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2017

INTERNAL  
REVENUE  
SERVICE

# DATA BOOK

October 1, 2016 to September 30, 2017

## Department of the Treasury Internal Revenue Service

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## **The IRS Mission**

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

# Internal Revenue Service **Data Book, 2017**

This report describes activities conducted by the Internal Revenue Service during Fiscal Year 2017 (October 1, 2016, through September 30, 2017). 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, 2017* 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/statistics](http://www.irs.gov/statistics). From the Web page, select "IRS Data Books" in the "Products, Publications & Papers" section. An archive of historical *Data Books* from 1863 to 2017 is also available on the site. For additional information, contact Statistical Information Services at 202-803-9285 or e-mail [sis@irs.gov](mailto:sis@irs.gov).

# Letter from the Commissioner

I'm pleased to present the Fiscal Year (FY) 2017 *IRS Data Book*, an informative overview of the major functions of the Internal Revenue Service. The IRS has a storied history as the nation's tax administrator and our commitment to public service has endured. This year's publication includes familiar data on tax returns, refunds, examinations and Appeals, as well as many other critical functions. We also include new insights on taxpayer attitudes from the long-running Comprehensive Taxpayer Attitude survey.

With 245 million tax returns processed in FY 2017 and more than \$3.4 trillion in federal taxes paid by individuals and businesses, tax administration remains a huge undertaking. In FY 2017, the cost of collecting \$100 was 34 cents, the lowest cost in more than 70 years. In all, the IRS issued over 121 million individual tax refunds totaling over \$436 billion. We also continued a years-long effort to fight tax-related identity theft on many fronts, with another 524 criminal investigations completed.

Helping individuals and small business owners in an increasingly diverse economy requires an extensive array of taxpayer assistance programs, which remained in high demand. Millions reached out to the IRS for help answering tax questions and resolving issues on the phone, in-person and online. In all, more than 55 million taxpayers were assisted by calling or visiting an IRS office.

Employees of the IRS continue to deliver for the American people, working to support our nation and our tax system. I hope you enjoy this year's publication and the many insights into the scope and scale of Federal tax administration. Thanks for reading.

**David Kautter**

*Acting Commissioner  
of Internal Revenue*

# Taxpayer Attitudes and Service Channel Preferences

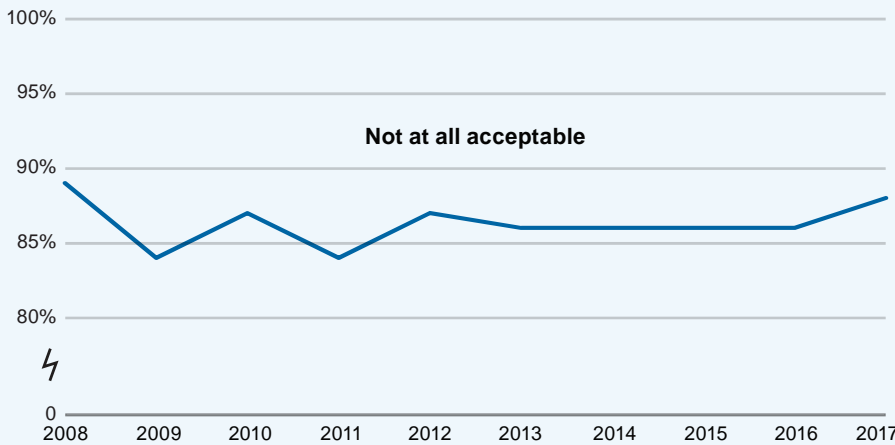
The Comprehensive Taxpayer Attitude Survey (CTAS) began in 1999 and continues to provide important information about taxpayers' attitudes and service channel preferences. In 2017, more than 2,000 taxpayers told IRS what they think via cell phone, landline phone, or online surveys. Their opinions will inform IRS' efforts to improve taxpayer service.

## Highlights of the Data

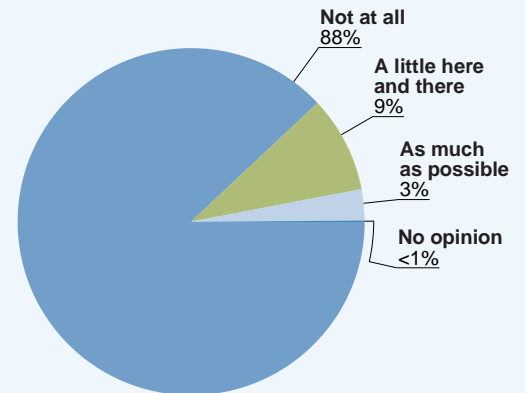
### What Is an Acceptable Amount to Cheat on Income Taxes?

- In 2017, most taxpayers continued to view cheating on their income taxes as not at all acceptable. This belief has remained stable, within a five-point range, since 2008.

#### Phone Responses Only



#### 2017 All Responses

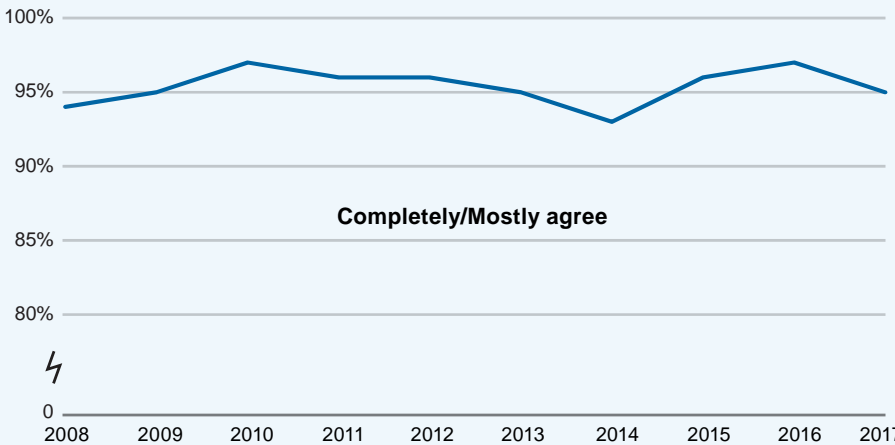


NOTES: All Responses include both phone and online survey responses. Blended phone and online responses are not available prior to 2017. No opinion includes: Don't know/Not applicable/No response. Pie charts do not total 100% due to rounding.

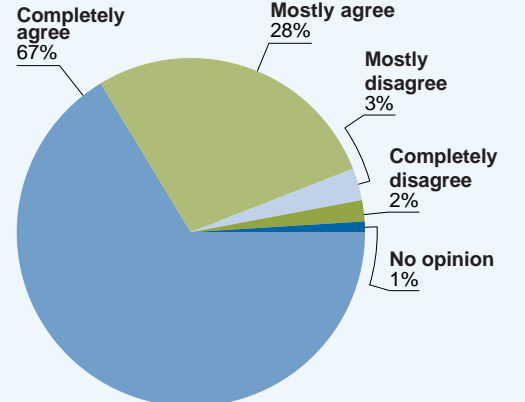
### It Is Every American's Civic Duty to Pay Taxes

- Nearly all taxpayers say it's their civic duty to pay their fair share of taxes, and this attitude has remained stable, within a four-point range, since 2008.

#### Phone Responses Only



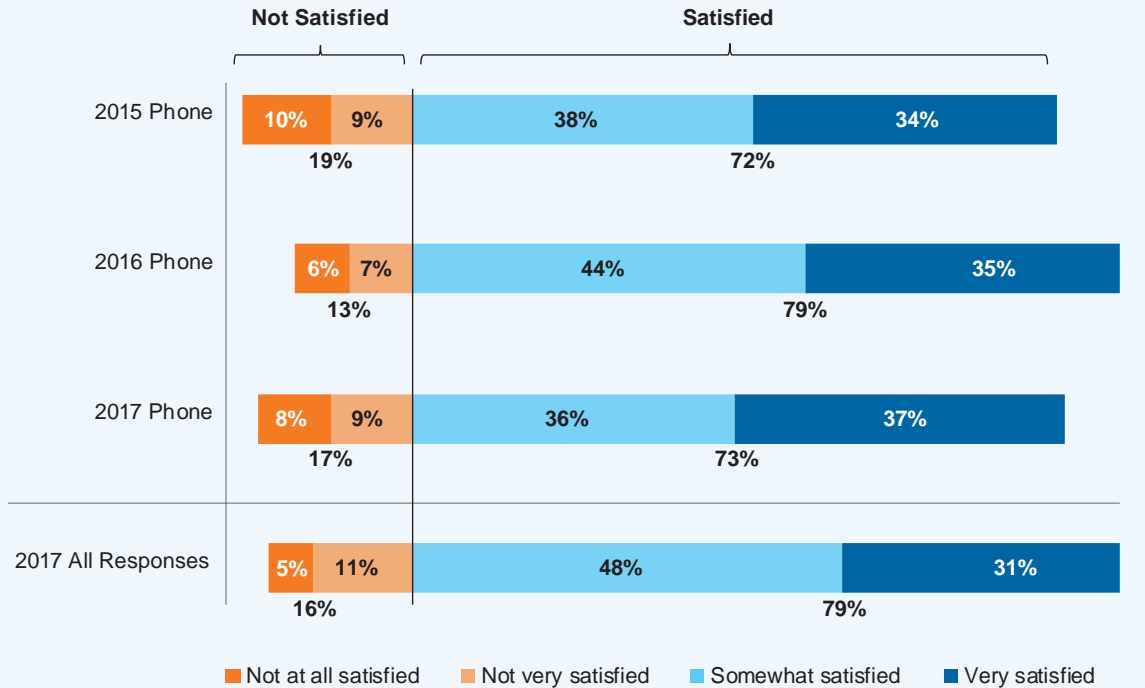
#### 2017 All Responses



NOTES: All Responses include both phone and online survey responses. Blended phone and online responses are not available prior to 2017. No opinion includes: Don't know/Not applicable/No response. Pie charts do not total 100% due to rounding.

### Satisfaction with Personal Interactions with the IRS

- Most taxpayers are satisfied with their personal interactions with the IRS.

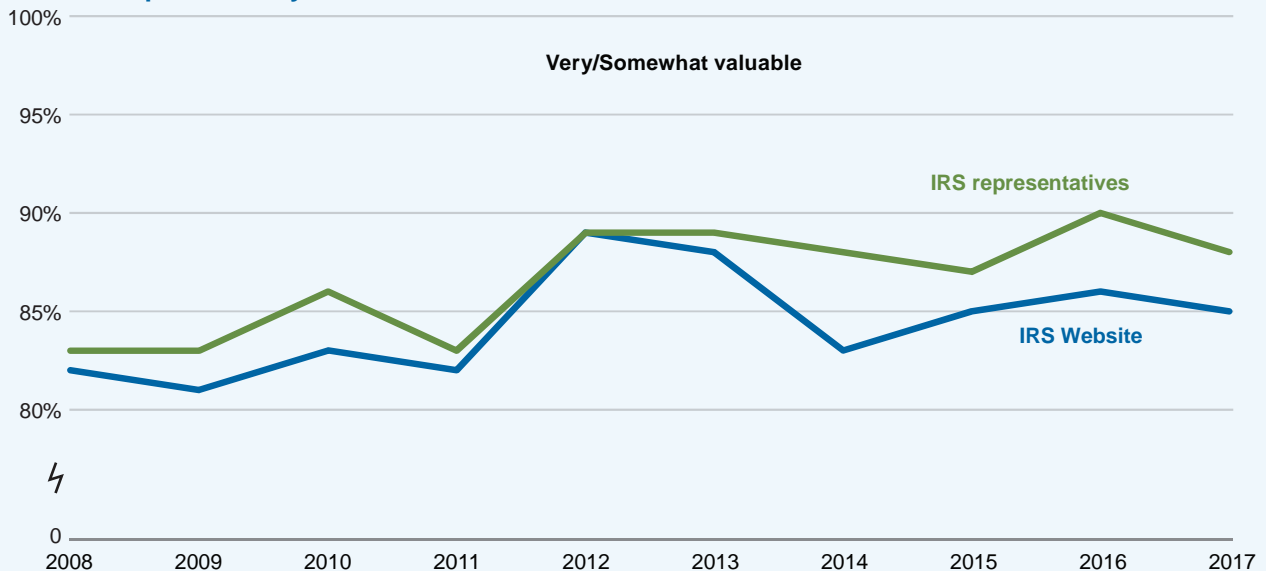


NOTE: 2017 All Responses include both phone and online survey responses. Horizontal bars do not add to 100% as responses of Don't know/Not applicable/No response are not included.

### How Valuable Are the IRS Website/IRS Representatives?

- A substantial proportion of taxpayers consider the IRS Website and IRS representatives valuable sources of tax advice and information.

#### Phone Responses Only



For more details from the 2017 Comprehensive Taxpayer Attitude Survey, go to [www.irs.gov/pub/irs-soi/17ctas\\_report.pdf](http://www.irs.gov/pub/irs-soi/17ctas_report.pdf).

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## Chief Counsel

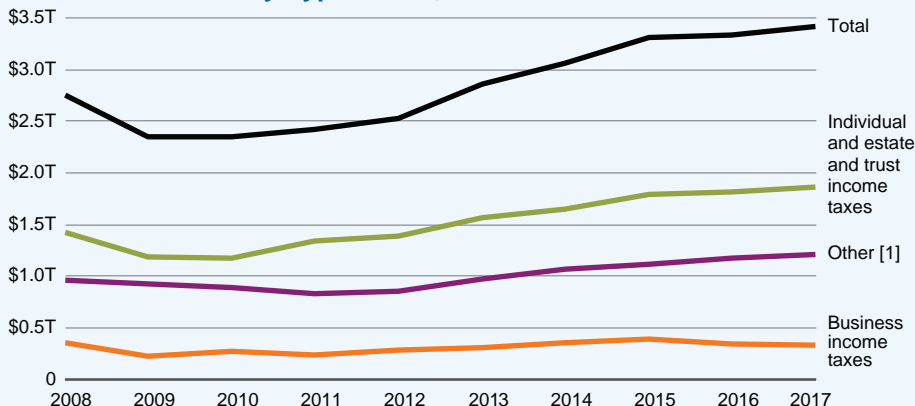
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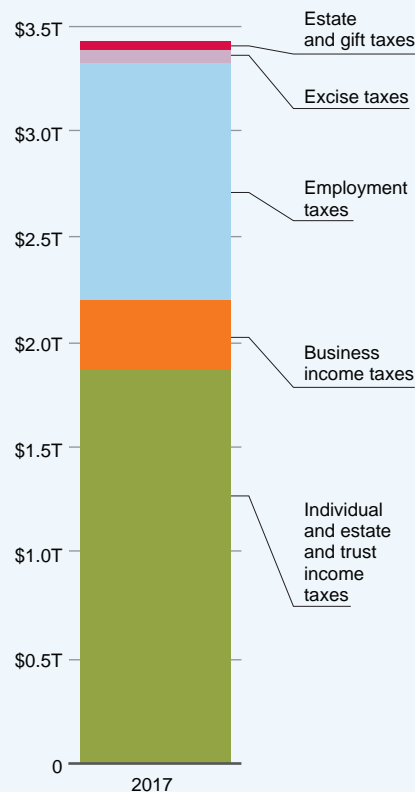


### Gross Collections by Type of Tax, Fiscal Years 2008–2017



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

### Gross Collections by Type of Tax, Fiscal Year 2017



SOURCE: 2017 IRS Data Book Table 1

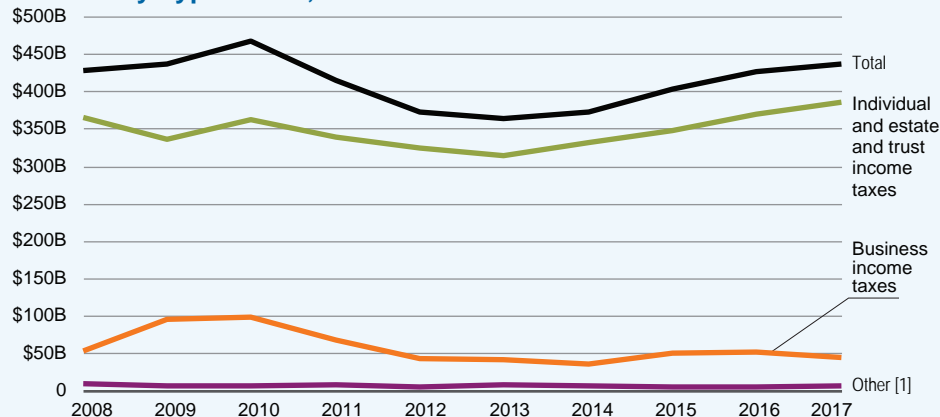
## Returns Filed, Taxes Collected, and Refunds Issued

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

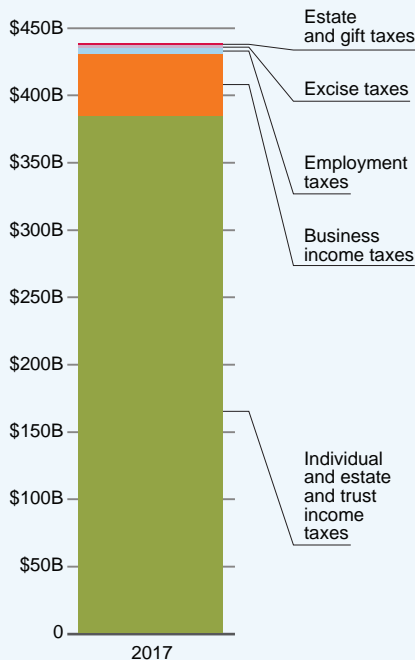
- The IRS collected more than \$3.4 trillion in gross taxes in Fiscal Year (FY) 2017 (Tables 1 and 5) and issued almost 122 million refunds (Table 7), amounting to almost \$437 billion (Tables 1 and 8).
- Individual income tax withheld and tax payments, combined, totaled more than \$1.8 trillion before refunds (Tables 1 and 6).
- The IRS also collected more than \$338.5 billion in income taxes, before refunds, from businesses in FY 2017 (Tables 1 and 6).

### Refunds by Type of Tax, Fiscal Years 2008–2017



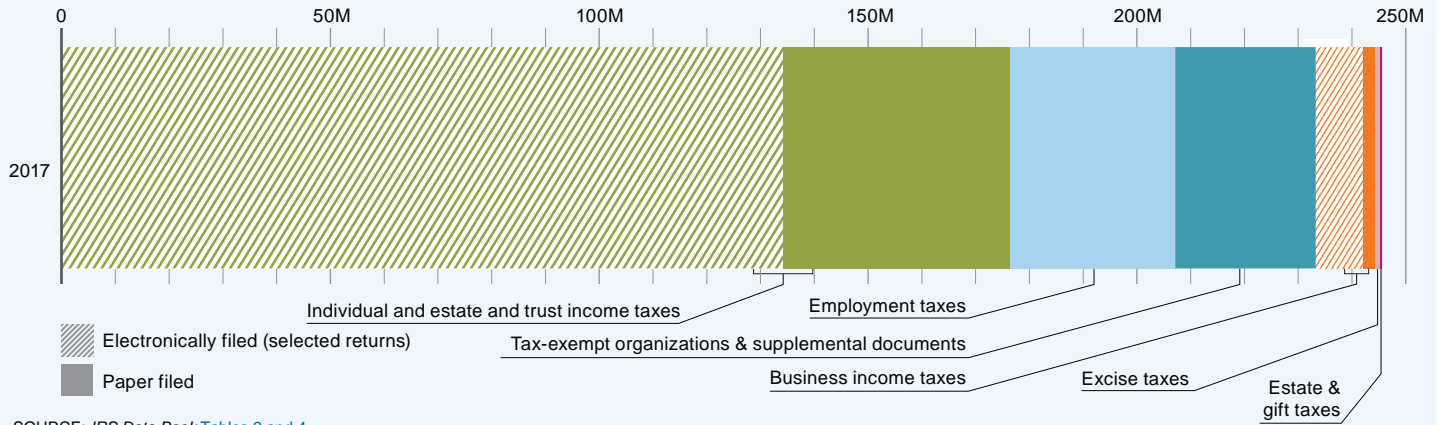
[1] Includes employment, estate and gift, and excise tax forms.  
SOURCE: IRS Data Book Table 1

### Refunds by Type of Tax, Fiscal Year 2017



SOURCE: 2017 IRS Data Book Table 1

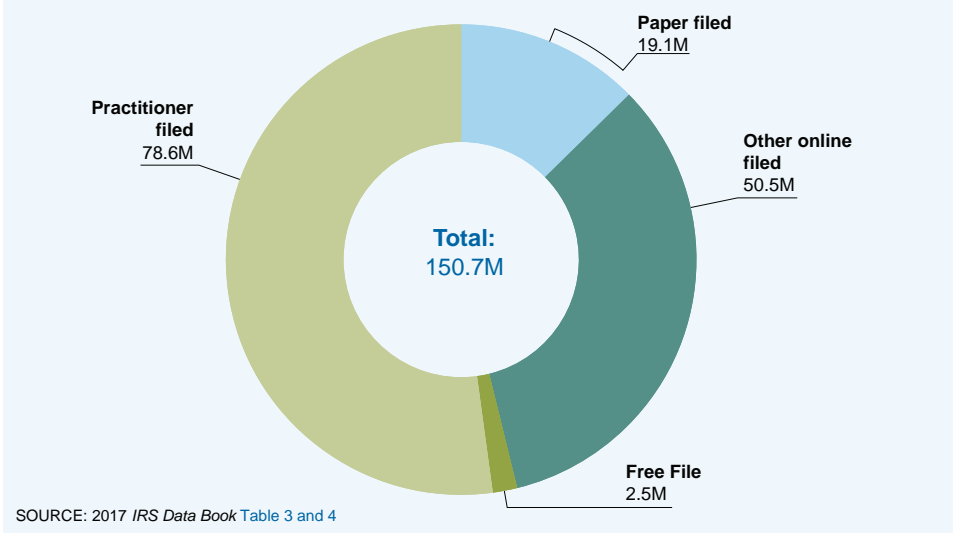
Number of Returns Filed, by Return Type, Fiscal Year 2017



SOURCE: IRS Data Book Tables 2 and 4

- The IRS processed more than 245.4 million Federal tax returns and supplemental documents (Tables 2 and 3).
- In FY 2017, more than 15.5 million tax refunds included a refundable child tax credit and more than 23.3 million included a refundable earned income tax credit (Table 7).
- Almost 173 million returns and other forms were filed electronically. These represented almost 70.5 percent of all filings, an increase of 1.4 percent over the share of electronic filing in FY 2016 (Table 4).
- Texas had the largest total refunds in the following categories: business, estate and trust income, and excise taxes. Meanwhile, California had the largest total refunds in the following categories: individual, employment, estate, and gift taxes (Table 8).
- Paid preparers filed almost 78.6 million tax returns electronically, and taxpayers filed more than 2.5 million returns using the IRS Free File program (Table 4).

Number of Individual Returns Filed, by Filing Type, Fiscal Year 2017



SOURCE: 2017 IRS Data Book Table 3 and 4

**Table 1. Collections and Refunds, by Type of Tax, Fiscal Years 2016 and 2017**

[Money amounts are in thousands of dollars]

Type of tax	Gross collections [1]			Refunds [2]	Net collections	
	2016	2017	Percentage of 2017 total	2017	2017	Percentage of 2017 total
	(1)	(2)	(3)	(4)	(5)	(6)
<b>United States, total</b>	<b>3,333,449,083</b>	<b>3,416,714,139</b>	<b>100.0</b>	<b>436,971,873</b>	<b>2,979,742,266</b>	<b>100.0</b>
<b>Business income taxes</b>	<b>345,552,427</b>	<b>338,529,154</b>	<b>9.9</b>	<b>44,894,839</b>	<b>293,634,315</b>	<b>9.9</b>
Corporation income tax	344,670,501	337,562,706	9.9	n.a.	n.a.	n.a.
Tax-exempt organization unrelated business income tax	881,926	966,448	[3]	n.a.	n.a.	n.a.
<b>Individual and estate and trust income taxes [4]</b>	<b>1,815,819,135</b>	<b>1,867,427,797</b>	<b>54.7</b>	<b>385,959,123</b>	<b>1,481,468,674</b>	<b>49.7</b>
Individual income tax withheld	1,267,429,873	1,331,412,678	39.0	n.a.	n.a.	n.a.
Individual income tax payments [5]	518,693,865	506,990,811	14.8	n.a.	n.a.	n.a.
Estate and trust income tax [6]	29,695,397	29,024,308	0.8	3,093,823	25,930,485	0.9
<b>Employment taxes</b>	<b>1,073,907,715</b>	<b>1,123,473,137</b>	<b>32.9</b>	<b>3,423,559</b>	<b>1,120,049,578</b>	<b>37.6</b>
Old-Age, Survivors, Disability, and Hospital Insurance (OASDHI), total [4]	1,059,526,038	1,109,231,696	32.5	3,262,049	1,105,969,647	37.1
Federal Insurance Contributions Act (FICA)	1,000,491,731	1,047,371,143	30.7	n.a.	n.a.	n.a.
Self-Employment Insurance Contributions Act (SECA)	59,034,307	61,860,553	1.8	n.a.	n.a.	n.a.
Unemployment insurance	8,440,229	8,284,270	0.2	159,384	8,124,886	0.3
Railroad retirement	5,941,448	5,957,171	0.2	2,126	5,955,045	0.2
<b>Estate and gift taxes</b>	<b>22,337,137</b>	<b>23,780,443</b>	<b>0.7</b>	<b>1,047,455</b>	<b>22,732,988</b>	<b>0.8</b>
Estate	19,879,671	21,831,660	0.6	999,569	20,832,091	0.7
Gift	2,457,466	1,948,783	0.1	47,886	1,900,897	0.1
<b>Excise taxes [7]</b>	<b>75,832,669</b>	<b>63,503,608</b>	<b>1.9</b>	<b>1,646,897</b>	<b>61,856,711</b>	<b>2.1</b>

n.a.—Not available.

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

[2] Includes overpayment refunds, refunds resulting from examination activity, refundable tax credits, and other refunds required by law. Also includes \$1.1 billion in interest, of which \$0.4 billion was paid to corporations and \$0.7 billion was paid to all others (related to individual, employment, estate, gift, and excise tax returns). Excludes refunds credited to taxpayer accounts for tax liability in a subsequent year.

[3] Less than 0.05 percent.

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

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

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

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

## NOTES:

Detail may not add to totals because of rounding.

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

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

SOURCE: Chief Financial Officer, Financial Management.

**Table 2. Number of Returns and Other Forms Filed, by Type, Fiscal Years 2016 and 2017**

[For Fiscal Year 2017 details by State, see Table 3]

Type of return or form	2016	2017	Percentage change
	(1)	(2)	
<b>United States, total [1]</b>	<b>244,246,247</b>	<b>245,411,588</b>	<b>0.5</b>
<b>Income taxes, total</b>	<b>188,710,316</b>	<b>187,407,264</b>	<b>-0.7</b>
<b>C or other corporation [2]</b>	<b>2,207,723</b>	<b>2,050,182</b>	<b>-7.1</b>
<b>S corporation, Form 1120-S</b>	<b>4,831,588</b>	<b>4,842,706</b>	<b>0.2</b>
<b>Partnership, Form 1065</b>	<b>4,005,907</b>	<b>4,046,325</b>	<b>1.0</b>
<b>Individual [3]</b>	<b>150,711,378</b>	<b>150,690,787</b>	<b>0.0</b>
Forms 1040, 1040-A, 1040-EZ	149,804,477	149,837,784	0.0
Forms 1040-C, 1040-NR, 1040NR-EZ, 1040-PR, 1040-SS	906,901	853,003	-5.9
<b>Individual estimated tax, Form 1040-ES</b>	<b>23,101,441</b>	<b>22,230,026</b>	<b>-3.8</b>
<b>Estate and trust, Form 1041</b>	<b>3,206,758</b>	<b>2,994,547</b>	<b>-6.6</b>
<b>Estate and trust estimated tax, Form 1041-ES</b>	<b>645,521</b>	<b>552,691</b>	<b>-14.4</b>
<b>Employment taxes [4]</b>	<b>30,460,364</b>	<b>30,680,601</b>	<b>0.7</b>
<b>Estate tax [5]</b>	<b>35,592</b>	<b>34,340</b>	<b>-3.5</b>
<b>Gift tax, Form 709</b>	<b>249,302</b>	<b>244,900</b>	<b>-1.8</b>
<b>Excise taxes [6]</b>	<b>1,015,497</b>	<b>1,018,165</b>	<b>0.3</b>
<b>Tax-exempt organizations [7]</b>	<b>1,500,331</b>	<b>1,528,487</b>	<b>1.9</b>
<b>Supplemental documents [8]</b>	<b>22,274,845</b>	<b>24,497,831</b>	<b>10.0</b>

- [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 1120-S (S corporations), shown separately. Also excludes Form 990-T (tax-exempt organization unrelated business income tax return), which is included under Tax-exempt organizations in this table, although the tax reported on these returns is combined with Business income taxes in other tables.
- [3] Includes the Form 1040 series as follows: 1040 (individual income tax return); 1040-A (individual income tax return, short form); 1040-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 in this table.
- [5] Includes the Form 706 series as follows: 706 (estate and generation-skipping transfer tax return); 706-GS(D) (generation-skipping transfer tax return for distributions); 706-GS(T) (generation-skipping transfer tax return for terminations); and 706-NA (estate and generation-skipping transfer tax return for nonresident aliens).
- [6] Includes Forms 11-C (occupational tax and registration for wagering return); 720 (excise tax return); 730 (excise tax return for wagering); 2290 (heavy highway vehicle use tax return); and 5330 (excise taxes related to employee retirement benefit plans return). Excludes excise tax returns filed with U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau. Form 4720 (excise tax return of charities and other persons) is included with Tax-exempt organizations in this table.
- [7] Includes the Form 990 series as follows: 990 (tax-exempt organization information return, long form); 990-EZ (tax-exempt organization information return, short form); 990-N (electronic notice (e-Postcard) for tax-exempt organizations not required to file Forms 990 or 990-EZ); 990-PF (private foundation information return); and 990-T (tax-exempt organization unrelated business income tax return). Also includes Forms 4720 (excise tax return of charities and other persons); 5227 (split-interest trust information return); and 8872 (political organization report of contributions and expenditures). Tax collected on Form 990-T is combined with Business income taxes in other tables.
- [8] Includes Forms 941-X (adjusted employer's tax return for income and Social Security taxes withheld for other than household and agricultural employees); 943-X (adjusted employer's tax return for agricultural employees); 944-X (adjusted employer's tax return); 945-X (adjusted annual return of withheld Federal income tax or claim for refund); 1040-X (amended individual income tax return); 1041-A (information return of charitable contribution deductions by certain trusts); 1120-X (amended corporation income tax return); 4868 (automatic filing extension for individuals); 5558 (filing extension for certain employee retirement plan returns); 7004 (automatic filing extension for corporations); 8752 (required payment or refund for certain S corporations and partnerships); 8868 (automatic filing extension for tax-exempt organizations); and CT-1X (adjusted railroad retirement tax return).

