2014

INTERNAL REVENUE SERVICE

# DATA BOOK

October 1, 2013 to September 30, 2014

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# 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.

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Internal Revenue Service

# Data Book, 2014

This report describes activities conducted by the Internal Revenue Service during Fiscal Year 2014 (October 1, 2013, through September 30, 2014). 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, 2014* 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 on the IRS Internet site. The World Wide Web address is: www.irs.gov/taxstats. From the website, select "IRS Data Books" in the "Products, Publications & Papers" section. An archive of historical *Data Books* from 2014 to 1863 is also available on the site. For additional information, contact Statistical Information Services at 202–803–9285 or e-mail sis@irs.gov.

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# Letter from the Commissioner

The *Internal Revenue Service Data Book* reflects the great variety and volume of work entrusted to the IRS, and I am pleased to present it for Fiscal Year 2014. As the world's largest financial institution, the IRS continues to play a pivotal role in funding the United States government and enforcing the nation's tax laws.

FY 2014 marked the fourth consecutive year IRS appropriations were reduced, which required us to change our approach to taxpayer service and enforcement operations. With fewer resources, we saw decreases in several areas, including the number of phone calls answered and the number of audits completed. Our main functions of processing returns and collecting revenue generally held steady compared to prior years with almost 240 million returns processed and $3.1 trillion collected.

The enforcement statistical tables in this year's report also show the negative impact of resource constraints. During FY 2014, the IRS audited tax returns of about 1.2 million individuals, which is nearly 12 percent less than the previous year and the lowest number since FY 2005. We estimate that, as a result of these enforcement cuts, the government will lose at least $2 billion in revenue that otherwise would have been collected. We also continued to lose experienced employees to attrition and retirement. In fact, the number of IRS employees has dropped by nearly 14 percent in the last five years, making our efforts to recruit top talent even more important.

Despite the challenges, the IRS remains committed to serving taxpayers and finding new ways to assist them, especially in today's digital age. The IRS is providing more information and services online. Our website, IRS.gov, has become a hub of tax information and one of the most popular government websites, attracting more than 437 million visits in FY 2014. Other services like "Where's My Refund?" and the Transcript Delivery System were also widely used in FY 2014, as you'll see from Table 19.

The publication of this *Data Book* is a part of our continual effort to provide information and further your understanding of the important functions of the IRS. We hope that behind the numbers you will see the commitment and dedication of thousands of IRS employees who strive each day to deliver the highest level of service possible to every taxpayer and enforce the nation's tax laws with integrity and fairness to all.

*Commissioner of Internal Revenue*

**John A. Koskinen**

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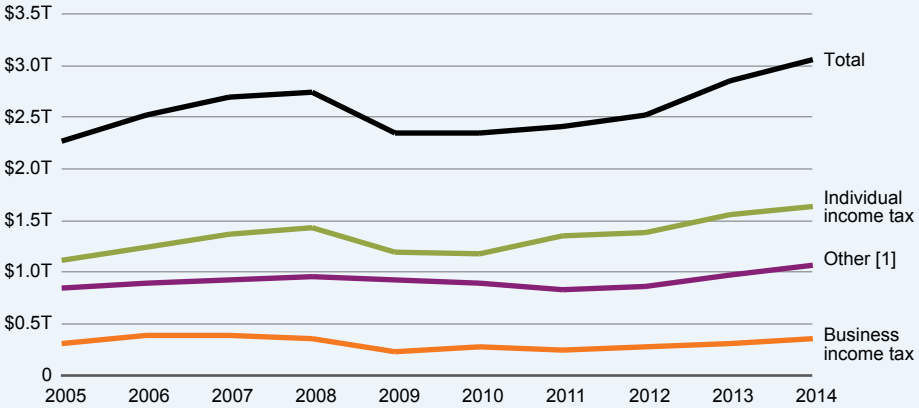
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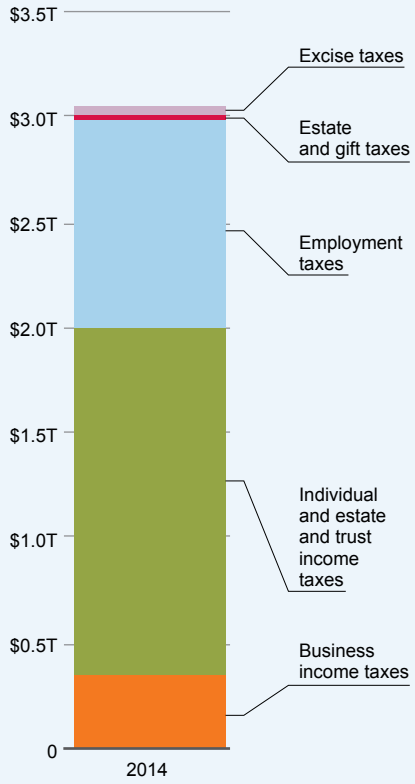
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### Gross Collections by Type of Tax, Fiscal Years 2005–2014




[1] Includes employment, estate and gift, and excise tax forms.
SOURCE: *IRS Data Book* Table 1

### Gross Collections by Type of Tax, Fiscal Year 2014




SOURCE: 2014 *IRS Data Book* Table 1

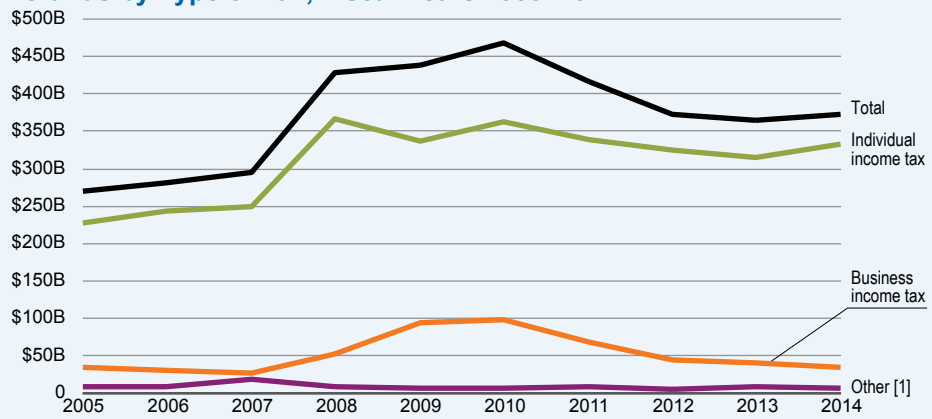
# Returns Filed, Taxes Collected, and Refunds Issued

Section 1 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

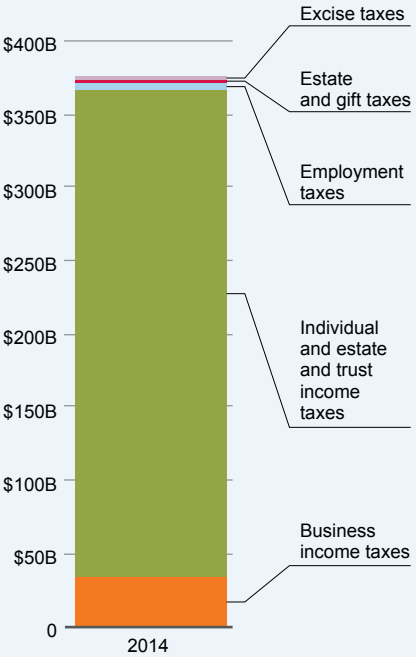
- The IRS collected almost $3.1 trillion in gross taxes (Tables 1 and 5) and issued almost 118.7 million refunds (Table 7), amounting to more than $373.5 billion (Tables 1 and 8).
- Individual income tax withheld and tax payments, combined, totaled over $1.6 trillion before refunds. (Tables 1 and 6).
- The IRS also collected more than $353.1 billion in taxes, before refunds, from businesses in Fiscal Year (FY) 2014 (Tables 1 and 6).

### Refunds by Type of Tax, Fiscal Years 2005–2014




[1] Includes employment, estate and gift, and excise tax forms.
SOURCE: *IRS Data Book* Table 1

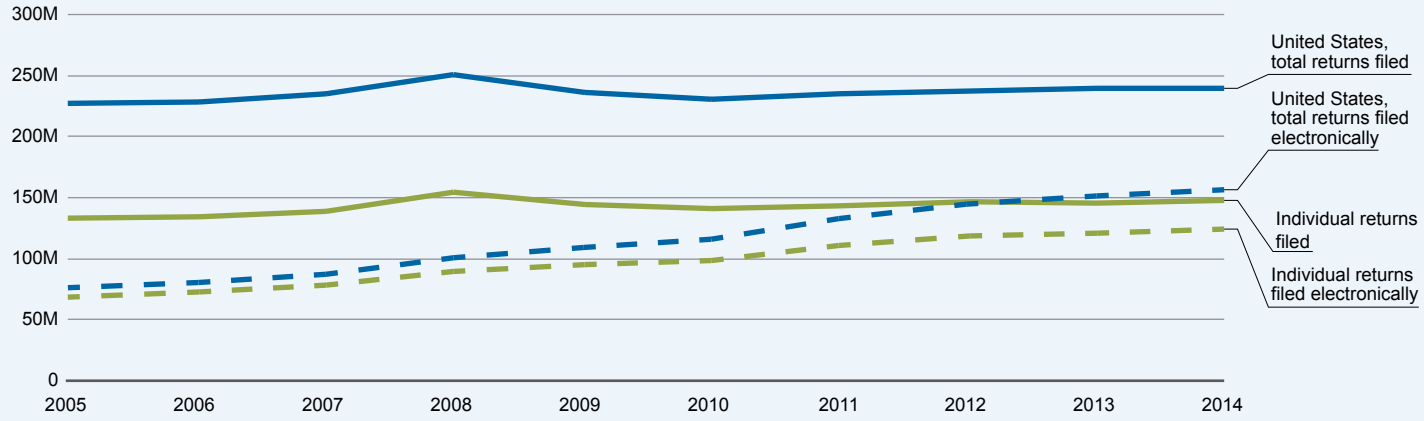
### Refunds by Type of Tax, Fiscal Year 2014




SOURCE: 2014 *IRS Data Book* Table 1

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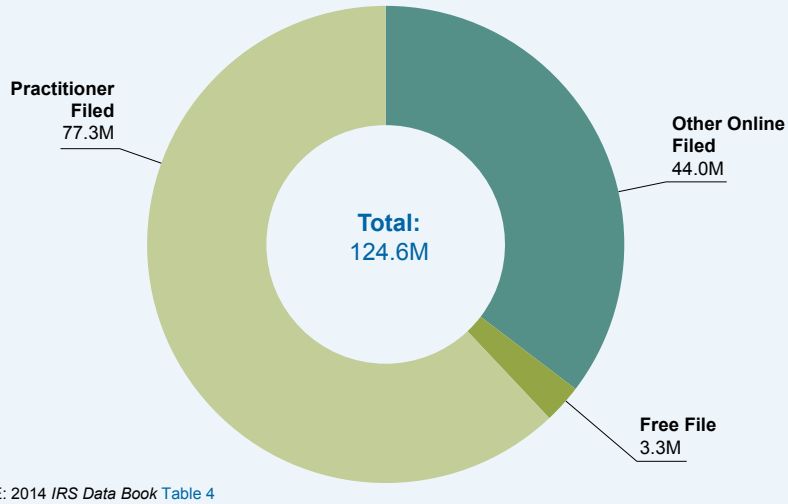
## Number of Returns Filed, by Return Type, Fiscal Years 2005–2014




SOURCE: *IRS Data Book* Tables 2, 3, and 4

- The IRS processed nearly 240 million Federal tax returns and supplemental documents (Tables 2 and 3).
- Almost 157.2 million returns were filed electronically. Individual income tax returns represented 79.3 percent of these returns (Table 4).
- Paid preparers filed nearly 77.3 million tax returns electronically and taxpayers filed almost 3.3 million returns using the IRS Free File program (Table 4).
- In FY 2014, nearly 16.8 million tax refunds included a refundable child tax credit and over 24.4 million included the earned income tax credit (Table 7).
- California had the largest amounts of refunds in the following categories—individual, business, employment, and estate tax (Table 8).

## Number of Individual Returns Electronically Filed, Fiscal Year 2014




SOURCE: 2014 *IRS Data Book* Table 4

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## Table 1. Collections and Refunds, by Type of Tax, Fiscal Years 2013 and 2014

[Money amounts are in thousands of dollars]

| Type of tax | Gross collections [1] | | | Refunds [1, 2] | Net collections [1] | |
|---|---|---|---|---|---|---|
| | 2013 | 2014 | Percentage of 2014 total | 2014 | 2014 | Percentage of 2014 total |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| **United States, total** | **2,855,059,420** | **3,064,301,358** | **100.0** | **373,545,926** | **2,690,755,432** | **100.0** |
| **Business income taxes** | **311,993,954** | **353,141,112** | **11.5** | **35,313,521** | **317,827,591** | **11.8** |
| Corporation | 311,432,736 | 352,402,741 | 11.5 | n.a. | n.a. | n.a. |
| Tax-exempt organization unrelated business income tax | 561,218 | 738,371 | [3] | n.a. | n.a. | n.a. |
| **Individual and estate and trust income taxes [4]** | **1,564,354,494** | **1,643,623,968** | **53.6** | **332,141,708** | **1,311,482,260** | **48.7** |
| Individual income tax withheld | 1,123,453,881 | 1,169,768,895 | 38.2 | n.a. | n.a. | n.a. |
| Individual income tax payments [5] | 416,204,540 | 444,444,277 | 14.5 | n.a. | n.a. | n.a. |
| Estate and trust income tax | 24,696,073 | 29,410,796 | 1.0 | 1,580,563 | 27,830,234 | 1.0 |
| **Employment taxes** | **897,847,151** | **976,223,247** | **31.9** | **3,824,556** | **972,398,691** | **36.1** |
| Old-Age, Survivors, Disability, and Hospital Insurance (OASDHI), total [4] | 884,440,425 | 961,657,846 | 31.4 | 3,656,447 | 958,001,399 | 35.6 |
| Federal Insurance Contributions Act (FICA) | 830,291,842 | 897,978,551 | 29.3 | n.a. | n.a. | n.a. |
| Self-Employment Insurance Contributions Act (SECA) | 54,148,583 | 63,679,295 | 2.1 | n.a. | n.a. | n.a. |
| Unemployment insurance | 7,895,992 | 8,611,877 | 0.3 | 148,125 | 8,463,751 | 0.3 |
| Railroad retirement | 5,510,733 | 5,953,524 | 0.2 | 19,984 | 5,933,541 | 0.2 |
| **Estate and gift taxes** | **19,830,148** | **20,154,955** | **0.7** | **879,746** | **19,275,209** | **0.7** |
| Estate | 14,051,771 | 17,572,338 | 0.6 | 730,291 | 16,842,047 | 0.6 |
| Gift [6] | 5,778,377 | 2,582,617 | 0.1 | 149,455 | 2,433,162 | 0.1 |
| **Excise taxes** | **61,033,674** | **71,158,076** | **2.3** | **1,386,395** | **69,771,681** | **2.6** |

n.a.—Not available.

[1] Excludes refunds credited to taxpayer accounts for tax liability in a subsequent year, as well as excise taxes collected by the U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau.

[2] Includes overpayment refunds, refunds resulting from examination activity, refundable tax credits, and other refunds required by law. Also includes $1.0 billion in interest, of which $0.4 billion was paid to corporations and $0.6 billion was paid to all others (related to individual, employment, estate, gift and excise tax returns).

[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] Includes collections of estimated income tax and payments included with individual income tax return filings.

[6] The amount of gift tax collections decreased from $5,778,377,000 in Fiscal Year (FY) 2013 to $2,582,617,000 in FY 2014. The Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 raised the unified estate and gift tax credit to $5 million until December 31, 2012, after which the gift tax credit was to return to $1 million. Uncertainty over whether Congress would extend the higher credit led to a surge in gifts during early FY 2013. The $5 million exemption was made permanent on December 31, 2012, and indexed for inflation, as part of the American Taxpayer Relief Act of 2012, and as a result, the amount of gift tax reported in FY 2014 is more in line with historic trends.

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.

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.

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## Table 2. Number of Returns and Other Forms Filed, by Type of Return, Fiscal Years 2013 and 2014

[Numbers are in thousands—for Fiscal Year 2014 details by State, see Table 3]

| Type of return | 2013 | 2014 | Percentage change |
|---|---|---|---|
| | (1) | (2) | (3) |
| **United States, total [1]** | **240,076** | **239,875** | **−0.1** |
| **Income taxes, total** | **185,035** | **185,540** | **0.3** |
| **C or other corporation [2]** | **2,248** | **2,221** | **−1.2** |
| **S corporation, Form 1120–S** | **4,566** | **4,643** | **1.7** |
| **Partnership, Form 1065** | **3,686** | **3,799** | **3.1** |
| **Individual [3]** | **145,996** | **147,445** | **1.0** |
| Forms 1040, 1040–A, 1040–EZ | 145,125 | 146,568 | 1.0 |
| Forms 1040–C, 1040–NR, 1040NR–EZ, 1040–PR, 1040–SS | 872 | 877 | 0.6 |
| **Individual estimated tax, Form 1040–ES** | **24,806** | **23,608** | **−4.8** |
| **Estate and trust, Form 1041** | **3,192** | **3,206** | **0.4** |
| **Estate and trust estimated tax, Form 1041–ES** | **541** | **618** | **14.2** |
| **Employment taxes [4]** | **29,958** | **30,066** | **0.4** |
| **Estate tax [5]** | **32** | **34** | **6.3** |
| **Gift tax, Form 709** | **313** | **335** | **7.0** |
| **Excise taxes [6]** | **909** | **987** | **8.6** |
| **Tax-exempt organizations [7]** | **1,463** | **1,467** | **0.3** |
| **Supplemental documents [8]** | **22,365** | **21,446** | **−4.1** |

[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 13 for information on tax-exempt bond returns. See Tables 13 and 23 for information on employee retirement benefit plans. See Table 14 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 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–EZ (individual income tax return for single and joint filers with no dependents); 1040–C (income tax return for departing aliens); 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); 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.

[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 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.

[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).

[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.

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## Table 2. Number of Returns and Other Forms Filed, by Type of Return, Fiscal Years 2013 and 2014—Continued

**Footnotes—Continued**

[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); 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).

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

SOURCE: Research, Analysis, and Statistics, Office of Research.

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## Table 3. Number of Returns and Other Forms Filed, by Type and State, Fiscal Year 2014

| State or area | Total returns [1] | C or other corporation income tax [2] | S corporation | Partnership | Individual income tax, employment taxes, and estate and trust income tax | | |
|---|---|---|---|---|---|---|---|
| | | | | | Individual income tax [3] | Individual estimated income tax | Estate and trust income tax |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) |
| **United States, total** | **239,874,741** | **2,220,921** | **4,642,817** | **3,799,428** | **147,444,789** | **23,608,340** | **3,205,595** |
| Alabama | 3,074,293 | 17,613 | 50,438 | 45,905 | 2,048,463 | 252,431 | 29,602 |
| Alaska | 584,480 | 3,362 | 9,160 | 7,383 | 357,733 | 47,482 | 4,178 |
| Arizona | 4,485,975 | 33,844 | 83,945 | 84,956 | 2,805,861 | 430,138 | 49,609 |
| Arkansas | 1,933,942 | 12,843 | 40,852 | 29,150 | 1,219,841 | 167,564 | 16,814 |
| California | 28,720,123 | 317,637 | 473,550 | 400,646 | 17,155,206 | 3,052,742 | 332,656 |
| Colorado | 4,407,894 | 35,374 | 117,792 | 98,071 | 2,495,936 | 468,559 | 46,664 |
| Connecticut | 2,948,257 | 24,959 | 28,097 | 67,534 | 1,752,898 | 378,343 | 52,208 |
| Delaware | 757,208 | 9,990 | 14,677 | 16,076 | 438,240 | 76,046 | 24,888 |
| District of Columbia | 585,665 | 11,829 | 5,873 | 10,877 | 332,396 | 65,395 | 6,844 |
| Florida | 16,408,264 | 198,633 | 608,236 | 239,970 | 9,350,393 | 1,486,928 | 185,843 |
| Georgia | 6,826,489 | 50,862 | 168,878 | 97,854 | 4,355,079 | 477,554 | 50,411 |
| Hawaii | 1,108,736 | 12,756 | 14,543 | 12,239 | 675,858 | 135,814 | 14,129 |
| Idaho | 1,176,813 | 7,936 | 26,827 | 26,371 | 688,751 | 113,146 | 9,437 |
| Illinois | 9,998,165 | 99,333 | 247,655 | 123,306 | 6,121,352 | 968,958 | 233,094 |
| Indiana | 4,593,690 | 21,468 | 90,547 | 57,506 | 3,048,651 | 470,490 | 39,891 |
| Iowa | 2,398,672 | 21,211 | 40,572 | 36,398 | 1,435,089 | 324,403 | 31,245 |
| Kansas | 2,204,297 | 16,779 | 34,661 | 36,691 | 1,328,787 | 257,029 | 28,214 |
| Kentucky | 2,859,381 | 15,470 | 51,334 | 42,161 | 1,887,430 | 266,566 | 26,873 |
| Louisiana | 3,191,882 | 26,560 | 59,254 | 62,492 | 2,004,832 | 261,342 | 21,785 |
| Maine | 1,083,248 | 7,517 | 22,671 | 12,581 | 633,662 | 114,441 | 30,693 |
| Maryland | 4,693,024 | 53,359 | 76,297 | 69,209 | 2,940,059 | 493,514 | 55,701 |
| Massachusetts | 5,537,843 | 53,892 | 90,448 | 72,530 | 3,299,297 | 662,045 | 149,346 |
| Michigan | 7,210,281 | 58,715 | 132,444 | 105,406 | 4,663,269 | 712,095 | 78,345 |
| Minnesota | 4,406,209 | 32,795 | 93,834 | 64,887 | 2,652,227 | 511,237 | 47,233 |
| Mississippi | 1,847,620 | 11,901 | 28,874 | 27,456 | 1,246,984 | 136,429 | 10,964 |
| Missouri | 4,488,629 | 32,060 | 66,824 | 69,643 | 2,742,888 | 435,651 | 154,380 |
| Montana | 929,618 | 9,748 | 24,888 | 19,357 | 486,592 | 111,438 | 8,080 |
| Nebraska | 1,487,400 | 11,965 | 31,782 | 25,122 | 882,429 | 167,673 | 21,306 |
| Nevada | 2,069,872 | 26,574 | 43,439 | 47,249 | 1,307,349 | 157,018 | 19,413 |
| New Hampshire | 1,107,000 | 10,252 | 11,796 | 16,726 | 680,729 | 133,587 | 16,543 |
| New Jersey | 7,347,485 | 72,424 | 118,768 | 163,315 | 4,332,769 | 799,742 | 152,511 |
| New Mexico | 1,410,550 | 8,871 | 20,793 | 19,370 | 906,337 | 140,197 | 11,156 |
| New York | 15,866,679 | 250,046 | 396,369 | 280,754 | 9,466,459 | 1,403,518 | 285,032 |
| North Carolina | 6,747,162 | 53,382 | 139,152 | 96,137 | 4,318,220 | 619,678 | 61,725 |
| North Dakota | 667,690 | 4,497 | 11,392 | 12,984 | 361,952 | 103,928 | 6,562 |
| Ohio | 8,416,238 | 55,276 | 120,138 | 121,262 | 5,541,252 | 793,562 | 133,535 |
| Oklahoma | 2,708,287 | 17,873 | 55,148 | 46,544 | 1,627,694 | 257,804 | 28,698 |
| Oregon | 3,099,035 | 20,480 | 54,234 | 48,262 | 1,789,210 | 374,911 | 35,611 |
| Pennsylvania | 9,699,299 | 57,220 | 160,091 | 139,053 | 6,154,779 | 1,121,592 | 158,399 |
| Rhode Island | 850,759 | 5,969 | 17,800 | 11,014 | 518,077 | 84,721 | 27,121 |
| South Carolina | 3,196,445 | 23,531 | 60,973 | 48,251 | 2,089,348 | 287,802 | 23,996 |
| South Dakota | 745,690 | 4,513 | 14,073 | 14,563 | 416,267 | 95,827 | 14,028 |
| Tennessee | 4,278,396 | 30,742 | 35,885 | 66,735 | 2,904,567 | 388,053 | 38,716 |
| Texas | 18,551,291 | 167,327 | 282,011 | 356,156 | 11,693,399 | 1,442,398 | 210,399 |
| Utah | 2,040,447 | 14,476 | 57,777 | 69,915 | 1,194,382 | 139,913 | 16,876 |
| Vermont | 572,375 | 4,867 | 11,115 | 7,016 | 320,980 | 80,835 | 7,360 |
| Virginia | 6,118,884 | 53,729 | 113,702 | 88,114 | 3,833,510 | 665,401 | 57,435 |
| Washington | 5,472,716 | 38,274 | 97,074 | 79,697 | 3,281,026 | 591,228 | 62,786 |
| West Virginia | 1,157,042 | 7,603 | 12,443 | 13,341 | 784,830 | 116,652 | 11,810 |
| Wisconsin | 4,395,017 | 31,684 | 59,855 | 61,501 | 2,803,790 | 510,583 | 54,861 |
| Wyoming | 535,781 | 5,274 | 12,900 | 14,235 | 288,969 | 57,507 | 7,035 |
| Puerto Rico | 562,410 | 431 | 194 | 686 | 261,182 | 68,036 | 287 |
| Other [9] | 2,310,093 | 45,195 | 742 | 14,771 | 1,517,509 | 128,394 | 3,267 |

Footnotes at end of table.

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## Table 3. Number of Returns and Other Forms Filed, by Type and State, Fiscal Year 2014—Continued

| State or area | Individual income tax, employment taxes, and estate and trust income tax—continued | | Estate tax [5] | Gift tax | Excise taxes [6] | Tax-exempt organizations [7] | Supplemental documents [8] |
|---|---|---|---|---|---|---|---|
| | Estate and trust estimated income tax | Employment taxes [4] | | | | | |
| | (8) | (9) | (10) | (11) | (12) | (13) | (14) |
| **United States, total** | **617,649** | **30,065,749** | **34,132** | **334,641** | **987,238** | **1,467,402** | **21,446,040** |
| Alabama | 5,365 | 353,564 | 255 | 3,163 | 15,016 | 16,792 | 235,686 |
| Alaska | 1,067 | 79,939 | 38 | 567 | 3,433 | 4,682 | 65,456 |
| Arizona | 7,563 | 508,257 | 410 | 4,626 | 9,225 | 19,344 | 448,197 |
| Arkansas | 2,833 | 246,758 | 126 | 1,443 | 12,583 | 10,874 | 172,261 |
| California | 64,013 | 3,605,271 | 4,761 | 38,211 | 74,047 | 162,832 | 3,038,551 |
| Colorado | 10,191 | 630,452 | 467 | 6,260 | 13,752 | 25,100 | 459,276 |
| Connecticut | 13,175 | 351,781 | 756 | 8,059 | 7,242 | 18,901 | 244,304 |
| Delaware | 10,202 | 90,279 | 93 | 933 | 2,103 | 6,757 | 66,924 |
| District of Columbia | 2,155 | 72,024 | 133 | 1,246 | 503 | 11,517 | 64,873 |
| Florida | 38,341 | 2,127,753 | 2,298 | 30,461 | 44,554 | 133,634 | 1,961,220 |
| Georgia | 11,775 | 852,680 | 596 | 6,909 | 28,446 | 32,739 | 692,706 |
| Hawaii | 4,072 | 120,548 | 163 | 1,515 | 1,332 | 6,471 | 109,296 |
| Idaho | 1,616 | 183,480 | 109 | 1,251 | 8,763 | 6,898 | 102,228 |
| Illinois | 27,385 | 1,297,965 | 1,360 | 13,144 | 55,406 | 62,233 | 746,974 |
| Indiana | 6,765 | 530,626 | 330 | 4,701 | 28,309 | 31,345 | 263,061 |
| Iowa | 6,378 | 318,216 | 713 | 2,851 | 28,499 | 26,035 | 127,062 |
| Kansas | 5,042 | 298,049 | 350 | 3,143 | 18,331 | 15,150 | 162,071 |
| Kentucky | 6,475 | 341,532 | 198 | 3,078 | 15,979 | 15,545 | 186,740 |
| Louisiana | 4,751 | 400,945 | 218 | 3,042 | 15,428 | 15,058 | 316,175 |
| Maine | 3,501 | 161,065 | 128 | 1,251 | 5,558 | 9,017 | 81,163 |
| Maryland | 16,343 | 530,995 | 932 | 7,011 | 11,143 | 27,049 | 411,412 |
| Massachusetts | 30,919 | 695,896 | 1,231 | 12,396 | 12,526 | 40,440 | 416,877 |
| Michigan | 18,573 | 873,904 | 520 | 6,873 | 29,595 | 41,012 | 489,530 |
| Minnesota | 8,026 | 602,853 | 1,036 | 7,483 | 39,239 | 32,085 | 313,274 |
| Mississippi | 2,812 | 214,700 | 111 | 1,383 | 11,354 | 11,014 | 143,638 |
| Missouri | 12,928 | 616,096 | 429 | 5,322 | 27,260 | 32,199 | 292,949 |
| Montana | 1,519 | 158,392 | 103 | 1,284 | 8,205 | 8,375 | 91,637 |
| Nebraska | 2,262 | 216,418 | 304 | 2,524 | 21,698 | 11,384 | 92,533 |
| Nevada | 3,878 | 225,190 | 200 | 2,348 | 7,360 | 7,335 | 222,519 |
| New Hampshire | 4,869 | 141,034 | 121 | 1,985 | 4,342 | 8,144 | 76,872 |
| New Jersey | 20,781 | 979,583 | 1,968 | 12,848 | 20,979 | 39,934 | 631,863 |
| New Mexico | 2,866 | 165,899 | 119 | 1,341 | 6,071 | 8,385 | 119,145 |
| New York | 41,584 | 2,303,083 | 3,873 | 30,203 | 27,570 | 93,076 | 1,285,112 |
| North Carolina | 11,678 | 833,584 | 777 | 7,114 | 29,454 | 42,179 | 534,082 |
| North Dakota | 1,131 | 101,337 | 106 | 1,257 | 16,066 | 4,998 | 41,480 |
| Ohio | 29,626 | 927,282 | 900 | 9,695 | 36,940 | 58,550 | 588,220 |
| Oklahoma | 8,069 | 360,183 | 286 | 2,773 | 11,295 | 15,399 | 276,521 |
| Oregon | 5,656 | 432,575 | 455 | 3,754 | 12,728 | 21,994 | 299,165 |
| Pennsylvania | 31,737 | 1,143,216 | 1,230 | 12,893 | 38,090 | 66,650 | 614,349 |
| Rhode Island | 3,253 | 112,496 | 204 | 1,136 | 2,178 | 9,350 | 57,440 |
| South Carolina | 6,001 | 380,713 | 278 | 3,527 | 13,052 | 15,665 | 243,308 |
| South Dakota | 1,875 | 110,458 | 158 | 1,701 | 14,191 | 5,608 | 52,428 |
| Tennessee | 9,232 | 463,629 | 538 | 4,635 | 19,168 | 22,234 | 294,262 |
| Texas | 59,068 | 2,058,841 | 1,735 | 26,446 | 80,477 | 85,580 | 2,087,454 |
| Utah | 3,544 | 300,640 | 149 | 1,540 | 7,437 | 8,994 | 224,804 |
| Vermont | 2,208 | 88,251 | 82 | 766 | 3,015 | 5,736 | 40,144 |
| Virginia | 15,987 | 736,927 | 800 | 8,053 | 18,005 | 36,954 | 490,267 |
| Washington | 12,335 | 718,513 | 599 | 7,458 | 22,856 | 31,552 | 529,318 |
| West Virginia | 3,210 | 133,043 | 69 | 896 | 5,548 | 8,292 | 59,305 |
| Wisconsin | 9,717 | 545,831 | 470 | 6,388 | 27,048 | 29,897 | 253,392 |
| Wyoming | 2,144 | 86,442 | 51 | 1,180 | 4,081 | 4,179 | 51,784 |
| Puerto Rico | 162 | 207,783 | 36 | 84 | 111 | 1,021 | 22,397 |
| Other [9] | 991 | 28,778 | 760 | 4,490 | 9,647 | 1,214 | 554,335 |

Footnotes at end of table.

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## Table 3. Number of Returns and Other Forms Filed, by Type and State, Fiscal Year 2014—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 13 for information on tax-exempt bond returns. See Tables 13 and 23 for information on employee retirement benefit plans. See Table 14 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 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–EZ (individual income tax return for single and joint filers with no dependents); 1040–C (income tax return for departing aliens); 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); 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.

[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 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.

[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).

[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 tax return); 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 States.

SOURCE: Research, Analysis, and Statistics, Office of Research.

