80,168
Maryland	87,243	1,479,049	43,442	328,842	8,393	25,565	367,862
Massachusetts	94,429	1,985,007	129,515	522,400	9,016	30,508	382,636
Michigan	135,645	2,688,656	66,981	412,572	19,701	37,263	466,124
Minnesota	82,610	1,564,039	37,330	318,843	22,646	27,490	312,169
Mississippi	44,576	700,334	9,400	60,176	12,121	10,266	142,670
Missouri	96,953	1,481,884	78,742	284,560	21,305	27,677	313,307
Montana	17,485	287,449	12,108	57,151	5,550	8,136	104,709
Nebraska	25,734	504,421	14,448	79,340	14,238	10,524	131,665
Nevada	41,625	791,134	37,937	156,792	5,487	10,200	209,511
New Hampshire	20,304	312,324	16,425	83,809	2,329	6,950	65,906
New Jersey	88,269	2,958,945	181,970	637,354	19,899	33,444	583,105
New Mexico	32,410	439,214	9,314	60,833	6,303	7,421	95,986
New York	278,168	6,484,876	280,389	1,360,407	15,955	82,378	1,251,670
North Carolina	159,291	2,377,922	47,498	451,420	20,752	34,971	520,127
North Dakota	10,398	206,540	6,100	28,947	11,394	4,375	40,270
Ohio	199,507	2,821,536	86,095	485,199	28,755	51,320	603,466
Oklahoma	54,276	876,541	25,654	145,075	8,157	13,604	227,128
Oregon	83,609	876,218	29,085	266,351	8,365	18,463	281,379
Pennsylvania	188,596	3,288,676	118,551	622,640	27,229	56,184	586,029
Rhode Island	15,408	333,642	20,833	79,044	1,403	7,016	46,805
South Carolina	83,165	1,221,364	23,398	204,002	13,258	15,229	257,008
South Dakota	11,364	241,657	16,303	31,316	10,530	5,072	57,043
Tennessee	101,648	1,540,558	36,948	234,286	17,126	22,067	274,919
Texas	353,127	6,219,079	189,832	1,270,285	94,278	87,007	1,434,237
Utah	44,040	704,480	17,110	199,983	6,577	8,393	266,275
Vermont	12,191	164,242	6,397	42,728	796	5,033	31,761
Virginia	148,099	1,794,097	50,105	423,315	14,873	34,483	439,420
Washington	124,153	1,538,007	59,023	362,241	16,722	29,509	479,120
West Virginia	26,502	359,974	7,754	30,850	3,052	7,749	49,513
Wisconsin	92,547	1,546,673	58,925	264,685	13,063	28,743	261,278
Wyoming	6,937	139,877	7,916	30,696	2,815	4,016	57,435
Puerto Rico	2,690	35,050	206	40,727	0	1,044	9,238
Other [11]	43,639	38,565	6,802	4,714	2,678	885	390,753

Footnotes on next page.

Table 4. Number of Returns and Other Forms Filed Electronically, by Type and State, Fiscal Year 2021—Continued**Footnotes**

- [1] Excludes returns that do not have the requirement or option of filing electronically; information returns (e.g., Forms 1098, 1099, 5498, W-2 and W-2G, and Schedule K-1); tax-exempt bond returns (Forms 8038, 8038-B, 8038-CP, 8038-G, 8038-GC, 8038-T, 8038-TC, and 8328); and employee retirement benefit plan returns (Forms 5500, 5500-EZ, and 5500-SF).
- [2] Includes Forms 1120 (corporation income tax return); 1120-F (foreign corporation income tax return, except foreign life insurance company, foreign property and casualty insurance company, or foreign sales corporation); and 1120-POL (income tax return for certain political organizations). Excludes Form 1120-S (S corporation income tax return), shown separately.
- [3] Includes some of the Form 1040 series as follows: 1040 (individual income tax return); 1040-A (individual income tax return, short form); 1040-EZ (individual income tax return for single and joint filers with no dependents); 1040-PR (self-employment income tax return for Puerto Rico residents); 1040-SR (tax return for seniors); and 1040-SS (self-employment income tax return for U.S. Virgin Islands, Guam, American Samoa, and Northern Mariana Islands residents). As a result of the Tax Cuts and Jobs Act of 2017, the Form 1040 was redesigned for Tax Year 2018, making Forms 1040-A and 1040-EZ obsolete. However, as prior year tax returns continue to be filed, the IRS may continue to see these forms.
- [4] Online e-filing is an option that allows taxpayers to prepare and file tax returns using a personal computer. Online returns can be filed through one of two processes: taxpayers either complete a tax return on a website without downloading any software, or taxpayers purchase and load software onto their personal computers, prepare their returns, and transmit them to the IRS through an online filing company.
- [5] Includes two Free File income tax preparation and electronic filing options: (1) all taxpayers could use Free File Fillable Forms, an electronic version of paper returns that performs simple mathematical calculations; and (2) taxpayers with adjusted gross incomes of \$72,000 or less could prepare and file their Tax Year 2020 taxes using commercial online software provided through a partnership between the Internal Revenue Service and Free File Alliance, LLC, a group of private-sector tax software companies. The Free File Fillable Forms and Free File commercial online software were both available through IRS.gov.
- [6] Includes cases in which a taxpayer transmitted the return via an authorized e-file provider, who was, in most cases, also the return preparer.
- [7] Includes Forms 940 (employer's Federal unemployment tax return); 941 (employer's quarterly tax return for income and Social Security taxes withheld for other than household and agricultural employees); 941-PR/SS (employer's quarterly tax return for Puerto Rico residents, or for U.S. Virgin Islands, Guam, American Samoa, and Northern Mariana Islands residents); 943 (employer's tax return for agricultural employees); 943-PR/SS (employer's tax return for agricultural employees for Puerto Rico residents, or for U.S. Virgin Islands, Guam, American Samoa, and Northern Mariana Islands residents); 944 (employer's annual tax return or claim for refund); and 945 (tax return of withheld income tax from nonpayroll distributions).
- [8] Includes Form 720 (excise tax return) and Form 2290 (heavy highway vehicle use tax return).
- [9] Includes some of the Form 990 series as follows: 990 (tax-exempt organization information return, long form); 990-EZ (tax-exempt organization information return, short form); 990-N (electronic notice (e-Postcard) for tax-exempt organizations not required to file Forms 990 or 990-EZ); and 990-PF (private foundation information return). Also includes Form 8872 (political organization report of contributions and expenditures).
- [10] Includes Forms 4868 (automatic filing extension for individuals); 7004 (automatic filing extension for corporations); and 8868 (automatic filing extension for tax-exempt organizations).
- [11] Includes U.S. Territories other than Puerto Rico, U.S. Armed Service members overseas, and international.

NOTES:

Detail may not add to totals because of rounding.

Classification by State is based on the individual's address (or, in the case of businesses, the location of the principal office or place of business). However, some individuals may use the address of a tax attorney or accountant. Sole proprietors, partners in a partnership, or shareholders in an S corporation may use their business addresses. Such addresses could have been located in a State other than the State in which the individual resided. Similarly, taxes withheld reported by employers located near a State boundary might include substantial amounts withheld from salaries of employees who reside in a neighboring State. Also, while taxes of corporations may be paid from the principal office, the operations of these corporations may be located in one or more State(s).

SOURCE: Research, Applied Analytics, and Statistics; Statistics of Income.

Table 5. Gross Collections, by Type of Tax and State, Fiscal Year 2021

[Money amounts are in thousands of dollars]

State or area	Total Internal Revenue collections [1]	Business income taxes [2]	Individual income tax, employment taxes, and estate and trust income tax		
			Total	Individual income tax withheld and FICA tax [3]	Individual income tax payments and SECA tax [3]
	(1)	(2)	(3)	(4)	(5)
United States, total	4,111,569,512	419,008,841	3,606,225,111	2,706,298,354	834,340,953
Alabama	30,414,043	1,789,113	28,274,112	21,344,407	6,458,156
Alaska	5,750,254	110,764	5,586,675	4,136,457	1,221,779
Arizona	57,665,724	4,432,494	52,501,743	37,834,324	14,139,212
Arkansas	35,972,165	4,927,594	30,264,467	25,473,942	4,391,033
California	587,616,657	65,066,736	514,225,414	371,599,766	137,607,076
Colorado	68,472,777	4,868,635	62,443,561	45,618,384	16,173,538
Connecticut	60,261,678	8,257,986	51,150,585	34,855,159	14,960,466
Delaware	32,381,553	14,457,765	17,742,178	12,704,425	1,768,298
District of Columbia	34,603,494	9,681,512	24,759,137	20,022,307	4,113,481
Florida	252,326,047	13,405,263	235,308,576	155,129,112	74,895,369
Georgia	107,277,935	13,578,019	90,770,973	70,617,128	18,997,889
Hawaii	9,494,260	601,545	8,729,103	6,046,869	2,563,458
Idaho	14,060,403	783,783	13,074,503	9,139,651	3,840,042
Illinois	183,723,676	20,425,855	160,056,372	121,183,267	33,660,594
Indiana	65,173,208	5,212,457	59,048,268	49,227,806	9,386,398
Iowa	28,294,030	1,888,858	26,005,740	20,721,892	5,121,878
Kansas	29,153,251	2,155,461	25,275,953	19,087,758	5,867,922
Kentucky	36,700,830	3,052,297	33,175,948	27,726,600	5,045,792
Louisiana	39,377,708	790,192	38,127,686	31,659,564	6,148,234
Maine	9,817,142	561,919	9,083,043	6,690,827	2,236,941
Maryland	88,931,955	3,663,308	84,541,288	68,382,902	14,981,988
Massachusetts	144,305,270	10,495,896	131,977,531	101,472,890	28,710,993
Michigan	94,064,899	7,851,833	85,202,411	66,163,343	17,918,380
Minnesota	108,280,490	14,868,515	92,336,158	79,274,386	12,449,851
Mississippi	12,651,646	615,839	11,683,251	8,814,220	2,742,148
Missouri	74,537,986	7,833,967	65,783,626	54,096,970	10,670,524
Montana	7,844,890	401,440	7,373,470	4,835,017	2,441,013
Nebraska	28,527,699	7,124,615	21,114,724	16,150,115	3,888,133
Nevada	28,819,160	1,194,925	27,242,290	13,712,389	9,714,420
New Hampshire	14,463,648	453,066	13,461,082	9,082,992	3,809,216
New Jersey	156,156,339	25,125,133	128,036,155	99,236,908	27,108,061
New Mexico	10,300,315	234,252	9,921,459	7,070,768	2,763,772
New York	330,143,910	34,875,229	289,779,883	204,436,834	80,709,260
North Carolina	107,138,440	11,999,849	94,321,564	76,126,825	17,399,121
North Dakota	7,589,067	543,507	6,988,456	5,094,477	1,847,019
Ohio	163,091,560	15,279,818	140,836,335	121,513,224	17,819,899
Oklahoma	28,563,746	999,036	23,986,618	18,150,968	4,800,417
Oregon	40,067,022	2,390,821	37,031,079	28,167,959	8,546,726
Pennsylvania	154,308,909	15,473,529	135,405,433	107,610,300	25,389,980
Rhode Island	16,491,561	3,807,910	12,550,328	10,272,657	2,068,800
South Carolina	31,110,135	1,524,268	29,139,683	20,659,148	8,193,445
South Dakota	11,525,074	305,260	11,098,890	5,558,579	2,285,640
Tennessee	82,362,552	8,873,150	71,574,197	57,381,302	13,405,006
Texas	312,071,886	27,143,965	265,528,807	195,608,052	63,921,566
Utah	31,536,915	1,587,041	29,258,588	21,301,494	7,647,818
Vermont	5,001,910	200,988	4,754,993	3,498,300	1,174,403
Virginia	108,067,359	15,945,150	91,460,782	70,120,960	20,044,052
Washington	119,862,452	12,672,565	105,826,738	81,227,528	23,620,739
West Virginia	7,143,579	246,126	6,835,618	5,370,363	1,407,132
Wisconsin	61,583,211	6,451,803	54,221,067	42,029,599	10,682,741
Wyoming	6,089,795	177,625	5,670,216	2,467,247	2,596,619
U.S. Armed Service members overseas and Territories other than Puerto Rico	690,853	4,757	682,529	534,758	141,363
Puerto Rico	4,007,519	22,477	3,979,869	3,220,998	725,930
International	13,941,163	2,967,012	10,719,392	5,002,489	5,673,582
Undistributed [6]	11,759,761	-394,081	10,296,565	1,831,752	8,443,640

Footnotes at end of table.

Table 5. Gross Collections, by Type of Tax and State, Fiscal Year 2021—Continued

[Money amounts are in thousands of dollars]

State or area	Individual income tax, employment taxes, and estate and trust income tax—continued			Estate tax	Gift tax	Excise taxes [5]
	Unemployment insurance tax	Railroad retirement tax	Estate and trust income tax [4]			
	(6)	(7)	(8)	(9)	(10)	(11)
United States, total	6,275,547	5,306,607	54,003,650	23,425,026	4,620,713	58,289,822
Alabama	68,231	3,420	399,899	84,615	4,399	261,804
Alaska	11,257	794	216,389	3,324	226	49,264
Arizona	110,045	1,377	416,786	129,204	45,055	557,229
Arkansas	130,855	3,601	265,035	64,677	83,606	631,822
California	737,964	9,575	4,271,034	4,044,190	520,281	3,760,036
Colorado	89,081	20,506	542,053	315,989	66,606	777,986
Connecticut	59,246	5,852	1,269,862	508,551	60,363	284,194
Delaware	26,660	49,403	3,193,392	50,767	9,096	121,747
District of Columbia	14,952	438,374	170,024	116,071	3,440	43,333
Florida	422,879	553,374	4,307,842	2,130,259	490,842	991,106
Georgia	226,700	50,549	878,706	448,201	38,795	2,441,947
Hawaii	14,960	0	103,815	29,286	1,352	132,974
Idaho	35,523	171	59,116	116,108	18,999	67,010
Illinois	263,382	351,989	4,597,140	804,290	90,501	2,346,657
Indiana	102,149	30,241	301,674	276,091	15,992	620,401
Iowa	50,359	12,191	99,421	110,383	3,242	285,807
Kansas	62,504	109,091	148,677	235,833	14,711	1,471,293
Kentucky	63,437	15,471	324,648	94,465	144,064	234,056
Louisiana	62,186	5,263	252,440	156,850	537	302,443
Maine	18,657	3,849	132,770	120,700	19,751	31,730
Maryland	100,455	15,755	1,060,187	260,651	350,150	116,558
Massachusetts	163,571	38,722	1,591,354	547,714	196,393	1,087,735
Michigan	192,398	11,572	916,716	628,546	67,985	314,124
Minnesota	173,317	90,123	348,482	220,678	5,859	849,280
Mississippi	30,741	1,819	94,322	186,785	6,522	159,250
Missouri	140,307	110,022	765,803	208,747	25,959	685,687
Montana	15,906	30,764	50,770	33,068	14,133	22,779
Nebraska	36,797	917,069	122,610	139,759	39,734	108,868
Nevada	42,808	65	3,772,608	216,479	18,520	146,946
New Hampshire	20,532	85	548,258	150,573	5,283	393,645
New Jersey	188,068	176,448	1,326,671	948,443	94,263	1,952,345
New Mexico	19,710	134	67,075	64,808	17,565	62,232
New York	304,320	582,298	3,747,172	2,673,615	966,573	1,848,610
North Carolina	182,325	12,937	600,356	523,605	71,295	222,127
North Dakota	12,882	8,254	25,824	11,020	1	46,084
Ohio	236,864	25,630	1,240,718	539,625	73,226	6,362,557
Oklahoma	62,781	3,083	969,369	134,158	14,907	3,429,027
Oregon	69,248	2,636	244,510	163,501	62,857	418,764
Pennsylvania	255,163	72,808	2,077,182	918,963	71,260	2,439,724
Rhode Island	27,949	22	180,900	22,445	6,776	104,101
South Carolina	51,198	2,012	233,880	118,896	8,728	318,561
South Dakota	14,926	721	3,239,024	50,781	18,678	51,466
Tennessee	176,021	2,355	609,513	286,707	18,736	1,609,762
Texas	513,398	1,004,275	4,481,516	1,996,227	259,352	17,143,535
Utah	64,866	3,687	240,724	50,303	4,498	636,485
Vermont	8,824	3,009	70,457	15,678	4,747	25,504
Virginia	160,275	501,865	633,629	452,704	67,436	141,288
Washington	235,691	14,823	727,956	235,308	93,732	1,034,107
West Virginia	13,512	723	43,888	14,096	1,764	45,975
Wisconsin	120,521	2,796	1,385,410	230,742	69,369	610,229
Wyoming	7,543	625	598,182	121,708	40,857	79,390
U.S. Armed Service members overseas and Territories other than Puerto Rico	5,559	0	849	100	1,967	1,500
Puerto Rico	31,404	0	1,538	632	1,035	3,506
International	5,484	2,363	35,474	95,357	27,781	131,621
Undistributed [6]	19,154	2,018	0	1,322,751	260,918	273,609

Footnotes on next page.

Table 5. Gross Collections, by Type of Tax and State, Fiscal Year 2021—Continued**Footnotes**

- [1] Gross collections include penalties and interest in addition to taxes.
- [2] Includes taxes on corporation income (Form 1120 series) and unrelated business income from tax-exempt organizations (Form 990-T).
- [3] Collections of withheld individual income tax are not reported by taxpayers separately from Old-Age, Survivors, Disability, and Hospital Insurance (OASDHI) taxes on salaries and wages (under the Federal Insurance Contributions Act or FICA) and individual income tax payments along with taxes on self-employment income (under the Self-Employment Insurance Contributions Act or SECA). Thus, while Table 1 shows these amounts separately for the United States total, separate amounts are not available by State.
- [4] Includes collections of estimated estate and trust income taxes and payments made in conjunction with estate and trust tax return filings.
- [5] Excludes excise taxes collected by U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau. The Internal Revenue Service collected taxes on alcohol and tobacco until Fiscal Year 1988, and taxes on firearms until Fiscal Year 1991.
- [6] Includes tax and excess withholding payments not classified by State as of the end of the fiscal year because they had not been applied to taxpayer accounts. Undistributed amounts may be negative when adjustments to taxpayer accounts have not been completed.

NOTES:

Detail may not add to totals because of rounding.

Partnership, S corporation, regulated investment company, and real estate investment trust data are not shown in this table since these entities generally do not have a tax liability. Instead, they pass through any profits or losses to the underlying owners, who include these profits or losses on their income tax returns.

This table shows gross collections. Gross collections less refunds equal net collections. See Table 1 for refunds and net collections.

Collection and refund data may not be comparable for a given fiscal year because payments made in prior years may be refunded in the current fiscal year. Adjustments to prior-year refunds made in Fiscal Year 2021 may result in negative amounts when such adjustments exceed current-year collections. See Table 8 for refund data.

Classification by State is based on the individual's address (or, in the case of businesses, the location of the principal office or place of business). However, some individuals may use the address of a tax attorney or accountant. Sole proprietors may use their business addresses. Such addresses could have been located in a State other than the State in which the individual resided. Similarly, taxes withheld and reported by employers located near a State boundary might include substantial amounts withheld from salaries of employees who reside in a neighboring State. Also, while taxes of corporations may be paid from the principal office, the operations of these corporations may be located in one or more other State(s).

SOURCE: Chief Financial Officer, Financial Management.

Table 6. Gross Collections, by Type of Tax, Fiscal Years 1960–2021

[Money amounts are in thousands of dollars]

Fiscal year	Total Internal Revenue collections [1]	Income taxes				Employment taxes [4]	Estate tax	Gift tax	Excise taxes [5]
		Total	Business income taxes [2]	Individual income tax [3]	Estate and trust income tax [3]				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
1960	91,774,803	67,125,126	22,179,414	44,945,711	[3]	11,158,589	1,439,259	187,089	11,864,741
1961	94,401,086	67,917,941	21,764,940	46,153,001	[3]	12,502,451	1,745,480	170,912	12,064,302
1962	99,440,839	71,945,305	21,295,711	50,649,594	[3]	12,708,171	1,796,227	238,960	12,752,176
1963	105,925,395	75,323,714	22,336,134	52,987,581	[3]	15,004,486	1,971,614	215,843	13,409,737
1964	112,260,257	78,891,218	24,300,863	54,590,354	[3]	17,002,504	2,110,992	305,312	13,950,232
1965	114,434,634	79,792,016	26,131,334	53,660,683	[3]	17,104,306	2,454,332	291,201	14,792,779
1966	128,879,961	92,131,794	30,834,243	61,297,552	[3]	20,256,133	2,646,968	446,954	13,398,112
1967	148,374,815	104,288,420	34,917,825	69,370,595	[3]	26,958,241	2,728,580	285,826	14,113,748
1968	153,636,838	108,148,565	29,896,520	78,252,045	[3]	28,085,898	2,710,254	371,725	14,320,396
1969	187,919,560	135,778,052	38,337,646	97,440,406	[3]	33,068,657	3,136,691	393,373	15,542,787
1970	195,722,096	138,688,568	35,036,983	103,651,585	[3]	37,449,188	3,241,321	438,755	15,904,264
1971	191,647,198	131,072,374	30,319,953	100,752,421	[3]	39,918,690	3,352,641	431,642	16,871,851
1972	209,855,737	143,804,732	34,925,546	108,879,186	[3]	43,714,001	5,126,522	363,447	16,847,036
1973	237,787,204	164,157,315	39,045,309	125,112,006	[3]	52,081,709	4,338,924	636,938	16,572,318
1974	268,952,254	184,648,094	41,744,444	142,903,650	[3]	62,093,632	4,659,825	440,849	17,109,853
1975	293,822,726	202,146,097	45,746,660	156,399,437	[3]	70,140,809	4,312,657	375,421	16,847,741
1976	302,519,792	205,751,753	46,782,956	158,968,797	[3]	74,202,853	4,875,735	431,730	17,257,720
1976 [6]	75,462,780	49,567,484	9,808,905	39,758,579	[3]	19,892,041	1,367,935	117,312	4,518,008
1977	358,139,417	246,805,067	60,049,804	186,755,263	[3]	86,076,316	5,649,460	1,775,866	17,832,707
1978	399,776,389	278,438,289	65,380,145	213,058,144	[3]	97,291,653	5,242,080	139,419	18,664,949
1979	460,412,185	322,993,733	71,447,876	251,545,857	[3]	112,849,874	5,344,176	174,899	19,049,504
1980	519,375,273	359,927,392	72,379,610	287,547,782	[3]	128,330,480	6,282,247	216,134	24,619,021
1981	606,799,103	406,583,302	73,733,156	332,850,146	[3]	152,885,816	6,694,641	215,745	40,419,598
1982	632,240,506	418,599,768	65,990,832	352,608,936	[3]	168,717,936	8,035,335	108,038	36,779,428
1983	627,246,793	411,407,523	61,779,556	349,627,967	[3]	173,847,854	6,077,202	148,675	35,765,538
1984	680,475,229	437,071,049	74,179,370	362,891,679	[3]	199,210,028	6,024,985	151,682	38,017,486
1985	742,871,541	474,072,327	77,412,769	396,659,558	[3]	225,214,568	6,303,418	276,284	37,004,944
1986	782,251,812	497,406,391	80,441,620	416,964,771	[3]	243,978,380	6,814,417	380,538	33,672,086
1987	886,290,590	568,311,471	102,858,985	465,452,486	[3]	277,000,469	7,164,681	502,989	33,310,980
1988	935,106,594	583,349,120	109,682,554	473,666,566	[3]	318,038,990	7,348,679	435,766	25,934,040
1989	1,013,322,133	632,746,069	117,014,564	515,731,504	[3]	345,625,586	8,143,689	829,457	25,977,333
1990	1,056,365,652	650,244,947	110,016,539	540,228,408	[3]	367,219,321	9,633,736	2,128,202	27,139,445
1991	1,086,851,401	660,475,445	113,598,569	546,876,876	[3]	384,451,220	10,237,247	1,235,894	30,451,596
1992	1,120,799,558	675,673,952	117,950,796	557,723,156	[3]	400,080,904	10,411,450	1,067,666	33,565,587
1993	1,176,685,625	717,321,668	131,547,509	585,774,159	[3]	411,510,516	11,433,495	1,457,470	34,962,476
1994	1,276,466,776	774,023,837	154,204,684	619,819,153	[3]	443,831,352	13,500,126	2,106,667	43,004,794
1995	1,375,731,835	850,201,510	174,422,173	675,779,337	[3]	465,405,305	13,326,051	1,818,343	44,980,627
1996	1,486,546,674	934,368,068	189,054,791	745,313,276	[3]	492,365,178	15,350,591	2,241,226	42,221,611
1997	1,623,272,071	1,029,513,216	204,492,336	825,020,880	[3]	528,596,833	17,595,484	2,760,917	44,805,621
1998	1,769,408,739	1,141,335,868	213,270,011	928,065,857	[3]	557,799,193	21,314,933	3,316,029	45,642,716
1999	1,904,151,888	1,218,510,654	216,324,889	1,002,185,765	[3]	598,669,865	23,627,320	4,758,287	58,585,763
2000	2,096,916,925	1,372,732,596	235,654,894	1,137,077,702	[3]	639,651,814	25,618,377	4,103,243	54,810,895
2001	2,128,831,182	1,364,941,523	186,731,643	1,178,209,880	[3]	682,222,895	25,289,663	3,958,253	52,418,848
2002	2,016,627,269	1,249,171,681	211,437,773	1,037,733,908	[3]	688,077,238	25,532,186	1,709,329	52,136,835
2003	1,952,929,045	1,181,355,176	194,146,298	987,208,878	[3]	695,975,801	20,887,883	1,939,025	52,771,160
2004	2,018,502,103	1,220,868,119	230,619,359	990,248,760	[3]	717,247,296	24,130,143	1,449,319	54,807,225
2005	2,268,895,122	1,414,595,831	307,094,837	1,107,500,994	[3]	771,441,662	23,565,164	2,040,367	57,252,098
2006	2,518,680,230	1,617,183,944	380,924,573	1,236,259,371	[3]	814,819,218	26,717,493	1,970,032	57,989,543
2007	2,691,537,557	1,761,777,263	395,535,825	1,366,241,437	[3]	849,732,729	24,557,815	2,420,138	53,049,612
2008	2,745,035,410	1,780,306,008	354,315,825	1,400,405,178	25,585,005	883,197,626	26,543,433	3,280,502	51,707,840
2009	2,345,337,177	1,415,864,347	225,481,588	1,175,421,788	14,960,969	858,163,864	21,583,131	3,094,191	46,631,646
2010	2,345,055,978	1,453,926,748	277,937,220	1,163,687,589	12,301,939	824,188,337	16,930,741	2,820,095	47,190,057
2011	2,414,952,112	1,589,030,349	242,848,122	1,331,160,469	15,021,758	767,504,822	[7] 2,506,991	6,572,384	49,337,563
2012	2,524,320,134	1,669,298,095	281,461,580	1,371,402,290	16,434,225	784,396,853	12,340,655	2,109,594	56,174,937
2013	2,855,059,420	1,876,348,448	311,993,954	1,539,658,421	24,696,073	897,847,151	14,051,771	5,778,377	61,033,674
2014	3,064,301,358	1,996,765,080	353,141,112	1,614,213,171	29,410,796	976,223,247	17,572,338	2,582,617	71,158,076
2015	3,302,677,258	2,183,074,421	389,888,722	1,759,740,317	33,445,382	1,022,358,916	17,952,938	2,089,101	77,201,882
2016	3,333,449,083	2,161,371,562	345,552,427	1,786,123,738	29,695,397	1,073,907,715	19,879,671	2,457,466	75,832,669
2017	3,416,714,139	2,205,956,951	338,529,154	1,838,403,489	29,024,308	1,123,473,137	21,831,660	1,948,783	63,503,608
2018	3,465,466,627	2,234,683,225	262,742,024	1,933,485,246	38,455,955	1,133,199,527	22,664,503	1,201,166	73,718,206
2019	3,564,583,961	2,258,708,451	277,057,735	1,942,182,201	39,468,515	1,207,553,842	16,001,974	1,563,070	80,756,624
2020	3,493,067,956	2,134,733,934	263,563,107	1,837,443,578	33,727,249	1,268,076,594	17,115,476	1,082,111	72,059,841
2021	4,111,569,512	2,767,063,065	419,008,841	2,294,050,574	54,003,650	1,258,170,886	23,425,026	4,620,713	58,289,822

Footnotes on next page.

Table 6. Gross Collections, by Type of Tax, Fiscal Years 1960–2021—Continued**Footnotes**

- [1] Gross collections include penalties and interest in addition to taxes.
- [2] Includes taxes on corporation income (Form 1120 series) and on unrelated business income from tax-exempt organizations (Form 990–T).
- [3] Income tax reported for estates and trusts is included in individual income tax in Fiscal Years (FY) 1960–2007. Beginning with FY 2008, estate and trust income tax is reported separately.
- [4] Includes taxes for Old-Age, Survivors, Disability, and Hospital Insurance (OASDHI); unemployment insurance under the Federal Unemployment Tax Act (FUTA); and railroad retirement under the Railroad Retirement Tax Act (RTTA).
- [5] Excludes excise taxes collected by U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau. The Internal Revenue Service collected taxes on alcohol and tobacco until FY 1988, and taxes on firearms until FY 1991.
- [6] Represents fiscal-year transitional period, July 1976 through September 1976, resulting from redefinition of the term “fiscal year.” FY 1976 covered July 1975 through June 1976 (earlier years were similarly defined). FY 1977 covered October 1976 through September 1977 (subsequent years are similarly defined).
- [7] The estate tax was temporarily repealed for deaths in Calendar Year (CY) 2010 before being reinstated retroactively with a \$5-million exemption as part of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010. As a result of this legislation, the estates of CY 2010 decedents could elect to file either Form 706 (estate and generation-skipping transfer tax return), due September 19, 2011, or Form 8939 (allocation of increase in basis for property acquired from a decedent), due January 17, 2012. The law also provided a \$5-million exemption for the estates of CY 2011 decedents. These tax law changes significantly reduced estate tax gross collections in FY 2011 relative to other fiscal years.

NOTES:

Detail may not add to totals because of rounding.

All money amounts are in current dollars.

Partnership, S corporation, regulated investment company, and real estate investment trust data are not shown in this table since these entities generally do not have a tax liability. Instead, they pass any profits or losses to the underlying owners, who include these profits or losses on their income tax returns.

This table shows gross collections. Gross collections less refunds equal net collections. See Table 1 for data on refunds and net collections.

SOURCE: Chief Financial Officer, Financial Management.

Table 7. Number of Refunds Issued, by Type of Refund and State, Fiscal Year 2021

State or area	Total Internal Revenue refunds [1]	Business income taxes [2]	Individual income tax				Estate and trust income tax	Employment taxes [5]	Estate tax	Gift tax	Excise taxes [6]
			Total refunds	Traditional refunds	Economic impact payments [3]	Advance child tax credit payments [4]					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
United States, total	600,089,659	426,052	596,880,307	247,437,667	312,725,802	36,716,838	413,023	2,239,490	3,183	825	126,779
Alabama	9,123,785	3,603	9,085,614	3,609,296	4,905,645	570,673	4,670	28,069	d	d	1,799
Alaska	1,314,564	827	1,304,510	552,137	668,643	83,730	641	8,246	d	d	335
Arizona	12,838,665	6,525	12,786,968	5,157,790	6,817,601	811,577	6,280	37,042	36	18	1,796
Arkansas	5,601,051	2,646	5,575,441	2,188,477	3,032,482	354,482	2,160	19,642	10	12	1,140
California	67,835,322	65,257	67,418,792	28,000,634	35,068,565	4,349,593	47,704	290,502	609	105	12,353
Colorado	10,033,294	6,928	9,971,573	4,124,086	5,237,946	609,541	7,794	44,984	67	13	1,935
Connecticut	6,274,017	3,991	6,238,602	2,672,313	3,199,473	366,816	7,867	22,162	55	10	1,330
Delaware	1,791,606	2,233	1,777,048	724,279	944,387	108,382	4,985	6,664	d	d	664
District of Columbia	1,152,914	2,018	1,143,700	486,872	595,992	60,836	1,400	5,479	d	d	305
Florida	41,382,504	33,178	41,167,191	16,856,944	21,965,519	2,344,728	29,704	145,007	325	78	7,021
Georgia	19,491,282	10,535	19,410,802	8,174,547	9,941,882	1,294,373	7,551	58,731	57	18	3,588
Hawaii	2,561,828	2,613	2,547,537	1,020,417	1,375,956	151,164	2,420	8,823	d	d	411
Idaho	3,206,490	1,786	3,185,982	1,275,771	1,697,401	212,810	1,349	16,486	d	d	875
Illinois	22,385,882	17,098	22,248,254	9,302,683	11,556,408	1,389,163	24,278	90,190	112	23	5,927
Indiana	12,487,567	5,460	12,437,053	5,184,197	6,479,201	773,655	4,886	37,433	20	13	2,702
Iowa	5,676,125	5,161	5,644,071	2,290,773	3,004,712	348,586	2,324	22,672	17	0	1,880
Kansas	5,064,470	3,796	5,034,542	2,046,710	2,660,723	327,109	3,420	20,938	20	14	1,740
Kentucky	8,489,997	3,314	8,458,347	3,347,245	4,599,287	511,815	3,691	23,090	17	28	1,510
Louisiana	8,787,821	4,656	8,744,744	3,605,400	4,577,505	561,839	3,119	33,760	d	d	1,518
Maine	2,562,070	2,089	2,548,734	967,383	1,448,122	133,229	2,019	8,427	d	d	791
Maryland	10,542,803	7,146	10,490,488	4,435,383	5,361,700	693,405	8,541	34,821	68	13	1,726
Massachusetts	11,894,472	9,131	11,825,483	5,006,864	6,142,010	676,609	17,223	40,015	87	25	2,508
Michigan	18,506,270	12,812	18,411,256	7,606,541	9,752,382	1,052,333	13,333	65,328	60	16	3,465
Minnesota	9,902,738	8,094	9,844,067	4,052,304	5,173,837	617,926	5,505	41,964	39	21	3,048
Mississippi	5,754,378	2,285	5,732,064	2,327,108	3,029,991	374,965	1,583	17,158	d	d	1,281
Missouri	11,229,861	7,440	11,163,178	4,498,957	5,988,686	675,535	8,913	47,676	d	d	2,618
Montana	1,973,029	3,005	1,955,491	757,350	1,086,037	112,104	1,132	12,729	d	d	657
Nebraska	3,441,495	4,058	3,418,389	1,396,082	1,796,029	226,278	1,802	15,719	12	0	1,515
Nevada	6,075,900	4,313	6,045,176	2,550,932	3,134,301	359,943	5,577	19,179	d	d	1,619
New Hampshire	2,479,185	1,956	2,464,142	999,142	1,330,783	134,217	2,876	9,560	d	d	635
New Jersey	15,554,404	11,029	15,467,012	6,574,152	7,895,183	997,677	12,887	60,267	88	20	3,101
New Mexico	3,859,596	1,916	3,841,123	1,522,661	2,081,237	237,225	1,609	14,361	d	d	578
New York	35,609,253	32,874	35,384,443	14,613,762	18,733,837	2,036,844	27,231	158,373	346	94	5,892
North Carolina	18,989,239	10,126	18,907,384	7,649,722	10,052,893	1,204,769	8,945	59,224	d	d	3,477
North Dakota	1,353,979	1,056	1,342,677	556,761	701,379	84,537	589	8,695	d	d	954
Ohio	22,031,825	14,110	21,939,032	8,843,734	11,833,015	1,262,283	13,741	60,279	42	16	4,605
Oklahoma	7,136,369	4,122	7,101,206	2,838,440	3,798,520	464,246	4,177	25,069	d	d	1,768
Oregon	7,614,420	5,581	7,569,515	2,999,806	4,145,754	423,955	4,838	32,646	36	20	1,784
Pennsylvania	23,646,558	13,089	23,532,539	9,681,449	12,520,256	1,330,834	18,311	76,130	104	21	6,364
Rhode Island	2,060,503	1,171	2,050,112	859,657	1,079,925	110,530	3,263	5,299	d	d	638
South Carolina	9,507,492	4,189	9,471,113	3,765,635	5,116,990	588,488	4,079	26,487	d	d	1,603
South Dakota	1,607,623	1,547	1,593,989	638,146	856,419	99,424	2,278	9,127	d	d	677
Tennessee	12,855,282	5,410	12,797,740	5,142,196	6,876,830	778,714	6,188	43,388	36	21	2,499
Texas	52,695,764	33,900	52,417,547	22,584,057	26,157,345	3,676,145	35,812	196,665	228	54	11,558
Utah	5,380,723	3,210	5,349,942	2,268,861	2,683,850	397,231	2,439	24,142	d	d	975
Vermont	1,181,235	981	1,172,848	457,389	654,243	61,216	1,285	5,665	d	d	449
Virginia	14,709,659	9,833	14,637,294	6,066,973	7,621,446	948,875	9,212	50,376	73	14	2,857
Washington	13,557,900	9,092	13,467,874	5,689,971	6,968,078	809,825	9,735	68,575	65	30	2,529
West Virginia	3,369,086	1,236	3,356,094	1,273,971	1,899,094	183,029	1,183	9,780	d	d	781
Wisconsin	10,650,209	7,317	10,588,091	4,298,220	5,675,420	614,451	8,392	42,920	d	d	3,445
Wyoming	1,037,868	1,413	1,027,234	419,309	544,239	63,686	1,436	7,350	d	d	424
U.S. Armed Service members overseas and Territories other than Puerto Rico	571,519	59	568,719	568,719	n.a	n.a	d	2,665	d	0	40
Puerto Rico	173,549	270	157,662	157,662	n.a	n.a	d	15,531	d	0	40
International	2,760,570	8,567	2,746,229	2,746,229	n.a	n.a	573	3,980	150	22	1,049
Recovery Rebates funding provided to U.S. possessions [7]	2,312,081	N/A	2,312,081	N/A	2,256,643	55,438	N/A	N/A	N/A	N/A	N/A
Undistributed [8]	1,568	0	1,568	1,568	0	0	0	0	0	0	0
Child tax credit [9]	18,276,724	N/A	18,276,724	18,276,724	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Earned income tax credit [9]	26,414,760	N/A	26,414,760	26,414,760	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Footnotes on next page.