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

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

**Table 3. Number of Returns and Other Forms Filed, by Type and State, Fiscal Year 2017**

State or area	Total [1]	C or other corporation income tax [2]	S corporation	Partnership	Individual income tax [3]	Individual estimated income tax	Estate and trust income tax
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>United States, total</b>	<b>245,411,588</b>	<b>2,050,182</b>	<b>4,842,706</b>	<b>4,046,325</b>	<b>150,690,787</b>	<b>22,230,026</b>	<b>2,994,547</b>
Alabama	3,082,175	15,261	51,766	47,802	2,036,561	241,046	27,548
Alaska	571,130	3,003	9,817	7,729	345,844	43,732	3,990
Arizona	4,657,633	30,281	90,642	84,801	2,920,081	416,025	45,920
Arkansas	1,944,826	10,769	41,868	31,265	1,217,048	153,436	16,013
California	29,756,137	292,823	549,083	429,534	17,785,476	2,857,115	308,344
Colorado	4,652,592	33,008	126,427	103,289	2,632,228	457,602	45,104
Connecticut	2,931,144	21,124	28,279	68,052	1,755,409	352,196	48,884
Delaware	788,036	10,657	14,756	17,124	452,945	75,184	35,141
District of Columbia	603,784	11,795	6,340	12,096	346,113	61,627	6,237
Florida	17,092,377	193,260	576,190	255,707	9,718,680	1,408,994	174,094
Georgia	7,032,080	45,056	173,931	104,947	4,426,518	463,465	47,719
Hawaii	1,126,627	11,257	15,549	13,026	687,190	136,950	13,434
Idaho	1,258,134	7,454	29,285	28,021	731,783	115,042	9,389
Illinois	10,018,880	90,415	260,800	129,810	6,115,106	915,178	214,336
Indiana	4,659,347	19,419	90,539	60,575	3,098,002	450,184	38,570
Iowa	2,406,076	19,211	42,564	39,349	1,446,074	303,246	29,904
Kansas	2,194,635	14,362	36,147	39,408	1,324,975	231,946	26,925
Kentucky	2,894,916	13,190	51,388	43,691	1,905,650	256,047	26,745
Louisiana	3,161,283	23,403	63,529	66,984	1,956,230	227,584	20,795
Maine	1,109,694	6,688	22,820	13,448	646,316	112,695	30,649
Maryland	4,700,321	50,861	78,628	72,477	2,950,158	456,301	52,104
Massachusetts	5,655,160	51,688	94,683	79,203	3,408,553	620,857	142,262
Michigan	7,329,617	50,724	138,915	107,675	4,710,962	708,349	78,338
Minnesota	4,488,452	28,421	95,633	68,213	2,730,771	485,088	40,175
Mississippi	1,834,890	10,371	29,854	29,245	1,228,448	124,083	10,364
Missouri	4,562,427	27,732	69,279	73,012	2,775,981	411,964	96,888
Montana	965,325	8,980	26,207	20,810	497,922	107,762	13,685
Nebraska	1,516,789	10,597	33,852	27,830	900,046	155,096	19,978
Nevada	2,166,914	23,137	46,925	47,045	1,365,858	151,614	19,355
New Hampshire	1,125,693	9,206	11,695	17,669	695,598	129,764	17,055
New Jersey	7,398,401	62,764	116,541	175,477	4,381,347	740,501	149,056
New Mexico	1,402,322	7,828	20,994	19,614	907,178	128,413	10,284
New York	16,083,546	250,003	410,022	321,680	9,604,848	1,286,015	278,293
North Carolina	7,008,764	49,354	144,680	102,239	4,478,839	608,435	61,636
North Dakota	664,041	4,032	12,135	14,216	362,295	89,909	6,507
Ohio	8,456,707	47,851	120,713	126,555	5,566,813	755,893	106,809
Oklahoma	2,688,045	15,492	58,183	50,578	1,614,695	219,283	28,065
Oregon	3,275,990	18,109	58,331	51,023	1,894,466	377,061	31,600
Pennsylvania	9,751,214	51,854	164,857	148,290	6,186,744	1,070,463	144,926
Rhode Island	858,363	5,251	17,694	11,406	528,728	82,236	22,857
South Carolina	3,351,343	20,190	63,866	50,792	2,177,779	289,245	23,936
South Dakota	755,942	4,208	15,046	16,102	416,088	91,913	14,014
Tennessee	4,394,284	26,917	36,464	72,197	2,977,375	371,886	37,399
Texas	19,239,468	154,797	307,272	378,379	12,122,417	1,258,333	193,621
Utah	2,216,179	13,298	63,741	75,172	1,283,308	140,507	16,560
Vermont	572,001	4,263	10,831	7,545	324,645	76,940	6,988
Virginia	6,216,575	47,402	117,951	91,529	3,905,332	628,049	54,719
Washington	5,762,155	34,844	105,778	83,953	3,470,405	573,122	60,734
West Virginia	1,122,176	6,282	12,703	13,162	766,984	106,132	10,842
Wisconsin	4,476,209	27,521	62,914	62,956	2,838,148	498,804	65,358
Wyoming	519,070	5,534	13,597	15,414	270,206	50,684	7,106
Puerto Rico	548,293	425	259	961	245,530	61,919	333
Other [9]	2,363,406	47,810	743	17,248	1,554,091	94,111	2,959

Footnotes at end of table.

**Table 3. Number of Returns and Other Forms Filed, by Type and State, Fiscal Year 2017—Continued**

State or area	Estate and trust estimated income tax	Employment taxes [4]	Estate tax [5]	Gift tax	Excise taxes [6]	Tax-exempt organizations [7]	Supplemental documents [8]
	(8)	(9)	(10)	(11)	(12)	(13)	(14)
<b>United States, total</b>	<b>552,691</b>	<b>30,680,601</b>	<b>34,340</b>	<b>244,900</b>	<b>1,018,165</b>	<b>1,528,487</b>	<b>24,497,831</b>
Alabama	4,699	351,082	245	2,130	15,278	17,611	271,146
Alaska	944	79,609	35	373	3,330	4,798	67,926
Arizona	7,378	522,550	410	3,539	10,104	20,509	505,393
Arkansas	3,273	244,301	147	983	12,746	11,628	201,349
California	68,060	3,787,873	5,493	26,676	79,676	165,352	3,400,632
Colorado	9,378	662,493	589	4,957	13,788	27,013	536,716
Connecticut	12,392	347,637	770	6,185	7,338	19,568	263,310
Delaware	5,856	91,099	66	701	2,106	7,345	75,056
District of Columbia	2,302	73,652	132	884	1,321	12,137	69,148
Florida	35,876	2,230,733	2,442	22,578	52,203	127,507	2,294,113
Georgia	10,503	881,576	683	4,886	33,368	35,575	803,853
Hawaii	3,100	119,965	178	1,167	1,301	6,678	116,832
Idaho	1,577	191,899	113	824	8,553	7,155	127,039
Illinois	28,415	1,308,502	1,469	9,649	57,384	63,504	824,312
Indiana	6,698	528,528	377	3,498	27,561	32,436	302,960
Iowa	3,582	317,971	623	2,059	27,469	26,140	147,884
Kansas	5,764	295,743	324	2,197	18,219	15,020	183,605
Kentucky	4,971	340,083	265	2,388	16,127	16,310	218,061
Louisiana	4,402	396,284	219	1,763	14,834	15,900	369,356
Maine	2,975	164,120	98	1,208	5,378	9,509	93,790
Maryland	13,942	527,580	730	5,075	11,629	29,043	451,793
Massachusetts	23,978	710,600	1,386	9,630	12,501	41,806	458,013
Michigan	14,101	873,080	609	5,505	30,008	43,059	568,292
Minnesota	7,598	605,775	893	5,691	36,332	33,730	350,132
Mississippi	2,291	210,530	111	881	12,109	11,037	165,566
Missouri	11,520	639,127	463	3,890	27,282	40,650	384,639
Montana	1,293	161,283	102	949	7,698	8,966	109,668
Nebraska	2,802	220,288	325	1,542	21,721	12,422	110,290
Nevada	4,376	238,052	233	1,676	7,432	8,095	253,116
New Hampshire	3,750	141,713	128	1,468	4,729	8,661	84,257
New Jersey	19,897	972,914	1,880	9,585	23,113	42,701	702,625
New Mexico	2,252	160,836	97	991	6,163	8,487	129,185
New York	37,610	2,322,202	2,663	20,821	26,963	93,659	1,428,767
North Carolina	10,542	854,768	699	5,854	31,591	43,798	616,329
North Dakota	1,119	101,621	115	1,157	14,891	5,104	50,940
Ohio	16,201	914,394	867	7,433	37,399	62,560	693,219
Oklahoma	5,994	358,059	296	1,730	11,649	15,638	308,383
Oregon	6,417	455,159	560	3,281	12,684	21,639	345,660
Pennsylvania	21,541	1,140,340	1,224	10,507	37,180	68,792	704,496
Rhode Island	2,782	112,980	170	893	2,312	8,944	62,110
South Carolina	4,661	389,694	330	2,899	14,464	16,814	296,673
South Dakota	2,754	112,837	182	968	13,702	5,819	62,309
Tennessee	8,793	469,744	466	3,343	20,490	23,751	345,459
Texas	57,272	2,163,693	1,815	16,726	91,231	93,172	2,400,740
Utah	3,030	320,660	135	1,104	7,677	9,802	281,185
Vermont	1,891	87,192	72	712	2,790	5,990	42,142
Virginia	14,334	742,077	727	6,749	19,252	38,893	549,561
Washington	13,207	750,476	671	6,165	23,719	33,278	605,803
West Virginia	1,370	124,857	66	634	5,045	8,945	65,154
Wisconsin	10,642	541,389	466	5,244	25,428	34,375	302,964
Wyoming	2,021	86,458	62	830	3,925	4,388	58,845
Puerto Rico	65	214,236	43	69	133	1,106	23,214
Other [9]	500	20,287	1,076	2,253	6,839	1,668	613,821

Footnotes on next page.



**Table 3. Number of Returns and Other Forms Filed, by Type and State, Fiscal Year 2017—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 1120-S (S corporations), shown separately. Also excludes Form 990-T (tax-exempt organization unrelated business income tax return), which is included under Tax-exempt organizations in this table, although the tax reported on these returns is combined with Business income taxes in other tables.
- [3] Includes the Form 1040 series as follows: 1040 (individual income tax return); 1040-A (individual income tax return, short form); 1040-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 in this table.
- [5] Includes the Form 706 series as follows: 706 (estate and generation-skipping transfer tax return); 706-GS(D) (generation-skipping transfer tax return for distributions); 706-GS(T) (generation-skipping transfer tax return for terminations); and 706-NA (estate and generation-skipping transfer tax return for nonresident aliens).
- [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 State(s).

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

**Table 4. Number of Returns and Other Forms Filed Electronically, by Type and State, Fiscal Year 2017**

State or area	Total [1]	C or other corporation income tax [2]	S corporation	Partnership	Individual income tax	
					Total individual returns [3]	Online
						Total filed [4]
(1)	(2)	(3)	(4)	(5)	(6)	
<b>United States, total</b>	<b>172,944,398</b>	<b>1,221,214</b>	<b>4,078,973</b>	<b>3,446,417</b>	<b>131,641,943</b>	<b>53,057,599</b>
Alabama	2,237,646	9,884	45,267	41,824	1,814,689	680,078
Alaska	384,035	1,541	8,502	6,353	298,243	151,897
Arizona	3,285,228	12,328	66,211	61,565	2,530,331	1,142,644
Arkansas	1,387,197	7,001	35,708	26,083	1,093,261	392,258
California	21,097,743	195,364	485,580	381,522	15,437,714	4,884,566
Colorado	3,147,677	15,767	105,070	85,581	2,287,014	1,109,736
Connecticut	2,057,371	13,902	25,819	61,983	1,538,677	594,938
Delaware	551,068	6,286	11,645	14,120	393,869	185,766
District of Columbia	416,186	d	5,066	10,085	293,144	147,827
Florida	11,848,924	97,699	444,109	206,206	8,372,462	3,421,681
Georgia	5,201,145	25,340	147,913	90,524	3,930,100	1,680,279
Hawaii	698,448	4,672	10,032	8,364	567,815	227,018
Idaho	849,510	3,670	25,554	24,651	653,648	283,597
Illinois	6,984,566	46,316	202,227	105,038	5,342,849	2,056,840
Indiana	3,358,797	9,649	71,355	47,532	2,789,984	1,256,920
Iowa	1,646,200	12,734	37,387	33,453	1,342,692	445,636
Kansas	1,548,505	10,051	31,687	34,297	1,211,149	493,164
Kentucky	2,084,057	6,900	39,414	33,927	1,725,958	648,687
Louisiana	2,253,187	14,564	51,482	54,482	1,713,015	706,674
Maine	747,117	3,744	19,540	11,596	557,328	258,524
Maryland	3,214,771	17,922	63,532	58,254	2,469,513	1,079,975
Massachusetts	4,108,303	31,075	88,458	73,483	2,990,428	1,156,787
Michigan	5,197,383	34,162	121,642	93,433	4,160,284	1,603,889
Minnesota	3,155,006	13,606	83,056	58,690	2,447,424	938,377
Mississippi	1,335,500	6,758	25,000	24,640	1,101,939	413,335
Missouri	3,153,250	16,097	58,495	61,039	2,458,122	1,026,250
Montana	622,181	5,398	22,940	18,236	446,537	175,987
Nebraska	1,052,398	7,476	29,765	23,960	828,003	329,134
Nevada	1,572,087	13,888	39,325	39,568	1,183,979	495,673
New Hampshire	768,778	5,150	9,723	14,546	603,003	308,437
New Jersey	5,322,022	45,296	106,304	160,092	3,842,861	1,118,744
New Mexico	967,023	4,129	16,872	15,613	789,742	359,246
New York	12,155,203	189,508	381,854	303,336	8,771,188	2,581,072
North Carolina	4,958,567	23,100	112,003	78,391	3,970,263	1,715,558
North Dakota	422,977	2,614	10,489	12,347	328,592	121,801
Ohio	6,106,369	27,825	94,604	100,836	4,938,537	2,245,219
Oklahoma	1,894,256	9,080	47,237	41,599	1,447,614	603,326
Oregon	2,229,783	10,726	50,180	43,736	1,658,261	816,938
Pennsylvania	6,788,431	31,369	140,652	127,954	5,369,688	2,250,887
Rhode Island	633,525	3,261	15,814	10,015	470,143	164,705
South Carolina	2,416,238	10,465	54,104	41,373	1,944,655	817,045
South Dakota	491,039	2,906	13,557	14,547	377,753	146,700
Tennessee	3,198,377	17,337	31,831	63,520	2,653,895	1,217,764
Texas	13,815,701	89,637	249,504	311,641	10,478,850	4,900,189
Utah	1,627,073	7,026	56,661	66,039	1,144,724	532,819
Vermont	372,290	2,371	9,544	6,560	284,952	127,391
Virginia	4,369,958	25,148	105,157	81,041	3,409,133	1,741,794
Washington	3,928,926	18,581	89,952	70,413	3,027,052	1,617,003
West Virginia	772,169	3,568	9,838	9,475	673,575	320,792
Wisconsin	3,154,934	19,224	58,785	57,629	2,539,055	1,038,429
Wyoming	336,792	3,452	11,857	13,199	241,353	105,927
Puerto Rico	95,570	d	159	444	72,773	11,237
Other [11]	922,911	22,723	511	11,582	624,110	206,439

Footnotes at end of table.

**Table 4. Number of Returns and Other Forms Filed Electronically, by Type and State, Fiscal Year 2017—Continued**

State or area	Individual income tax—continued		Estate and trust income tax (9)	Employment taxes [7] (10)	Excise taxes [8] (11)	Tax-exempt organizations [9] (12)	Supplemental documents [10] (13)
	Online—continued	Practitioner filed [6] (8)					
	Free File [5] (7)						
	(7)	(8)					
<b>United States, total</b>	<b>2,536,183</b>	<b>78,584,344</b>	<b>2,427,539</b>	<b>12,659,590</b>	<b>497,452</b>	<b>1,013,790</b>	<b>15,957,480</b>
Alabama	32,484	1,134,611	22,815	94,639	8,365	13,450	186,713
Alaska	4,546	146,346	3,096	17,072	415	3,424	45,389
Arizona	51,620	1,387,687	35,338	234,377	5,087	14,164	325,827
Arkansas	22,268	701,003	13,223	51,906	6,575	8,890	144,550
California	208,444	10,553,148	252,829	2,026,168	45,749	104,583	2,168,234
Colorado	45,676	1,177,278	34,135	239,742	6,804	18,654	354,910
Connecticut	25,232	943,739	37,057	190,940	2,401	14,041	172,551
Delaware	7,978	208,103	29,989	40,860	421	4,243	49,635
District of Columbia	7,535	145,317	4,156	50,157	d	8,894	41,819
Florida	133,481	4,950,781	140,928	988,337	34,739	47,951	1,516,493
Georgia	88,342	2,249,821	37,750	369,743	21,387	26,026	552,362
Hawaii	7,610	340,797	9,157	38,118	445	4,419	55,426
Idaho	14,874	370,051	7,598	36,806	2,476	5,549	89,558
Illinois	107,238	3,286,009	181,080	512,820	33,645	39,972	520,619
Indiana	84,559	1,533,064	27,448	184,538	11,656	21,768	194,867
Iowa	21,425	897,056	20,413	65,381	11,495	21,163	101,482
Kansas	22,833	717,985	22,330	91,765	7,659	11,348	128,219
Kentucky	35,440	1,077,271	21,210	94,530	7,619	11,773	142,726
Louisiana	32,438	1,006,341	16,217	127,820	7,827	11,847	255,933
Maine	11,523	298,804	9,638	72,308	1,392	7,096	64,475
Maryland	49,237	1,389,538	37,261	263,817	4,319	20,844	279,309
Massachusetts	57,939	1,833,641	123,886	452,666	4,671	24,516	319,120
Michigan	89,544	2,556,395	62,921	302,633	14,152	31,483	376,673
Minnesota	49,349	1,509,047	31,157	250,185	13,414	23,742	233,732
Mississippi	25,121	688,604	8,607	37,253	7,152	8,752	115,399
Missouri	58,884	1,431,872	84,845	197,659	13,497	22,945	240,551
Montana	9,553	270,550	12,194	26,629	3,099	7,181	79,967
Nebraska	15,091	498,869	16,541	50,398	8,451	9,561	78,243
Nevada	16,023	688,306	15,196	106,572	2,893	5,816	164,850
New Hampshire	11,357	294,566	13,300	63,638	1,426	5,932	52,060
New Jersey	45,445	2,724,117	131,120	540,704	11,698	26,558	457,389
New Mexico	16,344	430,496	7,780	38,950	4,400	6,381	83,156
New York	144,947	6,190,116	254,409	1,131,955	9,360	65,912	1,047,681
North Carolina	82,409	2,254,705	46,754	305,974	10,217	27,800	384,065
North Dakota	6,316	206,791	5,361	17,221	6,761	3,817	35,775
Ohio	125,754	2,693,318	83,775	361,327	17,425	42,535	439,505
Oklahoma	29,222	844,288	21,330	100,423	5,449	11,303	210,221
Oregon	45,369	841,323	25,147	185,682	5,049	15,472	235,530
Pennsylvania	116,493	3,118,801	112,901	500,062	14,227	45,026	446,552
Rhode Island	8,447	305,438	19,780	69,233	710	5,291	39,278
South Carolina	48,641	1,127,610	18,322	131,548	7,014	12,049	196,708
South Dakota	6,507	231,053	12,233	15,589	6,921	4,487	43,046
Tennessee	56,627	1,436,131	30,272	151,093	11,293	17,593	221,543
Texas	173,675	5,578,661	149,728	863,018	60,212	68,999	1,544,112
Utah	23,209	611,905	12,972	123,941	4,177	6,708	204,825
Vermont	7,682	157,561	5,451	33,727	431	4,417	24,837
Virginia	94,095	1,667,339	40,590	321,137	8,768	28,711	350,273
Washington	62,854	1,410,049	48,616	244,851	10,204	24,616	394,641
West Virginia	15,975	352,783	8,800	18,822	1,996	6,796	39,299
Wisconsin	58,510	1,500,626	52,877	187,919	8,031	24,678	206,736
Wyoming	3,694	135,426	5,424	14,883	1,732	3,492	41,400
Puerto Rico	1,340	61,536	125	16,531	d	502	4,907
Other [11]	14,984	417,671	1,457	5,523	2,076	620	254,309

Footnotes on next page.

**Table 4. Number of Returns and Other Forms Filed Electronically, by Type and State, Fiscal Year 2017—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). Excludes Form 1120-S (S corporations), shown separately.
- [3] Includes some of the Form 1040 series as follows: 1040 (individual income tax return); 1040-A (individual income tax return, short form); 1040-EZ (individual income tax return for single and joint filers with no dependents); 1040-PR (self-employment income tax return for Puerto Rico residents); 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 Web site 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 return preparer.
- [7] Includes Forms 940 (employer's Federal unemployment tax return); 941 (employer's quarterly tax return for income and Social Security taxes withheld for other than household and agricultural employees); 941-PR/SS (employer's quarterly tax return for Puerto Rico residents, or for U.S. Virgin Islands, Guam, American Samoa, and Northern Mariana Islands residents); 943 (employer's tax return for agricultural employees); 943-PR/SS (employer's tax return for agricultural employees for Puerto Rico residents, or for U.S. Virgin Islands, Guam, American Samoa, and Northern Mariana Islands residents); 944 (employer's annual tax return); and 945 (tax return of withheld income tax from nonpayroll distributions).
- [8] Includes Form 720 (excise tax return) and Form 2290 (heavy highway vehicle use tax return).
- [9] Includes some of the Form 990 series as follows: 990 (tax-exempt organization information return, long form); 990-EZ (tax-exempt organization information return, short form); 990-N (electronic notice (e-Postcard) for tax-exempt organizations not required to file Forms 990 or 990-EZ); and 990-PF (private foundation information return). Also includes Form 8872 (political organization report of contributions and expenditures).
- [10] Includes Forms 4868 (automatic filing extension for individuals); 7004 (automatic filing extension for corporations); and 8868 (automatic filing extension for tax-exempt organizations).
- [11] Includes U.S. Territories other than Puerto Rico, U.S. Armed Service members overseas, and international.

**NOTES:**

Detail may not add to totals because of rounding.

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

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

**Table 5. Gross Collections, by Type of Tax and State, Fiscal Year 2017**

[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)	
<b>United States, total</b>	<b>3,416,714,139</b>	<b>338,529,154</b>	<b>2,990,900,934</b>	<b>2,378,783,821</b>	<b>568,851,364</b>
Alabama	26,583,916	1,599,172	24,588,275	19,346,198	5,028,177
Alaska	5,399,946	173,808	5,162,206	3,982,635	1,108,303
Arizona	43,928,177	3,248,089	39,115,624	30,028,308	8,607,724
Arkansas	32,458,328	5,047,349	26,612,837	22,791,476	3,577,649
California	440,475,243	47,274,455	383,364,445	288,364,748	90,271,160
Colorado	56,742,235	2,899,495	52,628,874	40,798,082	11,470,155
Connecticut	57,540,270	8,670,093	48,003,315	36,984,411	10,351,503
Delaware	17,081,357	2,626,429	14,184,894	11,881,657	1,173,955
District of Columbia	28,302,953	1,747,183	26,467,990	23,375,721	2,500,281
Florida	192,869,033	9,057,258	179,994,031	131,057,293	45,643,710
Georgia	94,277,375	12,783,900	77,559,778	63,887,806	13,021,544
Hawaii	9,415,214	700,144	8,442,127	6,255,294	2,096,762
Idaho	10,386,020	337,112	9,973,635	7,641,121	2,202,093
Illinois	162,326,463	18,973,607	139,771,317	113,266,115	23,528,427
Indiana	58,940,989	3,624,764	54,576,722	46,582,412	7,527,064
Iowa	24,642,287	1,416,367	22,881,744	18,683,054	4,062,184
Kansas	25,563,140	1,637,121	22,338,379	17,709,072	4,338,858
Kentucky	35,126,897	2,668,995	32,024,957	27,749,804	4,072,679
Louisiana	42,724,672	1,802,698	40,393,499	34,425,082	5,735,863
Maine	8,083,275	382,005	7,557,797	5,915,187	1,566,854
Maryland	71,246,920	4,121,320	66,799,522	55,625,817	10,421,223
Massachusetts	112,996,320	9,081,122	102,354,315	82,185,664	18,952,476
Michigan	82,676,161	5,305,414	76,447,688	62,663,583	12,998,544
Minnesota	104,429,577	18,538,716	84,721,896	74,884,035	9,222,240
Mississippi	11,740,655	570,425	10,982,784	8,417,411	2,456,715
Missouri	71,921,135	12,238,850	57,068,168	48,535,251	7,749,159
Montana	6,080,381	190,980	5,798,150	4,183,719	1,535,704
Nebraska	25,450,002	6,836,388	18,422,480	14,403,313	2,716,680
Nevada	21,570,670	974,505	20,147,901	12,055,083	6,497,017
New Hampshire	12,138,352	261,057	11,490,567	8,786,553	2,405,796
New Jersey	143,835,479	24,521,317	116,965,715	95,536,767	20,156,697
New Mexico	8,979,166	142,271	8,761,758	6,516,614	2,159,321
New York	268,353,669	26,130,226	238,073,823	182,732,781	51,940,441
North Carolina	82,855,993	8,710,521	73,608,708	61,014,001	12,035,659
North Dakota	6,640,269	273,035	6,298,565	4,767,846	1,491,304
Ohio	142,086,312	11,086,446	126,293,181	112,011,681	13,306,644
Oklahoma	27,113,120	846,993	22,482,322	17,467,248	4,476,852
Oregon	32,345,824	1,139,779	30,750,109	24,170,516	6,363,850
Pennsylvania	139,797,047	15,041,827	122,021,841	101,762,867	18,613,180
Rhode Island	14,917,462	3,456,216	11,293,955	9,654,478	1,458,183
South Carolina	26,636,069	1,953,433	24,284,628	18,627,448	5,449,256
South Dakota	7,872,916	538,298	7,268,084	4,311,164	1,705,199
Tennessee	69,069,233	6,894,252	60,650,500	51,332,500	8,885,917
Texas	270,955,237	22,939,596	225,236,761	173,182,702	47,255,637
Utah	22,485,663	1,302,787	20,465,881	15,823,950	4,439,734
Vermont	4,422,942	242,481	4,151,408	3,264,675	854,479
Virginia	87,183,756	14,023,486	72,647,063	57,709,018	13,759,285
Washington	85,875,647	6,985,812	77,323,289	60,415,398	16,263,484
West Virginia	6,980,482	243,825	6,641,350	5,343,609	1,259,795
Wisconsin	53,089,052	4,886,946	47,480,079	38,573,493	8,167,326
Wyoming	4,393,700	100,890	4,007,776	2,430,317	1,398,198
U.S. Armed Service members overseas and Territories other than Puerto Rico	701,736	1,683	691,565	576,132	110,357
Puerto Rico	3,393,432	80,704	3,283,745	2,869,855	389,534
International	11,589,279	1,789,740	9,204,799	5,212,863	3,960,618
Undistributed [5]	2,022,691	407,769	1,138,112	1,009,993	109,915

Footnotes at end of table.

**Table 5. Gross Collections, by Type of Tax and State, Fiscal Year 2017—Continued**

[Money amounts are in thousands of dollars]

State or area	Individual income tax, employment taxes, and estate and trust income tax—continued			Estate tax	Gift tax	Excise taxes [4]
	Unemployment insurance tax	Railroad retirement tax	Estate and trust income tax			
	(6)	(7)	(8)			
<b>United States, total</b>	<b>8,284,270</b>	<b>5,957,171</b>	<b>29,024,308</b>	<b>21,831,660</b>	<b>1,948,783</b>	<b>63,503,608</b>
Alabama	64,093	3,145	146,662	196,914	1,667	197,888
Alaska	11,696	2,225	57,347	13,859	187	49,886
Arizona	126,815	1,722	351,055	254,665	31,631	1,278,168
Arkansas	138,725	2,650	102,337	90,085	2,273	705,784
California	2,218,054	9,999	2,500,484	5,257,679	279,010	4,299,654
Colorado	107,275	17,376	235,986	296,089	54,028	863,749
Connecticut	75,139	6,410	585,852	460,173	52,452	354,237
Delaware	27,962	42,791	1,058,529	12,149	1,210	256,675
District of Columbia	16,792	509,712	65,484	67,851	3,866	16,063
Florida	478,457	738,034	2,076,537	2,487,029	198,029	1,132,686
Georgia	243,811	2,437	404,180	355,172	54,896	3,523,629
Hawaii	18,903	0	71,168	62,846	-543	210,640
Idaho	37,968	335	92,118	29,486	1,487	44,300
Illinois	304,466	345,790	2,326,519	504,100	35,854	3,041,585
Indiana	105,487	46,648	315,111	259,232	5,619	474,652
Iowa	50,315	6,823	79,368	97,226	6,240	240,710
Kansas	62,531	87,896	140,022	95,772	9,570	1,482,298
Kentucky	71,544	13,575	117,355	182,069	16,241	234,635
Louisiana	65,863	5,896	160,795	177,744	6,304	344,427
Maine	18,463	3,167	54,126	56,973	5,104	81,396
Maryland	111,630	17,832	623,020	226,215	40,923	58,940
Massachusetts	176,739	43,577	995,859	281,429	72,091	1,207,363
Michigan	200,517	11,540	573,504	563,151	21,802	338,106
Minnesota	200,385	87,036	328,200	202,600	40,849	925,516
Mississippi	31,792	1,311	75,555	57,647	5,098	124,701
Missouri	134,066	99,789	549,903	1,723,241	32,751	858,125
Montana	18,258	28,650	31,819	55,716	12,116	23,419
Nebraska	37,522	1,166,981	97,984	103,981	9,368	77,785
Nevada	50,183	75	1,545,543	278,335	40,438	129,491
New Hampshire	21,458	102	276,658	62,168	6,239	318,321
New Jersey	224,537	164,567	883,147	371,438	50,902	1,926,107
New Mexico	20,360	61	65,402	48,491	-5,480	32,126
New York	375,130	498,943	2,526,528	2,090,368	244,179	1,815,073
North Carolina	193,670	8,091	357,287	362,830	11,897	162,037
North Dakota	13,428	7,173	18,814	15,808	186	52,675
Ohio	284,098	27,202	663,556	406,488	64,266	4,235,931
Oklahoma	62,538	3,152	472,532	114,133	26,504	3,643,168
Oregon	80,324	1,872	133,547	168,463	20,012	267,461
Pennsylvania	283,310	73,906	1,288,578	589,047	123,468	2,020,864
Rhode Island	32,279	13	149,002	148,389	5,177	13,725
South Carolina	65,053	2,031	140,840	87,793	11,276	298,939
South Dakota	12,258	1,104	1,238,359	29,093	5,373	32,068
Tennessee	182,612	2,702	246,769	147,142	11,079	1,366,260
Texas	571,550	1,144,044	3,082,828	1,314,270	123,822	21,340,788
Utah	60,544	4,303	137,350	68,814	9,674	638,507
Vermont	8,858	3,063	20,333	8,612	1,455	18,986
Virginia	160,328	694,589	323,843	345,515	17,305	150,387
Washington	222,352	10,735	411,320	295,297	60,149	1,211,100
West Virginia	14,861	876	22,209	41,525	2,895	50,887
Wisconsin	129,287	2,497	607,476	188,723	20,483	512,821
Wyoming	7,438	784	171,039	205,750	23,831	55,453
U.S. Armed Service members overseas and Territories other than Puerto Rico	3,793	0	1,283	5,459	3	3,026
Puerto Rico	23,734	0	622	1,034	127	27,822
International	6,937	1,817	22,564	119,095	60,431	415,214
Undistributed [5]	18,082	122	0	146,487	12,969	317,354

Footnotes on next page.

