

INTERNAL REVENUE SERVICE

FISCAL YEAR 2010 ENFORCEMENT RESULTS

Enforcement Revenue Collected(1)

| (Dollars in Billions) | FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 | FY 2010 |
|-----------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Collection | \$24.30 | \$24.40 | \$24.80 | \$25.70 | \$26.60 | \$28.20 | \$31.80 | \$31.10 | \$26.90 | \$29.10 |
| Examination | \$5.60 | \$5.70 | \$8.80 | \$12.50 | \$13.80 | \$13.00 | \$15.20 | \$15.80 | \$12.60 | \$16.90 |
| Appeals(2) | \$2.30 | \$2.20 | \$1.90 | \$2.20 | \$3.90 | \$4.30 | \$8.30 | \$4.80 | \$4.80 | \$6.70 |
| Document Matching | \$1.60 | \$1.80 | \$2.20 | \$2.70 | \$3.10 | \$3.30 | \$3.90 | \$4.70 | \$4.60 | \$4.90 |
| Total(3) | \$33.80 | \$34.10 | \$37.60 | \$43.10 | \$47.30 | \$48.70 | \$59.20 | \$56.40 | \$48.90 | \$57.60 |

Staffing for Key Enforcement Occupations(4)

| | FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 | FY 2010 |
|------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Revenue Officers | 5,376 | 5,502 | 5,076 | 5,156 | 5,249 | 5,627 | 5,662 | 5,492 | 5,451 | 6,042 |
| Revenue Agents | 12,092 | 11,743 | 11,780 | 11,811 | 12,192 | 12,778 | 12,816 | 12,599 | 12,958 | 13,888 |
| Special Agents | 2,735 | 2,868 | 2,834 | 2,778 | 2,771 | 2,780 | 2,709 | 2,631 | 2,650 | 2,780 |
| Total | 20,203 | 20,113 | 19,691 | 19,746 | 20,211 | 21,185 | 21,187 | 20,722 | 21,059 | 22,710 |

1 Enforcement revenue collected in a fiscal year includes tax, interest, and penalties from multiple tax years. Some enforcement activities can take more than a year to close and may generate revenue over several years, so it is generally inappropriate to compare revenue collected in a given fiscal year to the staffing available for that same year.

2 Includes any revenue collection attributable to IRS Appeals activities.

3 Includes the Information Reporter Program (IRP) and the Automated Underreporter (AUR) Program.

4 Enforcement staffing levels presented in Full Time Equivalents (FTE). FTE funded directly by the Enforcement appropriation and by reimbursements are included.

Examination - Individual Return Closures and Coverage Rates

Total Individual Returns

| | FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY2009 | FY2010 |
|------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|------------------|
| Field | 202,515 | 205,134 | 206,457 | 197,388 | 247,235 | 302,785 | 311,339 | 310,429 | 326,249 | 342,762 |
| Correspondence | 529,241 | 538,747 | 642,839 | 810,486 | 968,073 | 981,165 | 1,073,224 | 1,081,152 | 1,099,639 | 1,238,632 |
| Total Examinations | 731,756 | 743,881 | 849,296 | 1,007,874 | 1,215,308 | 1,283,950 | 1,384,563 | 1,391,581 | 1,425,888 | 1,581,394 |
| Returns Filed in prior CY | 127,097,400 | 129,444,947 | 130,341,159 | 130,134,277 | 130,576,852 | 132,275,830 | 134,542,879 | 137,849,635 | 138,949,670 | 142,823,105 |
| Coverage | 0.58% | 0.57% | 0.65% | 0.77% | 0.93% | 0.97% | 1.03% | 1.01% | 1.03% | 1.11% |

Examination - Individual Return Closures and Coverage Rates

Income Under \$200,000

| | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY2009 | FY 2010 |
|----------------------------|---------|---------|-------------|-------------|-------------|-------------|-------------|
| Field | n/a | n/a | 266,726 | 267,699 | 256,854 | 269,865 | 284,241 |
| Correspondence | n/a | n/a | 929,666 | 1,011,315 | 1,003,976 | 1,010,870 | 1,144,178 |
| Total Examinations | | | 1,196,392 | 1,279,014 | 1,260,830 | 1,280,735 | 1,428,419 |
| Returns Filed in Prior CY* | | | 128,875,395 | 130,600,177 | 133,407,479 | 133,924,956 | 137,892,685 |
| Coverage | | | 0.93% | 0.98% | 0.95% | 0.96% | 1.04% |

