



Business Nationwide Analysis



FY 10 NATIONWIDE ANALYSIS Forms 1120 &1120S

**Electronic Tax Administration
Business ETA Marketing Database**

SB/SE Research

November 2010

Project BKN0173

This presentation provides
information about Forms 1120
and 1120S for Processing Year
(PY) 2009

Acknowledgements

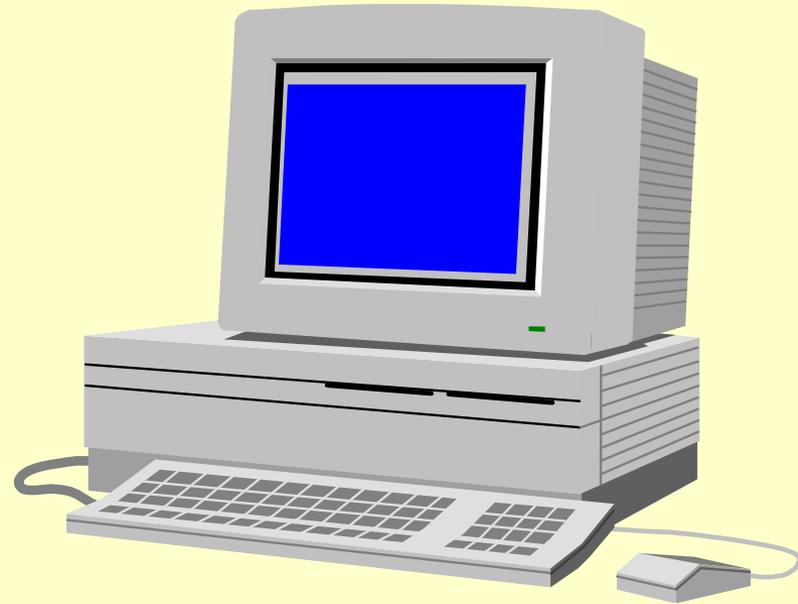
This report was prepared at the SB/SE Research site in Brooklyn/Hartford under the direction of Research Chief Wendy S. Handin. Kenneth Bulcroft was the primary author with valuable support provided by Kevin Mullen. Special thanks to Lisa Burch of ETA for posting this report to www.irs.gov so that it can be used by taxpayers and preparers to learn about e-file progress. For further information, please contact Wendy S. Handin at (718) 488-3260.

Quality Assurance

The quality of these findings were established through review and analysis conducted by SB/SE Research, Brooklyn/Hartford. Our quality assurance process included independent replication and peer review. To verify the accuracy of the analysis, Joseph Scardina, a second Brooklyn/Hartford analyst, independently recreated the numbers shown in each slide. The findings were then reviewed by the Team Leader and the Chief. A final external review was conducted by the SB/SE Research Senior Technical Analyst

Primary Data Source

- **The BMF ETA Marketing Database Form 1120 and Form 1120S tables**
- **It contains all Form 1120 and Form 1120S returns filed for Processing Year 2009 that were processed through December 31, 2009 (cycle 200852)**
- **It includes over 2 Million 1120 records and 4.3 Million 1120S records**



Form 1120 Filers

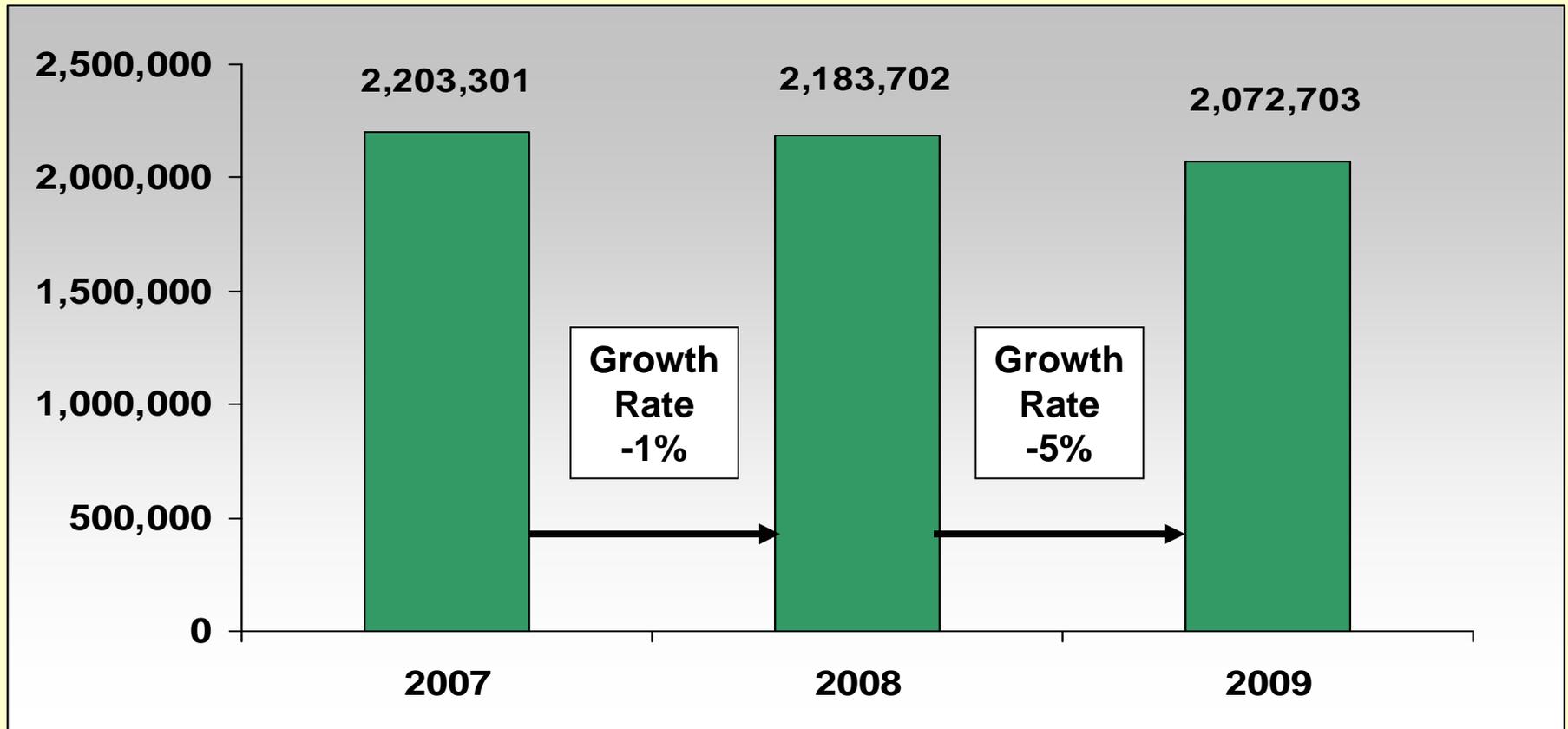
Corporate Income Tax Return Processing Year 2009



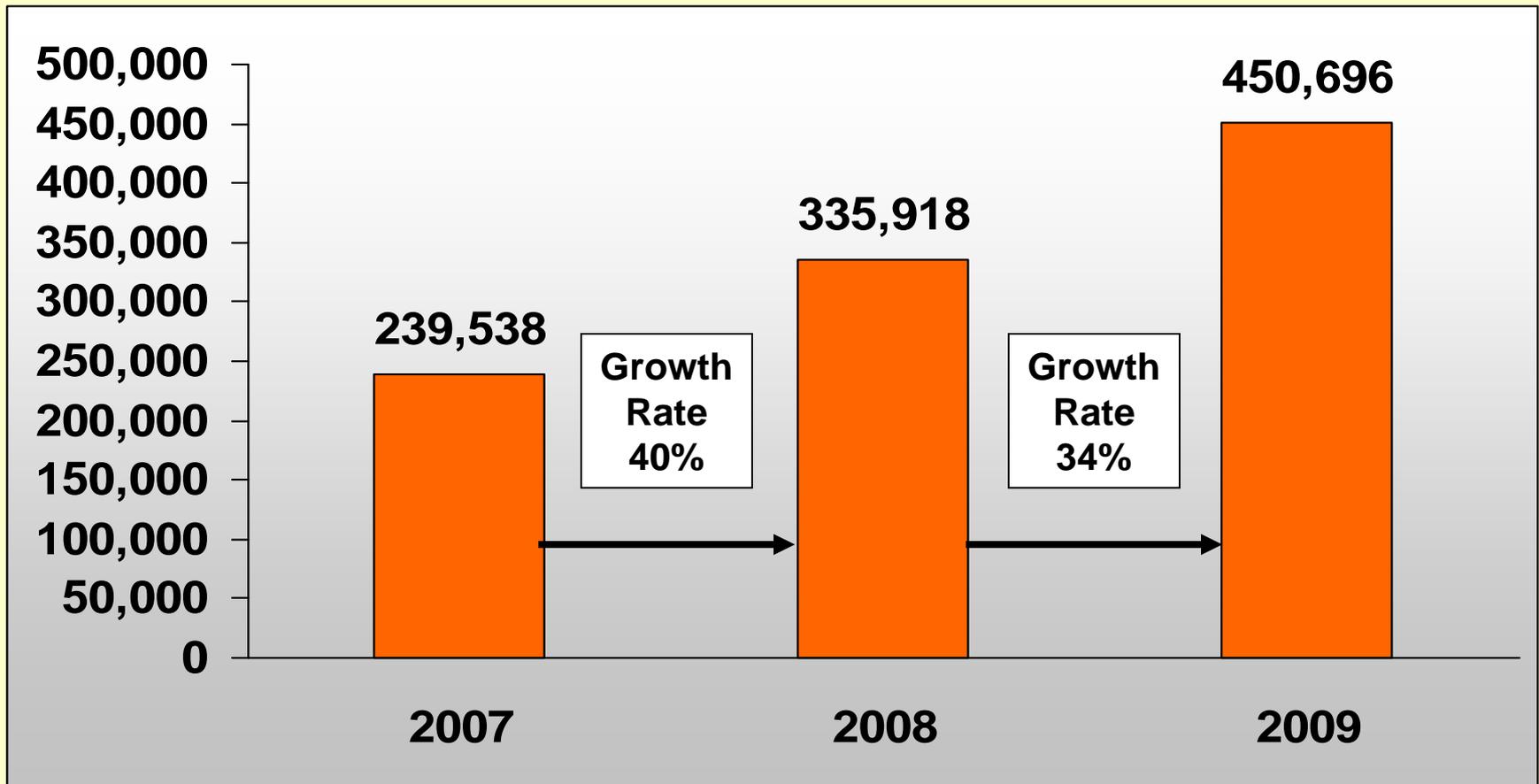
Form 1120

Annual Filing Volume

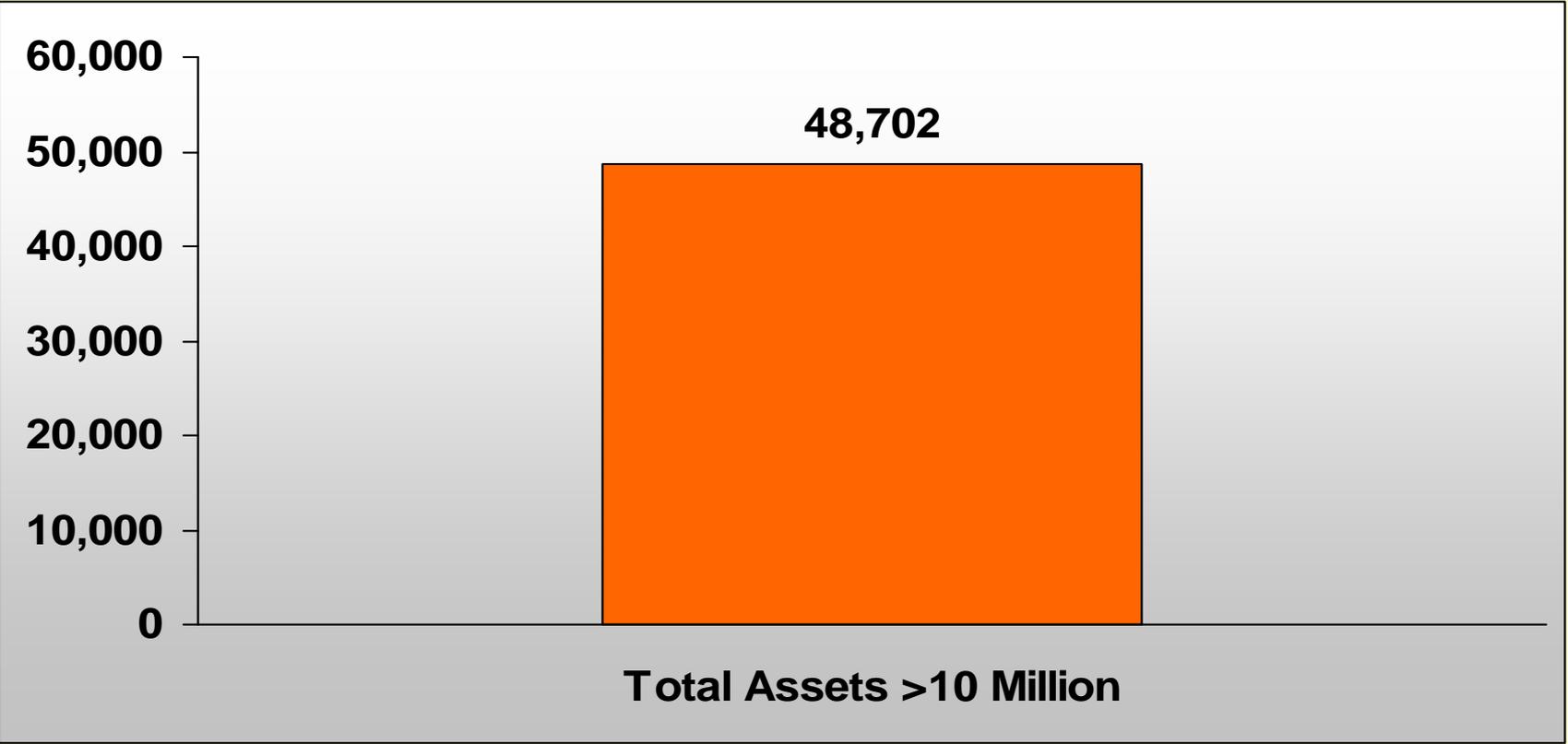
Processing Years 2007-2009



Annual Filing Volume for *e-file* Form 1120 Processing Years 2007-2009



Form 1120 Taxpayers Impacted by Mandating *e-filing* for Asset Threshold Processing Year 2009

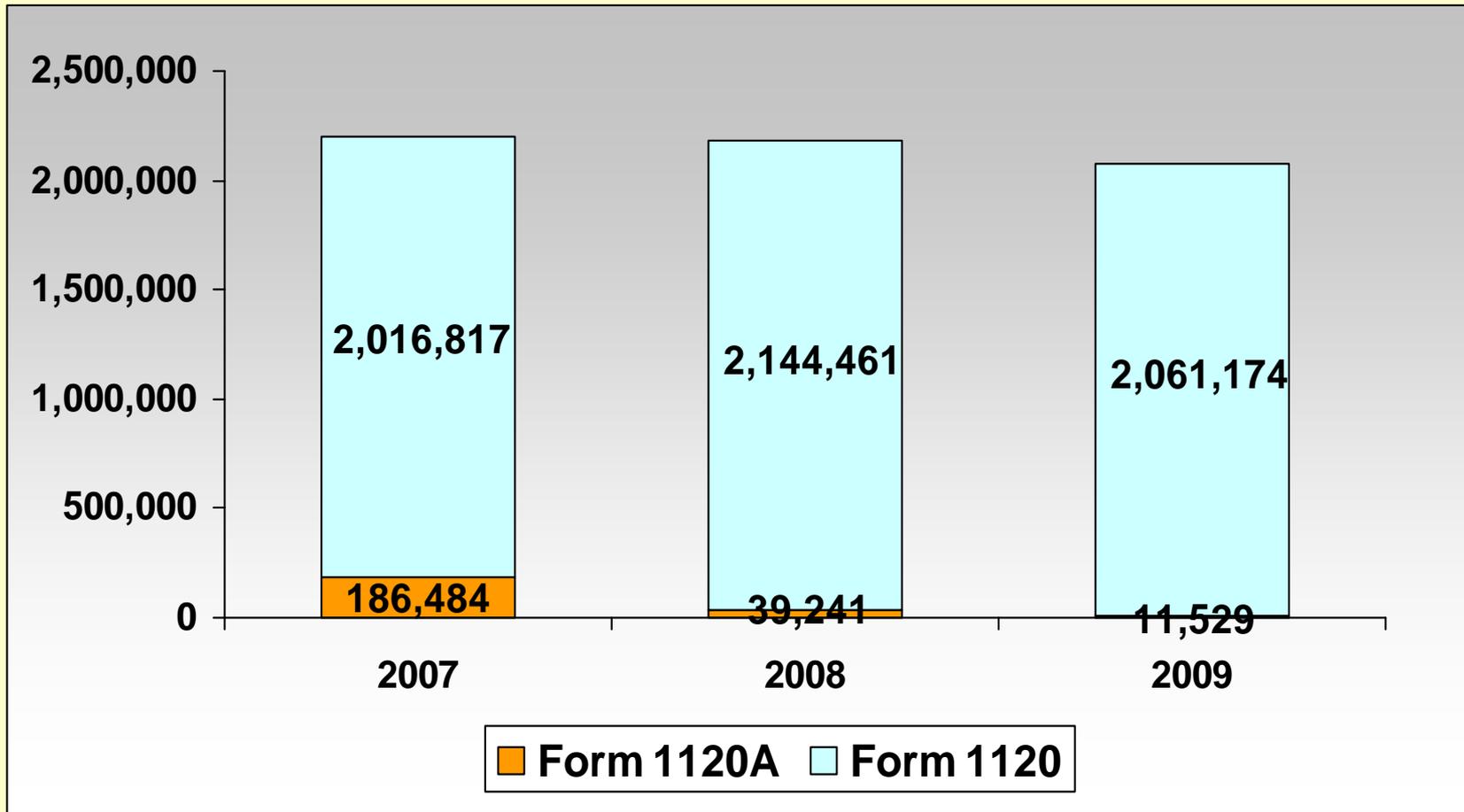


The electronic filing requirements only apply to entities that file at least 250 returns, including income tax, excise tax, information and employment tax returns, during a calendar year.

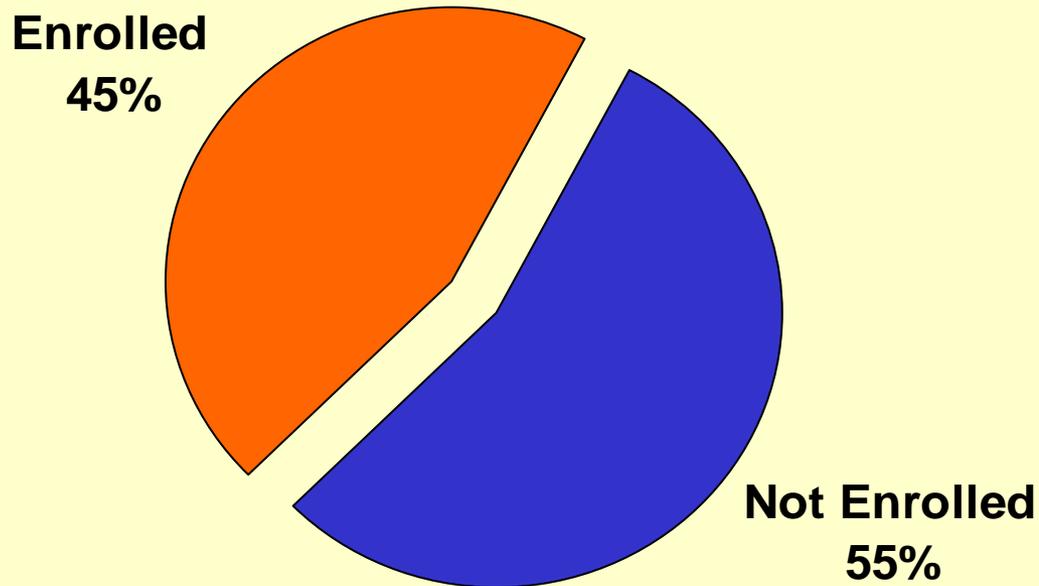
**In Processing Year 2009,
22% of all Form 1120
returns were filed
electronically.**

Form 1120 by Series

Processing Years 2007-2009



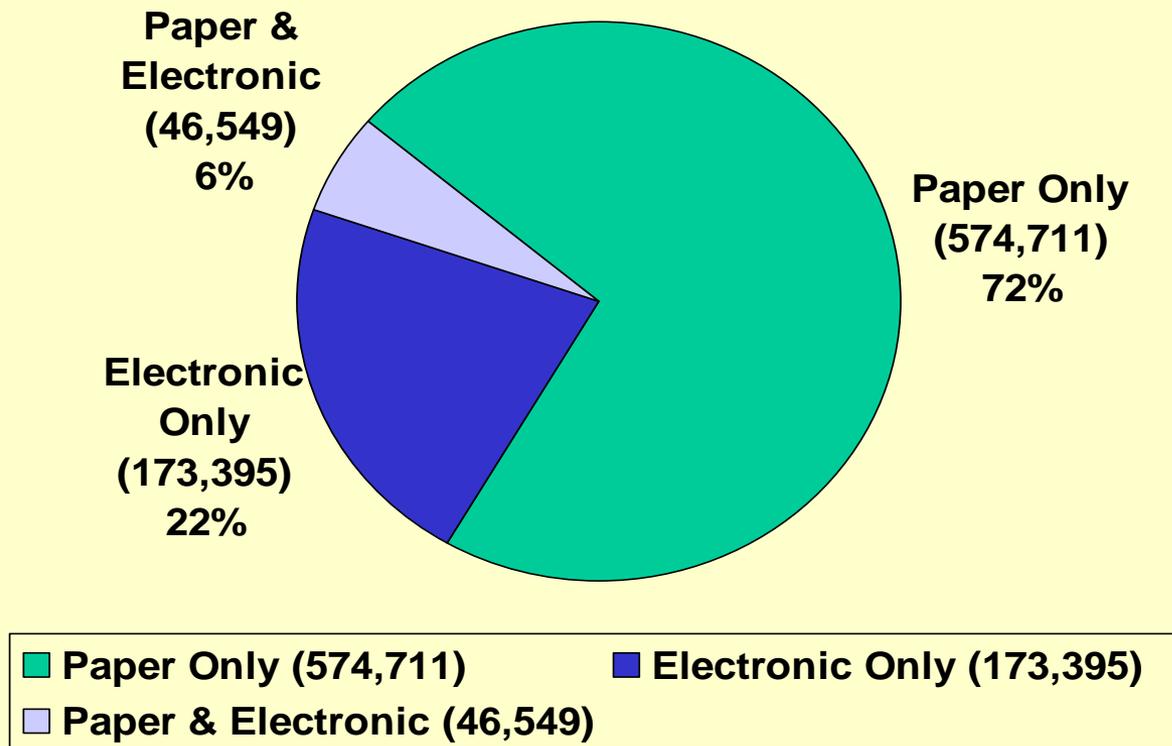
Form 1120 Taxpayers Enrolled in EFTPS (Electronic Federal Tax Payment System) Processing Year 2009



Enrolled (939,257) **Not Enrolled (1,133,446)**

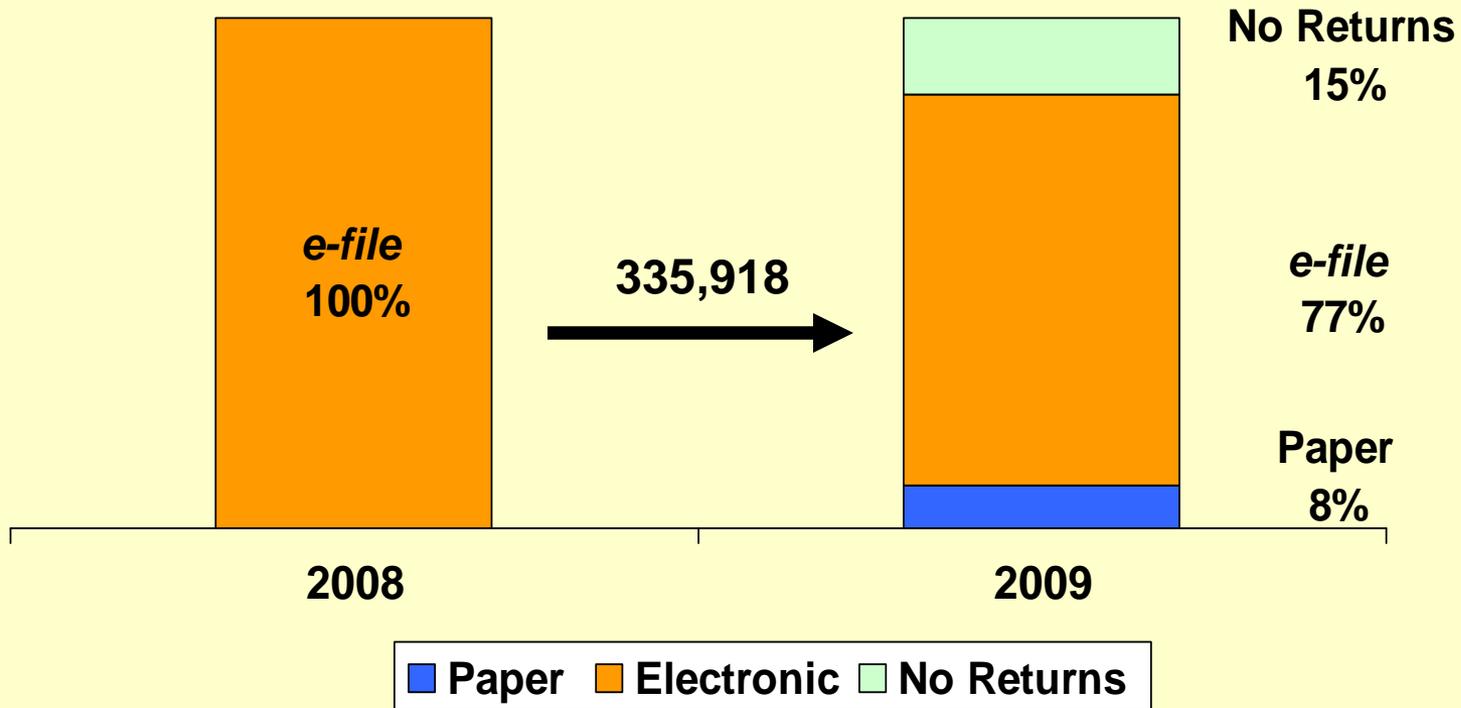
Payment Method Used by 1120 Series Taxpayers Making Payments*

Processing Year 2009

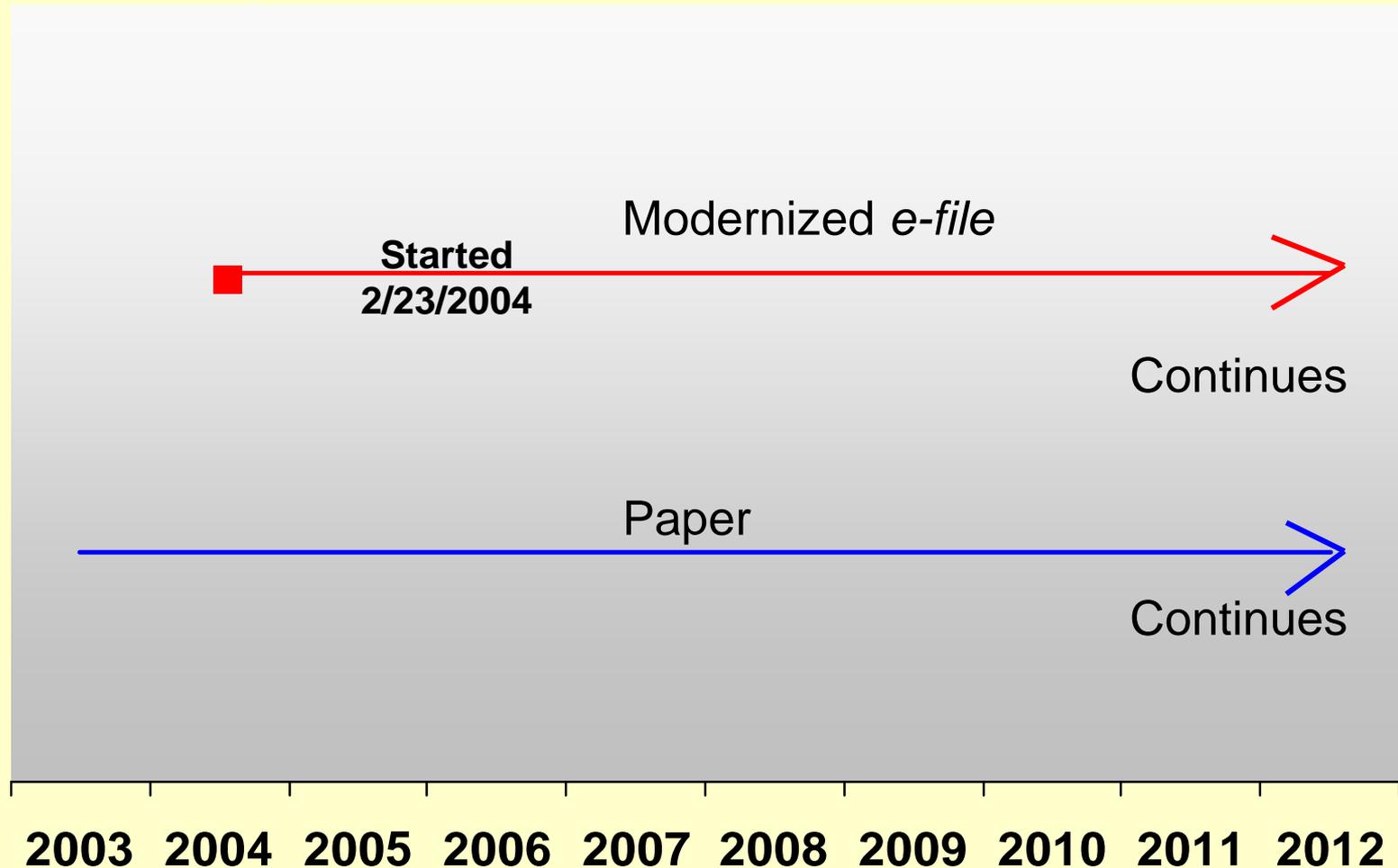


Form 1120 e-file Loyalty

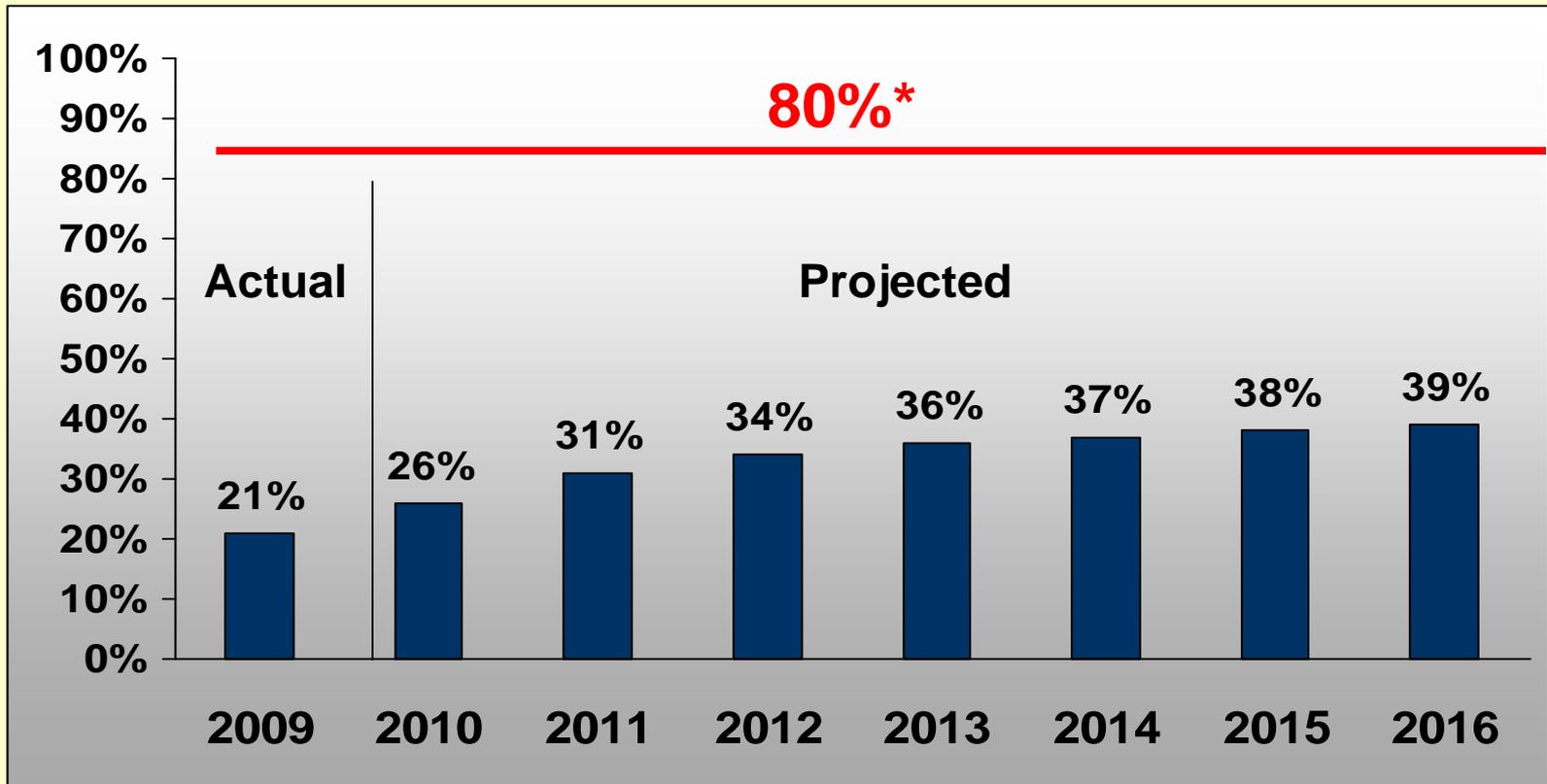
77% of PY2008 Form 1120 electronic filers, e-filed in PY2009



Form 1120: Implementation Schedule

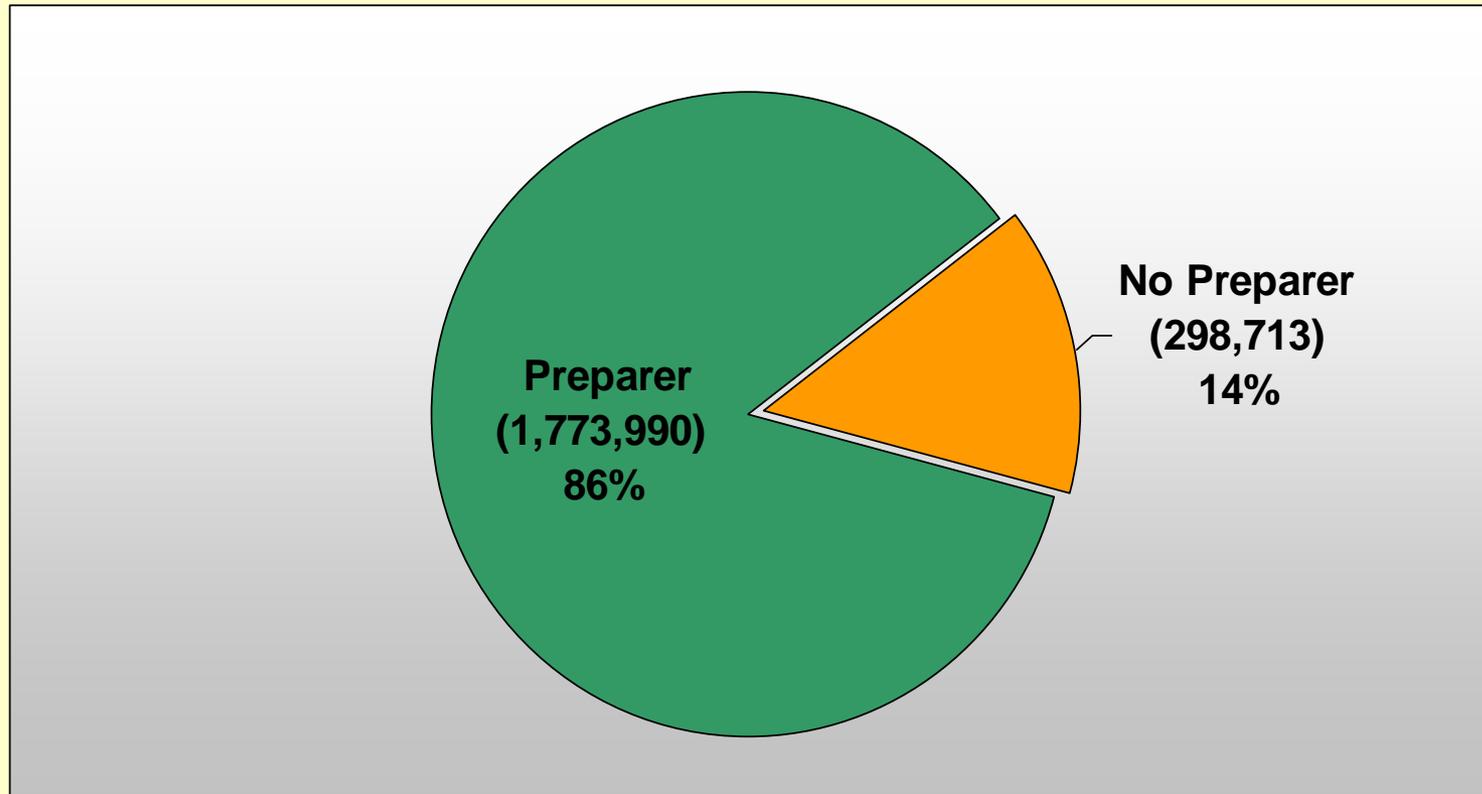


Form 1120 Projected *e-file* Penetration Rate



Form 1120 Preparer/No Preparer

Processing Year 2009

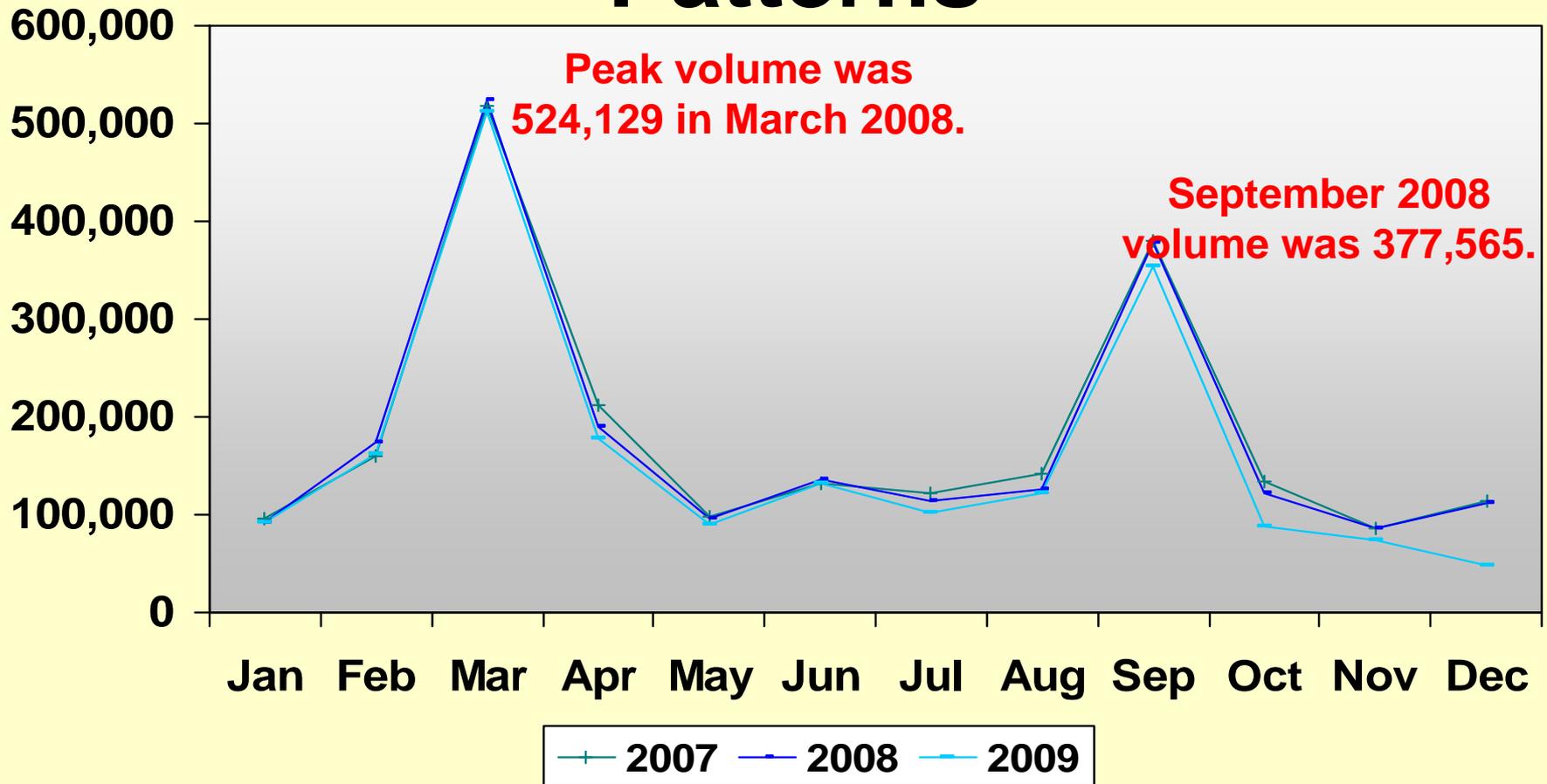


Form 1120 Effect of Mandates

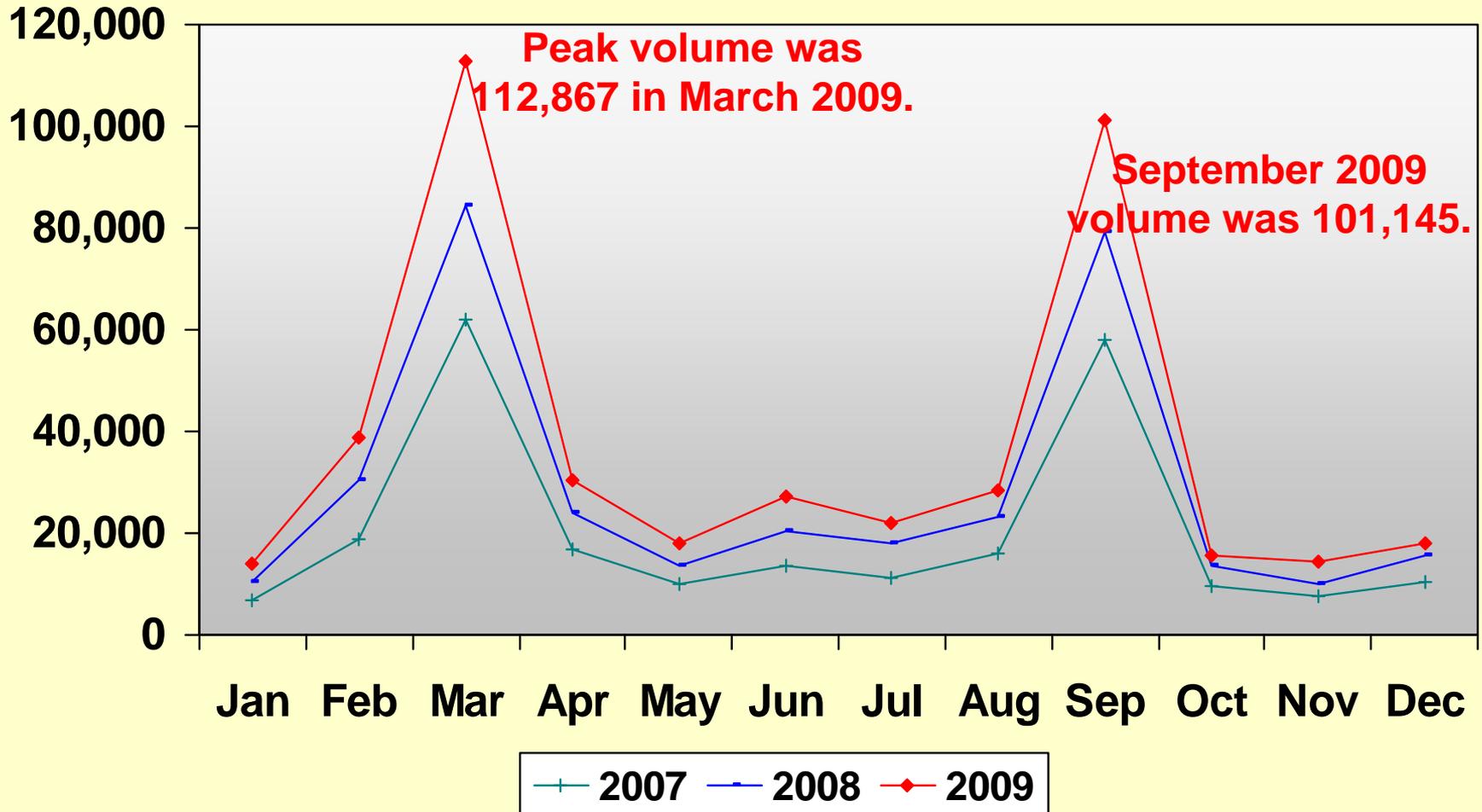
Processing Year 2009

If Preparers were mandated to e-file at:	Preparers Impacted*	Reduction in Paper Returns
>100 Returns	542	70,909
>50 Returns	2,631	176,643
>10 Returns	46,901	840,477

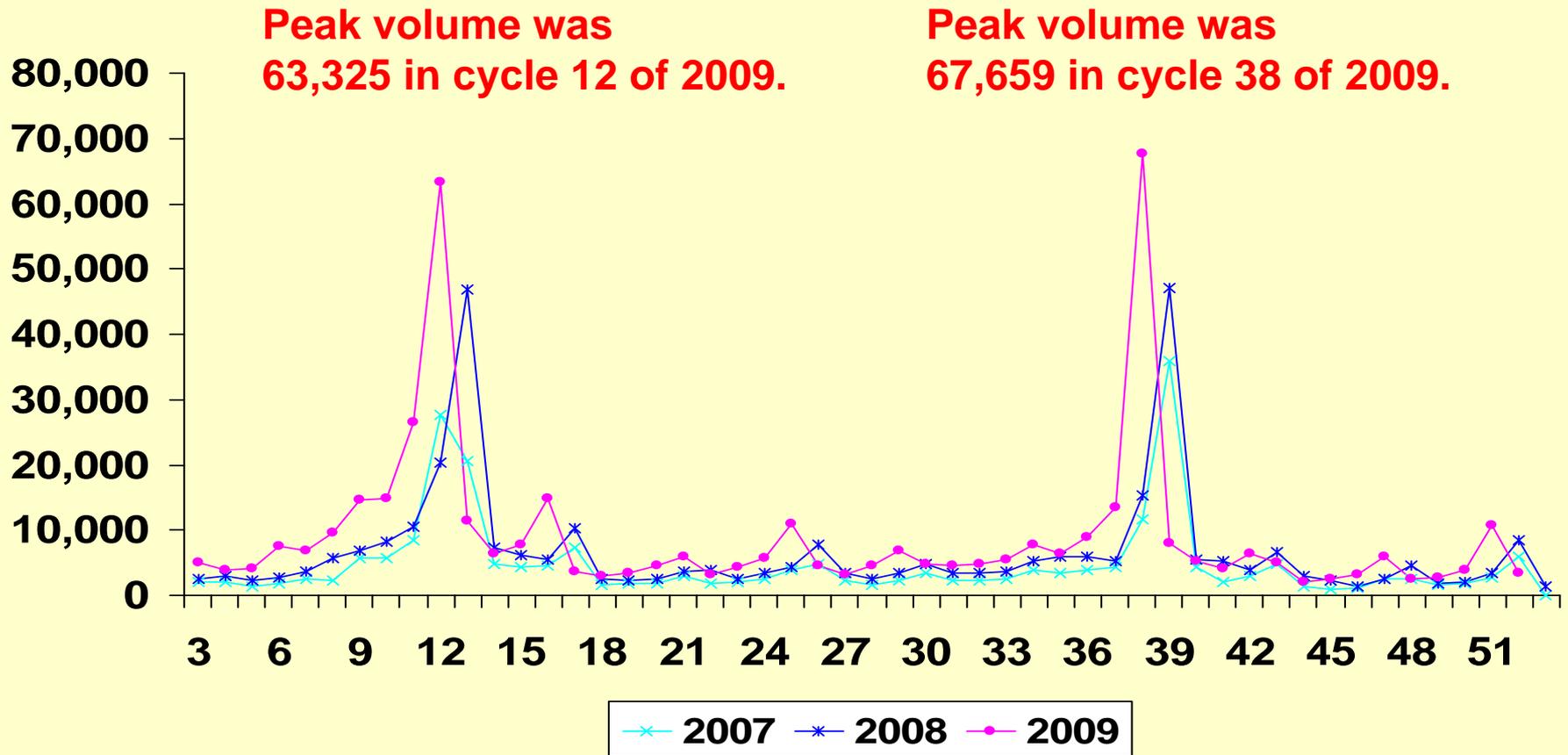
Form 1120: Monthly Filing Patterns



e-file Form 1120 Monthly Filing Patterns

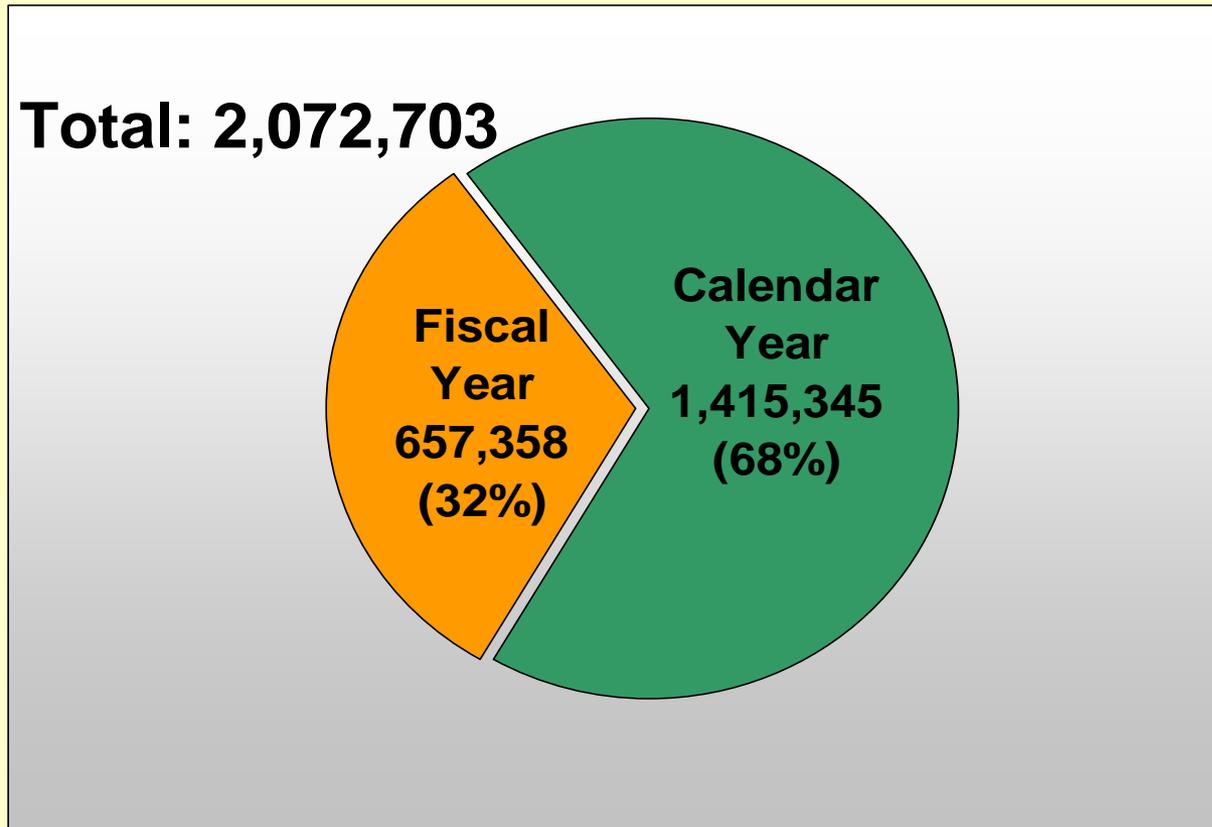


Form 1120 e-file Filing Pattern by Cycle Posted



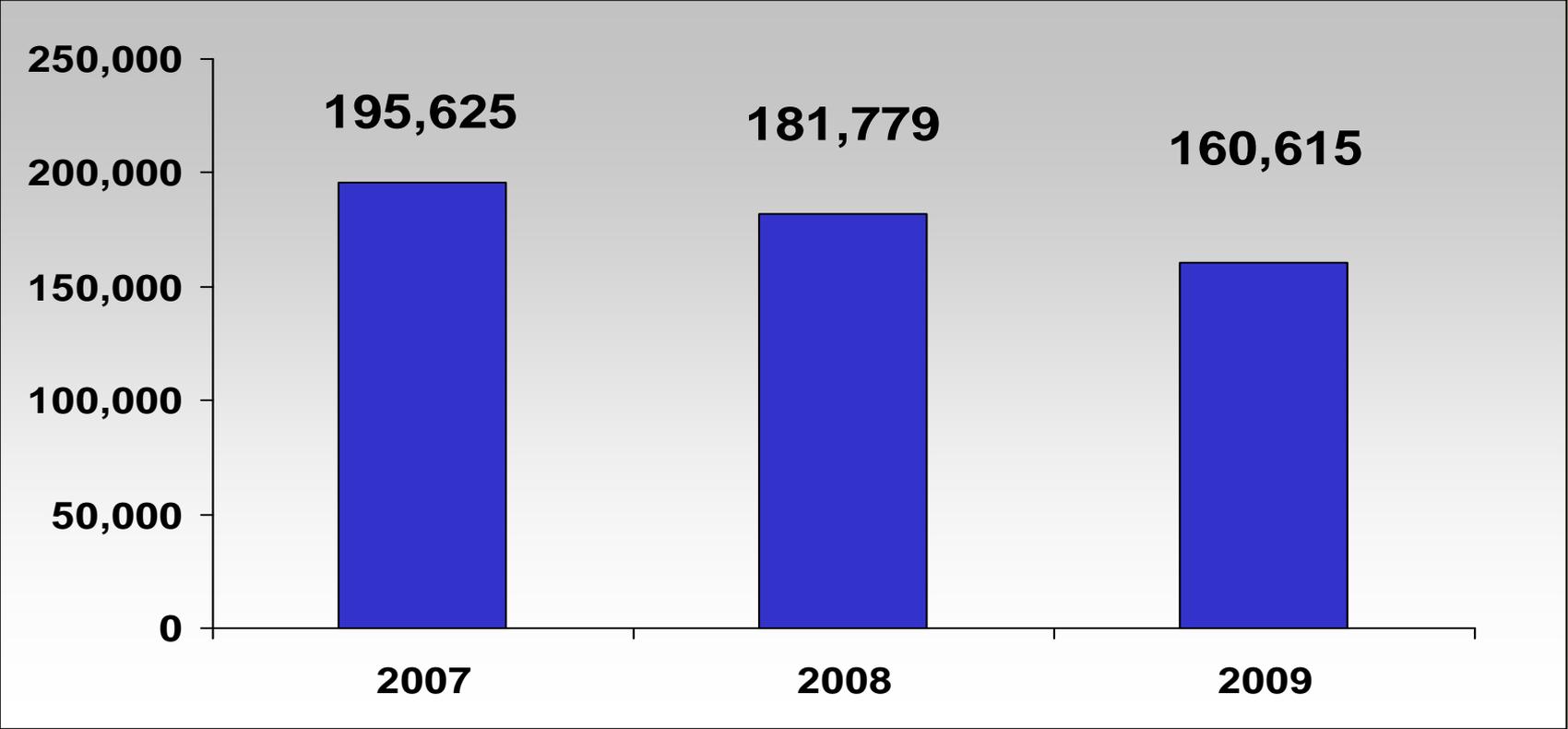
Form 1120 Fiscal Year Returns vs. Calendar Year Returns

Processing Year 2009



Form 1120 Initial Corporation Filings

Processing Years 2007 - 2009



Most Form 1120 Returns by NAICS

(The North American Industry Classification System - NAICS)

CODE	TITLE	2009	% *
531390	Other Activities Related to Real Estate	93,849	5%
621111	Offices of Physicians (except mental health specialists)	62,421	3%
541990	All Other Professional, Scientific, & Technical Services	57,739	3%
238900	Other Specialty Trade Contractors	45,102	2%
722110	Full-Service Restaurants	38,749	2%
236110	Residential Building Construction	38,542	2%
531310	Real Estate Property Managers	34,343	2%
531110	Lessors of Residential Buildings & Dwellings	31,742	2%
531120	Lessors of Nonresidential Buildings (except Mini-warehouses)	31,196	2%
812990	All Other Personal Services	30,265	1%

* The percentage of all Form 1120 returns filed in PY2009

Six of the top 10 NAICS codes involve real estate returns.