**Table 5. Gross Collections, by Type of Tax and State, Fiscal Year 2017—Continued****Footnotes**

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

**NOTES:**

Detail may not add to totals because of rounding.

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

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

Collection and refund data may not be comparable for a given fiscal year because payments made in prior years may be refunded in the current fiscal year. Adjustments to prior-year refunds made in Fiscal Year 2017 may result in negative amounts when such adjustments exceed current-year collections. See Table 8 for refund data.

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

SOURCE: Chief Financial Officer, Financial Management.

**Table 6. Gross Collections, by Type of Tax, Fiscal Years 1960–2017**

[Money amounts are in thousands of dollars]

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

Footnotes on next page.



**Table 6. Gross Collections, by Type of Tax, Fiscal Years 1960–2017—Continued****Footnotes**

- [1] Gross collections include penalties and interest in addition to taxes.
- [2] Includes taxes on corporation income (Form 1120 series) and on unrelated business income from tax-exempt organizations (Form 990–T).
- [3] Income tax reported for estates and trusts is included in individual income tax in Fiscal Years (FY) 1960–2007. Beginning with FY 2008, estate and trust income tax is reported separately.
- [4] Includes taxes for Old-Age, Survivors, Disability, and Hospital Insurance (OASDHI); unemployment insurance under the Federal Unemployment Tax Act (FUTA); and railroad retirement under the Railroad Retirement Tax Act (RRTA).
- [5] Excludes excise taxes collected by U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau. The Internal Revenue Service collected taxes on alcohol and tobacco until FY 1988, and taxes on firearms until FY 1991.
- [6] Represents fiscal-year transitional period, July 1976 through September 1976, resulting from redefinition of the term “fiscal year.” FY 1976 covered July 1975 through June 1976 (earlier years were similarly defined). FY 1977 covered October 1976 through September 1977 (subsequent years are similarly defined).
- [7] The estate tax was temporarily repealed for deaths in Calendar Year 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 FY 2011 relative to other fiscal years.

**NOTES:**

Detail may not add to totals because of rounding.

All money amounts are in current dollars.

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

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

SOURCE: Chief Financial Officer, Financial Management.

**Table 7. Number of Refunds Issued, by Type of Refund and State, Fiscal Year 2017**

State or area	Total Internal Revenue refunds [1]	Business income taxes [2]	Individual income tax	Estate and trust income tax	Employment taxes [3]	Estate tax	Gift tax	Excise taxes [4]
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>United States, total</b>	<b>121,991,952</b>	<b>351,122</b>	<b>119,853,012</b>	<b>295,511</b>	<b>1,391,884</b>	<b>5,403</b>	<b>1,538</b>	<b>93,482</b>
Alabama	1,676,151	3,209	1,650,125	3,353	18,080	37	13	1,334
Alaska	283,436	780	276,887	d	5,031	d	0	298
Arizona	2,277,407	4,773	2,244,925	3,999	22,299	78	28	1,305
Arkansas	1,007,785	2,555	989,288	1,350	13,781	d	d	784
California	13,846,488	45,013	13,594,703	29,582	167,350	1,042	176	8,622
Colorado	2,051,877	5,685	2,014,233	4,604	25,963	101	28	1,263
Connecticut	1,422,410	3,515	1,396,609	5,086	15,927	127	24	1,122
Delaware	375,420	1,562	365,749	4,079	3,495	d	d	518
District of Columbia	283,179	1,057	277,399	873	3,602	d	d	221
Florida	8,001,295	23,698	7,854,538	19,522	97,855	475	171	5,036
Georgia	3,660,309	8,607	3,606,774	4,605	37,881	109	14	2,319
Hawaii	545,207	1,931	535,763	1,510	5,743	d	d	229
Idaho	573,741	1,628	561,133	695	9,708	d	d	560
Illinois	5,067,372	13,916	4,973,653	23,581	51,289	203	37	4,693
Indiana	2,612,413	5,141	2,577,994	4,038	23,375	42	10	1,813
Iowa	1,162,882	5,886	1,141,151	1,794	12,640	33	16	1,362
Kansas	1,065,305	4,339	1,044,275	2,614	13,101	d	d	945
Kentucky	1,612,373	2,806	1,590,274	2,613	15,634	46	28	972
Louisiana	1,640,935	4,337	1,611,412	2,174	21,913	51	10	1,038
Maine	518,916	1,852	509,896	1,350	5,201	d	d	599
Maryland	2,363,151	5,577	2,329,288	6,132	20,737	104	32	1,281
Massachusetts	2,751,130	7,045	2,704,250	13,662	23,836	159	55	2,123
Michigan	3,839,384	10,886	3,776,668	9,227	40,110	91	47	2,355
Minnesota	2,149,182	8,044	2,112,212	3,497	23,091	68	37	2,233
Mississippi	1,035,489	2,484	1,018,429	1,117	12,686	d	d	750
Missouri	2,265,900	9,407	2,220,029	5,622	29,007	d	d	1,750
Montana	383,966	2,930	372,817	817	6,855	13	10	524
Nebraska	726,442	3,268	711,103	1,682	9,400	23	10	956
Nevada	1,129,260	3,265	1,111,952	1,977	11,387	50	22	607
New Hampshire	568,397	1,536	558,359	2,027	5,933	d	d	515
New Jersey	3,539,771	9,190	3,479,321	10,158	38,155	175	36	2,736
New Mexico	736,423	1,727	724,549	1,173	8,576	d	d	369
New York	7,860,621	24,149	7,712,210	18,163	100,501	524	235	4,839
North Carolina	3,635,581	8,362	3,580,471	6,915	36,186	115	31	3,501
North Dakota	284,554	1,443	277,422	d	4,709	d	0	526
Ohio	4,640,883	11,025	4,570,589	10,945	44,794	120	46	3,364
Oklahoma	1,325,483	4,186	1,300,577	3,009	16,575	d	d	1,086
Oregon	1,459,595	4,611	1,431,924	2,942	18,817	65	15	1,221
Pennsylvania	5,145,524	11,037	5,071,264	15,762	41,910	153	32	5,366
Rhode Island	445,927	964	436,490	4,138	2,846	d	d	1,456
South Carolina	1,743,517	3,444	1,719,299	2,356	17,083	d	d	1,272
South Dakota	330,591	1,768	321,372	1,572	5,372	d	d	493
Tennessee	2,505,451	4,895	2,465,816	4,553	28,654	65	22	1,446
Texas	10,286,833	29,627	10,087,693	26,561	133,832	376	133	8,611
Utah	1,051,857	2,614	1,033,141	1,398	14,010	d	d	677
Vermont	259,915	1,103	254,192	784	3,546	d	d	272
Virginia	3,177,783	8,065	3,129,030	6,380	32,268	128	20	1,892
Washington	2,806,238	7,532	2,749,362	6,146	41,255	92	46	1,805
West Virginia	658,380	1,272	649,049	835	6,629	d	0	d
Wisconsin	2,274,762	7,620	2,236,886	6,288	21,685	55	24	2,204
Wyoming	221,537	1,356	214,649	822	4,413	d	d	283
U.S. Armed Service members overseas and Territories other than Puerto Rico	152,579	d	150,105	29	d	d	0	14
Puerto Rico	122,246	323	109,718	33	12,138	13	0	21
International	427,663	8,029	414,964	484	3,117	213	26	1,313
Undistributed [5]	1,036	d	1,031	0	d	0	0	d
<b>Child tax credit [6]</b>	<b>15,535,213</b>	<b>N/A</b>	<b>15,535,213</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>Earned income tax credits [6]</b>	<b>23,306,886</b>	<b>N/A</b>	<b>23,306,886</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

Footnotes on next page.

**Table 7. Number of Refunds Issued, by Type of Refund and State, Fiscal Year 2017—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] Includes overpayment refunds, refunds resulting from examination activity, refundable tax credits, and other refunds required by law. Excludes refunds credited to taxpayer accounts for tax liability in a subsequent year.
- [2] Includes refunds of taxes on corporation income (Form 1120 series) and on unrelated business income from tax-exempt organizations (Form 990-T).
- [3] 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).
- [4] Excludes refunds of excise taxes collected by U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau.
- [5] 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.
- [6] Reflects refundable portions of credits only. Shown separately for information purposes. Counts are included in the State figures and U.S. totals.

**NOTE:**

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

SOURCE: Chief Financial Officer, Financial Management.

**Table 8. Amount of Refunds Issued, Including Interest, by Type of Refund and State, Fiscal Year 2017**

[Money amounts are in thousands of dollars]

State or area	Total Internal Revenue refunds [1, 2]	Business income taxes [3, 4]	Individual income tax [5]	Estate and trust income tax	Employment taxes [6]	Estate tax	Gift tax	Excise taxes [1, 4]
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>United States, total</b>	<b>436,971,873</b>	<b>44,894,839</b>	<b>382,865,300</b>	<b>3,093,823</b>	<b>3,423,559</b>	<b>999,569</b>	<b>47,886</b>	<b>1,646,897</b>
Alabama	4,916,924	252,587	4,624,241	15,193	19,371	2,166	214	3,152
Alaska	840,585	38,683	787,178	d	6,343	d	0	2,823
Arizona	6,262,820	168,868	5,998,269	29,452	29,159	14,307	522	22,243
Arkansas	2,935,066	172,677	2,729,706	10,253	13,512	d	d	6,427
California	44,842,074	4,153,702	39,575,207	261,861	503,644	251,033	6,753	89,873
Colorado	6,082,626	584,672	5,309,226	42,251	87,456	19,958	598	38,464
Connecticut	5,690,878	1,149,777	4,327,595	56,543	69,110	14,921	2,208	70,723
Delaware	1,668,868	564,815	968,360	67,921	64,103	d	d	2,512
District of Columbia	943,076	103,769	804,529	5,533	24,028	d	d	855
Florida	24,770,258	1,190,121	23,040,098	183,459	215,498	67,626	4,791	68,664
Georgia	11,539,377	1,123,222	10,180,140	44,403	77,538	23,010	3,414	87,650
Hawaii	1,462,267	65,289	1,373,545	6,190	9,456	d	d	964
Idaho	1,441,498	38,057	1,378,598	7,340	13,308	d	d	3,592
Illinois	17,864,830	2,912,238	14,422,099	281,062	150,615	31,198	2,990	64,627
Indiana	7,399,326	523,089	6,734,108	20,867	35,011	34,737	1,024	50,489
Iowa	3,757,086	729,833	2,969,539	18,815	17,113	3,794	1,814	16,178
Kansas	3,175,384	352,627	2,782,989	15,710	14,486	d	d	5,816
Kentucky	4,420,558	151,466	4,210,658	17,338	29,765	2,968	1,047	7,317
Louisiana	5,350,605	272,941	5,019,686	19,603	22,866	13,361	91	2,057
Maine	1,295,965	90,188	1,191,053	7,046	4,541	d	d	1,549
Maryland	7,181,581	374,737	6,663,269	54,409	65,808	15,948	2,764	4,645
Massachusetts	8,809,204	828,310	7,708,301	99,090	105,262	23,141	1,825	43,275
Michigan	10,507,569	655,523	9,669,038	64,396	85,295	12,080	666	20,571
Minnesota	8,265,813	2,799,451	5,315,059	29,515	56,017	8,462	184	57,125
Mississippi	3,124,203	115,506	2,976,038	6,355	18,090	d	d	2,631
Missouri	7,035,631	1,128,598	5,774,799	59,509	54,810	d	d	9,666
Montana	929,688	20,215	895,005	3,438	5,746	2,322	1,499	1,463
Nebraska	2,120,377	215,261	1,859,339	19,234	13,415	2,136	76	10,917
Nevada	3,404,334	161,861	3,146,930	60,816	17,956	7,428	1,110	8,233
New Hampshire	1,592,047	44,548	1,452,899	79,561	7,194	d	d	3,897
New Jersey	14,700,625	3,739,484	10,483,167	102,291	194,988	37,008	272	143,415
New Mexico	1,989,921	49,157	1,924,875	7,196	8,445	d	d	3,747
New York	27,179,469	2,589,897	23,595,156	259,801	444,906	161,731	4,936	123,043
North Carolina	9,910,477	375,342	9,411,757	36,840	60,335	19,404	534	6,264
North Dakota	903,489	60,633	827,439	d	5,938	d	0	3,375
Ohio	12,884,704	1,132,046	11,502,219	71,095	117,021	15,412	1,858	45,052
Oklahoma	4,922,820	610,272	4,028,691	130,359	19,601	d	d	126,246
Oregon	3,929,561	429,892	3,433,349	18,528	26,859	13,047	197	7,689
Pennsylvania	15,787,448	2,065,143	13,400,915	155,565	113,002	25,949	923	25,950
Rhode Island	1,373,784	192,338	1,153,583	14,032	9,855	d	d	1,771
South Carolina	4,931,117	450,837	4,417,281	12,146	29,848	d	d	16,653
South Dakota	984,209	34,523	852,115	91,582	3,946	d	d	1,866
Tennessee	7,165,543	326,981	6,721,754	33,828	45,171	7,864	193	29,751
Texas	40,627,689	7,407,227	32,337,862	367,206	256,024	71,432	4,303	183,635
Utah	3,162,991	347,073	2,770,142	8,220	18,061	d	d	18,527
Vermont	634,860	20,215	607,908	4,525	-1,382	d	d	380
Virginia	9,927,175	1,135,974	8,669,293	43,277	58,906	13,016	394	6,315
Washington	9,074,335	1,569,071	7,371,618	45,713	54,395	10,326	3,038	20,174
West Virginia	1,761,388	28,754	1,719,268	3,727	5,971	d	0	d
Wisconsin	5,961,644	376,088	5,448,096	46,218	37,823	4,286	1,248	47,885
Wyoming	706,845	18,694	641,675	40,263	3,501	d	d	1,024
U.S. Armed Service members overseas and Territories other than Puerto Rico	438,785	d	429,345	5,482	d	d	0	13
Puerto Rico	262,911	41,195	212,395	114	8,410	1	0	797
International	2,541,435	855,861	1,577,812	4	71,470	4,893	196	31,200
Advance Premium Tax Credit/ Cost Sharing Reduction/ Basic Health Program [7]	45,628,019	N/A	45,628,019	N/A	N/A	N/A	N/A	N/A
Undistributed [8]	-49,885	d	-187,937	0	d	-371	-18	d
<b>Child tax credit [9]</b>	<b>19,368,257</b>	<b>N/A</b>	<b>19,368,257</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>Earned income tax credits [9]</b>	<b>59,749,188</b>	<b>N/A</b>	<b>59,749,188</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

Footnotes on next page.

**Table 8. Amount of Refunds Issued, Including Interest, by Type of Refund and State, Fiscal Year 2017—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 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 \$1.1 billion in interest, of which \$0.4 billion was paid to corporations and \$0.7 billion was paid to all others (related to individual, employment, estate, gift, and excise tax returns). Excludes refunds credited to taxpayer accounts for tax liability in a subsequent year.
- [3] Includes refunds of taxes on corporation income (Form 1120 series) and on unrelated business income from tax-exempt organizations (Form 990-T).
- [4] Beginning with Fiscal Year (FY) 2015, some refunds which had been classified as excise tax refunds in prior years, were reclassified as corporate tax refunds.
- [5] The average individual income tax refund (based on Forms 1040, 1040-A, and 1040-EZ) was \$2,811.
- [6] Includes refunds of self-employment income taxes under the Self-Employment Insurance Contributions Act (SECA); railroad retirement taxes under the Railroad Retirement Tax Act (RRTA); unemployment insurance taxes under the Federal Unemployment Tax Act (FUTA); and Old-Age, Survivors, Disability, and Hospital Insurance (OASDHI) taxes on salaries and wages under the Federal Insurance Contributions Act (FICA).
- [7] The Advance Premium Tax Credit and Cost Sharing Reduction are provisions of the Patient Protection and Affordable Care Act of 2010. The Advance Premium Tax Credit (APTC) data included in this table are advance payments of a refundable tax credit that helps taxpayers pay for their health insurance premiums on a monthly basis. The Cost Sharing Reduction is a discount that lowers the amount taxpayers are required to pay for healthcare out-of-pocket deductibles, coinsurance, and copayments. 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. The Basic Health Program provides States with the option to establish a health benefit coverage program for low-income individuals as an alternative to Health Insurance Marketplace coverage under the Affordable Care Act.
- [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 FY 2017 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 State(s).

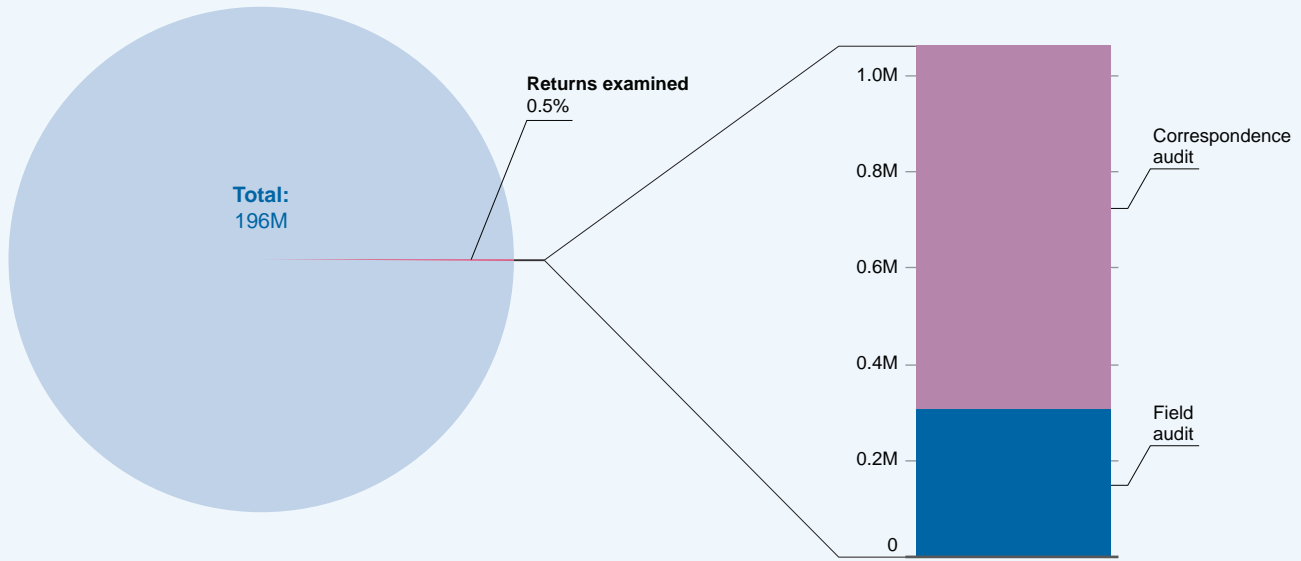
SOURCE: Chief Financial Officer, Financial Management.



**Total Returns Filed, Calendar Year 2016, and Percentage Examined, Fiscal Year 2017**

**Returns Examined, Fiscal Year 2017**

1.2M



SOURCE: 2017 IRS Data Book Table 9a

## Enforcement:

### Examinations

Section 2 of the *Data Book* deals with IRS examinations (audits) of returns to determine if income, expenses, 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, and excise tax. Information is also provided about examinations of tax-exempt organizations.

#### Highlights of the Data

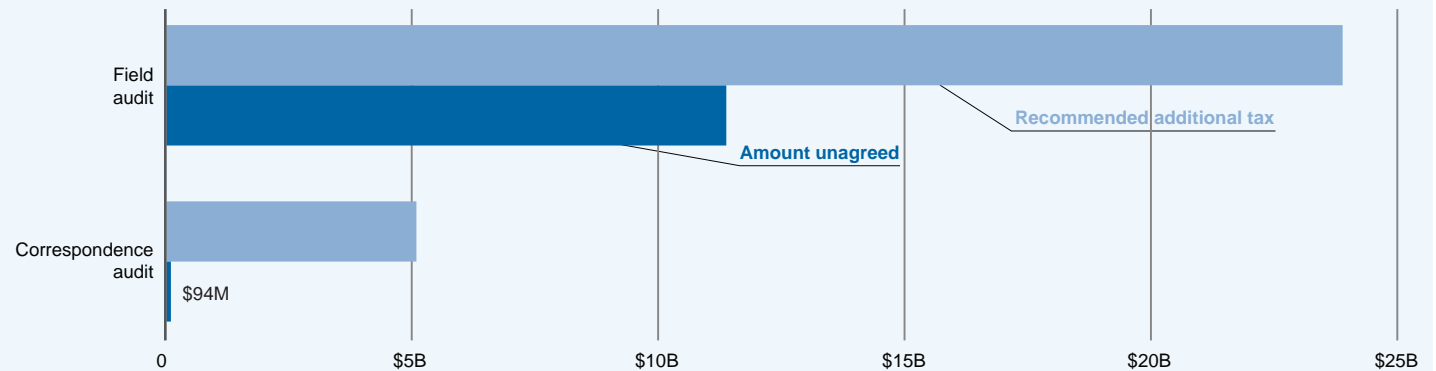
- The IRS audited almost 1.1 million tax returns, approximately 0.5 percent of all returns filed in Calendar Year (CY) 2016 (Table 9a).
- The IRS audited 0.6 percent of all individual income tax returns filed in CY 2016, and 1.0 percent of corporation income tax returns (excluding S corporation returns) (Table 9a).

**Number of Returns Examined, Fiscal Years 2012–2017**



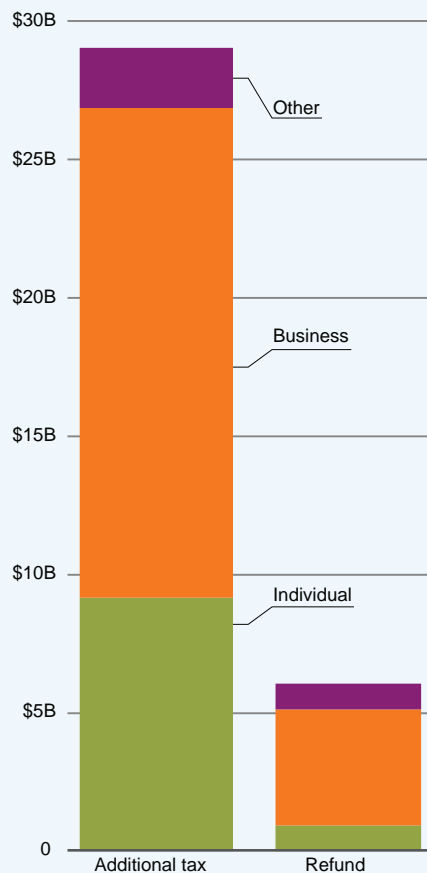
SOURCE: IRS Data Book Table 9a

Amount of Recommended Additional Tax and Amount Unagreed, Fiscal Year 2017



SOURCE: 2017 IRS Data Book Tables 9a and 10

Recommended Audit Results, by Type of Filer, Fiscal Year 2017



SOURCE: 2017 IRS Data Book Tables 9a and 12

- IRS conducted the majority of Fiscal Year (FY) 2017 audits, 70.8 percent, via correspondence. The remaining 29.2 percent were conducted in the field (Table 9a).
- Of the almost 1.1 million examinations of tax returns, more than 24,000 taxpayers did not agree with the IRS examiner’s determination, totaling to an unagreed recommended additional tax of almost \$11.5 billion (Table 10).
- In FY 2017, examinations protected a total of almost \$3.7 billion in refund payments, of which \$3.6 billion came from field examinations and \$80.6 million from correspondence examinations (Table 11).
- Of the almost 1.1 million examinations of tax returns, almost 34,000 resulted in additional refunds to the taxpayer totaling more than \$6.0 billion (Table 12).
- The IRS examined 15,397 tax-exempt organization, employee retirement plan, government entity, tax-exempt bond and related taxable returns in FY 2017 (Table 13).



**Table 9a. Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 2017**

Type and size of return	All returns filed in Calendar Year 2016 [1,2]	Returns examined in Fiscal Year 2017 [1]			
		Total	Percentage covered	Field [3]	Correspondence
		(1)	(2)	(3)	(4)
<b>United States, total</b>	<b>195,614,161</b>	<b>1,059,924</b>	<b>0.5</b>	<b>309,062</b>	<b>750,862</b>
<b>Taxable returns:</b>					
▶ Individual income tax returns, total	149,919,416	[5] 933,785	0.6	214,582	719,203
▷ 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]	81,474,839	154,310	0.2	24,510	129,800
With Schedule E or Form 2106 [9]	15,818,718	112,792	0.7	32,054	80,738
▶ Business returns without Earned Income Tax Credit:					
Nonfarm business returns by size of total gross receipts [10]:					
Under \$25,000	11,005,284	98,952	0.9	26,382	72,570
\$25,000 under \$100,000	3,305,637	44,434	1.3	20,910	23,524
\$100,000 under \$200,000	914,814	18,994	2.1	13,612	5,382
\$200,000 or more	719,214	13,307	1.9	10,757	2,550
Farm returns	1,244,590	5,454	0.4	2,379	3,075
▶ Business and nonbusiness returns with Earned Income Tax Credit by size of total gross receipts [10, 11]:					
Under \$25,000	25,948,509	[12] 361,360	1.4	18,513	342,847
\$25,000 or more	1,909,631	[12] 19,909	1.0	11,949	7,960
▷ Returns with total positive income of at least \$200,000 and under \$1,000,000 [7]:					
Nonbusiness returns	4,873,138	40,521	0.8	17,114	23,407
Business returns	2,001,954	31,471	1.6	16,265	15,206
▷ Returns with total positive income of \$1,000,000 or more [7]	519,406	22,704	4.4	11,087	11,617
▷ International returns [13]	183,682	9,577	5.2	9,050	527
▶ Corporation income tax returns, except Form 1120-S, total [14]	1,906,645	18,962	1.0	17,962	1,000
▷ Returns other than Forms 1120-C and 1120-F [15]:					
▶ Small corporations	1,771,641	12,157	0.7	11,803	354
No balance sheet returns	414,636	2,527	0.6	2,459	68
Balance sheet returns by size of total assets:					
Under \$250,000	849,698	4,370	0.5	4,278	92
\$250,000 under \$1,000,000	302,052	3,221	1.1	3,157	64
\$1,000,000 under \$5,000,000	169,366	1,587	0.9	1,495	92
\$5,000,000 under \$10,000,000	35,889	452	1.3	414	38
▶ Large corporations	77,709	6,109	7.9	5,659	450
Balance sheet returns by size of total assets:					
\$10,000,000 under \$50,000,000	42,392	1,676	4.0	1,585	91
\$50,000,000 under \$100,000,000	9,141	930	10.2	887	43
\$100,000,000 under \$250,000,000	9,031	897	9.9	842	55
\$250,000,000 under \$500,000,000	5,529	550	9.9	483	67
\$500,000,000 under \$1,000,000,000	4,127	462	11.2	413	49
\$1,000,000,000 under \$5,000,000,000	5,293	810	15.3	737	73
\$5,000,000,000 under \$20,000,000,000	1,580	424	26.8	381	43
\$20,000,000,000 or more	616	360	58.4	331	29
▷ Form 1120-C returns [15]	9,303	40	0.4	d	d
▷ Form 1120-F returns [15]	47,992	656	1.4	d	d
▶ Estate and trust income tax returns [16]	3,187,535	3,284	0.1	953	2,331
▶ Estate tax returns, total [17]	35,042	2,876	8.2	2,876	0
▷ Size of gross estate:					
Under \$5,000,000	23,013	570	2.5	570	0
\$5,000,000 under \$10,000,000	8,095	1,086	13.4	1,086	0
\$10,000,000 or more	3,934	1,220	31.0	1,220	0
▶ Gift tax returns	244,974	1,886	0.8	1,886	0
▶ Employment tax returns	30,532,806	53,716	0.2	37,137	16,579
▶ Excise tax returns	1,000,648	13,961	1.4	12,256	1,705
▶ Other taxable returns [18]	[4]	335	[4]	143	192
<b>Nontaxable returns [19]:</b>					
▶ Partnership returns	3,978,262	15,275	0.4	9,005	6,270
▶ S corporation returns [20]	4,808,833	13,448	0.3	12,169	1,279
▶ Other nontaxable returns [21]	[4]	2,396	[4]	93	2,303
<b>Income, estate, gift tax, and nontaxable returns, total</b>	<b>164,080,707</b>	<b>991,912</b>	<b>0.6</b>	<b>259,526</b>	<b>732,386</b>

