

Internal

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October 1, 2003

to September 30, 2004



Department of the Treasury

Department of the Treasury

Internal Revenue Service

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The IRS Mission

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

Internal Revenue Service Data Book 2004

The *Internal Revenue Service Data Book* is published annually by the Internal Revenue Service and contains statistical tables and organizational information on a fiscal year basis. This volume pertains to Fiscal Year 2004—October 1, 2003, through September 30, 2004. The report provides data on collecting the revenue, enforcing the law, assisting the taxpayer, and managing the system, as well as lists and a chart about the structure and administration of the IRS itself.

NOTE: When using information from this report, cite the 2004 *Data Book* as follows--

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Foreword

The IRS Data Book for Fiscal Year 2004 is the second report under Commissioner Mark W. Everson whose working equation for the Internal Revenue Service is “Service Plus Enforcement Equals Compliance.” Toward this end, the IRS saw increased emphasis on both enforcement and service activities. For example, the number of audits of high-income taxpayers--those earning \$100,000 or more--topped 195,000, a 40-percent increase from 2003. Total audits of all individual taxpayers topped 1 million, a 19-percent increase from 2003. In addition, one in six corporations with assets of \$10 million or more was audited in Fiscal Year 2004. The successful implementation of electronic filing also continued. E-filed individual returns rose to 61.5 million, a 16-percent increase from 2003.

Lists of principal officers and the IRS organization chart presented at the back of this report reflect the organization under Commissioner Everson.

Contents and Copy Preparation

Tables in this report are grouped according to the following categories: returns filed, tax collections, and refunds (Tables 1-9); examination coverage (Tables 10-15); delinquency and enforcement activity (Table 16); appeals (Table 17); criminal investigation (Table 18); employee plan and tax-exempt organization information (Tables 19-22); taxpayer assistance (Tables 23-24); information reporting (Table 25); taxpayer contact information (Table 26); penalties (Table 27); Chief Counsel activities (Tables 28-29); and administrative costs and personnel summaries (Tables 30-33). Table 4 has been expanded to include electronic filing by businesses and other entities.

The data and accompanying footnotes were provided by various IRS divisions to the Statistics of Income Division. The originating offices are responsible for data consistency, accuracy, and technical explanations. Questions on data by users should be referred to the source in question, identified at the end of the notes and footnotes to each table.

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The IRS Data Book Online

The *IRS Data Book* tables for the current year and 9 previous years may be found on the IRS Internet site. The World Wide Web address is:

<http://www.irs.gov>

From the Web site, click on *Tax Stats* in the upper left-hand corner; then, select “Products, Publications, and Papers.”

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Table 1 -- Summary of Internal Revenue Collections and Refunds, by Type of Tax, Fiscal Years 2003 and 2004

[Money amounts are in thousands of dollars. For details by State, see Tables 6 and 9.]

Type of tax	Gross collections			Net collections		
			Percentage of 2004 total	2004 refunds [1]	Percentage of 2004 total	
	2003	2004			2004	
	(1)	(2)	(3)	(4)	(5)	(6)
United States, total [2]	1,952,929,045	2,018,502,103	100.0	279,799,934	1,738,702,169	100.0
Corporation income tax	194,146,298	230,619,359	11.4	45,849,884	184,769,475	10.6
Regular	193,760,277	230,108,627	11.4	n.a.	n.a.	n.a.
Tax-exempt organization business income tax	386,021	510,732	[3]	n.a.	n.a.	n.a.
Individual income tax [4, 5, 6]	987,208,878	990,248,760	49.1	227,573,835	762,674,925	43.9
Income tax withheld	734,763,596	746,981,035	37.0	n.a.	n.a.	n.a.
Other	252,445,282	243,267,725	12.1	n.a.	n.a.	n.a.
Employment taxes	695,975,801	717,247,296	35.5	3,637,601	713,609,695	41.0
Old-Age, Survivors, Disability, and Hospital Insurance (OASDHI), total [5]	684,982,077	706,107,909	35.0	3,501,880	702,606,029	40.4
Federal Insurance Contributions Act (FICA)	647,858,224	664,928,086	33.0	n.a.	n.a.	n.a.
Self-Employment Insurance Contributions Act (SECA)	37,123,853	41,179,823	2.0	n.a.	n.a.	n.a.
Unemployment insurance	6,635,141	6,718,028	0.3	129,821	6,588,207	0.4
Railroad retirement	4,358,583	4,421,359	0.2	5,900	4,415,459	0.3
Estate and gift taxes	22,826,908	25,579,462	1.3	783,136	24,796,326	1.4
Estate	20,887,883	24,130,143	1.2	732,777	23,397,366	1.3
Gift	1,939,025	1,449,319	0.1	50,359	1,398,960	0.1
Excise taxes [2]	52,771,160	54,807,225	2.7	1,955,478	52,851,747	3.0

n.a. - Not available.

[1] Includes principal and interest paid on refunds. Represents earned income tax credits, overpayment refunds, refunds resulting from examination activity, and other refunds required by law. See Table 9, footnote 1

[2] Gross collections exclude excise taxes paid to the Customs Service and the Alcohol and Tobacco Tax and Trade Bureau. Refunds of such taxes, however, are recorded by the Internal Revenue Service and are, therefore, included

[3] Less than 0.05 percent.

[4] Collections also include Presidential Election Campaign Fund contributions of \$55.2 million in Fiscal Year 2003 and \$55.9 million in Fiscal Year 2004.

[5] Collections of individual income tax are not reported by payers separately from old-age, survivors, disability, and hospital insurance (OASDHI) taxes on salaries and wages (under the Federal Insurance Contributions Act or FICA, and on self-employment income under the Self-Employment Insurance Contributions Act or SECA). The OASDHI tax collections and refunds shown in Table 1 are based on estimates made by the Secretary of the Treasury pursuant to the provisions of Section 201(a) of the Social Security Act as amended and include all OASDHI taxes. Amounts shown for the two categories of individual income tax were derived by subtracting the OASDHI tax estimates from the combined total collections for the two taxes (refund estimates were not made for these two categories).

[6] Includes estate and trust income tax collections of \$8.4 billion in Fiscal Year 2003 and \$10.7 billion in Fiscal Year 2004.

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

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

Table 2 -- Summary of Number of Returns Filed, by Type of Return, Fiscal Years 2003 and 2004

[Numbers are in thousands. For FY 2004 details by State, see Table 3.]

Type of return	2003	2004
United States, total [1, 2]	222,287 [r]	224,393
Income tax [3]	171,909	173,320
Individual [4]	130,728	131,302
Forms 1040, 1040A, 1040EZ	130,043	130,583
Forms 1040NR, 1040PR, 1040-SS, 1040C	685	719
Individual estimated tax	28,588	29,027
Estate and trust	3,688	3,735
Estate and trust estimated tax	633	692
Partnership [5]	2,381	2,521
S corporation [6]	3,330	3,504
Other corporation [7]	2,560	2,541
Estate tax	92	73
Gift tax	287	249
Employment taxes [2, 8]	29,932 [r]	30,430
Tax-exempt organizations [9]	789	796
Excise taxes [10]	812	647
Supplemental documents [11]	18,465	18,877

[r] - Revised.

[1] Excludes "Information Returns" (e.g., Forms 1098, 1099, 5498, W-2 and W-2G, and Schedule K-1). See Table 25 for the number of these returns filed. Also excludes "Employee Plans" (i.e., Form 5500 series, which is now processed by the Department of Labor).

[2] The number of returns for Fiscal Year 2003 published this year reflects an additional 15,542 Form 941 returns that were not accounted for in the previous edition of the IRS Data Book.

[3] Excludes Form 990-T (tax-exempt organization business income tax), included under tax-exempt organizations.

[4] Form 1040 is the "long form," and Forms 1040A and 1040EZ are "short forms." Form 1040NR is filed by nonresident aliens; Form 1040PR is the self-employment tax form for Puerto Rico; Form 1040-SS is the self-employment tax form for the U.S. Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands; and Form 1040C is for departing aliens. Form 1040X (amended individual income tax return) is included in supplemental documents.

[5] Forms 1065 (partnership return of income) and 1065-B (electing large partnerships) are not strictly income tax returns because partnerships are not taxed directly. However, these forms are included as income tax returns because they act as conduits for income or losses that are reflected in the taxes paid by the partners.

[6] Form 1120S (S corporation income tax return).

[7] Includes Form 1066 (real estate mortgage investment conduits) and the Form 1120 series of returns as follows: 1120 ("long form"); 1120-A ("short form"); 1120-F (foreign corporations, except foreign life insurance companies); 1120-L (life insurance companies); 1120-POL (certain political associations); 1120-H (homeowner associations); 1120-FSC (foreign sales corporations); 1120-SF (settlement funds); 1120-REIT (real estate investment trusts); 1120-RIC (regulated investment companies); and 1120-PC (property and casualty insurance companies). Form 1120X (amended return) is included in supplemental documents. Form 1120S is shown separately; see footnote 6.

Excludes Form 990-T (tax-exempt organization business income tax), included under tax-exempt organizations, although tax collected on these returns is included under corporation income tax in other tables.

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

[9] Includes Forms 990 (tax-exempt organization except private foundation, "long form"); 990-EZ ("short form"); 990-C (farmers' cooperative); 990-PF (private foundation); 990-T (tax-exempt organization business income tax); 4720 (excise taxes of private foundations and other persons); and 5227 (split-interest trust information). Excludes Forms 8038, 8038-G, 8038-GC, 8038-T, and 8328. (Tax collected on Form 990-T is included under corporation income tax in other tables.)

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

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

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

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

Table 3 -- Number of Returns Filed, by Type of Return and State, Fiscal Year 2004

State	Total returns [1]	Individual income tax [2]	Individual estimated income tax	Estate and trust income tax	Estate and trust estimated income tax	Partnership	S corporation [3]
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
United States, total	224,392,821	131,301,697	29,026,851	3,734,651	691,526	2,520,846	3,503,932
Alabama	3,009,327	1,888,500	339,247	27,893	5,943	32,428	41,119
Alaska	578,309	344,025	57,990	3,328	697	5,398	6,448
Arizona	3,506,766	2,279,505	150,095	42,124	8,133	56,370	58,252
Arkansas	1,901,734	1,121,717	226,108	16,907	3,489	20,117	32,820
California	26,586,857	15,144,971	3,938,962	315,297	59,454	292,524	240,551
Colorado	3,903,595	2,075,681	534,050	55,215	8,004	67,797	88,629
Connecticut	2,965,529	1,652,224	509,033	44,128	9,745	54,375	26,632
Delaware	700,335	388,157	94,319	19,597	8,956	9,545	13,323
District of Columbia	947,682	275,884	65,784	460,710	2,549	6,712	4,565
Florida	14,491,187	7,895,518	2,016,051	183,074	32,099	101,372	436,930
Georgia	6,120,985	3,704,005	612,402	42,226	9,671	59,755	128,608
Hawaii	1,034,878	590,168	158,928	13,240	2,893	8,178	10,827
Idaho	1,014,145	577,428	112,288	7,510	1,095	16,686	19,496
Illinois	9,677,073	5,721,222	1,274,965	203,633	48,342	86,284	179,165
Indiana	4,535,104	2,815,040	619,280	50,124	9,578	42,064	85,341
Iowa	2,323,421	1,324,353	379,643	54,849	4,124	25,916	29,838
Kansas	2,142,212	1,217,939	323,974	26,653	4,736	26,326	27,244
Kentucky	2,806,986	1,741,155	351,046	31,639	4,508	31,332	46,989
Louisiana	3,082,706	1,885,108	335,072	20,431	4,632	38,800	47,693
Maine	1,047,025	615,847	103,956	25,941	2,492	8,267	19,868
Maryland	4,423,050	2,600,801	656,320	59,370	16,291	50,396	66,774
Massachusetts	5,462,506	3,047,797	847,902	143,888	43,403	50,399	78,246
Michigan	7,333,008	4,544,642	900,125	82,578	18,602	85,702	104,754
Minnesota	4,178,398	2,382,954	615,103	51,572	12,599	45,993	79,538
Mississippi	1,823,160	1,169,752	189,543	10,924	2,454	18,070	23,570
Missouri	4,329,864	2,564,924	585,687	75,907	15,080	48,451	55,733
Montana	843,931	432,967	118,285	7,182	1,123	12,475	16,755
Nebraska	1,409,381	802,231	194,651	23,214	4,262	17,631	23,596
Nevada	1,772,093	1,041,194	206,666	18,052	4,020	31,816	28,588
New Hampshire	1,044,457	634,309	112,485	13,422	3,435	11,789	12,142
New Jersey	7,278,405	4,077,830	1,067,368	130,677	16,890	103,847	132,636
New Mexico	1,340,769	814,286	169,886	10,868	1,868	14,561	16,657
New York	14,733,912	8,576,821	1,583,209	322,914	61,233	171,782	329,447
North Carolina	6,099,340	3,672,896	773,056	69,774	17,126	64,851	101,501
North Dakota	559,204	302,502	92,303	6,154	768	8,132	6,881
Ohio	8,835,420	5,446,774	1,098,906	188,805	42,607	91,144	112,085
Oklahoma	2,593,181	1,460,379	322,596	84,618	5,980	29,964	40,613
Oregon	2,878,468	1,569,785	432,950	33,501	6,597	34,019	44,265
Pennsylvania	9,553,066	5,772,233	1,432,843	171,063	38,138	89,883	132,491
Rhode Island	910,742	497,745	110,785	42,434	26,200	8,706	17,430
South Carolina	2,905,999	1,802,691	341,173	20,611	3,629	32,192	46,972
South Dakota	662,688	357,511	104,135	9,574	1,914	8,712	10,341
Tennessee	4,069,383	2,563,181	501,140	45,677	10,152	52,547	29,250
Texas	15,549,146	9,290,654	1,662,706	203,688	56,931	210,156	177,697
Utah	1,577,571	966,843	64,960	13,961	2,432	41,595	36,549
Vermont	540,585	302,089	63,836	9,671	2,039	4,697	10,673
Virginia	5,764,740	3,434,062	824,300	67,984	12,102	58,385	85,103
Washington	4,939,463	2,805,383	652,876	59,570	13,015	58,916	70,212
West Virginia	1,183,011	744,148	156,800	14,842	2,459	10,448	10,666
Wisconsin	4,364,704	2,588,919	649,913	90,478	14,027	50,070	48,572
Wyoming	465,694	240,892	66,737	5,288	2,636	8,613	8,743
International [9]	2,591,623	1,534,055	224,411	1,871	374	4,658	1,114
Puerto Rico	593,504	245,563	102,063	318	128	406	147
Other	1,998,119	1,288,492	122,348	1,553	246	4,252	967

Footnotes at end of table.

Table 3 -- Number of Returns Filed, by Type of Return and State, Fiscal Year 2004--Continued

State	Other corporation income tax [4]	Estate tax	Gift tax	Employment taxes [5]	Tax-exempt organizations [6]	Excise taxes [7]	Supplemental documents [8]
	(8)	(9)	(10)	(11)	(12)	(13)	(14)
United States, total	2,540,889	73,340	249,019	30,429,671	796,142	647,263	18,876,994
Alabama	23,462	652	2,679	387,020	8,410	11,758	240,216
Alaska	4,297	92	385	79,926	2,750	3,729	69,245
Arizona	41,673	1,073	3,167	489,550	10,717	5,477	360,630
Arkansas	18,814	369	1,355	270,324	5,762	10,968	172,984
California	328,523	13,063	23,393	3,441,000	87,102	52,934	2,649,083
Colorado	42,098	1,139	4,630	615,292	14,188	9,532	387,340
Connecticut	32,391	1,539	9,599	383,485	12,004	4,654	225,719
Delaware	10,582	269	837	98,466	3,844	1,340	51,100
District of Columbia	10,582	262	700	68,428	7,766	188	43,552
Florida	189,336	4,736	18,730	1,990,107	35,149	30,007	1,558,078
Georgia	63,810	1,506	5,617	848,986	16,490	18,769	609,140
Hawaii	15,943	380	1,746	121,710	3,779	805	106,281
Idaho	9,067	229	737	178,472	3,305	5,497	82,335
Illinois	116,088	3,567	11,205	1,330,995	35,852	32,339	633,417
Indiana	26,620	1,131	4,294	584,286	19,042	20,970	257,333
Iowa	26,205	865	1,920	343,883	10,622	13,406	107,797
Kansas	22,131	668	2,322	324,342	8,443	9,506	147,928
Kentucky	21,263	657	2,757	365,881	8,378	11,525	189,856
Louisiana	39,703	575	1,815	421,007	7,995	11,985	267,890
Maine	10,096	326	1,313	173,434	4,889	3,811	76,786
Maryland	53,196	1,509	5,129	544,462	16,560	7,422	344,821
Massachusetts	63,779	2,483	9,607	751,241	28,491	7,169	388,100
Michigan	79,766	1,858	6,647	985,673	24,110	19,648	478,903
Minnesota	37,827	1,107	6,701	626,566	20,040	23,960	274,438
Mississippi	17,026	293	1,215	238,402	4,803	9,182	137,927
Missouri	43,526	1,314	4,605	633,055	18,335	15,116	268,132
Montana	10,508	276	1,013	154,154	3,930	5,274	79,989
Nebraska	15,197	440	1,568	225,226	6,457	13,113	81,794
Nevada	34,571	435	1,509	213,064	3,692	7,655	180,831
New Hampshire	13,049	338	1,725	155,726	4,370	2,710	78,957
New Jersey	105,138	3,060	10,132	1,035,299	26,372	14,576	554,581
New Mexico	11,137	300	963	176,264	4,655	4,465	114,860
New York	237,065	5,589	21,207	2,223,680	63,805	17,276	1,119,884
North Carolina	63,137	1,767	6,058	828,727	23,710	19,629	457,109
North Dakota	5,073	124	893	95,579	2,897	9,418	28,480
Ohio	78,419	2,412	9,352	1,066,007	34,516	24,177	640,216
Oklahoma	24,889	692	1,915	364,334	7,815	9,139	240,248
Oregon	26,701	918	2,718	427,850	11,866	8,437	278,862
Pennsylvania	75,638	2,791	10,820	1,208,781	38,482	25,080	554,823
Rhode Island	8,546	312	1,087	129,128	6,333	1,325	60,711
South Carolina	29,662	718	2,735	393,073	7,773	8,059	216,711
South Dakota	5,285	169	800	111,799	3,046	8,037	41,365
Tennessee	36,772	1,117	3,637	499,524	12,157	13,423	300,806
Texas	185,951	3,602	16,384	1,939,760	42,352	46,815	1,712,450
Utah	16,860	264	834	259,476	4,926	3,985	164,885
Vermont	6,035	174	595	96,622	3,512	1,823	38,819
Virginia	62,827	1,910	6,162	718,790	20,125	12,479	460,511
Washington	46,125	1,612	5,115	708,058	17,692	21,659	479,231
West Virginia	10,993	286	789	159,900	4,435	4,857	62,388
Wisconsin	43,698	1,368	6,330	601,225	18,598	14,068	237,439
Wyoming	5,074	119	780	84,601	2,115	2,279	37,816
International [9]	34,735	885	793	257,036	1,685	5,808	524,197
Puerto Rico	706	19	75	231,633	542	35	11,869
Other	34,029	866	718	25,403	1,143	5,773	512,328

Footnotes at end of table.

Table 3 -- Number of Returns Filed, by Type of Return and State, Fiscal Year 2004--Continued**Footnotes**

- [1] Excludes "Information Returns" (e.g., Forms 1098, 1099, 5498, W-2 and W-2G, and Schedule K-1). See Table 25 for the number of these returns filed. Also excludes "Employee Plans" (i.e., Form 5500 series, which is processed by the Department of Labor)
- [2] Includes Form 1040 ("the long form"); Forms 1040A and 1040EZ ("the short forms"); Form 1040NR (filed by nonresident aliens); Form 1040PR (the self-employment tax form for Puerto Rico); Form 1040-SS (the self-employment tax form for U.S. Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands), and Form 1040C (for departing aliens). Form 1040X (amended individual income tax return) is included in column 14
- [3] Form 1120S (S corporation income tax return).
- [4] Includes Form 1066 (real estate mortgage investment conduits) and the Form 1120 series of returns as follows: 1120 ("long form"); 1120-A ("short form"); 1120-F (foreign corporations, except foreign life insurance companies); 1120-L (life insurance companies); 1120-POL (certain political associations); 1120-H (homeowner associations); 1120-FSC (foreign sales corporations); 1120-SF (settlement funds); 1120-REIT (real estate investment trusts); 1120-RIC (regulated investment companies); and 1120-PC (property and casualty insurance companies). Form 1120X (amended return) is included in column 14. Form 1120S is shown separately; see footnote 3.
- Excludes Form 990-T (tax-exempt organization business income tax), included in column 12, although tax collected on these returns is included under corporation income tax in other tables.
- [5] Includes Forms 940 (employer's Federal unemployment tax return); 940-EZ ("short form"); 940PR (unemployment tax return, Puerto Rico); 941 (employer return for income and Social Security taxes withheld for other than household and agricultural employees); 941PR/SS (employer return, Puerto Rico; or U.S. Virgin Islands, Guam, American Samoa, and Northern Mariana Islands); 943 (agricultural employer return); 943PR (agricultural employer return, Puerto Rico); 945 (return of withheld income tax from nonpayroll distributions); 1042 (return of withheld income tax on U.S.-source income of foreign person); and CT-1 (railroad retirement tax return).
- [6] Includes Forms 990 (tax-exempt organization except private foundation, "long form"); 990-EZ ("short form"); 990-C (farmers' cooperative); 990-PF (private foundation); 990-T (tax-exempt organization business income tax); 4720 (excise taxes of private foundations and other persons); and 5227 (split-interest trust information). Excludes Forms 8038, 8038-G, 8038-GC, 8038-T, and 8328. (Tax collected on Form 990-T is included under corporation income tax in other tables.)
- [7] Includes Forms 720 (quarterly excise tax); 730 (tax on wagering); 2290 (heavy highway vehicle use tax); and 11-C (occupational tax and registration for wagering). Excludes excise tax returns filed with the Customs Service and Alcohol and Tobacco Tax and Trade Bureau.
- [8] Includes Forms 1040X (amended individual income tax); 1041A (charitable contribution deductions by certain trusts); 1120X (amended corporation income tax); 4868 (automatic filing extension for individuals); 2688 (additional filing extension for individuals); 7004 (automatic filing extension for corporations); and 8752 (payment or refund for prior years by certain partnerships and S corporations).
- [9] For individual and estate or trust income tax, includes returns filed from Army Post Office or Fleet Post Office addresses by members of the armed forces stationed abroad; returns filed by residents of Puerto Rico with either income from sources outside Puerto Rico or with income earned as U.S. Government employees; and returns filed by other U.S. citizens or residents abroad. For corporations and a small number of publicly-traded partnerships, includes returns of domestic and foreign businesses whose principal office was outside the United States; also includes returns of domestic corporations claiming a U.S. possessions tax credit, regardless of the location of the principal office. For estate tax, includes returns for U.S. citizen or resident decedents who were domiciled abroad at time of death and returns of nonresident alien decedents. For gift tax, includes returns filed by donors with overseas addresses, including returns filed from Puerto Rico or U.S. possessions and from Army Post Office or Fleet Post Office addresses by members of the armed forces stationed abroad. For employment taxes, includes returns with foreign addresses, including Puerto Rico and U.S. possessions. For excise taxes, includes returns filed by payers with foreign addresses, including returns filed from Puerto Rico and U.S. possessions and from Army Post Office or Fleet Post Office addresses. For tax-exempt organizations, includes returns of domestic and foreign organizations with foreign addresses, including Puerto Rico and U.S. possessions. For supplemental documents, includes returns with foreign addresses, including Puerto Rico and U.S. possessions.