Most *e-filed* Forms 1120 by NAICS

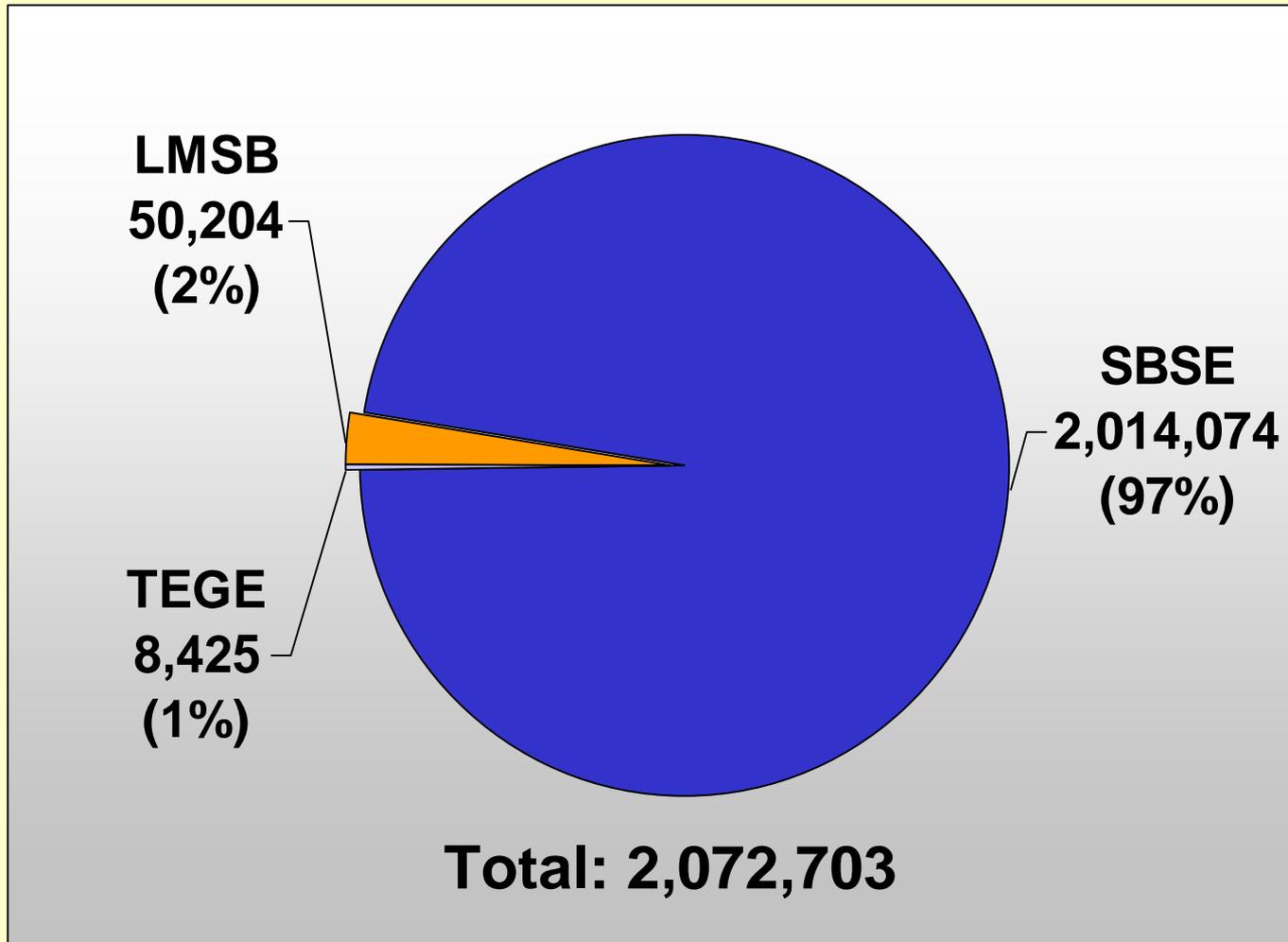
(The North American Industry Classification System - NAICS)

<u>CODE</u>	<u>NAICS TITLE</u>	<u>2009</u>	<u>%*</u>
621111	Offices of Physicians (except mental health specialists)	16,223	4%
531390	Other Activities Related to Real Estate	15,781	4%
541990	All Other Professional, Scientific, & Technical Services	13,106	3%
238900	Other Specialty Trade Contractors	10,990	2%
236110	Residential Building Construction	8,457	2%
551112	Offices of Other Holding Companies	7,857	2%
722110	Full-Service Restaurants	7,576	2%
531310	Real Estate Property Managers	6,695	1%
531120	Lessors of Nonresidential Buildings (except Mini-warehouses)	6,532	1%
541110	Offices of Lawyers	6,262	1%

* The percentage of all electronic Forms 1120 filed in PY2009

Form 1120 Returns by Business Operating Division

Processing Year 2009



Form 1120 Returns by Assets & Method Processing Year 2009

	Paper	<i>e-file</i>	Total
Under \$250,000	1,191,203	287,842	1,479,045
\$250,000 Under \$1 Million	263,492	80,551	344,043
\$1 Million Under \$5 Million	130,830	40,812	171,642
\$5 Million Under \$10 Million	21,736	7,529	29,265
\$10 Million Under \$50 Million	12,372	16,717	29,089
\$50 Million or More	2,374	17,245	19,619
Total	1,622,007	450,696	2,072,703

Form 1120 Returns Filed by State

Processing Year 2009



Alaska (AK)	3,065	Hawaii (HI)	13,055	Maine (ME)	7,399	New Jersey (NJ)	78,439	South Dakota (SD)	4,541
Alabama (AL)	19,071	Iowa (IA)	21,574	Michigan (MI)	64,246	New Mexico (NM)	8,853	Tennessee (TN)	30,623
Arkansas (AR)	15,015	Idaho (ID)	7,057	Minnesota (MN)	27,377	Nevada (NV)	29,812	Texas (TX)	171,020
Arizona (AZ)	31,896	Illinois (IL)	91,876	Missouri (MO)	33,581	New York (NY)	214,045	Utah (UT)	14,216
California (CA)	297,897	Indiana (IN)	20,581	Mississippi (MS)	13,528	Ohio (OH)	59,376	Virginia (VA)	46,840
Colorado (CO)	32,055	Kansas (KS)	17,862	Montana (MT)	8,937	Oklahoma (OK)	20,114	Vermont (VT)	4,276
Connecticut (CT)	23,486	Kentucky (KY)	15,869	North Carolina (NC)	50,801	Oregon (OR)	21,318	Washington (WA)	35,601
Delaware (DE)	8,413	Louisiana (LA)	32,495	North Dakota (ND)	4,140	Pennsylvania (PA)	58,928	Washington, DC	5,579
Florida (FL)	164,411	Massachusetts (MA)	45,202	Nebraska (NE)	12,804	Rhode Island (RI)	5,980	Wisconsin (WI)	32,847
Georgia (GA)	53,223	Maryland (MD)	39,047	New Hampshire (NH)	9,825	South Carolina (SC)	21,747	West Virginia (WV)	8,549
								Wyoming (WY)	4,596

Form 1120 e-file Penetration by State

Processing Year 2009



Alaska (AK)	28%	Hawaii (HI)	9%	Maine (ME)	15%	New Jersey (NJ)	16%	South Dakota (SD)	37%
Alabama (AL)	18%	Iowa (IA)	22%	Michigan (MI)	46%	New Mexico (NM)	21%	Tennessee (TN)	18%
Arkansas (AR)	15%	Idaho (ID)	22%	Minnesota (MN)	31%	Nevada (NV)	23%	Texas (TX)	17%
Arizona (AZ)	13%	Illinois (IL)	13%	Missouri (MO)	19%	New York (NY)	23%	Utah (UT)	24%
California (CA)	26%	Indiana (IN)	21%	Mississippi (MS)	16%	Ohio (OH)	22%	Virginia (VA)	16%
Colorado (CO)	17%	Kansas (KS)	34%	Montana (MT)	24%	Oklahoma (OK)	16%	Vermont (VT)	22%
Connecticut (CT)	18%	Kentucky (KY)	14%	North Carolina (NC)	13%	Oregon (OR)	24%	Washington (WA)	23%
Delaware (DE)	18%	Louisiana (LA)	14%	North Dakota (ND)	30%	Pennsylvania (PA)	16%	Washington, DC	11%
Florida (FL)	15%	Massachusetts (MA)	64%	Nebraska (NE)	29%	Rhode Island (RI)	27%	Wisconsin (WI)	40%
Georgia (GA)	18%	Maryland (MD)	15%	New Hampshire (NH)	25%	South Carolina (SC)	29%	West Virginia (WV)	11%
								Wyoming (WY)	25%

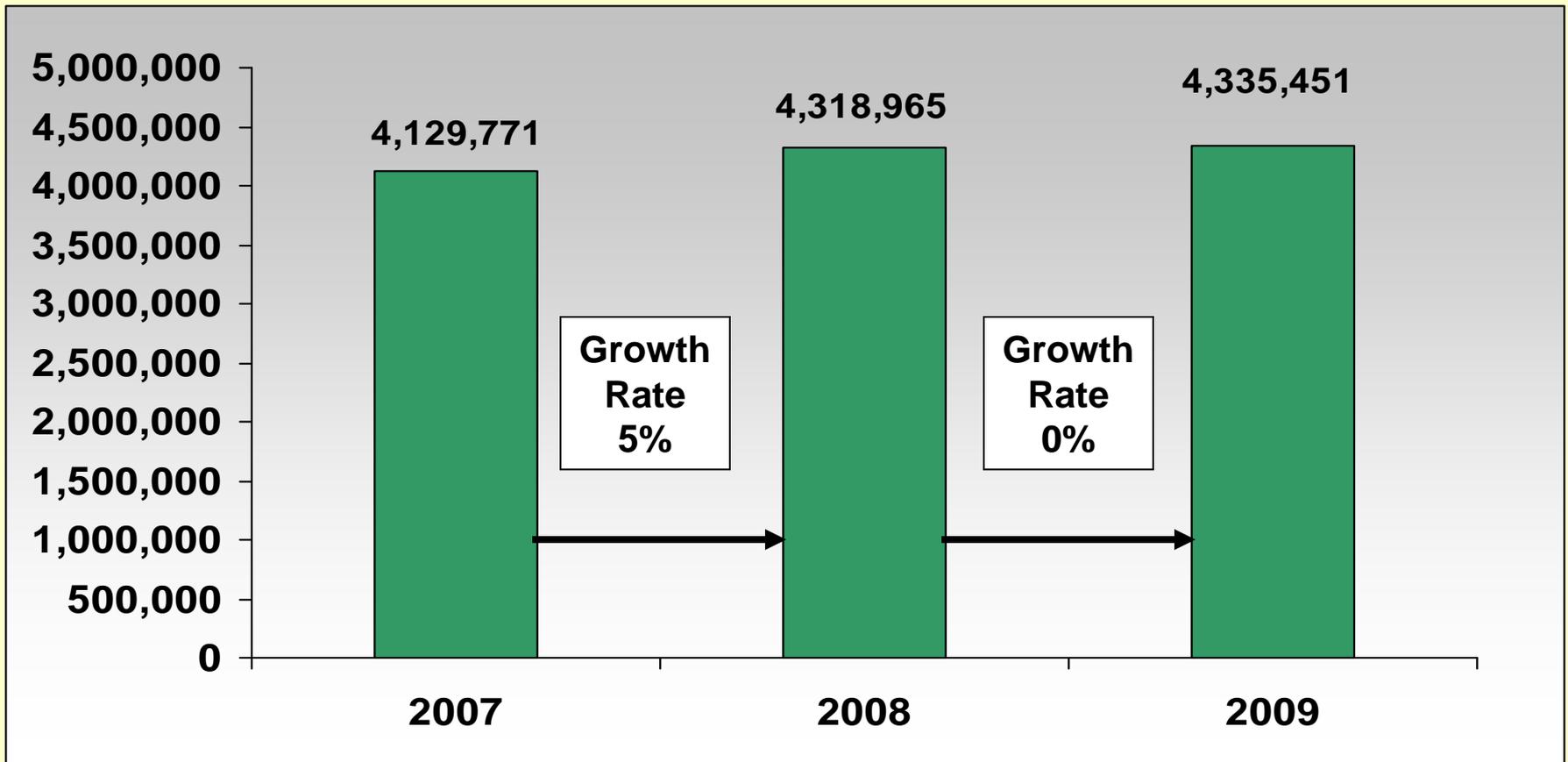
Source: 2009 ETA Marketing Database

Form 1120S Filers Small Business Corporation Income Tax Return

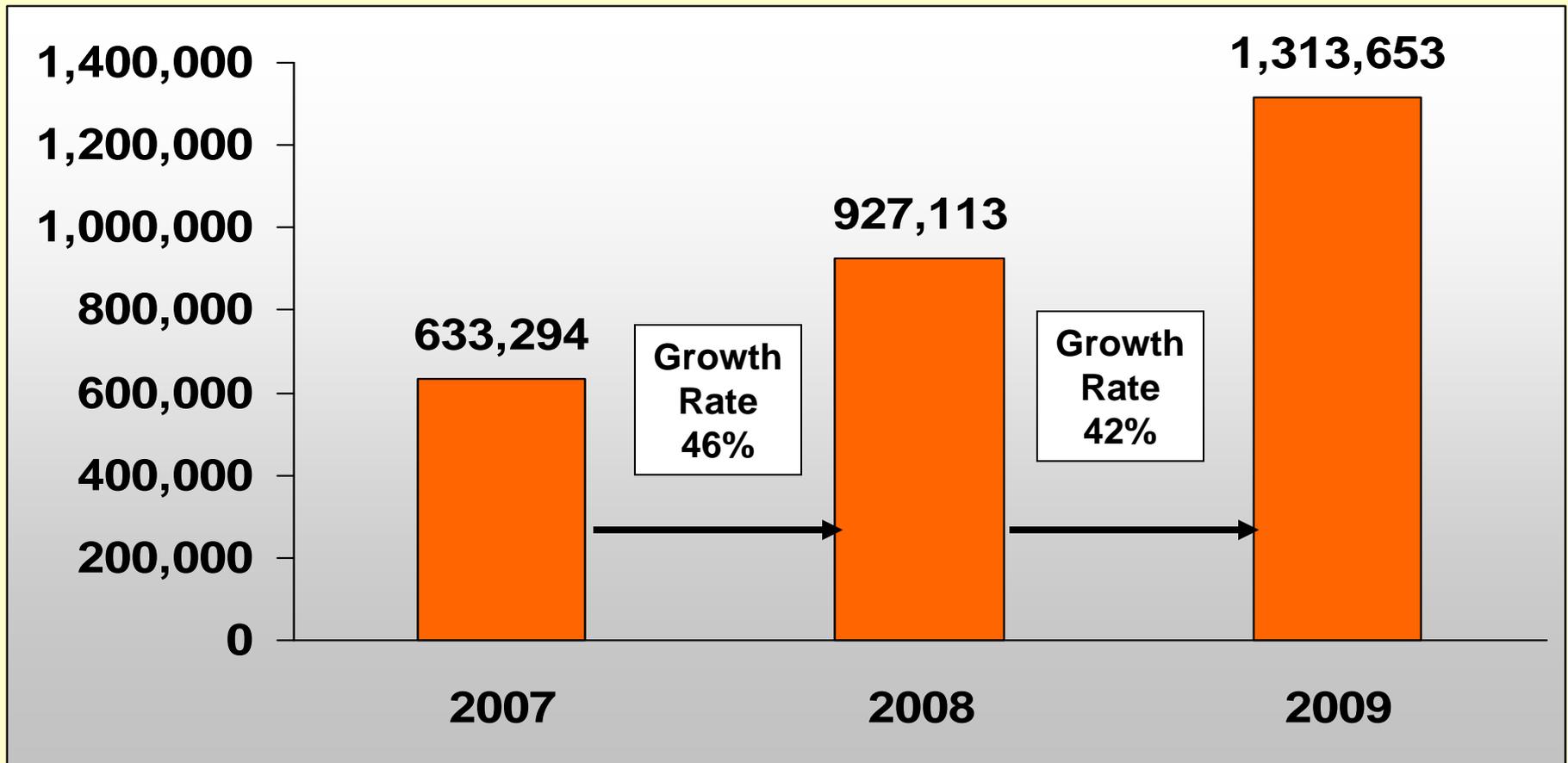
Processing Year 2009



Form 1120S Annual Filing Volume Processing Year 2007 - 2009

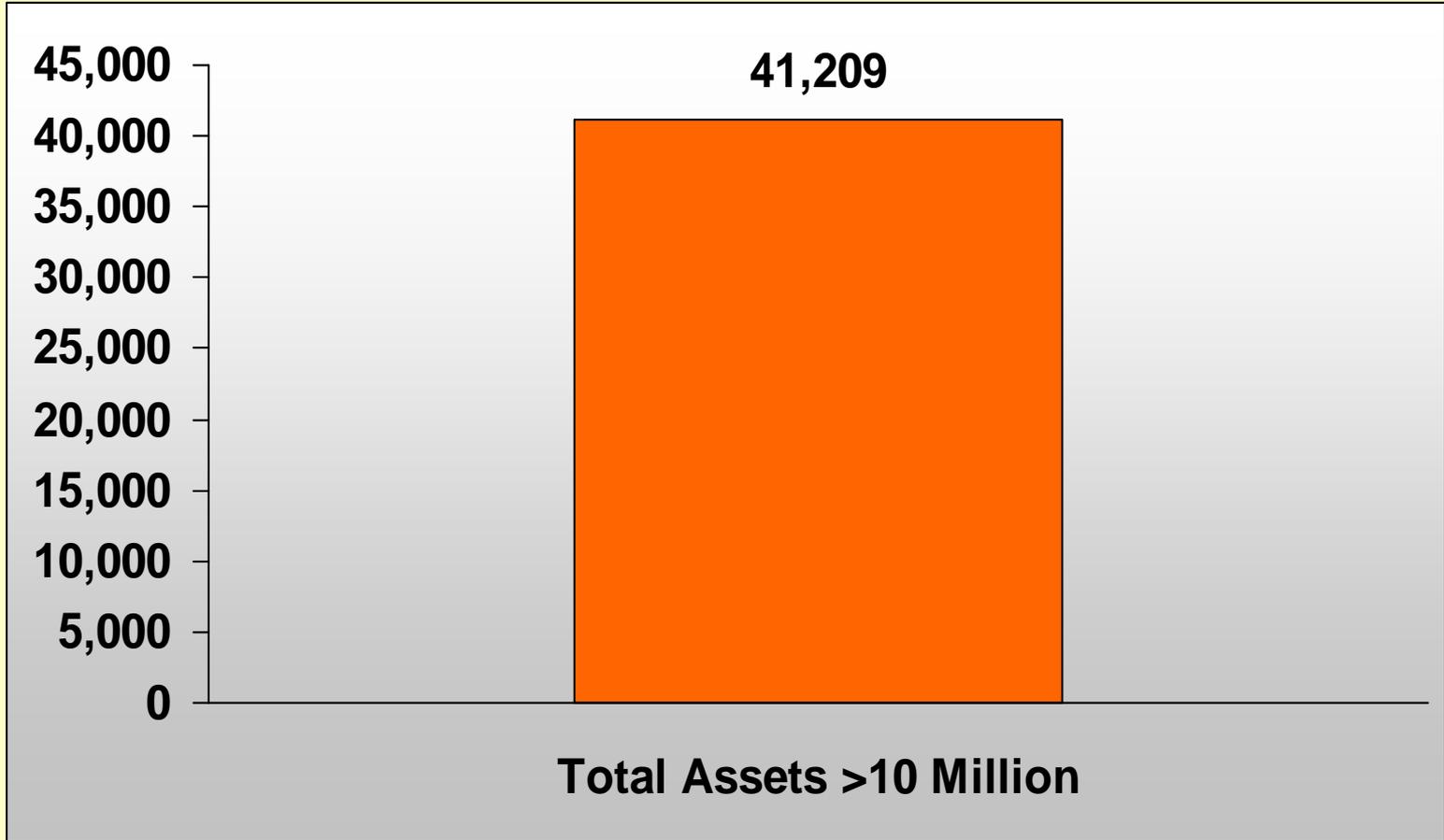


Annual *e-file* Volume for Form 1120S Processing Years 2007 - 2009



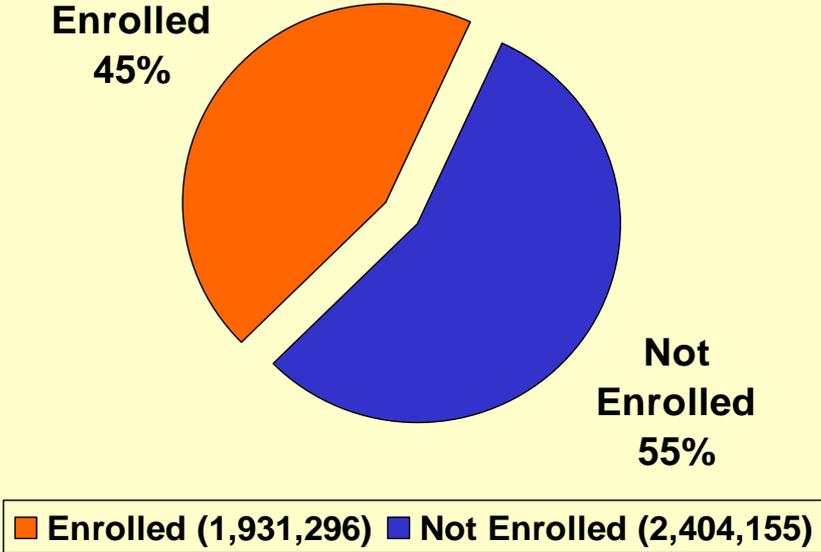
**In Processing Year 2009,
30% of all Form 1120S
returns were filed
electronically.**

Mandating Impact on Form 1120S



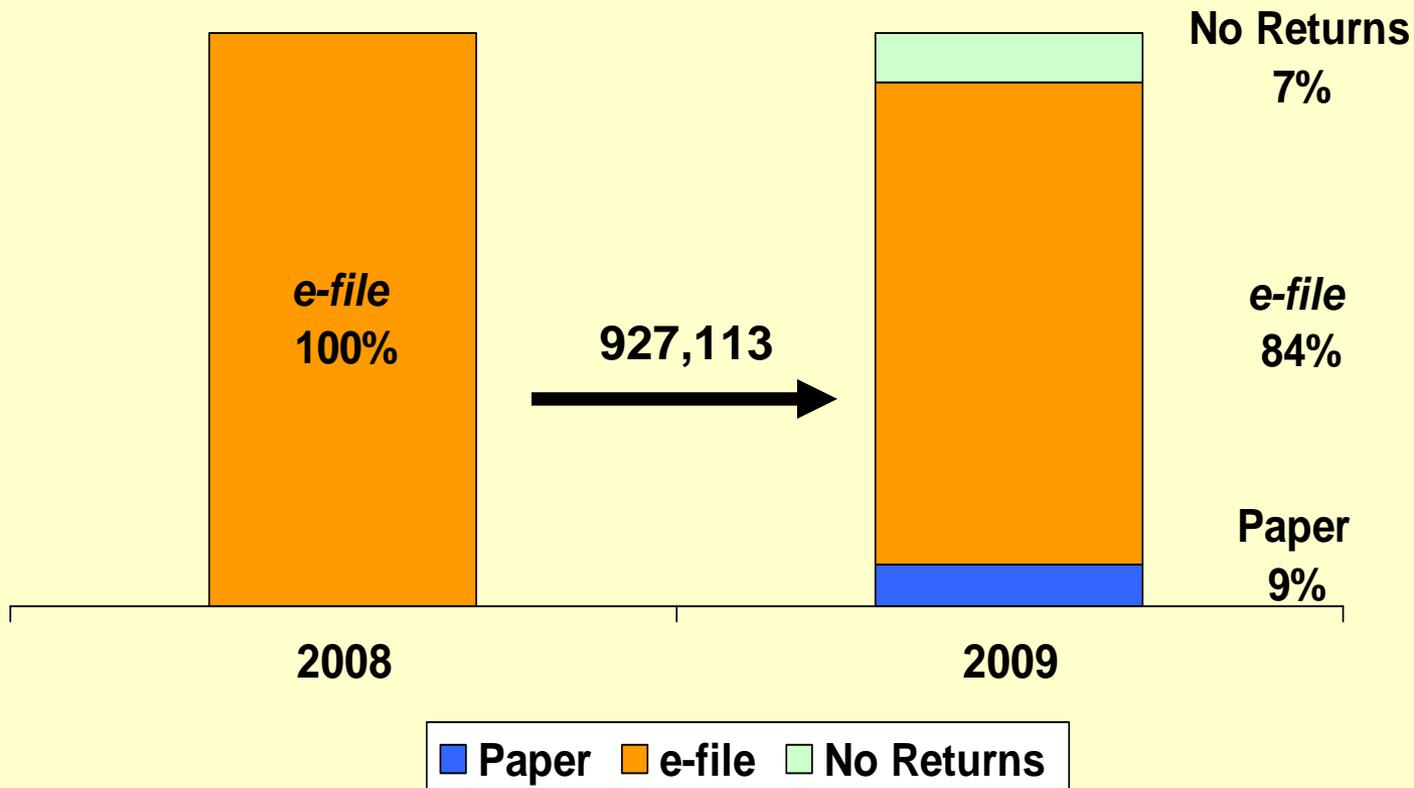
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Form 1120S Taxpayers Enrolled in EFTPS (Electronic Federal Tax Payment System) Processing Year 2009

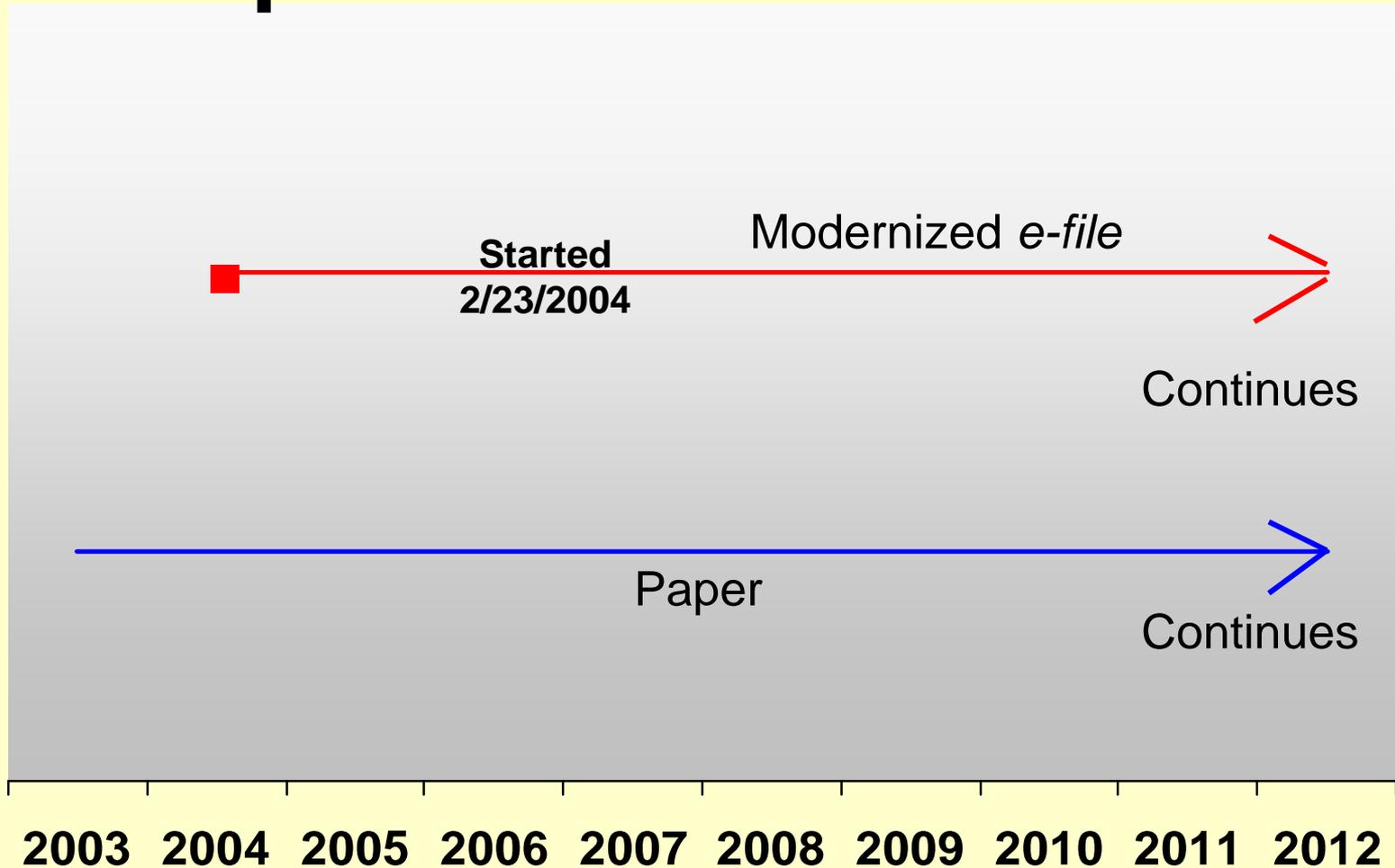


Form 1120S e-file Loyalty

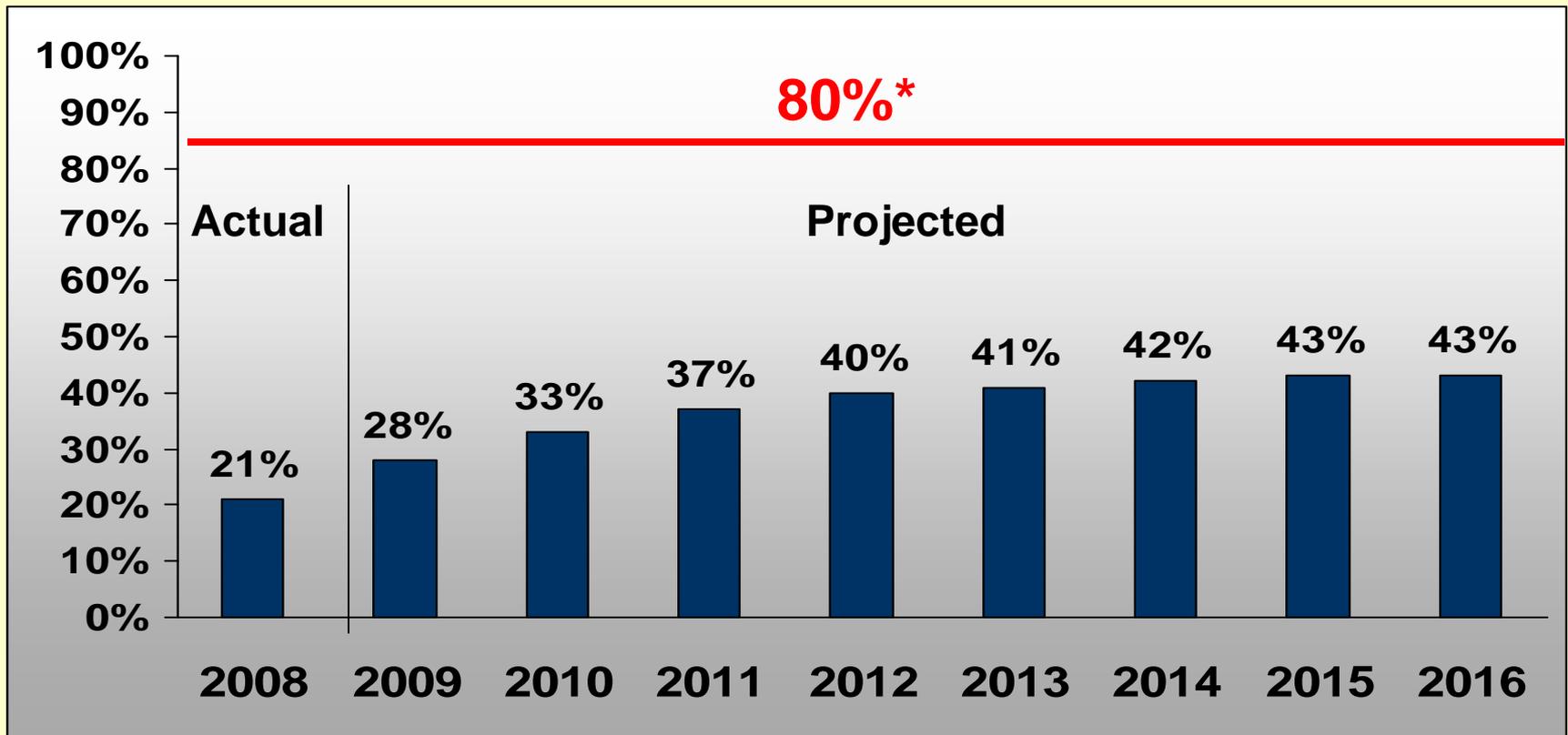
84% of PY2008 Form 1120S electronic filers, e-filed in PY2009



Form 1120S: Implementation Schedule

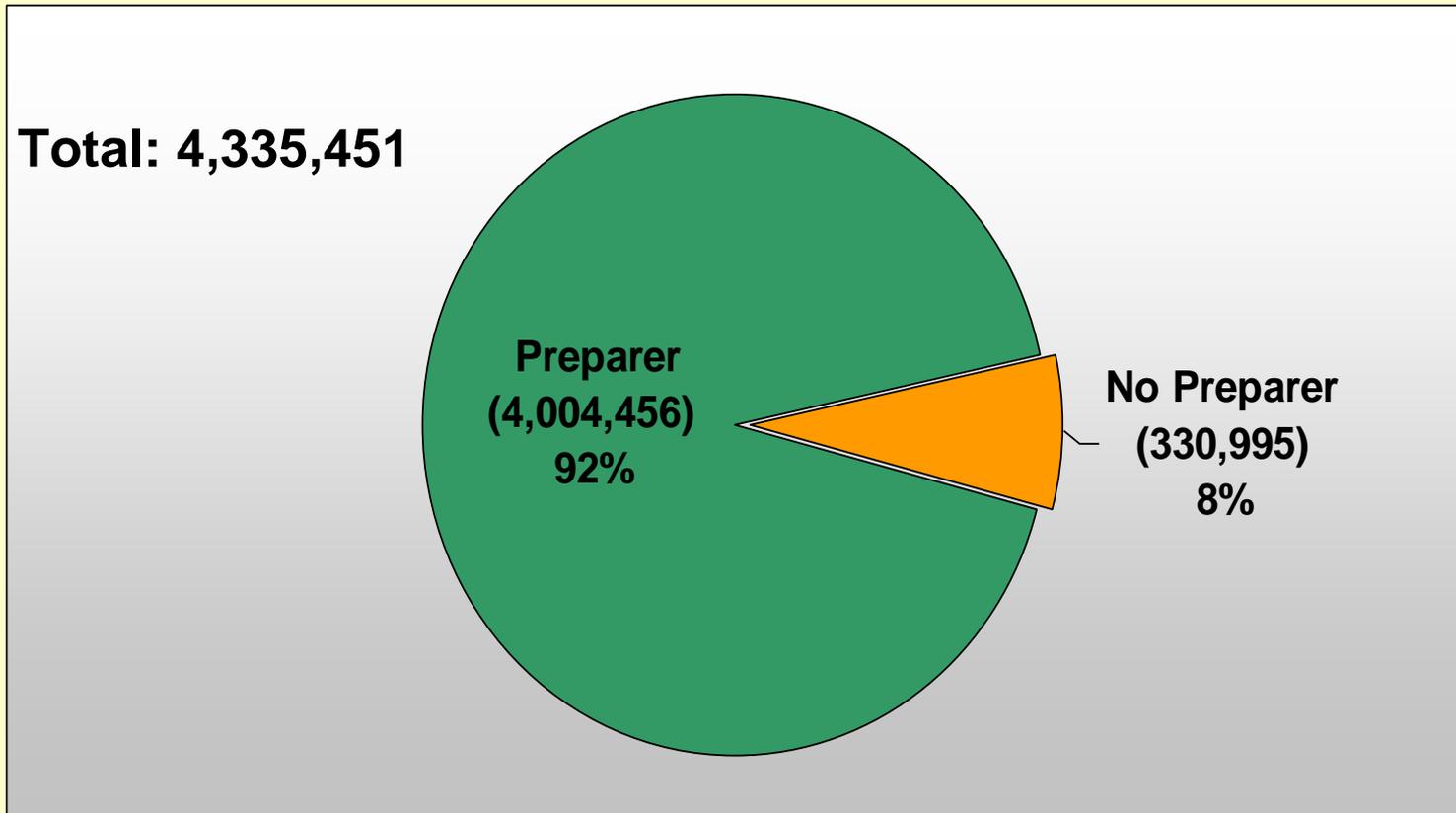


Form 1120S Projected *e-file* Penetration Rate



Form 1120S Preparer/No Preparer

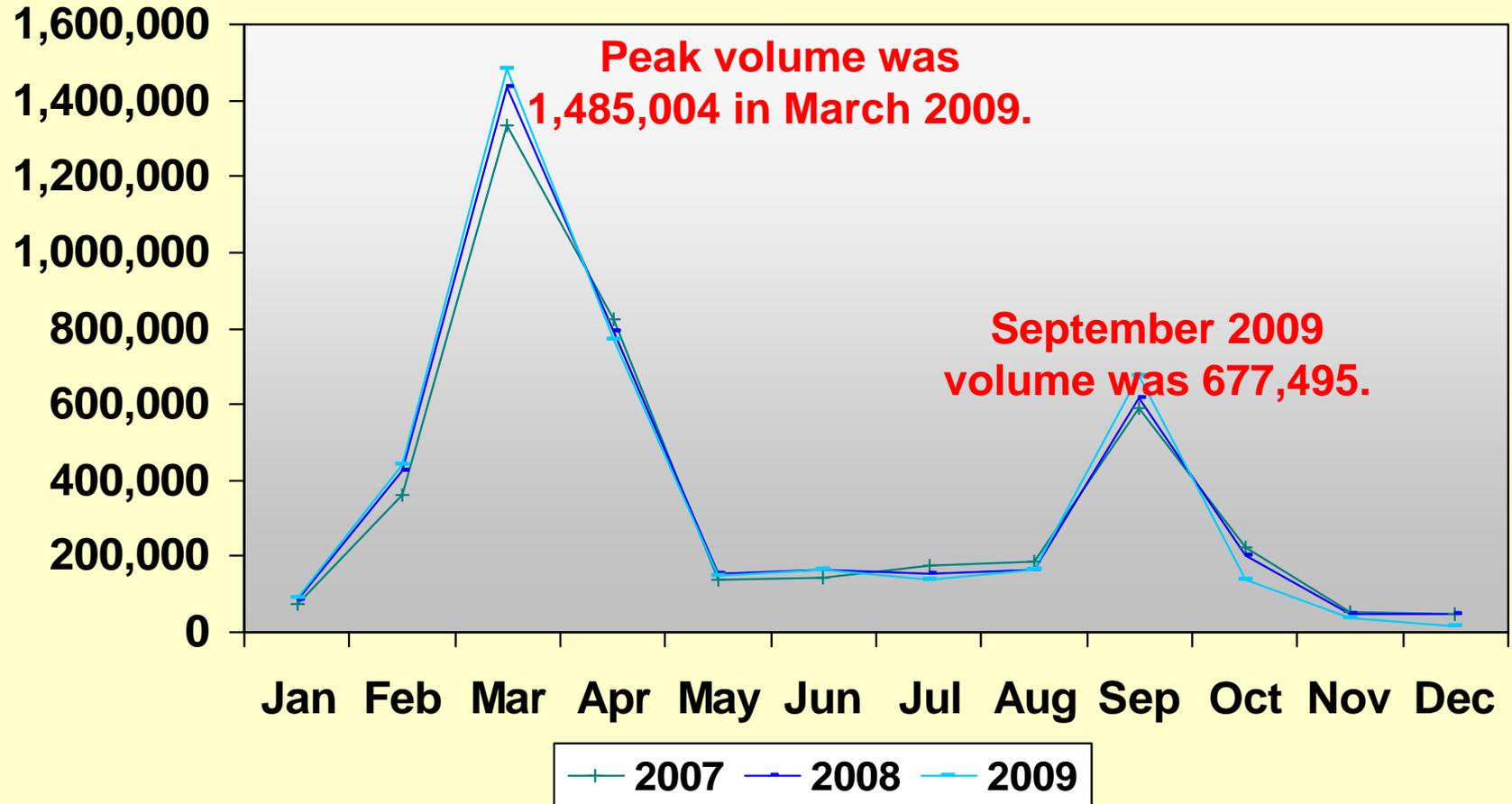
Processing Year 2009



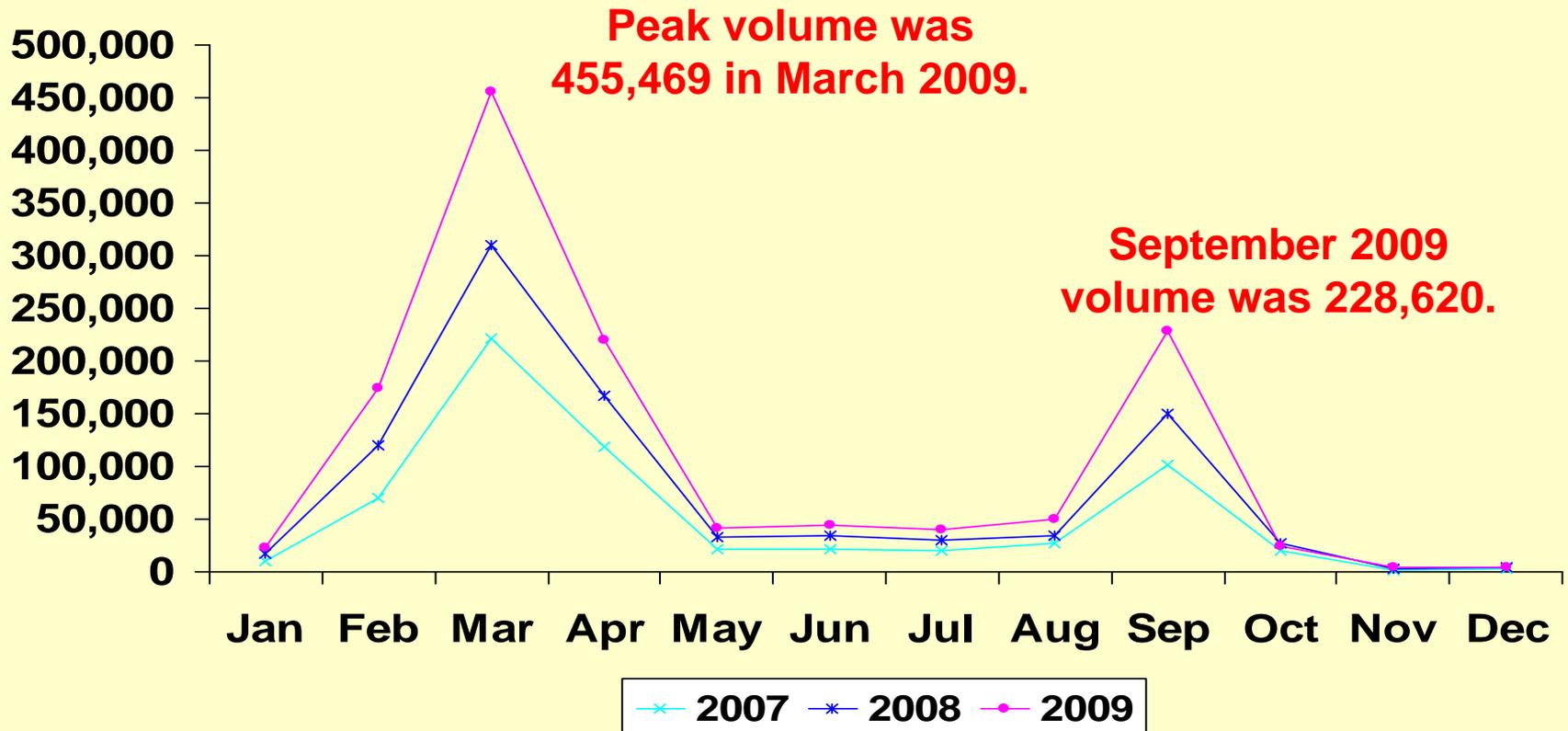
Form 1120S Effect of Mandates

If Preparers were mandated to e-file at:	Preparers Impacted*	Reduction in Paper Returns
>100 Returns	4,255	414,910
>50 Returns	17,311	1,005,385
>10 Returns	85,085	2,174,537

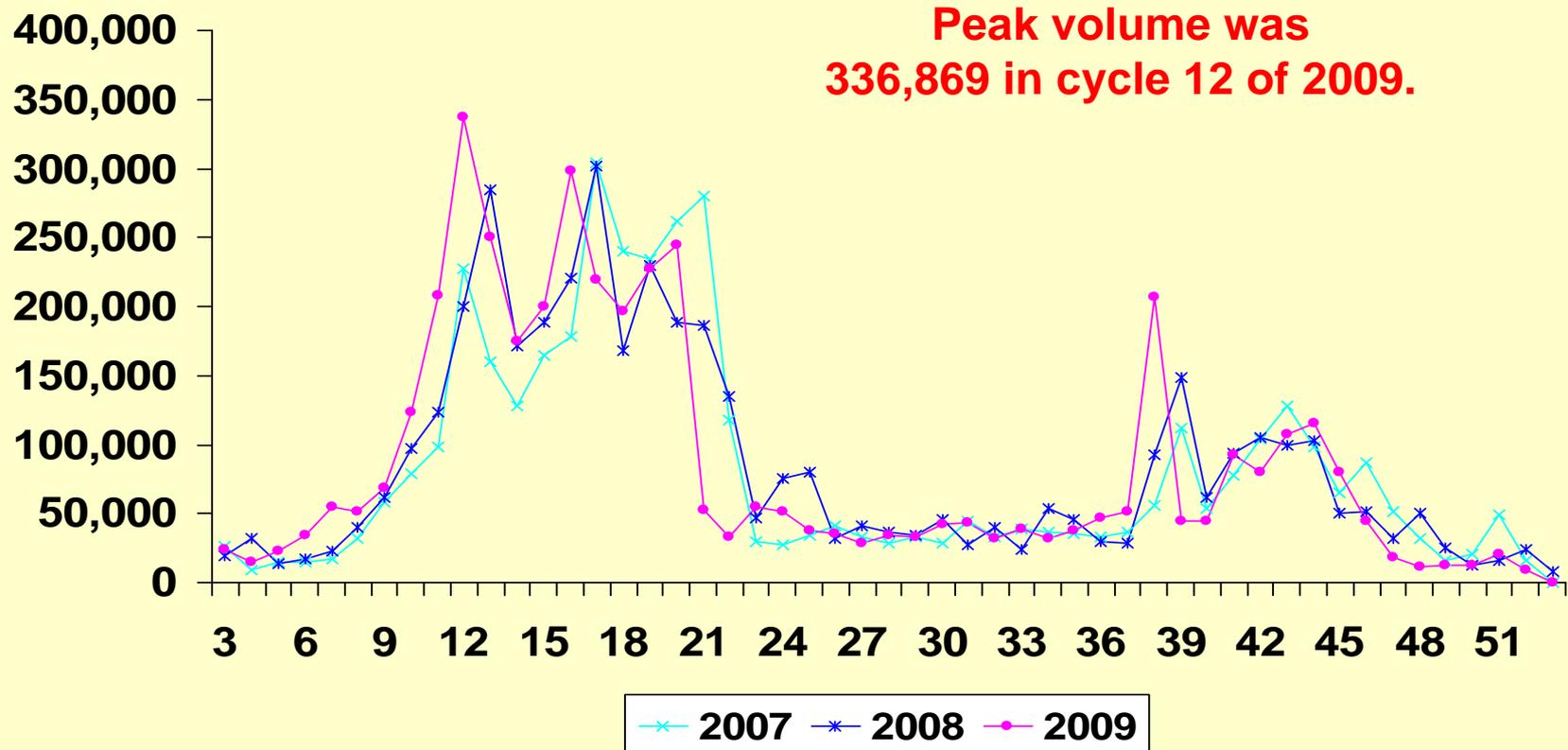
Form 1120S: Monthly Filing Patterns



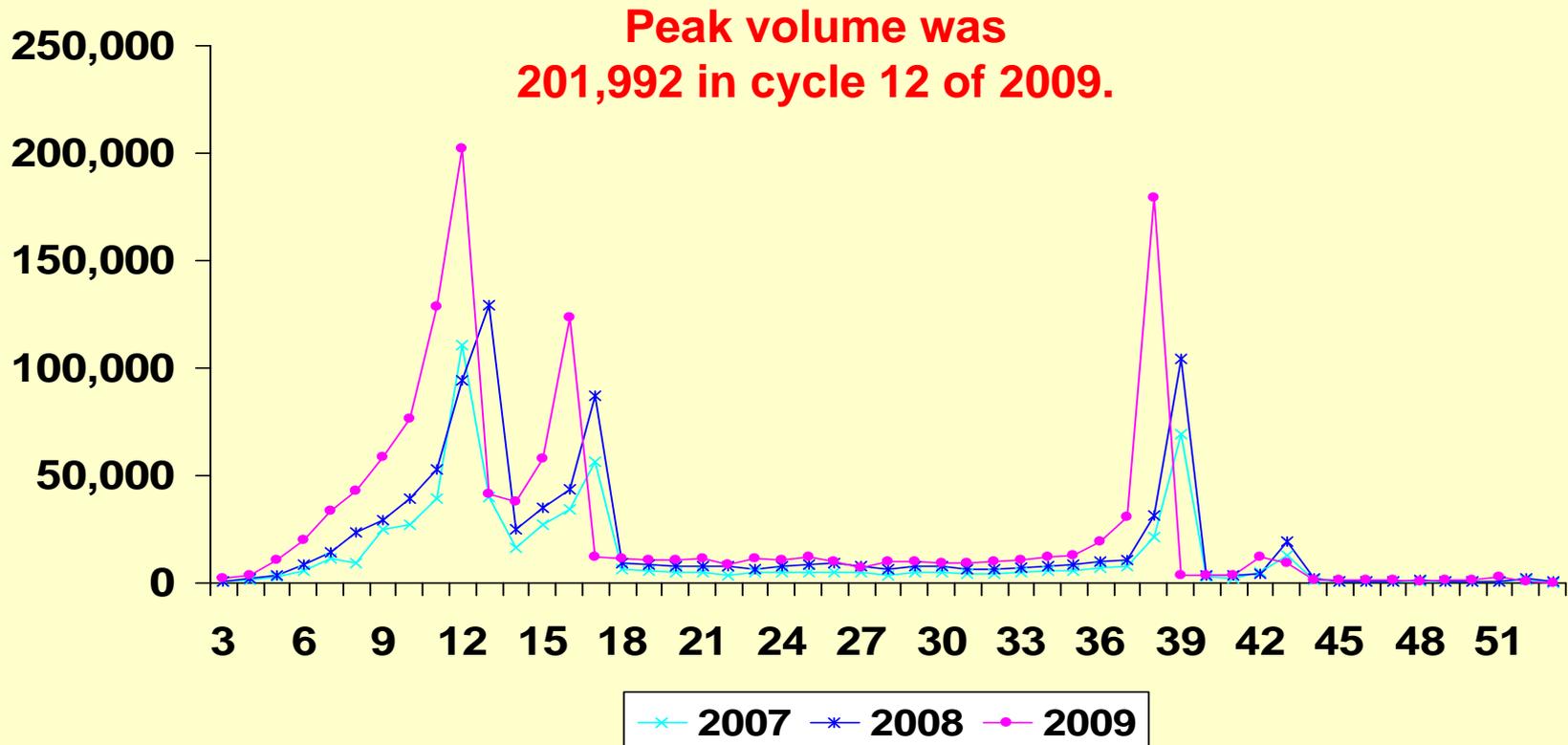
e-file Form 1120S Monthly Filing Patterns



