

Internal Revenue Service

17,458,924	1,124,379	16,213,546	1,585,649	14,270,260
131,261,303	9,900,660	118,062,123	36,943,224	80,000,176
74,824,364	14,582,950	56,641,155	9,911,746	46,466,254
7,122,326	655,818	6,184,056	1,820,109	4,341,029
8,279,632	603,353	7,592,855	1,734,272	5,814,711
129,891,703	24,143,928	102,622,203	19,680,063	82,400,136
39,851,966	5,179,590	34,002,874	5,607,673	28,251,515

432,320	1,606,551,781	57,989,543
4,259,140	14,926,629	175,889
906,663	2,761,111	47,221
8,423,114	20,372,655	604,707
2,282,937	16,076,012	705,598
66,285,468	179,715,041	3,566,015
7,765,468	29,440,437	1,405,500
9,663,283	29,299,094	378,574
1,948,833	10,202,519	20,564
1,585,649	14,270,260	8,107
36,943,224	80,000,176	964,934
9,911,746	46,466,254	3,155,922
1,820,109	4,341,029	185,922
1,734,272	5,814,711	185,136
19,680,063	82,400,136	32,747
5,607,673	28,251,515	1,879,155
2,656,746	12,333,530	408,771
3,106,197	12,650,055	161,275
3,285,175	16,383,604	1,484,995
3,373,608	22,211,867	150,423
1,278,878	4,248,091	305,776
8,847,187	37,266,856	169,311
13,311,609	47,715,564	112,598
8,889,841	52,127,749	528,378
6,684,641	49,103,004	243,624
1,721,668	6,876,816	1,388,240
5,999,022	30,902,109	275,915
1,126,834	2,624,052	1,042,439
1,916,546	8,900,001	51,192
6,256,039	9,279,131	103,159
1,871,637	6,432,668	87,070
14,712,728	73,752,255	79,896
1,801,649	5,235,672	1,609,125
36,540,727	134,356,183	27,653
8,684,062	39,323,108	1,143,565
707,331	2,272,331	318,756
10,330,930	62,314,295	20,282
4,257,011	12,048,707	427,017
4,379,128	16,019,389	5,647,913
15,041,366	70,797,849	207,549
1,356,882	6,507,650	2,775,417
3,942,183	25,246,952	7,442
1,331,186	2,654,234	439,600
6,054,796	33,350,510	31,646
31,945,128	112,353,278	911,315
2,875,240	8,426,021	20,702,545
766,290	2,553,679	601,852
11,022,591	38,638,536	27,657
10,967,692	35,266,519	1,341,656
1,137,839	4,273,177	1,073,518
6,299,959	28,481,964	111,654
1,413,201	1,704,024	333,532
332,768	1,864,125	234,763
304,348	3,010,438	4,278
2,391,059	1,747,090	1,205
118,512	48,552	207,332
2,213,400	621,808	2,053
59,147	452,953	598,502
59,147	100,973	7,641
2,304,266	961,118	59,140
72,379,610	1,439,259	11,158,589
73,733,156	1,745,480	12,502,451
65,990,832	1,796,227	12,708,171
61,779,556	1,971,614	15,004,486
74,179,370	2,110,992	17,002,504

DATA BOOK

2007

OCTOBER 1, 2006
to
SEPTEMBER 30, 2007



Department of the Treasury

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 by applying the tax law with integrity and fairness to all.

Internal Revenue Service Data Book, 2007

This report describes activities conducted by the Internal Revenue Service during Fiscal Year 2007 (October 1, 2006, through September 30, 2007). It provides information on returns filed and taxes collected, enforcement, taxpayer assistance, the IRS budget and workforce, and other selected activities.

NOTE: When using information from this report, cite the *Internal Revenue Service Data Book, 2007* 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 12 previous years may be found on the IRS Internet site. The World Wide Web address is: www.irs.gov/taxstats. From the Web site, select "IRS Data Books" in the "Products, Publications, & Papers" section.

For additional information, contact Statistical Information Services at **202-874-0410** or e-mail sis@irs.gov.

Revisions to Fiscal Years 2005 and 2006 *Internal Revenue Service Data Books*

In the Fiscal Years 2005 and 2006 *IRS Data Books*, the civil penalty tables have been revised. Civil penalties assessed and abated are reported in Table 27 for Fiscal Year 2005 and Table 17 for Fiscal Year 2006. These tables have been revised to correct coding for certain penalty-related transactions.

Corrected Table 27 for Fiscal Year 2005 and Table 17 for Fiscal Year 2006 are available at www.irs.gov/taxstats.

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Returns Filed, Taxes Collected, and Refunds Issued

Tables 1 and 2 provide a broad overview of the main functions performed by the IRS: processing Federal tax returns and collecting revenue. During Fiscal Year (FY) 2007, the IRS collected nearly \$2.4 trillion in tax, net of refunds, over 46 percent of which was attributable to the individual income tax.

Tables 3 through 6 provide additional detail on gross collections and returns filed by State, over time, and for different types of electronic returns. More than 87 million returns, including 56.7 percent of individual income tax returns, were filed electronically in FY 2007.

Tables 7 and 8 provide information on tax refunds, by State and type of tax. Individual income tax return filers received tax refunds totaling over \$248 billion in FY 2007.

Table 1. Internal Revenue Collections and Refunds, by Type of Tax, Fiscal Years 2006 and 2007

[Money amounts are in thousands of dollars. For FY 2007 details by State, see Tables 5 and 8.]

Type of tax	Gross collections [1]			Net collections [1]		
	2006	2007	Percentage of 2007 total	2007 refunds [1, 2]	2007	Percentage of 2007 total
United States, total	2,518,680,230	2,691,537,557	100.0	295,246,560	2,396,290,997	100.0
Corporation income tax	380,924,573	395,535,825	14.7	27,054,347	368,481,478	15.4
Regular	380,039,893	394,666,355	14.7	n.a.	n.a.	n.a.
Tax-exempt organization business income tax	884,681	869,471	[3]	n.a.	n.a.	n.a.
Individual income tax [4, 5]	1,236,259,371	1,366,241,437	50.8	248,641,454	1,117,599,983	46.6
Income tax withheld	849,004,371	928,632,327	34.5	n.a.	n.a.	n.a.
Other [6]	387,255,000	437,609,110	16.3	n.a.	n.a.	n.a.
Employment taxes	814,819,218	849,732,729	31.6	11,690,664	838,042,065	35.0
Old-Age, Survivors, Disability, and Hospital Insurance (OASDHI), total [5]	802,612,629	837,598,094	31.1	11,550,344	826,047,750	34.5
Federal Insurance Contributions Act (FICA)	757,547,410	787,759,756	29.3	n.a.	n.a.	n.a.
Self-Employment Insurance Contributions Act (SECA)	45,065,219	49,838,338	1.9	n.a.	n.a.	n.a.
Unemployment insurance	7,533,119	7,416,738	0.3	127,210	7,289,528	0.3
Railroad retirement	4,673,471	4,717,897	0.2	13,110	4,704,787	0.2
Estate and gift taxes	28,687,525	26,977,953	1.0	969,331	26,008,622	1.1
Estate	26,717,493	24,557,815	0.9	922,142	23,635,673	1.0
Gift	1,970,032	2,420,138	0.1	47,189	2,372,949	0.1
Excise taxes	57,989,543	53,049,612	2.0	[7] 6,890,764	46,158,848	2.0

n.a.—Not available.

[1] Includes adjustments and credits. See Tables 5 and 8 for additional detail.

[2] Includes principal and interest paid on refunds. Represents refundable earned income tax credits, refundable child tax credits, overpayment refunds, refunds resulting from examination activity, and other refunds required by law. See Table 8, footnotes 1-2 for additional detail.

[3] Less than 0.05 percent.

[4] Collections include Presidential Election Campaign Fund contributions of \$50.1 million in Fiscal Year 2006 and \$49.8 million in Fiscal Year 2007.

[5] Collections of individual income tax are not reported by payers 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 Table 1 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 other income tax were derived by subtracting the FICA and SECA tax estimates from total tax withheld and other taxes paid. Refund estimates were not made for the components of income and OASDHI taxes.

[6] Includes estate and trust income tax collections of \$17.1 billion in Fiscal Year 2006 and \$21.5 billion in Fiscal Year 2007.

[7] Includes telephone excise tax refunds. See Table 8, footnote 5 for additional detail.

NOTES: Detail may not add to totals because of rounding. Data include adjustments and credits. Gross collections exclude excise taxes paid to the Customs Service and the Alcohol and Tobacco Tax and Trade Bureau. Because refunds of such taxes are recorded by the Internal Revenue Service, they are included here.

SOURCE: Chief Financial Officer, Revenue Financial Management OS:CFO:R

Table 2. Number of Returns Filed, by Type of Return, Fiscal Years 2006 and 2007

[Numbers are in thousands. For FY 2007 details by State, see Table 3.]

Type of return	2006	2007	Percentage change
	(1)	(2)	(3)
United States, total [1]	228,145	235,438	3.2
Income tax	177,404	183,091	3.2
Individual [2]	133,917	138,894	3.7
Forms 1040, 1040A, 1040EZ, 1040EZ-T	133,171	138,131	3.7
Forms 1040NR, 1040NR-EZ, 1040PR, 1040-SS, 1040C	746	763	2.3
Individual estimated tax	30,099	29,996	-0.3
Estate and trust	3,697	3,718	0.6
Estate and trust estimated tax	639	780	22.2
Partnership	2,773	3,097	11.7
S corporation	3,825	4,099	7.2
C or other corporation [3]	2,454	2,508	2.2
Estate tax [4]	58	50	-14.3
Gift tax	256	253	-1.2
Employment taxes [5]	31,182	30,740	-1.4
Tax-exempt organizations [6]	833	901	8.2
Excise taxes [7]	942	907	-3.7
Supplemental documents [8]	17,471	19,496	11.6

[1] Excludes information returns (e.g., Forms 1098, 1099, 5498, W-2 and W-2G, and Schedule K-1) and tax-exempt bond returns (Forms 8038, 8038-G, 8038-GC, 8038-T, and 8328). This table also excludes employee benefit plan returns (Forms 5500 and 5500-EZ) processed by the Department of Labor. See Table 14 for the total number of information returns filed.

[2] Includes Form 1040 (the "long form"); Forms 1040A and 1040EZ (the "short forms"); Form 1040EZ-T (Federal telephone excise tax refund return); Forms 1040NR and 1040NR-EZ (filed by nonresident aliens); Form 1040PR (the self-employment tax form for Puerto Rico residents); Form 1040-SS (the self-employment tax form for U.S. Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands); and Form 1040C (for departing aliens). Form 1040X (amended individual income tax return) is included in supplemental documents. The one-time telephone excise tax refund resulted in an increase in the number of individual income tax returns filed. Some taxpayers who did not otherwise have a filing requirement filed Form 1040EZ-T (telephone excise tax refund), while others filed Forms 1040, 1040A, or 1040EZ to claim the telephone excise tax refund.

[3] Includes Form 1066 (real estate mortgage investment conduits) and the Form 1120 series of returns as follows: 1120 ("long form"); 1120-A ("short form"); 1120-C (cooperative associations); 1120-F (foreign corporations, except foreign life insurance companies); 1120-FSC (foreign sales corporations); 1120-H (homeowner associations); 1120-L (life insurance companies); 1120-ND (nuclear decommissioning funds); 1120-PC (property and casualty insurance companies); 1120-POL (certain political associations); 1120-REIT (real estate investment trusts); 1120-RIC (regulated investment companies); and 1120-SF (settlement funds). Form 1120X (amended return) is included in supplemental documents.

Excludes Form 1120-IC-DISC (interest charge domestic international sales corporations). Also excludes Form 990-T (tax-exempt organization business income tax) included under tax-exempt organizations, although tax collected on these returns is included under corporation income tax in other tables.

[4] Includes Forms 706 (estate and generation-skipping transfer); 706-GS (D) (generation-skipping transfer tax return for distributions); 706-GS(T) (generation-skipping transfer tax return for terminations); and 706-NA (nonresident alien estate and generation-skipping transfer).

[5] Includes Forms 940 (employer's Federal unemployment tax return); 940-EZ ("short form"); 940PR (unemployment tax return, Puerto Rico); 941 (employer return for income and Social Security taxes withheld for other than household and agricultural employees); 941PR/SS (employer return, Puerto Rico; or U.S. Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands); 943 (agricultural employer return); 943PR (agricultural employer return, Puerto Rico); 944 (employer tax return); 945 (return of withheld income tax from nonpayroll distributions); 1042 (return of withheld income tax on U.S.-source income of foreign person); CT-1 (railroad retirement tax return); and CT-2 (railroad retirement tax return for employee representatives).

[6] Includes Forms 990 (tax-exempt organization except private foundation, "long form"); 990-EZ ("short form"); 990-C (farmers' cooperative); 990-PF (private foundation); 990-T (tax-exempt organization business income tax); 4720 (excise taxes of private foundations and other persons); and 5227 (split-interest trust information). Tax collected on Form 990-T is included under corporation income tax in other tables.

[7] Includes Forms 720 (quarterly excise tax); 730 (tax on wagering); 2290 (heavy highway vehicle use tax); and 11-C (occupational tax and registration for wagering). Excludes excise tax returns filed with the Customs Service and Alcohol and Tobacco Tax and Trade Bureau.

[8] Includes Forms 1040X (amended individual income tax); 1041A (charitable contribution deductions by certain trusts); 1120X (amended corporation income tax); 4868 (automatic filing extension for individuals); 2688 (additional filing extension for individuals); 7004 (automatic filing extension for corporations); and 8752 (payment or refund for prior years by certain partnerships and S corporations).

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

SOURCE: Research, Analysis, and Statistics, Office of Research RAS:R

Table 3. Number of Returns Filed, by Type of Return and State, Fiscal Year 2007

State	Total returns [1]	Individual income tax [2]	Individual estimated income tax	Estate and trust income tax	Estate and trust estimated income tax	Partnership	S corporation
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
United States, total	235,438,192	138,893,908	29,995,977	3,717,790	779,979	3,096,964	4,098,695
Alabama	3,150,499	2,021,468	339,591	28,463	6,865	40,433	46,878
Alaska	565,842	341,370	56,781	3,582	1,145	6,120	7,301
Arizona	4,379,920	2,586,387	576,941	44,895	11,267	74,106	71,526
Arkansas	1,940,599	1,182,081	215,030	15,803	4,477	24,495	36,651
California	27,784,332	15,925,182	3,991,916	328,470	96,594	341,249	334,463
Colorado	4,111,577	2,220,625	543,015	40,939	13,792	82,263	101,895
Connecticut	3,008,804	1,711,034	481,880	47,756	16,808	60,191	27,204
Delaware	742,297	411,529	96,038	25,440	5,105	12,387	14,732
District of Columbia	971,573	287,218	65,210	465,730	3,299	7,955	4,882
Florida	15,765,823	8,647,477	1,993,025	174,595	46,213	164,176	556,001
Georgia	6,628,258	4,064,898	628,205	44,172	14,486	79,049	152,890
Hawaii	1,097,173	637,469	167,723	13,151	3,902	10,220	12,186
Idaho	1,145,265	638,980	138,162	7,998	1,971	21,867	24,322
Illinois	10,004,715	5,968,137	1,265,593	204,087	42,301	101,260	208,436
Indiana	4,675,655	2,965,560	587,189	44,034	10,801	49,497	91,434
Iowa	2,370,843	1,376,226	371,427	47,281	4,840	29,794	34,792
Kansas	2,211,997	1,285,611	324,222	26,541	8,149	29,941	30,639
Kentucky	2,882,368	1,822,139	338,962	36,790	6,853	37,537	50,562
Louisiana	3,200,962	1,931,010	322,761	21,104	6,508	51,033	53,297
Maine	1,123,018	632,790	153,440	28,506	4,108	10,495	22,457
Maryland	4,571,290	2,711,618	642,456	53,639	19,056	60,761	73,067
Massachusetts	5,541,063	3,139,717	850,420	156,183	37,443	59,366	87,072
Michigan	7,439,215	4,653,228	868,707	85,191	20,867	99,404	127,496
Minnesota	4,363,830	2,555,729	596,343	50,291	10,646	55,128	90,189
Mississippi	1,897,995	1,228,186	177,666	11,654	3,602	22,633	26,614
Missouri	4,493,625	2,716,829	574,001	76,045	15,063	58,777	62,062
Montana	904,459	464,574	129,602	7,361	2,084	15,463	20,847
Nebraska	1,442,207	832,643	193,102	21,566	4,110	20,057	27,112
Nevada	2,026,738	1,206,328	211,503	15,177	5,105	44,039	40,428
New Hampshire	1,131,755	659,772	171,194	14,238	5,205	14,749	12,253
New Jersey	7,445,112	4,220,282	1,025,121	136,367	27,597	128,238	131,124
New Mexico	1,432,468	884,590	180,179	11,049	3,491	17,255	19,120
New York	15,535,227	8,939,368	1,871,038	317,351	63,076	206,330	358,660
North Carolina	6,531,657	3,994,348	778,359	70,462	12,757	82,053	123,684
North Dakota	571,838	314,183	90,674	6,064	1,103	9,124	8,296
Ohio	8,754,984	5,515,814	1,033,514	180,269	23,813	105,122	120,636
Oklahoma	2,677,409	1,539,523	327,672	80,818	7,804	36,629	45,280
Oregon	3,058,215	1,689,279	455,903	34,009	8,129	42,311	50,268
Pennsylvania	9,808,366	6,033,435	1,398,655	178,486	31,090	108,110	148,094
Rhode Island	889,520	517,468	110,618	26,979	3,775	9,911	18,483
South Carolina	3,105,124	1,942,865	350,060	21,774	6,120	41,566	55,849
South Dakota	690,957	377,082	103,254	10,295	2,851	10,372	12,164
Tennessee	4,245,472	2,733,972	496,159	40,890	14,392	60,077	32,797
Texas	16,554,411	10,041,600	1,756,158	193,744	77,397	265,290	204,889
Utah	1,872,535	1,071,712	173,248	14,196	3,203	53,340	46,586
Vermont	593,908	319,584	100,597	9,086	2,504	5,697	11,418
Virginia	6,001,668	3,613,512	816,940	73,905	18,957	72,755	100,404
Washington	5,320,948	3,008,488	765,767	60,172	18,481	68,130	82,196
West Virginia	1,191,238	769,727	149,893	10,114	2,522	12,457	11,418
Wisconsin	4,523,790	2,734,618	640,461	91,792	14,695	57,969	56,368
Wyoming	496,219	256,835	70,495	5,998	2,720	10,347	10,249
Other	2,563,429	1,549,808	229,107	3,288	837	9,436	1,024

Footnotes at end of table.

Table 3. Number of Returns Filed, by Type of Return and State, Fiscal Year 2007—Continued

State	C or other corporation income tax [3]	Estate tax [4]	Gift tax	Employment taxes [5]	Tax-exempt organizations [6]	Excise taxes [7]	Supplemental documents [8]
	(8)	(9)	(10)	(11)	(12)	(13)	(14)
United States, total	2,507,728	49,924	252,522	30,740,592	900,659	907,165	19,496,289
Alabama	22,329	447	2,774	383,232	9,102	16,932	231,985
Alaska	3,929	61	385	78,664	2,906	3,402	60,196
Arizona	41,062	740	3,581	539,318	12,093	8,364	409,640
Arkansas	16,919	239	1,177	260,103	6,174	14,286	163,164
California	335,799	9,571	24,494	3,611,053	97,129	81,891	2,606,521
Colorado	40,657	709	4,655	631,986	15,766	12,213	403,062
Connecticut	29,243	1,019	8,576	377,005	13,268	6,164	228,656
Delaware	10,248	159	904	99,364	4,717	2,151	59,523
District of Columbia	10,997	193	729	69,378	8,193	218	47,571
Florida	215,418	3,520	20,679	2,146,769	39,452	45,408	1,713,090
Georgia	64,116	1,086	5,772	889,183	18,515	26,607	639,279
Hawaii	15,034	309	1,810	128,691	4,051	1,078	101,549
Idaho	9,367	178	857	198,339	3,727	8,037	91,460
Illinois	115,804	2,152	10,703	1,322,508	37,473	44,795	681,466
Indiana	26,397	618	4,249	575,420	20,193	27,539	272,724
Iowa	24,769	419	2,020	328,001	11,241	21,568	118,465
Kansas	20,379	362	2,270	311,756	9,100	14,407	148,620
Kentucky	20,055	405	2,840	356,809	9,202	16,785	183,429
Louisiana	36,088	429	1,762	404,792	8,892	15,042	348,244
Maine	9,458	233	1,357	171,284	5,495	5,582	77,813
Maryland	56,387	1,026	5,673	553,820	17,484	10,222	366,081
Massachusetts	61,453	1,592	9,720	711,109	31,026	9,749	386,213
Michigan	78,744	1,066	6,090	955,379	26,445	25,797	490,801
Minnesota	35,715	811	6,244	621,929	21,586	31,744	287,475
Mississippi	15,478	181	1,145	230,570	5,338	11,985	162,943
Missouri	40,647	742	4,421	618,492	19,544	22,544	284,458
Montana	10,506	204	1,099	159,994	4,401	7,215	81,109
Nebraska	14,485	253	1,527	217,417	6,985	18,179	84,771
Nevada	35,980	343	1,603	236,090	4,238	8,993	216,911
New Hampshire	12,506	231	1,799	153,516	4,956	3,798	77,538
New Jersey	93,347	2,114	9,962	1,032,137	54,742	17,891	566,190
New Mexico	10,787	194	952	178,455	4,959	6,216	115,221
New York	232,824	4,310	20,724	2,210,953	68,148	22,796	1,219,649
North Carolina	62,817	1,224	6,300	856,038	26,452	29,511	487,652
North Dakota	4,904	83	844	92,139	2,928	12,258	29,238
Ohio	72,623	1,306	8,904	1,022,610	37,065	32,615	600,693
Oklahoma	22,889	382	1,994	359,685	8,668	12,253	233,812
Oregon	25,091	738	3,103	445,381	13,252	11,928	278,823
Pennsylvania	71,465	1,651	11,100	1,188,330	45,658	34,467	557,825
Rhode Island	7,740	248	1,084	127,612	6,451	1,831	57,320
South Carolina	28,847	485	2,922	402,009	8,715	12,529	231,383
South Dakota	5,190	103	816	109,726	3,072	11,293	44,739
Tennessee	35,649	781	3,615	498,003	13,427	18,547	297,163
Texas	181,978	2,494	16,619	1,943,221	46,761	69,965	1,754,295
Utah	17,126	206	919	288,598	5,685	6,564	191,152
Vermont	5,777	124	701	93,936	3,864	2,796	37,824
Virginia	61,940	1,259	6,587	749,433	23,060	16,905	446,011
Washington	44,357	984	5,732	733,791	19,588	25,997	487,265
West Virginia	10,212	130	844	152,100	4,763	6,234	60,824
Wisconsin	41,223	1,022	6,203	584,054	20,738	21,008	253,639
Wyoming	5,052	93	870	85,685	2,375	3,446	42,054
Other	35,921	695	812	244,725	1,596	7,420	478,760

Footnotes at end of table.