NOTE: In general, classification by State is based on the taxpayer's address (or in the case of businesses, the location of the principal office or place of business). However, some individuals may use the address of a tax attorney or accountant, or, in the case of certain individuals who were sole proprietors, partners in a partnership, or shareholders in an S corporation, the business address. Such addresses could have been located in a State other than the State in which the individual resided. See also footnote 9, above.

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

Table 4 -- Number of Returns Filed Electronically, by Type of Return and State, Fiscal Year 2004

State	Total returns [1]	Total individual e-filed returns [2]	Type of individual e-file		
			TeleFile [3]	Online [4]	Practitioner [5]
	(1)	(2)	(3)	(4)	(5)
United States, total	67,615,844	61,506,835	3,770,618	14,575,477	43,160,740
Alabama	1,038,597	1,005,217	38,142	196,904	770,171
Alaska	153,569	149,337	6,176	50,051	93,110
Arizona	1,144,044	1,053,957	37,897	299,436	716,624
Arkansas	646,627	629,459	29,768	109,379	490,312
California	8,326,672	7,557,913	264,584	1,278,436	6,014,893
Colorado	978,497	875,341	46,909	284,039	544,393
Connecticut	733,052	634,550	58,875	158,762	416,913
Delaware	206,420	178,226	11,328	49,846	117,052
District of Columbia	589,936	111,507	3,518	32,673	75,316
Florida	3,910,139	3,597,093	214,009	951,717	2,431,367
Georgia	2,136,104	2,021,011	92,809	494,199	1,434,003
Hawaii	234,093	219,908	12,944	53,987	152,977
Idaho	314,265	304,350	14,097	82,257	207,996
Illinois	2,826,321	2,562,832	185,567	618,236	1,759,029
Indiana	1,499,551	1,423,579	99,877	359,562	964,140
Iowa	885,593	845,547	37,530	149,735	658,282
Kansas	652,189	612,602	36,524	142,952	433,126
Kentucky	959,586	919,959	60,766	164,957	694,236
Louisiana	968,099	926,454	42,195	207,009	677,250
Maine	264,042	240,026	28,172	67,096	144,758
Maryland	1,186,390	1,058,899	64,498	315,465	678,936
Massachusetts	1,442,724	1,202,455	141,770	323,608	737,077
Michigan	2,915,779	2,727,990	142,319	578,564	2,007,107
Minnesota	1,666,147	1,526,654	101,930	313,603	1,111,121
Mississippi	666,643	653,798	24,289	110,679	518,830
Missouri	1,421,781	1,321,566	89,647	276,491	955,428
Montana	230,270	221,025	16,226	42,248	162,551
Nebraska	445,053	419,034	37,176	98,329	283,529
Nevada	529,169	491,681	23,843	126,250	341,588
New Hampshire	309,705	279,431	33,803	84,396	161,232
New Jersey	1,672,311	1,352,050	88,285	302,815	960,950
New Mexico	413,499	399,459	18,090	109,056	272,313
New York	3,459,256	2,866,431	140,256	562,687	2,163,488
North Carolina	1,910,134	1,792,588	74,525	449,029	1,269,034
North Dakota	167,656	160,953	11,634	32,591	116,728
Ohio	2,758,500	2,480,189	242,360	640,618	1,597,211
Oklahoma	832,836	740,829	39,811	196,462	504,556
Oregon	783,623	712,258	40,286	201,865	470,107
Pennsylvania	2,630,013	2,361,848	261,210	627,402	1,473,236
Rhode Island	253,692	192,269	16,881	40,225	135,163
South Carolina	1,088,258	1,055,695	40,927	195,454	819,314
South Dakota	190,833	180,466	18,034	37,831	124,601
Tennessee	1,474,543	1,406,852	99,259	301,921	1,005,672
Texas	4,619,423	4,357,149	263,584	1,220,115	2,873,450
Utah	501,278	469,556	29,265	151,339	288,952
Vermont	129,126	115,759	13,117	31,104	71,538
Virginia	1,691,434	1,562,002	109,164	505,209	947,629
Washington	1,364,168	1,278,770	102,561	442,500	733,709
West Virginia	358,072	344,838	40,403	77,749	226,686
Wisconsin	1,659,421	1,538,608	112,758	338,718	1,087,132
Wyoming	126,538	120,901	10,029	28,132	82,740
International, total [9]	249,435	245,964	991	61,789	183,184
Armed Forces--Americas	n.a.	4,451	44	1,247	3,160
Armed Forces--Pacific	n.a.	69,731	357	22,153	47,221
Armed Forces--Other	n.a.	97,060	590	30,830	65,640
American Samoa	n.a.	70	--	**	**
Guam	n.a.	1,021	--	895	126
Northern Mariana Islands	n.a.	6	--	**	**
Puerto Rico	n.a.	61,942	--	938	61,004
U.S. Virgin Islands	n.a.	396	--	229	167
Foreign countries	n.a.	11,277	--	5,478	5,799
All other [10]	n.a.	10	--	--	10

Footnotes at end of table.

Table 4 -- Number of Returns Filed Electronically, by Type of Return and State, Fiscal Year 2004--Continued

State	Estate and trust income tax	Partnership	S corporation [6]	Other corporation income tax [7]	Employment taxes [8]
	(6)	(7)	(8)	(9)	(10)
United States, total	1,328,445	91,159	35,053	12,477	4,641,137
Alabama	5,468	793	230	119	26,770
Alaska	37	417	137	29	3,612
Arizona	7,700	1,713	594	169	79,911
Arkansas	745	363	279	34	15,747
California	15,068	10,296	840	527	742,028
Colorado	17,566	1,532	565	95	83,398
Connecticut	1,130	1,110	143	67	96,052
Delaware	7,484	313	81	17	20,299
District of Columbia	452,970	162	21	7	25,269
Florida	44,373	2,284	4,154	452	261,783
Georgia	401	2,120	683	158	111,731
Hawaii	1,347	174	50	53	12,561
Idaho	78	915	134	22	8,766
Illinois	71,238	2,354	805	232	188,860
Indiana	8,066	783	484	50	66,589
Iowa	17,302	1,375	504	184	20,681
Kansas	1,470	1,340	473	242	36,062
Kentucky	8,673	530	144	28	30,252
Louisiana	453	1,212	253	111	39,616
Maine	767	113	34	9	23,093
Maryland	8,613	659	360	125	117,734
Massachusetts	47,057	1,429	669	126	190,988
Michigan	17,655	13,651	11,394	5,494	139,595
Minnesota	13,361	2,488	805	233	122,606
Mississippi	415	797	245	76	11,312
Missouri	25,391	1,609	569	220	72,426
Montana	27	826	144	35	8,213
Nebraska	6,128	793	295	109	18,694
Nevada	3,057	1,054	522	172	32,683
New Hampshire	880	90	22	16	29,266
New Jersey	53,425	2,544	472	159	263,661
New Mexico	1,140	1,026	172	68	11,634
New York	107,538	2,751	457	154	481,925
North Carolina	19,771	1,732	686	191	95,166
North Dakota	532	1,146	289	81	4,655
Ohio	91,686	3,670	1,014	340	181,601
Oklahoma	59,224	720	284	77	31,702
Oregon	5,219	1,350	269	104	64,423
Pennsylvania	65,141	2,425	731	241	199,627
Rhode Island	27,289	174	84	13	33,863
South Carolina	1,929	1,361	437	121	28,715
South Dakota	2,640	972	70	26	6,659
Tennessee	13,389	1,958	304	159	51,881
Texas	23,307	5,916	1,301	697	231,053
Utah	386	1,708	381	55	29,192
Vermont	2,089	**	41	**	11,124
Virginia	19,221	1,469	442	155	108,145
Washington	7,164	2,264	1,064	252	74,654
West Virginia	4,675	199	37	11	8,312
Wisconsin	37,659	3,819	801	330	78,204
Wyoming	101	531	84	28	4,893
International, total [9]	--	**	--	**	3,451
Armed Forces--Americas	--	n.a.	--	n.a.	n.a.
Armed Forces--Pacific	--	n.a.	--	n.a.	n.a.
Armed Forces--Other	--	n.a.	--	n.a.	n.a.
American Samoa	--	n.a.	--	n.a.	n.a.
Guam	--	n.a.	--	n.a.	n.a.
Northern Mariana Islands	--	n.a.	--	n.a.	n.a.
Puerto Rico	--	n.a.	--	n.a.	n.a.
U.S. Virgin Islands	--	n.a.	--	n.a.	n.a.
Foreign countries	--	n.a.	--	n.a.	n.a.
All other [10]	--	n.a.	--	n.a.	n.a.

Footnotes at end of table.

Table 4 -- Number of Returns Filed Electronically, by Type of Return and State, Fiscal Year 2004--Continued**Footnotes**

n.a. - Detailed breakout not available for International areas shown in columns 1, 7, 9 and 10.

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

- [1] The United States total (67,615,844) includes 465 tax-exempt organization returns (Forms 990 and 990-EZ) and 273 additional filing extensions for tax-exempt organizations (Forms 8868). These returns are not, however, included in the totals for each return type or in the State totals. Excludes all returns that do not have an electronic filing option. Also excludes "Information Returns," i.e., Forms 1098, 1099, 5498, W-2, W2G, and Schedule K-1, and "Employee Plans," i.e., Form 5500 series returns now processed by the Department of Labor.
- [2] Includes individual income tax returns that have been accepted by IRS in lieu of a paper return. An accepted e-file return is an electronically-filed return that meets all the IRS standards for e-file. Individual income tax e-file returns include Forms 1040, 1040A, and 1040EZ.
- [3] TeleFile allows the taxpayer to file using a touch-tone telephone. TeleFile can be used for Forms 1040EZ.
- [4] Online is an IRS e-file option that allows taxpayers to prepare and file tax return(s) using a personal computer. Online returns can be filed through one of two processes. The first is where users go to a Web site and fill out the return on that Web site without ever having downloaded any software. The second is where users purchase a software package, either from a store or over the Internet, load it to their own machines, prepare their returns, and transmit them to the IRS through an online filing company.
- [5] Includes cases where a taxpayer transmits the return via an authorized e-file provider, who, in most cases, is also the preparer of the return.
- [6] Includes Form 1120S (S corporation income tax return).
- [7] Includes Form 1120 (corporation income tax return) and Form 1120-POL (certain political associations). Corporation income tax returns became eligible for electronic filing in February 2004.
- [8] Includes Form 940 (employer's Federal unemployment tax return), Form 940-EZ ("short form"), and Form 941 (employer return for income and Social Security taxes withheld for other than household and agricultural employees). The types of electronic options include e-file, XML, TeleFile, and online filing. Magnetic tape submissions are not included.
- [9] For individual income tax, includes returns filed from Army Post Office or Fleet Post Office addresses by members of the armed forces stationed abroad; returns filed by residents of Puerto Rico with either income from sources outside Puerto Rico or with income earned as U.S. Government employees; and returns filed by other U.S. citizens or residents abroad. For corporations and a small number of publicly-traded partnerships, includes returns of domestic and foreign businesses whose principal office was outside the United States. For employment taxes, includes returns with foreign addresses, including Puerto Rico and U.S. possessions.
- [10] Includes unspecified foreign countries or territories.

NOTES: In general, classification by State is based on the taxpayer's address (or in the case of individuals owning businesses, the location of the principal office or place of business). However, some taxpayers may use the address of a tax attorney or accountant, or, in the case of certain individuals who were sole proprietors partners in a partnership, or shareholders in an S corporation, the business address. Such addresses could have been located in a State other than the State in which the taxpayer resided. See also footnote 9, above.

SOURCES: Wage and Investment, Customer Account Services, Electronic Filing SE:W:CAS:SP:IEF; and Small Business/Self-Employed, Taxpayer Education and Communication SE:S:T:SPO:PPE

Table 5 -- Selected Information from Returns Filed, Fiscal Year 2004

Item	Number or amount
Presidential Election Campaign Fund:	
Number of returns showing designations (millions)	12.8
Amount (million dollars)	55.9
Cumulative amount since 1972 (billion dollars)	1.3
Contributions to reduce the public debt [1]:	
Number of contributions	53
Amount (dollars)	120,065
Cumulative since 1982:	
Number of contributions	16,074
Amount (million dollars)	9.8
Earned income tax credit:	
Number of returns with credit (millions)	22.0
Amount claimed (billion dollars)	38.0
Refunds:	
Number issued (millions)	18.6
Amount (billion dollars) [2]	33.1
Master File accounts:	
Number of Individual Master File accounts	222,302,319
Number of Business Master File accounts [3]	45,751,162

[1] Excludes most payments made directly to the Bureau of Public Debt.

[2] For Fiscal Year 2004, includes \$64,135,590 in advance earned income tax credit refunds. See Table 9.

[3] Includes 1,680,061 tax-exempt organizations and other entities listed on the Exempt Business Master File. See Table 22.

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

Table 6 -- Internal Revenue Gross Collections, by State, Fiscal Year 2004

[Money amounts are in thousands of dollars.]

State [1]	Individual income and employment taxes									
	Total Internal Revenue collections [2]	Corporation income tax [3]	Total [4,5]							Excise taxes [2]
			Total [4,5]	Income tax not withheld and SECA tax [4,5]	Income tax withheld and FICA tax [4]	Railroad retirement tax	Unemployment insurance tax	Estate tax	Gift tax	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
United States, total	2,018,502,103	230,619,359	1,707,496,056	284,447,548	1,411,909,121	4,421,359	6,718,028	24,130,143	1,449,319	54,807,225
Alabama	18,489,339	1,931,414	16,205,117	2,855,521	13,269,801	2,272	77,524	207,760	8,053	136,995
Alaska	3,267,127	124,599	3,077,947	641,820	2,422,353	1,530	12,244	9,489	2	55,091
Arizona	25,344,852	1,894,886	22,687,926	4,361,468	18,207,241	718	118,498	262,604	-5,254	504,691
Arkansas	20,576,284	5,204,945	14,657,385	1,603,414	12,955,665	1,954	96,352	120,036	20,247	573,670
California	237,931,491	28,252,413	202,345,010	44,294,401	157,258,006	6,537	786,065	4,057,881	216,059	3,060,128
Colorado	34,660,999	2,131,191	30,621,321	5,009,197	25,496,795	8,487	106,843	337,041	5,659	1,565,787
Connecticut	41,909,468	8,107,681	32,560,865	6,579,759	25,892,195	1,018	87,893	606,266	42,085	592,572
Delaware	11,151,222	3,922,315	7,086,221	942,005	6,122,824	344	21,049	75,554	4,246	62,886
District of Columbia	16,930,784	2,322,763	14,296,490	1,074,375	12,830,588	371,033	20,493	115,551	19,899	176,080
Florida	94,277,725	4,447,784	86,738,693	20,838,741	64,888,376	639,996	371,579	1,855,674	146,795	1,088,779
Georgia	59,083,748	9,195,080	46,401,995	6,638,419	39,531,694	3,026	228,856	533,751	20,536	2,932,387
Hawaii	8,394,777	460,777	7,746,147	1,227,918	6,497,866	--	20,363	77,875	2,853	107,125
Idaho	6,479,611	261,352	6,134,461	949,646	5,144,651	666	39,498	53,509	6,735	23,554
Illinois	108,476,636	17,581,098	86,357,840	13,791,315	72,030,743	213,045	322,737	1,026,176	45,038	3,466,484
Indiana	32,192,435	2,270,997	29,079,537	4,057,464	24,885,972	20,008	116,093	317,336	19,230	505,334
Iowa	14,543,095	1,626,888	12,661,060	1,923,959	10,679,903	2,125	55,073	134,009	2,953	118,185
Kansas	15,897,378	1,036,076	12,954,523	2,094,181	10,798,215	--	62,126	151,078	9,337	1,746,363
Kentucky	17,515,169	1,217,679	15,849,995	2,332,593	13,436,707	6,012	74,683	209,875	7,169	230,451
Louisiana	20,340,779	854,664	19,133,840	2,974,185	16,085,996	3,455	70,204	206,612	14,068	131,595
Maine	5,486,728	326,757	4,927,343	991,733	3,908,590	4,384	22,636	104,645	1,174	126,809
Maryland	40,893,427	2,361,572	37,772,869	6,057,795	31,577,471	12,963	124,640	553,084	20,946	184,956
Massachusetts	59,060,000	3,955,703	53,699,352	9,415,858	44,070,312	48,918	164,264	901,152	34,859	468,935
Michigan	63,744,637	4,163,750	58,754,149	6,622,713	51,877,819	20,602	233,015	539,045	52,261	235,432
Minnesota	58,068,156	8,485,882	48,050,665	4,878,060	42,932,814	64,655	175,136	268,836	41,521	1,221,252
Mississippi	8,951,397	583,703	8,005,741	1,506,598	6,454,819	1,410	42,915	104,666	6,275	251,011
Missouri	38,326,485	4,124,336	32,579,102	4,109,759	28,275,810	55,167	138,366	412,507	34,962	1,175,578
Montana	3,134,044	120,677	2,939,876	719,875	2,189,801	15,623	14,577	31,182	496	41,812
Nebraska	14,392,629	4,124,398	10,036,235	1,373,924	7,633,132	988,636	40,544	119,801	3,085	109,110
Nevada	13,293,706	1,767,895	11,142,062	3,269,668	7,823,859	79	48,456	281,264	32,262	70,223
New Hampshire	7,183,339	355,208	6,695,993	1,337,777	5,333,205	159	24,851	61,729	2,746	67,663
New Jersey	91,082,077	11,535,032	77,076,938	11,053,068	65,667,115	110,145	246,609	778,578	73,388	1,618,142
New Mexico	6,050,390	171,491	5,740,363	1,156,818	4,556,709	246	26,590	47,369	1,477	89,691
New York	171,948,716	20,399,783	147,210,379	25,139,914	121,392,433	285,661	392,371	2,871,341	186,703	1,280,509
North Carolina	53,979,373	11,251,342	41,910,144	5,631,161	36,085,174	4,494	189,314	544,311	23,813	249,763
North Dakota	2,825,077	158,334	2,603,011	495,155	2,093,671	2,780	11,406	12,107	232	51,393
Ohio	87,853,784	9,912,042	73,909,457	7,690,528	65,910,314	20,695	287,920	817,697	31,935	3,182,653
Oklahoma	20,418,765	2,303,842	12,843,853	2,604,992	10,174,152	1,426	63,284	315,046	3,794	4,952,230
Oregon	18,880,258	1,262,025	17,140,695	2,883,684	14,179,282	1,306	76,423	244,949	-7,311	239,899
Pennsylvania	87,841,245	8,741,526	76,223,055	10,369,900	65,484,750	74,433	293,973	905,550	74,770	1,896,344
Rhode Island	8,544,847	1,493,266	6,949,536	1,028,644	5,891,379	6	29,507	91,315	3,847	6,883
South Carolina	15,357,129	839,709	14,179,633	2,396,086	11,711,595	1,587	70,365	183,116	2,757	151,914
South Dakota	3,293,837	174,084	3,048,862	824,111	2,197,160	15,138	12,453	46,970	2,296	21,624
Tennessee	36,802,257	3,292,517	32,601,321	4,256,442	28,182,375	2,037	160,467	293,396	11,981	603,042
Texas	152,691,189	17,127,574	118,410,514	20,292,504	96,931,332	672,956	513,722	1,109,558	104,214	15,939,329
Utah	9,593,606	648,792	8,677,321	1,589,270	7,040,164	2,242	45,645	68,419	2,043	197,031
Vermont	3,079,343	226,227	2,767,214	539,877	2,213,628	1,823	11,886	64,259	2,023	19,620
Virginia	47,016,582	4,895,573	41,381,186	7,361,496	33,318,228	540,894	160,567	603,694	24,876	111,253
Washington	42,167,997	5,544,468	35,247,916	6,531,560	28,576,916	4,432	135,007	515,919	36,297	823,398
West Virginia	5,226,420	249,566	4,818,131	784,599	4,013,765	464	19,302	63,725	3,099	91,899
Wisconsin	34,711,183	3,727,712	30,394,876	4,464,179	25,794,265	4,204	132,227	267,919	36,723	283,954
Wyoming	2,933,993	108,409	2,357,056	875,184	1,472,002	320	9,550	26,394	7,215	434,919
International [6]	11,764,601	2,529,411	8,710,917	2,851,608	5,795,168	14,774	49,367	114,873	6,851	402,550
Puerto Rico	4,574,657	1,085,543	3,485,674	268,678	3,175,122	-1	41,875	3,018	45	377
Other	7,189,944	1,443,868	5,225,243	2,582,930	2,620,047	14,775	7,491	111,855	6,806	402,173
Undistributed [7]	4,441,964	812,152	2,093,917	-847,373	2,714,320	164,470	62,500	407,649	--	1,128,246

Footnotes at end of table.