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## Table 4. Number of Returns and Other Forms Filed Electronically, by Type and State, Fiscal Year 2014

| State or area | Total returns [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** | **157,187,971** | **1,173,505** | **3,439,645** | **2,813,102** | **124,585,594** | **47,309,667** |
| Alabama | 2,122,412 | 10,456 | 40,500 | 36,809 | 1,785,868 | 612,321 |
| Alaska | 371,057 | 1,524 | 6,851 | 5,205 | 301,830 | 151,349 |
| Arizona | 2,939,657 | 12,059 | 50,573 | 49,203 | 2,339,074 | 977,840 |
| Arkansas | 1,288,659 | 6,957 | 29,862 | 19,878 | 1,068,538 | 349,538 |
| California | 18,641,804 | 168,866 | 354,755 | 287,033 | 14,258,526 | 4,175,770 |
| Colorado | 2,747,117 | 15,905 | 86,570 | 69,984 | 2,089,092 | 946,711 |
| Connecticut | 1,902,265 | 12,119 | 19,878 | 46,491 | 1,485,673 | 545,133 |
| Delaware | 486,149 | 4,877 | 10,028 | 11,329 | 369,600 | 165,767 |
| District of Columbia | 368,113 | 2,722 | 3,888 | 7,388 | 267,535 | 126,414 |
| Florida | 10,570,992 | 89,829 | 419,280 | 173,324 | 7,837,927 | 3,170,610 |
| Georgia | 4,757,554 | 26,298 | 128,447 | 75,316 | 3,756,884 | 1,517,913 |
| Hawaii | 632,712 | 4,321 | 7,685 | 6,400 | 530,129 | 203,071 |
| Idaho | 746,042 | 3,846 | 21,991 | 21,661 | 600,670 | 243,019 |
| Illinois | 6,486,314 | 42,931 | 160,938 | 82,800 | 5,178,587 | 1,899,782 |
| Indiana | 3,114,086 | 8,799 | 52,924 | 34,786 | 2,686,635 | 1,125,278 |
| Iowa | 1,538,485 | 12,477 | 31,942 | 27,608 | 1,308,949 | 396,114 |
| Kansas | 1,455,173 | 11,022 | 27,928 | 29,394 | 1,185,605 | 443,430 |
| Kentucky | 1,935,591 | 6,245 | 29,426 | 24,592 | 1,667,806 | 570,340 |
| Louisiana | 2,119,668 | 14,003 | 42,247 | 43,732 | 1,706,521 | 654,133 |
| Maine | 671,434 | 3,571 | 16,872 | 9,495 | 526,857 | 233,227 |
| Maryland | 2,929,626 | 17,942 | 52,883 | 47,024 | 2,334,871 | 973,545 |
| Massachusetts | 3,783,338 | 32,495 | 81,853 | 64,758 | 2,799,266 | 1,019,533 |
| Michigan | 4,869,012 | 38,147 | 108,678 | 86,158 | 4,024,307 | 1,462,478 |
| Minnesota | 2,895,043 | 14,978 | 75,762 | 51,337 | 2,313,116 | 843,023 |
| Mississippi | 1,271,183 | 6,570 | 21,202 | 20,163 | 1,091,811 | 377,757 |
| Missouri | 2,957,751 | 16,384 | 49,048 | 49,475 | 2,371,106 | 923,857 |
| Montana | 555,370 | 5,561 | 20,179 | 15,578 | 426,397 | 151,627 |
| Nebraska | 968,080 | 7,338 | 24,515 | 18,446 | 799,270 | 294,514 |
| Nevada | 1,406,563 | 13,817 | 32,662 | 34,939 | 1,098,042 | 440,635 |
| New Hampshire | 710,413 | 5,148 | 8,564 | 11,932 | 576,171 | 286,004 |
| New Jersey | 4,888,879 | 41,771 | 90,661 | 135,703 | 3,643,077 | 994,642 |
| New Mexico | 904,532 | 4,077 | 13,789 | 12,736 | 764,652 | 319,553 |
| New York | 11,133,581 | 179,842 | 357,060 | 252,305 | 8,304,372 | 2,188,429 |
| North Carolina | 4,434,206 | 19,515 | 78,398 | 54,658 | 3,728,805 | 1,485,098 |
| North Dakota | 388,756 | 2,759 | 9,120 | 10,327 | 319,798 | 107,897 |
| Ohio | 5,715,725 | 29,262 | 81,436 | 85,152 | 4,765,454 | 2,062,178 |
| Oklahoma | 1,771,269 | 9,154 | 38,017 | 31,166 | 1,421,721 | 545,827 |
| Oregon | 1,941,344 | 10,767 | 40,925 | 35,330 | 1,499,695 | 681,884 |
| Pennsylvania | 6,327,175 | 31,742 | 123,505 | 107,340 | 5,168,354 | 2,069,094 |
| Rhode Island | 593,932 | 3,569 | 14,936 | 9,140 | 447,434 | 140,195 |
| South Carolina | 2,175,711 | 11,431 | 46,345 | 33,769 | 1,820,654 | 693,270 |
| South Dakota | 458,741 | 2,896 | 11,968 | 12,179 | 371,900 | 142,976 |
| Tennessee | 2,952,021 | 18,618 | 28,548 | 52,730 | 2,528,424 | 1,093,259 |
| Texas | 12,330,278 | 91,388 | 202,635 | 254,658 | 9,802,493 | 4,370,192 |
| Utah | 1,394,793 | 7,290 | 47,080 | 56,200 | 1,041,692 | 452,735 |
| Vermont | 342,405 | 2,127 | 7,248 | 4,766 | 273,357 | 118,582 |
| Virginia | 3,984,666 | 26,708 | 82,642 | 62,575 | 3,242,038 | 1,585,145 |
| Washington | 3,465,179 | 19,020 | 74,474 | 59,278 | 2,767,810 | 1,432,581 |
| West Virginia | 748,660 | 3,326 | 7,498 | 7,512 | 670,849 | 291,018 |
| Wisconsin | 2,938,811 | 22,203 | 54,220 | 54,344 | 2,444,495 | 957,772 |
| Wyoming | 329,127 | 3,061 | 10,679 | 11,468 | 253,434 | 108,578 |
| Puerto Rico | 75,103 | 92 | 99 | 293 | 66,115 | 5,776 |
| Other [11] | 651,414 | 15,680 | 431 | 7,235 | 452,308 | 182,253 |

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Footnotes at end of table.

## Table 4. Number of Returns and Other Forms Filed Electronically, by Type and State, Fiscal Year 2014—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** | **3,261,248** | **77,275,927** | **2,334,249** | **9,615,578** | **253,158** | **837,997** | **12,135,143** |
| Alabama | 39,515 | 1,173,547 | 21,674 | 66,424 | 4,431 | 11,547 | 144,703 |
| Alaska | 6,909 | 150,481 | 2,840 | 11,088 | 258 | 2,966 | 38,495 |
| Arizona | 64,940 | 1,361,234 | 35,140 | 186,577 | 2,748 | 11,454 | 252,829 |
| Arkansas | 32,069 | 719,000 | 12,314 | 32,748 | 3,700 | 7,387 | 107,275 |
| California | 256,996 | 10,082,756 | 228,729 | 1,611,696 | 22,906 | 78,070 | 1,631,223 |
| Colorado | 55,552 | 1,142,381 | 31,052 | 173,233 | 3,824 | 15,436 | 262,021 |
| Connecticut | 30,365 | 940,540 | 33,941 | 162,362 | 1,093 | 10,972 | 129,736 |
| Delaware | 12,853 | 203,833 | 17,024 | 32,340 | 246 | 3,397 | 37,308 |
| District of Columbia | 9,111 | 141,121 | 3,849 | 42,940 | 35 | 7,206 | 32,550 |
| Florida | 162,157 | 4,667,317 | 136,583 | 712,363 | 14,756 | 38,712 | 1,148,218 |
| Georgia | 115,175 | 2,238,971 | 33,852 | 280,054 | 9,097 | 20,975 | 426,631 |
| Hawaii | 12,327 | 327,058 | 8,777 | 27,695 | 209 | 3,779 | 43,717 |
| Idaho | 20,515 | 357,651 | 6,827 | 19,933 | 1,414 | 4,775 | 64,925 |
| Illinois | 129,594 | 3,278,805 | 180,953 | 392,980 | 16,842 | 33,951 | 396,332 |
| Indiana | 122,931 | 1,561,357 | 24,154 | 134,846 | 6,604 | 18,254 | 147,084 |
| Iowa | 29,190 | 912,835 | 17,727 | 36,037 | 6,444 | 19,405 | 77,896 |
| Kansas | 30,003 | 742,175 | 20,974 | 65,141 | 4,963 | 10,279 | 99,867 |
| Kentucky | 49,918 | 1,097,466 | 19,029 | 71,464 | 3,621 | 9,751 | 103,657 |
| Louisiana | 40,688 | 1,052,388 | 15,222 | 88,131 | 4,182 | 10,099 | 195,531 |
| Maine | 15,316 | 293,630 | 8,055 | 51,303 | 638 | 6,048 | 48,595 |
| Maryland | 56,049 | 1,361,326 | 33,557 | 208,053 | 1,911 | 17,046 | 216,339 |
| Massachusetts | 63,374 | 1,779,733 | 120,769 | 396,775 | 2,265 | 21,125 | 264,032 |
| Michigan | 128,310 | 2,561,829 | 55,954 | 226,821 | 7,118 | 26,464 | 295,365 |
| Minnesota | 66,571 | 1,470,093 | 32,523 | 193,932 | 7,736 | 19,463 | 186,196 |
| Mississippi | 33,543 | 714,054 | 8,081 | 24,776 | 3,318 | 8,035 | 87,227 |
| Missouri | 77,910 | 1,447,249 | 134,359 | 136,804 | 6,524 | 20,087 | 173,964 |
| Montana | 13,542 | 274,770 | 5,822 | 15,228 | 1,879 | 6,168 | 58,558 |
| Nebraska | 20,108 | 504,756 | 16,151 | 32,761 | 4,385 | 7,688 | 57,526 |
| Nevada | 18,774 | 657,407 | 13,618 | 80,823 | 1,394 | 4,694 | 126,574 |
| New Hampshire | 13,711 | 290,167 | 11,171 | 50,257 | 684 | 5,080 | 41,406 |
| New Jersey | 52,773 | 2,648,435 | 121,426 | 474,952 | 3,977 | 20,956 | 356,356 |
| New Mexico | 20,933 | 445,099 | 7,592 | 26,543 | 3,231 | 5,585 | 66,327 |
| New York | 192,345 | 6,115,943 | 241,543 | 878,995 | 5,377 | 54,855 | 859,232 |
| North Carolina | 105,197 | 2,243,707 | 41,323 | 213,154 | 4,999 | 22,271 | 271,083 |
| North Dakota | 9,470 | 211,901 | 4,594 | 10,880 | 3,306 | 3,379 | 24,593 |
| Ohio | 159,041 | 2,703,276 | 95,806 | 276,845 | 8,975 | 36,923 | 335,872 |
| Oklahoma | 47,829 | 875,894 | 20,336 | 73,452 | 3,360 | 9,989 | 164,074 |
| Oregon | 57,530 | 817,811 | 25,282 | 135,112 | 2,888 | 13,778 | 177,567 |
| Pennsylvania | 154,879 | 3,099,260 | 108,266 | 399,530 | 8,106 | 38,083 | 342,249 |
| Rhode Island | 11,001 | 307,239 | 20,970 | 62,514 | 296 | 3,441 | 31,632 |
| South Carolina | 67,782 | 1,127,384 | 15,910 | 89,542 | 2,600 | 10,171 | 145,289 |
| South Dakota | 8,355 | 228,924 | 11,509 | 8,216 | 3,765 | 4,053 | 32,255 |
| Tennessee | 71,132 | 1,435,165 | 27,761 | 106,314 | 6,370 | 14,496 | 168,760 |
| Texas | 207,828 | 5,432,301 | 151,137 | 598,872 | 28,070 | 56,063 | 1,144,962 |
| Utah | 26,683 | 588,957 | 11,867 | 77,369 | 2,723 | 5,555 | 145,017 |
| Vermont | 11,074 | 154,775 | 4,938 | 26,228 | 265 | 3,668 | 19,808 |
| Virginia | 126,026 | 1,656,893 | 35,844 | 236,103 | 4,053 | 23,977 | 270,726 |
| Washington | 75,865 | 1,335,229 | 44,787 | 173,786 | 4,374 | 20,921 | 300,729 |
| West Virginia | 25,630 | 379,831 | 8,651 | 13,623 | 901 | 5,322 | 30,978 |
| Wisconsin | 74,171 | 1,486,723 | 37,390 | 139,985 | 4,739 | 20,418 | 161,017 |
| Wyoming | 4,833 | 144,856 | 5,435 | 8,804 | 1,222 | 3,002 | 32,022 |
| Puerto Rico | 1,145 | 60,339 | d | 5,176 | d | 373 | 2,856 |
| Other [11] | 21,710 | 270,055 | d | 13,998 | d | 405 | 155,959 |

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Footnotes at end of table.

## Table 4. Number of Returns and Other Forms Filed Electronically, by Type and State, Fiscal Year 2014—Continued

**Footnotes**

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

[1] Excludes returns that do not have the 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).

[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); and 1040–SS (self-employment income tax return for U.S. Virgin Islands, Guam, American Samoa, and Northern Mariana Islands residents).

[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 $58,000 or less could prepare and file their 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 preparer of the return.

[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); 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 States.

SOURCE: Research, Analysis, and Statistics, Office of Research.

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## Table 5. Gross Collections, by Type of Tax and State, Fiscal Year 2014

[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 [5]** | **3,064,301,358** | **353,141,112** | **2,619,847,215** | **2,067,747,446** | **508,123,572** |
| Alabama | 23,789,249 | 1,484,582 | 21,820,797 | 17,459,314 | 4,159,796 |
| Alaska | 5,449,061 | 179,898 | 5,213,654 | 4,006,269 | 1,141,328 |
| Arizona | 40,530,219 | 4,380,014 | 34,357,778 | 26,820,613 | 7,130,490 |
| Arkansas | 30,728,862 | 7,611,308 | 22,353,431 | 19,008,318 | 3,017,812 |
| California | 369,193,162 | 46,236,808 | 314,319,084 | 236,744,881 | 73,890,637 |
| Colorado | 52,002,903 | 7,339,139 | 43,660,813 | 33,784,590 | 9,432,728 |
| Connecticut | 57,697,380 | 8,633,070 | 47,265,116 | 34,621,844 | 11,690,228 |
| Delaware | 19,039,980 | 4,335,398 | 14,146,624 | 12,368,330 | 980,907 |
| District of Columbia | 26,432,733 | 1,322,308 | 25,049,824 | 22,304,073 | 2,117,532 |
| Florida | 154,353,070 | 9,015,856 | 141,912,552 | 102,167,987 | 36,766,709 |
| Georgia | 79,565,715 | 10,736,886 | 64,674,241 | 53,415,484 | 10,532,991 |
| Hawaii | 7,722,840 | 376,857 | 7,090,806 | 5,320,158 | 1,659,610 |
| Idaho | 9,223,749 | 333,880 | 8,788,307 | 6,879,043 | 1,769,742 |
| Illinois | 148,332,148 | 20,034,959 | 123,885,426 | 98,066,809 | 22,121,808 |
| Indiana | 54,606,571 | 4,561,915 | 48,027,054 | 40,856,692 | 6,611,136 |
| Iowa | 22,309,198 | 1,544,385 | 20,398,887 | 16,209,366 | 4,044,743 |
| Kansas | 25,896,981 | 2,166,100 | 21,819,357 | 16,963,445 | 4,444,905 |
| Kentucky | 30,128,276 | 2,324,359 | 26,911,767 | 23,137,141 | 3,527,066 |
| Louisiana | 43,023,097 | 1,604,433 | 40,613,155 | 33,624,610 | 6,643,094 |
| Maine | 6,901,517 | 292,164 | 6,452,674 | 5,108,874 | 1,259,769 |
| Maryland | 59,613,635 | 3,176,203 | 55,800,282 | 45,671,241 | 9,466,970 |
| Massachusetts | 100,160,858 | 9,277,736 | 89,106,987 | 70,475,998 | 17,408,851 |
| Michigan | 71,183,803 | 5,022,559 | 65,478,941 | 53,851,276 | 10,759,533 |
| Minnesota | 96,227,262 | 19,417,565 | 74,153,885 | 65,229,199 | 8,373,378 |
| Mississippi | 11,011,288 | 693,586 | 10,122,056 | 7,727,939 | 2,298,421 |
| Missouri | 61,511,933 | 9,946,571 | 50,072,510 | 42,241,490 | 6,988,952 |
| Montana | 5,338,004 | 194,463 | 5,053,198 | 3,520,716 | 1,457,712 |
| Nebraska | 23,884,904 | 7,269,170 | 16,416,668 | 12,311,264 | 2,752,809 |
| Nevada | 16,578,585 | 777,910 | 15,264,612 | 10,279,657 | 4,517,211 |
| New Hampshire | 11,043,784 | 236,410 | 10,437,649 | 7,668,149 | 1,973,030 |
| New Jersey | 134,869,876 | 21,813,832 | 109,983,681 | 90,591,698 | 18,161,703 |
| New Mexico | 8,758,418 | 231,314 | 8,233,829 | 6,140,587 | 2,011,549 |
| New York | 250,618,177 | 28,664,811 | 217,823,234 | 162,914,752 | 51,360,309 |
| North Carolina | 72,471,513 | 8,698,479 | 63,172,182 | 53,256,233 | 9,314,989 |
| North Dakota | 7,585,145 | 560,449 | 6,939,582 | 4,535,198 | 2,360,455 |
| Ohio | 129,901,095 | 12,286,168 | 113,211,893 | 99,812,401 | 12,032,324 |
| Oklahoma | 32,610,983 | 4,049,061 | 24,339,580 | 18,134,739 | 5,455,218 |
| Oregon | 28,409,241 | 1,920,303 | 25,598,367 | 20,537,610 | 4,827,081 |
| Pennsylvania | 126,374,146 | 12,619,448 | 109,883,768 | 91,264,936 | 16,813,695 |
| Rhode Island | 13,887,904 | 3,683,902 | 10,058,643 | 8,480,558 | 1,326,051 |
| South Carolina | 22,242,016 | 1,567,705 | 20,290,724 | 15,858,579 | 4,228,258 |
| South Dakota | 6,733,600 | 404,686 | 6,256,818 | 3,718,484 | 1,743,325 |
| Tennessee | 56,936,715 | 5,905,079 | 49,504,974 | 42,192,699 | 6,846,802 |
| Texas | 265,336,183 | 32,585,544 | 211,993,178 | 158,014,318 | 48,632,252 |
| Utah | 18,389,171 | 1,557,838 | 16,186,263 | 12,719,019 | 3,284,257 |
| Vermont | 4,324,613 | 351,999 | 3,912,161 | 3,045,319 | 822,239 |
| Virginia | 75,048,791 | 11,378,112 | 63,044,178 | 49,929,092 | 11,933,483 |
| Washington | 67,812,753 | 5,612,788 | 60,801,922 | 47,073,817 | 13,133,866 |
| West Virginia | 6,885,260 | 374,563 | 6,438,716 | 5,084,700 | 1,294,808 |
| Wisconsin | 49,592,070 | 6,021,437 | 42,831,333 | 34,703,911 | 7,163,614 |
| Wyoming | 4,891,559 | 185,588 | 4,570,938 | 2,568,717 | 1,778,596 |
| U.S. Armed Service members overseas and Territories other than Puerto Rico | 693,479 | 3,698 | 687,428 | 548,615 | 121,263 |
| Puerto Rico | 3,554,320 | 118,689 | 3,333,976 | 2,939,203 | 367,025 |
| International | 10,924,328 | 1,891,507 | 8,659,544 | 4,338,006 | 4,285,672 |
| Undistributed [6] | 1,969,237 | 127,623 | 1,422,167 | 1,499,485 | −115160 |

Footnotes at end of table.

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## Table 5. Gross Collections, by Type of Tax and State, Fiscal Year 2014—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 [4] | Excise taxes [1] |
|---|---|---|---|---|---|---|
| | Unemployment insurance tax | Railroad retirement tax | Estate and trust income tax | | | |
| | (6) | (7) | (8) | (9) | (10) | (11) |
| **United States, total [5]** | **8,611,877** | **5,953,524** | **29,410,796** | **17,572,338** | **2,582,617** | **71,158,076** |
| Alabama | 66,766 | 2,794 | 132,127 | 166,134 | 9,189 | 308,548 |
| Alaska | 12,384 | 2,073 | 51,600 | 4,856 | 592 | 50,060 |
| Arizona | 110,278 | 1,879 | 294,519 | 268,951 | 13,548 | 1,509,929 |
| Arkansas | 186,861 | 2,977 | 137,464 | 112,746 | 2,908 | 648,469 |
| California | 1,387,204 | 21,543 | 2,274,818 | 3,599,512 | 595,894 | 4,441,865 |
| Colorado | 101,446 | 17,240 | 324,809 | 162,864 | 14,142 | 825,945 |
| Connecticut | 134,272 | 5,303 | 813,469 | 361,084 | 164,782 | 1,273,328 |
| Delaware | 29,774 | 183 | 767,430 | 19,333 | 1,541 | 537,084 |
| District of Columbia | 16,266 | 556,635 | 55,319 | 29,664 | 3,596 | 27,341 |
| Florida | 415,853 | 813,164 | 1,748,839 | 1,980,868 | 131,077 | 1,312,718 |
| Georgia | 346,855 | 2,201 | 376,711 | 296,095 | 768,552 | 3,089,941 |
| Hawaii | 16,352 | 0 | 94,686 | 31,992 | 1,636 | 221,549 |
| Idaho | 36,145 | 880 | 102,498 | 41,505 | 586 | 59,470 |
| Illinois | 314,503 | 231,723 | 3,150,584 | 804,416 | 13,001 | 3,594,346 |
| Indiana | 236,420 | 30,140 | 292,667 | 307,802 | 26,715 | 1,683,085 |
| Iowa | 50,750 | 5,966 | 88,062 | 97,385 | 6,759 | 261,782 |
| Kansas | 68,262 | 196,220 | 146,525 | 210,903 | 2,724 | 1,697,898 |
| Kentucky | 127,946 | 12,414 | 107,199 | 93,444 | 5,356 | 793,351 |
| Louisiana | 70,140 | 4,439 | 270,871 | 151,567 | 18,493 | 635,449 |
| Maine | 18,291 | 3,035 | 62,704 | 48,082 | 1,252 | 107,345 |
| Maryland | 103,131 | 13,747 | 545,192 | 264,370 | 43,445 | 329,335 |
| Massachusetts | 178,947 | 79,409 | 963,782 | 317,766 | 26,707 | 1,431,661 |
| Michigan | 195,247 | 91,074 | 581,811 | 331,409 | -6,993 | 357,887 |
| Minnesota | 203,858 | 96,078 | 251,372 | 171,755 | 32,959 | 2,451,099 |
| Mississippi | 30,945 | 1,202 | 63,549 | 47,969 | 2,176 | 145,500 |
| Missouri | 224,883 | 82,962 | 534,223 | 281,148 | 9,786 | 1,201,918 |
| Montana | 13,852 | 25,865 | 35,054 | 46,148 | 2,131 | 42,064 |
| Nebraska | 36,272 | 1,229,093 | 87,231 | 77,247 | 4,883 | 116,935 |
| Nevada | 44,647 | 84 | 423,012 | 401,338 | 9,274 | 125,451 |
| New Hampshire | 21,939 | 51 | 774,480 | 66,904 | 24,942 | 277,879 |
| New Jersey | 244,014 | 147,015 | 839,250 | 364,396 | 46,463 | 2,661,505 |
| New Mexico | 22,173 | 71 | 59,450 | 75,750 | 2,378 | 215,146 |
| New York | 689,718 | 386,964 | 2,471,490 | 1,684,333 | 208,243 | 2,237,556 |
| North Carolina | 336,642 | 7,933 | 256,384 | 298,755 | 8,304 | 293,792 |
| North Dakota | 14,413 | 6,040 | 23,476 | 24,933 | 5,833 | 54,348 |
| Ohio | 472,820 | 23,244 | 871,104 | 466,177 | 21,375 | 3,915,483 |
| Oklahoma | 71,624 | 2,817 | 675,182 | 115,025 | 5,132 | 4,102,186 |
| Oregon | 74,629 | 725 | 158,323 | 80,321 | 25,139 | 785,109 |
| Pennsylvania | 291,364 | 66,061 | 1,447,712 | 453,983 | 38,343 | 3,378,606 |
| Rhode Island | 47,124 | 12 | 204,899 | 38,701 | 11,495 | 95,164 |
| South Carolina | 61,703 | 1,371 | 140,813 | 126,204 | 2,279 | 255,104 |
| South Dakota | 11,948 | 678 | 782,383 | 28,591 | 938 | 42,567 |
| Tennessee | 193,451 | 2,753 | 269,270 | 143,971 | 7,177 | 1,375,514 |
| Texas | 547,231 | 1,050,867 | 3,748,510 | 1,557,068 | 89,865 | 19,110,528 |
| Utah | 52,718 | 5,492 | 124,777 | 42,186 | 4,524 | 598,361 |
| Vermont | 8,976 | 2,465 | 33,162 | 30,524 | 253 | 29,676 |
| Virginia | 161,295 | 702,223 | 318,085 | 379,650 | 8,058 | 238,793 |
| Washington | 175,934 | 9,279 | 409,025 | 311,272 | 122,072 | 964,698 |
| West Virginia | 16,291 | 539 | 42,378 | 15,637 | 382 | 55,961 |
| Wisconsin | 235,497 | 3,962 | 724,349 | 166,229 | 3,768 | 569,303 |
| Wyoming | 7,828 | 883 | 214,915 | 75,010 | 2,531 | 57,492 |
| U.S. Armed Service members overseas and Territories other than Puerto Rico | 3,701 | 0 | 13,849 | 0 | 2 | 2,352 |
| Puerto Rico | 27,204 | 0 | 545 | 1,512 | 65 | 100,078 |
| International | 5,485 | 1,524 | 28,857 | 73,322 | 3,612 | 296,343 |
| Undistributed [6] | 37,605 | 236 | 0 | 223,534 | 32,733 | 163,180 |

Footnotes at end of table.

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## Table 5. Gross Collections, by Type of Tax and State, Fiscal Year 2014—Continued

**Footnotes**

[1] Excludes excise taxes collected by the U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau.

[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 taxes on self-employment income (under the Self-Employment Insurance Contributions Act or SECA). Thus, while aggregate figures that show these amounts separately are presented in Table 1, separate amounts are not available by State.

[4] The amount of gift tax collections decreased from $5,778,377,000 in Fiscal Year (FY) 2013 to $2,582,617,000 in FY 2014. The Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 raised the unified estate and gift tax credit to $5 million until December 31, 2012, after which the gift tax credit was to return to $1 million. Uncertainty over whether Congress would extend the higher credit led to a surge in gifts during early FY 2013. The $5 million exemption was made permanent on December 31, 2012, and indexed for inflation, as part of the American Taxpayer Relief Act of 2012 and as a result, the amount of gift tax reported in FY 2014 is more in line with historic trends.

[5] Excludes refunds credited to taxpayer accounts for tax liability in a subsequent year.

[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 equals 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 2014 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, 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 other State(s).

SOURCE: Chief Financial Officer, Financial Management.

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## Table 6. Gross Collections, by Type of Tax, Fiscal Years 1960–2014

[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 | n.a. | 11,158,589 | 1,439,259 | 187,089 | 11,864,741 |
| 1961 | 94,401,086 | 67,917,941 | 21,764,940 | 46,153,001 | n.a. | 12,502,451 | 1,745,480 | 170,912 | 12,064,302 |
| 1962 | 99,440,839 | 71,945,305 | 21,295,711 | 50,649,594 | n.a. | 12,708,171 | 1,796,227 | 238,960 | 12,752,176 |
| 1963 | 105,925,395 | 75,323,714 | 22,336,134 | 52,987,581 | n.a. | 15,004,486 | 1,971,614 | 215,843 | 13,409,737 |
| 1964 | 112,260,257 | 78,891,218 | 24,300,863 | 54,590,354 | n.a. | 17,002,504 | 2,110,992 | 305,312 | 13,950,232 |
| 1965 | 114,434,634 | 79,792,016 | 26,131,334 | 53,660,683 | n.a. | 17,104,306 | 2,454,332 | 291,201 | 14,792,779 |
| 1966 | 128,879,961 | 92,131,794 | 30,834,243 | 61,297,552 | n.a. | 20,256,133 | 2,646,968 | 446,954 | 13,398,112 |
| 1967 | 148,374,815 | 104,288,420 | 34,917,825 | 69,370,595 | n.a. | 26,958,241 | 2,728,580 | 285,826 | 14,113,748 |
| 1968 | 153,636,838 | 108,148,565 | 29,896,520 | 78,252,045 | n.a. | 28,085,898 | 2,710,254 | 371,725 | 14,320,396 |
| 1969 | 187,919,560 | 135,778,052 | 38,337,646 | 97,440,406 | n.a. | 33,068,657 | 3,136,691 | 393,373 | 15,542,787 |
| 1970 | 195,722,096 | 138,688,568 | 35,036,983 | 103,651,585 | n.a. | 37,449,188 | 3,241,321 | 438,755 | 15,904,264 |
| 1971 | 191,647,198 | 131,072,374 | 30,319,953 | 100,752,421 | n.a. | 39,918,690 | 3,352,641 | 431,642 | 16,871,851 |
| 1972 | 209,855,737 | 143,804,732 | 34,925,546 | 108,879,186 | n.a. | 43,714,001 | 5,126,522 | 363,447 | 16,847,036 |
| 1973 | 237,787,204 | 164,157,315 | 39,045,309 | 125,112,006 | n.a. | 52,081,709 | 4,338,924 | 636,938 | 16,572,318 |
| 1974 | 268,952,254 | 184,648,094 | 41,744,444 | 142,903,650 | n.a. | 62,093,632 | 4,659,825 | 440,849 | 17,109,853 |
| 1975 | 293,822,726 | 202,146,097 | 45,746,660 | 156,399,437 | n.a. | 70,140,809 | 4,312,657 | 375,421 | 16,847,741 |
| 1976 | 302,519,792 | 205,751,753 | 46,782,956 | 158,968,797 | n.a. | 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 | n.a. | 19,892,041 | 1,367,935 | 117,312 | 4,518,008 |
| 1977 | 358,139,417 | 246,805,067 | 60,049,804 | 186,755,263 | n.a. | 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 | n.a. | 97,291,653 | 5,242,080 | 139,419 | 18,664,949 |
| 1979 | 460,412,185 | 322,993,733 | 71,447,876 | 251,545,857 | n.a. | 112,849,874 | 5,344,176 | 174,899 | 19,049,504 |
| 1980 | 519,375,273 | 359,927,392 | 72,379,610 | 287,547,782 | n.a. | 128,330,480 | 6,282,247 | 216,134 | 24,619,021 |
| 1981 | 606,799,103 | 406,583,302 | 73,733,156 | 332,850,146 | n.a. | 152,885,816 | 6,694,641 | 215,745 | 40,419,598 |
| 1982 | 632,240,506 | 418,599,768 | 65,990,832 | 352,608,936 | n.a. | 168,717,936 | 8,035,335 | 108,038 | 36,779,428 |
| 1983 | 627,246,793 | 411,407,523 | 61,779,556 | 349,627,967 | n.a. | 173,847,854 | 6,077,202 | 148,675 | 35,765,538 |
| 1984 | 680,475,229 | 437,071,049 | 74,179,370 | 362,891,679 | n.a. | 199,210,028 | 6,024,985 | 151,682 | 38,017,486 |
| 1985 | 742,871,541 | 474,072,327 | 77,412,769 | 396,659,558 | n.a. | 225,214,568 | 6,303,418 | 276,284 | 37,004,944 |
| 1986 | 782,251,812 | 497,406,391 | 80,441,620 | 416,964,771 | n.a. | 243,978,380 | 6,814,417 | 380,538 | 33,672,086 |
| 1987 | 886,290,590 | 568,311,471 | 102,858,985 | 465,452,486 | n.a. | 277,000,469 | 7,164,681 | 502,989 | 33,310,980 |
| 1988 | 935,106,594 | 583,349,120 | 109,682,554 | 473,666,566 | n.a. | 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 | n.a. | 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 | n.a. | 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 | n.a. | 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 | n.a. | 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 | n.a. | 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 | n.a. | 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 | n.a. | 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 | n.a. | 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 | n.a. | 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 | n.a. | 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 | n.a. | 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 | n.a. | 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 | n.a. | 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 | n.a. | 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 | n.a. | 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 | n.a. | 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 | n.a. | 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 | n.a. | 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 | n.a. | 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 | [8] 2,582,617 | 71,158,076 |

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Footnotes on next page.

## Table 6. Gross Collections, by Type of Tax, Fiscal Years 1960–2014—Continued

**Footnotes**

n.a.—Not available. See footnote 3 below.

[1] Beginning with Fiscal Year 2009, excludes refunds credited to taxpayer accounts for tax liability in a subsequent year.

[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 1960–2007. Beginning with Fiscal Year 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 (RRTA).

[5] Excludes excise taxes collected by the 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] Represents fiscal-year transitional period, July 1976 through September 1976, resulting from redefinition of the term "fiscal year." Fiscal Year 1976 covered July 1975 through June 1976 (earlier years were similarly defined). Fiscal Year 1977 covered October 1976 through September 1977 (subsequent years are similarly defined).