Table 3. Number of Returns Filed, by Type of Return and State, Fiscal Year 2007—Continued**Footnotes**

[1] Excludes information returns (e.g., Forms 1098, 1099, 5498, W-2 and W-2G, and Schedule K-1) and tax-exempt bond returns (Forms 8038, 8038-G, 8038-GC, 8038-T, and 8328). This table also excludes employee benefit plan returns (Forms 5500 and 5500-EZ) processed by the Department of Labor. See Table 14 for the total number of information returns filed.

[2] Includes Form 1040 (the "long form"); Forms 1040A and 1040EZ (the "short forms"); Form 1040EZ-T (Federal telephone excise tax refund return); Forms 1040NR and 1040NR-EZ (filed by nonresident aliens); Form 1040PR (the self-employment tax form for Puerto Rico residents); Form 1040-SS (the self-employment tax form for U.S. Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands); and Form 1040C (for departing aliens). Form 1040X (amended individual income tax return) is included in supplemental documents. The one-time telephone excise tax refund resulted in an increase in the number of individual income tax returns filed. Some taxpayers who did not otherwise have a filing requirement filed Form 1040EZ-T (telephone excise tax refund), while others filed Forms 1040, 1040A, or 1040EZ to claim the telephone excise tax refund.

[3] Includes Form 1066 (real estate mortgage investment conduits) and the Form 1120 series of returns as follows: 1120 ("long form"); 1120-A ("short form"); 1120-C (cooperative associations); 1120-F (foreign corporations, except foreign life insurance companies); 1120-FSC (foreign sales corporations); 1120-H (homeowner associations); 1120-L (life insurance companies); 1120-ND (nuclear decommissioning funds); 1120-PC (property and casualty insurance companies); 1120-POL (certain political associations); 1120-REIT (real estate investment trusts); 1120-RIC (regulated investment companies); and 1120-SF (settlement funds). Form 1120X (amended return) is included in supplemental documents.

Excludes Form 1120-IC-DISC (interest charge domestic international sales corporations). Also excludes Form 990-T (tax-exempt organization business income tax), included under tax-exempt organizations, although tax collected on these returns is included under corporation income tax in other tables.

[4] Includes Forms 706 (estate and generation-skipping transfer); 706-GS (D) (generation-skipping transfer tax return for distributions); 706-GS(T) (generation-skipping transfer tax return for terminations); and 706-NA (nonresident alien estate and generation-skipping transfer).

[5] Includes Forms 940 (employer's Federal unemployment tax return); 940-EZ ("short form"); 940PR (unemployment tax return, Puerto Rico); 941 (employer return for income and Social Security taxes withheld for other than household and agricultural employees); 941PR/SS (employer return, Puerto Rico; or U.S. Virgin Islands, Guam, American Samoa, and Northern Mariana Islands); 943 (agricultural employer return); 943PR (agricultural employer return, Puerto Rico); 944 (employer tax return); 945 (return of withheld income tax from nonpayroll distributions); 1042 (return of withheld income tax on U.S.-source income of foreign person); CT-1 (railroad retirement tax return); and CT-2 (railroad retirement tax return for employee representatives).

[6] Includes Forms 990 (tax-exempt organization except private foundation, "long form"); 990-EZ ("short form"); 990-C (farmers' cooperative); 990-PF (private foundation); 990-T (tax-exempt organization business income tax); 4720 (excise taxes of private foundations and other persons); and 5227 (split-interest trust). Tax collected on Form 990-T is included under corporation income tax in other tables.

[7] Includes Forms 720 (quarterly excise tax); 730 (tax on wagering); 2290 (heavy highway vehicle use tax); and 11-C (occupational tax and registration for wagering). Excludes excise tax returns filed with the Customs Service and Alcohol and Tobacco Tax and Trade Bureau.

[8] Includes Forms 1040X (amended individual income tax); 1041A (charitable contribution deductions by certain trusts); 1120X (amended corporation income tax); 4868 (automatic filing extension for individuals); 2688 (additional filing extension for individuals); 7004 (automatic filing extension for corporations); and 8752 (payment or refund for prior years by certain partnerships and S corporations).

NOTE: In general, classification by State is based on the taxpayer'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, or, in the case of certain individuals who were sole proprietors, partners in a partnership, or shareholders in an S corporation, the business address. Such addresses could have been located in a State other than the State in which the individual resided.

SOURCE: Research, Analysis, and Statistics, Office of Research RAS:R

Table 4. Number of Returns Filed Electronically, by Type of Return and State, Fiscal Year 2007

State	Total returns [1]	Total individual e-filed returns [2]	Type of individual e-file		Estate and trust income tax (5)
			Online [3]	Practitioner [4]	
			(3)	(4)	
United States, total	87,305,241	78,728,542	22,413,421	56,315,121	1,380,276
Alabama	1,357,069	1,310,927	291,599	1,019,328	6,772
Alaska	190,866	183,825	74,631	109,194	184
Arizona	1,581,836	1,430,863	459,519	971,344	6,596
Arkansas	768,975	745,790	166,748	579,042	794
California	10,587,212	9,328,180	1,893,009	7,435,171	18,948
Colorado	1,246,811	1,122,426	428,328	694,098	2,273
Connecticut	1,143,776	1,004,003	260,397	743,606	3,075
Delaware	270,777	230,510	77,965	152,545	11,358
District of Columbia	640,852	148,327	53,666	94,661	458,414
Florida	5,208,028	4,699,103	1,523,062	3,176,041	40,595
Georgia	2,684,207	2,499,985	747,759	1,752,226	1,616
Hawaii	313,551	288,542	85,451	203,091	1,727
Idaho	413,600	398,866	125,848	273,018	337
Illinois	3,437,656	3,095,556	920,510	2,175,046	73,510
Indiana	1,811,481	1,711,262	538,860	1,172,402	7,058
Iowa	1,013,231	970,487	213,748	756,739	18,250
Kansas	813,300	765,766	221,188	544,578	3,484
Kentucky	1,183,311	1,123,196	272,624	850,572	15,617
Louisiana	1,118,801	1,067,175	292,026	775,149	770
Maine	341,235	297,178	114,229	182,949	862
Maryland	1,503,336	1,342,850	472,365	870,485	3,962
Massachusetts	2,296,538	1,837,040	516,334	1,320,706	74,931
Michigan	3,407,770	3,096,124	793,449	2,302,675	28,800
Minnesota	1,925,384	1,750,548	451,275	1,299,273	13,712
Mississippi	808,073	789,737	164,890	624,847	1,813
Missouri	1,709,890	1,584,572	429,312	1,155,260	28,791
Montana	287,755	273,829	68,305	205,524	708
Nebraska	544,408	513,147	152,326	360,821	5,264
Nevada	749,803	678,901	207,284	471,617	1,096
New Hampshire	391,387	345,588	139,328	206,260	1,350
New Jersey	2,741,507	2,281,692	469,911	1,811,781	54,060
New Mexico	531,084	511,350	162,454	348,896	1,619
New York	5,688,842	4,909,819	901,961	4,007,858	112,907
North Carolina	2,462,890	2,312,893	677,588	1,635,305	18,717
North Dakota	202,870	194,464	49,678	144,786	844
Ohio	3,365,027	3,026,173	1,038,891	1,987,282	94,724
Oklahoma	1,035,670	938,607	276,251	662,356	56,230
Oregon	1,053,351	942,900	309,729	633,171	5,899
Pennsylvania	3,365,906	3,003,594	1,016,435	1,987,159	68,814
Rhode Island	343,490	268,631	63,672	204,959	15,381
South Carolina	1,317,494	1,261,831	306,321	955,510	2,414
South Dakota	239,999	225,921	65,791	160,130	3,409
Tennessee	1,739,928	1,663,704	496,165	1,167,539	7,929
Texas	5,848,809	5,495,211	1,913,622	3,581,589	21,760
Utah	686,183	630,186	230,269	399,917	628
Vermont	175,411	158,914	52,572	106,342	2,344
Virginia	2,124,199	1,949,768	766,510	1,183,258	22,828
Washington	1,758,912	1,619,323	685,606	933,717	8,071
West Virginia	443,683	432,405	133,990	298,415	2,596
Wisconsin	1,938,564	1,787,292	508,621	1,278,671	45,832
Wyoming	157,258	148,801	46,768	102,033	580
Other	333,245	330,760	84,581	246,179	23

Footnotes at end of table.

Table 4. Number of Returns Filed Electronically, by Type of Return and State, Fiscal Year 2007—Continued

State	Partnership	S corporation	C or other corporation income tax [5]	Employment taxes [6]	Tax-exempt organizations [7]
	(6)	(7)	(8)	(9)	(10)
United States, total	431,497	620,485	226,535	5,889,239	28,667
Alabama	3,094	4,576	1,302	30,205	193
Alaska	1,299	2,075	509	2,767	207
Arizona	6,541	7,772	2,196	127,642	226
Arkansas	2,757	5,119	1,464	12,894	157
California	34,358	43,315	29,219	1,131,129	2,063
Colorado	9,641	14,345	2,608	95,037	481
Connecticut	5,855	3,259	1,878	125,302	404
Delaware	1,551	1,849	804	24,658	47
District of Columbia	647	463	319	32,457	225
Florida	18,828	73,627	12,794	361,956	1,125
Georgia	7,459	17,685	4,102	152,896	464
Hawaii	804	1,010	607	20,759	102
Idaho	3,723	3,876	685	6,014	99
Illinois	9,212	20,864	6,837	230,695	982
Indiana	5,511	11,308	2,165	73,669	508
Iowa	4,014	6,126	3,110	10,846	398
Kansas	5,281	6,019	2,973	29,396	381
Kentucky	4,091	5,199	1,212	33,756	240
Louisiana	4,811	4,394	1,826	39,684	141
Maine	1,166	2,385	562	38,989	93
Maryland	4,924	6,573	2,290	142,304	433
Massachusetts	35,015	58,234	25,024	264,309	1,985
Michigan	43,832	55,133	25,655	156,259	1,967
Minnesota	10,094	17,452	3,867	128,673	1,038
Mississippi	2,854	3,304	1,099	9,114	152
Missouri	7,843	9,543	3,541	74,954	646
Montana	3,347	4,666	1,316	3,614	275
Nebraska	3,811	6,389	2,342	13,143	312
Nevada	7,232	9,442	3,246	49,655	231
New Hampshire	2,509	2,523	1,484	37,830	103
New Jersey	22,354	15,903	6,251	360,421	826
New Mexico	3,222	3,411	1,124	10,183	175
New York	15,177	26,221	9,036	614,197	1,485
North Carolina	7,434	12,044	3,770	107,396	636
North Dakota	2,337	2,298	949	1,765	213
Ohio	15,108	16,907	7,471	203,353	1,291
Oklahoma	4,615	6,472	1,993	27,529	224
Oregon	6,572	9,566	2,800	84,995	619
Pennsylvania	11,426	16,146	5,080	258,591	2,255
Rhode Island	2,144	3,867	841	52,492	134
South Carolina	4,978	6,607	1,913	39,556	195
South Dakota	3,256	3,965	1,115	2,133	200
Tennessee	7,043	4,250	2,901	53,703	398
Texas	31,093	27,640	15,516	256,215	1,374
Utah	9,053	9,244	1,838	35,000	234
Vermont	751	1,869	559	10,783	191
Virginia	7,809	12,512	3,805	126,843	634
Washington	9,594	15,205	4,510	101,511	698
West Virginia	1,110	946	457	6,095	74
Wisconsin	11,596	14,134	6,311	72,371	1,028
Wyoming	2,444	2,727	645	1,963	98
Other	277	26	614	1,538	7

Footnotes at end of table.

Table 4. Number of Returns Filed Electronically, by Type of Return and State, Fiscal Year 2007—Continued

Footnotes

[1] Excludes information returns (e.g., Forms 1098, 1099, 5498, W-2, W-2G, and Schedule K-1), returns of employee benefit plans (i.e., Form 5500 series processed by the Department of Labor), and tax returns that do not have an electronic filing option.

[2] Includes Form 1040 (the "long form"), Forms 1040A and 1040EZ (the "short forms"), and Form 1040EZ-T (Federal telephone excise tax refund return). The one-time telephone excise tax refund resulted in an increase in the number of individual income tax returns filed. Some taxpayers who did not otherwise have a filing requirement filed Form 1040EZ-T (telephone excise tax refund), while others filed Forms 1040, 1040A, or 1040EZ to claim the telephone excise tax refund.

[3] 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: users either complete a tax return on a Web site without downloading any software, or users purchase and load software onto their personal computers, prepare their returns, and transmit them to the IRS through an online filing company.

[4] Includes cases in which a taxpayer transmits the return via an authorized e-file provider, who, in most cases, is also the preparer of the return.

[5] Includes Form 1120 (corporation income tax return) and Form 1120-POL (certain political associations).

[6] Includes Form 940 (employer's Federal unemployment tax return); Form 941 (employer return for income and Social Security taxes withheld); and Form 944 (employer tax return).

[7] Includes Forms 990 (tax-exempt organization except private foundation, "long form"); 990-EZ ("short form"); and 990-PF (private foundation).

NOTE: In general, classification by State is based on the taxpayer's address (or, in the case of individuals owning businesses, the location of the principal office or place of business). However, some taxpayers may use the address of a tax attorney or accountant, or, in the case of certain individuals who were sole proprietors, partners in a partnership, or shareholders in an S corporation, they may use the business address. Such addresses could have been located in a State other than the State in which the taxpayer resided.

SOURCE: Research, Analysis, and Statistics, Office of Research RAS:R

Table 5. Internal Revenue Gross Collections, by Type of Tax and State, Fiscal Year 2007

[Money amounts are in thousands of dollars.]

State	Total Internal Revenue collections	Corporation income tax [1]	Individual income and employment taxes		
			Total	Income tax not withheld and SECA tax [2, 3]	Income tax withheld and FICA tax [2]
United States, total [4]	2,688,946,349	395,319,654	2,213,599,132	485,136,156	1,716,328,340
Alabama	24,149,102	3,333,263	20,414,156	4,955,522	15,375,592
Alaska	4,287,200	257,764	3,971,426	1,010,064	2,946,004
Arizona	35,485,237	2,399,547	31,383,801	8,768,843	22,484,132
Arkansas	27,340,140	6,623,731	19,926,044	2,544,223	17,227,706
California	313,998,874	40,565,558	264,705,424	69,171,804	194,669,220
Colorado	45,404,194	4,093,083	39,572,310	8,779,357	30,668,144
Connecticut	54,235,851	11,855,621	41,443,770	10,943,465	30,407,594
Delaware	16,857,669	5,101,233	11,569,281	2,253,614	9,285,177
District of Columbia	20,393,510	3,409,158	16,732,126	1,973,641	14,412,658
Florida	136,476,423	7,928,708	125,749,772	39,387,695	85,235,856
Georgia	75,217,980	11,756,624	60,843,130	11,344,240	49,233,351
Hawaii	7,666,494	677,846	6,761,439	1,878,985	4,858,699
Idaho	9,024,822	650,030	8,290,192	1,936,944	6,308,996
Illinois	135,458,089	23,077,868	109,630,976	22,766,618	86,318,745
Indiana	42,668,067	4,854,150	37,174,724	6,019,120	31,011,390
Iowa	18,436,557	2,047,976	16,101,584	3,013,497	13,020,824
Kansas	22,311,231	2,083,739	18,959,701	3,599,866	14,376,558
Kentucky	23,150,555	1,518,758	21,291,939	3,546,726	17,656,816
Louisiana	33,676,593	2,082,484	31,237,142	6,777,471	24,372,228
Maine	6,289,216	321,537	5,689,745	1,401,949	4,260,247
Maryland	53,705,070	3,758,926	49,399,937	9,613,218	39,635,961
Massachusetts	74,782,325	7,627,065	65,886,427	14,814,422	50,882,053
Michigan	69,923,907	6,995,836	61,815,465	9,225,019	52,326,607
Minnesota	78,697,313	16,425,423	60,616,202	7,165,207	53,178,174
Mississippi	10,868,707	831,147	9,694,782	2,549,002	7,102,222
Missouri	48,568,138	5,856,652	41,318,394	6,569,225	34,534,596
Montana	4,522,680	233,053	4,162,514	1,334,174	2,793,269
Nebraska	19,043,258	6,059,918	12,789,791	2,160,646	9,505,703
Nevada	19,619,012	2,585,033	16,720,839	6,166,890	10,493,619
New Hampshire	9,304,200	518,388	8,645,552	2,031,657	6,586,993
New Jersey	121,678,423	23,953,254	95,509,850	16,336,590	78,810,366
New Mexico	8,346,154	385,770	7,834,905	2,141,605	5,664,393
New York	244,672,914	47,570,367	193,080,524	44,145,388	148,211,767
North Carolina	75,903,684	19,019,478	55,985,002	9,845,584	45,908,349
North Dakota	3,659,740	326,497	3,269,312	795,609	2,457,599
Ohio	105,772,774	15,366,420	89,380,642	11,307,562	77,742,896
Oklahoma	29,324,569	7,571,871	18,277,486	5,076,026	13,126,704
Oregon	23,466,608	2,071,364	20,983,913	4,926,920	15,967,629
Pennsylvania	112,368,286	13,889,582	94,902,268	16,484,302	78,043,241
Rhode Island	11,966,818	3,269,289	8,610,864	1,490,054	7,085,037
South Carolina	20,499,446	1,249,647	18,627,989	4,488,636	14,062,337
South Dakota	4,765,559	221,842	4,473,855	1,733,023	2,709,781
Tennessee	47,746,721	5,535,542	40,921,831	7,088,820	33,648,852
Texas	225,390,904	41,823,425	160,306,445	38,738,313	120,983,146
Utah	15,063,650	1,247,866	12,852,454	3,270,010	9,518,603
Vermont	3,806,110	176,827	3,538,773	879,501	2,645,271
Virginia	61,989,886	8,018,601	53,285,420	11,741,162	40,778,364
Washington	57,449,739	10,006,108	46,207,531	11,636,752	34,389,547
West Virginia	6,521,950	616,179	5,751,744	1,201,832	4,528,015
Wisconsin	43,778,325	6,287,615	36,813,118	6,998,873	29,629,991
Wyoming	4,724,678	678,180	3,906,498	1,970,612	1,925,181
U.S. Armed Services overseas and Territories other than Puerto Rico	758,756	7,172	739,068	255,930	480,273
Puerto Rico	3,548,466	49,220	3,496,382	322,907	3,135,401
International	6,948,357	1,114,164	5,530,724	3,165,437	2,358,570
Undistributed [5]	7,231,419	-666,746	6,813,946	5,391,604	1,347,894
Adjustments and credits [6]	2,591,207	216,171	2,375,036	2,311,292	63,744
United States, total including adjustments and credits [6]	2,691,537,557	395,535,825	2,215,974,167	487,447,448	1,716,392,084

Footnotes at end of table.

Table 5. Internal Revenue Gross Collections, by Type of Tax and State, Fiscal Year 2007—Continued

[Money amounts are in thousands of dollars.]