Table 6 -- Internal Revenue Gross Collections, by State, Fiscal Year 2004--Continued**Footnotes**

- [1] Classification by State is usually based on taxpayer's address (or in the case of businesses, the location of the principal office or place of business). However, some individuals may use the address of a tax attorney or accountant, or, in the case of certain individuals who were sole proprietors, partners in a partnership, or shareholders in an S corporation, the business address. Such addresses could have been located in a State other than the State in which the individual resided. Similarly, taxes withheld reported by employers located near a State boundary might include substantial amounts withheld from salaries of employees who reside in a neighboring State(s). Also, while taxes of corporations may be paid from the principal office, the operations of these corporations may be located in one or more other State(s). Tax collections shown for various States, therefore, do not indicate the Federal tax burden of each, since, in many instances, taxes are collected in one State from residents of, or operations in, another. See footnotes 6 and 7.
- [2] Excludes excise taxes collected by the Customs Service and the Alcohol and Tobacco Tax and Trade Bureau.
- [3] Includes \$347.1 million in "unrelated business income" from tax-exempt organizations (Forms 990-T).
- [4] Collections of individual income tax (withheld and not withheld) include old-age, survivors, disability, and hospital insurance (OASDHI) taxes on salaries and wages under the Federal Insurance Contributions Act or FICA, and on self-employment income under the Self-Employment Insurance Contributions Act or SECA. See Table 1, footnote 5. Also, collections of individual income tax include Presidential Election Campaign Fund contributions of \$55.9 million. See footnote 7.
- [5] Includes estimated tax, shown separately in other tables. Also, includes estate and trust income tax collections of \$10.7 billion.
- [6] For corporations, includes returns of domestic and foreign businesses whose principal office was outside the United States; also includes returns of domestic corporations claiming a U.S. possessions tax credit, regardless of the location of the principal office. For individual income tax, includes returns filed from Army Post Office or Fleet Post Office addresses by members of the armed forces stationed abroad; returns filed by residents of Puerto Rico with either income from sources outside Puerto Rico or with income earned as U.S. Government employees; and returns filed by other U.S. citizens or residents abroad. For employment taxes, includes returns with foreign addresses, including Puerto Rico and U.S. possessions. For estate tax, includes returns for U.S. citizens or resident decedents who were domiciled abroad at time of death and returns of nonresident alien decedents. For gift tax, includes returns filed by donors with overseas addresses, including returns filed from Puerto Rico or U.S. possessions and from Army Post Office or Fleet Post Office addresses by members of the armed forces stationed abroad. For excise taxes, includes returns filed by taxpayers with foreign addresses, including returns filed from Puerto Rico and U.S. possessions and from Army Post Office or Fleet Post Office addresses.
- [7] Includes tax payments made to banks under the Federal Tax Deposit (FTD) system that had not been classified by State as of the end of the fiscal year because they had not yet been applied to taxpayer accounts. Also includes credits allowable on income tax returns for certain gasoline, diesel fuel, and special motor fuel tax payments and for excess payments under the Federal Insurance Contributions Act (FICA). In addition, includes that portion of the tax designated by individual income taxpayers for the Presidential Election Campaign Fund. Transfer of amounts to this fund was made on a national basis only.

NOTES: Amounts include adjustments to prior years made in Fiscal Year 2004. This could produce negative amounts of collections shown in the table.

Collection and refund data (shown in Table 9) by State may not be comparable. Collections relate to FY 2004 for the most part. However, in a given fiscal year, refunds relating to prior fiscal years may be issued and subsequently recorded, and, therefore, the total refund amount may exceed the collection amount.

Detail may not add to totals because of rounding.

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

Table 7 -- Internal Revenue Gross Collections, by Type of Tax, Fiscal Years 1960-2004

[Money amounts are in thousands of dollars.]

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

[r] - Revised.

[1] Starting with Fiscal Year 1988 (for alcohol and tobacco taxes) and the second quarter of Fiscal Year 1991 (for taxes on firearms), totals exclude these excise taxes, now collected by the Alcohol and Tobacco Tax and Trade Bureau and the Customs Service (on alcohol and tobacco imports). Previously, these taxes were collected by the Internal Revenue Service.

[2] Includes tax-exempt organization business income taxes.

[3] Includes income tax on estates and trusts.

Table 7 -- Internal Revenue Gross Collections, by Type of Tax, Fiscal Years 1960-2004--Continued**Footnotes--Continued**

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

[5] Represents fiscal year transitional period, July through September 1976, resulting from fiscal year redefinition. Fiscal Year 1976 covered July 1975 through June 1976 (earlier years were similarly defined). Fiscal Year 1977 covered October 1976 through September 1977 (subsequent years are similarly defined).

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

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

Table 8 -- Number of Internal Revenue Refunds Issued, by State, Fiscal Year 2004

State	Number of refunds of--						
	Total Internal	Corporation	Individual	Employment	Estate	Gift	Excise
	Revenue refunds [1,2]	income tax [3]	income tax [2,4]	taxes [4,5]	tax	tax	taxes [6]
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
United States, total	108,543,272	483,053	106,183,729	1,789,396	15,085	2,191	69,818
Alabama	1,586,943	4,248	1,556,070	25,513	118	29	965
Alaska	255,416	1,052	247,177	6,701	21	--	465
Arizona	1,826,666	5,855	1,790,726	29,036	204	21	824
Arkansas	928,499	3,540	906,388	17,784	72	4	711
California	12,085,278	52,168	11,822,039	200,610	2,776	273	7,412
Colorado	1,665,759	8,124	1,622,463	33,773	267	30	1,102
Connecticut	1,353,261	5,262	1,324,547	22,206	376	89	781
Delaware	328,021	1,574	321,163	4,926	48	8	302
District of Columbia	224,750	1,003	219,520	3,942	57	7	221
Florida	6,505,752	20,258	6,347,745	133,182	889	219	3,459
Georgia	3,045,431	10,732	2,981,606	51,062	285	26	1,720
Hawaii	477,749	2,461	467,844	7,120	80	9	235
Idaho	466,228	2,287	452,505	10,981	30	--	425
Illinois	4,813,917	18,037	4,720,537	71,699	591	90	2,963
Indiana	2,425,949	6,709	2,385,244	32,402	177	35	1,382
Iowa	1,072,000	8,394	1,045,891	16,446	118	11	1,140
Kansas	996,414	6,302	972,488	16,780	117	13	714
Kentucky	1,478,589	4,022	1,452,467	20,915	145	19	1,021
Louisiana	1,608,350	6,234	1,569,523	31,451	160	33	949
Maine	509,721	2,417	498,906	7,947	81	5	365
Maryland	2,164,094	7,953	2,123,620	31,042	332	28	1,119
Massachusetts	2,496,584	10,407	2,449,973	33,929	581	83	1,611
Michigan	3,856,520	19,281	3,781,568	53,268	400	66	1,937
Minnesota	1,929,045	9,736	1,888,231	29,194	177	39	1,668
Mississippi	981,972	3,318	960,703	17,143	60	15	733
Missouri	2,134,790	9,411	2,090,362	33,378	244	42	1,353
Montana	341,809	3,705	329,112	8,601	56	3	332
Nebraska	654,338	4,635	636,882	12,077	71	9	664
Nevada	848,595	3,955	829,248	14,652	117	15	608
New Hampshire	531,343	2,639	518,916	9,388	83	14	303
New Jersey	3,353,386	14,796	3,279,926	56,238	616	62	1,748
New Mexico	678,571	2,254	663,629	12,193	61	7	427
New York	7,088,504	23,769	6,941,481	118,084	1,420	280	3,470
North Carolina	3,020,844	11,131	2,958,812	48,453	349	60	2,039
North Dakota	237,063	1,779	229,847	5,040	27	7	363
Ohio	4,669,557	66,801	4,541,557	55,969	601	88	4,541
Oklahoma	1,203,987	4,899	1,176,550	21,442	93	12	991
Oregon	1,226,406	6,627	1,196,439	22,200	214	23	903
Pennsylvania	4,874,729	11,916	4,795,056	64,311	487	52	2,907
Rhode Island	424,039	1,239	417,703	4,690	68	10	329
South Carolina	1,510,797	4,328	1,481,549	23,948	146	17	809
South Dakota	287,108	2,066	278,165	6,430	28	5	414
Tennessee	2,159,469	6,648	2,114,477	36,703	221	31	1,389
Texas	7,874,175	34,446	7,685,268	147,802	720	127	5,812
Utah	812,248	2,809	793,547	15,337	46	6	503
Vermont	249,073	1,150	242,069	5,589	57	4	204
Virginia	2,844,120	10,531	2,787,560	44,108	398	54	1,469
Washington	2,306,918	10,838	2,245,729	48,272	340	61	1,678
West Virginia	654,763	1,846	642,284	10,031	38	5	559
Wisconsin	2,140,136	11,080	2,095,830	31,599	240	34	1,353
Wyoming	200,992	1,608	193,495	5,647	23	6	213
International [7]	1,132,604	4,773	1,109,292	18,162	159	5	213
Puerto Rico	232,939	52	216,905	15,816	6	--	160
Other	899,665	4,721	892,387	2,346	153	5	53
Refund adjustments and credits [8]	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Earned income tax credits	18,636,127	N/A	18,636,127	N/A	N/A	N/A	N/A

N/A - Not applicable.

n.a. - Not available.

[1] Includes overpayment refunds, refunds resulting from examination activity, and other refunds required by law.

[2] State figures and the U.S. total include 18.6 million refunds derived from earned income tax credits. Earned income tax credit refunds are also shown separately below. Also includes 251,493 refunds of estate and trust income taxes. (Direct deposit refund figures are not shown separately but are included in the totals.) However, counts of the small number of refund reversals included in "Refund adjustments and credits" are not available and, therefore, are not reflected in the totals. See Table 9.

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

Table 8 -- Number of Internal Revenue Refunds Issued, by State, Fiscal Year 2004--Continued**Footnotes--Continued**

- [4] Counts for the small number of individual income tax and employment taxes included in "Refund adjustments and credits" are unavailable and, therefore, are not reflected in the totals. See Table 9.
- [5] Includes refunds of income tax withheld and refunds of and credits for old-age, survivors, disability, and hospital insurance (OASDHI) taxes on salaries and wages under the Federal Insurance Contributions Act (FICA), except for excess credits, and on self-employment income under the Self-Employment Insurance Contributions Act (SECA), as well as for railroad retirement taxes under the Railroad Retirement Tax Act (RRTA) and unemployment taxes under the Federal Unemployment Tax Act (FUTA). However, counts of the number of excess FICA credits under "Refund adjustments and credits" are unavailable and, therefore, are not reflected in the totals. See Table 9.
- [6] Data by State include credits and claims for gasoline and lubricating oil.
- [7] For corporations, includes returns of domestic and foreign businesses whose principal office was outside the United States; also includes returns of domestic corporations claiming a U.S. possessions tax credit, regardless of the location of the principal office. For individual income tax, includes returns filed from Army Post Office or Fleet Post Office addresses by members of the armed forces stationed abroad; returns filed by residents of Puerto Rico with either income from sources outside Puerto Rico or with income earned as U.S. Government employees; and returns filed by other U.S. citizens or residents abroad. For employment taxes, includes returns with foreign addresses, including Puerto Rico and U.S. possessions. For estate tax, includes returns for U.S. citizens or resident decedents who were domiciled abroad at time of death and returns of nonresident alien decedents. For gift tax, includes returns filed by donors with overseas addresses, including returns filed from Puerto Rico or U.S. possessions and from Army Post Office or Fleet Post Office addresses by members of the armed forces stationed abroad. For excise taxes, includes returns filed by taxpayers with foreign addresses, including returns filed from Puerto Rico and U.S. possessions and from Army Post Office or Fleet Post Office addresses.
- [8] Counts of refund adjustments and credits comparable to "Refund adjustments and credits" in Table 9, "Amount of Internal Revenue Refunds Issued, Including Interest, by State" are not available and, therefore, are excluded from the totals

NOTE: In general, classification by State is based on the taxpayer's address (or in the case of businesses, the location of the principal office or place of business). However, some individuals may use the address of a tax attorney or accountant, or, in the case of certain individuals who were sole proprietors, partners in a partnership, or shareholders in an S corporation, the business address. Such addresses could have been located in a State other than the State in which the individual resided. Additionally, businesses may have locations outside of the State in which the principal offices are located. See footnote 7.

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

Table 9 -- Amount of Internal Revenue Refunds Issued, Including Interest, by State, Fiscal Year 2004

[Money amounts are in thousands of dollars.]

State	Total Internal Revenue refunds [1, 2, 3]	Amounts refunded by type of tax					
		Corporation income tax [1, 4]	Individual income tax [1, 3]	Employment taxes [5]	Estate tax	Gift tax	Excise taxes [2, 6]
		(2)	(3)	(4)	(5)	(6)	(7)
United States, total	279,799,934	45,849,884	227,573,835	3,637,601	732,777	50,359	1,955,478
Alabama	3,468,399	141,742	3,292,846	20,795	8,847	432	3,737
Alaska	532,479	28,744	495,857	5,672	1,107	[7, 8]	1,099
Arizona	3,993,161	350,673	3,590,151	37,520	8,797	396	5,624
Arkansas	1,898,292	82,489	1,799,181	11,702	2,847	96	1,977
California	31,169,773	3,732,361	26,972,818	306,994	118,102	4,549	34,949
Colorado	3,847,565	336,528	3,383,858	108,277	8,247	1,874	8,781
Connecticut	4,260,914	963,643	3,237,065	20,830	20,865	8,999	9,512
Delaware	1,345,736	680,413	656,915	4,802	2,613	310	683
District of Columbia	620,705	70,187	526,086	12,673	1,614	16	10,129
Florida	15,059,920	1,050,373	13,807,389	142,252	47,086	6,003	6,817
Georgia	7,957,276	1,292,002	6,599,296	48,226	10,133	884	6,735
Hawaii	902,878	62,467	831,053	6,155	2,438	53	712
Idaho	915,256	109,843	792,633	10,836	1,216	-31	759
Illinois	13,680,273	2,607,056	10,917,562	108,885	19,054	1,019	26,697
Indiana	5,469,142	551,668	4,815,947	92,062	6,744	178	2,543
Iowa	2,408,378	546,241	1,845,136	13,753	1,219	164	1,865
Kansas	2,098,996	256,239	1,825,710	11,127	3,350	143	2,427
Kentucky	2,975,939	132,324	2,810,257	18,948	4,691	320	9,399
Louisiana	3,783,244	289,536	3,451,665	24,553	11,543	399	5,548
Maine	938,224	70,998	859,037	4,075	2,584	43	1,487
Maryland	6,003,540	1,157,659	4,766,911	63,353	11,582	469	3,566
Massachusetts	6,340,449	636,831	5,613,205	55,350	20,478	1,365	13,220
Michigan	11,463,168	3,363,458	7,982,330	85,531	10,570	1,491	19,788
Minnesota	4,748,178	1,160,927	3,502,142	68,014	6,158	468	10,469
Mississippi	2,108,265	69,383	2,026,246	8,608	3,143	89	796
Missouri	4,965,594	853,035	4,055,852	31,183	10,368	1,402	13,754
Montana	588,163	40,073	538,922	4,173	3,319	7	1,669
Nebraska	1,514,884	355,596	1,140,941	12,822	1,679	1	3,845
Nevada	1,998,884	160,546	1,818,888	13,974	4,211	430	835
New Hampshire	1,192,784	98,977	1,084,308	5,965	2,985	12	537
New Jersey	9,789,873	1,530,471	8,112,949	110,692	24,905	465	10,391
New Mexico	1,297,534	56,053	1,230,605	8,550	1,298	36	992
New York	21,936,704	5,039,048	16,560,401	246,140	52,122	8,650	30,343
North Carolina	7,570,288	1,605,916	5,901,142	49,979	8,659	624	3,968
North Dakota	422,575	50,296	368,021	2,633	925	10	690
Ohio	14,000,167	4,594,168	8,991,941	121,263	166,109	5,236	121,450
Oklahoma	2,580,661	300,221	2,237,720	16,745	4,532	22	21,421
Oregon	3,634,080	1,425,047	2,170,372	25,076	6,851	221	6,513
Pennsylvania	11,515,592	1,857,076	9,559,191	70,368	17,566	579	10,812
Rhode Island	1,128,580	278,763	836,350	9,922	2,437	372	736
South Carolina	3,066,402	139,305	2,905,692	16,718	3,966	147	574
South Dakota	561,411	41,913	512,410	3,449	1,205	15	2,419
Tennessee	4,907,023	519,216	4,326,725	47,917	6,166	1,092	5,907
Texas	22,034,323	4,498,392	17,261,476	197,462	33,462	1,463	42,068
Utah	1,572,199	83,586	1,470,036	13,791	1,413	106	3,267
Vermont	483,676	49,028	429,166	3,027	1,805	85	565
Virginia	6,354,226	424,939	5,814,902	94,306	14,086	1,201	4,792
Washington	5,818,698	1,123,521	4,573,810	96,840	13,728	1,122	9,677
West Virginia	1,200,787	30,152	1,155,948	5,846	1,471	150	7,220
Wisconsin	4,498,078	686,186	3,775,458	26,580	7,075	131	2,648
Wyoming	397,722	16,609	378,369	3,102	861	-2,974	1,755
International [9]	3,391,265	963,083	2,294,277	128,485	4,545	25	850
Puerto Rico	425,790	70,650	344,008	10,521	125	15 [8]	471
Other	2,965,475	892,433	1,950,269	117,964	4,420	10	379
Refund adjustments and credits [10]	3,387,611	-715,117	1,666,667	979,600	--	--	1,456,461
Highway and Airport and Airways Trust Funds [11]	344,355	-715,117	-1,926	--	--	--	1,061,398
Excess Federal Insurance Contributions Act (FICA) credits	979,600	--	--	979,600	--	--	--
U.S. Customs Service and Alcohol and Tobacco Tax and Trade Bureau	395,063	--	--	--	--	--	395,063
Refund reversals unclassified [12]	1,604,457	--	1,604,457	--	--	--	--
Advance earned income tax credit	64,136	N/A	64,136	N/A	N/A	N/A	N/A
Earned income tax credits	33,133,640	N/A	33,133,640	N/A	N/A	N/A	N/A

Footnotes at end of table.

Table 9 -- Amount of Internal Revenue Refunds Issued, Including Interest, by State, Fiscal Year 2004--Continued**Footnotes**

N/A - Not applicable.

- [1] Includes \$5.1 billion in interest, of which \$4.6 billion were paid to corporations, \$0.4 billion to individuals, and \$0.1 billion to all others (related to employment, estate, gift, and excise tax returns). Also includes overpayment refunds, refunds resulting from examination activity, and other refunds required by law.
- [2] Total includes excise tax refunds by the Customs Service and the Alcohol and Tobacco Tax and Trade Bureau, shown as a separate subtotal under "Refund adjustments and credits."
- [3] State figures and the U.S. total include \$33.1 billion in earned income tax credit refunds. Earned income tax credit refunds are also shown separately below. Includes refunds paid on estate and trust income tax returns totaling \$1.6 billion (including interest paid of \$20.0 million). (Direct deposit refund figures were not available at the time of publication but are included in the totals.) The average individual income tax refund (based on Forms 1040, 1040A, and 1040EZ), excluding earned income tax credits, was \$2,117.
- [4] Includes refunds of tax on business income of tax-exempt organizations.
- [5] Includes refunds of income tax withheld and refunds of and credits for old-age, survivors, disability, and hospital insurance (OASDHI) taxes on salaries and wages under the Federal Insurance Contributions Act (FICA), except for excess credits, and on self-employment income under the Self-Employment Insurance Contributions Act (SECA), as well as for railroad retirement taxes under the Railroad Retirement Tax Act (RRTA) and unemployment taxes under the Federal Unemployment Tax Act (FUTA).
- [6] Data by State include credits and claims for gasoline and lubricating oil, except that excess credits and claims are included below under "Highway and Airport and Airways Trust Funds" in the "Refund adjustments and credits" section. See footnote 11.
- [7] Less than \$500.
- [8] Amount reflects adjustments to returns filed in a prior year. See Table 8.
- [9] For corporations, includes returns of domestic and foreign businesses whose principal office was outside the United States; also includes returns of domestic corporations claiming a U.S. possessions tax credit, regardless of the location of the principal office. For individual income tax, includes returns filed from Army Post Office or Fleet Post Office addresses by members of the armed forces stationed abroad; returns filed by residents of Puerto Rico with either income from sources outside Puerto Rico or with income earned as U.S. Government employees; and returns filed by other U.S. citizens or residents abroad. For employment taxes, includes returns with foreign addresses, including Puerto Rico and U.S. possessions. For estate tax, includes returns for U.S. citizens or resident decedents who were domiciled abroad at time of death and returns of nonresident alien decedents. For gift tax, includes returns filed by donors with overseas addresses, including returns filed from Puerto Rico or U.S. possessions and from Army Post Office or Fleet Post Office addresses by members of the armed forces stationed abroad. For excise taxes, includes returns filed by taxpayers with foreign addresses, including returns filed from Puerto Rico and U.S. possessions and from Army Post Office or Fleet Post Office addresses.
- [10] Refund adjustments and credits are not shown by State but are included in the U.S. total. Adjustments to prior years made in Fiscal Year 2004 may result in negative amounts when such adjustments exceed refunds made in the current year.
- [11] Includes refunds of individual or corporation income taxes reclassified as excise taxes for inclusion in the Highway and Airport and Airways Trust Funds. In addition, includes credits and claims for excess payments on gasoline and lubricating oil excise taxes.
- [12] Includes refunds issued in September 2004, minus refund reversals received in September that were not classified before September 30, 2004 (the end of the fiscal year). For accounting and comparative purposes, data included in this table must agree with the actual transactions affecting the refund and interest appropriation accounts for the fiscal year.