[7] The estate tax was temporarily repealed for deaths in Calendar Year 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 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 2011 decedents. These tax law changes significantly reduced estate tax gross collections in Fiscal Year 2011 relative to other fiscal years.

[8] The amount of gift tax collections decreased from $5,778,377,000 in Fiscal Year (FY) 2013 to $2,582,617,000 in FY 2014. The Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 raised the unified estate and gift tax credit to $5 million until December 31, 2012, after which the gift tax credit was to return to $1 million. Uncertainty over whether Congress would extend the higher credit led to a surge in gifts during early FY 2013. The $5 million exemption was made permanent on December 31, 2012, and indexed for inflation, as part of the American Taxpayer Relief Act of 2012 and as a result, the amount of gift tax reported in FY 2014 is more in line with historic trends.

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 equals net collections. See Table 1 for data on refunds and net collections.

SOURCE: Chief Financial Officer, Financial Management.

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## Table 7. Number of Refunds Issued, by Type of Refund and State, Fiscal Year 2014

| State or area | Total Internal Revenue refunds [1, 2] | Business income taxes [3] | Individual income tax, estate and trust income tax, and employment taxes | | | Estate tax | Gift tax | Excise taxes [1] |
|---|---|---|---|---|---|---|---|---|
| | | | Individual income tax | Estate and trust income tax | Employment taxes [4] | | | |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
| **United States, total [5]** | **118,694,299** | **363,481** | **116,562,491** | **227,700** | **1,447,904** | **4,651** | **3,027** | **85,045** |
| Alabama | 1,702,744 | 3,758 | 1,675,040 | 2,469 | 20,275 | 33 | 25 | 1,144 |
| Alaska | 287,182 | 821 | 280,013 | 385 | 5,652 | 6 | 3 | 302 |
| Arizona | 2,175,590 | 4,949 | 2,141,452 | 3,782 | 24,171 | 53 | 35 | 1,148 |
| Arkansas | 1,003,190 | 2,897 | 984,210 | 1,146 | 14,153 | 19 | 18 | 747 |
| California | 13,283,040 | 43,546 | 13,052,132 | 24,677 | 153,153 | 862 | 463 | 8,207 |
| Colorado | 1,932,768 | 6,094 | 1,895,000 | 3,704 | 26,506 | 71 | 44 | 1,349 |
| Connecticut | 1,405,931 | 3,987 | 1,380,358 | 4,288 | 16,182 | 93 | 69 | 954 |
| Delaware | 360,809 | 1,451 | 352,626 | 2,566 | 3,775 | 12 | 10 | 369 |
| District of Columbia | 265,764 | 1,044 | 260,153 | 721 | 3,587 | 26 | 14 | 219 |
| Florida | 7,606,995 | 21,455 | 7,457,018 | 13,954 | 109,629 | 373 | 329 | 4,237 |
| Georgia | 3,618,237 | 8,704 | 3,566,040 | 4,027 | 37,367 | 95 | 35 | 1,969 |
| Hawaii | 536,883 | 2,097 | 527,344 | 1,388 | 5,798 | 18 | 8 | 230 |
| Idaho | 546,456 | 1,916 | 533,276 | 579 | 10,145 | 13 | d | d |
| Illinois | 5,096,556 | 15,440 | 5,004,153 | 14,729 | 57,440 | 180 | 124 | 4,490 |
| Indiana | 2,565,469 | 6,005 | 2,530,963 | 2,651 | 24,069 | 39 | 27 | 1,715 |
| Iowa | 1,149,923 | 6,382 | 1,126,151 | 1,237 | 14,558 | 28 | 12 | 1,555 |
| Kansas | 1,052,716 | 4,826 | 1,030,406 | 2,012 | 14,440 | 36 | 12 | 984 |
| Kentucky | 1,594,872 | 3,360 | 1,572,767 | 1,950 | 15,854 | 27 | 23 | 891 |
| Louisiana | 1,672,605 | 4,989 | 1,639,184 | 1,734 | 25,545 | 49 | 34 | 1,070 |
| Maine | 514,012 | 2,000 | 504,840 | 974 | 5,629 | 20 | 7 | 542 |
| Maryland | 2,313,936 | 6,210 | 2,278,116 | 4,846 | 23,471 | 74 | 58 | 1,161 |
| Massachusetts | 2,636,735 | 7,324 | 2,591,848 | 9,915 | 25,488 | 147 | 95 | 1,918 |
| Michigan | 3,789,560 | 12,375 | 3,724,428 | 6,588 | 43,698 | 93 | 43 | 2,335 |
| Minnesota | 2,067,438 | 8,831 | 2,027,967 | 3,588 | 24,578 | 80 | 47 | 2,347 |
| Mississippi | 1,055,448 | 2,901 | 1,036,471 | 959 | 14,398 | 22 | 0 | 697 |
| Missouri | 2,227,989 | 7,492 | 2,187,499 | 4,566 | 26,469 | 57 | 28 | 1,878 |
| Montana | 372,925 | 3,004 | 361,325 | 502 | 7,557 | 14 | 10 | 513 |
| Nebraska | 708,888 | 3,392 | 692,881 | 1,376 | 10,262 | 16 | 11 | 950 |
| Nevada | 1,068,420 | 3,201 | 1,051,127 | 1,589 | 11,847 | 31 | 36 | 589 |
| New Hampshire | 554,811 | 1,819 | 544,432 | 1,433 | 6,663 | 24 | 17 | 423 |
| New Jersey | 3,482,558 | 9,794 | 3,418,079 | 8,344 | 43,907 | 140 | 81 | 2,213 |
| New Mexico | 738,963 | 1,867 | 725,876 | 956 | 9,827 | 23 | 10 | 404 |
| New York | 7,686,707 | 23,752 | 7,543,503 | 15,658 | 98,472 | 526 | 492 | 4,304 |
| North Carolina | 3,476,410 | 9,294 | 3,422,215 | 4,993 | 37,079 | 106 | 44 | 2,679 |
| North Dakota | 278,156 | 1,612 | 270,287 | 293 | 5,347 | 10 | 6 | 601 |
| Ohio | 4,605,489 | 12,646 | 4,542,029 | 8,888 | 38,740 | 106 | 76 | 3,004 |
| Oklahoma | 1,320,261 | 4,225 | 1,293,259 | 2,381 | 19,138 | 32 | 21 | 1,205 |
| Oregon | 1,374,235 | 5,434 | 1,346,523 | 2,571 | 18,338 | 48 | 34 | 1,287 |
| Pennsylvania | 5,085,356 | 13,468 | 5,005,635 | 12,623 | 49,583 | 147 | 111 | 3,789 |
| Rhode Island | 433,443 | 1,046 | 425,732 | 2,461 | 3,074 | 29 | 11 | 1,090 |
| South Carolina | 1,677,347 | 3,690 | 1,651,435 | 1,769 | 19,268 | 28 | 13 | 1,144 |
| South Dakota | 326,389 | 1,930 | 316,982 | 1,225 | 5,675 | 8 | 5 | 564 |
| Tennessee | 2,444,675 | 5,219 | 2,403,935 | 3,592 | 30,292 | 46 | 39 | 1,552 |
| Texas | 9,802,282 | 28,710 | 9,606,694 | 20,481 | 138,280 | 325 | 211 | 7,581 |
| Utah | 987,266 | 2,763 | 968,809 | 1,124 | 13,877 | 21 | 14 | 658 |
| Vermont | 257,560 | 1,224 | 251,272 | 594 | 4,179 | 20 | 5 | 266 |
| Virginia | 3,112,499 | 8,971 | 3,059,715 | 5,389 | 36,330 | 120 | 58 | 1,916 |
| Washington | 2,640,001 | 8,012 | 2,585,208 | 4,908 | 39,884 | 94 | 92 | 1,803 |
| West Virginia | 674,868 | 1,712 | 664,015 | 642 | 8,073 | 18 | 3 | 405 |
| Wisconsin | 2,253,326 | 8,669 | 2,215,957 | 3,316 | 23,363 | 55 | 32 | 1,934 |
| Wyoming | 232,612 | 1,364 | 225,300 | 604 | 5,018 | 9 | 7 | 310 |
| U.S. Armed Service members overseas and Territories other than Puerto Rico | 156,924 | 42 | 154,157 | 32 | 2,662 | 0 | 0 | 31 |
| Puerto Rico | 140,098 | 311 | 126,601 | 23 | 13,140 | 0 | 0 | 23 |
| International | 336,342 | 5,456 | 327,422 | 498 | 1,999 | 126 | 19 | 822 |
| Undistributed [6] | 2,640 | 0 | 2,631 | 0 | 0 | 3 | d | d |
| **Child tax credit [7]** | **16,799,897** | **N/A** | **16,799,897** | **N/A** | **N/A** | **N/A** | **N/A** | **N/A** |
| **Earned income tax credits [7]** | **24,442,662** | **N/A** | **24,442,662** | **N/A** | **N/A** | **N/A** | **N/A** | **N/A** |

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Footnotes on next page.

## Table 7. Number of Refunds Issued, by Type of Refund and State, Fiscal Year 2014—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 applicable.

[1] Excludes refunds of excise taxes collected by the U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau.

[2] Includes overpayment refunds, refunds resulting from examination activity, refundable tax credits, and other refunds required by law.

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

[4] 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).

[5] Excludes refunds credited to taxpayer accounts for tax liability in a subsequent year.

[6] 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.

[7] 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.

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## Table 8. Amount of Refunds Issued, Including Interest, by Type of Refund and State, Fiscal Year 2014

[Money amounts are in thousands of dollars]

| State or area | Total Internal Revenue refunds [1, 2] | Business income taxes [3] | Individual income tax, estate and trust income tax, and employment taxes | | | Estate tax | Gift tax | Excise taxes [1] |
|---|---|---|---|---|---|---|---|---|
| | | | Individual income tax [4] | Estate and trust income tax | Employment taxes [5] | | | |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
| **United States, total [6]** | **373,545,926** | **35,313,521** | **330,561,145** | **1,580,563** | **3,824,556** | **730,291** | **149,455** | **1,386,395** |
| Alabama | 4,951,091 | 186,726 | 4,724,766 | 12,787 | 20,625 | 2,306 | 1,091 | 2,790 |
| Alaska | 820,566 | 45,817 | 762,026 | 4,305 | 5,450 | 876 | 19 | 2,072 |
| Arizona | 6,117,312 | 378,771 | 5,652,704 | 17,497 | 29,697 | 6,427 | 623 | 31,593 |
| Arkansas | 2,922,525 | 242,638 | 2,648,474 | 6,745 | 17,042 | 4,204 | 1,197 | 2,225 |
| California | 42,112,601 | 4,520,744 | 36,675,433 | 153,445 | 451,817 | 136,171 | 17,235 | 157,756 |
| Colorado | 5,750,477 | 845,191 | 4,812,689 | 21,710 | 42,879 | 5,544 | 1,627 | 20,838 |
| Connecticut | 5,354,519 | 919,537 | 4,314,033 | 32,648 | 66,932 | 13,406 | 2,388 | 5,576 |
| Delaware | 3,251,375 | 2,265,613 | 903,684 | 53,476 | 22,362 | 5,310 | 30 | 900 |
| District of Columbia | 849,615 | 73,096 | 756,962 | 4,511 | 13,069 | 647 | 250 | 1,079 |
| Florida | 22,313,006 | 750,891 | 21,204,143 | 96,815 | 173,485 | 49,622 | 14,218 | 23,832 |
| Georgia | 10,684,039 | 649,439 | 9,868,301 | 23,581 | 93,669 | 7,097 | 428 | 41,524 |
| Hawaii | 1,452,114 | 87,680 | 1,349,655 | 4,775 | 5,962 | 1,348 | 10 | 2,685 |
| Idaho | 1,369,447 | 60,746 | 1,287,214 | 2,069 | 14,392 | 2,483 | d | d |
| Illinois | 17,151,666 | 2,647,968 | 14,184,482 | 118,318 | 120,718 | 22,184 | 8,052 | 49,944 |
| Indiana | 6,876,981 | 277,248 | 6,509,854 | 28,458 | 27,899 | 3,952 | 4,445 | 25,126 |
| Iowa | 3,066,502 | 237,162 | 2,796,185 | 4,525 | 18,778 | 4,317 | 15 | 5,519 |
| Kansas | 2,976,769 | 289,642 | 2,628,567 | 14,601 | 19,052 | 5,218 | 524 | 19,165 |
| Kentucky | 4,307,783 | 170,035 | 4,091,732 | 8,994 | 21,008 | 830 | 188 | 14,996 |
| Louisiana | 5,067,969 | 184,568 | 4,818,487 | 24,103 | 22,164 | 7,912 | 3,956 | 6,778 |
| Maine | 1,323,953 | 160,713 | 1,149,887 | 3,084 | 3,469 | 1,637 | 14 | 5,149 |
| Maryland | 6,858,448 | 491,109 | 6,260,116 | 34,105 | 56,089 | 7,859 | 2,714 | 6,456 |
| Massachusetts | 8,018,069 | 907,568 | 6,953,479 | 48,894 | 69,203 | 21,815 | 3,771 | 13,339 |
| Michigan | 9,936,380 | 528,950 | 9,242,438 | 45,180 | 93,544 | 13,545 | 1,275 | 11,449 |
| Minnesota | 7,009,210 | 2,037,770 | 4,810,182 | 18,524 | 39,653 | 48,522 | 3,198 | 51,359 |
| Mississippi | 3,137,665 | 64,580 | 3,050,351 | 5,762 | 12,847 | 1,250 | 0 | 2,875 |
| Missouri | 6,111,154 | 443,565 | 5,572,044 | 25,998 | 42,536 | 11,890 | 148 | 14,973 |
| Montana | 866,466 | 23,855 | 830,495 | 1,788 | 6,070 | 2,740 | 12 | 1,507 |
| Nebraska | 1,871,763 | 108,318 | 1,733,840 | 8,952 | 9,481 | 1,541 | 1,769 | 7,863 |
| Nevada | 3,045,267 | 115,366 | 2,878,499 | 10,271 | 18,465 | 9,915 | 5,504 | 7,248 |
| New Hampshire | 1,444,791 | 50,862 | 1,358,494 | 7,573 | 6,204 | 14,605 | 3,719 | 3,333 |
| New Jersey | 12,430,351 | 2,100,883 | 10,116,765 | 46,598 | 104,860 | 12,265 | 2,920 | 46,060 |
| New Mexico | 1,940,170 | 26,624 | 1,889,991 | 4,512 | 9,801 | 4,131 | 2,704 | 2,408 |
| New York | 26,226,700 | 3,216,598 | 22,357,499 | 137,173 | 330,364 | 89,234 | 32,547 | 63,286 |
| North Carolina | 9,424,292 | 522,845 | 8,781,827 | 20,954 | 76,177 | 12,846 | 1,372 | 8,272 |
| North Dakota | 738,591 | 47,301 | 679,340 | 1,744 | 7,206 | 593 | 68 | 2,339 |
| Ohio | 12,064,238 | 582,159 | 11,198,465 | 52,261 | 91,303 | 13,657 | 1,427 | 124,966 |
| Oklahoma | 4,249,198 | 460,117 | 3,553,877 | 25,506 | 22,275 | 3,129 | 306 | 183,988 |
| Oregon | 3,317,872 | 123,725 | 3,139,457 | 13,193 | 25,277 | 6,076 | 2,386 | 7,758 |
| Pennsylvania | 15,116,043 | 2,085,626 | 12,824,424 | 57,013 | 86,375 | 24,080 | 1,875 | 36,652 |
| Rhode Island | 1,128,851 | 18,224 | 1,082,405 | 9,335 | 12,585 | 4,182 | 133 | 1,987 |
| South Carolina | 4,391,486 | 173,677 | 4,181,137 | 8,251 | 19,463 | 3,953 | 455 | 4,550 |
| South Dakota | 838,698 | 24,317 | 781,149 | 28,086 | 3,506 | 111 | 1 | 1,528 |
| Tennessee | 7,076,525 | 531,706 | 6,461,409 | 21,146 | 38,395 | 3,440 | 1,646 | 18,784 |
| Texas | 33,727,956 | 3,816,828 | 29,138,140 | 197,863 | 374,729 | 66,633 | 7,464 | 126,299 |
| Utah | 2,957,729 | 216,322 | 2,692,102 | 13,948 | 20,165 | 1,165 | 511 | 13,516 |
| Vermont | 610,494 | 30,232 | 566,260 | 2,139 | 9,839 | 1,454 | 42 | 528 |
| Virginia | 8,972,589 | 610,428 | 8,238,539 | 37,721 | 61,408 | 11,861 | 2,254 | 10,378 |
| Washington | 7,302,638 | 499,621 | 6,692,115 | 24,901 | 54,795 | 12,729 | 6,660 | 11,816 |
| West Virginia | 1,744,747 | 40,088 | 1,691,829 | 3,675 | 6,574 | 1,640 | 137 | 804 |
| Wisconsin | 5,629,268 | 383,199 | 5,163,132 | 26,899 | 35,327 | 4,020 | 481 | 16,211 |
| Wyoming | 626,003 | 11,520 | 604,827 | 1,900 | 3,594 | 295 | 2,617 | 1,249 |
| U.S. Armed Service members overseas and Territories other than Puerto Rico | 470,773 | 7,352 | 457,607 | 78 | 5,674 | 0 | 0 | 62 |
| Puerto Rico | 254,821 | 7,461 | 241,185 | 112 | 6,038 | 0 | 0 | 24 |
| International | 2,652,876 | 493,528 | 1,199,963 | 2,061 | 905,370 | 24,726 | 368 | 26,860 |
| Advance Premium Tax Credit/ Cost Sharing Reduction [7] | 13,067,704 | N/A | 13,067,704 | N/A | N/A | N/A | N/A | N/A |
| Undistributed [8] | −434,214 | −483,027 | −69,218 | 0 | −31,106 | 12,896 | d | d |
| **Child tax credit [9]** | **21,489,589** | **N/A** | **21,489,589** | **N/A** | **N/A** | **N/A** | **N/A** | **N/A** |
| **Earned income tax credits [9]** | **60,086,661** | **N/A** | **60,086,661** | **N/A** | **N/A** | **N/A** | **N/A** | **N/A** |

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Footnotes on next page.

## Table 8. Amount of Refunds Issued, Including Interest, by Type of Refund and State, Fiscal Year 2014—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 applicable.

[1] Excludes refunds of excise taxes collected by the U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau.

[2] Includes overpayment refunds, refunds resulting from examination activity, refundable tax credits, and other refunds required by law. Also includes $1.0 billion in interest, of which $0.4 billion was paid to corporations and $0.6 billion was paid to all others (related to individual, employment, estate, gift and excise tax returns).

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

[4] The average individual income tax refund (based on Forms 1040, 1040–A, and 1040–EZ) was $2,719.

[5] 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).

[6] Excludes refunds credited to taxpayer accounts for tax liability in a subsequent year.

[7] The Premium Tax Credit and Cost Sharing Reduction are provisions of the Patient Protection and Affordable Care Act of 2010. The Advance payment of the Premium Tax Credit (APTC) data shown in this table is an advance payment of a refundable tax credit that helps taxpayers pay for their health insurance premiums on a monthly basis. The Cost Sharing Reduction is a discount that lowers the amount taxpayers are required to pay for healthcare out-of-pocket deductibles, co-insurance, and co-payments. Both the Premium Tax Credit and the Cost Sharing Reduction are available when taxpayers purchase health insurance through the health insurance Marketplace and meet other specific criteria. As data become available, future editions of the *IRS Data Book* will report more detailed information on the "exchange" provisions of the Affordable Care Act (ACA) administered through the tax system. For information on non-exchange provisions of ACA, see Table 32.

[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 been applied to taxpayer accounts. Undistributed amounts may be negative when adjustments to taxpayer accounts have not been completed.

[9] 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.

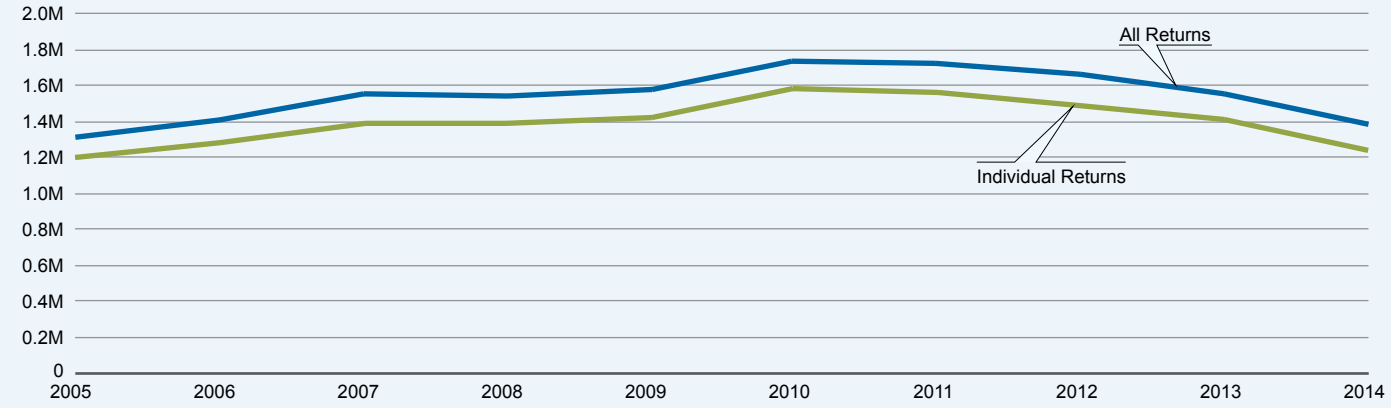
Collection and refund data may not be comparable for a given fiscal year because payments made in prior years may be refunded in the current fiscal year. Adjustments to prior-year returns made in Fiscal Year 2014 may result in negative amounts when such adjustments exceed current-year refunds. See Table 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.

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### Number of Returns Examined, Fiscal Years 2005–2014




SOURCE: *IRS Data Book* Table 9a

# Enforcement:

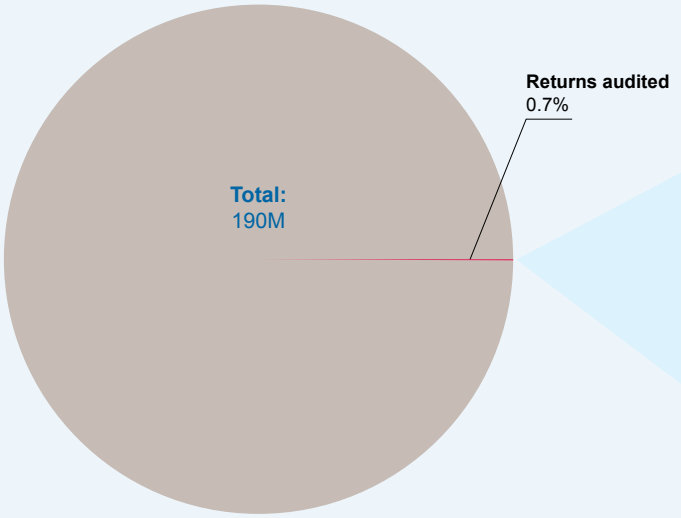
## Examinations

Section 2 of the *Data Book* deals with IRS examinations (audits) of returns to determine if income, expense, and credits are being reported accurately. The IRS enforces the tax law in a number of ways; the more common methods include correspondence (examination by mail) and field (face-to-face audit) examinations. This section provides information about examinations of most types of tax returns such as income tax, estate and gift tax, employment tax, excise tax, and certain other return types. Information is also provided about examinations of tax-exempt organizations.

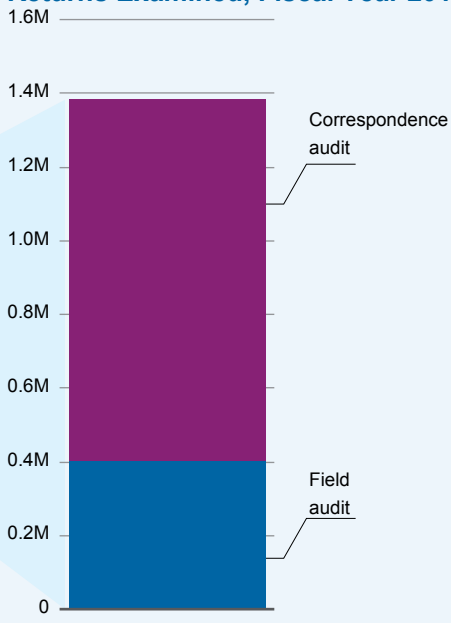
### Highlights of the Data

- The IRS audited a total of almost 1.4 million tax returns, approximately 0.7 percent of all returns filed in Calendar Year (CY) 2013 (Table 9a).
- The IRS audited 0.9 percent of all individual income tax returns filed in CY 2013, and 1.3 percent of corporation income tax returns (excluding S corporation returns) (Table 9a).

### Total Returns Filed, Calendar Year 2013



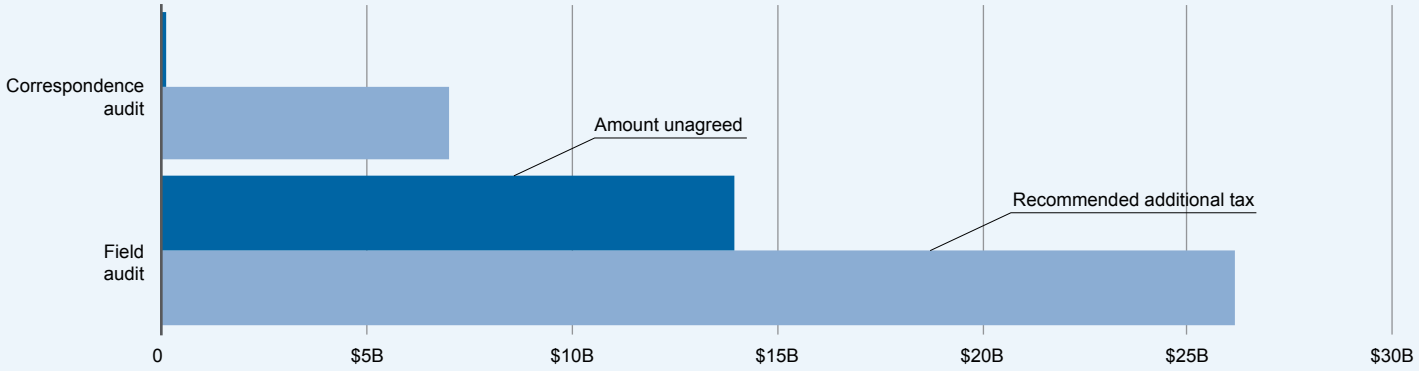

### Returns Examined, Fiscal Year 2014




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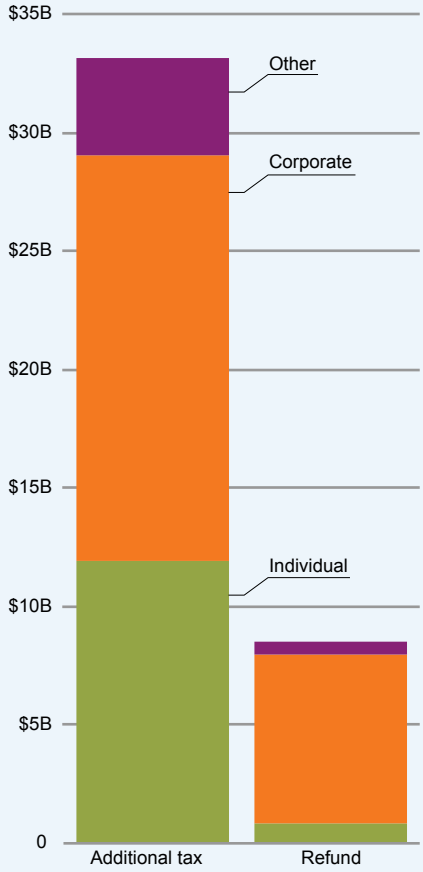
SOURCE: 2014 *IRS Data Book* Table 9a

### Amount of Recommended Additional Tax and Amount Unagreed, Fiscal Year 2014




SOURCE: 2014 *IRS Data Book* Tables 9a and 10

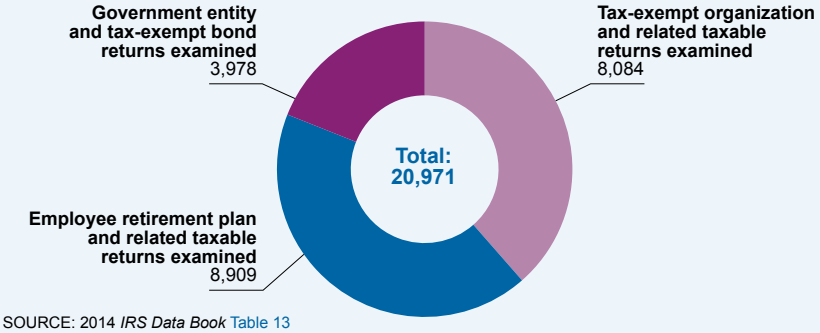
### Recommended Audit Results, by Type of Filer, Fiscal Year 2014




SOURCE: 2014 *IRS Data Book* Tables 9a and 12

- IRS conducted the majority of FY 2014 audits, 71 percent, via correspondence. The remaining 29 percent were conducted in the field (Table 9a).
- Of the almost 1.4 million examinations of tax returns, approximately 33,000 taxpayers did not agree with the IRS examiner's determination, totaling to an unagreed recommended additional tax of about $14.1 billion (Table 10).
- In FY 2014, examinations protected a total of almost $4.5 billion in refund payments, of which $4.4 billion came from field examinations and $93.3 million from correspondence examinations (Table 11).
- Of the 1.2 million examinations of individual income tax returns, over 38,000 resulted in additional refunds to the taxpayer of $829.5 million (Table 12).
- The IRS processed 765,395 returns of tax-exempt entities in CY 2013 and examined 8,084 tax-exempt entity and related returns in FY 2014 (Table 13).

### Returns of Tax-Exempt Organizations, Employee Retirement Plans, Government Entities, and Tax-Exempt Bonds Examined, by Type of Return, Fiscal Year 2014




SOURCE: 2014 *IRS Data Book* Table 13

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## Table 9a. Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 2014

| Type and size of return | All returns filed in Calendar Year 2013 [1, 2] | Returns examined in Fiscal Year 2014 [1] | | | |
|---|---|---|---|---|---|
| | | Total | Percentage covered | Field [3] | Correspondence |
| | (1) | (2) | (3) | (4) | (5) |
| **United States, total** | **189,656,600** | **1,384,365** | **0.7** | **401,340** | **983,025** |
| **Taxable returns:** | | | | | |
| ►Individual income tax returns, total | 145,236,429 | [5] 1,242,479 | 0.9 | 291,643 | 950,836 |
| ▷Returns with total positive income under $200,000 [7]: | | | | | |
| ►Nonbusiness returns without Earned Income Tax Credit: | | | | | |
| Without Schedules C, E, F, or Form 2106 [8] | 79,144,126 | 271,574 | 0.3 | 37,501 | 234,073 |
| With Schedule E or Form 2106 [9] | 16,040,455 | 116,084 | 0.7 | 42,200 | 73,884 |
| ►Business returns without Earned Income Tax Credit: | | | | | |
| Nonfarm business returns by size of total gross receipts [10]: | | | | | |
| Under $25,000 | 10,473,171 | 105,312 | 1.0 | 44,534 | 60,778 |
| $25,000 under $100,000 | 3,091,195 | 57,832 | 1.9 | 28,111 | 29,721 |
| $100,000 under $200,000 | 865,666 | 20,999 | 2.4 | 15,796 | 5,203 |
| $200,000 or more | 666,991 | 13,961 | 2.1 | 12,789 | 1,172 |
| Farm returns | 1,287,565 | 6,072 | 0.5 | 3,332 | 2,740 |
| ►Business and nonbusiness returns with Earned Income Tax Credit by size of total gross receipts [10, 11]: | | | | | |
| Under $25,000 | 25,852,009 | [12] 460,939 | 1.8 | 31,221 | 429,718 |
| $25,000 or more | 1,732,899 | [12] 20,050 | 1.2 | 12,338 | 7,712 |
| ▷Returns with total positive income of at least $200,000 and under $1,000,000 [7]: | | | | | |
| Nonbusiness returns | 3,782,273 | 81,730 | 2.2 | 22,381 | 59,349 |
| Business returns | 1,626,380 | 43,179 | 2.7 | 19,475 | 23,704 |
| ▷Returns with total positive income of $1,000,000 or more [7] | 458,337 | 34,361 | 7.5 | 15,029 | 19,332 |
| ▷International returns [13] | 215,362 | 10,386 | 4.8 | 6,936 | 3,450 |
| ►Corporation income tax returns, except Form 1120–S, total [14] | 1,924,887 | 25,905 | 1.3 | 23,835 | 2,070 |
| ▷Returns other than Forms 1120–C and 1120–F [15]: | | | | | |
| ►Small corporations [16] | 1,812,140 | 17,257 | 1.0 | 15,757 | 1,500 |
| No balance sheet returns | 399,666 | 2,908 | 0.7 | 2,547 | 361 |
| Balance sheet returns by size of total assets: | | | | | |
| Under $250,000 | 914,087 | 8,058 | 0.9 | 7,327 | 731 |
| $250,000 under $1,000,000 | 307,292 | 3,768 | 1.2 | 3,564 | 204 |
| $1,000,000 under $5,000,000 | 161,490 | 1,957 | 1.2 | 1,820 | 137 |
| $5,000,000 under $10,000,000 | 29,605 | 566 | 1.9 | 499 | 67 |
| ►Large corporations [17] | 64,261 | 7,858 | 12.2 | 7,468 | 390 |
| Balance sheet returns by size of total assets: | | | | | |
| $10,000,000 under $50,000,000 | 33,434 | 2,065 | 6.2 | 1,975 | 90 |
| $50,000,000 under $100,000,000 | 7,888 | 882 | 11.2 | 848 | 34 |
| $100,000,000 under $250,000,000 | 8,274 | 1,084 | 13.1 | 1,026 | 58 |
| $250,000,000 under $500,000,000 | 4,844 | 799 | 16.5 | 753 | 46 |
| $500,000,000 under $1,000,000,000 | 3,634 | 713 | 19.6 | 672 | 41 |
| $1,000,000,000 under $5,000,000,000 | 4,390 | 1,322 | 30.1 | 1,242 | 80 |
| $5,000,000,000 under $20,000,000,000 | 1,303 | 577 | 44.3 | 549 | 28 |
| $20,000,000,000 or more | 494 | 416 | 84.2 | 403 | 13 |
| ▷Form 1120–C returns [15] | 8,973 | 135 | 1.5 | d | d |
| ▷Form 1120–F returns [15] | 39,513 | 655 | 1.7 | d | d |
| ►Estate and trust income tax returns [18] | 3,178,797 | 3,694 | 0.1 | 481 | 3,213 |
| ►Estate tax returns, total [19] | 33,719 | 2,853 | 8.5 | 2,853 | 0 |
| ▷Size of gross estate: | | | | | |
| Under $5,000,000 | 23,772 | 558 | 2.3 | 558 | 0 |
| $5,000,000 under $10,000,000 | 6,588 | 1,389 | 21.1 | 1,389 | 0 |
| $10,000,000 or more | 3,359 | 906 | 27.0 | 906 | 0 |
| ►Gift tax returns | 371,747 | 3,098 | 0.8 | 3,098 | 0 |
| ►Employment tax returns | 29,826,675 | 57,123 | 0.2 | 42,108 | 15,015 |
| ►Excise tax returns | 916,196 | 13,779 | 1.5 | 11,562 | 2,217 |
| ►Other taxable returns [20] | [4] | 777 | [4] | 160 | 617 |
| **Nontaxable returns [21]:** | | | | | |
| ►Partnership returns | 3,649,385 | 15,779 | 0.4 | 10,564 | 5,215 |
| ►S corporation returns [22] | 4,518,765 | 16,317 | 0.4 | 14,831 | 1,486 |
| ►Other nontaxable returns [23] | [4] | 2,561 | [4] | 205 | 2,356 |
| **Income, estate, gift tax, and nontaxable returns, total** | **158,913,729** | **1,312,686** | **0.8** | **347,510** | **965,176** |

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Footnotes at end of table.