State	Individual income and employment taxes—continued				
	Railroad retirement tax	Unemployment insurance tax	Estate tax	Gift tax	Excise taxes
	(6)	(7)	(8)	(9)	(10)
United States, total [4]	4,717,897	7,416,738	24,557,815	2,420,138	53,049,612
Alabama	1,870	81,172	214,784	32,895	154,005
Alaska	2,016	13,342	8,332	228	49,450
Arizona	1,364	129,462	322,971	14,425	1,364,492
Arkansas	2,208	151,907	146,964	3,463	639,937
California	10,570	853,830	4,876,249	396,232	3,455,411
Colorado	11,785	113,024	331,106	47,388	1,360,307
Connecticut	4,061	88,650	482,288	71,175	382,997
Delaware	237	30,254	161,596	7,906	17,653
District of Columbia	328,205	17,622	176,295	14,111	61,820
Florida	681,313	444,907	1,833,565	182,441	781,938
Georgia	2,476	263,063	498,700	24,549	2,094,977
Hawaii	[7]	23,755	93,328	2,997	130,884
Idaho	1,105	43,147	52,529	4,109	27,961
Illinois	197,089	348,523	899,995	90,358	1,758,892
Indiana	24,794	119,421	260,436	15,476	363,281
Iowa	8,338	58,925	150,853	1,655	134,489
Kansas	911,941	71,336	92,426	11,757	1,163,609
Kentucky	8,560	79,837	167,060	38,102	134,696
Louisiana	7,417	80,026	240,242	27,782	88,943
Maine	4,964	22,585	96,677	6,957	174,299
Maryland	12,039	138,719	384,902	55,991	105,314
Massachusetts	20,138	169,815	670,112	51,683	547,037
Michigan	42,810	221,029	869,924	32,050	210,632
Minnesota	73,198	199,624	257,687	42,490	1,355,511
Mississippi	1,487	42,072	62,101	3,259	277,419
Missouri	66,858	147,714	295,731	25,751	1,071,610
Montana	18,048	17,023	61,833	1,463	63,817
Nebraska	1,078,188	45,254	83,829	29,052	80,669
Nevada	135	60,195	190,964	32,865	89,311
New Hampshire	177	26,725	64,479	51,236	24,545
New Jersey	109,129	253,764	781,808	94,696	1,338,814
New Mexico	163	28,744	91,997	5,437	28,045
New York	306,233	417,136	2,397,890	428,592	1,195,540
North Carolina	5,079	225,990	489,090	27,816	382,298
North Dakota	3,474	12,630	45,783	315	17,833
Ohio	21,213	308,970	608,017	48,915	368,780
Oklahoma	1,829	72,925	172,848	6,873	3,295,491
Oregon	3,270	86,095	230,342	16,888	164,102
Pennsylvania	62,819	311,906	903,381	60,103	2,612,952
Rhode Island	4	35,769	71,408	3,802	11,455
South Carolina	-264	77,281	212,372	4,362	405,077
South Dakota	16,779	14,272	35,553	6,684	27,625
Tennessee	1,722	182,436	301,843	17,258	970,247
Texas	17,417	567,568	1,473,490	218,194	21,569,350
Utah	3,241	60,600	99,522	11,313	852,496
Vermont	2,167	11,835	57,811	2,856	29,842
Virginia	594,167	171,727	488,638	31,445	165,781
Washington	5,654	175,577	514,966	46,458	674,677
West Virginia	425	21,473	32,906	2,952	118,169
Wisconsin	36,974	147,281	304,332	34,983	338,276
Wyoming	525	10,181	71,010	10,103	58,885
U.S. Armed Services overseas and Territories other than Puerto Rico	0	2,865	1,755	1,706	9,055
Puerto Rico	[7]	38,074	1,092	28	1,744
International	780	5,938	81,195	15,243	207,030
Undistributed [5]	1,705	72,743	1,040,808	3,269	40,142
Adjustments and credits [6]	0	0	0	0	0
United States, total including adjustments and credits [6]	4,717,897	7,416,738	24,557,815	2,420,138	53,049,612

Footnotes at end of table.

Table 5. Internal Revenue Gross Collections, by Type of Tax and State, Fiscal Year 2007—Continued**Footnotes**

[1] Includes tax-exempt organization business income taxes from "unrelated business income" (Form 990-T) and farmer's cooperatives (Form 990-C).

[2] Collections of individual income tax are not reported by payers 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).

[3] Includes estate and trust income tax collections of \$21.5 billion.

[4] Excludes adjustments and credits. See footnote 6.

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

[6] Includes Highway and Airport and Airways Trust funds adjustments totaling \$318,620 (thousands), of which \$216,171 (thousands) were for corporation income tax, and \$102,449 (thousands) were for individual income tax not withheld and SECA tax; \$2,208,843 (thousands) in excess Federal Insurance Contributions Act (FICA) credits; and \$63,744 (thousands) in advance earned income tax credits.

[7] Less than \$500.

NOTES: Gross collections exclude excise taxes paid to the Customs Service and the Alcohol and Tobacco Tax and Trade Bureau.

Collection and refund data by State 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 years made in Fiscal Year 2007 may result in negative amounts when such adjustments exceed refunds. 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, or, in the case of certain individuals who were sole proprietors, partners in a partnership, or shareholders in an S corporation, they may use the business address. 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 other State(s).

Detail may not add to totals because of rounding.

SOURCE: Chief Financial Officer, Revenue Financial Management OS:CFO:R

Table 6. Internal Revenue Gross Collections, by Type of Tax, Fiscal Years 1960-2007

[Money amounts are in thousands of dollars.]

Fiscal year	Income taxes							
	Total Internal Revenue collections	Total	Corporation income tax [1]	Individual income tax [2]	Employment taxes [3]	Estate taxes	Gift taxes	Excise taxes [4]
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1960	91,774,803	67,125,126	22,179,414	44,945,711	11,158,589	1,439,259	187,089	11,864,741
1961	94,401,086	67,917,941	21,764,940	46,153,001	12,502,451	1,745,480	170,912	12,064,302
1962	99,440,839	71,945,305	21,295,711	50,649,594	12,708,171	1,796,227	238,960	12,752,176
1963	105,925,395	75,323,714	22,336,134	52,987,581	15,004,486	1,971,614	215,843	13,409,737
1964	112,260,257	78,891,218	24,300,863	54,590,354	17,002,504	2,110,992	305,312	13,950,232
1965	114,434,634	79,792,016	26,131,334	53,660,683	17,104,306	2,454,332	291,201	14,792,779
1966	128,879,961	92,131,794	30,834,243	61,297,552	20,256,133	2,646,968	446,954	13,398,112
1967	148,374,815	104,288,420	34,917,825	69,370,595	26,958,241	2,728,580	285,826	14,113,748
1968	153,636,838	108,148,565	29,896,520	78,252,045	28,085,898	2,710,254	371,725	14,320,396
1969	187,919,560	135,778,052	38,337,646	97,440,406	33,068,657	3,136,691	393,373	15,542,787
1970	195,722,096	138,688,568	35,036,983	103,651,585	37,449,188	3,241,321	438,755	15,904,264
1971	191,647,198	131,072,374	30,319,953	100,752,421	39,918,690	3,352,641	431,642	16,871,851
1972	209,855,737	143,804,732	34,925,546	108,879,186	43,714,001	5,126,522	363,447	16,847,036
1973	237,787,204	164,157,315	39,045,309	125,112,006	52,081,709	4,338,924	636,938	16,572,318
1974	268,952,254	184,648,094	41,744,444	142,903,650	62,093,632	4,659,825	440,849	17,109,853
1975	293,822,726	202,146,097	45,746,660	156,399,437	70,140,809	4,312,657	375,421	16,847,741
1976	302,519,792	205,751,753	46,782,956	158,968,797	74,202,853	4,875,735	431,730	17,257,720
1976 [5]	75,462,780	49,567,484	9,808,905	39,758,579	19,892,041	1,367,935	117,312	4,518,008
1977	358,139,417	246,805,067	60,049,804	186,755,263	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	97,291,653	5,242,080	139,419	18,664,949
1979	460,412,185	322,993,733	71,447,876	251,545,857	112,849,874	5,344,176	174,899	19,049,504
1980	519,375,273	359,927,392	72,379,610	287,547,782	128,330,480	6,282,247	216,134	24,619,021
1981	606,799,103	406,583,302	73,733,156	332,850,146	152,885,816	6,694,641	215,745	40,419,598
1982	632,240,506	418,599,768	65,990,832	352,608,936	168,717,936	8,035,335	108,038	36,779,428
1983	627,246,793	411,407,523	61,779,556	349,627,967	173,847,854	6,077,202	148,675	35,765,538
1984	680,475,229	437,071,049	74,179,370	362,891,679	199,210,028	6,024,985	151,682	38,017,486
1985	742,871,541	474,072,327	77,412,769	396,659,558	225,214,568	6,303,418	276,284	37,004,944
1986	782,251,812	497,406,391	80,441,620	416,964,771	243,978,380	6,814,417	380,538	33,672,086
1987	886,290,590	568,311,471	102,858,985	465,452,486	277,000,469	7,164,681	502,989	33,310,980
1988	935,106,594	583,349,120	109,682,554	473,666,566	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	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	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	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	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	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	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	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	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	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	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	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	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	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	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	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	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	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	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	849,732,729	24,557,815	2,420,138	53,049,612

Footnotes at end of table.

Table 6. Internal Revenue Gross Collections, by Type of Tax, Fiscal Years 1960-2007—Continued

Footnotes

[1] Includes tax-exempt organization business income taxes from "unrelated business income" (Form 990-T) and farmer's cooperatives (Form 990-C).

[2] Includes income tax on estates and trusts.

[3] Includes taxes for old-age, survivors, disability, and hospital insurance (OASDHI), unemployment insurance, and railroad retirement.

[4] Excludes excise taxes on alcohol, tobacco, firearms and ammunition, and certain occupations collected by the Customs Service 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] Represents fiscal year transitional period, July through September 1976, resulting from fiscal year redefinition. Fiscal Year 1976 covered July 1975 through June 1976 (earlier years were similarly defined). Fiscal Year 1977 covered October 1976 through September 1977 (subsequent years are similarly defined).

NOTES: Detail may not add to totals because of rounding. Data include adjustments and credits.

SOURCE: Chief Financial Officer, Revenue Financial Management OS:CFO:R

Table 7. Number of Internal Revenue Refunds Issued, by State, Fiscal Year 2007

State	Number of refunds of—						
	Total Internal Revenue refunds [1]	Corporation income tax [2]	Individual income tax [3]	Employment taxes [4]	Estate tax	Gift tax	Excise taxes
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
United States, total	117,776,589	877,815	114,475,957	2,264,605	14,430	3,488	140,294
Alabama	1,756,237	8,725	1,712,491	32,886	130	19	1,986
Alaska	271,377	1,529	260,908	8,353	d	d	561
Arizona	2,154,316	11,780	2,099,448	40,953	195	62	1,878
Arkansas	1,010,190	7,284	980,239	21,329	56	11	1,271
California	13,138,620	93,630	12,771,622	255,979	2,790	468	14,131
Colorado	1,802,980	17,674	1,741,587	41,365	195	36	2,123
Connecticut	1,411,364	9,784	1,373,091	26,500	400	90	1,499
Delaware	350,505	3,212	340,185	6,532	47	11	518
District of Columbia	241,142	1,701	233,470	5,479	72	17	403
Florida	7,464,372	61,192	7,209,545	183,954	1,037	358	8,286
Georgia	3,553,883	22,793	3,458,780	68,205	259	66	3,780
Hawaii	528,506	3,537	514,212	10,266	85	21	385
Idaho	534,149	5,285	512,394	15,586	45	12	827
Illinois	5,099,002	44,195	4,960,124	87,085	636	106	6,856
Indiana	2,606,998	18,814	2,547,208	38,025	162	50	2,739
Iowa	1,130,901	14,725	1,094,370	19,371	76	8	2,351
Kansas	1,067,695	10,307	1,035,078	20,668	66	21	1,555
Kentucky	1,578,598	9,123	1,542,636	24,773	90	13	1,963
Louisiana	1,701,527	11,134	1,649,306	39,111	142	45	1,789
Maine	534,594	4,899	519,696	9,355	78	19	547
Maryland	2,269,208	15,583	2,211,783	39,435	296	75	2,036
Massachusetts	2,590,783	20,442	2,527,913	39,067	512	98	2,751
Michigan	4,033,217	34,819	3,932,648	61,087	340	77	4,246
Minnesota	2,101,969	24,212	2,038,860	34,876	197	92	3,732
Mississippi	1,079,048	6,621	1,049,722	21,372	45	15	1,273
Missouri	2,314,625	18,676	2,249,729	42,439	204	45	3,532
Montana	377,653	6,381	359,725	10,836	52	6	653
Nebraska	694,500	9,162	669,216	14,414	45	37	1,626
Nevada	1,046,295	8,364	1,016,181	20,595	110	28	1,017
New Hampshire	524,223	4,839	508,036	10,741	71	22	514
New Jersey	3,303,648	26,681	3,203,533	68,733	613	122	3,966
New Mexico	751,231	3,830	731,350	15,287	57	17	690
New York	7,478,787	56,762	7,251,076	160,949	1,488	535	7,977
North Carolina	3,374,692	23,593	3,286,006	60,270	275	61	4,487
North Dakota	252,597	3,622	242,513	5,872	16	7	567
Ohio	4,712,997	29,651	4,614,496	62,673	420	93	5,664
Oklahoma	1,291,304	9,803	1,252,895	26,992	91	18	1,505
Oregon	1,365,699	13,204	1,321,742	28,768	185	38	1,762
Pennsylvania	5,163,673	34,341	5,048,613	74,646	480	108	5,485
Rhode Island	448,088	3,763	438,457	5,244	70	12	542
South Carolina	1,653,511	9,536	1,611,088	31,044	112	13	1,718
South Dakota	308,455	4,406	295,901	7,555	22	8	563
Tennessee	2,384,597	10,766	2,324,343	46,642	173	39	2,634
Texas	8,731,147	48,852	8,477,655	191,241	770	234	12,395
Utah	916,179	7,809	886,458	20,863	50	4	995
Vermont	267,016	3,310	257,068	6,210	42	5	381
Virginia	3,031,366	21,298	2,949,415	56,999	378	63	3,213
Washington	2,554,579	19,259	2,470,169	61,757	303	68	3,023
West Virginia	681,951	3,176	665,690	12,095	29	13	948
Wisconsin	2,299,746	24,224	2,235,628	36,450	170	51	3,223
Wyoming	218,044	2,898	207,459	7,302	30	20	335
U.S. Armed Services overseas and Territories other than Puerto Rico	210,428	176	207,482	2,705	13	8	44
Puerto Rico	232,273	387	210,922	20,912	16	4	32
International	339,753	5,994	329,870	2,410	163	15	1,301
Undistributed [5]	836,351	52	835,925	349	d	d	16
Child tax credit [6]	16,220,651	N/A	16,220,651	N/A	N/A	N/A	N/A
Earned income tax credits [6]	19,911,144	N/A	19,911,144	N/A	N/A	N/A	N/A

Footnotes at end of table.

Table 7. Number of Internal Revenue Refunds Issued, by State, Fiscal Year 2007—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] Represents refundable earned income tax credits, refundable child tax credits, overpayment refunds, refunds resulting from examination activity, and other refunds required by law.

[2] Includes refunds of tax on business income of tax-exempt organizations.

[3] Includes 0.3 million refunds of estate and trust income taxes.

[4] Includes refunds of and credits for old-age, survivors, disability, and hospital insurance (OASDHI), taxes on salaries and wages under the Federal Insurance Contributions Act (FICA), except for excess credits, and on self-employment income under the Self-Employment Insurance Contributions Act (SECA), as well as for railroad retirement taxes under the Railroad Retirement Tax Act (RRTA) and unemployment taxes under the Federal Unemployment Tax Act (FUTA).

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

[6] Reflects refundable portions of credits only. Shown separately for informational purposes; counts are included in the State figures and U.S. totals.

NOTES: The telephone excise tax refund was a one-time refund of excise tax paid on long distance telephone calls billed between February 28, 2003, and August 1, 2006. In FY 2007, 94,103,804 telephone excise tax refunds were issued, of which 608,907 were issued to corporations, and 93,494,897 were issued to individuals.

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, or, in the case of certain individuals who were sole proprietors, partners in a partnership, or shareholders in an S corporation, they may use the business address. 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 other State(s).

SOURCE: Chief Financial Officer, Revenue Financial Management OS:CFO:R

Table 8. Amount of Internal Revenue Refunds Issued, Including Interest, by State, Fiscal Year 2007

[Money amounts are in thousands of dollars.]

State	Total Internal Revenue refunds [1, 2]	Amounts refunded by type of tax						Telephone excise tax [5]
		Corporation income tax [1, 3]	Individual income tax [1, 2]	Employment taxes [4]	Estate tax	Gift tax	Excise taxes	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
United States, total [6]	292,313,139	27,863,494	248,625,001	9,471,064	922,142	47,189	2,020,759	3,363,490
Alabama	4,128,625	210,006	3,817,012	30,281	11,026	81	6,671	53,548
Alaska	578,984	15,634	546,888	8,166	d	d	1,198	6,579
Arizona	4,834,757	150,667	4,556,568	40,473	16,074	744	12,868	57,362
Arkansas	2,311,955	80,338	2,036,048	18,127	23,936	9	124,267	29,230
California	34,289,482	2,753,461	30,503,669	355,319	166,416	7,679	133,444	369,495
Colorado	4,166,456	313,301	3,670,890	56,267	10,253	190	65,524	50,029
Connecticut	4,005,982	469,950	3,352,290	46,959	28,675	2,520	63,355	42,234
Delaware	1,311,488	469,250	791,221	14,736	24,611	11	1,648	10,011
District of Columbia	1,686,176	1,044,651	609,406	19,406	4,331	245	1,933	6,205
Florida	18,323,442	1,007,996	16,710,744	194,841	86,952	3,994	109,033	209,882
Georgia	8,650,850	627,950	7,773,880	81,955	12,774	354	51,882	102,055
Hawaii	1,107,617	81,178	992,082	8,773	5,336	8	4,794	15,446
Idaho	1,026,271	32,609	959,399	13,513	2,067	1,876	1,752	15,054
Illinois	15,239,180	3,141,866	11,698,495	112,189	30,263	2,725	97,748	155,893
Indiana	5,809,111	449,335	5,219,945	44,966	8,452	224	8,870	77,320
Iowa	2,812,906	684,073	2,067,228	13,539	1,744	24	10,668	35,631
Kansas	2,351,161	306,858	1,968,898	18,449	5,142	70	20,548	31,195
Kentucky	3,358,307	139,440	3,128,125	31,704	5,913	42	7,875	45,207
Louisiana	4,304,980	151,715	4,050,110	33,075	10,014	1,355	3,963	54,747
Maine	1,035,445	86,686	924,838	4,554	2,679	110	2,259	14,318
Maryland	5,593,042	224,154	5,218,569	61,396	13,767	1,679	10,032	63,445
Massachusetts	6,458,150	465,426	5,798,448	66,301	32,352	318	22,319	72,985
Michigan	10,105,751	1,741,360	8,107,216	62,019	21,752	821	49,236	123,347
Minnesota	4,594,173	530,741	3,849,515	73,263	8,934	721	67,840	63,159
Mississippi	2,618,418	104,274	2,459,107	12,557	1,724	95	8,265	32,396
Missouri	5,122,936	583,780	4,388,541	41,711	13,179	557	26,404	68,764
Montana	641,009	16,190	606,260	5,240	1,739	15	1,456	10,109
Nebraska	1,469,799	146,711	1,265,396	18,531	719	180	16,951	21,310
Nevada	2,610,770	74,530	2,477,347	21,568	4,848	878	3,932	27,668
New Hampshire	1,162,912	24,096	1,111,255	6,992	2,509	541	2,549	14,971
New Jersey	10,626,032	1,959,202	8,241,165	178,616	44,820	2,857	94,530	104,842
New Mexico	1,469,669	41,871	1,393,405	11,412	2,020	315	1,283	19,364
New York	21,467,932	3,160,785	17,457,864	347,996	100,957	4,494	169,877	225,959
North Carolina	8,694,580	1,696,947	6,772,573	83,163	10,860	361	30,877	99,798
North Dakota	470,075	42,982	408,793	2,851	6,733	[7]	1,490	7,227
Ohio	10,395,978	853,430	9,250,231	72,484	21,788	1,167	64,906	131,971
Oklahoma	2,906,589	286,141	2,485,545	16,046	7,908	165	73,650	37,133
Oregon	2,683,299	195,606	2,413,568	19,909	8,952	210	9,383	35,671
Pennsylvania	11,341,839	830,003	10,174,786	99,750	27,333	3,184	53,314	153,468
Rhode Island	1,049,802	107,859	913,043	1,012	2,968	86	11,252	13,583
South Carolina	3,439,088	105,324	3,248,436	24,287	8,578	25	4,939	47,499
South Dakota	620,423	60,607	540,967	4,299	467	24	4,902	9,157
Tennessee	5,455,280	388,171	4,921,097	36,224	10,140	442	32,427	66,779
Texas	23,861,853	3,032,115	19,981,927	286,964	55,070	2,851	256,337	246,590
Utah	1,945,943	86,102	1,784,917	16,436	2,821	156	29,529	25,983
Vermont	490,397	25,622	452,591	3,117	1,234	-6	723	7,115
Virginia	7,345,431	504,782	6,630,003	76,100	21,075	909	29,763	82,799
Washington	5,903,867	454,674	5,235,728	79,366	15,345	636	50,320	67,798
West Virginia	1,322,613	20,734	1,274,587	6,119	1,276	270	1,609	18,018
Wisconsin	4,619,150	351,149	4,132,325	37,390	10,073	745	18,301	69,165
Wyoming	452,606	23,893	418,939	-2,911	1,888	61	5,066	5,669
U.S. Armed Services overseas and Territories other than Puerto Rico	454,540	1,778	446,112	2,352	66	55	44	4,133
Puerto Rico	387,542	9,951	363,195	13,609	72	0	20	694
International	1,466,039	583,847	845,340	31,186	3,138	134	2,367	28
Undistributed [8]	1,732,439	-3,088,309	-1,821,524	6,506,416	d	d	134,565	3,448
Refund adjustments and credits [9]	2,933,421	-809,147	16,453	2,219,600	0	0	1,506,515	0
Child tax credit [10]	16,137,093	N/A	16,137,093	N/A	N/A	N/A	N/A	N/A
Earned income tax credits [10]	38,205,774	N/A	38,205,774	N/A	N/A	N/A	N/A	N/A
United States total, including adjustments and credits [9]	295,246,560	27,054,347	248,641,454	11,690,664	922,142	47,189	3,527,274	3,363,490

Footnotes at end of table.

Table 8. Amount of Internal Revenue Refunds Issued, Including Interest, by State, Fiscal Year 2007—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 earned income tax credits, refundable child tax credits, and other refunds required by law. Also includes \$3.8 billion in interest, of which \$1.8 billion were paid to corporations, \$1.1 billion to individuals, and \$0.9 billion to all others (related to employment, estate, gift, and excise tax returns).

[2] Includes \$1.9 billion (including interest of \$65.1 million) in fiduciary and partnership refunds. The average individual income tax refund (based on Forms 1040, 1040A, and 1040EZ) was \$2,229.

[3] Includes refunds of tax on business income of tax-exempt organizations.

[4] Includes refunds of and credits for old-age, survivors, disability, and hospital insurance (OASDHI) taxes on salaries and wages under the Federal Insurance Contributions Act (FICA), except for excess credits, and on self-employment income under the Self-Employment Insurance Contributions Act (SECA), as well as for railroad retirement taxes under the Railroad Retirement Tax Act (RRTA) and unemployment taxes under the Federal Unemployment Tax Act (FUTA).