Form 1120S Filing Pattern by Cycle Posted

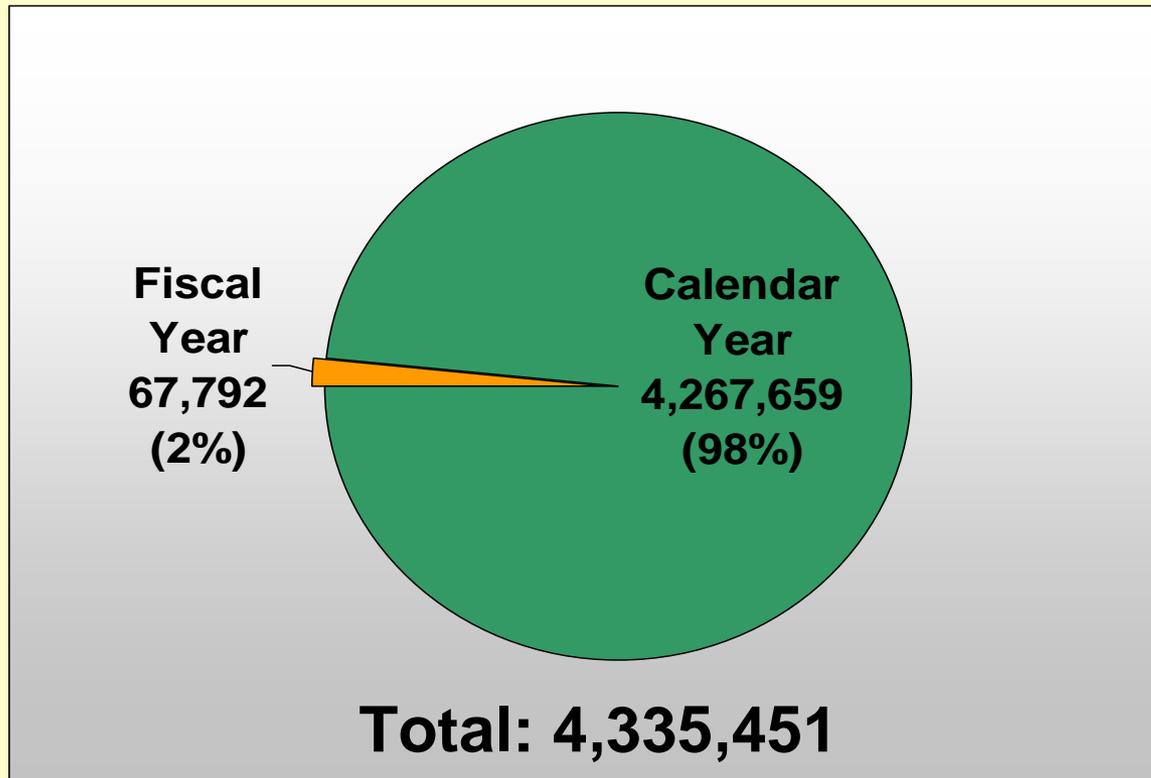


Form 1120S e-file Filing Pattern by Cycle Posted



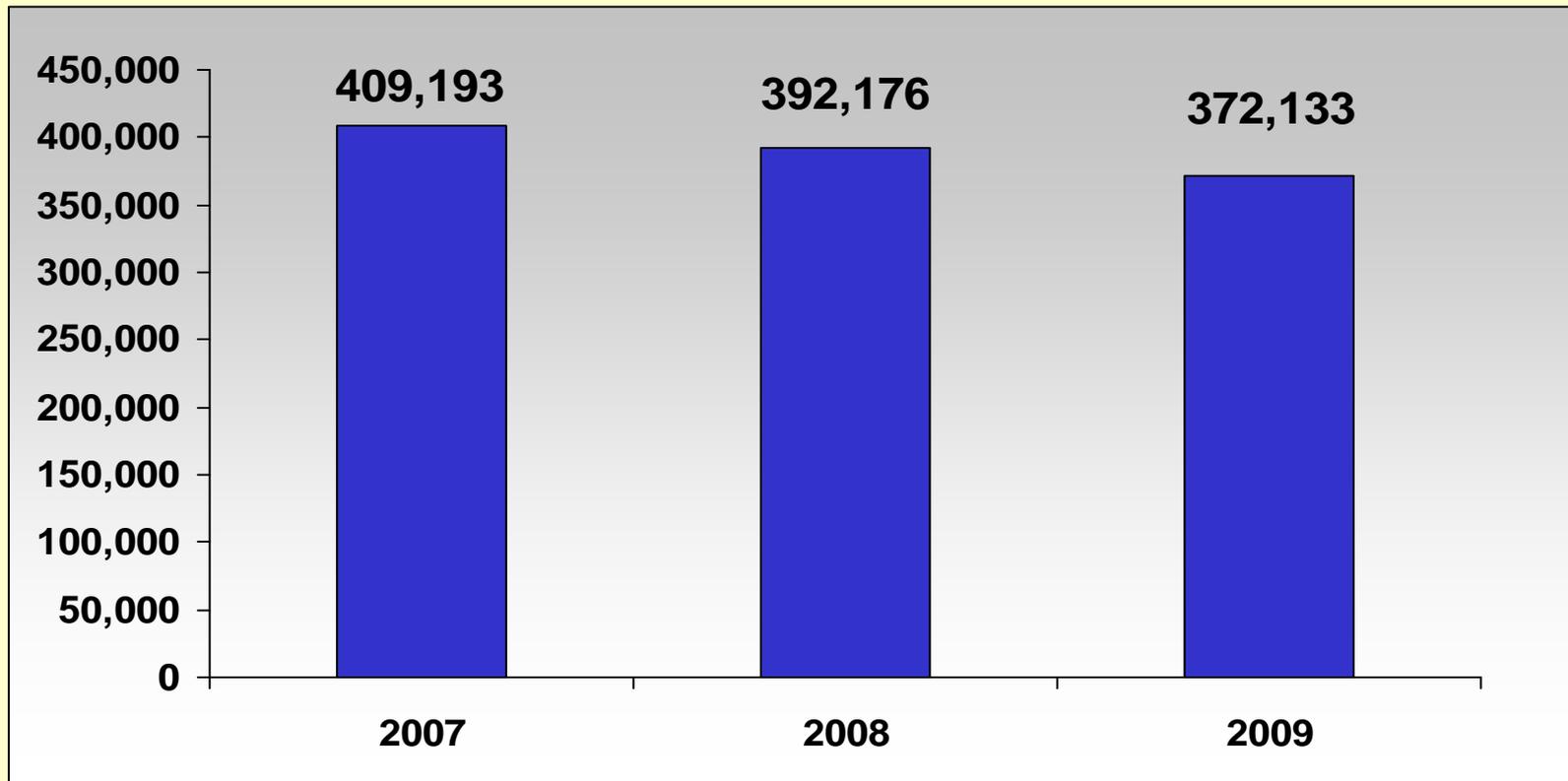
Form 1120S Fiscal Year Returns vs. Calendar Year Returns

Processing Year 2009



Form 1120S Initial Corporation Filings

Processing Years 2007 - 2009



Most Form 1120S Returns by NAICS

(The North American Industry Classification System - NAICS)

<u>CODE</u>	<u>NAICS TITLE</u>	<u>2009</u>	<u>%*</u>
541990	All Other Professional, Scientific, & Technical Services	146,712	3%
531390	Other Activities Related to Real Estate	138,850	3%
236110	Residential Building Construction	127,937	3%
238900	Other Specialty Trade Contractors	121,758	3%
531210	Offices of Real Estate Agents & Brokers	99,590	2%
812990	All Other Personal Services	93,553	2%
531120	Lessors of Nonresidential Buildings (except Mini-warehouses)	92,662	2%
621111	Full-Service Restaurants	91,232	2%
722110	Offices of Physicians (except mental health specialists)	88,322	2%
541600	Management, Scientific, & Technical Consulting Services	74,361	2%

* The percentage of all Form 1120S returns filed in PY2009

Five of the top 10 NAICS codes represent real estate businesses.

Most *e-filed* Forms 1120S by NAICS

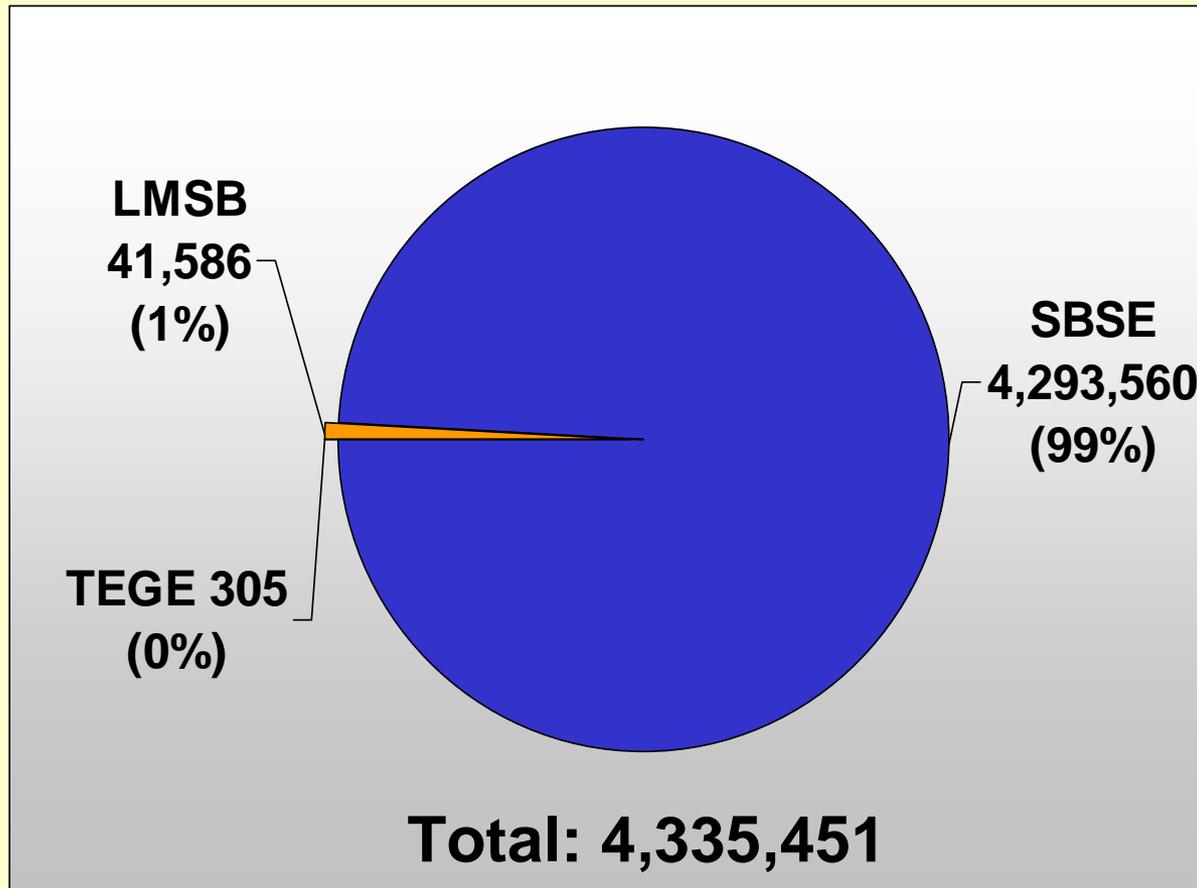
(The North American Industry Classification System - NAICS)

<u>CODE</u>	<u>NAICS TITLE</u>	<u>2009</u>	<u>%*</u>
541990	All Other Professional, Scientific, & Technical Services	44,925	3%
531390	Other Activities Related to Real Estate	40,406	3%
236110	Residential Building Construction	40,075	3%
238900	Other Specialty Trade Contractors	39,390	3%
531210	Offices of Real Estate Agents & Brokers	29,456	2%
531120	Lessors of Nonresidential Buildings (except Mini-warehouses)	29,247	2%
621111	Offices of Physicians (except mental health specialists)	28,603	2%
722110	Full-Service Restaurants	27,496	2%
812990	All Other Personal Services	26,868	2%
541600	Management, Scientific, & Technical Consulting Services	21,024	2%

* The percentage of all electronic Form 1120S returns filed in PY2009

Form 1120S Returns by Business Operating Division

Processing Year 2009



Form 1120S Returns by Assets & Filing Method

Processing Year 2009

	Paper	<i>e-file</i>	Total
Under \$200,000	2,300,037	952,661	3,252,698
\$200,000 to under \$10 Million	706,782	334,760	1,041,542
\$10 Million or More	<u>14,979</u>	<u>26,232</u>	<u>41,211</u>
Total	3,021,798	1,313,653	4,335,451

Form 1120S Returns Filed by State

Processing Year 2009



Alaska (AK)	8,029	Hawaii (HI)	13,419	Maine (ME)	22,380	New Jersey (NJ)	124,327	South Dakota (SD)	13,186
Alabama (AL)	49,812	Iowa (IA)	37,030	Michigan (MI)	127,303	New Mexico (NM)	20,253	Tennessee (TN)	34,784
Arkansas (AR)	39,004	Idaho (ID)	26,678	Minnesota (MN)	93,128	Nevada (NV)	42,708	Texas (TX)	234,261
Arizona (AZ)	80,249	Illinois (IL)	221,335	Missouri (MO)	65,017	New York (NY)	369,041	Utah (UT)	54,031
California (CA)	391,150	Indiana (IN)	90,875	Mississippi (MS)	27,747	Ohio (OH)	118,890	Virginia (VA)	104,710
Colorado (CO)	111,381	Kansas (KS)	32,402	Montana (MT)	22,970	Oklahoma (OK)	49,291	Vermont (VT)	11,436
Connecticut (CT)	26,973	Kentucky (KY)	50,351	North Carolina (NC)	133,325	Oregon (OR)	54,128	Washington (WA)	91,311
Delaware (DE)	14,707	Louisiana (LA)	57,677	North Dakota (ND)	9,139	Pennsylvania (PA)	152,172	Washington, DC	5,057
Florida (FL)	578,856	Massachusetts (MA)	87,104	Nebraska (NE)	28,946	Rhode Island (RI)	18,111	Wisconsin (WI)	57,392
Georgia (GA)	163,890	Maryland (MD)	74,397	New Hampshire (NH)	11,876	South Carolina (SC)	58,630	West Virginia (WV)	11,803
								Wyoming (WY)	11,783

Form 1120S e-file Penetration by State

Processing Year 2009



Alaska (AK)	43%	Hawaii (HI)	16%	Maine (ME)	23%	New Jersey (NJ)	26%	South Dakota (SD)	48%
Alabama (AL)	25%	Iowa (IA)	28%	Michigan (MI)	55%	New Mexico (NM)	28%	Tennessee (TN)	25%
Arkansas (AR)	22%	Idaho (ID)	34%	Minnesota (MN)	42%	Nevada (NV)	34%	Texas (TX)	23%
Arizona (AZ)	20%	Illinois (IL)	18%	Missouri (MO)	27%	New York (NY)	42%	Utah (UT)	37%
California (CA)	36%	Indiana (IN)	25%	Mississippi (MS)	24%	Ohio (OH)	26%	Virginia (VA)	25%
Colorado (CO)	26%	Kansas (KS)	41%	Montana (MT)	36%	Oklahoma (OK)	22%	Vermont (VT)	28%
Connecticut (CT)	25%	Kentucky (KY)	19%	North Carolina (NC)	17%	Oregon (OR)	31%	Washington (WA)	32%
Delaware (DE)	23%	Louisiana (LA)	21%	North Dakota (ND)	38%	Pennsylvania (PA)	20%	Washington, DC	19%
Florida (FL)	25%	Massachusetts (MA)	79%	Nebraska (NE)	38%	Rhode Island (RI)	37%	Wisconsin (WI)	52%
Georgia (GA)	28%	Maryland (MD)	22%	New Hampshire (NH)	35%	South Carolina (SC)	39%	West Virginia (WV)	17%
								Wyoming (WY)	40%

Form 1120/1120S Summary (PY2009)

- **39% of Form 1120 & 43% of Form 1120S returns are projected to be *e-filed* in CY2016.**
- **22% of Form 1120 & 30% of Form 1120S returns are currently *e-filed*.**
- **45% of Form 1120 & 45% of Form 1120S taxpayers are enrolled in EFTPS.**
- **28% of Form 1120 Series filers make payments electronically.**
- **Forms 1120 & 1120S have two peak volume filing months: March and September.**
- **SB/SE accounts for 97% of Forms 1120 and 99% of Forms 1120S filed.**
- **86% of Form 1120 & 92% of Form 1120S filers use a preparer.**

FY 10 NATIONWIDE ANALYSIS Form 1065

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Business ETA Marketing Database**

SB/SE Research

November 2010

Project BKN0173

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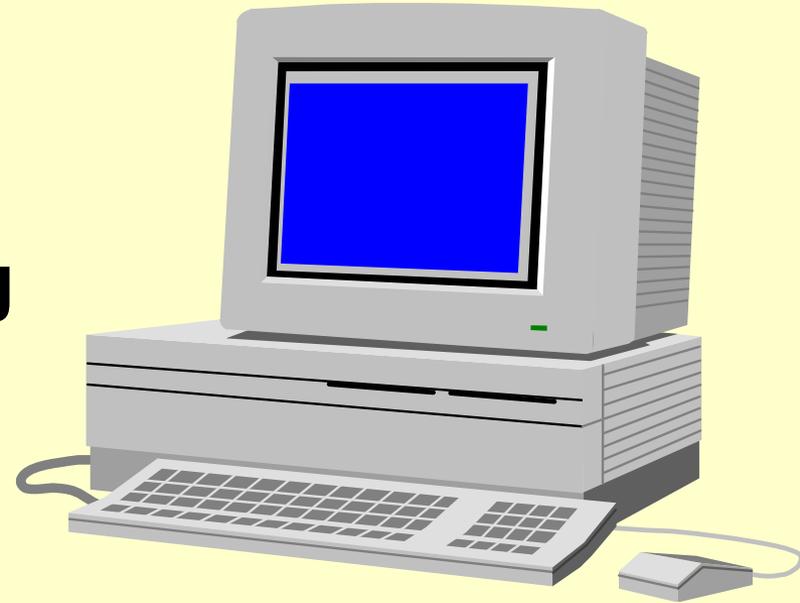
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Primary Data Source

- **The BMF ETA Marketing Database Form 1065 table**
- **It contains all Form 1065 returns filed for Processing Year 2009 that were processed through December 31, 2009 (cycle 200852)**
- **It includes over 3.3 Million records**



Form 1065 Filers

Return of Partnership Income

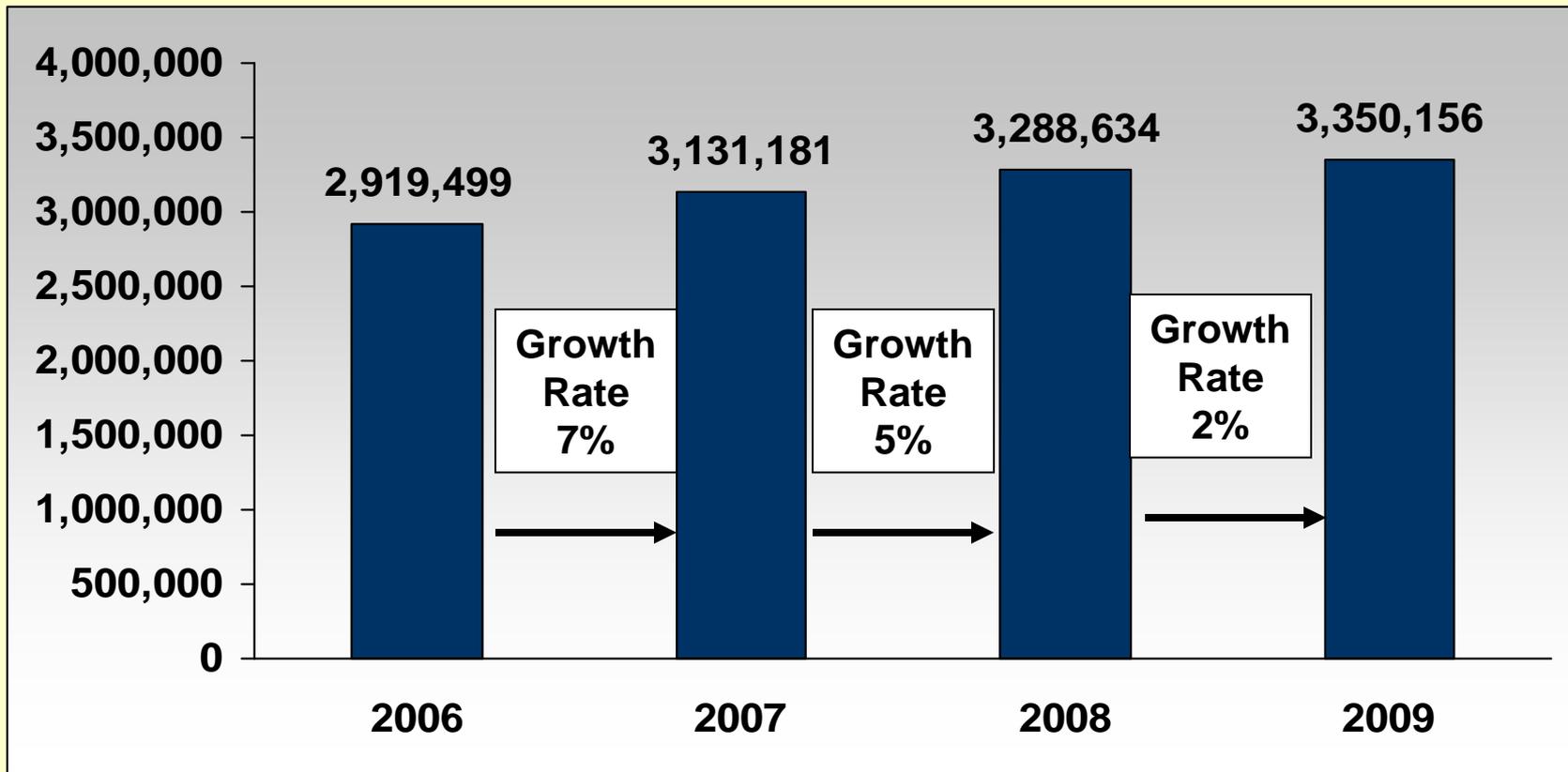
Processing Year 2009



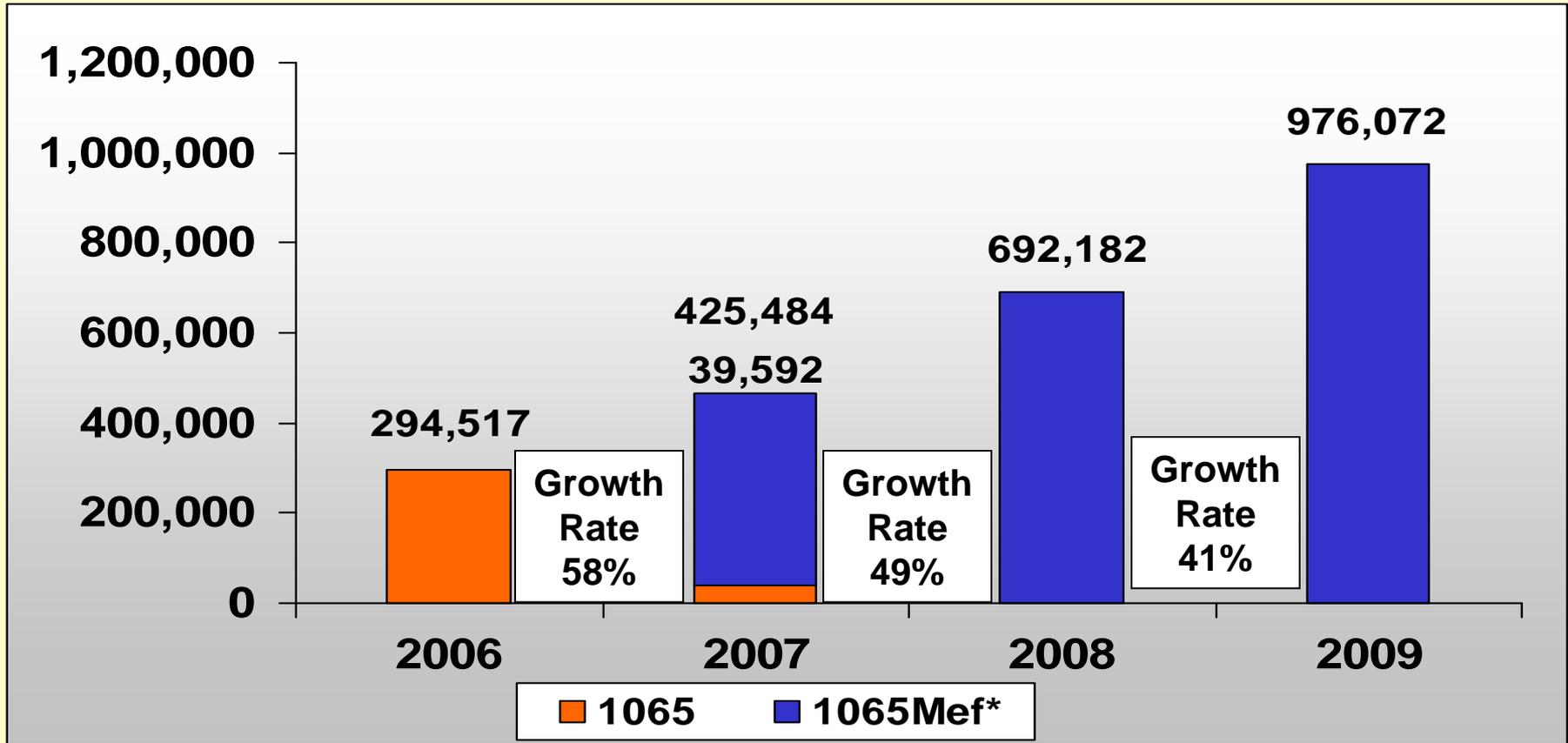
Form 1065

Annual Filing Volume

Processing Years 2006-2009



Annual Filing Volume for *e-file* Form 1065 Processing Years 2006 - 2009

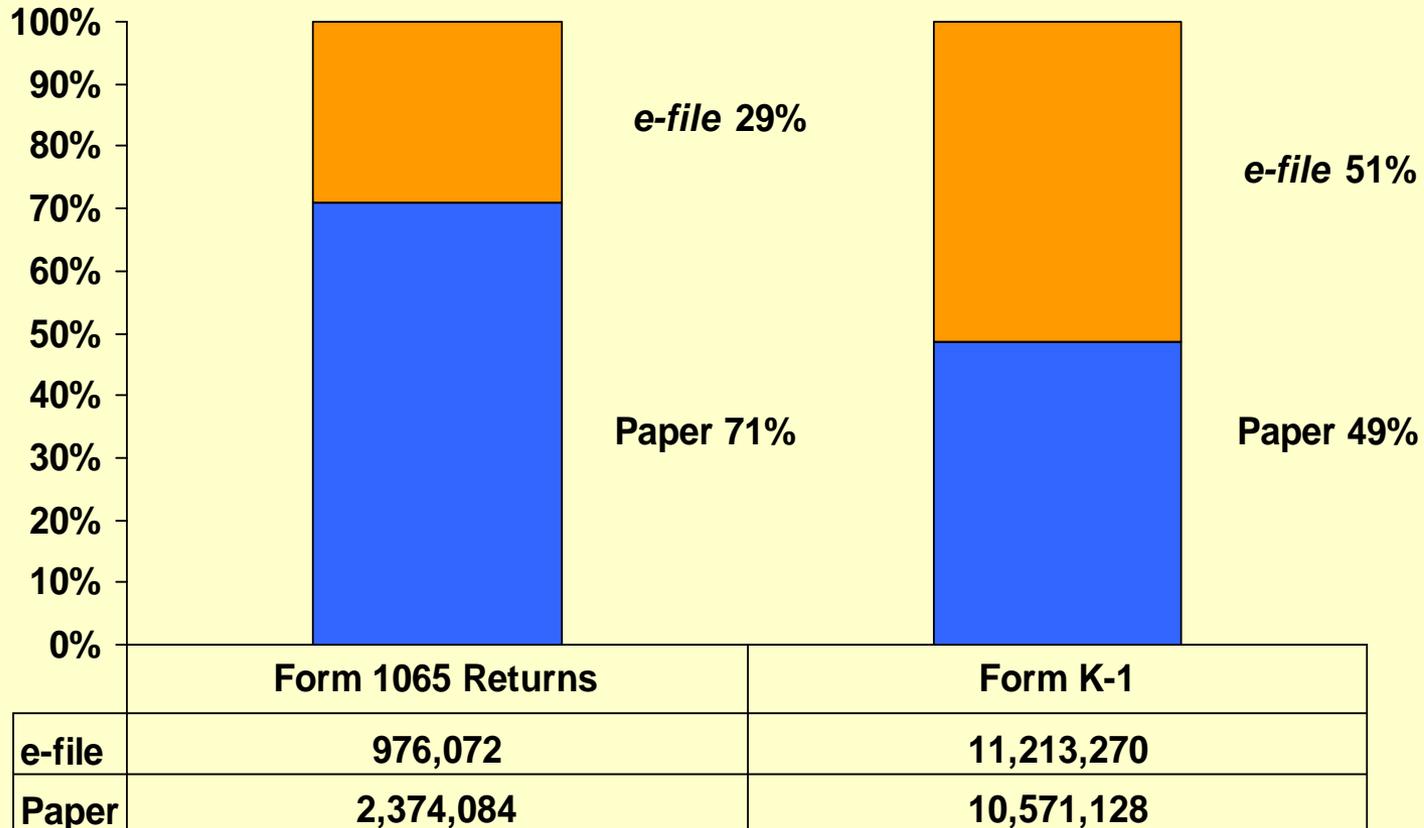


* MeF = Modernized e-file 68

Forms K-1 Associated to Form 1065 Returns

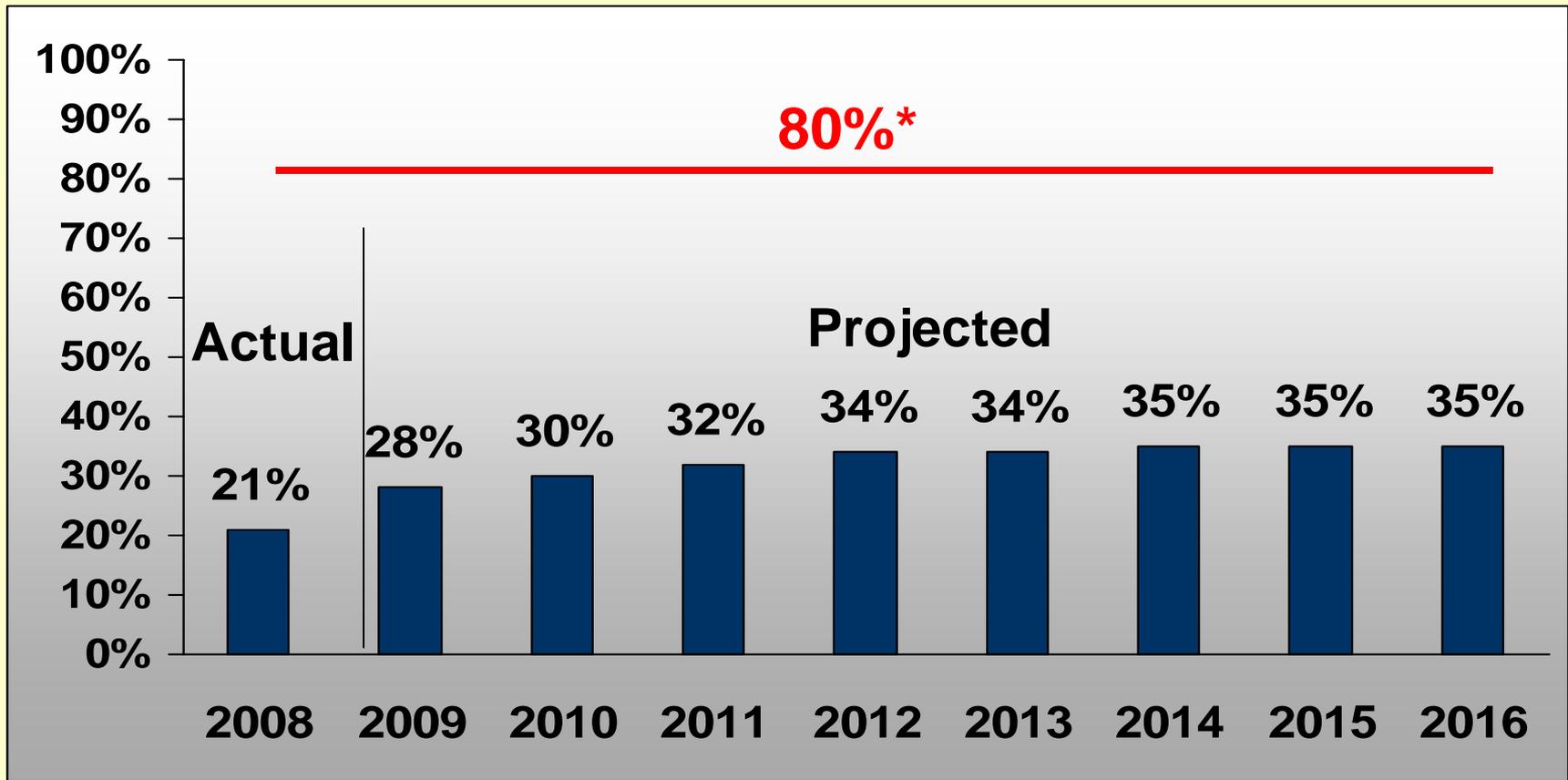
(where each partner is issued one Form K-1)

Processing Year 2009



**In Processing Year
2009, 29% of all Form
1065 Returns were
filed electronically.**

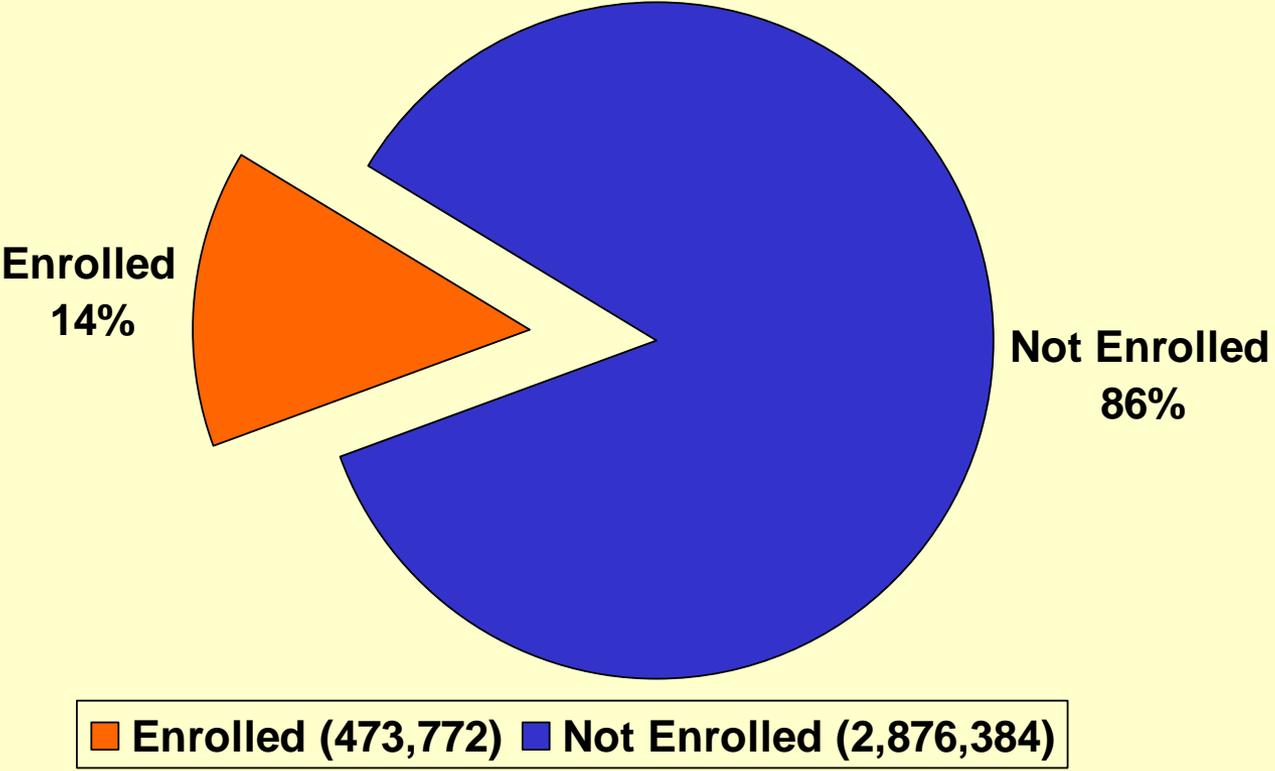
Form 1065 Projected Electronic Filing Penetration Rate



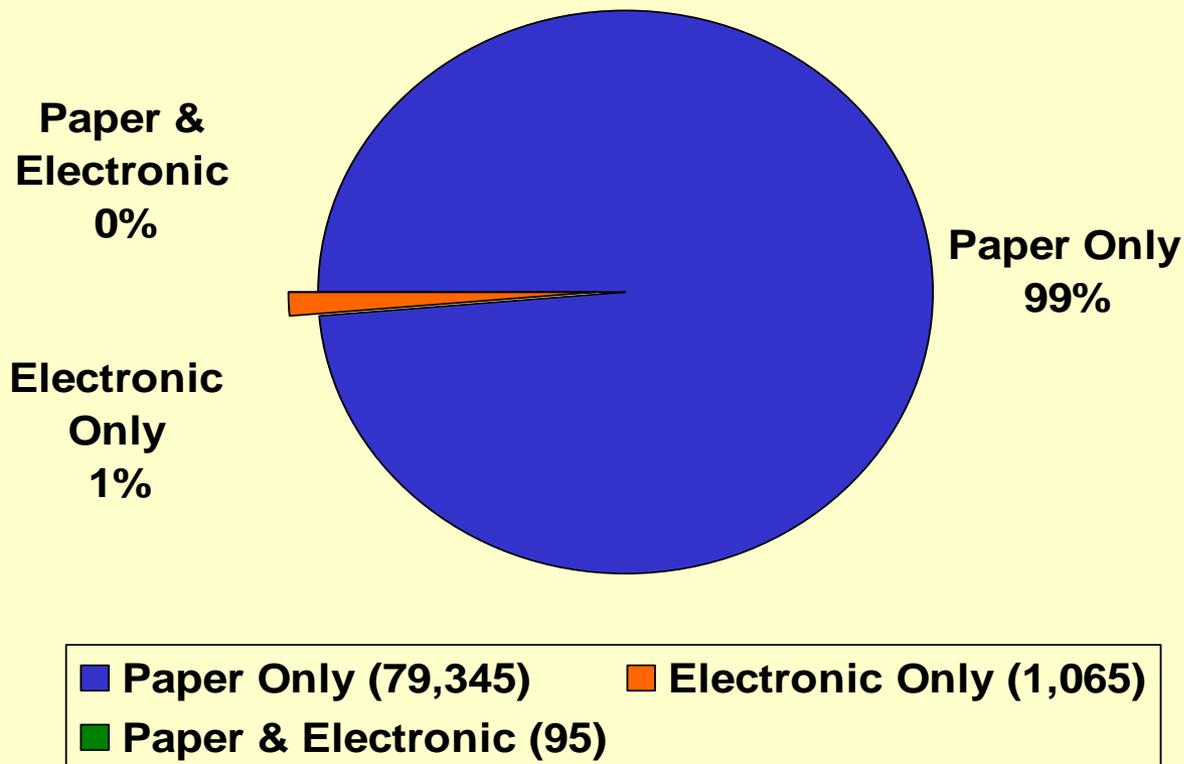
Source: "Calendar Year Return Projections by State: Document 6149"
Projections and Forecasting Group (RAS:R) revised 12-2009

*Congressional e-file goal 71

Form 1065 Taxpayers Enrolled in EFTPS (Electronic Federal Tax Payment System) Processing Year 2009

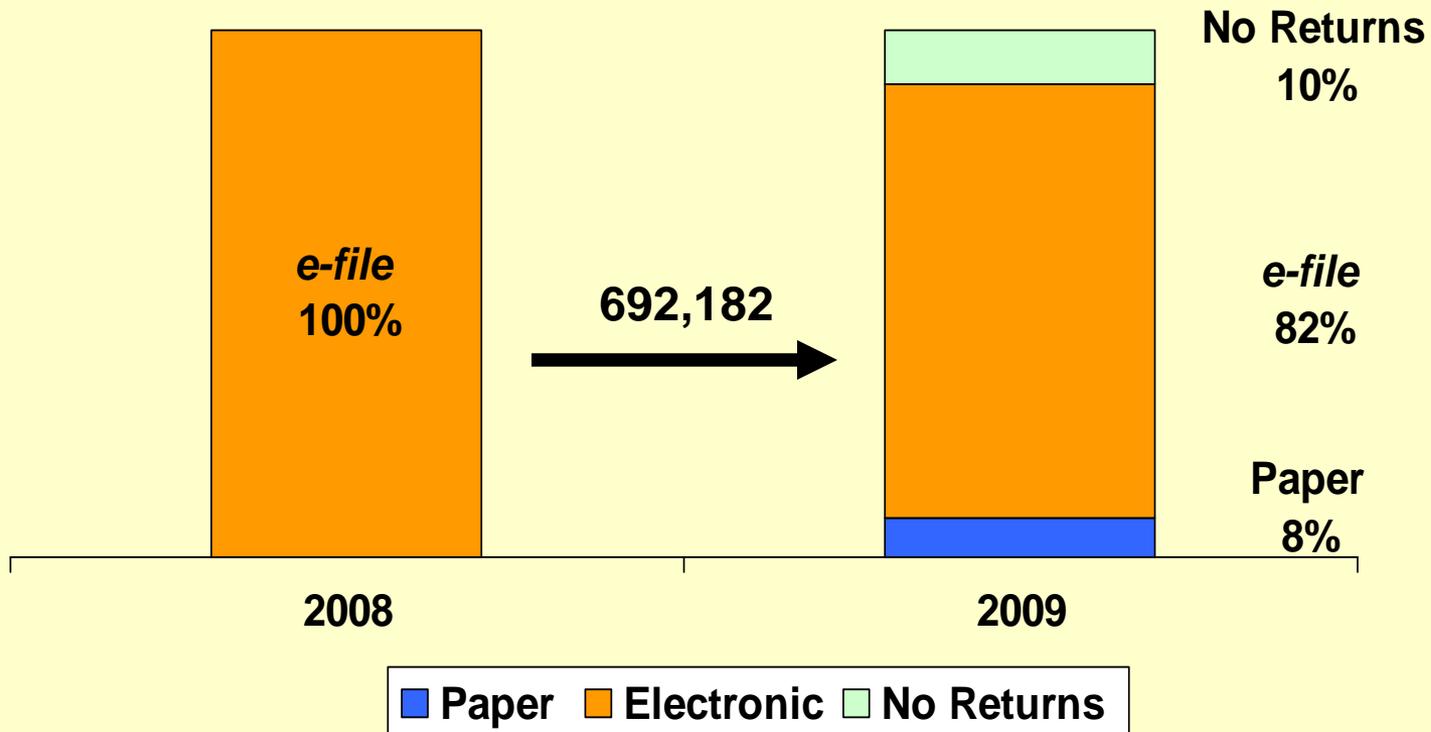


Payment Method Used by Form 1065 Taxpayers Making 1065 Payments* Processing Year 2009



Form 1065 e-file Loyalty

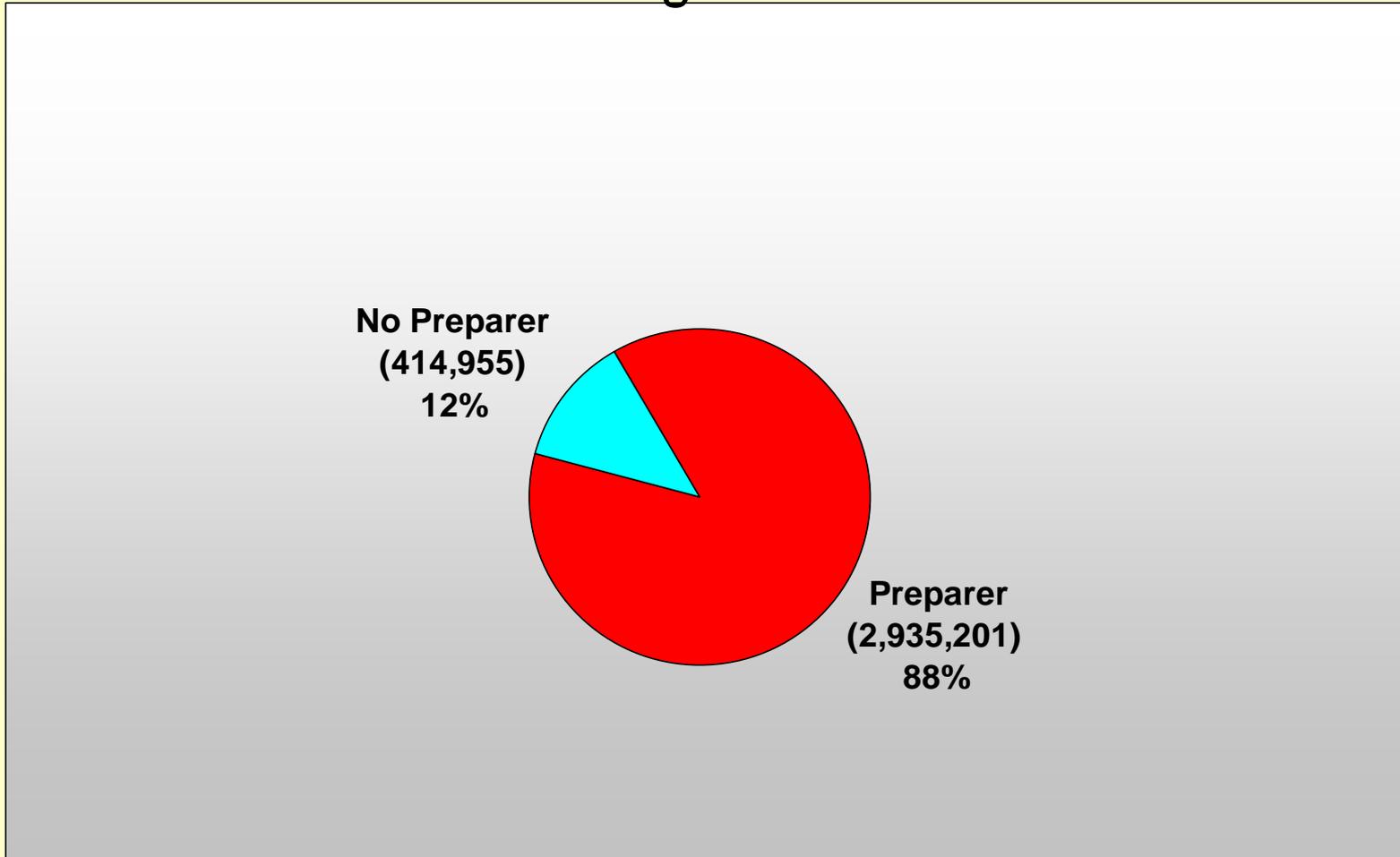
82% of PY2008 Form 1065 electronic filers, e-filed in PY2009