NOTES: In general, classification by State is based on the taxpayer's address (or in the case of businesses, the location of the principal office or place of business). However, some individuals may use the address of a tax attorney or accountant, or, in the case of certain individuals who were sole proprietors, partners in a partnership, or shareholders in an S corporation, the business address. Such addresses could have been located in a State other than the State in which the individual resided. Additionally, businesses may have locations outside of the State in which the principal offices are located. See footnote 9.

Collection and refund data by State may not be comparable. Collections relate to FY 2004 for the most part. However, for a given fiscal year, refunds relating to prior fiscal years may be issued and subsequently recorded, and, therefore, the total refund amount may exceed the collection amount. See Table 6 for collections data.

Detail may not add to totals because of rounding.

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

Table 10 -- Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 2004

[Money amounts are in thousands of dollars, except as indicated.]

Type and size of return	Returns filed in Calendar Year 2003 [1, 2]	Returns examined							
		Total	Percentage covered	Revenue agent		Tax auditor/ compliance officer [3]	Tax examiner [3]	Revenue officer examiner [4]	Compliance center [3]
				CIC [3]	Non- CIC [3]				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
United States, total [2]	173,345,622	1,081,134	0.62	6,721	149,030	98,032	2,688	4,329	820,334
Income, estate, and gift tax, and nontaxable returns, total [6]	142,380,002	1,050,475	0.74	3,582	130,870	97,468	2,347	[X]	816,208
Taxable returns:									
Individual income tax returns, total	130,134,277	1,007,874 [7]	0.77	105	97,486	97,463	2,334	[X]	810,486
Nonbusiness returns:									
Form 1040A with TPI under \$25,000 [9,10]	33,694,530	168,887	0.50	[X]	2,895	4,882	513	[X]	160,597
All other returns by size of TPI [10]:									
Under \$25,000	19,512,708	245,470	1.26	5	4,224	5,619	324	[X]	235,298
\$25,000 under \$50,000	31,100,008	135,041	0.43	[X]	8,014	19,243	599	[X]	107,185
\$50,000 under \$100,000	25,616,486	113,944	0.44	3	11,339	25,163	316	[X]	77,123
\$100,000 or more	10,927,511	151,969	1.39	69	23,362	14,697	215	[X]	113,626
Business returns:									
Schedule C returns by size of TGR [11]:									
Under \$25,000	2,946,685	92,855	3.15	[X]	6,871	8,050	192	[X]	77,741
\$25,000 under \$100,000	3,645,094	53,477	1.47	[X]	13,151	13,288	137	[X]	26,901
\$100,000 or more	2,101,144	39,124	1.86	23	22,808	6,199	31	[X]	10,063
Schedule F returns by size of TGR [11]:									
Under \$100,000	341,689	3,104	0.91	[X]	1,883	224	[X]	[X]	997
\$100,000 or more	248,422	4,003	1.61	4	2,939	98	7	[X]	955
Corporation income tax returns, except Form 1120S, total [12]	2,394,271	17,097	0.71	2,762	12,750	[X]	[X]	[X]	1,584
Returns other than Form 1120-F [13]:									
Small corporations [14]	2,310,279	7,294	0.32	103	6,137	[X]	[X]	[X]	1,053
No balance sheet returns	317,109	1,193	0.38	66	662	[X]	[X]	[X]	465
Balance sheet returns by size of total assets:									
Under \$250,000	1,369,250	2,784	0.20	13	2,452	[X]	[X]	[X]	319
\$250,000 under \$1,000,000	408,392	1,462	0.36	5	1,366	[X]	[X]	[X]	91
\$1,000,000 under \$5,000,000	185,876	1,223	0.66	8	1,104	[X]	[X]	[X]	110
\$5,000,000 under \$10,000,000	29,652	632	2.13	11	553	[X]	[X]	[X]	68
Large corporations [15]	56,883	9,523	16.74	2,586	6,459	N/A	[X]	[X]	478
Balance sheet returns by size of total assets:									
\$10,000,000 under \$50,000,000	30,616	2,864	9.35	72	2,637	N/A	[X]	[X]	155
\$50,000,000 under \$100,000,000	7,488	965	12.89	93	813	N/A	[X]	[X]	59
\$100,000,000 under \$250,000,000	7,761	1,308	16.85	197	1,040	N/A	[X]	[X]	71
\$250,000,000 or more	11,018	4,386	39.81	2,224	1,969	N/A	[X]	[X]	193
Form 1120-F returns [13]	27,109	280	1.03	73	154	N/A	[X]	[X]	53
Estate and trust income tax returns	3,705,005	4,438	0.12	34	2,416	[X]	[X]	[X]	1,986
Estate tax returns:									
Total	87,114	6,455	7.41	[X]	6,444	N/A	11	[X]	[X]
Size of gross estate:									
Under \$1,000,000	16,087	793	4.93	[X]	792	N/A	[X]	[X]	[X]
\$1,000,000 under \$5,000,000	64,843	4,019	6.20	[X]	4,011	N/A	8	[X]	[X]
\$5,000,000 or more	6,184	1,643	26.57	[X]	1,641	N/A	[X]	[X]	[X]
Gift tax returns	284,852	1,979	0.69	[X]	1,978	N/A	[X]	[X]	[X]
Employment tax returns	30,121,088	17,698	0.06	1,462	10,192	564	284	4,329	867
Excise tax returns [2]	844,532	12,560	1.49	1,427	7,826	[X]	57	[X]	3,250
Other taxable returns [16]	[1]	401	[1]	250	142	[X]	[X]	[X]	9
Nontaxable returns [2, 17]:									
Partnership returns, Form 1065	2,405,361	6,226	0.26	652	4,151	[X]	[X]	[X]	1,423
S corporation returns, Form 1120S [18]	3,369,122	6,402	0.19	29	5,641	3	[X]	[X]	729
Other nontaxable returns [2, 17]	[1]	4	[1]	[X]	4	[X]	[X]	[X]	[X]

Footnotes at end of table.

Table 10 -- Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 2004--Continued

[Money amounts are in thousands of dollars, except as indicated.]

Type and size of return	Percentage of non-CIC returns examined with no change [3]					Recommended additional tax				
	Revenue agent	Tax auditor/compliance officer [3]	Tax examiner [3]	Revenue officer/examiner [4]	Compliance center [3]	Total	Revenue agent		Tax auditor/compliance officer [3]	Tax examiner [3]
							CIC [3]	Non-CIC [3]		
							(16)	(17)		
	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
United States, total [2]	[5]	[5]	[5]	[5]	[5]	25,600,702	14,521,332	6,907,308	461,706	17,764
Income, estate, and gift tax, and nontaxable returns, total [6]	17	13	6	--	20	24,708,411	13,995,497	6,593,601	459,157	17,508
Taxable returns:										
Individual income tax returns, total	15	13	7	--	20	6,203,236 [8]	34,881	2,091,396	458,898	15,613
Nonbusiness returns:										
Form 1040A with TPI under \$25,000 [9,10]	16	17	6	--	16	475,272	--	66,440	17,256	1,776
All other returns by size of TPI:										
Under \$25,000	19	14	8	--	23	706,715	91	45,216	12,683	826
\$25,000 under \$50,000	13	11	7	--	18	425,572	--	76,433	42,385	1,918
\$50,000 under \$100,000	13	11	6	--	25	350,022	65	90,430	80,378	1,840
\$100,000 or more	16	21	11	--	18	3,161,850	22,316	1,170,609	113,015	4,682
Business returns:										
Schedule C returns by size of TGR [11]:										
Under \$25,000	21	11	4	--	16	210,170	--	39,686	23,351	1,053
\$25,000 under \$100,000	14	9	4	--	31	218,650	--	87,178	76,141	1,688
\$100,000 or more	12	13	--	--	38	614,233	12,406	477,964	93,048	1,715
Schedule F returns by size of TGR [11]:										
Under \$100,000	19	33	--	--	38	4,661	--	3,411	351	--
\$100,000 or more	16	26	29	--	43	36,091	3	34,029	290	113
Corporation income tax returns, except Form 1120S, total [12]	22	--	--	--	40	16,840,983	13,957,457	2,849,297	259	--
Returns other than Form 1120-F [13]:										
Small corporations [14]	--	--	--	--	--	681,188	116,828	560,822	259	--
No balance sheet returns	19	--	--	--	23	344,612	114,518	227,741	--	--
Balance sheet returns by size of total assets:										
Under \$250,000	27	--	--	--	49	81,637	1,462	79,801	--	--
\$250,000 under \$1,000,000	32	--	--	--	54	52,788	233	52,433	--	--
\$1,000,000 under \$5,000,000	27	--	--	--	40	89,557	268	88,906	259	--
\$5,000,000 under \$10,000,000	28	--	--	--	38	112,594	347	111,941	--	--
Large corporations [15]	--	--	--	--	--	15,986,729	13,707,300	2,248,941	N/A	--
Balance sheet returns by size of total assets:										
\$10,000,000 under \$50,000,000	29	N/A	--	--	35	205,906	3,455	199,064	N/A	--
\$50,000,000 under \$100,000,000	26	N/A	--	--	51	180,306	13,887	165,677	N/A	--
\$100,000,000 under \$250,000,000	18	N/A	--	--	51	371,733	48,029	319,935	N/A	--
\$250,000,000 or more	10	N/A	--	--	59	15,228,784	13,641,929	1,564,265	N/A	--
Form 1120-F returns [13]	23	N/A	--	--	36	173,066	133,329	39,534	N/A	--
Estate and trust income tax returns	20	--	--	--	77	145,175	3,159	135,786	--	--
Estate tax returns:										
Total	14	N/A	--	--	--	972,575	--	970,685	N/A	1,890
Size of gross estate:										
Under \$1,000,000	17	N/A	--	--	--	44,253	--	44,246	N/A	7
\$1,000,000 under \$5,000,000	15	N/A	--	--	--	284,952	--	283,436	N/A	1,516
\$5,000,000 or more	13	N/A	--	--	--	643,370	--	643,003	N/A	367
Gift tax returns	21	N/A	--	--	--	546,442	--	546,437	N/A	5
Employment tax returns	17	14	--	16	3	422,264	239,242	132,266	2,549	247
Excise tax returns [2]	14	--	26	--	11	220,713	57,146	161,777	--	9
Other taxable returns [16]	17	--	--	--	44	249,314	229,447	19,664	--	--
Nontaxable returns [2, 17]:										
Partnership returns, Form 1065	39	--	--	--	29	N/A	N/A	N/A	N/A	N/A
S corporation returns, Form 1120S [18]	29	33	--	--	34	N/A	N/A	N/A	N/A	N/A
Other nontaxable returns [2, 17]	--	--	--	--	--	N/A	N/A	N/A	N/A	N/A

Footnotes at end of table.

Table 10 -- Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 2004--Continued

[Money amounts are in thousands of dollars, except as indicated.]

Type and size of return	Recommended additional tax--continued		Average recommended additional tax per return (dollars)					
	Revenue officer examiner [4]	Compliance center [3]	Revenue agent		Tax auditor/ compliance officer [3]	Tax examiner [3]	Revenue officer examiner [4]	Compliance center [3]
			CIC [3]	Non-CIC [3]				
	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)
United States, total [2]	47,421	3,645,173	[5]	[5]	[5]	[5]	[5]	[5]
Income, estate, and gift tax, and nontaxable returns, total [6]	--	3,642,650	3,907,174	50,383	4,711	7,460	--	4,463
Taxable returns:								
Individual income tax returns, total	--	3,602,450	332,197	21,453	4,708	6,689	--	4,445
Nonbusiness returns:								
Form 1040A with TPI under \$25,000 [9, 10]	--	389,800	--	22,950	3,535	3,462	--	2,427
All other returns by size of TPI [10]:								
Under \$25,000	--	647,899	18,225	10,704	2,257	2,550	--	2,754
\$25,000 under \$50,000	--	304,836	--	9,537	2,203	3,202	--	2,844
\$50,000 under \$100,000	--	177,309	21,554	7,975	3,194	5,823	--	2,299
\$100,000 or more	--	1,851,228	323,417	50,107	7,690	21,779	--	16,292
Business returns:								
Schedule C returns by size of TGR [11]:								
Under \$25,000	--	146,080	--	5,776	2,901	5,484	--	1,879
\$25,000 under \$100,000	--	53,643	--	6,629	5,730	12,323	--	1,994
\$100,000 or more	--	29,100	539,397	20,956	15,010	55,330	--	2,892
Schedule F returns by size of TGR [11]:								
Under \$100,000	--	899	--	1,811	1,569	--	--	902
\$100,000 or more	--	1,656	748	11,578	2,956	16,195	--	1,734
Corporation income tax returns, except Form 1120S, total [12]	--	33,970	5,053,388	223,474	253,392	--	--	21,446
Returns other than Form 1120-F [13]:								
Small corporations [14]	--	3,279	1,959,304	697,904	259,392	--	--	13,205
No balance sheet returns	--	2,353	1,735,115	344,019	--	--	--	5,061
Balance sheet returns by size of total assets:								
Under \$250,000	--	374	112,463	32,545	--	--	--	1,172
\$250,000 under \$1,000,000	--	122	46,622	38,384	--	--	--	1,344
\$1,000,000 under \$5,000,000	--	124	33,553	80,531	259,392	--	--	1,130
\$5,000,000 under \$10,000,000	--	306	31,551	202,425	--	--	--	4,498
Large corporations [15]	--	30,488	6,575,075	1,381,350	N/A	--	--	204,561
Balance sheet returns by size of total assets:								
\$10,000,000 under \$50,000,000	--	3,387	47,992	75,489	N/A	--	--	21,850
\$50,000,000 under \$100,000,000	--	742	149,318	203,784	N/A	--	--	12,580
\$100,000,000 under \$250,000,000	--	3,769	243,804	307,630	N/A	--	--	53,083
\$250,000,000 or more	--	22,590	6,133,961	794,447	N/A	--	--	117,048
Form 1120-F returns [13]	--	203	1,826,431	256,711	N/A	--	--	3,839
Estate and trust income tax returns	--	6,230	92,902	56,203	--	--	--	3,137
Estate tax returns:								
Total	--	--	--	150,634	N/A	171,858	--	--
Size of gross estate:								
Under \$1,000,000	--	--	--	55,866	N/A	7,212	--	--
\$1,000,000 under \$5,000,000	--	--	--	70,665	N/A	189,481	--	--
\$5,000,000 or more	--	--	--	391,836	N/A	183,689	--	--
Gift tax returns	--	--	--	276,257	N/A	5,096	--	--
Employment tax returns	47,421	539	163,640	12,977	4,520	869	10,954	622
Excise tax returns [2]	--	1,781	40,046	20,672	--	154	--	548
Other taxable returns [16]	--	203	917,788	138,476	--	--	--	22,515
Nontaxable returns [2, 17]:								
Partnership returns, Form 1065	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
S corporation returns, Form 1120S [18]	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Other nontaxable returns [2, 17]	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Footnotes at end of table.

Table 10 -- Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 2004--Continued**Footnotes**

N/A - Not applicable.

[X] Less than 3.

- [1] In general, examination activity may be associated with returns filed in the previous calendar year. However, this relationship is only approximate. Therefore, for some categories, there are either no returns or a smaller number of returns filed in Calendar Year 2003, compared to the number with examination activity in Fiscal Year 2004 (as indicated by data in other columns). Data for other taxable and nontaxable returns are not shown in columns 1 and 3 because these filings cannot be quantified.
- [2] Excludes excise tax returns filed with the Customs Service and the Alcohol and Tobacco Tax and Trade Bureau, and returns of tax-exempt/Government entity organizations and employee plans.
- [3] CIC (Coordinated Industry Case), formerly known as CEP (Coordinated Examination Program), covers "a taxpayer, and its effectively controlled entities, that warrants application of 'team examination' procedures." Tax auditors are Compliance personnel who are required to have 9 semester hours of accounting and who perform examinations on selected individual, employment, and excise returns. Tax Compliance Officers (TCO) are Compliance personnel who are required to have 6 to 12 semester hours of accounting and who perform examinations on selected individual and business taxpayers involving complex tax issues. Tax examiners for field operations and Compliance Centers perform examinations by way of correspondence.
- [4] Revenue officer examiners are employees who have been trained to do certain employment tax returns. Data are collected for these individuals and shown separately from other employment returns.
- [5] Not computed.
- [6] Comprises returns shown as individual income tax, corporation income tax, estate and trust income tax, estate tax, gift tax, partnership, S corporation, and "other nontaxable returns." Excludes returns shown as employment, excise, and "other taxable returns."
- [7] Includes 487,461 returns examined with an earned income tax credit claim.
- [8] Amount includes \$1,134,557 from examinations of returns claiming the earned income tax credit.
- [9] Form 1040A is one of the two IRS individual income tax return "short forms."
- [10] TPI (total positive income) is, in general, the sum of all positive amounts shown for the various sources of income reported on the individual income tax return and, thus, excludes net losses.
- [11] Schedule C returns are filed by nonfarm sole proprietors. Schedule F returns are filed by farm sole proprietors. TGR (total gross receipts) is the sum of gross receipts from farm and nonfarm businesses. It is calculated by adding the positive values of gross receipts and other income from Schedule C to the cost of purchased items and gross income (can be positive or negative) from Schedule F.
- [12] Includes Forms 1120 ("long form"); 1120-A ("short form"); Form 1120-F (foreign corporations, except foreign life insurance companies); 1120-H (homeowner associations); Form 1120-L (life insurance companies); Form 1120M (mutual insurance companies); Form 1120-PC (property and casualty insurance companies); 1120-POL (certain political associations); 1120-REIT (real estate investment trusts); 1120-RIC (regulated investment companies); and 1120-SF (settlement funds). However, total excludes certain other types of corporations, which are included in "other taxable returns" described in footnote 16.
- [13] Forms 1120-F are returns filed by foreign corporations with U.S. income, other than foreign life insurance companies and foreign sales corporations.
- [14] Includes returns with assets of less than \$10 million examined by either the Small Business/Self-Employed Operating Division or the Large and Mid-Size Business Operating Division.
- [15] Includes returns with assets of more than \$10 million examined by either the Small Business/Self-Employed Operating Division or the Large and Mid-Size Business Operating Division.
- [16] Includes Forms 1120S for S corporations reporting a tax (see footnote 18); 1120-FSC (foreign sales corporations); 8288 (withholding tax returns for disposition by foreign persons of U.S. property interests); 990-C (farmers' cooperative association income tax); and 8804 (annual return for partnership withholding).
- [17] Includes Form 1120-DISC (domestic international sales corporations); Form 1120-IC-DISC (interest-charge domestic international sales corporations); Form 1066 (real estate mortgage investment conduits); and certain other returns filed by "flow through" entities, such as partnerships (Form 1065), S corporations (Form 1120S), except as noted in footnote 18, and certain others, that have tax consequences applicable to the partners, shareholders, or other owners, as well as certain other nontaxable returns.
- [18] Includes most Forms 1120S, which are returns filed by qualifying corporations electing to be taxed through shareholders. Under certain conditions, some of these corporations are subject to tax and are included in "other taxable returns" in this table. Otherwise, they are included as "nontaxable returns."

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

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

Table 11 -- Examination Coverage: Returns Examined with Unagreed Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 2004

[Money amounts are in thousands of dollars.]

