

# INTERNAL REVENUE SERVICE

## FISCAL YEAR 2009 ENFORCEMENT RESULTS

### Enforcement Revenue Collected<sup>1</sup>

| (Dollars in Billions)          | FY 2000       | FY 2001       | FY 2002       | FY 2003       | FY 2004       | FY 2005       | FY 2006       | FY 2007       | FY 2008       | FY 2009       |
|--------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Collection                     | \$22.1        | \$24.3        | \$24.4        | \$24.8        | \$25.7        | \$26.6        | \$28.2        | \$31.8        | \$31.1        | \$26.9        |
| Examination <sup>2</sup>       | \$10.2        | \$7.9         | \$7.9         | \$10.7        | \$14.7        | \$17.7        | \$17.2        | \$23.5        | \$20.6        | \$17.4        |
| Document Matching <sup>3</sup> | \$1.5         | \$1.6         | \$1.8         | \$2.2         | \$2.7         | \$3.1         | \$3.3         | \$3.9         | \$4.7         | \$4.6         |
| <b>Total</b>                   | <b>\$33.8</b> | <b>\$33.8</b> | <b>\$34.1</b> | <b>\$37.6</b> | <b>\$43.1</b> | <b>\$47.3</b> | <b>\$48.7</b> | <b>\$59.2</b> | <b>\$56.4</b> | <b>\$48.9</b> |

### Staffing for Key Enforcement Occupations<sup>4</sup>

|                  | FY 2000       | FY 2001       | FY 2002       | FY 2003       | FY 2004       | FY 2005       | FY 2006       | FY 2007       | FY 2008       | FY 2009       |
|------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Revenue Officers | 5,538         | 5,376         | 5,502         | 5,076         | 5,156         | 5,249         | 5,627         | 5,662         | 5,492         | 5,451         |
| Revenue Agents   | 12,542        | 12,092        | 11,743        | 11,780        | 11,811        | 12,192        | 12,778        | 12,816        | 12,599        | 12,958        |
| Special Agents   | 2,752         | 2,735         | 2,868         | 2,834         | 2,778         | 2,771         | 2,780         | 2,709         | 2,631         | 2,650         |
| <b>Total</b>     | <b>20,832</b> | <b>20,203</b> | <b>20,113</b> | <b>19,691</b> | <b>19,746</b> | <b>20,211</b> | <b>21,185</b> | <b>21,187</b> | <b>20,722</b> | <b>21,059</b> |

Notes:

<sup>1</sup> Enforcement revenue collected in a fiscal year includes tax, interest, and penalties from multiple tax years. Some enforcement activities can take more than a

<sup>2</sup> Includes any revenue collection attributable to IRS Appeals activities.

<sup>3</sup> Includes the Information Reporter Program (IRP) and the Automated Underreporter (AUR) Program.

<sup>4</sup> 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

|                                  | <b>FY 2000</b> | <b>FY 2001</b> | <b>FY 2002</b> | <b>FY 2003</b> | <b>FY 2004</b>   | <b>FY 2005</b>   | <b>FY 2006</b>   | <b>FY 2007</b>   | <b>FY 2008</b>   | <b>FY2009</b>    |
|----------------------------------|----------------|----------------|----------------|----------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Field                            | 251,108        | 202,515        | 205,134        | 206,457        | 197,388          | 247,235          | 302,785          | 311,339          | 310,429          | 326,249          |
| Correspondence                   | 366,657        | 529,241        | 538,747        | 642,839        | 810,486          | 968,073          | 981,165          | 1,073,224        | 1,081,152        | 1,099,639        |
| <b>Total Examinations</b>        | <b>617,765</b> | <b>731,756</b> | <b>743,881</b> | <b>849,296</b> | <b>1,007,874</b> | <b>1,215,308</b> | <b>1,283,950</b> | <b>1,384,563</b> | <b>1,391,581</b> | <b>1,425,888</b> |
| <b>Returns Filed in prior CY</b> | 124,887,100    | 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      |
| <b>Coverage</b>                  | 0.49%          | 0.58%          | 0.57%          | 0.65%          | 0.77%            | 0.93%            | 0.97%            | 1.03%            | 1.01%            | 1.03%            |

\* CY = Calendar Year.