## Table 9a. Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 2014—Continued

| Type and size of return | Percentage of returns examined with no change | | Recommended additional tax (thousands of dollars) | |
|---|---|---|---|---|
| | Field [3] | Correspondence | Total | Field [3] |
| | (6) | (7) | (8) | (9) |
| **United States, total** | **[4]** | **[4]** | **33,149,351** | **26,181,089** |
| **Taxable returns:** | | | | |
| ►Individual income tax returns, total | 9 | 14 | [6] 11,885,411 | 5,026,236 |
| ▷Returns with total positive income under $200,000 [7]: | | | | |
| ►Nonbusiness returns without Earned Income Tax Credit: | | | | |
| Without Schedules C, E, F, or Form 2106 [8] | 8 | 11 | 1,304,492 | 358,949 |
| With Schedule E or Form 2106 [9] | 8 | 14 | 711,930 | 451,895 |
| ►Business returns without Earned Income Tax Credit: | | | | |
| Nonfarm business returns by size of total gross receipts [10]: | | | | |
| Under $25,000 | 5 | 10 | 530,282 | 326,875 |
| $25,000 under $100,000 | 8 | 3 | 568,130 | 246,128 |
| $100,000 under $200,000 | 6 | 9 | 430,354 | 315,080 |
| $200,000 or more | 9 | 50 | 359,895 | 356,007 |
| Farm returns | 14 | 12 | 133,791 | 113,604 |
| ►Business and nonbusiness returns with Earned Income Tax Credit by size of total gross receipts [10, 11]: | | | | |
| Under $25,000 | 6 | 10 | 1,914,971 | 154,508 |
| $25,000 or more | 8 | 20 | 232,056 | 202,022 |
| ▷Returns with total positive income of at least $200,000 and under $1,000,000 [7]: | | | | |
| Nonbusiness returns | 16 | 45 | 1,189,093 | 475,816 |
| Business returns | 12 | 32 | 1,016,628 | 517,575 |
| ▷Returns with total positive income of $1,000,000 or more [7] | 21 | 37 | 3,389,240 | 1,411,048 |
| ▷International returns [13] | 1 | 7 | 104,549 | 96,729 |
| ►Corporation income tax returns, except Form 1120–S, total [14] | 29 | 45 | 17,179,065 | 17,113,564 |
| ▷Returns other than Forms 1120–C and 1120–F [15]: | | | | |
| ►Small corporations [16] | 29 | 49 | 587,848 | 569,037 |
| No balance sheet returns | 16 | 18 | 156,374 | 149,604 |
| Balance sheet returns by size of total assets: | | | | |
| Under $250,000 | 29 | 66 | 142,090 | 135,842 |
| $250,000 under $1,000,000 | 33 | 58 | 178,954 | 175,769 |
| $1,000,000 under $5,000,000 | 35 | 34 | 79,607 | 77,412 |
| $5,000,000 under $10,000,000 | 37 | 45 | 30,823 | 30,410 |
| ►Large corporations [17] | 29 | 34 | 16,297,035 | 16,256,274 |
| Balance sheet returns by size of total assets: | | | | |
| $10,000,000 under $50,000,000 | 38 | 31 | 907,989 | 906,299 |
| $50,000,000 under $100,000,000 | 40 | 32 | 184,168 | 183,452 |
| $100,000,000 under $250,000,000 | 37 | 34 | 138,215 | 137,741 |
| $250,000,000 under $500,000,000 | 30 | 39 | 509,845 | 508,967 |
| $500,000,000 under $1,000,000,000 | 23 | 27 | 643,108 | 642,492 |
| $1,000,000,000 under $5,000,000,000 | 17 | 38 | 1,312,292 | 1,310,924 |
| $5,000,000,000 under $20,000,000,000 | 13 | 43 | 3,905,981 | 3,890,632 |
| $20,000,000,000 or more | 10 | 15 | 8,695,437 | 8,675,767 |
| ▷Form 1120–C returns [15] | 2 | 100 | 7,092 | d |
| ▷Form 1120–F returns [15] | 59 | 30 | 287,090 | d |
| ►Estate and trust income tax returns [18] | 16 | 42 | 68,671 | 46,716 |
| ►Estate tax returns, total [19] | 23 | N/A | 774,489 | 774,489 |
| ▷Size of gross estate: | | | | |
| Under $5,000,000 | 26 | N/A | 97,650 | 97,650 |
| $5,000,000 under $10,000,000 | 22 | N/A | 188,701 | 188,701 |
| $10,000,000 or more | 23 | N/A | 488,138 | 488,138 |
| ►Gift tax returns | 39 | N/A | 1,332,885 | 1,332,885 |
| ►Employment tax returns | 16 | 20 | 1,282,705 | 1,263,814 |
| ►Excise tax returns | 23 | 44 | 611,934 | 610,083 |
| ►Other taxable returns [20] | 7 | 19 | 14,191 | 13,302 |
| **Nontaxable returns [21]:** | | | | |
| ►Partnership returns | 49 | 35 | N/A | N/A |
| ►S corporation returns [22] | 35 | 49 | N/A | N/A |
| ►Other nontaxable returns [23] | 62 | 28 | N/A | N/A |
| **Income, estate, gift tax, and nontaxable returns, total** | **13** | **14** | **31,240,521** | **24,293,890** |

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Footnotes at end of table.

## Table 9a. Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 2014—Continued

| Type and size of return | Recommended additional tax (thousands of dollars)—continued | Average recommended additional tax per return (dollars) | |
|---|---|---|---|
| | Correspondence | Field [3] | Correspondence |
| | (10) | (11) | (12) |
| **United States, total** | **6,968,262** | **[4]** | **[4]** |
| **Taxable returns:** | | | |
| ►Individual income tax returns, total | 6,859,175 | 17,234 | 7,214 |
| ▷Returns with total positive income under $200,000 [7]: | | | |
| ►Nonbusiness returns without Earned Income Tax Credit: | | | |
| Without Schedules C, E, F, or Form 2106 [8] | 945,543 | 9,572 | 4,040 |
| With Schedule E or Form 2106 [9] | 260,035 | 10,708 | 3,520 |
| ►Business returns without Earned Income Tax Credit: | | | |
| Nonfarm business returns by size of total gross receipts [10]: | | | |
| Under $25,000 | 203,407 | 7,340 | 3,347 |
| $25,000 under $100,000 | 322,002 | 8,756 | 10,834 |
| $100,000 under $200,000 | 115,274 | 19,947 | 22,155 |
| $200,000 or more | 3,888 | 27,837 | 3,317 |
| Farm returns | 20,187 | 34,095 | 7,368 |
| ►Business and nonbusiness returns with Earned Income Tax Credit by size of total gross receipts [10, 11]: | | | |
| Under $25,000 | 1,760,463 | 4,949 | 4,097 |
| $25,000 or more | 30,034 | 16,374 | 3,894 |
| ▷Returns with total positive income of at least $200,000 and under $1,000,000 [7]: | | | |
| Nonbusiness returns | 713,277 | 21,260 | 12,018 |
| Business returns | 499,053 | 26,576 | 21,054 |
| ▷Returns with total positive income of $1,000,000 or more [7] | 1,978,192 | 93,888 | 102,327 |
| ▷International returns [13] | 7,820 | 13,946 | 2,267 |
| ►Corporation income tax returns, except Form 1120–S, total [14] | 65,501 | 718,001 | 31,643 |
| ▷Returns other than Forms 1120–C and 1120–F [15]: | | | |
| ►Small corporations [16] | 18,811 | 36,113 | 12,541 |
| No balance sheet returns | 6,770 | 58,737 | 18,753 |
| Balance sheet returns by size of total assets: | | | |
| Under $250,000 | 6,248 | 18,540 | 8,547 |
| $250,000 under $1,000,000 | 3,185 | 49,318 | 15,613 |
| $1,000,000 under $5,000,000 | 2,195 | 42,534 | 16,022 |
| $5,000,000 under $10,000,000 | 413 | 60,942 | 6,164 |
| ►Large corporations [17] | 40,761 | 2,176,791 | 104,515 |
| Balance sheet returns by size of total assets: | | | |
| $10,000,000 under $50,000,000 | 1,690 | 458,886 | 18,778 |
| $50,000,000 under $100,000,000 | 716 | 216,335 | 21,059 |
| $100,000,000 under $250,000,000 | 474 | 134,250 | 8,172 |
| $250,000,000 under $500,000,000 | 878 | 675,919 | 19,087 |
| $500,000,000 under $1,000,000,000 | 616 | 956,089 | 15,024 |
| $1,000,000,000 under $5,000,000,000 | 1,368 | 1,055,494 | 17,100 |
| $5,000,000,000 under $20,000,000,000 | 15,349 | 7,086,761 | 548,179 |
| $20,000,000,000 or more | 19,670 | 21,527,958 | 1,513,077 |
| ▷Form 1120–C returns [15] | d | d | d |
| ▷Form 1120–F returns [15] | d | d | d |
| ►Estate and trust income tax returns [18] | 21,955 | 97,123 | 6,833 |
| ►Estate tax returns, total [19] | N/A | 271,465 | N/A |
| ▷Size of gross estate: | | | |
| Under $5,000,000 | N/A | 175,000 | N/A |
| $5,000,000 under $10,000,000 | N/A | 135,854 | N/A |
| $10,000,000 or more | N/A | 538,784 | N/A |
| ►Gift tax returns | N/A | 430,240 | N/A |
| ►Employment tax returns | 18,891 | 30,014 | 1,258 |
| ►Excise tax returns | 1,851 | 52,766 | 835 |
| ►Other taxable returns [20] | 889 | 83,138 | 1,441 |
| **Nontaxable returns [21]:** | | | |
| ►Partnership returns | N/A | N/A | N/A |
| ►S corporation returns [22] | N/A | N/A | N/A |
| ►Other nontaxable returns [23] | N/A | N/A | N/A |
| **Income, estate, gift tax, and nontaxable returns, total** | **6,946,631** | **[4]** | **[4]** |

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Footnotes at end of table.

## Table 9a. Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 2014—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 the 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] Calendar Year 2013 data are presented because, in general, examination activity is associated with returns filed in the previous calendar year.

[3] 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.

[4] Not tabulated.

[5] Includes a total of 435,638 returns selected for examination on the basis of an Earned Income Tax Credit (EITC) claim.

[6] Includes a total of $1,751,318,420 in recommended additional tax (including an Earned Income Tax Credit) on returns selected for examination on the basis of an EITC claim.

[7] 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. Examinations of individual income tax returns are shown in this table by total positive income of: under $200,000; at least $200,000 and under $1,000,000; and $1,000,000 or more.

[8] Includes Forms 1040 without a Schedule C (nonfarm sole proprietorship), Schedule E (supplemental income and loss), Schedule F (profit or loss from farming), or Form 2106 (employee business expenses).

[9] Includes Forms 1040 with a Schedule E (supplemental income and loss) or Form 2106 (employee business expenses) but without a Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming).

[10] Total gross receipts is the sum of gross receipts from farm and nonfarm businesses. It is calculated by adding the positive values of gross receipts and other income from Schedule C and gross income (which can be positive or negative) from Schedule F. Schedule C is used to report profit or loss from nonfarm sole proprietorships. Schedule F is used to report profit or loss from farming. If a taxpayer reports both farm and nonfarm income, the return is classified by the larger source of income.

[11] Includes all Forms 1040, those with and without business income, reporting an Earned Income Tax Credit claim. These returns are classified by size of total gross receipts. Business returns have total gross receipts reported on Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming). Nonbusiness returns, those with no Schedules C or F, are reported in the "Under $25,000" classification.

[12] Includes returns with an Earned Income Tax Credit (EITC) claim. These returns were selected on the basis of an EITC claim or on other selected criteria.

[13] 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).

[14] 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 20.

[15] 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).

[16] Includes returns with assets of less than $10 million.

[17] Includes returns with assets of $10 million or more.

[18] Includes Form 1041 (income tax return for estates and trusts) and Form 1041–N (income tax return for electing Alaska Native Settlement Trusts).

[19] Includes Form 706 (estate and generation-skipping transfer tax return).

[20] Includes Forms 1120–FSC (foreign sales corporation income tax return); 1120–S for S corporations reporting a tax (see footnote 22); 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).

[21] 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.

[22] 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 20.

[23] 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 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.

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

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## Table 9b. Examination Coverage: Individual Income Tax Returns Examined, by Size of Adjusted Gross Income, Fiscal Year 2014

| Size of adjusted gross income [1] | Returns filed in Calendar Year 2013 (percent of total) [2] | Examination coverage in Fiscal Year 2014 (percent) [3] |
|---|---|---|
| **All returns [4]** | **100.00** | **0.86** |
| No adjusted gross income [5] | 1.83 | 5.26 |
| $1 under $25,000 | 39.08 | 0.93 |
| $25,000 under $50,000 | 23.32 | 0.54 |
| $50,000 under $75,000 | 13.12 | 0.53 |
| $75,000 under $100,000 | 8.33 | 0.52 |
| $100,000 under $200,000 | 10.70 | 0.65 |
| $200,000 under $500,000 | 2.87 | 1.75 |
| $500,000 under $1,000,000 | 0.48 | 3.62 |
| $1,000,000 under $5,000,000 | 0.24 | 6.21 |
| $5,000,000 under $10,000,000 | 0.02 | 10.53 |
| $10,000,000 or more | 0.01 | 16.22 |

[1] Adjusted gross income is total income (including losses), as defined by the Internal Revenue Code, less statutory adjustments—primarily business, investment, and certain other deductions.

[2] Calendar Year 2013 data are presented because, in general, examination activity is associated with returns filed in the previous calendar year.

[3] Represents the number of returns examined in Fiscal Year 2014 for each adjusted gross income (AGI) class, as a percentage of the total number of returns filed in Calendar Year 2013 for that AGI class.

[4] In addition to examinations of returns filed, the IRS examined more than 152,000 cases in which no return was filed. These nonfiler cases were referred for examination by the Collections Program and the Automated Substitute for Return (ASFR) Program. Under the ASFR, the IRS uses information returns from third parties (such as Forms W–2 and 1099) to identify tax return delinquencies, constructs tax returns for certain nonfilers based on that third-party information, and assesses tax, interest, and penalties based on the substitute returns. These nonfiler cases are excluded from the examination data in this table. See Table 14 for information on the ASFR Program.

[5] Includes returns with adjusted gross income (AGI) of less than zero. AGI may be less than zero when a taxpayer reports losses or statutory adjustments that exceed total income.

NOTE:

This table shows examination coverage of individual income tax returns classified by size of adjusted gross income, while Tables 9a and 10–12 report examination coverage by size of total positive income. 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 therefore excludes losses. By comparison, adjusted gross income includes losses, such as farm losses.

SOURCE: Research, Analysis, and Statistics, Office of Research.

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## Table 10. Examination Coverage: Returns Examined with Unagreed Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 2014

[Money amounts are in thousands of dollars]

| Type and size of return | Taxable returns examined with unagreed recommended additional tax [1] | | | Amount unagreed | | |
|---|---|---|---|---|---|---|
| | Total | Field [2] | Correspondence | Total | Field [2] | Correspondence |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| **United States, total** | **32,924** | **25,736** | **7,188** | **14,087,005** | **13,967,960** | **119,045** |
| ►Individual income tax returns, total | 27,249 | 20,082 | 7,167 | 1,903,591 | 1,785,792 | 117,799 |
| ▷Returns with total positive income under $200,000 [3]: | | | | | | |
| ►Nonbusiness returns without Earned Income Tax Credit: | | | | | | |
| Without Schedules C, E, F, or Form 2106 [4] | 3,227 | 1,530 | 1,697 | 65,834 | 55,686 | 10,148 |
| With Schedule E or Form 2106 [5] | 4,281 | 2,781 | 1,500 | 123,485 | 118,467 | 5,018 |
| ►Business returns without Earned Income Tax Credit: | | | | | | |
| Nonfarm business returns by size of total gross receipts [6]: | | | | | | |
| Under $25,000 | 4,195 | 3,332 | 863 | 66,076 | 62,076 | 4,000 |
| $25,000 under $100,000 | 2,376 | 2,209 | 167 | 50,064 | 48,435 | 1,629 |
| $100,000 under $200,000 | 1,350 | 1,317 | 33 | 92,732 | 92,080 | 652 |
| $200,000 or more | 1,298 | 1,285 | 13 | 125,515 | 125,231 | 284 |
| Farm returns | 270 | 250 | 20 | 6,999 | 6,916 | 83 |
| ►Business and nonbusiness returns with Earned Income Tax Credit by size of total gross receipts [6, 7]: | | | | | | |
| Under $25,000 | 2,394 | 962 | 1,432 | 18,179 | 12,662 | 5,517 |
| $25,000 or more | 1,233 | 1,158 | 75 | 52,806 | 52,217 | 589 |
| ▷Returns with total positive income of at least $200,000 and under $1,000,000 [3]: | | | | | | |
| Nonbusiness returns | 2,502 | 1,712 | 790 | 198,376 | 180,282 | 18,094 |
| Business returns | 2,472 | 2,124 | 348 | 197,609 | 191,637 | 5,972 |
| ▷Returns with total positive income of $1,000,000 or more [3] | 1,633 | 1,407 | 226 | 824,707 | 758,894 | 65,813 |
| ▷International returns [8] | 18 | 15 | 3 | 81,209 | 81,209 | [9] |
| ►Corporation income tax returns, except Form 1120–S, total [10] | 2,024 | d | d | 10,329,809 | d | d |
| ▷Returns other than Forms 1120–C and 1120–F [11]: | | | | | | |
| ►Small corporations [12] | 1,409 | d | d | 246,497 | d | d |
| No balance sheet returns | 232 | d | d | 35,681 | d | d |
| Balance sheet returns by size of total assets: | | | | | | |
| Under $250,000 | 600 | 593 | 7 | 37,437 | 37,089 | 348 |
| $250,000 under $1,000,000 | 349 | d | d | 110,604 | d | d |
| $1,000,000 under $5,000,000 | 173 | 173 | 0 | 41,839 | 41,839 | 0 |
| $5,000,000 under $10,000,000 | 55 | 55 | 0 | 20,936 | 20,936 | 0 |
| ►Large corporations [13] | 595 | d | d | 9,842,022 | d | d |
| Balance sheet returns by size of total assets: | | | | | | |
| $10,000,000 under $50,000,000 | 103 | 103 | 0 | 708,026 | 708,026 | 0 |
| $50,000,000 under $100,000,000 | 50 | 50 | 0 | 34,877 | 34,877 | 0 |
| $100,000,000 under $250,000,000 | 70 | d | d | 74,713 | d | d |
| $250,000,000 under $500,000,000 | 53 | 53 | 0 | 301,428 | 301,428 | 0 |
| $500,000,000 under $1,000,000,000 | 43 | 43 | 0 | 284,756 | 284,756 | 0 |
| $1,000,000,000 under $5,000,000,000 | 99 | 99 | 0 | 773,892 | 773,892 | 0 |
| $5,000,000,000 under $20,000,000,000 | 79 | 79 | 0 | 2,591,227 | 2,591,227 | 0 |
| $20,000,000,000 or more | 98 | 98 | 0 | 5,073,103 | 5,073,103 | 0 |
| ▷Form 1120–C returns [11] | 7 | 7 | 0 | 2,017 | 2,017 | 0 |
| ▷Form 1120–F returns [11] | 13 | 13 | 0 | 239,273 | 239,273 | 0 |
| ►Estate and trust income tax returns [14] | 36 | 26 | 10 | 8,303 | 7,774 | 529 |
| ►Estate tax returns, total [15] | 100 | 100 | 0 | 308,209 | 308,209 | 0 |
| ▷Size of gross estate: | | | | | | |
| Under $5,000,000 | 25 | 25 | 0 | 20,472 | 20,472 | 0 |
| $5,000,000 under $10,000,000 | 45 | 45 | 0 | 115,118 | 115,118 | 0 |
| $10,000,000 or more | 30 | 30 | 0 | 172,619 | 172,619 | 0 |
| ►Gift tax returns | 284 | 284 | 0 | 518,453 | 518,453 | 0 |
| ►Employment tax returns | 2,775 | 2,775 | 0 | 515,488 | 515,488 | 0 |
| ►Excise tax returns | 445 | 445 | 0 | 496,066 | 496,066 | 0 |
| ►Other taxable returns [16] | 11 | d | d | 7,086 | d | d |

Footnotes on next page.

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## Table 10. Examination Coverage: Returns Examined with Unagreed Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 2014—Continued

**Footnotes**

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

[1] Excludes excise tax returns filed with the 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. Examinations of individual income tax returns are shown in this table by total positive income of: under $200,000; at least $200,000 and under $1,000,000; and $1,000,000 or more.

[4] Includes Forms 1040 without a Schedule C (nonfarm sole proprietorship), Schedule E (supplemental income and loss), Schedule F (profit or loss from farming), or Form 2106 (employee business expenses).

[5] Includes Forms 1040 with a Schedule E (supplemental income and loss) or Form 2106 (employee business expenses) but without a Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming).

[6] Total gross receipts is the sum of gross receipts from farm and nonfarm businesses. It is calculated by adding the positive values of gross receipts and other income from Schedule C and gross income (which can be positive or negative) from Schedule F. Schedule C is used to report profit or loss from nonfarm sole proprietorships. Schedule F is used to report profit or loss from farming. If a taxpayer reports both farm and nonfarm income, the return is classified by the larger source of income.

[7] Includes all Forms 1040, those with and without business income, reporting an Earned Income Tax Credit claim. These returns are classified by size of total gross receipts. Business returns have total gross receipts reported on Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming). Nonbusiness returns, those with no Schedules C or F, are reported in the "Under $25,000" classification.

[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 $500.

[10] 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 16.

[11] 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).

[12] Includes returns with assets of less than $10 million.

[13] Includes returns with assets of $10 million or more.

[14] Includes Form 1041 (income tax return for estates and trusts) and Form 1041–N (income tax return for electing Alaska Native Settlement Trusts).

[15] Includes Form 706 (estate and generation-skipping transfer tax return).

[16] Includes Forms 1120–FSC (foreign sales corporation income tax return); 1120–S for S corporations 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 in which the taxpayer did not agree with the IRS examiner's determination. For information on all 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 9a.

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

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## Table 11. Examination Coverage: Returns Examined Involving Protection of Revenue Base, by Type and Size of Return, Fiscal Year 2014

[Money amounts are in thousands of dollars]

| Type and size of return | Taxable returns examined 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** | **39,274** | **12,053** | **27,221** | **4,458,693** | **4,365,413** | **93,280** |
| ►Individual income tax returns, total | 35,735 | 8,516 | 27,219 | 603,156 | 509,876 | 93,280 |
| ▷Returns with total positive income under $200,000 [3]: | | | | | | |
| ►Nonbusiness returns without Earned Income Tax Credit: | | | | | | |
| Without Schedules C, E, F, or Form 2106 [4] | 15,308 | 1,278 | 14,030 | 55,303 | 7,304 | 47,999 |
| With Schedule E or Form 2106 [5] | 2,720 | 1,154 | 1,566 | 13,024 | 7,308 | 5,716 |
| ►Business returns without Earned Income Tax Credit: | | | | | | |
| Nonfarm business returns by size of total gross receipts [6]: | | | | | | |
| Under $25,000 | 2,991 | 609 | 2,382 | 10,858 | 2,854 | 8,004 |
| $25,000 under $100,000 | 1,488 | 699 | 789 | 6,266 | 3,736 | 2,530 |
| $100,000 under $200,000 | 633 | 473 | 160 | 4,781 | 4,082 | 699 |
| $200,000 or more | 614 | 490 | 124 | 4,796 | 4,065 | 731 |
| Farm returns | 153 | 79 | 74 | 543 | 274 | 269 |
| ►Business and nonbusiness returns with Earned Income Tax Credit by size of total gross receipts [6, 7]: | | | | | | |
| Under $25,000 | 7,334 | 345 | 6,989 | 23,448 | 1,818 | 21,630 |
| $25,000 or more | 578 | 139 | 439 | 2,836 | 1,326 | 1,510 |
| ▷Returns with total positive income of at least $200,000 and under $1,000,000 [3]: | | | | | | |
| Nonbusiness returns | 1,344 | 1,150 | 194 | 27,932 | 26,214 | 1,718 |
| Business returns | 1,163 | 1,071 | 92 | 23,761 | 22,696 | 1,065 |
| ▷Returns with total positive income of $1,000,000 or more [3] | 1,069 | d | d | 428,996 | d | d |
| ▷International returns [8] | 340 | d | d | 612 | d | d |
| ►Corporation income tax returns, except Form 1120–S, total [9] | 1,329 | d | d | 3,270,016 | d | d |
| ▷Returns other than Forms 1120–C and 1120–F [10]: | | | | | | |
| ►Small corporations [11] | 323 | d | d | 11,290 | d | d |
| No balance sheet returns | 18 | 18 | 0 | 2,410 | 2,410 | 0 |
| Balance sheet returns by size of total assets: | | | | | | |
| Under $250,000 | 40 | 40 | 0 | 2,167 | 2,167 | 0 |
| $250,000 under $1,000,000 | 59 | 59 | 0 | 583 | 583 | 0 |
| $1,000,000 under $5,000,000 | 142 | 142 | 0 | 4,022 | 4,022 | 0 |
| $5,000,000 under $10,000,000 | 64 | 64 | 0 | 2,108 | 2,108 | 0 |
| ►Large corporations [12] | 895 | d | d | 3,171,851 | d | d |
| Balance sheet returns by size of total assets: | | | | | | |
| $10,000,000 under $50,000,000 | 119 | d | d | 9,416 | d | d |
| $50,000,000 under $100,000,000 | 53 | 53 | 0 | 4,413 | 4,413 | 0 |
| $100,000,000 under $250,000,000 | 79 | 79 | 0 | 13,170 | 13,170 | 0 |
| $250,000,000 under $500,000,000 | 73 | 73 | 0 | 21,100 | 21,100 | 0 |
| $500,000,000 under $1,000,000,000 | 96 | 96 | 0 | 159,510 | 159,510 | 0 |
| $1,000,000,000 under $5,000,000,000 | 231 | 231 | 0 | 203,623 | 203,623 | 0 |
| $5,000,000,000 under $20,000,000,000 | 133 | 133 | 0 | 691,527 | 691,527 | 0 |
| $20,000,000,000 or more | 111 | d | d | 2,069,092 | d | d |
| ▷Form 1120–C returns [10] | 92 | 92 | 0 | 31,582 | 31,582 | 0 |
| ▷Form 1120–F returns [10] | 19 | 19 | 0 | 55,293 | 55,293 | 0 |
| ►Estate and trust income tax returns [13] | 119 | 119 | 0 | 109,932 | 109,932 | 0 |
| ►Estate tax returns, total [14] | 134 | 134 | 0 | 113,938 | 113,938 | 0 |
| ▷Size of gross estate: | | | | | | |
| Under $5,000,000 | 44 | 44 | 0 | 82,970 | 82,970 | 0 |
| $5,000,000 under $10,000,000 | 45 | 45 | 0 | 4,083 | 4,083 | 0 |
| $10,000,000 or more | 45 | 45 | 0 | 26,885 | 26,885 | 0 |
| ►Gift tax returns | 13 | 13 | 0 | 1,475 | 1,475 | 0 |
| ►Employment tax returns | 555 | 555 | 0 | 271,549 | 271,549 | 0 |
| ►Excise tax returns | 1,363 | 1,363 | 0 | 65,748 | 65,748 | 0 |
| ►Other taxable returns [15] | 26 | d | d | 22,879 | d | d |

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Footnotes on next page.

## Table 11. Examination Coverage: Returns Examined Involving Protection of Revenue Base, by Type and Size of Return, Fiscal Year 2014—Continued

**Footnotes**

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

[1] Excludes excise tax returns filed with the 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. Examinations of individual income tax returns are shown in this table by total positive income of: under $200,000; at least $200,000 and under $1,000,000; and $1,000,000 or more.

[4] Includes Forms 1040 without a Schedule C (nonfarm sole proprietorship), Schedule E (supplemental income and loss), Schedule F (profit or loss from farming), or Form 2106 (employee business expenses).

[5] Includes Forms 1040 with a Schedule E (supplemental income and loss) or Form 2106 (employee business expenses) but without a Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming).

[6] Total gross receipts is the sum of gross receipts from farm and nonfarm businesses. It is calculated by adding the positive values of gross receipts and other income from Schedule C and gross income (which can be positive or negative) from Schedule F. Schedule C is used to report profit or loss from nonfarm sole proprietorships. Schedule F is used to report profit or loss from farming. If a taxpayer reports both farm and nonfarm income, the return is classified by the larger source of income.

[7] Includes all Forms 1040, those with and without business income, reporting an Earned Income Tax Credit claim. These returns are classified by size of total gross receipts. Business returns have total gross receipts reported on Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming). Nonbusiness returns, those with no Schedules C or F, are reported in the "Under $25,000" classification.

[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] 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 15.

[10] 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).

[11] Includes returns with assets of less than $10 million.

[12] Includes returns with assets of $10 million or more.

[13] Includes Form 1041 (income tax return for estates and trusts) and Form 1041–N (income tax return for electing Alaska Native Settlement Trusts).

[14] Includes Form 706 (estate and generation-skipping transfer tax return).

[15] Includes Forms 1120–FSC (foreign sales corporation income tax return); 1120–S for S corporations 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 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 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 9a.