Income \$200,000 and Higher

| | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY2009 | FY2010 |
|----------------------------|---------|---------|-----------|-----------|-----------|-----------|-----------|
| Field | n/a | n/a | 36,059 | 43,640 | 53,575 | 56,384 | 58,521 |
| Correspondence | n/a | n/a | 51,499 | 61,909 | 77,176 | 88,769 | 94,454 |
| Total Examinations | | | 87,558 | 105,549 | 130,751 | 145,153 | 152,975 |
| Returns Filed in Prior CY* | | | 3,400,435 | 3,942,702 | 4,442,156 | 5,024,714 | 4,930,420 |
| Coverage | | | 2.57% | 2.68% | 2.94% | 2.89% | 3.10% |

Income \$1 Million and Higher

| | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY2009 | FY2010 |
|----------------------------|---------|---------|---------|---------|---------|---------|---------|
| Field | 5,857 | 7,166 | 9,459 | 12,259 | 12,233 | 15,730 | 16,509 |
| Correspondence | 3,719 | 5,669 | 4,728 | 10,941 | 9,641 | 12,619 | 15,985 |
| Total Examinations | 9,576 | 12,835 | 14,187 | 23,200 | 21,874 | 28,349 | 32,494 |
| Returns Filed in Prior CY* | 190,372 | 210,280 | 270,161 | 339,138 | 392,776 | 441,715 | 388,763 |
| Coverage | 5.03% | 6.10% | 5.25% | 6.84% | 5.57% | 6.42% | 8.36% |

* CY = Calendar Year.

n/a = not available

Examination - Business Return Closures and Coverage Rates (1)

| | FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | FY 2006 | FY 2007* | FY 2008 | FY 2009 | FY2010 |
|-------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|---------------|
| Total Returns Examined | 40,557 | 40,287 | 38,299 | 29,445 | 47,593 | 52,149 | 59,516 | 59,823 | 58,144 | 58,067 |
| Returns Filed in Prior CY | 7,384,600 | 7,576,681 | 7,849,109 | 8,141,645 | 8,373,880 | 8,722,410 | 9,072,828 | 9,530,662 | 9,951,648 | 9,949,946 |
| Coverage | 0.55% | 0.53% | 0.49% | 0.36% | 0.57% | 0.60% | 0.66% | 0.63% | 0.58% | 0.58% |

Small Corporation Returns

| (Assets Under \$ 10 Million) | FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 | FY2010 |
|------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|---------------|
| Returns Examined | 14,332 | 14,655 | 13,608 | 7,294 | 17,858 | 17,849 | 20,020 | 20,580 | 18,298 | 19,127 |
| Returns Filed in Prior CY* | 2,372,900 | 2,329,479 | 2,327,272 | 2,310,279 | 2,249,416 | 2,230,024 | 2,171,144 | 2,166,197 | 2,146,400 | 2,039,625 |
| Coverage | 0.60% | 0.63% | 0.58% | 0.32% | 0.79% | 0.80% | 0.92% | 0.95% | 0.85% | 0.94% |

Large Corporation Returns

| (Assets \$10 Million and Higher) | FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 | FY2010 |
|----------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------------|
| Returns Examined | 8,718 | 8,443 | 7,125 | 9,523 | 10,829 | 10,578 | 9,644 | 9,406 | 9,536 | 10,207 |
| Returns Filed in Prior CY* | 57,800 | 59,602 | 58,974 | 56,883 | 54,091 | 56,847 | 57,357 | 61,641 | 65,546 | 72,076 |
| Coverage | 15.10% | 14.20% | 12.10% | 16.70% | 20.00% | 18.60% | 16.80% | 15.26% | 14.55% | 14.16% |