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 2017—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)
<b>United States, total</b>	<b>[4]</b>	<b>[4]</b>	<b>28,991,634</b>	<b>23,893,558</b>
<b>Taxable returns:</b>				
▶ Individual income tax returns, total	8	10	[6] 9,028,417	4,703,305
▷ 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]	9	10	892,600	377,358
With Schedule E or Form 2106 [9]	5	9	765,756	484,834
▶ Business returns without Earned Income Tax Credit:				
Nonfarm business returns by size of total gross receipts [10]:				
Under \$25,000	4	9	493,741	218,686
\$25,000 under \$100,000	6	4	605,703	378,763
\$100,000 under \$200,000	5	7	388,711	258,096
\$200,000 or more	8	19	301,119	290,855
Farm returns	8	20	24,451	14,799
▶ Business and nonbusiness returns with Earned Income Tax Credit by size of total gross receipts [10, 11]:				
Under \$25,000	9	9	1,742,741	118,026
\$25,000 or more	9	14	272,541	235,156
▷ Returns with total positive income of at least \$200,000 and under \$1,000,000 [7]:				
Nonbusiness returns	12	24	878,551	441,310
Business returns	10	21	859,436	529,702
▷ Returns with total positive income of \$1,000,000 or more [7]	14	34	1,783,111	1,336,524
▷ International returns [13]	2	4	19,956	19,196
▶ Corporation income tax returns, except Form 1120–S, total [14]	31	43	17,718,475	17,020,575
▷ Returns other than Forms 1120–C and 1120–F [15]:				
▶ Small corporations	27	31	624,977	555,503
No balance sheet returns	16	37	131,860	130,483
Balance sheet returns by size of total assets:				
Under \$250,000	27	43	211,543	145,530
\$250,000 under \$1,000,000	34	16	126,306	124,360
\$1,000,000 under \$5,000,000	31	25	68,034	67,934
\$5,000,000 under \$10,000,000	35	29	87,234	87,196
▶ Large corporations	36	48	16,989,101	16,360,786
Balance sheet returns by size of total assets:				
\$10,000,000 under \$50,000,000	40	37	158,539	157,494
\$50,000,000 under \$100,000,000	50	42	75,333	75,327
\$100,000,000 under \$250,000,000	47	69	80,355	80,256
\$250,000,000 under \$500,000,000	40	57	102,312	101,675
\$500,000,000 under \$1,000,000,000	27	57	320,069	319,695
\$1,000,000,000 under \$5,000,000,000	22	52	1,734,213	1,727,235
\$5,000,000,000 under \$20,000,000,000	18	33	3,456,110	3,454,706
\$20,000,000,000 or more	14	21	11,062,170	10,444,398
▷ Form 1120–C returns [15]	d	d	24,169	d
▷ Form 1120–F returns [15]	d	d	80,228	d
▶ Estate and trust income tax returns [16]	3	24	50,895	37,460
▶ Estate tax returns, total [17]	19	N/A	798,898	798,898
▷ Size of gross estate:				
Under \$5,000,000	16	N/A	25,236	25,236
\$5,000,000 under \$10,000,000	23	N/A	91,292	91,292
\$10,000,000 or more	17	N/A	682,370	682,370
▶ Gift tax returns	35	N/A	439,458	439,458
▶ Employment tax returns	13	5	721,367	661,873
▶ Excise tax returns	26	20	197,980	196,728
▶ Other taxable returns [18]	10	3	36,144	35,261
<b>Nontaxable returns [19]:</b>				
▶ Partnership returns	43	56	N/A	N/A
▶ S corporation returns [20]	29	33	N/A	N/A
▶ Other nontaxable returns [21]	14	36	N/A	N/A
<b>Income, estate, gift tax, and nontaxable returns, total</b>	<b>12</b>	<b>11</b>	<b>28,036,143</b>	<b>22,999,696</b>

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 2017—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)	(11)	(12)
<b>United States, total</b>	<b>5,098,076</b>		<b>[4]</b>	<b>[4]</b>
<b>Taxable returns:</b>				
▶ Individual income tax returns, total	4,325,112		21,918	6,014
▷ 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]	515,242		15,396	3,970
With Schedule E or Form 2106 [9]	280,922		15,126	3,479
▶ Business returns without Earned Income Tax Credit:				
Nonfarm business returns by size of total gross receipts [10]:				
Under \$25,000	275,055		8,289	3,790
\$25,000 under \$100,000	226,940		18,114	9,647
\$100,000 under \$200,000	130,615		18,961	24,269
\$200,000 or more	10,264		27,039	4,025
Farm returns	9,652		6,221	3,139
▶ Business and nonbusiness returns with Earned Income Tax Credit by size of total gross receipts [10, 11]:				
Under \$25,000	1,624,715		6,375	4,739
\$25,000 or more	37,385		19,680	4,697
▷ Returns with total positive income of at least \$200,000 and under \$1,000,000 [7]:				
Nonbusiness returns	437,241		25,786	18,680
Business returns	329,734		32,567	21,684
▷ Returns with total positive income of \$1,000,000 or more [7]	446,587		120,549	38,443
▷ International returns [13]	760		2,121	1,443
▶ Corporation income tax returns, except Form 1120–S, total [14]	697,900		947,588	697,901
▷ Returns other than Forms 1120–C and 1120–F [15]:				
▶ Small corporations	69,474		47,065	196,255
No balance sheet returns	1,377		53,064	20,243
Balance sheet returns by size of total assets:				
Under \$250,000	66,013		34,018	717,538
\$250,000 under \$1,000,000	1,946		39,392	30,406
\$1,000,000 under \$5,000,000	100		45,441	1,087
\$5,000,000 under \$10,000,000	38		210,617	1,006
▶ Large corporations	628,315		2,891,109	1,396,255
Balance sheet returns by size of total assets:				
\$10,000,000 under \$50,000,000	1,045		99,365	11,479
\$50,000,000 under \$100,000,000	6		84,923	134
\$100,000,000 under \$250,000,000	99		95,316	1,807
\$250,000,000 under \$500,000,000	637		210,507	9,508
\$500,000,000 under \$1,000,000,000	374		774,080	7,635
\$1,000,000,000 under \$5,000,000,000	6,978		2,343,602	95,589
\$5,000,000,000 under \$20,000,000,000	1,404		9,067,470	32,652
\$20,000,000,000 or more	617,772		31,554,072	21,302,483
▷ Form 1120–C returns [15]	d		d	d
▷ Form 1120–F returns [15]	d		d	d
▶ Estate and trust income tax returns [16]	13,435		39,308	5,764
▶ Estate tax returns, total [17]	N/A		277,781	N/A
▷ Size of gross estate:				
Under \$5,000,000	N/A		44,274	N/A
\$5,000,000 under \$10,000,000	N/A		84,063	N/A
\$10,000,000 or more	N/A		559,320	N/A
▶ Gift tax returns	N/A		233,011	N/A
▶ Employment tax returns	59,494		17,822	3,589
▶ Excise tax returns	1,252		16,052	734
▶ Other taxable returns [18]	883		246,578	4,597
<b>Nontaxable returns [19]:</b>				
▶ Partnership returns	N/A		N/A	N/A
▶ S corporation returns [20]	N/A		N/A	N/A
▶ Other nontaxable returns [21]	N/A		N/A	N/A
<b>Income, estate, gift tax, and nontaxable returns, total</b>	<b>5,036,447</b>		<b>[4]</b>	<b>[4]</b>

Footnotes on next page.

**Table 9a. Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 2017—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 excise tax returns filed with U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau. Also excludes returns of tax-exempt organizations, Government entities, employee retirement benefit plans, and tax-exempt bonds; and excludes information returns (e.g., Forms 1098, 1099, 5498, W-2 and W-2G, and Schedule K-1).
- [2] Calendar Year 2016 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 327,805 returns selected for examination on the basis of an Earned Income Tax Credit (EITC) claim.
- [6] Includes a total of \$1,551,646,733 in recommended additional tax (accounting for the effect of Earned Income Tax Credits) 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.
- [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] These returns were selected on the basis of an Earned Income Tax Credit (EITC) claim.
- [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 18.
- [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 taxable Form 1041 (income tax return for estates and trusts) and Form 1041-N (income tax return for electing Alaska Native Settlement Trusts).
- [17] Includes Form 706 (estate and generation-skipping transfer tax return).
- [18] Includes Forms 1120-FSC (foreign sales corporation income tax return); 1120-S for S corporations reporting a tax (see footnote 20); 1065-B for partnerships reporting a tax; 8288 (withholding tax return for disposition by foreign persons of U.S. property interests); and 8804 (return of withholding tax on foreign partner's share of effectively connected income).
- [19] 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.
- [20] 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 18.
- [21] 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, Small Business Exam Data Management.

**Table 9b. Examination Coverage: Individual Income Tax Returns Examined, by Size of Adjusted Gross Income, Fiscal Year 2017**

Size of adjusted gross income [1]	Returns filed in Calendar Year 2016 (percent of total) [2]	Examination coverage in Fiscal Year 2017 (percent) [3]
<b>All returns [4]</b>	<b>100.00</b>	<b>0.62</b>
No adjusted gross income [5]	1.69	2.55
\$1 under \$25,000	36.47	0.71
\$25,000 under \$50,000	23.33	0.49
\$50,000 under \$75,000	13.26	0.48
\$75,000 under \$100,000	8.59	0.45
\$100,000 under \$200,000	12.19	0.47
\$200,000 under \$500,000	3.60	0.70
\$500,000 under \$1,000,000	0.58	1.56
\$1,000,000 under \$5,000,000	0.26	3.52
\$5,000,000 under \$10,000,000	0.02	7.95
\$10,000,000 or more	0.01	14.52

[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 (CY) 2016 data are presented because, in general, examination activity is associated with returns filed in the previous calendar year. The total number of individual income tax returns filed in CY 2016 was 149,919,416. See table 9a for additional details.

[3] Represents returns examined in Fiscal Year 2017 for each adjusted gross income (AGI) class, as a percentage of the total number of returns filed in Calendar Year 2016 for that AGI class.

[4] In addition to examinations of returns filed, the IRS examined more than 62,800 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 Program, 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 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, Applied Analytics, and Statistics.

**Table 10. Examination Coverage: Returns Examined with Unagreed Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 2017**

[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)
<b>United States, total</b>	<b>24,087</b>	<b>17,824</b>	<b>6,263</b>	<b>11,461,968</b>	<b>11,367,494</b>	<b>94,474</b>
▶ Individual income tax returns, total	19,506	13,247	6,259	1,746,468	1,651,994	94,474
▷ 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]	1,760	830	930	58,341	51,269	7,072
With Schedule E or Form 2106 [5]	2,878	1,963	915	159,761	154,999	4,762
▶ Business returns without Earned Income Tax Credit:						
Nonfarm business returns by size of total gross receipts [6]:						
Under \$25,000	2,828	1,693	1,135	46,911	42,174	4,737
\$25,000 under \$100,000	1,732	1,532	200	210,895	208,244	2,651
\$100,000 under \$200,000	963	909	54	44,016	43,347	669
\$200,000 or more	905	880	25	71,269	71,093	176
Farm returns	165	d	d	3,675	d	d
▶ Business and nonbusiness returns with Earned Income Tax Credit by size of total gross receipts [6, 7]:						
Under \$25,000	2,498	627	1,871	38,413	14,822	23,591
\$25,000 or more	1,150	1,002	148	53,554	51,932	1,622
▷ Returns with total positive income of at least \$200,000 and under \$1,000,000 [3]:						
Nonbusiness returns	1,475	1,127	348	135,054	120,514	14,540
Business returns	1,896	1,459	437	166,246	157,473	8,773
▷ Returns with total positive income of \$1,000,000 or more [3]	1,239	1,070	169	758,221	732,439	25,782
▷ International returns [8]	17	d	d	112	d	d
▶ Corporation income tax returns, except Form 1120-S, total [9]	1,418	d	d	8,784,896	d	d
▷ Returns other than Forms 1120-C and 1120-F [10]:						
▶ Small corporations	983	d	d	241,559	d	d
No balance sheet returns	197	d	d	42,946	d	d
Balance sheet returns by size of total assets:						
Under \$250,000	302	302	0	36,896	36,896	0
\$250,000 under \$1,000,000	205	205	0	51,555	51,555	0
\$1,000,000 under \$5,000,000	210	210	0	41,918	41,918	0
\$5,000,000 under \$10,000,000	69	69	0	68,244	68,244	0
▶ Large corporations	406	406	0	8,512,356	8,512,356	0
Balance sheet returns by size of total assets:						
\$10,000,000 under \$50,000,000	104	104	0	63,005	63,005	0
\$50,000,000 under \$100,000,000	42	42	0	31,121	31,121	0
\$100,000,000 under \$250,000,000	33	33	0	31,270	31,270	0
\$250,000,000 under \$500,000,000	18	18	0	51,013	51,013	0
\$500,000,000 under \$1,000,000,000	20	20	0	234,565	234,565	0
\$1,000,000,000 under \$5,000,000,000	75	75	0	1,208,791	1,208,791	0
\$5,000,000,000 under \$20,000,000,000	71	71	0	2,807,082	2,807,082	0
\$20,000,000,000 or more	43	43	0	4,085,509	4,085,509	0
▷ Form 1120-C returns [10]	17	17	0	23,269	23,269	0
▷ Form 1120-F returns [10]	12	12	0	7,712	7,712	0
▶ Estate and trust income tax returns [11]	49	d	d	26,187	d	d
▶ Estate tax returns, total [12]	78	78	0	421,134	421,134	0
▷ Size of gross estate:						
Under \$5,000,000	10	10	0	7,233	7,233	0
\$5,000,000 under \$10,000,000	23	23	0	34,811	34,811	0
\$10,000,000 or more	45	45	0	379,090	379,090	0
▶ Gift tax returns	125	125	0	300,923	300,923	0
▶ Employment tax returns	2,341	2,341	0	159,783	159,783	0
▶ Excise tax returns	528	528	0	4,166	4,166	0
▶ Other taxable returns [13]	42	42	0	18,411	18,411	0

Footnotes on next page.

**Table 10. Examination Coverage: Returns Examined with Unagreed Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 2017—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 U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau. Also excludes returns of tax-exempt organizations, Government entities, employee retirement benefit plans, and tax-exempt bonds; and excludes information returns (e.g., Forms 1098, 1099, 5498, W-2 and W-2G, and Schedule K-1).
- [2] Field examinations are generally performed in person by revenue agents, tax compliance officers, tax examiners, and revenue officer examiners. However, some field examinations may ultimately be conducted through correspondence in order to better serve the taxpayer.
- [3] In general, total positive income is the sum of all positive amounts shown for the various sources of income reported on the individual income tax return, and thus excludes losses.
- [4] Includes Forms 1040 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 13.
- [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 taxable Form 1041 (income tax return for estates and trusts) and Form 1041-N (income tax return for electing Alaska Native Settlement Trusts).
- [12] Includes Form 706 (estate and generation-skipping transfer tax return).
- [13] Includes Forms 1120-FSC (foreign sales corporation income tax return); 1120-S for S corporations reporting a tax; 1065-B for partnerships reporting a tax; 8288 (withholding tax return for disposition by foreign persons of U.S. property interests); and 8804 (return of withholding tax on foreign partner's share of effectively connected income).

**NOTES:**

Detail may not add to totals because of rounding.

This table includes information on examinations in which the taxpayer did not agree with the IRS examiner's determination. When this occurs, the taxpayer may appeal the decision. 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, Small Business Exam Data Management.

**Table 11. Examination Coverage: Returns Examined Involving Protection of Revenue Base, by Type and Size of Return, Fiscal Year 2017**

[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)
<b>United States, total</b>	<b>33,496</b>	<b>16,408</b>	<b>17,088</b>	<b>3,651,524</b>	<b>3,570,911</b>	<b>80,613</b>
▶ Individual income tax returns, total	28,739	11,658	17,081	269,841	210,822	59,019
▷ 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]	10,834	2,231	8,603	52,596	23,568	29,028
With Schedule E or Form 2106 [5]	2,380	1,381	999	11,681	7,654	4,027
▶ Business returns without Earned Income Tax Credit:						
Nonfarm business returns by size of total gross receipts [6]:						
Under \$25,000	2,414	817	1,597	11,008	5,714	5,294
\$25,000 under \$100,000	1,336	768	568	8,653	6,525	2,128
\$100,000 under \$200,000	677	526	151	4,718	3,943	775
\$200,000 or more	622	525	97	5,146	4,617	529
Farm returns	320	263	57	779	636	143
▶ Business and nonbusiness returns with Earned Income Tax Credit by size of total gross receipts [6, 7]:						
Under \$25,000	4,488	313	4,175	14,541	2,986	11,555
\$25,000 or more	379	148	231	1,948	1,229	719
▷ Returns with total positive income of at least \$200,000 and under \$1,000,000 [3]:						
Nonbusiness returns	2,085	1,844	241	23,754	21,498	2,256
Business returns	1,560	1,470	90	23,209	22,397	812
▷ Returns with total positive income of \$1,000,000 or more [3]	1,414	1,369	45	111,310	110,055	1,255
▷ International returns [8]	230	3	227	498	[9]	498
▶ Corporation income tax returns, except Form 1120–S, total [10]	981	d	d	3,164,018	d	d
▷ Returns other than Forms 1120–C and 1120–F [11]:						
▶ Small corporations	253	253	0	28,117	28,117	0
No balance sheet returns	14	14	0	20,495	20,495	0
Balance sheet returns by size of total assets:						
Under \$250,000	45	45	0	564	564	0
\$250,000 under \$1,000,000	36	36	0	480	480	0
\$1,000,000 under \$5,000,000	89	89	0	3,749	3,749	0
\$5,000,000 under \$10,000,000	69	69	0	2,829	2,829	0
▶ Large corporations	700	d	d	2,973,264	d	d
Balance sheet returns by size of total assets:						
\$10,000,000 under \$50,000,000	136	d	d	37,963	d	d
\$50,000,000 under \$100,000,000	53	53	0	3,901	3,901	0
\$100,000,000 under \$250,000,000	59	59	0	10,178	10,178	0
\$250,000,000 under \$500,000,000	54	d	d	74,217	d	d
\$500,000,000 under \$1,000,000,000	68	68	0	22,715	22,715	0
\$1,000,000,000 under \$5,000,000,000	153	d	d	310,826	d	d
\$5,000,000,000 under \$20,000,000,000	83	d	d	405,085	d	d
\$20,000,000,000 or more	94	94	0	2,108,379	2,108,379	0
▷ Form 1120–C returns [11]	8	8	0	162,066	162,066	0
▷ Form 1120–F returns [11]	20	d	d	571	d	d
▶ Estate and trust income tax returns [12]	643	d	d	7,126	d	d
▶ Estate tax returns, total [13]	64	64	0	22,885	22,885	0
▷ Size of gross estate:						
Under \$5,000,000	9	9	0	7,493	7,493	0
\$5,000,000 under \$10,000,000	16	16	0	1,174	1,174	0
\$10,000,000 or more	39	39	0	14,218	14,218	0
▶ Gift tax returns	10	10	0	14,066	14,066	0
▶ Employment tax returns	374	374	0	93,994	93,994	0
▶ Excise tax returns	2,660	2,660	0	79,245	79,245	0
▶ Other taxable returns [14]	25	25	0	349	349	0

Footnotes on next page.



**Table 11. Examination Coverage: Returns Examined Involving Protection of Revenue Base, by Type and Size of Return, Fiscal Year 2017—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 U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau. Also excludes returns of tax-exempt organizations, Government entities, employee retirement benefit plans, and tax-exempt bonds; and excludes information returns (e.g., Forms 1098, 1099, 5498, W-2 and W-2G, and Schedule K-1).
- [2] Field examinations are generally performed in person by revenue agents, tax compliance officers, tax examiners, and revenue officer examiners. However, some field examinations may ultimately be conducted through correspondence in order to better serve the taxpayer.
- [3] In general, total positive income is the sum of all positive amounts shown for the various sources of income reported on the individual income tax return, and thus excludes losses.
- [4] Includes Forms 1040 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 14.
- [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 taxable Form 1041 (income tax return for estates and trusts) and Form 1041-N (income tax return for electing Alaska Native Settlement Trusts).
- [13] Includes Form 706 (estate and generation-skipping transfer tax return).
- [14] Includes Forms 1120-FSC (foreign sales corporation income tax return); 1120-S for S corporations reporting a tax; 1065-B for partnerships reporting a tax; 8288 (withholding tax return for disposition by foreign persons of U.S. property interests); and 8804 (return of withholding tax on foreign partner's share of effectively connected income).

**NOTES:**

Detail may not add to totals because of rounding.

This table includes information on examinations 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, Small Business Exam Data Management.

**Table 12. Examination Coverage: Returns Examined Resulting in Refunds, by Type and Size of Return, Fiscal Year 2017**

[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)
<b>United States, total</b>	<b>33,939</b>	<b>22,950</b>	<b>10,989</b>	<b>6,009,256</b>	<b>5,766,227</b>	<b>243,029</b>
▶ Individual income tax returns, total	28,279	17,516	10,763	884,003	695,227	188,776
▷ 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]	4,719	1,834	2,885	28,510	18,581	9,929
With Schedule E or Form 2106 [5]	3,210	2,243	967	37,059	30,481	6,578
▶ Business returns without Earned Income Tax Credit:						
Nonfarm business returns by size of total gross receipts [6]:						
Under \$25,000	2,286	1,277	1,009	11,734	8,987	2,747
\$25,000 under \$100,000	1,793	1,414	379	10,322	8,976	1,346
\$100,000 under \$200,000	1,070	947	123	9,610	9,017	593
\$200,000 or more	1,072	985	87	19,298	18,847	451
Farm returns	363	290	73	1,753	1,509	244
▶ Business and nonbusiness returns with Earned Income Tax Credit by size of total gross receipts [6, 7]:						
Under \$25,000	3,843	1,001	2,842	12,502	6,785	5,717
\$25,000 or more	980	797	183	14,951	14,555	396
▷ Returns with total positive income of at least \$200,000 and under \$1,000,000 [3]:						
Nonbusiness returns	3,457	2,529	928	65,807	55,940	9,867
Business returns	2,444	2,032	412	56,365	51,319	5,046
▷ Returns with total positive income of \$1,000,000 or more [3]	3,019	2,156	863	615,989	470,166	145,823
▷ International returns [8]	23	11	12	103	64	39
▶ Corporation income tax returns, except Form 1120-S, total [9]	1,717	1,680	37	4,220,264	4,180,576	39,688
▷ Returns other than Forms 1120-C and 1120-F [10]:						
▶ Small corporations	649	642	7	57,607	56,700	907
No balance sheet returns	129	129	0	27,170	27,170	0
Balance sheet returns by size of total assets:						
Under \$250,000	182	d	d	7,831	d	d
\$250,000 under \$1,000,000	188	d	d	4,023	d	d
\$1,000,000 under \$5,000,000	95	d	d	12,913	d	d
\$5,000,000 under \$10,000,000	55	d	d	5,670	d	d
▶ Large corporations	993	972	21	4,009,294	3,973,225	36,069
Balance sheet returns by size of total assets:						
\$10,000,000 under \$50,000,000	175	170	5	43,169	40,153	3,016
\$50,000,000 under \$100,000,000	99	d	d	35,551	d	d
\$100,000,000 under \$250,000,000	100	d	d	149,223	d	d
\$250,000,000 under \$500,000,000	88	d	d	126,405	d	d
\$500,000,000 under \$1,000,000,000	104	d	d	123,584	d	d
\$1,000,000,000 under \$5,000,000,000	224	d	d	530,292	d	d
\$5,000,000,000 under \$20,000,000,000	109	103	6	647,441	620,007	27,434
\$20,000,000,000 or more	94	94	0	2,353,629	2,353,629	0
▷ Form 1120-C returns [10]	d	d	d	d	d	d
▷ Form 1120-F returns [10]	d	d	d	d	d	d
▶ Estate and trust income tax returns [11]	275	116	159	43,507	28,969	14,538
▶ Estate tax returns, total [12]	581	581	0	197,201	197,201	0
▷ Size of gross estate:						
Under \$5,000,000	56	56	0	5,661	5,661	0
\$5,000,000 under \$10,000,000	230	230	0	24,396	24,396	0
\$10,000,000 or more	295	295	0	167,144	167,144	0
▶ Gift tax returns	23	23	0	5,957	5,957	0
▶ Employment tax returns	577	577	0	56,320	56,320	0
▶ Excise tax returns	2,458	2,440	18	592,675	592,671	4
▶ Other taxable returns [13]	29	17	12	9,329	9,306	23

Footnotes on next page.

**Table 12. Examination Coverage: Returns Examined Resulting in Refunds, by Type and Size of Return, Fiscal Year 2017—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 U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau. Also excludes returns of tax-exempt organizations, Government entities, employee retirement benefit plans, and tax-exempt bonds; and excludes information returns (e.g., Forms 1098, 1099, 5498, W-2 and W-2G, and Schedule K-1).
- [2] Field examinations are generally performed in person by revenue agents, tax compliance officers, tax examiners, and revenue officer examiners. However, some field examinations may ultimately be conducted through correspondence in order to better serve the taxpayer.
- [3] In general, total positive income is the sum of all positive amounts shown for the various sources of income reported on the individual income tax return, and thus excludes losses.
- [4] Includes Forms 1040 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 13.
- [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 taxable Form 1041 (income tax return for estates and trusts) and Form 1041-N (income tax return for electing Alaska Native Settlement Trusts).
- [12] Includes Form 706 (estate and generation-skipping transfer tax return).
- [13] Includes Forms 1120-FSC (foreign sales corporation income tax return); 1120-S for S corporations reporting a tax; 1065-B for partnerships reporting a tax; 8288 (withholding tax return for disposition by foreign persons of U.S. property interests); and 8804 (return of withholding tax on foreign partner's share of effectively connected income).

**NOTES:**

Detail may not add to totals because of rounding.

This table provides information on examinations 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, Small Business Exam Data Management.

**Table 13. Returns of Tax-Exempt Organizations, Employee Retirement Plans, Government Entities, and Tax-Exempt Bonds Examined, by Type of Return, Fiscal Year 2017**

Type of return	Number of returns examined
<b>Tax-exempt organization, employee retirement plan, government entity, tax-exempt bond returns, and related taxable returns examined in Fiscal Year 2017, total</b>	<b>15,397</b>
<b>Forms 990, 990-EZ, and 990-N</b>	<b>2,375</b>
<b>Forms 990-PF, 1041-A, 1120-POL, and 5227</b>	<b>302</b>
<b>Form 5500, total</b>	<b>2,578</b>
Defined benefit	364
Defined contribution	2,214
<b>Form 5500-EZ, total</b>	<b>295</b>
Defined benefit	80
Defined contribution	215
<b>Form 5500-SF, total</b>	<b>2,123</b>
Defined benefit	331
Defined contribution	1,792
<b>Tax-exempt bond returns [1]</b>	<b>717</b>
<b>Related taxable returns, total [2]</b>	<b>6,134</b>
Employment tax returns [3]	3,967
Form 990-T [4]	608
Form 4720 [5]	393
Forms 1040, 1041, 1065, and 1120 adjusted [6]	356
Forms 11-C and 730 [7]	365
Form 5329 [8]	5
Form 5330 [9]	440
<b>Employee retirement plan Non-Return Units [10]</b>	<b>873</b>

[1] 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).

[2] 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.

[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] Form 5329 is used to report additional taxes on qualified plans (including IRAs) and other tax-favored accounts.

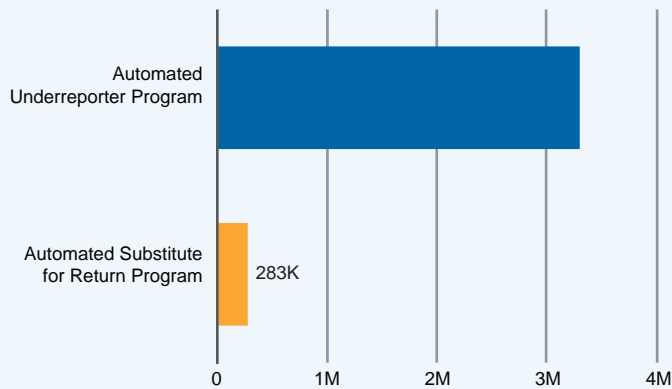
[9] Form 5330 is used to report excise taxes related to employee retirement plans.

[10] Tax Exempt and Government Entities, Employee Plans (EP), often examines retirement plans for which no return is filed. These are called Non-Return Units (NRU).

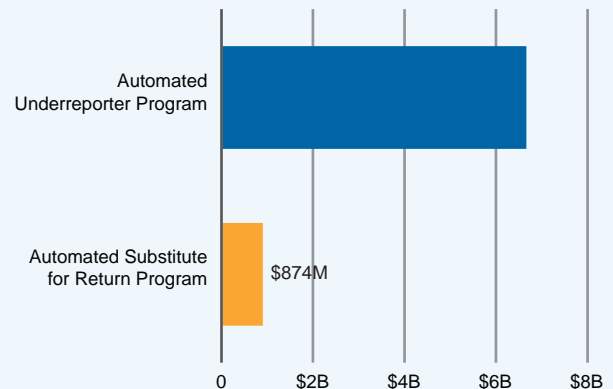
SOURCE: Tax Exempt and Government Entities.

### Information Reporting Program, Fiscal Year 2017

Number of cases closed



Amount of additional assessments



SOURCE: 2017 IRS Data Book Table 14

## Enforcement:

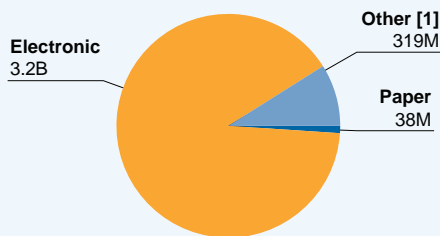
### Information Reporting and Verification

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

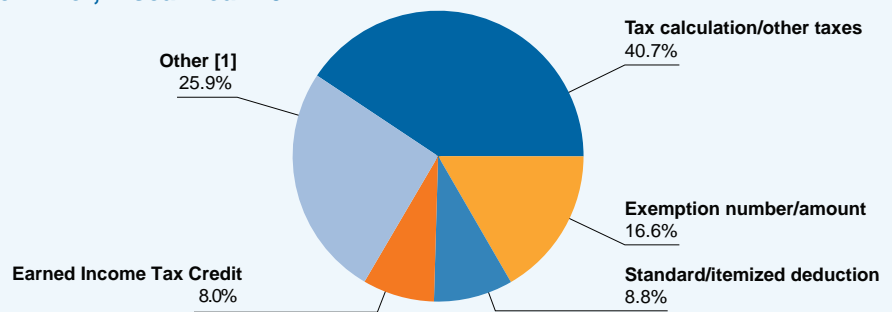
returns from third parties to identify nonfilers; construct tax returns for certain nonfilers based on that third-party information; and assess tax, interest, and penalties based on the substitute returns. To further verify the accuracy of reported information, the IRS also checks for mathematical and clerical errors before refunds are paid.