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

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## Table 12. Examination Coverage: Returns Examined Resulting in Refunds, by Type and Size of Return, Fiscal Year 2014

[Money amounts are in thousands of dollars]

| Type and size of return | Taxable returns examined resulting in refunds [1] | | | Recommended refunds | | |
|---|---|---|---|---|---|---|
| | Total | Field [2] | Correspondence | Total | Field [2] | Correspondence |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| **United States, total** | **43,790** | **25,571** | **18,219** | **8,509,681** | **8,335,704** | **173,977** |
| ►Individual income tax returns, total | 38,029 | 20,052 | 17,977 | 829,507 | 681,833 | 147,674 |
| ▷Returns with total positive income under $200,000 [3]: | | | | | | |
| ►Nonbusiness returns without Earned Income Tax Credit: | | | | | | |
| Without Schedules C, E, F, or Form 2106 [4] | 9,260 | 2,681 | 6,579 | 42,385 | 17,535 | 24,850 |
| With Schedule E or Form 2106 [5] | 3,955 | 2,752 | 1,203 | 41,616 | 35,440 | 6,176 |
| ►Business returns without Earned Income Tax Credit: | | | | | | |
| Nonfarm business returns by size of total gross receipts [6]: | | | | | | |
| Under $25,000 | 3,541 | 1,807 | 1,734 | 15,174 | 8,170 | 7,004 |
| $25,000 under $100,000 | 2,335 | 1,649 | 686 | 12,503 | 9,866 | 2,637 |
| $100,000 under $200,000 | 1,299 | 1,151 | 148 | 9,807 | 9,082 | 725 |
| $200,000 or more | 1,131 | 1,067 | 64 | 24,879 | 24,358 | 521 |
| Farm returns | 396 | 333 | 63 | 1,940 | 1,564 | 376 |
| ►Business and nonbusiness returns with Earned Income Tax Credit by size of total gross receipts [6, 7]: | | | | | | |
| Under $25,000 | 5,122 | 1,084 | 4,038 | 23,987 | 4,390 | 19,597 |
| $25,000 or more | 947 | 712 | 235 | 13,960 | 11,798 | 2,162 |
| ▷Returns with total positive income of at least $200,000 and under $1,000,000 [3]: | | | | | | |
| Nonbusiness returns | 4,210 | 2,547 | 1,663 | 60,804 | 48,165 | 12,639 |
| Business returns | 2,624 | 2,068 | 556 | 46,074 | 41,291 | 4,783 |
| ▷Returns with total positive income of $1,000,000 or more [3] | 3,182 | 2,187 | 995 | 536,302 | 470,126 | 66,176 |
| ▷International returns [8] | 27 | 14 | 13 | 76 | 48 | 28 |
| ►Corporation income tax returns, except Form 1120–S, total [9] | 2,557 | 2,520 | 37 | 7,149,123 | 7,132,200 | 16,923 |
| ▷Returns other than Forms 1120–C and 1120–F [10]: | | | | | | |
| ►Small corporations [11] | 888 | 873 | 15 | 40,838 | 40,457 | 381 |
| No balance sheet returns | 118 | d | d | 16,876 | d | d |
| Balance sheet returns by size of total assets: | | | | | | |
| Under $250,000 | 291 | d | d | 3,138 | d | d |
| $250,000 under $1,000,000 | 207 | 207 | 0 | 3,149 | 3,149 | 0 |
| $1,000,000 under $5,000,000 | 180 | 175 | 5 | 9,479 | 9,472 | 7 |
| $5,000,000 under $10,000,000 | 92 | 86 | 6 | 8,196 | 7,835 | 361 |
| ►Large corporations [12] | 1,529 | 1,510 | 19 | 7,049,120 | 7,032,636 | 16,484 |
| Balance sheet returns by size of total assets: | | | | | | |
| $10,000,000 under $50,000,000 | 257 | 252 | 5 | 62,615 | 60,087 | 2,528 |
| $50,000,000 under $100,000,000 | 121 | d | d | 73,058 | d | d |
| $100,000,000 under $250,000,000 | 172 | 169 | 3 | 155,502 | 145,254 | 10,248 |
| $250,000,000 under $500,000,000 | 158 | d | d | 144,002 | d | d |
| $500,000,000 under $1,000,000,000 | 152 | 152 | 0 | 240,580 | 240,580 | 0 |
| $1,000,000,000 under $5,000,000,000 | 365 | 358 | 7 | 912,459 | 909,472 | 2,987 |
| $5,000,000,000 under $20,000,000,000 | 194 | d | d | 1,820,573 | d | d |
| $20,000,000,000 or more | 110 | 110 | 0 | 3,640,331 | 3,640,331 | 0 |
| ▷Form 1120–C returns [10] | 86 | 86 | 0 | 18,574 | 18,574 | 0 |
| ▷Form 1120–F returns [10] | 54 | 51 | 3 | 40,591 | 40,533 | 58 |
| ►Estate and trust income tax returns [13] | 232 | 89 | 143 | 49,685 | 40,424 | 9,261 |
| ►Estate tax returns, total [14] | 457 | 457 | 0 | 115,755 | 115,755 | 0 |
| ▷Size of gross estate: | | | | | | |
| Under $5,000,000 | 58 | 58 | 0 | 9,945 | 9,945 | 0 |
| $5,000,000 under $10,000,000 | 242 | 242 | 0 | 32,671 | 32,671 | 0 |
| $10,000,000 or more | 157 | 157 | 0 | 73,139 | 73,139 | 0 |
| ►Gift tax returns | 43 | 43 | 0 | 32,042 | 32,042 | 0 |
| ►Employment tax returns | 622 | 622 | 0 | 82,488 | 82,488 | 0 |
| ►Excise tax returns | 1,785 | 1,758 | 27 | 194,665 | 194,656 | 9 |
| ►Other taxable returns [15] | 65 | 30 | 35 | 56,416 | 56,306 | 110 |

Footnotes on next page.

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## Table 12. Examination Coverage: Returns Examined Resulting in Refunds, by Type and Size of Return, Fiscal Year 2014—Continued

**Footnotes**

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

[1] Excludes excise tax returns filed with the 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. Examinations of individual income tax returns are shown in this table by total positive income of: under $200,000; at least $200,000 and under $1,000,000; and $1,000,000 or more.

[4] Includes Forms 1040 without a Schedule C (nonfarm sole proprietorship), Schedule E (supplemental income and loss), Schedule F (profit or loss from farming), or Form 2106 (employee business expenses).

[5] Includes Forms 1040 with a Schedule E (supplemental income and loss) or Form 2106 (employee business expenses) but without a Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming).

[6] Total gross receipts is the sum of gross receipts from farm and nonfarm businesses. It is calculated by adding the positive values of gross receipts and other income from Schedule C and gross income (which can be positive or negative) from Schedule F. Schedule C is used to report profit or loss from nonfarm sole proprietorships. Schedule F is used to report profit or loss from farming. If a taxpayer reports both farm and nonfarm income, the return is classified by the larger source of income.

[7] Includes all Forms 1040, those with and without business income, reporting an Earned Income Tax Credit claim. These returns are classified by size of total gross receipts. Business returns have total gross receipts reported on Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming). Nonbusiness returns, those with no Schedules C or F, are reported in the "Under $25,000" classification.

[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] 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 15.

[10] 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).

[11] Includes returns with assets of less than $10 million.

[12] Includes returns with assets of $10 million or more.

[13] Includes Form 1041 (income tax return for estates and trusts) and Form 1041–N (income tax return for electing Alaska Native Settlement Trusts).

[14] Includes Form 706 (estate and generation-skipping transfer tax return).

[15] Includes Forms 1120–FSC (foreign sales corporation income tax return); 1120–S for S corporations 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 that resulted in additional refunds paid to the taxpayer and the amount of refunds recommended. For information on all 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 9a.

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

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## Table 13. Returns of Tax-Exempt Organizations, Employee Retirement Plans, Government Entities, and Tax-Exempt Bonds Examined, by Type of Return, Fiscal Year 2014

| Type of return | Number of returns |
|---|---|
| **Tax-exempt organization, employee retirement plan, government entity, tax-exempt bond returns, and related returns examined in Fiscal Year 2014, total** | **20,971** |
| **Tax-exempt organizations:** | |
| **Tax-exempt organization returns processed in Calendar Year 2013 [1]** | **765,395** |
| **Tax-exempt organization and related taxable returns examined in Fiscal Year 2014, total** | **8,084** |
| **Tax-exempt organization returns, total** | **2,825** |
| Forms 990 and 990–EZ | 2,579 |
| Forms 990–PF, 1041–A, 1120–POL, and 5227 | 246 |
| **Related taxable returns, total** | **5,259** |
| Form 1120 [2] | 4 |
| Employment tax returns [3] | 3,507 |
| Form 990–T [4] | 848 |
| Form 4720 [5] | 412 |
| Forms 1040, 1041, 1065, and 1120 adjusted [6] | 230 |
| Forms 11–C and 730 [7] | 258 |
| **Employee retirement plans:** | |
| **Employee retirement plan returns processed in Calendar Year 2013 [8]** | **876,881** |
| **Employee retirement plan and related taxable returns examined in Fiscal Year 2014, total [9]** | **8,909** |
| **Employee retirement plan returns, total** | **7,135** |
| Form 5500 | 3,828 |
| Defined benefit | 541 |
| Defined contribution | 3,287 |
| Form 5500–EZ | 366 |
| Defined benefit | 93 |
| Defined contribution | 273 |
| Form 5500–SF | 2,941 |
| Defined benefit | 270 |
| Defined contribution | 2,671 |
| **Related taxable returns, total** | **720** |
| Form 5330 [10] | 508 |
| Forms 1040, 1041, 1065, and 1120 adjusted [6] | 188 |
| Form 990–T [4] | 24 |
| **Government entity and tax-exempt bonds:** | |
| **Government entity and tax-exempt bond returns examined in Fiscal Year 2014, total** | **3,978** |
| **Tax-exempt bond returns [11]** | **768** |
| **Related taxable returns, total [12]:** | **3,210** |
| Employment tax returns [3] | 2,070 |
| Forms 1040, 1041, 1065, and 1120 adjusted [6] | 572 |
| Form 990–T [4] | 544 |
| Forms 11–C and 730 [7] | 24 |

[1] Includes primary information and taxable returns filed by tax-exempt organizations including Forms 990 (tax-exempt organization information return, long form); 990–EZ (tax-exempt organization information return, short form); 990–PF (private foundation information return); 1041–A (information return of charitable contribution deductions by certain trusts); 1120–POL (income tax return for certain political organizations); and 5227 (split-interest trust information return). Excludes related taxable returns and 470,895 Forms 990–N (electronic notice (e-Postcard) for tax-exempt organizations not required to file Forms 990 or 990–EZ).

[2] Includes Form 1120 (corporation income tax return) of revoked private foundations.

[3] 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); 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).

[4] Form 990–T is the tax-exempt organization unrelated business income tax return.

[5] Form 4720 is used to report excise taxes on tax-exempt organizations and related individuals.

[6] 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.

[7] Form 11–C reports the occupational tax for wagering and Form 730 reports the excise tax on wagering.

[8] Includes Forms 5500 (employee benefit plan return); 5500–EZ (one-participant retirement plan return); and 5500–SF (short-form return of small employee benefit plan).

[9] Includes 1,054 examinations of plans that were not required to file a return and are, therefore, not categorized by form type.

[10] Form 5330 is used to report excise taxes related to employee retirement plans.

[11] 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).

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## Table 13. Returns of Tax-Exempt Organizations, Employee Retirement Plans, Government Entities, and Tax-Exempt Bonds Examined, by Type of Return, Fiscal Year 2014—Continued

**Footnotes—Continued**

[12] Includes returns of Federal, State, local, and Indian Tribal governments. Although these entities do not have an income tax return filing requirement, they are subject to excise and employment taxes.

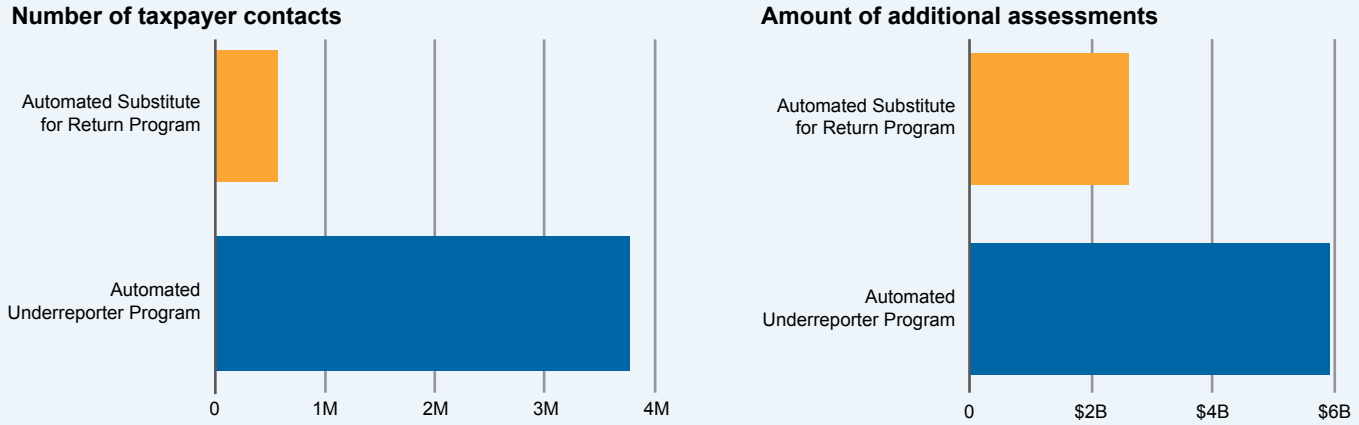
NOTE: In general, examination activity is associated with returns filed in the previous calendar year.

SOURCE: Tax Exempt and Government Entities.

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### Information Reporting Program, Fiscal Year 2014



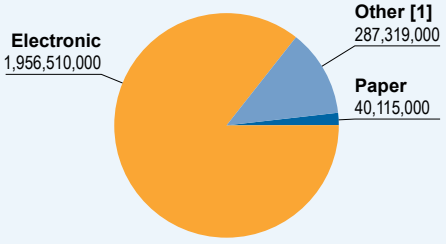

SOURCE: 2014 *IRS Data Book* Table 14

# Enforcement:

## Information Reporting and Verification

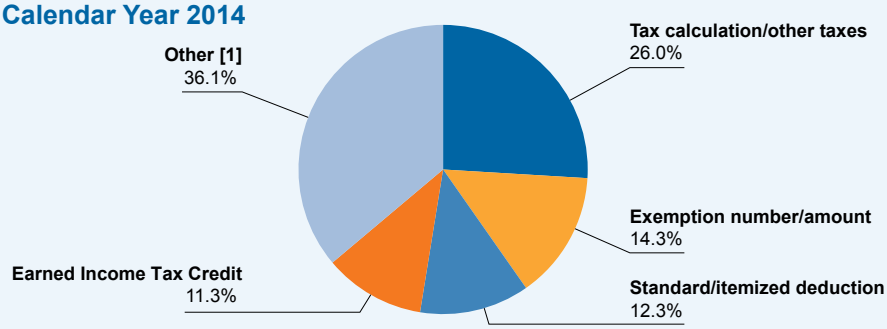
Section 3 of the *IRS Data Book* presents data on information reporting and verification, which, in addition to examinations, are critical tools for identifying and resolving taxpayer errors. In addition to receiving information on self-reported income and tax on returns filed by taxpayers, the IRS gathers 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. 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.

### Number of Information Returns Received, by Type, Fiscal Year 2014




[1] Includes Forms SSA–1099 (Social Security benefit statement); RRB–1099 (payments by the Railroad Retirement Board); and W–2 (wage and tax statement) processed by the Social Security Administration.
SOURCE: 2014 *IRS Data Book* Table 14

### Math Errors on Individual Income Tax Returns, by Type of Error, Calendar Year 2014




[1] Includes first-time homebuyer credit repayment, adjusted gross/taxable income amount, child tax and other credits, refund/amount owed, education credits, adjustments to income, filing status, and withholding or excess Social Security payments, and miscellaneous errors.
SOURCE: 2014 *IRS Data Book* Table 15

### Highlights of the Data

- The IRS closed almost 3.8 million cases under the Automated Underreporter Program resulting in more than $5.9 billion in additional assessments (Table 14).
- The IRS closed 571,000 cases under its Automated Substitute for Return Program resulting in over $2.6 billion in additional assessments (Table 14).
- The IRS received almost 2.3 billion third-party information returns, over 85.7 percent of which were filed electronically (Table 14).
- For Tax Year (TY) 2013 individual income tax returns processed during Calendar Year 2014, IRS sent more than 1.7 million notices to taxpayers for almost 2.3 million math errors identified on their returns (Table 15).
- The most common math error found in TY 2013 individual tax returns was associated with calculation of income or other taxes (Table 15).

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## Table 14. Information Reporting Program, Fiscal Year 2014

| Item | Number or amount |
|---|---|
| **Number of information returns received (thousands) [1]:** | |
| **Total** | **2,283,944** |
| Paper | 40,115 |
| Electronic | 1,956,510 |
| Other [2] | 287,319 |
| **Automated Underreporter Program [3]:** | |
| Number of contacts (closed cases, thousands) [4] | 3,777 |
| Amount of additional assessments (thousands of dollars) [5] | 5,905,548 |
| Number of full-time equivalent positions [6] | 1,952 |
| **Automated Substitute for Return Program [7]:** | |
| Number of contacts (closed cases, thousands) [4] | 571 |
| Amount of additional assessments (thousands of dollars) [8] | 2,628,302 |
| Number of full-time equivalent positions [6] | 125 |

[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 SSA–1099 (Social Security benefit statement); RRB–1099 (payments by the Railroad Retirement Board); and W–2 (wage and tax statement) processed by the Social Security Administration.

[3] Under the Automated Underreporter (AUR) Program, the IRS uses information returns from third parties (such as Forms W–2 and 1099) to identify unreported income on returns filed by taxpayers.

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

[5] Excludes interest and penalties.

[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, constructs tax returns for certain nonfilers based on that third-party information, and assesses tax, interest, and penalties based on the substitute returns.

[8] Includes tax and interest and penalties assessed.

SOURCES:

Wage and Investment, Compliance, Reporting Compliance, Policy, Monitoring, Analysis and Quality; Wage and Investment, Compliance, Reporting Compliance, Automated Underreporter Program; Small Business/Self-Employed, Enterprise Collection Strategy, Collection Analytics, Automation, Inventory Selection and Delivery; Small Business/Self-Employed, Campus Compliance Services, Campus Reporting Compliance, Document Matching.

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## Table 15. Math Errors on Individual Income Tax Returns, by Type of Error, Calendar Year 2014

| Math error | Tax Year 2013 returns | | Tax Year 2012 and prior-year returns | |
|---|---|---|---|---|
| | Number | Percentage of total | Number | Percentage of total |
| | (1) | (2) | (3) | (4) |
| **Math error notices [1]** | **1,703,432** | **N/A** | **332,031** | **N/A** |
| **Math errors, total [1]** | **2,266,024** | **100.0** | **491,597** | **100.0** |
| Tax calculation/other taxes [2] | 588,175 | 26.0 | 83,320 | 16.9 |
| Exemption number/amount | 324,507 | 14.3 | 130,810 | 26.6 |
| Standard/itemized deduction | 278,188 | 12.3 | 45,063 | 9.2 |
| Earned Income Tax Credit | 256,312 | 11.3 | 69,364 | 14.1 |
| First-time homebuyer credit repayment | 211,621 | 9.3 | 10,724 | 2.2 |
| Adjusted gross/taxable income amount | 106,818 | 4.7 | 18,977 | 3.9 |
| Other credits [3] | 89,806 | 4.0 | 23,193 | 4.7 |
| Child tax credit | 89,116 | 3.9 | 21,525 | 4.4 |
| Refund/amount owed | 88,156 | 3.9 | 19,771 | 4.0 |
| Education credits [4] | 65,441 | 2.9 | 10,025 | 2.0 |
| Adjustments to income | 51,195 | 2.3 | 13,928 | 2.8 |
| Filing status | 44,135 | 1.9 | 25,446 | 5.2 |
| Withholding or excess Social Security payments | 40,689 | 1.8 | 10,772 | 2.2 |
| Other [5] | 31,865 | 1.4 | 8,679 | 1.8 |

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] 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.

[3] Encompasses all credits other than the following credits which are shown separately: Earned Income Tax Credit, First-Time Homebuyer Credit, Child Tax Credit, Hope Credit, and American Opportunity and Lifetime Learning Credit.

[4] Includes the Hope Credit and the American Opportunity Tax Credit.

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

NOTE:

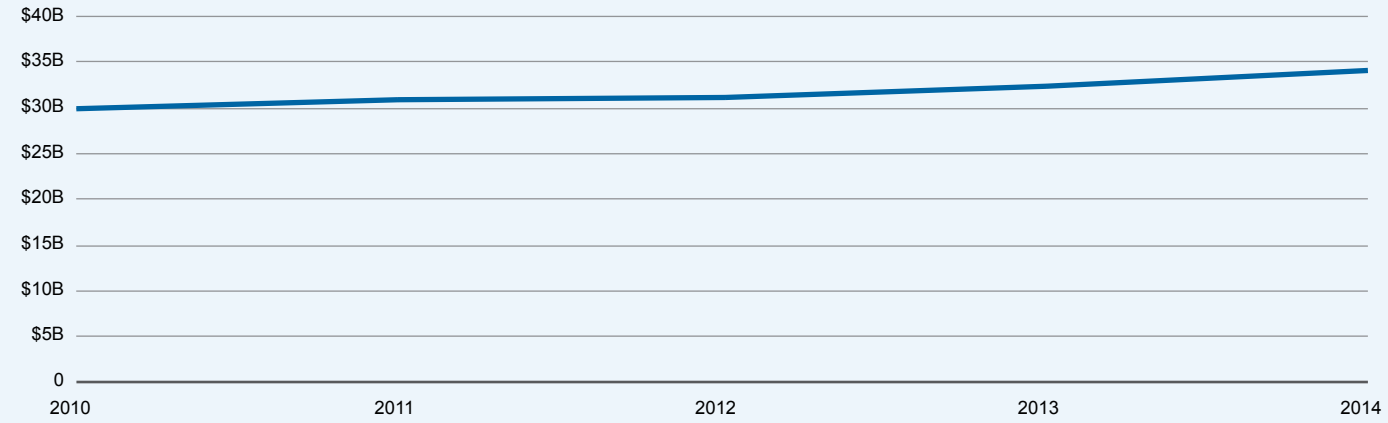
Math errors include a variety of conditions such as computational errors, incorrectly transcribed values, and omitted entries identified during the processing of tax returns.

SOURCE: Wage and Investment, Customer Account Services, Submission Processing, Paper Processing, Individual Master File.

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### Additional Tax Due, Net Total Amount Collected, Fiscal Years 2005–2014




SOURCE: *IRS Data Book* Table 16

# Enforcement:

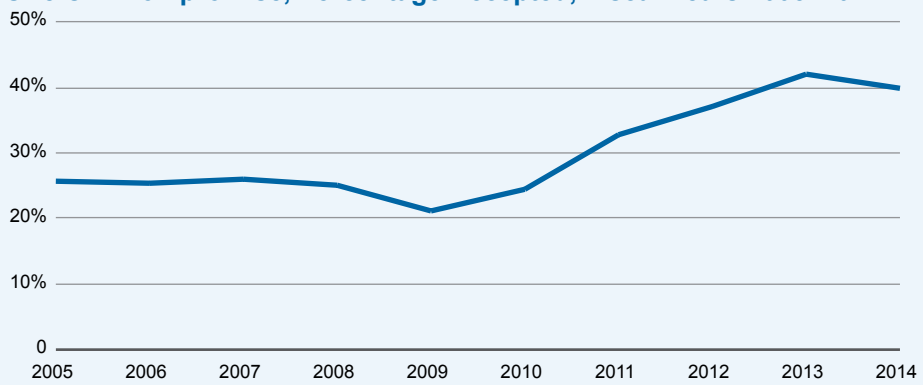
## Collections, Penalties, and Criminal Investigation

The mission of the IRS's Collection function is to collect Federal taxes that have been reported or assessed but not paid, and to secure tax returns that have not been filed. Additionally, failure to comply may result in civil penalties or, in some cases, criminal investigation, which may in turn result in prosecution, fines, and imprisonment. Section 4 of the *IRS Data Book* presents information on collections, penalties, and criminal prosecutions resulting from individuals' or entities' failure to comply with the tax code.

### Highlights of the Data

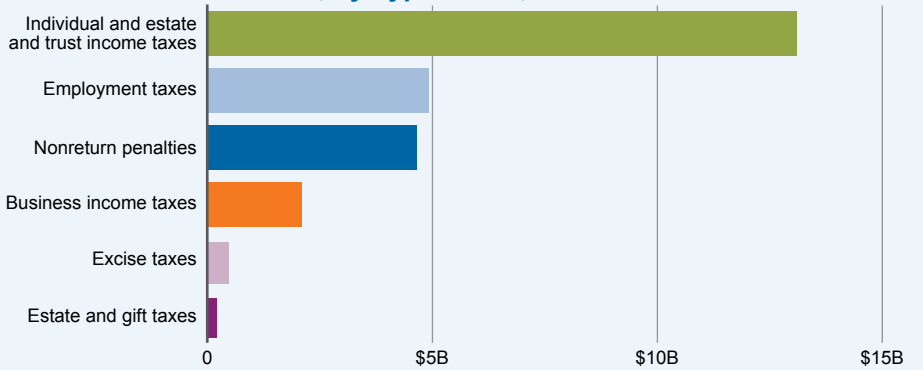
- Overall, in Fiscal Year (FY) 2014, the IRS collected, net of credit transfers, almost $34.2 billion in unpaid assessments on returns filed with additional tax due (Table 16).
- The IRS assessed $14.2 billion in additional taxes for returns not filed timely and collected $1.9 billion with delinquent returns (Table 16).
- In FY 2014, taxpayers proposed 68,000 offers in compromise to settle existing tax liabilities for less than the full amount owed. IRS accepted 27,000 offers, amounting to $179.4 million, during the year (Table 16).
- The IRS assessed almost $25.6 billion in civil penalties. Slightly more than half of that amount, $13.1 billion, was assessed in civil penalties on individual and estate and trust income tax returns (Table 17).

### Offers in Compromise, Percentage Accepted, Fiscal Years 2005–2014




SOURCE: *IRS Data Book* Table 16

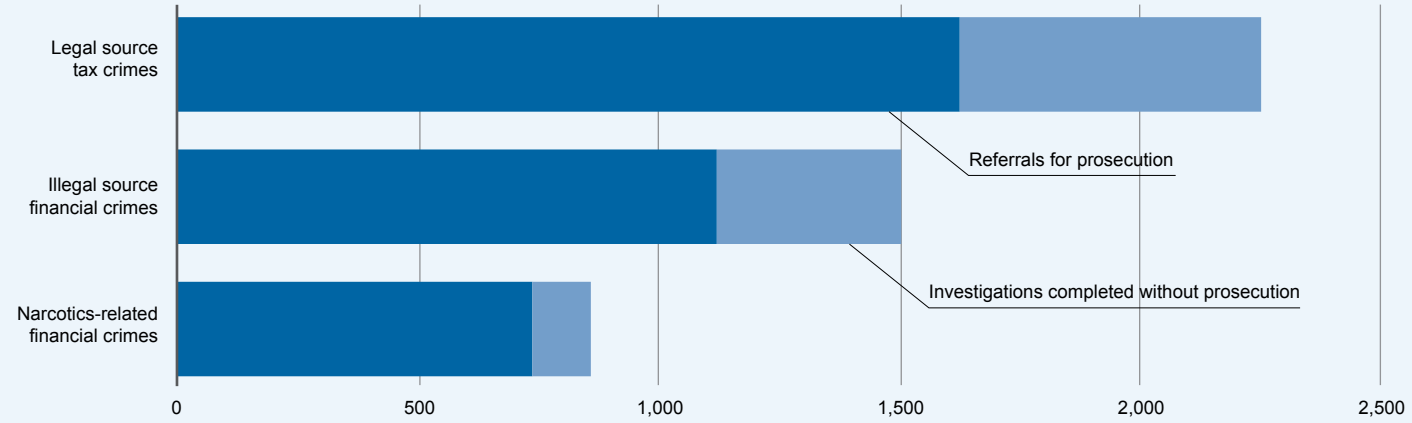
### Civil Penalties Assessed, by Type of Tax, Fiscal Year 2014




SOURCE: 2014 *IRS Data Book* Table 17

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**Number of Criminal Investigations Completed, by Type, Fiscal Year 2014**




SOURCE: 2014 *IRS Data Book* Table 18

- The IRS abated almost $9.9 billion in civil penalties during the year, including $4.1 billion in abatements for individual and estate and trust income tax returns (Table 17).

- In FY 2014, the IRS initiated 4,297 criminal investigations in these three areas—legal source tax crimes, illegal source financial crimes, and narcotics related financial crimes. The IRS completed 4,606 investigations in these areas (Table 18).

- Legal source tax crime investigations involve activities, industries, and occupations that generate legitimate income. The Legal Source Tax Crimes Program also includes cases that may threaten the tax system, such as frivolous challenges to the legitimacy of the tax laws; unscrupulous tax return preparers; and fraudulent refund schemes. During FY 2014, the IRS completed 2,249 legal source tax crime investigations (Table 18).

- Illegal source financial crimes relate to proceeds derived from unlawful sources, other than narcotics. These involve tax and tax-related violations, as well as money laundering. During FY 2014, the IRS completed 1,502 illegal source tax crime investigations (Table 18).

- The Narcotics Program investigates narcotics-related tax and money-laundering crimes. The IRS often cooperates with the Justice Department and other law enforcement agencies to accomplish its mission. During FY 2014, the IRS completed 855 narcotics-related financial crime investigations (Table 18).

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## Table 16. Delinquent Collection Activities, Fiscal Years 2013 and 2014

[Money amounts are in thousands of dollars]

| Activity | 2013 | 2014 |
|---|---|---|
| **Returns filed with additional tax due:** | | |
| Total yield from unpaid assessments [1] | 47,152,648 | 48,951,974 |
| Less: Credit transfers [2] | 14,687,867 | 14,759,090 |
| Equals: Net total amount collected | 32,464,781 | 34,192,884 |
| Taxpayer delinquent accounts (thousands): | | |
| Number in beginning inventory | 11,464 | 11,721 |
| Number of new accounts | 7,788 | 7,658 |
| Number of accounts closed | 7,530 | 6,970 |
| Ending inventory: | | |
| Number | 11,721 | 12,410 |
| Balance of assessed tax, penalties, and interest [3] | 120,734,098 | 130,619,989 |
| **Returns not filed timely:** | | |
| Delinquent return activity: | | |
| Net amount assessed [4] | 15,161,841 | 14,173,795 |
| Amount collected with delinquent returns | 1,763,523 | 1,905,254 |
| Taxpayer delinquency investigations (thousands) [5]: | | |
| Number in beginning inventory | 3,937 | 3,659 |
| Number of new investigations | 1,598 | 1,563 |
| Number of investigations closed | 1,876 | 1,682 |
| Number in ending inventory | 3,659 | 3,540 |
| **Offers in compromise (thousands) [6]:** | | |
| Number of offers received | 74 | 68 |
| Number of offers accepted | 31 | 27 |
| Amount of offers accepted | 195,379 | 179,354 |
| **Enforcement activity:** | | |
| Number of notices of Federal tax liens filed [7] | 602,005 | 535,580 |
| Number of notices of levy requested on third parties [8] | 1,855,095 | 1,995,987 |
| Number of seizures [9] | 547 | 432 |

[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. 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.

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.