Table 7. Number of Refunds Issued, by Type of Refund and State, Fiscal Year 2021—Continued**Footnotes**

d—Not shown to avoid disclosure of information. However, the data are included in the appropriate totals.

n.a.—Not available.

N/A—Not applicable.

[1] Includes overpayment refunds, refunds resulting from examination activity, refundable tax credits, and other refunds required by law. Excludes refunds credited to taxpayer accounts for tax liability in a subsequent year.

[2] Includes refunds of taxes on corporation income (Form 1120 series) and on unrelated business income from tax-exempt organizations (Form 990-T).

[3] The Coronavirus Aid, Relief, and Economic Security Act of 2020 (CARES Act), the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (CRRSAA), and the American Rescue Plan Act of 2021 (ARP Act) included provisions to distribute economic impact payments to qualified taxpayers. These payments are considered advance refundable credits for returns to be filed for Tax Years 2020 and 2021, and therefore are classified as refunds issued during Fiscal Year (FY) 2021.

[4] The ARP Act included provisions to distribute monthly advance child tax credit payments to qualified taxpayers from July 2021 through December 2021. These payments are considered advance refundable credits for returns to be filed for Tax Year 2021, and therefore are classified as refunds issued during FY 2021. This table includes only those payments issued through the end of the fiscal year, i.e., September 30, 2021.

[5] Includes refunds on self-employment income taxes under the Self-Employment Insurance Contributions Act (SECA); railroad retirement taxes under the Railroad Retirement Tax Act (RRTA); unemployment insurance taxes under the Federal Unemployment Tax Act (FUTA); and Old-Age, Survivors, Disability and Hospital Insurance (OASDHI) taxes on salaries and wages under the Federal Insurance Contributions Act (FICA).

[6] Excludes refunds of excise taxes collected by U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau. Beginning with FY 2015, some refunds, which had been classified as excise tax refunds in prior years, were reclassified as corporate tax refunds.

[7] The CARES Act, CRRSAA, and ARP Act included provisions to distribute Recovery Rebate benefits directly to U.S. territories. These funds were classified as Economic Impact Payments and Advance Child Tax Credit payments by the IRS for accounting purposes.

[8] Includes refunds of tax and excess withholding payments not classified by State as of the end of the fiscal year because they had not yet been applied to taxpayer accounts.

[9] Reflects refundable portions of credits only. Shown separately for information purposes. Counts are included in the State figures and U.S. totals.

NOTE:

Classification by State is based on the individual's address (or, in the case of businesses, the location of the principal office or place of business). However, some individuals may use the address of a tax attorney or accountant. Sole proprietors, partners in a partnership, or shareholders in an S corporation may use their business addresses. Such addresses could have been located in a State other than the State in which the individual resided. Similarly, taxes withheld and reported by employers located near a State boundary might include substantial amounts withheld from salaries of employees who reside in a neighboring State. Also, while taxes of corporations may be paid from the principal office, the operations of these corporations may be located in one or more States.

SOURCE: Chief Financial Officer, Financial Management.

Table 8. Amount of Refunds Issued, Including Interest, by Type of Refund and State, Fiscal Year 2021

[Money amounts are in thousands of dollars]

State or area	Total Internal Revenue refunds [1]	Business Income taxes [2]	Individual income tax [3]				Estate and trust income tax	Employment taxes [6]	Estate tax	Gift tax	Excise taxes [7]
			Total refunds	Traditional refunds	Economic impact payments [4]	Advance Child Tax Credit payments [5]					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
United States, total	1,137,821,285	53,086,665	1,049,901,291	464,235,270	539,305,783	46,360,238	4,061,859	27,409,790	922,326	26,853	2,412,501
Alabama	15,425,803	481,823	14,678,605	5,423,727	8,535,637	719,241	20,102	232,095	d	d	12,520
Alaska	2,320,908	34,898	2,227,841	919,813	1,190,989	117,039	7,145	48,323	d	d	1,941
Arizona	21,632,383	453,016	20,769,443	7,728,790	11,978,722	1,061,931	41,658	336,395	9,455	185	22,232
Arkansas	9,432,701	187,341	9,078,085	3,250,905	5,364,519	462,661	16,696	139,369	3,297	23	7,890
California	117,874,111	4,373,013	109,042,877	44,084,029	59,653,354	5,305,494	357,012	3,762,507	203,452	5,967	129,281
Colorado	17,803,395	990,583	16,202,421	6,559,887	8,878,748	763,786	45,868	494,260	18,704	1,609	49,950
Connecticut	11,782,391	967,657	10,401,370	4,727,414	5,245,741	428,215	104,838	281,400	14,414	326	12,385
Delaware	3,790,720	639,598	2,874,160	1,131,250	1,608,638	134,272	147,220	119,464	d	d	8,182
District of Columbia	2,152,594	290,892	1,728,069	820,019	839,518	68,532	9,586	118,011	d	d	4,144
Florida	71,138,200	1,530,481	67,870,859	28,286,202	36,765,479	2,819,178	310,473	1,305,036	79,439	4,547	37,364
Georgia	33,595,105	1,221,074	31,336,796	12,141,959	17,578,594	1,616,243	54,608	852,321	17,858	472	111,975
Hawaii	4,350,479	98,248	4,110,877	1,556,441	2,359,736	194,700	12,676	111,691	d	d	13,441
Idaho	5,482,530	41,890	5,350,461	1,802,543	3,240,932	306,986	5,611	79,253	d	d	5,055
Illinois	42,538,458	3,035,766	37,344,114	15,756,118	19,856,157	1,731,839	400,619	1,510,504	33,009	721	213,725
Indiana	21,842,404	605,554	20,743,261	8,051,818	11,668,401	1,023,042	36,920	415,912	8,536	532	31,688
Iowa	10,206,544	526,469	9,421,675	3,517,148	5,429,670	474,857	10,846	185,240	359	0	61,955
Kansas	9,295,291	482,543	8,455,507	3,141,500	4,869,677	444,330	20,514	282,361	1,311	2	53,053
Kentucky	14,528,676	552,036	13,653,087	4,983,534	8,006,058	663,495	19,486	276,843	4,360	851	22,014
Louisiana	15,213,720	409,446	14,429,538	5,794,115	7,944,390	691,033	26,793	321,499	d	d	15,329
Maine	4,194,790	118,296	4,010,196	1,448,958	2,397,339	163,899	8,185	54,586	d	d	2,542
Maryland	18,002,891	549,179	16,862,602	7,022,619	9,007,870	832,113	92,360	467,909	11,329	1,049	18,464
Massachusetts	21,523,926	1,336,189	19,251,787	8,666,067	9,813,140	772,580	123,667	776,059	6,008	325	29,890
Michigan	32,364,030	1,291,810	30,196,191	11,961,950	16,871,764	1,362,477	76,847	757,456	14,510	-1,282	28,499
Minnesota	19,955,939	3,308,067	16,022,487	6,052,394	9,149,441	820,652	31,465	525,544	9,110	341	58,925
Mississippi	9,490,352	111,657	9,224,284	3,426,406	5,332,205	465,673	10,058	138,127	d	d	5,129
Missouri	19,574,566	694,719	18,282,921	6,860,236	10,534,807	887,878	60,951	494,357	d	d	14,695
Montana	3,205,822	21,268	3,112,823	1,065,149	1,895,850	151,824	4,065	62,041	d	d	2,193
Nebraska	6,190,316	277,408	5,752,279	2,111,255	3,327,676	313,348	11,491	139,450	1,045	0	8,643
Nevada	10,863,692	523,951	9,889,373	4,117,704	5,312,162	459,507	107,168	306,312	d	d	22,124
New Hampshire	4,311,298	108,709	4,022,318	1,668,292	2,194,346	159,680	62,644	109,761	d	d	6,741
New Jersey	28,821,008	2,052,569	25,638,068	11,134,514	13,325,934	1,177,620	137,204	947,332	26,398	491	18,946
New Mexico	6,411,980	36,931	6,208,057	2,324,497	3,577,903	305,657	16,908	141,188	d	d	2,441
New York	64,649,106	3,173,677	58,427,303	25,253,316	30,692,979	2,481,008	296,802	2,438,871	145,271	3,015	164,166
North Carolina	31,910,043	1,060,579	30,125,385	11,157,703	17,469,749	1,497,933	71,537	625,879	d	d	12,865
North Dakota	2,405,307	31,892	2,300,584	924,009	1,260,586	115,989	2,444	63,793	d	d	4,562
Ohio	37,529,781	1,209,353	35,203,014	13,412,434	20,132,644	1,657,936	106,896	798,789	10,915	44	200,770
Oklahoma	14,028,552	1,654,827	12,003,763	4,511,067	6,867,928	624,768	100,845	220,168	d	d	44,236
Oregon	12,268,273	207,446	11,680,545	4,234,103	6,905,900	540,542	24,817	329,530	14,528	-320	11,727
Pennsylvania	41,734,438	2,016,959	38,522,562	15,707,319	21,141,267	1,673,976	122,045	1,017,641	20,693	-363	34,900
Rhode Island	3,365,017	45,718	3,226,378	1,352,326	1,742,674	131,378	13,256	73,921	d	d	4,009
South Carolina	15,492,659	227,771	14,990,787	5,359,202	8,888,387	743,198	23,010	233,966	d	d	13,083
South Dakota	2,932,108	42,010	2,714,593	999,941	1,573,875	140,777	128,591	43,659	d	d	2,937
Tennessee	23,541,635	1,458,242	21,376,075	8,415,040	11,966,137	994,898	56,237	612,706	9,780	101	28,494
Texas	103,450,691	8,570,639	91,608,894	38,888,347	47,941,026	4,779,521	441,604	2,181,357	58,617	150	589,429
Utah	10,247,571	391,365	9,537,730	3,499,449	5,432,957	605,324	20,187	199,746	d	d	96,096
Vermont	1,971,985	22,572	1,874,043	717,700	1,081,759	74,584	5,541	67,110	d	d	617
Virginia	25,782,566	1,084,279	23,969,026	9,655,463	13,145,576	1,167,987	76,980	622,422	14,761	349	14,750
Washington	25,385,461	2,102,885	22,347,558	9,443,730	11,877,679	1,026,149	71,483	771,992	17,602	390	73,552
West Virginia	5,563,450	63,440	5,436,346	1,972,540	3,229,085	234,721	4,909	54,279	d	d	3,601
Wisconsin	18,962,835	1,182,290	17,142,267	6,424,120	9,911,252	806,895	58,416	524,456	d	d	45,181
Wyoming	1,922,831	16,217	1,809,737	727,479	994,243	88,015	40,746	54,390	d	d	1,016
U.S. Armed Service members overseas and Territories other than Puerto Rico	1,120,735	1,475	1,079,628	1,079,628	n.a.	n.a.	d	18,875	d	0	203
Puerto Rico	359,044	2,744	290,624	290,624	n.a.	n.a.	d	64,745	d	0	816
International	2,900,568	1,013,887	1,742,799	1,742,799	n.a.	n.a.	3,594	100,010	8,281	28	31,969
Recovery Rebates funding provided to U.S. possessions [8]	3,369,540	N/A	3,369,540	N/A	3,294,683	74,857	N/A	N/A	N/A	N/A	N/A
Advance Premium Tax Credit/Cost Sharing Reduction/Basic Health Program [9]	66,365,461	N/A	66,365,461	66,365,461	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Undistributed [10]	5,244,605	153,320	4,564,217	4,564,217	0	0	0	498,878	27,232	793	165
Child tax credit [11]	32,755,383	N/A	32,755,383	32,755,383	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Earned income tax credit [11]	60,756,927	N/A	60,756,927	60,756,927	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Footnotes on next page.

Table 8. Amount of Refunds Issued, Including Interest, by Type of Refund and State, Fiscal Year 2021—Continued**Footnotes**

d—Not shown to avoid disclosure of information about specific taxpayers. However, the data are included in the appropriate totals.

n.a.—Not available.

N/A—Not applicable.

- [1] Includes overpayment refunds, refunds resulting from examination activity, refundable tax credits, and other refunds required by law. Also includes \$3.1 billion in interest, of which \$1.1 billion was paid to corporations and \$2.0 billion was paid to all others (related to individual, employment, estate, gift, and excise tax returns). Excludes refunds credited to taxpayer accounts for tax liability in a subsequent year.
- [2] Includes refunds of taxes on corporation income (Form 1120 series) and on unrelated business income from tax-exempt organizations (Form 990–T).
- [3] The average individual income tax refund (based on Forms 1040, 1040–A, and 1040–EZ) was \$1,691.
- [4] The Coronavirus Aid, Relief, and Economic Security Act of 2020 (CARES Act), the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (CRRSAA), and the American Rescue Plan Act of 2021 (ARP Act) included provisions to distribute economic impact payments (EIPs) to qualified taxpayers. These payments are considered advance refundable tax credits for returns to be filed for Tax Year 2020 and 2021, and therefore are classified as refunds issued during Fiscal Year 2021. In FY 2021, the IRS disbursed \$539.3 billion of payments to eligible taxpayers based upon the criteria in each Act. The CARES Act authorized an EIP for eligible taxpayers of up to \$1,200 for individuals and \$2,400 for individuals filing a joint tax return, with up to an additional \$500 for each eligible child added. The CRRSAA created an additional EIP of up to \$600 for individuals and \$1,200 for individuals filing a joint tax return, with up to an additional \$600 for each eligible child. Additionally, the ARP created an additional EIP of up to \$1,400 for individuals, and \$2,800 for individuals filing a joint tax return, with up to an additional \$1,400 for each qualifying dependent. This includes \$3.4 billion in EIPs that were distributed to U.S. possessions through the Recovery Rebate credit in FY 2021.
- [5] The ARP Act included provisions to distribute monthly advance child tax credit payments to qualified taxpayers from July 2021 through December 2021. These payments are considered advance refundable credits for returns to be filed for Tax Year 2021, and therefore are classified as refunds issued during Fiscal Year 2021. This table includes only those payments issued through the end of the fiscal year, i.e., September 30, 2021.
- [6] Includes refunds of self-employment income taxes under the Self-Employment Insurance Contributions Act (SECA); railroad retirement taxes under the Railroad Retirement Tax Act (RRTA); unemployment insurance taxes under the Federal Unemployment Tax Act (FUTA); and Old-Age, Survivors, Disability, and Hospital Insurance (OASDHI) taxes on salaries and wages under the Federal Insurance Contributions Act (FICA).
- [7] Excludes refunds of excise taxes collected by U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau. Beginning with Fiscal Year (FY) 2015, some refunds, which had been classified as excise tax refunds in prior years, were reclassified as corporate tax refunds.
- [8] The CARES Act, CRRSAA, and ARP Act included provisions to distribute Recovery Rebate benefits directly to U.S. territories. These funds were classified as Economic Impact Payments and Advance Child Tax Credit by the IRS for accounting purposes.
- [9] The Advanced Premium Tax Credit (APTC) and Cost Sharing Reduction (CSR) are provisions of the Patient Protection and Affordable Care Act of 2010. Beginning with Fiscal Year 2018, an executive order was issued to discontinue CSR payments to insurance companies. The APTC data included in this table are advance payments of a refundable tax credit that helps taxpayers pay for their health insurance premiums on a monthly basis. The APTC is available when taxpayers purchase health insurance through the Health Insurance Marketplace and meet other specific criteria. The Basic Health Program provides states with the option to establish and operate a health benefit coverage program for low-income individuals as an alternative to Health Insurance Marketplace coverage under the Affordable Care Act.
- [10] Includes refunds of tax and excess withholding payments not classified by State as of the end of the fiscal year because they had not been applied to taxpayer accounts. Undistributed amounts may be negative when adjustments to taxpayer accounts have not been completed.
- [11] Reflects refundable portions of credits only. Shown separately for information purposes. Refund amounts are included in the State figures and U.S. totals.

NOTES:

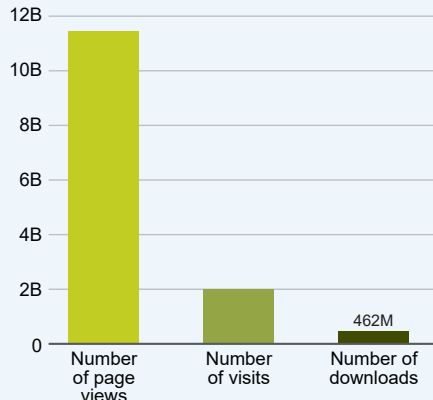
Detail may not add to totals because of rounding.

Collection and refund data may not be comparable for a given fiscal year because payments made in prior years may be refunded in the current fiscal year.

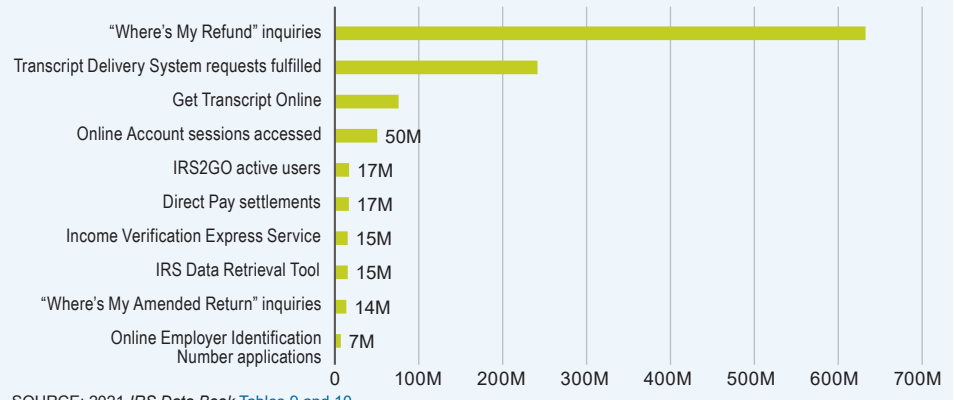
Adjustments to prior-year returns made in Fiscal Year 2021 may result in negative amounts when such adjustments exceed current-year refunds. See Table 5 for collections data.

Classification by State is based on the individual's address (or in the case of businesses, the location of the principal office or place of business). However, some individuals may use the address of a tax attorney or accountant. Sole proprietors, partners in a partnership, or shareholders in an S corporation may use their business addresses. Such addresses could have been located in a State other than the State in which the individual resided. Similarly, taxes withheld and reported by employers located near a State boundary might include substantial amounts withheld from salaries of employees who reside in a neighboring State. Also, while taxes of corporations may be paid from the principal office, the operations of these corporations may be located in one or more States.

SOURCE: Chief Financial Officer, Financial Management.

IRS Website Usage, Fiscal Year 2021

SOURCE: 2021 IRS Data Book Table 10

Selected Electronic Transactions, Fiscal Year 2021

SOURCE: 2021 IRS Data Book Tables 9 and 10

Service to Taxpayers

This section of the *Data Book* provides information on the scope and composition of the ways the IRS provides assistance, not only to taxpayers but also to tax-exempt organizations and government entities. The IRS assists taxpayers in meeting their Federal tax return filing and payment obligations through its telephone helplines, via the Internet, at IRS Taxpayer Assistance Centers, and through volunteer-provided income tax assistance.

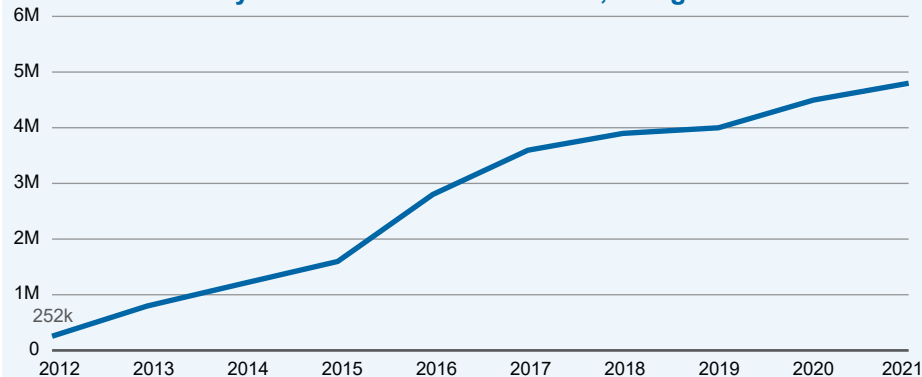
The Taxpayer Advocate Service (TAS) is an independent organization within the IRS that helps taxpayers resolve problems

with the IRS, protects taxpayers' rights under the Taxpayer Bill of Rights, and recommends changes that will prevent the problems. Taxpayers may request TAS's assistance.

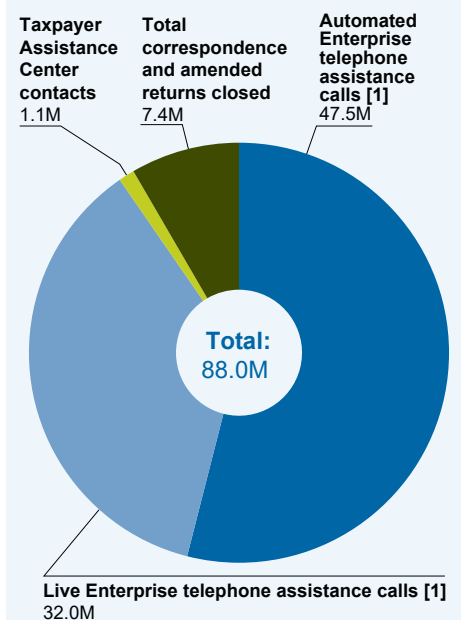
In addition to helping taxpayers meet their tax responsibilities, the IRS devotes significant resources to meeting the special needs of tax-exempt organizations, employee retirement plans, and government entities in complying with tax laws. While these entities are not subject to Federal income tax, they nonetheless represent a significant aspect of tax administration.

Highlights of the Data

- In Fiscal Year (FY) 2021, the IRS assisted nearly 88.0 million taxpayers through correspondence, its enterprise-wide telephone helplines, or at Taxpayer Assistance Centers (Table 9).
- In FY 2021, the IRS provided self-assistance to taxpayers through almost 2.0 billion visits to IRS.gov, including 632.4 million inquiries to the "Where's My Refund" application, and 16.8 million active IRS2GO mobile app users (Table 10).
- Taxpayers downloaded more than 461.7 million files (such as tax forms and instruction documents) from IRS.gov during FY 2021 (Table 10).
- During Fiscal Year 2021, the IRS issued 4.8 million Identity

Number of Identity Protection PINs Generated, Filing Seasons 2012–2021

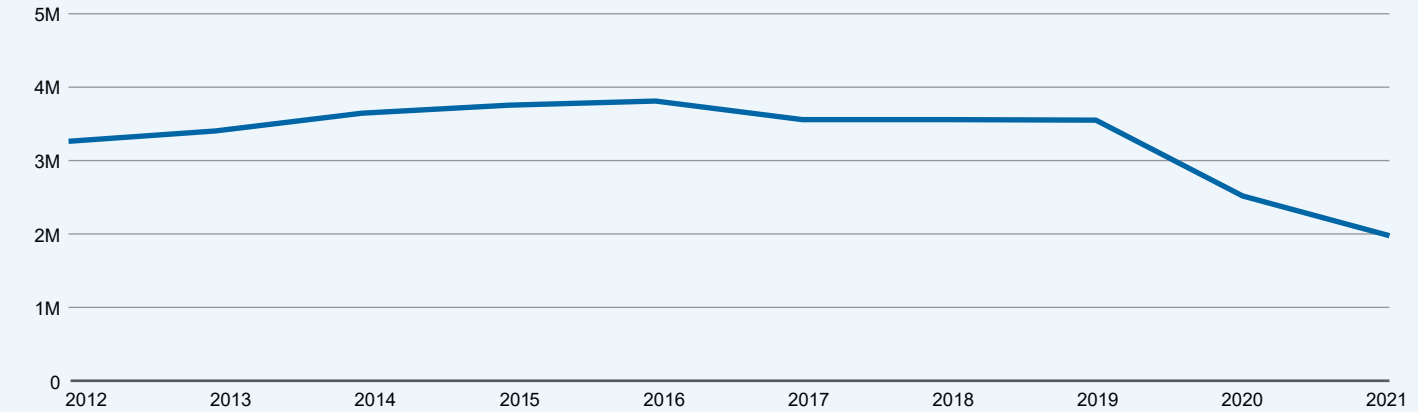
SOURCE: Selected IRS Data Books, Table 9

Taxpayer Assistance, by Type of Assistance, Fiscal Year 2021

[1] Includes calls answered by Account Management toll-free lines.

SOURCE: 2021 IRS Data Book Table 9

Federal Returns Prepared Through Volunteer Income Tax Assistance and Tax Counseling for the Elderly Programs, Fiscal Years 2012–2021



SOURCE: Selected IRS Data Books, Table 9

Protection Personal Identification Numbers (PINs) to taxpayers. Of these, 617,865 were issued through IRS.gov (Tables 9 and 10).

- In FY 2021, IRS.gov processed more than 16.5 million Direct Pay settlements. Taxpayers established or revised nearly 1.5 million online installment agreements, and 78.1 million taxpayers were able to request, via IRS.gov, to receive their tax transcripts either online or by mail (Table 10).
- In FY 2021, the IRS held 1,194 taxpayer outreach events for small business and self-employed taxpayers,

many of them virtual, attracting 189,070 participants (Table 9).

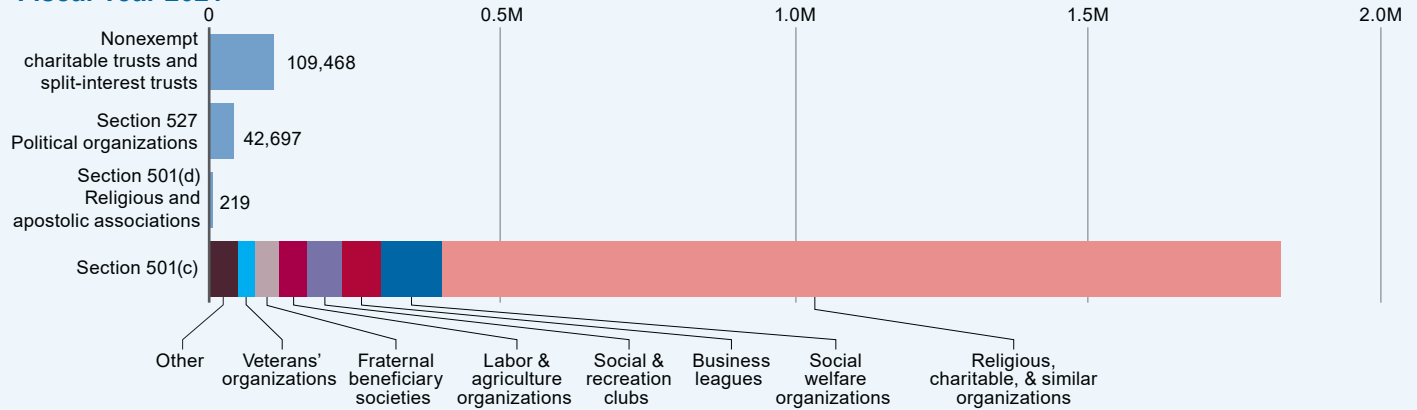
- The IRS provided return preparation assistance through its Volunteer Income Tax Assistance and Tax Counseling for the Elderly programs, preparing almost 2.0 million returns aided by 52,874 volunteers in FY 2021 (Table 9).
- In FY 2021, TAS received 264,343 new requests for assistance and closed 246,702 cases, including those received in prior fiscal years. Of these new requests, 17.3 percent were for assistance regarding pre-refund wage verification holds (Table 11).

Taxpayer Advocate Service, Cases Received and Cases Closed, Fiscal Year 2021



SOURCE: 2021 IRS Data Book Table 11

Tax-Exempt Organizations, Nonexempt Charitable Trusts, and Nonexempt Split-Interest Trusts, Fiscal Year 2021

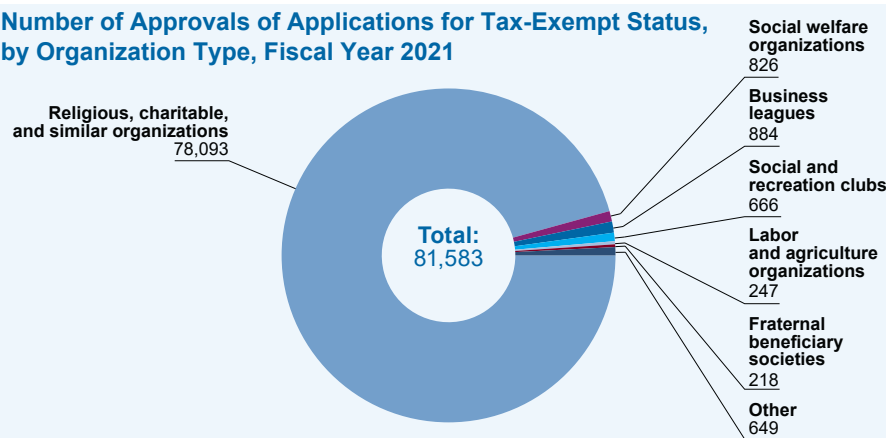


SOURCE: 2021 IRS Data Book Table 14

Tax-Exempt Activities

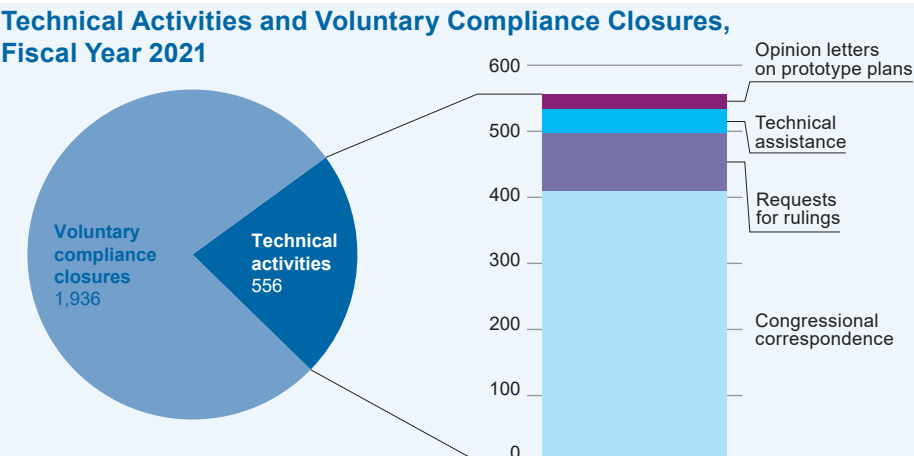
- The IRS closed 94,466 applications for tax-exempt status in FY 2021. The IRS approved tax-exempt status for 86.4 percent of these applications (Table 12).
- In FY 2021, the IRS recognized nearly 2.0 million organizations, including new determinations, as tax exempt. More than 1.8 million of these organizations were exempt under Internal Revenue Code section 501(c), with 1.4 million of these qualifying as tax exempt under Internal Revenue Code Section 501(c)(3) (Table 14).

Number of Approvals of Applications for Tax-Exempt Status, by Organization Type, Fiscal Year 2021



SOURCE: 2021 IRS Data Book Table 12

Technical Activities and Voluntary Compliance Closures, Fiscal Year 2021



SOURCE: 2021 IRS Data Book Table 16

Table 9. Selected Taxpayer Assistance and Education Programs, by Type of Assistance or Program, Fiscal Year 2021

Type of assistance or program	Number or percentage
Enterprise telephone assistance, total [1]	79,528,630
Automated	47,489,080
Live	32,039,550
Enterprise telephone level of service (percentage) [2]	21.3
Average speed of answer for live telephone assistance (minutes)	22.8
Customer Service Representative toll-free telephone assistance, total [3]	67,766,295
Automated	46,044,327
Live	21,721,968
Customer Service Representative level of service (percentage) [4]	18.5
Average speed of answer for live toll-free telephone assistance (minutes)	21.4
Toll-free assistance customer satisfaction rate (percentage) [5]	80.0
Taxpayer Assistance Center contacts [6]	1,078,799
Accuracy of toll-free telephone assistance:	
Tax law questions (percent accurate)	92.8
Account questions (percent accurate)	93.0
Taxpayer correspondence:	
Total correspondence and amended returns closed [7]	7,378,099
Correspondence customer satisfaction rate (percentage) [8]	n.a.
Forms and publications (paper products):	
Orders for forms, publications, and other paper products	1,372,614
Number of non-IRS outlets stocking paper products [9]	6,792
Disaster and emergency assistance:	
Disaster incidents:	
Federally declared incidents [10]	24
Areas qualifying for relief [11]	844
Taxpayers assisted [12]:	
Number of toll-free disaster hotline calls	52,680
Number of taxpayers assisted at Disaster Recovery Centers	0
Taxpayer education and tax return preparation for individual taxpayers:	
Federal returns prepared through Volunteer Income Tax Assistance and Tax Counseling for the Elderly programs	1,977,465
Volunteers assisting in taxpayer education and return preparation programs	52,874
Volunteer Tax Preparation Assistance sites	8,874
Volunteer Income Tax Assistance and Tax Counseling for the Elderly (percent accurate) [13]	96.4
Identity Protection Personal Identification Numbers issued [14]	4,800,000
Taxpayer outreach for small business and self-employed taxpayers:	
Number of events [15]	1,194
Number of participants	189,070
Electronic newsletter subscriptions:	
Number targeted to small business owners	421,824
Number targeted to payroll providers	145,761
Number targeted to tax professionals:	
<i>e-News for Tax Pros</i>	403,508
<i>IRS Outreach Connection</i>	133,984

n.a.—Not available

- [1] Includes calls answered across the Service, including telephone lines serving individuals, small business/self-employed, large business and international, and tax-exempt and government entities.
- [2] The Enterprise level of service measures the relative success rate of taxpayers calling to speak with an IRS Assistor.
- [3] Includes calls answered by Accounts Management (AM) Customer Service Representatives (CSR) and automated calls. These telephone lines serviced 85 percent of all telephone traffic in Fiscal Year (FY) 2021.
- [4] The Customer Service Representative (CSR) level of service measures the relative success rate of taxpayers calling to speak with a CSR. The CSR level of service includes telephone lines answered by AM CSRs only. This is the IRS's official measure for telephone level of service.
- [5] Based on a telephone survey of customers who called an IRS AM toll-free number to assess their satisfaction with the service they received during their calls.
- [6] Includes contacts at 358 IRS Taxpayer Assistance Centers (TACs) and 25 Virtual Service Delivery sites. Excludes Volunteer Income Tax Assistance and Tax Counseling for the Elderly sites, which are shown separately in this table.
- [7] Beginning with FY 2016, includes all individual and business taxpayer correspondence for domestic and international taxpayers, injured spouse, penalties, Affordable Care Act, exempt organizations, and amended returns processed in Accounts Management, Wage and Investment Division.
- [8] The results for FY 2021 are not available. The percentage shown in this table represents the results from the Accounts Management Customer Satisfaction (Adjustments) survey and reflects the level of customer satisfaction with adjustment processing and handling of customer account correspondence, claims, and amended returns.
- [9] Represents the number of organizations that distribute paper forms and publications or make reproducible forms and publications available. Some organizations may have multiple sites.
- [10] Reflects events where the Federal Emergency Management Agency (FEMA) designated disaster areas, and the IRS granted administrative tax relief. COVID-19 pandemic-related relief is not included.
- [11] Following a disaster, the Governor of the affected State must request a declaration by the President. Therefore, while a disaster incident is declared for a State or Territory, typically only a few counties, parishes, municipalities, independent cities, etc. receive relief for each event.
- [12] The number of toll-free disaster hotline calls increased and the number of taxpayers assisted decreased due to the COVID-19 pandemic. IRS did not provide any face-to-face assistance during FY 2021; however, the IRS provided FEMA with a one-page resource document, which included IRS Disaster Hotline information and disaster publications, for Disaster Recovery Center site managers to use at their drive-thru sites.
- [13] Represents the accuracy of Federal returns prepared at Volunteer Income Tax Assistance and Tax Counseling for the Elderly sites.
- [14] Represents the number of Identity Protection Personal Identification Numbers (IP PINs) assigned to qualified taxpayers.
- [15] Includes tax practitioner institutes, small business forums, small business tax workshops, tax practitioner and payroll provider meetings, governmental contacts, and miscellaneous stakeholder meetings and events. Includes virtual technology-based sessions.

SOURCES: Wage and Investment, Strategy and Finance, Program Management Office; Online Services, Online Engagement, Operations and Media; Small Business/Self-Employed, Communications, Outreach, Systems and Solutions; Communications and Liaison, National Public Liaison.