[5] The telephone excise tax refund was a one-time refund of excise tax paid on long distance telephone calls billed between February 28, 2003, and August 1, 2006. In FY 2007, telephone excise tax refunds totaling \$286,062 (thousands) were issued to corporations and \$3,077,428 (thousands) were issued to individuals.

[6] Excludes refund adjustments and credits. See footnote 9.

[7] Less than \$500.

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

[9] Includes Highway and Airport and Airways Trust funds adjustments totaling \$316,574 (thousands), of which -\$809,147 (thousands) were for corporation income tax, and \$16,453 (thousands) were for individual income tax, and \$1,109,268 (thousands) were for excise taxes; employment tax credits of \$2,219,600 (thousands) under the excess Federal Insurance Contributions Act (FICA); and excise taxes of \$397,247 (thousands) collected by the U.S. Customs Service and Alcohol and Tobacco Tax and Trade Bureau. Counts of refund adjustments and credits are not available, and are excluded from the total number of refunds in Table 7.

[10] Reflects refundable portions of the credits only. Shown separately for informational purposes; refund amounts are included in the State figures and U.S. totals.

NOTES: Collection and refund data by State 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 years made in Fiscal Year 2007 may result in negative amounts when such adjustments exceed 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, or, in the case of certain individuals who were sole proprietors, partners in a partnership, or shareholders in an S corporation, they may use the business address. 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 other State(s).

Detail may not add to totals because of rounding.

SOURCE: Chief Financial Officer, Revenue Financial Management OS:CFO:R

Enforcement

EXAMINATIONS

Tables 9 through 12 provide information about examinations of most types of tax returns. Table 9 provides an overview of examinations of income tax returns, estate and gift tax returns, employment tax returns, excise tax returns, and certain other business tax returns. Table 10 provides additional information about those examinations in which the taxpayer did not agree with the IRS examiner's determination. Table 11 provides information on examinations that prevented the erroneous payment of refunds. Table 12 shows the number of examinations that resulted in additional refunds paid to the taxpayer and the amount of refunds recommended.

Table 13 provides information about examinations of tax-exempt organizations, such as charitable organizations and foundations, and employee retirement plans. These organizations generally do not owe Federal income tax. However, tax-exempt organizations may owe additional payroll taxes, unrelated business income tax, or excise taxes. In addition, changes to exempt organization returns may lead to adjustments on related taxable returns. Examinations of related returns are also included in Table 13 (and excluded from Tables 9 through 12).

Table 9. Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 2007

Type and size of return	Returns examined				
	Returns filed in Calendar Year 2006 [1]	Total	Percentage covered	Field [2]	Correspondence
	(1)	(2)	(3)	(4)	(5)
United States, total	179,419,771	1,550,922	0.9	449,215	1,101,707
Taxable returns:					
Individual income tax returns, total	134,542,879	[3] 1,384,563	1.0	311,339	1,073,224
Returns with TPI under \$200,000 [4]:					
Nonbusiness returns without earned income tax credit:					
Selected nonbusiness returns [5]	76,729,589	297,545	0.4	55,131	242,414
With Schedule E or Form 2106 [6]	14,158,305	165,137	1.2	40,498	124,639
Business and nonbusiness returns with earned income tax credit by size of TGR [7,8]:					
Under \$25,000	21,613,857	[9] 400,206	1.9	10,908	389,298
\$25,000 or more	1,404,507	[9] 135,850	9.7	33,928	101,922
Business returns without earned income tax credit:					
Nonfarm business returns by size of TGR [7]:					
Under \$25,000	10,356,000	134,329	1.3	53,092	81,237
\$25,000 under \$100,000	3,076,877	62,876	2.0	31,363	31,513
\$100,000 under \$200,000	912,280	56,327	6.2	28,286	28,041
\$200,000 or more	698,893	13,049	1.9	11,319	1,730
Farm returns	1,528,390	5,705	0.4	3,033	2,672
Returns with TPI at least \$200,000 and under \$1,000,000:					
Nonbusiness returns	2,482,382	48,944	2.0	13,882	35,062
Business returns	1,121,182	32,779	2.9	17,499	15,280
Returns with TPI of \$1,000,000 or more	339,138	31,382	9.3	12,259	19,123
International returns [10]	121,479	434	0.4	141	293
Corporation income tax returns, except Form 1120S, total [11]	2,256,485	30,004	1.3	27,972	2,032
Returns other than Form 1120-F [12]:					
Small corporations [13]	2,171,144	20,020	0.9	18,302	1,718
No balance sheet returns	402,915	2,186	0.5	1,719	467
Balance sheet returns by size of total assets:					
Under \$250,000	1,183,402	9,038	0.8	8,131	907
\$250,000 under \$1,000,000	372,953	4,836	1.3	4,671	165
\$1,000,000 under \$5,000,000	181,442	3,032	1.7	2,896	136
\$5,000,000 under \$10,000,000	30,432	928	3.0	885	43
Large corporations [14]	57,357	9,644	16.8	9,376	268
Balance sheet returns by size of total assets:					
\$10,000,000 under \$50,000,000	29,869	4,473	15.0	4,398	75
\$50,000,000 under \$100,000,000	7,057	801	11.4	766	35
\$100,000,000 under \$250,000,000	7,847	946	12.1	904	42
\$250,000,000 under \$500,000,000	4,438	634	14.3	580	54
\$500,000,000 under \$1,000,000,000	3,163	584	18.5	573	11
\$1,000,000,000 under \$5,000,000,000	3,644	1,152	31.6	1,116	36
\$5,000,000,000 under \$20,000,000,000	965	607	62.9	596	11
\$20,000,000,000 and above	374	447	[15] 119.5	443	4
Form 1120-F returns [12]	27,984	340	1.2	294	46
Estate and trust income tax returns	3,751,386	4,544	0.1	1,235	3,309
Estate tax returns:					
Total	59,978	4,616	7.7	4,616	0
Size of gross estate:					
Under \$5,000,000	51,940	3,017	5.8	3,017	0
\$5,000,000 or more	8,038	1,599	19.9	1,599	0
Gift tax returns	264,315	1,490	0.6	1,490	0
Employment tax returns	30,803,939	56,738	0.2	40,748	15,990
Excise tax returns	896,462	36,018	4.0	34,520	1,498
Other taxable returns [16]	[17]	1,460	[17]	1,442	18
Nontaxable returns:					
Partnership returns, Form 1065	2,934,597	12,195	0.4	8,871	3,324
S corporation returns, Form 1120S [18]	3,909,730	17,657	0.5	16,792	865
Estate and trust returns, Form 1041	[17]	1,637	[17]	190	1,447
Income, estate, and gift tax, and nontaxable returns, total	147,719,370	1,456,706	1.0	372,505	1,084,201

Footnotes at end of table.

Table 9. Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 2007—Continued

Type and size of return	Percentage of returns examined with no change		Recommended additional tax (thousands of dollars)			Average recommended additional tax per return (dollars)	
	Field [2]	Correspondence	Total	Field [2]	Correspondence	Field [2]	Correspondence
	(6)	(7)	(8)	(9)	(10)	(11)	(12)
United States, total	[17]	[17]	44,370,539	34,810,837	9,559,702	77,493	8,677
Taxable returns:							
Individual income tax returns, total	12	16	[19] 15,705,155	6,357,090	9,348,065	20,419	8,710
Returns with TPI under \$200,000 [4]:							
Nonbusiness returns without earned income tax credit:							
Selected nonbusiness returns [5]	17	21	1,184,446	524,884	659,562	9,521	2,721
With Schedule E or Form 2106 [6]	7	10	759,884	283,176	476,708	6,992	3,825
Business and nonbusiness returns with earned income tax credit by size of TGR [7,8]:							
Under \$25,000	12	15	1,264,786	52,524	1,212,262	4,815	3,114
\$25,000 or more	9	8	501,977	215,749	286,228	6,359	2,808
Business returns without earned income tax credit:							
Nonfarm business returns by size of TGR [7]:							
Under \$25,000	8	14	1,154,236	256,753	897,483	4,836	11,048
\$25,000 under \$100,000	10	13	569,858	198,210	371,648	6,320	11,793
\$100,000 under \$200,000	9	5	1,610,565	695,318	915,247	24,582	32,640
\$200,000 or more	18	42	192,777	180,638	12,139	15,959	7,017
Farm returns	18	42	41,207	27,923	13,284	9,206	4,972
Returns with TPI at least \$200,000 and under \$1,000,000:							
Nonbusiness returns	18	37	1,298,718	382,911	915,807	27,583	26,120
Business returns	20	33	875,821	365,373	510,448	20,880	33,406
Returns with TPI of \$1,000,000 or more	24	28	6,250,049	3,173,070	3,076,979	258,836	160,905
International returns [10]	28	15	831	561	270	3,979	922
Corporation income tax returns, except Form 1120S, total [11]	34	41	25,741,487	25,688,088	53,399	918,350	26,280
Returns other than Form 1120-F [12]:							
Small corporations [13]	38	37	693,890	690,773	3,117	37,743	1,814
No balance sheet returns	25	29	194,092	193,730	362	112,699	775
Balance sheet returns by size of total assets:							
Under \$250,000	40	32	204,223	202,753	1,470	24,936	1,621
\$250,000 under \$1,000,000	38	48	111,598	111,243	355	23,816	2,152
\$1,000,000 under \$5,000,000	41	70	135,273	134,437	836	46,422	6,147
\$5,000,000 under \$10,000,000	41	74	48,704	48,610	94	54,927	2,186
Large corporations [14]	29	58	24,942,449	24,892,167	50,282	2,654,881	187,619
Balance sheet returns by size of total assets:							
\$10,000,000 under \$50,000,000	36	59	396,970	351,311	45,659	79,880	608,787
\$50,000,000 under \$100,000,000	28	49	85,295	84,987	308	110,949	8,800
\$100,000,000 under \$250,000,000	24	60	319,619	315,963	3,656	349,517	87,048
\$250,000,000 under \$500,000,000	20	50	665,368	664,802	566	1,146,210	10,481
\$500,000,000 under \$1,000,000,000	20	82	418,922	418,917	5	731,094	455
\$1,000,000,000 under \$5,000,000,000	13	64	3,912,331	3,912,331	0	3,505,673	0
\$5,000,000,000 under \$20,000,000,000	10	82	5,070,726	5,070,638	88	8,507,782	8,000
\$20,000,000,000 and above	7	25	14,073,218	14,073,218	0	31,767,986	0
Form 1120-F returns [12]	47	98	105,148	105,148	0	357,646	0
Estate and trust income tax returns	21	74	149,075	145,620	3,455	117,911	1,044
Estate tax returns:							
Total	14	N/A	1,147,801	1,147,801	0	248,657	N/A
Size of gross estate:							
Under \$5,000,000	14	N/A	297,267	297,267	0	98,531	N/A
\$5,000,000 or more	14	N/A	850,534	850,534	0	531,916	N/A
Gift tax returns	21	N/A	230,833	230,833	0	154,921	N/A
Employment tax returns	13	5	907,852	753,995	153,857	18,504	9,622
Excise tax returns	9	68	235,841	234,915	926	6,805	618
Other taxable returns [16]	28	83	252,495	252,495	0	175,101	0
Nontaxable returns:							
Partnership returns, Form 1065	44	73	N/A	N/A	N/A	N/A	N/A
S corporation returns, Form 1120S [18]	36	66	N/A	N/A	N/A	N/A	N/A
Estate and trust returns, Form 1041	67	83	N/A	N/A	N/A	N/A	N/A
Income, estate, and gift tax, and nontaxable returns, total	16	17	42,974,351	33,569,432	9,404,919	90,118	8,675

Footnotes at end of table.

Table 9. Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 2007—Continued**Footnotes**

N/A—Not applicable.

- [1] In general, examination activity is associated with returns filed in the previous calendar year. However, this relationship is only approximate.
- [2] Field examinations are generally performed by revenue agents, tax compliance officers, tax examiners, and revenue officer examiners, in person or by correspondence.
- [3] Includes 503,267 returns selected for examination on the basis of an earned income tax credit (EITC) claim. Excludes 5,607 returns associated with the earned income tax credit qualifying child certification test, which are tracked in IRS's examination database.
- [4] In general, TPI (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 net losses. Examinations of individual income tax returns are shown in this table by: TPI of under \$200,000; TPI of at least \$200,000 and under \$1,000,000; and TPI of \$1,000,000 or more.
- [5] Includes returns 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).
- [6] Includes returns with a Schedule E (supplemental income and loss) or Form 2106 (employee business expenses). Excludes returns with a Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming).
- [7] TGR (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 to the cost of purchased items 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.
- [8] Includes both business and nonbusiness returns with an earned income tax credit claim. These returns are classified by size of total gross receipts (TGR). Returns are classified as business if they have a Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming) and TGR is greater than total positive income (TPI). Returns are classified as nonbusiness returns if TGR is less than TPI. See footnotes 4 and 7.
- [9] Includes returns with an earned income tax credit (EITC) claim. These returns were selected for examination on the basis of an EITC claim or on other selection criteria.
- [10] Includes Forms 1040PR (self-employment tax form for Puerto Rico) and 1040-SS (self-employment tax form for U.S. Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands).
- [11] Includes Forms 1120 ("long form"); 1120-A ("short form"); 1120-F (foreign corporation, except foreign life insurance company); 1120-H (homeowner association); 1120-L (life insurance company); 1120M (mutual insurance company); 1120-PC (property and casualty insurance company); 1120-POL (certain political association); 1120-REIT (real estate investment trust); 1120-RIC (regulated investment company); and 1120-SF (settlement fund). Excludes certain other types of corporations, which are included in "other taxable returns" described in footnote 16.
- [12] Form 1120-F is filed by a foreign corporation with U.S. income, other than a foreign life insurance company and foreign sales corporation.
- [13] Includes returns with assets of less than \$10 million examined by either the Small Business/Self-Employed Operating Division or the Large and Mid-Size Business Operating Division.
- [14] Includes returns with assets of \$10 million or more examined by either the Small Business/Self-Employed Operating Division or the Large and Mid-Size Business Operating Division.
- [15] The percentage of returns examined may be greater than 100 percent of the returns filed in Calendar Year 2006 since examinations may be conducted on returns filed in prior calendar years.
- [16] Includes Forms 1120S for an S corporation reporting a tax (see footnote 18); 1120-FSC (foreign sales corporation); 8288 (withholding tax return for disposition by foreign persons of U.S. property interests); 990-C (farmers' cooperative association); and 8804 (partnership withholding).
- [17] Not tabulated.
- [18] Includes most Forms 1120S, 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.
- [19] Includes \$1,494,377 (thousands) in recommended additional tax (including earned income tax credit) on returns selected for examination on the basis of an earned income tax credit (EITC) claim. Excludes \$12,223 (thousands) in denied EITC related to the qualifying child certification test. These EITC cases are tracked in IRS's examination database.
- NOTES: Detail may not add to totals because of rounding. Excludes excise tax returns filed with the Customs Service and the Alcohol and Tobacco Tax and Trade Bureau, and returns of tax-exempt organizations, Government entities, and employee plans.

Table 10. Examination Coverage: Returns Examined with Unagreed Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 2007

[Money amounts are in thousands of dollars.]

Type and size of return	Total	Taxable returns examined		Amount unagreed		
		Field [1]	Correspondence	Total	Field [1]	Correspondence
	(1)	(2)	(3)	(4)	(5)	(6)
United States, total	40,637	29,645	10,992	22,781,936	22,015,389	766,547
Individual income tax returns, total	[2] 32,983	22,073	10,910	[3] 2747,466	1,981,359	766,107
Returns with TPI under \$200,000 [4]:						
Nonbusiness returns without earned income tax credit:						
Selected nonbusiness returns [5]	4,901	2,613	2,288	88,063	70,751	17,312
With Schedule E or Form 2106 [6]	6,779	3,490	3,289	337,646	316,769	20,877
Business and nonbusiness returns with earned income tax credit by size of TGR [7,8]:						
Under \$25,000	2,270	471	1,799	18,417	11,684	6,733
\$25,000 or more	2,634	2,072	562	34,910	34,049	861
Business returns without earned income tax credit:						
Nonfarm business returns by size of TGR [7]:						
Under \$25,000	4,529	3,674	855	78,418	52,371	26,047
\$25,000 under \$100,000	2,161	1,793	368	43,073	36,551	6,522
\$100,000 under \$200,000	2,504	2,148	356	165,667	154,503	11,164
\$200,000 or more	590	536	54	50,183	47,367	2,816
Farm returns	447	d	d	6,387	d	d
Returns with TPI at least \$200,000 and under \$1,000,000:						
Nonbusiness returns	2,266	1,609	657	227,406	178,062	49,344
Business returns	2,071	1,850	221	158,824	147,372	11,452
Returns with TPI of \$1,000,000 or more	1,826	1,479	347	1,538,407	925,730	612,677
International returns [9]	5	d	d	65	d	d
Corporation income tax returns, except Form 1120S, total [10]	2,526	2,510	16	18,760,576	18,760,576	[11]
Returns other than Form 1120-F [12]:						
Small corporations [13]	1,398	1,382	16	365,472	365,472	[11]
No balance sheet returns	177	177	0	157,676	157,676	0
Balance sheet returns by size of total assets:						
Under \$250,000	578	564	14	32,729	32,729	[11]
\$250,000 under \$1,000,000	343	d	d	57,347	d	d
\$1,000,000 under \$5,000,000	232	232	0	88,361	88,361	0
\$5,000,000 under \$10,000,000	68	d	d	29,359	d	d
Large corporations [14]	1,108	1,108	0	18,308,946	18,308,946	0
Balance sheet returns by size of total assets:						
\$10,000,000 under \$50,000,000	270	270	0	143,707	143,707	0
\$50,000,000 under \$100,000,000	61	61	0	26,769	26,769	0
\$100,000,000 under \$250,000,000	79	79	0	196,580	196,580	0
\$250,000,000 under \$500,000,000	47	47	0	208,930	208,930	0
\$500,000,000 under \$1,000,000,000	63	63	0	276,443	276,443	0
\$1,000,000,000 under \$5,000,000,000	209	209	0	3,036,980	3,036,980	0
\$5,000,000,000 under \$20,000,000,000	182	182	0	3,836,978	3,836,978	0
\$20,000,000,000 and above	197	197	0	10,582,559	10,582,559	0
Form 1120-F returns [12]	20	20	0	86,158	86,158	0
Estate and trust income tax returns	229	204	25	121,756	121,756	[11]
Estate tax returns:						
Total	277	277	0	500,834	500,834	0
Size of gross estate:						
Under \$5,000,000	179	179	0	119,263	119,263	0
\$5,000,000 or more	98	98	0	381,571	381,571	0
Gift tax returns	250	250	0	102,143	102,143	0
Employment tax returns	3,724	3,705	19	246,717	246,544	173
Excise tax returns	588	566	22	80,685	80,418	267
Other taxable returns [15]	60	60	0	221,759	221,759	0

Footnotes at end of table.

Table 10. Examination Coverage: Returns Examined with Unagreed Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 2007—Continued

Footnotes

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

- [1] Field examinations are generally performed by revenue agents, tax compliance officers, tax examiners, and revenue officer examiners, in person or by correspondence.
- [2] Excludes 10 returns associated with the earned income tax credit (EITC) qualifying child certification test, which is tracked in IRS's examination database.
- [3] Excludes \$22 (thousands) associated with the earned income tax credit (EITC) qualifying child certification test, which is tracked in IRS's examination database.
- [4] In general, TPI (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 net losses. Examinations of individual income tax returns are shown in this table by: TPI of under \$200,000; TPI of at least \$200,000 and under \$1,000,000; and TPI of \$1,000,000 or more.
- [5] Includes returns 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).
- [6] Includes returns with a Schedule E (supplemental income and loss) or Form 2106 (employee business expenses). Excludes returns with a Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming).
- [7] TGR (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 to the cost of purchased items 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.
- [8] Includes both business and nonbusiness returns with an earned income tax credit claim. These returns are classified by size of total gross receipts (TGR). Returns are classified as business if they have a Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming) and TGR is greater than total positive income (TPI). Returns are classified as nonbusiness returns if TGR is less than TPI. See footnotes 4 and 7.
- [9] Includes Forms 1040PR (self-employment tax form for Puerto Rico) and 1040-SS (self-employment tax form for U.S. Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands).
- [10] Includes Forms 1120 ("long form"); 1120-A ("short form"); 1120-F (foreign corporation, except foreign life insurance company); 1120-H (homeowner association); 1120-L (life insurance company); 1120M (mutual insurance company); 1120-PC (property and casualty insurance company); 1120-POL (certain political association); 1120-REIT (real estate investment trust); 1120-RIC (regulated investment company); and 1120-SF (settlement fund). Excludes certain other types of corporations, which are included in "other taxable returns" described in footnote 15.
- [11] Less than \$500.
- [12] Form 1120-F is filed by a foreign corporation with U.S. income, other than a foreign life insurance company and foreign sales corporation.
- [13] Includes returns with assets of less than \$10 million examined by either the Small Business/Self-Employed Operating Division or the Large and Mid-Size Business Operating Division.
- [14] Includes returns with assets of \$10 million or more examined by either the Small Business/Self-Employed Operating Division or the Large and Mid-Size Business Operating Division.
- [15] Includes Forms 1120S for an S corporation reporting a tax; 1120-FSC (foreign sales corporation); 8288 (withholding tax returns for disposition by foreign persons of U.S. property interests); 990-C (farmers' cooperative association); and 8804 (partnership withholding).

NOTES: Detail may not add to totals because of rounding. Excludes excise tax returns filed with the Customs Service and the Alcohol and Tobacco Tax and Trade Bureau, and returns of tax-exempt organizations, Government entities, and employee plans.

SOURCE: Small Business/Self-Employed, Examination, Examination Planning and Delivery, Examination Management Information Systems and Automation
SE:S:E:EPD:MISA

Table 11. Examination Coverage: Returns Examined Involving Protection of Revenue Base, by Type and Size of Return, Fiscal Year 2007 [1]

[Money amounts are in thousands of dollars.]