#### Number of Information Returns Received, by Type, Fiscal Year 2017



[1] Includes forms processed by the Social Security Administration, such as Forms SSA-1099 (Social Security benefit statement), RRB-1099 (payments by the Railroad Retirement Board), and W-2 (wage and tax statement).  
SOURCE: 2017 IRS Data Book Table 14

#### Math Errors on Tax Year 2016 Individual Income Tax Returns, by Type of Error, Fiscal Year 2017



[1] Includes first-time homebuyer credit repayment, adjusted gross/taxable income amount, child tax, education and other credits, refund/amount owed, adjustments to income, filing status, and withholding or excess Social Security payments, and miscellaneous errors.  
SOURCE: 2017 IRS Data Book Table 15

### Highlights of the Data

- In Fiscal Year (FY) 2017, the IRS received almost 3.6 billion third-party information returns; 90.0 percent were filed electronically (Table 14).
- The IRS closed almost 3.3 million cases under the Automated Underreporter Program, resulting in nearly \$6.7 billion in additional assessments (Table 14).
- The IRS closed 283,000 cases under its Automated Substitute for Return Program resulting in \$874.4 million in additional assessments (Table 14).
- For Tax Year (TY) 2016 individual income tax returns processed during FY 2017, IRS sent more than 2.0 million notices to taxpayers for about 2.5 million math errors identified on their returns (Table 15).
- For TY 2016, math errors associated with calculation of income or other taxes made up 40.7 percent of total math errors. For TY 2015 and prior-year returns processed in FY 2017, misreporting the number and amount of exemptions was the most common errors, making up almost 26.0 percent of the total (Table 15).

**Table 14. Information Reporting Program, Fiscal Year 2017**

Item	Number or amount
<b>Number of information returns received (thousands) [1]:</b>	
<b>Total</b>	<b>3,562,641</b>
Paper	37,556
Electronic	3,206,296
Other [2]	318,789
<b>Automated Underreporter Program [3]:</b>	
Number of closed cases (thousands) [4]	3,295
Amount of additional assessments (thousands of dollars) [5]	6,680,878
Number of full-time equivalent positions [6]	1,505
<b>Automated Substitute for Return Program [7]:</b>	
Number of closed cases (thousands) [8]	283
Actual closures	36
Terminated closures	247
Amount of additional assessments (thousands of dollars) [9]	874,400
Number of full-time equivalent positions [6]	61

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

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

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

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

[5] Includes tax and interest.

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

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

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

[9] Includes tax, interest, and penalties assessed.

**SOURCES:**

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

**Table 15. Math Errors on Individual Income Tax Returns, by Type of Error, Fiscal Year 2017**

Math error	Tax Year 2016 returns		Tax Year 2015 and other prior-year returns	
	Number	Percentage of total	Number	Percentage of total
	(1)	(2)	(3)	(4)
<b>Math error notices [1]</b>	<b>2,012,332</b>	<b>N/A</b>	<b>314,115</b>	<b>N/A</b>
<b>Math errors, total [1]</b>	<b>2,511,955</b>	<b>100.0</b>	<b>450,672</b>	<b>100.0</b>
Tax calculation/other taxes [2]	1,021,834	40.7	76,407	17.0
Exemption number/amount	417,683	16.6	117,090	26.0
Standard/itemized deduction	221,110	8.8	31,981	7.1
Earned Income Tax Credit	200,643	8.0	58,253	12.9
Child Tax Credit [3]	126,319	5.0	54,828	12.2
Adjusted gross/taxable income amount	99,244	4.0	13,766	3.1
First-Time Homebuyer Credit Repayment	73,902	2.9	10,950	2.4
Refund/amount owed	71,092	2.8	14,419	3.2
Education Credits [3, 4]	68,135	2.7	17,014	3.8
Adjustments to income	45,550	1.8	7,631	1.7
Filing status	43,603	1.7	18,124	4.0
Withholding or excess Social Security payments	42,714	1.7	11,744	2.6
Other credits [5]	39,282	1.6	7,840	1.7
Other [6]	40,843	1.6	10,626	2.4

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] The number of math errors associated with the Child Tax Credit and Education Credits increased from Fiscal Year (FY) 2016 to FY 2017, in Tax Year 2016 and prior-year returns. The Protecting Americans from Tax Hikes (PATH) Act of 2015, incorporated in the Consolidated Appropriations Act of 2016, expanded the authority of the IRS to deny some credits and personal and dependent exemptions. The new terms of eligibility concerned the expiration of an Individual Taxpayer Identification Number (ITIN), the date a Social Security Number or ITIN was issued, and a ban from the Earned Income Credit.
- [4] Includes the Hope Credit and the American Opportunity Tax Credit.
- [5] Encompasses all credits other than the following credits, which are shown separately: Earned Income Tax Credit, First-Time Homebuyer Credit Repayment, Child Tax Credit, and Education Credits.
- [6] Includes miscellaneous errors and unique error types not included in any other math error definitions.

NOTES:

Detail may not add to totals because of rounding.

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

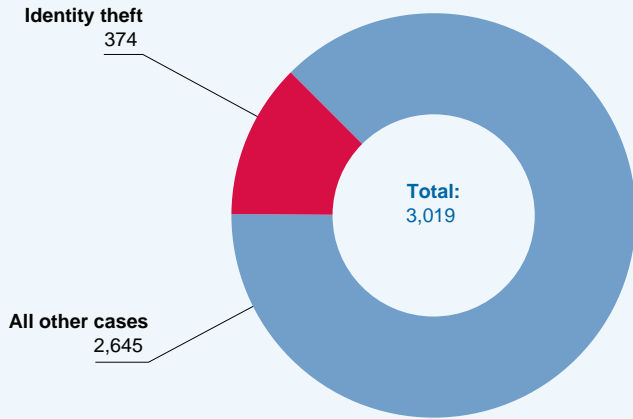
SOURCE: Wage and Investment, Customer Account Services, Submission Processing, Paper Processing Branch.



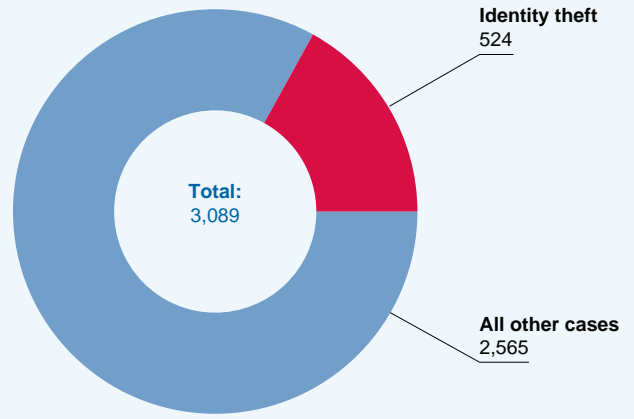


### Criminal Investigations, by Status or Disposition, Fiscal Year 2017

Investigations Initiated



Investigations Completed



SOURCE: 2017 IRS Data Book Table 18

## Enforcement:

### Collections, Penalties, and Criminal Investigation

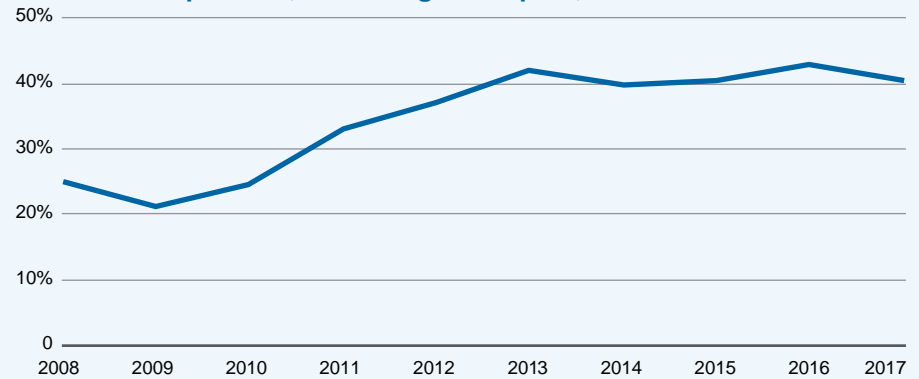
Section 4 of the *IRS Data Book* presents information on collections, penalties, and criminal prosecutions resulting from individuals' or entities' failure to comply with the tax code. IRS's Collection function collects Federal taxes that have been reported or assessed but not paid and

to secure tax returns that have not been filed. Failure to comply with filing, reporting and payment requirements may result in civil penalties or, in some cases, criminal investigation, which may in turn result in prosecution, fines, and imprisonment.

#### Highlights of the Data

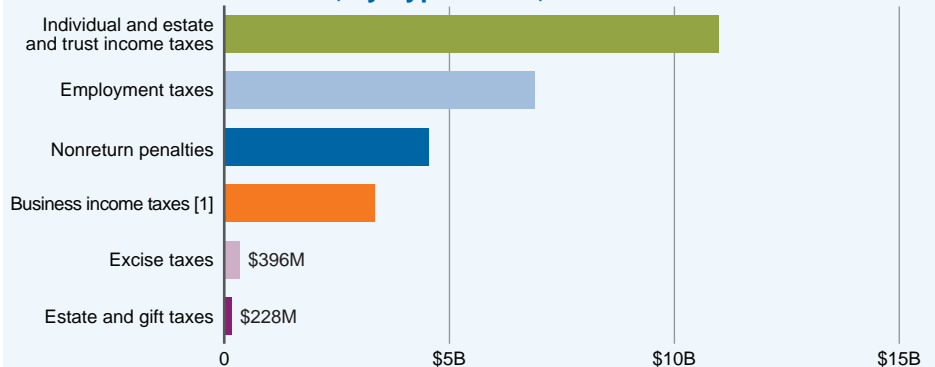
- Overall, in Fiscal Year (FY) 2017, the IRS collected, net of credit transfers, almost \$40.0 billion in unpaid assessments on returns filed with additional tax due (Table 16).
- The IRS assessed more than \$12.5 billion in additional taxes for returns not filed timely and collected more than \$1.6 billion with delinquent returns (Table 16).
- In FY 2017, taxpayers proposed 62,000 offers in compromise to settle existing tax liabilities for less than the full amount owed. IRS accepted 25,000 offers, amounting to almost \$256.0 million, during the year (Table 16).
- The IRS assessed \$26.5 billion in civil penalties. More than \$11.0 billion was assessed in civil penalties on individual and estate and trust income tax returns (Table 17).

#### Offers in Compromise, Percentage Accepted, Fiscal Years 2008–2017



SOURCE: IRS Data Book Table 16

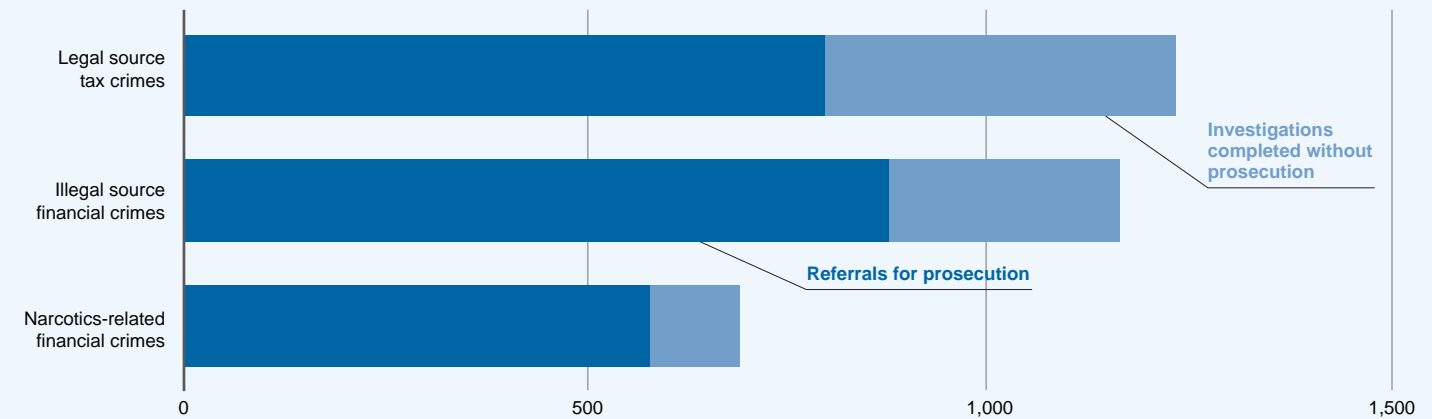
#### Civil Penalties Assessed, by Type of Tax, Fiscal Year 2017



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

SOURCE: 2017 IRS Data Book Table 17

## Number of Criminal Investigations Completed, by Type, Fiscal Year 2017



SOURCE: 2017 IRS Data Book Table 18

- The IRS abated almost \$12.6 billion in civil penalties during the year, including almost \$2.9 billion in abatements for individual and estate and trust income tax returns (Table 17).
- In FY 2017, the IRS initiated 3,019 criminal investigations in these three areas—legal source tax crimes, illegal source financial crimes, and narcotics-related financial crimes. The IRS completed 3,089 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 2017, the IRS completed 1,235 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 2017, the IRS completed 1,162 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 2017, the IRS completed 692 narcotics-related financial crime investigations (Table 18).
- In FY 2017, the IRS initiated 374 cases and completed 524 cases related to identity theft (Table 18).

**Table 16. Delinquent Collection Activities, Fiscal Years 2016 and 2017**

[Money amounts are in thousands of dollars]

Activity	2016	2017
<b>Returns filed with additional tax due:</b>		
Gross total yield from unpaid assessments [1]	52,303,406	54,378,716
Less: Credit transfers [2]	14,925,300	14,395,007
Equals: Net total amount collected	37,378,106	39,983,710
Taxpayer delinquent accounts (thousands):		
Number in beginning inventory	13,371	14,005
Number of new accounts	7,652	8,266
Number of accounts closed	7,018	8,191
Ending inventory:		
Number	14,005	14,080
Balance of assessed tax, penalties, and interest [3]	138,232,446	131,117,253
<b>Returns not filed timely:</b>		
Delinquent return activity:		
Net amount assessed [4]	12,492,286	12,548,113
Amount collected with delinquent returns	2,316,289	1,609,172
Taxpayer delinquency investigations (thousands) [5]:		
Number in beginning inventory	3,045	2,764
Number of new investigations	1,026	362
Number of investigations closed	1,307	834
Number in ending inventory	2,764	2,291
<b>Offers in compromise (thousands) [6]:</b>		
Number of offers received	63	62
Number of offers accepted	27	25
Amount of offers accepted	225,946	255,862
<b>Enforcement activity:</b>		
Number of notices of Federal tax liens filed [7]	470,602	446,378
Number of notices of levy requested on third parties [8]	869,196	590,249
Number of seizures [9]	436	323

- [1] Includes amounts collected through collection activity on previously unpaid assessed taxes plus assessed and accrued penalties and interest. Assessed tax may result from voluntarily filed returns, examinations of taxpayers' returns, or a combination of both.
- [2] In this instance, credit transfers are credits transferred from one tax module to another tax module where the receiving module is in collection status. A tax module is a record of tax data for a specific taxpayer covering one return for one tax period. These credit transfers are then subtracted from total yield to avoid overstating the net total amount collected.
- [3] Includes assessed penalties and interest but excludes any accrued penalties and interest. Assessed penalties and interest—usually determined simultaneously with the unpaid balance of tax—are computed on the unpaid balance of tax from the due date of the return to the date of assessment. Penalties and interest continue to accrue after the date of assessment until the taxpayer's balance is paid in full.
- [4] Includes net assessment of tax, penalty, and interest amounts (less prepaid credits, withholding, and estimated tax payments) on delinquent tax returns secured by collection activity. Excludes accrued penalty and interest.
- [5] A delinquency investigation is opened when a taxpayer does not respond to an IRS notice of a delinquent return.
- [6] An offer in compromise is a proposal by a taxpayer to the Federal Government that would settle a tax liability for payment of less than the full amount owed. Absent special circumstances, an offer will not be accepted if the IRS believes the liability can be paid in full as a lump sum or through a payment agreement.
- [7] Represents the number of lien requests entered into the IRS Automated Lien System.
- [8] Represents the number of levies requested upon third parties by the Automated Collection System and Field Collection programs.
- [9] Represents the number of seizures conducted by the Field Collection program.

**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 Examination, Collection Data Assurance/Special Reports and Plans.

**Table 17. Civil Penalties Assessed and Abated, by Type of Tax and Type of Penalty, Fiscal Year 2017**

[Money amounts are in thousands of dollars]

Type of tax and type of penalty	Civil penalties assessed [1]		Civil penalties abated [2, 3]	
	Number	Amount	Number	Amount
	(1)	(2)	(3)	(4)
<b>Civil penalties, total</b>	<b>38,871,235</b>	<b>26,515,093</b>	<b>4,307,346</b>	<b>12,574,391</b>
<b>Individual and estate and trust income taxes:</b>				
<b>Civil penalties, total [4]</b>	<b>31,194,792</b>	<b>11,013,679</b>	<b>2,861,242</b>	<b>2,894,297</b>
Accuracy [5]	557,147	1,078,288	45,314	208,849
Bad check	655,971	60,375	11,024	18,160
Delinquency	2,546,262	3,045,682	434,315	1,376,371
Estimated tax	9,803,675	1,534,350	142,632	109,728
Failure to pay	17,624,080	5,080,546	2,224,582	1,154,507
Fraud	2,533	156,950	171	10,866
Other [6]	5,124	57,489	3,204	15,817
<b>Partnership income taxes:</b>				
<b>Civil penalties, total [7]</b>	<b>400,443</b>	<b>1,335,355</b>	<b>238,262</b>	<b>971,151</b>
Bad check	538	33	10	9
Delinquency	396,296	1,253,071	235,330	917,701
Failure to provide information [8]	3,609	82,251	2,922	53,442
Estimated tax	0	0	0	0
Other [6]	0	0	0	0
<b>Corporation income taxes:</b>				
<b>Civil penalties, total [9]</b>	<b>555,281</b>	<b>1,499,621</b>	<b>188,304</b>	<b>930,489</b>
Accuracy [5]	751	457,715	d	d
Bad check	8,136	12,051	915	13,803
Delinquency	61,994	321,423	112,228	445,662
Estimated tax	211,279	192,870	10,451	75,398
Failure to pay	272,604	455,221	62,470	293,486
Fraud	174	13,540	d	d
Other	343	46,801	1,863	3,935
<b>S corporation income taxes:</b>				
<b>Civil penalties, total [10]</b>	<b>389,314</b>	<b>536,728</b>	<b>48,322</b>	<b>31,977</b>
Bad check	0	0	0	0
Delinquency	384,039	528,763	48,097	31,645
Failure to file electronically [11]	2,701	4,722	0	0
Estimated tax	1,370	946	0	0
Failure to pay	1,204	2,297	225	331
Other	0	0	0	0
<b>Employment taxes:</b>				
<b>Civil penalties, total [12]</b>	<b>5,360,358</b>	<b>6,929,097</b>	<b>782,526</b>	<b>5,413,431</b>
Accuracy [5]	1,816	4,237	61	608
Bad check	286,881	74,139	18,511	59,485
Delinquency	896,597	1,306,957	125,804	1,501,481
Estimated tax	8,918	20,106	1,494	11,962
Failure to pay	2,873,632	1,359,980	422,394	893,479
Federal tax deposits	1,291,881	4,152,275	214,202	2,946,215
Fraud	243	7,047	0	0
Other	390	4,356	60	201
<b>Excise taxes:</b>				
<b>Civil penalties, total [13]</b>	<b>630,521</b>	<b>395,726</b>	<b>139,730</b>	<b>326,065</b>
Accuracy [5]	1,176	9,340	110	34
Bad check	6,120	3,046	395	2,689
Daily delinquency [14]	54,153	177,271	42,174	149,000
Delinquency	214,800	50,025	19,752	18,681
Estimated tax	8,509	1,706	259	183
Failure to pay	325,775	37,073	64,314	37,799
Federal tax deposits	3,363	42,996	1,026	37,274
Fraud	0	0	4	14,830
Other	16,625	74,268	11,696	65,575
<b>Estate and gift taxes:</b>				
<b>Civil penalties, total [15]</b>	<b>6,494</b>	<b>227,975</b>	<b>3,406</b>	<b>166,823</b>
Accuracy [5]	38	7,498	d	d
Bad check	46	488	d	d
Delinquency	2,263	157,102	1,312	115,289
Failure to pay	4,028	60,768	1,982	48,870
Fraud	0	0	0	0
Other	119	2,118	78	2,075
<b>Nonreturn penalties [16]</b>	<b>334,032</b>	<b>4,576,912</b>	<b>45,554</b>	<b>1,840,157</b>

Footnotes on next page.

**Table 17. Civil Penalties Assessed and Abated, by Type of Tax and Type of Penalty, Fiscal Year 2017—Continued****Footnotes—Continued**

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

- [1] Assessments of penalties included here were recorded in Fiscal Year 2017 regardless of the tax year to which the penalties may apply.
- [2] Abatements of penalties included here were recorded in Fiscal Year 2017 regardless of the tax year to which the penalties may apply.
- [3] An abatement is a reduction of assessed penalties. The IRS may approve an abatement of a penalty for: IRS error; reasonable cause; administrative and collection costs not warranting collection of penalty; discharge of penalty in bankruptcy; and the IRS's acceptance of partial payment of assessed penalty. Numbers and amounts represent only the portion of assessed penalties that were abated.
- [4] Represents penalties associated with the Form 1040 series (individual income tax return series) and Form 1041 (estate and trust income tax return).
- [5] Represents penalties for negligence; substantial understatement of income tax; substantial valuation misstatement; substantial understatement of pension liabilities; substantial estate or gift tax valuation understatement (under Internal Revenue Code section 6662); understatement of reportable transactions (under Internal Revenue Code section 6662A); and underpayment of stamp tax (under Internal Revenue Code section 6653).
- [6] Represents penalties related to failure to supply taxpayer identification number and failure to report tip income.
- [7] In prior years, Partnership penalties were included in Individual and estate and trust income taxes section, and S corporation penalties under the Business income taxes section.
- [8] Represents penalties associated with failure to provide information on Forms 1065 (partnership return) or 8752 (required payment or refund for partnership under Internal Revenue Code section 7519), or failure to file electronically Form 1065-B (large partnership return).
- [9] 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).
- [10] In prior years, S corporation penalties were included in the Business Income Tax section under S corporation/Partnership information.
- [11] Represents penalties associated with failure to file electronically on Forms 1120-S or 8752 (required payment or refund for an S corporation under Internal Revenue Code section 7519).
- [12] 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).
- [13] Represents penalties associated with Forms 11-C (occupational tax and registration for wagering return); 720 (excise tax return); 730 (excise tax return for wagering); 990 (tax-exempt organization information return); 990-PF (private foundation return); 1041-A (information return of charitable contribution deductions by certain trusts); 2290 (heavy highway vehicle use tax return); 4720 (excise tax return of charities and other persons); 5227 (split-interest trust information return); and 8886-T (disclosure by tax-exempt entity regarding prohibited tax shelter transaction).
- [14] Represents penalties under Internal Revenue Code sections 6652 (c)(2)(A) and (B) related to tax-exempt organizations or trusts. Penalties are assessed on a daily basis for failure to file Forms 990 (tax-exempt organization information return); 1041-A (information return of charitable contribution deductions by certain trusts); 5227 (split-interest trust information return); or 8886-T (disclosure by tax-exempt entity regarding prohibited tax shelter transaction).
- [15] Represents penalties associated with Forms 706 (estate tax return) and 709 (gift tax return).
- [16] 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 income and employment taxes are not collected, accounted for, and paid timely. The amount of trust fund recovery penalties credited in Fiscal Year 2017 was \$776,826,929 and is included in the amount abated.

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

SOURCE: Chief Financial Officer, Financial Management.

**Table 18. Criminal Investigation Program, by Status or Disposition, Fiscal Year 2017**

Status or disposition [1]	Total	Legal source tax crimes [2]	Illegal source financial crimes [3]	Narcotics-related financial crimes [4]	Identity theft [5]
	(1)	(2)	(3)	(4)	(5)
<b>Investigations initiated</b>	<b>3,019</b>	<b>1,188</b>	<b>1,096</b>	<b>735</b>	<b>374</b>
<b>Investigations completed</b>	<b>3,089</b>	<b>1,235</b>	<b>1,162</b>	<b>692</b>	<b>524</b>
Referrals for prosecution	2,251	795	875	581	403
Investigations completed without prosecution	838	440	287	111	121
Indictments and informations [6]	2,294	827	882	585	484
Convictions	2,300	927	822	551	n.a
Sentenced	2,549	1,062	872	615	550
Incarcerated [7]	2,043	852	656	535	481
Percentage of those sentenced who were incarcerated [7]	80.1	80.2	75.2	87.0	87.5

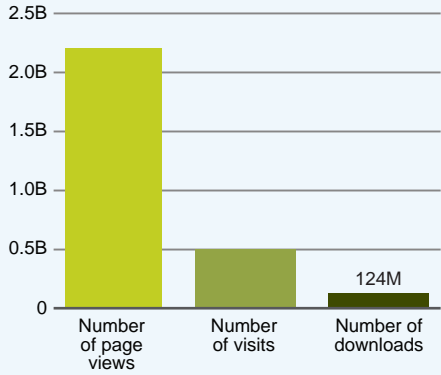
n.a.—Not available due to current system constraints. There are insufficient data available to provide the number of identity theft convictions.

- [1] Investigations may cross fiscal years. An investigation initiated one fiscal year may not be indicted, convicted, or sentenced until a subsequent fiscal year. Therefore, the disposition (completions, indictments/informations, convictions, sentences) of investigations shown in this table may be related to investigations initiated in prior fiscal years.
- [2] Under the Legal Source Tax Crimes Program, IRS Criminal Investigation identifies, investigates, and assists in the prosecution of crimes involving legal industries, legal occupations, and, more specifically, legally earned income associated with the violation of Title 26 (tax violations) and Title 18 (tax-related violations) of the U.S. Code. The Legal Source Tax Crimes Program also includes employment tax cases and those cases that threaten the tax system, such as Questionable Refund Program cases, unscrupulous return preparers, and frivolous filers/nonfilers who challenge the legality of the filing requirements.
- [3] Under the Illegal Source Financial Crimes Program, IRS Criminal Investigation identifies, investigates, and assists in the prosecution of crimes involving proceeds derived from illegal sources other than narcotics. These encompass all tax and tax-related violations, as well as money laundering and currency violations under the following statutes: Title 26 (tax violations); Title 18 (tax-related and money laundering violations); and Title 31 (currency violations) of the U.S. Code. The utilization of forfeiture statutes to deprive individuals and organizations of illegally obtained assets is also linked to the investigation of criminal charges within this program.
- [4] Under the Narcotics-Related Financial Crimes Program, IRS Criminal Investigation seeks to identify, investigate, and assist in the prosecution of the most significant narcotics-related tax and money laundering offenders. The IRS derives authority for this program from the statutes for which it has jurisdiction: Title 26 (tax violations); Title 18 (tax-related and money laundering violations); and Title 31 (currency violations) of the U.S. Code. IRS Criminal Investigation also devotes resources to high-level multiagency narcotics investigations warranting Organized Crime Drug Enforcement Task Force (OCDETF) designation in accordance with OCDETF Program reimbursable funding.
- [5] The data highlighted in gray are a subset of total IRS Criminal Investigations (CI) and include cases from all CI programs: Legal source tax crimes, Illegal source financial crimes, and Narcotics-related financial crimes. IRS CI detects and investigates tax fraud and other financial fraud related to identity theft. Identity theft is often found through the Questionable Refund Program (QRP). The QRP involves the detection of false returns which may have used stolen identities to claim fraudulent tax refunds. Additional areas involving identity theft include employment tax cases, abusive return preparer schemes, and narcotics and money laundering investigations.
- [6] Both "indictments" and "informations" are accusations of criminal charges. An "indictment" is an accusation made by a Federal prosecutor and issued by a Federal grand jury. An "information" is an accusation brought by a Federal prosecutor without the requirement of a grand jury.
- [7] The term "incarcerated" may include prison time, home confinement, electronic monitoring, or a combination thereof.

SOURCE: Criminal Investigation, Communications and Education Division.

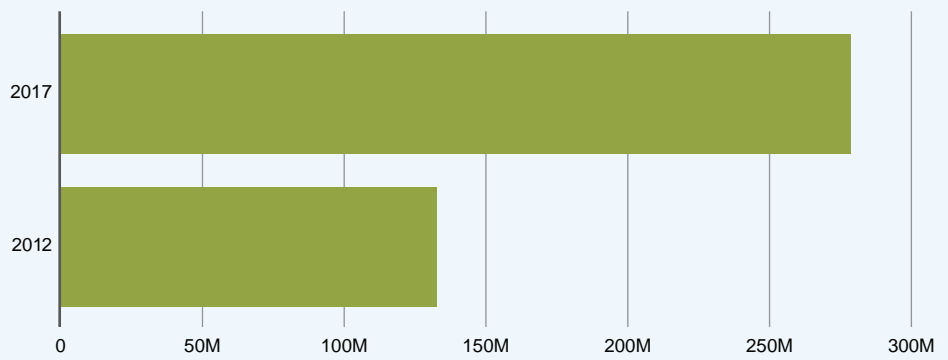
For more information about Criminal Investigation, visit: [https://www.irs.gov/pub/foia/ig/ci/2017\\_criminal\\_investigation\\_annual%20report.pdf](https://www.irs.gov/pub/foia/ig/ci/2017_criminal_investigation_annual%20report.pdf)

**IRS Website Usage, Fiscal Year 2017**



SOURCE: 2017 IRS Data Book Table 19

**“Where’s My Refund” Inquiries, Fiscal Years 2012 and 2017**



SOURCE: IRS Data Book Table 19

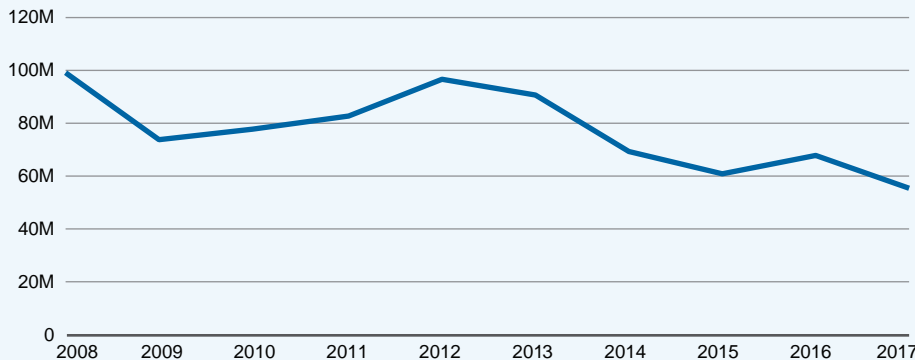
# Taxpayer Assistance

Section 5 of the *Data Book* provides information on the scope and composition of 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 Taxpayer Assistance Centers, and through volunteer-provided income tax assistance. The section also presents information on the IRS Taxpayer Advocate Service and IRS Office of Appeals workload.