Table 10. Selected Online Taxpayer Assistance, by Type of Assistance, Fiscal Year 2021

Type of assistance	Number or percentage
Assistance provided through IRS.gov:	
IRS Website usage [1]:	
Number of visits	1,999,988,189
Number of page views	11,452,583,281
Number of downloads	461,732,059
IRS Video Portal views [2]	21,823,259
Electronic transactions, total	1,097,135,621
Direct Pay settlements [3]	16,517,988
Get Transcript Online [4]	75,800,782
Get Transcript Mail [5]	2,335,174
ID Verify Web tool [6]	588,026
Identity Protection Personal Identification Numbers issued [7]	617,865
Income Verification Express Service [8]	15,370,941
Interactive Tax Assistant [9]	2,238,380
IRS Data Retrieval Tool [10]	15,310,299
IRS2GO active users [11]	16,774,987
Online Account sessions accessed [12]	50,436,259
Online Employer Identification Number applications	7,149,006
Online Installment Agreements [13]	1,483,003
Tax Withholding Estimator tool [14]	5,163,606
Transcript Delivery System requests fulfilled [15]	241,350,879
"Where's My Refund" inquiries	632,361,686
"Where's My Amended Return" inquiries	13,636,740
Enterprise Taxpayer Self-Assistance Participation Rate (percentage) [16]	92.3

[1] Online assistance is reported as visits, page views, and downloads. A website visit is a session that begins when a user views his or her first web page and ends when the user leaves the IRS.gov Website. Users may access multiple web pages during a single visit to the IRS Website; these are counted as page views. Of the total number of visits and page views, 71 percent of sessions and 65 percent of page views were conducted using a smartphone or tablet. A download is the process of copying a file, such as Form 1040, from the IRS.gov Website to the user's personal computer.

Due to continued challenges presented by the COVID-19 pandemic, IRS.gov experienced increased traffic in part due to the automatic filing extensions for Tax Years 2019 and 2020, as well as for the IRS's role in the distribution of Economic Impact Payments and Advance Child Tax Credits. For additional information on the pandemic response, see page viii.

[2] The IRS Video Portal provides information through audio and video presentations, as well as webinars (web-based seminars) on a variety of tax-related topics.

[3] Represents the total count of payment settlements plus payment reversals.

[4] Taxpayers may access the Get Transcript Online application by visiting the IRS.gov Website and selecting the "Get Your Tax Record" link. Taxpayers are granted access to Get Transcript Online after completing Secure Access eAuthentication. After successfully registering, taxpayers may select available transcripts (tax return, tax account, record of account, wage and income, and/or verification of nonfiling letter) based on the type and year. Transcripts may be viewed online, printed, and/or downloaded. Multiple transcripts may be ordered in one session.

[5] Taxpayers may access the Get Transcript by Mail application by visiting the IRS.gov Website and selecting the "Get Your Tax Record" link. Taxpayers are granted access to Get Transcript by Mail after completing Secure Access eAuthentication. After successfully registering, the taxpayer may order a tax return transcript and/or a tax account transcript based on the type and year. The transcript will be delivered by mail to the address on file with the IRS.

[6] Represents the number of successful online taxpayer verifications completed. The ID Verify Web tool allows victims of identity theft who have not filed a current return to resolve issues with their accounts online. Taxpayers no longer have to travel to a Taxpayer Assistance Center or call the IRS.

[7] Represents the number of Identity Protection Personal Identification Numbers (IP PINs) issued online only. Additional IP PINs were issued through other means; see Table 9 for information on all IP PINs issued.

[8] Represents the number of transcript requests received electronically from registered participants. The Income Verification Express Service (IVES) allows third- or fourth-party businesses (participants) to send requests for transcripts electronically for income verification purposes.

[9] Represents the number of interactions completed using the Interactive Tax Assistant (ITA). The ITA is a tax law resource that takes taxpayers through a series of questions and provides answers to their tax law questions.

[10] The IRS Data Retrieval Tool is an application that allows taxpayers to share their tax return data with the Department of Education Website in order to complete a Free Application for Federal Student Aid (FAFSA) online, and apply for an Income Driven Repayment (IDR) plan online.

[11] Includes the number of users who opened the IRS2GO mobile application at least once during the fiscal year.

[12] Represents the count of total sessions of authorized users accessing the Online Account application. Typically, taxpayers may access their Online Account to view tax payoff amounts, remaining balances for each tax year, 24 months of payment history, and key information from current tax year returns as originally filed. Taxpayers may also access Direct Pay through their Online Account.

[13] Includes the number of individual and business installment agreements established or revised online. It also includes the number of short-term extensions (30, 60, and 120 days) and the number of agreements that required the taxpayer to pay the balance immediately. For information on all Installment Agreements, see Table 25.

[14] Represents the number of sessions in which a user interacted with the application through to the results screen (i.e., does not include visits that were abandoned prior to results).

Footnotes continued on next page.

Table 10. Selected Online Taxpayer Assistance, by Type of Assistance, Fiscal Year 2021—Continued**Footnotes—continued**

- [15] The Transcript Delivery System enables authorized tax practitioners to order tax account, tax return transcript, and other tax information for their business and individual clients. Requests are returned to the practitioner's computer through a secure online connection within minutes of the request. Beginning FY 2017, the count changed from counting requests received to actual requests delivered or resolved. The change was made to be consistent with other transcript applications offered.
- [16] The percentage of taxpayers using self-assistance tools for their service needs. Beginning FY 2017, IRS replaced the Taxpayer Self-Assistance Rate with a new metric, Enterprise Taxpayer Self-Assistance Participation Rate. The new metric includes established self-service channels such as Where's My Refund, Online Employer Identification Number applications, Interactive Tax Assistant, Where's My Amended Return, Get Transcript Online or by Mail, Federal Student Aid verification, Transcript Delivery System, income verification express service, electronic payments, and online payment agreements. The metric also includes automated calls to the IRS. The metric demonstrates IRS's progress towards providing more service options, and taxpayers' adoption of self-assistance. As new self-assistance applications are provided to the public, they will be added to the methodology.

SOURCES:

Online Services, Online Engagement, Operations and Media; Communications and Liaison, National Public Liaison; Wage and Investment, Strategy and Finance, Program Management Office.

Table 11. Taxpayer Advocate Service: Post-filing Taxpayer Assistance Program, by Type of Primary Issue and Relief, Fiscal Year 2021

Type of primary issue and relief	Number	Percentage of total
Taxpayer Advocate Service cases received, top fifteen receipts by type of primary issue [1]:		
Total	264,343	100.0
Pre-Refund Wage Verification Hold	45,665	17.3
Unpostable and Rejected Return	36,937	14.0
Earned Income Tax Credits	20,961	7.9
Affordable Care Act [2]	14,820	5.6
Processing Original Return	14,766	5.6
Other Refund Inquiries/Issues [3]	14,588	5.5
Processing Amended Return	11,642	4.4
Taxpayer Protection Program Issues [4]	11,412	4.3
Identity Theft	9,234	3.5
Injured Spouse Claim	4,983	1.9
Open Examination	4,848	1.8
Returned and Stopped Refunds	4,591	1.7
Levies	4,433	1.7
Refund Hold	4,289	1.6
Installment Agreements	3,923	1.5
All Others	57,251	21.7
Taxpayer Advocate Service cases closed, by type of relief [1]:		
Total	246,702	100.0
Relief provided to taxpayer, total	197,230	79.9
Taxpayer Assistance Order issued [5]	1,806	0.7
No Taxpayer Assistance Order issued [5]	195,424	79.2
Full relief	174,068	70.6
Individual taxpayer issue [6]	159,836	64.8
Systemic issue [7]	14,232	5.8
Partial relief	21,356	8.7
Individual taxpayer issue [6]	19,716	8.0
Systemic issue [7]	1,640	0.7
No relief provided to taxpayer, total	49,472	20.1
Taxpayer Assistance Order rescinded [5]	50	[8]
No Taxpayer Assistance Order issued [5]	49,422	20.0
No response from taxpayer	17,923	7.3
No relief provided by Taxpayer Advocate Service [9]	21,355	8.7
Taxpayer withdrew application for assistance	1,997	0.8
Tax law precluded relief	686	0.3
Hardship not related to revenue laws	504	0.2
Hardship not validated	344	0.1
All others	6,613	2.7

[1] This table displays the total number of cases received by the Taxpayer Advocate Service (TAS) in Fiscal Year (FY) 2021, as well as the top fifteen types of primary issues. TAS cases can have more than one issue but they are categorized by their primary issue. TAS generally receives cases from any of the following sources: IRS employee referrals based on IRS guidance; direct taxpayer requests for assistance (by phone, in person, outreach activities, or through correspondence); practitioners; and congressional office referrals. Of the 264,343 TAS case receipts, 66,453 receipts (25.1 percent), were from congressional offices on behalf of their constituents. Cases may be received in one fiscal year and closed in another. Cases closed does not include subsequent reopened cases.

The COVID-19 pandemic and related shutdowns resulted in processing delays throughout the Service, which contributed to the fluctuation of TAS receipts and closures. Additionally, this disruption in service caused taxpayers to reach out to Congressional representatives, contributing to an 88.5-percent increase in TAS congressional cases compared to FY 2020.

[2] Affordable Care Act (ACA) issues include cases involving the ACA Premium Tax Credit, the ACA Individual Shared Responsibility Payment, and other ACA-related tax provisions.

[3] Includes cases related to erroneous, decedent, and document-fee refunds along with reimbursement of bank charges due to IRS error.

[4] Implemented in FY 2016 and includes cases detected through the Taxpayer Protection Program process as potential stolen identity returns.

[5] The National Taxpayer Advocate has the authority to issue a Taxpayer Assistance Order (TAO) when a taxpayer is suffering or about to suffer a significant hardship as a result of the manner in which the Internal Revenue laws are being administered if relief is not granted. A TAO directs an IRS organizational unit to take a specific action or to review, expedite consideration of, or reconsider a taxpayer's case. In the majority of cases, the Taxpayer Advocate Service can resolve taxpayers' issues without issuing TAOs. However, the COVID-19 pandemic and related shutdowns resulted in processing delays throughout the Service, which contributed to TAS issuing 699.1 percent more TAOs to address a backlog of unprocessed original and amended returns. A TAO may be issued in one fiscal year and closed in another.

[6] An individual taxpayer issue is a single issue (applicable to an individual, corporation, or other entity) that requires a change or modification to an account.

[7] A systemic issue requires a change or modification to an established IRS procedure, process, or operation (e.g., computer program) that potentially impacts more than one taxpayer.

[8] Less than 0.05 percent.

[9] Another IRS division provided relief before Taxpayer Advocate Service intervention.

NOTES:

Detail may not add to totals because of rounding.

The Taxpayer Advocate Service is an independent organization within the IRS that helps taxpayers resolve problems with the IRS, protects taxpayers' rights under the Taxpayer Bill of Rights, and recommends changes that will prevent the problems.

SOURCE: Taxpayer Advocate Service, Business Assessment.

Table 12. Closures of Applications for Tax-Exempt Status, by Organization Type and Internal Revenue Code Section, Fiscal Year 2021

Type of organization, Internal Revenue Code section	Closures of applications for tax-exempt status [1]			
	Total	Approved	Disapproved	Other [2]
	(1)	(2)	(3)	(4)
Tax-exempt organizations and other entities, total [3]	94,466	81,589	84	12,793
Section 501(c) by subsection, total	94,460	81,583	84	12,793
(2) Title-holding corporations	101	86	d	d
(3) Religious, charitable, and similar organizations [4]	90,461	78,093	64	12,304
(4) Social welfare organizations	1,013	826	8	179
(5) Labor and agriculture organizations	283	247	0	36
(6) Business leagues	973	884	8	81
(7) Social and recreation clubs	772	666	d	d
(8) Fraternal beneficiary societies	239	218	0	21
(9) Voluntary employees' beneficiary associations	70	65	0	5
(10) Domestic fraternal beneficiary societies	89	83	d	d
(11) Teacher's Retirement Fund Associations	50	42	0	8
(12) Benevolent life insurance associations	130	121	0	9
(13) Cemetery companies	d	0	0	d
(14) State-chartered credit unions	d	d	0	0
(17) Supplemental unemployment compensation trusts	d	d	0	0
(19) Veterans' organizations	230	205	0	25
(25) Holding companies for pensions and other entities	45	d	0	d
Section 501(d) Religious and apostolic associations	d	d	0	0
Section 521 Farmers' cooperatives	d	d	0	0

d—Not shown to avoid disclosure of information about specific organizations. However, the data are included in the appropriate totals.

- [1] Reflects all case closures of applications for the Exempt Organizations function. These include not only initial applications for tax-exempt status, but also other determinations, such as public charity and private foundation status determinations, advance approval of scholarship grant procedures, and group determinations of tax-exempt status.
- [2] Includes applications withdrawn by organizations, applications that did not include the required information, incomplete applications, IRS correction disposals, and others.
- [3] No applications were closed for corporations organized under an Act of Congress (section 501(c)(1)); teacher's retirement fund associations (section 501(c)(11)); corporations organized to finance crop operations (section 501(c)(16)); employee-funded pension trusts (section 501(c)(18)); black lung benefit trusts (section 501(c)(21)); multiemployer pension plans (section 501(c)(22)); veterans' associations founded prior to 1880 (section 501(c)(23)); trusts described in section 4049 of the Employee Retirement Income Security Act of 1974 (ERISA) (section 501(c)(24)); State sponsored high-risk health insurance (section 501(c)(26)); State sponsored workers' compensation reinsurance organizations (section 501(c)(27)); the National Railroad Retirement Investment Trust (section 501(c)(28)); and qualified non-profit health insurance issuers (section 501(c)(29)). Tax-exempt status for legal services organizations (section 501(c)(20)) was revoked effective June 20, 1992.
- [4] Includes private foundations and nonexempt charitable trusts (section 4947(a)(1)). Not all organizations described in section 501(c)(3) must apply for recognition of tax-exempt status, including churches, interchurch organizations of local units of a church, integrated auxiliaries of a church, conventions or associations of churches, and organizations (other than private foundations as described in section 509(a)) that have normal gross receipts in each taxable year of not more than \$5,000. In addition, organizations may be recognized as tax-exempt under section 501(c)(3) without filing an application if they are included in a group exemption letter given to an affiliated parent organization.

NOTE:

Organizations that meet the requirements of Internal Revenue Code section 501(a) are exempt from Federal income taxation. Organizations may request a determination regarding recognition of their tax-exempt status by completing and submitting the appropriate application form. Information regarding the requirements for recognition of exemption and the forms used to request a determination can be found in Publication 557, *Tax-Exempt Status for Your Organization*, and Revenue Procedure 2022-5.

SOURCE: Tax Exempt and Government Entities.

Table 13. Receipts of Forms 8976, Notices of Intent To Operate Under Section 501(c)(4), Fiscal Year 2021

Type of notification	Notices of intent to operate under Section 501(c)(4)		
	Total received [1]	Acknowledged	Rejected [2]
	(1)	(2)	(3)
Notice of Intent To Operate Under Section 501(c)(4), Form 8976 [3]	3,334	2,718	465

[1] Includes notifications received, but not yet acknowledged or rejected. The number of notices acknowledged and rejected may also include notices received in the prior fiscal year.

[2] Examples of notices that would be rejected include notices from organizations not required to file Form 8976 (e.g., organizations that filed Form 990, *Return of Organization Exempt from Income Tax*, Form 990-EZ, *Short Form Return of Organization Exempt from Income Tax*, or Form 990-N, *Electronic Notice (e-Postcard) for Tax-Exempt Organizations Not Required To File Form 990 or Form 990-EZ*, or Form 1024, *Application for Recognition of Exemption Under Section 501(a)*, on or before July 8, 2016, or organizations already exempt under other Internal Revenue Code subsections) or where the IRS cannot confirm an organization's Employer Identification Number.

[3] The Protecting Americans from Tax Hikes (PATH) Act of 2015 instituted Internal Revenue Code section 506, requiring an organization to notify the IRS of its intent to operate as a section 501(c)(4) organization within 60 days of formation. These organizations (civic leagues, organizations operated exclusively to promote social welfare, and local associations of employees) notify the IRS by electronically submitting Form 8976, *Notice of Intent To Operate Under Section 501(c)(4)*, along with the appropriate user fee. Submission of the Form 8976 does not constitute a request for a determination letter for recognition as tax exempt under 501(c)(4) nor is the acknowledgment of receipt of an organization's Form 8976 a determination of tax-exempt status by the IRS. An organization that submits a notification on Form 8976 has the option to subsequently request a determination of tax-exempt status by filing Form 1024-A, *Application for Recognition of Exemption Under Section 501(c)(4)* of the Internal Revenue Code. Organizations that intend to operate as Section 501(c)(4) organizations are also required to file Form 990, Form 990-EZ, or Form 990-N.

SOURCE: Tax Exempt and Government Entities.

Table 14. Tax-Exempt Organizations, Nonexempt Charitable Trusts, and Nonexempt Split-Interest Trusts, Fiscal Year 2021

Type of organization, Internal Revenue Code section	Number of organizations
Tax-exempt organizations, nonexempt charitable trusts, and split-interest trusts, total	1,980,571
Recognized section 501(c) by subsection, total [1]	1,828,187
(1) Corporations organized under an Act of Congress	779
(2) Title-holding corporations	4,687
(3) Religious, charitable, and similar organizations [2]	1,431,266
(4) Social welfare organizations	103,958
(5) Labor and agriculture organizations	48,093
(6) Business leagues	66,358
(7) Social and recreation clubs	58,583
(8) Fraternal beneficiary societies	42,660
(9) Voluntary employees' beneficiary associations	5,890
(10) Domestic fraternal beneficiary societies	16,737
(12) Benevolent life insurance associations	5,774
(13) Cemetery companies	10,738
(14) State-chartered credit unions	2,152
(15) Mutual insurance companies	760
(17) Supplemental unemployment compensation trusts	87
(19) Veterans' organizations	28,965
(25) Holding companies for pensions and other entities	611
Other 501(c) subsections [3]	89
Recognized section 501(d) Religious and apostolic associations	219
Section 527 Political organizations	42,697
Nonexempt charitable trusts and split-interest trusts	109,468

- [1] The number of organizations, by 501(c) subsections, includes organizations that applied for and received recognition of tax-exempt status, or that are exempt by virtue of a tax treaty.
- [2] Includes private foundations and organizations that are recognized as tax-exempt under section 501(c)(3) without filing an application because they are included in a group exemption letter given to an affiliated parent organization. Not all organizations described in section 501(c)(3) must apply for recognition of tax-exempt status, including churches, interchurch organizations of local units of a church, integrated auxiliaries of a church, conventions or associations of churches, and organizations (other than private foundations as described in section 509(a)) that have normal gross receipts in each taxable year of not more than \$5,000. Section 501(c)(3) organizations that have not applied for recognition of tax-exempt status are not included in this number.
- [3] Includes teachers' retirement funds (section 501(c)(11)); corporations organized to finance crop operations (section 501(c)(16)); employee-funded pension trusts (section 501(c)(18)); black lung benefit trusts (section 501(c)(21)); veterans' associations founded prior to 1880 (section 501(c)(23)); trusts described in section 4049 of the Employee Retirement Income Security Act of 1974 (ERISA) (section 501(c)(24)); State sponsored high-risk health insurance organizations (section 501(c)(26)); State sponsored workers' compensation reinsurance organizations (section 501(c)(27)); and qualified nonprofit health insurance issuers (section 501(c)(29)). Tax-exempt status for legal services organizations (section 501(c)(20)) was revoked effective June 20, 1992.

SOURCE: Tax Exempt and Government Entities.

Table 15. Determination Letters Issued on Employee Retirement Plans, by Type and Disposition of Plan, Fiscal Year 2021

Disposition of plan, number of plans and number of employees	Defined benefit plans [1]			Defined contribution plans [2]				
	Total	Traditional [3]	Hybrid/ PEP [4]	Total	Section 401(k) [5]	ESOP [6]	Profit- sharing [7]	Other [8]
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Total:								
Number of qualified plans [9]	1,329	513	816	628	216	313	91	8
Initial qualifications:								
Number of qualified plans	111	44	67	327	41	232	d	d
Number of participating employees [10]	136,852	47,154	89,698	131,339	71,181	48,312	3,565	8,281
Amendments:								
Number of qualified plans	998	341	657	65	45	13	7	0
Number of participating employees [10]	7,226,118	236,498	6,989,620	1,497,251	985,257	511,906	88	0
Terminations:								
Number of qualified plans	220	128	92	236	130	68	d	d
Number of participating employees [10]	108,002	55,766	52,236	36,729	14,902	15,268	4,309	2,250

d—Not shown to avoid disclosure of information about specific taxpayers. However, the data are included in the appropriate totals.

- [1] A defined benefit plan is a retirement plan that does not maintain individual account balances that reflect the accrued benefits of each plan participant. Instead, the accrued benefits are determined by a formula stated in the plan.
- [2] A defined contribution plan is a retirement plan that provides an individual account for each participant. Benefits are based solely on amounts contributed to the participant's account and any earnings on these contributions.
- [3] A traditional defined benefit plan is a retirement plan that does not maintain individual account balances (unlike Hybrid/PEP) that reflect the accrued benefits of each plan participant. Instead, the accrued benefits are determined by a formula stated in the plan.
- [4] The types of plans in the Hybrid/PEP include cash balance plans, pension equity plans (PEP), and any other nonallocable or nonspecified plans. A cash balance plan is a defined benefit plan under which the benefit formula is expressed as the current balance of a hypothetical account maintained for the participant. A PEP is a defined benefit plan under which the benefit formula is expressed as the value of an accumulated percentage of the participant's final average compensation.
- [5] A 401(k) plan is a retirement plan in which employees may make salary deferral (salary reduction) contributions on a post-tax and/or pretax basis. Employers may make matching or nonelective contributions to the plan on behalf of eligible employees and may also add a profit-sharing feature to the plan.
- [6] There are two types of employee stock ownership plans (ESOPs): a "leveraged" employee stock ownership plan and a "nonleveraged" employee stock ownership plan. A leveraged ESOP is a retirement plan in which a company leverages its credit to borrow money to fund the retirement plan. The company uses the borrowed funds to purchase shares from the company's treasury for the retirement plan and makes annual contributions to repay the original loan. A nonleveraged ESOP is a retirement plan in which a company contributes either cash to purchase outstanding shares of company stock or contributes a certain amount of shares from the company's treasury to employee accounts.
- [7] A profit-sharing plan is a retirement plan that gives employees a share in the profits of the company. Contributions to employee retirement accounts are determined as a percentage of annual company profits.
- [8] Other plans are defined contribution plan types not included in this table. In FY2021, these were Money Purchase plans and Stock Bonus plans. A money purchase retirement plan is a retirement plan under which employer contributions are based on a fixed percentage of compensation. Contributions are required every year, regardless of earnings and profits. A stock bonus plan is a retirement plan that is funded by employer contributions of corporate stock.
- [9] Reflects retirement plans for which IRS issued determination letters. Regardless of plan type, all plans in this table also satisfied the qualification requirements of Federal pension law. No adverse determination letters were issued in Fiscal Year 2021.
- [10] Totals may be overstated to the extent that employees who participate in more than one plan may be counted more than once.

NOTES:

Some determination letter data reported in this table are not comparable to data reported in the *IRS Data Book* prior to Fiscal Year 2020.

The staggered determination letter application process can cause significant differences in the data from year to year.

SOURCE: Tax Exempt and Government Entities.

Table 16. Technical Activities and Voluntary Compliance Closures, Fiscal Year 2021

Activity	Number completed
Total [1]	2,492
Technical activities, total:	556
Requests for rulings [2]	87
Technical assistance [3]	38
Opinion letters on prototype plans [4]	21
Congressional correspondence [5]:	
Tax-exempt organizations	398
Employee retirement plans	12
Voluntary compliance closures, total:	1,936
Tax-exempt bonds	14
Employee retirement plans	1,922

[1] The counts provided pertain to employee retirement plans except where noted.

[2] Includes only closures of the requests for rulings over which the Employee Plans program has authority. See Table 28 for Tax Exempt and Government Entities letter rulings issued by Associate Chief Counsel (Employee Benefits, Exempt Organization and Employment Taxes).

[3] Includes assistance provided to other IRS Business Operating Divisions, Associate Chief Counsel and Division Counsel, Department of Treasury, Department of Labor, and Pension Benefit Guaranty Corporation, among others.

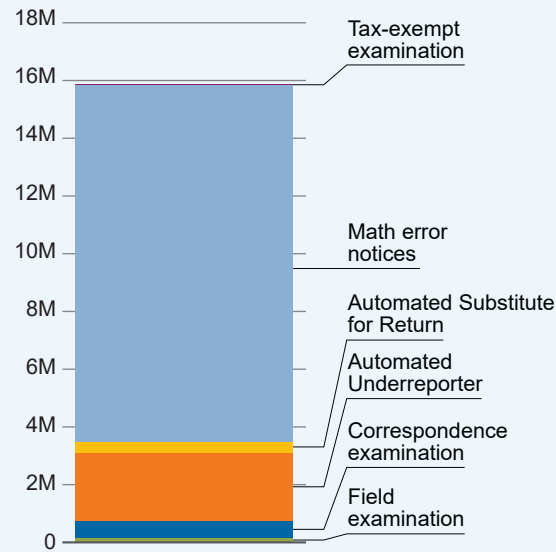
[4] Includes opinion letters issued to IRAs (Individual Retirement Arrangements), SEPs (Simplified Employee Pensions), and SIMPLEs (Savings Incentive Match Plans for Employees).

[5] Includes inquiries from members of Congress and their staff addressed to the Tax Exempt & Government Entities Commissioner or the function-specific Directors.

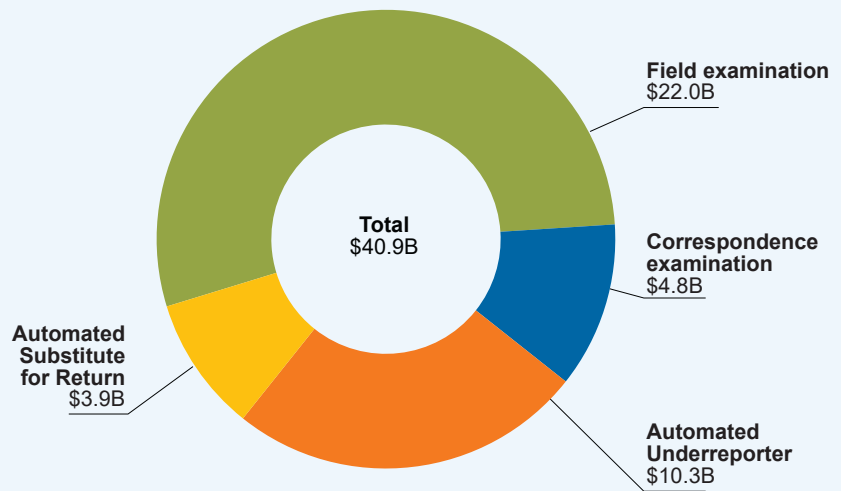
SOURCE: Tax Exempt and Government Entities.

Compliance Activities, Fiscal Year 2021

Number of activities



Recommended additional tax and assessments



SOURCE: 2021 IRS Data Book Tables 18, 21, 22, and 23

NOTE: Detail does not add to total due to rounding.

Compliance Presence

This section of the *IRS Data Book* highlights the IRS's compliance efforts. Examinations (audits) of most types of tax returns, information reporting and verification, math error notices, and criminal investigations are critical tools to determine if income, expenses, and credits are being accurately reported and to identify and resolve taxpayer errors and identify fraud. These tools ensure that the IRS has a presence across taxpayers of all income and asset levels.

For the past decade, the IRS has seen an increase in the number of returns filed paired with a decrease in resources available for examinations. The Service is constantly adapting and improving its processes to identify errors, detect

fraudulent activity, and ensure resources are allocated as efficiently and effectively as possible. While the IRS accepts most returns as filed, some are selected for examination using various methods, including random sampling and computerized screening. Most IRS examinations are conducted through the mail (correspondence) or face-to-face (field).

The IRS gathers independent information about income received and taxes withheld from information returns, such as Forms W-2 and 1099 filed by employers and other third parties. The IRS uses this information to verify self-reported income and tax on returns filed by taxpayers. With its Automated Underreporter Program, the

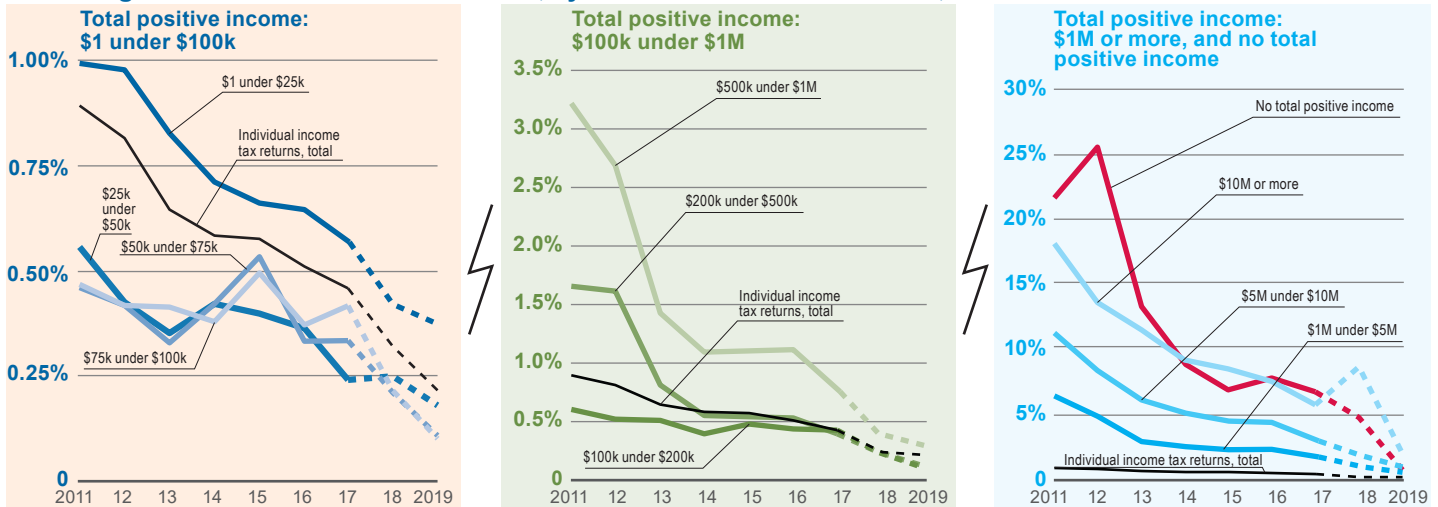
IRS matches these information returns to tax returns and contacts taxpayers to resolve discrepancies. In the Automated Substitute for Return Program, the IRS uses information returns from third parties to identify nonfilers; construct tax returns for certain nonfilers based on that third-party information; and assess tax, interest, and penalties based on the substitute returns. To further verify the accuracy of reported information, the IRS also checks for mathematical and clerical errors before refunds are paid.

IRS's Criminal Investigation function conducts investigations of alleged criminal violations of the tax code and related financial statutes, which may in turn lead to prosecution, fines, and imprisonment.

Highlights of the Data

- For all returns filed for Tax Years (TY) 2011 through 2019, the IRS has examined 0.55 percent of individual returns filed and 0.92 percent of corporation returns filed, as of the end of Fiscal Year (FY) 2021 (Table 17).
- The IRS has examined the returns of 8.9 percent of taxpayers filing individual returns reporting total positive income greater than \$10 million for TY 2011 through 2019, as of the end of FY 2021 (Table 17).
- The exam coverage rate for TY 2017 (the most recent year outside the statute of limitations period) of individual taxpayers reporting total positive income (TPI) of \$10 million or more was 5.8 percent. The rate for taxpayers with TPI of \$5–10 million was 3.1 percent and 1.8 percent for those with TPI from \$1–5 million (Table 17).
- In FY 2021, the IRS closed 738,959 tax return audits, resulting in nearly \$26.8 billion in recommended additional tax (Table 18).
- Of the 738,959 examinations of tax returns closed, 13,725 taxpayers, or 1.8 percent, did not agree with

Percentage of Individual Returns Examined, by Size of Total Positive Income, Tax Years 2011–2019



NOTE: Represents total returns (closed and in-process) examined for each classification, as a percentage of the total number of returns filed for the tax year for that classification. Percentages for recent tax years (dashed segments) may increase as additional examinations are opened, as these recent years are still within the statute of limitations.

SOURCE: 2021 IRS Data Book Table 17

Number of Returns Examined, Fiscal Years 2017–2021

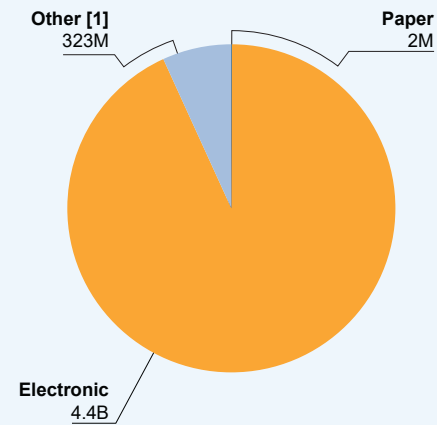


SOURCE: Selected IRS Data Books, Table 18

the IRS examiner's determination, resulting in an unagreed recommended additional tax of more than \$11.3 billion (Table 18).

- The majority of FY 2021 audits, 78.4 percent, were conducted via correspondence. The remaining 21.6 percent were conducted in the field (Table 18).
- In FY 2021, 15,403 examinations protected a total of nearly \$1.7 billion in refund payments, of which more than \$1.6 billion came from field examinations and almost \$24.9 million from correspondence examinations (Table 19).
- In FY 2021, there were 20,120 examinations that resulted in refunds to the taxpayer, totaling more than \$7.6 billion. Of this, \$5.8 billion went to corporations (Table 20).
- The IRS examined 9,067 tax-exempt organization, employee retirement plan, government entity, tax-exempt bond, and related taxable returns in FY 2021 (Table 21).
- The IRS closed 2,362,596 cases under the Automated Underreporter Program in FY 2021, resulting in almost \$10.3 billion in additional assessments, and the IRS closed 402,809 cases under its Automated

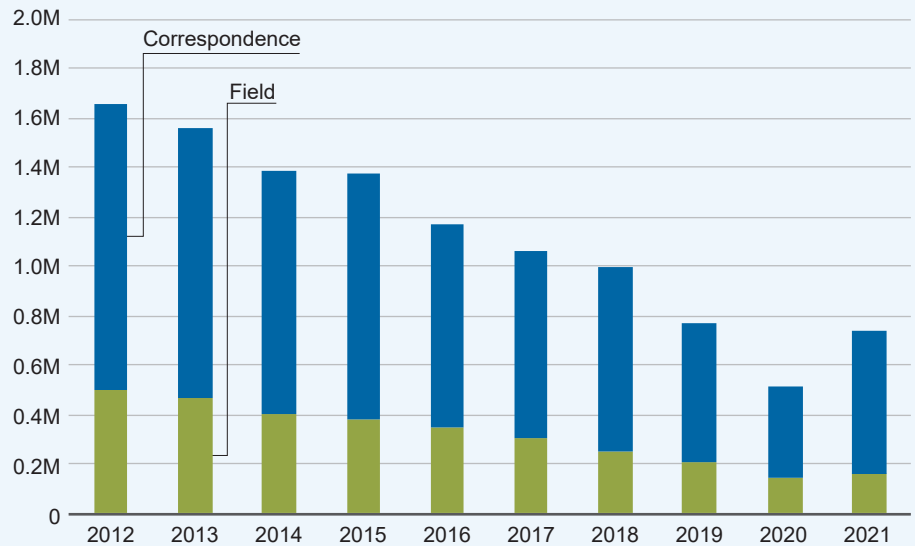
Number of Information Returns Received, by Type, Fiscal Year 2021



[1] Includes forms processed by the Social Security Administration.

SOURCE: 2021 IRS Data Book Table 22

Number of Returns Examined, by Examination Type, Fiscal Years 2012–2021



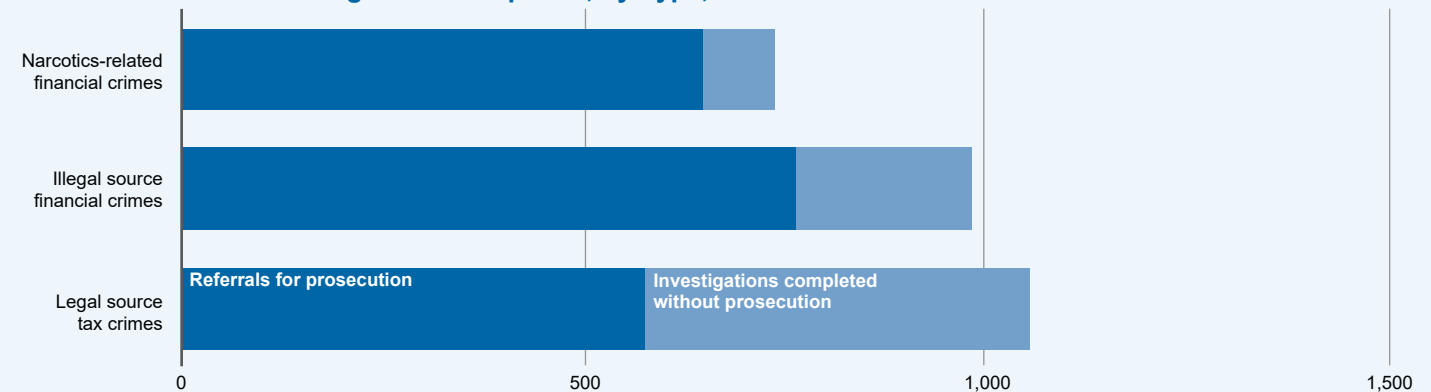
SOURCE: Selected IRS Data Books, Table 18

Substitute for Return Program, resulting in \$3.9 billion in additional assessments (Table 22).