Form 1065

Preparer/ No Preparer

Processing Year 2009

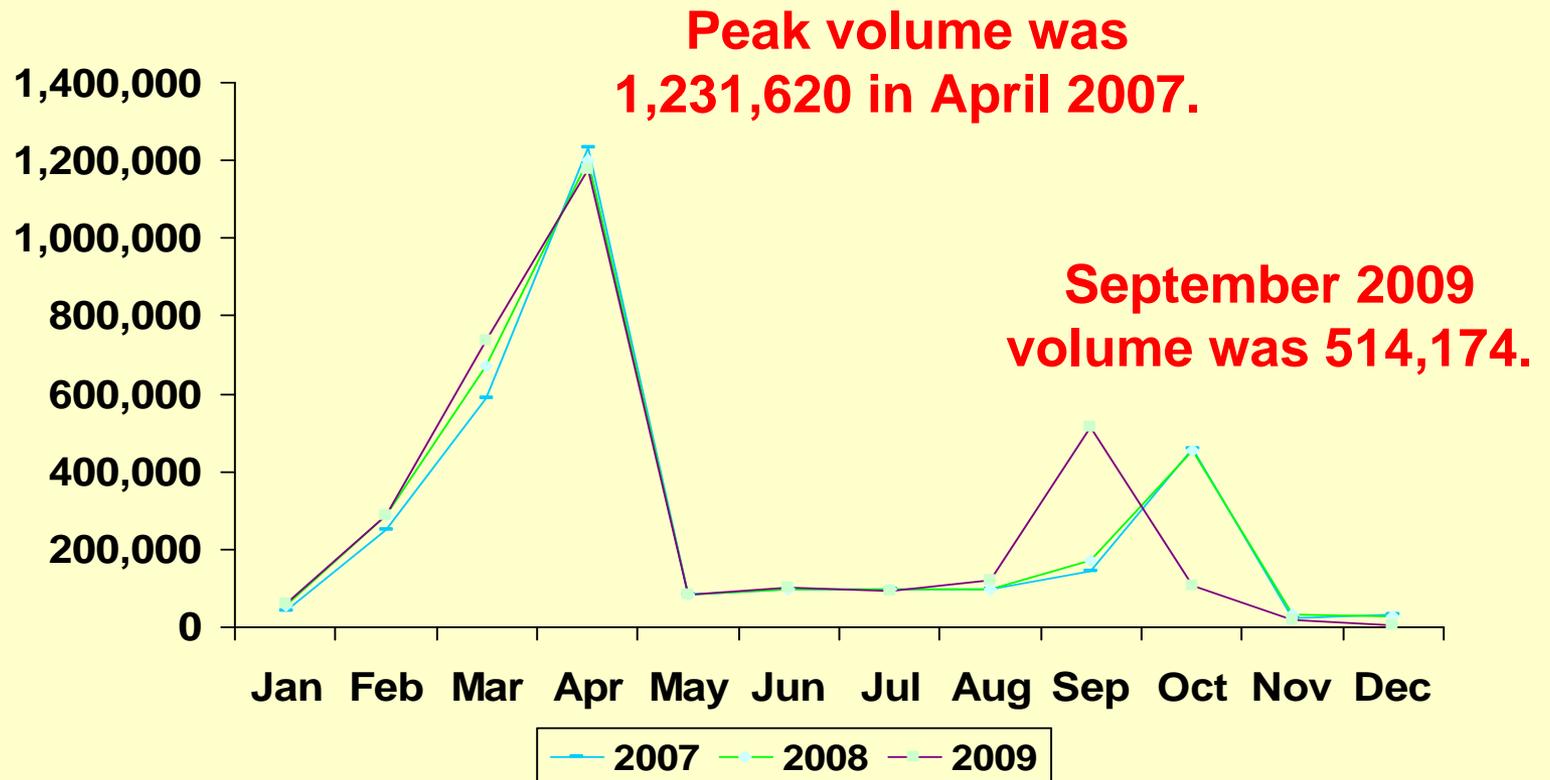


Form 1065 Effect of Mandates

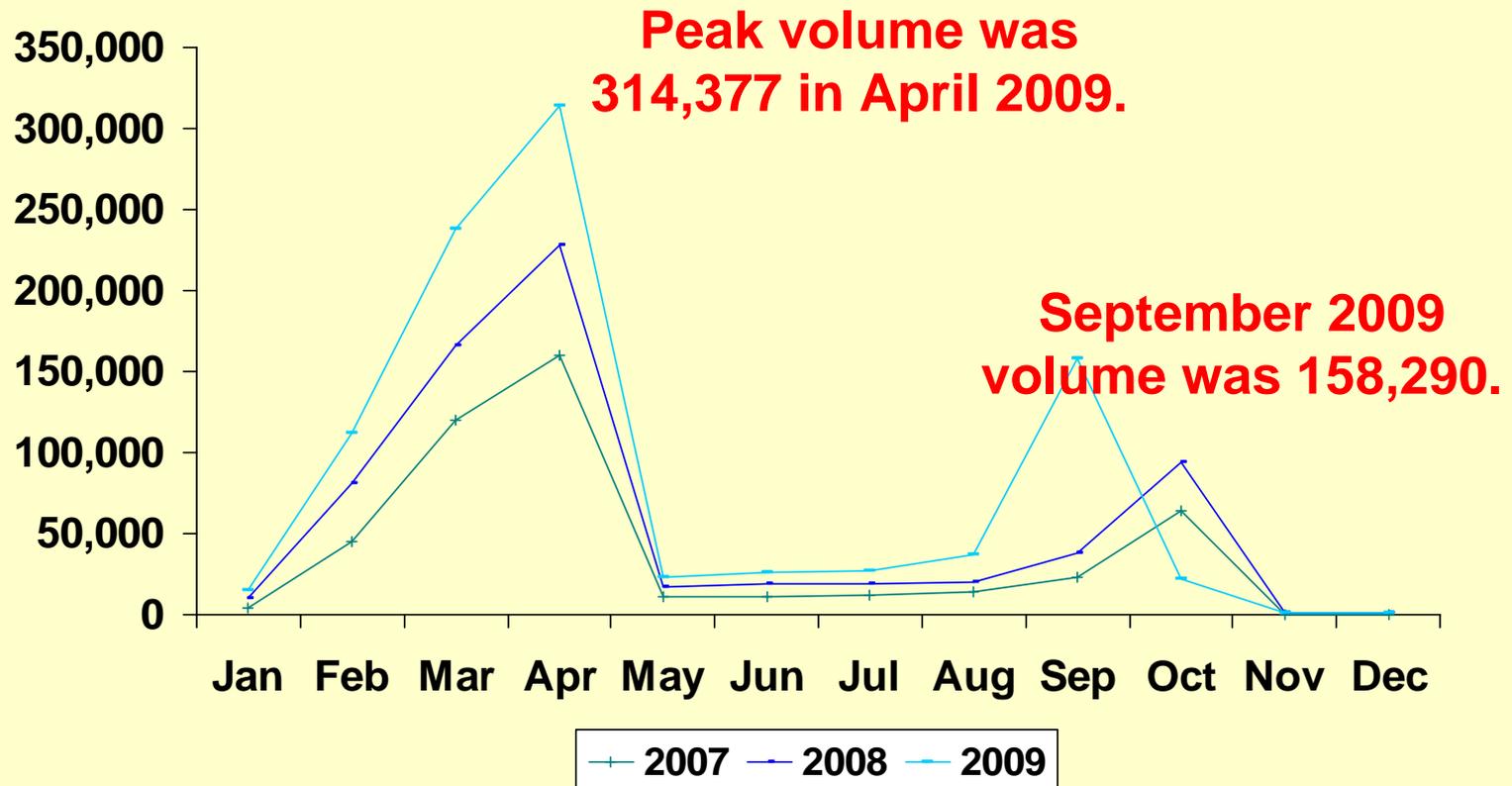
Processing Year 2009

If Preparers were mandated to e-file at:	Preparers Impacted*	Reduction in Paper Returns
>100 Returns	2,386	238,342
>50 Returns	10,234	594,864
>10 Returns	65,438	1,516,535

Form 1065 Monthly Filing Patterns

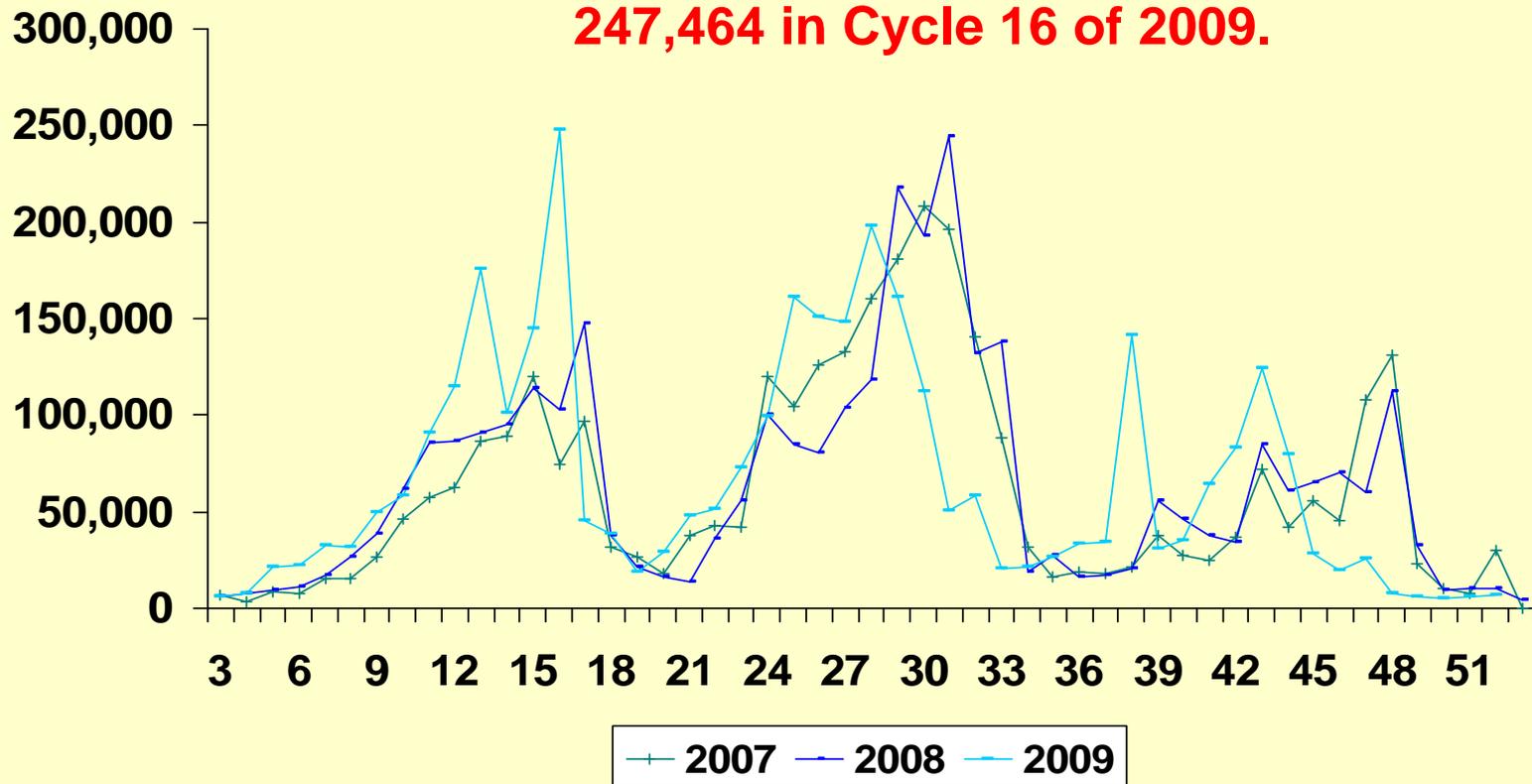


e-file Form 1065 Monthly Filing Patterns

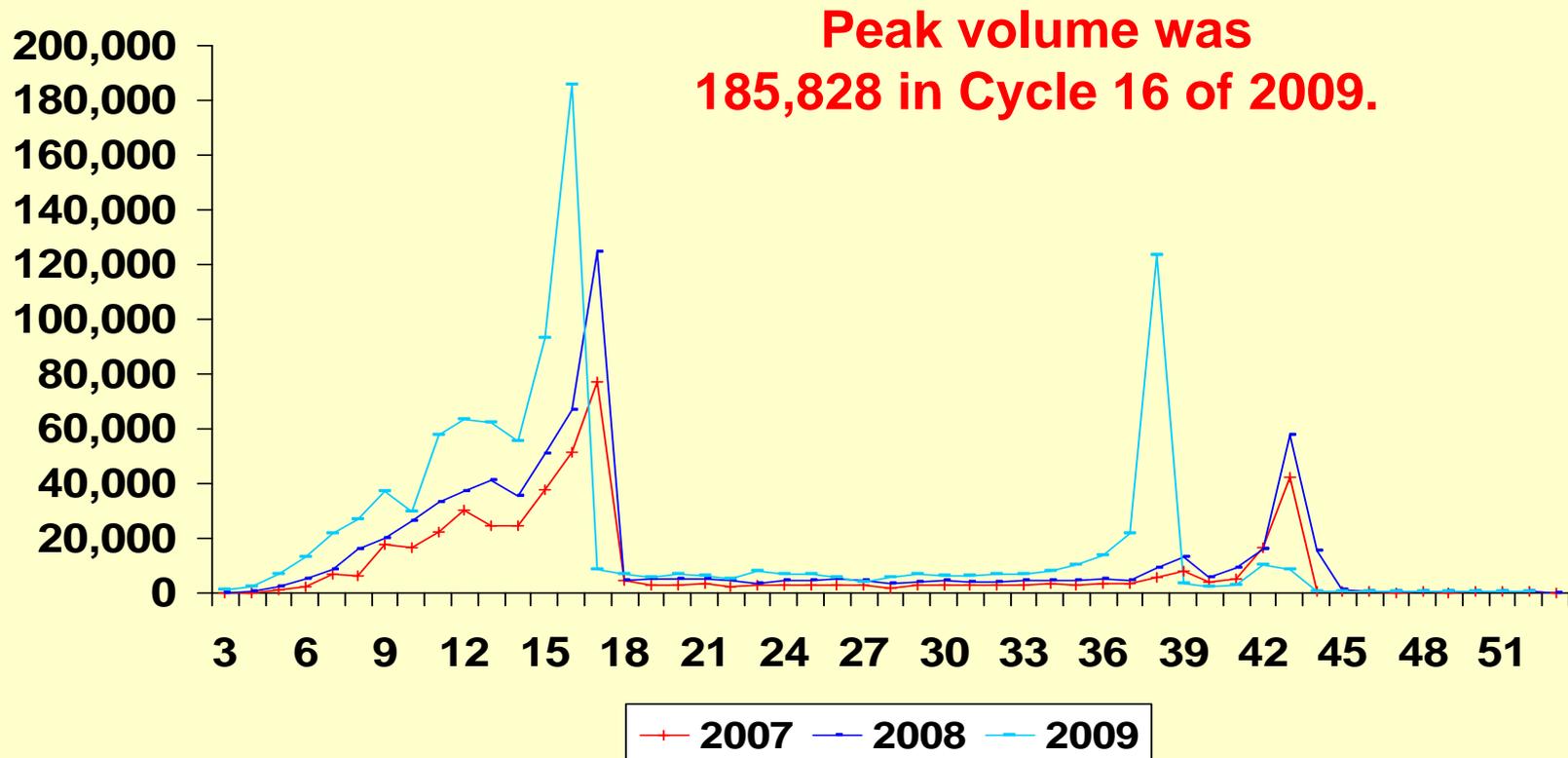


Form 1065 Filing Pattern by Cycle Posted

**Peak volume was
247,464 in Cycle 16 of 2009.**

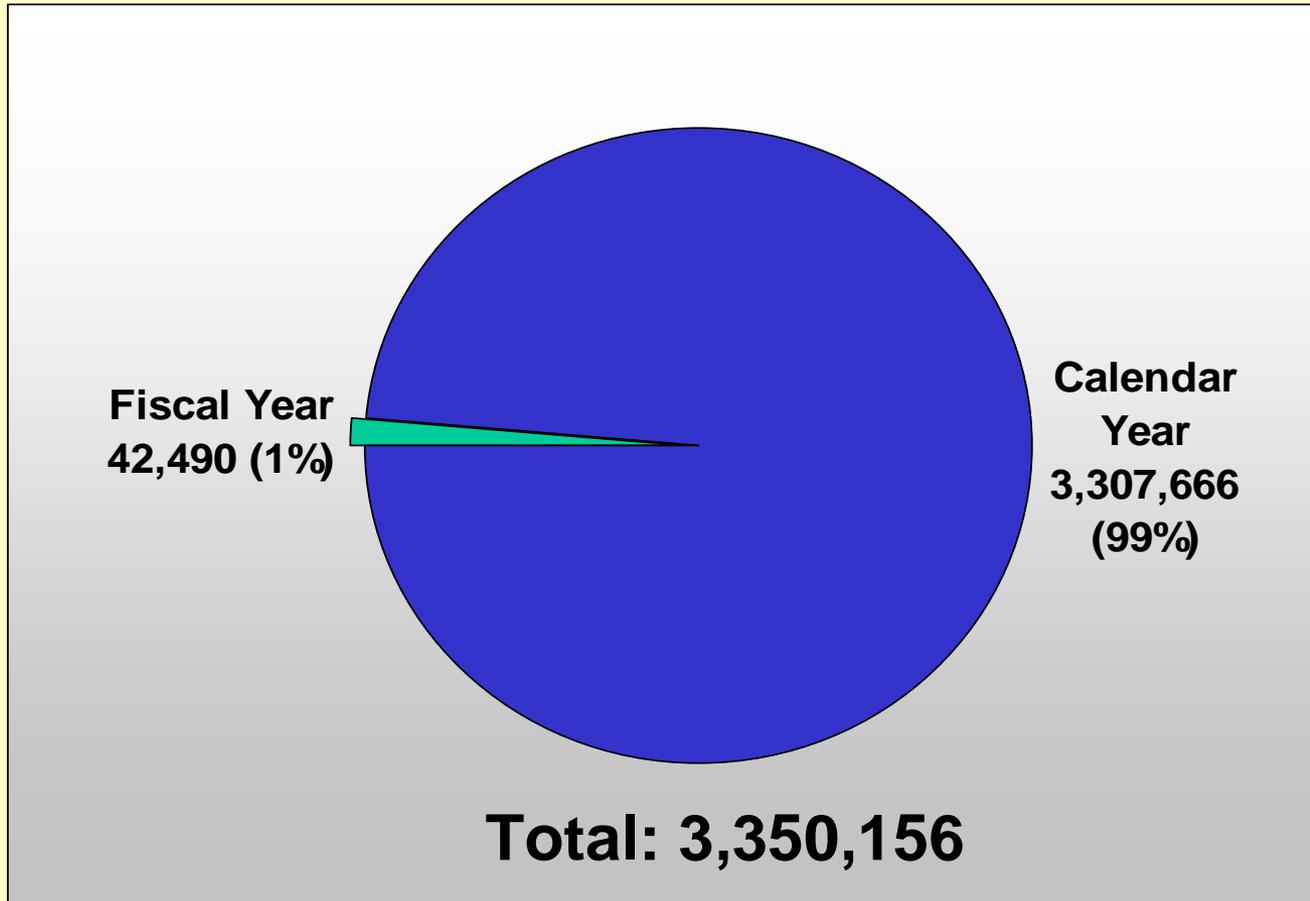


Form 1065 e-file Filing Pattern by Cycle Posted



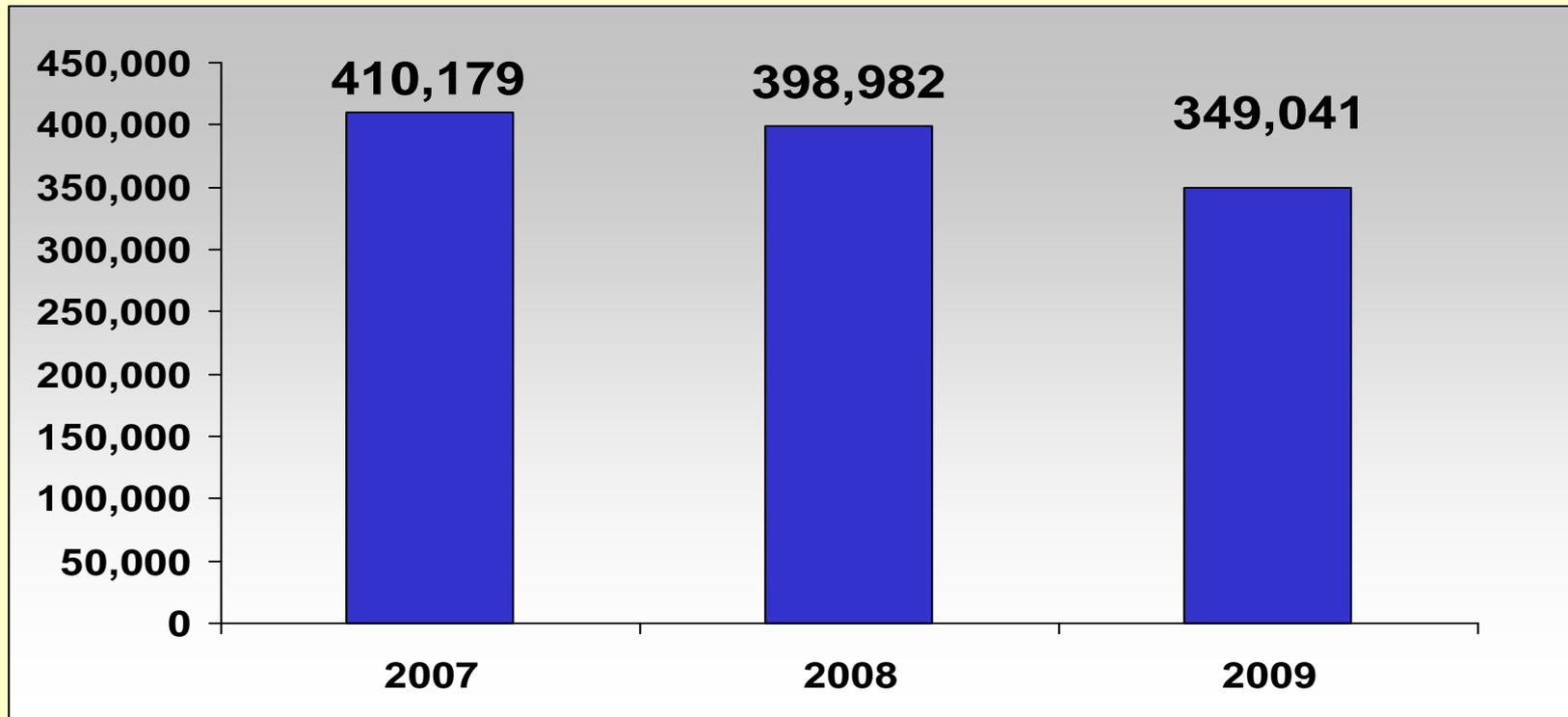
Form 1065 Fiscal Year Returns vs. Calendar Year Returns

Processing Year 2009



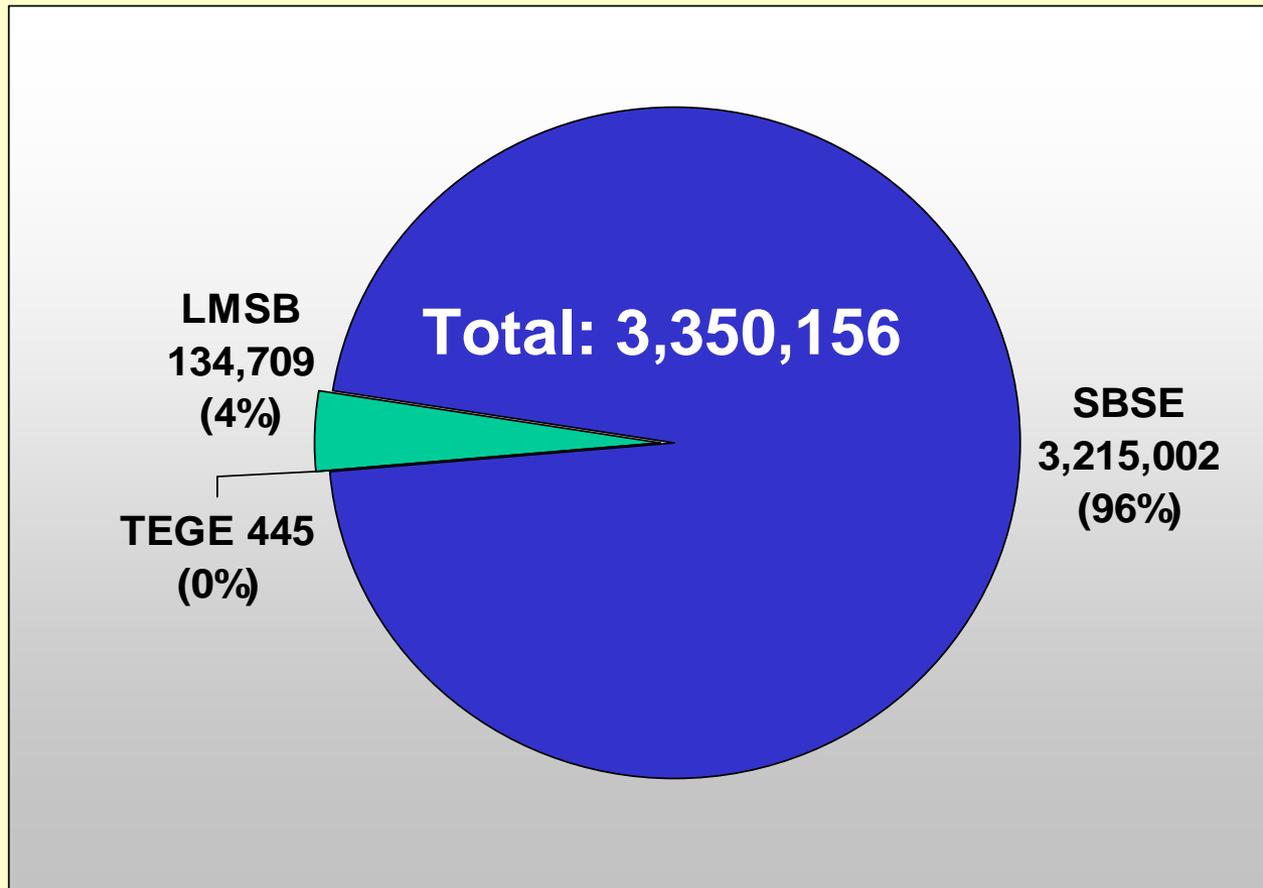
Initial Partnership Filings

Processing Years 2007-2009



Form 1065 Returns by Business Operating Division

Processing Year 2009



Most Form 1065 Returns by NAICS

(The North American Industry Classification System - NAICS)

<u>CODE</u>	<u>TITLE</u>	<u>2009</u>	<u>%*</u>
531120	Lessors of Nonresidential Buildings	496,384	15%
531110	Lessors of Residential Buildings	427,246	13%
531390	Other Activities Related to Real Estate	335,130	10%
523900	Other Financial Investment Activities	170,930	5%
531190	Lessors of Other Real Estate Property	96,863	3%
531310	Real Estate Property Managers	68,549	2%
236110	Residential Building Construction	68,160	2%
525990	Other Financial Vehicles	53,956	2%
541990	All Other Professional, Scientific	45,508	1%
722110	Full-Service Restaurants	35,824	1%

45% of 1065 returns represent real estate related activities

*** The percentage of all Form 1065 returns filed in PY2009**

Most e-filed Forms 1065 by NAICS

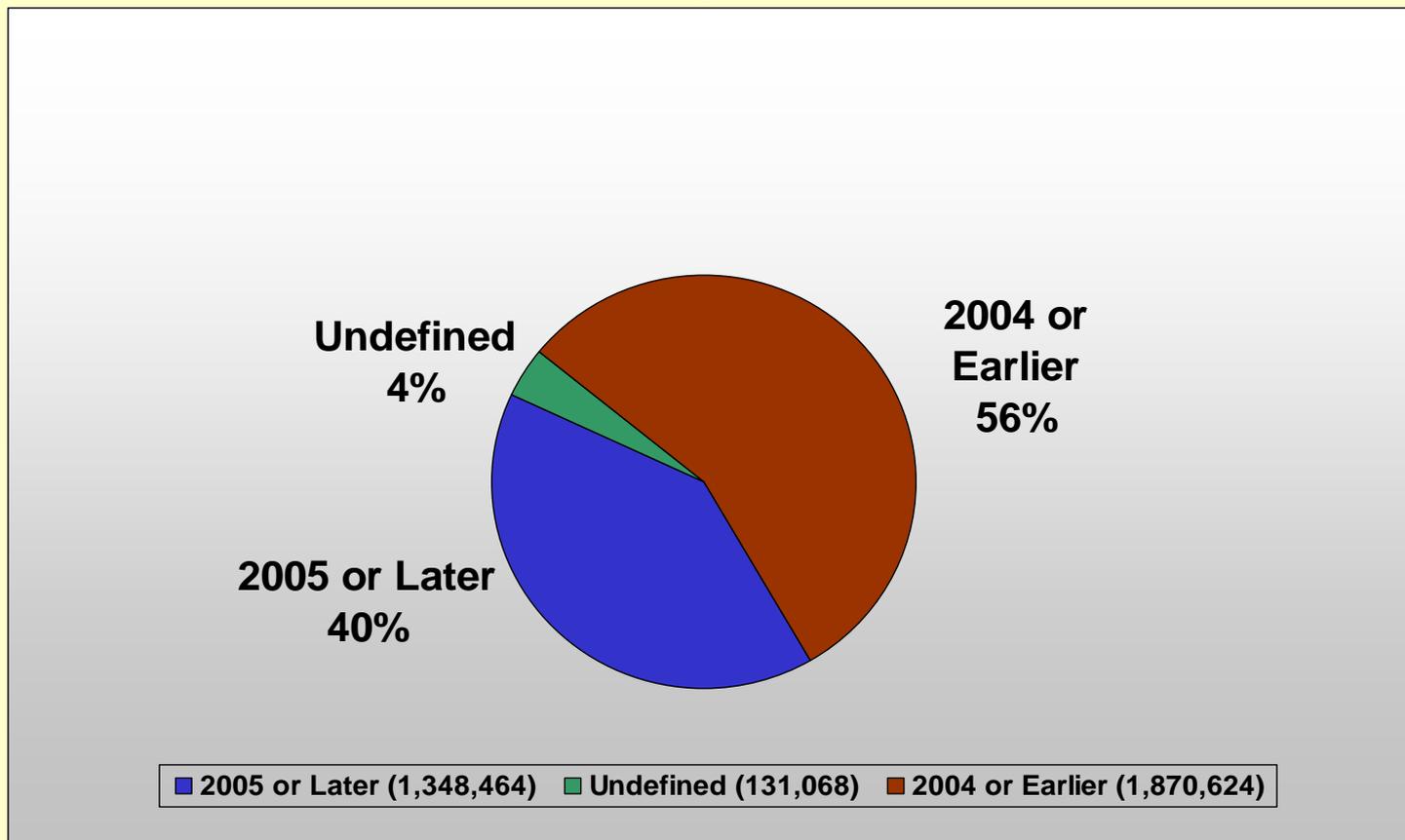
(The North American Industry Classification System - NAICS)

<u>CODE</u>	<u>TITLE</u>	<u>2009</u>	<u>%*</u>
531120	Lessors of Nonresidential Buildings	159,041	16%
531110	Lessors of Residential Buildings	135,206	14%
531390	Other Activities Related to Real Estate	94,665	10%
523900	Other Financial Investment Activities	47,329	5%
531190	Lessors of Other Real Estate Property	28,472	3%
531310	Real Estate Property Managers	21,743	2%
236110	Residential Building Construction	19,558	2%
541990	All Other Professional, Scientific	13,136	1%
525990	Other Financial Vehicles	11,639	1%
722110	Full-Service Restaurants	10,355	1%

* The percentage of all electronic Form 1065 returns filed in PY 2009

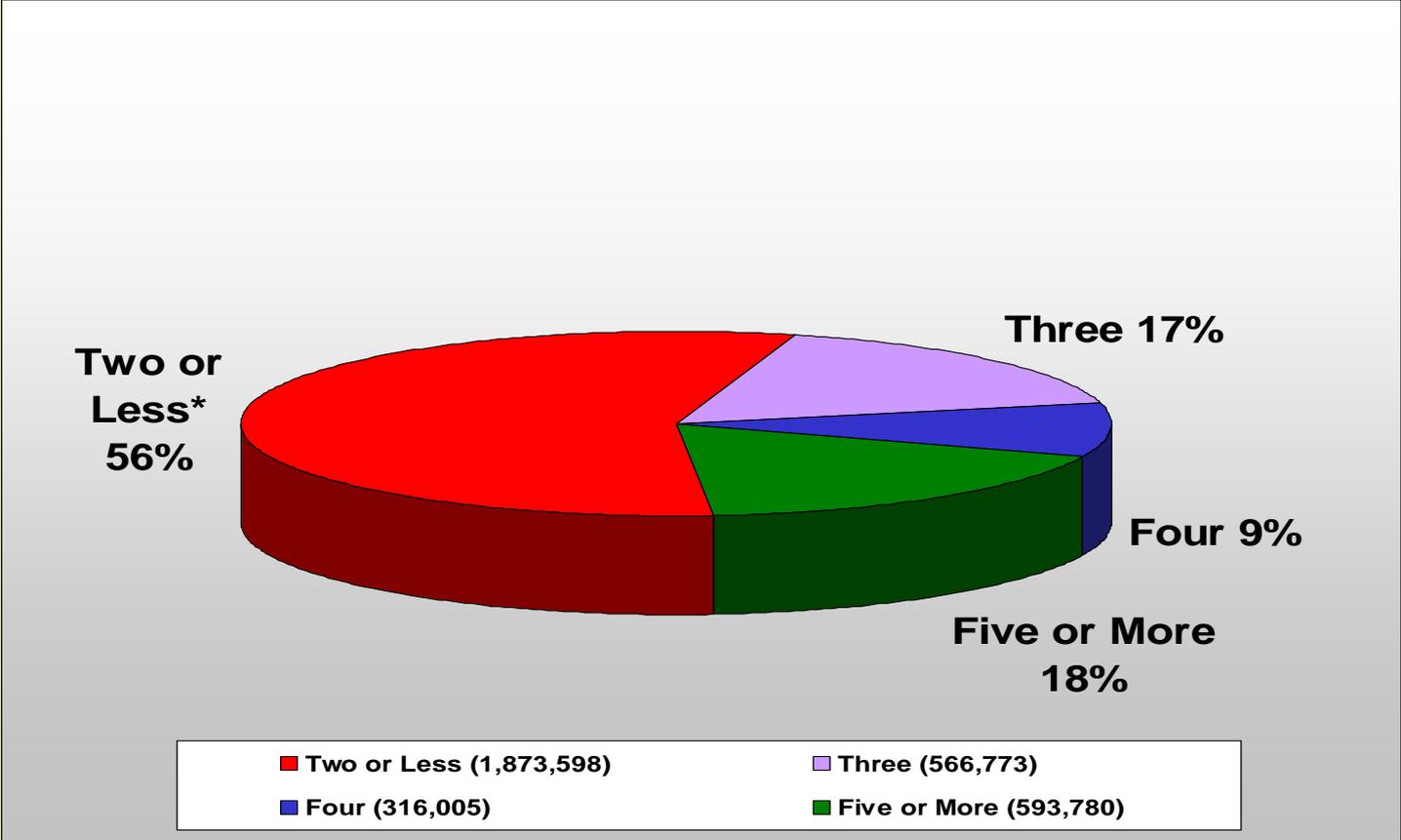
Form 1065 Return Partnership Establishment Dates*

Processing Year 2009



Number of Partners for Form 1065 Returns

Processing Year 2009



* Includes partnerships with 0 and 1 partner

Partnership K-1's

(where each partner is issued one K-1)

Processing Year 2009

<u>Number of Partners</u>	<u>Number of Returns</u>	<u>Number of K-1's</u>	<u>Percent of K-1s</u>
2 or less*	1,873,598	3,745,982	17.20%
3	566,773	1,700,319	7.80%
4	316,005	1,264,020	5.80%
5 - 10	417,476	2,691,265	12.35%
11 - 100	168,777	4,011,759	18.41%
101 - 1,000	6,953	1,521,198	7.00%
>1,000	574	6,849,855	31.44%
Total	3,350,156	21,784,398	100.00%

Form 1065 Returns Filed by State

Processing Year 2009



Alaska (AK)	6,540	Hawaii (HI)	11,118	Maine (ME)	10,983	New Jersey (NJ)	139,274	South Dakota (SD)	11,686
Alabama (AL)	43,315	Iowa (IA)	32,125	Michigan (MI)	99,876	New Mexico (NM)	18,577	Tennessee (TN)	64,011
Arkansas (AR)	26,089	Idaho (ID)	24,420	Minnesota (MN)	58,602	Nevada (NV)	47,725	Texas (TX)	303,976
Arizona (AZ)	80,267	Illinois (IL)	108,389	Missouri (MO)	62,695	New York (NY)	228,554	Utah (UT)	61,986
California (CA)	360,413	Indiana (IN)	52,032	Mississippi (MS)	24,273	Ohio (OH)	109,327	Virginia (VA)	77,749
Colorado (CO)	89,197	Kansas (KS)	31,779	Montana (MT)	16,792	Oklahoma (OK)	40,300	Vermont (VT)	6,129
Connecticut (CT)	62,578	Kentucky (KY)	39,008	North Carolina (NC)	89,549	Oregon (OR)	45,515	Washington (WA)	73,980
Delaware (DE)	13,606	Louisiana (LA)	56,954	North Dakota (ND)	9,808	Pennsylvania (PA)	118,521	Washington, DC	8,785
Florida (FL)	183,626	Massachusetts (MA)	63,815	Nebraska (NE)	21,397	Rhode Island (RI)	10,218	Wisconsin (WI)	59,481
Georgia (GA)	87,023	Maryland (MD)	63,865	New Hampshire (NH)	15,559	South Carolina (SC)	44,651	West Virginia (WV)	12,868
								Wyoming (WY)	12,113

Form 1065 e-file Penetration by State

Processing Year 2009



Alaska (AK)	35%	Hawaii (HI)	16%	Maine (ME)	23%	New Jersey (NJ)	33%	South Dakota (SD)	46%
Alabama (AL)	24%	Iowa (IA)	24%	Michigan (MI)	56%	New Mexico (NM)	28%	Tennessee (TN)	23%
Arkansas (AR)	18%	Idaho (ID)	35%	Minnesota (MN)	37%	Nevada (NV)	33%	Texas (TX)	22%
Arizona (AZ)	18%	Illinois (IL)	17%	Missouri (MO)	23%	New York (NY)	42%	Utah (UT)	37%
California (CA)	32%	Indiana (IN)	25%	Mississippi (MS)	26%	Ohio (OH)	28%	Virginia (VA)	23%
Colorado (CO)	23%	Kansas (KS)	41%	Montana (MT)	33%	Oklahoma (OK)	21%	Vermont (VT)	25%
Connecticut (CT)	22%	Kentucky (KY)	20%	North Carolina (NC)	17%	Oregon (OR)	28%	Washington (WA)	27%
Delaware (DE)	25%	Louisiana (LA)	22%	North Dakota (ND)	36%	Pennsylvania (PA)	19%	Washington, DC	17%
Florida (FL)	25%	Massachusetts (MA)	73%	Nebraska (NE)	33%	Rhode Island (RI)	37%	Wisconsin (WI)	47%
Georgia (GA)	25%	Maryland (MD)	23%	New Hampshire (NH)	31%	South Carolina (SC)	26%	West Virginia (WV)	17%
								Wyoming (WY)	39%

Source: 2009 ETA Marketing Database

Form 1065 Summary (PY2009)

- 1065's have been *e-filed* since 2000, yet only 35% of all 1065's are projected to be *e-filed* in CY2016.
- 29% of Form 1065 returns are currently *e-filed*.
- 14% of all 1065 taxpayers are enrolled in EFTPS.
- Form 1065 filers have an 82% *e-file* loyalty rate.
- 1065's have two peak volume filing times: April and September.
- 1,492,332 (45%) of 1065 returns represent real estate related activities.
- 88% of filers use preparers.
- 40% of partnerships were established in 2005 or later.
- 82% of 1065 filers have fewer than five partners.

FY 10 NATIONWIDE ANALYSIS Form 2290

**Electronic Tax Administration
Business ETA Marketing Database**

SB/SE Research

November 2010

Project BKN0173

This presentation provides
information about Form 2290 for
Processing Year (PY) 2009

Acknowledgements

This report was prepared at the SB/SE Research site in Brooklyn/Hartford under the direction of Research Chief Wendy S. Handin. Kenneth Bulcroft was the primary author with valuable support provided by Kevin Mullen. Special thanks to Lisa Burch of ETA for posting this report to www.irs.gov so that it can be used by taxpayers and preparers to learn about e-file progress. For further information, please contact Wendy S. Handin at (718) 488-3260.

Quality Assurance

The quality of these findings were established through review and analysis conducted by SB/SE Research, Brooklyn/Hartford. Our quality assurance process included independent replication and peer review. To verify the accuracy of the analysis, Joseph Scardina, a second Brooklyn/Hartford analyst, independently recreated the numbers shown in each slide. The findings were then reviewed by the Team Leader and the Chief. A final external review was conducted by the SB/SE Research Senior Technical Analyst

Primary Data Source

- **The BMF ETA Marketing Database Form 2290 table**
- **It contains all Form 2290 returns filed for Processing Year 2009 that were processed through December 31, 2009 (cycle 200852)**
- **It includes over 628,000 records**



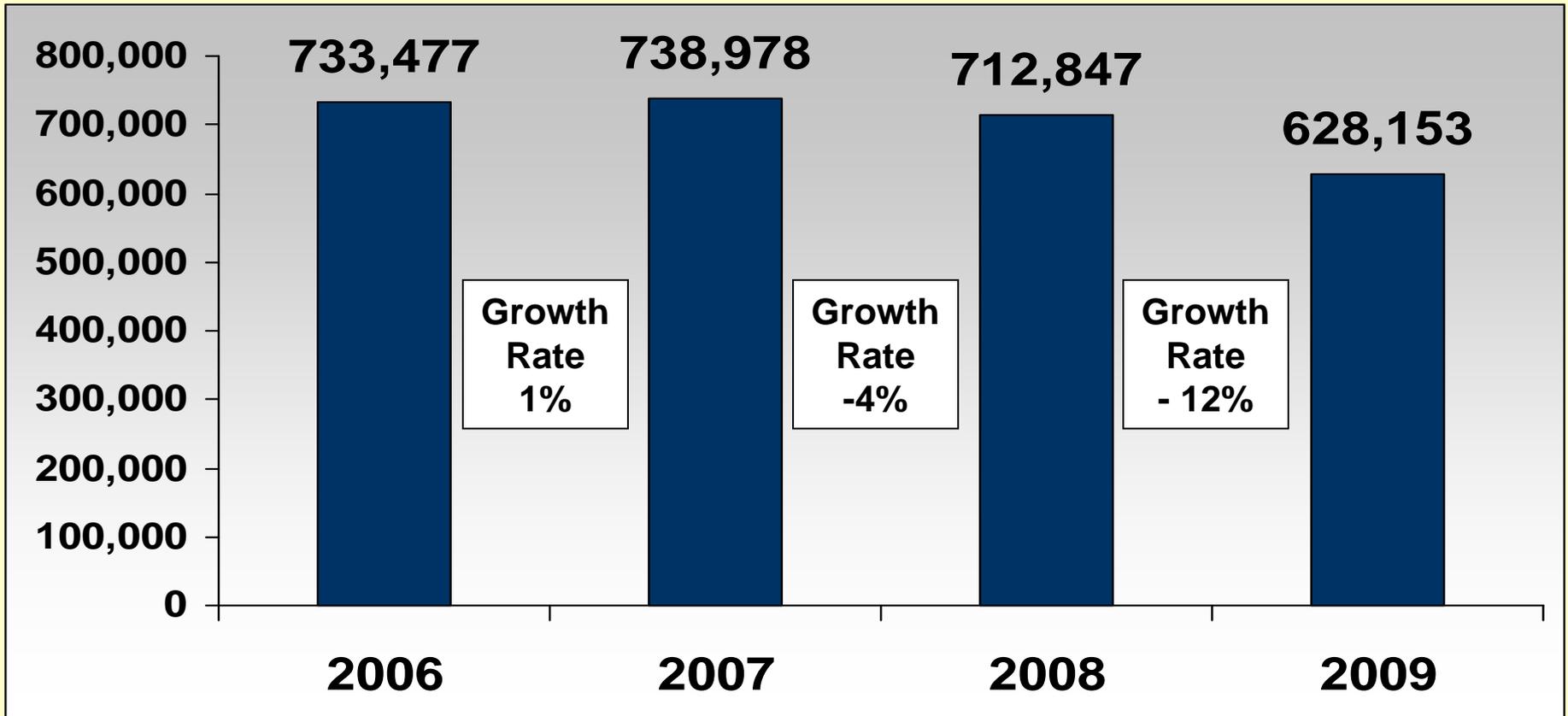
Form 2290 Filers Heavy Highway Vehicle Use Tax

Processing Year 2009

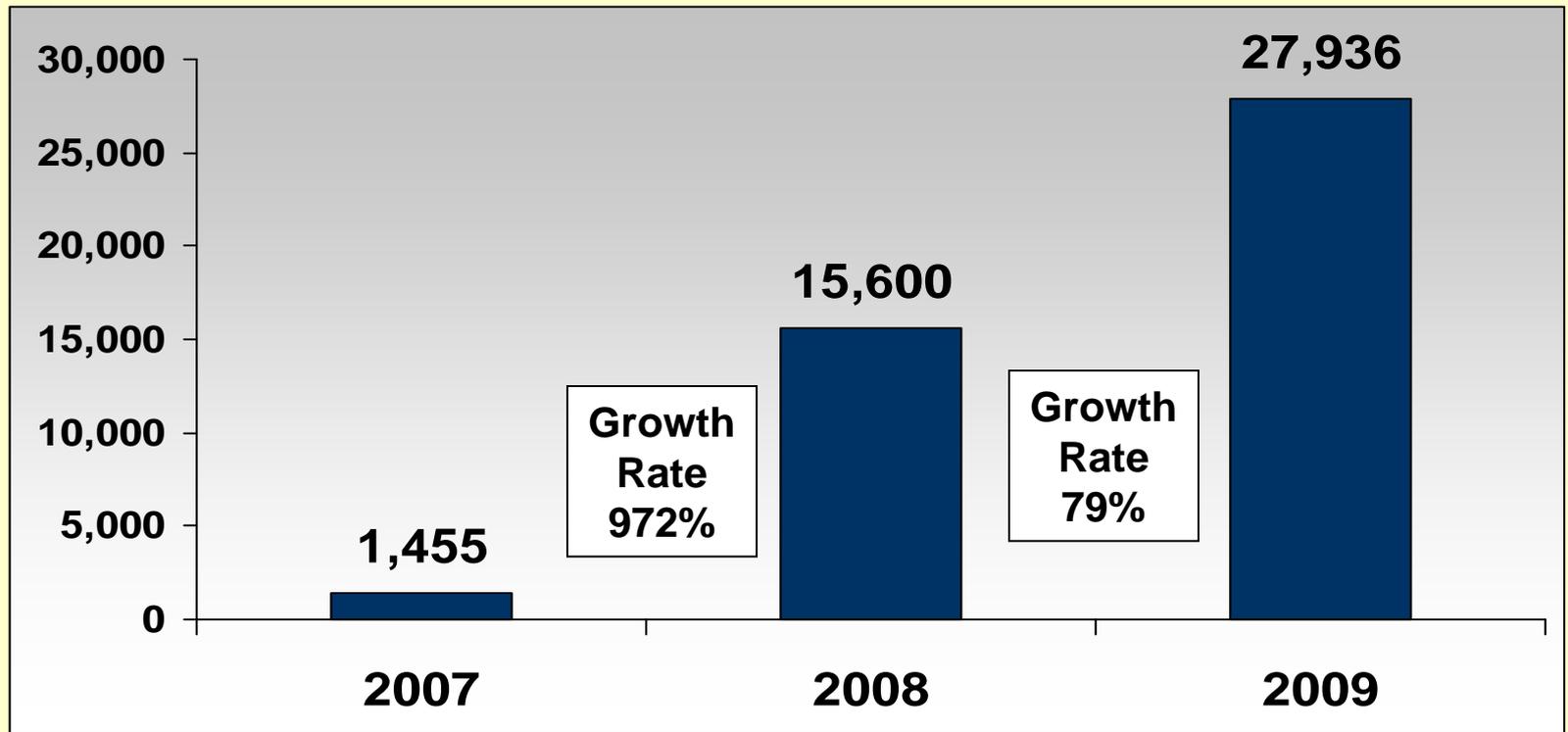


Annual Filing Volume: Form 2290

Processing Years 2006 - 2009

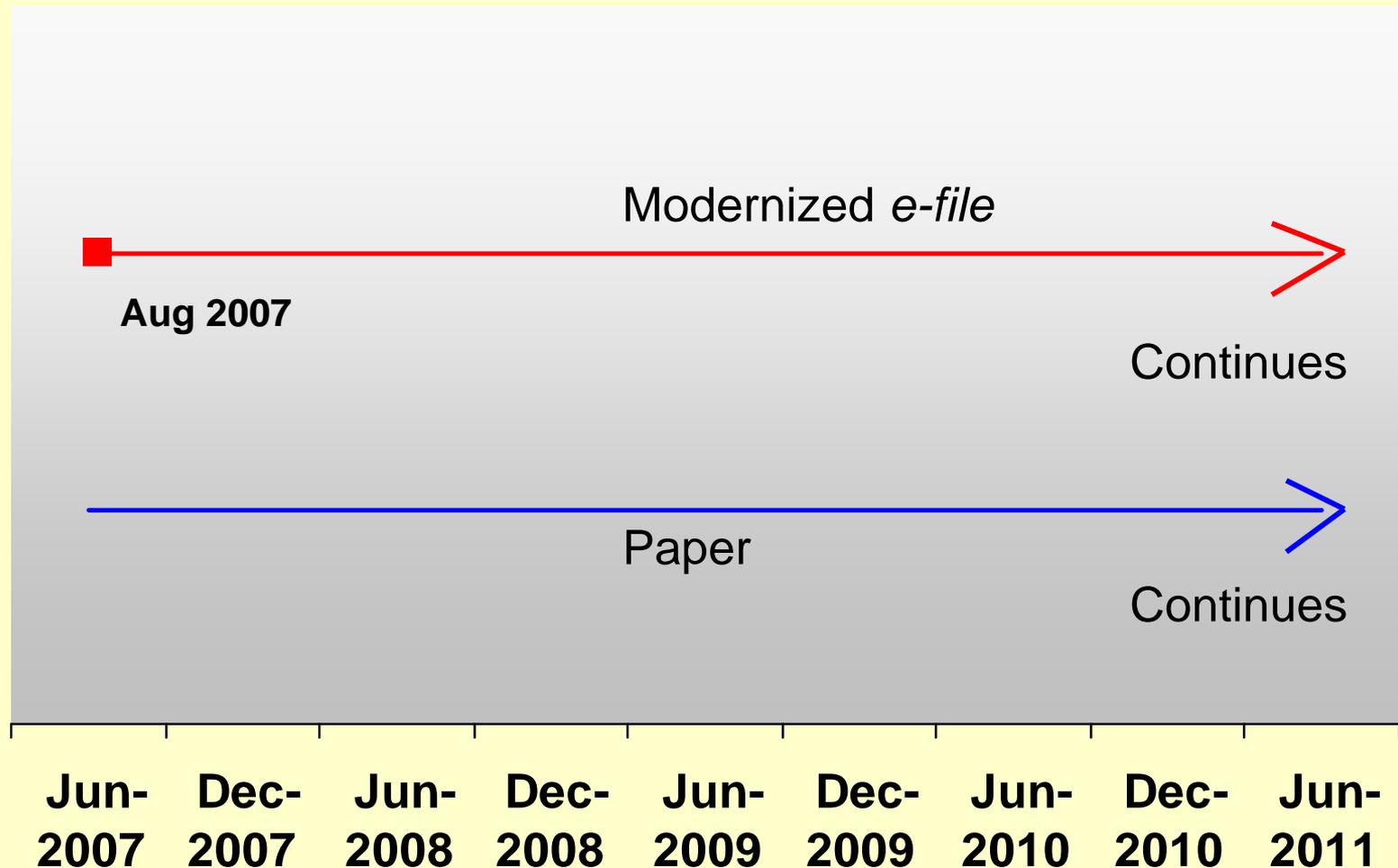


Annual Filing Volume: Form 2290 e-file Processing Years 2007 - 2009

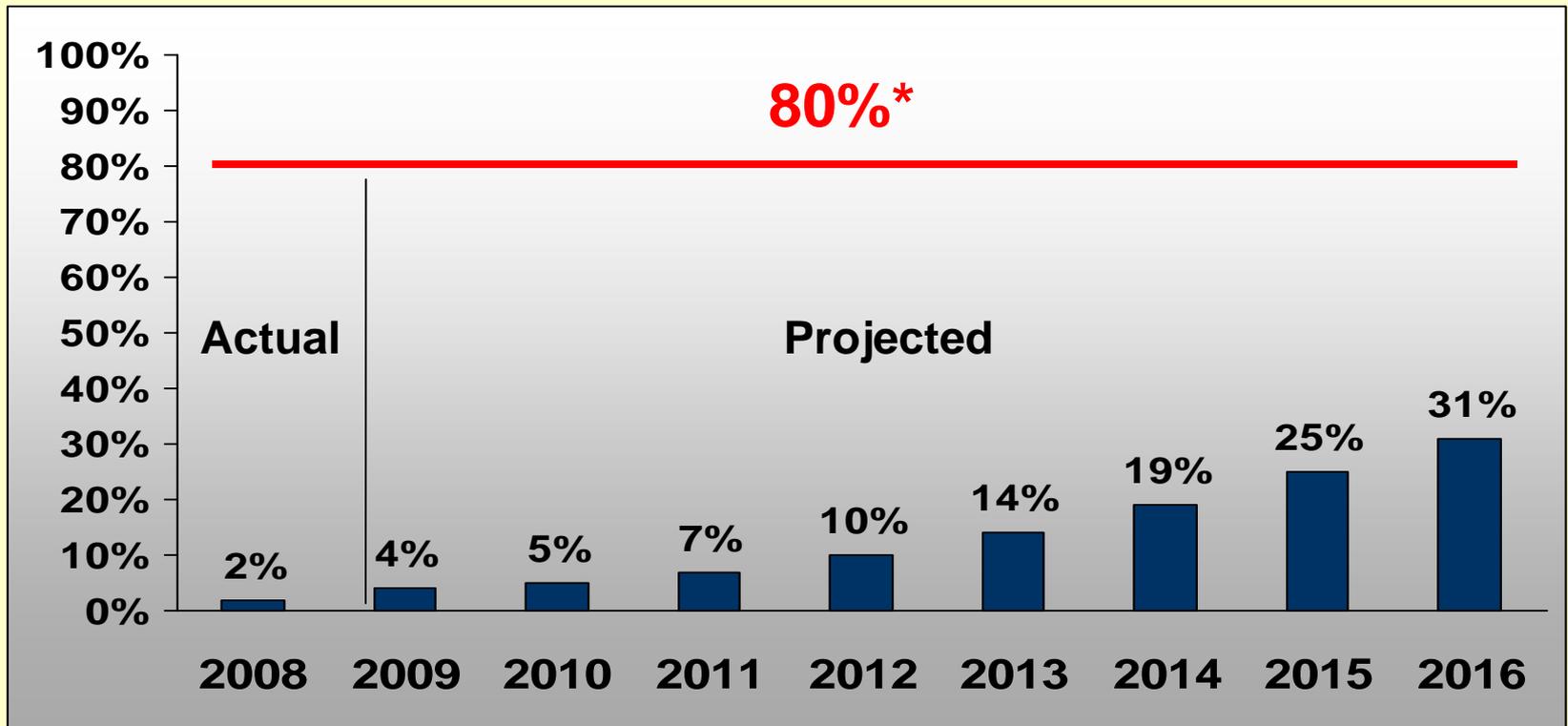


**In Processing Year
2009, 4% of all Form
2290 Returns were
filed electronically.**

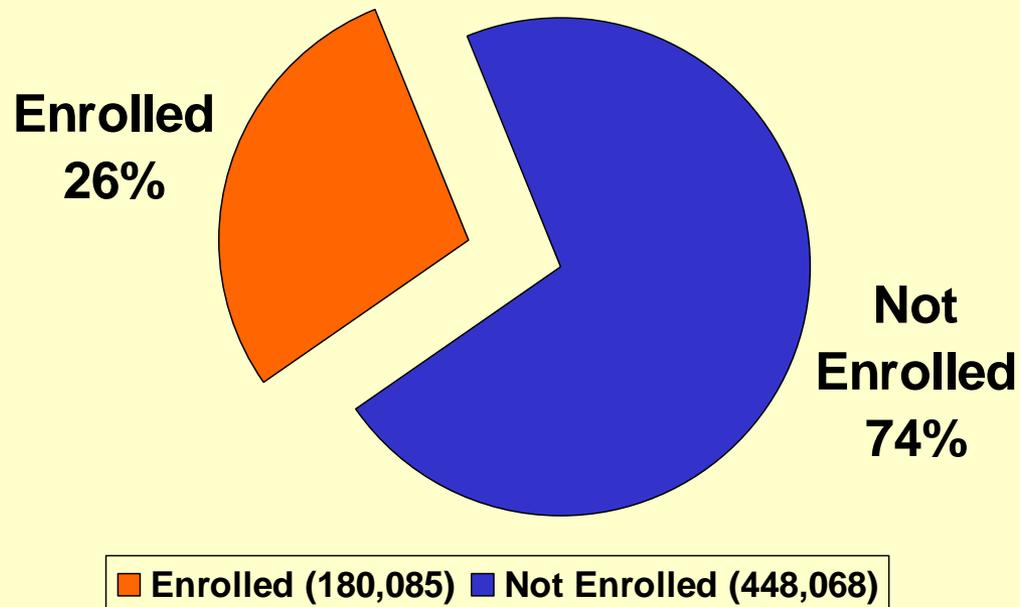
Form 2290: Implementation Schedule



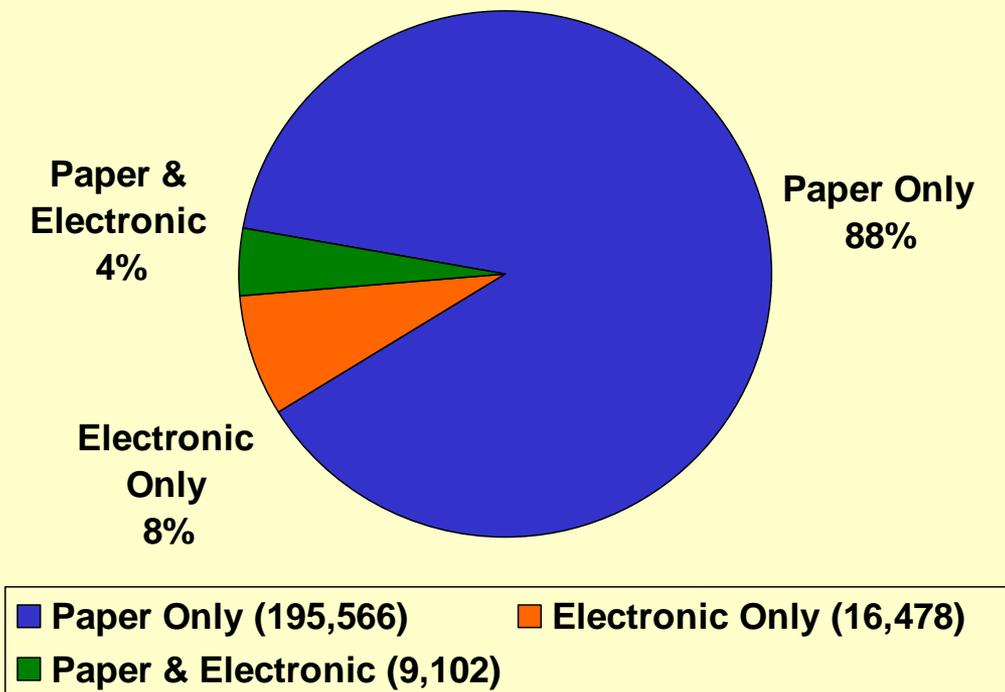
Form 2290 Projected *e-file* Penetration Rate