## Examination - Individual Return Closures and Coverage Rates

### Income Under \$200,000

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

### Income \$200,000 and Higher

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

### Income \$1 Million and Higher

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

\* CY = Calendar Year.

n/a = not available

## Examination - Business Return Closures and Coverage Rates<sup>1</sup>

|                               | FY 2000       | FY 2001       | FY 2002       | FY 2003       | FY 2004       | FY 2005       | FY 2006       | FY 2007*      | FY 2008       | FY 2009       |
|-------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Total Returns Examined</b> | <b>49,574</b> | <b>40,557</b> | <b>40,287</b> | <b>38,299</b> | <b>29,445</b> | <b>47,593</b> | <b>52,149</b> | <b>59,516</b> | <b>59,823</b> | <b>58,144</b> |
| Returns Filed in Prior CY     | 7,228,200     | 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     |
| Coverage                      | 0.69%         | 0.55%         | 0.53%         | 0.49%         | 0.36%         | 0.57%         | 0.60%         | 0.66%         | 0.63%         | 0.58%         |

### Small Corporation Returns

| <b>(Assets Under \$ 10 Million)</b> | FY 2000   | FY 2001   | FY 2002   | FY 2003   | FY 2004   | FY 2005   | FY 2006   | FY 2007   | FY 2008   | FY 2009   |
|-------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Returns Examined                    | 18,623    | 14,332    | 14,655    | 13,608    | 7,294     | 17,858    | 17,849    | 20,020    | 20,580    | 18,298    |
| Returns Filed in Prior CY*          | 2,430,000 | 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 |
| Coverage                            | 0.77%     | 0.60%     | 0.63%     | 0.58%     | 0.32%     | 0.79%     | 0.80%     | 0.92%     | 0.95%     | 0.85%     |

### Large Corporation Returns

| <b>(Assets \$10 Million and Higher)</b> | FY 2000 | FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Returns Examined                        | 9,212   | 8,718   | 8,443   | 7,125   | 9,523   | 10,829  | 10,578  | 9,644   | 9,406   | 9,536   |
| Returns Filed in Prior CY*              | 56,500  | 57,800  | 59,602  | 58,974  | 56,883  | 54,091  | 56,847  | 57,357  | 61,641  | 65,546  |
| Coverage                                | 16.3%   | 15.1%   | 14.2%   | 12.1%   | 16.7%   | 20.0%   | 18.6%   | 16.8%   | 15.26%  | 14.55%  |

### Subchapter S Returns

| <b>(Form 1120-S)</b>       | FY 2000   | FY 2001   | FY 2002   | FY 2003   | FY 2004   | FY 2005   | FY 2006   | FY 2007   | FY 2008   | FY 2009   |
|----------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Returns Examined           | 15,200    | 12,437    | 11,646    | 9,695     | 6,402     | 10,417    | 13,970    | 17,657    | 16,634    | 17,455    |
| Returns Filed in Prior CY* | 2,767,000 | 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 |
| Coverage                   | 0.55%     | 0.43%     | 0.39%     | 0.30%     | 0.19%     | 0.30%     | 0.38%     | 0.45%     | 0.40%     | 0.40%     |

### Partnership Returns

| <b>(Form 1065)</b>         | FY 2000   | FY 2001   | FY 2002   | FY 2003   | FY 2004   | FY 2005   | FY 2006   | FY 2007   | FY 2008   | FY 2009   |
|----------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Returns Examined           | 6,539     | 5,070     | 5,543     | 7,871     | 6,226     | 8,489     | 9,752     | 12,195    | 13,203    | 12,855    |
| Returns Filed in Prior CY* | 1,974,700 | 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 |
| Coverage                   | 0.33%     | 0.25%     | 0.26%     | 0.35%     | 0.26%     | 0.33%     | 0.36%     | 0.42%     | 0.42%     | 0.38%     |