- The IRS received more than 4.7 billion third-party information returns in FY 2021; of these, 93.1 percent were filed electronically (Table 22).
- For TY 2020 individual income tax returns processed during FY 2021, IRS sent more than 12.3 million notices to taxpayers for more than 12.9 million math errors identified on their returns. For TY 2019 and prior, 730,119 notices were sent for 1.0 million math errors identified (Table 23).
- For TY 2020, the number of math errors increased significantly due to the Recovery Rebate Credit, which made up 87.9 percent of total math errors. The Recovery Rebate Credit allowed taxpayers who did not receive the full amount of Economic Impact Payments to claim a credit when they filed their tax return. The most common type of error for TY 2019 and prior-year returns processed in FY 2021 was for errors in adjusted gross/taxable income amount, making up 33.0 percent of the total (Table 23).
- In FY 2021, the IRS completed

2,766 criminal investigations in three areas—1,052 legal-source tax crime cases, which involve activities, industries, and occupations that generate legitimate income or threats to the tax system; 979 illegal-source financial crime cases, which relate to proceeds derived from unlawful sources such as money laundering; and 735 narcotics-related financial crime cases, which involve investigating narcotics-related tax and money-laundering crimes, often in cooperation with the Justice Department and other law-enforcement agencies (Table 24).

Number of Criminal Investigations Completed, by Type, Fiscal Year 2021



SOURCE: 2021 IRS Data Book Table 24

Table 17. Examination Coverage and Recommended Additional Tax After Examination, by Type and Size of Return, Tax Years 2011–2019

Type and size of return	Tax Year 2019†					
	All returns filed for Tax Year 2019 [1]	Returns examined			Number of returns examined with no change [5]	Recom- mended additional tax (thousands of dollars)
		Closed [2]	In process [3]	Percentage covered [4]		
	(1)	(2)	(3)	(4)	(5)	(6)
All returns, total	205,095,150	251,583	111,317	[6]	34,232	1,416,178
Individual income tax returns, total	157,951,815	243,715	98,130	0.2	32,491	1,138,841
Size of total positive income [7]:						
No total positive income	822,945	732	5,709	0.8	49	14,071
\$1 under \$25,000	49,276,854	153,256	30,960	0.4	16,607	707,263
\$25,000 under \$50,000	37,980,961	55,526	12,900	0.2	6,578	263,910
\$50,000 under \$75,000	22,635,798	13,859	10,753	0.1	3,337	44,665
\$75,000 under \$100,000	14,507,318	5,944	8,729	0.1	1,275	21,789
\$100,000 under \$200,000	22,850,934	9,228	18,042	0.1	2,296	38,283
\$200,000 under \$500,000	7,784,215	2,564	5,416	0.1	1,082	13,011
\$500,000 under \$1,000,000	1,298,420	1,287	2,563	0.3	602	7,742
\$1,000,000 under \$5,000,000	574,713	1,201	2,263	0.6	639	17,606
\$5,000,000 under \$10,000,000	40,191	46	362	1.0	16	2,742
\$10,000,000 or more	24,457	66	426	2.0	10	7,745
International returns [8]	155,009	6	7	[9]	0	14
Returns with earned income tax credit [10]	26,738,391	185,833	16,943	0.8	21,417	915,256
Corporation income tax returns, except Form 1120–S, total [11]	1,522,958	1,359	3,036	2.9	741	14,439
Returns other than Forms 1120–C and 1120–F, by size of balance sheet assets:						
No balance sheet	306,698	89	338	0.1	33	445
\$1 under \$250,000	666,383	335	702	0.2	182	1,626
\$250,000 under \$1,000,000	263,681	448	636	0.4	255	2,601
\$1,000,000 under \$5,000,000	162,802	227	388	0.4	114	1,801
\$5,000,000 under \$10,000,000	33,772	23	139	0.5	7	371
\$10,000,000 under \$50,000,000	36,409	86	305	1.1	43	1,542
\$50,000,000 under \$100,000,000	7,549	24	110	1.8	15	1,056
\$100,000,000 under \$250,000,000	6,426	15	91	1.6	7	499
\$250,000,000 under \$500,000,000	3,304	8	29	1.1	6	27
\$500,000,000 under \$1,000,000,000	2,245	6	39	2.0	d	0
\$1,000,000,000 under \$5,000,000,000	2,701	29	74	3.8	19	1,021
\$5,000,000,000 under \$20,000,000,000	867	35	84	13.7	28	2,216
\$20,000,000,000 or more	472	29	84	23.9	26	1,199
Form 1120–C returns [12]	8,612	d	d	[9]	d	0
Form 1120–F returns [13]	21,037	d	d	0.1	d	35
Partnership returns [14]	4,152,992	66	2,031	0.1	48	N/A
S corporation returns [15]	4,940,351	318	2,868	0.1	113	N/A
Estate and trust income tax returns [16]	3,031,198	6	62	[9]	d	1
Estate tax returns [17]	24,008	51	295	1.4	12	555
Gift tax returns	248,821	27	95	[9]	14	109
Employment tax returns	32,175,619	4,448	4,034	[9]	443	160,680
Excise tax returns [18]	1,047,388	1,580	741	0.2	365	101,543
Other taxable returns [19]	[6]	6	7	[6]	d	10
Other nontaxable returns [20]	[6]	7	18	[6]	0	N/A

Footnotes at end of table.

Table 17. Examination Coverage and Recommended Additional Tax After Examination, by Type and Size of Return, Tax Years 2011–2019—Continued

Type and size of return	Tax Year 2018†					
	All returns filed for Tax Year 2018 [1]	Returns examined			Number of returns examined with no change [5]	Recom- mended additional tax (thousands of dollars)
		Closed [2]	In process [3]	Percentage covered [4]		
	(7)	(8)	(9)	(10)	(11)	(12)
All returns, total	200,314,217	444,749	94,922	[6]	62,146	3,424,473
Individual income tax returns, total	153,927,628	417,669	76,244	0.3	56,102	2,435,216
Size of total positive income [7]:						
No total positive income	688,753	12,193	20,975	4.8	281	297,728
\$1 under \$25,000	49,364,340	200,453	7,273	0.4	25,470	889,824
\$25,000 under \$50,000	36,664,872	83,423	8,085	0.2	11,076	378,367
\$50,000 under \$75,000	21,730,391	37,082	8,691	0.2	5,115	170,527
\$75,000 under \$100,000	13,988,214	23,506	6,693	0.2	2,916	138,163
\$100,000 under \$200,000	22,077,272	40,567	11,973	0.2	5,938	236,852
\$200,000 under \$500,000	7,377,133	12,761	5,620	0.2	3,029	121,779
\$500,000 under \$1,000,000	1,249,264	3,170	1,823	0.4	735	47,979
\$1,000,000 under \$5,000,000	566,107	3,386	2,825	1.1	1,046	91,361
\$5,000,000 under \$10,000,000	41,434	332	474	1.9	119	28,315
\$10,000,000 or more	26,517	706	1,601	8.7	372	34,156
International returns [8]	153,331	90	211	0.2	5	165
Returns with earned income tax credit [10]	26,492,486	238,242	3,530	0.9	31,309	1,085,805
Corporation income tax returns, except Form 1120–S, total [11]	1,555,754	3,718	4,484	0.5	1,648	194,373
Returns other than Forms 1120–C and 1120–F, by size of balance sheet assets:						
No balance sheet	295,294	308	561	0.3	71	10,729
\$1 under \$250,000	709,793	647	824	0.2	249	13,198
\$250,000 under \$1,000,000	270,301	889	787	0.6	395	11,680
\$1,000,000 under \$5,000,000	161,855	744	598	0.8	349	12,714
\$5,000,000 under \$10,000,000	32,116	77	198	0.9	27	2,319
\$10,000,000 under \$50,000,000	34,428	446	382	2.4	202	24,078
\$50,000,000 under \$100,000,000	7,033	188	181	5.2	111	6,969
\$100,000,000 under \$250,000,000	5,993	131	198	5.5	69	23,051
\$250,000,000 under \$500,000,000	3,116	48	72	3.9	26	2,757
\$500,000,000 under \$1,000,000,000	2,161	35	76	5.1	19	9,159
\$1,000,000,000 under \$5,000,000,000	2,537	71	216	11.3	42	19,932
\$5,000,000,000 under \$20,000,000,000	815	54	158	26.0	38	11,837
\$20,000,000,000 or more	451	38	198	52.3	24	26,544
Form 1120–C returns [12]	9,324	d	d	0.1	d	151
Form 1120–F returns [13]	20,537	d	d	0.3	d	19,256
Partnership returns [14]	4,010,200	494	2,184	0.1	348	N/A
S corporation returns [15]	4,874,996	2,300	3,035	0.1	914	N/A
Estate and trust income tax returns [16]	3,071,328	100	140	[9]	10	1,182
Estate tax returns [17]	24,101	486	599	4.5	120	88,428
Gift tax returns	249,936	422	382	0.3	271	5,225
Employment tax returns	31,570,780	14,880	7,103	0.1	1,611	601,484
Excise tax returns [18]	1,029,494	4,553	679	0.5	1,107	97,027
Other taxable returns [19]	[6]	107	21	[6]	12	1,537
Other nontaxable returns [20]	[6]	20	51	[6]	3	N/A

Footnotes at end of table.

Table 17. Examination Coverage and Recommended Additional Tax After Examination, by Type and Size of Return, Tax Years 2011–2019—Continued

Type and size of return	Tax Year 2017					
	All returns filed for Tax Year 2017 [1]	Returns examined			Number of returns examined with no change [5]	Recom- mended additional tax (thousands of dollars)
		Closed [2]	In process [3]	Percentage covered [4]		
(13)	(14)	(15)	(16)	(17)	(18)	
All returns, total	198,668,941	717,877	48,197	[6]	95,536	7,744,042
Individual income tax returns, total	153,062,634	666,092	36,482	0.5	83,683	4,790,901
Size of total positive income [7]:						
No total positive income	691,967	24,436	22,462	6.8	428	847,861
\$1 under \$25,000	51,853,559	295,636	1,289	0.6	33,920	1,355,222
\$25,000 under \$50,000	36,111,731	86,115	1,010	0.2	10,695	420,563
\$50,000 under \$75,000	21,252,437	70,041	1,058	0.3	7,896	313,970
\$75,000 under \$100,000	13,630,981	55,892	1,020	0.4	6,127	282,790
\$100,000 under \$200,000	20,929,068	90,572	2,388	0.4	15,002	573,835
\$200,000 under \$500,000	6,721,305	26,106	1,996	0.4	5,062	320,985
\$500,000 under \$1,000,000	1,140,173	8,080	1,633	0.9	2,008	153,682
\$1,000,000 under \$5,000,000	511,640	7,197	2,257	1.8	2,011	231,933
\$5,000,000 under \$10,000,000	36,895	749	394	3.1	225	60,903
\$10,000,000 or more	23,475	764	595	5.8	262	227,800
International returns [8]	159,403	504	380	0.6	47	1,357
Returns with earned income tax credit [10]	27,030,382	282,881	459	1.0	35,688	1,258,903
Corporation income tax returns, except Form 1120–S, total [11]	1,593,535	7,744	2,095	0.6	3,128	1,892,679
Returns other than Forms 1120–C and 1120–F, by size of balance sheet assets:						
No balance sheet	292,916	781	378	0.4	115	40,627
\$1 under \$250,000	749,689	1,252	317	0.2	345	55,698
\$250,000 under \$1,000,000	273,141	1,457	203	0.6	524	57,227
\$1,000,000 under \$5,000,000	162,403	1,030	199	0.8	417	49,918
\$5,000,000 under \$10,000,000	30,729	208	56	0.9	105	8,472
\$10,000,000 under \$50,000,000	33,032	1,133	132	3.8	556	61,937
\$50,000,000 under \$100,000,000	6,814	549	65	9.0	336	21,750
\$100,000,000 under \$250,000,000	5,881	490	75	9.6	292	59,316
\$250,000,000 under \$500,000,000	3,100	186	69	8.2	116	16,174
\$500,000,000 under \$1,000,000,000	2,168	166	63	10.6	78	29,009
\$1,000,000,000 under \$5,000,000,000	2,492	233	169	16.1	111	79,294
\$5,000,000,000 under \$20,000,000,000	819	105	152	31.4	51	155,746
\$20,000,000,000 or more	430	60	183	56.5	*29	1,241,190
Form 1120–C returns [12]	9,330	*5	*12	0.2	*0	501
Form 1120–F returns [13]	20,591	84	29	0.5	50	15,819
Partnership returns [14]	3,905,335	2,995	1,652	0.1	1,430	N/A
S corporation returns [15]	4,725,684	5,958	1,504	0.2	2,142	N/A
Estate and trust income tax returns [16]	3,079,876	240	226	[9]	74	2,722
Estate tax returns [17]	32,144	1,945	101	6.4	427	349,355
Gift tax returns	235,893	502	42	0.2	279	9,447
Employment tax returns	31,033,992	25,202	5,644	0.1	2,503	552,557
Excise tax returns [18]	999,848	6,921	295	0.7	1,757	143,270
Other taxable returns [19]	[6]	167	12	[6]	56	3,112
Other nontaxable returns [20]	[6]	111	144	[6]	57	N/A

Footnotes at end of table.

Table 17. Examination Coverage and Recommended Additional Tax After Examination, by Type and Size of Return, Tax Years 2011–2019—Continued

Type and size of return	Tax Year 2016					
	All returns filed for Tax Year 2016 [1]	Returns examined			Number of returns examined with no change [5]	Recom- mended additional tax (thousands of dollars)
		Closed [2]	In process [3]	Percentage covered [4]		
	(19)	(20)	(21)	(22)	(23)	(24)
All returns, total	195,819,771	841,569	32,822	[6]	98,247	11,732,488
Individual income tax returns, total	150,447,029	762,498	25,592	0.5	79,635	6,218,788
Size of total positive income [7]:						
No total positive income	677,256	36,390	16,753	7.8	466	1,276,699
\$1 under \$25,000	52,677,494	339,289	552	0.6	33,538	1,583,857
\$25,000 under \$50,000	35,816,063	130,483	474	0.4	13,170	686,345
\$50,000 under \$75,000	20,578,233	68,112	439	0.3	5,841	355,381
\$75,000 under \$100,000	13,199,129	49,043	342	0.4	4,628	281,256
\$100,000 under \$200,000	19,755,417	85,647	969	0.4	9,304	586,898
\$200,000 under \$500,000	6,051,639	31,192	1,572	0.5	7,155	410,952
\$500,000 under \$1,000,000	1,017,244	10,373	1,544	1.2	2,722	231,856
\$1,000,000 under \$5,000,000	449,500	8,587	2,073	2.4	2,202	402,513
\$5,000,000 under \$10,000,000	31,232	1,044	343	4.4	305	194,594
\$10,000,000 or more	18,947	922	513	7.6	282	203,309
International returns [8]	174,875	*452	*980	0.8	*21	5,127
Returns with earned income tax credit [10]	27,382,904	330,057	226	1.2	35,384	1,493,391
Corporation income tax returns, except Form 1120–S, total [11]	1,590,282	12,647	1,325	0.9	4,661	3,016,695
Returns other than Forms 1120–C and 1120–F, by size of balance sheet assets:						
No balance sheet	293,042	1,489	251	0.6	253	119,209
\$1 under \$250,000	749,020	2,771	229	0.4	861	103,629
\$250,000 under \$1,000,000	277,107	2,484	116	0.9	862	119,851
\$1,000,000 under \$5,000,000	159,321	1,241	149	0.9	455	105,403
\$5,000,000 under \$10,000,000	30,136	*339	*65	1.4	192	34,865
\$10,000,000 under \$50,000,000	31,895	1,477	50	4.8	677	85,970
\$50,000,000 under \$100,000,000	6,535	646	20	10.2	359	66,650
\$100,000,000 under \$250,000,000	5,669	596	31	11.1	323	106,084
\$250,000,000 under \$500,000,000	3,091	341	45	12.5	164	53,654
\$500,000,000 under \$1,000,000,000	2,104	295	41	16.0	122	41,006
\$1,000,000,000 under \$5,000,000,000	2,439	454	120	23.5	180	272,759
\$5,000,000,000 under \$20,000,000,000	768	203	107	40.4	86	157,183
\$20,000,000,000 or more	410	125	107	56.6	*50	1,733,064
Form 1120–C returns [12]	9,475	*8	*16	0.2	d	3,443
Form 1120–F returns [13]	19,270	127	31	0.8	72	13,927
Partnership returns [14]	3,763,117	6,248	1,443	0.2	2,915	N/A
S corporation returns [15]	4,592,042	9,108	1,020	0.2	3,235	N/A
Estate and trust income tax returns [16]	3,089,747	326	280	[9]	99	58,151
Estate tax returns [17]	34,162	2,715	12	8.0	549	1,347,680
Gift tax returns	239,785	1,864	38	0.8	979	291,896
Employment tax returns	31,083,624	36,866	2,828	0.1	3,932	637,834
Excise tax returns [18]	979,983	8,935	135	0.9	2,155	153,884
Other taxable returns [19]	[6]	*170	*14	[6]	*21	7,560
Other nontaxable returns [20]	[6]	185	140	[6]	65	N/A

Footnotes at end of table.

Table 17. Examination Coverage and Recommended Additional Tax After Examination, by Type and Size of Return, Tax Years 2011–2019—Continued

Type and size of return	Tax Year 2015					
	All returns filed for Tax Year 2015 [1]	Returns examined			Number of returns examined with no change [5]	Recom- mended additional tax (thousands of dollars)
		Closed [2]	In process [3]	Percentage covered [4]		
(25)	(26)	(27)	(28)	(29)	(30)	
All returns, total	195,467,325	952,552	12,211	[6]	99,244	16,309,261
Individual income tax returns, total	150,675,111	865,272	8,088	0.6	80,429	7,471,912
Size of total positive income [7]:						
No total positive income	694,606	45,501	2,652	6.9	626	1,827,964
\$1 under \$25,000	54,053,915	357,556	335	0.7	30,022	1,754,521
\$25,000 under \$50,000	35,552,228	141,831	313	0.4	11,063	779,470
\$50,000 under \$75,000	20,264,175	108,314	321	0.5	8,224	486,029
\$75,000 under \$100,000	13,055,089	64,429	250	0.5	6,257	340,793
\$100,000 under \$200,000	19,459,447	92,460	579	0.5	11,862	646,292
\$200,000 under \$500,000	5,884,773	31,755	869	0.6	6,222	447,920
\$500,000 under \$1,000,000	1,011,282	10,601	823	1.1	2,878	265,501
\$1,000,000 under \$5,000,000	462,824	9,754	1,260	2.4	2,494	518,031
\$5,000,000 under \$10,000,000	33,774	1,240	294	4.5	339	123,022
\$10,000,000 or more	21,149	1,414	391	8.5	425	281,814
International returns [8]	181,849	*412	*3	0.2	17	554
Returns with earned income tax credit [10]	28,081,708	328,891	131	1.2	30,014	1,579,376
Corporation income tax returns, except Form 1120–S, total [11]	1,626,252	14,393	903	0.9	4,883	6,998,566
Returns other than Forms 1120–C and 1120–F, by size of balance sheet assets:						
No balance sheet	288,630	1,650	170	0.6	*251	107,976
\$1 under \$250,000	788,271	3,004	150	0.4	823	109,440
\$250,000 under \$1,000,000	281,342	2,639	72	1.0	853	107,984
\$1,000,000 under \$5,000,000	158,355	1,153	76	0.8	344	75,174
\$5,000,000 under \$10,000,000	29,524	307	23	1.1	98	25,654
\$10,000,000 under \$50,000,000	30,944	1,847	26	6.1	858	135,319
\$50,000,000 under \$100,000,000	6,433	912	16	14.4	*481	132,711
\$100,000,000 under \$250,000,000	5,672	801	27	14.6	386	162,271
\$250,000,000 under \$500,000,000	3,127	487	40	16.9	223	82,846
\$500,000,000 under \$1,000,000,000	2,068	366	34	19.3	*129	93,718
\$1,000,000,000 under \$5,000,000,000	2,397	536	84	25.9	174	375,490
\$5,000,000,000 under \$20,000,000,000	770	221	74	38.3	*50	752,114
\$20,000,000,000 or more	398	168	78	61.8	37	4,792,577
Form 1120–C returns [12]	9,504	*25	*1	0.3	5	1,691
Form 1120–F returns [13]	18,817	*267	*34	1.6	*157	43,602
Partnership returns [14]	3,715,187	7,561	823	0.2	3,119	N/A
S corporation returns [15]	4,487,336	9,271	597	0.2	2,674	N/A
Estate and trust income tax returns [16]	3,110,777	560	274	[9]	102	18,961
Estate tax returns [17]	35,160	2,850	10	8.1	*524	684,573
Gift tax returns	242,585	1,358	24	0.6	524	260,802
Employment tax returns	30,591,283	38,386	1,227	0.1	3,858	663,583
Excise tax returns [18]	983,634	12,403	100	1.3	2,991	203,915
Other taxable returns [19]	[6]	232	5	[6]	*18	6,949
Other nontaxable returns [20]	[6]	266	160	[6]	119	N/A

Footnotes at end of table.

Table 17. Examination Coverage and Recommended Additional Tax After Examination, by Type and Size of Return, Tax Years 2011–2019—Continued

Type and size of return	Tax Year 2014					
	All returns filed for Tax Year 2014 [1]	Returns examined			Number of returns examined with no change [5]	Recom- mended additional tax (thousands of dollars)
		Closed [2]	In process [3]	Percentage covered [4]		
	(31)	(32)	(33)	(34)	(35)	(36)
All returns, total	193,459,297	961,581	9,382	[6]	102,921	17,756,360
Individual income tax returns, total	148,796,860	861,291	6,521	0.6	79,925	8,099,486
Size of total positive income [7]:						
No total positive income	653,832	56,500	1,672	8.9	941	2,196,673
\$1 under \$25,000	54,883,084	390,728	214	0.7	32,330	1,960,351
\$25,000 under \$50,000	35,052,633	147,729	196	0.4	11,440	852,796
\$50,000 under \$75,000	19,641,122	82,742	172	0.4	8,282	500,212
\$75,000 under \$100,000	13,079,844	49,652	160	0.4	5,785	290,231
\$100,000 under \$200,000	18,437,294	73,638	429	0.4	9,624	589,992
\$200,000 under \$500,000	5,423,436	29,544	777	0.6	5,972	400,540
\$500,000 under \$1,000,000	953,500	9,776	928	1.1	2,437	243,102
\$1,000,000 under \$5,000,000	431,033	9,880	1,336	2.6	2,171	545,427
\$5,000,000 under \$10,000,000	31,353	*1,309	*290	5.2	336	158,223
\$10,000,000 or more	19,447	1,449	346	9.2	309	340,928
International returns [8]	190,282	*8,262	*43	4.4	298	21,012
Returns with earned income tax credit [10]	28,537,908	360,454	55	1.3	*32,471	1,706,491
Corporation income tax returns, except Form 1120–S, total [11]	1,616,350	16,463	643	1.1	5,527	6,936,800
Returns other than Forms 1120–C and 1120–F, by size of balance sheet assets:						
No balance sheet	277,491	2,099	132	0.8	*333	171,611
\$1 under \$250,000	795,409	*3,867	*170	0.5	*1,120	168,887
\$250,000 under \$1,000,000	281,525	2,867	48	1.0	*998	108,706
\$1,000,000 under \$5,000,000	156,112	1,391	36	0.9	*465	110,504
\$5,000,000 under \$10,000,000	27,967	*440	*19	1.7	*196	22,029
\$10,000,000 under \$50,000,000	29,854	1,543	30	5.3	*644	126,481
\$50,000,000 under \$100,000,000	6,289	895	7	14.3	*462	66,527
\$100,000,000 under \$250,000,000	5,635	893	21	16.2	*442	172,610
\$250,000,000 under \$500,000,000	3,107	543	22	18.2	*228	93,638
\$500,000,000 under \$1,000,000,000	2,025	418	16	21.4	*138	107,827
\$1,000,000,000 under \$5,000,000,000	2,365	630	57	29.0	*178	783,493
\$5,000,000,000 under \$20,000,000,000	751	288	48	44.7	*72	1,401,706
\$20,000,000,000 or more	382	192	57	65.2	*32	3,560,453
Form 1120–C returns [12]	9,395	*17	*12	0.3	d	13,283
Form 1120–F returns [13]	18,043	*272	*31	1.8	176	29,046
Partnership returns [14]	3,611,255	9,815	593	0.3	4,492	N/A
S corporation returns [15]	4,380,125	11,671	361	0.3	3,539	N/A
Estate and trust income tax returns [16]	3,128,447	725	272	[9]	90	23,944
Estate tax returns [17]	34,703	2,936	6	8.5	*609	1,151,857
Gift tax returns	238,935	1,498	16	0.6	591	338,444
Employment tax returns	30,693,913	42,615	786	0.1	5,100	873,137
Excise tax returns [18]	958,709	14,089	42	1.5	2,918	202,802
Other taxable returns [19]	[6]	197	6	[6]	*18	129,890
Other nontaxable returns [20]	[6]	281	136	[6]	109	N/A

Footnotes at end of table.

Table 17. Examination Coverage and Recommended Additional Tax After Examination, by Type and Size of Return, Tax Years 2011–2019—Continued

Type and size of return	Tax Year 2013					
	All returns filed for Tax Year 2013 [1]	Returns examined			Number of returns examined with no change [5]	Recom- mended additional tax (thousands of dollars)
		Closed [2]	In process [3]	Percentage covered [4]		
(37)	(38)	(39)	(40)	(41)	(42)	
All returns, total	191,616,992	1,057,053	6,243	[6]	124,653	19,956,930
Individual income tax returns, total	147,552,433	950,927	4,115	0.6	99,464	8,429,537
Size of total positive income [7]:						
No total positive income	612,213	80,654	983	13.3	911	2,588,798
\$1 under \$25,000	56,100,370	464,706	168	0.8	38,479	2,188,118
\$25,000 under \$50,000	34,699,278	121,724	153	0.4	10,761	690,296
\$50,000 under \$75,000	19,498,974	*63,494	*258	0.3	7,012	341,352
\$75,000 under \$100,000	12,768,455	*52,636	*255	0.4	7,488	309,666
\$100,000 under \$200,000	17,486,970	89,981	374	0.5	17,639	580,801
\$200,000 under \$500,000	4,935,434	39,950	522	0.8	10,968	416,458
\$500,000 under \$1,000,000	837,779	11,500	476	1.4	3,129	279,088
\$1,000,000 under \$5,000,000	371,171	10,346	697	3.0	2,172	527,427
\$5,000,000 under \$10,000,000	25,504	1,403	162	6.1	*326	115,730
\$10,000,000 or more	15,151	1,523	267	11.8	*407	364,187
International returns [8]	201,134	12,790	10	6.4	*167	27,617
Returns with earned income tax credit [10]	28,821,785	*425,524	*16	1.5	38,156	1,944,428
Corporation income tax returns, except Form 1120–S, total [11]	1,625,302	18,798	463	1.2	6,390	9,484,005
Returns other than Forms 1120–C and 1120–F, by size of balance sheet assets:						
No balance sheet	279,688	2,548	81	0.9	*516	109,233
\$1 under \$250,000	805,528	*5,769	*141	0.7	2,054	181,065
\$250,000 under \$1,000,000	285,537	2,895	36	1.0	1,024	99,589
\$1,000,000 under \$5,000,000	152,321	1,579	30	1.1	529	72,841
\$5,000,000 under \$10,000,000	27,280	*356	*12	1.4	137	43,072
\$10,000,000 under \$50,000,000	28,786	1,542	22	5.4	607	110,154
\$50,000,000 under \$100,000,000	6,053	*781	*7	13.2	*376	367,776
\$100,000,000 under \$250,000,000	5,523	804	17	14.9	*340	77,306
\$250,000,000 under \$500,000,000	3,008	553	11	18.8	*225	151,007
\$500,000,000 under \$1,000,000,000	1,920	408	17	22.1	*129	133,752
\$1,000,000,000 under \$5,000,000,000	2,287	*598	*40	29.4	169	1,204,503
\$5,000,000,000 under \$20,000,000,000	704	307	28	47.6	*60	1,714,032
\$20,000,000,000 or more	371	230	38	72.2	29	5,114,845
Form 1120–C returns [12]	9,347	*23	*6	0.3	d	14,417
Form 1120–F returns [13]	16,949	*309	*17	2.0	172	90,414
Partnership returns [14]	3,460,699	*10,007	*482	0.3	4,633	N/A
S corporation returns [15]	4,257,909	14,576	235	0.3	4,825	N/A
Estate and trust income tax returns [16]	3,155,204	1,587	246	0.1	*638	39,963
Estate tax returns [17]	34,302	*2,488	*5	7.3	508	831,173
Gift tax returns	265,273	883	20	0.3	288	191,284
Employment tax returns	30,331,570	43,114	648	0.1	4,959	784,774
Excise tax returns [18]	934,300	13,506	38	1.4	2,645	176,589
Other taxable returns [19]	[6]	*382	*7	[6]	40	19,605
Other nontaxable returns [20]	[6]	643	126	[6]	262	N/A

Footnotes at end of table.

Table 17. Examination Coverage and Recommended Additional Tax After Examination, by Type and Size of Return, Tax Years 2011–2019—Continued

Type and size of return	Tax Year 2012					
	All returns filed for Tax Year 2012 [1]	Returns examined			Number of returns examined with no change [5]	Recom- mended additional tax (thousands of dollars)
		Closed [2]	In process [3]	Percentage covered [4]		
	(43)	(44)	(45)	(46)	(47)	(48)
All returns, total	189,013,008	1,303,611	4,617	[6]	187,412	26,341,828
Individual income tax returns, total	145,143,496	1,180,922	3,165	0.8	157,423	9,806,184
Size of total positive income [7]:						
No total positive income	547,039	138,998	661	25.5	1,608	3,383,215
\$1 under \$25,000	56,004,999	548,608	135	1.0	53,935	2,282,580
\$25,000 under \$50,000	34,190,851	145,521	120	0.4	14,288	868,488
\$50,000 under \$75,000	19,297,146	80,342	125	0.4	11,531	353,883
\$75,000 under \$100,000	12,413,710	51,952	105	0.4	9,588	251,563
\$100,000 under \$200,000	16,635,432	86,616	294	0.5	18,314	524,600
\$200,000 under \$500,000	4,577,671	73,462	402	1.6	31,269	568,386
\$500,000 under \$1,000,000	804,750	21,224	353	2.7	8,720	234,506
\$1,000,000 under \$5,000,000	405,427	19,300	539	4.9	6,419	524,549
\$5,000,000 under \$10,000,000	31,160	2,468	150	8.4	712	152,167
\$10,000,000 or more	20,287	2,492	278	13.7	659	636,117
International returns [8]	215,024	9,939	3	4.6	380	26,131
Returns with earned income tax credit [10]	27,848,264	510,167	4	1.8	*53,571	2,022,348
Corporation income tax returns, except Form 1120–S, total [11]	1,631,809	21,045	280	1.3	7,068	14,267,361
Returns other than Forms 1120–C and 1120–F, by size of balance sheet assets:						
No balance sheet	330,038	2,529	42	0.8	*467	97,645
\$1 under \$250,000	768,252	6,655	75	0.9	2,289	217,605
\$250,000 under \$1,000,000	284,904	3,381	22	1.2	*1,206	112,809
\$1,000,000 under \$5,000,000	150,069	*1,806	*50	1.2	664	79,150
\$5,000,000 under \$10,000,000	26,479	*386	*10	1.5	122	29,841
\$10,000,000 under \$50,000,000	27,722	1,692	21	6.2	*654	141,327
\$50,000,000 under \$100,000,000	5,905	*792	*8	13.7	*356	74,741
\$100,000,000 under \$250,000,000	5,576	*937	*13	17.2	*410	580,592
\$250,000,000 under \$500,000,000	2,929	*532	*8	18.7	*208	235,563
\$500,000,000 under \$1,000,000,000	1,968	*463	*6	24.1	*136	313,534
\$1,000,000,000 under \$5,000,000,000	2,202	718	20	33.5	185	739,993
\$5,000,000,000 under \$20,000,000,000	695	362	20	55.0	70	3,474,544
\$20,000,000,000 or more	351	254	19	77.8	29	8,079,403
Form 1120–C returns [12]	9,127	*30	*5	0.4	d	8,689
Form 1120–F returns [13]	15,592	*411	*22	2.8	*248	81,926
Partnership returns [14]	3,388,561	11,371	326	0.3	5,334	N/A
S corporation returns [15]	4,205,452	16,782	164	0.4	6,245	N/A
Estate and trust income tax returns [16]	3,142,083	2,328	247	0.1	1,044	77,939
Estate tax returns [17]	33,549	*1,944	*4	5.8	374	566,084
Gift tax returns	369,324	2,385	27	0.7	834	517,851
Employment tax returns	30,249,747	51,341	276	0.2	5,500	851,473
Excise tax returns [18]	848,987	14,092	25	1.7	3,132	236,878
Other taxable returns [19]	[6]	*509	*6	[6]	96	18,058
Other nontaxable returns [20]	[6]	879	100	[6]	*359	N/A

Footnotes at end of table.

Table 17. Examination Coverage and Recommended Additional Tax After Examination, by Type and Size of Return, Tax Years 2011–2019—Continued

Type and size of return	Tax Year 2011					
	All returns filed for Tax Year 2011 [1]	Returns examined			Number of returns examined with no change [5]	Recom- mended additional tax (thousands of dollars)
		Closed [2]	In process [3]	Percentage covered [4]		
	(49)	(50)	(51)	(52)	(53)	(54)
All returns, total	188,677,016	1,440,390	3,907	[6]	197,623	24,739,292
Individual income tax returns, total	145,586,312	1,297,031	2,857	0.9	160,488	10,477,450
Size of total positive income [7]:						
No total positive income	776,400	167,846	436	21.7	2,355	3,839,471
\$1 under \$25,000	57,464,484	571,253	112	1.0	42,330	2,552,100
\$25,000 under \$50,000	34,603,921	192,270	100	0.6	17,795	945,675
\$50,000 under \$75,000	19,234,495	88,334	106	0.5	*15,869	397,699
\$75,000 under \$100,000	12,239,639	57,187	77	0.5	*12,846	262,476
\$100,000 under \$200,000	15,767,677	95,995	250	0.6	23,424	566,551
\$200,000 under \$500,000	4,225,699	69,583	480	1.7	27,644	528,251
\$500,000 under \$1,000,000	700,673	22,195	395	3.2	8,922	270,050
\$1,000,000 under \$5,000,000	320,496	20,153	533	6.5	7,510	468,238
\$5,000,000 under \$10,000,000	22,910	*2,422	*169	11.3	871	96,742
\$10,000,000 or more	13,846	2,287	218	18.1	807	533,285
International returns [8]	216,072	*7,484	*5	3.5	111	16,912
Returns with earned income tax credit [10]	27,911,726	*493,705	*14	1.8	38,939	2,183,848
Corporation income tax returns, except Form 1120–S, total [11]	1,661,744	23,481	216	1.4	7,701	11,987,679
Returns other than Forms 1120–C and 1120–F, by size of balance sheet assets:						
No balance sheet	278,037	2,843	27	1.0	*484	282,756
\$1 under \$250,000	849,261	*7,485	*81	0.9	*2,409	131,239
\$250,000 under \$1,000,000	286,106	3,742	13	1.3	*1,358	129,303
\$1,000,000 under \$5,000,000	152,207	*1,929	*32	1.3	707	90,142
\$5,000,000 under \$10,000,000	26,504	*519	*7	2.0	222	27,796
\$10,000,000 under \$50,000,000	27,151	*1,872	*23	7.0	*741	434,980
\$50,000,000 under \$100,000,000	5,826	d	d	14.8	*384	62,039
\$100,000,000 under \$250,000,000	5,542	*990	*9	18.1	*406	154,478
\$250,000,000 under \$500,000,000	2,942	d	d	21.4	*222	185,279
\$500,000,000 under \$1,000,000,000	1,974	*496	*7	25.9	*144	162,190
\$1,000,000,000 under \$5,000,000,000	2,141	816	11	38.6	*211	1,857,959
\$5,000,000,000 under \$20,000,000,000	685	399	15	60.4	67	2,406,644
\$20,000,000,000 or more	328	*250	*25	84.5	*29	5,460,187
Form 1120–C returns [12]	8,963	35	0	0.4	d	10,614
Form 1120–F returns [13]	14,077	*534	*13	3.9	*297	592,073
Partnership returns [14]	3,285,177	15,407	198	0.5	8,142	N/A
S corporation returns [15]	4,158,572	*16,902	*134	0.4	6,349	N/A
Estate and trust income tax returns [16]	3,012,785	2,283	286	0.1	977	64,103
Estate tax returns [17]	30,373	4,189	3	13.8	*935	629,141
Gift tax returns	258,393	2,161	24	0.8	776	245,476
Employment tax returns	29,877,737	55,569	118	0.2	6,610	779,878
Excise tax returns [18]	805,923	21,316	20	2.6	4,856	470,083
Other taxable returns [19]	[6]	*586	*14	[6]	110	85,482
Other nontaxable returns [20]	[6]	*1,402	*99	[6]	*677	N/A

Footnotes on next page.

Table 17. Examination Coverage and Recommended Additional Tax After Examination, by Type and Size of Return, Tax Years 2011–2019—Continued**Footnotes**

†—The shaded tax years show returns still within the normal 3-year statute of limitations. Therefore, the percentage covered and recommended additional tax will increase in future years as additional examinations are completed. See Notes for additional details.

d—Not shown to avoid disclosure of information about specific taxpayers. However, the data are included in the appropriate totals.