Type and size of return	Taxable returns examined			Amount protected		
	Total	Field [2]	Correspondence	Total	Field [2]	Correspondence
	(1)	(2)	(3)	(4)	(5)	(6)
United States, total	89,656	39,645	50,011	5,116,490	5,003,931	112,559
Individual income tax returns, total	[3] 61,706	11,696	50,010	[4] 401,590	289,031	112,559
Returns with TPI under \$200,000 [5]:						
Nonbusiness returns without earned income tax credit:						
Selected nonbusiness returns [6]	3,589	1,339	2,250	18,744	12,532	6,212
With Schedule E or Form 2106 [7]	29,708	3,432	26,276	89,430	28,801	60,629
Business and nonbusiness returns with earned income tax credit by size of TGR [8, 9]:						
Under \$25,000	11,609	301	11,308	21,538	999	20,539
\$25,000 or more	2,273	395	1,878	5,674	2,320	3,354
Business returns without earned income tax credit:						
Nonfarm business returns by size of TGR [8]:						
Under \$25,000	5,916	944	4,972	15,192	3,818	11,374
\$25,000 under \$100,000	2,894	814	2,080	8,631	4,130	4,501
\$100,000 under \$200,000	1,289	854	435	9,625	7,462	2,163
\$200,000 or more	346	195	151	1,448	1,006	442
Farm returns	273	d	d	850	d	d
Returns with TPI at least \$200,000 and under \$1,000,000:						
Nonbusiness returns	1,467	1,244	223	24,347	23,094	1,253
Business returns	1,253	1,112	141	19,796	18,579	1,217
Returns with TPI of \$1,000,000 or more	1,010	952	58	186,155	185,833	322
International returns [10]	79	d	d	160	d	d
Corporation income tax returns, except Form 1120S, total [11]	1,548	d	d	d	d	d
Returns other than Form 1120-F [12]:						
Small corporations [13]	372	372	0	362,099	362,099	0
No balance sheet returns	78	78	0	226,377	226,377	0
Balance sheet returns by size of total assets:						
Under \$250,000	99	99	0	102,740	102,740	0
\$250,000 under \$1,000,000	45	45	0	439	439	0
\$1,000,000 under \$5,000,000	101	101	0	30,481	30,481	0
\$5,000,000 under \$10,000,000	49	49	0	2,062	2,062	0
Large corporations [14]	1,135	d	d	d	d	d
Balance sheet returns by size of total assets:						
\$10,000,000 under \$50,000,000	143	143	0	12,067	12,067	0
\$50,000,000 under \$100,000,000	59	d	d	d	d	d
\$100,000,000 under \$250,000,000	111	111	0	44,971	44,971	0
\$250,000,000 under \$500,000,000	99	99	0	173,466	173,466	0
\$500,000,000 under \$1,000,000,000	105	d	d	d	d	d
\$1,000,000,000 under \$5,000,000,000	262	262	0	562,621	562,621	0
\$5,000,000,000 under \$20,000,000,000	192	192	0	912,720	912,720	0
\$20,000,000,000 and above	164	164	0	2,072,722	2,072,722	0
Form 1120-F returns [12]	41	d	d	d	d	d
Estate and trust income tax returns	120	120	0	17,135	17,135	0
Estate tax returns:						
Total	267	267	0	97,187	97,187	0
Size of gross estate:						
Under \$5,000,000	209	209	0	22,094	22,094	0
\$5,000,000 or more	58	58	0	75,093	75,093	0
Gift tax returns	25	d	d	d	d	d
Employment tax returns	232	232	0	119,056	119,056	0
Excise tax returns	25,032	25,032	0	148,828	148,828	0
Other taxable returns [15]	726	726	0	43,916	43,916	0

Footnotes at end of table.

Table 11. Examination Coverage: Returns Examined Involving Protection of Revenue Base, by Type and Size of Return, Fiscal Year 2007 [1]—Continued

Footnotes

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

[1] Protection of the revenue base comprises any action taken by the Internal Revenue Service 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.

[2] Field examinations are generally performed by revenue agents, tax compliance officers, tax examiners, and revenue officer examiners, in person or by correspondence.

[3] Excludes 6 returns associated with the earned income tax credit (EITC) qualifying child certification test, which is tracked in IRS's examination database.

[4] Excludes \$8 (thousands) associated with the earned income tax credit (EITC) qualifying child certification test, which is tracked in IRS's examination database.

[5] In general, TPI (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 net losses. Examinations of individual income tax returns are shown in this table by: TPI of under \$200,000; TPI of at least \$200,000 and under \$1,000,000; and TPI of \$1,000,000 or more.

[6] Includes returns 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).

[7] Includes returns with a Schedule E (supplemental income and loss) or Form 2106 (employee business expenses). Excludes returns with a Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming).

[8] TGR (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 to the cost of purchased items 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.

[9] Includes both business and nonbusiness returns with an earned income tax credit claim. These returns are classified by size of total gross receipts (TGR). Returns are classified as business if they have a Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming) and TGR is greater than total positive income (TPI). Returns are classified as nonbusiness returns if TGR is less than TPI. See footnotes 4 and 7.

[10] Includes Forms 1040PR (self-employment tax form for Puerto Rico) and 1040-SS (self-employment tax form for U.S. Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands).

[11] Includes Forms 1120 ("long form"); 1120-A ("short form"); 1120-F (foreign corporation, except foreign life insurance company); 1120-H (homeowner association); 1120-L (life insurance company); 1120M (mutual insurance company); 1120-PC (property and casualty insurance company); 1120-POL (certain political association); 1120-REIT (real estate investment trust); 1120-RIC (regulated investment company); and 1120-SF (settlement fund). Excludes certain other types of corporations, which are included in "other taxable returns" described in footnote 15.

[12] Form 1120-F is filed by a foreign corporation with U.S. income, other than a foreign life insurance company and foreign sales corporation.

[13] Includes returns with assets of less than \$10 million examined by either the Small Business/Self-Employed Operating Division or the Large and Mid-Size Business Operating Division.

[14] Includes returns with assets of \$10 million or more examined by either the Small Business/Self-Employed Operating Division or the Large and Mid-Size Business Operating Division.

[15] Includes Forms 1120S for an S corporation reporting a tax; 1120-FSC (foreign sales corporations); 8288 (withholding tax return for disposition by foreign persons of U.S. property interests); 990-C (farmers' cooperative association); and 8804 (partnership withholding).

NOTES: Detail may not add to totals because of rounding. Excludes excise tax returns filed with the Customs Service and the Alcohol and Tobacco Tax and Trade Bureau, and returns of tax-exempt organizations, Government entities, and employee plans.

SOURCE: Small Business/Self-Employed, Examination, Examination Planning and Delivery, Examination Management Information Systems and Automation
SE:S:E:EPD:MISA

Table 12. Examination Coverage: Returns Examined Resulting in Refunds, by Type and Size of Return, Fiscal Year 2007

[Money amounts are in thousands of dollars.]

Type and size of return	Taxable returns examined			Recommended refunds		
	Total	Field [1]	Correspondence	Total	Field [1]	Correspondence
	(1)	(2)	(3)	(4)	(5)	(6)
United States, total	77,989	47,620	30,369	7,833,716	7,701,369	132,347
Individual income tax returns, total	[2] 49,225	19,220	30,005	[3] 711,851	589,565	122,286
Returns with TPI under \$200,000 [4]:						
Nonbusiness returns without earned income tax credit:						
Selected nonbusiness returns [5]	4,143	2,219	1,924	44,554	38,375	6,179
With Schedule E or Form 2106 [6]	15,904	3,382	12,522	66,417	35,393	31,024
Business and nonbusiness returns with earned income tax credit by size of TGR [7, 8]:						
Under \$25,000	4,420	397	4,023	7,924	1,536	6,388
\$25,000 or more	2,167	1,401	766	5,968	4,805	1,163
Business returns without earned income tax credit:						
Nonfarm business returns by size of TGR [7]:						
Under \$25,000	6,077	2,168	3,909	21,096	10,937	10,159
\$25,000 under \$100,000	2,943	1,552	1,391	17,270	13,171	4,099
\$100,000 under \$200,000	2,648	1,739	909	19,532	17,449	2,083
\$200,000 or more	898	804	94	5,465	5,156	309
Farm returns	387	247	140	1,786	1,482	304
Returns with TPI at least \$200,000 and under \$1,000,000:						
Nonbusiness returns	3,606	1,718	1,888	53,813	41,811	12,002
Business returns	2,567	1,837	730	46,782	41,467	5,315
Returns with TPI of \$1,000,000 or more	3,448	1,751	1,697	421,216	377,974	43,242
International returns [9]	17	5	12	28	9	19
Corporation income tax returns, except Form 1120S, total [10]	2,486	2,436	50	5,743,689	5,738,699	4,990
Returns other than Form 1120-F [11]:						
Small corporations [12]	924	898	26	187,664	185,832	1,832
No balance sheet returns	126	d	d	98,390	d	d
Balance sheet returns by size of total assets:						
Under \$250,000	324	309	15	53,275	52,601	674
\$250,000 under \$1,000,000	215	d	d	4,959	d	d
\$1,000,000 under \$5,000,000	190	186	4	5,468	5,346	122
\$5,000,000 under \$10,000,000	69	69	0	25,572	25,572	0
Large corporations [13]	1,508	1,484	24	5,268,384	5,265,226	3,158
Balance sheet returns by size of total assets:						
\$10,000,000 under \$50,000,000	324	317	7	44,794	43,753	1,041
\$50,000,000 under \$100,000,000	111	107	4	64,512	64,501	11
\$100,000,000 under \$250,000,000	181	d	d	113,448	d	d
\$250,000,000 under \$500,000,000	144	139	5	223,121	222,321	800
\$500,000,000 under \$1,000,000,000	143	143	0	421,283	421,283	0
\$1,000,000,000 under \$5,000,000,000	328	323	5	1,058,927	1,057,732	1,195
\$5,000,000,000 under \$20,000,000,000	148	148	0	938,800	938,800	0
\$20,000,000,000 and above	129	d	d	2,403,499	d	d
Form 1120-F returns [11]	54	54	0	287,641	287,641	0
Estate and trust income tax returns	447	146	301	52,765	49,620	3,145
Estate tax returns:						
Total	765	765	0	113,368	113,368	0
Size of gross estate:						
Under \$5,000,000	497	497	0	47,389	47,389	0
\$5,000,000 or more	268	268	0	65,979	65,979	0
Gift tax returns	29	d	d	3,904	d	d
Employment tax returns	476	473	3	28,681	28,675	6
Excise tax returns	24,453	24,445	8	1,123,620	1,123,617	3
Other taxable returns [14]	108	d	d	55,838	d	d

Footnotes at end of table.

Table 12. Examination Coverage: Returns Examined Resulting in Refunds, by Type and Size of Return, Fiscal Year 2007—Continued**Footnotes**

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

- [1] Field examinations are generally performed by revenue agents, tax compliance officers, tax examiners, and revenue officer examiners, in person or by correspondence.
- [2] Excludes 9 returns associated with the earned income tax credit (EITC) qualifying child certification test, which is tracked in IRS's examination database.
- [3] Excludes \$10 (thousands) associated with the earned income tax credit (EITC) qualifying child certification test, which is tracked in IRS's examination database.
- [4] In general, TPI (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 net losses. Examinations of individual income tax returns are shown in this table by: TPI of under \$200,000; TPI of at least \$200,000 and under \$1,000,000; and TPI of \$1,000,000 or more.
- [5] Includes returns 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).
- [6] Includes returns with a Schedule E (supplemental income and loss) or Form 2106 (employee business expenses). Excludes returns with a Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming).
- [7] TGR (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 to the cost of purchased items 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.
- [8] Includes both business and nonbusiness returns with an earned income tax credit claim. These returns are classified by size of total gross receipts (TGR). Returns are classified as business if they have a Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming) and TGR is greater than total positive income (TPI). Returns are classified as nonbusiness returns if TGR is less than TPI. See footnotes 4 and 7.
- [9] Includes Forms 1040PR (self-employment tax form for Puerto Rico) and 1040-SS (self-employment tax form for U.S. Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands).
- [10] Includes Forms 1120 ("long form"); 1120-A ("short form"); 1120-F (foreign corporation, except foreign life insurance company); 1120-H (homeowner association); 1120-L (life insurance company); 1120M (mutual insurance company); 1120-PC (property and casualty insurance company); 1120-POL (certain political association); 1120-REIT (real estate investment trust); 1120-RIC (regulated investment company); and 1120-SF (settlement fund). Excludes certain other types of corporations, which are included in "other taxable returns" described in footnote 14.
- [11] Form 1120-F is filed by a foreign corporation with U.S. income, other than a foreign life insurance company and foreign sales corporation.
- [12] Includes returns with assets of less than \$10 million examined by either the Small Business/Self-Employed Operating Division or the Large and Mid-Size Business Operating Division.
- [13] Includes returns with assets of \$10 million or more examined by either the Small Business/Self-Employed Operating Division or the Large and Mid-Size Business Operating Division.
- [14] Includes Forms 1120S for an S corporation reporting a tax; 1120-FSC (foreign sales corporation); 8288 (withholding tax return for disposition by foreign persons of U.S. property interests); 990-C (farmers' cooperative association); and 8804 (partnership withholding).

NOTES: Detail may not add to totals because of rounding. Excludes excise tax returns filed with the Customs Service and the Alcohol and Tobacco Tax and Trade Bureau, and returns of tax-exempt organizations, Government entities, and employee plans.

SOURCE: Small Business/Self-Employed, Examination, Examination Planning and Delivery, Examination Management Information Systems and Automation
SE:S:E:EPD:MISA

Table 13. Returns of Tax-Exempt Organizations, Employee Plans, and Government Entities Examined, by Type of Return, Fiscal Year 2007

Type of return	Number of returns
Total number of returns examined in Fiscal Year 2007	18,682
Number of tax-exempt organization returns processed in Calendar Year 2006 [1]	867,696
Tax-exempt organizations and related taxable returns examined, total	7,580
Tax-exempt organization returns, total	3,850
Forms 990 and 990-EZ	3,448
Forms 990-PF, 5227, 1041-A, and 1120 [2]	386
Form 1120-POL	16
Related taxable returns, total	3,730
Employment tax returns [3]	1,787
Form 990-T [4]	1,026
Form 4720 [5]	530
Forms 1040, 1065, and 1120 adjusted [6]	121
Forms 11-C and 730 [7]	266
Number of employee plan returns processed in Calendar Year 2006 [8]	1,055,061
Employee plans and related taxable returns examined, total [9]	8,423
Employee plan returns, total	6,823
Form 5500 [10]	5,768
Defined benefit	486
Defined contribution	5,282
Form 5500-EZ	1,055
Defined benefit	199
Defined contribution	856
Related taxable returns, total	1,172
Form 5330 [11]	963
Form 990-T [4]	15
Forms 1040, 1065, and 1120 adjusted [6]	194
Government entity returns examined, total	2,679
Tax-exempt bond returns [12]:	476
Government entity returns [13]:	
Employment tax returns [3]	2,049
Forms 1040, 1065, and 1120 adjusted [6]	33
Forms 11-C and 730 [7]	121

[1] Includes returns of tax-exempt organizations (Forms 990 and the 990-EZ "short" form), other than farmers' cooperatives (Form 990-C); private foundations (Form 990-PF); split-interest trusts (Form 5227); trust accumulations of certain charitable amounts (Form 1041-A filed by a tax-exempt organization); and Form 1120-POL filed by political organizations and certain tax-exempt organizations to report political organization taxable income and tax.

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

[3] Includes employer's unemployment tax (Form 940); employer returns for income and Social Security tax withheld and advance earned income credit payments (Form 941); agricultural employee tax (Form 943); employer tax return (Form 944); other income tax withholding (Form 945); and foreign employee tax (Form 1042).

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

[5] Form 4720 reports the excise tax on exempt organizations and related individuals.

[6] Related individual (Form 1040 series), partnership (Form 1065), or corporation (Form 1120 series) adjusted as a result of examination of a tax-exempt organization, employee plan, or Government entity.

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

[8] Includes both Forms 5500 and 5500-EZ returns, but excludes welfare benefit plans and fringe benefit plans, which are not subject to examination by IRS.

[9] Includes 428 examinations of plans that were not required to file a return and are, therefore, not categorized by form type.

[10] Includes examinations of Forms 5500C/R filed prior to November 1999.

[11] Form 5330 reports initial excise taxes related to employee plans.

[12] Includes tax-exempt private activity bond issues (Form 8038); Government-purpose tax-exempt bond issues (Form 8038-G); small tax-exempt bond issues (Form 8038-GC); arbitrage rebates (Form 8038-T); and carryover election of unused private activity bond volume cap (Form 8328).

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

NOTES: In general, examination activity for a fiscal year may be associated with returns filed in the previous calendar year. However, this relationship is only approximate. Counts of returns processed exclude related taxable returns.

SOURCES: Tax Exempt and Government Entities, Exempt Organizations SE:T:EO; Employee Plans SE:T:EP; and Government Entities SE:T:GE

Enforcement

INFORMATION REPORTING AND VERIFICATION

The IRS uses tools other than examinations to identify and resolve taxpayer errors. In addition to receiving taxpayers' self-reported income and tax on those tax returns that are filed, the IRS receives independent information about income received and taxes withheld on information returns, such as Forms W-2 and 1099 from 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, IRS uses information returns to identify persons who failed to file a return, constructs tax returns for certain nonfilers based on that third-party information, and assesses tax, interest, and penalties based on the substitute returns. Table 14 provides information about these programs.

During the routine processing of tax returns, the IRS also checks for mathematical and clerical errors before refunds are paid. Table 15 shows the types of errors made on Tax Year 2006 returns processed during Calendar Year 2007.

Table 14. Information Reporting Program, Fiscal Year 2007

Item	Number or amount
Number of information returns received (millions) [1]:	
Total	1,825
Paper	58
Electronic	1,170
Magnetic tape	250
Other [2]	347
Number of contacts (closed cases, millions) [3]:	
Total	4.759
Underreporter program	3.403
Nonfiler (automated substitute for return) program	1.356
Amount of additional assessments (million dollars):	
Total	19,102
Underreporter program [4]	5,079
Nonfiler (automated substitute for return) program [5]	14,023
Number of full-time equivalent employees:	
Total	2,116
Underreporter program	1,742
Nonfiler (automated substitute for return) program	374

[1] Includes Forms 1098 (mortgage interest, student loan interest, and tuition payments); the 1099 series (including interest and dividend distributions); 5498 (individual retirement arrangement and medical savings account information); W-2 (wage and tax statements); 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] Reflects Forms 1099SA/RRB and W-2 from the Social Security Administration.

[3] Reflects the number of cases closed for which a notice has been issued to a taxpayer.

[4] Excludes interest and penalties.

[5] Includes interest and penalties assessed.

SOURCES: Small Business/Self-Employed, Campus Compliance Services, Campus Reporting Compliance, Strategy Systems Analysis & Workload Selection SE:S:CCS:CRC:SPSA; Small Business/Self-Employed, Campus Compliance Services, Campus Reporting Compliance, Document Matching SE:S:CCS:CRC:DM; Small Business/Self-Employed, Campus Compliance Services, Filing and Payment Compliance, Filing Compliance SE:S:CS:CCS:FPC:FC; and Wage and Investment, Compliance Reporting Compliance, Policy, Monitoring, Analysis and Quality SE:W:C:RC:PMAQ

Table 15. Number of Math Errors, by Type of Error, Calendar Year 2007

Math error	Number [1]	Percentage of total
Math error notices, total [2]	2,965,745	100.0
Math errors, total [2]:	3,885,505	100.0
Tax calculation/other taxes [3]	924,054	23.8
Exemption number/amount	770,637	19.8
Earned income tax credit	540,768	13.9
Standard/itemized deduction	419,290	10.8
Adjusted gross/taxable income amount	297,858	7.7
Child tax credit	255,186	6.6
Refund/amount due	225,904	5.8
Other credits [4]	112,422	2.9
Filing status	109,121	2.8
Withholding or excess Social Security payments	102,084	2.6
Adjustments to income	65,110	1.7
Other [5]	63,071	1.6

[1] Data reflect Tax Year 2006 individual income tax returns processed in Calendar Year 2007. Excludes 653,852 math errors and 459,952 notices associated with prior-year returns processed in Calendar Year 2007.

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

[3] 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 Schedule H tax.

[4] Encompasses all credits other than the Earned Income Tax Credit and Child Tax Credit, such as the Child and Dependent Care Credit, Credit for the Elderly, and General Business Credit.

[5] Includes miscellaneous errors and unique error types not programmed and captured by any other math error definitions.

SOURCE: Wage and Investment, Customer Account Services, Submission Processing, Individual Master File Branch, Notices and Files SE:W:CAS:SP:IMF:N

Enforcement

COLLECTIONS, PENALTIES, AND CRIMINAL INVESTIGATION

The mission of IRS's Collection function is to collect Federal taxes that are reported or assessed but not paid, and to secure tax returns that have not been filed. Table 16 provides information on these activities.

The failure to comply with Federal tax laws may result in civil penalties. Table 17 provides information on penalties assessed and abated during Fiscal Year 2007, by type of tax and type of penalty. Individuals who deliberately fail to comply with Federal tax laws may also be subject to a criminal investigation, which could result in prosecution, fines, and imprisonment.

Table 18 summarizes criminal investigation activity related to legal source tax crimes; illegal source financial crimes; and narcotics-related financial crimes. Legal source tax 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 filers or nonfilers who challenge the legitimacy of the tax laws, unscrupulous tax return preparers, and fraudulent refund schemes.

Illegal source financial crimes relate to proceeds derived from illegal sources other than narcotics and involve tax and tax-related violations, as well as money laundering. In the Narcotics Program, the IRS investigates narcotics-related tax and money-laundering crimes. The IRS often cooperates with the Justice Department and other law enforcement agencies to accomplish its work.

Table 16. Delinquent Collection Activities, Fiscal Years 2004-2007

[Money amounts are in thousands of dollars.]