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

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## Table 17. Civil Penalties Assessed and Abated, by Type of Tax and Type of Penalty, Fiscal Year 2014

[Money amounts are in thousands of dollars]

| Type of tax and type of penalty | Civil penalties assessed [1] | | Civil penalties abated [1, 2] | |
|---|---|---|---|---|
| | Number | Amount | Number | Amount |
| | (1) | (2) | (3) | (4) |
| **Civil penalties, total** | **40,357,481** | **25,560,362** | **4,969,392** | **9,891,799** |
| **Individual and estate and trust income taxes:** | | | | |
| **Civil penalties, total [3]** | **31,235,124** | **13,084,133** | **3,256,068** | **4,124,998** |
| Accuracy [4] | 554,467 | 1,072,236 | 115,787 | 417,858 |
| Bad check | 431,859 | 65,987 | 11,666 | 20,769 |
| Delinquency | 3,223,243 | 4,937,902 | 660,474 | 2,233,057 |
| Estimated tax | 8,902,388 | 1,148,632 | 188,813 | 165,518 |
| Failure to pay | 18,114,683 | 5,620,634 | 2,274,073 | 1,258,215 |
| Fraud | 3,326 | 174,318 | 192 | 12,032 |
| Other [5] | 5,158 | 64,424 | 5,063 | 17,549 |
| **Business income taxes:** | | | | |
| **Civil penalties, total** | **1,085,395** | **2,120,309** | **235,108** | **959,172** |
| Accuracy [4, 6] | 5,009 | 221,182 | 377 | 74,407 |
| Bad check [6] | 8,950 | 26,619 | 791 | 17,952 |
| Delinquency [6] | 511,344 | 1,050,259 | 159,468 | 483,548 |
| Estimated tax [6] | 239,191 | 195,799 | 8,668 | 75,928 |
| Failure to pay [6] | 307,120 | 455,002 | 61,946 | 247,783 |
| Fraud [6] | 166 | 19,076 | 4 | 99 |
| S corporation/Partnership information [7] | 13,518 | 127,099 | 1,332 | 10,518 |
| Other [6] | 97 | 25,273 | 2,522 | 48,938 |
| **Employment taxes:** | | | | |
| **Civil penalties, total [8]** | **6,946,702** | **4,959,919** | **1,234,391** | **2,095,513** |
| Accuracy [4] | 2,593 | 7,450 | 102 | 2,116 |
| Bad check | 480,174 | 64,286 | 201,942 | 44,865 |
| Delinquency | 1,429,205 | 975,560 | 231,910 | 349,088 |
| Estimated tax | 6,155 | 12,429 | 978 | 6,685 |
| Failure to pay | 3,495,287 | 956,966 | 507,796 | 253,812 |
| Federal tax deposits | 1,532,364 | 2,919,726 | 291,652 | 1,438,805 |
| Fraud | 455 | 11,620 | 6 | 139 |
| Other | 469 | 11,882 | 5 | 3 |
| **Excise taxes:** | | | | |
| **Civil penalties, total [9]** | **678,944** | **478,406** | **179,817** | **338,980** |
| Accuracy [4] | 872 | 872 | 95 | 105 |
| Bad check | 4,786 | 783 | 589 | 2,063 |
| Daily delinquency [10] | 65,016 | 210,413 | 49,097 | 178,540 |
| Delinquency | 230,561 | 61,283 | 21,198 | 15,064 |
| Estimated tax | 10,786 | 1,622 | 384 | 271 |
| Failure to pay | 325,440 | 36,099 | 70,314 | 13,574 |
| Federal tax deposits | 5,564 | 29,617 | 1,695 | 14,016 |
| Fraud | 24 | 15,110 | 8 | 11 |
| Other | 35,895 | 122,606 | 36,437 | 115,336 |
| **Estate and gift taxes:** | | | | |
| **Civil penalties, total [11]** | **9,251** | **222,117** | **5,209** | **178,371** |
| Accuracy [4] | 91 | 14,653 | 23 | 6,719 |
| Bad check | 38 | 207 | 23 | 332 |
| Delinquency | 3,678 | 138,705 | 2,368 | 123,261 |
| Failure to pay | 5,264 | 66,327 | 2,671 | 46,509 |
| Fraud | 0 | 0 | 0 | 0 |
| Other | 180 | 2,225 | 124 | 1,549 |
| **Nonreturn penalties [12]** | **402,065** | **4,695,478** | **58,799** | **2,194,766** |

[1] Assessments and abatements of penalties included here were recorded in Fiscal Year 2014 regardless of the tax year to which the penalty may apply.

[2] 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.

[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 overstatement 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 failure to supply taxpayer identification number and failure to report tip income.

[6] 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).

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## Table 17. Civil Penalties Assessed and Abated, by Type of Tax and Type of Penalty, Fiscal Year 2014—Continued

**Footnotes—Continued**

[7] Represents penalties associated with failure to provide information on Forms 1065 (partnership return) or 8752 (required payment or refund for an S corporation or partnership under Internal Revenue Code section 7519), or failure to file electronically Form 1065–B (large partnership return).

[8] 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).

[9] 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); 1120–POL (income tax return for certain political organizations); 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).

[10] 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); 1120–POL (income tax return for certain political organizations); 5227 (split-interest trust information return); or 8886–T (disclosure by tax-exempt entity regarding prohibited tax shelter transaction).

[11] Represents penalties associated with Forms 706 (estate tax return) and 709 (gift tax return).

[12] 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 2014 was $826,907,000 and is included in the amount abated.

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

SOURCE: Chief Financial Officer, Financial Management.

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## Table 18. Criminal Investigation Program, by Status or Disposition, Fiscal Year 2014

| 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** | **4,297** | **1,976** | **1,475** | **846** |
| **Investigations completed** | **4,606** | **2,249** | **1,502** | **855** |
| Referrals for prosecution | 3,478 | 1,621 | 1,123 | 734 |
| Investigations completed without prosecution | 1,128 | 628 | 379 | 121 |
| Indictments and informations [5] | 3,272 | 1,513 | 1,071 | 688 |
| Convictions | 3,110 | 1,398 | 1,116 | 596 |
| Sentenced | 3,268 | 1,373 | 1,188 | 707 |
| Incarcerated [6] | 2,601 | 1,102 | 908 | 591 |
| Percentage of those sentenced who were incarcerated [6] | 79.6 | 80.3 | 76.4 | 83.6 |

[1] Investigations may cross fiscal years. Therefore, the disposition of investigations shown in this table may be related to investigations initiated in prior 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 those cases that threaten the tax system, such as Questionable Refund Program (QRP) cases, unscrupulous return preparers, frivolous filers/nonfilers who challenge the legality of the filing requirements and employment tax cases.

[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.

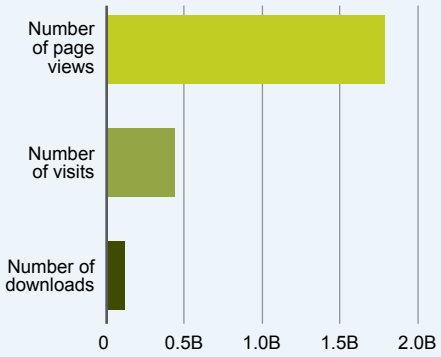
[5] Both “indictments” and “informations” are accusations of criminal charges. An “indictment” is an accusation made by a Federal prosecutor and issued by a Federal grand jury. An “information” is an accusation brought by a Federal prosecutor without the requirement of a grand jury.

[6] The term “incarcerated” may include prison time, home confinement, electronic monitoring, or a combination thereof.

SOURCE: Criminal Investigation, Communications and Education Division.

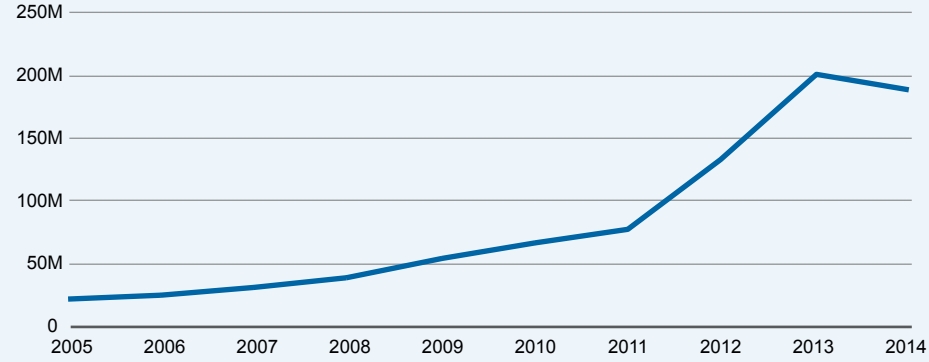
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### IRS Website Usage, Fiscal Year 2014




SOURCE: 2014 *IRS Data Book* Table 19

### "Where's My Refund" Inquiries, Fiscal Years 2005–2014




SOURCE: *IRS Data Book* Table 19

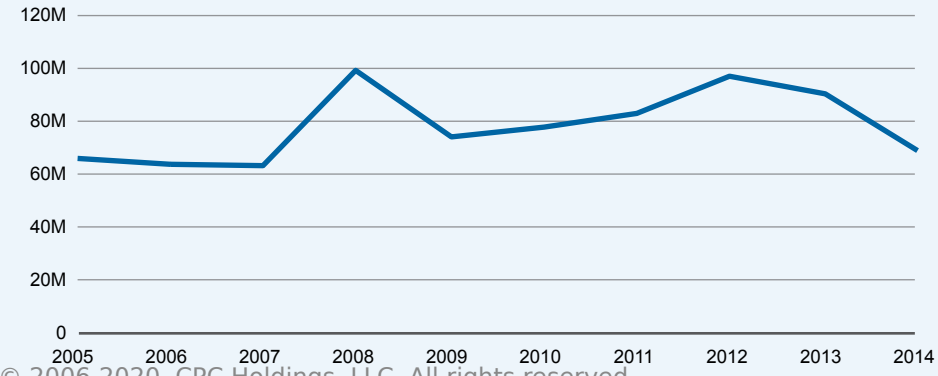
# Taxpayer Assistance

Section 5 of the *Data Book* provides information on the scope and composition of the IRS' taxpayer assistance programs. The IRS assists taxpayers in meeting their Federal tax return filing and payment obligations in a variety of ways, such as through its telephone helpline, via the Internet, at IRS walk-in sites, and through volunteer income tax return assistants. The section also presents information on the IRS Taxpayer Advocate Service and Appeals workload.

## Highlights of the Data

- In Fiscal Year (FY) 2014, the IRS provided taxpayer assistance through over 437.1 million visits to IRS.gov and assisted over 69.4 million taxpayers through its toll-free telephone helpline or at walk-in sites (Table 19).
- Electronic transactions continued to be popular, with 189.1 million queries received for the "Where's My Refund" service, 18.5 million requests for information through the electronic Transcript Delivery Service, nearly 21.0 million requests for Electronic Filing Personal Identification numbers, 4.1 million requests online for Employer Identification Numbers, and almost one million questions received via the interactive tax assistant (Table 19).

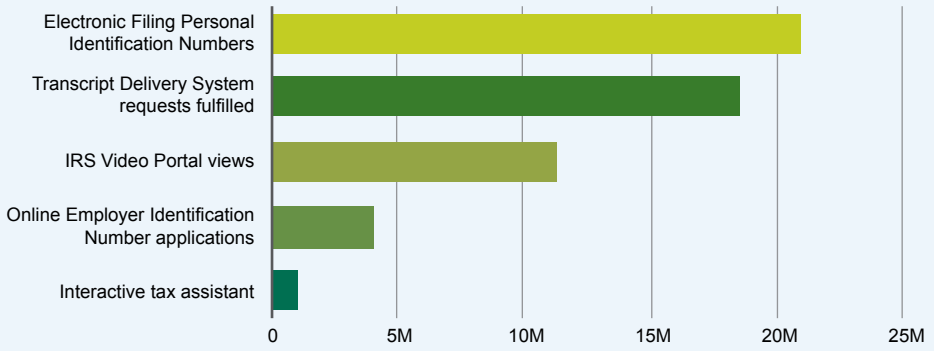
### Call and Walk-in Assistance, Total, Fiscal Years 2005–2014




SOURCE: *IRS Data Book* Table 19

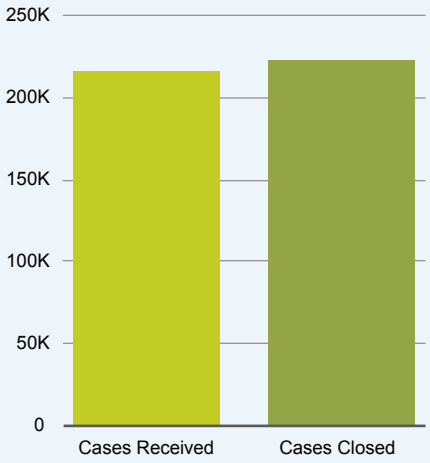
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### Recently Added Taxpayer Assistance Features, Fiscal Year 2014




SOURCE: 2014 *IRS Data Book* Table 19

### Taxpayer Advocate Service, Cases Received and Cases Closed, Fiscal Year 2014

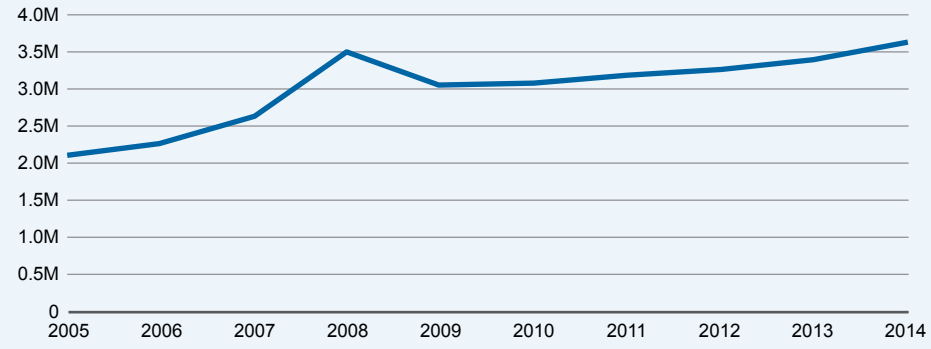



SOURCE: 2014 *IRS Data Book* Table 20

- The Taxpayer Advocate Service (TAS) is an independent organization within the IRS that helps taxpayers resolve problems with the IRS and recommends changes that will prevent those problems in the future. Taxpayers may submit an application for assistance to TAS. In FY 2014, TAS received 216,697 new requests for assistance and closed 222,974 cases, including those received in a prior fiscal year (Table 20).

- 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 and independent of the IRS office that proposed the tax adjustment, collection action, or penalty. During FY 2014, the IRS Appeals Office received 113,608 new cases and closed 115,472 cases, including those received in a prior fiscal year (Table 21).

### Federal Returns Prepared Through Volunteer Income Tax Assistance and Tax Counseling for the Elderly Programs, Fiscal Years 2005–2014




SOURCE: *IRS Data Book* Table 19

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## Table 19. Selected Taxpayer Assistance and Education Programs, by Type of Assistance or Program, Fiscal Year 2014

| Type of assistance or program | Number or percentage |
|---|---|
| **Call and walk-in assistance, total** | **69,385,822** |
| Toll-free assistance calls [1]: | |
| Automated | 40,796,923 |
| Live | 23,111,620 |
| Taxpayer Assistance Center contacts [2] | 5,477,279 |
| **Accuracy of toll-free telephone assistance:** | |
| Tax law questions (percentage accurate) | 95.0 |
| Account questions (percentage accurate) | 96.2 |
| **Forms and publications (paper products):** | |
| Orders for forms, publications, and paper products | 2,681,431 |
| Number of non-IRS outlets stocking paper products [3] | 11,214 |
| **Assistance provided through the Internet (IRS.gov):** | |
| IRS Website usage [4]: | |
| Number of visits | 437,110,154 |
| Number of page views | 1,789,021,039 |
| Number of downloads [5] | 117,795,950 |
| IRS Video Portal views [6] | 11,255,386 |
| Electronic transactions, total | 233,600,993 |
| "Where's My Refund" inquiries | 189,130,955 |
| Transcript Delivery System requests fulfilled [7] | 18,501,336 |
| Online Employer Identification Number applications | 4,058,058 |
| Electronic Filing Personal Identification Numbers [8] | 20,966,263 |
| Interactive tax assistant [9] | 944,381 |
| **Disaster and emergency assistance:** | |
| Disaster incidents [10]: | |
| State incidents | 7 |
| County/city incidents | 51 |
| Taxpayers assisted [11]: | |
| Number of toll-free disaster hotline calls | 19,910 |
| Number of taxpayers assisted at Disaster Recovery Centers | 81 |
| **Taxpayer education and tax return preparation for individual taxpayers:** | |
| Federal returns prepared through Volunteer Income Tax Assistance and Tax Counseling for the Elderly programs | 3,646,562 |
| Volunteers assisting in taxpayer education and return preparation programs | 93,082 |
| Volunteer Tax Preparation Assistance sites | 12,319 |
| **Taxpayer outreach for small business and self-employed taxpayers:** | |
| Number of events [12] | 3,719 |
| Number of participants | 113,438 |
| Electronic newsletter subscriptions: | |
| Number targeted to small business owners and payroll providers | 402,563 |
| Number targeted to tax professionals | 305,550 |

[1] Includes calls answered by Customer Account Services and automated calls (including TeleTax and Tax Exempt and Government Entities Division), but excludes calls answered by Automated Collection Services.

[2] Includes contacts at 383 IRS Taxpayer Assistance Centers. Excludes Volunteer Income Tax Assistance and Tax Counseling for the Elderly sites, which are shown separately in this table.

[3] Represents the number of organizations that distribute paper forms and publications or make reproducible forms and publications available. Some organizations may have multiple sites.

[4] An increasing number of taxpayers receive assistance via IRS.gov. This 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 Webpage and ends when the user leaves the IRS.gov Website. Users may access multiple Webpages during a single visit to the IRS Website; these are counted as page views. A download is the process of copying a file, such as Form 1040, from the IRS.gov Website to the user's personal computer.

[5] In Fiscal Year 2014, the download statistic decreased relative to 2013 due primarily to a change in the Web-metrics available after the March 2013 release of the redesigned IRS.gov Website.

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

[7] 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.

[8] An Electronic Filing Personal Identification Number can be used in lieu of the prior-year adjusted gross income to verify a taxpayer's identify for electronic filing.

[9] The interactive tax assistant is a tax law resource that takes taxpayers through a series of questions and provides answers to their tax law questions.

[10] Reflects events for which the Federal Emergency Management Agency designated major disaster areas and the IRS granted administrative tax relief.

[11] Both the number of toll-free disaster hotline calls and the number of taxpayers assisted at Disaster Recovery Centers decreased from Fiscal Year (FY) 2013 when the IRS assisted taxpayers after Hurricane Sandy. In FY 2013, the IRS assisted 7,392 taxpayers at Disaster Recovery Centers with 50,078 toll-free disaster hotline calls.

[12] 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.

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## Table 20. Taxpayer Advocate Service: Postfiling Taxpayer Assistance Program, by Type of Issue and Relief, Fiscal Year 2014

| Type of issue and relief | Number | Percentage of total |
|---|---|---|
| **Taxpayer Advocate Service cases received, by type of issue [1]:** | | |
| **Total** | **216,697** | **100.0** |
| Stolen identity | 43,690 | 20.2 |
| Pre-refund wage verification hold | 35,220 | 16.3 |
| Earned Income Tax Credit | 13,450 | 6.2 |
| Processing amended returns | 10,245 | 4.7 |
| Levies | 8,086 | 3.7 |
| Processing original returns | 7,664 | 3.5 |
| Injured spouse claims | 7,284 | 3.4 |
| Examination reconsideration | 6,768 | 3.1 |
| Open examination | 5,302 | 2.4 |
| IRS offset to IRS tax liability | 4,789 | 2.2 |
| Closed Automated Underreporter Program [2] | 3,821 | 1.8 |
| Unpostable and rejected returns | 3,751 | 1.7 |
| Other refund inquiries/issues [3] | 3,740 | 1.7 |
| Installment agreements | 3,737 | 1.7 |
| Application for tax-exempt status | 3,589 | 1.7 |
| All others | 55,561 | 25.6 |
| **Taxpayer Advocate Service cases closed, by type of resolution [1]:** | | |
| **Total** | **222,974** | **100.0** |
| **Relief provided to taxpayer, total** | **173,692** | **77.9** |
| Taxpayer Assistance Order issued [4] | 280 | 0.1 |
| No Taxpayer Assistance Order issued [4] | 173,412 | 77.8 |
| Full relief | 157,400 | 70.6 |
| Individual taxpayer issue [5] | 144,763 | 64.9 |
| Systemic issue [6] | 12,637 | 5.7 |
| Partial relief | 16,012 | 7.2 |
| Individual taxpayer issue [5] | 14,937 | 6.7 |
| Systemic issue [6] | 1,075 | 0.5 |
| **No relief provided to taxpayer, total** | **49,282** | **22.1** |
| Taxpayer Assistance Order rescinded [4] | 12 | [7] |
| No Taxpayer Assistance Order issued [4] | 49,270 | 22.1 |
| No response from taxpayer | 28,023 | 12.6 |
| No relief provided by Taxpayer Advocate Service [8] | 11,068 | 5.0 |
| Taxpayer withdrew application for assistance | 2,686 | 1.2 |
| Tax law precluded relief | 1,202 | 0.5 |
| Hardship not related to revenue laws | 565 | 0.3 |
| Hardship not validated | 473 | 0.2 |
| All others | 5,253 | 2.4 |
| **Congressional inquiries [9]** | **17,449** | **N/A** |

N/A—Not applicable.

[1] The Taxpayer Advocate Service 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. Cases may be received in one fiscal year and closed in another.

[2] Under the Automated Underreporter Program, the IRS uses information returns from third parties to identify unreported income on returns filed by taxpayers.

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

[4] 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. However, in the majority of cases, the Taxpayer Advocate Service can resolve taxpayers' issues without issuing TAOs. Taxpayer Assistance Orders may be issued in one fiscal year and closed in another.

[5] 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.

[6] 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.

[7] Less than 0.05 percent.

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

[9] In this table, Congressional inquiries (related to constituents' tax accounts) refers to those applications for taxpayer assistance received from Congressional offices during the fiscal year. This item is shown separately for information purposes, but counts are included in the data above.

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 and recommends changes that will prevent these problems.

SOURCE: Taxpayer Advocate Service, Business Assessment.

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## Table 21. Appeals Workload, by Type of Case, Fiscal Year 2014

| Type of case | Cases received | Cases closed [1] | Cases pending September 30, 2014 |
|---|---|---|---|
| | (1) | (2) | (3) |
| **Total cases [2]** | **113,608** | **115,472** | **57,373** |
| Collection Due Process [3] | 40,355 | 41,266 | 20,545 |
| Examination [4] | 36,919 | 37,246 | 23,025 |
| Penalty Appeals [5] | 10,213 | 9,140 | 3,689 |
| Offers in Compromise [6] | 9,231 | 8,987 | 4,442 |
| Innocent Spouse [7] | 3,012 | 4,038 | 1,714 |
| Industry cases [8] | 1,469 | 1,843 | 1,743 |
| Coordinated Industry cases [9] | 129 | 165 | 370 |
| Other [10] | 12,280 | 12,787 | 1,845 |

[1] Cases closed includes cases received in Fiscal Year 2014 and in prior fiscal years.

[2] A case represents a taxpayer with one type of tax and one or more tax periods under consideration in Appeals. Cases that are temporarily assigned to Chief Counsel are not included. See Tables 26 and 27 for information on Chief Counsel activity.

[3] Includes cases where a taxpayer requested a hearing with an independent Collection Due Process (CDP) officer in response to a notice of Federal tax lien or notice of intent to levy. The CDP hearing provides the taxpayer an opportunity, early in the collection process, to work with an independent hearing officer to resolve the collection of the taxpayer's liability. This category excludes Collection Due Process 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 tax, employment tax, excise tax, estate tax, gift tax, 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] Includes cases in which a taxpayer who filed a joint return with a spouse or ex-spouse may apply for relief of tax, interest, and penalties if he/she meets specific requirements. An Innocent Spouse case in Appeals is one in which the taxpayer requested and was denied innocent spouse relief by the IRS.

[8] An Industry case is any type of case that is not designated as a Coordinated Industry case (CIC). An Industry case taxpayer may appeal the findings of an examination conducted by the IRS. See footnote 9.

[9] A Coordinated Industry case (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] 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 are grouped into the "Other" category and are 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) (formerly the IRS Office of the Director of Practice). 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*—When a taxpayer's request for a Collection Due Process hearing or an equivalent hearing is not received timely or the request cannot be processed, Appeals may review the request and make a separate timeliness determination.

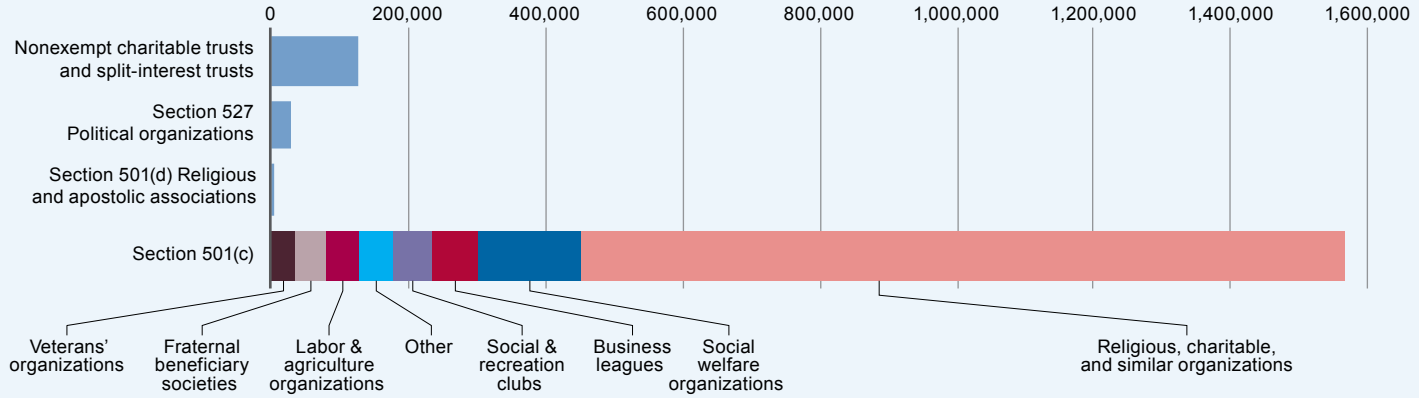
*Other Penalties*—This subcategory includes a variety of different types of penalties that may be appealed. Tax return preparers may appeal penalties imposed under Internal Revenue Code (IRC) sections 6694 and 6695 for understatement of a taxpayer's tax liability or with respect to preparation of a tax 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 code sections not specified in this note.

SOURCE: Appeals, Strategic Planning, Measures Analysis.

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### Tax-Exempt Organizations, Nonexempt Charitable Trusts, and Nonexempt Split-Interest Trusts, Fiscal Year 2014




SOURCE: 2014 *IRS Data Book* Table 25

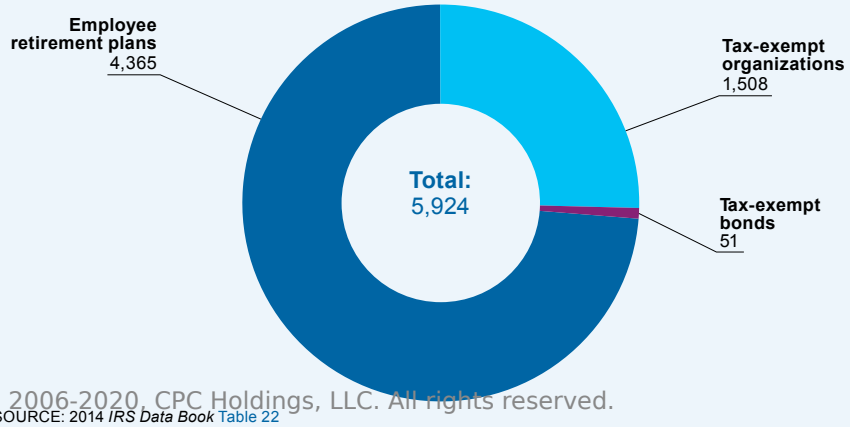
# Tax-Exempt Activities

The IRS devotes significant resources to meeting the special needs of tax-exempt organizations, employee retirement benefit 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. Although information on the administration, processing, and examination of returns filed by these entities is provided throughout the *IRS Data Book*, Section 6 focuses on issues related to governance.

## Highlights of the Data

- In Fiscal Year (FY) 2014, the IRS recognized 1.7 million organizations, including new determinations, as tax-exempt. Approximately 1.6 million of these organizations were exempt under Internal Revenue Code section 501(c). The majority of these organizations were charities tax-exempt under Internal Revenue Code Section 501(c)(3) (Table 25).
- Technical activities, such as issuing rulings, providing technical assistance and advice, and issuing opinion letters, prototype plans, and correspondence, represented a large number of tax-exempt regulatory activities for FY 2014. The IRS devoted additional regulatory resources to issuing guidance and voluntary compliance agreements (Table 22).

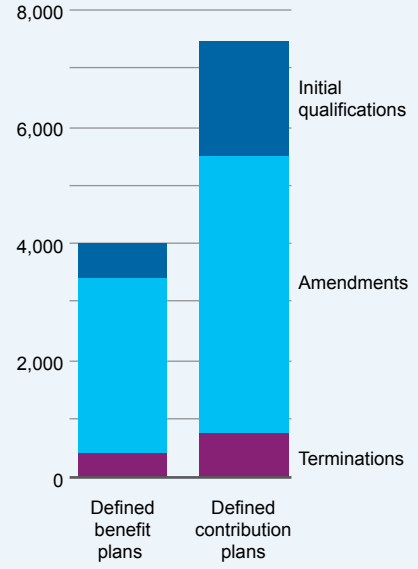
### Tax-Exempt Guidance Issued, Fiscal Year 2014




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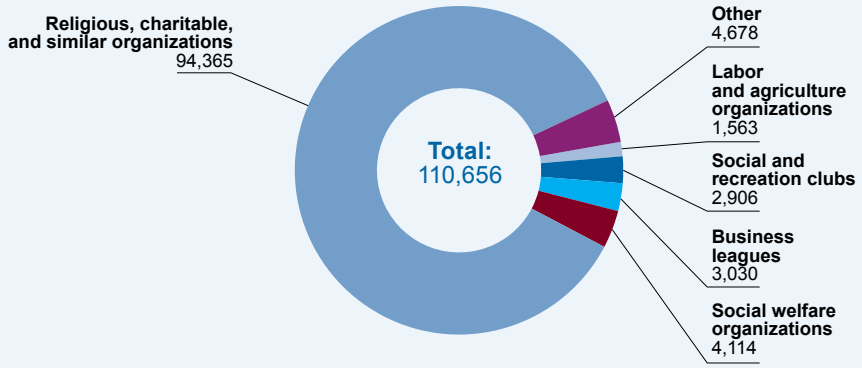
SOURCE: 2014 *IRS Data Book* Table 22

### Determination Letters Issued on Employee Retirement Plans, Fiscal Year 2014




SOURCE: 2014 *IRS Data Book* Table 23

### Number of Approvals of Applications for Tax-Exempt Status, by Organization Type, Fiscal Year 2014




SOURCE: 2014 *IRS Data Book* Table 24

- In FY 2014 the IRS issued a total of 11,478 determination letters on employee retirement plans. These consisted of 4,021 determination letters for defined benefit plans and 7,457 determination letters for defined contribution plans (Table 23).

- In FY 2014, the IRS closed 117,538 applications for tax-exempt status. Of those, the IRS approved tax-exempt status for 110,656 organizations (Table 24).

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## Table 22. Tax-Exempt Guidance and Other Regulatory Activities, Fiscal Year 2014

| Activity | Total | Employee retirement plans | Tax-exempt organizations | Tax-exempt bonds |
|---|---|---|---|---|
| | (1) | (2) | (3) | (4) |
| **Total** | **5,924** | **4,365** | **1,508** | **51** |
| Guidance [1] | 58 | 42 | 16 | N/A |
| Technical activities | 2,297 | 805 | 1,492 | N/A |
| Requests for rulings | 1,228 | 504 | 724 | N/A |
| Technical assistance | 86 | 76 | 10 | N/A |
| Technical advice | 41 | 18 | 23 | N/A |
| Opinion letters on prototype plans [2] | 40 | 40 | N/A | N/A |
| Correspondence [3] | 902 | 167 | 735 | N/A |
| Voluntary compliance agreements | 3,569 | 3,518 | N/A | 51 |

N/A—Not applicable.

[1] Includes published revenue rulings, revenue procedures, regulations, notices, announcements, and information/news releases.

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

[3] Includes both Congressional and general correspondence.

SOURCE: Tax Exempt and Government Entities.

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## Table 23. Determination Letters Issued on Employee Retirement Plans, by Type and Disposition of Plan, Fiscal Year 2014

| Letters issued, disposition of plan | Total determination letters | Defined benefit plans [2] | Defined contribution plans [1] | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Total [3] | Profit-sharing [4] | Stock bonus [5] | Money purchase [6] | Target benefit [7] | Leveraged employee stock ownership plan [8] | Nonleveraged employee stock ownership plan [9] | Section 401(k) [10] | Other |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) |
| **Total:** | | | | | | | | | | | |
| Number of qualified plans [11] | 11,478 | 4,021 | 7,457 | 675 | 117 | 508 | 19 | 661 | 1,440 | 1,924 | 2,113 |
| **Initial qualifications:** | | | | | | | | | | | |
| Number of qualified plans | 2,623 | 610 | 2,013 | 385 | 13 | 44 | 0 | 139 | 288 | 202 | 942 |
| Number of participating employees [12] | 1,435,380 | 371,590 | 1,063,790 | 104,581 | 56,090 | 39,870 | 0 | 10,256 | 302,384 | 457,326 | 93,283 |
| **Amendments:** | | | | | | | | | | | |
| Number of qualified plans | 7,704 | 3,006 | 4,698 | 251 | 92 | 423 | 15 | 513 | 1,049 | 1,373 | 982 |
| Number of participating employees [12] | 36,895,927 | 19,671,581 | 17,224,346 | 590,802 | 534,182 | 973,630 | 54,904 | 406,402 | 2,739,947 | 7,562,601 | 4,361,878 |
| **Terminations:** | | | | | | | | | | | |
| Number of qualified plans | 1,151 | 405 | 746 | 39 | 12 | 41 | 4 | 9 | 103 | 349 | 189 |
| Number of participating employees [12] | 935,919 | 672,242 | 263,677 | 3,421 | 297 | 54,184 | 668 | 1,324 | 127,730 | 52,478 | 23,575 |

[1] 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.

[2] 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.

[3] Beginning with Fiscal Year 2014, the defined contribution plan total is the sum of columns 4–11, which includes associated section 401(k) data reported separately in column 10.

[4] 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.

[5] A stock bonus retirement plan is funded by an employer's contributions of corporate stock to the retirement plan.

[6] 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.

[7] A target benefit retirement plan is similar to a defined benefit plan since employer contributions, which are mandatory, are based on projected retirement benefits. However, unlike a defined benefit plan, the benefits provided to participants at retirement are based on the performance of the investments and are therefore not guaranteed.