Subchapter S Returns

| (Form 1120-S) | FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 | FY2010 |
|----------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|---------------|
| Returns Examined | 12,437 | 11,646 | 9,695 | 6,402 | 10,417 | 13,970 | 17,657 | 16,634 | 17,455 | 16,327 |
| Returns Filed in Prior CY* | 2,887,100 | 3,022,589 | 3,191,108 | 3,369,122 | 3,523,934 | 3,715,249 | 3,909,730 | 4,155,830 | 4,390,857 | 4,414,662 |
| Coverage | 0.43% | 0.39% | 0.30% | 0.19% | 0.30% | 0.38% | 0.45% | 0.40% | 0.40% | 0.37% |

Partnership Returns

| (Form 1065) | FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 | FY 2010 |
|----------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|----------------|
| Returns Examined | 5,070 | 5,543 | 7,871 | 6,226 | 8,489 | 9,752 | 12,195 | 13,203 | 12,855 | 12,406 |
| Returns Filed in Prior CY* | 2,066,800 | 2,165,011 | 2,271,755 | 2,405,361 | 2,546,439 | 2,720,290 | 2,934,597 | 3,146,994 | 3,348,845 | 3,423,583 |
| Coverage | 0.25% | 0.26% | 0.35% | 0.26% | 0.33% | 0.36% | 0.42% | 0.42% | 0.38% | 0.36% |

1 Business Returns include Small and Large Corporation Returns and Subchapter S and Partnership Pass Through Returns.

* CY = Calendar Year.

Examination - Large Corporation Return Closures and Coverage Rates
Assets \$10 Million and Higher

| | FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 | FY2010 |
|----------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------------|
| Total Returns Examined | 8,718 | 8,443 | 7,125 | 9,523 | 10,829 | 10,578 | 9,644 | 9,406 | 9,536 | 10,207 |
| Returns Filed in Prior CY* | 57,800 | 59,602 | 58,974 | 56,883 | 54,091 | 56,877 | 57,357 | 61,641 | 65,546 | 72,076 |
| Coverage | 15.10% | 14.20% | 12.10% | 16.70% | 20.00% | 18.60% | 16.80% | 15.30% | 14.50% | 14.16% |

By Asset Class

| | FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 | FY2010 |
|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------------|
| \$10 Million < \$50 Million | | | | | | | | | | |
| Returns Examined | 3,071 | 2,540 | 1,987 | 2,864 | 3,535 | 4,218 | 4,473 | 3,833 | 3,473 | 4,307 |
| Coverage | 9.70% | 7.80% | 6.20% | 9.40% | 12.30% | 14.20% | 15.00% | 11.70% | 10.10% | 10.95% |
| \$50 Million < \$100 Million | | | | | | | | | | |
| Returns Examined | 973 | 865 | 782 | 965 | 1,148 | 999 | 801 | 893 | 1,158 | 1,259 |
| Coverage | 12.30% | 10.70% | 9.80% | 12.90% | 16.40% | 13.80% | 11.40% | 11.70% | 14.30% | 14.02% |
| \$100 Million < \$250 Million | | | | | | | | | | |
| Returns Examined | 1,369 | 1,289 | 1,026 | 1,308 | 1,287 | 1,085 | 946 | 1,026 | 1,134 | 1,191 |
| Coverage | 17.60% | 16.00% | 12.90% | 16.90% | 17.50% | 14.00% | 12.10% | 12.80% | 13.60% | 13.15% |
| \$250 Million and Higher | | | | | | | | | | |
| Returns Examined | 3,305 | 3,749 | 3,330 | 4,386 | 4,859 | 4,276 | 3,424 | 3,654 | 3,771 | 3,450 |
| Coverage | 32.10% | 34.40% | 29.80% | 39.80% | 44.10% | 35.20% | 27.20% | 27.40% | 25.70% | 23.44% |

* CY = Calendar Year.