Activity	2004	2005	2006	2007
	(1)	(2)	(3)	(4)
Returns filed with additional tax due:				
Total amount collected [1]	36,659,487	37,113,036	40,813,309	43,318,830
Taxpayer delinquent accounts (thousands):				
Number in beginning inventory	6,170	5,981	6,478	7,074
Number of new accounts	5,179	5,870	6,100	7,146
Number of accounts closed	5,368	5,373	5,504	5,980
Ending inventory:				
Number	5,981	6,478	7,074	8,240
Balance of assessed tax, penalties, and interest [2]	50,680,546	57,594,901	69,555,590	83,488,988
Returns not filed timely:				
Delinquent return activity:				
Net amount assessed [3]	15,635,584	22,765,462	23,305,535	30,287,802
Amount collected with delinquent returns	2,976,681	3,584,255	3,905,764	3,968,163
Taxpayer delinquency investigations (thousands) [4]:				
Number in beginning inventory	2,964	3,022	3,658	3,874
Number of new investigations	2,051	2,558	2,373	2,587
Number of investigations closed	1,993	1,922	2,157	2,729
Number in ending inventory	3,022	3,658	3,874	3,732
Offers in compromise (thousands) [5]:				
Number of offers received	106	74	59	46
Number of offers accepted	20	19	15	12
Amount of offers accepted	275,331	325,640	283,746	228,975
Enforcement activity:				
Number of notices of Federal tax liens filed	534,392	522,887	629,813	683,659
Number of notices of levy served upon third parties	2,029,613	2,743,577	3,742,276	3,757,190
Number of seizures	440	512	590	676

[1] Includes previously unpaid taxes on returns filed plus assessed and accrued penalty and interest. For Fiscal Year 2007, a total of \$31,044,496 (dollars) was collected by private debt collection agencies.

[2] Includes assessed penalties and interest but excludes any accrued penalties and interest. Assessed penalties and interest are those that are usually assessed at the same time as the unpaid balance of tax. They are computed on the unpaid balance of tax from the due date of the return to the date of assessment. Accrued penalties and interest are the portion of the total penalties and interest that is not the original assessed amounts.

[3] Net assessment of tax, penalty, and interest amounts less prepaid credits (withholding and estimated tax payments) of delinquent tax returns secured by Collection activity.

[4] Investigation actions opened subsequent to nonresponse to notices for tax returns that have not been filed timely.

[5] An offer in compromise is an agreement, binding both the taxpayer and the Service, which resolves the taxpayer's tax liability where it has been determined that there is doubt as to the taxpayer's liability; doubt as to the Service's ability to collect the balance due; the taxpayer does not have the financial ability to fully pay the liability within the collection statute expiration date plus 5 years; or there is a serious economic hardship or other exceptional circumstance which warrants acceptance of less than full payment of the taxes owed.

NOTES: Detail may not add to totals because of rounding. All amounts are in current dollars.

SOURCE: Small Business/Self-Employed, Collection Planning and Analysis, Collection National Reports SE:S:C:PA:CNR

Table 17. Civil Penalties Assessed and Abated, by Type of Tax and Type of Penalty, Fiscal Year 2007

[Money amounts are in thousands of dollars.]

Type of tax and type of penalty	Civil penalties assessed		Civil penalties abated	
	Number	Amount	Number	Amount
	(1)	(2)	(3)	(4)
Civil penalties, total	37,566,699	29,524,556	4,908,112	11,135,878
Individual income tax:				
Civil penalties, total	27,338,827	14,883,408	3,018,698	3,973,560
Accuracy [1]	327,822	771,048	42,238	189,654
Bad check	249,716	20,841	13,099	7,742
Delinquency	3,847,589	5,765,933	709,057	2,056,639
Estimated tax	7,722,178	2,274,586	253,625	297,761
Failure to pay	15,172,385	5,826,851	1,995,949	1,390,932
Fraud	2,275	122,600	225	12,172
Partnership information [2]	5,122	96,923	2,417	15,729
Other [3]	11,740	4,625	2,088	2,931
Corporation income tax:				
Civil penalties, total [4]	762,718	1,786,166	124,275	846,990
Accuracy [1]	2,736	211,721	92	31,919
Bad check	2,194	7,619	471	13,314
Delinquency	124,835	535,485	19,667	363,731
Estimated tax	291,834	440,254	19,586	196,879
Failure to pay	340,979	368,810	84,459	241,147
Fraud	140	222,278	0	0
Employment taxes:				
Civil penalties, total [5]	8,454,024	7,232,594	1,555,813	3,055,606
Accuracy [1]	2,396	5,641	94	978
Bad check	65,595	7,449	8,538	9,015
Delinquency	1,695,870	1,844,553	240,546	425,339
Estimated tax	5,028	35,960	1,152	15,243
Failure to pay	4,413,486	1,146,643	765,122	293,995
Federal tax deposits	2,271,223	4,170,503	540,346	2,310,751
Fraud	426	21,845	15	286
Excise taxes:				
Civil penalties, total [6]	592,945	419,796	140,965	291,716
Accuracy [1]	175	157	49	30
Bad check	4,005	199	325	423
Daily delinquency	87,415	280,818	66,233	233,357
Delinquency	184,435	38,597	18,311	14,270
Estimated tax	10,198	3,446	305	336
Failure to pay	301,694	39,869	53,911	9,705
Federal tax deposits	4,932	52,438	1,769	32,243
Fraud	91	4,272	62	1,352
Estate and gift tax:				
Civil penalties, total [7]	14,173	268,315	8,550	172,055
Accuracy [1]	62	8,447	d	d
Bad check	110	692	55	851
Delinquency	4,621	168,234	2,934	120,220
Failure to pay	9,380	90,942	5,550	50,429
Fraud	0	0	d	d
Nonreturn penalties [8]	404,012	4,934,279	59,811	2,795,951

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

[1] Includes penalties for negligence; substantial understatement of income tax; substantial valuation misstatement; substantial overstatement of pension liabilities; substantial estate or gift tax valuation understatement (under Internal Revenue Code section 6662); and understatement of reportable transactions (under Internal Revenue Code section 6662A). Also includes penalties related to negligence or disregard of rules and regulations (under Internal Revenue Code section 6653(a)) assessed on returns due before January 1, 1990.

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

[3] Represents penalties related to failure to supply taxpayer identification number and failure to report tip income.

[4] Represents penalties associated with Forms 1120 (corporation income tax return series); 990-C (farmers' cooperative private foundation); and 990-T (tax-exempt organization business income tax).

[5] Represents penalties associated with Forms 940 (employer's Federal unemployment tax); 941 (employer's employment tax); 942 (employer's tax for household employees); 943 (employer's tax for agricultural employees); 944 (employer tax); 945 (withheld income tax); 1042 (withheld income tax on U.S.-source income of foreign person); and CT-1 (railroad retirement tax).

[6] Represents penalties associated with Forms 11-C (occupational tax and registration for wagering); 720 (quarterly excise tax); 730 (tax on wagering); 990 (tax-exempt organization except private foundation tax); 990-PF (private foundation tax); 1041-A (trust accumulation of charitable amounts); 2290 (heavy highway vehicle use tax); 4720 (excise taxes of private foundations and other persons); and 5227 (split-interest trust tax).

Table 17. Civil Penalties Assessed and Abated, by Type of Tax and Type of Penalty, Fiscal Year 2007—Continued

Footnotes—Continued

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

[8] Represents various penalties assessed and abated for a wide range of noncompliant behaviors, such as noncompliance related to trust fund recovery; to tax return preparers; and to information returns (e.g., Forms 1099, W-2, 3520A, 8027, 8300); as well as aiding and abetting; frivolous return filings; and misuse of dyed fuel. Trust fund recovery penalties assessed to all responsible officers are reduced when one officer or the business pays a portion of the total amount assessed. The amount of trust fund recovery assessments credited is \$654,445 (thousands) and is included in the amount abated.

NOTES: An abatement is a reduction of penalties due to IRS error, reasonable cause, administrative and collection costs not warranting collection of the amount due, unpaid assessments discharged in bankruptcy, and IRS acceptance of partial payment of unpaid tax assessment in settlement of the balance due. Fiscal year data represent assessments and abatements recorded in a given fiscal year, regardless of the tax year to which the penalty may apply. Abatements for a given fiscal year apply to assessments made in the current or in a prior fiscal year.

SOURCE: Chief Financial Officer, Revenue Financial Management OS:CFO:R

Table 18. Criminal Investigation Program, by Status or Disposition, Fiscal Year 2007

Status or disposition	Total	Legal source tax crimes [1]	Illegal source financial crimes [2]	Narcotics-related financial crimes [3]
	(1)	(2)	(3)	(4)
Investigations initiated [4]	4,211	1,664	1,731	816
Investigations discontinued	1,432	770	503	159
Referrals for prosecution	2,837	976	1,313	548
Indictments and informations [5]	2,323	733	1,031	559
Convictions	2,155	732	947	476
Sentenced	2,123	677	978	468
Incarcerated [6]	1,724	526	795	403
Percentage of those sentenced who were incarcerated [6]	81.2	77.7	81.3	86.1

[1] Legal source tax investigations involve legal industries and legal occupations and, more specifically, legally earned income associated with the violation of Title 26 (tax violations) and Title 18 (tax-related violations) of the U.S. Code. The Legal Source Tax Crimes Program also includes those cases that threaten the tax system, such as Questionable Refund Program (QRP) cases, unscrupulous return preparers, abusive tax schemes, and frivolous filers/nonfilers who challenge the legality of the filing requirements. Excise tax and employment tax cases are also important elements of the Legal Source Tax Crimes Program.

[2] Illegal source financial crimes involve 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.

[3] 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. IRS derives this authority 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 devotes resources to high-level multiagency narcotics investigations warranting Organized Crime Drug Enforcement Task Force designation.

[4] Since actions on a specific investigation may cross fiscal years, the data shown in cases initiated may not always represent the same universe of cases shown in other actions within the same fiscal year.

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

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

SOURCE: Criminal Investigation, Communications and Education Division SE:CI:CE

Taxpayer Assistance

The IRS assists taxpayers in meeting their Federal tax return filing and payment obligations in a variety of ways, such as through its telephone helpline, via the Internet, at IRS walk-in sites, and through volunteer income tax return preparers. Table 19 provides information about some of the programs and services designed to help individual income tax return filers.

Table 20 provides information about the Taxpayer Advocate Service. The Taxpayer Advocate Service is an independent organization within the IRS that assists taxpayers who are experiencing economic hardships, who are seeking help to resolve tax problems that have not been resolved through normal channels, or who believe that an IRS system or procedure is not working as it should.

Table 21 provides information on the workload of IRS's Appeals Office. The Appeals mission is to resolve tax controversies, without litigation, on a basis that is fair and impartial to both the taxpayer and the Government. The Appeals Office considers cases that involve examination, collection, and penalty issues. Taxpayers who disagree with the IRS findings in their cases may request an Appeals hearing. The local Appeals Office is separate and independent of the IRS office that proposed the tax adjustment, collection action, or penalty.

Table 19. Internal Revenue Service Taxpayer Assistance and Education Programs for Individual Taxpayers, by Type of Assistance or Program, Fiscal Year 2007

Type of assistance or program	Number or percentage
Call or walk-in assistance:	
Toll-free assistance calls [1]:	
Automated	23,087,847
Live	33,226,235
Taxpayer Assistance Center contacts [2]	7,036,896
Accuracy of toll-free telephone assistance:	
Tax law questions (percentage accurate)	91.2
Account questions (percentage accurate)	93.4
Forms and publications (paper products):	
Forms, publications, and orders for paper products	3,870,732
Libraries, banks, postal service distribution sites, grocery stores, copy centers, and office supply outlets stocking paper products [3]	26,660
Assistance provided through the Internet (IRS.gov):	
Individual electronic transactions, total	34,813,722
"Where's My Refund"	32,112,609
Internet Employer Identification Number applications [4]	2,682,813
Online payment agreements [5]	18,300
IRS Web site usage [6]:	
Number of visits	214,963,661
Number of page views	1,352,292,806
Number of downloads	164,565,271
Disaster and emergency assistance:	
Disaster incidents [7]:	
State incidents	41
County/city incidents	308
Taxpayers assisted:	
Toll-free disaster hot line	58,304
Disaster Recovery Centers	3,175
Taxpayer education and tax return preparation:	
Taxpayers assisted through taxpayer education programs [8]	129,352,574
Returns prepared through Volunteer Income Tax Assistance and Tax Counseling for the Elderly programs	2,627,727
Volunteers assisting in taxpayer education and return preparation programs	76,619
Volunteer Tax Preparation Assistance sites	11,922

[1] Includes calls answered by Customer Account Services and automated calls (including TeleTax). Excludes calls answered by Compliance and Tax Exempt and Government Entities.

[2] Includes contacts at 401 sites where taxpayers are served at IRS Taxpayer Assistance Centers and alternative IRS sites (libraries and post offices). Excludes Volunteer Income Tax Assistance and Tax Counseling for the Elderly sites.

[3] Represents the number of organizations distributing forms and publications. Each organization may have multiple branches.

[4] Beginning in FY 2007, the number of Internet Employer Identification Number applications includes some applications that require additional manual processing. Over 833,000 of these applications are included for FY 2007.

[5] Represents agreements submitted via IRS.gov to pay tax liabilities in installment payments.

[6] An increasing number of taxpayers receive assistance by using their personal computers to visit IRS.gov. This online assistance is reported as visits, page views, and downloads. A Web site 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 Web site. Users may access multiple Web pages during a single visit to the IRS Web site; these are counted as page views. A download is the process of copying a file such as Form 1040 from the IRS.gov Web site to the user's personal computer.

[7] Reflects events declared by the Federal Emergency Management Agency as major disaster areas for which the IRS granted administrative tax relief. Some States and counties/cities were affected more than once.

[8] Includes the number of taxpayers educated by Stakeholder Partnerships, Education and Communication.

SOURCE: Wage and Investment, Strategy and Finance, Strategic Planning and Analysis SE:W:S:SPA

Table 20. Taxpayer Advocate Service: Postfiling Taxpayer Assistance Program, by Type of Issue and Relief, Fiscal Year 2007

Type of issue and relief	Number	Percentage of total
Applications for taxpayer assistance received, by type of issue:		
Total	247,839	100
Levies	18,665	8
Processing amended returns	16,267	7
Earned income tax credit	16,081	6
Substitute for return program [1]	12,331	5
Criminal investigation	11,846	5
Expedite refund requests	9,627	4
Processing original returns	9,290	4
Underreporter program [2]	9,125	4
Open audits	8,729	4
Injured spouse claims	8,295	3
All others	127,583	51
Applications for taxpayer assistance closed, by type of resolution:		
Total	245,467	100
Relief provided to taxpayer:		
Total	179,915	73
Taxpayer Assistance Order [3]	22	[4]
No Taxpayer Assistance Order	179,893	73
Full relief	169,070	69
Individual issue [5]	151,104	62
Systemic issue [6]	17,966	7
Partial relief	10,823	4
Individual issue [5]	9,867	4
Systemic issue [6]	956	[4]
No relief provided to taxpayer:		
Total	65,552	27
Taxpayer Assistance Order rescinded [7]	3	[4]
No Taxpayer Assistance Order	65,549	27
No response from taxpayer	34,406	14
Relief provided prior to Taxpayer Advocate Service intervention	12,995	5
Taxpayer rescinded request	3,172	1
Tax law precluded relief	1,490	1
Hardship not related to revenue laws	1,164	[4]
Hardship not validated	637	[4]
All others	11,685	5
Congressional inquiries [8]	9,779	N/A

N/A—Not applicable.

[1] Under the nonfiler "substitute for return" program, IRS uses information returns from third parties to identify tax return delinquencies, constructs tax returns for certain nonfilers on the basis of that information, and assesses tax, interest, and penalties based on the results.

[2] Under the "underreporter program," IRS uses information returns from third parties to identify unreported income.

[3] Relief was provided in Fiscal Year 2007, but Taxpayer Assistance Orders may have been issued in any year.

[4] Less than 0.5 percent.

[5] A single issue (applicable to an individual, corporation, or other entity) that requires a change or modification to an account.

[6] Requires a change or modification to an established procedure, process, or operation (e.g., computer program) that potentially impacts more than one taxpayer.

[7] A Taxpayer Assistance Order (TAO) was issued in any year; an operating division appealed; and in Fiscal Year 2007, the TAO was rescinded by the National Taxpayer Advocate, Commissioner, or Deputy Commissioner. Therefore, no relief was provided.

[8] "Congressional inquiries" (related to constituents' tax accounts) is an information item and is not included in the totals.

NOTES: Detail may not add to totals because of rounding. A Taxpayer Assistance Order directs an IRS organizational unit to take a specific action; or to review, expedite consideration, or reconsider a taxpayer's case. In FY 2007, 28 Taxpayer Assistance Orders were issued.

SOURCE: Taxpayer Advocate Service, Business System Planning TA:BSP

Table 21. Appeals Workload, by Type of Case, Fiscal Year 2007

Type of case	Cases received	Cases closed	Cases pending September 30, 2007
	(1)	(2)	(3)
Total cases [1]	102,269	104,429	51,502
Collection due process	30,938	34,648	15,054
Offers in compromise	10,797	11,289	4,587
Innocent spouse	3,870	3,352	2,124
Penalty appeals	9,864	10,180	2,381
Coordinated industry cases	371	529	727
Industry cases	1,031	1,031	1,241
Examination	37,499	35,035	23,755
Other [2]	7,899	8,365	1,633

[1] A case represents a taxpayer with one type of tax and one or more tax periods under consideration in Appeals.

[2] The "Other" category includes cases involving Trust Fund Recovery Penalty, Collection Appeals Program, Freedom of Information Act, Director of Practice, and Abatement of Interest.

SOURCE: Appeals, Strategic Planning, Measures Analysis AP:SP:SPMA

Tax-Exempt Activities

Table 22 summarizes IRS activities, such as issuing technical guidance, to assist tax-exempt entities and facilitate their compliance with the Federal tax laws.

Table 23 provides information about applications for tax-exempt status by employee pension plans.

Table 24 provides information about applications for tax-exempt status by charitable and other organizations.

Table 25 shows the total number of approved tax-exempt organizations for Fiscal Years 2004 through 2007.

Table 22. Tax-Exempt Guidance and Other Regulatory Activities, Fiscal Year 2007

Item	Total	Employee plans	Tax-exempt organizations	Tax-exempt bonds
	(1)	(2)	(3)	(4)
Total	6,600	4,931	1,603	66
Guidance [1]	76	55	21	N/A
Technical activities	3,500	1,918	1,582	N/A
Requests for rulings	1,534	516	1,018	N/A
Technical assistance	152	102	50	N/A
Technical advice	108	68	40	N/A
Opinion letters on prototype plans [2]	212	212	N/A	N/A
Correspondence [3]	1,467	998	469	N/A
Other	27	22	5	N/A
Voluntary compliance agreements	3,024	2,958	N/A	66

N/A—Not applicable.

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

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

[3] Includes both Congressional and general correspondence.

SOURCES: Tax Exempt and Government Entities, Exempt Organizations SE:T:EO; Employee Plans SE:T:EP; and Government Entities SE:T:GE

Table 23. Determination Letters Issued on Employee Pension Plans, by Type and Disposition of Plan, Fiscal Year 2007

Letters issued, disposition of plan	Determination letters									
	Defined contribution plans									
	Type of plan									
	Total determination letters	Defined benefit plans	Total [1]	Stock bonus	Money purchase	Target benefit	Profit- sharing	Employee stock ownership	Other defined contribution	Section 401(k) [2]
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
Total:										
Qualified	9,980	1,692	8,288	13	325	25	6,907	312	706	2,122
Not qualified	d	d	d	d	d	d	d	d	d	d
Initial qualifications:										
Qualified	4,719	363	4,356	d	25	d	3,665	62	596	1,444
Participating employees [3]	862,276	57,917	804,359	d	4,201	d	791,499	4,214	2,997	354,358
Amendments:										
Qualified	2,787	457	2,330	9	143	7	1,951	154	66	610
Participating employees [3]	1,961,685	934,975	1,026,710	289	57,702	359	888,262	43,706	36,392	250,611
Terminations:										
Qualified	2,474	872	1,602	d	157	d	1,291	96	44	68
Participating employees [3]	176,952	67,668	109,284	d	5,266	d	80,698	19,748	2,401	9,048

d—Not shown to avoid disclosure about specific taxpayers.

[1] The total of defined contribution plans is the sum of columns 4-9, which include associated section 401(k) arrangements and participants. See footnote 2.

[2] Section 401(k) arrangements and participants are reported and counted under the types of plans to which they are attached, e.g., profit-sharing or stock bonus plans, and thus are also included in columns 4-9.

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

SOURCE: Tax Exempt and Government Entities, Employee Plans SE:T:EP

Table 24. Tax-Exempt Organization and Other Entity Applications or Disposals, by Type of Organization and Internal Revenue Code Section, Fiscal Year 2007

Type of organization, Internal Revenue Code section	Total applications or disposals	Approved	Disapproved	Other [1]
	(1)	(2)	(3)	(4)
Tax-exempt organizations and other entities, total	91,742	72,869	1,628	17,245
Section 501 (c) by subsection, total [2]	91,689	72,856	1,628	17,205
(1) Corporations organized under act of Congress	d	0	d	d
(2) Title-holding corporations	158	111	d	d
(3) Religious, charitable, and similar organizations [3]	85,771	68,278	1,607	15,886
(4) Social welfare organizations	1,867	1,394	8	465
(5) Labor and agriculture organizations	233	188	0	45
(6) Business leagues	1,615	1,370	6	239
(7) Social and recreation clubs	1,036	711	d	d
(8) Fraternal beneficiary societies	25	16	0	9
(9) Voluntary employees' beneficiary associations	356	286	3	67
(10) Domestic fraternal beneficiary societies	44	21	0	23
(12) Benevolent life insurance associations	116	94	0	22
(13) Cemetery companies	174	156	0	18
(14) State-chartered credit unions	10	7	0	3
(15) Mutual insurance companies	d	21	d	d
(17) Supplemental unemployment benefit trusts	6	3	0	3
(19) War veterans' organizations	131	99	0	32
(25) Holding companies for pensions and other entities	106	101	0	5
Section 501 (d) Religious and apostolic associations	5	5	0	0
Section 521 Farmers' cooperatives	28	8	0	20
Nonexempt charitable trusts	20	0	0	20

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

[1] Includes applications withdrawn by the organization; applications which failed to provide the required information; incomplete applications; IRS refusals to rule on applications; applications forwarded to other than the IRS National Office; IRS correction disposals; and others.