Type and size of return	Taxable returns examined [1]						
	Total	Revenue agent		Tax auditor/ compliance officer [2]	Tax examiner [2]	Revenue officer examiner [3]	Compliance center [2]
		CIC [2]	Non-CIC [2]				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
United States, total [4]	30,642	1,057	11,604	6,499	198	218	11,066
Income, estate, and gift tax, total [5]	28,110	555	9,837	6,468	198	[X]	11,052
Individual income tax returns, total	25,019	12	7,321	6,468	196	[X]	11,022
Nonbusiness returns:							
Form 1040A with TPI under \$25,000 [6,7]	1,657	[X]	208	207	57	[X]	1,185
All other returns by size of TPI [7]:							
Under \$25,000	2,946	[X]	291	188	34	[X]	2,433
\$25,000 under \$50,000	3,329	[X]	551	907	39	[X]	1,832
\$50,000 under \$100,000	4,362	[X]	992	1,933	28	[X]	1,409
\$100,000 or more	6,442	9	2,543	1,328	34	[X]	2,528
Business returns:							
Schedule C returns by size of TGR [8]:							
Under \$25,000	1,284	[X]	222	315	[X]	[X]	745
\$25,000 under \$100,000	2,306	[X]	688	1,014	[X]	[X]	603
\$100,000 or more	2,489	3	1,661	562	[X]	[X]	263
Schedule F returns by size of TGR [8]:							
Under \$100,000	66	[X]	42	9	[X]	[X]	15
\$100,000 or more	138	[X]	123	5	[X]	[X]	9
Corporation income tax returns, except Form 1120S, total [9]	2,000	543	1,429	[X]	[X]	[X]	28
Returns other than Form 1120-F [10]:							
Small corporations [11]	818	12	785	[X]	[X]	[X]	21
No balance sheet returns	99	6	84	[X]	[X]	[X]	9
Balance sheet returns by size of total assets:							
Under \$250,000	277	[X]	271	[X]	[X]	[X]	6
\$250,000 under \$1,000,000	196	[X]	190	[X]	[X]	[X]	5
\$1,000,000 under \$5,000,000	176	[X]	174	[X]	[X]	[X]	[X]
\$5,000,000 under \$10,000,000	70	4	66	[X]	[X]	[X]	[X]
Large corporations [12]	1,154	514	633	N/A	[X]	[X]	7
Balance sheet returns by size of total assets:							
\$10,000,000 under \$50,000,000	175	10	165	N/A	[X]	[X]	[X]
\$50,000,000 under \$100,000,000	89	[X]	87	N/A	[X]	[X]	[X]
\$100,000,000 under \$250,000,000	150	15	130	N/A	[X]	[X]	5
\$250,000,000 or more	740	487	251	N/A	[X]	[X]	[X]
Form 1120-F returns [10]	28	17	11	N/A	[X]	[X]	[X]
Estate and trust income tax returns	391	[X]	389	[X]	[X]	[X]	[X]
Estate tax returns:							
Total	401	[X]	400	N/A	[X]	[X]	[X]
Size of gross estate:							
Under \$1,000,000	65	[X]	64	N/A	[X]	[X]	[X]
\$1,000,000 under \$5,000,000	237	[X]	237	N/A	[X]	[X]	[X]
\$5,000,000 or more	99	[X]	99	N/A	[X]	[X]	[X]
Gift tax returns	299	[X]	298	N/A	[X]	[X]	[X]
Employment tax returns	1,381	108	1,019	31	[X]	218	5
Excise tax returns [4]	1,101	355	738	[X]	[X]	[X]	8
Other taxable returns [13]	50	39	10	[X]	[X]	[X]	[X]

Footnotes at end of table.

Table 11 -- Examination Coverage: Returns Examined with Unagreed Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 2004--Continued

[Money amounts are in thousands of dollars.]

Type and size of return	Amount unagreed						
	Total	Revenue agent		Tax auditor/ compliance officer [2]	Tax examiner [2]	Revenue officer examiner [3]	Compliance center [2]
		CIC [2]	Non-CIC [2]				
	(8)	(9)	(10)	(11)	(12)	(13)	(14)
United States, total [4]	12,427,503	9,007,795	3,132,685	109,226	1,915	13,734	162,148
Income, estate, and gift tax, total [5]	12,101,587	8,794,926	3,033,710	108,951	1,915	--	162,085
Individual income tax returns, total	1,100,313	19,880	808,699	108,951	1,903	--	160,880
Nonbusiness returns:							
Form 1040A with TPI under \$25,000 [6,7]	28,015	--	14,732	4,422	93	--	8,768
All other returns by size of TPI [7]:							
Under \$25,000	31,418	--	21,073	1,735	151	--	8,459
\$25,000 under \$50,000	61,230	--	36,887	6,373	145	--	17,825
\$50,000 under \$100,000	46,852	--	27,665	12,987	386	--	5,814
\$100,000 or more	672,189	13,989	497,399	45,147	1,068	--	114,586
Business returns:							
Schedule C returns by size of TGR [8]:							
Under \$25,000	10,260	--	7,867	1,530	11	--	852
\$25,000 under \$100,000	37,633	--	22,879	12,094	12	--	2,648
\$100,000 or more	197,624	5,891	165,259	24,601	--	--	1,873
Schedule F returns by size of TGR [8]:							
Under \$100,000	571	--	499	38	--	--	34
\$100,000 or more	14,521	--	14,439	24	37	--	21
Corporation income tax returns, except Form 1120S, total [9]	10,162,115	8,775,046	1,385,864	--	--	--	1,205
Returns other than Form 1120-F [10]:							
Small corporations [11]	343,594	659	342,531	--	--	--	404
No balance sheet returns	79,515	75	79,087	--	--	--	353
Balance sheet returns by size of total assets:							
Under \$250,000	61,720	--	61,698	--	--	--	22
\$250,000 under \$1,000,000	36,272	160	36,089	--	--	--	23
\$1,000,000 under \$5,000,000	70,432	158	70,268	--	--	--	6
\$5,000,000 under \$10,000,000	95,655	266	95,389	--	--	--	--
Large corporations [12]	9,709,276	8,675,755	1,032,720	N/A	--	--	801
Balance sheet returns by size of total assets:							
\$10,000,000 under \$50,000,000	97,893	880	97,013	N/A	--	--	--
\$50,000,000 under \$100,000,000	97,190	7,309	89,881	N/A	--	--	--
\$100,000,000 under \$250,000,000	194,251	19,598	174,653	N/A	--	--	[14]
\$250,000,000 or more	9,319,942	8,647,968	671,173	N/A	--	--	801
Form 1120-F returns [10]	109,245	98,632	10,613	N/A	--	--	--
Estate and trust income tax returns	83,831	--	83,831	--	--	--	[14]
Estate tax returns:							
Total	316,528	--	316,521	N/A	7	--	--
Size of gross estate:							
Under \$1,000,000	24,689	--	24,682	N/A	7	--	--
\$1,000,000 under \$5,000,000	96,065	--	96,065	N/A	--	--	--
\$5,000,000 or more	195,774	--	195,774	N/A	--	--	--
Gift tax returns	438,800	--	438,795	N/A	5	--	--
Employment tax returns	118,393	88,685	15,669	275	--	13,734	30
Excise tax returns [4]	102,339	31,958	70,348	--	--	--	33
Other taxable returns [13]	105,184	92,226	12,958	--	--	--	--

N/A - Not applicable.

[X] Less than 3.

[1] Comprises all returns except those of tax-exempt/Government entity organizations, employee plans, and others mentioned in Table 10, footnote 17. Also excludes excise tax returns mentioned in footnote 4.

[2] CIC (Coordinated Industry Case), formerly known as CEP (Coordinated Examination Program), covers "a taxpayer, and its effectively controlled entities, that warrants application of 'team examination' procedures." Tax auditors are Compliance personnel who are required to have 9 semester hours of accounting and who perform examinations on selected individual, employment, and excise returns. Tax Compliance Officers (TCO) are Compliance personnel who are required to have 6 to 12 semester hours of accounting and who perform examinations on selected individual and business taxpayers involving complex tax issues. Tax examiners for field operations and Compliance Centers perform examinations by way of correspondence.

[3] Revenue officer examiners are employees who have been trained to do certain employment tax returns. Data are collected for these individuals and shown separately from other employment returns.

Table 11 -- Examination Coverage: Returns Examined with Unagreed Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 2004--Continued

Footnotes--Continued

- [4] Excludes excise tax returns filed with the Customs Service and the Alcohol and Tobacco Tax and Trade Bureau.
- [5] Comprises returns shown as individual income tax, corporation income tax, estate and trust income tax, estate tax, and gift tax. Excludes returns shown as employment, excise, and other taxable returns.
- [6] Form 1040A is one of the two IRS individual income tax return "short forms."
- [7] TPI (total positive income) is, in general, the sum of all positive amounts shown for the various sources of income reported on the individual income tax return and, thus, excludes net losses.
- [8] Schedule C returns are filed by nonfarm sole proprietors. Schedule F returns are filed by farm sole proprietors. TGR (total gross receipts) is the sum of gross receipts from farm and nonfarm businesses. It is calculated by adding the positive values of gross receipts and other income from Schedule C to the cost of purchased items and gross income (can be positive or negative) from Schedule F.
- [9] Includes Forms 1120 ("long form"); 1120-A ("short form"); Form 1120-F (foreign corporations, except foreign life insurance companies); 1120-H (homeowner associations); Form 1120-L (life insurance companies); Form 1120M (mutual insurance companies); Form 1120-PC (property and casualty insurance companies); 1120-POL (certain political associations); 1120-REIT (real estate investment trusts); 1120-RIC (regulated investment companies); and 1120-SF (settlement funds). However, total excludes certain other types of corporations, which are included in "other taxable returns" described in footnote 13.
- [10] Forms 1120-F are returns filed by foreign corporations with U.S. income, other than foreign life insurance companies and foreign sales corporations.
- [11] Includes returns with assets of less than \$10 million examined by either the Small Business/Self-Employed Operating Division or the Large and Mid-Size Business Operating Division.
- [12] Includes returns with assets of more than \$10 million examined by either the Small Business/Self-Employed Operating Division or the Large and Mid-Size Business Operating Division.
- [13] Includes Forms 1120S, which are returns filed by qualifying corporations electing to be taxed through shareholders. Under certain conditions, some of these corporations are subject to tax. Also includes Forms 1120-FSC (foreign sales corporations); 8288 (withholding tax returns for disposition by foreign persons of U.S. property interests); 990-C (farmers' cooperative association income tax); and 8804 (annual return for partnership withholding).
- [14] Less than \$500.

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

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

Table 12 -- Examination Coverage: Returns Examined Involving Protection of Revenue Base, by Type and Size of Return, Fiscal Year 2004 [1]

[Money amounts are in thousands of dollars.]

Type and size of return	Taxable returns examined [2]						
	Total	Revenue agent		Tax auditor/ compliance officer [3]	Tax examiner [3]	Revenue officer examiner [4]	Compliance center [3]
		CIC [3]	Non-CIC [3]				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
United States, total [5]	57,937	1,669	9,218	7,332	66	68	39,584
Income, estate, and gift tax, total [6]	54,425	829	7,225	7,322	65	[X]	38,984
Individual income tax returns, total	51,635	4	5,270	7,322	64	[X]	38,975
Nonbusiness returns:							
Form 1040A with TPI under \$25,000 [7,8]	18,274	[X]	229	677	9	[X]	17,359
All other returns by size of TPI [8]:							
Under \$25,000	7,650	[X]	153	216	[X]	[X]	7,278
\$25,000 under \$50,000	5,144	[X]	263	1,202	23	[X]	3,656
\$50,000 under \$100,000	5,510	[X]	616	1,945	20	[X]	2,929
\$100,000 or more	5,025	[X]	2,659	1,496	4	[X]	864
Business returns:							
Schedule C returns by size of TGR [9]:							
Under \$25,000	4,512	[X]	91	237	[X]	[X]	4,183
\$25,000 under \$100,000	3,023	[X]	249	786	5	[X]	1,983
\$100,000 or more	2,309	[X]	919	740	[X]	[X]	649
Schedule F returns by size of TGR [9]:							
Under \$100,000	61	[X]	13	5	[X]	[X]	43
\$100,000 or more	127	[X]	78	18	[X]	[X]	31
Corporation income tax returns, except Form 1120S, total [10]	2,135	803	1,329	[X]	[X]	[X]	3
Returns other than Form 1120-F [11]:							
Small corporations [12]	382	26	356	[X]	[X]	[X]	[X]
No balance sheet returns	48	22	26	[X]	[X]	[X]	[X]
Balance sheet returns by size of total assets:							
Under \$250,000	44	[X]	44	[X]	[X]	[X]	[X]
\$250,000 under \$1,000,000	52	[X]	51	[X]	[X]	[X]	[X]
\$1,000,000 under \$5,000,000	149	3	146	[X]	[X]	[X]	[X]
\$5,000,000 under \$10,000,000	89	[X]	89	[X]	[X]	[X]	[X]
Large corporations [13]	1,727	772	952	N/A	[X]	[X]	3
Balance sheet returns by size of total assets:							
\$10,000,000 under \$50,000,000	262	6	256	N/A	[X]	[X]	[X]
\$50,000,000 under \$100,000,000	109	16	93	N/A	[X]	[X]	[X]
\$100,000,000 under \$250,000,000	196	13	183	N/A	[X]	[X]	[X]
\$250,000,000 or more	1,160	737	420	N/A	[X]	[X]	3
Form 1120-F returns [11]	26	5	21	N/A	[X]	[X]	[X]
Estate and trust income tax returns	138	22	110	[X]	[X]	[X]	6
Estate tax returns:							
Total	465	[X]	464	N/A	[X]	[X]	[X]
Size of gross estate:							
Under \$1,000,000	45	[X]	45	N/A	[X]	[X]	[X]
\$1,000,000 under \$5,000,000	297	[X]	296	N/A	[X]	[X]	[X]
\$5,000,000 or more	123	[X]	123	N/A	[X]	[X]	[X]
Gift tax returns	52	[X]	52	N/A	[X]	[X]	[X]
Employment tax returns	1,051	105	268	10	[X]	68	600
Excise tax returns [5]	2,419	720	1,698	[X]	[X]	[X]	[X]
Other taxable returns [14]	42	15	27	[X]	[X]	[X]	[X]

Footnotes at end of table.

Table 12 -- Examination Coverage: Returns Examined Involving Protection of Revenue Base, by Type and Size of Return, Fiscal Year 2004 [1]--Continued

[Money amounts are in thousands of dollars.]

Type and size of return	Amount protected						
	Total	Revenue agent		Tax auditor/ compliance officer [3]	Tax examiner [3]	Revenue officer examiner [4]	Compliance center [3]
		CIC [3]	Non-CIC [3]				
	(8)	(9)	(10)	(11)	(12)	(13)	(14)
United States, total [5]	8,486,415	7,287,927	1,074,639	36,248	461	182	86,958
Income, estate, and gift tax, total [6]	8,299,902	7,166,850	1,010,363	36,088	461	--	86,140
Individual income tax returns, total	423,112	[15]	300,808	36,088	449	--	85,767
Nonbusiness returns:							
Form 1040A with TPI under \$25,000 [7,8]	40,546	--	2,262	2,144	255	--	35,885
All other returns by size of TPI [8]:							
Under \$25,000	16,387	[15]	3,428	410	4	--	12,545
\$25,000 under \$50,000	11,111	--	1,207	2,985	47	--	6,872
\$50,000 under \$100,000	20,160	--	2,360	8,300	80	--	9,420
\$100,000 or more	291,380	[15]	270,607	13,261	44	--	7,468
Business returns:							
Schedule C returns by size of TGR [9]:							
Under \$25,000	9,335	--	1,131	444	1	--	7,759
\$25,000 under \$100,000	8,441	--	1,208	3,195	18	--	4,020
\$100,000 or more	24,260	[15]	17,395	5,200	--	--	1,665
Schedule F returns by size of TGR [9]:							
Under \$100,000	163	--	35	50	--	--	78
\$100,000 or more	1,329	--	1,175	99	--	--	55
Corporation income tax returns, except Form 1120S, total [10]	7,765,201	7,166,850	598,148	--	--	--	203
Returns other than Form 1120-F [11]:							
Small corporations [12]	46,070	24,670	21,400	--	--	--	--
No balance sheet returns	36,476	24,560	11,916	--	--	--	--
Balance sheet returns by size of total assets:							
Under \$250,000	797	--	797	--	--	--	--
\$250,000 under \$1,000,000	385	110	275	--	--	--	--
\$1,000,000 under \$5,000,000	4,582	[15]	4,582	--	--	--	--
\$5,000,000 under \$10,000,000	3,830	--	3,830	--	--	--	--
Large corporations [13]	7,680,973	7,130,131	550,639	N/A	--	--	203
Balance sheet returns by size of total assets:							
\$10,000,000 under \$50,000,000	27,236	138	27,098	N/A	--	--	--
\$50,000,000 under \$100,000,000	54,791	8,362	46,429	N/A	--	--	--
\$100,000,000 under \$250,000,000	126,629	40,029	86,600	N/A	--	--	--
\$250,000,000 or more	7,472,317	7,081,602	390,512	N/A	--	--	203
Form 1120-F returns [11]	38,158	12,049	26,109	N/A	--	--	--
Estate and trust income tax returns	3,038	[15]	2,868	--	--	--	170
Estate tax returns:							
Total	105,273	--	105,261	N/A	12	--	--
Size of gross estate:							
Under \$1,000,000	1,021	--	1,021	N/A	--	--	--
\$1,000,000 under \$5,000,000	13,985	--	13,973	N/A	12	--	--
\$5,000,000 or more	90,267	--	90,267	N/A	--	--	--
Gift tax returns	3,278	--	3,278	N/A	--	--	--
Employment tax returns	56,429	48,285	6,984	160	--	182	818
Excise tax returns [5]	107,174	55,433	51,741	--	[15]	--	--
Other taxable returns [14]	22,910	17,359	5,551	--	--	--	--

N/A - Not applicable.

[X] Less than 3.

[1] Protection of the revenue base comprises any action taken by the Internal Revenue Service to prevent the release of funds from the U.S. Treasury in response to taxpayer efforts to recoup all, or part, of previously assessed and paid tax.

[2] Comprises all returns except those of tax-exempt/Government entity organizations, employee plans, and others mentioned in Table 10, footnote 17. Also excludes excise tax returns mentioned in footnote 5.

Table 12 -- Examination Coverage: Returns Examined Involving Protection of Revenue Base, by Type and Size of Return, Fiscal Year 2004 [1]--Continued**Footnotes--Continued**

- [3] CIC (Coordinated Industry Case), formerly known as CEP (Coordinated Examination Program), covers "a taxpayer, and its effectively controlled entities, that warrants application of 'team examination' procedures." Tax auditors are Compliance personnel who are required to have 9 semester hours of accounting and who perform examinations on selected individual, employment, and excise returns. Tax Compliance Officers (TCO) are Compliance personnel who are required to have 6 to 12 semester hours of accounting and who perform examinations on selected individual and business taxpayers involving complex tax issues. Tax examiners for field operations and Compliance Centers perform examinations by way of correspondence.
- [4] Revenue officer examiners are employees who have been trained to do certain employment tax returns. Data are collected for these individuals and shown separately from other employment returns.
- [5] Excludes excise tax returns filed with the Customs Service and the Alcohol and Tobacco Tax and Trade Bureau.
- [6] Comprises returns shown as individual income tax, corporation income tax, estate and trust income tax, estate tax, and gift tax. Excludes returns shown as employment, excise, and other taxable returns.
- [7] Form 1040A is one of the two IRS individual income tax return "short forms."
- [8] TPI (total positive income) is, in general, the sum of all positive amounts shown for the various sources of income reported on the individual income tax return and, thus, excludes net losses.
- [9] Schedule C returns are filed by nonfarm sole proprietors. Schedule F returns are filed by farm sole proprietors. TGR (total gross receipts) is the sum of gross receipts from farm and nonfarm businesses. It is calculated by adding the positive values of gross receipts and other income from Schedule C to the cost of purchased items and gross income (can be positive or negative) from Schedule F.
- [10] Includes Forms 1120 ("long form"); 1120-A ("short form"); Form 1120-F (foreign corporations, except foreign life insurance companies); 1120-H (homeowner associations); Form 1120-L (life insurance companies); Form 1120M (mutual insurance companies); Form 1120-PC (property and casualty insurance companies); 1120-POL (certain political associations); 1120-REIT (real estate investment trusts); 1120-RIC (regulated investment companies); and 1120-SF (settlement funds). However, total excludes certain other types of corporations, which are included in "other taxable returns" described in footnote 14.
- [11] Forms 1120-F are returns filed by foreign corporations with U.S. income, other than foreign life insurance companies and foreign sales corporations.
- [12] Includes returns with assets of less than \$10 million examined by either the Small Business/Self-Employed Operating Division or the Large and Mid-Size Business Operating Division.
- [13] Includes returns with assets of more than \$10 million examined by either the Small Business/Self-Employed Operating Division or the Large and Mid-Size Business Operating Division.
- [14] Includes Forms 1120S, which are returns filed by qualifying corporations electing to be taxed through shareholders. Under certain conditions, some of these corporations are subject to tax. Also includes Forms 1120-FSC (foreign sales corporations); 8288 (withholding tax returns for disposition by foreign persons of U.S. property interests); 990-C (farmers' cooperative association income tax); and 8804 (annual return for partnership withholding).
- [15] Less than \$500.

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

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

Table 13 -- Examination Coverage: Returns Examined Resulting in Refunds, by Type and Size of Return, Fiscal Year 2004

[Money amounts are in thousands of dollars.]