Form 2290 Taxpayers Enrolled in EFTPS (Electronic Federal Tax Payment System) Processing Year 2009

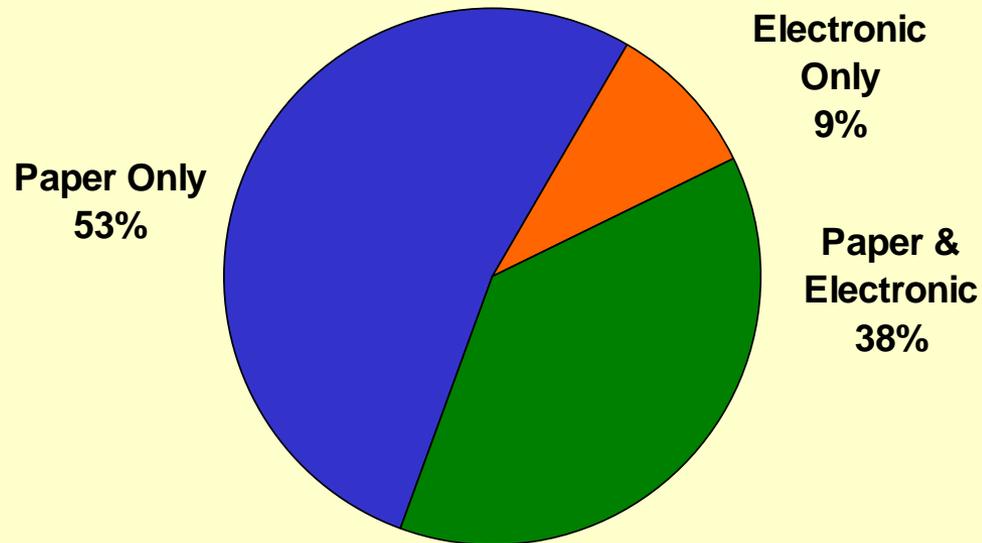


Payment Method Used by Form 2290 Taxpayers Making 2290 Payments* Processing Year 2009



*Determined using only Form 2290 Payment Table records

Payment Method Used by Form 2290 Taxpayers Making Any Payments* Processing Year 2009

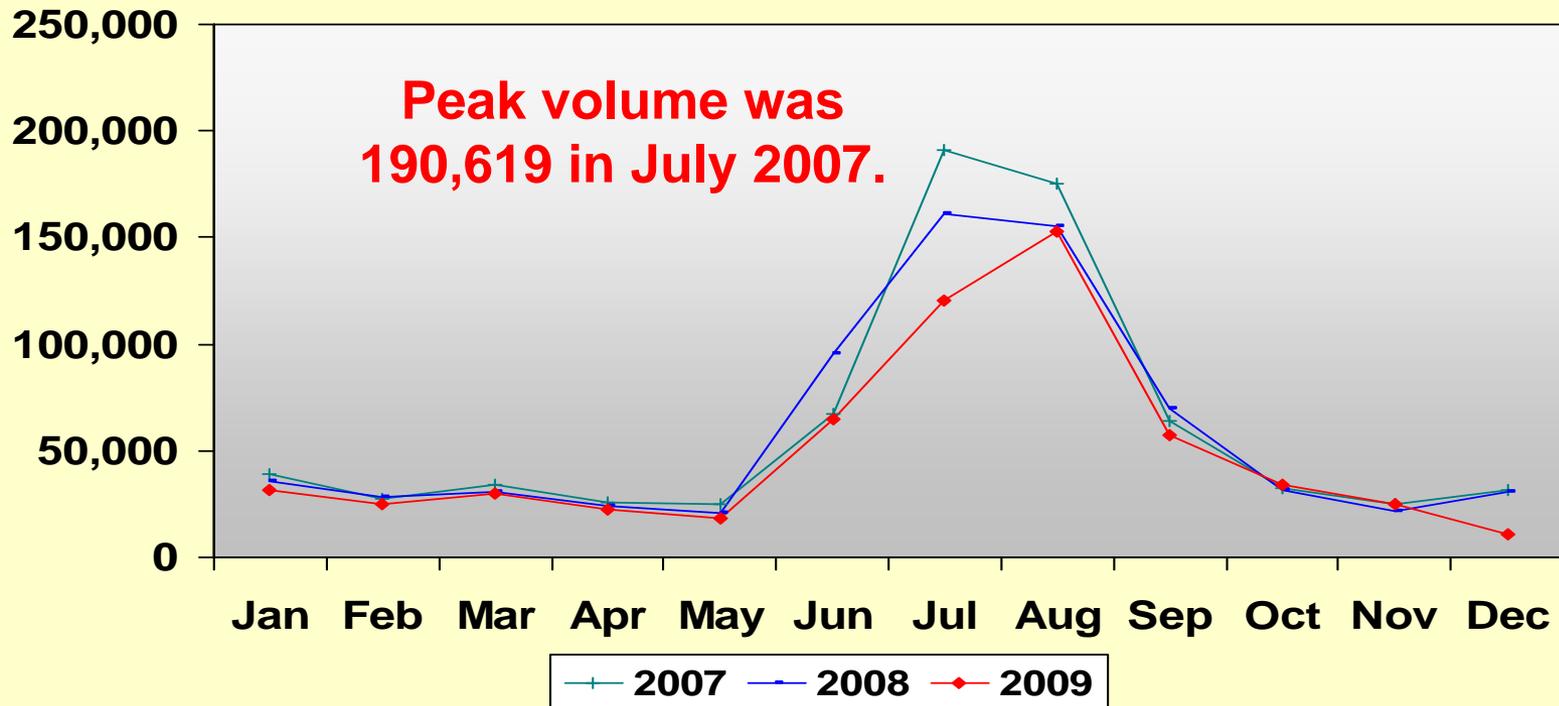


■ Paper Only (141,526)	■ Electronic Only (25,408)
■ Paper & Electronic (100,853)	

*Determined using all Payment Table records

Form 2290: Monthly Filing Patterns

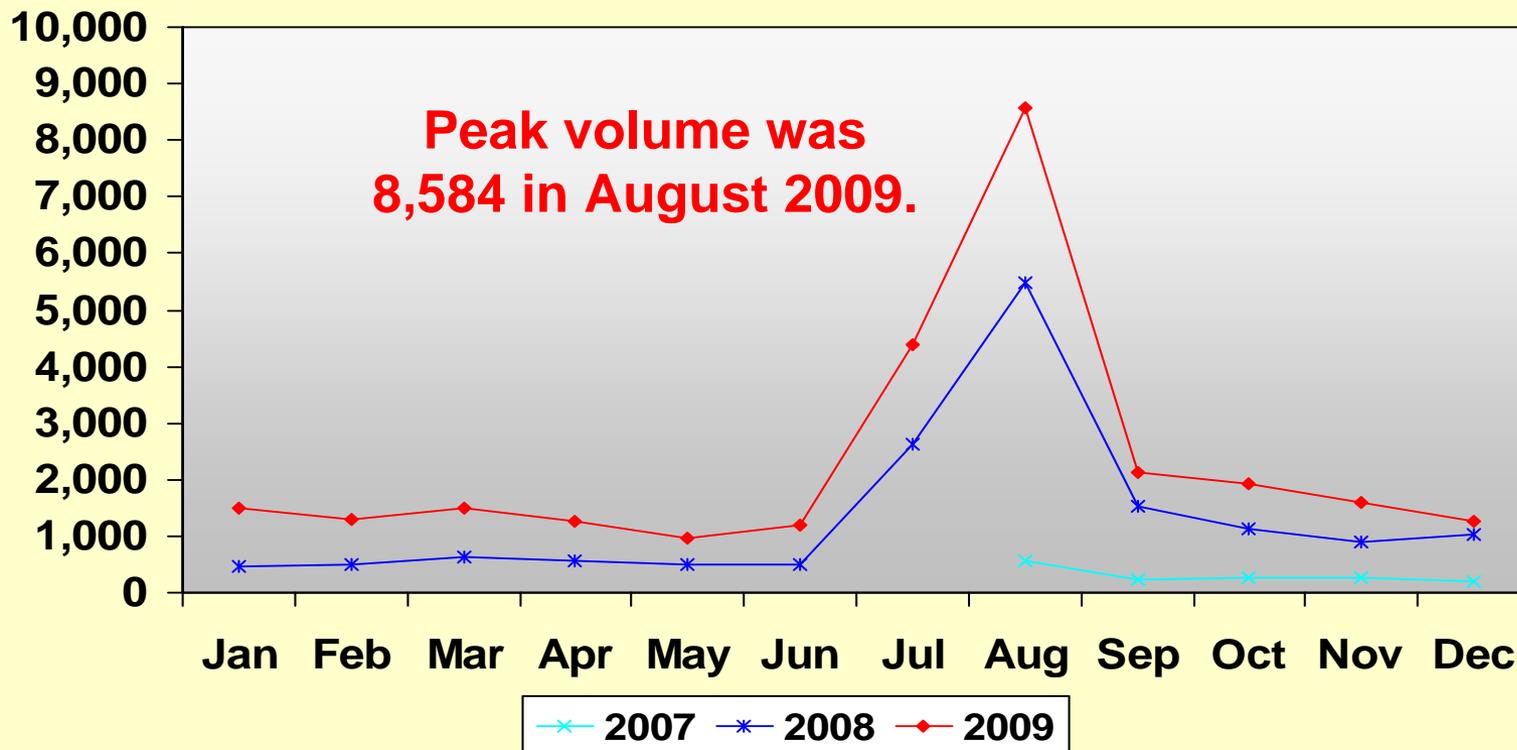
Processing Year 2009



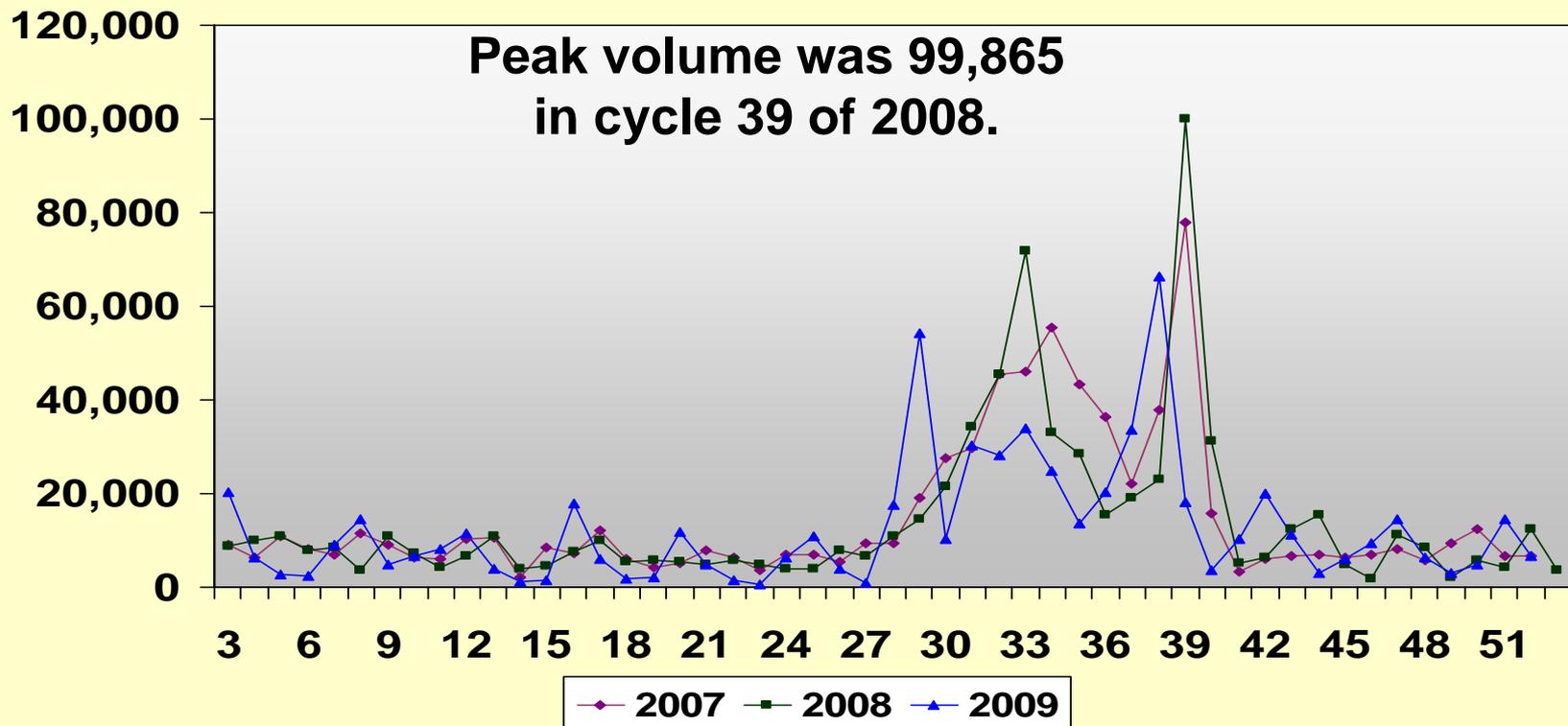
Form 2290

Monthly e-file Patterns

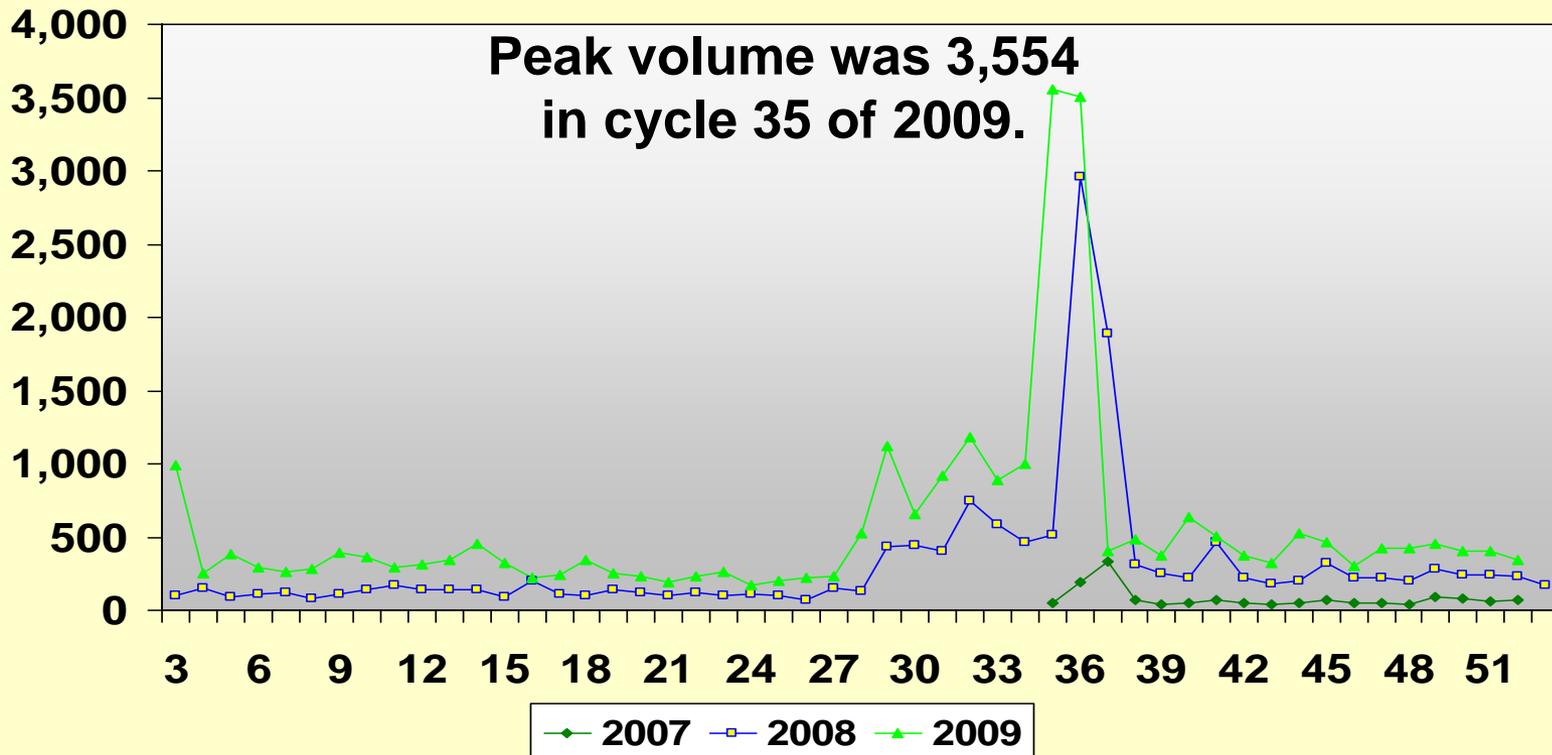
Processing Year 2009



Form 2290 Filing Patterns by Cycle Posted Processing Year 2009

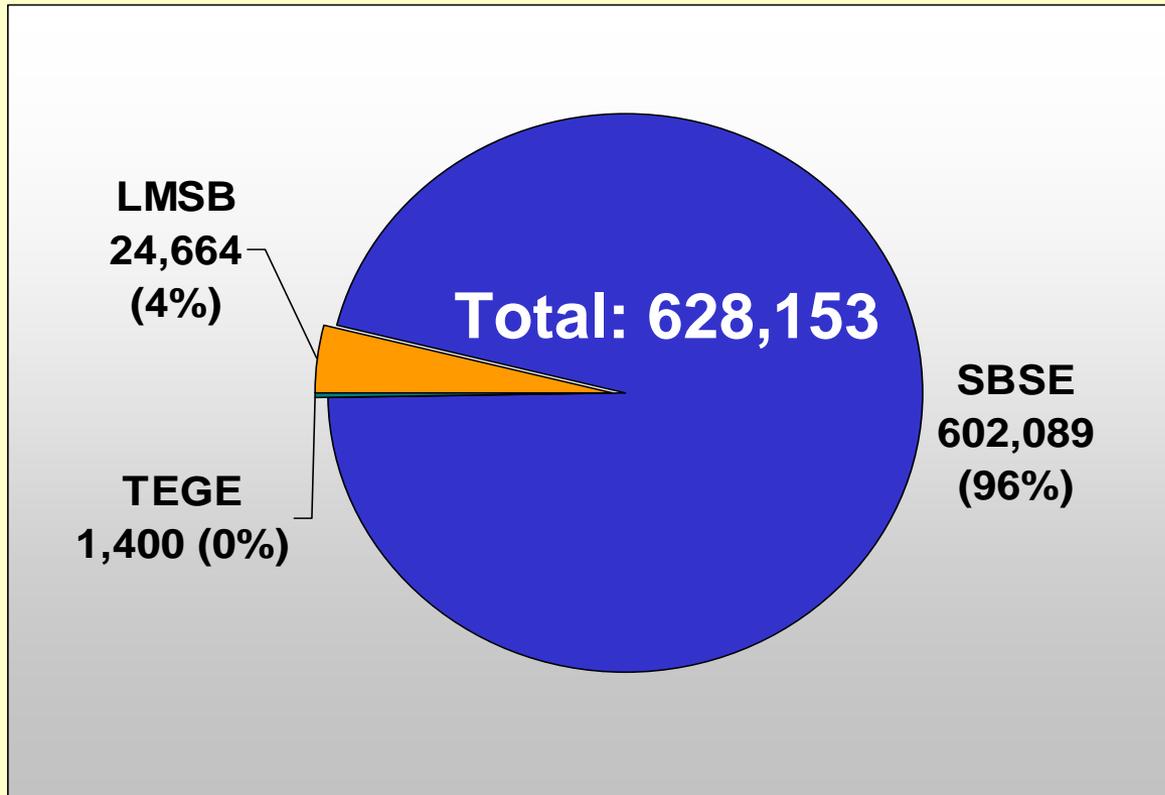


Form 2290 e-filing Patterns by Cycle Posted Processing Year 2009



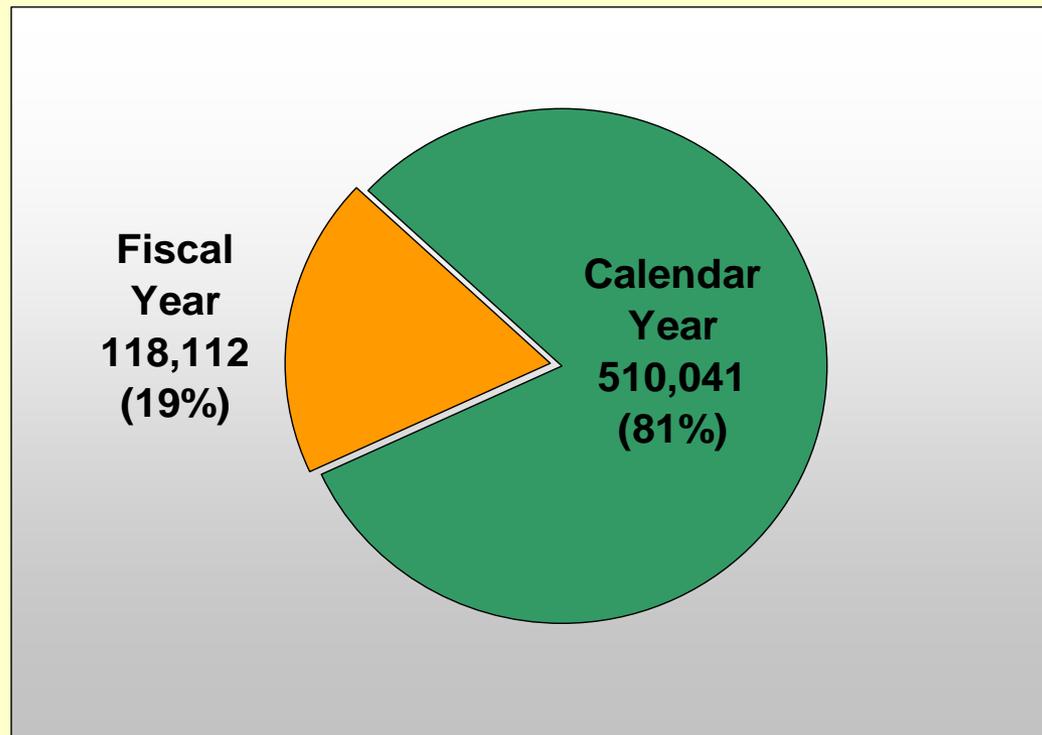
Form 2290 Returns Filed by Business Operating Division

Processing Year 2009



Form 2290 Fiscal Year Returns vs. Calendar Year Returns

Processing Year 2009



Total: 628,153

Filing for a July tax period is considered a calendar year.

Most Form 2290 Returns by NAICS

(The North American Industry Classification System - NAICS)

<u>CODE</u>	<u>TITLE</u>	<u>2009</u>	<u>%*</u>
484000	Truck transportation	124,664	20%
484120	General Freight Trucking, Long-distance	45,110	7%
484110	General Freight Trucking, Local	31,045	5%
480000	Transportation	22,687	4%
238900	Other Specialty Trade Contractors	17,447	3%
484200	Specialized Freight Trucking	14,656	2%
111100	Oilseed & Grain Farming	10,571	2%
110000	Agriculture, Forestry, Fishing and Hunting	9,938	2%
237990	Other Heavy and Civil Engineering Construction	6,645	1%
113310	Logging	4,869	1%

* The percentage of Form 2290 returns filed in PY 2009.

Most e-filed Forms 2290 by NAICS

(The North American Industry Classification System - NAICS)

<u>CODE</u>	<u>TITLE</u>	<u>2009</u>	<u>%*</u>
484120	General Freight Trucking, Long-distance	4,185	15%
484000	Truck transportation	4,128	15%
484110	General Freight Trucking, Local	1,737	6%
484200	Specialized Freight Trucking	1,406	5%
238900	Other Specialty Trade Contractors	779	3%
480000	Transportation	759	3%
327300	Cement & Concrete Product Manufacturing	435	2%
532400	Commercial & Industrial Machinery & Equipment Rental & Leasing	425	2%
562000	Waste Management & Remediation Services	383	1%
237990	Other Heavy and Civil Engineering Construction	383	1%

* The percentage of all electronic Form 2290 returns filed in PY 2009₁₁₇

Form 2290 Returns Filed by State

Processing Year 2009



Alaska (AK)	754	Hawaii (HI)	743	Maine (ME)	3,699	New Jersey (NJ)	13,416	South Dakota (SD)	9,802
Alabama (AL)	11,908	Iowa (IA)	16,892	Michigan (MI)	15,912	New Mexico (NM)	4,482	Tennessee (TN)	12,912
Arkansas (AR)	10,586	Idaho (ID)	5,957	Minnesota (MN)	20,037	Nevada (NV)	3,040	Texas (TX)	50,434
Arizona (AZ)	5,542	Illinois (IL)	31,975	Missouri (MO)	16,622	New York (NY)	15,273	Utah (UT)	4,847
California (CA)	60,811	Indiana (IN)	16,970	Mississippi (MS)	8,772	Ohio (OH)	23,440	Virginia (VA)	11,436
Colorado (CO)	7,579	Kansas (KS)	10,715	Montana (MT)	5,413	Oklahoma (OK)	8,452	Vermont (VT)	1,529
Connecticut (CT)	3,642	Kentucky (KY)	10,853	North Carolina (NC)	19,916	Oregon (OR)	8,498	Washington (WA)	11,780
Delaware (DE)	1,425	Louisiana (LA)	10,026	North Dakota (ND)	9,927	Pennsylvania (PA)	22,709	Washington, DC	87
Florida (FL)	33,951	Massachusetts (MA)	6,606	Nebraska (NE)	13,418	Rhode Island (RI)	1,238	Wisconsin (WI)	15,141
Georgia (GA)	19,734	Maryland (MD)	6,629	New Hampshire (NH)	2,661	South Carolina (SC)	9,504	West Virginia (WV)	3,672
								Wyoming (WY)	2,437

Form 2290 e-file Counts by State Processing Year 2009



Alaska (AK)	54	Hawaii (HI)	44	Maine (ME)	108	New Jersey (NJ)	457	South Dakota (SD)	105
Alabama (AL)	683	Iowa (IA)	488	Michigan (MI)	796	New Mexico (NM)	705	Tennessee (TN)	733
Arkansas (AR)	416	Idaho (ID)	204	Minnesota (MN)	760	Nevada (NV)	203	Texas (TX)	2,875
Arizona (AZ)	388	Illinois (IL)	1,197	Missouri (MO)	743	New York (NY)	707	Utah (UT)	307
California (CA)	3,123	Indiana (IN)	644	Mississippi (MS)	273	Ohio (OH)	1,099	Virginia (VA)	419
Colorado (CO)	570	Kansas (KS)	347	Montana (MT)	150	Oklahoma (OK)	474	Vermont (VT)	46
Connecticut (CT)	176	Kentucky (KY)	351	North Carolina (NC)	604	Oregon (OR)	390	Washington (WA)	548
Delaware (DE)	48	Louisiana (LA)	381	North Dakota (ND)	155	Pennsylvania (PA)	1,017	Washington (DC)	5
Florida (FL)	1,495	Massachusetts (MA)	235	Nebraska (NE)	523	Rhode Island (RI)	26	Wisconsin (WI)	776
Georgia (GA)	921	Maryland (MD)	237	New Hampshire (NH)	113	South Carolina (SC)	241	West Virginia (WV)	80
								Wyoming (WY)	105

Form 2290 e-file Counts by State

Processing Year 2009



Alaska (AK)	54	Hawaii (HI)	44	Maine (ME)	108	New Jersey (NJ)	457	South Dakota (SD)	105
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Georgia (GA)	921	Maryland (MD)	237	New Hampshire (NH)	113	South Carolina (SC)	241	West Virginia (WV)	80
								Wyoming (WY)	105

Form 2290 Summary (PY2009)

- **Form 2290 *e-file* penetration rate is 4% projected to be 31% by CY2016.**
- **26% of all Form 2290 taxpayers are enrolled in EFTPS but only 12% are making any electronic payments.**

FY 10 NATIONWIDE ANALYSIS Form 940

**Electronic Tax Administration
Business Master File Marketing Database**

SB/SE Research

November 2010

Project BKN0173

This presentation provides information about Form 940 for Processing Year (PY) 2009

Acknowledgements

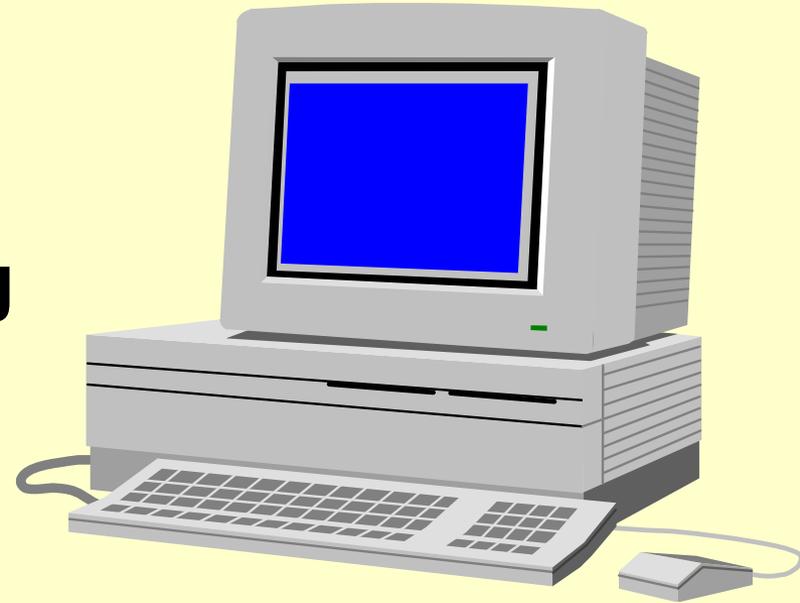
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Primary Data Source

- **The BMF ETA Marketing Database Form 940 table**
- **It contains all Form 940 returns filed for Processing Year 2009 that were processed through December 31, 2009 (cycle 200852)**
- **It includes over 5.9 million records**



Form 940 Filers

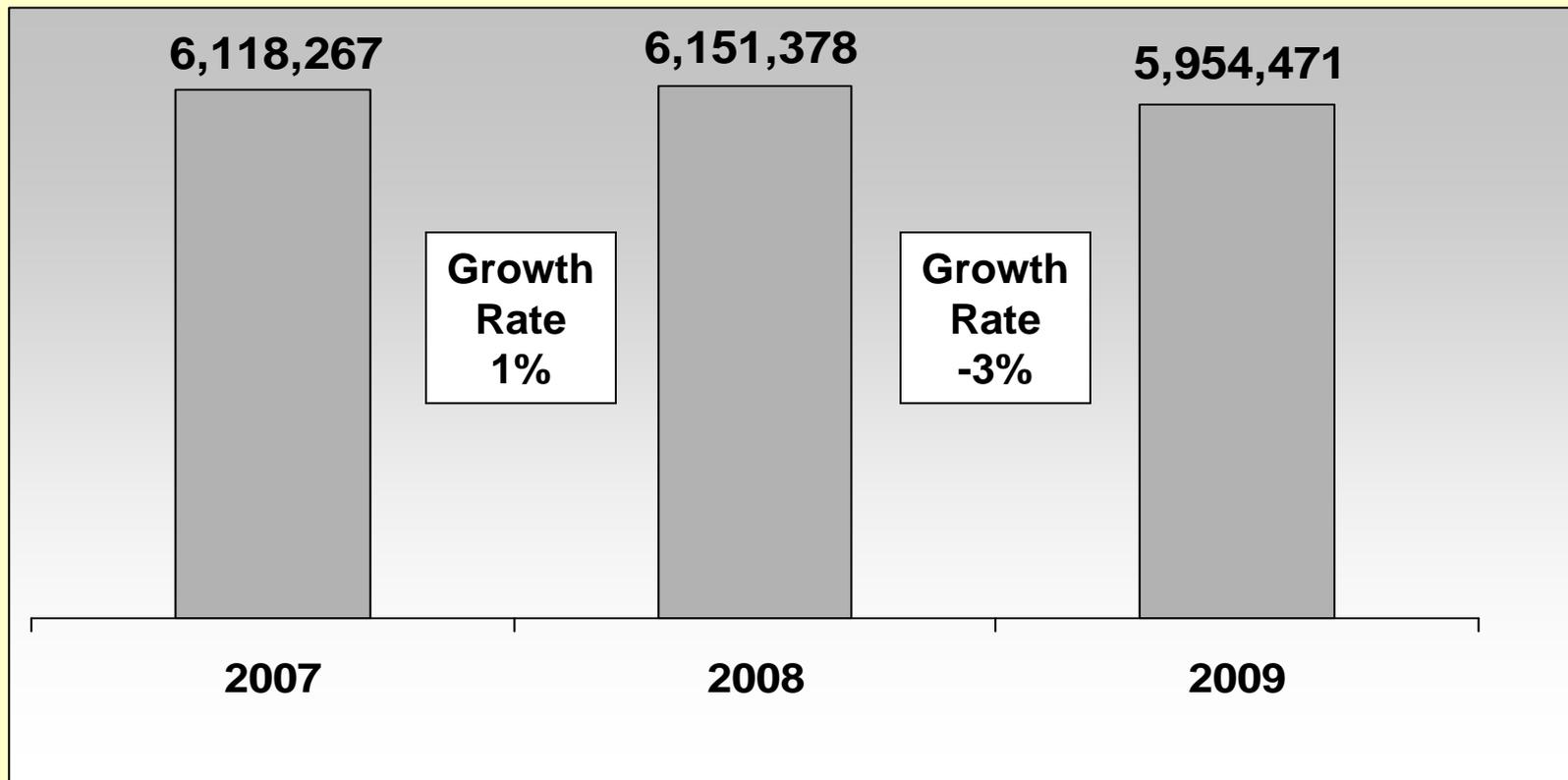
Employer's Annual Federal Unemployment Tax Return

Processing Year 2009



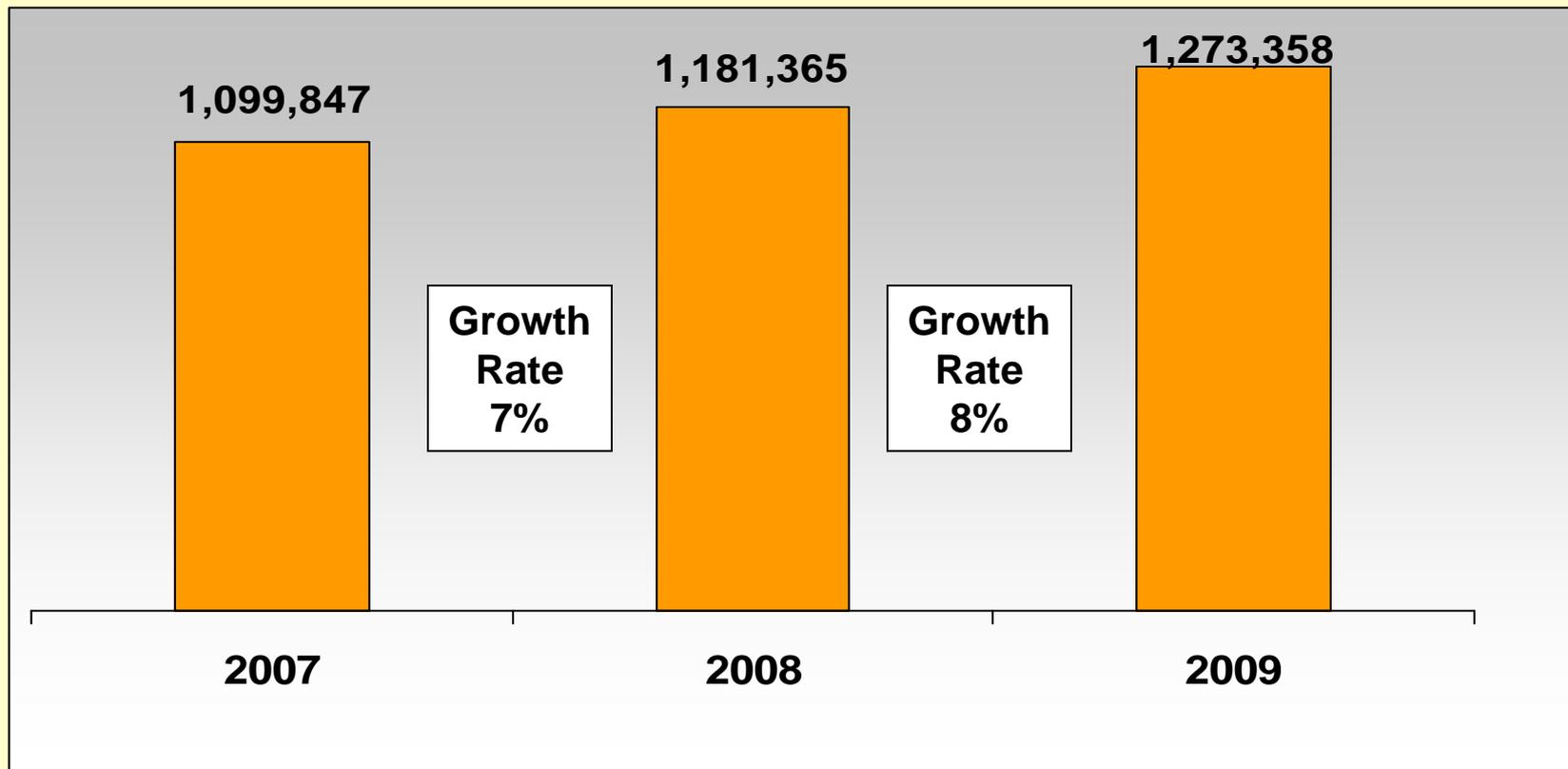
Form 940 Annual Filing Volume

Processing Years 2007-2009

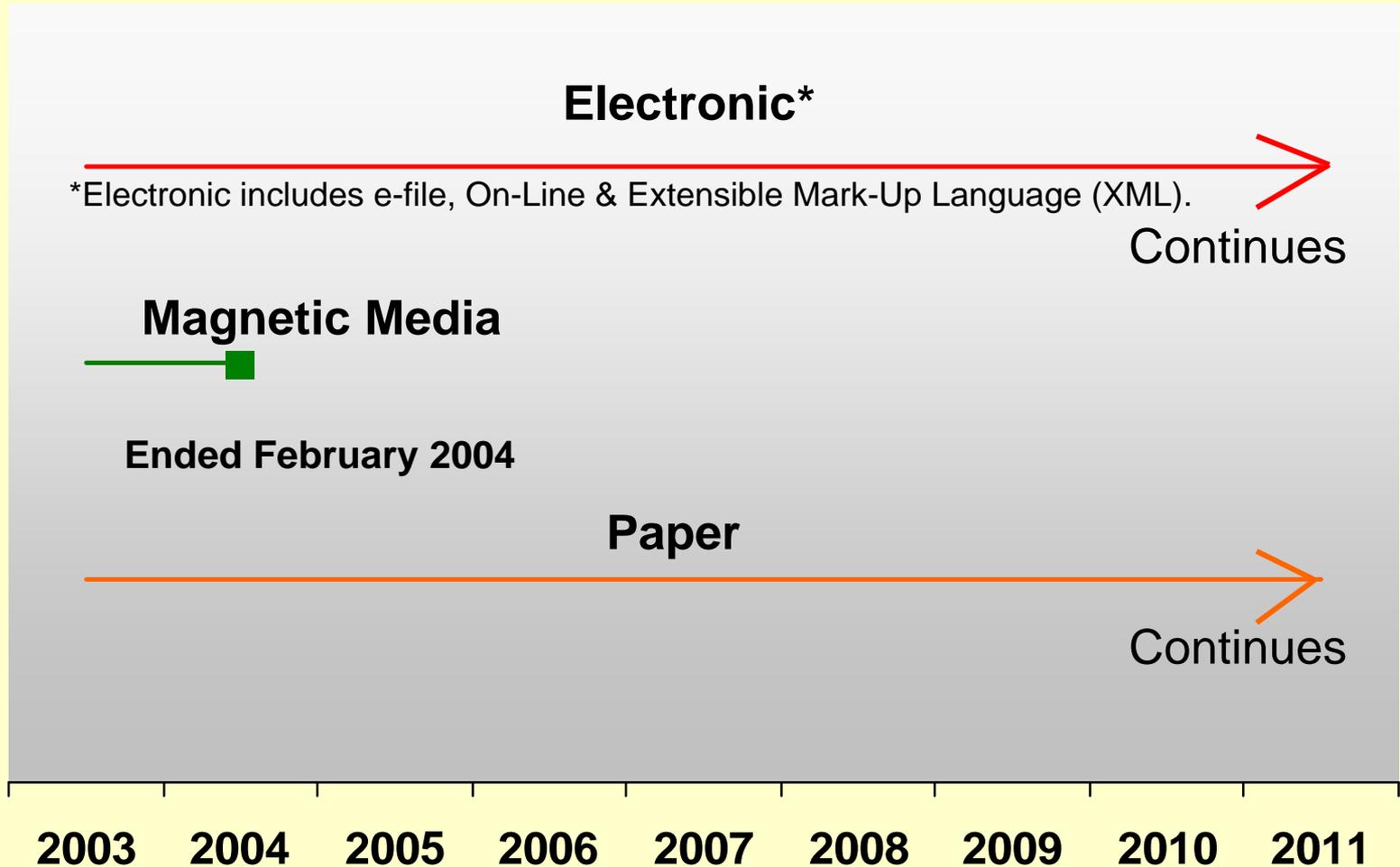


Form 940 Annual *e-Filing* Volume

Processing Years 2007-2009



Form 940: Implementation Schedule



*Electronic includes e-file, On-Line & Extensible Mark-Up Language (XML).