[2] No applications were filed for teachers' retirement funds [section 501(c)(11)]; corporations to finance crop operations [section 501(c)(16)]; employee-funded pension trusts [section 501(c)(18)]; black lung trusts [section 501(c)(21)]; 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 Security Act of 1974 (ERISA) [section 501(c)(24)]; State-sponsored high-risk health insurance organizations [section 501(c)(26)]; and State-sponsored workers' compensation reinsurance organizations [section 501(c)(27)].

[3] Includes private foundations. Not all Internal Revenue Code section 501(c)(3) organizations are required to apply for recognition of tax exemption, including churches, integrated auxiliaries, subordinate units, and conventions or associations of churches.

SOURCE: Tax Exempt and Government Entities, Exempt Organizations, Rulings and Agreements, Determinations SE:T:EO:RA:D

Table 25. Tax-Exempt Organizations and Nonexempt Charitable Trusts, Fiscal Years 2004-2007

Type of organization, Internal Revenue Code section	2004	2005	2006	2007
	(1)	(2)	(3)	(4)
Tax-exempt organizations and other entities, total	1,680,061	1,709,205	1,726,491	1,789,554
Section 501(c) by subsection, total	1,540,554	1,570,023	1,585,479	1,648,306
(1) Corporations organized under act of Congress	116	123	126	134
(2) Title-holding corporations	7,144	7,116	7,120	7,136
(3) Religious, charitable, and similar organizations [1]	1,010,365	1,045,979	1,064,191	1,128,367
(4) Social welfare organizations	138,193	136,060	135,155	134,843
(5) Labor and agriculture organizations	62,561	61,075	60,932	60,634
(6) Business leagues	86,054	86,485	86,563	88,071
(7) Social and recreation clubs	70,422	70,399	70,569	71,092
(8) Fraternal beneficiary societies	69,798	67,391	65,752	64,216
(9) Voluntary employees' beneficiary associations	12,866	12,567	12,206	12,128
(10) Domestic fraternal beneficiary societies	21,328	21,091	21,385	20,390
(12) Benevolent life insurance associations	6,716	6,718	6,738	6,793
(13) Cemetery companies	10,728	10,819	10,879	11,098
(14) State-chartered credit unions	4,289	4,083	3,976	3,860
(15) Mutual insurance companies	1,988	2,127	2,126	2,073
(17) Supplemental unemployment benefit trusts	462	448	438	434
(19) War veterans' organizations	36,141	36,166	35,982	35,702
(25) Holding companies for pensions and other entities	1,285	1,274	1,238	1,234
Other 501(c) subsections [2]	98	102	103	101
Section 501(d) Religious and apostolic associations	141	146	162	162
Section 501(e) Cooperative hospital service organizations	38	37	37	37
Section 501(f) Cooperative service organizations of operating educational organizations	1	1	1	1
Section 501(k) Child care organizations	3	2	6	15
Section 501(n) Charitable risk pools	1	2	2	1
Nonexempt charitable trusts	139,323	138,994	140,804	141,032

[1] Includes private foundations. Not all Internal Revenue Code section 501(c)(3) organizations are required to apply for recognition of tax exemption, including churches, integrated auxiliaries, subordinate units, and conventions or associations of churches.

[2] Includes teachers' retirement funds [section 501(c)(11)]; corporations to finance crop operations [section 501(c)(16)]; employee-funded pension trusts [section 501(c)(18)]; black lung trusts [section 501(c)(21)]; 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 Security Act of 1974 (ERISA) [section 501(c)(24)]; State-sponsored high-risk health insurance organizations [section 501(c)(26)]; and State-sponsored workers' compensation reinsurance organizations [section 501(c)(27)].

SOURCE: Tax Exempt and Government Entities SE:T:BSP

Chief Counsel

Attorneys in the Chief Counsel's Office serve as lawyers for the IRS. They provide guidance to IRS and to taxpayers on the correct legal interpretation of the Federal tax laws, represent the IRS in litigation, and provide all other legal support the IRS needs to carry out its mission.

Tables 26 and 27 provide information about the Chief Counsel workload in 2007.

Table 26. Chief Counsel Workload: All Cases, by Office and Type of Case or Activity, Fiscal Year 2007

Office and type of case or activity	Cases received	Cases closed	Cases pending September 30, 2007
	(1)	(2)	(3)
Chief Counsel (All Offices):			
Total	93,322	91,336	63,326
Guidance and assistance	14,034	14,103	8,911
Tax law enforcement and litigation [1]	75,023	73,023	51,899
Other legal services to the IRS	4,265	4,210	2,516
Corporate:			
Total	716	647	356
Guidance and assistance	486	449	224
Tax law enforcement and litigation	d	190	126
Other legal services to the IRS	d	8	6
Criminal Tax:			
Total	6,883	6,818	1,343
Guidance and assistance	76	68	29
Tax law enforcement and litigation	6,752	6,691	1,306
Other legal services to the IRS	55	59	8
Financial Institutions and Products:			
Total	1,053	922	674
Guidance and assistance	846	745	536
Tax law enforcement and litigation	191	154	133
Other legal services to the IRS	16	23	5
General Legal Services:			
Total	3,527	3,398	2,003
Guidance and assistance	44	39	11
Tax law enforcement and litigation	0	0	0
Other legal services to the IRS	3,483	3,359	1,992
Income Tax and Accounting:			
Total	5,565	5,837	3,311
Guidance and assistance	4,827	5,113	3,065
Tax law enforcement and litigation	727	707	d
Other legal services to the IRS	11	17	d
International:			
Total	1,921	2,029	1,859
Guidance and assistance	1,548	1,618	1,465
Tax law enforcement and litigation	356	379	377
Other legal services to the IRS	17	32	17
Large and Mid-Size Business:			
Total	4,460	4,981	5,282
Guidance and assistance	746	750	1,030
Tax law enforcement and litigation	3,689	4,208	4,230
Other legal services to the IRS	25	23	22
Passthroughs and Special Industries:			
Total	2,079	2,094	992
Guidance and assistance	1,519	1,488	821
Tax law enforcement and litigation	542	583	d
Other legal services to the IRS	18	23	d
Procedure and Administration:			
Total	4,548	4,098	1,989
Guidance and assistance	1,442	1,212	626
Tax law enforcement and litigation	2,627	2,380	943
Other legal services to the IRS	479	506	420
Small Business/Self-Employed:			
Total	58,468	56,410	42,709
Guidance and assistance	584	604	288
Tax law enforcement and litigation	57,755	55,669	42,398
Other legal services to the IRS	129	137	23

Footnotes at end of table.

Table 26. Chief Counsel Workload: All Cases, by Office and Type of Case or Activity, Fiscal Year 2007—Continued

Office and type of case or activity	Cases received	Cases closed	Cases pending September 30, 2007
	(1)	(2)	(3)
Tax Exempt and Government Entities:			
Total	3,372	3,393	2,677
Guidance and assistance	1,353	1,471	731
Tax law enforcement and litigation	1,990	1,899	1,926
Other legal services to the IRS	29	23	20
Wage and Investment:			
Total	277	284	47
Guidance and assistance	239	244	26
Tax law enforcement and litigation	d	40	d
Other legal services to the IRS	d	0	d
Other [2]:			
Total	453	425	84
Guidance and assistance	324	302	59
Tax law enforcement and litigation	129	123	25
Other legal services to the IRS	0	0	0

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

[1] For additional information on tax litigation cases, see Table 27.

[2] Includes the immediate offices of the Chief Counsel and the Associate Chief Counsel (Finance and Management).

SOURCE: Chief Counsel, Associate Chief Counsel Finance and Management, Planning and Finance Division CC:FM:PF

Table 27. Chief Counsel Workload: Tax Litigation Cases, by Type of Case, Fiscal Year 2007

Type of case	Cases received	Cases closed	Cases pending September 30, 2007
	(1)	(2)	(3)
Total cases	32,249	29,437	31,485
Tax Court cases [1]:			
Number of cases	29,063	26,064	29,472
Tax and penalty in dispute (millions of dollars)	5,538	11,819	21,321
Tax and penalty on decision (millions of dollars) [2]:			
Total	N/A	4,345	N/A
Default or dismissed	N/A	326	N/A
Settled	N/A	3,809	N/A
Tried and decided	N/A	210	N/A
Tax Court cases on appeal (decided or pending):			
Number of cases	N/A	N/A	377
Tax and penalty (decided or pending) cases (millions of dollars)	N/A	N/A	1,544
Refund cases [3]:			
Number of cases	315	405	1,318
Tax in dispute (millions of dollars)	1,382	2,702	8,325
Tax protected (millions of dollars) [4]:			
Total	N/A	2,649	N/A
District Court	N/A	2,141	N/A
Court of Federal Claims	N/A	508	N/A
Refund cases on appeal (decided or pending) [3]:			
Number of cases	N/A	N/A	95
Tax and penalty (decided or pending) cases (millions of dollars)	N/A	N/A	687
Number of nondocketed cases [5]	2,871	2,968	223

N/A—Not applicable.

[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 taxpayer(s) to request a redetermination of the deficiency prior to paying the tax allegedly owed.

[2] Amounts exclude offsetting overpayments and interest.

[3] Refund cases involve taxpayers seeking refunds of claimed overpayments after taxes have been fully paid. Amounts include taxes and interest.

[4] "Tax protected" comprises any action taken by the Internal Revenue Service 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.

[5] Reflects cases in which a court petition has not been filed.

SOURCE: Chief Counsel, Associate Chief Counsel Finance and Management, Planning and Finance Division CC:FM:PF

IRS Budget and Workforce

Tables 28 through 31 provide information about the size and composition of the IRS workforce and the resources that the IRS spends to collect taxes and assist taxpayers. In Fiscal Year 2007, the IRS spent an average of 40 cents to collect \$100 of revenue.

Table 28. Costs Incurred by the Internal Revenue Service, by Budget Activity, Fiscal Years 2006 and 2007

[Money amounts are in thousands of dollars.]

Budget activity	Total		Personnel compensation and benefits [1]		Other [2]	
	2006 [r]	2007	2006 [r]	2007	2006 [r]	2007
	(1)	(2)	(3)	(4)	(5)	(6)
Total obligations against appropriated funds	10,605,845	10,764,736	7,530,874	7,701,776	3,074,971	3,062,960
Taxpayer Services:						
Total	2,127,458	2,206,367	1,914,297	1,983,880	213,161	222,487
Prefiling Taxpayer Assistance and Education	559,249	574,886	455,118	479,759	104,131	95,127
Filing and Account Services	1,568,209	1,631,481	1,459,179	1,504,121	109,030	127,360
Enforcement:						
Total	4,686,011	4,663,321	4,288,747	4,355,268	397,264	308,053
Investigations	600,003	573,487	529,010	524,883	70,993	48,604
Examinations and Collections	3,935,893	3,943,620	3,616,350	3,691,597	319,543	252,023
Regulatory	150,115	146,214	143,387	138,788	6,728	7,426
Operations Support:						
Total	3,557,248	3,646,523	1,326,589	1,314,535	2,230,659	2,331,988
Infrastructure	840,749	834,517	986	951	839,763	833,566
Shared Services and Support	1,168,365	1,182,583	680,086	672,785	488,279	509,798
Information Services	1,548,134	1,629,423	645,517	640,799	902,617	988,624
Business Systems Modernization	215,135	233,676	0	46,908	215,135	186,768
Health Insurance Tax Credit Administration	19,993	14,849	1,241	1,185	18,752	13,664

[r] In Fiscal Year 2007, a new appropriations structure was established. Fiscal Year 2006 data have been revised under the new structure to allow comparison between fiscal years.

[1] 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.

[2] Fiscal Year 2007 includes the following: \$195,008,000 (dollars) are for domestic and foreign travel. \$998,433,000 (dollars) are for data processing services; purchases of motor vehicles; office furniture and equipment; and enforcement, investigative, and telecommunications equipment and software. \$1,869,519,000 (dollars) are for transportation of equipment; postage; tax forms; relocation costs; rental payments; utilities; telecommunications; printing and reproduction; supplies and materials; land and structures; grants, subsidies, and contributions; insurance claims and indemnities; confidential expenditures for undercover operations; and other services (i.e., advisory and assistance services, purchase of goods and services from Government, operation and maintenance of facilities and equipment, research and development contracts, and medical care).

NOTES: Detail may not add to totals because of rounding. All amounts are in current dollars. Data represent dollars obligated, expended, and disbursed against direct appropriated funds.

SOURCE: Chief Financial Officer, Corporate Performance Budgeting, Systems Integration and Analysis Office, Systems OS:CFO:CPB:SI:S

Table 29. Internal Revenue Service Collections, Costs, Personnel, and U.S. Population, Fiscal Years 1980-2007

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) [3]	Average positions realized [4]		
						Total	National Office	Field Offices
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1980	519,375,273	2,280,839	0.44	228,231	2,276	87,464	5,114	82,350
1981	606,799,103	2,465,469	0.41	230,613	2,631	86,156	5,110	81,046
1982	632,240,506	2,626,338	0.42	232,962	2,714	82,857	5,098	77,759
1983	627,246,793	2,968,526	0.47	235,225	2,667	83,603	4,357	79,246
1984	680,475,229	3,279,067	0.48	237,454	2,866	87,635	5,327	82,308
1985	742,871,541	3,600,953	0.48	239,714	3,099	92,259	5,454	86,805
1986	782,251,812	3,841,983	0.49	241,995	3,233	95,880	5,361	90,519
1987	886,290,590	4,365,816	0.49	244,344	3,627	102,189	6,253	95,936
1988	935,106,594	5,035,543	0.54	246,329	3,796	114,875	6,934	107,941
1989	1,013,322,133	5,198,546	0.51	249,412	4,063	114,758	7,895	106,863
1990	1,056,365,652	5,440,418	0.52	251,057	4,208	111,962	7,459	104,503
1991	1,086,851,401	6,097,627	0.56	254,435	4,272	115,628	8,286	107,342
1992	1,120,799,558	6,536,336	0.58	257,861	4,347	116,673	9,333	107,340
1993	1,176,685,625	7,077,985	0.60	261,163	4,506	113,460	9,320	104,140
1994	1,276,466,776	7,245,344	0.57	264,301	4,830	110,665	9,467	101,198
1995	1,375,731,836	7,389,692	0.54	267,456	5,144	112,024	9,738	102,286
1996	1,486,546,674	7,240,221	0.49	270,581	5,494	106,642	8,766	97,876
1997	1,623,272,071	7,163,541	0.44	273,852	5,928	101,703	7,837	93,866
1998	1,769,408,739	7,564,661	0.43	277,003	6,388	98,037	7,468	90,569
1999	1,904,151,888	8,269,387	0.43	280,203	6,796	98,730	8,078	90,652
2000	2,096,916,925	8,258,423	0.39	283,270	7,403	97,074	[5]	[5]
2001	2,128,831,182	8,771,510	0.41	286,287	7,436	97,707	[5]	[5]
2002	2,016,627,269	9,063,471	0.45	289,229	6,972	100,229	[5]	[5]
2003	1,952,929,045	9,401,407	0.48	292,074	6,686	98,824	[5]	[5]
2004	2,018,502,103	9,756,344	0.48	294,856	6,846	98,735	[5]	[5]
2005	2,268,895,122	10,397,837	0.46	297,740	7,620	94,282	[5]	[5]
2006	2,518,680,230	10,605,845	0.42	[p] 300,592	[p] 8,379	91,717	[5]	[5]
2007	2,691,537,557	10,764,736	0.40	[p] 303,424	[p] 8,871	92,033	[5]	[5]

[p]—Preliminary.

[1] Gross collections exclude alcohol and tobacco excise taxes starting with 1988, and exclude taxes on firearms starting with the second quarter of Fiscal Year 1991. Responsibility for these excise taxes was transferred from the IRS to the Customs Service and the Alcohol and Tobacco Tax and Trade Bureau.

[2] Operating costs exclude costs reimbursed by other Federal agencies and private companies for services performed for these external parties. Beginning with Fiscal Year 2005, includes costs for Systems Modernization and the Health Insurance Tax Credit Administration.

[3] U.S. population and tax per capita are 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] Represents average positions to conduct IRS operations and excludes positions funded by reimbursements from other Federal agencies and private companies. In contrast, IRS labor force counts in Table 31 ("Internal Revenue Service Labor Force, Compared to National Totals for Civilian and Federal Labor Forces, by Race, National Origin, and Gender") represents the number of persons, including part-time and seasonal workers, employed at any time during the fiscal year.

[5] Beginning in Fiscal Year 2000, the IRS discontinued the distinction between National Office and Field Offices as a result of reorganization.

SOURCE: Chief Financial Officer, Corporate Performance Budgeting, Corporate Policy and Labor Analysis OS:CFO:CPB:BER:L

Table 30. Internal Revenue Service Personnel Summary, by Employment Status, Budget Activity, and Selected Type of Personnel, Fiscal Years 2006 and 2007

Employment status, budget activity, and selected type of personnel	Average positions realized [1]		Number of employees at close of fiscal year	
	2006 [r]	2007	2006 [r]	2007
	(1)	(2)	(3)	(4)
Internal Revenue Service, total	91,717	92,033	90,115	86,638
Employment status:				
Full-time permanent	78,700	79,217	80,288	79,565
Other	13,017	12,816	9,827	7,073
Budget activity:				
Examinations and Collections	42,637	42,334	41,893	42,260
Filing and Account Services	25,925	26,283	25,473	20,442
Information Services	6,277	6,113	6,168	6,669
Shared Services and Support	5,605	5,806	5,507	5,420
Prefiling Taxpayer Assistance and Education	5,461	5,626	5,366	6,136
Investigations	4,500	4,283	4,421	4,230
Regulatory	1,302	1,225	1,279	1,223
Business Systems Modernization	0	353	0	248
Health Insurance Tax Credit Administration	10	9	8	10
Infrastructure	0	1	0	0
Selected personnel type:				
Customer Service Representatives	18,978	19,374	19,433	19,307
Revenue Agents	12,859	13,019	13,407	13,026
Seasonals	10,198	10,781	5,890	4,525
Revenue Officers	5,665	5,734	5,961	5,468
Tax Technicians	3,504	3,225	3,442	1,506
Special Agents	2,798	2,721	2,799	2,683
Attorneys	1,403	1,453	1,494	1,455
Appeals Officers	790	782	798	798

[r] In Fiscal Year 2007, a new appropriations structure was established. Fiscal Year 2006 data have been revised under the new structure to allow comparison between fiscal years.

[1] Represents the average of positions actually used to conduct IRS operations. Therefore, excludes positions funded by reimbursements received from other Federal agencies and private companies for services performed for these external parties (1,129 positions for Fiscal Year 2006 and 682 positions for Fiscal Year 2007).

SOURCE: Chief Financial Officer, Corporate Performance Budgeting, Corporate Policy and Labor Analysis OS:CFO:CPB:BER:L

Table 31. Internal Revenue Service Labor Force, Compared to National Totals for Civilian and Federal Labor Forces, by Race, National Origin, and Gender, Fiscal Year 2007

Race, national origin, and gender	Internal Revenue Service, total [1]	Internal Revenue Service labor force [1]	Federal civilian labor force [2]	Civilian labor force [3]
	(1)	(2)	Percentage of total	
			(3)	(4)
Total	101,461	100.0	100.0	100.0
Gender:				
Male	33,497	33.0	55.8	53.2
Female	67,964	67.0	44.2	46.8
Race, national origin, and gender:				
White, not of Hispanic origin	61,363	60.5	67.3	72.7
Male	24,054	23.7	40.6	39.0
Female	37,309	36.8	26.8	33.7
Black, not of Hispanic origin	25,187	24.8	17.3	10.5
Male	4,814	4.7	6.8	4.8
Female	20,373	20.1	10.5	5.7
Hispanic [4]	9,511	9.4	7.6	10.7
Male	2,650	2.6	4.4	6.2
Female	6,861	6.8	3.2	4.5
Asian, Native Hawaiian, or other Pacific Islander	4,413	4.3	5.4	3.8
Male	1,699	1.7	2.9	2.0
Female	2,714	2.7	2.4	1.8
American Indian or Alaskan Native	919	0.9	2.1	0.6
Male	259	0.3	0.9	0.3
Female	660	0.7	1.2	0.3
Two or more races [5]	68	0.1	0.2	1.6
Male	21	[6]	0.1	0.8
Female	47	[6]	0.1	0.8

[1] Includes permanent full-time, part-time, and seasonal personnel employed by the Internal Revenue Service, including Chief Counsel, throughout Fiscal Year 2007, i.e., October 1, 2006, through September 30, 2007.

[2] Reflects Executive Branch employees as of September 2007, as reported by U.S. Office of Personnel Management. These data include the Internal Revenue Service labor force.

[3] Data from U.S. Department of Commerce, Bureau of the Census (2000 Census Statistics).

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

[5] Data for IRS and other Federal workers of two or more races are incomplete, as they reflect primarily workers hired after January 1, 2006.

[6] Less than 0.05 percent.