## Highlights of the Data

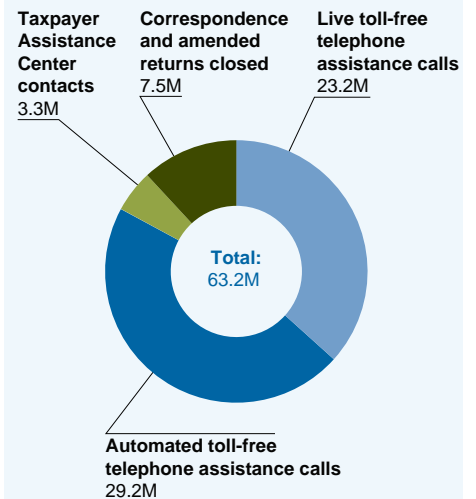
- In Fiscal Year (FY) 2017, the IRS provided taxpayer assistance through almost 495.6 million visits to IRS.gov, assisted more than 63.2 million taxpayers through correspondence, its toll-free telephone helpline or at Taxpayer Assistance Centers, and had more than 278.6 million inquiries to the “Where’s My Refund” application (Table 19).
- Electronic Filing Personal Identification Numbers were discontinued but other electronic transactions continued to grow. There were more than 10.2 million direct pay settlements and 5.3 million active IRS2GO users (Table 19).
- IRS also provided return preparation assistance through its Volunteer

## Call and Face-to-Face Assistance, Total, Fiscal Years 2008–2017



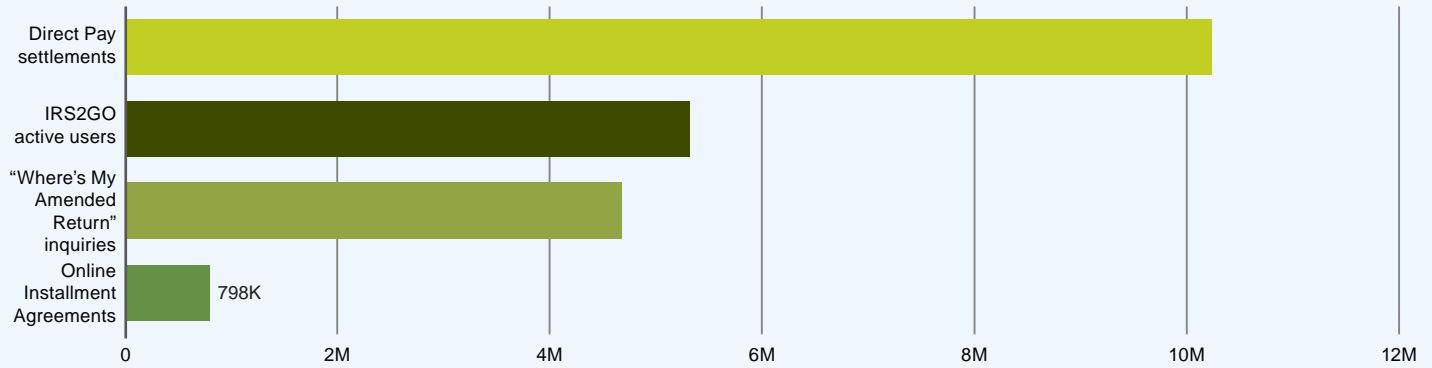
SOURCE: IRS Data Book Table 19

## Taxpayer Assistance, by Type of Assistance, Fiscal Year 2017



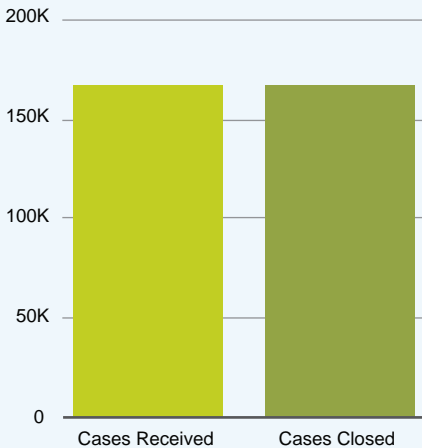
SOURCE: 2017 IRS Data Book Table 19

**Taxpayers Served by Recently Added Taxpayer Assistance Features, Fiscal Year 2017**



SOURCE: 2017 IRS Data Book Table 19

**Taxpayer Advocate Service, Cases Received and Cases Closed, Fiscal Year 2017**



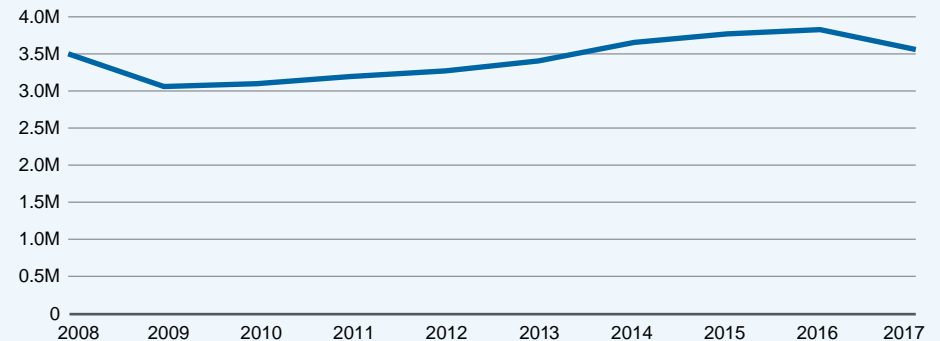
SOURCE: 2017 IRS Data Book Table 20

Income Tax Assistance and Tax Counseling for the Elderly programs, preparing almost 3.6 million returns (Table 19).

- The Taxpayer Advocate Service (TAS) is an independent organization within the IRS that helps taxpayers resolve problems with the IRS, protects taxpayers' rights under the Taxpayer Bill of Rights, and recommends changes that will prevent the problems. Taxpayers may submit an application for assistance to TAS. In FY 2017, TAS received 167,336 new requests for assistance and closed 167,687 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 from and independent of the IRS office that proposed the tax adjustment, collection action, or penalty. During FY 2017, the IRS Appeals Office received 103,574 new cases and closed 107,114 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 2008–2017**



SOURCE: IRS Data Book Table 19



**Table 19. Selected Taxpayer Assistance and Education Programs, by Type of Assistance or Program, Fiscal Year 2017**

Type of assistance or program	Number or percentage
<b>Call and face-to-face assistance, total</b>	<b>55,674,596</b>
Toll-free telephone assistance calls [1]:	
Automated	29,195,567
Live	23,187,265
Taxpayer Assistance Center contacts [2]	3,291,764
<b>Telephone level of service (percentage) [3]</b>	<b>77.1</b>
<b>Average speed of answer (minutes)</b>	<b>8.4</b>
<b>Toll-free assistance customer satisfaction rate (percentage)</b>	<b>90.0</b>
<b>Accuracy of toll-free telephone assistance:</b>	
Tax law questions (percentage accurate)	96.7
Account questions (percentage accurate)	96.0
<b>Taxpayer correspondence:</b>	
Total correspondence and amended returns closed [4]	7,511,087
Correspondence customer satisfaction rate (percentage) [5]	67.0
<b>Forms and publications (paper products):</b>	
Orders for forms, publications, and other paper products	1,900,576
Number of non-IRS outlets stocking paper products [6]	8,173
<b>Assistance provided through the Internet (IRS.gov):</b>	
IRS Website usage [7]:	
Number of visits	495,592,962
Number of page views	2,199,097,860
Number of downloads	124,580,461
IRS Video Portal views [8]	15,141,389
Electronic transactions, total [9]	331,351,144
Direct Pay settlements [10]	10,236,504
Interactive tax assistant [11]	1,185,901
IRS2GO active users [12]	5,308,469
Online Employer Identification Number applications	4,692,629
Online Installment Agreements [13]	798,403
Transcript Delivery System requests fulfilled [14]	25,815,152
"Where's My Amended Return" inquiries	4,673,497
"Where's My Refund" inquiries	278,640,589
Enterprise Taxpayer Self-Assistance Participation Rate (percentage) [15]	79.0
<b>Disaster and emergency assistance:</b>	
Disaster incidents [16]:	
State incidents	23
County/city incidents	599
Taxpayers assisted:	
Number of toll-free disaster hotline calls	27,883
Number of taxpayers assisted at Disaster Recovery Centers [17]	3,292
<b>Taxpayer education and tax return preparation for individual taxpayers:</b>	
Federal returns prepared through Volunteer Income Tax Assistance and Tax Counseling for the Elderly programs	3,558,491
Volunteers assisting in taxpayer education and return preparation programs	87,214
Volunteer Tax Preparation Assistance sites	11,469
Volunteer Income Tax Assistance and Tax Counseling for the Elderly (percentage accurate) [18]	92.8
<b>Taxpayer outreach for small business and self-employed taxpayers:</b>	
Number of events [19, 20]	1,206
Number of participants [20]	126,196
Electronic newsletter subscriptions:	
Number targeted to small business owners	327,128
Number targeted to payroll providers	108,537
Number targeted to tax professionals	314,234

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

[2] Includes contacts at 371 IRS Taxpayer Assistance Centers and 31 Virtual Service Delivery sites. Excludes Volunteer Income Tax Assistance and Tax Counseling for the Elderly sites, which are shown separately in this table.

[3] Represents the relative success rate of taxpayers that call for CAS services seeking assistance from a customer service representative.

[4] Beginning with Fiscal Year (FY) 2016, includes all individual and business taxpayer correspondence for domestic and international taxpayers, injured spouse, penalties, Affordable Care Act, exempt organizations, and amended returns processed in Accounts Management, Wage and Investment Division. Due to the inclusion of additional categories, the FY 2016 and FY 2017 data cannot be compared to the FY 2015 correspondence processed.

[5] The percentage shown in this table represents the results from the Accounts Management Customer Satisfaction (Adjustments) survey and reflects the level of customer satisfaction with adjustment processing and handling of customer account correspondence, claims, and amended returns.

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

Footnotes continued on next page.

**Table 19. Selected Taxpayer Assistance and Education Programs, by Type of Assistance or Program, Fiscal Year 2017—Continued****Footnotes—Continued**

- [7] 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 Web page and ends when the user leaves the IRS.gov Website. Users may access multiple Web pages during a single visit to the IRS Website; these are counted as page views. A download is the process of copying a file, such as Form 1040, from the IRS.gov Website to the user's personal computer.
- [8] The IRS Video Portal provides information through audio and video presentations, as well as webinars (electronic seminars) on a variety of tax-related topics.
- [9] The Electronic Filing Personal Identification Numbers application was discontinued June 17, 2016, and is no longer included in this total.
- [10] Represents the total count of payment settlements plus payment reversals.
- [11] Represents the number of interactions completed using the Interactive Tax Assistant (ITA). The ITA is a tax law resource that takes taxpayers through a series of questions and provides answers to their tax law questions.
- [12] Includes the number of users who opened the IRS2GO mobile application at least once during the fiscal year.
- [13] Includes the number of individual and business installment agreements established or revised online. It also includes the number of short-term extensions (30, 60, and 120 days) and the number of agreements required to pay the balance now.
- [14] The Transcript Delivery System enables authorized tax practitioners to order tax account, tax return transcript, and other tax information for their business and individual clients. Requests are returned to the practitioner's computer through a secure online connection within minutes of the request. Beginning FY 2017, the methodology changed from counting requests received to actual requests delivered or resolved. The change was made for consistency with other transcript applications offered.
- [15] The percentage of taxpayers using self-assistance tools for their service needs. Beginning FY 2017, IRS replaced the current Taxpayer Self Assistance Rate with a new metric, Enterprise Taxpayer Self Assistance Participation Rate. The new metric includes established self-service channels such as Where's My Refund, modernized internet employer identification number (mod-IEIN), interactive tax assistant, Where's My Amended Return, get transcript online or by mail, Federal Student Aid verification, Transcript Delivery System, income verification express service, electronic payments, and online payment agreements. The metric also includes automated calls to the IRS. The metric demonstrates IRS's progress towards providing more service options, and taxpayer's adoption of self-assistance. As new self-assistance applications are provided to the public, they will be added to the methodology.
- [16] Reflects events for which the Federal Emergency Management Agency designated major disaster areas and the IRS granted administrative tax relief.
- [17] The number of taxpayers assisted at Disaster Recovery Centers increased from FY 2016 due to Hurricanes Harvey, Irma, and Maria.
- [18] Represents the accuracy of Federal returns prepared at Volunteer Income Tax Assistance and Tax Counseling for the Elderly sites.
- [19] 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.
- [20] Due to budget constraints, the number of events decreased, but more events were conducted virtually rather than face-to-face, thus allowing the IRS to reach a larger participating audience.

**SOURCES:**

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

**Table 20. Taxpayer Advocate Service: Post-filing Taxpayer Assistance Program, by Type of Issue and Relief, Fiscal Year 2017**

Type of issue and relief	Number	Percentage of total
<b>Taxpayer Advocate Service cases received, top fifteen receipts by type of primary issue [1]:</b>		
<b>Total</b>	<b>167,336</b>	<b>100.0</b>
Identity Theft	23,248	13.9
Pre-Refund Wage Verification Hold	20,014	12.0
Earned Income Tax Credits	13,901	8.3
Processing Amended Return	7,713	4.6
Taxpayer Protection Program issue [2]	6,906	4.1
Other Refund Inquiries/Issues [3]	5,822	3.5
Processing Original Return	5,434	3.2
Affordable Care Act issues [4]	5,108	3.1
Unpostable and Rejected Return	4,942	3.0
Examination Reconsideration	4,596	2.7
Levies	4,500	2.7
Open Examination	3,959	2.4
Injured Spouse Claim	3,871	2.3
Installment Agreements	3,369	2.0
Returned and Stopped Refund	3,196	1.9
All others	50,757	30.3
<b>Taxpayer Advocate Service cases closed, by type of relief [1]:</b>		
<b>Total</b>	<b>167,687</b>	<b>100.0</b>
<b>Relief provided to taxpayer, total</b>	<b>132,300</b>	<b>78.9</b>
Taxpayer Assistance Order issued [5]	153	0.1
No Taxpayer Assistance Order issued [5]	132,147	78.8
Full relief	119,700	71.4
Individual taxpayer issue [6]	111,777	66.7
Systemic issue [7]	7,923	4.7
Partial relief	12,447	7.4
Individual taxpayer issue [6]	11,753	7.0
Systemic issue [7]	694	0.4
<b>No relief provided to taxpayer, total</b>	<b>35,387</b>	<b>21.1</b>
Taxpayer Assistance Order rescinded [5]	30	[8]
No Taxpayer Assistance Order issued [5]	35,357	21.1
No response from taxpayer	19,643	11.7
No relief provided by Taxpayer Advocate Service [9]	9,500	5.7
Taxpayer withdrew application for assistance	1,844	1.1
Tax law precluded relief	494	0.3
Hardship not related to revenue laws	379	0.2
Hardship not validated	347	0.2
All others	3,150	1.9

[1] The table displays the number of cases received for the top fifteen primary issues reported to the Taxpayer Advocate Service (TAS) in Fiscal Year 2017. TAS cases can have more than one issue but they are categorized by their primary issue. TAS generally receives cases from any of the following sources: IRS employee referrals based on IRS guidance; direct taxpayer requests for assistance (by phone, in person, outreach activities, or through correspondence); practitioners; and congressional office referrals. Of the 167,336 TAS case receipts, 10,605 receipts, or 6.3 percent of all receipts, were from congressional offices on behalf of their constituents. Cases may be received in one fiscal year and closed in another.

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

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

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

[5] The National Taxpayer Advocate has the authority to issue a Taxpayer Assistance Order (TAO) when a taxpayer is suffering or about to suffer a significant hardship as a result of the manner in which the Internal Revenue laws are being administered if relief is not granted. A TAO directs an IRS organizational unit to take a specific action or to review, expedite consideration of, or reconsider a taxpayer's case. 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.

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

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

[8] Less than 0.05 percent.

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

NOTE:

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

SOURCE: Taxpayer Advocate Service, Business Assessment.

**Table 21. Appeals Workload, by Type of Case, Fiscal Year 2017**

Type of case	Cases received	Cases closed [1]	Cases pending September 30, 2017
	(1)	(2)	(3)
<b>Total cases [2]</b>	<b>103,574</b>	<b>107,114</b>	<b>51,428</b>
Collection Due Process cases [3]	37,667	39,676	20,345
Examination cases [4]	30,657	33,344	16,906
Penalty appeals cases [5]	10,652	10,152	4,457
Offers in Compromise cases [6]	9,564	9,467	4,804
Innocent spouse cases [7]	3,407	2,465	2,350
Industry cases [8]	955	989	939
Coordinated industry cases [9]	88	139	202
Other cases [10]	10,584	10,882	1,425

[1] Includes cases received in Fiscal Year 2017 and in prior fiscal years. Excludes cases transferred, reassigned, or returned to compliance as a premature referral.

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

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

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

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

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

[7] An innocent spouse case in Appeals is one in which the taxpayer requested and was denied innocent spouse relief by the IRS. This includes cases where a taxpayer who filed a joint return with a spouse or ex-spouse can apply for relief of tax, interest, and penalties if he/she meets specific requirements.

[8] An industry case (IC) designation is assigned to a large corporate taxpayer that does not meet the criteria to be designated as a coordinated industry case (CIC); see footnote 9.

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

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

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

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

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

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

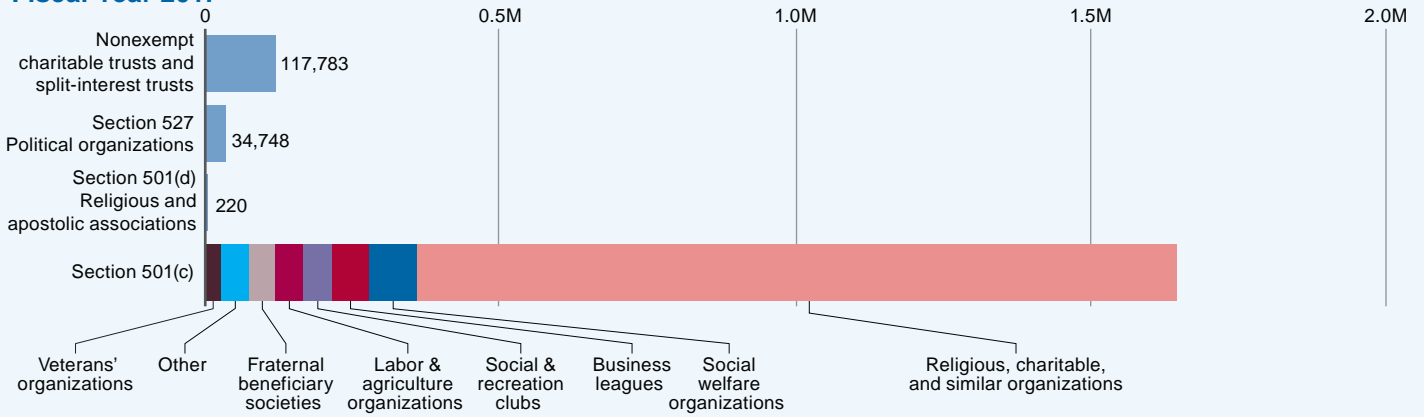
*Trust fund recovery penalty*—An employer is required to pay trust fund taxes to the U.S. Treasury through Federal tax deposits. Withheld income and employment taxes, including Social Security taxes, railroad retirement taxes, or collected excise taxes, are collectively called trust fund taxes because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

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

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

SOURCE: Appeals, Planning Quality and Analysis.

### Tax-Exempt Organizations, Nonexempt Charitable Trusts, and Nonexempt Split-Interest Trusts, Fiscal Year 2017



SOURCE: 2017 IRS Data Book Table 25

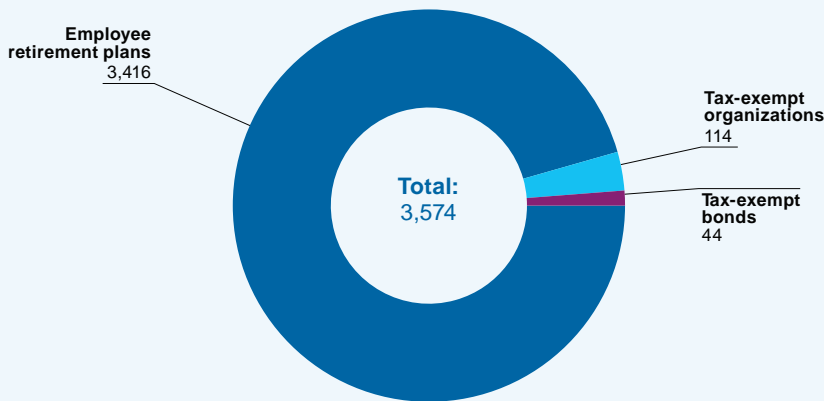
## Tax-Exempt Activities

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

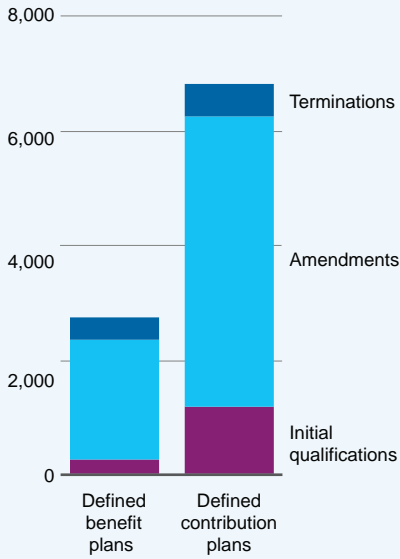
- In Fiscal Year (FY) 2017, the IRS recognized almost 1.8 million organizations, including new determinations, as tax exempt. More than 1.6 million of these organizations were exempt under Internal Revenue Code section 501(c). The majority of these organizations were charities tax exempt under Internal Revenue Code Section 501(c)(3) (Table 25).
- Issuing rulings, providing technical assistance, issuing opinion letters on prototype plans, and congressional

### Tax-Exempt Guidance and Other Regulatory Activities, Fiscal Year 2017



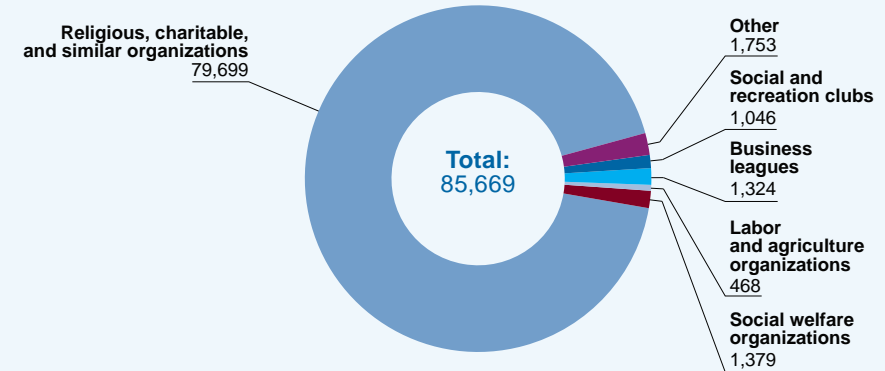
SOURCE: 2017 IRS Data Book Table 22

### Determination Letters Issued on Employee Retirement Plans, Fiscal Year 2017



SOURCE: 2017 IRS Data Book Table 23

### Number of Approvals of Applications for Tax-Exempt Status, by Organization Type, Fiscal Year 2017



SOURCE: 2017 IRS Data Book Table 24a

correspondence compose the 361 technical activities for FY 2017. The IRS devoted additional regulatory resources to voluntary compliance closures (Table 22).

- In FY 2017, the IRS issued a total of 9,570 determination letters on employee retirement plans. These consisted of 2,741 determination letters for defined benefit plans and 6,829 determination letters for defined contribution plans (Table 23).
- In FY 2017, the IRS closed 91,975 applications for tax-exempt status. Of those, the IRS approved tax-exempt status for 85,669 organizations (Table 24a).
- In FY 2017, The IRS acknowledged 1,908 and rejected 474 Forms 8976, *Notice of Intent to Operate Under Section 501(c)(4)* (Table 24b).

**Table 22. Tax-Exempt Guidance and Other Regulatory Activities, Fiscal Year 2017**

Activity	Total	Employee retirement plans	Tax-exempt organizations	Tax-exempt bonds
	(1)	(2)	(3)	(4)
<b>Total</b>	<b>3,574</b>	<b>3,416</b>	<b>114</b>	<b>44</b>
Technical activities	361	247	114	N/A
Requests for rulings [1]	120	120	N/A	N/A
Technical assistance [2]	77	77	N/A	N/A
Opinion letters on prototype plans [3]	28	28	N/A	N/A
Congressional correspondence	136	22	114	N/A
Voluntary compliance closures [4]	3,213	3,169	N/A	44

N/A—Not applicable.

[1] Includes only closures of the requests for rulings over which Employee Plans has authority as described and identified in Revenue Procedure 2017-4 (see *Internal Revenue Bulletin* 2017-1, page 146). Refer to *IRS Data Book* Table 26 for Tax Exempt and Government Entities letter rulings issued for which Chief Counsel now has authority.

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

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

[4] For employee retirement plans, includes voluntary compliance statements and agreements. For tax-exempt bonds, includes all returns closed from voluntary compliance agreements.

SOURCE: Tax Exempt and Government Entities.

**Table 23. Determination Letters Issued on Employee Retirement Plans, by Type and Disposition of Plan, Fiscal Year 2017**

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 [8]	Nonleveraged employee stock ownership [9]	Section 401(k) [10]	Other [11]
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
<b>Total:</b>											
Number of qualified plans [12]	9,570	2,741	6,829	848	9	225	d	d	1,474	3,044	1,221
<b>Initial qualifications:</b>											
Number of qualified plans	1,434	248	1,186	103	d	d	d	0	323	382	354
Number of participating employees [13]	1,473,502	592,665	880,837	136,263	d	d	d	0	109,088	369,304	238,485
<b>Amendments:</b>											
Number of qualified plans	7,189	2,124	5,065	637	5	195	d	d	1,092	2,593	537
Number of participating employees [13]	29,085,517	9,497,074	19,588,443	2,107,153	1,095	383,275	d	d	4,345,121	7,437,981	5,308,082
<b>Terminations:</b>											
Number of qualified plans	947	369	578	108	d	d	0	0	59	69	330
Number of participating employees [13]	258,539	154,697	103,842	16,804	d	d	0	0	9,510	13,575	59,038

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

- [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 Internal Revenue Code 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] The types of plans in the Other category include Cash Balance plans, Pension Equity plans (PEP), and any other nonallocable or nonspecified plans.
- [12] Reflects retirement plans for which IRS issued determination letters. All plans in this table also satisfied the qualification requirements of Federal pension law. Adverse determinations are not included in the table due to disclosure requirements.
- [13] 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 significant differences in the data from year to year.

SOURCE: Tax Exempt and Government Entities.



**Table 24a. Closures of Applications for Tax-Exempt Status, by Organization Type and Internal Revenue Code Section, Fiscal Year 2017**

Type of organization, Internal Revenue Code section	Closures of applications for tax-exempt status [1]			
	Total	Approved	Disapproved	Other [2]
	(1)	(2)	(3)	(4)
<b>Tax-exempt organizations and other entities, total [3]</b>	<b>91,975</b>	<b>85,669</b>	<b>68</b>	<b>6,238</b>
<b>Section 501(c) by subsection, total</b>	<b>91,964</b>	<b>85,660</b>	<b>68</b>	<b>6,236</b>
(2) Title-holding corporations	155	145	0	10
(3) Religious, charitable, and similar organizations [4]	85,553	79,699	42	5,812
(4) Social welfare organizations	1,487	1,379	3	105
(5) Labor and agriculture organizations	497	468	3	26
(6) Business leagues	1,410	1,324	10	76
(7) Social and recreation clubs	1,160	1,046	6	108
(8) Fraternal beneficiary societies	319	293	d	d
(9) Voluntary employees' beneficiary associations	107	98	d	d
(10) Domestic fraternal beneficiary societies	416	387	d	d
(12) Benevolent life insurance associations	81	76	0	5
(13) Cemetery companies	244	236	0	8
(14) State-chartered credit unions	14	d	0	d
(15) Mutual insurance companies	d	d	0	0
(17) Supplemental unemployment compensation trusts	d	d	0	d
(19) Veterans' organizations	487	465	0	22
(25) Holding companies for pensions and other entities	30	d	0	d
(27) State sponsored workers' compensation reinsurance organizations	d	0	0	d
<b>Section 501(d) Religious and apostolic associations</b>	<b>4</b>	<b>d</b>	<b>0</b>	<b>d</b>
<b>Section 521 Farmers' cooperatives</b>	<b>7</b>	<b>d</b>	<b>0</b>	<b>d</b>

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 of applications for the Exempt Organizations function. These include not only initial applications for tax-exempt status, but also other determinations, such as public charity and private foundation status determinations, advance approval of scholarship grant procedures, and group determinations of tax-exempt status.
- [2] Includes applications withdrawn by organizations, applications that did not include the required information, incomplete applications, IRS correction disposals, and others.
- [3] No applications were closed for corporations organized under an Act of Congress (section 501(c)(1)); teachers retirement fund associations (section 501(c)(11)); corporations organized to finance crop operations (section 501(c)(16)); employee-funded pension trusts (section 501(c)(18)); black lung benefits 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 qualified nonprofit health insurance issuers (section 501(c)(29)). Tax-exempt status for legal services organizations (section 501(c)(20)) was revoked effective June 20, 1992. Associate Chief Counsel (Tax Exempt and Government Entities) is now responsible for processing requests related to section 529 qualified State-sponsored tuition programs.
- [4] Includes private foundations and nonexempt charitable trusts (section 4947(a)(1)). Not all organizations described in section 501(c)(3) must apply for recognition of tax-exempt status, including churches, interchurch organizations of local units of a church, integrated auxiliaries of a church, conventions or associations of churches, and organizations (other than private foundations as described in section 509(a)) that have normal gross receipts in each taxable year of not more than \$5,000. In addition, organizations may be recognized as tax-exempt under section 501(c)(3) without filing an application if they are included in a group exemption letter given to an affiliated parent organization.