Continues

Magnetic Media

Ended February 2004

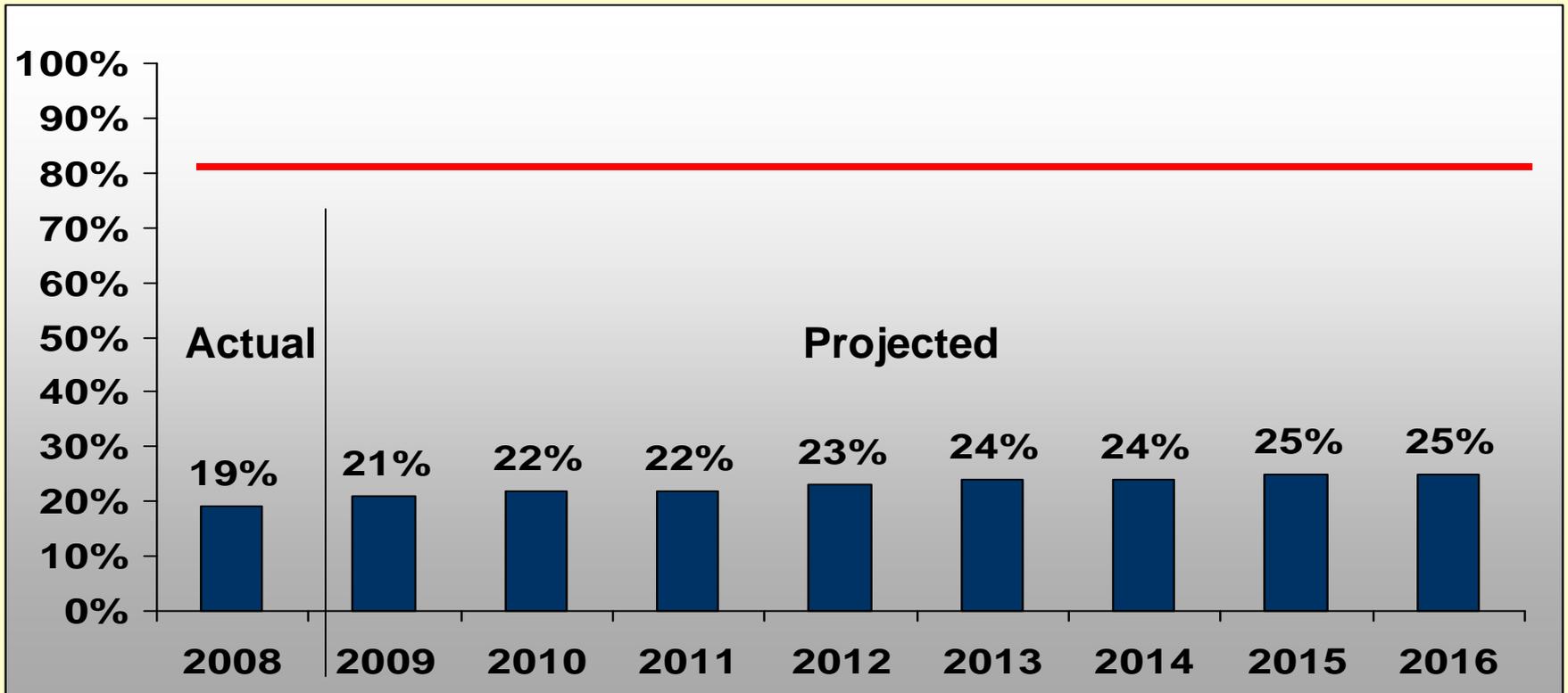
Paper

Continues

2003 2004 2005 2006 2007 2008 2009 2010 2011

**In Processing Year 2009,
21% of all Forms 940
were filed electronically.**

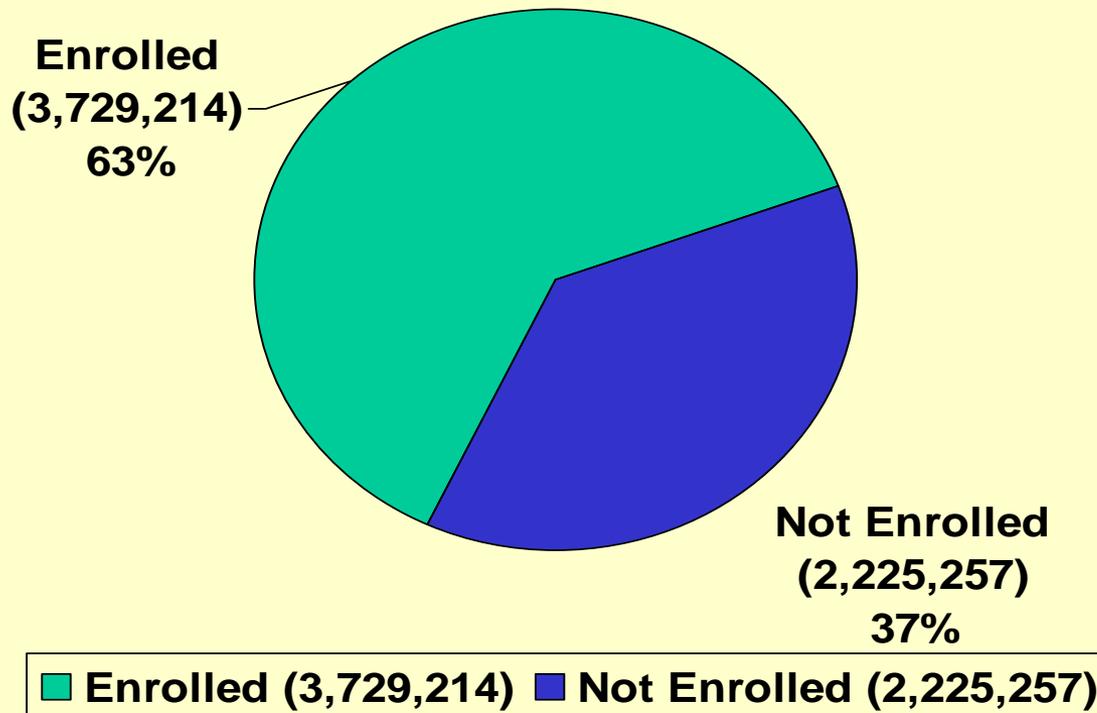
Form 940 Projected *e-file* Penetration Rate



Source: "Calendar Year Return Projections by State: Document 6149"
Projections and Forecasting Group (RAS:R) revised 12-2009

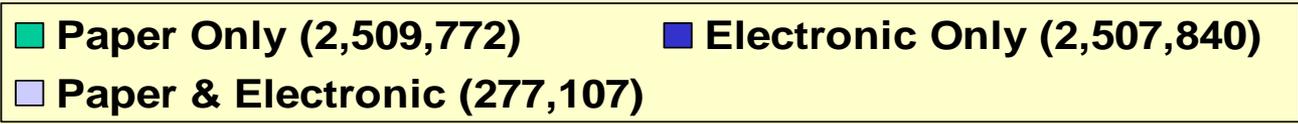
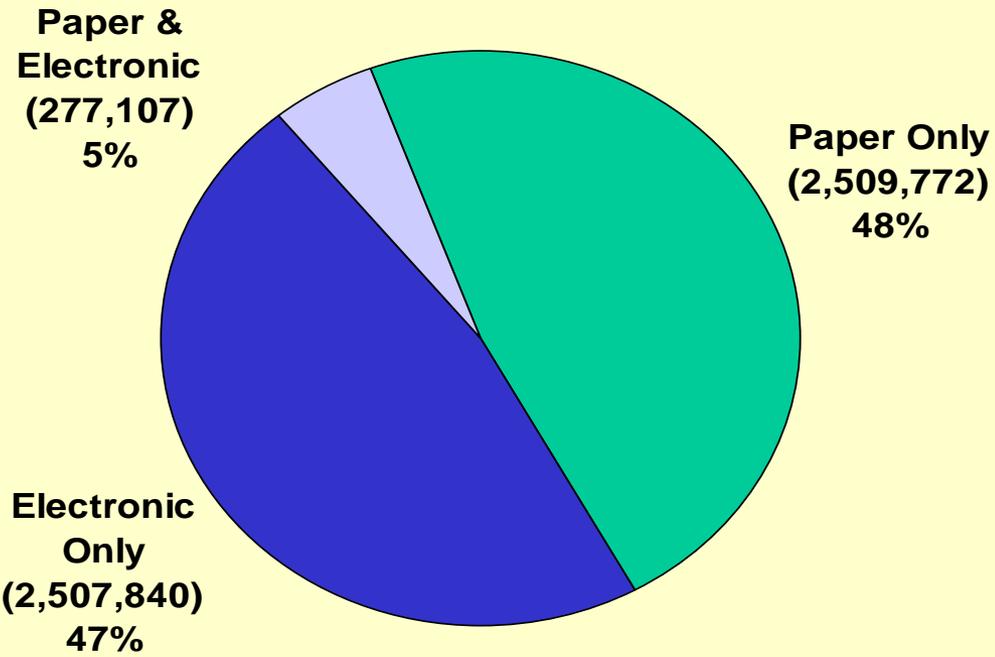
*Congressional *e-file* goal 132

Form 940 Taxpayers Enrolled in EFTPS (Electronic Federal Tax Payment System) Processing Year 2009



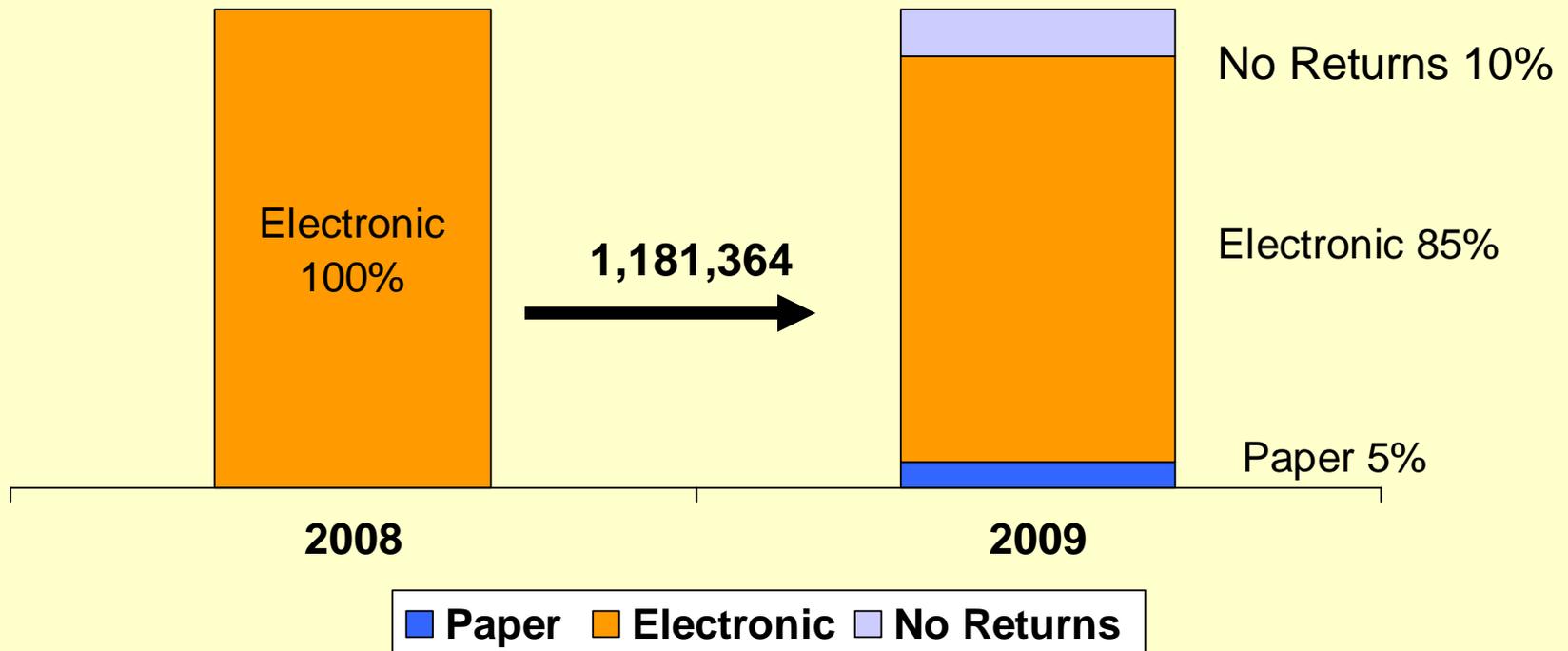
Payment Method Used by Form 940 Taxpayers Making 940 Payments

Processing Year 2009

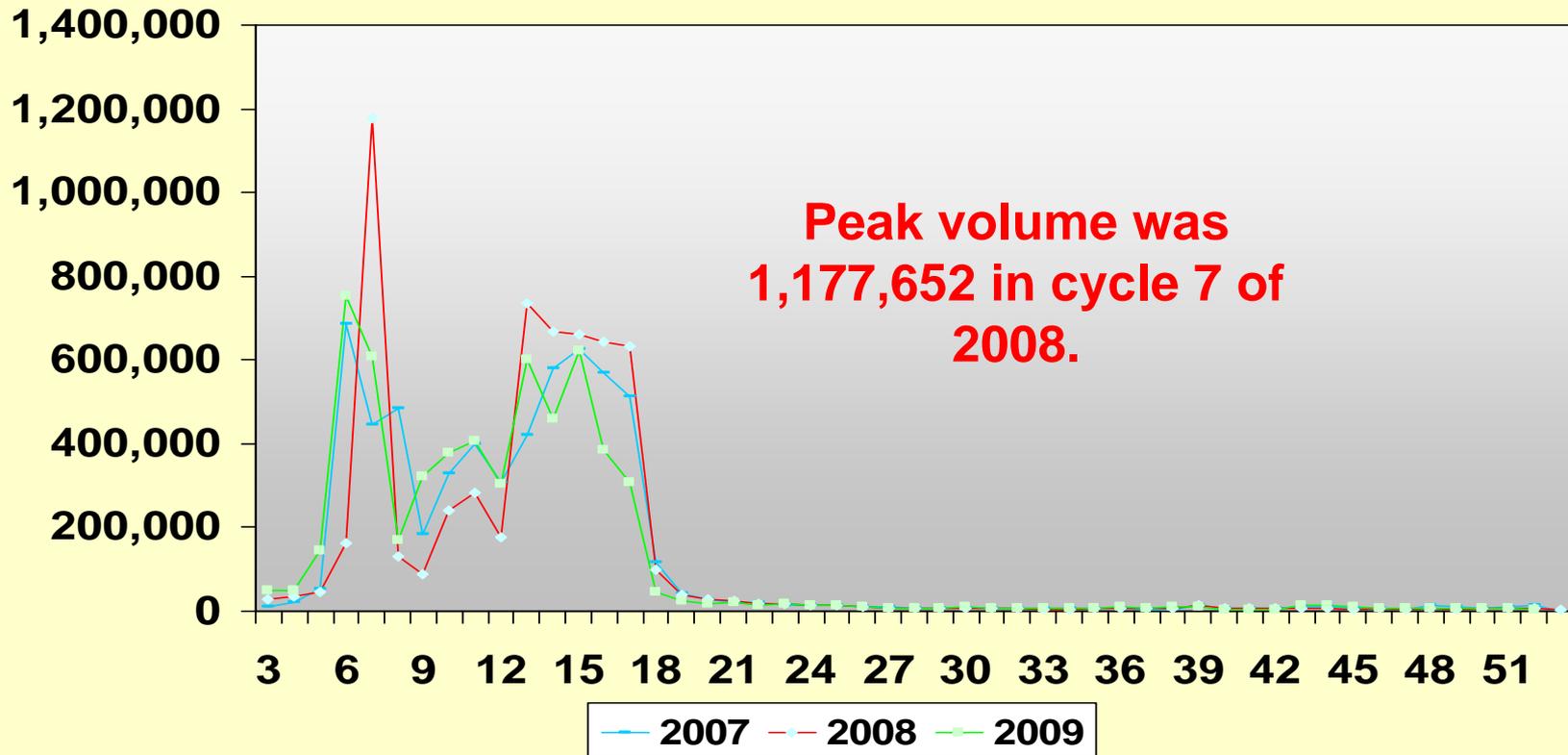


Form 940 *e-file* Loyalty

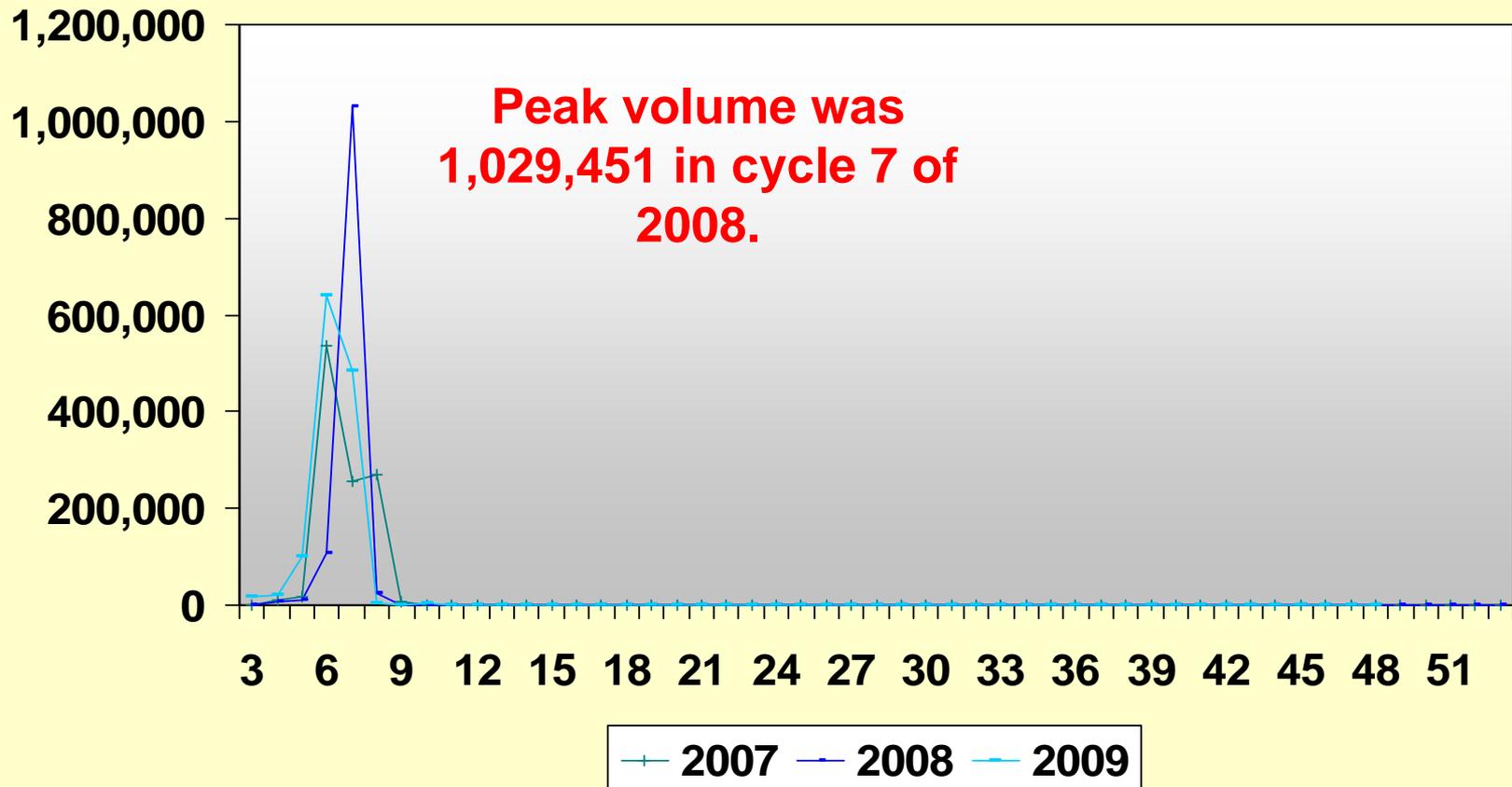
85% of PY2008 Form 940 electronic filers, e-filed in PY2009



Form 940 Filing Patterns by Cycle Posted

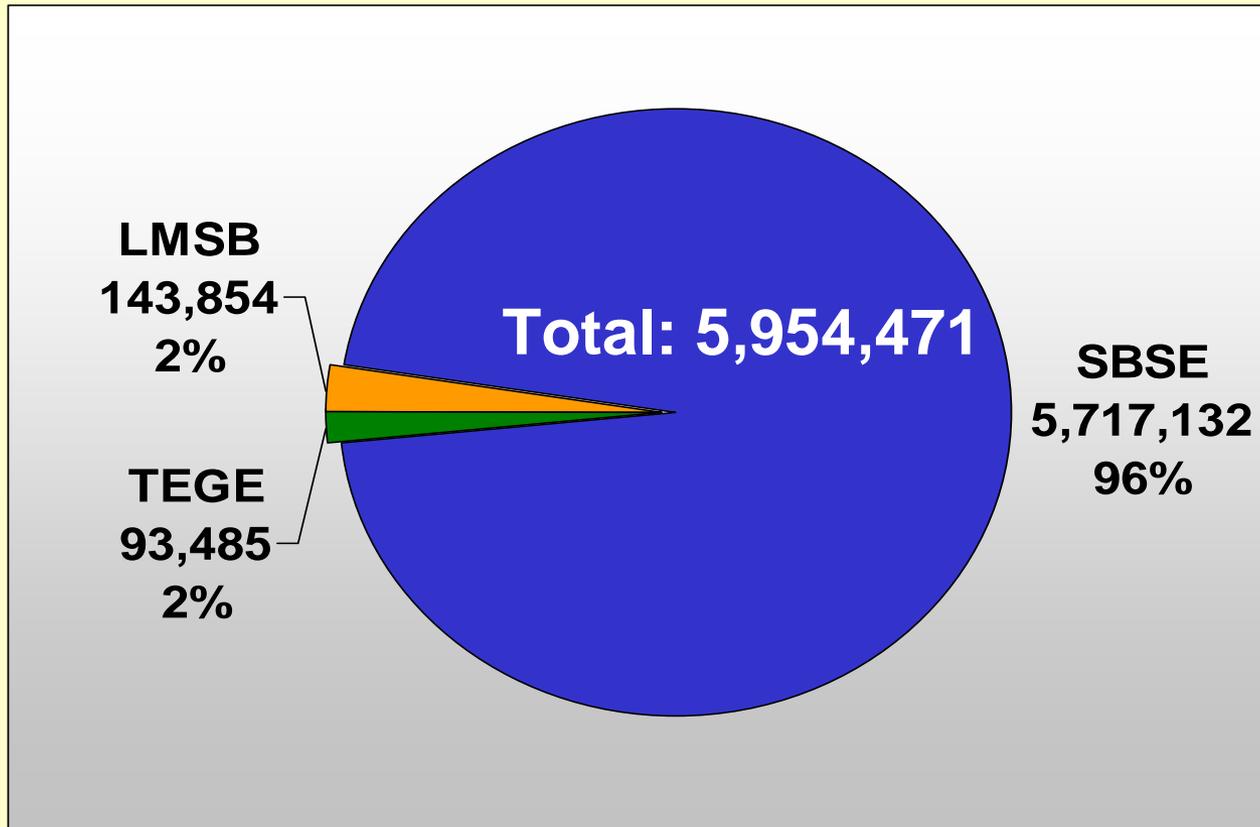


Form 940 e-file Patterns by Cycle Posted



Forms 940 by Business Operating Division

Processing Year 2009



Most Form 940 Returns by NAICS

(The North American Industry Classification System - NAICS)

<u>CODE</u>	<u>TITLE</u>	<u>2009</u>	<u>%*</u>
238900	Other Specialty Trade Contractors	131,756	2%
541110	Offices of Lawyers	115,842	2%
236110	Residential Building Construction	108,882	2%
524210	Insurance Agencies and Brokerages	84,789	1%
531210	Offices of Real Estate Agents & Brokers	71,585	1%
531390	Other Activities Related to Real Estate	67,214	1%
238220	Plumbing Heating and Air-Conditioning Contractors	63,709	1%
453990	All Other Miscellaneous Store Retailers	52,438	1%
541519	Other Computer Related Services	49,229	1%
238210	Electrical Contractors	48,920	1%

*** The percentage of all Form 940 returns filed in PY2009**

Most e-filed Forms 940 by NAICS

(The North American Industry Classification System - NAICS)

<u>CODE</u>	<u>TITLE</u>	<u>2009</u>	<u>%*</u>
621111	Offices of Physicians (except mental health specialists)	44,539	3%
722110	Full-Service Restaurants	35,374	3%
541990	All Other Professional, Scientific, & Technical Services	34,867	3%
541110	Offices of Lawyers	32,346	3%
621210	Offices of Dentists	26,568	2%
524210	Insurance Agencies and Brokerages	23,370	2%
238900	Other Specialty Trade Contractors	22,998	2%
531390	Other Activities Related to Real Estate	18,669	1%
541600	Management, Scientific, & Technical Consulting Services	17,431	1%
541519	Other Computer Related Services	16,760	1%

*** The percentage of electronic Form 940 returns filed in PY2009**

Form 940 Returns Filed by State

Processing Year 2009



Alaska (AK)	15,033	Hawaii (HI)	24,684	Maine (ME)	32,171	New Jersey (NJ)	201,570	South Dakota (SD)	19,640
Alabama (AL)	71,350	Iowa (IA)	60,147	Michigan (MI)	178,636	New Mexico (NM)	34,520	Tennessee (TN)	92,339
Arkansas (AR)	48,129	Idaho (ID)	38,710	Minnesota (MN)	116,715	Nevada (NV)	47,410	Texas (TX)	384,418
Arizona (AZ)	107,998	Illinois (IL)	254,306	Missouri (MO)	118,063	New York (NY)	443,319	Utah (UT)	60,896
California (CA)	727,830	Indiana (IN)	105,801	Mississippi (MS)	42,330	Ohio (OH)	189,304	Virginia (VA)	144,186
Colorado (CO)	126,762	Kansas (KS)	57,052	Montana (MT)	30,317	Oklahoma (OK)	68,412	Vermont (VT)	17,257
Connecticut (CT)	71,851	Kentucky (KY)	65,358	North Carolina (NC)	165,446	Oregon (OR)	88,178	Washington (WA)	145,237
Delaware (DE)	18,502	Louisiana (LA)	76,961	North Dakota (ND)	15,775	Pennsylvania (PA)	228,281	Washington (DC)	11,514
Florida (FL)	423,943	Massachusetts (MA)	136,657	Nebraska (NE)	38,970	Rhode Island (RI)	25,216	Wisconsin (WI)	109,622
Georgia (GA)	174,232	Maryland (MD)	106,124	New Hampshire (NH)	28,912	South Carolina (SC)	76,813	West Virginia (WV)	27,133
								Wyoming (WY)	16,436

Form 940 e-file Penetration by State

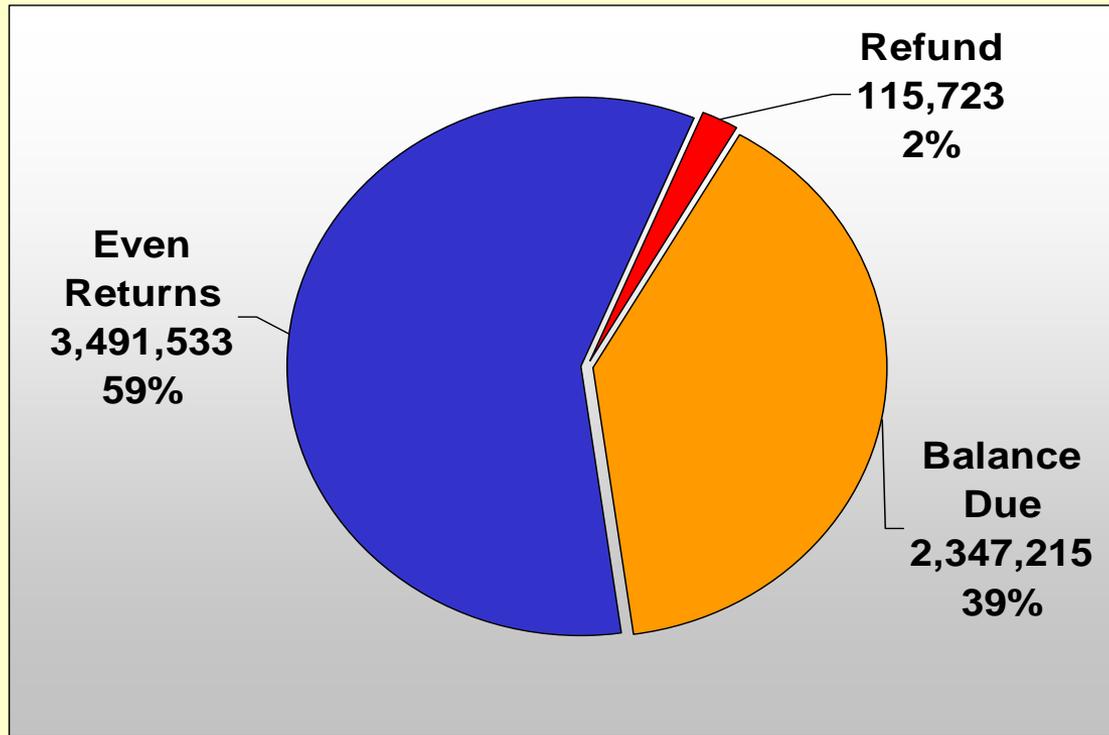
Processing Year 2009



Alaska (AK)	6%	Hawaii (HI)	14%	Maine (ME)	25%	New Jersey (NJ)	37%	South Dakota (SD)	3%
Alabama (AL)	10%	Iowa (IA)	5%	Michigan (MI)	18%	New Mexico (NM)	8%	Tennessee (TN)	13%
Arkansas (AR)	6%	Idaho (ID)	5%	Minnesota (MN)	23%	Nevada (NV)	25%	Texas (TX)	17%
Arizona (AZ)	27%	Illinois (IL)	20%	Missouri (MO)	13%	New York (NY)	29%	Utah (UT)	14%
California (CA)	34%	Indiana (IN)	14%	Mississippi (MS)	5%	Ohio (OH)	19%	Virginia (VA)	19%
Colorado (CO)	18%	Kansas (KS)	11%	Montana (MT)	3%	Oklahoma (OK)	9%	Vermont (VT)	12%
Connecticut (CT)	35%	Kentucky (KY)	11%	North Carolina (NC)	15%	Oregon (OR)	22%	Washington (WA)	16%
Delaware (DE)	28%	Louisiana (LA)	12%	North Dakota (ND)	3%	Pennsylvania (PA)	23%	Washington (DC)	45%
Florida (FL)	20%	Massachusetts (MA)	42%	Nebraska (NE)	8%	Rhode Island (RI)	41%	Wisconsin (WI)	15%
Georgia (GA)	20%	Maryland (MD)	28%	New Hampshire (NH)	27%	South Carolina (SC)	12%	West Virginia (WV)	5%
								Wyoming (WY)	3%

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Forms 940 by Balance Due & Overpayment Processing Year 2009



Total: 5,954,471

Form 940 Average Balance Due & Overpayment

Processing Year	Average Refund	Average Balance Due
2009	\$534	\$235

Form 940 Summary (PY2009)

- **Form 940 *e-file* penetration rate is 19% projected to be 25% by CY2016.**
- **63% of all Form 940 taxpayers are enrolled in EFTPS and 52% are making electronic payments.**

**FY 10 NATIONWIDE
ANALYSIS
Form 941**

**Electronic Tax Administration
Business Master File Marketing Database**

SB/SE Research

November 2010

Project BKN0173

This presentation provides
information about Form 941 for
Processing Year (PY) 2009

Acknowledgements

This report was prepared at the SB/SE Research site in Brooklyn/Hartford under the direction of Research Chief Wendy S. Handin. Kenneth Bulcroft was the primary author with valuable support provided by Kevin Mullen. Special thanks to Lisa Burch of ETA for posting this report to www.irs.gov so that it can be used by taxpayers and preparers to learn about e-file progress. For further information, please contact Wendy S. Handin at (718) 488-3260.

Quality Assurance

The quality of these findings were established through review and analysis conducted by SB/SE Research, Brooklyn/Hartford. Our quality assurance process included independent replication and peer review. To verify the accuracy of the analysis, Joseph Scardina, a second Brooklyn/Hartford analyst, independently recreated the numbers shown in each slide. The findings were then reviewed by the Team Leader and the Chief. A final external review was conducted by the SB/SE Research Senior Technical Analyst

Primary Data Source

- **The BMF ETA Marketing Database Form 941 table**
- **It contains all Form 941 returns filed for Processing Year 2009 that were processed through December 31, 2009 (cycle 200852)**
- **It includes over 23.4 million records**



Form 941 Filers

Employer's Quarterly Federal Tax Return

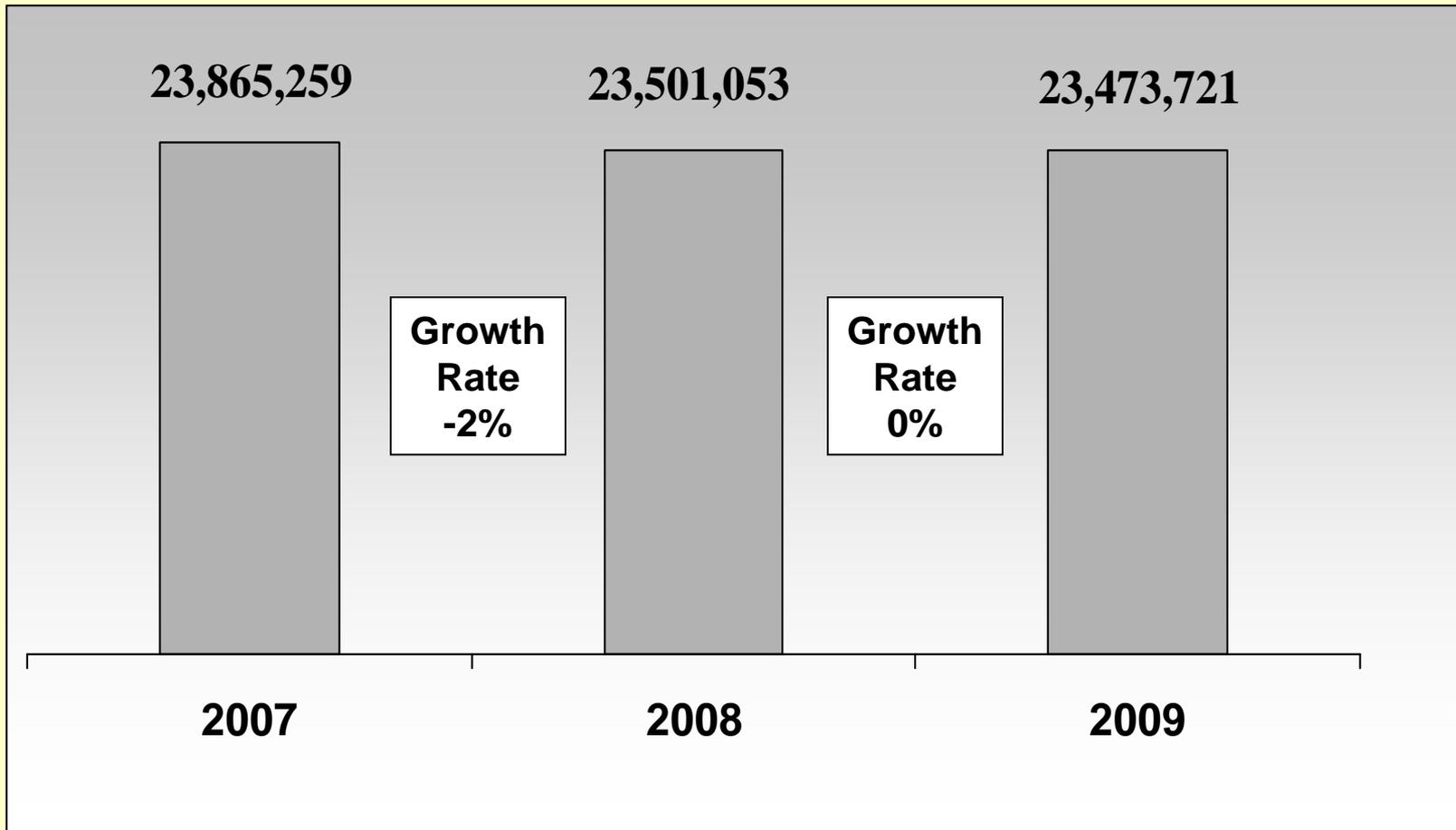
Processing Year 2009



Form 941

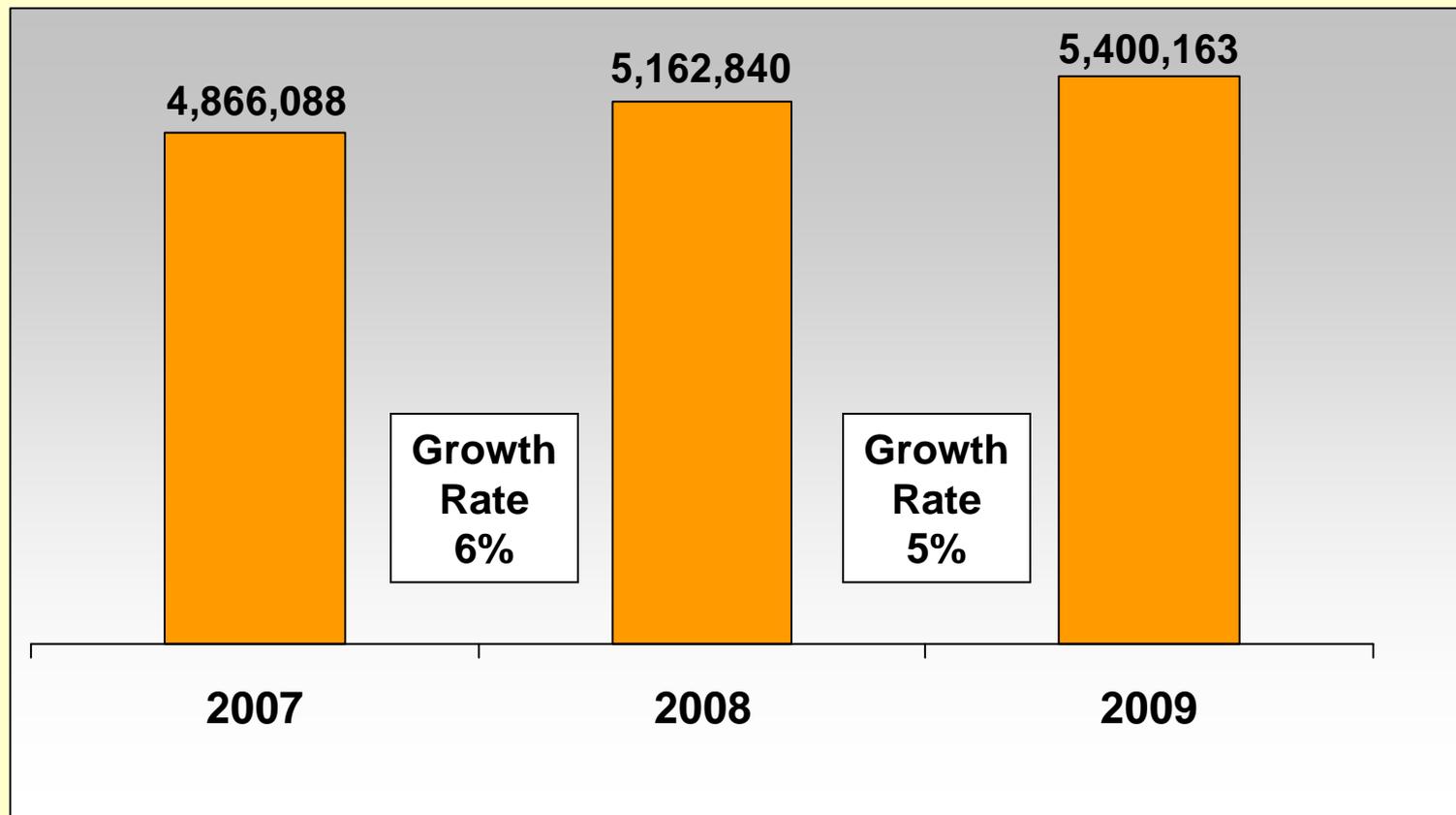
Annual Filing Volume

Processing Years 2007 - 2009



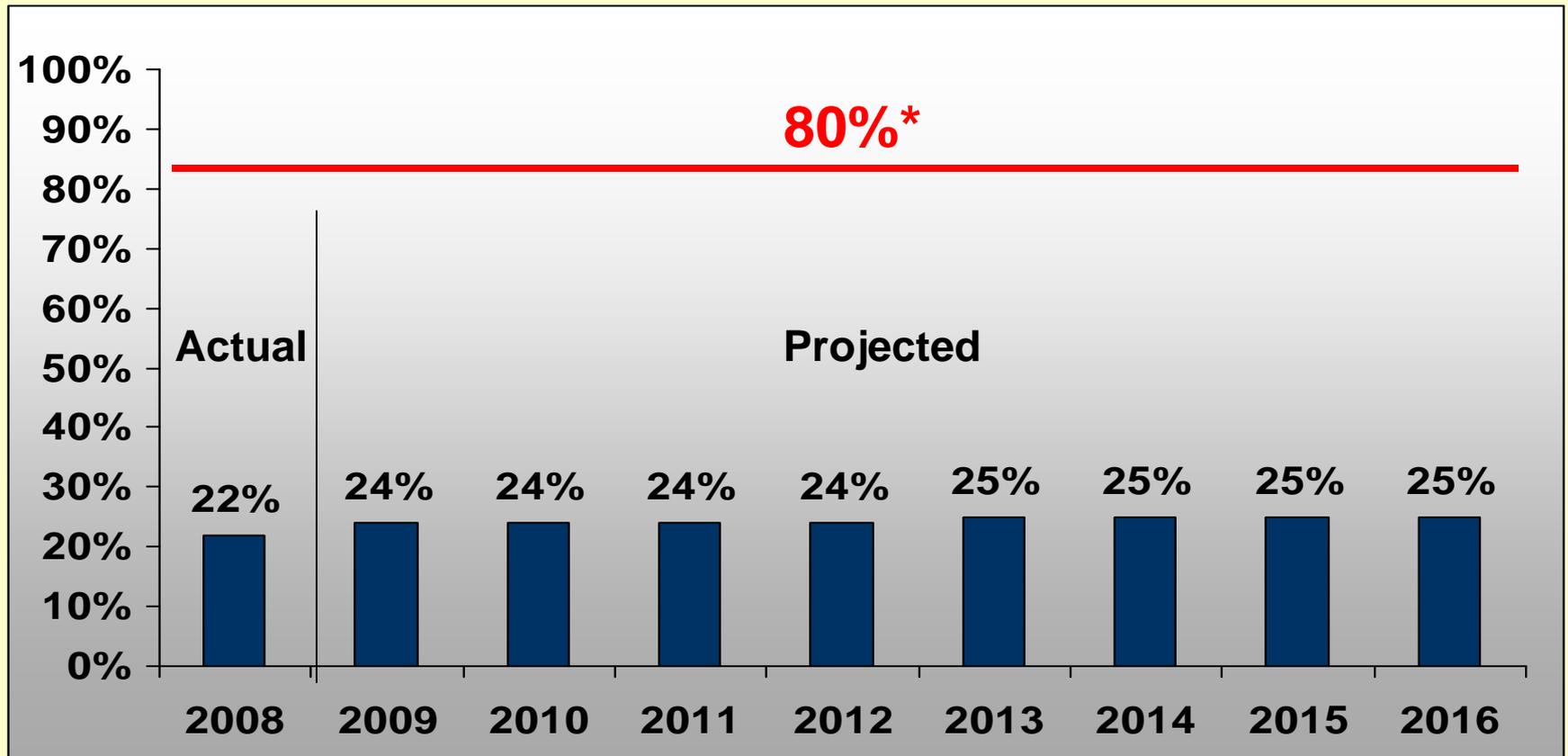
Form 941 Annual *e-Filing* Volume

Processing Years 2007-2009



**In Processing Year
2009, 23% of all Forms
941 were filed
electronically.**

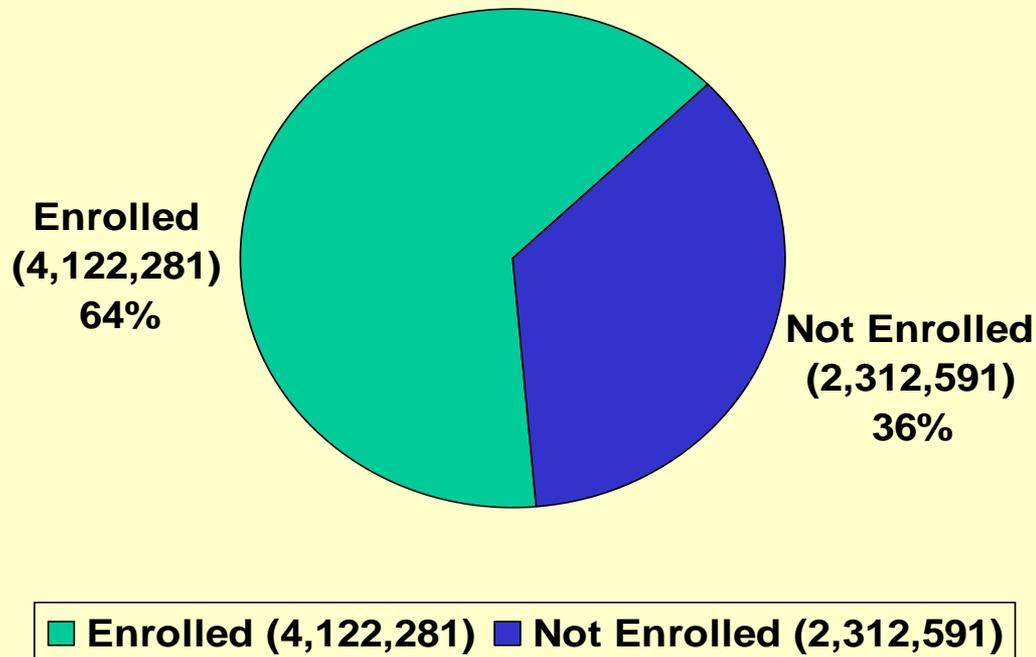
Form 941 Projected *e-file* Penetration Rate



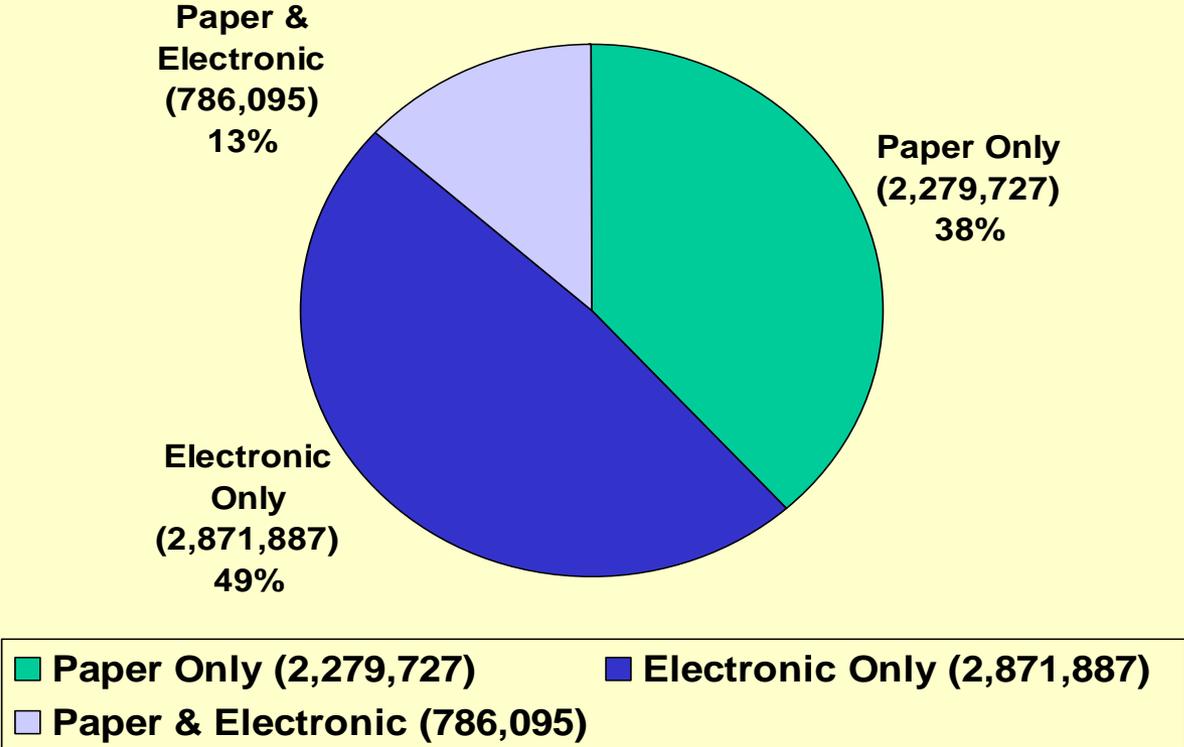
Source: "Calendar Year Return Projections by State: Document 6149"
Projections and Forecasting Group (RAS:R) revised 12-2009

*Congressional *e-file* goal 156

Form 941 Taxpayers Enrolled in EFTPS (Electronic Federal Tax Payment System) Processing Year 2009

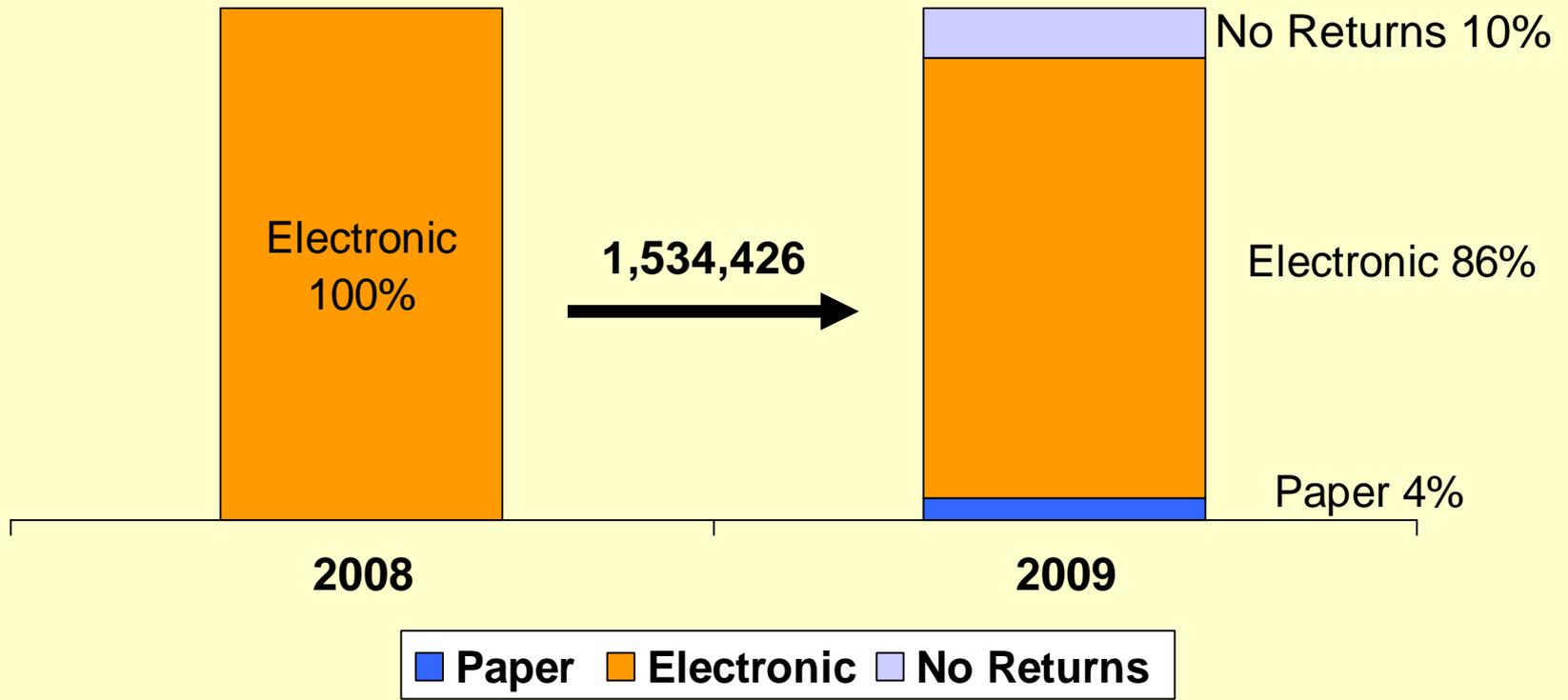


Payment Method Used by Form 941 Taxpayers Making 941 Payments Processing Year 2009

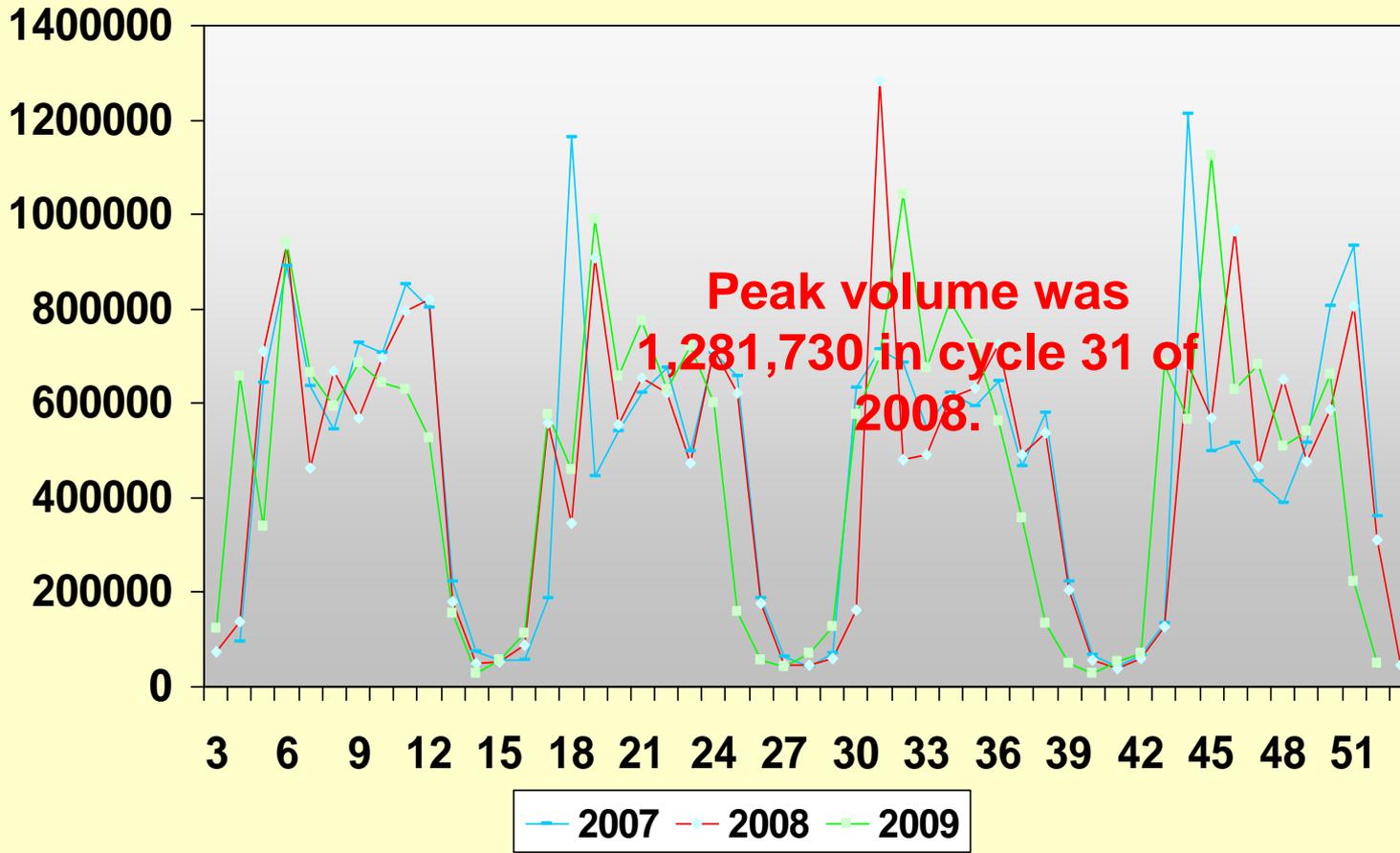


Form 941 *e-file* Loyalty

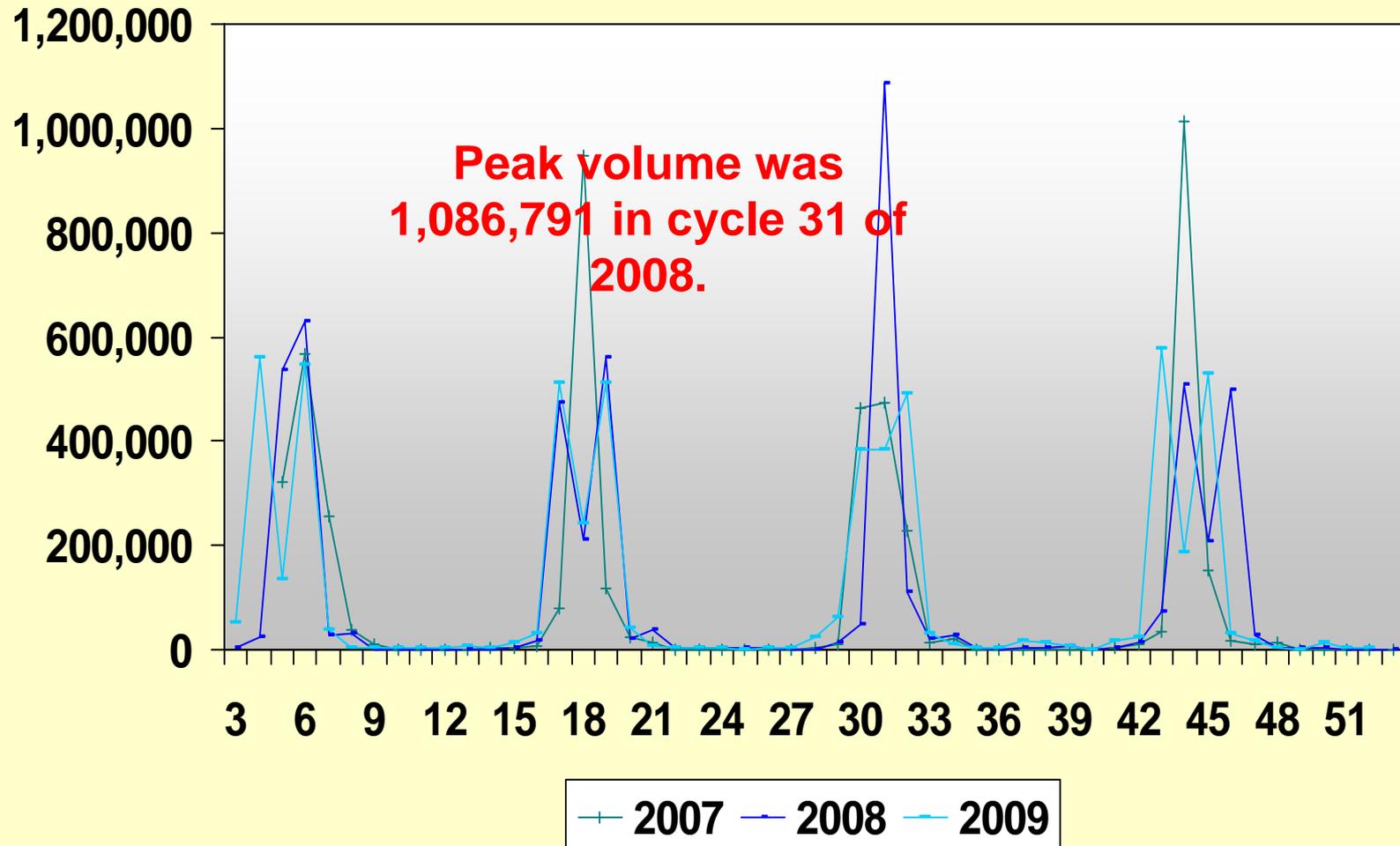
86% of PY2008 Form 941 Electronic filers, e-filed in PY2009