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

SOURCE: Equal Employment Opportunity and Diversity EEOC

Principal Officers of the Internal Revenue Service

Principal Officers of the IRS Office of Chief Counsel

Commissioners of Internal Revenue

Chief Counsels for the Internal Revenue Service

Principal Officers of the Internal Revenue Service
as of September 30, 2007

COMMISSIONER	APPEALS	COMMUNICATIONS AND LIAISON	LARGE AND MID-SIZE BUSINESS DIVISION
LINDA E. STIFF (Acting)	Chief, Appeals	Chief, Communications and Liaison	Commissioner, Large and Mid-Size Business
Deputy Commissioner for Services and Enforcement <i>Linda E. Stiff</i>	<i>Sara Hall Ingram</i>	<i>Frank Keith</i>	<i>Deborah M. Nolan</i>
Deputy Commissioner for Operations Support <i>Richard A. Spires</i>	Deputy Chief, Appeals	Director, Office of Legislative Affairs	Deputy Commissioner, Large and Mid-Size Business (Operations)
Chief of Staff	<i>Karen S. Ammons</i>	<i>Floyd L. Williams</i>	<i>Bruce B. Ungar</i>
<i>Joann L. Buck (Acting)</i>	TAXPAYER ADVOCATE SERVICE	Director, Office of Communications	Deputy Commissioner, Large and Mid-Size Business (International)
Chief, Appeals	National Taxpayer Advocate	<i>Terry Lemons</i>	<i>Frank Y. Ng</i>
<i>Sara Hall Ingram</i>	<i>Nina E. Olson</i>	Director, Office of National Public Liaison	Director, Financial Services Industry
National Taxpayer Advocate	Deputy National Taxpayer Advocate	<i>Candice Cromling</i>	<i>Barry Shott</i>
<i>Nina E. Olson</i>	<i>Melissa R. Snell</i>	SMALL BUSINESS/SELF-EMPLOYED DIVISION	Director, Retailers, Food, Pharmaceuticals, and Healthcare
Chief, Equal Employment Opportunity and Diversity	Executive Director, Systemic Advocacy	Commissioner, Small Business/Self-Employed	<i>John Risacher</i>
<i>Dora Trevino (Acting)</i>	<i>Rebecca Chiaramida</i>	<i>Kathy A. Petronchak</i>	Director, Communications, Technology, and Media
Director, Research, Analysis, and Statistics	EQUAL EMPLOYMENT OPPORTUNITY AND DIVERSITY	Deputy Commissioner, Small Business/Self-Employed	<i>Patricia Chaback</i>
<i>Mark J. Mazur</i>	Chief, EEO and Diversity	<i>Brady R. Bennett</i>	Director, Heavy Manufacturing and Transportation
Chief, Communications and Liaison	<i>Dora Trevino (Acting)</i>	Director, Communications, Liaison, and Disclosure	<i>John Risacher (Acting)</i>
<i>Frank Keith</i>	OFFICE OF RESEARCH, ANALYSIS, AND STATISTICS	<i>Rob C. Wilkerson</i>	Director, Natural Resources and Construction
	Director, Office of Research, Analysis, and Statistics	Director, Collections	<i>Keith M. Jones</i>
	<i>Mark J. Mazur</i>	<i>David Alito</i>	Director, Field Specialists
	Director, Office of Research	Director, Examination	<i>Walter L. Harris</i>
	<i>Janice M. Hedemann</i>	<i>Monica Baker</i>	
	Director, Statistics of Income	Director, Fraud/BSA	
	<i>Thomas B. Petska</i>	<i>Beth Elfrey</i>	
		Director, Specialty Programs	
		<i>Bill Conlon</i>	

Principal Officers of the Internal Revenue Service—Continued

as of September 30, 2007

WAGE AND INVESTMENT DIVISION	CRIMINAL INVESTIGATION	MODERNIZATION AND INFORMATION TECHNOLOGY SERVICES	HUMAN CAPITAL OFFICE
Commissioner, Wage and Investment <i>Richard J. Morgante</i>	Chief, Criminal Investigation <i>Eileen C. Mayer</i>	Chief Information Officer <i>Arthur L. Gonzalez</i>	Chief, Human Capital Officer <i>Robert B. Buggs</i>
Deputy Commissioner, Wage and Investment <i>Richard Byrd, Jr.</i>	Deputy Chief, Criminal Investigation <i>John H. Imhoff, Jr.</i>	Deputy Chief Information Officer <i>Vacant</i>	Deputy Chief Human Capital Officer <i>Bonnie Acoven</i>
Director, Customer Account Services <i>Peter Stipek</i>	OFFICE OF PROFESSIONAL RESPONSIBILITY	Associate Chief Information Officer, Applications Development <i>Gina Garza</i>	PRIVACY, INFORMATION PROTECTION, AND DATA SECURITY
Director, CARE (Customer Assistance, Relationships, and Education) <i>Susan Carroll</i>	Director, Office of Professional Responsibility <i>Michael R. Chesman</i>	Associate Chief Information Officer, Enterprise Operations <i>Kathy Jantzen</i>	Chief, Privacy, Information Protection, and Data Security <i>Deborah G. Wolf</i>
Director, Compliance <i>James M. Grimes</i>	WHISTLEBLOWER OFFICE	Associate Chief Information Officer, Enterprise Networks <i>Ken Riccini</i>	
	Director, Whistleblower Office <i>Stephen A. Whitlock</i>	Associate Chief Information Officer, Enterprise Services <i>Linda Gilpin</i>	
TAX EXEMPT AND GOVERNMENT ENTITIES DIVISION	OFFICE OF CHIEF FINANCIAL OFFICER	Associate Chief Information Officer, End User Equipment Services <i>Harry Curry</i>	
Commissioner, Tax Exempt and Government Entities <i>Steven T. Miller</i>	Chief Financial Officer <i>Janice J. Lambert</i>	Associate Chief Information Officer, Cybersecurity <i>Dan Galik</i>	
Deputy Commissioner, Tax Exempt and Government Entities <i>Christopher Wagner</i>	Deputy Chief Financial Officer, Finance <i>Alison L. Doone</i>		
Director, Employee Plans <i>Joseph H. Grant</i>	AGENCY-WIDE SHARED SERVICES		
Director, Exempt Organizations <i>Lois Lerner</i>	Chief, Agency-Wide Shared Services <i>James P. Falcone</i>		
Director, Government Entities <i>Michael Julianelle</i>	Director, Procurement <i>Dave Grant</i>		
	Director, Real Estate and Facilities Management <i>Stuart Burns</i>		

Principal Officers of the IRS Office of Chief Counsel
as of September 30, 2007

OFFICE OF CHIEF COUNSEL

Chief Counsel

Donald L. Korb

Deputy Chief Counsel (Operations)

H. Stephen Kesselman

Deputy Chief Counsel (Technical)

Clarissa C. Potter

Special Counsel (National Taxpayer Advocate Service)

Judith M. Wall

Division Counsel/Associate Chief Counsel (Criminal Tax)

Edward F. Cronin

Division Counsel (Large and Mid-Size Business)

Christopher B. Sterner

Division Counsel (Small Business/Self-Employed)

Thomas R. Thomas

Division Counsel/Associate Chief Counsel (Tax Exempt and Government Entities)

Nancy J. Marks

Division Counsel (Wage and Investment)

Carol A. Campbell

Associate Chief Counsel (Corporate)

William D. Alexander

Associate Chief Counsel (Finance and Management)

Dennis M. Ferrara

Associate Chief Counsel (Financial Institutions and Products)

Stephen R. Larson

Associate Chief Counsel (General Legal Services)

Mark S. Kaizen

Associate Chief Counsel (Income Tax and Accounting)

George J. Blaine

Associate Chief Counsel (International)

Steven A. Musher

Associate Chief Counsel (Passthroughs and Special Industries)

William P. O'Shea

Associate Chief Counsel (Procedure and Administration)

Deborah A. Butler

Commissioners of Internal Revenue

**OFFICE OF COMMISSIONER
OF INTERNAL REVENUE
CREATED BY ACT OF
CONGRESS, JULY 1, 1862.**

George S. Boutwell

Massachusetts
July 17, 1862 to March 4, 1863

Joseph J. Lewis (Acting)

Pennsylvania
March 5 to March 17, 1863

Joseph J. Lewis

Pennsylvania
March 18, 1863 to June 30, 1865

William Orton

New York
July 1, 1865 to Oct. 31, 1865

Edward A. Rollins

New Hampshire
Nov. 1, 1865 to March 10, 1869

Columbus Delano

Ohio
March 11, 1869 to Oct. 31, 1870

John W. Douglass (Acting)

Pennsylvania
Nov. 1, 1870 to Jan. 2, 1871

Alfred Pleasonton

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

John W. Douglass

Pennsylvania
Aug. 9, 1871 to May 14, 1875

Daniel D. Pratt

Indiana
May 15, 1875 to Aug. 1, 1876

Green B. Raum

Illinois
Aug. 2, 1876 to April 30, 1883

Henry C. Rogers (Acting)

Pennsylvania
May 1 to May 10, 1883

John J. Knox (Acting)

Minnesota
May 11 to May 20, 1883

Walter Evans

Kentucky
May 21, 1883 to March 19, 1885

Joseph S. Miller

West Virginia
March 20, 1885 to March 20,
1889

John W. Mason

West Virginia
March 21, 1889 to April 18, 1893

Joseph S. Miller

West Virginia
April 19, 1893 to Nov. 26, 1896

W. St. John Forman

Illinois
Nov. 27, 1896 to Dec. 31, 1897

Nathan B. Scott

West Virginia
Jan. 1, 1898 to Feb. 28, 1899

George W. Wilson

Ohio
March 1, 1899 to Nov. 27, 1900

Robert Williams, Jr., (Acting)

Ohio
Nov. 28 to Dec. 19, 1900

John W. Yerkes

Kentucky
Dec. 20, 1900 to April 30, 1907

Henry C. Rogers (Acting)

Pennsylvania
May 1 to June 4, 1907

John G. Capers

South Carolina
June 5, 1907 to Aug. 31, 1909

Royal E. Cabell

Virginia
Sept. 1, 1909 to April 27, 1913

William H. Osborn

North Carolina
April 28, 1913 to Sept. 25, 1917

Daniel C. Roper

South Carolina
Sept. 26, 1917 to March 31, 1920

William M. Williams

Alabama
April 1, 1920 to April 11, 1921

Millard F. West (Acting)

Kentucky
April 12 to May 26, 1921

David H. Blair

North Carolina
May 27, 1921 to May 31, 1929

Robert H. Lucas

Kentucky
June 1, 1929 to Aug. 15, 1930

H. F. Mires (Acting)

Washington
Aug. 16 to Aug. 19, 1930

David Burnet

Ohio
Aug. 20, 1930 to May 15, 1933

Pressly R. Baldrige (Acting)

Iowa
May 16 to June 5, 1933

Guy T. Helvering

Kansas
June 6, 1933 to Oct. 8, 1943

Robert E. Hannegan

Missouri
Oct. 9, 1943 to Jan. 22, 1944

Harold N. Graves (Acting)

Illinois
Jan. 23 to Feb. 29, 1944

Joseph D. Nunan, Jr.

New York
March 1, 1944 to June 30, 1947

George J. Schoeneman

Rhode Island
July 1, 1947 to July 31, 1951

John B. Dunlap

Texas
Aug. 1, 1951 to Nov. 18, 1952

John S. Graham (Acting)

North Carolina
Nov. 19, 1952 to Jan. 19, 1953

Justin F. Winkle (Acting)

New York
Jan. 20 to Feb. 3, 1953

T. Coleman Andrews

Virginia
Feb. 4, 1953 to Oct. 31, 1955

O. Gordon Delk (Acting)

Virginia
Nov. 1 to Dec. 4, 1955

Russell C. Harrington

Rhode Island
Dec. 5, 1955 to Sept. 30, 1958

O. Gordon Delk (Acting)

Virginia
Oct. 1 to Nov. 4, 1958

Dana Latham

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

Charles I. Fox (Acting)

Utah
Jan. 21 to Feb. 6, 1961

Mortimer M. Caplin

Virginia
Feb. 7, 1961 to July 10, 1964

Bertrand M. Harding (Acting)

Texas
July 11, 1964 to Jan. 24, 1965

Sheldon S. Cohen

Maryland
Jan. 25, 1965 to Jan. 20, 1969

William H. Smith (Acting)

Virginia
Jan. 21 to March 31, 1969

Randolph W. Thrower

Georgia
April 1, 1969 to June 22, 1971

Harold T. Swartz (Acting)

Indiana
June 23 to Aug. 5, 1971

Commissioners of Internal Revenue—Continued

Johnnie M. Walters*South Carolina**Aug. 6, 1971 to April 30, 1973***Raymond F. Harless (Acting)***California**May 1 to May 25, 1973***Donald C. Alexander***Ohio**May 26, 1973 to Feb. 26, 1977***William E. Williams (Acting)***Illinois**Feb. 27 to May 4, 1977***Jerome Kurtz***Pennsylvania**May 5, 1977 to Oct. 31, 1980***William E. Williams (Acting)***Illinois**Nov. 1, 1980 to March 13, 1981***Roscoe L. Egger, Jr.***Indiana**March 14, 1981 to April 30, 1986***James I. Owens (Acting)***Alabama**May 1 to Aug. 3, 1986***Lawrence B. Gibbs***Texas**Aug. 4, 1986 to March 4, 1989***Michael J. Murphy (Acting)***Wisconsin**March 5 to July 4, 1989***Fred Goldberg, Jr.***Missouri**July 5, 1989 to Feb. 2, 1992***Shirley D. Peterson***Colorado**Feb. 3, 1992 to Jan. 20, 1993***Michael P. Dolan (Acting)***Iowa**Jan. 21 to May 26, 1993***Margaret Milner Richardson***Texas**May 27, 1993 to May 31, 1997***Michael P. Dolan (Acting)***Iowa**June 1 to Nov. 12, 1997***Charles O. Rossotti***New York**Nov. 13, 1997 to Nov. 6, 2002***Bob Wenzel (Acting)***Illinois**Nov. 7, 2002 to April 30, 2003***Mark W. Everson***New York**May 1, 2003 to May 28, 2007***Kevin M. Brown (Acting)***Virginia**May 29, 2007 to Sept. 8, 2007***Linda E. Stiff (Acting)***Germany**Sept. 9, 2007 to present*

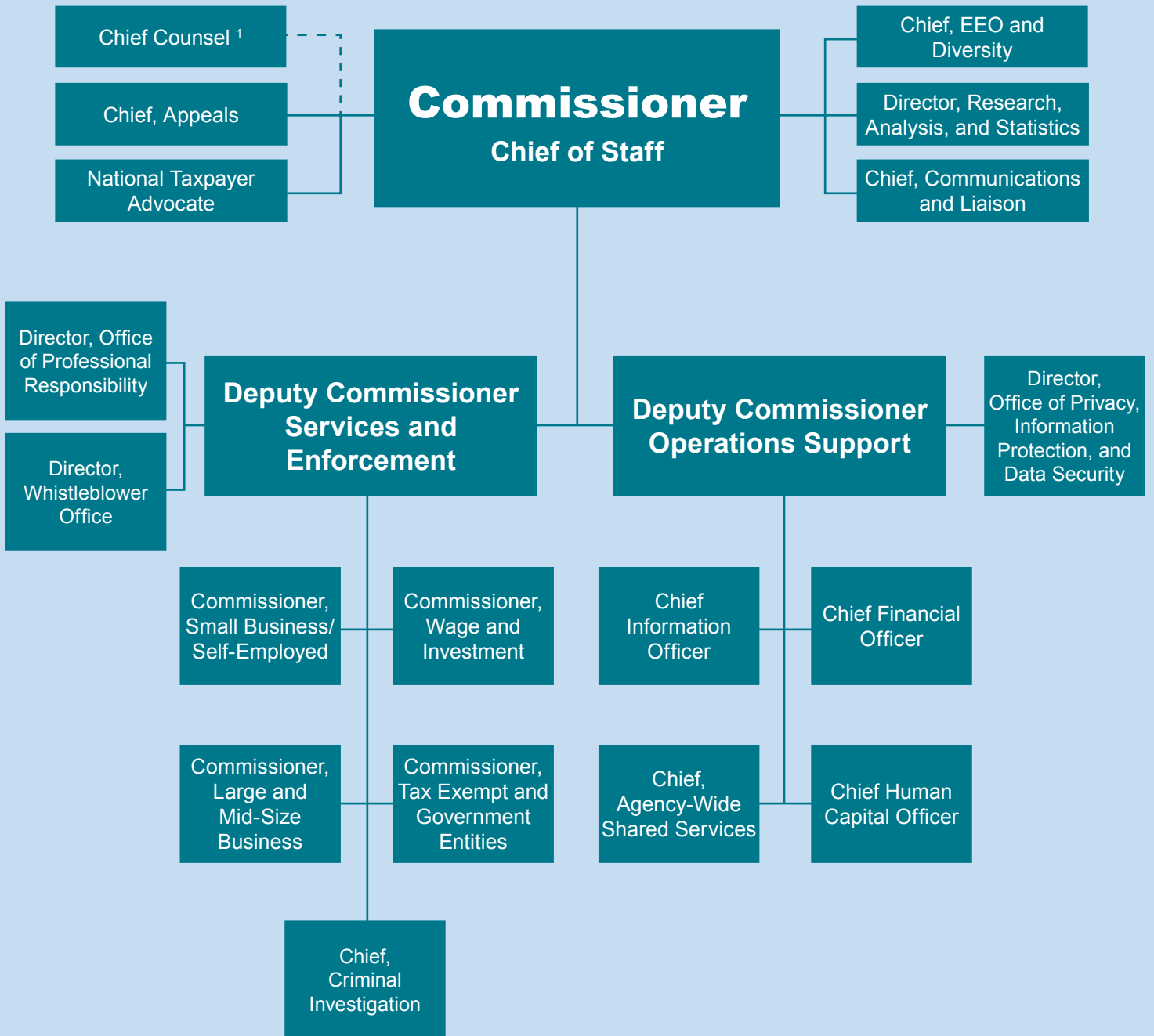
Chief Counsels for the Internal Revenue Service

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 to present

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

John W. Burrus,
 March 2 to Nov. 30, 1936
Mason B. Leming,
 Dec. 6, 1951 to May 15, 1952
Kenneth W. Gemmill,
 June 11 to Nov. 8, 1953
Rudy P. Hertzog,
 Dec. 1, 1954 to May 8, 1955,
 and Jan. 20 to Aug. 16, 1961,
 and Sept. 1, 1963 to Jan. 5, 1964
Herman T. Reiling,
 Jan. 19 to March 13, 1957,
 and Aug. 31 to Sept. 20, 1959
Richard M. Hahn,
 Jan. 20 to June 25, 1969
Lee H. Henkel, Jr.,
 Jan. 16 to June 11, 1972
Lawrence B. Gibbs,
 April 17 to Oct. 19, 1973
Charles L. Saunders, Jr.,
 Jan. 20 to April 15, 1977
Leon G. Wigrizer,
 April 16 to June 23, 1977
Lester Stein,
 June 1 to Nov. 16, 1979
Jerome D. Sebastian,
 Jan. 21 to Feb. 2, 1981,
 and March 30 to Aug. 14, 1981
Emory L. Langdon,
 Feb. 3 to March 29, 1981
Joel Gerber,
 May 28, 1983 to March 17, 1984
V. Jean Owens,
 March 14 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

NOTE: From 1866 to 1926, the chief legal officer for the Bureau of Internal Revenue was known as the Solicitor. For the next 8 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.



¹ 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.

3,270,070	15,597,007	6,256,039	9,279,131	103,159
580,687	8,331,695	1,871,637	6,432,668	87,070
17,386,979	88,833,695	14,712,728	73,752,255	79,896
346,719	7,066,973	1,801,649	5,235,672	1,609,125
39,114,058	171,788,322	36,540,727	134,356,183	27,653
20,343,866	48,217,766	8,684,062	39,323,108	1,143,565
305,275	2,995,155	707,331	2,272,331	318,756

2,2518,230	380,924,573	2,051,078,590
22,179,707	2,433,131	19,271,581
4,057,755	310,985	3,682,979
32,638,677	2,795,459	28,922,345
27,697,303	6,823,206	18,511,007
299,521,281	44,419,490	246,839,791
42,308,861	3,180,315	37,328,243
50,450,286	10,350,897	39,058,058
17,222,467	4,838,043	12,182,555
17,458,924	1,124,379	16,213,546
131,261,303	9,900,660	118,062,123
74,824,364	14,582,950	56,641,155
7,122,326	655,818	6,184,056
8,279,632	603,353	7,592,855
129,891,703	24,143,928	102,622,203
39,851,966	5,179,590	34,002,874
17,400,565	1,981,102	15,058,800
20,126,901	2,671,506	15,846,823
21,709,969	1,606,303	19,756,820
27,323,703	1,165,111	25,666,190
6,300,230	490,185	5,556,418
51,243,026	4,242,760	46,283,133
69,628,887	7,006,102	61,248,266
70,036,186	7,636,529	61,290,112
72,065,501	14,252,702	56,057,690
9,803,730	765,810	8,641,413
44,460,802	5,820,070	37,113,741
4,081,168	193,276	3,784,622
17,381,221	5,211,131	11,936,550
19,123,140	3,270,070	15,597,007
9,112,460	580,687	8,331,695
108,541,003	17,386,979	88,833,695
7,513,621	346,719	7,066,973
214,937,242	39,114,058	171,788,322
69,364,463	20,343,866	48,217,766
3,333,405	305,275	2,995,155
90,623,355	16,380,204	72,968,398
31,148,116	8,961,139	16,377,931
23,119,047	2,138,547	20,482,070
102,512,063	12,561,651	86,218,915
10,392,995	2,383,388	7,899,398
31,111,506	1,177,975	29,271,051
4,377,098	261,933	4,017,121
47,392,636	6,663,979	39,590,480
204,736,871	37,004,514	145,758,275
13,240,911	1,143,559	11,358,072
3,605,629	193,703	3,334,454
61,307,121	8,867,884	50,433,386
56,732,059	8,737,224	46,430,144
6,179,043	531,996	5,432,759
41,685,918	6,102,472	34,934,539
3,956,255	525,501	3,127,814
2,217,654	12,722	2,199,380
4,000,937	644,496	3,353,119
5,267,101	968,857	4,027,780
2,640,566	249,507	2,391,059
368,019	249,507	118,512
2,213,400	12,433	2,213,400
59,147	173,757	59,147
4,179,516	188,293	3,286,445
26,131,334	4,312,657	276,284
30,834,243	4,875,735	380,538
34,917,825	1,367,935	502,989
29,896,520	5,649,460	435,766
38,337,646	5,242,080	829,457



Department of the Treasury
Internal Revenue Service

www.irs.gov

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