**NOTE:**

Organizations that meet the requirements of Internal Revenue Code section 501(a) are exempt from Federal income taxation. Organizations may request a determination regarding recognition of their tax-exempt status by completing and submitting the appropriate application form. Information regarding the requirements for recognition of exemption and the forms used to request a determination can be found in Publication 557, *Tax-Exempt Status for Your Organization*, and Revenue Procedure 2017-5.

SOURCE: Tax-Exempt and Government Entities.

**Table 24b. Receipts of Forms 8976, Notices of Intent To Operate Under Section 501(c)(4), Fiscal Year 2017**

Type of notification	Notices of intent to operate under Section 501(c)(4)		
	Total received [1]	Acknowledged	Rejected [2]
	(1)	(2)	(3)
<b>Notice of Intent To Operate Under Section 501(c)(4), Form 8976 [3]</b>	<b>2,182</b>	<b>1,908</b>	<b>474</b>

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

[2] Examples of notices that would be rejected include notices from organizations not required to file Form 8976 (e.g., organizations that previously filed a Forms 990, 990-EZ, 990-N, 1024, or organizations already exempt under other subsections) or where the IRS cannot confirm an organization's Employer Identification Number (EIN).

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

SOURCE: Tax Exempt and Government Entities.

**Table 25. Tax-Exempt Organizations, Nonexempt Charitable Trusts, and Nonexempt Split-Interest Trusts, Fiscal Year 2017**

Type of organization, Internal Revenue Code section	Number of organizations
<b>Tax-exempt organizations, nonexempt charitable trusts and split-interest trusts, total</b>	<b>1,799,401</b>
<b>Recognized section 501(c) by subsection, total [1]</b>	<b>1,646,650</b>
(1) Corporations organized under an act of Congress	651
(2) Title-holding corporations	4,477
(3) Religious, charitable, and similar organizations [2]	1,286,181
(4) Social welfare organizations	81,935
(5) Labor and agriculture organizations	46,660
(6) Business leagues	63,621
(7) Social and recreation clubs	49,175
(8) Fraternal beneficiary societies	44,060
(9) Voluntary employees' beneficiary associations	6,330
(10) Domestic fraternal beneficiary societies	16,390
(12) Benevolent life insurance associations	5,334
(13) Cemetery companies	9,243
(14) State-chartered credit unions	1,808
(15) Mutual insurance companies	690
(17) Supplemental unemployment compensation trusts	94
(19) Veterans' organizations	29,167
(25) Holding companies for pensions and other entities	763
Other 501(c) subsections [3]	71
<b>Recognized section 501(d) Religious and apostolic associations</b>	<b>220</b>
<b>Section 527 Political organizations</b>	<b>34,748</b>
<b>Nonexempt charitable trusts and split-interest trusts</b>	<b>117,783</b>

[1] The number of organizations, by 501(c) subsections, includes organizations that applied for and received recognition of tax-exempt status, or that are exempt by virtue of a tax treaty.

[2] Includes private foundations. 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. Section 501(c)(3) organizations who have not applied for recognition of tax-exempt status are not included in this number.

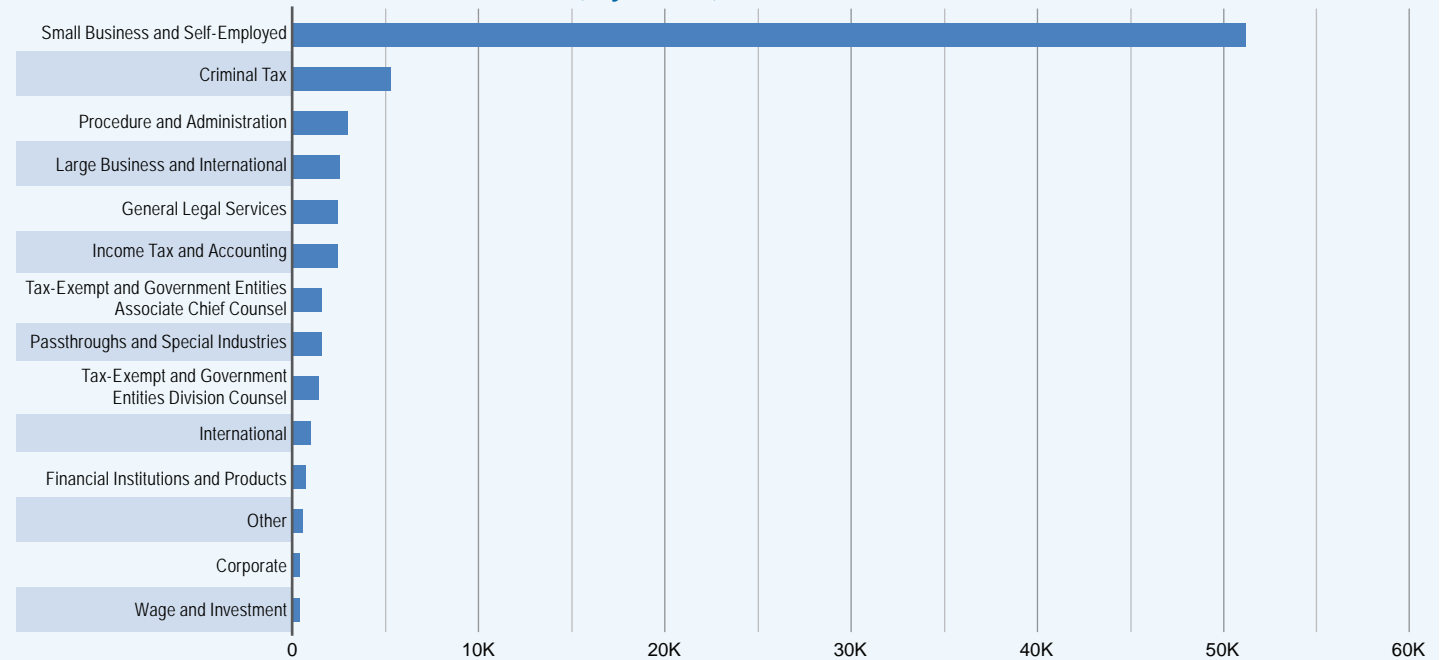
[3] Includes teachers' retirement funds (section 501(c)(11)); corporations organized to finance crop operations (section 501(c)(16)); employee-funded pension trusts (section 501(c)(18)); black lung benefits trusts (section 501(c)(21)); veterans' associations founded prior to 1880 (section 501(c)(23)); trusts described in section 4049 of the Employee Retirement Income Security Act of 1974 (ERISA) (section 501(c)(24)); State-sponsored high-risk health insurance organizations (section 501(c)(26)); State-sponsored workers' compensation reinsurance organizations (section 501(c)(27)); and qualified nonprofit health insurance issuers (section 501(c)(29)). Tax-exempt status for legal services organizations (section 501(c)(20)) was revoked effective June 20, 1992.

**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 24a) is subject to disclosure regulations.

SOURCE: Tax Exempt and Government Entities.



**Chief Counsel Workload: Total Cases Closed, by Office, Fiscal Year 2017**

SOURCE: 2017 IRS Data Book Table 26

## Chief Counsel

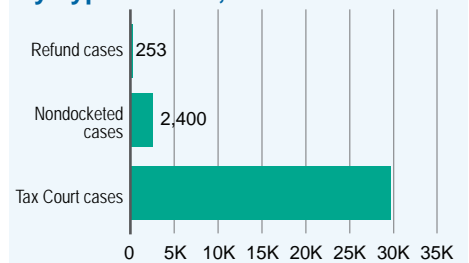
Section 7 of the *Data Book* provides an overview of the IRS Chief Counsel's workload and activities. The IRS Chief Counsel is appointed by the President of the United States, with the advice and consent of the U.S. Senate, and serves as the chief legal advisor to the IRS Commissioner on all matters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

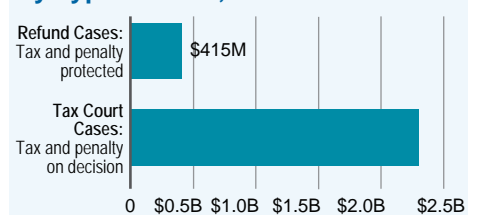
### Highlights of the Data

- In Fiscal Year (FY) 2017, Chief Counsel received 70,604 cases and closed 73,632 cases, including some received in prior years (Table 26).
- Approximately 69.4 percent of closed cases were from the Small Business/Self-Employed Division (Table 26).
- Of the 73,632 cases closed, Chief Counsel closed 8.5 percent through guidance and assistance. This includes published guidance, advanced case resolution, treaties, legislation, Congressional and executive correspondence, training and public outreach, and pre-filing legal advice to the IRS (Table 26).
- Approximately 86.1 percent of both new cases received and cases closed were related to tax law enforcement and litigation, including Tax Court litigation; collection, bankruptcy, and summons advice and

### Total Tax Litigation Cases Closed, by Type of Case, Fiscal Year 2017



### Amount of Tax and Penalty, by Type of Case, Fiscal Year 2017



SOURCE: 2017 IRS Data Book Table 27

litigation; Appellate Court litigation; criminal tax; and enforcement advice and assistance (Table 26).

- In FY 2017, Chief Counsel received 26,856 Tax Court cases involving a taxpayer contesting an IRS determination that he or she owed additional tax. During the fiscal year, Chief Counsel closed 29,802 cases involving almost \$5.2 billion in disputed taxes and penalties (Table 27).

**Table 26. Chief Counsel Workload: All Cases, by Office and Type of Case, Fiscal Year 2017**

Office and type of case	Cases received	Cases closed	Cases pending September 30, 2017
	(1)	(2)	(3)
<b>Chief Counsel (All Offices):</b>			
<b>Total</b>	<b>70,604</b>	<b>73,632</b>	<b>46,527</b>
Guidance and assistance [1]	5,738	6,239	3,997
Tax law enforcement and litigation [2]	60,780	63,406	39,528
Other legal services to the IRS [3]	4,086	3,987	3,002
<b>Corporate:</b>			
<b>Total</b>	<b>400</b>	<b>363</b>	<b>256</b>
Guidance and assistance	181	170	152
Tax law enforcement and litigation	157	129	98
Other legal services to the IRS	62	64	6
<b>Criminal Tax:</b>			
<b>Total</b>	<b>5,118</b>	<b>5,231</b>	<b>578</b>
Guidance and assistance	64	75	8
Tax law enforcement and litigation	5,003	5,109	563
Other legal services to the IRS	51	47	7
<b>Financial Institutions and Products:</b>			
<b>Total</b>	<b>564</b>	<b>657</b>	<b>357</b>
Guidance and assistance	368	482	273
Tax law enforcement and litigation	106	99	72
Other legal services to the IRS	90	76	12
<b>General Legal Services:</b>			
<b>Total</b>	<b>2,453</b>	<b>2,421</b>	<b>2,584</b>
Guidance and assistance	37	25	30
Tax law enforcement and litigation	36	11	135
Other legal services to the IRS	2,380	2,385	2,419
<b>Income Tax and Accounting:</b>			
<b>Total</b>	<b>2,496</b>	<b>2,347</b>	<b>1,088</b>
Guidance and assistance	1,570	1,464	785
Tax law enforcement and litigation	766	718	282
Other legal services to the IRS	160	165	21
<b>International [4]:</b>			
<b>Total</b>	<b>839</b>	<b>918</b>	<b>1,125</b>
Guidance and assistance	302	365	627
Tax law enforcement and litigation	402	417	482
Other legal services to the IRS	135	136	16
<b>Large Business and International [5]:</b>			
<b>Total</b>	<b>2,254</b>	<b>2,480</b>	<b>2,983</b>
Guidance and assistance	185	253	320
Tax law enforcement and litigation	2,058	2,210	2,648
Other legal services to the IRS	11	17	15
<b>Passthroughs and Special Industries [6]:</b>			
<b>Total</b>	<b>1,385</b>	<b>1,471</b>	<b>589</b>
Guidance and assistance	712	850	430
Tax law enforcement and litigation	467	425	137
Other legal services to the IRS	206	196	22
<b>Procedure and Administration:</b>			
<b>Total</b>	<b>3,329</b>	<b>2,937</b>	<b>2,547</b>
Guidance and assistance	586	673	622
Tax law enforcement and litigation	2,203	1,807	1,523
Other legal services to the IRS	540	457	402
<b>Small Business and Self-Employed:</b>			
<b>Total</b>	<b>48,157</b>	<b>51,107</b>	<b>32,471</b>
Guidance and assistance	329	343	144
Tax law enforcement and litigation	47,768	50,702	32,283
Other legal services to the IRS	60	62	44
<b>Tax-Exempt and Government Entities Associate Chief Counsel [7]:</b>			
<b>Total</b>	<b>1,431</b>	<b>1,546</b>	<b>607</b>
Guidance and assistance	841	966	435
Tax law enforcement and litigation	349	351	153
Other legal services to the IRS	241	229	19
<b>Tax-Exempt and Government Entities Division Counsel [7]:</b>			
<b>Total</b>	<b>1,420</b>	<b>1,402</b>	<b>1,147</b>
Guidance and assistance	d	104	d
Tax law enforcement and litigation	1,317	1,298	1,096
Other legal services to the IRS	d	0	d
<b>Wage and Investment:</b>			
<b>Total</b>	<b>304</b>	<b>305</b>	<b>66</b>
Guidance and assistance	131	145	27
Tax law enforcement and litigation	29	17	21
Other legal services to the IRS	144	143	18
<b>Other [8]:</b>			
<b>Total</b>	<b>454</b>	<b>447</b>	<b>129</b>
Guidance and assistance	d	324	d
Tax law enforcement and litigation	119	113	35
Other legal services to the IRS	d	10	d

Footnotes on next page.

**Table 26. Chief Counsel Workload: All Cases, by Office and Type of Case, Fiscal Year 2017—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 pre-filing legal advice to the IRS.
- [2] Includes Tax Court litigation; collection, bankruptcy, and summons advice and litigation; Appellate Court litigation; criminal tax; and enforcement advice and assistance. See Table 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] During the second quarter of 2015, Chief Counsel's Tax-Exempt and Government Entities (TE/GE) business unit reorganized to both align its organizational structure with that of other Chief Counsel components and to provide better service to the IRS and taxpayers. The TE/GE Associate Chief Counsel provides legal advice and litigation support on TE/GE program matters, while the TE/GE Division Counsel directs counsel-wide litigation programs and provides legal services on TE/GE program matters.
- [8] 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 Finance Division.

**Table 27. Chief Counsel Workload: Tax Litigation Cases, by Type of Case, Fiscal Year 2017**

[Money amounts are in millions of dollars]

Type of case	Number or amount
<b>Total cases:</b>	
Received	29,434
Closed	32,455
Pending September 30, 2017	26,203
<b>Tax Court cases [1]:</b>	
Cases received:	
Number	26,856
Amount of tax and penalty in dispute [2]	4,660
Cases closed:	
Number	29,802
Amount of tax and penalty in dispute [2]	5,170
Amount of tax and penalty on decision [3]:	
Total	2,294
Default or dismissed	1,072
Settled	870
Tried and decided	352
Cases pending September 30, 2017:	
Number	24,795
Amount of tax and penalty in dispute [2]	21,182
<b>Tax Court cases on appeal [1]:</b>	
Number pending September 30, 2017	354
Amount of tax and penalty pending September 30, 2017 [2]	3,156
<b>Refund cases [4]:</b>	
Cases received:	
Number	188
Amount of tax and penalty in dispute [2]	2,758
Cases closed:	
Number	253
Amount of tax and penalty in dispute [2]	1,865
Amount of tax and penalty protected [5]:	
Total	415
District Court	335
Court of Federal Claims	80
Cases pending September 30, 2017:	
Number	740
Amount of tax and penalty in dispute [2]	9,968
<b>Refund cases on appeal [4]:</b>	
Number pending September 30, 2017	30
Amount of tax and penalty pending September 30, 2017 [2]	1,390
<b>Number of nondocketed cases [6]:</b>	
Received	2,390
Closed	2,400
Pending September 30, 2017	284

[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:

*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.

*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.

*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.

NOTES:

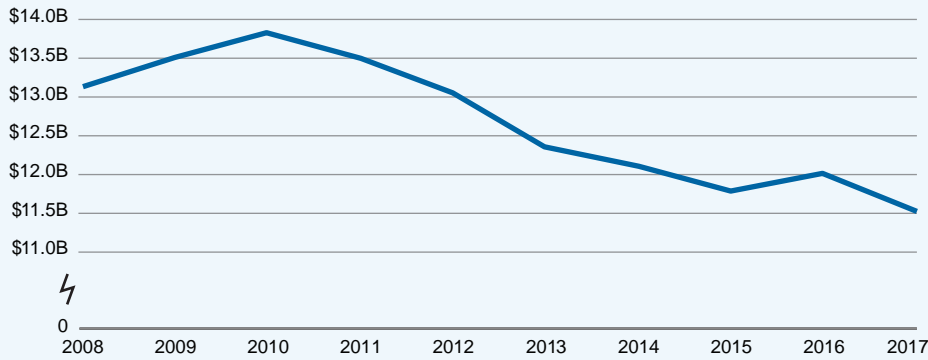
Detail may not add to totals because of rounding.

Amounts in dispute can vary widely from year to year.

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

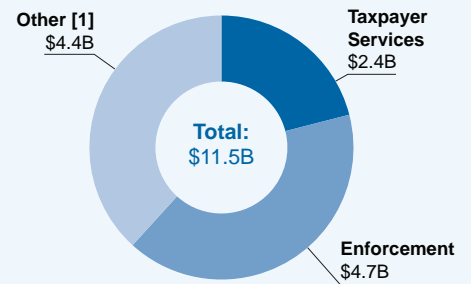


### Operating Costs (Constant Dollars), Fiscal Years 2008–2017



NOTE: Inflation-adjusted amounts were calculated using the U.S. Bureau of Economic Analysis, Nondefense Gross Domestic Product Chain-type Price Index with a 2017 base year.  
SOURCE: IRS Data Book Table 29

### Costs Incurred by Budget Activity, Fiscal Year 2017



[1] Includes operations support and business systems modernization.  
SOURCE: 2017 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.

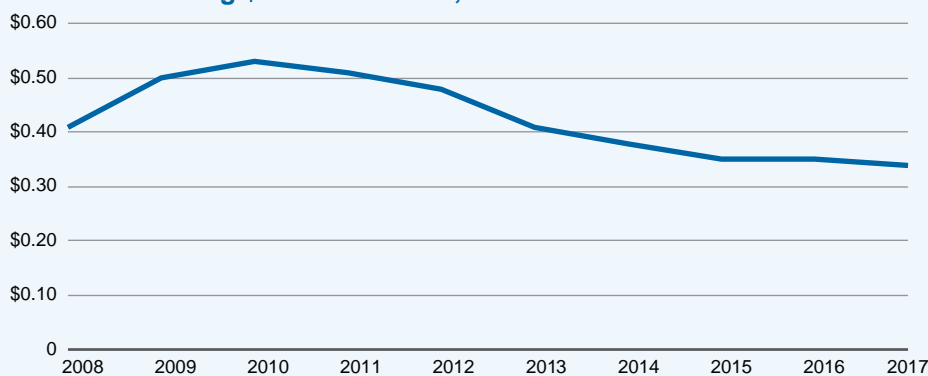
### Highlights of the Data

- IRS’s actual expenditures were \$11.5 billion for overall operations in Fiscal Year (FY) 2017, down from more than \$11.7 billion in FY 2016 (Table 28).
- Taxpayer Services funding, which includes processing for tax returns and related documents, and assistance to taxpayers filing returns and paying taxes due, accounted for \$2.4 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 \$4.7 billion (Table 28).
- Operations Support provides administrative services, policy management, and IRS-wide support

necessary to deliver taxpayer-facing service and enforcement programs. This appropriation also funds staffing, equipment, and related costs used to manage, maintain, and operate critical information systems supporting tax administration. The IRS spent almost \$4.1 billion in operations support in FY 2017 (Table 28).

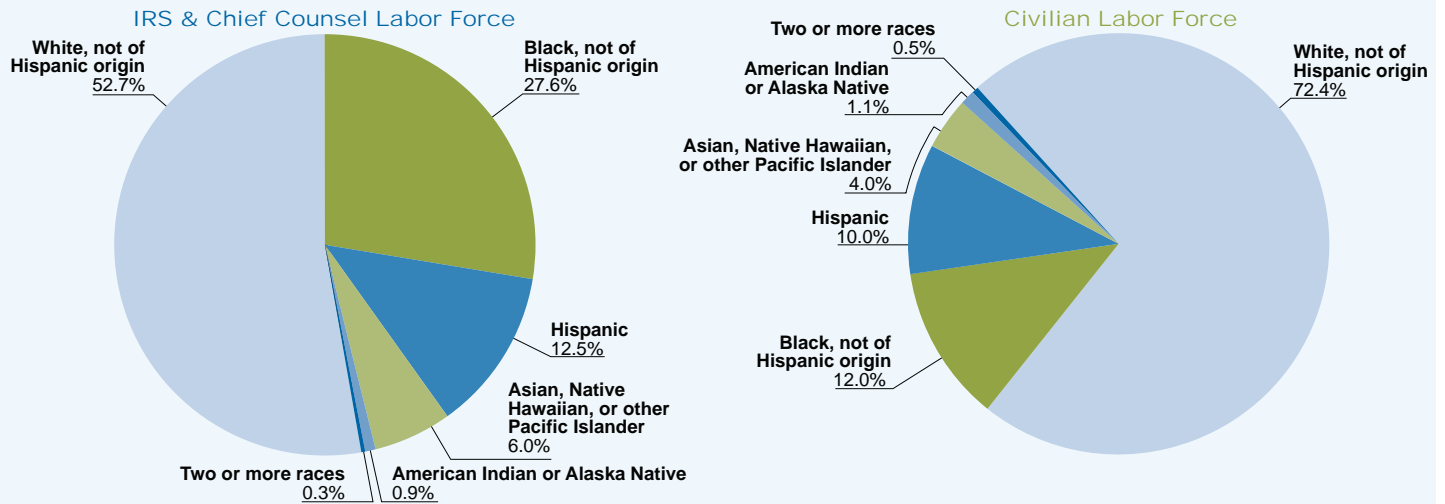
- The balance of IRS’s expenditures, more than \$314.7 million, was spent on capital asset acquisition of information technology systems (Table 28).
- The total cost of collecting \$100 dropped to \$0.34 in FY 2017. (Table 29).
- In FY 2017, the IRS used 76,832 full-time equivalent positions in conducting its work, a decrease of 14.9 percent from 2012 (Table 30).

### Cost of Collecting \$100 of Revenue, Fiscal Years 2008–2017



SOURCE: IRS Data Book Table 29

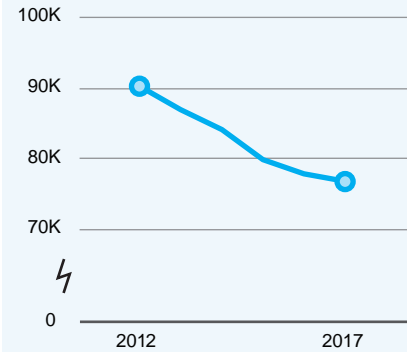
**Internal Revenue Service and Chief Counsel Labor Force, Compared to National Totals for the Civilian Labor Force, by Race/Ethnicity, Fiscal Year 2017**



SOURCE: 2017 IRS Data Book Table 31

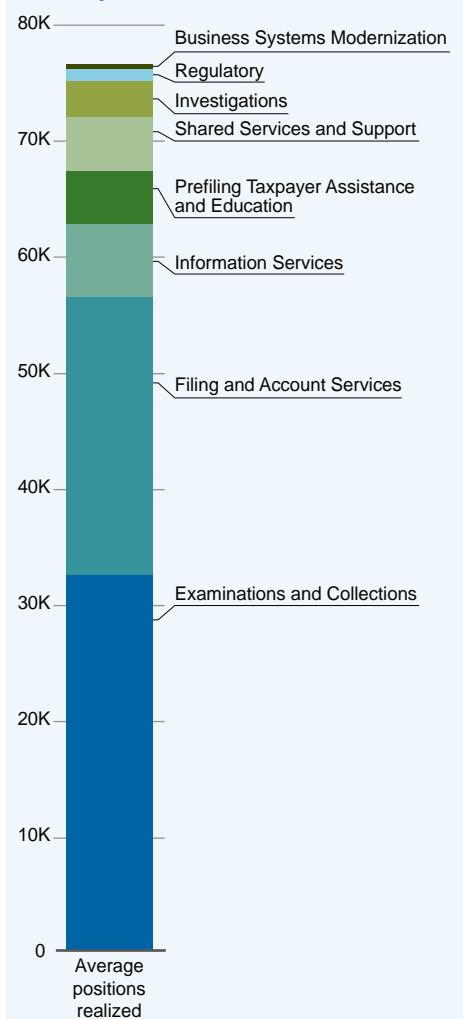
- Almost half of these FTE positions were dedicated to enforcement; 37.4 percent were dedicated to taxpayer services (Table 30).
- Ethnic minority employees made up about 47.3 percent of the IRS and Chief Counsel workforce, as compared to a 27.6 percent share of the overall civilian labor force (Table 31).
- Women represented 65.5 percent of IRS and Chief Counsel personnel, compared to 48.1 percent of the overall civilian labor force (Table 31).
- Almost 9.3 percent of the IRS and Chief Counsel workforce were classified as veterans (Table 31).

**Average Positions Realized, Fiscal Years 2012–2017**



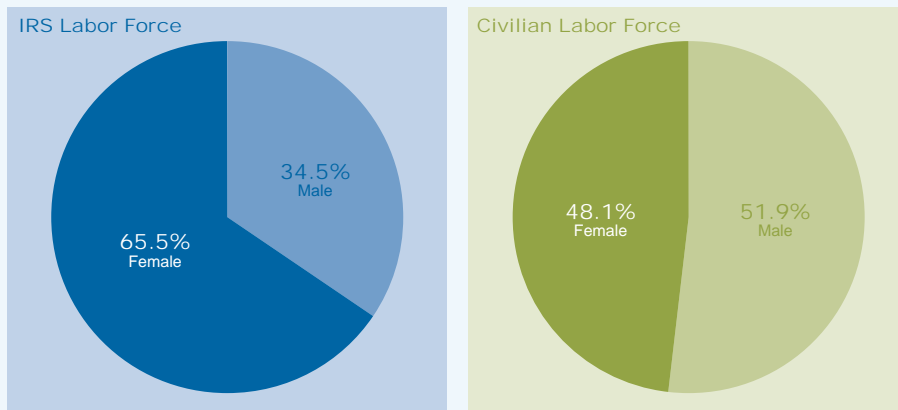
SOURCE: IRS Data Book Table 30

**Personnel Summary, by Budget Activity, Fiscal Year 2017**



SOURCE: 2017 IRS Data Book Table 30

**Internal Revenue Service Labor Force, Compared to National Totals for Civilian Labor Force, by Gender, Fiscal Year 2017**



SOURCE: 2017 IRS Data Book Table 31

**Table 28. Costs Incurred by Budget Activity, Fiscal Years 2016 and 2017**

[Money amounts are in thousands of dollars]

Budget activity	Total [1]		Personnel compensation and benefits [2]		Other [3]	
	2016	2017	2016	2017	2016	2017
	(1)	(2)	(3)	(4)	(5)	(6)
<b>Total obligations against appropriated funds</b>	<b>11,707,422</b>	<b>11,526,389</b>	<b>8,363,146</b>	<b>8,253,070</b>	<b>3,344,276</b>	<b>3,273,319</b>
<b>Taxpayer Services [4]:</b>						
<b>Total</b>	<b>2,405,857</b>	<b>2,421,015</b>	<b>2,228,879</b>	<b>2,259,102</b>	<b>176,978</b>	<b>161,913</b>
Prefiling taxpayer assistance and education	620,445	599,962	551,740	539,864	68,705	60,098
Filing and account services	1,785,412	1,821,053	1,677,139	1,719,238	108,273	101,815
<b>Enforcement [5]:</b>						
<b>Total</b>	<b>4,712,545</b>	<b>4,695,936</b>	<b>4,453,079</b>	<b>4,420,565</b>	<b>259,466</b>	<b>275,371</b>
Investigations	615,494	611,258	548,284	541,488	67,210	69,770
Examinations and collections	3,948,179	3,941,195	3,757,331	3,738,870	190,848	202,325
Regulatory	148,872	143,483	147,464	140,207	1,408	3,276
<b>Operations Support [6]:</b>						
<b>Total</b>	<b>4,204,507</b>	<b>4,094,701</b>	<b>1,609,097</b>	<b>1,481,760</b>	<b>2,595,410</b>	<b>2,612,941</b>
Infrastructure	855,925	876,246	315	324	855,610	875,922
Shared services and support	1,103,014	980,796	721,229	619,304	381,785	361,492
Information services	2,245,568	2,237,659	887,553	862,132	1,358,015	1,375,527
<b>Business Systems Modernization [7]</b>	<b>384,513</b>	<b>314,737</b>	<b>72,091</b>	<b>91,643</b>	<b>312,422</b>	<b>223,094</b>

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

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

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

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

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

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

SOURCE: Chief Financial Officer, Corporate Budget.

**Table 29. Collections, Costs, Personnel, and U.S. Population, Fiscal Years 1988–2017**

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)
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] 310,425	[r] 7,554	94,711
2011	2,414,952,112	12,358,877	0.51	[r] 312,722	[r] 7,722	94,709
2012	2,524,320,134	12,059,409	0.48	[r] 314,987	[r] 8,014	90,280
2013	2,855,059,420	11,597,560	0.41	[r] 317,214	[r] 9,000	86,974
2014	3,064,301,358	11,591,007	0.38	[r] 319,605	[r] 9,588	84,133
2015	3,302,677,258	11,395,839	0.35	[r] 321,966	[r] 10,258	79,890
2016	3,333,449,083	11,707,422	0.35	[r] 324,299	[r] 10,279	77,924
2017	3,416,714,139	11,526,389	0.34	[p] 326,613	[p] 10,461	76,832

[r]—Revised.