Form 941 Filing Patterns by Cycle Posted

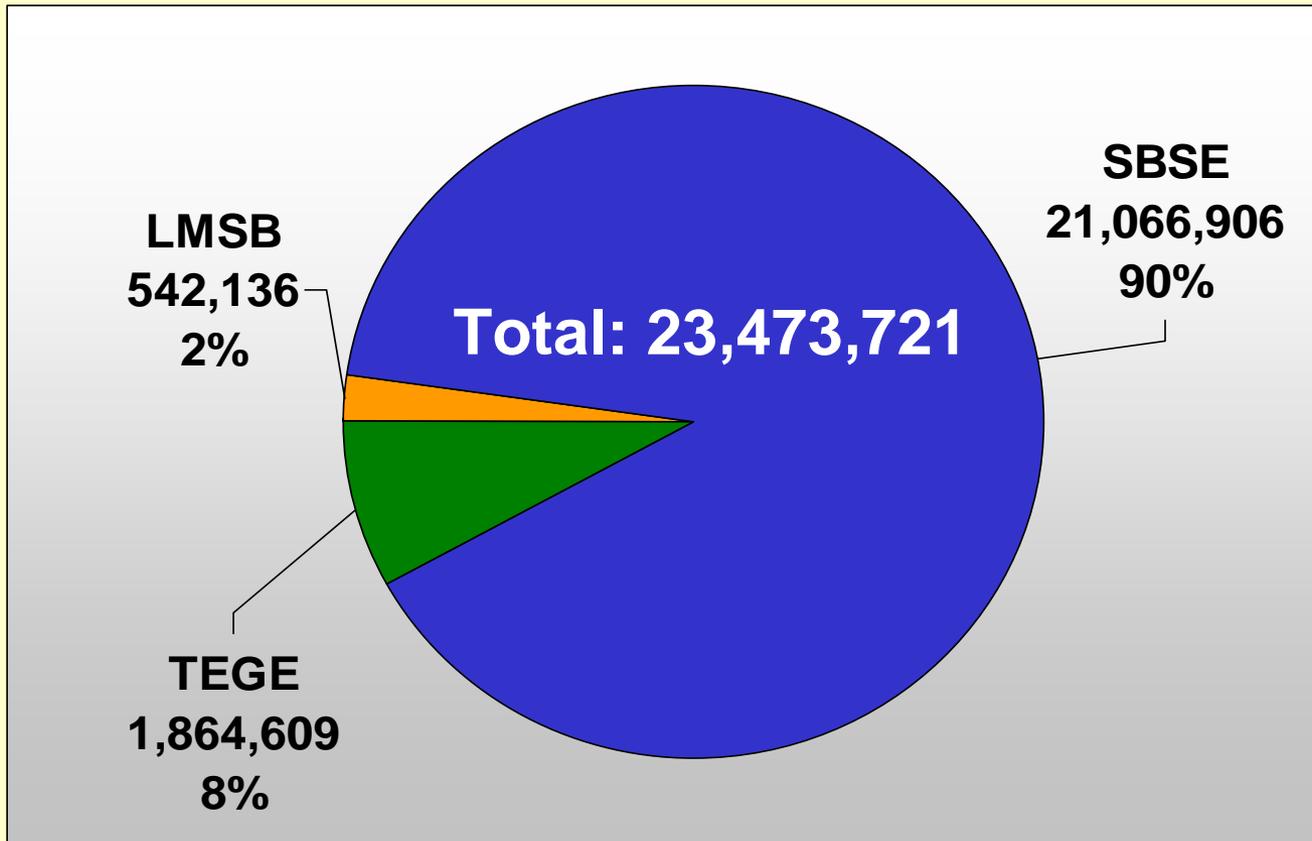


Form 941 e-file Patterns by Cycle Posted



Forms 941 by Business Operating Division

Processing Year 2009



Most Form 941 Returns by NAICS

(The North American Industry Classification System - NAICS)

CODE	TITLE	2009	%*
722110	Full-Service Restaurants	556,994	2%
621111	Offices of Physicians (except mental health specialists)	554,510	2%
238900	Other Specialty Trade Contractors	487,292	2%
541990	All Other Professional, Scientific, & Technical Services	481,057	2%
813000	Religious, Grantmaking, Civic, Professional, & Similar Organizations	461,736	2%
541110	Offices of Lawyers	450,303	2%
236110	Residential Building Construction	388,586	2%
621210	Offices of Dentists	329,723	1%
524210	Insurance Agencies and Brokerages	326,847	1%
812990	All Other Personal Services	283,566	1%

* The percentage of all Form 941 returns filed in PY2009

Most e-filed Forms 941 by NAICS

(The North American Industry Classification System - NAICS)

<u>CODE</u>	<u>TITLE</u>	<u>2009</u>	<u>%*</u>
621111	Offices of Physicians (except mental health specialists)	182,358	3%
722110	Full-Service Restaurants	146,819	3%
541990	All Other Professional, Scientific, & Technical Services	138,821	3%
541110	Offices of Lawyers	133,110	2%
813000	Religious, Grantmaking, Civic, Professional, & Similar Organizations	111,476	2%
621210	Offices of Dentists	111,187	2%
524210	Insurance Agencies and Brokerages	96,572	2%
238900	Other Specialty Trade Contractors	92,752	2%
611000	Educational Services (including schools, colleges, & universities)	86,929	2%
531390	Other Activities Related to Real Estate	72,397	1%

* The percentage of electronic Form 941 returns filed in PY2009

Form 941 Returns Filed by State

Processing Year 2009



Total by State	
2,400,000 to 3,000,000 (1)	
1,800,000 to 2,399,999 (0)	
1,200,000 to 1,799,999 (3)	
600,000 to 1,199,999 (7)	
0 to 599,999 (40)	

Alaska (AK)	62,037	Hawaii (HI)	97,984	Maine (ME)	131,018	New Jersey (NJ)	777,449	South Dakota (SD)	81,091
Alabama (AL)	297,346	Iowa (IA)	241,868	Michigan (MI)	709,810	New Mexico (NM)	138,700	Tennessee (TN)	379,007
Arkansas (AR)	196,249	Idaho (ID)	145,485	Minnesota (MN)	469,407	Nevada (NV)	176,384	Texas (TX)	1,527,421
Arizona (AZ)	407,654	Illinois (IL)	1,018,159	Missouri (MO)	470,365	New York (NY)	1,731,402	Utah (UT)	226,007
California (CA)	2,737,577	Indiana (IN)	433,248	Mississippi (MS)	174,991	Ohio (OH)	768,990	Virginia (VA)	581,542
Colorado (CO)	490,955	Kansas (KS)	233,335	Montana (MT)	120,713	Oklahoma (OK)	283,712	Vermont (VT)	73,257
Connecticut (CT)	288,378	Kentucky (KY)	269,312	North Carolina (NC)	664,049	Oregon (OR)	340,879	Washington (WA)	562,426
Delaware (DE)	71,971	Louisiana (LA)	318,318	North Dakota (ND)	66,864	Pennsylvania (PA)	919,691	Washington (DC)	55,275
Florida (FL)	1,597,367	Massachusetts (MA)	549,459	Nebraska (NE)	159,176	Rhode Island (RI)	95,223	Wisconsin (WI)	439,020
Georgia (GA)	680,861	Maryland (MD)	421,323	New Hampshire (NH)	117,341	South Carolina (SC)	309,951	West Virginia (WV)	115,138
								Wyoming (WY)	67,129

Form 941 e-file Penetration by State

Processing Year 2009



Alaska (AK)	7%	Hawaii (HI)	20%	Maine (ME)	25%	New Jersey (NJ)	42%	South Dakota (SD)	4%
Alabama (AL)	12%	Iowa (IA)	5%	Michigan (MI)	20%	New Mexico (NM)	10%	Tennessee (TN)	14%
Arkansas (AR)	8%	Idaho (ID)	6%	Minnesota (MN)	25%	Nevada (NV)	27%	Texas (TX)	19%
Arizona (AZ)	30%	Illinois (IL)	22%	Missouri (MO)	15%	New York (NY)	32%	Utah (UT)	16%
California (CA)	37%	Indiana (IN)	17%	Mississippi (MS)	7%	Ohio (OH)	24%	Virginia (VA)	22%
Colorado (CO)	20%	Kansas (KS)	13%	Montana (MT)	5%	Oklahoma (OK)	11%	Vermont (VT)	17%
Connecticut (CT)	38%	Kentucky (KY)	13%	North Carolina (NC)	16%	Oregon (OR)	24%	Washington (WA)	18%
Delaware (DE)	30%	Louisiana (LA)	14%	North Dakota (ND)	3%	Pennsylvania (PA)	26%	Washington (DC)	53%
Florida (FL)	23%	Massachusetts (MA)	44%	Nebraska (NE)	9%	Rhode Island (RI)	45%	Wisconsin (WI)	16%
Georgia (GA)	22%	Maryland (MD)	31%	New Hampshire (NH)	28%	South Carolina (SC)	13%	West Virginia (WV)	6%
								Wyoming (WY)	5%

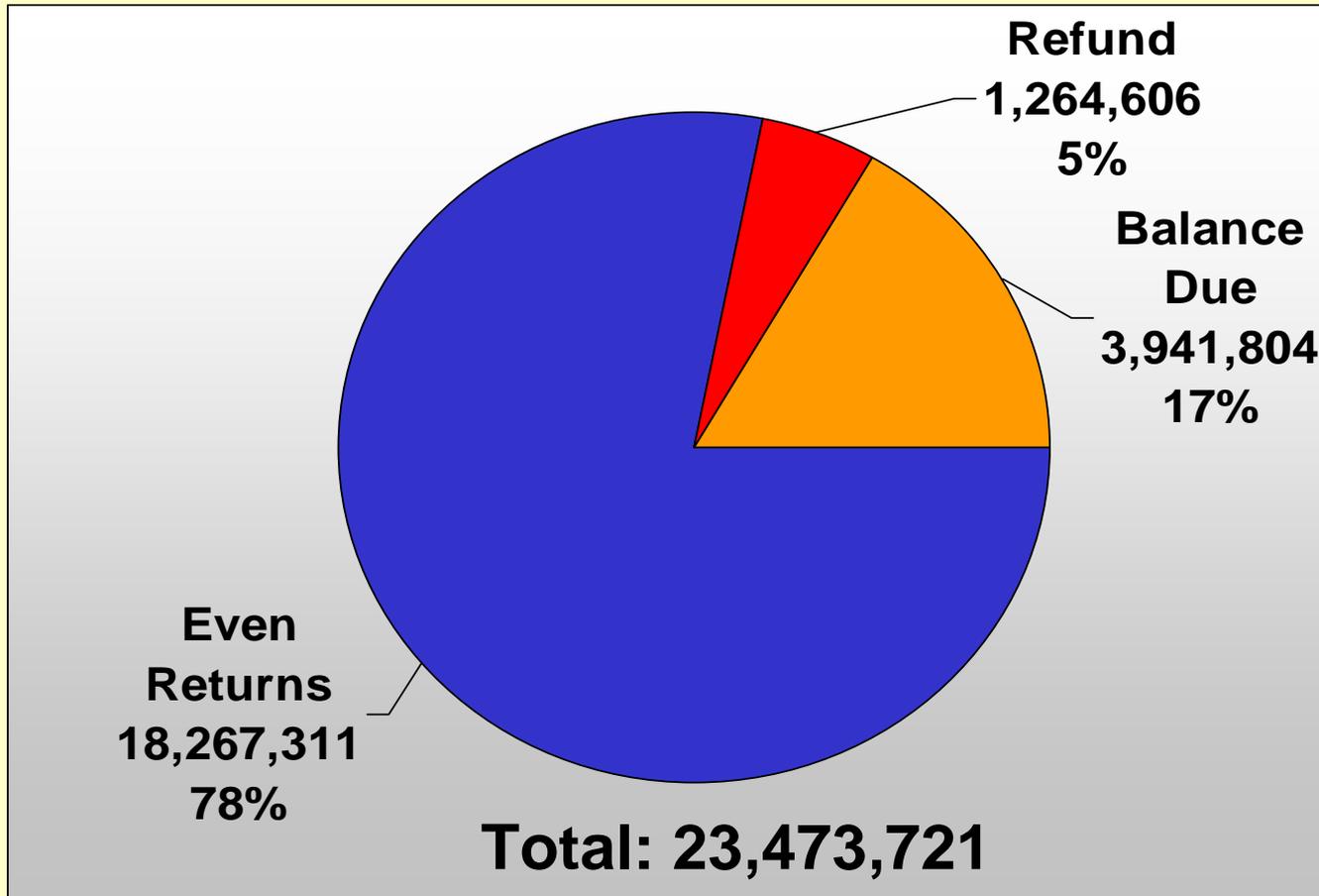
Form 941 e-file Penetration by State Processing Year 2009



Alaska (AK)	7%	Hawaii (HI)	20%	Maine (ME)	25%	New Jersey (NJ)	42%	South Dakota (SD)	4%
Alabama (AL)	12%	Iowa (IA)	5%	Michigan (MI)	20%	New Mexico (NM)	10%	Tennessee (TN)	14%
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Colorado (CO)	20%	Kansas (KS)	13%	Montana (MT)	5%	Oklahoma (OK)	11%	Vermont (VT)	17%
Connecticut (CT)	38%	Kentucky (KY)	13%	North Carolina (NC)	16%	Oregon (OR)	24%	Washington (WA)	18%
Delaware (DE)	30%	Louisiana (LA)	14%	North Dakota (ND)	3%	Pennsylvania (PA)	26%	Washington (DC)	53%
Florida (FL)	23%	Massachusetts (MA)	44%	Nebraska (NE)	9%	Rhode Island (RI)	45%	Wisconsin (WI)	16%
Georgia (GA)	22%	Maryland (MD)	31%	New Hampshire (NH)	28%	South Carolina (SC)	13%	West Virginia (WV)	6%
								Wyoming (WY)	5%

Source: 2009 ETA Marketing Database

Forms 941 by Balance Due & Overpayment Processing Year 2009



Form 941 Average Balance Due & Overpayment

Processing Year	Average Refund	Average Balance Due
2009	\$3,036	\$4,023

Form 941 Summary (PY2009)

- **Form 941 *e-file* penetration rate is 23% projected to be 25% by CY2016.**
- **64% of all Form 941 taxpayers are enrolled in EFTPS and 62% of the Form 941 payments are electronic.**

FY 10 NATIONWIDE ANALYSIS Form 943

**Electronic Tax Administration
Business Master File Marketing Database**

SB/SE Research

November 2010

Project BKN0173

This presentation provides
information about Form 943 for
Processing Year (PY) 2009

Acknowledgements

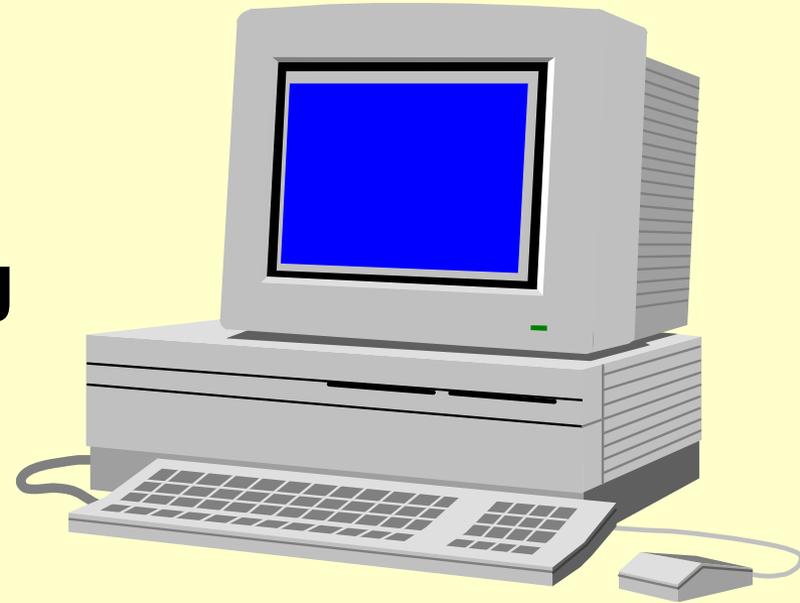
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Quality Assurance

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Primary Data Source

- **The BMF ETA Marketing Database Form 943 table**
- **It contains all Form 943 returns filed for Processing Year 2009 that were processed through December 31, 2009 (cycle 200852)**
- **It includes over 227,000 records**



Form 943 Filers

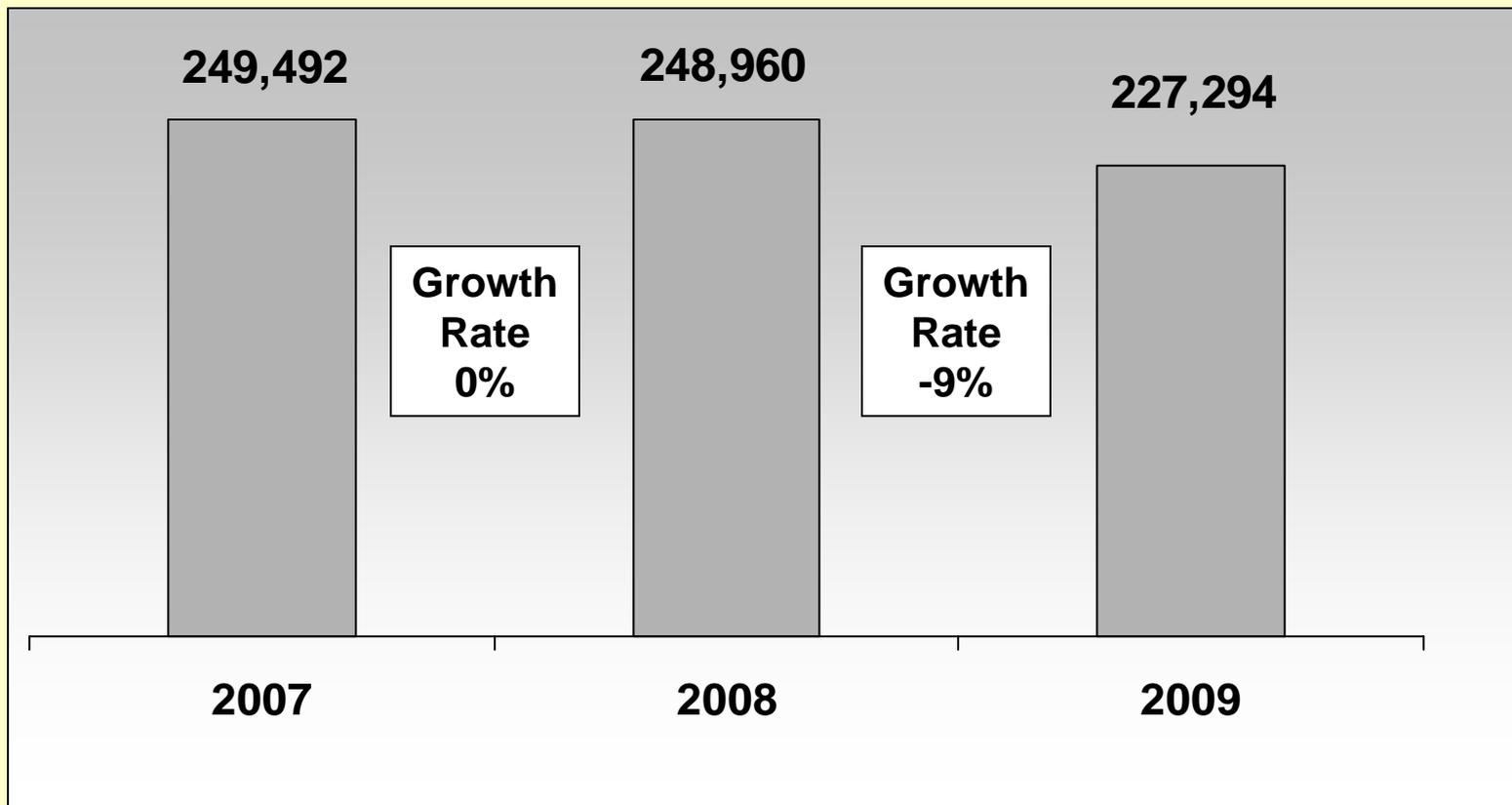
Employer's Annual Federal Tax Return for Agricultural Employees

Processing Year 2009

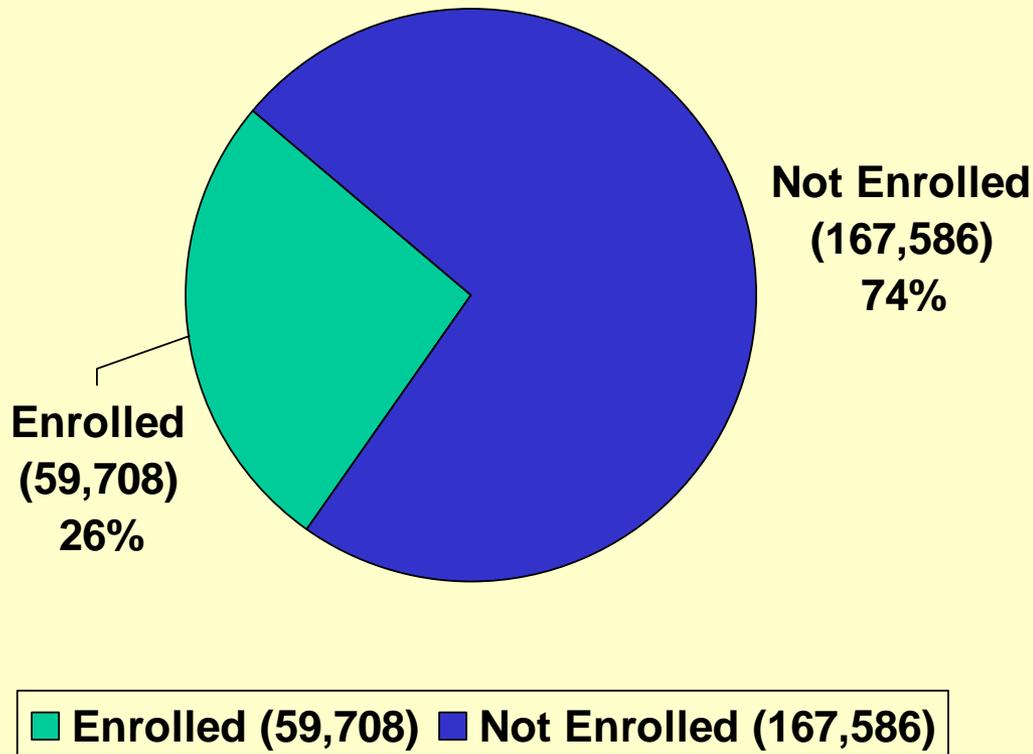


Form 943 Annual Filing Volume

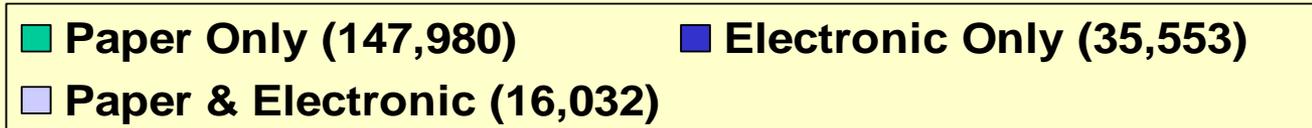
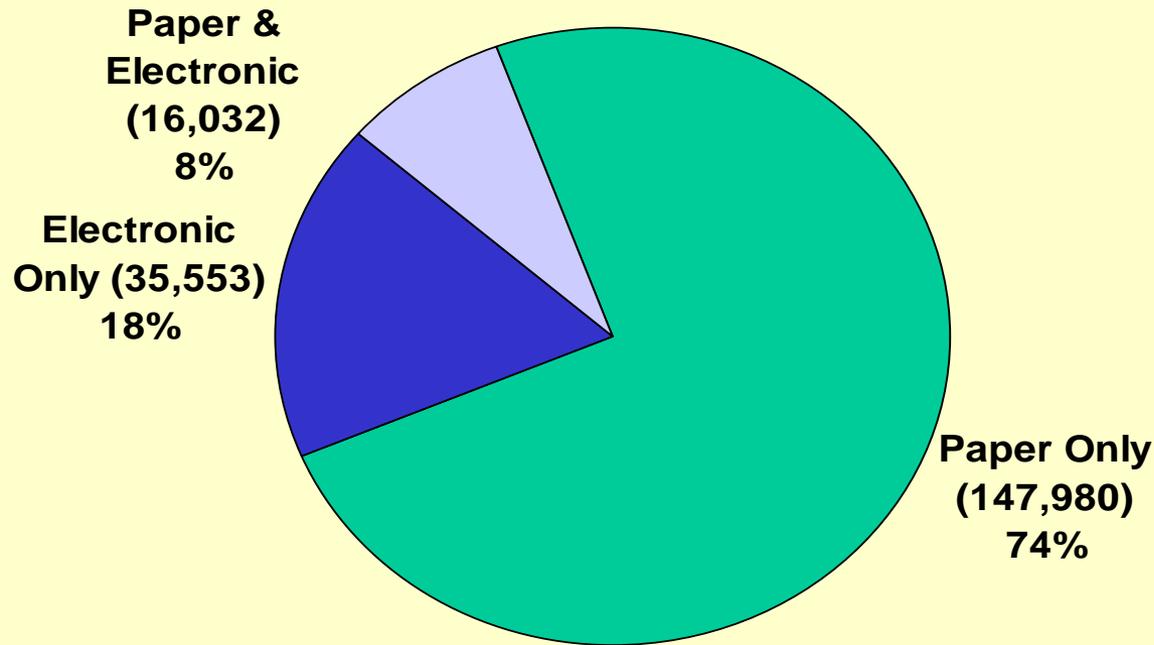
Processing Years 2007-2009



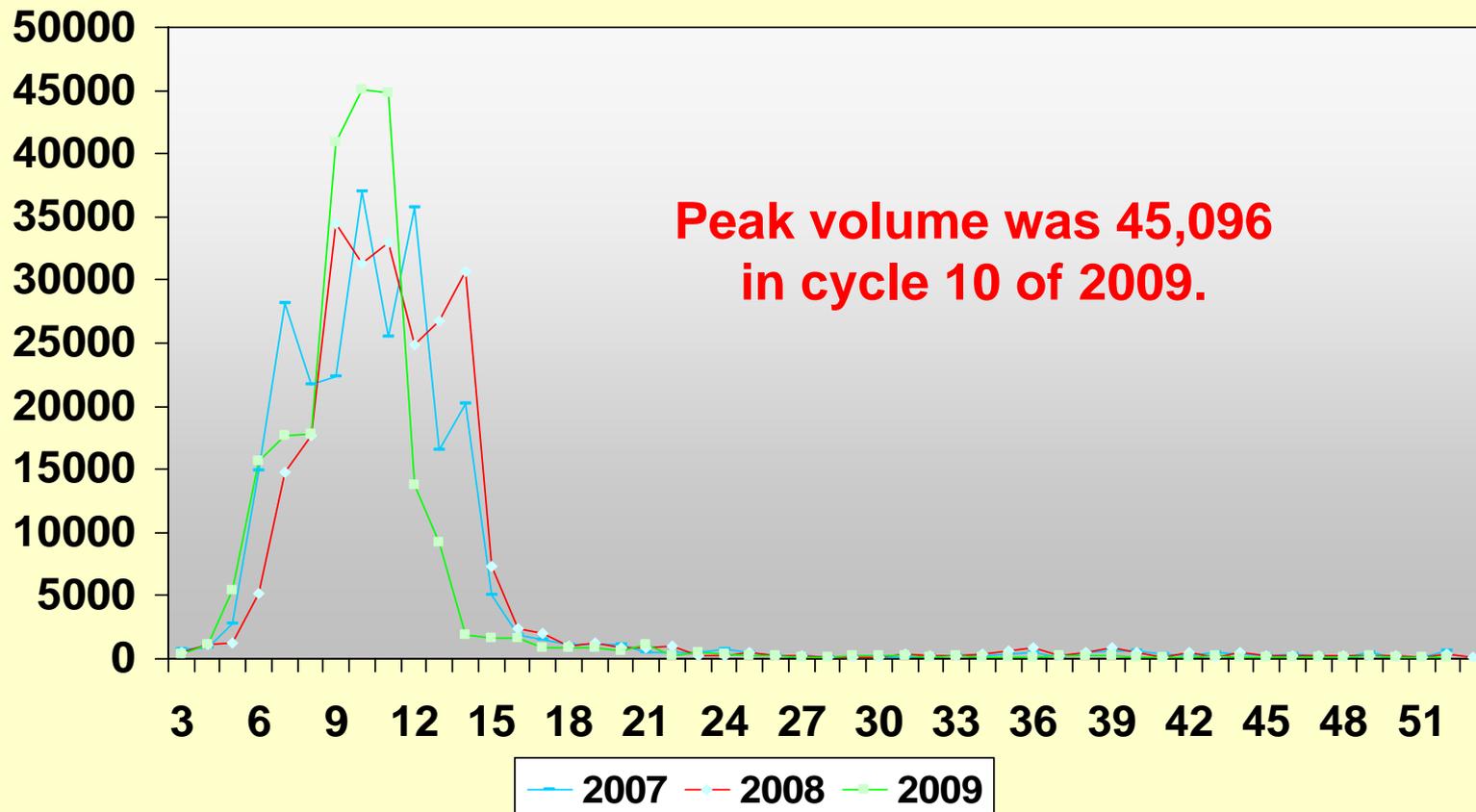
Form 943 Taxpayers Enrolled in EFTPS (Electronic Federal Tax Payment System) Processing Year 2009



Payment Method Used by Form 943 Taxpayers Making 943 Payments Processing Year 2009

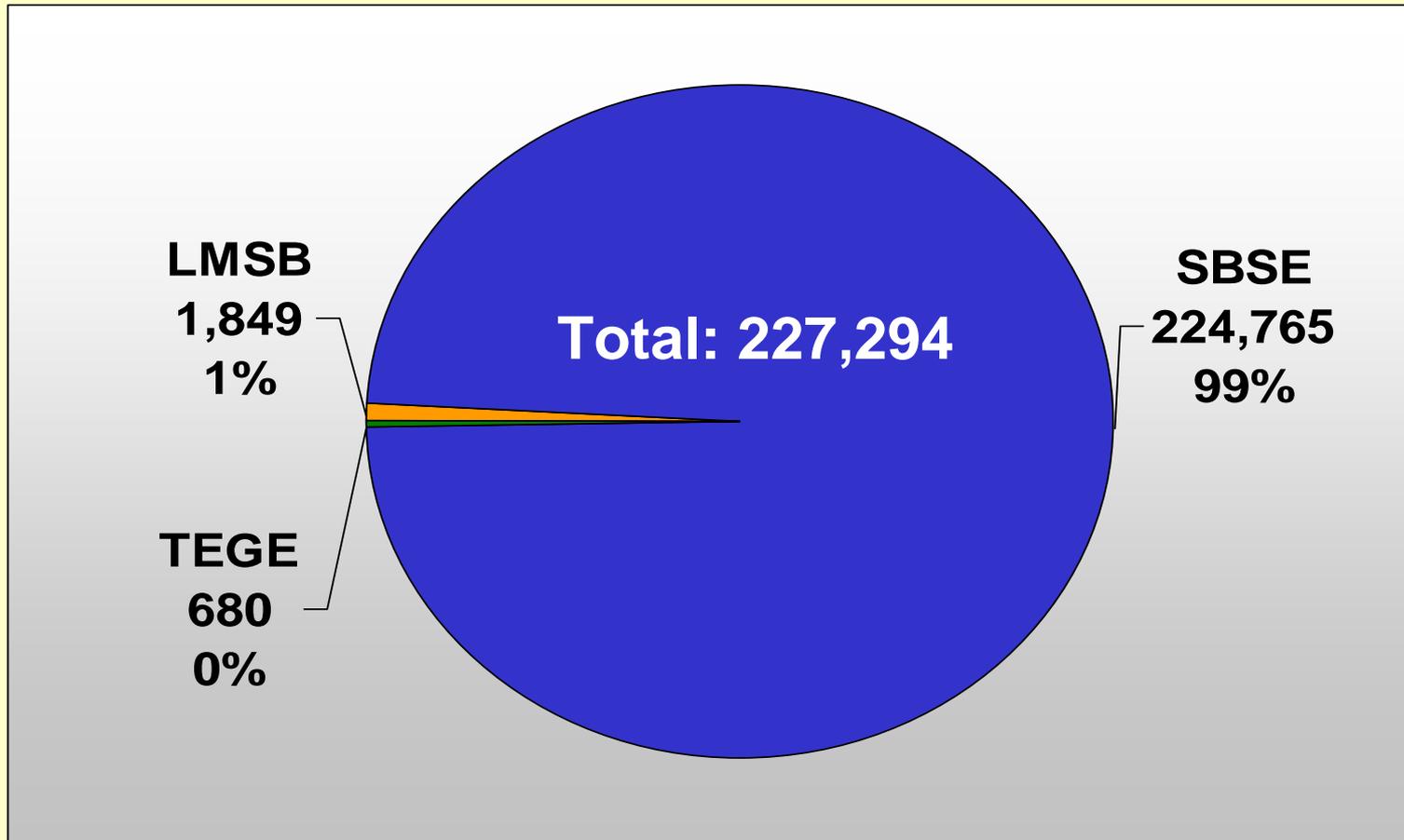


Form 943 Filing Patterns by Cycle Posted



Forms 943 by Business Operating Division

Processing Year 2009



Most Form 943 Returns by NAICS

(The North American Industry Classification System - NAICS)

CODE	TITLE	2009	%*
111100	Oilseed & Grain Farming	23,403	10%
110000	Agriculture, Forestry, Fishing and Hunting	21,380	9%
111900	Other Crop Farming	12,110	5%
112111	Beef Cattle Ranching & Farming	11,834	5%
112120	Dairy Cattle & Milk Production	8,322	4%
111300	Fruit & Tree Nut Farming	5,268	2%
115110	Support Activities for Crop Production	3,556	2%
111400	Greenhouse, Nursery, & Floriculture Production	3,537	2%
112210	Hog & Pig Farming	3,387	1%
111210	Vegetable & Melon Farming (including potatoes & yams)	3,065	1%

* The percentage of all Form 943 returns filed in PY2009

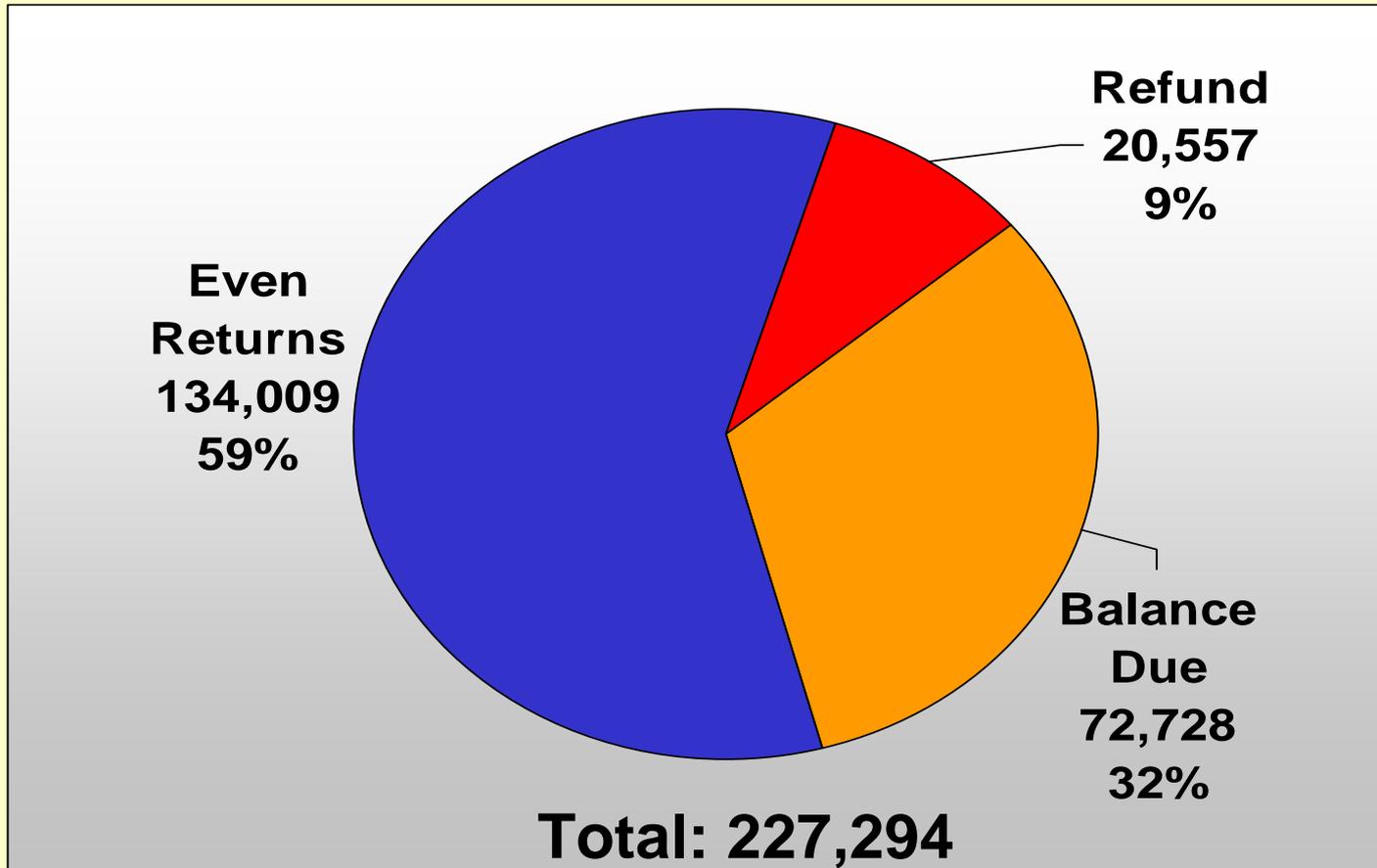
Form 943 Returns Filed by State

Processing Year 2009



Alaska (AK)	95	Hawaii (HI)	418	Maine (ME)	805	New Jersey (NJ)	877	South Dakota (SD)	5,972
Alabama (AL)	1,947	Iowa (IA)	15,230	Michigan (MI)	4,625	New Mexico (NM)	1,689	Tennessee (TN)	2,501
Arkansas (AR)	5,227	Idaho (ID)	4,266	Minnesota (MN)	11,794	Nevada (NV)	576	Texas (TX)	16,290
Arizona (AZ)	1,360	Illinois (IL)	10,780	Missouri (MO)	6,295	New York (NY)	4,229	Utah (UT)	1,296
California (CA)	16,380	Indiana (IN)	5,435	Mississippi (MS)	3,341	Ohio (OH)	5,082	Virginia (VA)	3,094
Colorado (CO)	4,001	Kansas (KS)	10,345	Montana (MT)	5,422	Oklahoma (OK)	3,959	Vermont (VT)	851
Connecticut (CT)	514	Kentucky (KY)	3,595	North Carolina (NC)	5,217	Oregon (OR)	4,851	Washington (WA)	7,290
Delaware (DE)	356	Louisiana (LA)	2,615	North Dakota (ND)	6,541	Pennsylvania (PA)	3,824	Washington (DC)	17
Florida (FL)	4,091	Massachusetts (MA)	701	Nebraska (NE)	11,102	Rhode Island (RI)	80	Wisconsin (WI)	10,737
Georgia (GA)	3,771	Maryland (MD)	1,251	New Hampshire (NH)	303	South Carolina (SC)	1,471	West Virginia (WV)	540
								Wyoming (WY)	1,748

Forms 943 by Balance Due & Overpayment Processing Year 2009



Form 943 Average Balance Due & Overpayment

Processing Year	Average Refund	Average Balance Due
2009	\$749	\$2,243

Form 943 Summary (PY2009)

- **Form 943 can not currently be e-filed.**
- **26% of all Form 943 taxpayers are enrolled in EFTPS.**

FY 10 NATIONWIDE ANALYSIS

Form 944

**Electronic Tax Administration
Business Master File Marketing Database**

SB/SE Research

November 2010

Project BKN0173

This presentation provides
information about Form 944 for
Processing Year (PY) 2009

Acknowledgements

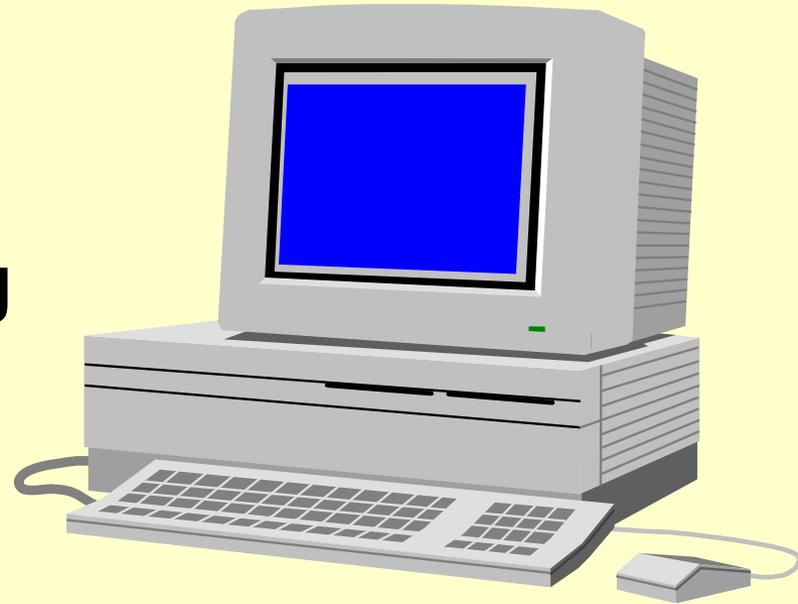
This report was prepared at the SB/SE Research site in Brooklyn/Hartford under the direction of Research Chief Wendy S. Handin. Kenneth Bulcroft was the primary author with valuable support provided by Kevin Mullen. Special thanks to Lisa Burch of ETA for posting this report to www.irs.gov so that it can be used by taxpayers and preparers to learn about e-file progress. For further information, please contact Wendy S. Handin at (718) 488-3260.

Quality Assurance

The quality of these findings were established through review and analysis conducted by SB/SE Research, Brooklyn/Hartford. Our quality assurance process included independent replication and peer review. To verify the accuracy of the analysis, Joseph Scardina, a second Brooklyn/Hartford analyst, independently recreated the numbers shown in each slide. The findings were then reviewed by the Team Leader and the Chief. A final external review was conducted by the SB/SE Research Senior Technical Analyst

Primary Data Source

- **The BMF ETA Marketing Database Form 944 table**
- **It contains all Form 944 returns filed for Processing Year 2009 that were processed through December 31, 2009 (cycle 200852)**
- **It includes over 376,000 records**