Examination - Tax Exempt Organization Return Closures

| | FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | FY 2006* | FY 2007 | FY 2008 | FY 2009 | FY 2010 |
|-------------------------------|----------------|----------------|----------------|----------------|----------------|-----------------|----------------|----------------|----------------|----------------|
| Total Returns Examined | 5,342 | 5,278 | 5,754 | 5,800 | 4,953 | 7,079 | 7,580 | 7,861 | 10,187 | 11,449 |
| Returns Processed in Prior CY | 872,210 | 783,582 | 809,223 | 863,494 | 849,342 | 849,227 | 867,696 | 888,412 | 823,087 | 776,300 |
| Coverage | 0.61% | 0.67% | 0.71% | 0.67% | 0.58% | 0.83% | 0.87% | 0.88% | 1.24% | 1.47% |

Collection

Enforcement Actions

| | FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 | FY 2010 |
|-----------------|---------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Levies | 674,080 | 1,283,742 | 1,680,844 | 2,029,613 | 2,743,577 | 3,742,276 | 3,757,190 | 2,631,038 | 3,478,181 | 3,606,818 |
| Liens | 426,166 | 482,509 | 544,316 | 534,392 | 522,887 | 629,813 | 683,659 | 768,168 | 965,618 | 1,096,376 |
| Seizures | 234 | 296 | 399 | 440 | 512 | 590 | 676 | 610 | 581 | 605 |

Criminal Investigations

Prosecutions Recommended

| By Source | FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 | FY 2010 |
|---------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Tax and Tax Related | 964 | 991 | 1,336 | 1,439 | 1,434 | 1,343 | 1,423 | 1,293 | 1,269 | 1,511 |
| Nontax (illegal) | 524 | 483 | 521 | 719 | 658 | 756 | 866 | 804 | 769 | 864 |
| Narcotics | 847 | 659 | 684 | 879 | 767 | 621 | 548 | 688 | 532 | 659 |
| Total | 2,335 | 2,133 | 2,541 | 3,037 | 2,859 | 2,720 | 2,837 | 2,785 | 2,570 | 3,034 |

| Overall Conviction Rate | FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 | FY 2010 |
|--------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 90.40% | 91.50% | 91.50% | 92.20% | 91.20% | 91.50% | 90.20% | 92.30% | 87.20% | 90.20% |

| | FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 | FY 2010 |
|-------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Average Sentence ¹ | 18 | 19 | 19 | 21 | 22 | 22 | 22 | 24 | 24 | 27 |

¹ Average sentence in months for Tax and Tax Related cases.

| | FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 | FY 2010 |
|---------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Investigations Initiated | 3,284 | 3,906 | 4,001 | 3,917 | 4,269 | 3,907 | 4,211 | 3,749 | 4,121 | 4,706 |
| Information & indictments | 2,292 | 1,924 | 2,128 | 2,489 | 2,406 | 2,319 | 2,323 | 2,547 | 2,335 | 2,645 |

Both "information" and "indictments" are accusations. "Information" means an accusation made by law enforcement without the intervention of a grand jury, whereas an "indictment" is an accusation made by a prosecutor and issued by a grand jury.

Taxpayer Service

Electronic Filing (e-File) Rate -- Individual Returns

| FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 | FY 2010 |
|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| 31% | 36% | 40% | 47% | 51% | 54% | 57% | 58% | 66% | 69% |

Toll-Free Assistor Level of Service

| FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 | FY 2010 |
|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| 62% | 69% | 80% | 87% | 83% | 82% | 82% | 53% | 70% | 74% |

Toll-Free Tax Law Accuracy

| FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 | FY 2010 |
|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| 80% | 84% | 82% | 80% | 89% | 91% | 91% | 91% | 93% | 93% |

Toll-Free Customer Satisfaction Rating

| FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 | FY 2010 |
|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| n/a | n/a | 93% | 94% | 94% | 94% | 94% | 93% | 93% | 92% |

Web Page Visits on IRS.Gov (in millions)

Calendar Years

| FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 | FY 2010 |
|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| n/a | n/a | 102.6 | 152.7 | 176.5 | 197.1 | 217.8 | 329.4 | 266.7 | 304.8 |

Online Refund Status Checks through 'Where's My Refund' (in millions)

| FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 | FY 2010 |
|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| n/a | 1.1 | 12.4 | 14.9 | 22.1 | 24.7 | 32.1 | 39.2 | 54.30 | 66.9 |