<sup>1</sup> 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 2000      | FY 2001      | FY 2002      | FY 2003      | FY 2004      | FY 2005       | FY 2006       | FY 2007      | FY 2008      | FY 2009      |
|-------------------------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|--------------|--------------|--------------|
| <b>Total Returns Examined</b> | <b>9,212</b> | <b>8,718</b> | <b>8,443</b> | <b>7,125</b> | <b>9,523</b> | <b>10,829</b> | <b>10,578</b> | <b>9,644</b> | <b>9,406</b> | <b>9,536</b> |
| Returns Filed in Prior CY*    | 56,500       | 57,800       | 59,602       | 58,974       | 56,883       | 54,091        | 56,877        | 57,357       | 61,641       | 65,546       |
| Coverage                      | 16.3%        | 15.1%        | 14.2%        | 12.1%        | 16.7%        | 20.0%         | 18.6%         | 16.8%        | 15.3%        | 14.5%        |

### By Asset Class

|   | FY 2000 | FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| <b>\$10 Million &lt; \$50 Million</b>   |         |         |         |         |         |         |         |         |         |         |
| Returns Examined                        | 3,628   | 3,071   | 2,540   | 1,987   | 2,864   | 3,535   | 4,218   | 4,473   | 3,833   | 3473    |
| Coverage                                | 11.7%   | 9.7%    | 7.8%    | 6.2%    | 9.4%    | 12.3%   | 14.2%   | 15.0%   | 11.7%   | 10.1%   |
| <b>\$50 Million &lt; \$100 Million</b>  |         |         |         |         |         |         |         |         |         |         |
| Returns Examined                        | 1,145   | 973     | 865     | 782     | 965     | 1,148   | 999     | 801     | 893     | 1158    |
| Coverage                                | 14.7%   | 12.3%   | 10.7%   | 9.8%    | 12.9%   | 16.4%   | 13.8%   | 11.4%   | 11.7%   | 14.3%   |
| <b>\$100 Million &lt; \$250 Million</b> |         |         |         |         |         |         |         |         |         |         |
| Returns Examined                        | 1,359   | 1,369   | 1,289   | 1,026   | 1,308   | 1,287   | 1,085   | 946     | 1,026   | 1134    |
| Coverage                                | 17.4%   | 17.6%   | 16.0%   | 12.9%   | 16.9%   | 17.5%   | 14.0%   | 12.1%   | 12.8%   | 13.6%   |
| <b>\$250 Million and Higher</b>         |         |         |         |         |         |         |         |         |         |         |
| Returns Examined                        | 3,080   | 3,305   | 3,749   | 3,330   | 4,386   | 4,859   | 4,276   | 3,424   | 3,654   | 3771    |
| Coverage                                | 31.4%   | 32.1%   | 34.4%   | 29.8%   | 39.8%   | 44.1%   | 35.2%   | 27.2%   | 27.4%   | 25.7%   |

\* CY = Calendar Year.

## Examination - Tax Exempt Organization Return Closures

|                               | <b>FY 2000</b> | <b>FY 2001</b> | <b>FY 2002</b> | <b>FY 2003</b> | <b>FY 2004</b> | <b>FY 2005</b> | <b>FY 2006*</b> | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</b> |
|-------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|----------------|----------------|----------------|
| <b>Total Returns Examined</b> | 7,435          | 5,342          | 5,278          | 5,754          | 5,800          | 4,953          | 7,079           | 7,580          | 7,861          | 10,187         |
| <b>in Prior Calendar Year</b> | 836,550        | 872,210        | 783,582        | 809,223        | 863,494        | 849,342        | 849,227         | 867,696        | 888,412        | 823,087        |
| <b>Coverage</b>               | 0.89%          | 0.61%          | 0.67%          | 0.71%          | 0.67%          | 0.58%          | 0.83%           | 0.87%          | 0.88%          | 1.24%          |