[8] A leveraged employee stock ownership plan (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.

[9] A nonleveraged employee stock ownership plan (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.

[10] Beginning with Fiscal Year 2014, section 401(k) defined contribution plan data are reported and counted separately in column 10. In prior years, 401(k) defined contribution plan data were included and counted in the plan to which they were attached (in columns 4–9 and 11).

[11] Reflects retirement plans that had determination letters issued and satisfied the qualification requirements of Federal pension law. All retirement plans reported in this table met these requirements.

[12] Totals may be overstated to the extent that employees participate in more than one retirement plan.

NOTE:

Some determination letter data reported in this table are not comparable to data reported in prior issues of the *IRS Data Book*. The staggered determination letter application process causes wide differences in the data from year to year.

SOURCE: Tax Exempt and Government Entities, Employee Plans.

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## Table 24. Closures of Applications for Tax-Exempt Status, by Organization Type and Internal Revenue Code Section, Fiscal Year 2014

| 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]** | **117,538** | **110,656** | **89** | **6,793** |
| **Section 501(c) by subsection, total** | **117,525** | **110,654** | **89** | **6,782** |
| (1) Corporations organized under an act of Congress | 7 | 0 | d | d |
| (2) Title-holding corporations | 324 | 308 | 0 | 16 |
| (3) Religious, charitable, and similar organizations [4] | 100,032 | 94,365 | 67 | 5,600 |
| (4) Social welfare organizations | 4,417 | 4,114 | 8 | 295 |
| (5) Labor and agriculture organizations | 1,668 | 1,563 | 0 | 105 |
| (6) Business leagues | 3,177 | 3,030 | 5 | 142 |
| (7) Social and recreation clubs | 3,187 | 2,906 | d | d |
| (8) Fraternal beneficiary societies | 1,424 | 1,264 | 0 | 160 |
| (9) Voluntary employees' beneficiary associations | 325 | 301 | d | d |
| (10) Domestic fraternal beneficiary societies | 651 | 614 | 0 | 37 |
| (11) Teachers' retirement fund associations | d | d | 0 | 0 |
| (12) Benevolent life insurance associations | 209 | 191 | d | d |
| (13) Cemetery companies | 621 | 605 | 0 | 16 |
| (14) State-chartered credit unions | 21 | 17 | d | d |
| (15) Mutual insurance companies | 7 | d | d | 4 |
| (17) Supplemental unemployment compensation trusts | 13 | 9 | d | d |
| (19) Veterans' organizations | 1,371 | 1,299 | 0 | 72 |
| (25) Holding companies for pensions and other entities | 64 | 61 | 0 | 3 |
| (27) State-sponsored workers' compensation reinsurance organizations | d | d | 0 | d |
| (29) Qualified health insurance issuers | 4 | d | 0 | d |
| **Section 501(d) Religious and apostolic associations** | **d** | **d** | **0** | **0** |
| **Nonexempt charitable trusts** | **d** | **0** | **0** | **d** |
| **Section 521 Farmers' cooperatives** | **9** | **d** | **0** | **d** |

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

[1] Reflects all case closures 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 refusals to rule on applications, IRS correction disposals, and others.

[3] No applications were closed for corporations to finance crop operations (section 501(c)(16)); employee-funded pension trusts (section 501(c)(18)); black lung 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 organizations (section 501(c)(26)); the National Railroad Retirement Investment Trust (section 501(c)(28)); and split interest trusts. Tax-exempt status for legal services organizations (section 501(c)(20)) was revoked effective June 20, 1992.

[4] Includes private foundations. 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:

The total number of approved applications for tax-exempt status increased from 44,274 in Fiscal Year (FY) 2013 to 110,656 in FY 2014. This increase is attributable to the introduction of a streamlined application process in FY 2014 for all determination applications and the implementation of the electronic Form 1023–EZ, a streamlined three-page version of the 26-page Form 1023, Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code.

SOURCE: Tax Exempt and Government Entities, Exempt Organizations.

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## Table 25. Tax-Exempt Organizations, Nonexempt Charitable Trusts, and Nonexempt Split-Interest Trusts, Fiscal Year 2014

| Type of organization, Internal Revenue Code section | Number of organizations |
|---|---|
| **Tax-exempt organizations, nonexempt charitable trusts and split-interest trusts, total** | **1,723,315** |
| **Section 501(c) by subsection, total** | **1,568,454** |
| (1) Corporations organized under an act of Congress | 708 |
| (2) Title-holding corporations | 4,752 |
| (3) Religious, charitable, and similar organizations [1] | 1,117,941 |
| (4) Social welfare organizations | 148,585 |
| (5) Labor and agriculture organizations | 48,711 |
| (6) Business leagues | 68,208 |
| (7) Social and recreation clubs | 56,139 |
| (8) Fraternal beneficiary societies | 47,773 |
| (9) Voluntary employees' beneficiary associations | 6,909 |
| (10) Domestic fraternal beneficiary societies | 16,998 |
| (12) Benevolent life insurance associations | 5,601 |
| (13) Cemetery companies | 9,858 |
| (14) State-chartered credit unions | 2,326 |
| (15) Mutual insurance companies | 871 |
| (17) Supplemental unemployment compensation trusts | 110 |
| (19) Veterans' organizations | 32,039 |
| (25) Holding companies for pensions and other entities | 815 |
| Other 501(c) subsections [2] | 110 |
| **Section 501(d) Religious and apostolic associations** | **222** |
| **Section 527 Political organizations** | **29,462** |
| **Nonexempt charitable trusts and split-interest trusts** | **125,177** |

[1] Includes private foundations. 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.

[2] Includes teachers' retirement funds (section 501(c)(11)); corporations to finance crop operations (section 501(c)(16)); employee-funded pension trusts (section 501(c)(18)); black lung 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)); the National Railroad Retirement Investment Trust (section 501(c)(28)); and qualified health insurance issuers (section 501(c)(29)). Tax-exempt status for legal services organizations (section 501(c)(20)) was revoked effective June 20, 1992.

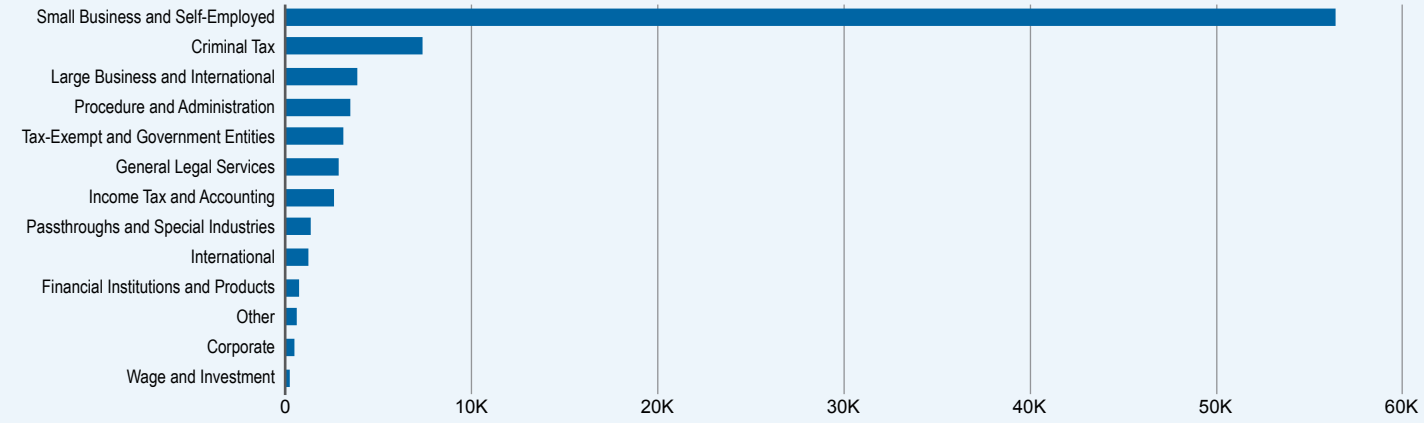
NOTE:

Information from tax-exempt organization returns is available to the public. Therefore, data in this table are not subject to IRS disclosure regulations. However, information on closures of applications for tax-exempt status (reported in Table 24) are subject to disclosure regulations.

SOURCE: Tax Exempt and Government Entities, Exempt Organizations.

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### Total Cases Closed, by Type of Case, Fiscal Year 2014



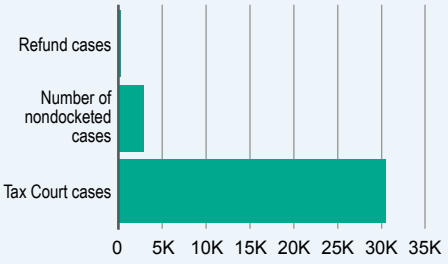

SOURCE: 2014 *IRS Data Book* Table 26

# Chief Counsel

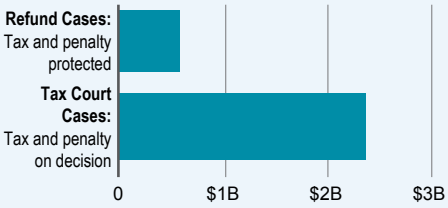
Section 7 of the *Data Book* provides an overview of the IRS Chief Counsel's workload and activities. The IRS Chief Counsel is appointed by the President of the United States, with the advice and consent of the U.S. Senate, and serves as the chief legal advisor to the IRS Commissioner on all matters 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.

### Total Cases Closed, by Type of Case, Fiscal Year 2014




### Amount of Tax and Penalty, by Type of Case, Fiscal Year 2014

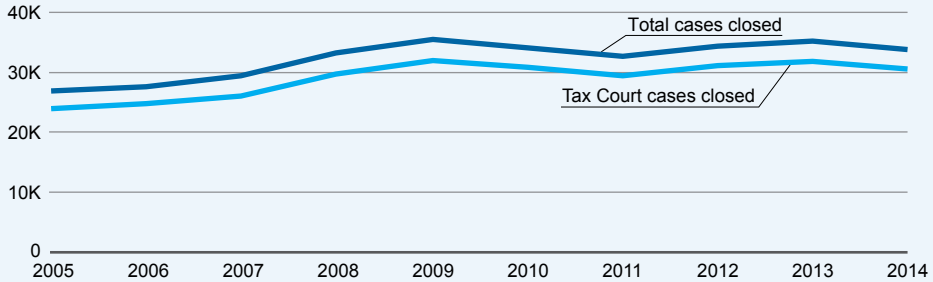



SOURCE: 2014 *IRS Data Book* Table 27

## Highlights of the Data

- Chief Counsel received 82,423 cases and closed 84,625 cases, including some received in prior years, during the fiscal year (Table 26).
- Almost 67.0 percent of closed cases were received from the Small Business/Self-Employed Division (Table 26).
- Of the 84,625 cases closed, Chief Counsel closed 8.2 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.
- Of the new cases received and cases closed, 86.3 percent and 86.6 percent, respectively, were related to tax law enforcement and litigation, including Tax Court litigation; collection, bankruptcy, and summons advice and litigation; Appellate Court litigation; criminal tax; and enforcement advice and assistance (Table 26).
- In Fiscal Year 2014, General Counsel received 31,244 Tax Court cases involving a taxpayer contesting an IRS determination that he or she owed additional tax. During the fiscal year, Counsel closed 30,606 cases involving over $6.2 billion in disputed taxes and penalties (Table 27).

### Chief Counsel Cases Closed, Fiscal Years 2005–2014




SOURCE: *IRS Data Book* Table 27

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## Table 26. Chief Counsel Workload: All Cases, by Office and Type of Case, Fiscal Year 2014

| Office and type of case or activity | Cases received | Cases closed | Cases pending September 30, 2014 |
|---|---|---|---|
| | (1) | (2) | (3) |
| **Chief Counsel (All Offices):** | | | |
| **Total** | **82,423** | **84,625** | **54,963** |
| **Guidance and assistance [1]** | **6,516** | **6,918** | **5,277** |
| **Tax law enforcement and litigation [2]** | **71,113** | **73,306** | **46,526** |
| **Other legal services to the IRS [3]** | **4,794** | **4,401** | **3,160** |
| **Corporate:** | | | |
| **Total** | **449** | **541** | **276** |
| Guidance and assistance | 203 | 254 | 185 |
| Tax law enforcement and litigation | 179 | 220 | 81 |
| Other legal services to the IRS | 67 | 67 | 10 |
| **Criminal Tax:** | | | |
| **Total** | **7,237** | **7,401** | **757** |
| Guidance and assistance | 62 | 63 | 8 |
| Tax law enforcement and litigation | 7,131 | 7,293 | d |
| Other legal services to the IRS | 44 | 45 | d |
| **Financial Institutions and Products:** | | | |
| **Total** | **733** | **778** | **458** |
| Guidance and assistance | 443 | 463 | 380 |
| Tax law enforcement and litigation | 209 | 237 | d |
| Other legal services to the IRS | 81 | 78 | d |
| **General Legal Services:** | | | |
| **Total** | **3,262** | **2,888** | **2,712** |
| Guidance and assistance | 31 | d | 21 |
| Tax law enforcement and litigation | 19 | d | 63 |
| Other legal services to the IRS | 3,212 | 2,867 | 2,628 |
| **Income Tax and Accounting:** | | | |
| **Total** | **2,636** | **2,580** | **1,121** |
| Guidance and assistance | 1,776 | 1,751 | 840 |
| Tax law enforcement and litigation | 710 | 673 | 269 |
| Other legal services to the IRS | 150 | 156 | 12 |
| **International [4]:** | | | |
| **Total** | **1,086** | **1,230** | **1,162** |
| Guidance and assistance | 464 | 563 | 699 |
| Tax law enforcement and litigation | 524 | 571 | 445 |
| Other legal services to the IRS | 98 | 96 | 18 |
| **Large Business and International [5]:** | | | |
| **Total** | **3,007** | **3,912** | **4,011** |
| Guidance and assistance | 328 | 584 | 666 |
| Tax law enforcement and litigation | 2,653 | 3,305 | 3,318 |
| Other legal services to the IRS | 26 | 23 | 27 |
| **Passthroughs and Special Industries [6]:** | | | |
| **Total** | **1,366** | **1,399** | **620** |
| Guidance and assistance | 776 | 799 | 518 |
| Tax law enforcement and litigation | 421 | 427 | 95 |
| Other legal services to the IRS | 169 | 173 | 7 |
| **Procedure and Administration:** | | | |
| **Total** | **3,524** | **3,502** | **2,466** |
| Guidance and assistance | 758 | 804 | 743 |
| Tax law enforcement and litigation | 2,252 | 2,255 | 1,363 |
| Other legal services to the IRS | 514 | 443 | 360 |
| **Small Business and Self-Employed:** | | | |
| **Total** | **55,364** | **56,470** | **38,846** |
| Guidance and assistance | 301 | 278 | 203 |
| Tax law enforcement and litigation | 54,978 | 56,105 | 38,585 |
| Other legal services to the IRS | 85 | 87 | 58 |
| **Tax-Exempt and Government Entities:** | | | |
| **Total** | **2,873** | **3,093** | **2,304** |
| Guidance and assistance | 849 | 862 | 854 |
| Tax law enforcement and litigation | 1,803 | 1,997 | 1,423 |
| Other legal services to the IRS | 221 | 234 | 27 |
| **Wage and Investment:** | | | |
| **Total** | **278** | **270** | **58** |
| Guidance and assistance | 130 | 120 | 23 |
| Tax law enforcement and litigation | 37 | 34 | 25 |
| Other legal services to the IRS | 111 | 116 | 10 |
| **Other [7]:** | | | |
| **Total** | **608** | **561** | **172** |
| Guidance and assistance | 395 | d | 137 |
| Tax law enforcement and litigation | 197 | d | 35 |
| Other legal services to the IRS | 16 | 16 | 0 |

Footnotes on next page.

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## Table 26. Chief Counsel Workload: All Cases, by Office and Type of Case, Fiscal Year 2014—Continued

**Footnotes**

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 prefiling 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 27 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] The International Division provides legal advice, guidance, and support to the Internal Revenue Service, the Treasury Department, and the public on international tax issues in all procedural postures.

[5] The Large Business and International (LB&I) Division provides legal advice, litigation support, and other services to the Internal Revenue Service LB&I field offices.

[6] The Passthroughs and Special Industries (PSI) Division handles cases that involve passthrough organizations, such as S corporations and partnerships. These passthrough organizations do not pay tax on their incomes, but pass income or losses to shareholders or partners, who include the income or losses on their income tax returns. The PSI Division also handles cases on natural resources taxation (oil, mining, gas, coal, etc.); business credits (low-income housing, energy credits, wind energy, alternative fuels, etc.); excise taxes (transportation, telephones, tires, fuels, etc.); and estate and gift taxes.

[7] Includes the immediate offices of the Chief Counsel and the Associate Chief Counsel, Finance and Management.

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 Management Division.

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## Table 27. Chief Counsel Workload: Tax Litigation Cases, by Type of Case, Fiscal Year 2014

[Money amounts are in millions of dollars]

| Type of case | Number or amount |
|---|---|
| **Total cases:** | |
| Received | 34,346 |
| Closed | 33,813 |
| Pending September 30, 2014 | 30,806 |
| **Tax Court cases [1]:** | |
| Cases received: | |
| Number | 31,244 |
| Amount of tax and penalty in dispute [2] | 4,248 |
| Cases closed: | |
| Number | 30,606 |
| Amount of tax and penalty in dispute [2] | 6,209 |
| Amount of tax and penalty on decision [3]: | |
| Total | 2,389 |
| Default or dismissed | 483 |
| Settled | 1,791 |
| Tried and decided | 115 |
| Cases pending September 30, 2014: | |
| Number | 29,216 |
| Amount of tax and penalty in dispute [2] | 23,488 |
| **Tax Court cases on appeal [1]:** | |
| Number pending September 30, 2014 | 348 |
| Amount of tax and penalty pending September 30, 2014 [2] | 1,394 |
| **Refund cases [4]:** | |
| Cases received: | |
| Number | 215 |
| Amount of tax and penalty in dispute [2] | 1,044 |
| Cases closed: | |
| Number | 329 |
| Amount of tax and penalty in dispute [2] | 743 |
| Amount of tax and penalty protected [5]: | |
| Total | 589 |
| District Court | 284 |
| Court of Federal Claims | 305 |
| Cases pending September 30, 2014: | |
| Number | 901 |
| Amount of tax and penalty in dispute [2] | 8,847 |
| **Refund cases on appeal [4]:** | |
| Number pending September 30, 2014 | 34 |
| Amount of tax and penalty pending September 30, 2014 [2] | 1,532 |
| **Number of nondocketed cases [6]:** | |
| Received | 2,887 |
| Closed | 2,878 |
| Pending September 30, 2014 | 307 |

[1] Tax Court cases involve a taxpayer contesting the Internal Revenue Service's determination that the taxpayer owes additional tax. The Tax Court provides a forum for a taxpayer to request a determination of the deficiency prior to paying the tax allegedly owed.

Other cases that may be considered by the Tax Court include:

*Collection Due Process* (*CDP*)—cases where a taxpayer requested a hearing with an independent CDP officer in response to a notice of Federal tax lien or notice of intent to levy.

*Innocent Spouse Program*—cases in which a taxpayer who filed a joint return with a spouse or ex-spouse may apply for relief of tax, interest, and penalties if he/she meets specific requirements.

*Abatement of Interest*—cases of disputed interest on tax deficiencies or payments in which IRS error or delays may have contributed to the assessed interest.

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

[2] The amount of tax and penalties in dispute excludes interest.

[3] Reflects the amount a taxpayer owes as determined by the Tax Court, excluding offsetting overpayments and interest.

[4] Refund cases involve taxpayers seeking refunds of claimed overpayments after taxes have been fully 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.

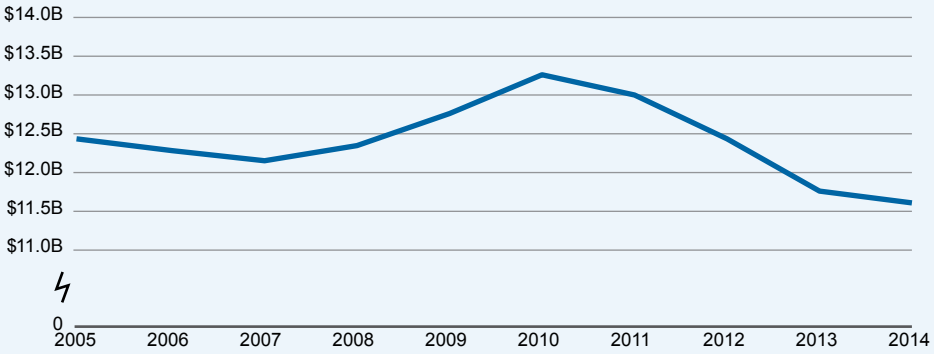
NOTE: Amounts in dispute can vary widely from year to year.

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

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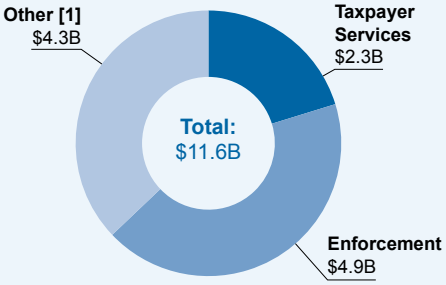
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### Operating Costs (Constant Dollars), Fiscal Years 2005–2014




NOTE: Inflation-adjusted amounts were calculated using the U.S. Bureau of Economic Analysis, Nondefense Gross Domestic Product Chain-type Price Index with a 2014 base year.
SOURCE: *IRS Data Book* Table 29

### Costs Incurred by Budget Activity, Fiscal Year 2014




[1] Includes operations support and business systems modernization.
SOURCE: 2014 *IRS Data Book* Table 28

# IRS Budget and Workforce

Section 8 of the *Data Book* provides an overview of IRS budget activities, including taxpayer services, enforcement, operations support, and business systems modernization. The section also includes information on the size and composition of the IRS workforce.

## Highlights of the Data

- IRS' actual expenditures for Fiscal Year (FY) 2014 were $11.6 billion for overall operations in FY 2014, down slightly from FY 2013 (Table 28). Since 2010, IRS' expenditures in constant dollars have fallen by 12.6 percent.

- Taxpayer services funding, which includes processing for tax returns and related documents, and assistance to taxpayers filing returns and paying taxes due, accounted for $2.3 billion (Table 28).

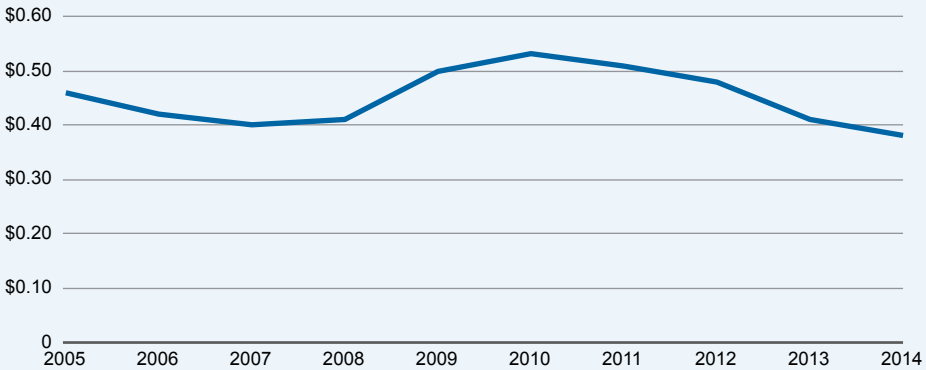
- Enforcement funding, which includes the examination of tax returns, collection of balances due, and administrative and judicial settlement of taxpayer appeals of examination findings, represented almost $5.0 billion. This funding also provided resources to strengthen enforcement aimed at reducing invalid claims and erroneous filings associated with the Earned Income Tax Credit (EITC) program (Table 28).

- Operations support provides administrative services, policy management, and IRS-wide support. This appropriation also funds staffing, equipment, and related costs used to manage, maintain, and operate critical information systems supporting tax administration. The IRS spent over $4.0 billion in operations support in FY 2014 (Table 28).

- The balance of IRS's expenditures, almost $0.3 billion, was spent on capital asset acquisition of information technology systems (Table 28).

- The total cost of collecting $100 decreased to $0.38 in FY 2014, down from $0.41 for the previous year (Table 29).

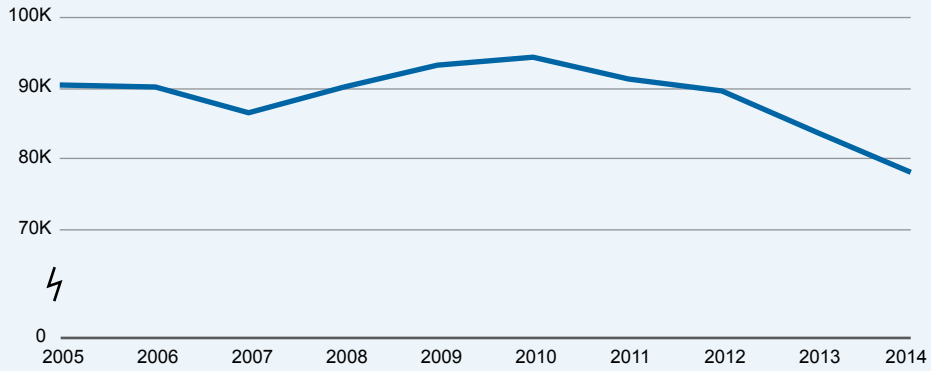
### Cost of Collecting $100 of Revenue, Fiscal Years 2005–2014




SOURCE: *IRS Data Book* Table 29

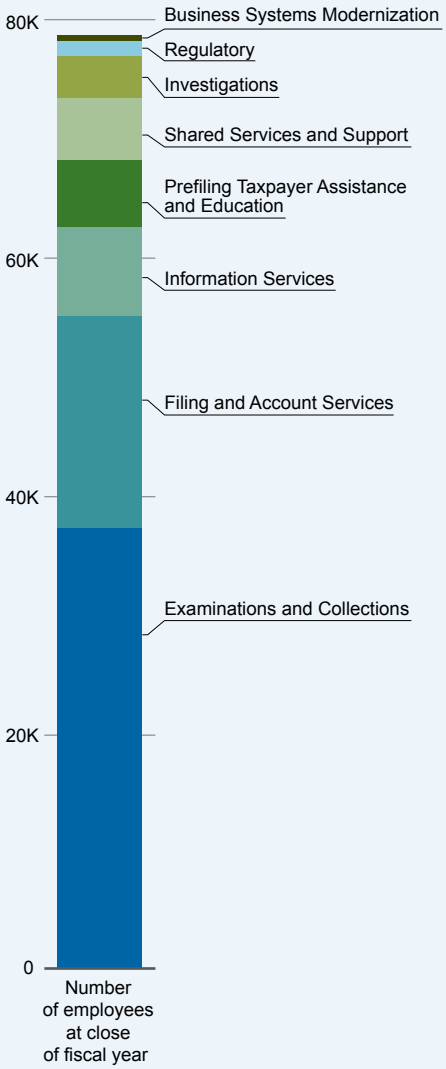
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## Number of Employees at Close of Fiscal Year, Fiscal Years 2005–2014




SOURCE: *IRS Data Book* Table 30

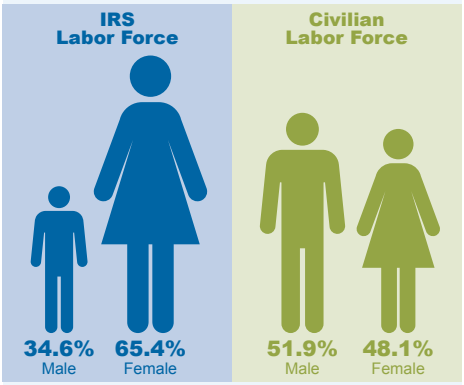
## Personnel Summary, by Budget Activity, Fiscal Year 2014




SOURCE: 2014 *IRS Data Book* Table 30

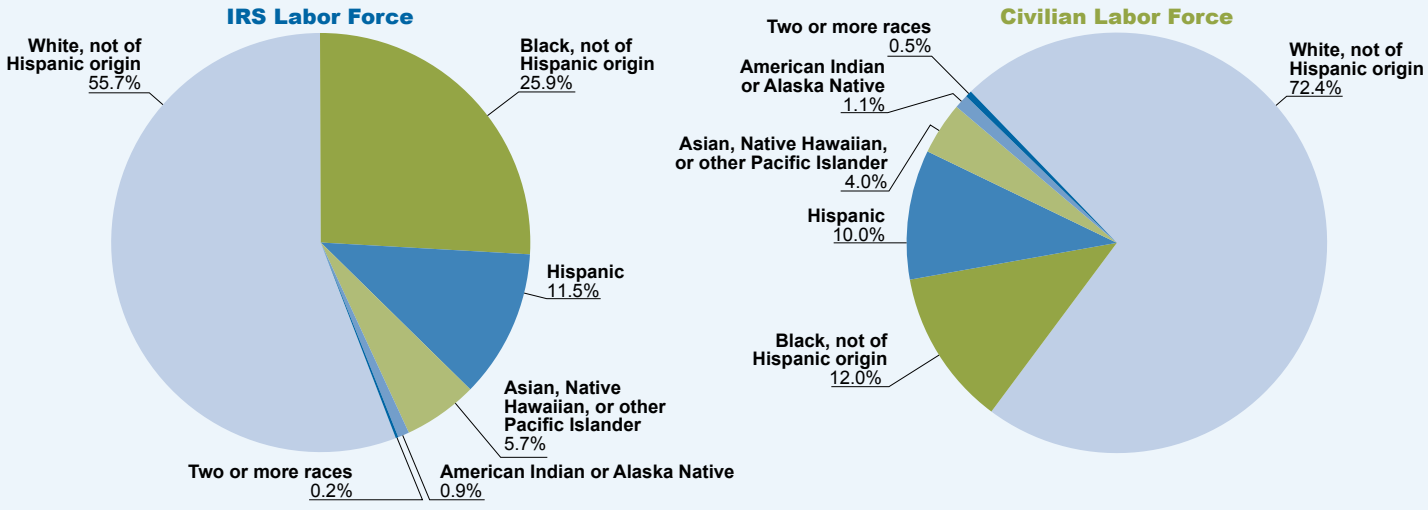
- IRS closed FY2014 with 78,121 employees, 17.2 percent less than in FY 2010, and a decrease of 6.6 percent from FY 2013 (Table 30).
- Slightly more than half of these employees were dedicated to enforcement, followed by taxpayer services, which represented 34.6 percent (Table 30).
- Nonwhite employees made up 44.2 percent of the IRS workforce, as compared to a 27.6-percent share of the overall civilian labor force (Table 31).
- Women represented 65.4 percent of IRS personnel, compared to 48.1 percent of the civilian labor force (Table 31).

## Internal Revenue Service Labor Force, Compared to National Totals for Civilian Labor Forces, by Gender, Fiscal Year 2014




SOURCE: 2014 *IRS Data Book* Table 31

## Internal Revenue Service Labor Force, Compared to National Totals for the Civilian Labor Force, by Race/Ethnicity, Fiscal Year 2014




SOURCE: 2014 *IRS Data Book* Table 31

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## Table 28. Costs Incurred by Budget Activity, Fiscal Years 2013 and 2014

[Money amounts are in thousands of dollars]

| Budget activity | Total [1] | | Personnel compensation and benefits [2] | | Other | |
|---|---|---|---|---|---|---|
| | 2013 | 2014 | 2013 | 2014 | 2013 | 2014 |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| **Total obligations against appropriated funds** | **11,597,560** | **11,591,007** | **8,549,759** | **8,554,261** | **3,047,801** | **3,036,746** |
| **Taxpayer Services [3]:** | | | | | | |
| **Total** | **2,330,161** | **2,345,229** | **2,173,599** | **2,173,414** | **156,562** | **171,815** |
| Prefiling Taxpayer Assistance and Education | 603,594 | 628,940 | 551,184 | 563,633 | 52,410 | 65,307 |
| Filing and Account Services | 1,726,567 | 1,716,289 | 1,622,415 | 1,609,781 | 104,152 | 106,508 |
| **Enforcement [4]:** | | | | | | |
| **Total** | **4,960,528** | **4,944,885** | **4,737,220** | **4,683,916** | **223,308** | **260,969** |
| Investigations | 595,568 | 604,070 | 561,922 | 563,126 | 33,646 | 40,944 |
| Examinations and Collections | 4,200,534 | 4,169,169 | 4,015,682 | 3,952,501 | 184,852 | 216,668 |
| Regulatory | 164,426 | 171,646 | 159,616 | 168,289 | 4,810 | 3,357 |
| **Operations Support [5]:** | | | | | | |
| **Total** | **4,048,812** | **4,054,808** | **1,571,076** | **1,625,556** | **2,477,736** | **2,429,252** |
| Infrastructure | 895,702 | 874,938 | 925 | 588 | 894,777 | 874,350 |
| Shared Services and Support | 1,134,735 | 1,137,127 | 701,432 | 719,377 | 433,303 | 417,750 |
| Information Services | 2,018,375 | 2,042,743 | 868,719 | 905,591 | 1,149,656 | 1,137,152 |
| **Business Systems Modernization [6]** | **258,059** | **246,085** | **67,864** | **71,375** | **190,195** | **174,710** |

[1] Excludes costs reimbursed by other Federal agencies and private entities for services performed for these external parties.