Type and size of return	Taxable returns examined [1]						
	Total	Revenue agent		Tax auditor/ compliance officer [2]	Tax examiner [2]	Revenue officer examiner [3]	Compliance center [2]
		CIC [2]	Non-CIC [2]				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
United States, total [4]	43,788	1,417	15,112	7,336	58	17	19,848
Income, estate, and gift tax, total [5]	40,759	880	13,344	7,312	56	[X]	19,167
Individual income tax returns, total	36,593	20	10,136	7,312	53	[X]	19,072
Nonbusiness returns:							
Form 1040A with TPI under \$25,000 [6,7]	6,315	[X]	512	935	11	[X]	4,857
All other returns by size of TPI [7]:							
Under \$25,000	4,645	[X]	336	340	7	[X]	3,961
\$25,000 under \$50,000	2,938	[X]	533	864	14	[X]	1,527
\$50,000 under \$100,000	3,292	[X]	835	1,305	9	[X]	1,142
\$100,000 or more	10,498	11	3,733	1,611	5	[X]	5,138
Business returns:							
Schedule C returns by size of TGR [8]:							
Under \$25,000	2,048	[X]	451	385	3	[X]	1,208
\$25,000 under \$100,000	2,803	[X]	931	1,013	[X]	[X]	858
\$100,000 or more	3,371	5	2,225	817	3	[X]	321
Schedule F returns by size of TGR [8]:							
Under \$100,000	282	[X]	233	19	[X]	[X]	30
\$100,000 or more	401	[X]	347	23	[X]	[X]	30
Corporation income tax returns, except Form 1120S, total [9]	2,515	849	1,611	[X]	[X]	[X]	55
Returns other than Form 1120-F [10]:							
Small corporations [11]	416	29	370	[X]	[X]	[X]	17
No balance sheet returns	61	23	35	[X]	[X]	[X]	3
Balance sheet returns by size of total assets:							
Under \$250,000	107	[X]	101	[X]	[X]	[X]	4
\$250,000 under \$1,000,000	90	[X]	85	[X]	[X]	[X]	4
\$1,000,000 under \$5,000,000	102	[X]	96	[X]	[X]	[X]	5
\$5,000,000 under \$10,000,000	56	[X]	53	[X]	[X]	[X]	[X]
Large corporations [12]	2,055	805	1,213	N/A	[X]	[X]	37
Balance sheet returns by size of total assets:							
\$10,000,000 under \$50,000,000	372	12	346	N/A	[X]	[X]	14
\$50,000,000 under \$100,000,000	174	23	146	N/A	[X]	[X]	5
\$100,000,000 under \$250,000,000	265	46	215	N/A	[X]	[X]	4
\$250,000,000 or more	1,244	724	506	N/A	[X]	[X]	14
Form 1120-F returns [10]	44	15	28	N/A	[X]	[X]	[X]
Estate and trust income tax returns	311	11	259	[X]	[X]	[X]	40
Estate tax returns:							
Total	1,269	[X]	1,267	N/A	[X]	[X]	[X]
Size of gross estate:							
Under \$1,000,000	108	[X]	108	N/A	[X]	[X]	[X]
\$1,000,000 under \$5,000,000	801	[X]	799	N/A	[X]	[X]	[X]
\$5,000,000 or more	360	[X]	360	N/A	[X]	[X]	[X]
Gift tax returns	71	[X]	71	N/A	[X]	[X]	[X]
Employment tax returns	290	19	226	24	[X]	17	4
Excise tax returns [4]	2,580	424	1,477	[X]	[X]	[X]	677
Other taxable returns [13]	159	94	65	[X]	[X]	[X]	[X]

Footnotes at end of table.

Table 13 -- Examination Coverage: Returns Examined Resulting in Refunds, by Type and Size of Return, Fiscal Year 2004--Continued

[Money amounts are in thousands of dollars.]

Type and size of return	Recommended refunds						
	Total	Revenue agent		Tax auditor/ compliance officer [2]	Tax examiner [2]	Revenue officer examiner [3]	Compliance center [2]
		CIC [2]	Non-CIC [2]				
	(8)	(9)	(10)	(11)	(12)	(13)	(14)
United States, total [4]	6,810,968	4,948,796	1,655,726	67,966	346	1,106	137,028
Income, estate, and gift tax, total [5]	6,581,408	4,786,602	1,589,867	67,804	342	--	136,793
Individual income tax returns, total	548,666	4,989	352,620	67,804	151	--	123,102
Nonbusiness returns:							
Form 1040A with TPI under \$25,000 [6,7]	43,533	--	16,991	15,936	31	--	10,575
All other returns by size of TPI [7]:							
Under \$25,000	9,400	10	1,322	1,230	2	--	6,836
\$25,000 under \$50,000	5,271	--	1,267	1,663	73	--	2,268
\$50,000 under \$100,000	7,997	39	2,743	3,127	25	--	2,063
\$100,000 or more	304,409	4,167	238,236	22,214	6	--	39,786
Business returns:							
Schedule C returns by size of TGR [8]:							
Under \$25,000	6,077	[14]	3,028	588	4	--	2,457
\$25,000 under \$100,000	8,916	--	3,334	3,633	[14]	--	1,949
\$100,000 or more	157,125	773	81,187	19,157	10	--	55,998
Schedule F returns by size of TGR [8]:							
Under \$100,000	306	--	239	20	--	--	47
\$100,000 or more	5,632	[14]	4,273	236	--	--	1,123
Corporation income tax returns, except Form 1120S, total [9]	5,863,123	4,781,419	1,070,550	--	--	--	11,154
Returns other than Form 1120-F [10]:							
Small corporations [11]	104,660	58,501	46,023	--	--	--	136
No balance sheet returns	68,301	35,670	32,560	--	--	--	71
Balance sheet returns by size of total assets:							
Under \$250,000	14,327	13,431	891	--	--	--	5
\$250,000 under \$1,000,000	5,390	3,334	2,055	--	--	--	1
\$1,000,000 under \$5,000,000	10,690	5,833	4,799	--	--	--	58
\$5,000,000 under \$10,000,000	5,952	233	5,718	--	--	--	1
Large corporations [12]	5,525,772	4,519,818	999,752	N/A	--	--	6,202
Balance sheet returns by size of total assets:							
\$10,000,000 under \$50,000,000	62,170	6,483	55,214	N/A	--	--	473
\$50,000,000 under \$100,000,000	84,476	11,774	72,379	N/A	--	--	323
\$100,000,000 under \$250,000,000	189,920	55,822	134,003	N/A	--	--	95
\$250,000,000 or more	5,189,206	4,445,739	738,156	N/A	--	--	5,311
Form 1120-F returns [10]	232,691	203,100	24,775	N/A	--	--	4,816
Estate and trust income tax returns	19,646	194	16,845	--	70	--	2,537
Estate tax returns:							
Total	133,889	--	133,768	N/A	121	--	--
Size of gross estate:							
Under \$1,000,000	2,576	--	2,576	N/A	--	--	--
\$1,000,000 under \$5,000,000	49,462	--	49,341	N/A	121	--	--
\$5,000,000 or more	81,851	--	81,851	N/A	--	--	--
Gift tax returns	16,084	--	16,084	N/A	--	--	--
Employment tax returns	32,742	20,679	10,784	162	--	1,106	11
Excise tax returns [4]	73,160	36,981	35,951	--	4	--	224
Other taxable returns [13]	123,658	104,534	19,124	--	--	--	--

N/A - Not applicable.

[X] Less than 3.

[1] Comprises all returns except those of tax-exempt/Government entity organizations, employee plans, and others mentioned in Table 10, footnote 17. Also excludes excise tax returns mentioned in footnote 4.

[2] CIC (Coordinated Industry Case), formerly known as CEP (Coordinated Examination Program), covers "a taxpayer, and its effectively controlled entities, that warrants application of 'team examination' procedures." Tax auditors are Compliance personnel who are required to have 9 semester hours of accounting and who perform examinations on selected individual, employment, and excise returns. Tax Compliance Officers (TCO) are Compliance personnel who are required to have 6 to 12 semester hours of accounting and who perform examinations on selected individual and business taxpayers involving complex tax issues. Tax examiners for field operations and Compliance Centers perform examinations by way of correspondence.

Table 13 -- Examination Coverage: Returns Examined Resulting in Refunds, by Type and Size of Return, Fiscal Year 2004--Continued**Footnotes--Continued**

- [3] Revenue officer examiners are employees who have been trained to do certain employment tax returns. Data are collected for these individuals and shown separately from other employment returns.
- [4] Excludes excise tax returns filed with the Customs Service and the Alcohol and Tobacco Tax and Trade Bureau.
- [5] Comprises returns shown as individual income tax, corporation income tax, estate and trust income tax, estate tax, and gift tax. Excludes returns shown as employment, excise, and other taxable returns.
- [6] Form 1040A is one of the two IRS individual income tax return "short forms."
- [7] TPI (total positive income) is, in general, the sum of all positive amounts shown for the various sources of income reported on the individual income tax return and, thus, excludes net losses.
- [8] Schedule C returns are filed by nonfarm sole proprietors. Schedule F returns are filed by farm sole proprietors. TGR (total gross receipts) is the sum of gross receipts from farm and nonfarm businesses. It is calculated by adding the positive values of gross receipts and other income from Schedule C to the cost of purchased items and gross income (can be positive or negative) from Schedule F.
- [9] Includes Forms 1120 ("long form"); 1120-A ("short form"); Form 1120-F (foreign corporations, except foreign life insurance companies); 1120-H (homeowner associations); Form 1120-L (life insurance companies); Form 1120M (mutual insurance companies); Form 1120-PC (property and casualty insurance companies); 1120-POL (certain political associations); 1120-REIT (real estate investment trusts); 1120-RIC (regulated investment companies); and 1120-SF (settlement funds). However, total excludes certain other types of corporations, which are included in "other taxable returns" described in footnote 13.
- [10] Forms 1120-F are returns filed by foreign corporations with U.S. income, other than foreign life insurance companies and foreign sales corporations.
- [11] Includes returns with assets of less than \$10 million examined by either the Small Business/Self-Employed Operating Division or the Large and Mid-Size Business Operating Division.
- [12] Includes returns with assets of more than \$10 million examined by either the Small Business/Self-Employed Operating Division or the Large and Mid-Size Business Operating Division.
- [13] Includes Forms 1120S, which are returns filed by qualifying corporations electing to be taxed through shareholders. Under certain conditions, some of these corporations are subject to tax. Also includes Forms 1120-FSC (foreign sales corporations); 8288 (withholding tax returns for disposition by foreign persons of U.S. property interests); 990-C (farmers' cooperative association income tax); and 8804 (annual return for partnership withholding).
- [14] Less than \$500.

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

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

Table 14 -- Returns of Tax-Exempt Organizations and Employee Plans Examined, and Recommended Additional Tax After Examination, by Type of Examination, Fiscal Year 2004

Item, type of examination	Tax-exempt organizations [1]	Employee plans [2]
Number of returns processed in Calendar Year 2003 [3]	863,494	1,003,709
Number of returns examined [4]		
in Fiscal Year 2004:		
Total	5,800	7,910
CEP [5]	764	158
Non-CEP	5,036	7,752
Recommended additional tax after examination		
in Fiscal Year 2004 (thousand dollars):		
Total	28,573	4,488
CEP [5]	10,281	329
Non-CEP	18,292	4,159
Average recommended additional tax per return		
in Fiscal Year 2004 (dollars):		
CEP [5]	13,457	2,082
Non-CEP	3,632	537

[1] Tax-exempt organization returns include Forms 990, 990-EZ, 990-PF, 5227, 1120-POL, and 1041A filed by exempt organizations. Prior to Fiscal Year 2003, this count also included Form 990-C farmers's cooperatives, but responsibility for these entities has been transferred to the Large and Mid-Size Business Operating Division. See Table 10 for data on this form.

[2] Employee plan returns consist of Form 5500 series returns filed by employee retirement plans, excluding welfare benefit plans and fringe benefit plans, which are not subject to examination by IRS.

[3] In general, examination activity for a fiscal year may be associated with returns filed in the previous calendar year. However, this relationship is only approximate.

[4] For the types of specific returns examined, see Table 15 and the footnotes to that table.

[5] CEP (Coordinated Examination Program) covers "a taxpayer, and its effectively controlled entities, that warrants application of 'team examination' procedures."

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

Table 15 -- Returns of Tax-Exempt Organizations, Employee Plans, and Tax-Exempt Bonds Examined, by Type of Return, Fiscal Year 2004

Type of return	Number of returns
Total number of returns examined	14,110
Tax-exempt organizations and related taxable returns	5,800
Tax-exempt organization returns:	
Total	3,126
Forms 990 and 990-EZ [1]	2,892
Forms 990-PF, 5227, 1041-A, and 1120 [2]	219
Form 1120-POL [3]	15
Related taxable returns [4]:	
Total	2,674
Employment and retirement tax returns [5]	1,441
Form 990-T [6]	662
Form 4720 [7]	31
Forms 1040 and 1120 adjusted [8]	322
Forms 11-C and 730 [9]	218
Employee plans and related taxable returns	7,910
Employee plan returns:	
Total	7,008
Form 5500, total [10]	6,986
Defined benefit	1,500
Defined contribution	5,486
Form 5500-EZ, total [11]	22
Defined benefit	10
Defined contribution	12
Related taxable returns [4]:	
Total	902
Form 5330 [12]	742
Form 990-T [6]	**
Forms 1040 and 1120 adjusted [8]	**
Tax-exempt bond returns	400
Forms 8038, 8038-G, 8038-GC, 8038-T, and 8328 [13]	400

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

- [1] Includes tax-exempt organization returns (Forms 990 and the 990-EZ "short" form), other than private foundations or farmers' cooperatives.
- [2] Includes private foundations (Form 990-PF); split-interest trusts (Form 5227); trust accumulations of certain charitable amounts (Form 1041-A filed by a tax-exempt organization); and corporation income tax returns (Form 1120) of revoked private foundations.
- [3] Form 1120-POL is filed by certain political organizations. This form is considered to be a tax-exempt organization return because the IRS Tax Exempt and Government Entities area has examination responsibility for the form. However, Form 1120-POL is included in Corporation filing data shown in Tables 2 and 3.
- [4] Since related taxable returns are examined in connection with an examination of returns of tax-exempt organizations or employee plans, data for them are included here but not in Tables 10-13.
- [5] Includes employer's unemployment tax (Form 940); employer returns for income and Social Security tax withheld and advance earned income credit payments (Form 941); household employee tax (Form 942); agricultural employee tax (Form 943); other income tax withholding (Form 945); and foreign employee tax (Form 1042).
- [6] Form 990-T is the tax-exempt organization unrelated business income tax return.
- [7] Form 4720 reports the excise tax on exempt organizations and related individuals.
- [8] Related individual (Form 1040 series) or corporation (Form 1120 series) income tax returns adjusted as a result of examination of tax-exempt organization or employee plan returns.
- [9] Form 11-C reports the occupational tax for wagering, and Form 730 reports the excise tax on wagering.
- [10] Form 5500 is for all employee benefit plans with multiple participants. Prior to November 1999, Form 5500C/R was filed by plans with fewer than 100 participants. The Form 5500 total for FY 2004 included 72 examinations of these 5500C/R returns (11 defined benefit plans and 61 defined contribution plans).
- [11] Form 5500-EZ is for one-participant pension benefit plans.
- [12] Form 5330 reports initial excise taxes related to employee plans.
- [13] Includes tax-exempt private activity bond issues (Form 8038); Government-purpose tax-exempt bond issues (Form 8038-G); small tax-exempt bond issues (Form 8038-GC); arbitrage rebates (Form 8038-T); and carryover election of unused private activity bond volume cap (Form 8328).

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

Table 16 -- Delinquent Collection Activities, Fiscal Years 2001-2004

Activity	2001	2002	2003	2004
	(1)	(2)	(3)	(4)
Returns filed with additional tax due:				
Total amount collected (thousand dollars) [1]	32,186,839	32,557,571	35,507,826	36,659,487
From first notice of balance due	12,473,959	13,429,083	14,012,871	13,322,399
From subsequent notices of balance due [2]	11,683,382	10,505,694	11,521,248	12,567,170
From taxpayer delinquent accounts and additional actions [3]	8,029,499	8,622,794	9,973,708	10,769,919
Taxpayer delinquent accounts (thousands):				
Number in opening inventory	5,861	5,419	5,687	6,170
Number of issuances or receipts	4,319	4,849	5,379	5,179
Number of dispositions	4,761	4,581	4,896	5,368
Closing inventory:				
Number	5,419	5,687	6,170	5,981
Balance of assessed tax, penalties, and interest (thousand dollars) [4]	40,380,883	44,823,141	46,738,194	50,680,546
Returns not filed timely:				
Delinquent return activity (thousand dollars):				
Net amount assessed [5]	10,175,160	11,578,471	15,117,175	15,635,584
Amount collected with delinquent returns	1,447,864	1,684,382	3,334,442	2,976,681
Taxpayer delinquency investigations (thousands) [6]:				
Number in opening inventory	3,350	2,126	2,138	2,964
Number of issuances or receipts	1,310	1,422	2,490	2,051
Number of dispositions	2,534	1,410	1,664	1,993
Number in closing inventory	2,126	2,138	2,964	3,022
Offers in compromise (thousands) [7]:				
Number of offers received	125	124	128	106
Number of offers accepted	39	29	22	20
Amount of offers accepted (thousand dollars)	340,778	300,296	243,942	275,331
Enforcement activity (actual numbers):				
Number of notices of Federal tax liens filed	426,166	482,509	544,316[r]	534,392
Number of notices of levy served upon third parties	674,080	1,283,742	1,680,844	2,029,613
Number of seizures	234	296	399	440

[r] - Revised.

[1] Includes previously unpaid taxes on returns filed plus penalties and interest.

[2] Includes payments on installment agreements.

[3] A taxpayer delinquent account is an unpaid balance of assessment plus accruals, where a taxpayer has not paid the balance due in full on a return or an additional assessment. Includes deferred accounts and non-Master File accounts (which include, for example, innocent spouse and transferee assessments).

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

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

[6] Investigation actions opened subsequent to nonresponse to notice activity for tax returns that have not been filed timely.

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

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

SOURCE: Small Business/Self-Employed, Compliance, Compliance Policy, Centralized Workload Selection and Delivery, Collection Management Information Systems and Automation SE:S:C:CP:CW:CMIS

Table 17 -- Appeals Workload, by Status and Type of Case, Fiscal Year 2004

Docketed status and type of case [1]	Cases pending October 1, 2003 [2]	Cases received [3]	Cases closed	Cases pending September 30, 2004 [2,3,4]
	(1)	(2)	(3)	(4)
Total cases	71,995	98,677	103,946	64,787
Nondocketed, total [5]	61,094	81,652	86,123	53,444
Collection due process	21,351	28,133	31,167	17,064
Offers in compromise	11,382	16,768	17,884	10,343
Innocent spouse	4,867	4,197	4,132	4,802
Penalty appeals	5,587	13,046	14,642	3,763
Coordinated industry cases	1,183	523	619	1,059
Industry cases	971	605	528	952
Examination/Tax Exempt and Government Entities	12,533	13,727	12,629	12,282
Other [6]	3,220	4,653	4,522	3,179
Docketed, total [7]	10,901	17,025	17,823	11,343
Collection due process	61	--	1,059	125
Offers in compromise	3	--	3	--
Innocent spouse	233	395	581	268
Penalty appeals	3	1	5	2
Coordinated industry cases	30	31	34	51
Industry cases	141	78	142	108
Examination/Tax Exempt and Government Entities	10,421	16,512	15,963	10,777
Other [6]	9	8	36	12

[1] A case represents a taxpayer with the same type of tax for one or more tax periods. For example, an individual with income tax returns for Tax Years 2000, 2001, and 2002 is considered one case; but a corporation with both an income tax return and an employment tax return is considered two separate cases. All Appeals cases are classified into one of eight categories based on similarities of case type and case characteristics.

[2] Cases pending include only cases in Appeals jurisdiction.

[3] Cases received in FY 2004 and transferred, reassigned or returned to the Operating Divisions as premature referrals during that fiscal year are excluded.

[4] Cases pending on October 1, 2004 (column 4) do not equal cases pending on October 1, 2003 (column 1) plus cases received (column 2) minus cases closed (column 3) due to cases transferred to Chief Counsel's jurisdiction for trial and cases returned to the Operating Divisions as premature referrals.

[5] Nondocketed cases are those in which the taxpayer has not filed a petition in the United States Tax Court.

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

[7] Docketed cases are those in which the taxpayer has filed a petition in the United States Tax Court.

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

Table 18 -- Criminal Investigation Program, by Status or Disposition, Fiscal Year 2004

Status or disposition	Total	Legal source tax crimes [1]	Illegal source financial crimes [2]	Narcotics-related financial crimes [3]
	(1)	(2)	(3)	(4)
Investigations initiated [4]	3,917	1,370	1,537	1,010
Investigations discontinued	1,350	595	503	252
Referrals for prosecution	3,037	869	1,289	879
Information and indictments [5]	2,489	653	1,064	772
Convictions	2,008	578	837	593
Sentenced	1,777	507	750	520
Incarcerated [6]	1,497	417	622	458
Percentage of those sentenced who were incarcerated [6]	84.2	82.2	82.9	88.1

[1] IRS Criminal Investigation's primary resource commitment (i.e., time expended) is to develop and investigate Legal Source tax investigations. These investigations involve legal industries and legal occupations and, more specifically, legally earned income, in which the primary motive or purpose is the violation of the following tax statutes: Title 26 (tax violations) and Title 18 (tax-related violations) of the U.S. Code. The Legal Source Tax Crimes Program also includes those cases that threaten the tax system, such as Questionable Refund Program (QRP) cases, unscrupulous return preparers, and frivolous filers/nonfilers who challenge the legality of the filing requirements. Excise tax and employment tax cases are also important elements of the Legal Source Tax Crimes Program. The prosecution of Legal Source Tax Crimes cases is key to promoting voluntary compliance with the tax laws.

[2] IRS Criminal Investigation commits resources to those investigations that involve proceeds derived from illegal sources other than narcotics. The Illegal Source Financial Crimes Program encompasses all tax and tax-related violations, as well as money-laundering and currency violations under the following tax statutes: Title 26 (tax violations); Title 18 (tax-related and money-laundering violations); and Title 31 (currency violations) of the U.S. Code. Also linked to the investigation of criminal charges within this program is the emphasis on effective utilization of the forfeiture statutes to deprive individuals and organizations of illegally obtained assets. The IRS recognizes that illegal source proceeds, which are part of the untaxed "underground economy," are a threat to the voluntary tax compliance system.