## Collection

### Enforcement Actions

|                 | <b>FY 2000</b> | <b>FY 2001</b> | <b>FY 2002</b> | <b>FY 2003</b> | <b>FY 2004</b> | <b>FY 2005</b> | <b>FY 2006</b> | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</b> |
|-----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>Levies</b>   | 219,778        | 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      |
| <b>Liens</b>    | 287,517        | 426,166        | 482,509        | 544,316        | 534,392        | 522,887        | 629,813        | 683,659        | 768,168        | 965,618        |
| <b>Seizures</b> | 74             | 234            | 296            | 399            | 440            | 512            | 590            | 676            | 610            | 581            |

## Criminal Investigations

### Prosecutions Recommended

| <b>By Source</b>                    | <b>FY 2000</b> | <b>FY 2001</b> | <b>FY 2002</b> | <b>FY 2003</b> | <b>FY 2004</b> | <b>FY 2005</b> | <b>FY 2006</b> | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</b> |
|-------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Tax and Tax Related                 | 999            | 964            | 991            | 1,336          | 1,439          | 1,434          | 1,343          | 1423           | 1293           | 1269           |
| Nontax (illegal)                    | 509            | 524            | 483            | 521            | 719            | 658            | 756            | 866            | 804            | 769            |
| Narcotics                           | 926            | 847            | 659            | 684            | 879            | 767            | 621            | 548            | 688            | 532            |
| <b>Total</b>                        | <b>2,434</b>   | <b>2,335</b>   | <b>2,133</b>   | <b>2,541</b>   | <b>3,037</b>   | <b>2,859</b>   | <b>2,720</b>   | 2837           | 2785           | 2570           |
| <b>Overall Conviction Rate</b>      | <b>FY 2000</b> | <b>FY 2001</b> | <b>FY 2002</b> | <b>FY 2003</b> | <b>FY 2004</b> | <b>FY 2005</b> | <b>FY 2006</b> | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</b> |
|                                     | 91.5%          | 90.4%          | 91.5%          | 91.5%          | 92.2%          | 91.2%          | 91.5%          | 90.20%         | 92.30%         | 87.20%         |
| <b>Average Sentence<sup>1</sup></b> | <b>FY 2000</b> | <b>FY 2001</b> | <b>FY 2002</b> | <b>FY 2003</b> | <b>FY 2004</b> | <b>FY 2005</b> | <b>FY 2006</b> | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</b> |
|                                     | 16             | 18             | 19             | 19             | 21             | 22             | 22             | 22             | 24             | 24             |

<sup>1</sup> Average sentence in months for Tax and Tax Related cases.

|                           | <b>FY 2000</b> | <b>FY 2001</b> | <b>FY 2002</b> | <b>FY 2003</b> | <b>FY 2004</b> | <b>FY 2005</b> | <b>FY 2006</b> | <b>FY 2007</b> | <b>FY2008</b> | <b>FY 2009</b> |
|---------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---------------|----------------|
| Investigations Initiated  | 3,372          | 3,284          | 3,906          | 4,001          | 3,917          | 4,269          | 3,907          | 4,211          | 3,749         | 4121           |
| Information & indictments | 2,469          | 2,292          | 1,924          | 2,128          | 2,489          | 2,406          | 2,319          | 2,323          | 2,547         | 2335           |

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 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 |
|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| 31%     | 36%     | 40%     | 47%     | 51%     | 54%     | 57%     | 58%     | 66%     |

### Toll-Free Assistor Level of Service

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

### Toll-Free Tax Law Accuracy

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

### Toll-Free Customer Satisfaction Rating

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

### 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 |
|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| n/a     | n/a     | 102.6   | 152.7   | 176.5   | 197.1   | 217.8   | 329.4   | 266.7   |

### 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 |
|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| n/a     | 1.1     | 12.4    | 14.9    | 22.1    | 24.7    | 32.1    | 39.2    | 54.30   |

