*—Data preceded by an asterisk are values from the prior year *Data Book*, Table 17. Due to these relatively small changes from year to year, the actual FY 2021 values cannot be shown in order to avoid potential disclosure about specific taxpayers. However, the returns filed counts, percentage covered, and recommended additional tax amounts shown are the actual FY 2021 values.

N/A—Not applicable.

- [1] The total number of returns filed for each tax year is derived from multiple sources. Therefore, some numbers may change year to year while others will not. The return counts for individual, corporation (except for 1120–C), partnership, and gift tax returns are from official published IRS statistics; these counts will not change over time. The return counts for 1120–C, estate and trust income, estate, employment, and excise tax returns are from IRS databases and will be updated each year. These fields include all returns filed for the specified tax year as of December 31, 2021.
- [2] Includes examinations that were closed as of September 30, 2021. During the course of an examination, additional related returns within the statute of limitations may require examination; these related return closures are counted by the appropriate tax year and form type. Represents a distinct count of taxpayers by tax year and form type.
- [3] Includes examinations that are in an open examination status. During the course of an examination, additional related returns within the statute of limitations may require examination; these related returns examinations are counted by the appropriate tax year and form type. Represents a distinct count of taxpayers by tax year and form type.
- [4] Represents total returns (closed and in-process) examined for each classification, as a percentage of the total number of returns filed for the tax year for that classification. This percentage may increase in future years as additional returns are selected for examination.
- [5] No-change examinations (cases where no adjustment is made) tend to close more quickly than examinations resulting in changes. Therefore, for recent tax years, the percentage of returns with no changes (compared to the total number of examinations closed) may appear higher than returns with no change for past years, and this rate could decrease over time as more examinations are closed.
- [6] Not tabulated.
- [7] Includes all Form 1040 series returns, except 1040–PR and 1040–SS, which are included in International returns (see footnote 8). In general, total positive income (TPI) is the sum of all positive amounts shown for the various sources of income reported on the individual income tax return, and thus excludes losses.
- [8] Includes Forms 1040–PR (self-employment income tax return for Puerto Rico residents) and 1040–SS (self-employment income tax return for U.S. Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands residents).
- [9] Less than 0.05.
- [10] Includes all returns selected for examination on the basis of an earned income tax credit (EITC) claim. Shown separately for information purposes. Counts are included in the appropriate TPI classes above.
- [11] Includes the Form 1120 series as follows: 1120 (corporation income tax return); 1120–C (income tax return for cooperative associations); 1120–F (foreign corporation income tax return, except foreign life insurance company, foreign property and casualty insurance company, or foreign sales corporation); 1120–H (homeowner association income tax return); 1120–L (life insurance company income tax return); 1120–ND (return for nuclear decommissioning funds); 1120–PC (property and casualty insurance company income tax return); and 1120–SF (income tax return for settlement funds). Excludes counts of examinations for certain other types of corporation returns, which are included in “Other taxable returns,” as described in footnote 19.
- [12] Forms 1120–C are filed by cooperative associations.
- [13] Forms 1120–F are filed by foreign corporations with U.S. income, other than foreign life insurance companies (Form 1120–L); foreign property and casualty insurance companies (Form 1120–PC); or foreign sales corporations (Form 1120–FSC).
- [14] Generally, entities filing Form 1065 do not have a tax liability but pass through any profits and losses to the underlying owners, who include these profits or losses on their income tax returns. Under certain conditions, some partnerships are subject to tax and counts of those examinations are included in “Other taxable returns” in this table, as described in footnote 19.
- [15] Includes most Forms 1120–S, which are filed by qualifying S corporations electing to be taxed through shareholders. Under certain conditions, some S corporations are subject to tax and counts of those examinations are included in “Other taxable returns” in this table, as described in footnote 19.
- [16] Includes taxable Form 1041 (income tax return for estates and trusts) and Form 1041–N (income tax return for electing Alaska Native Settlement Trusts).
- [17] Includes Form 706 series as follows: 706 (estate and generation-skipping transfer tax return); 706–NA (estate tax return of nonresidents not a citizen of the United States); 706–GS(T) (generation-skipping transfer tax return for terminations); and 706–GS(D) (generation-skipping transfer tax return for distributions).
- [18] Excludes excise tax returns filed with U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau.
- [19] Includes Forms 1120–FSC (foreign sales corporation income tax return); 1120–S for S corporations reporting a tax; 1120–REIT (real estate investment trust income tax return); 1120–RIC (regulated investment company income tax return); 1065–B for partnerships reporting a tax; 8288 (withholding tax return for disposition by foreign persons of U.S. real property interests); and 8804 (return of withholding tax on foreign partner's share of effectively connected income).
- [20] Includes the following nontaxable returns: Form 1120–IC–DISC (domestic international sales corporation return); Form 1041 (income tax return for estates and trusts); and Form 1066 (real estate mortgage investment conduit income tax return). Under certain circumstances, estates and trusts (Form 1041) are not subject to tax and are reported as nontaxable. See Estate and trust income tax returns for taxable Forms 1041.

NOTES:

Table 17 shows examination information for each of the last 9 tax years, 2011–2019. It is presented as a “snapshot” in time of the examination process, and the data will continue to change as open examinations close and new ones are opened. Comparing returns filed and return audits for the same tax year provides the most accurate measure of audit coverage, allowing for a direct and clear picture of IRS activities. Some audits close within a year while others take several. The percentage of audits of returns filed for relatively recent tax years may appear low because as of the end of the fiscal year, relatively few examinations had been opened or closed yet. This reflects the normal timing of the audit process; as new audits of returns filed for recent tax years are opened, audit rates for those years will increase. In contrast, audit rates are less subject to change for returns filed for tax years that are past the normal statute of limitations for assessment. Generally, the assessment statute expiration date is 3 years after the return was due, or 6 years if the income on the return was understated by 25 percent or more, and there is no statutory limit if a tax return was filed with the intent to commit fraud. Tax Year 2017 is the most recent year outside the normal statute period. Going forward, the oldest tax year will no longer be updated and will be replaced by the newest full tax year.

All money amounts are in current dollars.

SOURCE: Small Business/Self-Employed, Examination, Performance Planning and Analysis Examination, Small Business Exam Data Management.

Table 18. Examination Coverage: Recommended Additional Tax, and Returns with Unagreed Additional Tax, After Examination, by Type and Size of Return, Fiscal Year 2021

[Money amounts are in thousands of dollars]

Type and size of return	Examinations closed in Fiscal Year 2021 [1]			Recommended additional tax		
	Total	Field [2]	Correspondence	Total	Field [2]	Correspondence
	(1)	(2)	(3)	(4)	(5)	(6)
United States, total	738,959	159,487	579,472	26,776,033	21,991,615	4,784,418
Taxable returns:						
Individual income tax returns, total	659,012	99,591	559,421	8,076,816	3,496,621	4,580,195
Size of total positive income [3]:						
No total positive income	71,859	12,255	59,604	2,608,106	841,963	1,766,143
\$1 under \$25,000	249,109	9,425	239,684	1,243,134	140,159	1,102,975
\$25,000 under \$50,000	105,475	10,096	95,379	645,225	180,292	464,932
\$50,000 under \$75,000	66,803	9,565	57,238	349,591	113,082	236,509
\$75,000 under \$100,000	46,245	9,360	36,885	328,397	138,000	190,397
\$100,000 under \$200,000	72,440	23,798	48,642	586,815	337,249	249,566
\$200,000 under \$500,000	24,157	10,675	13,482	440,948	349,878	91,070
\$500,000 under \$1,000,000	8,955	4,765	4,190	266,429	224,068	42,361
\$1,000,000 under \$5,000,000	9,930	6,514	3,416	632,130	473,340	158,789
\$5,000,000 under \$10,000,000	1,299	965	334	253,734	219,808	33,926
\$10,000,000 or more	1,983	1,499	484	718,262	474,800	243,462
International returns [4]	757	674	83	4,046	3,983	64
Returns with earned income tax credit [5]	277,936	648	277,288	1,376,593	2,709	1,373,885
Corporation income tax returns, except Form 1120-S, total [6]	10,428	10,198	230	15,296,120	15,271,499	24,620
Returns other than Forms 1120-C and 1120-F [7]:						
No balance sheet returns	1,403	1,392	11	225,372	216,311	9,061
Balance sheet returns by size of total assets:						
Under \$250,000	1,616	1,574	42	93,487	91,837	1,650
\$250,000 under \$1,000,000	1,861	1,843	18	114,709	114,502	207
\$1,000,000 under \$5,000,000	1,512	1,489	23	184,496	184,144	352
\$5,000,000 under \$10,000,000	255	242	13	19,359	16,239	3,120
\$10,000,000 under \$50,000,000	1,024	1,010	14	126,773	121,386	5,387
\$50,000,000 under \$100,000,000	433	426	7	399,469	399,283	186
\$100,000,000 under \$250,000,000	441	426	15	191,508	191,381	126
\$250,000,000 under \$500,000,000	269	d	d	103,113	d	d
\$500,000,000 under \$1,000,000,000	255	d	d	88,949	d	d
\$1,000,000,000 under \$5,000,000,000	538	517	21	1,002,708	1,002,708	0
\$5,000,000,000 under \$20,000,000,000	363	353	10	1,225,592	1,225,584	8
\$20,000,000,000 or more	312	302	10	11,418,440	11,417,815	625
Form 1120-C returns [7]	24	24	0	14,839	14,839	N/A
Form 1120-F returns [7]	122	90	32	87,305	85,164	2,142
Estate and trust income tax returns [8]	651	279	372	35,540	24,737	10,803
Estate tax returns [9]	1,635	1,635	0	1,340,082	1,340,082	N/A
Gift tax returns	1,187	1,187	0	476,610	476,610	N/A
Employment tax returns	46,204	29,964	16,240	1,318,846	1,152,814	166,033
Excise tax returns	7,991	6,789	1,202	226,884	225,712	1,172
Other taxable returns [10]	216	38	178	5,136	3,540	1,596
Nontaxable returns [11]:						
Partnership returns	4,141	3,127	1,014	N/A	N/A	N/A
S corporation returns [12]	7,091	6,605	486	N/A	N/A	N/A
Other nontaxable returns [13]	403	74	329	N/A	N/A	N/A

Footnotes at end of table.

Table 18. Examination Coverage: Recommended Additional Tax, and Returns with Unagreed Additional Tax, After Examination, by Type and Size of Return, Fiscal Year 2021—Continued

[Money amounts are in thousands of dollars]

Type and size of return	Taxable return examination closures with unagreed recommended additional tax [1]			Amount unagreed		
	Total	Field [2]	Correspondence	Total	Field [2]	Correspondence
	(7)	(8)	(9)	(10)	(11)	(12)
United States, total	13,725	9,872	3,853	11,317,969	11,287,193	30,776
Taxable returns:						
Individual income tax returns, total	10,818	6,972	3,846	1,039,649	1,008,873	30,776
Size of total positive income [3]:						
No total positive income	1,294	864	430	187,469	168,496	18,973
\$1 under \$25,000	1,364	473	891	23,523	20,384	3,138
\$25,000 under \$50,000	1,049	485	564	26,157	24,290	1,867
\$50,000 under \$75,000	927	507	420	26,324	25,332	992
\$75,000 under \$100,000	840	d	d	19,259	d	d
\$100,000 under \$200,000	2,301	1,545	756	74,524	72,614	1,910
\$200,000 under \$500,000	1,353	1,052	301	133,803	132,601	1,203
\$500,000 under \$1,000,000	648	576	72	75,583	74,756	827
\$1,000,000 under \$5,000,000	829	789	40	252,054	251,056	998
\$5,000,000 under \$10,000,000	107	d	d	44,159	d	d
\$10,000,000 or more	103	d	d	176,752	d	d
International returns [4]	3	3	0	40	40	N/A
Returns with earned income tax credit [5]	1,171	8	1,163	4,329	79	4,250
Corporation income tax returns, except Form 1120-S, total [6]	1,026	**1,026	**0	8,741,819	8,741,819	N/A
Returns other than Forms 1120-C and 1120-F [7]:						
No balance sheet returns	130	130	0	47,569	47,569	N/A
Balance sheet returns by size of total assets:						
Under \$250,000	d	d	0	d	d	N/A
\$250,000 under \$1,000,000	165	165	0	55,370	55,370	N/A
\$1,000,000 under \$5,000,000	208	208	0	132,414	132,414	N/A
\$5,000,000 under \$10,000,000	63	63	0	7,268	7,268	N/A
\$10,000,000 under \$50,000,000	66	66	0	33,494	33,494	N/A
\$50,000,000 under \$100,000,000	15	15	0	69,469	69,469	N/A
\$100,000,000 under \$250,000,000	46	46	0	147,804	147,804	N/A
\$250,000,000 under \$500,000,000	13	13	0	43,439	43,439	N/A
\$500,000,000 under \$1,000,000,000	23	23	0	57,627	57,627	N/A
\$1,000,000,000 under \$5,000,000,000	63	63	0	885,451	885,451	N/A
\$5,000,000,000 under \$20,000,000,000	29	29	0	454,927	454,927	N/A
\$20,000,000,000 or more	66	66	0	6,783,141	6,783,141	N/A
Form 1120-C returns [7]	d	d	0	d	d	N/A
Form 1120-F returns [7]	0	0	0	0	0	N/A
Estate and trust income tax returns [8]	d	d	d	d	d	d
Estate tax returns [9]	51	51	0	937,863	937,863	0
Gift tax returns	130	130	0	300,423	300,423	0
Employment tax returns	1,240	1,240	0	251,349	251,349	0
Excise tax returns	421	421	0	30,067	30,067	0
Other taxable returns [10]	d	d	d	d	d	d
Nontaxable returns [11]:						
Partnership returns	N/A	N/A	N/A	N/A	N/A	N/A
S corporation returns [12]	N/A	N/A	N/A	N/A	N/A	N/A
Other nontaxable returns [13]	N/A	N/A	N/A	N/A	N/A	N/A

Footnotes on next page.

Table 18. Examination Coverage: Recommended Additional Tax, and Returns with Unagreed Additional Tax, After Examination, by Type and Size of Return, Fiscal Year 2021—Continued**Footnotes**

d—Not shown to avoid disclosure of information about specific taxpayers. However, the data are included in the appropriate totals.

**—Data have been combined to avoid disclosure of information about specific taxpayers.

N/A—Not applicable.

- [1] Excludes excise tax returns filed with U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau. Also excludes returns of tax-exempt organizations, Government entities, employee retirement benefit plans, and tax-exempt bonds; and excludes information returns (e.g., Forms 1098, 1099, 5498, W-2 and W-2G, and Schedule K-1).
- [2] Field examinations are generally performed in person by revenue agents, tax compliance officers, tax examiners, and revenue officer examiners. However, some field examinations may ultimately be conducted through correspondence in order to better serve the taxpayer.
- [3] In general, total positive income (TPI) is the sum of all positive amounts shown for the various sources of income reported on the individual income tax return, and thus excludes losses.
- [4] Includes Forms 1040-PR (self-employment income tax return for Puerto Rico residents) and 1040-SS (self-employment income tax return for U.S. Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands residents).
- [5] Includes all returns selected for examination on the basis of an earned income tax credit (EITC) claim. Shown separately for information purposes. Counts are included in the appropriate TPI classes.
- [6] Includes the Form 1120 series as follows: 1120 (corporation income tax return); 1120-C (income tax return for cooperative associations); 1120-F (foreign corporation income tax return, except foreign life insurance company, foreign property and casualty insurance company, or foreign sales corporation); 1120-H (homeowner association income tax return); 1120-L (life insurance company income tax return); 1120-ND (return for nuclear decommissioning funds); 1120-PC (property and casualty insurance company income tax return); 1120-REIT (real estate investment trust income tax return); 1120-RIC (regulated investment company income tax return); and 1120-SF (income tax return for settlement funds). Excludes certain other types of corporation returns, which are included in "Other taxable returns" described in footnote 10.
- [7] Forms 1120-C are filed by cooperative associations. Forms 1120-F are filed by foreign corporations with U.S. income, other than foreign life insurance companies (Form 1120-L); foreign property and casualty insurance companies (Form 1120-PC); or foreign sales corporations (Form 1120-FSC).
- [8] Includes taxable Form 1041 (income tax return for estates and trusts) and Form 1041-N (income tax return for electing Alaska Native Settlement Trusts).
- [9] Includes Form 706 (estate and generation-skipping transfer tax return). As a result of changes in the Tax Cuts and Jobs Act of 2017, the IRS changed how it categorizes returns based on the size of gross estate amount, effective January 2021. In order to avoid disclosure of information about specific taxpayers, only the total is provided.
- [10] Includes Forms 1120-FSC (foreign sales corporation income tax return); 1120-S for S corporations reporting a tax (see footnote 12); 1065-B for partnerships reporting a tax; 8288 (withholding tax return for disposition by foreign persons of U.S. property interests); and 8804 (return of withholding tax on foreign partner's share of effectively connected income).
- [11] Nontaxable returns are filed for entities that generally do not have a tax liability but pass through any profits and losses to the underlying owners, who include these profits or losses on their income tax returns. The examination of partnership, S corporation, and other nontaxable returns affects the amount of recommended additional tax for these associated income tax returns.
- [12] Includes most Forms 1120-S, which are filed by qualifying S corporations electing to be taxed through shareholders. Under certain conditions, S corporations are subject to tax and are included in "Other taxable returns" in this table. See footnote 10.
- [13] Includes the following nontaxable returns: Form 1120-IC-DISC (domestic international sales corporation return); Form 1041 (income tax return for estates and trusts); and Form 1066 (real estate mortgage investment conduit income tax return). Under certain circumstances, estates and trusts (Form 1041) are not subject to tax and are reported as nontaxable. See Estate and trust income tax returns for taxable Forms 1041.

NOTES:

Detail may not add to totals because of rounding.

This table includes information on examinations closed in Fiscal Year 2021 of all individual income tax, corporation income tax, estate and trust income tax, estate tax, gift tax, employment tax, excise tax, and other taxable returns, as well as partnership, S corporation, and other nontaxable returns, and information on examinations in which the taxpayer did not agree with the IRS examiner's determination. When this occurs, the taxpayer may appeal the decision.

SOURCE: Small Business/Self-Employed, Examination, Performance Planning and Analysis Examination, Small Business Exam Data Management.

Table 19. Examination Coverage: Returns Examined Involving Protection of Revenue Base, by Type and Size of Return, Fiscal Year 2021

[Money amounts are in thousands of dollars]

Type and size of return	Taxable return examination closures involving protection of the revenue base [1]			Amount protected		
	Total	Field [2]	Correspondence	Total	Field [2]	Correspondence
	(1)	(2)	(3)	(4)	(5)	(6)
United States, total	15,403	9,091	6,312	1,671,198	1,646,344	24,855
Individual income tax returns, total	13,012	6,700	6,312	269,309	244,454	24,855
Size of total positive income [3]:						
No total positive income	101	60	41	1,339	1,180	159
\$1 under \$25,000	3,256	149	3,107	12,358	1,142	11,216
\$25,000 under \$50,000	1,743	244	1,499	6,498	1,481	5,017
\$50,000 under \$75,000	1,112	404	708	5,062	2,773	2,290
\$75,000 under \$100,000	825	465	360	4,989	3,296	1,693
\$100,000 under \$200,000	1,823	1,421	402	24,898	22,321	2,577
\$200,000 under \$500,000	1,681	1,561	120	37,032	35,881	1,151
\$500,000 under \$1,000,000	867	848	19	24,719	24,300	419
\$1,000,000 under \$5,000,000	1,081	1,075	6	55,121	55,004	117
\$5,000,000 under \$10,000,000	191	d	d	20,982	d	d
\$10,000,000 or more	283	d	d	76,182	d	d
International returns [4]	49	d	d	130	d	d
Returns with earned income tax credit [5]	3,879	d	d	14,953	d	d
Corporation income tax returns, except Form 1120-S, total [6]	776	776	0	1,195,162	1,195,162	N/A
Returns other than Forms 1120-C and 1120-F [7]:						
No balance sheet returns	5	5	0	3	3	N/A
Balance sheet returns by size of total assets:						
Under \$250,000	13	13	0	126	126	N/A
\$250,000 under \$1,000,000	32	32	0	946	946	N/A
\$1,000,000 under \$5,000,000	85	85	0	2,863	2,863	N/A
\$5,000,000 under \$10,000,000	44	44	0	2,141	2,141	N/A
\$10,000,000 under \$50,000,000	58	58	0	8,900	8,900	N/A
\$50,000,000 under \$100,000,000	21	21	0	9,433	9,433	N/A
\$100,000,000 under \$250,000,000	48	48	0	13,317	13,317	N/A
\$250,000,000 under \$500,000,000	40	40	0	6,615	6,615	N/A
\$500,000,000 under \$1,000,000,000	61	61	0	40,246	40,246	N/A
\$1,000,000,000 under \$5,000,000,000	153	153	0	157,468	157,468	N/A
\$5,000,000,000 under \$20,000,000,000	102	102	0	292,634	292,634	N/A
\$20,000,000,000 or more	88	88	0	635,293	635,293	N/A
Form 1120-C returns [7]	7	7	0	1,753	1,753	N/A
Form 1120-F returns [7]	19	19	0	23,424	23,424	N/A
Estate and trust income tax returns [8]	122	122	0	15,899	15,899	N/A
Estate tax returns [9]	53	53	0	12,793	12,793	N/A
Gift tax returns	23	23	0	4,233	4,233	N/A
Employment tax returns	507	507	0	98,064	98,064	N/A
Excise tax returns	905	905	0	72,619	72,619	N/A
Other taxable returns [10]	5	5	0	3,119	3,119	N/A

Footnotes on next page.

Table 19. Examination Coverage: Returns Examined Involving Protection of Revenue Base, by Type and Size of Return, Fiscal Year 2021—Continued**Footnotes**

d—Not shown to avoid disclosure of information about specific taxpayers. However, the data are included in the appropriate totals when possible.

N/A—Not applicable.

- [1] Excludes excise tax returns filed with U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau. Also excludes returns of tax-exempt organizations, Government entities, employee retirement benefit plans, and tax-exempt bonds; and excludes information returns (e.g., Forms 1098, 1099, 5498, W-2 and W-2G, and Schedule K-1).
- [2] Field examinations are generally performed in person by revenue agents, tax compliance officers, tax examiners, and revenue officer examiners. However, some field examinations may ultimately be conducted through correspondence in order to better serve the taxpayer.
- [3] In general, total positive income is the sum of all positive amounts shown for the various sources of income reported on the individual income tax return, and thus excludes losses.
- [4] Includes Forms 1040-PR (self-employment income tax return for Puerto Rico residents) and 1040-SS (self-employment income tax return for U.S. Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands residents).
- [5] Includes all returns selected for examination on the basis of an earned income tax credit (EITC) claim. Shown separately for information purposes. Counts are included in the appropriate TPI classes.
- [6] Includes the Form 1120 series as follows: 1120 (corporation income tax return); 1120-C (income tax return for cooperative associations); 1120-F (foreign corporation income tax return, except foreign life insurance company, foreign property and casualty insurance company, or foreign sales corporation); 1120-H (homeowner association income tax return); 1120-L (life insurance company income tax return); 1120-ND (return for nuclear decommissioning funds); 1120-PC (property and casualty insurance company income tax return); 1120-REIT (real estate investment trust income tax return); 1120-RIC (regulated investment company income tax return); and 1120-SF (income tax return for settlement funds). Excludes certain other types of corporation returns, which are included in "Other taxable returns" described in footnote 10.
- [7] Forms 1120-C are filed by cooperative associations. Forms 1120-F are filed by foreign corporations with U.S. income, other than foreign life insurance companies (Form 1120-L); foreign property and casualty insurance companies (Form 1120-PC); or foreign sales corporations (Form 1120-FSC).
- [8] Includes taxable Form 1041 (income tax return for estates and trusts) and Form 1041-N (income tax return for electing Alaska Native Settlement Trusts).
- [9] Includes Form 706 (estate and generation-skipping transfer tax return). As a result of changes in the Tax Cuts and Jobs Act of 2017, the IRS changed how it categorizes returns based on the size of gross estate amount, effective January 2021. In order to avoid disclosure of information about specific taxpayers, only the total is provided.
- [10] Includes Forms 1120-FSC (foreign sales corporation income tax return); 1120-S for S corporations reporting a tax; 1065-B for partnerships reporting a tax; 8288 (withholding tax return for disposition by foreign persons of U.S. property interests); and 8804 (return of withholding tax on foreign partner's share of effectively connected income).

NOTES:

Detail may not add to totals because of rounding.

This table includes information on examinations closed in Fiscal Year (FY) 2021 in which actions were taken by the IRS to prevent the release of funds from the U.S. Treasury in response to taxpayer efforts to recoup all, or part, of previously assessed and paid tax. For information on all FY 2021 examinations of individual income tax, corporation income tax, estate and trust income tax, estate tax, gift tax, employment tax, excise tax, and other taxable returns, along with partnership, S corporation, and other nontaxable returns, see Table 18.

SOURCE: Small Business/Self-Employed, Examination, Performance Planning and Analysis Examination, Small Business Exam Data Management.

Table 20. Examination Coverage: Returns Examined Resulting in Refunds, by Type and Size of Return, Fiscal Year 2021

[Money amounts are in thousands of dollars]

Type and size of return	Taxable return examination closures resulting in refunds [1]			Amount of recommended refunds		
	Total	Field [2]	Correspondence	Total	Field [2]	Correspondence
	(1)	(2)	(3)	(4)	(5)	(6)
United States, total	20,120	12,039	8,081	7,615,873	7,476,080	139,793
Individual income tax returns, total	17,105	9,099	8,006	983,119	850,147	132,972
Size of total positive income [3]:						
No total positive income	1,599	957	642	32,751	29,241	3,511
\$1 under \$25,000	3,072	554	2,518	17,618	13,024	4,594
\$25,000 under \$50,000	2,430	515	1,915	10,099	7,115	2,984
\$50,000 under \$75,000	1,300	516	784	10,368	6,700	3,668
\$75,000 under \$100,000	821	538	283	8,035	7,296	738
\$100,000 under \$200,000	1,894	1,540	354	22,686	20,900	1,786
\$200,000 under \$500,000	2,102	1,649	453	48,944	43,139	5,805
\$500,000 under \$1,000,000	1,534	928	606	62,836	51,054	11,782
\$1,000,000 under \$5,000,000	1,608	1,294	314	158,652	144,854	13,798
\$5,000,000 under \$10,000,000	300	241	59	90,554	79,078	11,476
\$10,000,000 or more	436	361	75	520,384	447,557	72,827
International returns [4]	9	6	3	194	189	5
Returns with earned income tax credit [5]	3,800	11	3,789	5,617	63	5,554
Corporation income tax returns, except Form 1120-S, total [6]	1,100	**1,100	**0	5,802,120	5,800,334	1,786
Returns other than Forms 1120-C and 1120-F [7]:						
No balance sheet returns	47	47	0	29,771	29,771	N/A
Balance sheet returns by size of total assets:						
Under \$250,000	78	78	0	2,042	2,042	N/A
\$250,000 under \$1,000,000	78	78	0	1,765	1,765	N/A
\$1,000,000 under \$5,000,000	101	101	0	5,939	5,939	N/A
\$5,000,000 under \$10,000,000	22	22	0	1,071	1,071	N/A
\$10,000,000 under \$50,000,000	99	99	0	31,056	31,056	N/A
\$50,000,000 under \$100,000,000	32	32	0	7,910	7,910	N/A
\$100,000,000 under \$250,000,000	64	**64	**0	55,636	**55,636	**0
\$250,000,000 under \$500,000,000	72	72	0	128,080	128,080	N/A
\$500,000,000 under \$1,000,000,000	78	78	0	302,096	302,096	N/A
\$1,000,000,000 under \$5,000,000,000	184	184	0	868,342	868,342	N/A
\$5,000,000,000 under \$20,000,000,000	121	121	0	1,230,137	1,230,137	N/A
\$20,000,000,000 or more	93	**93	**0	2,748,841	**2,748,842	**0
Form 1120-C returns [7]	8	8	0	27,853	27,853	N/A
Form 1120-F returns [7]	23	**23	**0	361,579	**361,579	**0
Estate and trust income tax returns [8]	156	104	52	120,530	115,514	5,016
Estate tax returns [9]	310	310	0	164,076	164,076	N/A
Gift tax returns	19	19	0	3,896	3,896	N/A
Employment tax returns	560	560	0	180,934	180,934	N/A
Excise tax returns	855	842	13	360,905	360,899	6
Other taxable returns [10]	15	9	6	294	280	14

Footnotes on next page.

Table 20. Examination Coverage: Returns Examined Resulting in Refunds, by Type and Size of Return, Fiscal Year 2021—Continued**Footnotes**

d—Not shown to avoid disclosure of information about specific taxpayers. However, the data are included in the appropriate totals when possible.

**—Data have been combined to avoid disclosure of information about specific taxpayers. However, the data are included in the appropriate totals.

N/A—Not applicable.

- [1] Excludes excise tax returns filed with U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau. Also excludes returns of tax-exempt organizations, Government entities, employee retirement benefit plans, and tax-exempt bonds; and excludes information returns (e.g., Forms 1098, 1099, 5498, W-2 and W-2G, and Schedule K-1).
- [2] Field examinations are generally performed in person by revenue agents, tax compliance officers, tax examiners, and revenue officer examiners. However, some field examinations may ultimately be conducted through correspondence in order to better serve the taxpayer.
- [3] In general, total positive income is the sum of all positive amounts shown for the various sources of income reported on the individual income tax return, and thus excludes losses.
- [4] Includes Forms 1040-PR (self-employment income tax return for Puerto Rico residents) and 1040-SS (self-employment income tax return for U.S. Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands residents).
- [5] Includes all returns reporting an earned income tax credit (EITC) claim. Shown separately for information purposes. Counts are included in the appropriate TPI classes.
- [6] Includes the Form 1120 series as follows: 1120 (corporation income tax return); 1120-C (income tax return for cooperative associations); 1120-F (foreign corporation income tax return, except foreign life insurance company, foreign property and casualty insurance company, or foreign sales corporation); 1120-H (homeowner association income tax return); 1120-L (life insurance company income tax return); 1120-ND (return for nuclear decommissioning funds); 1120-PC (property and casualty insurance company income tax return); 1120-REIT (real estate investment trust income tax return); 1120-RIC (regulated investment company income tax return); and 1120-SF (income tax return for settlement funds). Excludes certain other types of corporation returns, which are included in "Other taxable returns" described in footnote 10.
- [7] Forms 1120-C are filed by cooperative associations. Forms 1120-F are filed by foreign corporations with U.S. income, other than foreign life insurance companies (Form 1120-L); foreign property and casualty insurance companies (Form 1120-PC); or foreign sales corporations (Form 1120-FSC).
- [8] Includes taxable Form 1041 (income tax return for estates and trusts) and Form 1041-N (income tax return for electing Alaska Native Settlement Trusts).
- [9] Includes Form 706 (estate and generation-skipping transfer tax return). As a result of changes in the Tax Cuts and Jobs Act of 2017, the IRS changed how it categorizes returns based on the size of gross estate amount, effective January 2021. In order to avoid disclosure of information about specific taxpayers, only the total is provided.
- [10] Includes Forms 1120-FSC (foreign sales corporation income tax return); 1120-S for S corporations reporting a tax; 1065-B for partnerships reporting a tax; 8288 (withholding tax return for disposition by foreign persons of U.S. property interests); and 8804 (return of withholding tax on foreign partner's share of effectively connected income).

NOTES:

Detail may not add to totals because of rounding.

This table provides information on examinations closed in Fiscal Year (FY) 2021 that resulted in additional refunds paid to the taxpayer and the amount of refunds recommended. For information on all FY 2021 examinations of individual income tax, corporation income tax, estate and trust income tax, estate tax, gift tax, employment tax, excise tax, and other taxable returns, along with partnership, S corporation, and other nontaxable returns, see Table 18.

SOURCE: Small Business/Self-Employed, Examination, Performance Planning and Analysis Examination, Small Business Exam Data Management.

Table 21. Examinations of Tax-Exempt Organizations, Employee Retirement Plans, Government Entities, and Tax-Exempt Bonds, by Type of Return, Fiscal Year 2021

Type of return	Number of returns examined
Tax-exempt organization, employee retirement plan, government entity, tax-exempt bond returns, and related taxable returns examined in Fiscal Year 2021, total	9,067
Forms 990, 990-EZ, and 990-N [1]	1,383
Forms 990-PF, 1041-A, 1120-POL, and 5227 [2]	203
Form 5500, total [3]	1,173
Defined benefit	185
Defined contribution	988
Form 5500-EZ, total [3]	90
Defined benefit	30
Defined contribution	60
Form 5500-SF, total [3]	1,804
Defined benefit	422
Defined contribution	1,382
Employment tax returns [4]	1,851
Tax-exempt bond returns [5]	286
Related taxable returns, total	1,588
Form 990-T [6]	748
Form 4720 [7]	301
Form 5330 [8]	170
Forms 1040, 1041, 1065, and 1120 adjusted [9]	157
Forms 11-C and 730 [10]	119
Form 5329 [11]	93
Employee retirement plan Non-Return Units [12]	689

- [1] Form 990 series includes: 990 (tax-exempt organization information return, long form); 990-EZ (tax-exempt organization information return, short form); and 990-N (electronic notice (e-Postcard) for tax-exempt organizations not required to file Forms 990 or 990-EZ).
- [2] Includes Form 990-PF (private foundation information return); Form 1041-A (information return of charitable contribution deductions by certain trusts); Form 1120-POL (income tax return for certain political organizations) and Form 5227 (split interest trust information return).
- [3] Form 5500 series includes: 5500 (annual return/report of employee benefit plan); 5500-EZ (annual return of a one-participant (owners/partners and their spouses) retirement plan or a foreign plan); 5500-SF (short form annual return/report of small employee benefit plan).
- [4] Employment tax returns include: Forms 940 (employer's Federal unemployment tax return); 941 (employer's quarterly tax return for income and Social Security taxes withheld for other than household and agricultural employees); 943 (employer's tax return for agricultural employees); 944 (employer's annual tax return); 945 (tax return of withheld income tax from nonpayroll distributions); and 1042 (tax return of withheld income tax on U.S.-source income of foreign persons). Also includes stand-alone examinations of Form 1099 series information returns. Includes employment tax returns that are "related taxable returns" picked-up as part of an examination on an exempt organization's Form 990 series return; and stand-alone examinations of Federal, state, local, and Indian Tribal governments, and exempt organization employment tax returns. Although these entities do not have an income tax return filing requirement, they are subject to employment taxes as well as excise taxes (Forms 11-C and 730) that are reported under "related taxable returns."
- [5] Includes Forms 8038 (information return for tax-exempt private activity bond issues); 8038-B (information return for build America bonds and recovery zone economic development bonds); 8038-CP (return for credit payments to issuers of qualified bonds); 8038-G (information return for governmental obligations); 8038-GC (information return for consolidated small tax-exempt government bond issues, leases, and installment sales); 8038-T (arbitrage rebate return); and 8038-TC (information return for tax credit bonds and specified tax credit bonds).
- [6] Form 990-T is the tax-exempt organization unrelated business income tax return.
- [7] Form 4720 is used to report excise taxes on tax-exempt organizations and related individuals.
- [8] Form 5330 is used to report excise taxes related to employee retirement plans.
- [9] Form 1040 series (individual returns); Form 1041 (estate and trust return); Form 1065 (partnership return); or Form 1120 series (corporation returns) adjusted as a result of examination of a tax-exempt organization, employee retirement plan, or government entity, as applicable.
- [10] Form 11-C reports the occupational tax for wagering and Form 730 reports the excise tax on wagering.
- [11] Form 5329 is used to report additional taxes on qualified plans (including IRAs) and other tax-favored accounts.
- [12] Tax Exempt and Government Entities, Employee Plans, often examines retirement plans for which no return is filed. These are called Non-Return Units.

SOURCE: Tax Exempt and Government Entities.

Table 22. Information Reporting Program, Fiscal Year 2021

[Money amounts are in thousands of dollars]

Item	Number or amount
Number of information returns received [1]:	
Total	4,740,647,278
Paper	2,747,787
Electronic	4,415,237,487
Other [2]	322,662,004
Automated Underreporter Program [3]:	
Number of closed cases [4]	2,362,596
Amount of additional assessments [5]	10,261,153
Number of full-time equivalent positions [6]	1,521
Automated Substitute for Return Program [7]:	
Number of closed cases [8]	402,809
Actual closures	128,671
Terminated closures	274,138
Amount of additional assessments [9]	3,907,369
Number of full-time equivalent positions [6]	53

[1] Includes Forms 1042-S (foreign person's U.S.-source income subject to withholding); the Form 1098 series (including mortgage interest, student loan interest, and tuition payments); the Form 1099 series (including interest and dividend distributions); the Form 5498 series (including individual retirement arrangement and medical savings account information); Forms W-2 (wage and tax statements); Forms W-2G (certain gambling winnings); and Schedules K-1 (partnership, S corporation, and estate or trust distributions). Information from these forms and schedules is matched to that reported on income tax returns.

[2] Includes forms processed by the Social Security Administration, such as Forms SSA-1099 (Social Security benefit statement), RRB-1099 (payments by the Railroad Retirement Board), and W-2 (wage and tax statement).

[3] The objective of the Automated Underreporter Program (AUR) is to match taxpayer income and deductions submitted by third parties such as banks, brokerage firms, and other payers on information returns (such as Forms W-2 and 1099) against amounts reported on individual income tax returns. If a discrepancy is found, an AUR case is created, the taxpayer is contacted, and tax is assessed on any unresolved discrepancy.

[4] Reflects the number of closed cases for which a notice was issued to a taxpayer.