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

[4] 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 to purchase (for police-type use) and hire passenger motor vehicles.

[5] 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 passenger motor vehicles.

[6] The Business Systems Modernization appropriation funds the capital asset acquisition of information technology systems.

NOTE: Data represent dollars obligated, expended, and disbursed against direct appropriated funds.

SOURCE: Chief Financial Officer, Corporate Budget.

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## Table 29. Collections, Costs, Personnel, and U.S. Population, Fiscal Years 1980–2014

| 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] | Average positions realized [5] |
|---|---|---|---|---|---|---|
| | (1) | (2) | (3) | (4) | (5) | (6) |
| 1980 | 519,375,273 | 2,280,839 | 0.44 | 228,231 | 2,276 | 87,464 |
| 1981 | 606,799,103 | 2,465,469 | 0.41 | 230,613 | 2,631 | 86,156 |
| 1982 | 632,240,506 | 2,626,338 | 0.42 | 232,962 | 2,714 | 82,857 |
| 1983 | 627,246,793 | 2,968,526 | 0.47 | 235,225 | 2,667 | 83,603 |
| 1984 | 680,475,229 | 3,279,067 | 0.48 | 237,454 | 2,866 | 87,635 |
| 1985 | 742,871,541 | 3,600,953 | 0.48 | 239,714 | 3,099 | 92,259 |
| 1986 | 782,251,812 | 3,841,983 | 0.49 | 241,995 | 3,233 | 95,880 |
| 1987 | 886,290,590 | 4,365,816 | 0.49 | 244,344 | 3,627 | 102,189 |
| 1988 | 935,106,594 | 5,035,543 | 0.54 | 246,329 | 3,796 | 114,875 |
| 1989 | 1,013,322,133 | 5,198,546 | 0.51 | 249,412 | 4,063 | 114,758 |
| 1990 | 1,056,365,652 | 5,440,418 | 0.52 | 251,057 | 4,208 | 111,962 |
| 1991 | 1,086,851,401 | 6,097,627 | 0.56 | 254,435 | 4,272 | 114,628 |
| 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 | [r] 310,451 | [r] 7,554 | 94,711 |
| 2011 | 2,414,952,112 | 12,358,877 | 0.51 | [r] 312,810 | [r] 7,720 | 94,709 |
| 2012 | 2,524,320,134 | 12,059,409 | 0.48 | [r] 315,129 | [r] 8,010 | 90,280 |
| 2013 | 2,855,059,420 | 11,597,560 | 0.41 | [r] 317,470 | [r] 8,993 | 86,974 |
| 2014 | 3,064,301,358 | 11,591,007 | 0.38 | [p] 319,804 | [p] 9,582 | 84,133 |

[r]—Revised.

[p]—Preliminary.

[1] Gross collections are collections before refunds are issued. 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.

Beginning with Fiscal Year 2009, excludes refunds credited to taxpayer accounts for tax liability in a subsequent year. Also excludes alcohol and tobacco excise taxes starting with 1988 and taxes on firearms starting with the second quarter of Fiscal Year 1991. Responsibility for these excise taxes was transferred from the IRS to the Alcohol and Tobacco Tax and Trade Bureau and to the 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. Beginning with Fiscal Year 2005, includes costs for Business Systems Modernization and the Health Insurance Tax Credit Administration.

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

[4] Average tax per capita is based on gross collections and an estimate of U.S. population, provided by the Census Bureau.

[5] Average positions realized represents the average number of full-time equivalent (FTE) positions actually used to conduct IRS operations. Excludes positions funded by reimbursements from other Federal agencies and private entities for services performed for these external parties. In contrast, IRS labor force counts in Table 31 (Internal Revenue Service Labor Force, Compared to National Totals for Federal and Civilian Labor Forces, by Gender, Race/Ethnicity, and Disability) represent the total number of persons, including full-time, part-time, and seasonal workers, employed during the fiscal year.

NOTE: All amounts are in current dollars.

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

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## Table 30. Personnel Summary, by Employment Status, Budget Activity, and Selected Personnel Type, Fiscal Years 2013 and 2014

| Employment status, budget activity, and selected personnel type | Average positions realized [1] | | Number of employees at end of fiscal year | |
|---|---|---|---|---|
| | 2013 | 2014 | 2013 | 2014 |
| | (1) | (2) | (3) | (4) |
| **Internal Revenue Service, total** | **86,974** | **84,133** | **83,613** | **78,121** |
| **Employment status:** | | | | |
| Full-time permanent | 84,985 | 82,406 | 81,296 | 76,126 |
| Other | 1,989 | 1,727 | 2,317 | 1,995 |
| **Budget activity:** | | | | |
| Examinations and Collections | 39,454 | 37,608 | 39,825 | 37,266 |
| Filing and Account Services | 24,881 | 23,972 | 20,780 | 17,925 |
| Information Services | 6,708 | 6,711 | 7,230 | 7,258 |
| Prefiling Taxpayer Assistance and Education | 5,505 | 5,449 | 5,623 | 5,594 |
| Shared Services and Support | 5,061 | 5,097 | 5,111 | 5,195 |
| Investigations | 3,691 | 3,581 | 3,734 | 3,608 |
| Regulatory | 1,223 | 1,239 | 1,232 | 1,201 |
| Business Systems Modernization | 451 | 476 | 78 | 74 |
| **Selected personnel type:** | | | | |
| Revenue Agents | 12,270 | 11,659 | 12,212 | 11,422 |
| Seasonal Employees | 11,108 | 10,030 | 6,696 | 4,100 |
| Customer Service Representatives | 9,131 | 8,837 | 9,632 | 8,820 |
| Tax Examiners | 8,724 | 8,416 | 8,894 | 8,496 |
| Revenue Officers | 4,748 | 4,439 | 4,681 | 4,353 |
| Special Agents | 2,509 | 2,437 | 2,539 | 2,454 |
| Tax Technicians | 1,515 | 1,418 | 1,496 | 1,357 |
| Attorneys | 1,497 | 1,473 | 1,523 | 1,454 |
| Appeals Officers | 811 | 761 | 800 | 758 |

[1] Represents the average number of full-time equivalent (FTE) positions actually used to conduct IRS operations. Excludes positions funded by reimbursements from other Federal agencies and private entities for services performed for these external parties. In contrast, IRS labor force counts in Table 31 (Internal Revenue Service Labor Force, Compared to National Totals for Federal and Civilian Labor Forces, by Gender, Race/Ethnicity, and Disability) represent the total number of persons, including full-time, part-time, and seasonal workers, employed during the fiscal year.

SOURCE: Chief Financial Officer, Corporate Budget.

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## Table 31. Internal Revenue Service Labor Force, Compared to National Totals for Federal and Civilian Labor Forces, by Gender, Race/Ethnicity, and Disability, Fiscal Year 2014

| Gender, race/ethnicity, and disability | Internal Revenue Service, number of employees [1] | Internal Revenue Service labor force [1] | Federal civilian labor force [2] | Civilian labor force [3] |
|---|---|---|---|---|
| | | Percentage of total | | |
| | (1) | (2) | (3) | (4) |
| **Total** | **91,018** | **100.0** | **100.0** | **100.0** |
| **Gender:** | | | | |
| Male | 31,494 | 34.6 | 56.7 | 51.9 |
| Female | 59,524 | 65.4 | 43.3 | 48.1 |
| **Race/ethnicity and gender:** | | | | |
| White, not of Hispanic origin | 50,742 | 55.7 | 65.1 | 72.4 |
| Male | 20,851 | 22.9 | 39.8 | 38.3 |
| Female | 29,891 | 32.8 | 25.3 | 34.0 |
| Black, not of Hispanic origin | 23,616 | 25.9 | 17.6 | 12.0 |
| Male | 4,999 | 5.5 | 7.3 | 5.5 |
| Female | 18,617 | 20.5 | 10.3 | 6.5 |
| Hispanic [4] | 10,423 | 11.5 | 8.2 | 10.0 |
| Male | 3,129 | 3.4 | 4.8 | 5.2 |
| Female | 7,294 | 8.0 | 3.4 | 4.8 |
| Asian, Native Hawaiian, or other Pacific Islander | 5,221 | 5.7 | 6.1 | 4.0 |
| Male | 2,198 | 2.4 | 3.3 | 2.0 |
| Female | 3,023 | 3.3 | 2.8 | 2.0 |
| American Indian or Alaska Native | 792 | 0.9 | 1.8 | 1.1 |
| Male | 239 | 0.3 | 0.8 | 0.6 |
| Female | 553 | 0.6 | 1.0 | 0.5 |
| Two or more races [5] | 224 | 0.2 | 1.2 | 0.5 |
| Male | 78 | 0.1 | 0.7 | 0.3 |
| Female | 146 | 0.2 | 0.6 | 0.3 |
| **Disability:** | | | | |
| Person with a disability | 8,843 | 9.7 | 13.1 | n.a. |
| Person with a targeted disability [6] | 1,713 | 1.9 | 1.1 | n.a. |

n.a.—Not available.

[1] Includes total full-time, part-time, and seasonal personnel employed by the Internal Revenue Service, including IRS Chief Counsel, during Fiscal Year 2014, i.e., October 1, 2013, through September 30, 2014.

[2] Reflects the Federal civilian labor force as of September 30, 2014, as provided by the U.S. Office of Personnel Management. The Internal Revenue Service labor force statistics are included in these totals.

[3] Data from U.S. Department of Commerce, Bureau of the Census (2006–2010 American Community Survey statistics).

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

[5] Data for IRS and other Federal workers of two or more races may be incomplete, as data for this category have been routinely collected only for employees hired after January 1, 2006. The data also reflect information for employees in this category who were hired prior to January 1, 2006, who subsequently updated their official information.

[6] 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. The targeted disabilities include deafness, blindness, missing extremities, partial paralysis, complete paralysis, convulsive disorders, mental retardation, mental illness, and distortion of limb and/or spine.

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

SOURCE: Equity, Diversity and Inclusion.

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# Affordable Care Act of 2010:

## Number of Returns, Tax Collections, Tax Credits, Grants, and Fees for Selected Non-Exchange Provisions for Returns Filed in Calendar Years 2010–2014

The Affordable Care Act was enacted in March 2010. While certain Non-Exchange ACA tax provisions have been in effect since 2010, other tax provisions became effective after Calendar Year 2010, and one temporary provision expired. Non-Exchange Provisions are Affordable Care Act tax/revenue items not related to taxpayers receiving Marketplace or Health Care Exchange insurance or the Premium Tax Credit.

**Non-Exchange Provisions became effective as follows:**

Effective beginning with Calendar Year 2010:
- Indoor Tanning Services Excise Tax
- Qualified Therapeutic Discovery Tax Credit and Grant

Effective beginning with Calendar Year 2011:
- Small Business Health Care Tax Credit
- Branded Prescription Pharmaceutical Manufacturers and Importers Annual Fee

Effective beginning with Calendar Year 2013:
- Medical Device Excise Tax
- Patient-Centered Outcomes Research Institute Fee
- Health Insurance Providers Annual Fee
- Net Investment Income Tax
- Additional Medicare Tax

Since some Non-Exchange Provisions were not effective in every year included in Table 32, data items will be represented by “N/A” for the appropriate years.

Starting in 2014, individuals and families can take the Premium Tax Credit to help them afford health insurance coverage purchased through the Marketplaces, which will operate in every State and the District of Columbia. The Premium Tax Credit is refundable so taxpayers who have little or no income tax liability can still benefit. The credit can also be paid in advance to a taxpayer’s insurance company to help cover the cost of health insurance premiums.

Taxpayers who claim the Premium Tax Credit will do so on their Tax Year 2014 tax returns that will be filed and processed in Calendar Year 2015.

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## Table 32. Affordable Care Act of 2010: Number of Returns, Tax Collections, Tax Credits, Grants, and Fees for Selected Non-Exchange Provisions for Returns Filed in Calendar Years 2010–2014 [1]

[Money amounts are in thousands of dollars]

| Taxes, tax credits, grants, and fees | Calendar Year | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2010 | | 2011 | | 2012 | | 2013 | | 2014 | |
| | Number of returns | Amount | Number of returns | Amount | Number of returns | Amount | Number of returns | Amount | Number of returns | Amount |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
| **Taxes:** | | | | | | | | | | |
| Additional Medicare Tax—Affordable Care Act Provision 9015 [2] | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 2,830,000 | 6,523,000 |
| Indoor Tanning Services Excise Tax—Affordable Care Act Provision 9017 [3] | 9,000 | 1,500 | 47,000 | 86,300 | 49,000 | 91,500 | 46,000 | 91,700 | 44,000 | 84,000 |
| Medical Device Excise Tax—Affordable Care Act Provision 1405 [3] | N/A | N/A | N/A | N/A | N/A | N/A | 9,000 | 1,400,000 | 14,000 | 1,900,000 |
| Net Investment Income Tax—Affordable Care Act Provision 1402 [4] | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 3,106,000 | 16,513,000 |
| **Tax credits and grants:** | | | | | | | | | | |
| Small Business Health Care Tax Credit—Affordable Care Act Provision 1421 [5] | N/A | N/A | 175,000 | 467,900 | 187,000 | 536,400 | 182,000 | 526,400 | 171,000 | 502,900 |
| Qualified Therapeutic Discovery Tax Credit and Grant—Affordable Care Act Provision 9023 [6] | 4,600 | 1,000,000 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| **Fees:** | | | | | | | | | | |
| Branded Prescription Pharmaceutical Manufacturers and Importers Annual Fee—Affordable Care Act Provision 9008 [7] | N/A | N/A | 144 | 2,500,000 | 160 | 2,800,000 | 164 | 2,800,000 | 157 | 3,000,000 |
| Health Insurance Providers Annual Fee—Affordable Care Act Provision 9010 [8] | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 470 | 8,000,000 |
| Patient-Centered Outcomes Research Institute Fee—Affordable Care Act Provision 6301 [9] | N/A | N/A | N/A | N/A | N/A | N/A | 75,000 | 115,400 | 76,000 | 307,000 |

N/A—Not applicable.

[1] Non-Exchange Provisions are Affordable Care Act tax/revenue items not related to taxpayers receiving marketplace insurance or the Premium Tax Credit.

[2] The Additional Medicare Tax applies to the amount of wages, self-employment income, and railroad retirement compensation that is more than a threshold amount. Reflects the number of Forms 8959 (additional Medicare tax) that reported an additional Medicare tax, but excludes 547,000 Forms 8959 that did not report an additional Medicare tax.

[3] For Calendar Year 2014, data for excise taxes may be incomplete because they reflect Forms 720 (quarterly excise tax return) processed by the IRS through December 31, 2014; additional Calendar Year 2014 returns could have been processed through February 2015. Reported amounts for all excise taxes are certified calendar year collections for processed forms and may differ from payments at the time of filing.

[4] Net Investment Income Tax generally includes but is not limited to: interest, dividends, capital gains, rental and royalty income, and nonqualified annuities. Reflects the number of Forms 8960 (net investment income tax—individuals, estates, and trusts) that reported the Net Investment Income Tax, but excludes 58,000 Forms 8960 that did not report the Net Investment Income tax.

[5] The Small Business Health Care Tax Credit is available to small employers who pay for at least half of their employees' health insurance premiums. Data for Calendar Year 2014 are incomplete. Reflects Forms 8941 (credit for small employer health insurance premiums) processed through December 31, 2014, but additional Calendar Year 2014 returns could have been processed through February 2015.

[6] Under the Qualified Therapeutic Discovery Program, tax credits and grants were available for projects that showed significant potential to produce new and cost-saving therapies, support jobs, and increase U.S. competitiveness. A total of one billion dollars was available for credits and grants with a $5-million limit for each eligible applicant. In Calendar Year 2010, IRS processed a total of 5,663 "returns" (i.e., applications) and 4,606 were accepted.

[7] The Branded Prescription Pharmaceutical Manufacturers and Importers fee, reported on Forms 8947 (report of branded prescription drug information), is imposed on each covered entity with aggregated branded prescription drug sales of over $5 million to specified government programs or pursuant to coverage under such programs.

[8] The annual fee on health insurance providers is a fee on covered entities engaged in the business of providing health insurance for United States health risks. Reflects the number of final fee letters sent to health insurance providers and the amount assessed.

[9] For Calendar Year 2014, data for the Patient-Centered Outcomes Research Institute Fee may be incomplete because they reflect Forms 720 (quarterly excise tax return) processed by the IRS through December 31, 2014; additional Calendar Year 2014 returns could have been processed through February 2015.

NOTES:

Data are for returns filed in the applicable Calendar Year and do not reflect adjustments due to examinations or amended returns.

Money amounts are rounded to the nearest hundred thousand dollars; numbers of returns are rounded to the nearest thousand, except for Qualified Therapeutic Discovery Tax Credit and Grant, Branded Prescription Pharmaceutical Manufacturers and Importers Annual Fee, and Health Insurance Providers Annual Fee.

SOURCES: Research, Analysis, and Statistics; Chief Financial Officer; and Wage and Investment.

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## Data Sources, by Subject Area and Table Number

| Subject Area | 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, Analysis, and Statistics, Office of Research |
| | **3** | Research, Analysis, and Statistics, Office of Research |
| | **4** | Research, Analysis, and Statistics, Office of Research |
| | **5** | Chief Financial Officer, Financial Management |
| | **6** | Chief Financial Officer, Financial Management |
| | **7** | Chief Financial Officer, Financial Management |
| | **8** | Chief Financial Officer, Financial Management |
| **Enforcement:** Examinations | **9a** | Small Business/Self-Employed, Examination, Performance Planning and Analysis Examination, Field Exam Workload Planning and Analysis |
| | **9b** | Research, Analysis, and Statistics, Office of Research |
| | **10** | Small Business/Self-Employed, Examination, Performance Planning and Analysis Examination, Field Exam Workload Planning and Analysis |
| | **11** | Small Business/Self-Employed, Examination, Performance Planning and Analysis Examination, Field Exam Workload Planning and Analysis |
| | **12** | Small Business/Self-Employed, Examination, Performance Planning and Analysis Examination, Field Exam Workload Planning and Analysis |
| | **13** | Tax Exempt and Government Entities |
| **Enforcement:** Information Reporting and Verification | **14** | Wage and Investment, Compliance, Reporting Compliance, Policy, Monitoring, Analysis and Quality; Wage and Investment, Compliance, Reporting Compliance, Automated Underreporter Program; Small Business/Self-Employed, Enterprise Collection Strategy, Collection Analytics, Automation, Inventory Selection and Delivery; Small Business/Self-Employed, Campus Compliance Services, Campus Reporting Compliance, Document Matching |
| | **15** | Wage and Investment, Customer Account Services, Submission Processing, Paper Processing, Individual Master File |
| **Enforcement:** Collections, Penalties, and Criminal Investigation | **16** | Small Business/Self-Employed, Collection Performance Planning and Analysis, Reports, Collection Data Assurance |
| | **17** | Chief Financial Officer, Financial Management |
| | **18** | Criminal Investigation, Communications and Education Division |
| **Taxpayer Assistance** | **19** | 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 |
| | **20** | Taxpayer Advocate Service, Business Assessment |
| | **21** | Appeals, Strategic Planning, Measures Analysis |
| **Tax-Exempt Activities** | **22** | Tax Exempt and Government Entities |
| | **23** | Tax Exempt and Government Entities, Employee Plans |
| | **24** | Tax Exempt and Government Entities, Exempt Organizations |
| | **25** | Tax Exempt and Government Entities, Exempt Organizations |
| **Chief Counsel** | **26** | Chief Counsel, Associate Chief Counsel, Finance and Management, Planning and Management Division |
| | **27** | Chief Counsel, Associate Chief Counsel, Finance and Management, Planning and Management Division |
| **IRS Budget and Workforce** | **28** | Chief Financial Officer, Corporate Budget |
| | **29** | Chief Financial Officer, Corporate Budget and Financial Management |
| | **30** | Chief Financial Officer, Corporate Budget |
| | **31** | Equity, Diversity and Inclusion |
| **Affordable Care Act of 2010** | **32** | Research, Analysis, and Statistics; Chief Financial Officer; and Wage and Investment |

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# Principal Officers of the Internal Revenue Service

as of September 30, 2014

## Commissioner

**Commissioner**

***John A. Koskinen***

**Deputy Commissioner for Services and Enforcement**
John M. Dalrymple

**Deputy Commissioner for Operations Support**
Margaret Ann (Peggy) Sherry

**Chief of Staff**
Crystal Philcox (Acting)

**Deputy Chief of Staff**
Crystal Philcox

**Senior Advisor to the Commissioner**
David P. Vandivier

**Chief Risk Officer and Senior Advisor to the Commissioner**
Thomas A. Brandt

**Senior Advisor to the Commissioner (Office of Compliance Analytics)**
Dean R. Silverman

**Senior Director for Operations, Affordable Care Act**
Nicole M. Elliott

**Director, Program Integration Office**
John C. Duder

### Appeals

**Chief, Appeals**
Kirsten Wielobob

*Deputy Chief, Appeals*
Nikole Flax (Acting)
*Director, Specialty Operations*
Jennifer L. Vozne
*Director, Field Operations West*
DeLon Harris
*Director, Campus Operations*
Anita M. Hill
*Director, Field Operations East*
Scott D. Reisher
*Director, Policy, Quality and Case Support*
John V. Cardone

### Taxpayer Advocate Service

**National Taxpayer Advocate**
Nina E. Olson

*Deputy National Taxpayer Advocate*
Rena C. Girinakis
*Executive Director, Systemic Advocacy*
Kim S. Stewart
*Executive Director, Case Advocacy East*
Bonnie S. Fuentes (Acting)
*Executive Director Case Advocacy West*
Rhonda K. Kirby (Acting)

### Equity, Diversity and Inclusion

**Executive Director, Equity, Diversity and Inclusion**
Monica H. Davy

*Deputy Executive Director, Equity, Diversity and Inclusion*
Kelli Key (Acting)

### Office of Research, Analysis, and Statistics

**Director, Office of Research, Analysis, and Statistics**
Rosemary D. Marcuss

*Deputy Director, Office of Research, Analysis, and Statistics*
Alain A. Dubois
*Director, Data Management Office*
Peter Rose
*Director, Office of Program Evaluation and Risk Analysis*
Tommy A. Smith
*Director, Office of Research*
Janice M. Hedemann
*Director, Servicewide Policy, Directives, and Electronic Research*
Kathryn A. Greene
*Director, Statistics of Income*
Barry W. Johnson (Acting)

### Communications and Liaison

**Chief, Communications and Liaison**
*Terry L. Lemons*

*Director, Office of Legislative Affairs*
Leonard Oursler
*Director, Office of Communications*
Terry L. Lemons (Acting)
*Director, Office of National Public Liaison*
Candice V. Cromling

### Small Business/Self-Employed Division

**Commissioner, Small Business/Self-Employed**
Karen M. Schiller

*Deputy Commissioner, Small Business /Self-Employed*
Mary Beth Murphy
*Director, Collection*
Scott B. Prentky
*Director, Examination*
Shenita L. Hicks
*Director, Operation Support*
Bobby L. Hunt

### Large Business and International Division

**Commissioner, Large Business and International**
Heather C. Maloy

*Deputy Commissioner (Domestic)*
Sergio E. Arellano (Acting)
*Deputy Commissioner (International)*
Douglas O'Donnell (Acting)
*U.S. Competent Authority*
Douglas O'Donnell (Acting)
*Assistant Deputy Commissioner (International)*
J. David Varley (Acting)
*Director, Financial Services Industry*
Rosemary J. Sereti
*Director, Retailers, Food, Transportation and Healthcare Industry*
Lori L. Nichols (Acting)
*Director, Communications, Technology, and Media Industry*
Cheryl P. Claybough
*Director, Heavy Manufacturing and Pharmaceutical Industry*
Rosemary J. Sereti (Acting)
*Director, Natural Resources and Construction Industry*
Kathy J. Robbins
*Director, Global High Wealth Industry*
Cheryl P. Claybough (Acting)
*Director, International Individual Compliance*
David W. Horton
*Director, International Business Compliance*
Sharon R. Porter (Acting)
*Director, Transfer Pricing Operations*
Kenneth W. Wood (Acting)
*Director, Pre-Filing and Technical Guidance*
Tina D. Meaux (Acting)
*Director, Shared Support*
Susan L. Latham

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# Principal Officers of the Internal Revenue Service

as of September 30, 2014

## Wage and Investment Division

**Commissioner, Wage and Investment**
Debra S. Holland

*Deputy Commissioner*
David P. Alito

*Director, Customer Account Services*
Ivy S. McChesney

*Director, CARE (Customer Assistance, Relationships, and Education)*
Julie Garcia

*Director, Compliance*
Scott E. Irick (Acting)

*Director, Return Integrity and Correspondence Services*
Jodi L. Patterson

## Tax Exempt and Government Entities Division

**Commissioner, Tax Exempt and Government Entities**
Sunita B. Lough

*Deputy Commissioner, Tax Exempt and Government Entities*
Donna C. Hansberry

*Director, Employee Plans*
Robert S. Choi

*Director, Exempt Organizations*
Tamera L. Ripperda

*Assistant Deputy Commissioner for Government Entities/Shared Services*
Nanette M. Downing

## Affordable Care Act Office

**Director, Services and Enforcement Affordable Care Act**
Carolyn A. Tavenner

*Deputy Director, Services and Enforcement Affordable Care Act*
Johnny Witt

## Criminal Investigation

**Chief, Criminal Investigation**
Richard E. Weber

*Deputy Chief, Criminal Investigation*
J. Donald Fort

## Office of Professional Responsibility

**Director, Office of Professional Responsibility**
Karen L. Hawkins

*Deputy Director, Office of Professional Responsibility*
Lee D. Martin

## Office of Online Services

**Director, Office of Online Services**
Rajive K. Mathur

## Return Preparer Office

**Director, Return Preparer Office**
Carol A. Campbell

*Deputy Director, Return Preparer Office*
Preston B. Benoit

## Office of Chief Financial Officer

**Chief Financial Officer**
Robin Canady

*Deputy Chief Financial Officer*
Gregory E. Kane

## Agency-Wide Shared Services

**Chief, Agency-Wide Shared Services**
John (Stuart) Burns

*Director, Procurement*
Angelika S. Sweitzer (Acting)

*Director, Real Estate and Facilities Management*
Kevin McIver

## IRS Information Technology

**Chief Technology Officer**
Terence V. Milholland

*Deputy Chief Information Officer for Operations*
S. Gina Garza

*Deputy Chief Information Officer for Strategy/Modernization*
Stephen L. Manning

*Associate Chief Information Officer, Applications Development*
Gretchen McCoy

*Associate Chief Information Officer, Enterprise IT Program Management Office*
Robert Leahy (Acting)

*Associate Chief Information Officer, Enterprise Operations*
Karen Freeman

*Associate Chief Information Officer, User and Network Services*
Anne Shepherd

*Associate Chief Information Officer, Enterprise Services*
Daniel B. Chaddock

*Associate Chief Information Officer, Cybersecurity*
Sharon James

*Associate Chief Information Officer, Strategy and Planning*
Carl T. Froehlich

*Associate Chief Information Officer, Affordable Care Act Program Management Office*
Marla L. Somerville

*Director, Management Services*
E. Faith Bell

## Human Capital Office

**Chief Human Capital Officer**
Daniel T. Riordan

*Deputy Chief Human Capital Officer*
Kathleen Walters

## Privacy, Governmental Liaison and Disclosure

**Director, Privacy, Governmental Liaison, and Disclosure**
Mary J. Howard

## Whistleblower Office

**Director, Whistleblower Office**
Stephen A. Whitlock

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# Principal Officers of the Internal Revenue Service

as of September 30, 2014

## Office of Chief Counsel

**Chief Counsel**
William J. Wilkins

**Deputy Chief Counsel**
(Operations)
Christopher B. Sterner

**Deputy Chief Counsel**
(Technical)
Erik H. Corwin

**Counselor to the Commissioner & Chief Counsel**
Joseph A. Rillotta

**Health Care Counsel**
W. Thomas Reeder

**Special Counsel**
(National Taxpayer Advocate Service)
Janice R. Feldman (Acting)

**Division Counsel/Associate Chief Counsel**
(Criminal Tax)
Edward F. Cronin

**Division Counsel**
(Large Business and International)
Linda M. Kroening

**Division Counsel**
(Small Business/Self-Employed)
Thomas R. Thomas

**Division Counsel/Associate Chief Counsel**
(Tax Exempt and Government Entities)
Victoria A. Judson

**Division Counsel**
(Wage and Investment)
Joanne B. Minsky

**Associate Chief Counsel**
(Corporate)
William D. Alexander

**Associate Chief Counsel**
(Finance and Management)
Dustin M. Starbuck

**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)
Andrew J. Keyso, Jr.

**Associate Chief Counsel**
(International)
Steven A. Musher

**Associate Chief Counsel**
(Passthroughs and Special Industries)
Curtis G. Wilson

**Associate Chief Counsel**
(Procedure and Administration)
Drita Tonuzi

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# 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 present

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# 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

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

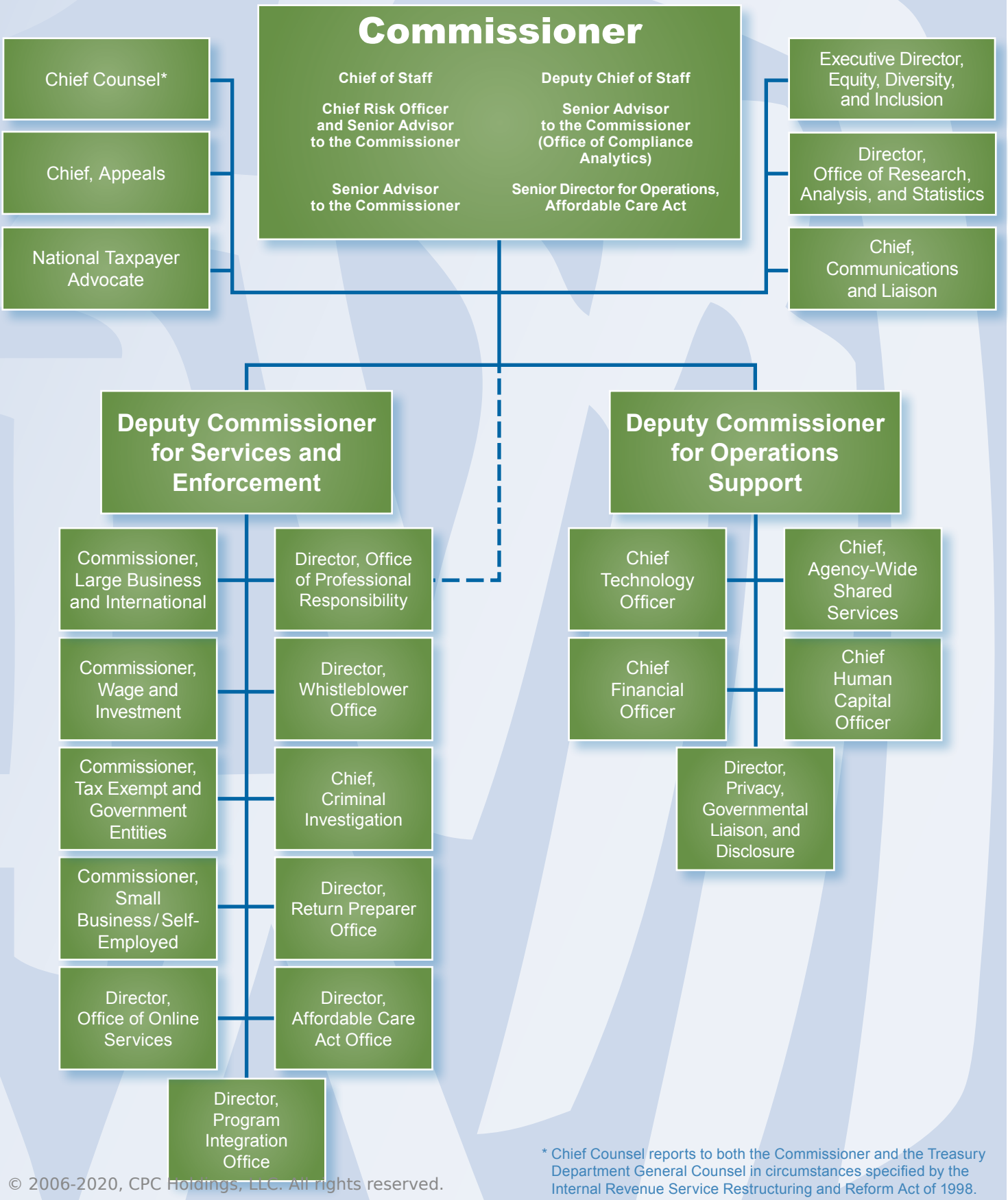
Richard Skillman
Jan. 20, 2001 to Feb. 6, 2002

Emily A. Parker
Aug. 1, 2003 to April 14, 2004

Clarissa C. Potter
Dec. 19, 2008 to July 24, 2009

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.

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* 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.



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