[p]—Preliminary.

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

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

[2] Operating costs exclude costs reimbursed by other Federal agencies and private entities for services performed for these external parties. Data represent dollars obligated, expended, and disbursed against direct resources. 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 (Column 1) and an estimate of U.S. population (Column 4).

[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 and Chief Counsel Labor Force, Compared to National Totals for Federal and Civilian Labor Forces, by Gender, Race/Ethnicity, Disability, and Veteran Status) 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.

**Table 30. Personnel Summary, by Employment Status, Budget Activity, and Selected Personnel Type, Fiscal Years 2016 and 2017**

Employment status, budget activity, and selected personnel type	Average positions realized [1]		Number of employees at end of fiscal year	
	2016	2017	2016	2017
	(1)	(2)	(3)	(4)
<b>Internal Revenue Service, total</b>	<b>77,924</b>	<b>76,832</b>	<b>76,219</b>	<b>72,803</b>
<b>Employment status:</b>				
Permanent [2]	76,446	75,253	74,151	70,573
Other [3]	1,478	1,579	2,068	2,230
<b>Budget activity:</b>				
Examinations and collections	33,426	32,604	32,920	31,049
Filing and account services	23,668	24,063	22,494	21,563
Information services	6,300	6,089	6,522	6,569
Prefiling taxpayer assistance and education	5,009	4,700	4,948	4,686
Shared services and support	4,861	4,780	5,003	4,824
Investigations	3,184	3,080	3,215	3,091
Regulatory	1,034	959	1,038	898
Business Systems Modernization	442	557	79	123
<b>Selected personnel type:</b>				
Revenue agents	10,174	9,759	10,244	9,510
Seasonal employees	10,005	10,671	6,461	6,652
Customer service representatives	8,235	9,113	9,563	9,209
Tax examiners	8,267	7,887	8,588	7,936
Revenue officers	3,525	3,434	3,547	3,330
Special agents	2,184	2,124	2,212	2,157
Tax technicians	1,227	1,110	1,179	1,079
Attorneys	1,361	1,346	1,368	1,347
Appeals officers	949	888	925	857

[1] Represents the 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 and Chief Counsel Labor Force, Compared to National Totals for Federal and Civilian Labor Forces, by Gender, Race/Ethnicity, Disability, and Veteran Status) represent the total number of persons, including full-time, part-time, and seasonal workers, employed during the fiscal year.

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

[3] Includes employees on permanent appointment on fewer than 80 hours per pay period of work schedule.

SOURCE: Chief Financial Officer, Corporate Budget.

**Table 31. Internal Revenue Service and Chief Counsel Labor Force, Compared to National Totals for Federal and Civilian Labor Forces, by Gender, Race/Ethnicity, Disability, and Veteran Status, Fiscal Year 2017**

Gender, race/ethnicity, disability, and veteran status	Number of employees			Percentage of total		
	Internal Revenue Service [1]	Chief Counsel [2]	Total Internal Revenue Service and Chief Counsel [3]	Internal Revenue Service and Chief Counsel labor force [3]	Federal civilian labor force [4]	Civilian labor force [5]
	(1)	(2)	(3)	(4)	(5)	(6)
<b>Total</b>	<b>79,300</b>	<b>2,010</b>	<b>81,310</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Gender:</b>						
Male	27,167	872	28,039	34.5	56.6	51.9
Female	52,133	1,138	53,271	65.5	43.4	48.1
<b>Race/ethnicity and gender:</b>						
White, not of Hispanic origin	41,420	1,450	42,870	52.7	63.3	72.4
Male	17,102	730	17,832	21.9	38.8	38.3
Female	24,318	720	25,038	30.8	24.5	34.0
Black, not of Hispanic origin	22,119	286	22,405	27.6	18.2	12.0
Male	4,719	56	4,775	5.9	7.6	5.5
Female	17,400	230	17,630	21.7	10.6	6.5
Hispanic [6]	10,082	105	10,187	12.5	8.8	10.0
Male	3,069	33	3,102	3.8	5.2	5.2
Female	7,013	72	7,085	8.7	3.6	4.8
Asian, Native Hawaiian, or other Pacific Islander	4,750	148	4,898	6.0	6.5	4.0
Male	2,008	42	2,050	2.5	3.5	2.0
Female	2,742	106	2,848	3.5	3.0	2.0
American Indian or Alaska Native	665	12	677	0.9	1.7	1.1
Male	200	6	206	0.3	0.7	0.6
Female	465	6	471	0.6	1.0	0.5
Two or more races	264	9	273	0.3	1.6	0.5
Male	69	5	74	0.1	0.9	0.3
Female	195	4	199	0.2	0.7	0.3
<b>Disability [7]:</b>						
Person with a disability	9,340	188	9,528	11.7	n.a.	n.a.
Person with a targeted disability	3,002	47	3,049	3.7	n.a.	n.a.
<b>Veteran [8]:</b>						
Veteran	7,309	218	7,527	9.3	n.a.	n.a.
Veteran with a disability	2,771	96	2,867	3.5	n.a.	n.a.

n.a.—Not available.

- [1] Includes total full-time, part-time, and seasonal personnel employed by the Internal Revenue Service, excluding IRS Chief Counsel, during Fiscal Year (FY) 2017, i.e., October 1, 2016, through September 30, 2017.
- [2] Includes total full-time, part-time, and seasonal personnel employed by IRS Chief Counsel during FY 2017, i.e., October 1, 2016, through September 30, 2017. Chief Counsel is an organization within the Department of Treasury and separate from the IRS. All Chief Counsel employees are funded by and report to the Chief Counsel as part of the Legal Division of the Department of Treasury. Beginning FY 2015, Chief Counsel workforce counts are displayed in a separate column.
- [3] Includes total full-time, part-time, and seasonal personnel employed by the Internal Revenue Service and IRS Chief Counsel during FY 2017, i.e., October 1, 2016, through September 30, 2017.
- [4] Reflects the Federal civilian labor force as of September 30, 2017, as provided by the U.S. Office of Personnel Management.
- [5] Data from U.S. Department of Commerce, Bureau of the Census (2006–2010 American Community Survey statistics).
- [6] Hispanic or Latino persons of any race are included in the Hispanic category.
- [7] This category is shown separately for information purposes. The term "targeted disability" was originally enacted by the Equal Employment Opportunity Commission (EEOC) in 1979 and refers to certain disabilities that have been identified for emphasis in Federal affirmative employment planning. During FY 2017, the Office of Personnel Management expanded the list of medical conditions to self-identify a disability. As a result this increased the counts of persons with disabilities and persons with targeted disabilities. Persons with a targeted disability are included in the disability total.
- [8] This category is shown separately for information purposes. The primary elements used to identify veterans for Federal employment purposes are Veteran Status, Veterans' Preference, Creditable Military Service, Annuity Code, and Legal Authority Code. Veterans with a disability are included in the veteran total.

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

SOURCE: Office of Equity, Diversity and Inclusion.

## Data Sources, by Subject Area and Table Number

Subject Area	Table Number	Data Sources (by IRS Branch, Division, or Office)
<b>Returns Filed, Taxes Collected, and Refunds Issued</b>	1	Chief Financial Officer, Financial Management
	2	Research, Applied Analytics, and Statistics; Statistics of Income
	3	Research, Applied Analytics, and Statistics; Statistics of Income
	4	Research, Applied Analytics, and Statistics; Statistics of Income
	5	Chief Financial Officer, Financial Management
	6	Chief Financial Officer, Financial Management
	7	Chief Financial Officer, Financial Management
	8	Chief Financial Officer, Financial Management
<b>Enforcement: Examinations</b>	9a	Small Business/Self-Employed, Examination, Performance Planning and Analysis Examination, Small Business Exam Data Management
	9b	Research, Applied Analytics, and Statistics
	10	Small Business/Self-Employed, Examination, Performance Planning and Analysis Examination, Small Business Exam Data Management
	11	Small Business/Self-Employed, Examination, Performance Planning and Analysis Examination, Small Business Exam Data Management
	12	Small Business/Self-Employed, Examination, Performance Planning and Analysis Examination, Small Business Exam Data Management
	13	Tax Exempt and Government Entities
<b>Enforcement: Information Reporting and Verification</b>	14	Research, Applied Analytics, and Statistics, Statistics of Income; Small Business/Self-Employed Examination, Performance Planning and Analysis, Automated Underreporter Program; Small Business/Self-Employed Collections, Headquarters Collection, Inventory Delivery Selection, Automated Substitute for Return Program
	15	Wage and Investment, Customer Account Services, Submission Processing, Paper Processing Branch
<b>Enforcement: Collections, Penalties, and Criminal Investigation</b>	16	Small Business/Self-Employed, Collection, Performance Planning and Analysis Examination, Collection Data Assurance/Special Reports and Plans
	17	Chief Financial Officer, Financial Management
	18	Criminal Investigation, Communications and Education Division
<b>Taxpayer Assistance</b>	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, Planning Quality and Analysis
<b>Tax-Exempt Activities</b>	22	Tax Exempt and Government Entities
	23	Tax Exempt and Government Entities
	24a	Tax Exempt and Government Entities
	24b	Tax Exempt and Government Entities
	25	Tax Exempt and Government Entities
<b>Chief Counsel</b>	26	Chief Counsel, Associate Chief Counsel, Finance and Management, Planning and Finance Division
	27	Chief Counsel, Associate Chief Counsel, Finance and Management, Planning and Finance Division
<b>IRS Budget and Workforce</b>	28	Chief Financial Officer, Corporate Budget
	29	Chief Financial Officer, Corporate Budget and Financial Management
	30	Chief Financial Officer, Corporate Budget
	31	Office of Equity, Diversity and Inclusion

# Principal Officers of the Internal Revenue Service

as of September 30, 2017

## Commissioner

**John A. Koskinen**

### Deputy Commissioner for Services and Enforcement

Kirsten Wielobob

### Deputy Commissioner for Operations Support

Jeffrey J. Tribiano

## Appeals

### Chief, Appeals

Donna C. Hansberry

#### Deputy Chief, Appeals

Andrew J. Keyso (*Acting*)

#### Director, Specialized Examination Programs and Referrals

Jennifer L. Vozne

#### Director, Case and Operations Support

Anita M. Hill

#### Director, Collection Appeals

Scott Reisher

#### Director, Examination Appeals

Renee LaPee (*Acting*)

## Taxpayer Advocate Service

### National Taxpayer Advocate

Nina E. Olson

#### Deputy National Taxpayer Advocate

Bridget Roberts (*Acting*)

#### Executive Director, Systemic Advocacy

Kim S. Stewart

#### Executive Director, Case Advocacy

Rhonda K. Kirby (*Acting*)

#### Executive Director, Intake and Technical Support

Bonnie S. Fuentes

#### Executive Director, Strategy, Assessment and Employee Development

William L. Sanders

## Office of Equity, Diversity and Inclusion

### Executive Director, Equity, Diversity and Inclusion

Elia I. Christiansen

#### Chief of Staff, Equity, Diversity and Inclusion

Kelly A. Key

## Office of Online Services

### Director, Office of Online Services

Paul Mamo

#### Deputy Director, Office of Online Services and Identity Assurance Executive

René Schwartzman

## Office of Professional Responsibility

### Director, Office of Professional Responsibility

Stephen A. Whitlock

## Chief of Staff

Amalia C. Colbert (*Acting*)

## Deputy Chief of Staff

*Vacant*

## Communications and Liaison

### Chief, Communications and Liaison

Terry L. Lemons

#### Director, Office of Legislative Affairs

Leonard T. Oursler

#### Director, Office of Communications

Michelle L. Eldridge

#### Director, Office of National Public Liaison

Melvin Hardy (*Acting*)

## Small Business/Self-Employed Division

### Commissioner, Small Business/Self-Employed

Mary Beth Murphy

#### Deputy Commissioner, Small Business /Self-Employed

Tamera Ripperda

#### Director, Collection

Scott B. Prentky

#### Director, Examination

Brenda Dial

#### Director, Operations Support

Dretha Barham

## Large Business and International Division

### Commissioner, Large Business and International Division

Douglas W. O'Donnell

#### Deputy Commissioner, Large Business and International Division

Thomas Kane (*Acting*)

#### Assistant Deputy Commissioner, Compliance Integration

Tina Meaux

#### Director, Central Compliance Practice Area

Kimberly Edwards (*Acting*)

#### Director, Cross Border Activities Practice Area

John Hinding

#### U.S. Competent Authority

Douglas W. O'Donnell

#### Director, Eastern Compliance Practice Area

Lavena Williams

#### Assistant Deputy Commissioner, International

Theodore Setzer

#### Director, Withholding and International Individual Compliance Practice Area

John Cardone

#### Director, Program and Business Solutions

Dennis Figg

#### Director, Western Compliance Practice Area

Kimberly Edwards

#### Director, Treaty and Transfer Pricing Operations Practice Area

Jennifer Best

#### Director, Pass Through Entities Practice Area

Holly Paz

#### Director, Northeastern Compliance Practice Area

Barbara Harris

#### Director, Enterprise Activities Practice Area

Kathy Robbins



# Principal Officers of the Internal Revenue Service

as of September 30, 2017

## Research, Applied Analytics, and Statistics

### Director, Research, Applied Analytics, and Statistics

Benjamin D. Herndon

*Director, Data Management*  
Jeffrey S. Butler

*Director, Strategy and Business Solutions*  
Holly A. Donnelly

*Director, Data Exploration and Testing*  
John C. Garnish

*Director, Knowledge Development and Application*

Peter J. Rose

*Director, Statistics of Income*  
Barry W. Johnson

## Wage and Investment Division

### Commissioner, Wage and Investment

Kenneth C. Corbin

*Deputy Commissioner*  
David P. Alito

*Director, Customer Account Services*  
James Clifford

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

Dietra Grant

*Director, Return Integrity and Correspondence Services*  
Michael Bebee

## Office of Chief Financial Officer

### Chief Financial Officer

Ursula Gillis

*Deputy Chief Financial Officer*  
Alain A. Dubois

## Agency-Wide Shared Services

### Chief, Agency-Wide Shared Services

Vacant

*Director, Facilities Management and Security Services*  
Richard L. Rodriguez

## Tax Exempt and Government Entities Division

### Commissioner, Tax Exempt and Government Entities

Sunita B. Lough

*Deputy Commissioner, Tax Exempt and Government Entities*  
David Horton

*Director, Employee Plans*  
Robert S. Choi

*Director, Exempt Organizations*  
Margaret Von Lienen

*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

*Director, Program Integration ACA/FATCA*  
John C. Duder

## Criminal Investigation

### Chief, Criminal Investigation

J. Donald Fort

*Deputy Chief, Criminal Investigation*  
Eric Hylton

## Return Preparer Office

### Director, Return Preparer Office

Carol A. Campbell

*Deputy Director, Return Preparer Office*  
Karen Hunter-Thomas (Acting)

## IRS Information Technology

### Chief Information Officer

S. Gina Garza

*Deputy Chief Information Officer, Operations*  
Karen Freeman

*Deputy Chief Information Officer, Strategy/Modernization*  
Marla Somerville

*Associate Chief Information Officer, Applications Development*  
Nancy Sieger

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

*Associate Chief Information Officer, Enterprise Services*  
Daniel S. Hamilton

*Associate Chief Information Officer, Cybersecurity*  
Sharon James

*Associate Chief Information Officer, Strategy and Planning*  
Tommy Smith

*Associate Chief Information Officer, Enterprise Program Management Office*

Linda Gilpin

*Associate Chief Information Officer, Enterprise Operations*  
Rose Hernandez

## Human Capital Office

### IRS Human Capital Officer

Katherine M. Coffman

*Deputy IRS Human Capital Officer*  
Kevin Q. McIver

# Principal Officers of the Internal Revenue Service

as of September 30, 2017

## Office of Chief Risk Officer

### Chief Risk Officer

Thomas Brandt

## Privacy, Governmental Liaison and Disclosure

### Chief Privacy Officer

Edward T. Killen

## Office of Chief Counsel

### Chief Counsel

William M. Paul (*Acting*)

### Deputy Chief Counsel

(Operations)

Drita Tonuzi

### Deputy Chief Counsel

(Technical)

William M. Paul

### Counselor to the Commissioner and Chief Counsel

Charles Pillitteri

### Health Care Counsel

Phil Lindenmuth

### Special Counsel

(National Taxpayer Advocate Service)

Janice R. Feldman

### Division Counsel/Associate Chief Counsel

(Criminal Tax)

Edward F. Cronin

### Division Counsel

(Large Business and International)

Thomas J. Kane

### Division Counsel

(Small Business/Self-Employed)

Bruce Meneely

### Associate Chief Counsel

(Tax Exempt and Government Entities)

Victoria A. Judson

### Division Counsel

(Tax Exempt and Government Entities)

Kyle N. Brown

## Procurement

### Director, Procurement

Shanna R. Webbers

*Deputy Director, Procurement*

Hampden Harrison Smith, IV

## Whistleblower Office

### Director, Whistleblower Office

Lee D. Martin

### Division Counsel

(Wage and Investment)

Joanne B. Minsky

### Associate Chief Counsel

(Corporate)

Robert Wellen

### Associate Chief Counsel

(Finance and Management)

Mark S. Kaizen (*Acting*)

### 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)

Scott Dinwiddie

### Associate Chief Counsel

(International)

Marjorie Rollinson

### Associate Chief Counsel

(Passthroughs and Special Industries)

John Moriarty (*Acting*)

### Associate Chief Counsel

(Procedure and Administration)

Kathryn A. Zuba

# Commissioners of Internal Revenue

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

<b>George S. Boutwell</b> Massachusetts Jul. 17, 1862 to Mar. 4, 1863	<b>Joseph S. Miller</b> West Virginia Apr. 19, 1893 to Nov. 26, 1896	<b>David Burnet</b> Ohio Aug. 20, 1930 to May 15, 1933	<b>Mortimer M. Caplin</b> Virginia Feb. 7, 1961 to Jul. 10, 1964	<b>Michael J. Murphy</b> (Acting) Wisconsin Mar. 5, 1989 to Jul. 4, 1989
<b>Joseph J. Lewis</b> (Acting) Pennsylvania Mar. 5, 1863 to Mar. 17, 1863	<b>W. St. John Forman</b> Illinois Nov. 27, 1896 to Dec. 31, 1897	<b>Pressly R. Baldrige</b> (Acting) Iowa May 16, 1933 to Jun. 5, 1933	<b>Bertrand M. Harding</b> (Acting) Texas Jul. 11, 1964 to Jan. 24, 1965	<b>Fred Goldberg, Jr.</b> Missouri Jul. 5, 1989 to Feb. 2, 1992
<b>Joseph J. Lewis</b> Pennsylvania Mar. 18, 1863 to June 30, 1865	<b>Nathan B. Scott</b> West Virginia Jan. 1, 1898 to Feb. 28, 1899	<b>Guy T. Helvering</b> Kansas Jun. 6, 1933 to Oct. 8, 1943	<b>Sheldon S. Cohen</b> Maryland Jan. 25, 1965 to Jan. 20, 1969	<b>Shirley D. Peterson</b> Colorado Feb. 3, 1992 to Jan. 20, 1993
<b>William Orton</b> New York Jul. 1, 1865 to Oct. 31, 1865	<b>George W. Wilson</b> Ohio Mar. 1, 1899 to Nov. 27, 1900	<b>Robert E. Hannegan</b> Missouri Oct. 9, 1943 to Jan. 22, 1944	<b>William H. Smith</b> (Acting) Virginia Jan. 21, 1969 to Mar. 31, 1969	<b>Michael P. Dolan</b> (Acting) Iowa Jan. 21, 1993 to May 26, 1993
<b>Edward A. Rollins</b> New Hampshire Nov. 1, 1865 to Mar. 10, 1869	<b>Robert Williams, Jr.</b> (Acting) Ohio Nov. 28, 1900 to Dec. 19, 1900	<b>Harold N. Graves</b> (Acting) Illinois Jan. 23, 1944 to Feb. 29, 1944	<b>Randolph W. Thrower</b> Georgia Apr. 1, 1969 to Jun. 22, 1971	<b>Margaret Milner Richardson</b> Texas May 27, 1993 to May 31, 1997
<b>Columbus Delano</b> Ohio Mar. 11, 1869 to Oct. 31, 1870	<b>John W. Yerkes</b> Kentucky Dec. 20, 1900 to Apr. 30, 1907	<b>Joseph D. Nunan, Jr.</b> New York Mar. 1, 1944 to June 30, 1947	<b>Harold T. Swartz</b> (Acting) Indiana Jun. 23, 1971 to Aug. 5, 1971	<b>Michael P. Dolan</b> (Acting) Iowa Jun. 1, 1997 to Nov. 12, 1997
<b>John W. Douglass</b> (Acting) Pennsylvania Nov. 1, 1870 to Jan. 2, 1871	<b>Henry C. Rogers</b> (Acting) Pennsylvania May 1, 1907 to Jun. 4, 1907	<b>George J. Schoeneman</b> Rhode Island Jul. 1, 1947 to Jul. 31, 1951	<b>Johnnie M. Walters</b> South Carolina Aug. 6, 1971 to Apr. 30, 1973	<b>Charles O. Rossotti</b> New York Nov. 13, 1997 to Nov. 6, 2002
<b>Alfred Pleasonton</b> New York Jan. 3, 1871 to Aug. 8, 1871	<b>John G. Capers</b> South Carolina Jun. 5, 1907 to Aug. 31, 1909	<b>John B. Dunlap</b> Texas Aug. 1, 1951 to Nov. 18, 1952	<b>Raymond F. Harless</b> (Acting) California May 1, 1973 to May 25, 1973	<b>Bob Wenzel</b> (Acting) Illinois Nov. 7, 2002 to Apr. 30, 2003
<b>John W. Douglass</b> Pennsylvania Aug. 9, 1871 to May 14, 1875	<b>Royal E. Cabell</b> Virginia Sept. 1, 1909 to Apr. 27, 1913	<b>John S. Graham</b> (Acting) North Carolina Nov. 19, 1952 to Jan. 19, 1953	<b>Donald C. Alexander</b> Ohio May 26, 1973 to Feb. 26, 1977	<b>Mark W. Everson</b> New York May 1, 2003 to May 28, 2007
<b>Daniel D. Pratt</b> Indiana May 15, 1875 to Aug. 1, 1876	<b>William H. Osborn</b> North Carolina Apr. 28, 1913 to Sept. 25, 1917	<b>Justin F. Winkle</b> (Acting) New York Jan. 20, 1953 to Feb. 3, 1953	<b>William E. Williams</b> (Acting) Illinois Feb. 27, 1977 to May 4, 1977	<b>Kevin M. Brown</b> (Acting) Virginia May 29, 2007 to Sept. 8, 2007
<b>Green B. Raum</b> Illinois Aug. 2, 1876 to Apr. 30, 1883	<b>Daniel C. Roper</b> South Carolina Sept. 26, 1917 to Mar. 31, 1920	<b>T. Coleman Andrews</b> Virginia Feb. 4, 1953 to Oct. 31, 1955	<b>Jerome Kurtz</b> Pennsylvania May 5, 1977 to Oct. 31, 1980	<b>Linda E. Stiff</b> (Acting) Germany Sept. 9, 2007 to Mar. 23, 2008
<b>Henry C. Rogers</b> (Acting) Pennsylvania May 1, 1883 to May 10, 1883	<b>William M. Williams</b> Alabama Apr. 1, 1920 to Apr. 11, 1921	<b>O. Gordon Delk</b> (Acting) Virginia Nov. 1, 1955 to Dec. 4, 1955	<b>William E. Williams</b> (Acting) Illinois Nov. 1, 1980 to Mar. 13, 1981	<b>Douglas H. Shulman</b> Ohio Mar. 24, 2008 to Nov. 9, 2012
<b>John J. Knox</b> (Acting) Minnesota May 11, 1883 to May 20, 1883	<b>Millard F. West</b> (Acting) Kentucky Apr. 12, 1921 to May 26, 1921	<b>Russell C. Harrington</b> Rhode Island Dec. 5, 1955 to Sept. 30, 1958	<b>Roscoe L. Egger, Jr.</b> Indiana Mar. 14, 1981 to Apr. 30, 1986	<b>Steven T. Miller</b> (Acting) Ohio Nov. 10, 2012 to May 21, 2013
<b>Walter Evans</b> Kentucky May 21, 1883 to Mar. 19, 1885	<b>David H. Blair</b> North Carolina May 27, 1921 to May 31, 1929	<b>O. Gordon Delk</b> (Acting) Virginia Oct. 1, 1958 to Nov. 4, 1958	<b>James I. Owens</b> (Acting) Alabama May 1, 1986 to Aug. 3, 1986	<b>Daniel I. Werfel</b> (Acting) Virginia May 22, 2013 to Dec. 22, 2013
<b>Joseph S. Miller</b> West Virginia Mar. 20, 1885 to Mar. 20, 1889	<b>Robert H. Lucas</b> Kentucky Jun. 1, 1929 to Aug. 15, 1930	<b>Dana Latham</b> California Nov. 5, 1958 to Jan. 20, 1961	<b>Lawrence B. Gibbs</b> Texas Aug. 4, 1986 to Mar. 4, 1989	<b>John A. Koskinen</b> Ohio Dec. 23, 2013 to Nov. 12, 2017
<b>John W. Mason</b> West Virginia Mar. 21, 1889 to Apr. 18, 1893	<b>H. F. Mires</b> (Acting) Washington Aug. 16, 1930 to Aug. 19, 1930	<b>Charles I. Fox</b> (Acting) Utah Jan. 21, 1961 to Feb. 6, 1961	<b>David Kautter</b> (Acting) Virginia Nov. 13, 2017 to present	

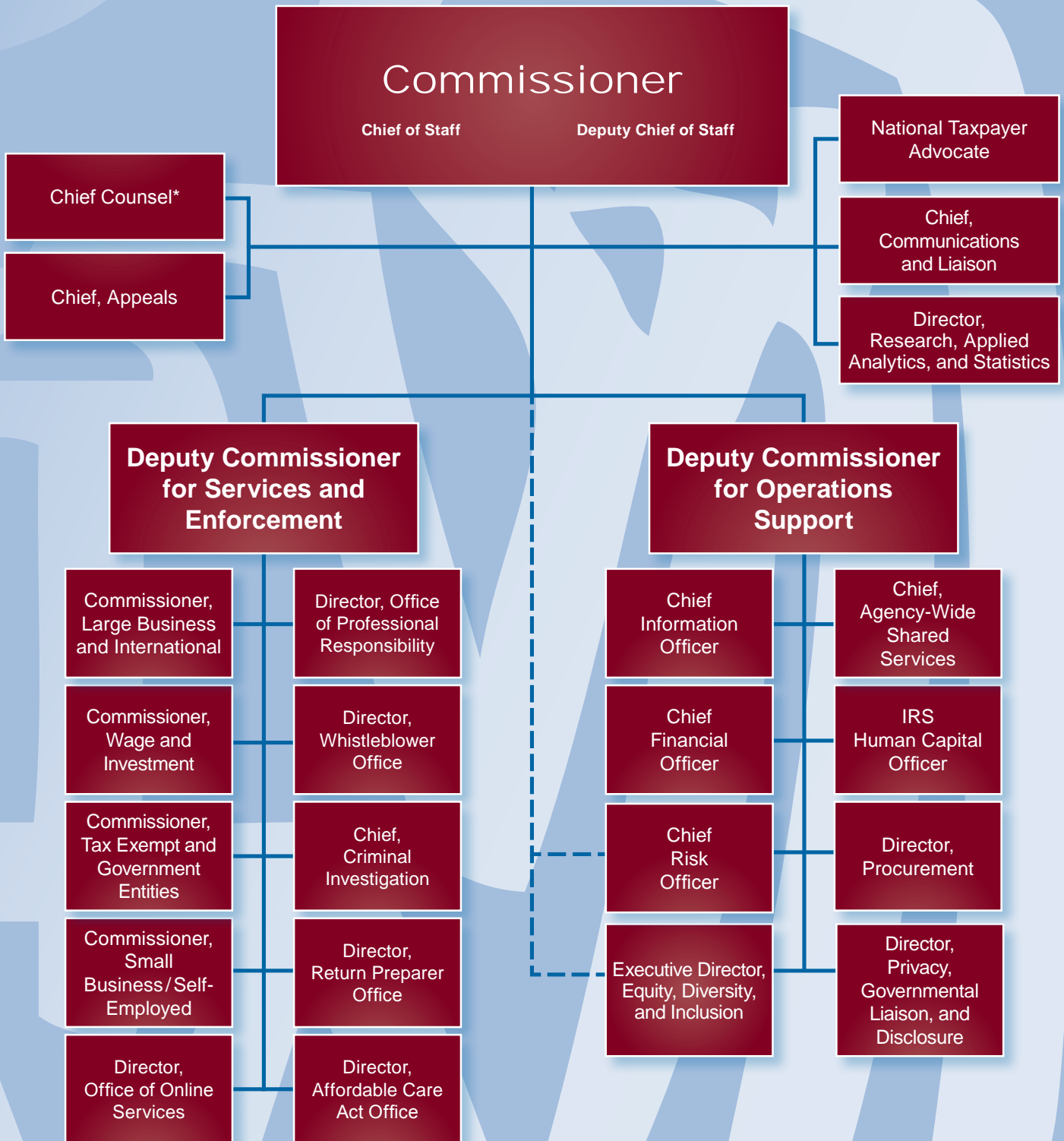
# Chief Counsels for the Internal Revenue Service

Walter H. Smith.....	1866
William McMichael.....	1871
Charles Chesley.....	1871
Thomas J. Smith.....	1888
Alphonso Hart .....	1890
Robert T. Hough .....	1893
George M. Thomas.....	1897
Albert W. Wishard.....	1901
A.B. Hayes.....	1903
Fletcher Maddox.....	1908
Ellis C. Johnson .....	1913
A.A. Ballantine.....	1918
D.M. Kelleher .....	1919
Robert N. Miller .....	1919
Wayne Johnson .....	1920
Carl A. Mapes.....	1920
Nelson T. Hartson.....	1923
Alexander W. Gregg.....	1925
Clarence 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
William M. Paul	Jan. 20, 2017 to present

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



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