[5] Includes tax and interest.

[6] Reflects the total staff hours expended, converted to the number of full-time positions.

[7] Under the Automated Substitute for Return Program (ASFR), the IRS uses information returns from third parties (such as Forms W-2 and 1099) to identify tax return delinquencies, construct tax returns for certain nonfilers based on that third-party information, and assess tax, interest, and penalties based on the substitute returns.

[8] Reflects the number of closed cases within the ASFR system. The number of closed cases are reported separately as actual closures (where taxpayer contact was made) and terminated closures (where no ASFR taxpayer contact was made). Actual closures are cases for which notices were issued to taxpayers and were associated with staff hours used to calculate the number of full-time positions. Terminated closures are cases that required no notices to be sent; therefore, no full-time equivalent hours were expended.

[9] Includes tax, interest, and penalties assessed. Terminated closures receive no ASFR assessments.

NOTE:

Due to continued challenges related to the COVID-19 pandemic and processing center shutdowns to protect the health and safety of employees, the IRS continued to experience processing delays for paper-filed forms. Additionally, many nonfiler initiatives were paused to prevent burdening taxpayers whose returns may not yet have been processed.

SOURCES: Research, Applied Analytics, and Statistics, Statistics of Income; Small Business/Self-Employed Examination, Performance Planning and Analysis, Automated Underreporter Program; Small Business/Self-Employed Collections, Headquarters Collection, Inventory Delivery Selection, Automated Substitute for Return Program.

Table 23. Math Errors on Individual Income Tax Returns, by Type of Error, Fiscal Year 2021

Math error	Tax Year 2020 returns		Tax Year 2019 and other prior-year returns	
	Number	Percentage of total	Number	Percentage of total
	(1)	(2)	(3)	(4)
Math error notices [1, 2]	12,334,020	N/A	730,119	N/A
Math errors, total [1, 2]	12,938,828	100.0	1,019,702	100.0
Recovery Rebate Credit [3]	11,372,980	87.9	439	[4]
Tax calculation/other taxes [5]	407,757	3.2	36,230	3.6
Child Tax Credit	244,148	1.9	167,572	16.4
Adjusted gross/taxable income amount	283,346	2.2	336,878	33.0
Education Credits [6]	90,904	0.7	66,760	6.5
Earned Income Tax Credit	155,351	1.2	71,657	7.0
Standard/itemized deduction	119,115	0.9	22,662	2.2
First-Time Homebuyer Credit Repayment	61,132	0.5	113,515	11.1
Filing status	42,902	0.3	26,764	2.6
Refund/amount owed	41,879	0.3	29,673	2.9
Adjustments to income	41,731	0.3	65,060	6.4
Withholding or excess Social Security payments	35,920	0.3	25,028	2.5
Other credits [7]	30,240	0.2	25,246	2.5
Exemption number/amount	2,495	[4]	24,268	2.4
Other [8]	8,929	0.1	7,950	0.8

N/A—Not applicable.

[1] A math error notice to the taxpayer may address more than one type of math error. Therefore, the total number of errors exceeds the total number of notices.

[2] Due to the submission processing center shutdowns related to the COVID-19 pandemic, a significant number of returns filed in Fiscal Year (FY) 2020 were not processed until FY 2021.

[3] The Recovery Rebate Credit allowed taxpayers who did not receive Economic Impact Payments (or less than the full amount they were entitled to) to claim a credit on their tax return. The two primary causes for math errors in the Recovery Rebate Credit were that the second Economic Impact Payment was issued after many taxpayers had already prepared their Tax Year 2020 tax returns, and that many taxpayers incorrectly calculated their allowable Recovery Rebate Credit amount or claimed a credit they were not entitled to.

[4] Less than 0.05 percent.

[5] Includes all errors associated with the calculation and assessment of income taxes, as well as other taxes, such as self-employment tax, alternative minimum tax, and household employment tax.

[6] Includes the Lifetime Learning Credit and the American Opportunity Tax Credits.

[7] Includes the Child and Dependent Care Credit, Credit for the Elderly or Disabled, Retirement Savings Contribution Credit, Adoption Credit, Mortgage Interest Credit, General Business Credits, Credit for Federal Fuel Tax, Foreign Tax Credit, Residential Energy Credit, Alternative Motor Vehicle Credit, Qualified Plug-In Electric Drive Motor Vehicle Credit, Qualified Electric Vehicle Credit, Making Work Pay Credit (prior-year returns only), Health Coverage Tax Credit, and Credit for Small-Employer Health Insurance Premiums.

[8] Includes miscellaneous errors and unique error types not included in any other math error definitions.

NOTES:

Detail may not add to totals because of rounding.

Math errors include a variety of conditions such as computational errors, incorrectly transcribed values, omitted entries, failure to meet eligibility requirements, claims that exceed statutory limits, and insufficiently supported claims which are identified during the processing of tax returns.

SOURCE: Wage and Investment, Customer Account Services, Submission Processing, Paper Processing Branch.

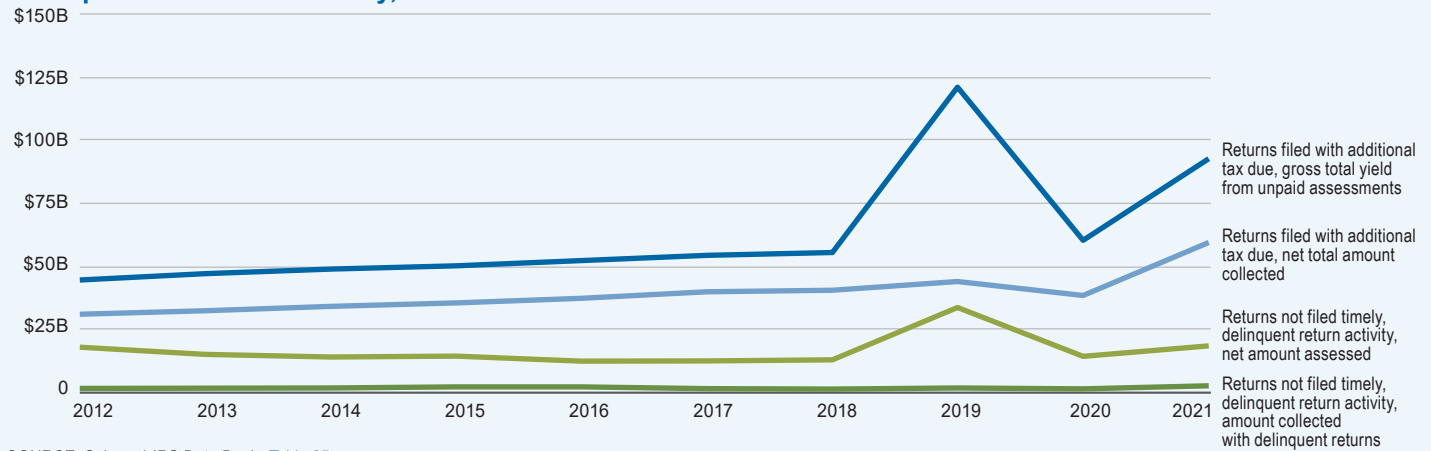
Table 24. Criminal Investigation Program, by Status or Disposition, Fiscal Year 2021

Status or disposition [1]	Total	Legal source tax crimes [2]	Illegal source financial crimes [3]	Narcotics-related financial crimes [4]
	(1)	(2)	(3)	(4)
Investigations initiated	2,581	953	967	661
Investigations completed [5]	2,766	1,052	979	735
Referrals for prosecution	1,982	575	761	646
Investigations completed without prosecution	784	477	218	89
Indictments and informations [6]	1,856	536	742	578
Convictions [7]	1,263	426	536	301
Sentenced	1,268	454	492	322
Incarcerated [8]	993	344	385	264
Percentage of those sentenced who were incarcerated [8]	78.3	75.8	78.3	82.0

- [1] Investigations may cross fiscal years. An investigation initiated one fiscal year may not be indicted, convicted, or sentenced until a subsequent fiscal year. Therefore, the disposition (completions, indictments/informations, convictions, sentences) of investigations shown in this table may be related to investigations initiated, completed, indicted, or convicted in prior fiscal years.
- [2] Under the Legal Source Tax Crimes Program, IRS Criminal Investigation identifies, investigates, and assists in the prosecution of crimes involving legal industries, legal occupations, and, more specifically, legally earned income associated with the violation of Title 26 (tax violations) and Title 18 (tax-related violations) of the U.S. Code. The Legal Source Tax Crimes Program also includes employment tax cases and those cases that threaten the tax system, such as Questionable Refund Program cases, unscrupulous return preparers, and frivolous filers/nonfilers who challenge the legality of the filing requirements.
- [3] Under the Illegal Source Financial Crimes Program, IRS Criminal Investigation identifies, investigates, and assists in the prosecution of crimes involving proceeds derived from illegal sources other than narcotics. These encompass all tax and tax-related violations, as well as money laundering and currency violations under the following statutes: Title 26 (tax violations); Title 18 (tax-related and money laundering violations); and Title 31 (currency violations) of the U.S. Code. The utilization of forfeiture statutes to deprive individuals and organizations of illegally obtained assets is also linked to the investigation of criminal charges within this program.
- [4] Under the Narcotics-Related Financial Crimes Program, IRS Criminal Investigation seeks to identify, investigate, and assist in the prosecution of the most significant narcotics-related tax and money laundering offenders. The IRS derives authority for this program from the statutes for which it has jurisdiction: Title 26 (tax violations); Title 18 (tax-related and money laundering violations); and Title 31 (currency violations) of the U.S. Code. IRS Criminal Investigation also devotes resources to high-level multiagency narcotics investigations warranting Organized Crime Drug Enforcement Task Force (OCDETF) designation in accordance with OCDETF Program reimbursable funding.
- [5] During Fiscal Year 2021, restrictions due to the COVID-19 pandemic continued to impact day-to-day investigative activities, contributing to a longer cycle time for investigations completed. Additional factors, including years of steady decrease in the number of special agents (due to attrition and limited hiring) and a continued focus on traditional tax case programs (which tend to have longer cycle times), continued to impact the number of cases completed.
- [6] Both "indictments" and "informations" are accusations of criminal charges. An "indictment" is an accusation made by a Federal prosecutor and issued by a Federal grand jury. An "information" is an accusation brought by a Federal prosecutor without the requirement of a grand jury.
- [7] During Fiscal Year 2021, the COVID-19 pandemic continued to limit court availability throughout the country and impact day-to-day investigative activities in support of the judicial system, which contributed to fewer cases being processed. Additionally, years of steady decrease in the number of special agents has led to a decline in the total amount of cases initiated and consequently recommended for prosecution. Nevertheless, prior-year investigations continue to be recommended for prosecution and processed by the Department of Justice (DOJ). Criminal Investigation's management continues to ensure appropriate and consistent contact with the DOJ Tax Division and U.S. Attorney Offices regarding prosecutorial priorities and appropriate movement of investigations.
- [8] The term "incarcerated" may include prison time, home confinement, electronic monitoring, or a combination thereof.

SOURCE: Criminal Investigation, Communications and Education Division.

For more information about Criminal Investigation, visit: <https://www.irs.gov/pub/irs-pdf/p3583.pdf>

Delinquent Collection Activity, Fiscal Years 2012–2021

SOURCE: Selected IRS Data Books Table 25

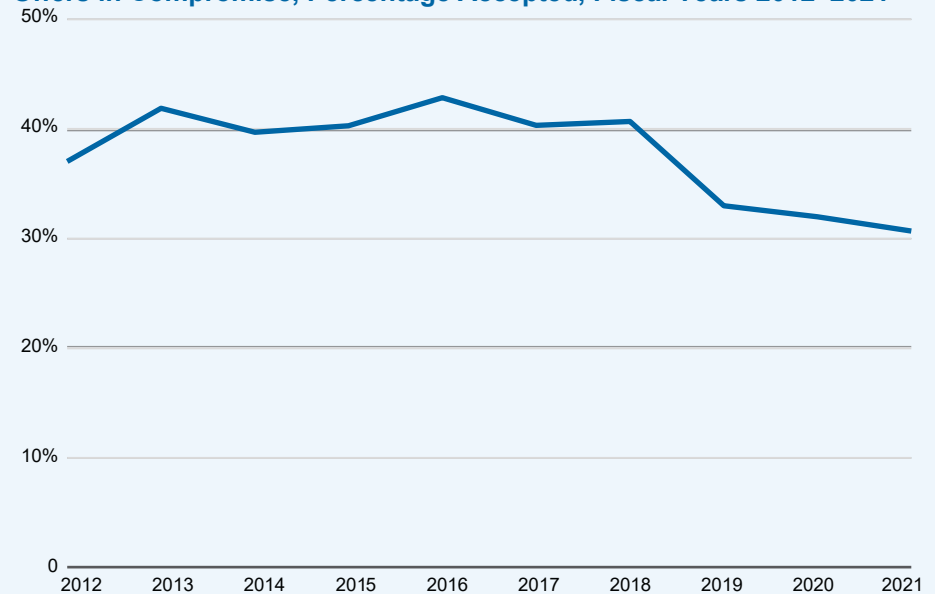
Collection Activities, Penalties, and Appeals

This section of the *IRS Data Book* presents information on collections and penalties resulting from individuals' or entities' failures to comply with the tax code. Failure to comply with filing, reporting, and payment requirements may result in civil penalties or, in some cases, criminal investigation. IRS's Collection function collects Federal taxes that have been reported or assessed but not paid and secures tax returns that have not been filed. The IRS may assess penalties on cases for many reasons, including inaccuracies, failure to file, and failure to pay, but may also allow for a reduction of the amount of some penalties in certain cases.

Additionally, this section presents data on the IRS Independent Office of Appeals workload. The mission of Appeals is to resolve tax controversies without litigation, on a basis that is fair and impartial to both the taxpayer and the Federal Government. The Appeals Office considers cases that involve examination, collection, and penalty issues. Taxpayers who disagree with IRS findings in their cases may request an Appeals hearing. The local Appeals Office is separate from and independent of the IRS office that proposed the tax adjustment, collection action, or penalty.

Highlights of the Data

- In Fiscal Year (FY) 2021, the IRS collected more than \$92.6 billion in unpaid assessments on returns filed with additional tax due, netting about \$59.5 billion after credit transfers (Table 25).
- The IRS assessed more than \$18.5 billion in additional taxes for returns not filed timely and collected almost \$2.8 billion with delinquent returns (Table 25).
- In FY 2021, taxpayers proposed 49,285 offers in compromise to settle existing tax liabilities for less than the full amount owed. IRS accepted 15,154 offers, amounting to more than \$220.9 million, during the year (Table 25).

Offers in Compromise, Percentage Accepted, Fiscal Years 2012–2021

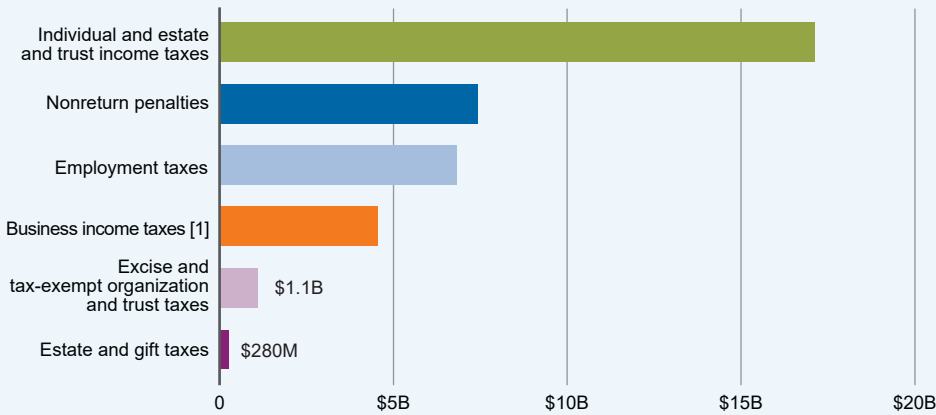
SOURCE: Selected IRS Data Books Table 25

Amount Collected From Installment Agreements, Fiscal Years 2018–2021



SOURCE: Selected IRS Data Books Table 25

Civil Penalties Assessed, by Type of Tax, Fiscal Year 2021

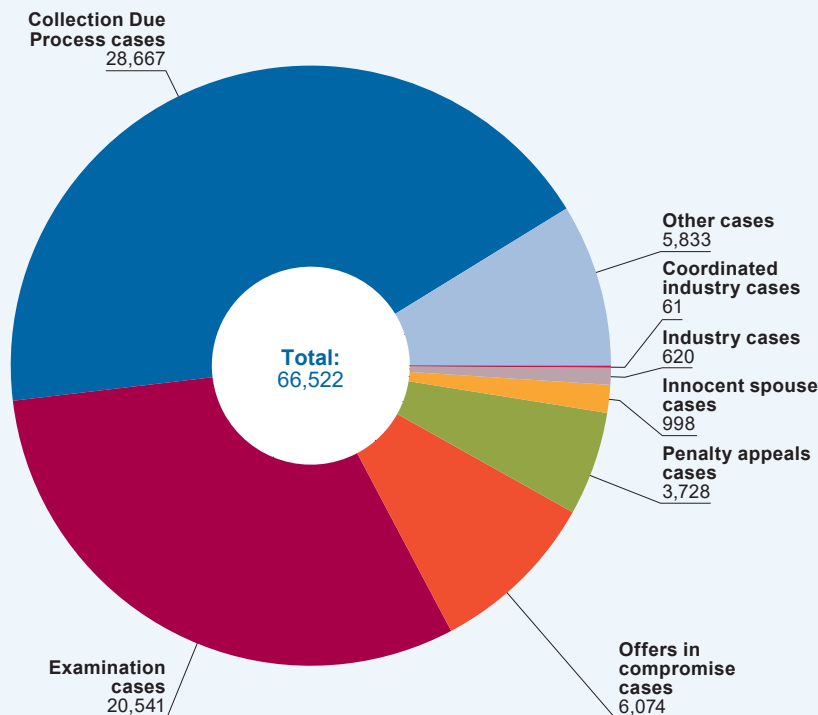


[1] Includes partnership, corporation, and S corporation income taxes.

SOURCE: 2021 IRS Data Book Table 26

- Taxpayers established nearly 2.4 million new installment agreements and paid almost \$13.7 billion toward all installment agreements in FY 2021 (Table 25).
- The IRS assessed \$37.3 billion in civil penalties in FY 2021. Of this, \$17.1 billion was assessed in civil penalties on individual and estate and trust income tax returns (Table 26).
- The IRS abated \$13.3 billion in civil penalties during the year, including \$2.7 billion in abatements for individual and estate and trust income tax returns (Table 26).
- During FY 2021, the IRS Appeals Office closed 66,522 cases, including those received in prior fiscal years (Table 27).
- Of all the Appeals cases closed in FY 2021, 43.1 percent were Collection Due Process cases and 30.9 percent were Examination cases (Table 27).

Appeals Cases Closed, by Type of Case, Fiscal Year 2021



SOURCE: 2021 IRS Data Book Table 27

Table 25. Delinquent Collection Activities, Fiscal Years 2020 and 2021

[Money amounts are in thousands of dollars]

Activity	2020	2021
Returns filed with additional tax due:		
Gross total yield from unpaid assessments [1]	60,324,317	92,627,815
Less: Credit transfers [2]	21,860,277	33,109,946
Equals: Net total amount collected	38,464,040	59,517,869
Taxpayer delinquent accounts:		
Number in beginning inventory	11,230,082	8,426,950
Number of new accounts	4,598,320	8,142,985
Number of accounts closed	7,401,452	6,291,609
Ending inventory:		
Number	8,426,950	10,278,326
Balance of assessed tax, penalties, and interest [3]	114,258,860	133,447,314
Returns not filed timely:		
Delinquent return activity:		
Net amount assessed [4]	14,373,309	18,544,481
Amount collected with delinquent returns	1,489,704	2,773,688
Taxpayer delinquency investigations [5]:		
Number in beginning inventory	2,644,059	3,335,794
Number of new investigations	2,257,180	413,224
Number of investigations closed	1,565,445	1,155,079
Number in ending inventory	3,335,794	2,593,939
Offers in compromise [6]:		
Number of offers received	44,809	49,285
Number of offers accepted	14,288	15,154
Amount of offers accepted	158,013	220,936
Enforcement activity:		
Number of notices of Federal tax liens filed [7]	291,081	212,251
Number of notices of levy requested on third parties [8]	396,269	305,610
Number of seizures [9]	77	96
Installment agreements [10]:		
Number in beginning inventory	4,241,975	3,891,791
Number of new agreements established [11]	1,825,378	2,361,646
Number of taxpayers that were full paid [12]	1,638,667	1,747,723
Number in ending inventory [11]	3,891,791	3,782,842
Amount collected for cases in installment agreement status [13]	12,517,754	13,676,673

- [1] Includes amounts collected through collection activity on previously unpaid assessed taxes plus assessed and accrued penalties and interest. Assessed tax may result from voluntarily filed returns, examinations of taxpayers' returns, or a combination of both.
- [2] In this instance, credit transfers are credits transferred from one tax module to another tax module where the receiving module is in collection status. A tax module is a record of tax data for a specific taxpayer covering one return for one tax period. These credit transfers are then subtracted from total yield to avoid overstating the net total amount collected.
- [3] Includes assessed penalties and interest but excludes any accrued penalties and interest. Assessed penalties and interest—usually determined simultaneously with the unpaid balance of tax—are computed on the unpaid balance of tax from the due date of the return to the date of assessment. Penalties and interest continue to accrue after the date of assessment until the taxpayer's balance is paid in full.
- [4] Includes net assessment of tax, penalty, and interest amounts (less prepaid credits, withholding, and estimated tax payments) on delinquent tax returns secured by collection activity. Excludes accrued penalty and interest.
- [5] A delinquency investigation is opened when a taxpayer does not respond to an IRS notice of a delinquent return.
- [6] An offer in compromise is a proposal by a taxpayer to the Federal Government that would settle a tax liability for payment of less than the full amount owed. Absent special circumstances, an offer will not be accepted if the IRS believes the liability can be paid in full as a lump sum or through a payment agreement.
- [7] Represents the number of lien requests entered into the IRS Automated Lien System.
- [8] Represents the number of levies requested upon third parties by the Automated Collection System and Field Collection programs.
- [9] Represents the number of seizures conducted by the Field Collection program.
- [10] An installment agreement (IA) is an arrangement which allows an individual or business to pay their tax liabilities over time. Generally, a taxpayer may apply for an IA online, by phone, by mail, or in person. Penalties and interest continue to accrue until the balance due has been paid in full.
- [11] The number of agreements represents the number of taxpayers with IAs, not the number of tax modules in an IA status. Does not include agreements of 180 days or less.
- [12] The number of taxpayers whose remaining module(s) were moved from an active IA status to fully paid status. Taxpayers' module(s) may leave an active IA status in ways other than through "Full Paid."
- [13] Includes penalties and interest; does not include user fees.

NOTES:

Detail may not add to totals because of rounding.

All amounts are in current dollars.

This table reflects delinquent collection activities for all return types.

Due to the COVID-19 pandemic, the IRS suspended most collection activities from March 30, 2020, through July 15, 2020, in order to provide relief to taxpayers and to ensure the health and safety of both taxpayers and IRS employees. Fiscal Year 2021 collections continued to be affected by the pandemic as additional collection activities resumed.

SOURCE: Small Business/Self-Employed, Collection, Performance Planning and Analysis, Collection Data Assurance/Specialty Reports and Plans.

Table 26. Civil Penalties Assessed and Abated, by Type of Tax and Type of Penalty, Fiscal Year 2021

[Money amounts are in thousands of dollars]

Type of tax and type of penalty	Civil penalties assessed [1]		Civil penalties abated [2]	
	Number	Amount	Number	Amount
	(1)	(2)	(3)	(4)
Civil penalties, total	40,914,975	37,333,117	4,621,826	13,319,162
Individual and estate and trust income taxes:				
Civil penalties, total [3]	33,393,194	17,132,623	3,069,510	2,702,606
Accuracy [4]	788,243	1,821,183	37,241	230,451
Bad check	1,041,858	96,592	55,027	18,976
Delinquency	3,404,985	4,568,266	430,604	1,081,078
Estimated tax	11,103,032	2,165,917	336,758	432,405
Failure to pay	17,048,457	8,028,212	2,209,541	903,366
Fraud	1,296	403,787	150	33,184
Other [5]	5,323	48,665	189	3,145
Partnership income taxes:				
Civil penalties, total	375,522	1,459,230	238,156	751,408
Bad check	528	19	d	d
Delinquency	374,980	1,458,910	236,356	713,700
Estimated tax	0	0	d	d
Failure to file electronically	0	0	837	34,343
Failure to pay	d	d	0	0
Failure to provide information [6]	d	d	929	3,362
Other [5]	0	0	0	0
Corporation income taxes:				
Civil penalties, total [7]	642,035	2,445,166	243,131	1,551,566
Accuracy [4]	2,777	229,803	321	60,521
Bad check	7,347	15,038	1,078	17,583
Delinquency	80,436	556,654	144,960	502,671
Estimated tax	223,121	659,269	19,863	370,293
Failure to pay	328,226	938,724	76,214	564,029
Fraud	54	37,031	5	31,842
Other	74	8,648	690	4,627
S corporation income taxes:				
Civil penalties, total	491,901	643,129	101,383	99,780
Bad check	0	0	0	0
Delinquency	489,349	639,022	101,063	97,607
Estimated tax	1,298	801	0	0
Failure to file electronically [8]	0	0	0	0
Failure to pay	1,254	3,306	320	2,173
Failure to provide information	0	0	0	0
Other	0	0	0	0
Employment taxes:				
Civil penalties, total [9]	5,031,317	6,839,917	795,428	4,437,893
Accuracy [4]	791	2,408	d	d
Bad check	203,784	32,256	10,161	32,184
Delinquency	813,044	1,087,829	74,262	402,249
Estimated tax	8,257	29,623	1,690	15,035
Failure to pay	2,795,969	1,279,932	481,242	620,735
Federal tax deposits	1,209,247	4,388,207	228,035	3,367,668
Fraud	79	4,090	0	0
Other	146	15,572	d	d
Excise taxes and tax-exempt organizations and trusts:				
Civil penalties, total [10]	741,756	1,101,688	133,248	702,490
Accuracy [4]	1,000	622	38	9
Bad check	6,027	1,859	230	1,278
Daily delinquency [11]	74,803	265,674	39,641	157,915
Delinquency	222,561	110,831	16,593	71,558
Estimated tax	12,599	3,209	587	994
Failure to pay	406,417	45,642	62,467	97,831
Federal tax deposits	708	7,960	170	2,622
Fraud	16	1,524	0	0
Other	17,625	664,367	13,522	370,282
Estate and gift taxes:				
Civil penalties, total [12]	5,114	280,163	2,328	766,038
Accuracy [4]	25	5,268	6	32,201
Bad check	26	2,112	7	569
Delinquency	1,741	160,763	722	637,555
Failure to pay	3,259	109,327	1,564	94,508
Fraud	0	0	0	0
Other	63	2,694	29	1,205
Nonreturn penalties [13]	234,136	7,431,200	38,642	2,307,380

Footnotes on next page.

Table 26. Civil Penalties Assessed and Abated, by Type of Tax and Type of Penalty, Fiscal Year 2021—Continued**Footnotes**

d—Not shown to avoid disclosure of information. However, the data are included in the appropriate totals.

- [1] Assessments of penalties included here were recorded in Fiscal Year (FY) 2021 regardless of the tax year to which the penalties may apply.
- [2] Abatements of penalties included here were recorded in FY 2021 regardless of the tax year to which the penalties may apply. An abatement is a reduction of assessed penalties. The IRS may approve an abatement of a penalty for: IRS error; reasonable cause; administrative and collection costs not warranting collection of penalty; discharge of penalty in bankruptcy; and the IRS's acceptance of partial payment of assessed penalty. Numbers and amounts represent only the portion of assessed penalties that were abated.
- [3] Represents penalties associated with the Form 1040 series (individual income tax return series) and Form 1041 (estate and trust income tax return).
- [4] Represents penalties for negligence; substantial understatement of income tax; substantial valuation misstatement; substantial understatement of pension liabilities; substantial estate or gift tax valuation understatement (under Internal Revenue Code section 6662); understatement of reportable transactions (under Internal Revenue Code section 6662A); and underpayment of stamp tax (under Internal Revenue Code section 6653).
- [5] Represents penalties related to Federal tax deposits, failure to supply taxpayer identification number, and failure to report tip income.
- [6] Represents penalties associated with failure to provide information on Forms 1065 (partnership return) or 8752 (required payment or refund for a partnership under Internal Revenue Code section 7519), or failure to file electronically Form 1065-B (large partnership return).
- [7] Represents penalties associated with the Form 1120 series (corporation income tax return series) and Form 990-T (tax-exempt organization unrelated business income tax return).
- [8] Represents penalties associated with failure to file electronically on Forms 1120-S (return for an S corporation) or 8752 (required payment or refund for an S corporation under Internal Revenue Code section 7519).
- [9] Represents penalties associated with Forms 940 (employer's Federal unemployment tax return); 941 (employer's tax return for income and Social Security taxes withheld for other than household and agricultural employees); 943 (employer's tax return for agricultural employees); 944 (employer's tax return); 945 (tax return for withheld income tax from nonpayroll distributions); 1040, Schedule H (household employment taxes); 1042 (tax return of withheld income tax on U.S.-source income of foreign persons); and CT-1 (railroad retirement tax return).
- [10] Represents penalties associated with Forms 11-C (occupational tax and registration for wagering return); 720 (excise tax return); 730 (excise tax return for wagering); 990 (tax-exempt organization information return); 990-PF (private foundation return); 1041-A (information return of charitable contribution deductions by certain trusts); 2290 (heavy highway vehicle use tax return); 4720 (excise tax return of charities and other persons); 5227 (split-interest trust information return); and 8886-T (disclosure by tax-exempt entity regarding prohibited tax shelter transaction).
- [11] Represents penalties under Internal Revenue Code sections 6652(c)(2)(A) and (B) related to tax-exempt organizations or trusts. Penalties are assessed on a daily basis for failure to file Forms 990 (tax-exempt organization information return); 1041-A (information return of charitable contribution deductions by certain trusts); 5227 (split-interest trust information return); or 8886-T (disclosure by tax-exempt entity regarding prohibited tax shelter transaction).
- [12] Represents penalties associated with Forms 706 (estate tax return) and 709 (gift tax return).
- [13] Represents various penalties assessed and abated for a wide range of noncompliant behaviors, such as noncompliance related to tax return preparers and to information returns (e.g., Forms 1099, W-2, 3520-A, 8027, and 8300), as well as aiding and abetting; frivolous return filings; and misuse of dyed fuel. Also includes trust fund recovery penalties. Withheld income and employment taxes, including Social Security taxes, railroad retirement taxes, or collected excise taxes, are collectively called trust fund taxes because employers actually hold the employee's money in trust until they make a Federal tax deposit in that amount. Trust fund recovery penalties are assessed when these employment taxes are not collected, accounted for, and paid timely. The amount of trust fund recovery penalties credited in Fiscal Year 2021 was \$734,998,522 and is included in the amount abated.

NOTES:

Detail may not add to totals because of rounding.

Due to continued challenges from the COVID-19 pandemic, IRS provided relief from some penalties in certain circumstances due to delays in IRS remittance processing.

SOURCE: Chief Financial Officer, Custodial Financial Management.

Table 27. Appeals Workload, by Type of Case, Fiscal Year 2021

Type of case	Cases received	Cases closed [1]	Cases pending September 30, 2021
	(1)	(2)	(3)
Total cases [2]	72,216	66,522	59,607
Collection Due Process cases [3]	27,420	28,667	28,970
Examination cases [4]	25,247	20,541	18,688
Penalty appeals cases [5]	4,772	3,728	2,651
Offers in Compromise cases [6]	6,858	6,074	5,396
Innocent spouse cases [7]	1,394	998	1,441
Industry cases [8]	711	620	833
Coordinated industry cases [9]	52	61	142
Other cases [10]	5,762	5,833	1,486

[1] Includes cases received in Fiscal Year 2021 and in prior fiscal years. Excludes cases transferred, reassigned, or returned to compliance as a premature referral.

[2] A case represents a taxpayer with one or more tax periods under consideration in Appeals. Cases that are temporarily assigned to Chief Counsel are not included in cases pending. See Tables 28 and 29 for information on Chief Counsel activity.

[3] Includes cases where the taxpayer requested a Collection Due Process (CDP) hearing with an Appeals Officer who has had no prior involvement with the case. A CDP hearing provides the taxpayer with an opportunity to appeal IRS collection actions early in the collection process in response to a notice of Federal tax lien or notice of intent to levy. This category excludes CDP timeliness determination cases, which are included in the "Other" category; see footnote 10.

[4] An examination case in Appeals involves issues in dispute by the taxpayer relating to income, employment, excise, estate, and gift taxes, or tax-exempt status.

[5] A penalty appeals case is one in which the taxpayer requests abatement of a civil penalty that was assessed before the taxpayer was given an opportunity to dispute the penalty. The taxpayer may submit a written request for abatement of the penalty, and if the request is denied, the taxpayer may appeal.

[6] An offer in compromise is an agreement between a taxpayer and the Federal Government that settles a tax liability for payment of less than the full amount owed. The IRS may reject a taxpayer's offer, and the taxpayer may request that Appeals review and decide whether the offer is acceptable.

[7] An innocent spouse case in Appeals is one in which the taxpayer requested and was denied innocent spouse relief by the IRS. This includes cases where a taxpayer who filed a joint return with a spouse or ex-spouse can apply for relief of tax, interest, and penalties if he/she meets specific requirements. The innocent spouse may request that Appeals review and decide whether or not the denial was correct.

[8] An industry case (IC) designation is assigned to a large corporate taxpayer that does not meet the criteria to be designated as a coordinated industry case (CIC); see footnote 9. An IC taxpayer may appeal the findings of an examination conducted by the IRS.

[9] A CIC designation is assigned to a large corporate taxpayer based on factors such as the taxpayer's gross assets, gross receipts, operating entities, industries, and/or foreign assets. A CIC taxpayer may appeal the findings of an examination conducted by the IRS.

[10] "Other" includes cases considered by Appeals involving issues related to abatement of interest, collection appeals program, Office of Professional Responsibility, Freedom of Information Act, trust fund recovery penalty, Collection Due Process timeliness determination, and other miscellaneous penalties as defined below:

Abatement of interest—Cases of disputed interest on tax deficiencies or payments in which IRS errors or delays may have contributed to the assessed interest.

Collection appeals program—Provides the taxpayer, or a third party whose property is subject to a collection action, an administrative appeal for certain collection actions including levy or seizure action that was or will be taken, notice of Federal tax lien that was or will be filed, and rejected or terminated installment agreements.

Office of Professional Responsibility—A tax professional may appeal the findings of the IRS Office of Professional Responsibility (OPR). OPR has oversight responsibility for tax professionals and investigates allegations of misconduct and negligence against attorneys, certified public accountants, enrolled agents, and other practitioners representing taxpayers before the IRS. In addition, IRS e-file applicants and providers may request an administrative review when the applicant is denied participation in IRS e-file or the provider is sanctioned while participating in IRS e-file.

Freedom of Information Act—A taxpayer may appeal the denial of a request for records made under the Freedom of Information Act.

Trust fund recovery penalty—An employer is required to pay trust fund taxes to the U.S. Treasury through Federal tax deposits. Withheld income and employment taxes, including Social Security taxes, railroad retirement taxes, or collected excise taxes, are collectively called trust fund taxes because employers actually hold the employee's money in trust until they make a Federal tax deposit in that amount. A trust fund recovery penalty applies to the responsible person(s) for the total amount of trust fund taxes evaded, not collected, or not accounted for and not paid to the U.S. Treasury. The taxpayer may appeal Collection's determination.

Collection Due Process timeliness determination—A taxpayer submits a request for a Collection Due Process (CDP) hearing and Equivalent Hearing (EH) and Appeals will determine if the CDP or EH request was received timely and is processable.