Form 944 Filers

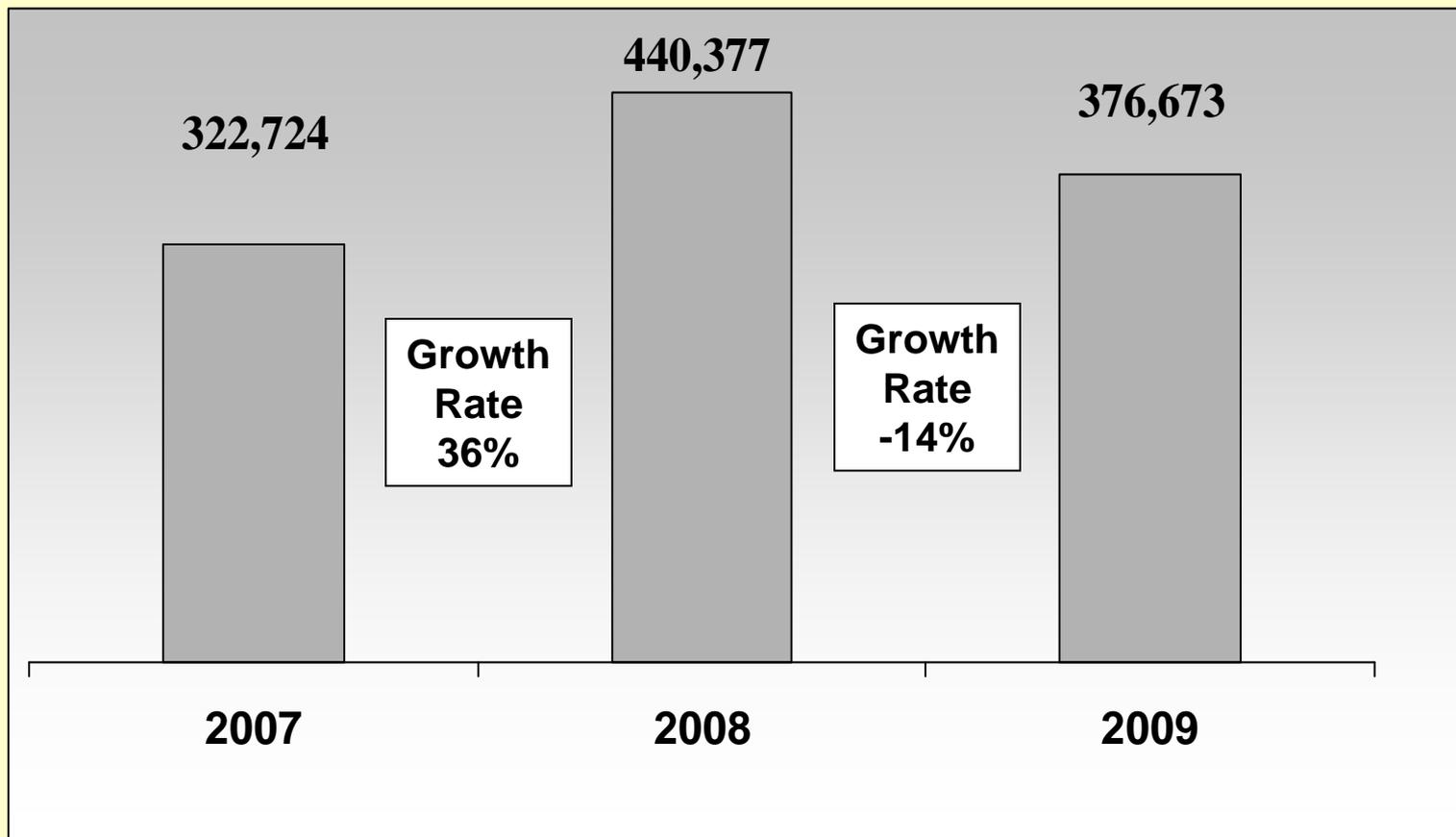
Employer's Annual Federal Tax Return

Processing Year 2009



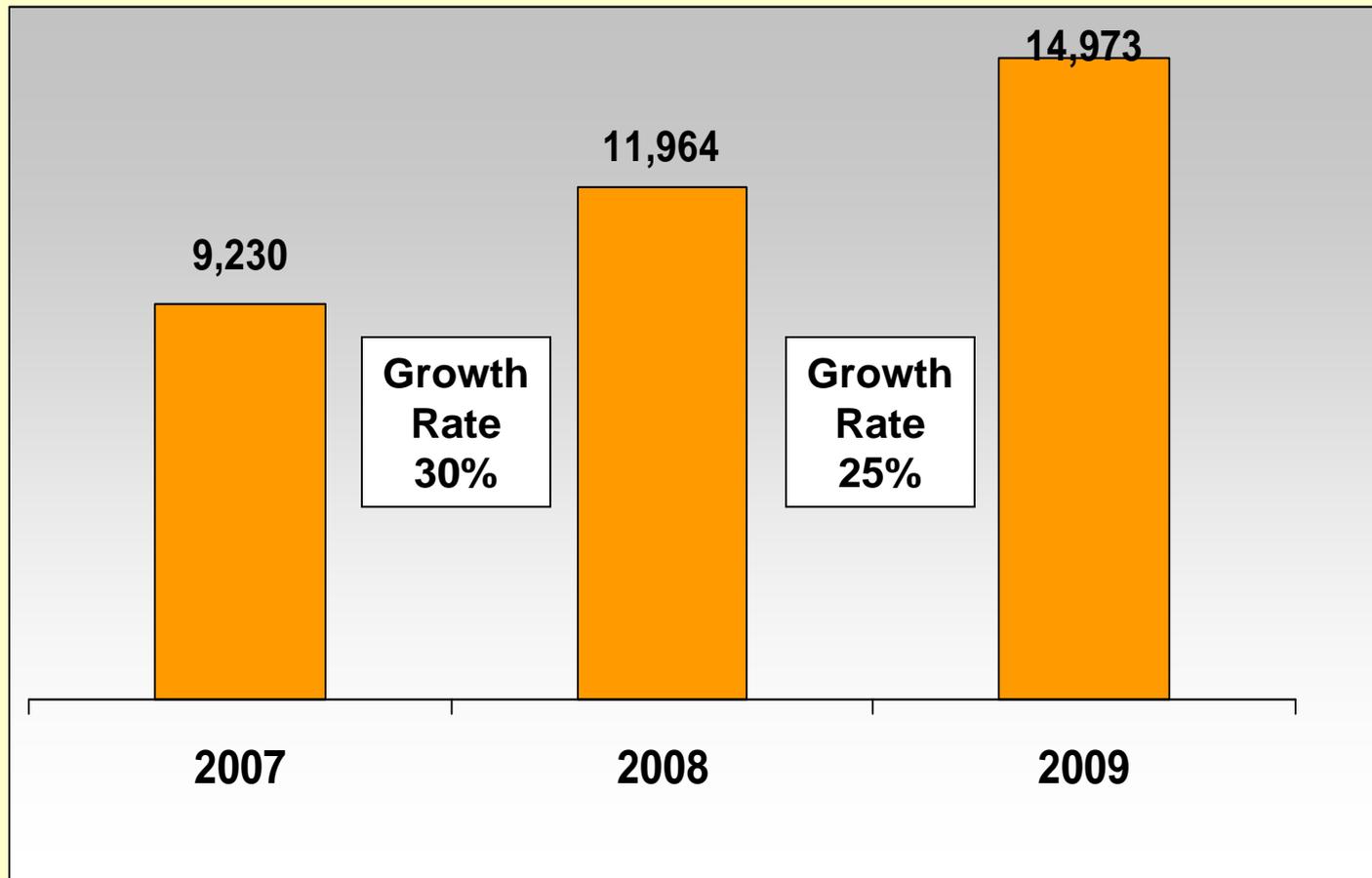
Form 944 Annual Filing Volume

Processing Years 2007-2009



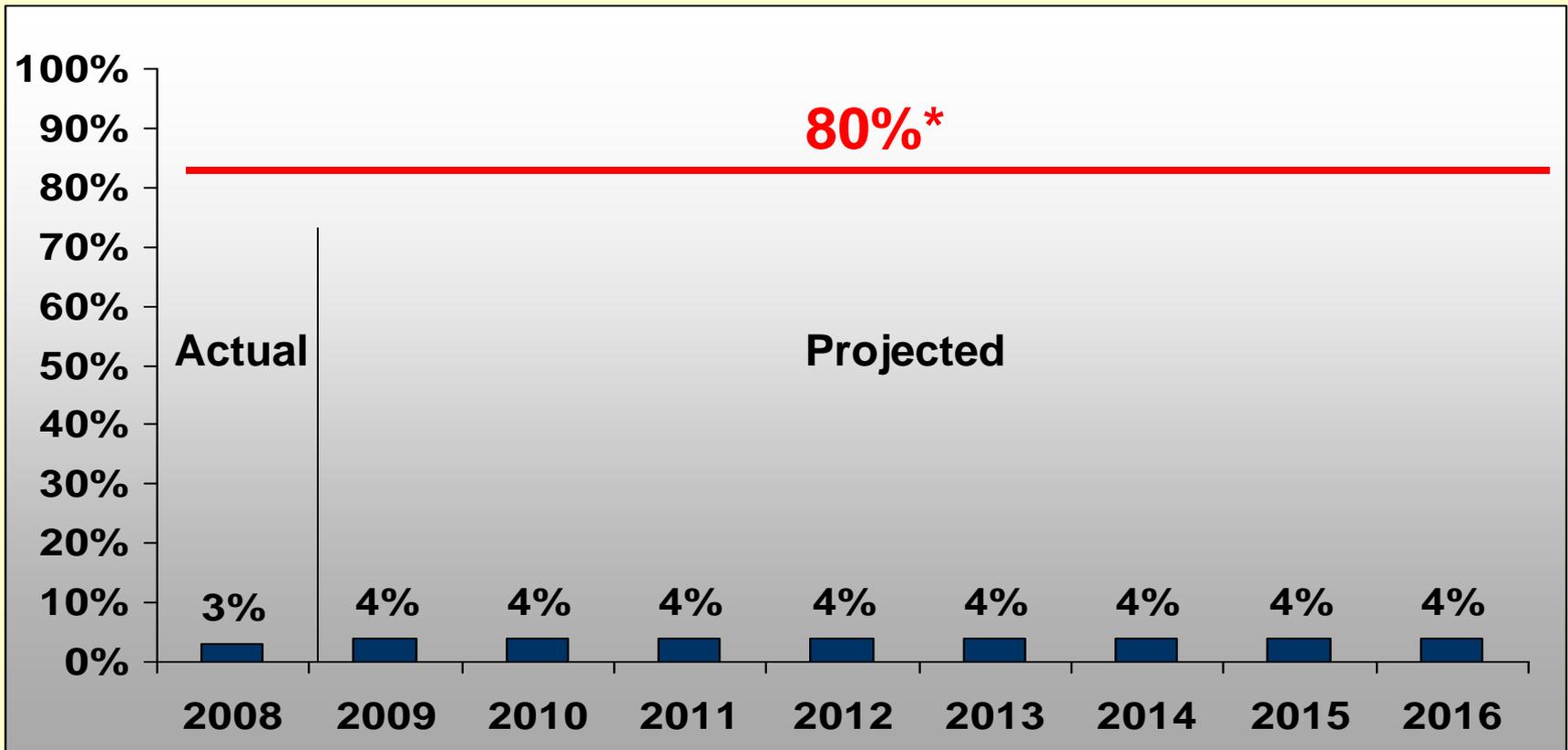
Form 944 Annual *e-Filing* Volume

Processing Years 2007-2009

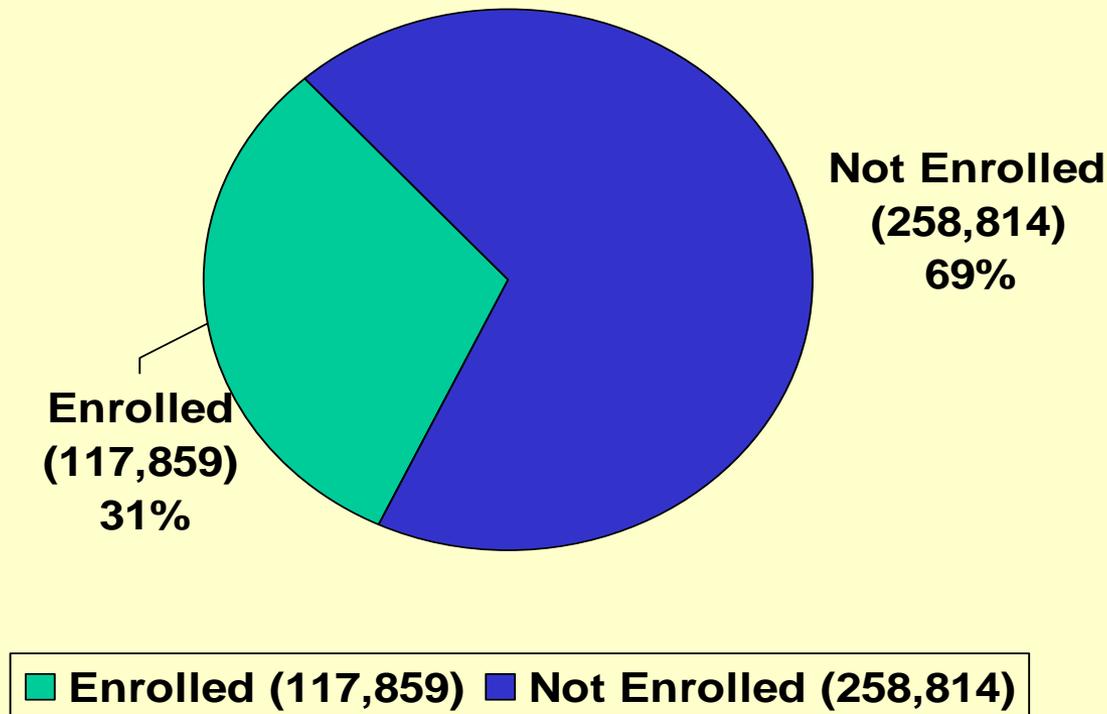


**In Processing Year
2009, 4% of all Forms
944 were filed
electronically.**

Form 944 Projected *e-file* Penetration Rate

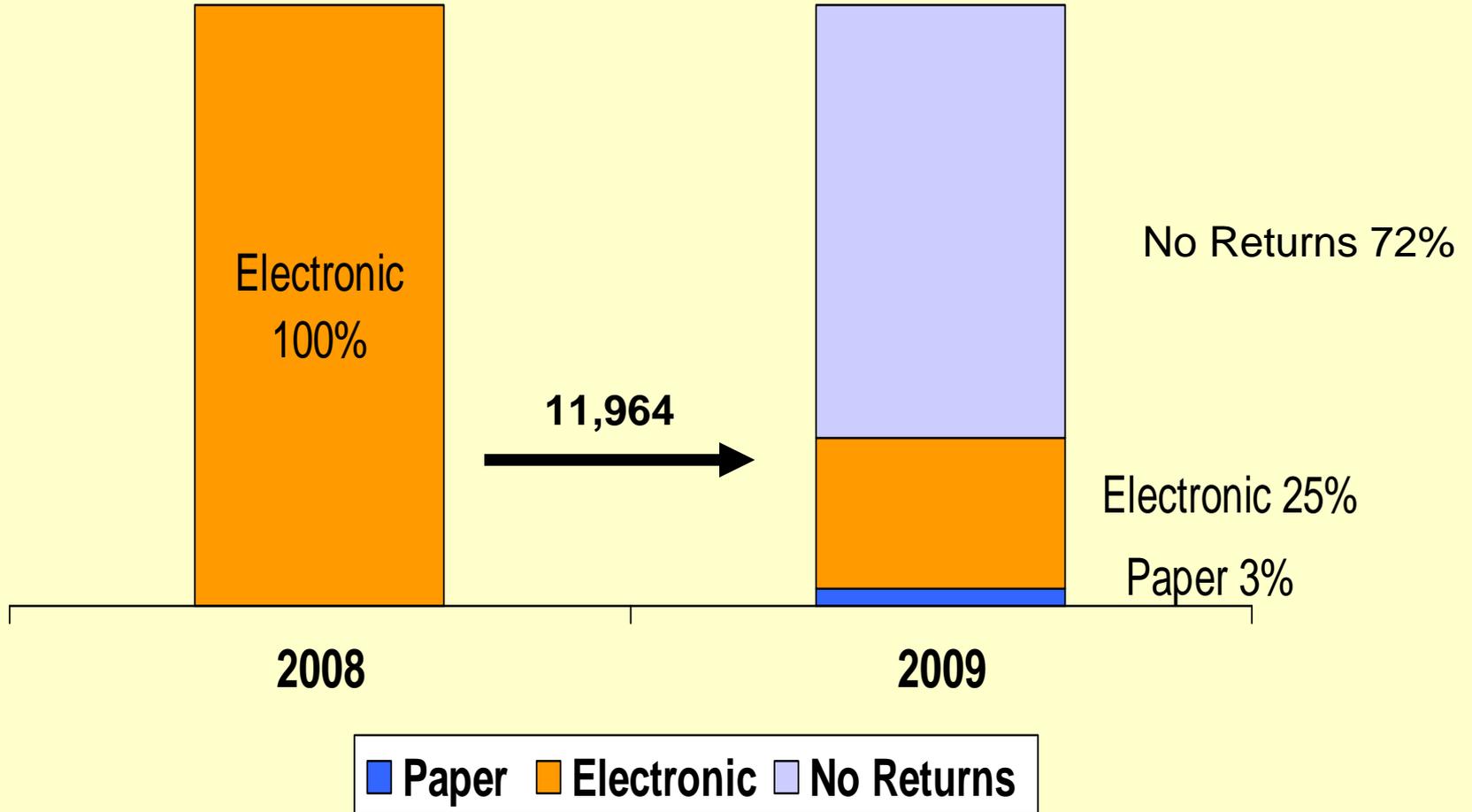


Form 944 Taxpayers Enrolled in EFTPS (Electronic Federal Tax Payment System) Processing Year 2009

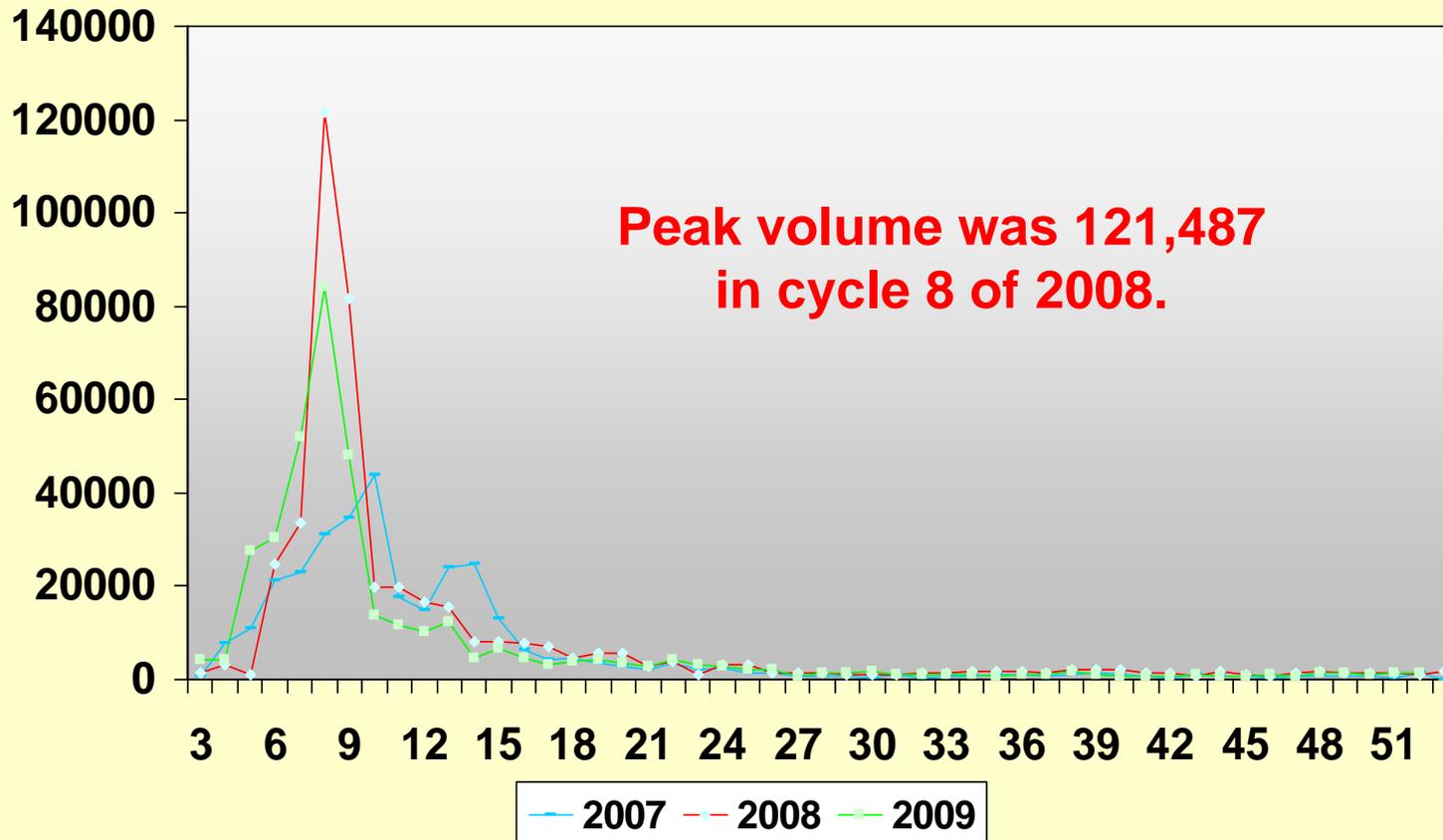


Form 944 *e-file* Loyalty

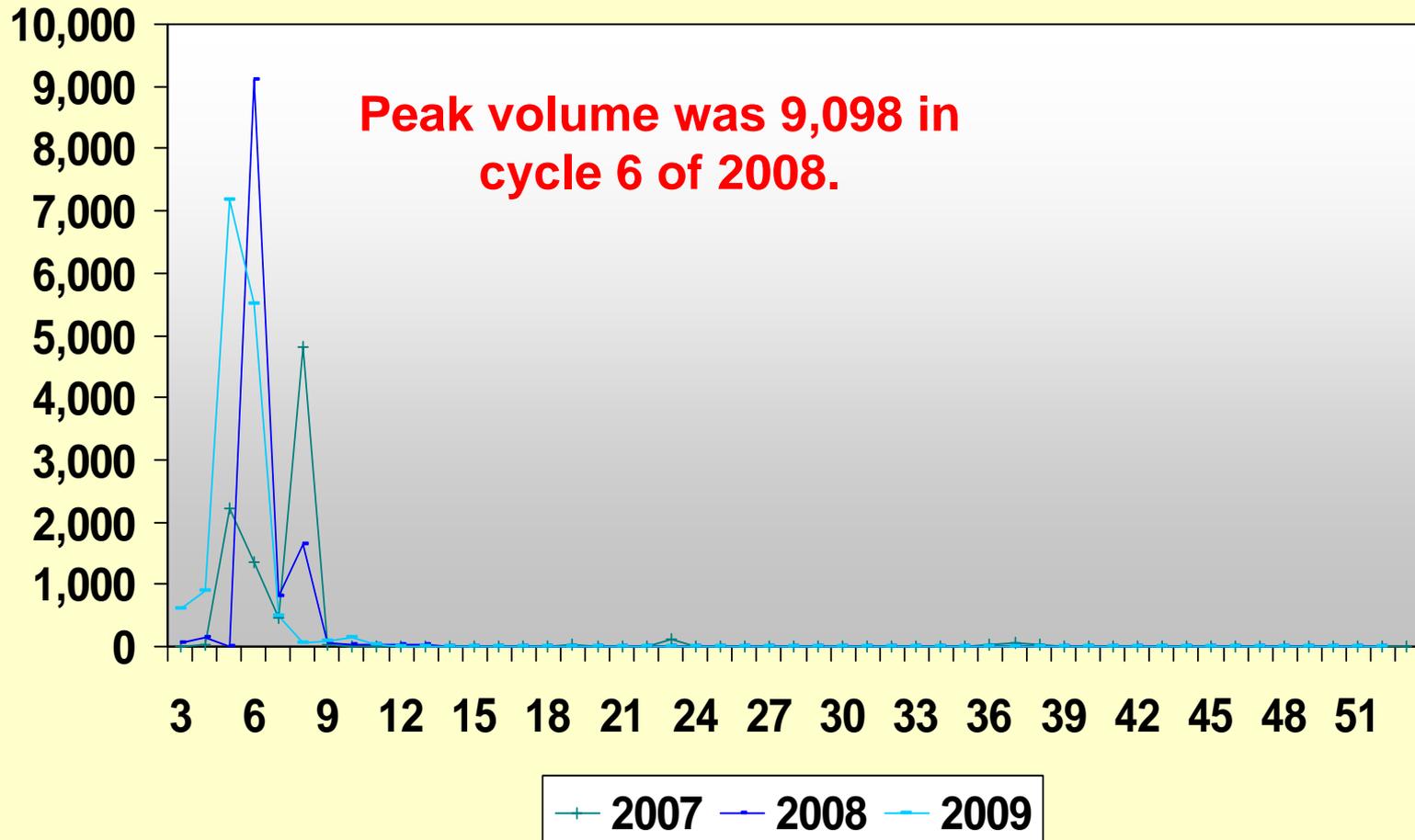
25% of PY 2008 Form 944 electronic filers, e-filed in PY2009



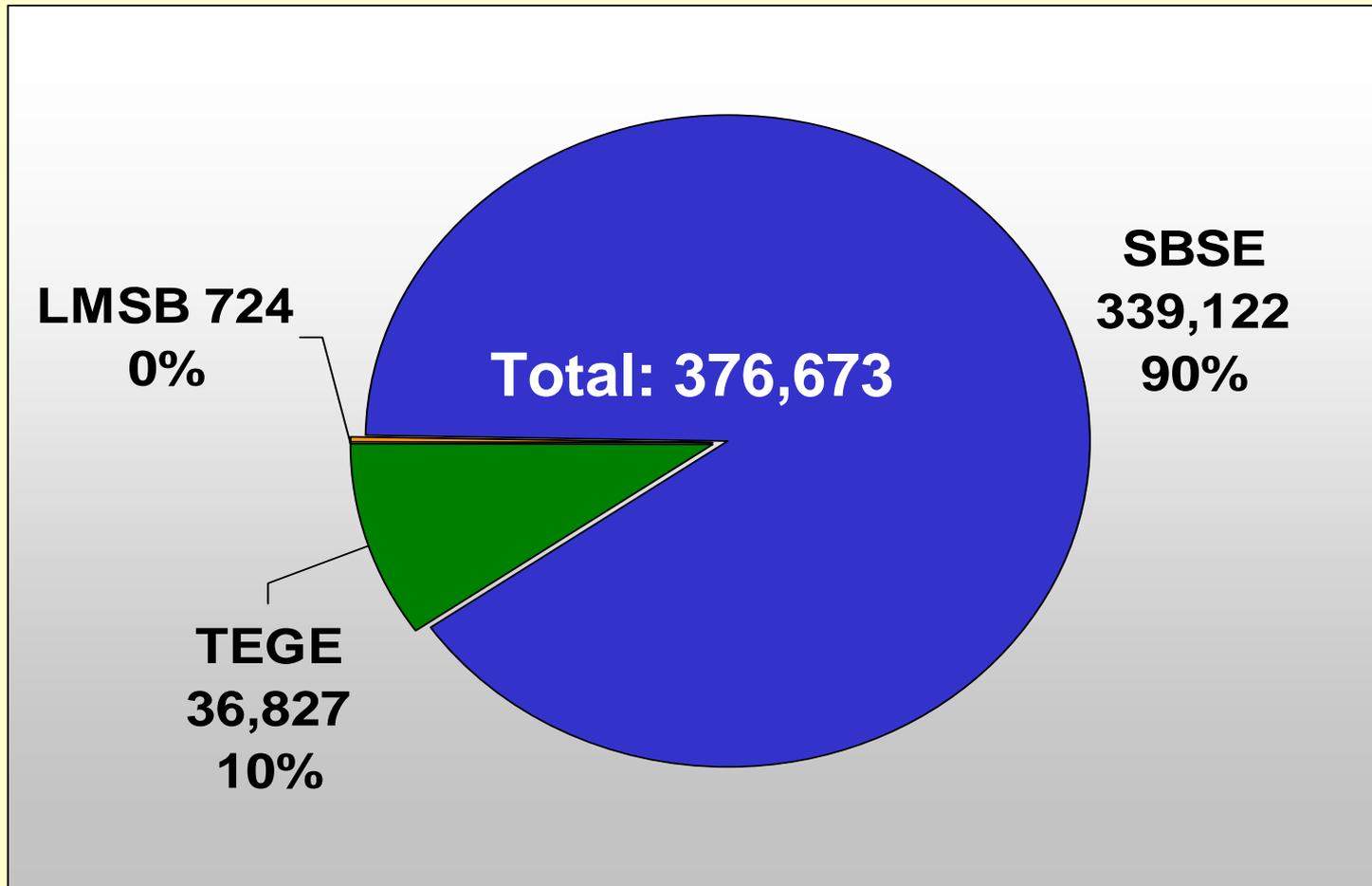
Form 944 Filing Patterns by Cycle Posted



Form 944 e-file Patterns by Cycle Posted



Forms 944 by Business Operating Division Processing Year 2009



Most Form 944 Returns by NAICS

(The North American Industry Classification System - NAICS)

<u>CODE</u>	<u>TITLE</u>	<u>2009</u>	<u>%*</u>
813000	Religious, Grantmaking, Civic, Professional,	8,434	2%
541990	All Other Professional, Scientific, & Technical Services	6,711	2%
236110	Residential Building Construction	6,385	2%
531210	Offices of Real Estate Agents & Brokers	5,994	2%
812990	All Other Personal Services	5,686	2%
238900	Other Specialty Trade Contractors	5,125	1%
531390	Other Activities Related to Real Estate	5,068	1%
541600	Management, Scientific, & Technical Consulting Services	4,841	1%
561730	Landscaping Services	4,387	1%
531110	Lessors of Residential Buildings & Dwellings	4,228	1%

*** The percentage of all Form 944 returns filed in PY2009**

Most e-filed Forms 944 by NAICS

(The North American Industry Classification System - NAICS)

<u>CODE</u>	<u>TITLE</u>	<u>2009</u>	<u>%*</u>
541990	All Other Professional, Scientific, & Technical Services	337	2%
531110	Lessors of Residential Buildings & Dwellings	296	2%
812990	All Other Personal Services	255	2%
531210	Offices of Real Estate Agents & Brokers	254	2%
524210	Insurance Agencies and Brokerages	237	2%
813000	Religious, Grantmaking, Civic, Professional	236	2%
531390	Other Activities Related to Real Estate	233	2%
541600	Management, Scientific, & Technical Consulting Services	228	2%
541110	Offices of Lawyers	227	2%
561720	Janitorial Services	210	1%

* The percentage of electronic Form 944 returns filed in PY2009

Form 944 e-file Penetration by State

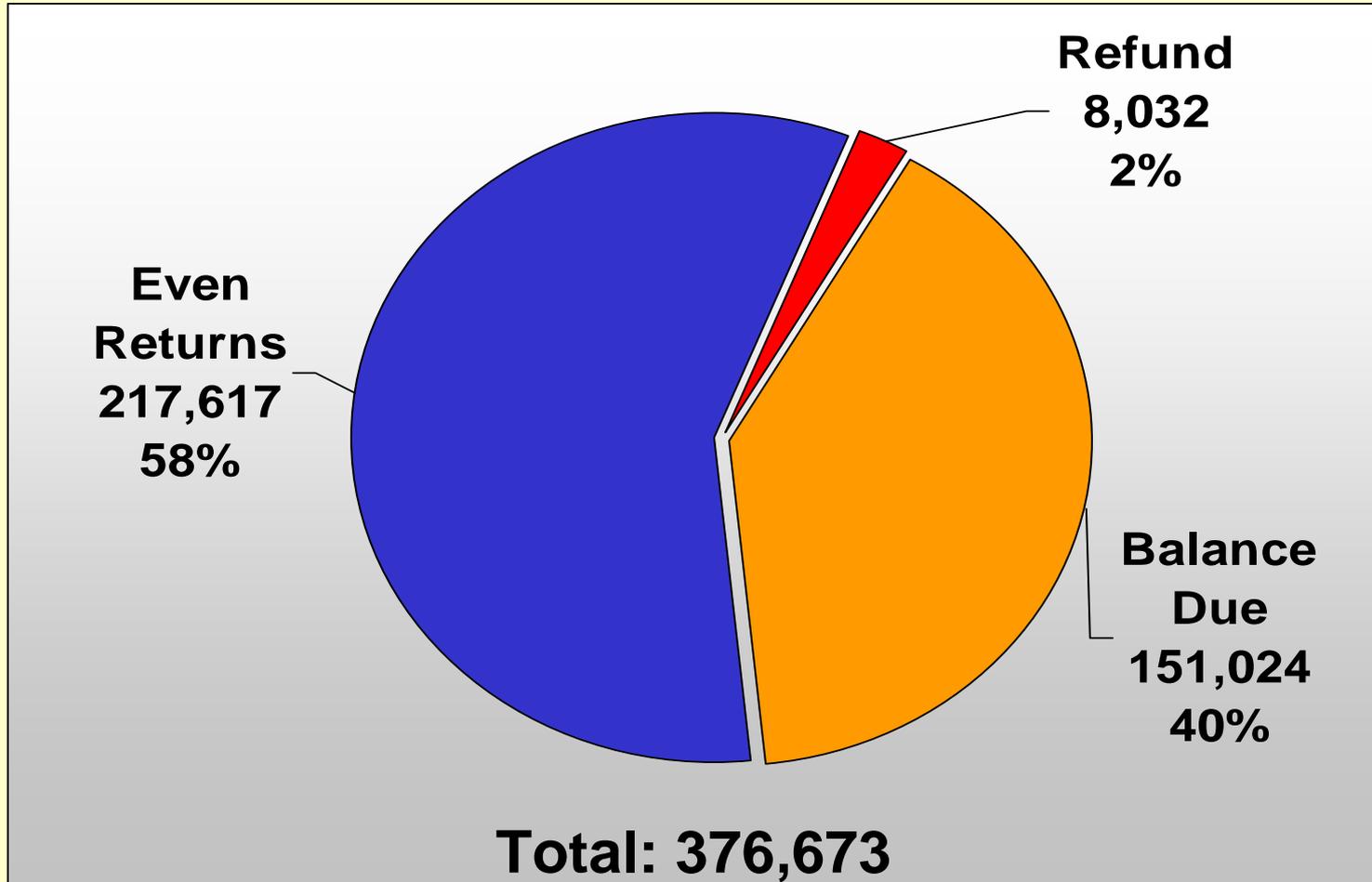
Processing Year 2009



Alaska (AK)	1%	Hawaii (HI)	3%	Maine (ME)	8%	New Jersey (NJ)	8%	South Dakota (SD)	0%
Alabama (AL)	2%	Iowa (IA)	1%	Michigan (MI)	3%	New Mexico (NM)	2%	Tennessee (TN)	2%
Arkansas (AR)	2%	Idaho (ID)	1%	Minnesota (MN)	5%	Nevada (NV)	7%	Texas (TX)	3%
Arizona (AZ)	5%	Illinois (IL)	3%	Missouri (MO)	2%	New York (NY)	5%	Utah (UT)	3%
California (CA)	8%	Indiana (IN)	2%	Mississippi (MS)	1%	Ohio (OH)	3%	Virginia (VA)	3%
Colorado (CO)	3%	Kansas (KS)	2%	Montana (MT)	1%	Oklahoma (OK)	2%	Vermont (VT)	2%
Connecticut (CT)	7%	Kentucky (KY)	1%	North Carolina (NC)	2%	Oregon (OR)	5%	Washington (WA)	2%
Delaware (DE)	15%	Louisiana (LA)	2%	North Dakota (ND)	0%	Pennsylvania (PA)	4%	Washington (DC)	7%
Florida (FL)	4%	Massachusetts (MA)	12%	Nebraska (NE)	1%	Rhode Island (RI)	18%	Wisconsin (WI)	3%
Georgia (GA)	5%	Maryland (MD)	4%	New Hampshire (NH)	7%	South Carolina (SC)	2%	West Virginia (WV)	1%
								Wyoming (WY)	0%

Forms 944 by Balance Due & Overpayment

Processing Year 2009



Form 944 Average Balance Due & Overpayment

Processing Year	Average Refund	Average Balance Due
2009	\$1397	\$1662

Form 944 Summary (PY2009)

- **Form 944 *e-file* penetration rate is 4% projected to be 4% by CY2016.**
- **31% of all Form 944 taxpayers are enrolled in EFTPS.**

FY 10 NATIONWIDE ANALYSIS Form 945

**Electronic Tax Administration
Business Master File Marketing Database**

SB/SE Research

November 2010

Project BKN0173

This presentation provides information about Form 945 for Processing Year (PY) 2009

Acknowledgements

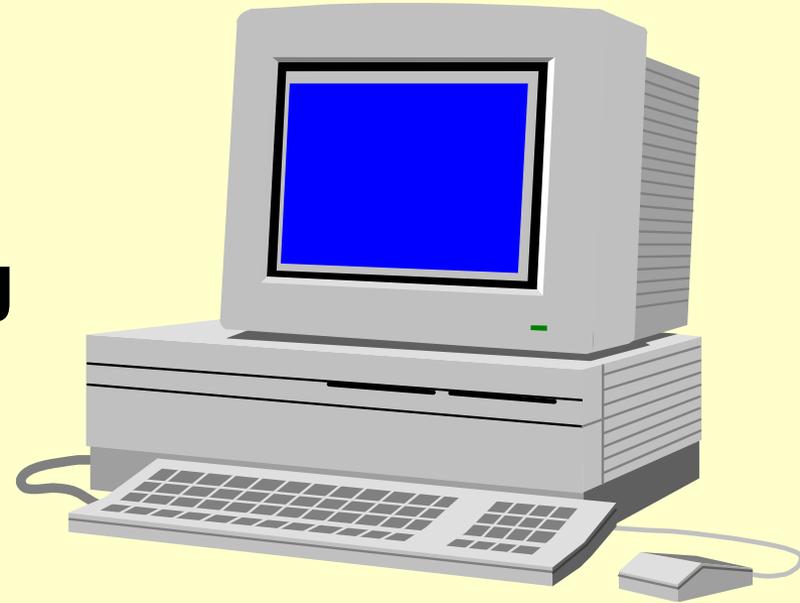
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Primary Data Source

- **The BMF ETA Marketing Database Form 945 table**
- **It contains all Form 945 returns filed for Processing Year 2009 that were processed through December 31, 2009 (cycle 200852)**
- **It includes over 113,000 records**



Form 945 Filers

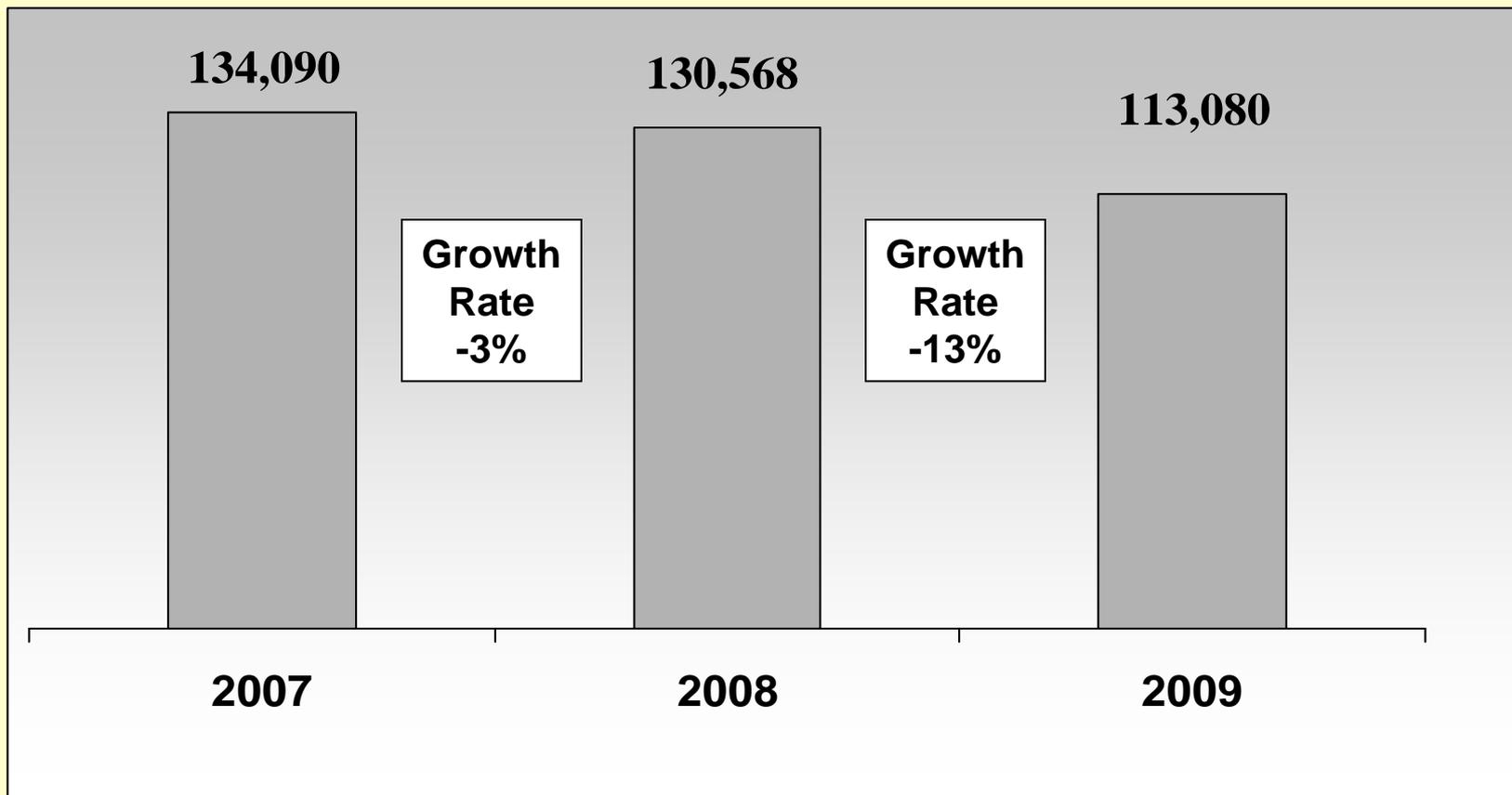
Annual Return of Withheld Federal Income Tax

Processing Year 2009

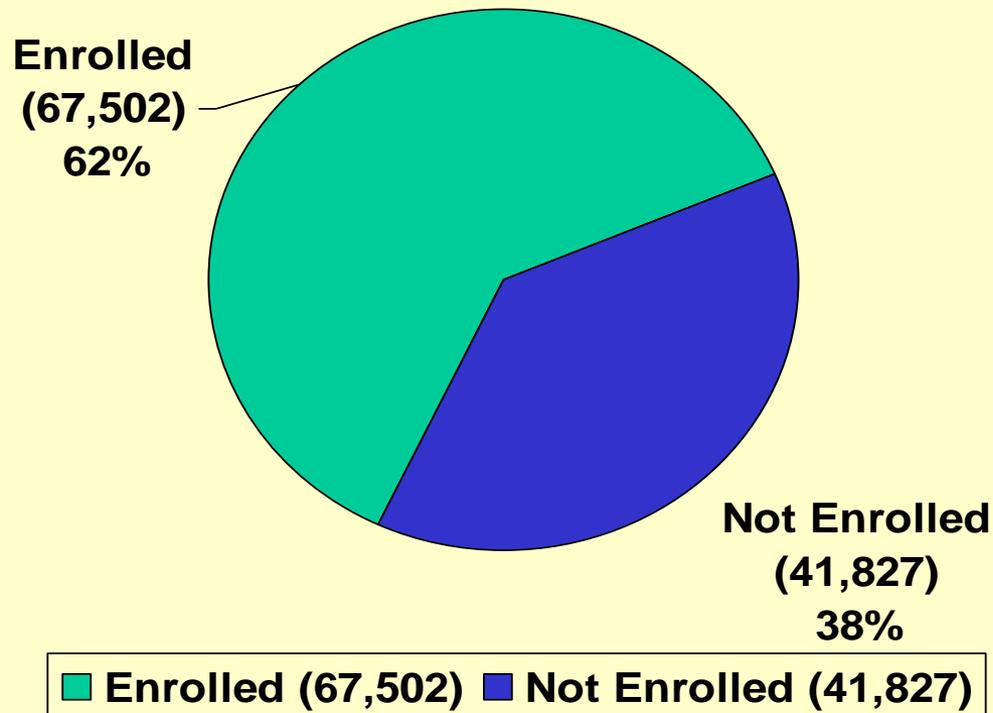


Form 945 Annual Filing Volume

Processing Years 2007-2009

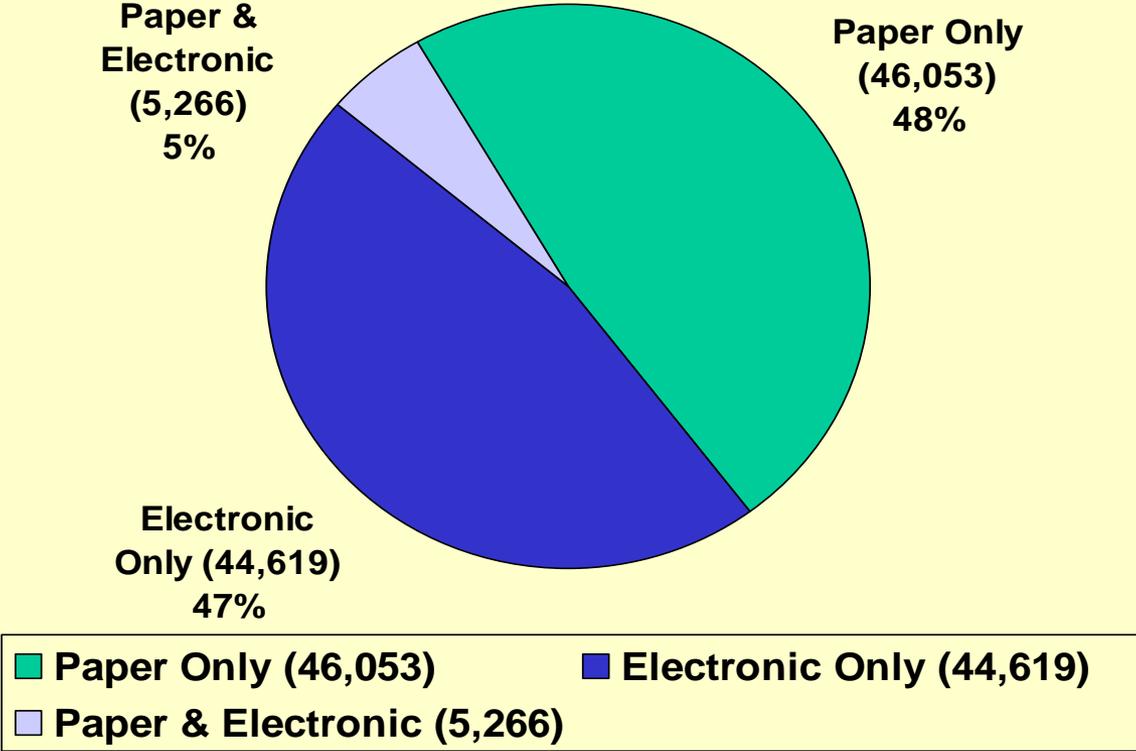


Form 945 Taxpayers Enrolled in EFTPS (Electronic Federal Tax Payment System) Processing Year 2009

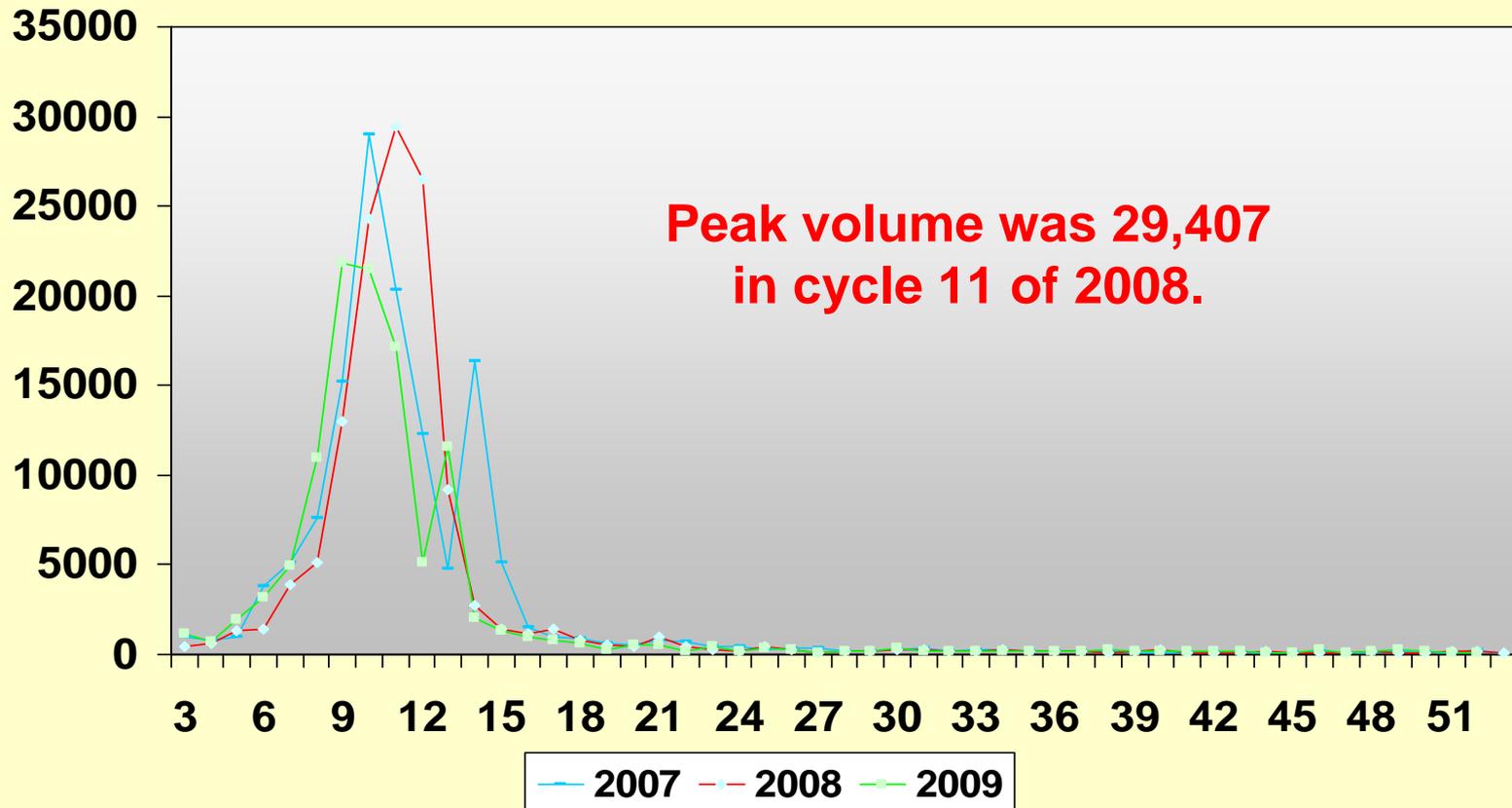


Payment Method Used by Form 945 Taxpayers Making 945 Payments

Processing Year 2009

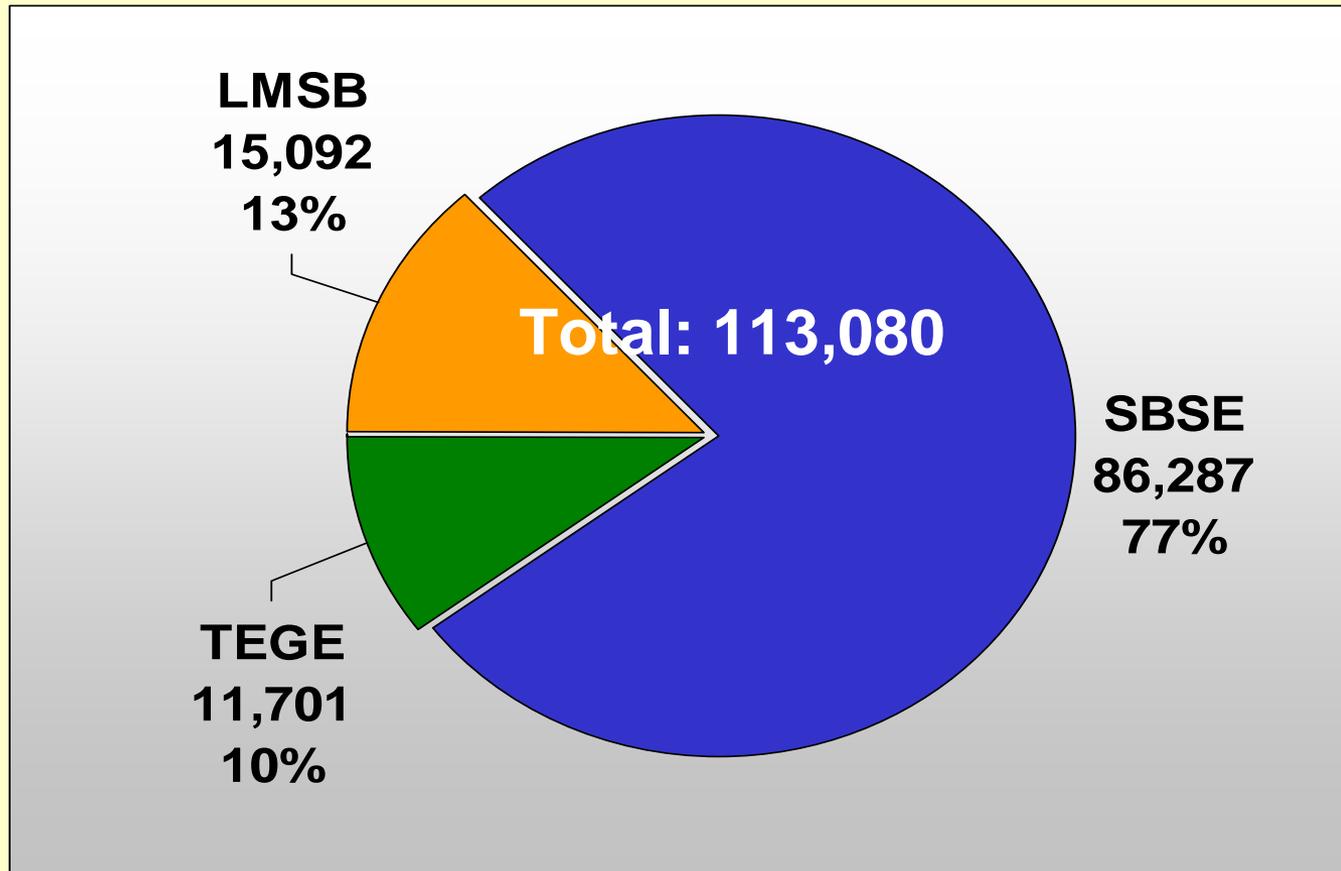


Form 945 Filing Patterns by Cycle Posted



Forms 945 by Business Operating Division

Processing Year 2009



Most Form 945 Returns by NAICS

(The North American Industry Classification System - NAICS)

<u>CODE</u>	<u>TITLE</u>	<u>2009</u>	<u>%*</u>
525110	Pension Funds	7,661	7%
522110	Commercial Banking	5,314	5%
621111	Offices of Physicians (except mental health specialists)	4,344	4%
813000	Religious, Grantmaking, Civic, Professional, & Similar Organizations	2,409	2%
621210	Offices of Dentists	1,787	2%
525990	Other Financial Vehicles	1,434	1%
541110	Offices of Lawyers	1,400	1%
522000	Credit Intermediation	1,205	1%
238900	Other Specialty Trade Contractors	1,000	1%
611000	Educational Services (including schools, colleges, & universities)	925	1%

* The percentage of all Form 945 returns filed in PY2009

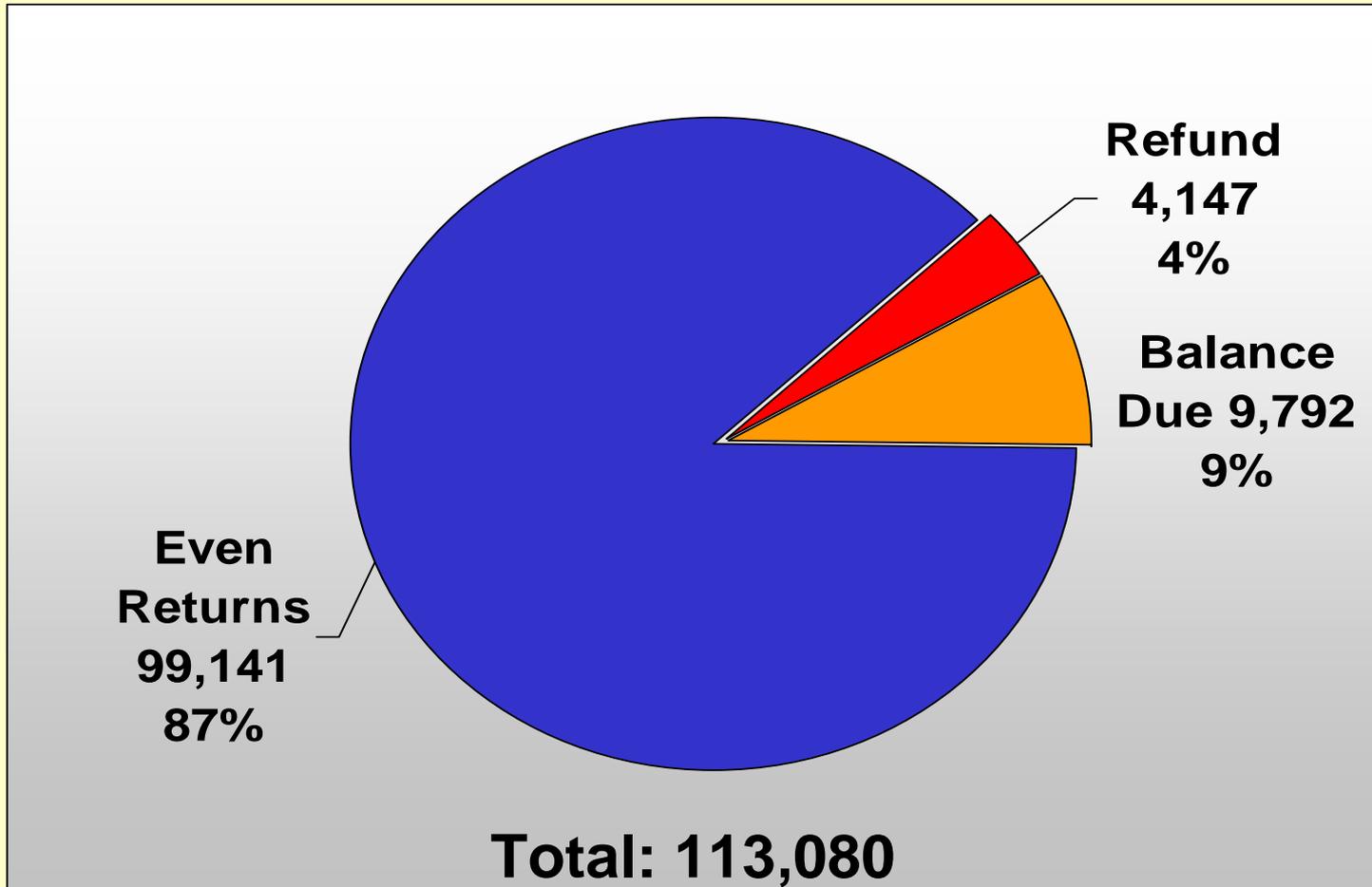
Form 945 Returns Filed by State

Processing Year 2009



Alaska (AK)	330	Hawaii (HI)	712	Maine (ME)	452	New Jersey (NJ)	3,421	South Dakota (SD)	387
Alabama (AL)	1,456	Iowa (IA)	1,599	Michigan (MI)	3,943	New Mexico (NM)	757	Tennessee (TN)	1,856
Arkansas (AR)	1,147	Idaho (ID)	629	Minnesota (MN)	2,402	Nevada (NV)	1,019	Texas (TX)	6,992
Arizona (AZ)	1,952	Illinois (IL)	6,211	Missouri (MO)	2,211	New York (NY)	7,553	Utah (UT)	838
California (CA)	13,609	Indiana (IN)	2,261	Mississippi (MS)	892	Ohio (OH)	4,872	Virginia (VA)	2,642
Colorado (CO)	1,841	Kansas (KS)	1,308	Montana (MT)	585	Oklahoma (OK)	1,254	Vermont (VT)	316
Connecticut (CT)	1,766	Kentucky (KY)	1,371	North Carolina (NC)	2,420	Oregon (OR)	1,627	Washington (WA)	2,599
Delaware (DE)	363	Louisiana (LA)	1,771	North Dakota (ND)	322	Pennsylvania (PA)	5,650	Washington (DC)	398
Florida (FL)	5,276	Massachusetts (MA)	2,625	Nebraska (NE)	964	Rhode Island (RI)	413	Wisconsin (WI)	2,220
Georgia (GA)	2,877	Maryland (MD)	1,934	New Hampshire (NH)	456	South Carolina (SC)	1,239	West Virginia (WV)	793
								Wyoming (WY)	259

Forms 945 by Balance Due & Overpayment Processing Year 2009



Form 945 Average Balance Due & Overpayment

Processing Year	Average Refund	Average Balance Due
2009	\$49,834	\$717,427

Form 945 Summary (PY2009)

- **Form 945 can not currently be e-filed.**
- **62% of all Form 945 taxpayers are enrolled in EFTPS.**