[3] Under the Narcotics Related Financial Crimes Program, IRS Criminal Investigation seeks to identify, investigate, and assist in the prosecution of the most significant narcotics-related tax and money-laundering offenders. IRS derives this authority from the statutes for which it has jurisdiction: Title 26 (tax violations); Title 18 (tax-related and money-laundering violations); and Title 31 (currency violations) of the U.S. Code. Therefore, IRS is committed to supporting the goals and objectives of the National Drug Control Strategy in conjunction with other law enforcement agencies. The IRS's primary objective in the Narcotics Related Financial Crimes Program is to reduce the profit and financial gains of narcotics-trafficking and money-laundering organizations that comprise a significant portion of the untaxed "underground economy." IRS Criminal Investigation devotes resources to high-level multiagency narcotics investigations warranting Organized Crime Drug Enforcement Task Force (OCDETF) designation in accordance with OCDETF Program reimbursable funding.

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

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

[6] Incarcerated may include prison time, home confinement, electronic monitoring, or a combination thereof.

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

Table 19 -- Employee Plans and Tax-Exempt Organizations: Guidance and Closings, Fiscal Year 2004

Item	Total	Employee plans	Tax-exempt organizations
	(1)	(2)	(3)
Total	6,446	4,604	1,842
Announcements and notices	29	22	7
Congressional correspondence	317	135	182
General correspondence	1,697	1,366[1]	331
Requests for rulings	3,202	1,915[2]	1,287
Revenue rulings and procedures	24	18	6
Technical advice	46	17	29
Voluntary compliance agreements	1,131	1,131	--

[1] Employee plan general correspondence includes telephone inquiries and other referrals.

[2] Employee plan requests for rulings include opinion letters issued to Master and Prototype plans, including IRA's (Individual Retirement Arrangements), SEP's (Simplified Employee Pensions), and SIMPLE's (Savings Incentive Match Plan for Employees).

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

Table 20 -- Determination Letters Issued on Employee Benefit Plans, by Type and Disposition of Plan, Fiscal Year 2004

Determination letters												
Letters issued, disposition of plan	Total determination letters	Defined benefit plan	Defined contribution plans									
			Total [1]	Type of plan						Employee stock ownership	Other defined contribution	Section 401(k) [2]
				Stock bonus	Money purchase	Target benefit	Profit sharing					
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)		
Total:												
Qualified	54,565	12,258	42,307	150	3,886	125	37,378	768	--	1,908		
Not qualified	--	--	--	--	--	--	--	--	--	--		
Initial qualifications:												
Qualified	22,798	5,223	17,575	20	1,038	33	16,154	330	--	755		
Participating employees [3]	2,434,126	578,435	1,855,691	7,167	52,095	1,362	1,766,330	28,737	--	56,070		
Not qualified	--	--	--	--	--	--	--	--	--	--		
Amendments:												
Qualified	28,131	6,053	22,078	114	2,308	79	19,234	343	--	1,095		
Participating employees [3]	19,360,912	9,295,286	10,065,626	42,113	666,801	15,138	8,541,316	800,258	--	786,639		
Not qualified	--	--	--	--	--	--	--	--	--	--		
Terminations:												
Qualified	3,636	982	2,654	16	540	13	1,990	95	--	58		
Participating employees [3]	231,921	58,753	173,168	201	28,676	221	112,645	31,425	--	9,357		
Not qualified	--	--	--	--	--	--	--	--	--	--		

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

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

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

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

Table 21 -- Tax-Exempt Organization and Other Entity Applications or Disposals, by Type of Organization and Internal Revenue Code Section, Fiscal Year 2004

Type of organization, Internal Revenue Code section	Total applications or disposals	Approved	Denied	Other [1]
	(1)	(2)	(3)	(4)
Tax-exempt organizations and other entities, total	87,080	69,315	1,050	16,715
Section 501 (c) by subsection	86,964	69,302	1,049	16,613
(1) Corporations organized under act of Congress	5	3	--	2
(2) Title-holding corporations	157	127	1	29
(3) Religious, charitable, and similar organizations [2,3,4]	80,651	64,545	1,027	15,079
(4) Social welfare organizations	1,926	1,420	3	503
(5) Labor and agriculture organizations	248	209	--	39
(6) Business leagues	1,813	1,489	13	311
(7) Social and recreation clubs	1,246	819	3	424
(8) Fraternal beneficiary societies	21	15	--	6
(9) Voluntary employees' beneficiary associations	268	209	2	57
(10) Domestic fraternal beneficiary societies	46	27	--	19
(11) Teachers' retirement funds	2	--	--	2
(12) Benevolent life insurance associations	90	65	--	25
(13) Cemetery companies	155	138	--	17
(14) State-chartered credit unions	12	10	--	2
(15) Mutual insurance companies	69	6	--	63
(16) Corporations to finance crop operations	1	1	--	--
(17) Supplemental unemployment benefit trusts	5	4	--	1
(18) Employee-funded pension trusts	--	--	--	--
(19) War veterans' organizations	162	133	--	29
(21) Black Lung trusts	--	--	--	--
(22) Multiemployer pension plans	--	--	--	--
(23) Veteran's associations founded prior to 1880	--	--	--	--
(24) Trusts described in Section 4049 of Employee Retirement Income Security Act of 1974 (ERISA)	--	--	--	--
(25) Holding companies for pensions and other entities	82	79	--	3
(26) State-sponsored high-risk health insurance organizations	3	2	--	1
(27) State-sponsored workers' compensation reinsurance organizations	2	1	--	1
Section 501 (d) Religious and apostolic associations	4	4	--	--
Section 521 Farmers' cooperatives [5]	26	9	1	16
Section 529 Qualified State-sponsored tuition programs	--	--	--	--
Nonexempt charitable trusts [6]	86	--	--	86

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

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

[3] Includes private foundations.

[4] Includes a small number of applications for determination from Section 501(e) cooperative hospital service organizations; Section 501(f) cooperative service organizations of operating educational organizations; Section 501(k) child care organizations; and Section 501(n) charitable risk pools. These organizations file the same determination application as Section 501(c)(3) and are indistinguishable from those organizations until they are processed to the Exempt Organization Business Master File. (See also Table 22.)

[5] Because of its specialized expertise, Exempt Organizations processes applications for exemption from Section 521 farmers' cooperatives, even though these entities are customers of the Large and Mid-Size Business Operating Division. See Tables 10-13.

[6] These organizations are taxable entities for which the IRS Exempt Organizations function has program responsibility.

SOURCE: Tax Exempt and Government Entities, Exempt Organizations SE:T:EO

Table 22 -- Tax-Exempt Organizations and Other Entities Listed on the Exempt Organization Business Master File, by Type of Organization and Internal Revenue Code Section, Fiscal Years 2001-2004

Type of organization, Internal Revenue Code section	2001	2002	2003	2004
	(1)	(2)	(3)	(4)
Tax-exempt organizations and other entities, total	1,567,580	1,580,767	1,640,949	1,680,061
Section 501(c) by subsection	1,399,558	1,444,905	1,501,772	1,540,554
(1) Corporations organized under act of Congress	48	88	103	116
(2) Title-holding corporations	6,984	6,998	7,078	7,144
(3) Religious, charitable, and similar organizations [1,2]	865,096	909,574	964,418	1,010,365
(4) Social welfare organizations	136,882	137,526	137,831	138,193
(5) Labor and agriculture organizations	62,944	62,246	62,641	62,561
(6) Business leagues	82,706	83,712	84,838	86,054
(7) Social and recreation clubs	67,289	68,175	69,522	70,422
(8) Fraternal beneficiary societies	81,112	80,193	79,390	69,798
(9) Voluntary employees' beneficiary associations	13,292	13,173	13,066	12,866
(10) Domestic fraternal beneficiary societies	23,531	23,096	22,576	21,328
(11) Teachers' retirement funds	15	15	15	16
(12) Benevolent life insurance associations	6,500	6,553	6,662	6,716
(13) Cemetery companies	10,269	10,424	10,585	10,728
(14) State-chartered credit unions	4,409	4,471	4,338	4,289
(15) Mutual insurance companies	1,423	1,608	1,777	1,988
(16) Corporations to finance crop operations	23	24	20	21
(17) Supplemental unemployment benefit trusts	490	477	468	462
(18) Employee-funded pension trusts	1	1	1	2
(19) War veterans' organizations	35,263	35,227	35,132	36,141
(21) Black Lung trusts	28	28	28	33
(22) Multiemployer pension plans	--	--	--	--
(23) Veteran's associations founded prior to 1880	2	2	2	2
(24) Trusts described in Section 4049 of Employee Retirement Income Security Act of 1974 (ERISA)	1	1	3	4
(25) Holding companies for pensions and other entities	1,236	1,274	1,259	1,285
(26) State-sponsored high-risk health insurance organizations	9	9	10	11
(27) State-sponsored workers' compensation reinsurance organizations	5	10	9	9
Section 501(d) Religious and apostolic associations	129	131	138	141
Section 501(e) Cooperative hospital service organizations	40	40	39	38
Section 501(f) Cooperative service organizations of operating educational organizations	1	1	1	1
Section 501(k) Child care organizations	--	--	--	3
Section 501(n) Charitable risk pools	--	--	--	1
Section 521 Farmers' cooperatives	1,333	[3]	[3]	[3]
Section 529 Qualified State-sponsored tuition programs	--	--	--	--
Taxable farmers' cooperatives	3,096	[3]	[3]	[3]
Nonexempt charitable trusts [4]	163,423	135,690	138,999	139,323

[1] Not all Internal Revenue Code Section 501(c)(3) organizations are included because certain organizations, such as churches, integrated auxiliaries, subordinate units, and conventions or associations of churches, need not apply for recognition of tax-exemption, unless they specifically request a ruling.

[2] Includes private foundations.

[3] Effective beginning Fiscal Year 2002, IRS Exempt Organizations transferred program responsibility for these entities to the Large and Mid-Size Business Operating Division, although Exempt Organizations still processes applications for exemption from Section 521 Farmers' cooperatives. (See Table 21.)

[4] These organizations are taxable entities for which the IRS Exempt Organizations function has program responsibility.

SOURCE: Tax Exempt and Government Entities, Exempt Organizations SE:T:EO

Table 23 -- Internal Revenue Service Taxpayer Assistance and Education Programs, by Type of Assistance or Program, Fiscal Year 2004

Type of assistance or program	Number, amount, or percentage
Call, write, or walk-in assistance:	
Telephone (including TeleTax)	77,579,358
Unsolicited correspondence	12,064
Walk-in contacts [1]	7,319,819
Accuracy of assistance:	
Technical tax law questions via toll-free telephone (percentage accurate)	80
Forms and publications (paper products):	
Forms and publications orders for paper products	5,137,904
Libraries, banks, postal service distribution sites, grocery stores, copy centers, and office supply outlets stocking paper products	46,009
Selected Internet files downloaded (IRS.gov) [2]:	
Forms, instructions, and publications	463,805,623
Disaster and emergency assistance [3]:	
Taxpayers assisted	14,964
States	41
Counties/cities	932
Taxpayer education:	
Outreach taxpayers assisted	72,031,093
Outreach community sites	13,367
Taxpayers assisted through Voluntary Income Tax Assistance (VITA) and Tax Counseling for the Elderly (TCE) programs [4]	1,934,661
Volunteers	75,073
Students using "Understanding Taxes" material [5]	59,162
Taxpayers reached through practitioners [6]	6,449,569
Taxpayer information:	
Value of--	
Free advertising received (dollars) [7]	10,073,596
Broadcast (radio and television) (dollars)	8,624,654
Print (drop-in ads) (dollars) [7]	1,448,942
Number of--	
Television clinics and special programs	1
Estimated viewers and listeners	400,000

[1] Includes contacts at 408 sites where taxpayers are served at IRS Taxpayer Assistance Centers, alternative IRS sites (libraries and post offices), and mobile units (kiosks and Taxpayer Assistance Centers On Wheels). Excludes Voluntary Income Tax Assistance (VITA) and Tax Counseling for the Elderly (TCE) sites.

[2] The accuracy of this number, which is based on IRS records, is limited. Web software sometimes separates one file into several packets and counts these packets as individual files, resulting in the overcounting of downloaded files. On the other hand, some Internet Service Providers (ISP's) copy all of IRS.gov onto their own systems and then allow their clients to download individual files. As a result, the IRS has no way to track the volume of files downloaded from these ISP sites.

[3] These data reflect the number of events declared by the Federal Emergency Management Agency (FEMA) as major disaster areas that impacted States and counties/cities for which the IRS granted administrative tax relief. Some States and counties/cities were affected more than once.

[4] This number reflects only tax preparation activity for taxpayers assisted through Voluntary Income Tax Assistance (VITA) and Tax Counseling for the Elderly (TCE).

[5] "Understanding Taxes" is a Web-based program, and the number represents "hits" to the Web site to obtain instructional material. Therefore, one instructor "hit" to the Web site could represent a classroom of students.

[6] Includes the number of Small Business/Self-Employed (SB/SE) taxpayers reached indirectly through direct contact with tax practitioners by Taxpayer Education and Communication (TEC).

[7] The value of free advertising increased slightly from Fiscal Year 2003. This may be due to adding online advertising to the strategy and because of additional topics publicized. Online advertising accounted for \$705,000 in public service value. This number is added into the print public service value.

SOURCE: Wage and Investment, Strategy and Finance, Planning and Analysis W:S:PA

Table 24 -- Taxpayer Advocate Service: Post-Filing Taxpayer Assistance Program, by Type of Relief and Issues, Fiscal Year 2004

Type of relief and issues	Number	Percentage of total
Total applications for taxpayer assistance [1]	165,622	100
Taxpayer Assistance Order issued [2]	30	[3]
Relief provided to taxpayer:		
Total	111,500	67
Taxpayer Assistance Order issued [4]:		
Complied	23	[3]
Sustained	**	**
Modified	**	**
No Taxpayer Assistance Order issued:		
Full relief	101,451	61
Individual issue [5]	89,638	54
Systemic issue [6]	11,813	7
Partial relief	10,022	6
Individual issue [5]	9,031	6
Systemic issue [6]	991	1
No relief provided to taxpayer:		
Total	54,049	33
Taxpayer Assistance Order issued:		
Rescinded [7]	**	**
No Taxpayer Assistance Order issued:		
No relief (no response from taxpayer)	20,143	12
Advocate does not deem relief appropriate	18,007	11
Relief provided prior to Taxpayer Advocate		
Service intervention	7,976	5
Relief not required (taxpayer rescinded request)	2,593	2
No relief (hardship not proven)	2,521	2
Relief not required (hardship not related to revenue laws)	1,495	1
No relief (tax law precluded relief)	**	**
Relief not identified	73	[3]
Congressional inquiries [8]	12,759	N/A
Issues:		
Total	165,622	100
Criminal Investigation	12,861	8
Revenue Protection Strategy (earned income tax credit claims)	11,678	7
Processing amended returns	11,524	7
Levies	8,440	5
Processing original returns	8,359	5
Reconsideration/Substitute for Return/6020B/audit	7,473	5
Expedite refund requests	7,067	4
Injured spouse claim	6,335	4
Open audit (not Revenue Protection Strategy or earned income tax credit claims)	4,716	3
Closed underreporter	4,540	3
All others	82,629	50

N/A - Not Applicable.

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

[1] This is the number of Applications for Taxpayer Assistance Orders (Form 911) closed by the Taxpayer Advocate Service (TAS) that meet one of the following seven criteria: taxpayer is suffering or about to suffer a significant hardship; taxpayer is facing an immediate threat of adverse action; taxpayer will incur significant costs if relief is not granted (including fees for professional representation); taxpayer will suffer irreparable injury or long-term adverse impact if relief is not granted; taxpayer has not received a response or resolution to his or her problem or inquiry by the date promised; a system or procedure has failed to operate as intended or failed to resolve the taxpayer's problem or dispute; or taxpayer has experienced a delay of more than 30 calendar days to resolve a tax account problem (a delay is a lapse of more than 30 days from the date of the taxpayer's initial inquiry or from the end of the prescribed/normal processing period, whichever is greater).

**Table 24 -- Taxpayer Advocate Service: Post-Filing Taxpayer Assistance Program,
by Type of Relief and Issues, Fiscal Year 2004--Continued**

Footnotes--Continued

- [2] A Taxpayer Assistance Order (TAO) is issued for cases meeting one of the criteria in footnote 1 and is employed to direct the IRS organizational unit to take a specific action, or to review, expedite consideration, or reconsider a taxpayer's case.
- [3] Less than 0.05 percent.
- [4] This is the total number of closed Taxpayer Assistance Orders where the Taxpayer Advocate Service provided full or partial relief under one of the criteria in footnote 1.
- [5] An individual issue is one that requires a change or modification to an account. Individual refers to a single issue applicable to an individual taxpayer, corporation, or other entity.
- [6] A systemic issue requires a change or modification to an established procedure, process, or operation (e.g., computer program). This could include a tax law that, when administered, treats taxpayers differently or unfairly. Systemic issues potentially impact more than one taxpayer.
- [7] Taxpayer Assistance Order (TAO) was issued; an operating division appealed; and the TAO was rescinded by the National Taxpayer Advocate, Commissioner, or Deputy Commissioner. Therefore, no relief was provided to the taxpayer.
- [8] This is an information item only for the number of Congressional inquiries related to constituents' tax account inquiries. Of the 12,759 inquiries, 12,037 were original Congressional inquiries, and the remaining 722 were duplicate Congressional inquiries related to the same issues for the same constituents.

SOURCE: Taxpayer Advocate Service, Program Planning and Quality Division TA:PPQ

Table 25 -- Information Reporting Program, Fiscal Year 2004

Item	Number or amount
Information returns received (millions) [1]:	
Total	1,390
Paper	47
Electronic	485
Magnetic tape	583
Other [2]	275
Contacts (millions) [3]:	
Total	4.486
Underreporter program [4]	1.948
Nonfiler (substitute for return) program [5]	2.538
Additional assessments (million dollars):	
Total	7,590
Underreporter program [4]	3,576
Nonfiler (substitute for return) program [5]	4,014

[1] Includes Forms 1098 (mortgage interest, student loan interest, and tuition payments); the 1099 series (including interest and dividend distributions); 5498 (individual retirement arrangement and medical savings account information); W-2 (wage and tax statements); and W-2G (certain gambling winnings); and Schedules K-1 (partnership, S corporation, and estate or trust distributions). Information from these forms and schedules is matched to that reported on income tax returns. See footnote 3.

[2] Forms 1099 and W-2 from Social Security Administration.

[3] Number of letters sent to taxpayers under the Underreporter Program and the Substitute for Return Program. Includes followup letters sent to the same taxpayer.

[4] IRS uses information returns from third parties to match with what is reported on income tax returns to identify underreporters. The amount assessed includes interest and penalties. Additional tax reflects any changes to the earned income tax credit or to tax withheld.

[5] Under the nonfiler "substitute for return" program, IRS uses information returns from third parties to identify tax return delinquencies, constructs tax returns for certain nonfilers on the basis of that information, and assesses tax, interest, and penalties on the results (after prepayment credits). Assessments for the nonfiler "substitute for return" program increased in Fiscal Year 2004. This was attributable to an expansion of the automated nonfiler "substitute for return" program.

SOURCE: Small Business/Self Employed, Campus Compliance Services, Campus Reporting Compliance, Operations SE:S:CCS:CRC:O

Table 26 -- Taxpayer Contact Information, by Type of Math Error and Selected Program, 2003 and 2004

Math error	Calendar Year	
	2003 [r, 1]	2004 [2]
Total number of notices [3]	4,024,981	7,342,484
Type of math error:		
Child tax credit [4]	840,819	3,908,012
Tax calculation/other taxes [5]	757,025	970,013
Exemption number/amount	764,227	801,933
Earned income tax credit	1,105,569	768,036
Standard/itemized deduction	531,027	490,300
Adjusted gross/taxable income amount	602,547	376,168
Filing status	157,281	139,714
Refund/amount due	283,842	128,473
Other credits [6]	159,415	115,730
Adjustments to income	66,733	107,901
Withholding or excess Social Security payments	99,410	89,351
Other [7]	88,726	54,903

Selected program	Fiscal Year 2004		
	Total	Small Business/ Self-Employed Division	Wage and Investment Division
	(1)	(2)	(3)
Automated Underreporter Program [8]:			
Number of cases closed	1,948,363	757,429	1,190,934
Amount assessed (thousand dollars)	3,576,025	1,727,364	1,848,661
Number of full-time equivalent employees [9]	1,639	783	856
Automated Substitute for Return Program [10]:			
Number of cases [11]:			
Including reconsiderations [12]	1,632,992	1,032,748	600,244
Excluding reconsiderations	1,585,259	1,010,155	575,104
Returns [13]:			
Number assessed	198,362	101,108	97,254
Net amount assessed (thousand dollars)	4,014,326	1,509,053	2,505,273
Number of full-time equivalent employees [9]:			
Including reconsiderations [12]	332	188	144
Excluding reconsiderations	278	156	122

[r] - Revised.

[1] Data for 2003 have been revised and reflect Tax Year 2002 tax returns processed in Calendar Year 2003. Excludes 1,100,422 math errors and 825,510 notices associated with prior-year returns processed in Calendar Year 2003.

[2] Data for 2004 reflect Tax Year 2003 tax returns processed in Calendar Year 2004. Excludes 789,910 math errors and 598,907 notices associated with prior-year returns processed in Calendar Year 2004.

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

[4] Includes errors associated with the advance Child Tax Credit payment.

[5] Includes all errors associated with the calculation and assessment of income taxes, as well as other taxes, such as self-employment tax, alternative minimum tax, and Schedule H tax.