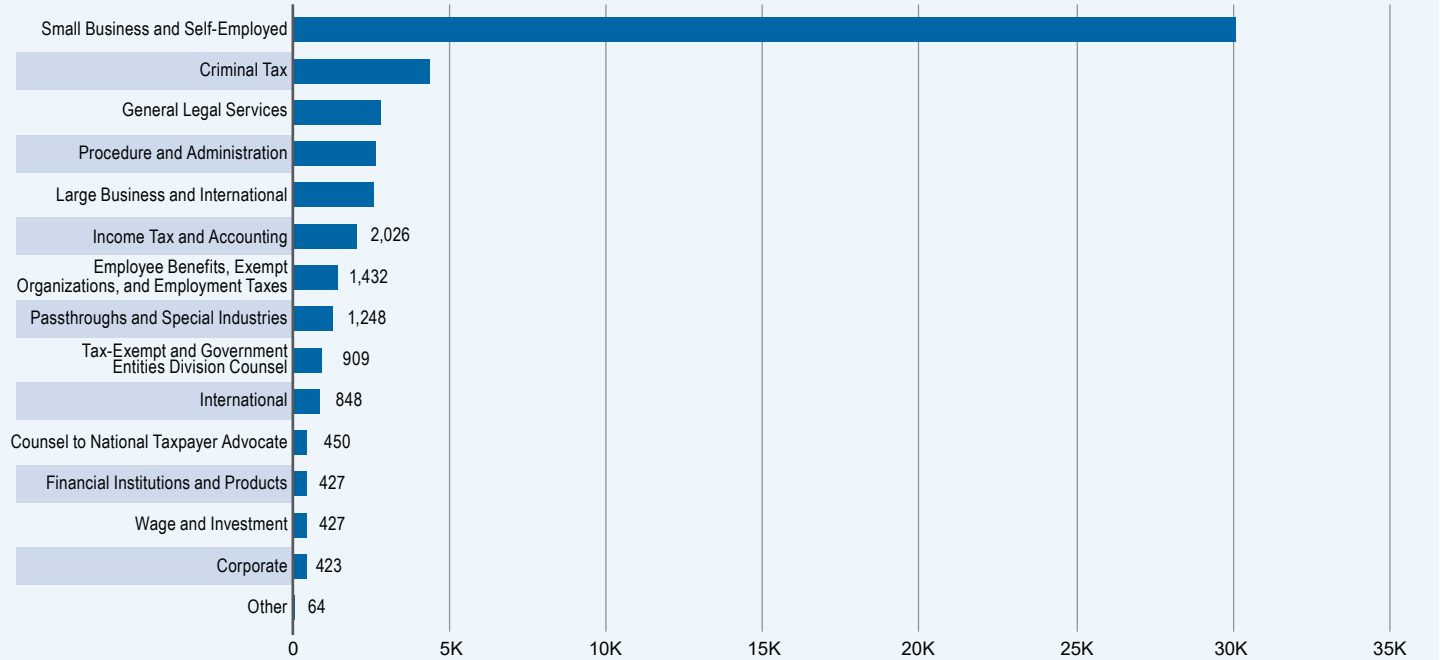
Other penalties—This subcategory includes a variety of different types of penalties that may be appealed. Tax return preparers may appeal penalties imposed under Internal Revenue Code (IRC) sections 6694 and 6695 for understatement of a taxpayer's tax liability or with respect to preparation of a tax return. Tax shelter promoters may appeal penalties imposed under IRC sections 6700 or 6701 for aiding and abetting an understatement of tax liability. A penalty imposed under IRC section 6715 for dyed diesel fuel may be appealed. A taxpayer may appeal the denial of an application for an extension of time to pay estate tax under the provisions of IRC section 6161. Also includes penalties imposed under other IRC sections not specified in this note.

NOTES:

Cases may cross fiscal years. Therefore, the workload of cases shown in this table may be related to cases initiated in prior years.

Due to continued challenges related to the COVID-19 pandemic and shutdowns to protect the health and safety of employees, in Fiscal Year 2021, Appeals continued to experience decreased case receipts, which are supplied by different business units across the Service.

SOURCE: Appeals, Policy, Planning Quality and Analysis.

Chief Counsel Workload: Total Cases Closed, by Office, Fiscal Year 2021

SOURCE: 2021 IRS Data Book Table 28

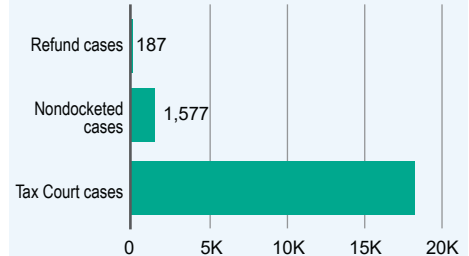
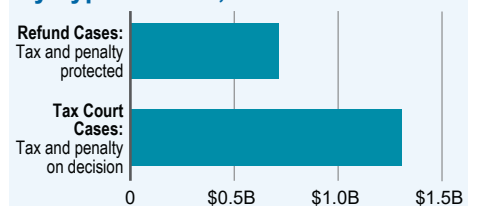
Chief Counsel

This section of the *Data Book* provides an overview of the IRS Chief Counsel's workload and activities. The IRS Chief Counsel is appointed by the President of the United States, with the advice and consent of the U.S. Senate, and serves as the chief legal advisor to the IRS Commissioner on all matters pertaining to the interpretation, administration, and enforcement of the Internal Revenue Code, as well as all other legal matters. Under the IRS Restructuring and Reform Act of 1998, the Chief Counsel reports to both the IRS Commissioner and the Treasury General Counsel.

Attorneys in the Chief Counsel's Office serve as lawyers for the IRS. They provide the IRS and taxpayers with guidance on interpreting Federal tax laws correctly, represent the IRS in litigation, and provide all other legal support required to carry out the IRS mission.

Highlights of the Data

- In Fiscal Year (FY) 2021, Chief Counsel received 60,869 cases and closed 50,665 cases, including some received in prior years (Table 28).
 - Approximately 59.4 percent of closed cases were from the Small Business/Self-Employed Division (Table 28).
 - Of the 50,665 cases closed, Chief Counsel closed 11.5 percent through guidance and assistance.
- This includes published guidance, advanced case resolution, treaties, legislation, Congressional and executive correspondence, training and public outreach, and prefiling legal advice to the IRS (Table 28).
- Nearly 83.0 percent of new cases received and 79.5 percent of cases closed were related to tax law enforcement and litigation, including Tax Court litigation; collection, bankruptcy, and summons advice

Total Tax Litigation Cases Closed, by Type of Case, Fiscal Year 2021**Amount of Tax and Penalty, by Type of Case, Fiscal Year 2021**

SOURCE: 2021 IRS Data Book Table 29

and litigation; Appellate Court litigation; criminal tax; and enforcement advice and assistance (Table 28).

- In FY 2021, Chief Counsel received 28,387 Tax Court cases involving a taxpayer contesting an IRS determination that he or she owed additional tax. During the fiscal year, Chief Counsel closed 18,199 cases involving almost \$4.3 billion in disputed taxes and penalties (Table 29).

Table 28. Chief Counsel Workload: All Cases, by Office and Type of Case, Fiscal Year 2021

Office and type of case	Cases received	Cases closed	Cases pending September 30, 2021
	(1)	(2)	(3)
Chief Counsel (All Offices):			
Total	60,869	50,665	54,330
Guidance and assistance [1]	5,996	5,827	4,619
Tax law enforcement and litigation [2]	50,497	40,295	47,251
Other legal services to the IRS [3]	4,376	4,543	2,460
Corporate [4]:			
Total	420	423	306
Guidance and assistance	181	200	169
Tax law enforcement and litigation	141	123	d
Other legal services to the IRS	98	100	d
Criminal Tax [5]:			
Total	4,301	4,346	387
Guidance and assistance	90	79	23
Tax law enforcement and litigation	4,180	4,240	352
Other legal services to the IRS	31	27	12
Employee Benefits, Exempt Organizations, and Employment Taxes [6]			
Total	2,003	1,432	1,180
Guidance and assistance	1,419	893	987
Tax law enforcement and litigation	248	217	161
Other legal services to the IRS	336	322	32
Financial Institutions and Products [7]:			
Total	508	427	590
Guidance and assistance	326	290	425
Tax law enforcement and litigation	113	72	154
Other legal services to the IRS	69	65	11
General Legal Services [8]:			
Total	2,476	2,780	1,987
Guidance and assistance	34	d	22
Tax law enforcement and litigation	0	d	25
Other legal services to the IRS	2,442	2,733	1,940
Income Tax and Accounting [9]:			
Total	1,719	2,026	950
Guidance and assistance	834	1,172	599
Tax law enforcement and litigation	666	646	321
Other legal services to the IRS	219	208	30
International [10]:			
Total	912	848	1,330
Guidance and assistance	352	440	623
Tax law enforcement and litigation	389	242	679
Other legal services to the IRS	171	166	28
Large Business and International [11]:			
Total	2,622	2,561	2,817
Guidance and assistance	138	157	149
Tax law enforcement and litigation	2,260	2,193	2,631
Other legal services to the IRS	224	211	37
Counsel to National Taxpayer Advocate [12]			
Total	448	450	47
Guidance and assistance	342	335	37
Tax law enforcement and litigation	84	95	7
Other legal services to the IRS	22	20	3
Passthroughs and Special Industries [13]:			
Total	1,354	1,248	669
Guidance and assistance	685	654	461
Tax law enforcement and litigation	482	413	186
Other legal services to the IRS	187	181	22

Footnotes at end of table.

Table 28. Chief Counsel Workload: All Cases, by Office and Type of Case, Fiscal Year 2021—Continued

Office and type of case	Cases received	Cases closed	Cases pending September 30, 2021
	(1)	(2)	(3)
Procedure and Administration [14]:			
Total	3,430	2,646	3,649
Guidance and assistance	831	803	656
Tax law enforcement and litigation	2,196	1,522	2,681
Other legal services to the IRS	403	321	312
Small Business and Self-Employed [15]:			
Total	39,193	30,078	39,200
Guidance and assistance	401	360	312
Tax law enforcement and litigation	38,770	29,684	38,868
Other legal services to the IRS	22	34	20
Tax-Exempt and Government Entities Division Counsel [16]:			
Total	1,034	909	1,095
Guidance and assistance	105	112	d
Tax law enforcement and litigation	929	797	1,028
Other legal services to the IRS	0	0	d
Wage and Investment [17]:			
Total	409	427	46
Guidance and assistance	219	226	28
Tax law enforcement and litigation	38	49	8
Other legal services to the IRS	152	152	10
Other [18]:			
Total	40	64	77
Guidance and assistance	d	60	62
Tax law enforcement and litigation	d	d	15
Other legal services to the IRS	0	d	0

d—Not shown to avoid disclosure of information about specific taxpayers. However, the data are included in the appropriate totals.

- [1] Includes published guidance, advanced case resolution, treaties, legislation, Congressional and executive correspondence, training and public outreach, and pre-filing legal advice to the IRS.
- [2] Includes Tax Court litigation; collection, bankruptcy, and summons advice and litigation; Appellate Court litigation; criminal tax; and enforcement advice and assistance. See Table 29 for tax litigation case information.
- [3] Includes electronic and other tax filing legal advice, disclosure advice and litigation, and general legal services advice and litigation.
- [4] Provides legal advice, litigation services and litigation support on matters involving corporate organizations, reorganizations, liquidations, spin-offs, transfers to controlled corporations, distributions to shareholders, debt vs. equity determinations, bankruptcies, and consolidated return issues affecting groups of affiliated corporations among other matters.
- [5] Provides advice and legal counsel to IRS Criminal Investigation in all areas of the Criminal Tax function including tax, currency, virtual currency, cybersecurity, and money laundering crimes and criminal procedure; legal counsel on investigative matters such as administrative and grand jury investigations, undercover operations, electronic surveillance, search warrants, the use of emerging investigative technologies, and forfeitures, the referral of cases to the Department of Justice for grand jury investigation, criminal prosecution and the commencement of forfeitures; and coordination with external law enforcement agencies, other offices within the IRS and the Office of Chief Counsel on all matters involving Criminal Tax, including the impact of parallel civil proceedings.
- [6] Provides legal advice, litigation services and litigation support on matters involving employee benefits including qualified retirement plans, IRAs, executive compensation arrangements, and health and welfare plans, exempt organizations, employment taxes, and certain issues related to Federal, State, local, and Indian Tribal governments.
- [7] Provides legal advice, litigation services and litigation support on tax matters involving financial institutions and the taxation of financial products to include banks, thrift institutions, insurance companies, regulated investment companies, real estate investment trusts, asset securitization arrangements, life insurance contracts, annuities, options, futures contracts, original issue discount obligations, hedging arrangements, and government entities issues including tax-exempt bonds and other types of innovative financial instruments and entities.
- [8] Provides litigation services and litigation support to the Department of Justice on matters involving personnel, discrimination, labor-management, fiscal and appropriations, and procurement; provides advisory opinions on non-tax legal matters, including labor and personnel matters, procurement, information technology and cybersecurity law, licenses, grants, fiscal law, intellectual property law, delegations of authority, and other matters related to the management of the agency; serves as the agency's Deputy Ethics Official, providing ethics training, ethics advice, and reviewing public financial disclosure reports.
- [9] Provides legal advice, litigation services, and litigation support on tax matters involving recognition and timing of income and deductions by individuals and corporations, sales and exchanges, capital gains and losses, accounting methods and periods, depreciation and other cost recovery issues, installment sales, long-term contracts, inventories, and alternative minimum tax.
- [10] Provides legal advice, technical guidance (including guidance published in the Federal Register and/or Internal Revenue Bulletin), and litigation support on matters involving the international provisions of the United States revenue laws, bilateral and multilateral tax treaties, and agreements to which the United States is a party. Participates in the Organization for Economic Cooperation and Development (OECD) as a delegate for the United States.
- [11] Represents the IRS in litigation before the U.S. Tax Court on the largest and most complex cases, such as transfer pricing, international transactions, financial products, validity challenges to regulations under the Tax Cuts and Jobs Acts, complex partnership cases, abusive tax shelter transactions, and whistleblowers. Large Business and International (LB&I) provides enforcement advice in connection with examinations of corporations, subchapter S corporations, and partnerships with assets greater than \$10 million. LB&I assists the Department of Justice in cases before the U.S. District Courts. LB&I is the second largest Chief Counsel Division.

Footnotes continued on next page.

Table 28. Chief Counsel Workload: All Cases, by Office and Type of Case, Fiscal Year 2021—Continued**Footnotes—continued**

- [12] Provides legal advice to the Office of the Taxpayer Advocate led by the National Taxpayer Advocate (NTA) and headquarters employees of the Taxpayer Advocate Service (TAS) relating to the NTA jurisdiction under Internal Revenue Code (IRC) section 7803(a)(3) and (c); IRC section 7811, Taxpayer Assistance Orders (TAOs); IRC section 7526, Low Income Taxpayer Clinics (LITCs); Taxpayer Advocate Directives (TADs); the scope of TAS's statutory authority or delegated authority; and issues regarding TAS legislative proposals or any other matter related to the NTA's Annual Reports to Congress.
- [13] Provides legal advice, litigation services and litigation support on tax matters involving income taxes of S corporations, partnerships (including limited liability companies), trusts, estates, gifts, generation-skipping transfers, certain excise taxes, income tax credits, cooperative housing corporations, farmers' and other cooperatives, low-income housing credit, research and expenditures, and certain homeowner associations.
- [14] Provides legal advice, litigation services, and litigation support on matters involving reported and paid taxes; assessment and collection of taxes (including interest and penalties); abatement, credit or refund of overassessments or overpayments of tax; filing information returns; bankruptcy, summonses, information gathering and discovery, including electronic discovery; Federal tax liens and levies; damage claims; attorney fees; disclosure, privacy and Freedom of Information Act issues, and privileges; judicial practice and judicial doctrines; argues motions before Tax Court and provides litigation support on novel and significant issues, including electronic litigation; and challenging legal issues which are fundamental to efficient tax administration, i.e., issues arising in connection with numerous IRS initiatives and enforcement activities often in the context of an increasingly computerized and Internet-based tax system (e.g., regulation challenges).
- [15] Represents the IRS before the U.S. Tax Court in approximately 28,000 new petitions annually. This litigation is conducted in person, in cities across the country (virtually during the pandemic), involving a vast array of issues such as estate and gift tax, passport revocations, collection due process, fraud and other penalties, and issues significant to tax administration such as abusive tax transactions. The Division is also at the forefront of a "settlement days" program, offered both virtually and in person, where taxpayers have an expedited opportunity to resolve their pending Tax Court cases by working with Low Income Tax Clinics and pro bono attorneys and negotiating with the Division's legal staff. Small Business and Self-Employed (SB/SE) also works directly with IRS field staff providing legal advice on tax cases involving individuals, small businesses, partnerships, LLCs, LLPs, corporations, S corporations with less than \$10 million in assets, promoter and preparer penalties, offshore matters, and in all cases involving collection and bankruptcy, estate and gift, passports, and excise taxes. SB/SE also provides assistance to the Department of Justice in the handling of collection, refund, and other cases in the U.S. District Courts and U.S. Court of Federal Claims. SB/SE is the largest Chief Counsel Division.
- [16] Provides legal services on program matters, including tax issues relating to employee benefit programs (including qualified retirement plans, deferred compensation arrangements, and health and welfare programs), IRAs, executive compensation, exempt organizations, Federal, State, local, and Indian Tribal governments, tax exempt bonds, and employment tax. The Tax-Exempt and Government Entities (TE/GE) Division Counsel also directs the Counsel-wide litigation programs with respect to these issues. TE/GE Division Counsel employs attorneys nationwide.
- [17] Provides legal services on matters involving taxpayers who generally have income reported only on Forms W-2 and 1099 to include advice and support of the Wage and Investment (W&I) Division Commissioner and his headquarters' staff; collaboration with W&I to formulate Division policies, programs, systems, and strategies to better serve their taxpayer segment and other taxpayers; provides guidance and legal support to all of the functions within W&I, including those that provide servicewide services, customer service, and processing activities; and collaboration with Associate Chief Counsel offices and headquarters and field staff of the Chief Counsel Office of the Division Counsel (Small Business/Self-Employed) to provide legal services to the nationwide IRS W&I Division.
- [18] Includes the immediate offices of the Chief Counsel, the Finance and Management Division, and the Executive Counsel.

NOTE: Cases may cross fiscal years. Therefore, the workload of cases shown in this table may be related to cases initiated in prior years.

SOURCE: Chief Counsel, Associate Chief Counsel, Finance and Management, Planning and Finance Division.

Table 29. Chief Counsel Workload: Tax Litigation Cases, by Type of Case, Fiscal Year 2021

[Money amounts are in millions of dollars]

Type of case	Number or amount
Total cases:	
Received	30,172
Closed	19,963
Pending September 30, 2021	33,954
Tax Court cases [1]:	
Cases received:	
Number	28,387
Amount of tax and penalty in dispute [2]	8,085,945
Cases closed:	
Number	18,199
Amount of tax and penalty in dispute [2]	4,289,994
Amount of tax and penalty on decision [3]:	
Total	1,304,967
Default or dismissed	300,756
Settled	947,095
Tried and decided	57,116
Cases (excluding appeals) pending September 30, 2021:	
Number	32,559
Amount of tax and penalty in dispute [2]	26,579,684
Cases on appeal pending September 30, 2021:	
Number pending September 30, 2021	376
Amount of tax and penalty pending September 30, 2021 [2]	1,890,137
Refund cases [4]:	
Cases received:	
Number	182
Amount of tax and penalty in dispute [2]	283,184
Cases closed:	
Number	187
Amount of tax and penalty in dispute [2]	835,180
Amount of tax and penalty protected [5]:	
Total	714,039
District Court	342,083
Court of Federal Claims	371,956
Cases (excluding appeals) pending September 30, 2021:	
Number	757
Amount of tax and penalty in dispute [2]	7,130,690
Cases on appeal pending September 30, 2021:	
Number pending September 30, 2021	13
Amount of tax and penalty pending September 30, 2021 [2]	159,606
Number of nondocketed cases [6]:	
Received	1,603
Closed	1,577
Pending September 30, 2021	249

[1] Tax Court cases involve a taxpayer contesting the Internal Revenue Service's determination that the taxpayer owes additional taxes and/or penalties, or other issues over which the court has jurisdiction. The Tax Court generally provides a forum for a taxpayer to request a determination of the disputed liabilities (or other issues) prior to assessment or payment of the taxes allegedly owed.

Examples of other cases that may be considered by the Tax Court include:

Abatement or Suspension of Interest—Cases concerning whether the IRS abused its discretion either by not abating interest accrued as a result of certain unreasonable errors or delays, or by not suspending the accrual of interest where the IRS does not contact the taxpayer in a timely manner.

Collection Due Process—Cases where a taxpayer requested a hearing with the IRS Independent Office of Appeals in response to a notice of Federal tax lien or notice of intent to levy.

Innocent Spouse—Cases in which a taxpayer who filed a joint return with a spouse or ex-spouse may request relief from joint and several liability for amounts shown or not shown on the joint return if he/she meets specific requirements.

Tax-Exempt Status—Cases where an organization disputes IRS's revocation or denial of tax-exempt status.

Whistleblower (under Internal Revenue Code (IRC) section 7623)—Cases involving the amount or denial of a whistleblower award.

Passport (under IRC section 7345)—Cases where a taxpayer contests whether the IRS's certification to the Secretary of State of a taxpayer owing a seriously delinquent tax debt was erroneous or that the Commissioner failed to reverse the certification.

Worker Classification (under IRC section 7436)—Cases where a taxpayer contests the reclassification of workers it treated as nonemployees to employees, and the resulting employment tax liabilities, interest, and penalties.

Footnotes continued on next page.

Table 29. Chief Counsel Workload: Tax Litigation Cases, by Type of Case, Fiscal Year 2021—Continued**Footnotes—Continued**

- [2] The amount of tax and penalty in dispute excludes interest. Cases pending on appeal are in the Circuit Court and the Supreme Court and therefore are excluded from regular pending Tax Court and refund cases.
- [3] Reflects the amount a taxpayer owes (as determined by the Tax Court except for settlements), excluding offsetting overpayments and interest.
- [4] Refund cases involve taxpayers seeking refunds of claimed overpayments after tax liability has been fully paid. A taxpayer may seek a refund of taxes, interest, and/or penalties paid.
- [5] Tax protected is the amount claimed by the taxpayer in a suit for a refund of previously paid taxes that is not awarded to the taxpayer in the court's judgment.
- [6] Nondocketed cases are cases in which a court petition was not filed, and Chief Counsel reviewed and advised on a statutory notice of deficiency. A statutory notice of deficiency is a legal notice the IRS sends a taxpayer that lays out the taxpayer's tax deficiency, including tax and penalties owed. If taxpayers receive a statutory notice of deficiency from the IRS, they have 90 days to petition the Tax Court regarding the deficiency outlined in the letter.

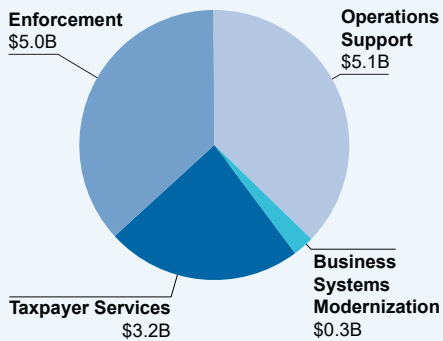
NOTES:

Detail may not add to totals because of rounding.

Number of cases and amounts in dispute can vary widely from year to year due to a variety of factors including the number and timing of prior-year receipts.

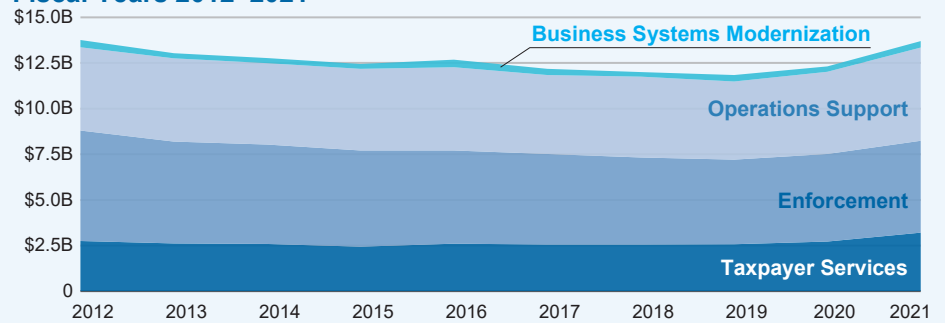
SOURCE: Chief Counsel, Associate Chief Counsel, Finance and Management, Planning and Finance Division.

Costs Incurred by Budget Activity, Fiscal Year 2021



SOURCE: 2021 IRS Data Book Table 30

Costs Incurred by Budget Activity (Constant 2021 Dollars), Fiscal Years 2012–2021



NOTE: Inflation-adjusted amounts were calculated using the U.S. Bureau of Economic Analysis, Nondefense Gross Domestic Product Chain-type Price Index with a 2021 base year.

SOURCE: Selected IRS Data Books Table 30

IRS Budget and Workforce

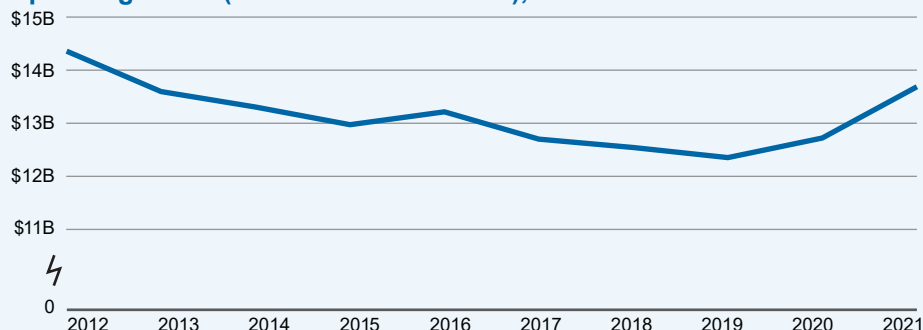
This section of the *Data Book* provides an overview of IRS budget activities, including funding for taxpayer services, enforcement, operations support, and business systems modernization. Taxpayer Services funding includes the processing of tax returns and related documents, as well as assistance to taxpayers filing returns and paying taxes due. Enforcement funding includes the examination of tax returns, collection of balances due, and administrative and judicial settlement of taxpayer appeals of examination findings. Operations Support

provides administrative services, policy management, and IRS-wide support necessary to deliver taxpayer-facing service and enforcement programs. This appropriation also funds staffing, equipment, and related costs, which are used to manage, maintain, and operate critical information systems supporting tax administration. The Business Systems Modernization appropriation funds capital asset acquisition of information technology systems. This section also includes information on the size and diversity of the IRS workforce.

Highlights of the Data

- IRS's actual expenditures were \$13.7 billion for overall operations in Fiscal Year (FY) 2021, including supplemental funding to support the IRS's COVID-19 pandemic-related activities (Table 30).
- Taxpayer Services funding accounted for \$3.2 billion, 23.4 percent, of the total FY 2021 budget (Table 30).
- Enforcement funding represented slightly more than \$5.0 billion, 36.7 percent of all funding (Table 30).
- The IRS spent more than \$5.1 billion in operations support in FY 2021, accounting for 37.3 percent of the overall budget (Table 30).
- The balance of IRS's FY 2021 expenditures, about \$348 million, was spent on business systems modernization (Table 30).
- The total cost of collecting \$100 was \$0.33 in FY 2021 (Table 31).
- In FY 2021, the IRS used 78,661 full-time equivalent (FTE) positions to conduct its work, a decrease

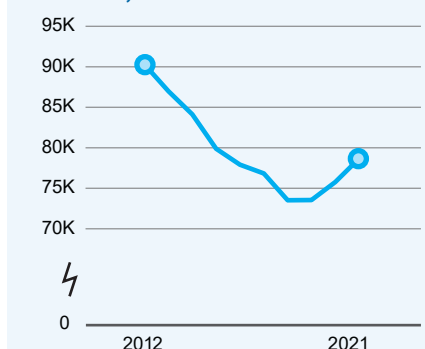
Operating Costs (Constant 2021 Dollars), Fiscal Years 2012–2021



NOTE: Inflation-adjusted amounts were calculated using the U.S. Bureau of Economic Analysis, Nondefense Gross Domestic Product Chain-type Price Index with a 2021 base year.

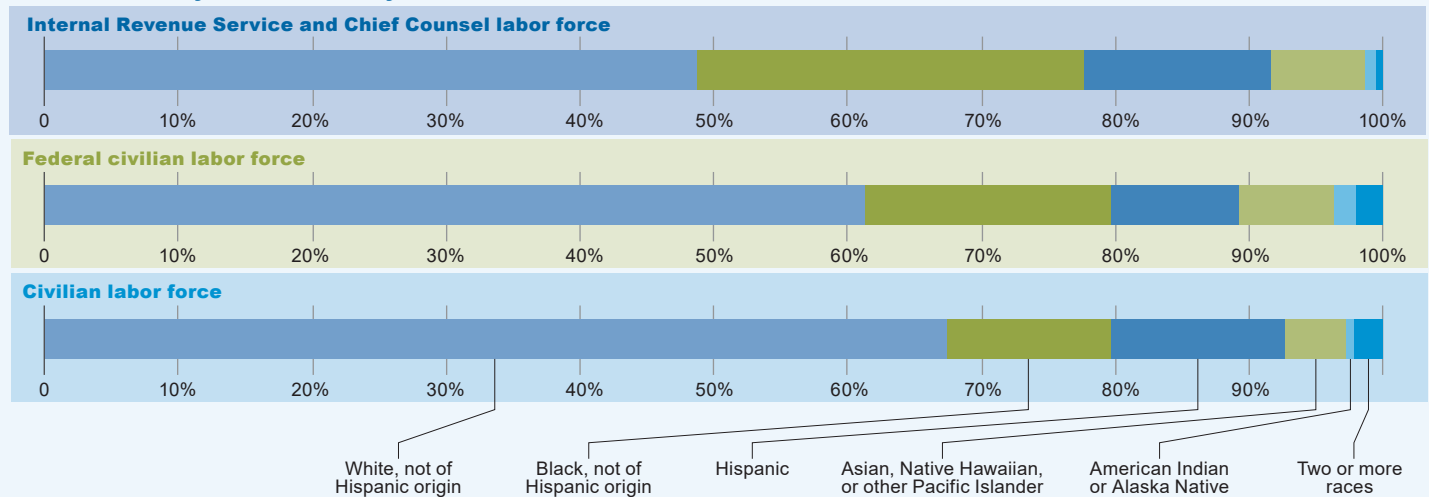
SOURCE: Selected IRS Data Books Table 31

Full-time Equivalent Positions Realized, Fiscal Years 2012–2021



SOURCE: Selected IRS Data Books Table 32

Internal Revenue Service and Chief Counsel Labor Force, Compared to National Totals for the Civilian Labor Force, by Race/Ethnicity, Fiscal Year 2021



SOURCE: 2021 IRS Data Book Table 33

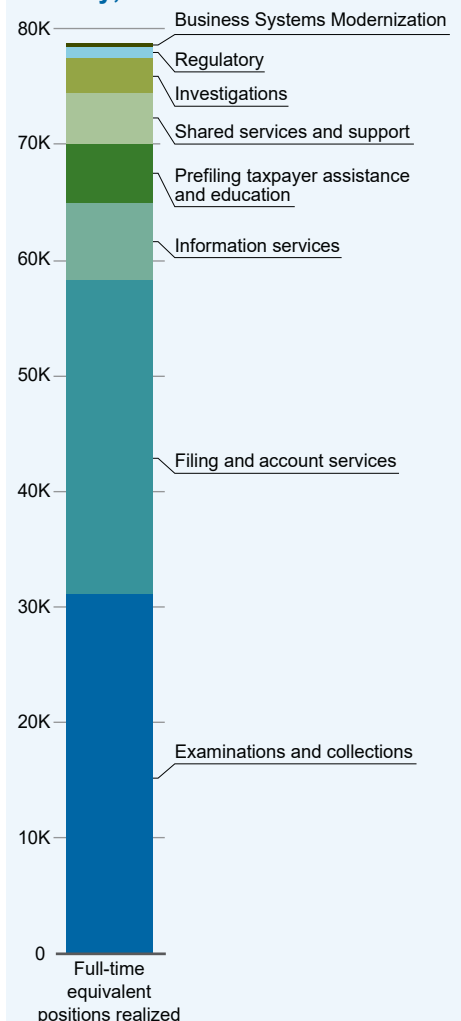
of 12.9 percent since FY 2012 (Table 32).

- Approximately 44.6 percent of the FY 2021 FTE positions were dedicated to enforcement and 40.1 percent were dedicated to taxpayer services (Table 32).
- At the end of FY 2021, the IRS and Chief Counsel workforce classified with racial and ethnic backgrounds other than White comprised 51.2

percent of the workforce, compared to 38.6 percent share of the overall Federal civilian labor force (Table 33).

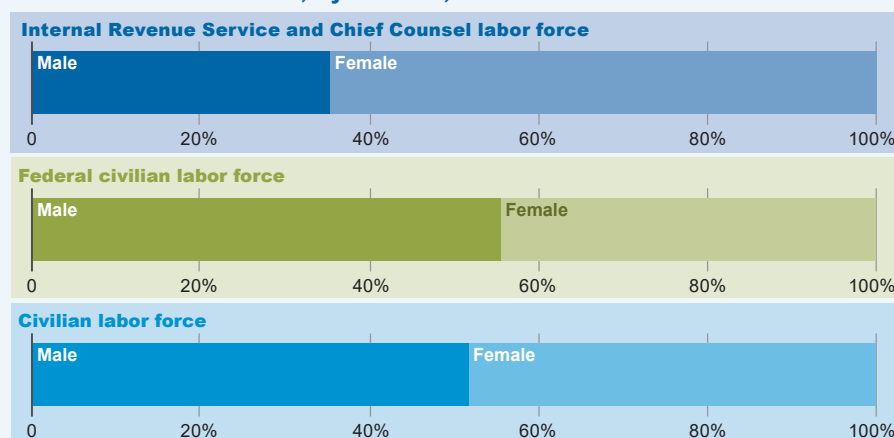
- Women represented 64.7 percent of IRS and Chief Counsel personnel, compared to 44.4 percent of the overall Federal civilian labor force (Table 33).
- Veterans comprised 9.5 percent of the IRS and Chief Counsel workforce (Table 33).

Personnel Summary, by Budget Activity, Fiscal Year 2021



SOURCE: 2021 IRS Data Book Table 32

Internal Revenue Service Labor Force, Compared to National Totals for Civilian Labor Force, by Gender, Fiscal Year 2021



SOURCE: 2021 IRS Data Book Table 33

Table 30. Costs Incurred by Budget Activity, Fiscal Years 2020 and 2021

[Money amounts are in thousands of dollars]

Budget activity	Total [1]		Personnel compensation and benefits [2]		Other [3]	
	2020	2021	2020	2021	2020	2021
	(1)	(2)	(3)	(4)	(5)	(6)
Total obligations against appropriated funds	12,316,275	13,701,027	8,784,534	9,378,188	3,531,741	4,322,839
Taxpayer Services [4]:						
Total	2,719,665	3,208,793	2,456,085	2,793,975	263,580	414,818
Prefiling taxpayer assistance and education	633,345	674,045	556,196	589,447	77,149	84,598
Filing and account services	2,086,320	2,534,748	1,899,889	2,204,528	186,431	330,220
Enforcement [5]:						
Total	4,802,870	5,027,283	4,499,729	4,701,248	303,141	326,035
Investigations	640,254	681,471	552,889	581,543	87,365	99,928
Examinations and collections	4,005,102	4,187,045	3,791,742	3,962,108	213,360	224,937
Regulatory	157,514	158,767	155,098	157,597	2,416	1,170
Operations Support [6]:						
Total	4,494,861	5,117,036	1,763,451	1,825,475	2,731,410	3,291,561
Infrastructure	884,855	916,663	478	328	884,377	916,335
Shared services and support	1,070,806	1,376,986	686,256	706,443	384,550	670,543
Information services	2,539,200	2,823,387	1,076,717	1,118,704	1,462,483	1,704,683
Business Systems Modernization [7]	298,879	347,915	65,269	57,491	233,610	290,424

[1] Excludes costs reimbursed by other Federal agencies and private entities for services performed for these external parties. The IRS received supplemental funding to respond to the COVID-19 pandemic as follows: \$765.7 million available to spend in Fiscal Year (FY) 2020 and FY 2021 through the CARES Act and the Families First Coronavirus Response Act (FFCRA); \$509 million available to spend in FY 2021 through the Consolidated Appropriations Act of FY 2021; and \$1,861.7 million (\$397.2 million of which is available to spend through FY 2022 and \$1,464.5 million through FY 2023) through the American Rescue Plan (ARP). Obligations included: \$765.1 million from CARES Act/FFCRA funds (\$438.5 million during FY 2020 and \$326.6 million during FY 2021); \$502.1 million from the Consolidated Appropriations Act; and \$453.2 million from ARP funds.

[2] Includes salaries, terminal leave payments, availability pay, pay differential, overtime and holiday pay, cash awards, incentive awards, obligation for uncashed payroll checks, expert and witness fees, rewards to informants, employer's share of personnel benefits costs, reimbursements for professional liability insurance, recruitment bonuses, commuting subsidies, retention bonuses, student loan repayments, relocation bonuses, gainsharing awards, cost of living allowances, overseas allowance grants, domestic and foreign income tax reimbursement allowances, worker's compensation benefits, moving expenses/relocation allowances, severance pay, and unemployment compensation payments.

[3] Includes contracts, travel, transportation of things, rent, communications, utilities, printing and reproduction, advisory and assistance services, supplies and materials, operation and maintenance of facilities, research and development services, medical care, operation and maintenance of equipment, subsistence and support of persons, acquisition of assets, equipment, land and structures, investments, grants, and refunds.

[4] The Taxpayer Services appropriation funds prefiling assistance and education, filing and account services, and taxpayer advocacy services.

[5] The Enforcement appropriation funds activities to determine and collect owed taxes, to provide legal and litigation support, to conduct criminal investigations, to enforce criminal statutes related to violations of Internal Revenue laws and other financial crimes, and to purchase and hire motor vehicles.

[6] The Operations Support appropriation funds activities to support taxpayer services and enforcement programs, including rent payments; facilities services; printing; postage; physical security; headquarters and other IRS-wide administration activities; research and statistics of income; telecommunications; information technology development, enhancement, operations, maintenance, and security; and the hire of motor vehicles (nonpolice-type use).

[7] The Business Systems Modernization appropriation funds the capital asset acquisition of information technology systems including management and related contractual costs of such acquisition and including contractual costs associated with operations.

NOTE: All money amounts are in current dollars.

SOURCE: Chief Financial Officer, Corporate Budget.

Table 31. Collections, Costs, Personnel, and U.S. Population, Fiscal Years 1992–2021

Fiscal year	Gross collections (thousands of dollars) [1]	Operating costs (thousands of dollars) [2]	Cost of collecting \$100 (dollars)	U.S. population (thousands) [3]	Average tax per capita (dollars) [4]	Full-time equivalent positions realized [5]
	(1)	(2)	(3)	(4)	(5)	(6)
1992	1,120,799,558	6,536,336	0.58	257,861	4,347	116,673
1993	1,176,685,625	7,077,985	0.60	261,163	4,506	113,460
1994	1,276,466,776	7,245,344	0.57	264,301	4,830	110,748
1995	1,375,731,836	7,389,692	0.54	267,456	5,144	112,024
1996	1,486,546,674	7,240,221	0.49	270,581	5,494	106,642
1997	1,623,272,071	7,163,541	0.44	273,852	5,928	101,703
1998	1,769,408,739	7,564,661	0.43	277,003	6,388	98,037
1999	1,904,151,888	8,269,387	0.43	280,203	6,796	98,730
2000	2,096,916,925	8,258,423	0.39	283,201	7,404	97,074
2001	2,128,831,182	8,771,510	0.41	286,098	7,441	97,707
2002	2,016,627,269	9,063,471	0.45	288,870	6,981	99,181
2003	1,952,929,045	9,401,407	0.48	291,574	6,698	98,819
2004	2,018,502,103	9,756,344	0.48	294,230	6,860	97,597
2005	2,268,895,122	10,397,837	0.46	296,972	7,640	94,282
2006	2,518,680,230	10,605,845	0.42	299,835	8,400	91,717
2007	2,691,537,557	10,764,736	0.40	302,807	8,889	92,017
2008	2,745,035,410	11,307,223	0.41	305,554	8,984	90,647
2009	2,345,337,177	11,708,604	0.50	308,189	7,610	92,577
2010	2,345,055,978	12,353,344	0.53	310,391	7,555	94,711
2011	2,414,952,112	12,358,877	0.51	312,616	7,725	94,709
2012	2,524,320,134	12,059,409	0.48	314,806	8,019	90,280
2013	2,855,059,420	11,597,560	0.41	316,953	9,008	86,974
2014	3,064,301,358	11,591,007	0.38	319,263	9,598	84,133
2015	3,302,677,258	11,395,839	0.35	321,540	10,271	79,890
2016	3,333,449,083	11,707,422	0.35	323,784	10,295	77,924
2017	3,416,714,139	11,526,389	0.34	325,742	10,489	76,832
2018	3,465,466,627	11,746,448	0.34	327,407	10,585	73,519
2019	3,564,583,961	11,825,241	0.33	328,981	10,835	73,554
2020	3,493,067,956	12,316,275	0.35	[r] 331,945	[r] 10,523	75,773
2021	4,111,569,512	13,701,027	0.33	332,459	12,367	78,661

[r] Revised data.

[1] Gross collections are collections before refunds are issued. They also include penalties and interest in addition to taxes. See Table 1 for the difference between gross collections and net collections. Includes gross collections for individual income tax, business income taxes, estate and trust income tax, employment taxes, estate tax, gift tax, and excise taxes. See Table 6 for gross collections data by type of tax.

Excludes alcohol and tobacco excise taxes starting with 1988 and taxes on firearms starting with the second quarter of Fiscal Year (FY) 1991. Responsibilities for these excise taxes were transferred from the IRS to the Alcohol and Tobacco Tax and Trade Bureau and to U.S. Customs and Border Protection, respectively.

[2] Operating costs exclude costs reimbursed by other Federal agencies and private entities for services performed for these external parties. Data represent total obligations against appropriated funds. Includes costs for the Health Insurance Tax Credit Administration from FY 2005 through 2015 and for Business Systems Modernization from FY 2005 onward.

[3] U.S. population is based on resident population plus armed forces overseas as of October 1 of each year. This information is published by the U.S. Department of Commerce, Bureau of the Census.

[4] Average tax per capita is based on gross collections (Column 1) divided by an estimate of U.S. population (Column 4).

[5] Full-time equivalent (FTE) is defined as the total number of regular straight-time hours worked (that is, not including overtime or holiday hours worked) by employees divided by the number of compensable hours applicable to each fiscal year. In FY 2021, this includes: 1,587 FTEs funded through the CARES Act; 831 FTEs funded through the American Rescue Plan; 2,101 FTEs funded through supplemental appropriations in the Consolidated Appropriations Act of 2021; and 1 FTE funded through the No Surprises Act. See Table 32 to compare FTEs and the number of employees. Excludes positions funded by reimbursements from other Federal agencies and private entities for services performed for these external parties.

NOTE: All money amounts are in current dollars.

SOURCE: Chief Financial Officer, Corporate Budget and Financial Management.

Table 32. Personnel Summary, by Employment Status, Budget Activity, and Selected Personnel Type, Fiscal Years 2020 and 2021

Employment status, budget activity, and selected personnel type	Full-time equivalent positions realized [1]		Number of employees in pay status as of September 25, 2021 [2]	
	2020	2021	2020	2021
	(1)	(2)	(3)	(4)
Internal Revenue Service, total	75,773	78,661	80,229	80,411
Employment status:				
Permanent [3]	73,903	76,950	76,956	78,494
Other [4]	1,870	1,711	3,273	1,917
Budget activity:				
Examinations and collections	30,441	31,120	30,873	31,300
Filing and account services	24,955	27,053	28,544	28,114
Information services	6,779	6,721	7,123	7,095
Shared services and support	5,108	5,064	5,234	5,272
Prefiling taxpayer assistance and education	4,327	4,458	4,532	4,605
Investigations	2,839	2,975	2,957	3,036
Regulatory	969	965	966	989
Business Systems Modernization [5]	355	305	0	0
Selected personnel type:				
Customer service representatives	11,027	12,957	12,422	15,482
Seasonal employees [6]	10,091	10,394	10,984	8,349
Revenue agents	8,346	8,321	8,234	8,536
Tax examiners	7,868	8,758	8,469	9,453
Revenue officers	3,040	2,783	2,913	2,837
Special agents	1,965	2,004	2,025	2,042
Attorneys	1,442	1,484	1,462	1,529
Tax technicians	881	837	723	885
Appeals officers	803	831	851	934

[1] Represents the number of full-time equivalent (FTE) positions actually used to conduct IRS operations. A FTE is defined as the total number of regular straight-time hours worked (that is, not including overtime or holiday hours worked) by employees divided by the number of compensable hours applicable to each fiscal year. In Fiscal Year (FY) 2020, this includes 2,145 FTEs supporting the IRS's response to the COVID-19 pandemic and funded through the CARES Act. In FY 2021, this includes: 1,587 FTEs funded through the CARES Act; 831 FTEs funded through the American Rescue Plan; 2,101 FTEs funded through supplemental appropriations in the Consolidated Appropriations Act of 2021; and 1 FTE funded through the No Surprises Act. Excludes positions funded by reimbursements from other Federal agencies and private entities for services performed for these external parties.

[2] Includes total personnel employed by the IRS including IRS Chief Counsel that are in an active pay status as of the end of Pay Period 19 (September 26, 2020, in FY 2020 and September 25, 2021, in FY 2021). In contrast, IRS labor force counts in Table 33 include personnel in both pay and non-pay status.

[3] Includes seasonal employees on permanent appointments; excludes employees on permanent appointments with work schedules of fewer than 80 hours per pay period.

[4] Includes employees on permanent appointments with work schedules of fewer than 80 hours per pay period.

[5] In FY 2020, all employees in Business Systems Modernization (BSM) were reassigned to the Information Services budget activity. Employees within this budget activity may work on projects funded by both the Information Services and BSM budget activities, and time is charged as appropriate, resulting in FTE realization in the BSM budget activity.

[6] Seasonal employees work primarily in Submission Processing; Account Management & Assistance; and Integrity & Verification Operations.

SOURCE: Chief Financial Officer, Corporate Budget.

Table 33. Internal Revenue Service and Chief Counsel Labor Force, Compared to National Totals for Federal and Civilian Labor Forces, by Gender, Race/Ethnicity, Disability, and Veteran Status, Fiscal Year 2021

Gender, race/ethnicity, disability, and veteran status	Number of employees			Percentage of total		
	Internal Revenue Service [1]	Chief Counsel [2]	Total Internal Revenue Service and Chief Counsel	Internal Revenue Service and Chief Counsel labor force	Federal civilian labor force [3]	Civilian labor force [4]
	(1)	(2)	(3)	(4)	(5)	(6)
Total	79,479	2,144	81,623	100.0	100.0	100.0
Gender:						
Male	27,810	971	28,781	35.3	55.6	51.8
Female	51,669	1,173	52,842	64.7	44.4	48.2
Race/ethnicity and gender:						
White, not of Hispanic origin	38,322	1,518	39,840	48.8	61.4	67.5
Male	16,231	787	17,018	20.8	37.0	35.7
Female	22,091	731	22,822	28.0	24.4	31.8
Black, not of Hispanic origin	23,291	304	23,595	28.9	18.3	12.3
Male	5,165	67	5,232	6.4	7.5	5.7
Female	18,126	237	18,363	22.5	10.8	6.6
Hispanic [5]	11,342	121	11,463	14.0	9.6	13.0
Male	3,702	47	3,749	4.6	5.5	6.8
Female	7,640	74	7,714	9.5	4.1	6.2
Asian, Native Hawaiian, or other Pacific Islander	5,510	174	5,684	7.0	7.1	4.6
Male	2,409	57	2,466	3.0	3.8	2.3
Female	3,101	117	3,218	3.9	3.3	2.3
American Indian or Alaska Native	622	13	635	0.8	1.6	0.6
Male	198	7	205	0.3	0.7	0.3
Female	424	6	430	0.5	0.9	0.3
Two or more races	392	14	406	0.5	2.0	2.1
Male	105	6	111	0.1	1.1	1.0
Female	287	8	295	0.4	0.9	1.1
Disability [6]:						
Person with a disability	10,581	200	10,781	13.2	22.0	n.a.
Person with a targeted disability	2,768	39	2,807	3.4	2.5	n.a.
Veteran [7]:						
Veteran	7,487	235	7,722	9.5	29.2	n.a.
Veteran with a disability	3,880	124	4,004	4.9	15.5	n.a.

n.a.—Not available.

[1] Includes total full-time, part-time, and seasonal personnel employed by the Internal Revenue Service, excluding IRS Chief Counsel, as of September 25, 2021 (the end of Pay Period 19).

[2] Includes total full-time, part-time, and seasonal personnel employed by IRS Chief Counsel as of September 25, 2021 (the end of Pay Period 19). Chief Counsel is an organization within the Department of Treasury and separate from the IRS. All Chief Counsel employees are funded by and report to the Chief Counsel as part of the Legal Division of the Department of Treasury. Beginning in Fiscal Year (FY) 2015, Chief Counsel workforce counts are displayed in a separate column.

[3] Reflects the Federal civilian labor force as of September 25, 2021, as provided by the U.S. Office of Personnel Management (OPM).

[4] Data from U.S. Department of Commerce, Bureau of the Census (2014–2018 American Community Survey statistics).

[5] Hispanic or Latino persons of any race are included in the Hispanic category.

[6] This category is shown separately for information purposes. The term "targeted disability" was originally enacted by the Equal Employment Opportunity Commission (EEOC) in 1979 and refers to certain disabilities that have been identified for emphasis in Federal affirmative employment planning. During FY 2017, the Office of Personnel Management expanded the list of medical conditions to self-identify a disability. As a result this increased the counts of persons with disabilities and persons with targeted disabilities. Persons with a targeted disability are included in the disability total.

[7] This category is shown separately for information purposes. The primary elements used to identify veterans for Federal employment purposes are Veteran Status, Veterans' Preference, Creditable Military Service, Annuitant Code, and Legal Authority Code. Veterans with a disability are included in the veteran total.

NOTE: Percentages may not add to totals because of rounding.

SOURCE: Office of Equity, Diversity, and Inclusion.

Data Sources, by Subject Area and Table Number

Section	Table Number	Data Sources (by IRS Branch, Division, or Office)
Returns Filed, Taxes Collected, and Refunds Issued	1	Chief Financial Officer, Financial Management
	2	Research, Applied Analytics, and Statistics; Statistics of Income
	3	Research, Applied Analytics, and Statistics; Statistics of Income
	4	Research, Applied Analytics, and Statistics; Statistics of Income
	5	Chief Financial Officer, Financial Management
	6	Chief Financial Officer, Financial Management
	7	Chief Financial Officer, Financial Management
	8	Chief Financial Officer, Financial Management
Service to Taxpayers	9	Wage and Investment, Strategy and Finance, Program Management Office; Online Services, Online Engagement, Operations and Media; Small Business/Self-Employed, Communications, Outreach, Systems and Solutions; Communications and Liaison, National Public Liaison
	10	Online Services, Online Engagement, Operations and Media; Wage and Investment, Strategy and Finance, Program Management Office
	11	Taxpayer Advocate Service, Business Assessment
	12	Tax Exempt and Government Entities
	13	Tax Exempt and Government Entities
	14	Tax Exempt and Government Entities
	15	Tax Exempt and Government Entities
	16	Tax Exempt and Government Entities
Compliance Presence	17	Small Business/Self-Employed, Examination, Performance Planning and Analysis Examination, Small Business Exam Data Management
	18	Small Business/Self-Employed, Examination, Performance Planning and Analysis Examination, Small Business Exam Data Management
	19	Small Business/Self-Employed, Examination, Performance Planning and Analysis Examination, Small Business Exam Data Management
	20	Small Business/Self-Employed, Examination, Performance Planning and Analysis Examination, Small Business Exam Data Management
	21	Tax Exempt and Government Entities
	22	Research, Applied Analytics, and Statistics, Statistics of Income; Small Business/Self-Employed Examination, Performance Planning and Analysis, Automated Underreporter Program; Small Business/Self-Employed Collections, Headquarters Collection, Inventory Delivery Selection, Automated Substitute for Return Program
	23	Wage and Investment, Customer Account Services, Submission Processing, Paper Processing Branch
	24	Criminal Investigation, Communications and Education Division
Collections Activities, Penalties, and Appeals	25	Small Business/Self-Employed, Collection, Performance Planning and Analysis, Collection Data Assurance/Special Reports and Plans
	26	Chief Financial Officer, Custodial Financial Management
	27	Appeals, Policy, Planning Quality and Analysis
Chief Counsel	28	Chief Counsel, Associate Chief Counsel, Finance and Management, Planning and Finance Division
	29	Chief Counsel, Associate Chief Counsel, Finance and Management, Planning and Finance Division
IRS Budget and Workforce	30	Chief Financial Officer, Corporate Budget
	31	Chief Financial Officer, Corporate Budget and Financial Management
	32	Chief Financial Officer, Corporate Budget
	33	Office of Equity, Diversity, and Inclusion

Principal Officers of the Internal Revenue Service

as of September 30, 2021

Commissioner

Charles P. Rettig

Deputy Commissioner for Services and Enforcement

Douglas O'Donnell

Deputy Commissioner for Operations Support

Jeffrey J. Tribiano

Independent Office of Appeals

Chief, Appeals

Andrew J. Keyso

Deputy Chief, Appeals

Lia Colbert

Director, Specialized Examination Programs and Referrals

Jennifer L. Vozne

Director, Case and Operations Support

Steven M. Martin

Director, Collection Appeals

Shahid Babar

Director, Examination Appeals

Shelley Foster

Enterprise Digitalization and Case Management Office

Director Enterprise Case Management

Justin Lewis Abold-LaBreche

Director Enterprise Digitalization

Hampden "Harrison" Smith, IV

Taxpayer Advocate Service

National Taxpayer Advocate

Erin Collins

Deputy National Taxpayer Advocate

Bridget Roberts

Executive Director, Systemic Advocacy

Kim S. Stewart

Executive Director, Case Advocacy

Rhonda K. Kirby

Executive Director, Intake and Technical Support

Bonnie Fuentes

Executive Director, Strategy, Assessment and Employee Development

Adam Morse (Acting)

Office of Equity, Diversity and Inclusion

Chief Diversity Officer

Valerie A. Gunter

Return Preparer Office

Director, Return Preparer Office

Carol A. Campbell

Deputy Director, Return Preparer Office

Vacant

Office of Online Services

Director, Office of Online Services

Karen S. Howard

Chief of Staff

Kevin Q. McIver

Deputy Chief of Staff

Kathleen Walters

Communications and Liaison

Chief, Communications and Liaison

Terry L. Lemons

Senior Advisor, Legislation & Appropriations

Vacant

Director, Office of Communications

Michelle L. Eldridge

Director, Office of National Public Liaison

Melvin Hardy

Small Business/Self-Employed Division

Commissioner, Small Business/Self-Employed

Vacant

Deputy Commissioner, Collection and Operations Support

Darren J. Guillot

Deputy Commissioner, Examination

De Lon Harris

Director, Collection

Frederick Schindler

Director, Examination

Scott Irick

Director, Operations Support

Victor Onorato (Acting)

Large Business and International Division

Commissioner, Large Business and International Division

Nikole Flax

Deputy Commissioner, Large Business and International Division

Holly Paz

Assistant Deputy Commissioner, Compliance Integration

Theodore Setzer (Acting)

Director, Cross Border Activities Practice Area

John Hinding

U.S. Competent Authority

Nikole Flax

Director, Eastern Compliance Practice Area

Lavena Williams

Assistant Deputy Commissioner, International

Jennifer Best (Acting)

Director, Withholding and International Individual Compliance Practice Area

Deborah Palacheck

Director, Program and Business Solutions

Keith Henley

Director, Western Compliance Practice Area

Kathleen Kruchten

Director, Treaty and Transfer Pricing Operations Practice Area

Jennifer Best

Director, Pass-Through Entities Practice Area

Clifford Scherwinski

Director, Northeastern Compliance Practice Area

Darlena Billops-Hill

Director, Enterprise Activities Practice Area

Scott Ballint

Principal Officers of the Internal Revenue Service

as of September 30, 2021

Research, Applied Analytics, and Statistics

Chief Research and Analytics Officer

Barry W. Johnson (*Acting*)

Director, Data Management

Reza Rashidi

Director, Strategy and Business Solutions

Holly A. Donnelly

Director, Data Exploration and Testing

John C. Garnish

Director, Knowledge Development and Application

Peter J. Rose

Director, Statistics of Income

David P. Paris (*Acting*)

Wage and Investment Division

Commissioner, Wage and Investment

Kenneth C. Corbin

Deputy Commissioner

David P. Alito

Director, Customer Account Services

Dietra Grant

Director, Operations Support

Kevin Morehead

Director, CARE (Customer Assistance, Relationships, and Education)

Susan Simon

Director, Return Integrity and Correspondence Services

Michael Beebe

Office of Chief Financial Officer

Chief Financial Officer

Teresa Hunter

Deputy Chief Financial Officer

Bryan Musselman

Facilities Management and Security Services

Chief, Facilities Management and Security Services

Richard L. Rodriguez

Deputy Chief, Facilities Management and Security Services

Paul Selby (*Acting*)

Tax Exempt and Government Entities Division

Commissioner, Tax Exempt and Government Entities

Sunita Lough

Deputy Commissioner, Tax Exempt and Government Entities

Edward T. Killen

Director, Employee Plans

Erick Slack

Director, Exempt Organizations/ Government Entities

Robert Malone

Director, Government Entities

Angela Gartland

Director, Shared Services

Deborah Holloman (*Acting*)

Criminal Investigation

Chief, Criminal Investigation

James Lee

Deputy Chief, Criminal Investigation

James Robnett

Office of Professional Responsibility

Director, Office of Professional Responsibility

Sharyn M. Fisk

IRS Information Technology

Chief Information Officer

Nancy A. Sieger

Deputy Chief Information Officer, Operations

Kaschit Pandya

Deputy Chief Information Officer, Strategy/Modernization

Tommy Smith

Chief Technology Officer

Heather Maniscalco

Associate Chief Information Officer, Applications Development

Linda Gilpin

Associate Chief Information Officer, User and Network Services

Anne Shepherd

Associate Chief Information Officer, Enterprise Services

Dale Hsu

Associate Chief Information Officer, Cybersecurity

Robert Cox

Associate Chief Information Officer, Strategy and Planning

Tracy DeLeon

Associate Chief Information Officer, Enterprise Program Management Office

Robert Bedoya

Associate Chief Information Officer, Enterprise Operations

Jeff Gill

Human Capital Office

IRS Human Capital Officer

Robin D. Bailey

Deputy IRS Human Capital Officer

Carrie Holland

Privacy, Governmental Liaison and Disclosure

Chief Privacy Officer

Robert S. Choi

Whistleblower Office

Director, Whistleblower Office

Lee D. Martin

Principal Officers of the Internal Revenue Service

as of September 30, 2021

Office of Chief Risk Officer

Chief Risk Officer

Thomas Brandt

Procurement

Chief Procurement Officer

Shanna R. Webbers

Deputy Chief Procurement Officer

Guy Torres

Office of Chief Counsel

Chief Counsel

Michael J. Desmond

Deputy Chief Counsel

(Operations)

Drita Tonuzi

Deputy Chief Counsel

(Technical)

William M. Paul

Executive Counsel to the Chief Counsel

Philip Lindenmuth

Division Counsel/Associate Chief Counsel

(National Taxpayer Advocate Program)

Rostyslav Shiller

Division Counsel/Associate Chief Counsel

(Criminal Tax)

Richard Lurger

Division Counsel

(Large Business and International)

Robin Greenhouse

Division Counsel

(Small Business/Self-Employed)

Rachel Levy (*Acting*)

Associate Chief Counsel

(Employee Benefits, Exempt Organizations and Employment Taxes)

Victoria A. Judson

Division Counsel

(Tax Exempt and Government Entities)

Kyle N. Brown

Division Counsel

(Wage and Investment)

Joanne B. Minsky

Associate Chief Counsel

(Corporate)

Robert Wellen

Associate Chief Counsel

(Finance and Management)

Thomas J. Travers

Associate Chief Counsel

(Financial Institutions and Products)

Helen M. Hubbard

Associate Chief Counsel

(General Legal Services)

Mark S. Kaizen

Associate Chief Counsel

(Income Tax and Accounting)

John Moriarty

Associate Chief Counsel

(International)

Peter Blessing

Associate Chief Counsel

(Passthroughs and Special Industries)

Holly Porter

Associate Chief Counsel

(Procedure and Administration)

Kathryn A. Zuba

Commissioners of Internal Revenue

Office of Commissioner of Internal Revenue Created by Act of Congress, July 1, 1862

George S. Boutwell
Massachusetts
Jul. 17, 1862 to Mar. 4, 1863

Joseph J. Lewis
(Acting)
Pennsylvania
Mar. 5, 1863 to Mar. 17, 1863

Joseph J. Lewis
Pennsylvania
Mar. 18, 1863 to June 30, 1865

William Orton
New York
Jul. 1, 1865 to Oct. 31, 1865

Edward A. Rollins
New Hampshire
Nov. 1, 1865 to Mar. 10, 1869

Columbus Delano
Ohio
Mar. 11, 1869 to Oct. 31, 1870

John W. Douglass
(Acting)
Pennsylvania
Nov. 1, 1870 to Jan. 2, 1871

Alfred Pleasonton
New York
Jan. 3, 1871 to Aug. 8, 1871

John W. Douglass
Pennsylvania
Aug. 9, 1871 to May 14, 1875

Daniel D. Pratt
Indiana
May 15, 1875 to Aug. 1, 1876

Green B. Raum
Illinois
Aug. 2, 1876 to Apr. 30, 1883

Henry C. Rogers
(Acting)
Pennsylvania
May 1, 1883 to May 10, 1883

John J. Knox
(Acting)
Minnesota
May 11, 1883 to May 20, 1883

Walter Evans
Kentucky
May 21, 1883 to Mar. 19, 1885

Joseph S. Miller
West Virginia
Mar. 20, 1885 to Mar. 20, 1889

John W. Mason
West Virginia
Mar. 21, 1889 to Apr. 18, 1893

Joseph S. Miller
West Virginia
Apr. 19, 1893 to Nov. 26, 1896

W. St. John Forman
Illinois
Nov. 27, 1896 to Dec. 31, 1897

Nathan B. Scott
West Virginia
Jan. 1, 1898 to Feb. 28, 1899

George W. Wilson
Ohio
Mar. 1, 1899 to Nov. 27, 1900

Robert Williams, Jr.
(Acting)
Ohio
Nov. 28, 1900 to Dec. 19, 1900

John W. Yerkes
Kentucky
Dec. 20, 1900 to Apr. 30, 1907

Henry C. Rogers
(Acting)
Pennsylvania
May 1, 1907 to Jun. 4, 1907

John G. Capers
South Carolina
Jun. 5, 1907 to Aug. 31, 1909

Royal E. Cabell
Virginia
Sept. 1, 1909 to Apr. 27, 1913

William H. Osborn
North Carolina
Apr. 28, 1913 to Sept. 25, 1917

Daniel C. Roper
South Carolina
Sept. 26, 1917 to Mar. 31, 1920

William M. Williams
Alabama
Apr. 1, 1920 to Apr. 11, 1921

Millard F. West
(Acting)
Kentucky
Apr. 12, 1921 to May 26, 1921

David H. Blair
North Carolina
May 27, 1921 to May 31, 1929

Robert H. Lucas
Kentucky
Jun. 1, 1929 to Aug. 15, 1930

H. F. Mires
(Acting)
Washington
Aug. 16, 1930 to Aug. 19, 1930

David Burnet
Ohio
Aug. 20, 1930 to May 15, 1933

Pressly R. Baldridge
(Acting)
Iowa
May 16, 1933 to Jun. 5, 1933

Guy T. Helvering
Kansas
Jun. 6, 1933 to Oct. 8, 1943

Robert E. Hannegan
Missouri
Oct. 9, 1943 to Jan. 22, 1944

Harold N. Graves
(Acting)
Illinois
Jan. 23, 1944 to Feb. 29, 1944

Joseph D. Nunan, Jr.
New York
Mar. 1, 1944 to June 30, 1947

George J. Schoeneman
Rhode Island
Jul. 1, 1947 to Jul. 31, 1951

John B. Dunlap
Texas
Aug. 1, 1951 to Nov. 18, 1952

John S. Graham
(Acting)
North Carolina
Nov. 19, 1952 to Jan. 19, 1953

Justin F. Winkle
(Acting)
New York
Jan. 20, 1953 to Feb. 3, 1953

T. Coleman Andrews
Virginia
Feb. 4, 1953 to Oct. 31, 1955

O. Gordon Delk
(Acting)
Virginia
Nov. 1, 1955 to Dec. 4, 1955

Russell C. Harrington
Rhode Island
Dec. 5, 1955 to Sept. 30, 1958

O. Gordon Delk
(Acting)
Virginia
Oct. 1, 1958 to Nov. 4, 1958

Dana Latham
California
Nov. 5, 1958 to Jan. 20, 1961

Charles I. Fox
(Acting)
Utah
Jan. 21, 1961 to Feb. 6, 1961

Mortimer M. Caplin
Virginia
Feb. 7, 1961 to Jul. 10, 1964

Bertrand M. Harding
(Acting)
Texas
Jul. 11, 1964 to Jan. 24, 1965

Sheldon S. Cohen
Maryland
Jan. 25, 1965 to Jan. 20, 1969

William H. Smith
(Acting)
Virginia
Jan. 21, 1969 to Mar. 31, 1969

Randolph W. Thrower
Georgia
Apr. 1, 1969 to Jun. 22, 1971

Harold T. Swartz
(Acting)
Indiana
Jun. 23, 1971 to Aug. 5, 1971

Johnnie M. Walters
South Carolina
Aug. 6, 1971 to Apr. 30, 1973

Raymond F. Harless
(Acting)
California
May 1, 1973 to May 25, 1973

Donald C. Alexander
Ohio
May 26, 1973 to Feb. 26, 1977

William E. Williams
(Acting)
Illinois
Feb. 27, 1977 to May 4, 1977

Jerome Kurtz
Pennsylvania
May 5, 1977 to Oct. 31, 1980

William E. Williams
(Acting)
Illinois
Nov. 1, 1980 to Mar. 13, 1981

Roscoe L. Egger, Jr.
Indiana
Mar. 14, 1981 to Apr. 30, 1986

James I. Owens
(Acting)
Alabama
May 1, 1986 to Aug. 3, 1986

Lawrence B. Gibbs
Texas
Aug. 4, 1986 to Mar. 4, 1989

Michael J. Murphy
(Acting)
Wisconsin
Mar. 5, 1989 to Jul. 4, 1989

Fred Goldberg, Jr.
Missouri
Jul. 5, 1989 to Feb. 2, 1992

Shirley D. Peterson
Colorado
Feb. 3, 1992 to Jan. 20, 1993

Michael P. Dolan
(Acting)
Iowa
Jan. 21, 1993 to May 26, 1993

Margaret Milner Richardson
Texas
May 27, 1993 to May 31, 1997

Michael P. Dolan
(Acting)
Iowa
Jun. 1, 1997 to Nov. 12, 1997

Charles O. Rossotti
New York
Nov. 13, 1997 to Nov. 6, 2002

Bob Wenzel
(Acting)
Illinois
Nov. 7, 2002 to Apr. 30, 2003

Mark W. Everson
New York
May 1, 2003 to May 28, 2007

Kevin M. Brown
(Acting)
Virginia
May 29, 2007 to Sept. 8, 2007

Linda E. Stiff
(Acting)
Germany
Sept. 9, 2007 to Mar. 23, 2008

Douglas H. Shulman
Ohio
Mar. 24, 2008 to Nov. 9, 2012

Steven T. Miller
(Acting)
Ohio
Nov. 10, 2012 to May 21, 2013

Daniel I. Werfel
(Acting)
Virginia
May 22, 2013 to Dec. 22, 2013

John A. Koskinen
Ohio
Dec. 23, 2013 to Nov. 12, 2017

David Kautter
(Acting)
Virginia
Nov. 13, 2017 to Sep. 30, 2018

Charles P. Rettig
California
Oct. 1, 2018 to present

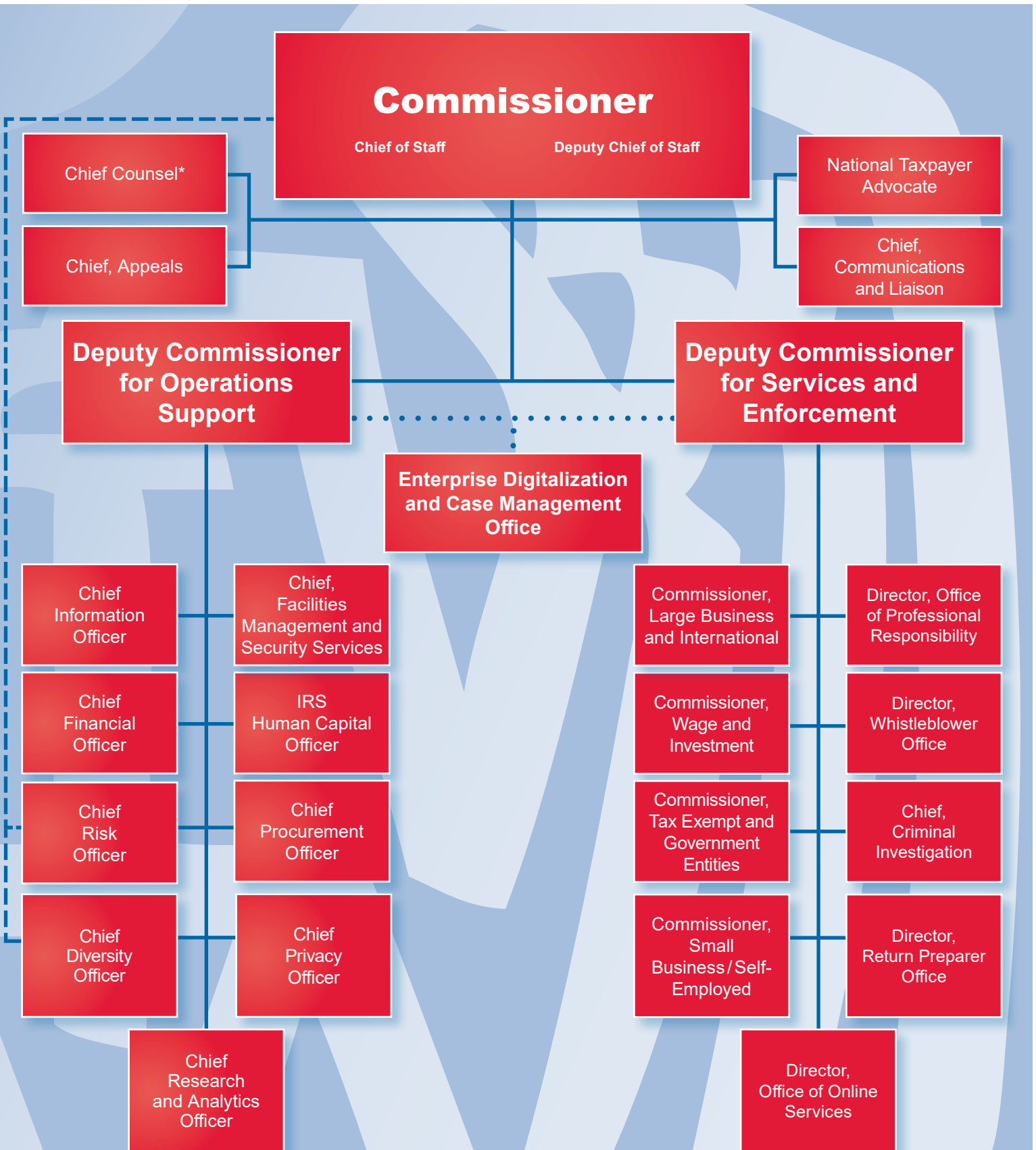
Chief Counsels for the Internal Revenue Service

Walter H. Smith.....	1866
William McMichael.....	1871
Charles Chesley.....	1871
Thomas J. Smith.....	1888
Alphonso Hart	1890
Robert T. Hough	1893
George M. Thomas.....	1897
Albert W. Wishard.....	1901
A.B. Hayes.....	1903
Fletcher Maddox.....	1908
Ellis C. Johnson	1913
A.A. Ballantine.....	1918
D.M. Kelleher	1919
Robert N. Miller	1919
Wayne Johnson	1920
Carl A. Mapes.....	1920
Nelson T. Hartson.....	1923
Alexander W. Gregg.....	1925
Clarance M. Charest.....	1927
E. Barrett Prettyman.....	1933
Robert H. Jackson.....	1934
Morrison Shaforth.....	1936
John P. Wenchel	1937
Charles Oliphant.....	1947
Charles W. Davis	1952
Daniel A. Taylor.....	1953
John Potts Barnes	1955
Nelson P. Rose	1957
Arch M. Cantrall.....	1958
Hart H. Spiegel	1959
Crane C. Hauser	1961
Sheldon S. Cohen.....	1964
Mitchell Rogovin	1965
Lester R. Uretz.....	1966
K. Martin Worthy.....	1969
Lee H. Henkel, Jr.	1972
Meade Whitaker.....	1973
Stuart E. Seigel.....	1977
N. Jerold Cohen.....	1979
Kenneth W. Gideon.....	1981
Fred Goldberg, Jr.....	1984
William F. Nelson	1986
Abraham N. M. Shashy, Jr.....	1990
Stuart L. Brown	1994
B. John Williams, Jr.	2002
Donald L. Korb	2004
William J. Wilkins	2009
Michael J. Desmond.....	2019

The following were Acting Chief Counsel during periods when there was no Chief Counsel holding the office:

John W. Burrus
March 2, 1936 to Nov. 30, 1936
Mason B. Leming
Dec. 6, 1951 to May 15, 1952
Kenneth W. Gemmill
June 11, 1953 to Nov. 8, 1953
Rudy P. Hertzog
Dec. 1, 1954 to May 8, 1955
Jan. 20, 1961 to Aug. 16, 1961
Sept. 1, 1963 to Jan. 5, 1964
Herman T. Reiling
Jan. 19, 1957 to March 13, 1957
Aug. 31, 1959 to Sept. 20, 1959
Richard M. Hahn
Jan. 20, 1969 to June 25, 1969
Lee H. Henkel, Jr.
Jan. 16, 1972 to June 11, 1972
Lawrence B. Gibbs
April 17, 1973 to Oct. 19, 1973
Charles L. Saunders, Jr.
Jan. 20, 1977 to April 15, 1977
Leon G. Wigrizer
April 16, 1977 to June 23, 1977
Lester Stein
June 1, 1979 to Nov. 16, 1979
Jerome D. Sebastian
Jan. 21, 1981 to Feb. 2, 1981
March 30, 1981 to Aug. 14, 1981
Emory L. Langdon
Feb. 3, 1981 to March 29, 1981
Joel Gerber
May 28, 1983 to March 17, 1984
V. Jean Owens
March 14, 1986 to July 27, 1986
Peter K. Scott
Nov. 1, 1988 to Feb. 6, 1990
David L. Jordan
Jan. 20, 1993 to Oct. 4, 1994
Richard Skillman
Jan. 20, 2001 to Feb. 6, 2002
Emily A. Parker
Aug. 1, 2003 to April 14, 2004
Clarissa C. Potter
Dec. 19, 2008 to July 24, 2009
William M. Paul
Jan. 20, 2017 to Nov. 16, 2017
Mar. 6, 2018 to Mar. 4, 2019
Jan. 20, 2021 to Nov. 16, 2021

NOTE: From 1866 to 1926, the chief legal officer for the Bureau of Internal Revenue was known as the Solicitor. For the next eight years, 1926 to 1934, the chief legal officer had the title of General Counsel. Since 1934, the chief legal officer has operated under the title of Chief Counsel, now for the Internal Revenue Service.



* Chief Counsel reports to both the Commissioner and the Treasury Department General Counsel in circumstances specified by the Internal Revenue Service Restructuring and Reform Act of 1998.