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

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

[8] IRS uses information returns from third parties to match with what is reported on income tax returns to identify underreporters. The amount assessed includes interest and penalties. Additional tax reflects any changes to the earned income tax credit or to tax withheld.

[9] Reflects the total number of regular hours (not including overtime or holiday) worked, divided by the number of hours applicable to the fiscal year.

[10] Under the nonfiler "substitute for return" program, IRS uses information returns from third parties to identify tax return delinquencies, constructs tax returns for certain nonfilers on the basis of that information, and assesses tax, interest, and penalties on the results (after prepayment credits). Assessments for the nonfiler "substitute for return" program increased in Fiscal Year 2004. This was attributable to an expansion of the automated nonfiler "substitute for return" program.

[11] Includes all cases referred to the Automated Substitute for Return Program.

[12] Includes contacts with taxpayers in disagreement with the original assessment produced by the Automated Substitute for Return Program.

[13] Returns with actual tax assessments under the Automated Substitute for Return Program.

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

Table 27 -- Civil Penalties Assessed and Abated, by Type of Penalty and Type of Tax, Fiscal Year 2004

[Money amounts are in thousands of dollars.]

Type of penalty and type of tax	Civil penalties assessed		Reasonable cause abatements [1]		Other abatements [1]		Net civil penalties assessed after abatements	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Civil penalties, total	28,571,490	18,057,098	367,558	934,655	3,518,416	6,055,977	24,685,516	11,066,466
Individual income tax	18,819,702	5,877,990	79,754	131,693	1,934,842	900,505	16,805,106	4,845,792
Delinquency	2,311,943	2,346,814	29,895	77,754	374,632	480,412	1,907,416	1,788,648
Estimated tax	5,260,594	966,549	8,948	8,725	117,355	85,602	5,134,291	872,222
Failure to pay	11,030,124	2,446,528	36,545	42,166	1,432,363	307,211	9,561,216	2,097,151
Bad check	205,955	12,773	4,122	1,585	6,387	2,668	195,446	8,521
Fraud	2,044	75,208	49	826	324	9,525	1,671	64,857
Negligence	395	23,668	53	602	524	4,428	-182	18,638
Other [2]	8,647	6,450	142	37	3,257	10,659	5,248	-4,246
Corporation income tax [3]	660,015	1,239,913	8,852	101,832	95,970	402,527	555,193	735,554
Delinquency	112,719	259,475	3,506	56,449	14,337	149,831	94,876	53,195
Estimated tax	261,233	227,768	1,101	16,413	14,171	121,731	245,961	89,624
Failure to pay	281,543	174,928	4,069	16,783	67,218	114,225	210,256	43,921
Bad check	3,064	4,242	167	4,431	128	691	2,769	-881
Fraud	132	6,675	--	--	4	47	128	6,628
Negligence	25	4,776	--	--	**	**	**	**
Other	1,299	562,049	9	7,755	**	**	**	**
Employment taxes [4]	7,813,859	5,231,655	221,248	491,084	1,230,962	2,267,756	6,361,649	2,472,815
Delinquency	1,614,918	886,788	43,030	68,109	165,578	236,028	1,406,310	582,651
Failure to pay	3,766,218	595,280	51,663	28,832	647,374	145,348	3,067,181	421,100
Federal tax deposits	2,313,900	3,722,213	123,265	388,618	413,608	1,882,181	1,777,027	1,451,414
Bad check	117,671	17,620	3,252	4,838	4,349	3,985	110,070	8,797
Fraud	383	5,195	**	**	**	**	363	4,573
Negligence	--	--	--	--	5	39	-5	-39
Other	769	4,558	**	**	**	**	703	4,318
Excise taxes [5]	482,028	393,442	34,701	133,069	91,850	137,940	355,477	122,434
Delinquency	153,961	44,093	3,123	3,811	10,101	18,029	140,737	22,253
Daily delinquency	88,956	245,348	27,734	117,076	36,143	88,149	25,079	40,122
Estimated tax	3,915	413	**	**	**	**	3,869	385
Failure to pay	225,089	16,315	3,083	1,631	43,606	7,039	178,400	7,645
Federal tax deposits	5,051	50,327	716	10,523	1,616	23,932	2,719	15,873
Bad check	4,804	300	40	22	279	112	4,485	167
Fraud	94	1,437	--	--	37	610	57	827
Negligence	--	--	--	--	--	--	--	--
Other	158	35,208	**	**	**	**	131	35,161
Estate and gift tax [6]	20,065	243,678	2,850	46,786	11,203	171,255	6,012	25,637
Delinquency	6,526	160,316	1,153	30,658	2,951	118,158	2,422	11,501
Failure to pay	13,028	76,051	1,626	15,325	8,121	51,412	3,281	9,314
Bad check	234	639	54	431	31	210	149	-1
Fraud	--	--	--	--	--	--	--	--
Negligence	**	**	--	--	--	--	**	**
Other	**	**	17	372	100	1,476	**	**
All other taxes [7]	293,855	251,915	20,153	30,192	75,742	170,282	197,960	51,442
Delinquency	125,949	118,913	15,071	23,737	41,869	69,045	69,009	26,131
Estimated tax	52,395	11,483	398	241	6,186	3,540	45,811	7,702
Failure to pay	112,576	19,043	4,037	2,666	26,436	7,206	82,103	9,170
Bad check	2,244	195	511	78	846	86	887	32
Negligence	--	--	--	--	--	--	--	--
Missing information	390	80,218	111	3,199	244	79,119	35	-2,100
Other	301	22,063	25	270	161	11,286	115	10,507
Nonreturn taxes [8]	481,966	4,818,505	--	--	77,847	2,005,712	404,119	2,812,793

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

[1] Certain civil penalties have been identified as having been abated due to reasonable cause judgment made by an IRS employee following specific guidelines. Other abatements are made because of a decrease in the underlying tax.

[2] Includes failure to supply taxpayer identification number, failure to report tip income, and miscellaneous.

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

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

[5] Represents penalties associated with Forms 11-C (occupational tax and registration, wagering); 720 (basic excise tax return); 730 (wagering tax); 990 (basic tax-exempt organization return); 990-PF (private foundation); 1041-A (trust accumulation of charitable amounts); 2290 (highway heavy vehicle use tax); 4720 (excise tax, charities) and 5227 (split-interest trusts).

Table 27 -- Civil Penalties Assessed and Abated, by Type of Penalty and Type of Tax, Fiscal Year 2004
--Continued**Footnotes--Continued**

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

[7] Represents penalties associated with Forms 1041 (estate and trust income tax); 1065 (partnerships); and individual retirement arrangements (IRA's).

[8] Represents penalties assessable under the Tax Equity and Fiscal Responsibility Act of 1982 and the Tax Reform Acts of 1984 and 1986. Examples include failure to file Form W-2 (wage and tax statement); failure to file proper information returns (such as the Form 1099 for payers reporting interest or dividend distributions); and the penalty for promoting an "abusive tax shelter."

NOTES: An "abatement" is a reduction of tax assessment and related interest and penalties resulting from excessive tax assessments, penalties, and interest due to IRS error, administrative and collection costs not warranting collection of the amount due, unpaid assessments discharged in bankruptcy, and IRS acceptance of partial payment of unpaid tax assessment in settlement of the balance due. With the exception of estimated income tax, assessments and abatements can apply to any tax year. Therefore, the abatements in Fiscal Year 2004 (columns 3 through 6) may not be altogether comparable to the assessments (columns 1 and 2) because they reflect different tax years. As a result, when the number or amount of abatements is subtracted from the number or amount of assessments in this table, it is possible for the abatements to exceed the assessments. When this occurs, the result is a negative frequency or amount (columns 7 and 8). In addition to the assessments and abatements shown, the law required that interest be charged on late payments. Such interest is not reflected in the data. Net interest in Fiscal Year 2004 totaled \$4.2 billion on individual returns and \$4.3 billion on business returns.

Detail may not add to totals because of rounding.

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

Table 28 -- Chief Counsel Workload, by Office and Type of Case or Activity, Fiscal Year 2004

Office and type of case or activity	Cases pending	Cases	Cases	Cases pending
	October 1, 2003 [r]	received	closed	September 30, 2004
	(1)	(2)	(3)	(4)
Chief Counsel (All Offices):				
Total	67,176	96,355	97,968	65,563
Guidance and assistance	12,519	14,199	16,565	10,153
Tax law enforcement and litigation	51,878	76,922	76,041	52,759
Other legal services to the IRS	2,763	5,234	5,358	2,639
Miscellaneous [1]	16	--	4	12
Corporate:				
Total	356	749	823	282
Guidance and assistance	271	534	609	196
Tax law enforcement and litigation	77	201	201	77
Other legal services to the IRS	8	14	13	9
Miscellaneous [1]	--	--	--	--
Criminal Tax:				
Total	3,532	6,494	7,359	2,667
Guidance and assistance	22	190	190	22
Tax law enforcement and litigation	3,505	6,250	7,118	2,637
Other legal services to the IRS	5	54	51	8
Miscellaneous [1]	--	--	--	--
Financial Institutions and Products:				
Total	476	774	683	567
Guidance and assistance	415	620	543	492
Tax law enforcement and litigation	57	140	126	71
Other legal services to the IRS	4	14	14	4
Miscellaneous [1]	--	--	--	--
General Legal Services:				
Total	2,243	4,242	4,356	2,129
Guidance and assistance	1	11	11	1
Tax law enforcement and litigation	--	--	--	--
Other legal services to the IRS	2,235	4,231	4,345	2,121
Miscellaneous [1]	7	--	--	7
Income Tax and Accounting:				
Total	6,385	5,327	7,847	3,865
Guidance and assistance	6,103	4,663	7,195	3,571
Tax law enforcement and litigation	273	641	636	278
Other legal services to the IRS	9	23	16	16
Miscellaneous [1]	--	--	--	--
International:				
Total	2,325	2,481	2,248	2,558
Guidance and assistance	1,945	2,021	1,859	2,107
Tax law enforcement and litigation	345	429	364	410
Other legal services to the IRS	35	31	25	41
Miscellaneous [1]	--	--	--	--

Footnotes at end of table.

Table 28 -- Chief Counsel Workload, by Office and Type of Case or Activity, Fiscal Year 2004
--Continued

Office and type of case or activity	Cases pending October 1, 2003 [r]	Cases received	Cases closed	Cases pending September 30, 2004
	(1)	(2)	(3)	(4)
Large and Mid-Size Business:				
Total	4,422	4,168	3,733	4,857
Guidance and assistance	682	647	596	733
Tax law enforcement and litigation	3,728	3,511	3,123	4,116
Other legal services to the IRS	12	10	14	8
Miscellaneous [1]	--	--	--	--
Passthroughs and Special Industries:				
Total	1,419	2,498	2,517	1,400
Guidance and assistance	1,116	1,910	1,927	1,099
Tax law enforcement and litigation	299	550	560	289
Other legal services to the IRS	4	38	30	12
Miscellaneous [1]	--	--	--	--
Procedure and Administration:				
Total	1,743	4,148	3,855	2,036
Guidance and assistance	577	1,269	1,172	674
Tax law enforcement and litigation	771	2,207	1,982	996
Other legal services to the IRS	395	672	701	366
Miscellaneous [1]	--	--	--	--
Small Business/Self-Employed:				
Total	42,256	62,158	61,350	43,064
Guidance and assistance	490	692	710	472
Tax law enforcement and litigation	41,721	61,333	60,510	42,544
Other legal services to the IRS	44	133	129	48
Miscellaneous [1]	1	--	1	--
Tax Exempt and Government Entities:				
Total	1,904	3,151	3,035	2,020
Guidance and assistance	829	1,552	1,672	709
Tax law enforcement and litigation	1,058	1,585	1,340	1,303
Other legal services to the IRS	12	14	20	6
Miscellaneous [1]	5	--	3	2
Wage and Investment:				
Total	41	75	73	43
Guidance and assistance	24	47	42	29
Tax law enforcement and litigation	17	28	31	14
Other legal services to the IRS	--	--	--	--
Miscellaneous [1]	--	--	--	--
Other [2]:				
Total	74	90	89	75
Guidance and assistance	44	43	39	48
Tax law enforcement and litigation	27	47	50	24
Other legal services to the IRS	--	--	--	--
Miscellaneous [1]	3	--	--	3

[r] - Revised.

[1] Includes cases for which a type of work is no longer done by the office shown and which were opened when that type of work was authorized for the office but closed after it was transferred to another office. Also includes cases that were not part of the work ordinarily performed by the particular office.

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

SOURCE: Chief Counsel, Associate Chief Counsel Finance and Management, Planning and Management Division, Operations Branch CC:FM:PM:O

Table 29 -- Chief Counsel Workload: Tax Litigation, by Type of Case, Fiscal Year 2004

Type of case	Cases pending			Cases pending
	October 1, 2003 [1]	Received	Closed	September 30, 2004 [1]
	(1)	(2)	(3)	(4)
Total cases	24,299	27,078	25,663	25,891
Tax Court cases:				
Number of cases	22,358	24,190	22,755	23,907
Tax and penalty in dispute (million dollars)	22,737	7,102	10,397	19,689
Tax and penalty on decision (million dollars):				
Total	N/A	N/A	1,149	N/A
Default or dismissed	N/A	N/A	152	N/A
Settled	N/A	N/A	723	N/A
Tried and decided	N/A	N/A	274	N/A
Tax Court cases on appeal (decided or pending):				
Number of cases	337	N/A	N/A	384
Tax and penalty (decided or pending) cases (million dollars)	1,554	N/A	N/A	1,554
Refund cases:				
Number of cases	1,211	370	336	1,258
Tax in cases (million dollars)	11,136	789	497	4,417
Tax protected (million dollars) [2]:				
Total	N/A	N/A	31	N/A
District Court	N/A	N/A	27	N/A
Court of Federal Claims	N/A	N/A	4	N/A
Refund cases on appeal (decided or pending):				
Number of cases	106	N/A	N/A	103
Tax and penalty (decided or pending) cases (million dollars)	885	N/A	N/A	1,126
Number of nondocketed cases	287	2,518	2,572	239

N/A - Not applicable.

[1] Column 1 plus column 2 minus column 3 will not equal column 4 in every instance. The difference is due to internal transfer of cases, which is not reflected in these numbers.

[2] "Tax protected" comprises any action taken by the Internal Revenue Service to prevent the release of funds from the U. S. Treasury in response to taxpayer efforts to recoup all or part of previously assessed and paid tax.

SOURCE: Chief Counsel, Associate Chief Counsel Finance and Management, Planning and Management Division, Operations Branch CC:FM:PM:O

Table 30 -- Costs Incurred by the Internal Revenue Service, by Budget Activity, Fiscal Years 2003 and 2004

[Money amounts are in thousands of dollars.]

Budget activity [1]	Total		Personnel compensation and benefits [2]		Other [3]	
	2003	2004	2003	2004	2003	2004
	(1)	(2)	(3)	(4)	(5)	(6)
Total obligations against appropriated funds	9,401,407	9,756,344	6,849,316	7,118,814	2,552,091	2,637,530
Processing, assistance, and management:						
Total	3,989,140	4,016,690	2,628,157	2,650,599	1,360,983	1,366,091
Prefiling Taxpayer Assistance and Education	611,954	598,175	332,771	333,758	279,183	264,417
Filing and Account Services	1,664,863	1,683,352	1,541,130	1,553,366	123,733	129,986
Shared Services Support	1,243,657	1,187,968	364,609	304,527	879,048	883,441
General Management and Administration	468,666	547,195	389,647	458,948	79,019	88,247
Tax law enforcement:						
Total	3,706,028	3,943,726	3,434,257	3,634,473	271,771	309,253
Compliance Services	3,622,964	3,858,097	3,361,460	3,559,314	261,504	298,783
Research and Statistics of Income [4]	83,064	85,629	72,797	75,159	10,267	10,470
Earned income tax credit [5]	143,719	196,753	123,349	152,012	20,370	44,741
Information systems:						
Total	1,562,520	1,599,175	663,553	681,730	898,967	917,445
Information Systems Improvement Programs	49,103	48,918	--	--	49,103	48,918
Information Services	1,513,417	1,550,257	663,553	681,730	849,864	868,527

[1] Some budget activity titles changed slightly from 2003 to reflect titles used in the Internal Revenue Service Fiscal Year 2004 Congressional Justification and the *Appendix -- Budget of the United States Government, Fiscal Year 2004*.

[2] Includes salaries, terminal leave payments, availability pay, pay differential, overtime and holiday pay, cash awards, incentive awards, obligation for uncashed payroll checks, expert and witness fees, rewards to informants, employer's share of personnel benefits costs, reimbursements for professional liability insurance, recruitment bonuses, commuting subsidies, retention bonuses, student loan repayments, relocation bonuses, gainsharing awards, cost of living allowances, overseas allowance grants, domestic and foreign income tax reimbursement allowances, worker's compensation benefits, moving expenses/relocation allowances, severance pay, and unemployment compensation payments.

[3] For Fiscal Year 2004, includes \$166,582,000 for domestic and foreign travel; \$567,232,000 for data processing services; purchases of motor vehicles; office furniture and equipment; enforcement, investigative, and telecommunications equipment and software; and \$1,904,185,000 for transportation of things (i.e., equipment, postage on tax forms, and relocation costs); rental payments; utilities; telecommunications; postage; printing and reproduction; supplies and materials; lands and structures; grants, subsidies, and contributions; insurance claims and indemnities; confidential expenditures for undercover operations; and other services (i.e., advisory and assistance services, purchase of goods and services from Government, operation and maintenance of facilities and equipment, research and development contracts, and medical care).

[4] This budget activity includes all Research, Analysis, and Statistics functions.

[5] The figures cited on this line are the costs associated with funding essential compliance and error reduction initiatives for the Earned Income Tax Credit Program.

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

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

Table 31 -- Internal Revenue Collections, Costs, Personnel, and U.S. Population, Fiscal Years 1971-2004

Fiscal year	Gross collections [1]	Operating costs [2]	Cost of collecting \$100	U.S. population (thousands) [3]	Average tax per capita [3]	Average positions realized [4,5]		
						Total	National Office	Field
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1971	191,647,198,138	981,065,297	0.51	207,053	925.59	68,972	4,358	64,614
1972	209,855,736,878	1,127,390,411	0.54	208,846	1,004.83	68,549	4,134	64,415
1973	237,787,204,058	1,162,009,945	0.49	210,410	1,130.11	74,170	4,505	69,665
1974	268,952,253,663	1,312,894,661	0.49	211,901	1,269.24	78,921	4,310	74,611
1975	293,822,725,772	1,584,711,486	0.54	213,559	1,375.84	82,339	4,531	77,808
1976 [6]	302,519,791,922	1,667,311,689	0.55	215,142	1,406.14	84,264	4,732	79,532
1977	358,139,416,730	1,790,588,738	0.50	217,329	1,647.91	83,743	4,994	78,749
1978	399,776,389,362	1,962,129,287	0.49	219,033	1,825.19	85,329	4,919	80,410
1979	460,412,185,013	2,116,166,276	0.46	220,999	2,083.32	86,168	4,978	81,190
1980	519,375,273,361	2,280,838,622	0.44	228,231	2,275.66	87,464	5,114	82,350
1981	606,799,103,000	2,465,468,704	0.41	230,613	2,631.24	86,156	5,110	81,046
1982	632,240,505,595	2,626,338,036	0.42	232,962	2,713.92	82,857	5,098	77,759
1983	627,246,792,581	2,968,525,840	0.47	235,225	2,666.58	83,603	4,357	79,246
1984	680,475,229,453	3,279,067,495	0.48	237,454	2,865.71	87,635	5,327	82,308
1985	742,871,541,283	3,600,952,523	0.48	239,714	3,098.99	92,259	5,454	86,805
1986	782,251,812,225	3,841,983,050	0.49	241,995	3,232.51	95,880	5,361	90,519
1987	886,290,589,996	4,365,816,254	0.49	244,344	3,627.22	102,189	6,253	95,936
1988	935,106,594,000	5,035,543,000	0.54	246,329	3,796.17	114,875	6,934	107,941
1989	1,013,322,133,000	5,198,546,063	0.51	249,412	4,062.84	114,758	7,895	106,863
1990	1,056,365,651,631	5,440,417,630	0.52	251,057	4,207.68	111,962	7,459	104,503
1991	1,086,851,401,315	6,097,627,226	0.56	254,435	4,271.63	115,628	8,286	107,342
1992	1,120,799,558,292	6,536,336,443	0.58	257,861	4,346.53	116,673	9,333	107,340
1993	1,176,685,625,083	7,077,985,000	0.60	261,163	4,505.56	113,460	9,320	104,140
1994	1,276,466,775,871	7,245,344,000	0.57	264,301	4,829.59	110,665	9,467	101,198
1995	1,375,731,835,498	7,389,692,000	0.54	267,456	5,143.77	112,024	9,738	102,286
1996	1,486,546,674,000	7,240,221,000	0.49	270,581	5,493.90	106,642	8,766	97,876
1997	1,623,272,071,000	7,163,541,000	0.44	273,852	5,927.54	101,703	7,837	93,866
1998	1,769,408,739,000	7,564,661,000	0.43	277,003	6,387.68	98,037	7,468	90,569
1999	1,904,151,888,000	8,269,387,000	0.43	280,203	6,795.61	98,730	8,078	90,652
2000	2,096,916,925,000	8,258,423,000	0.39	283,212	7,404.04	97,074	[7]	[7]
2001	2,128,831,182,000	8,771,510,000	0.41	286,131	7,440.06	97,707	[7]	[7]
2002	2,016,627,269,000	9,063,471,000	0.45	289,001	6,977.92	100,229	[7]	[7]
2003	1,952,929,045,000	9,401,407,000	0.48	291,853 [r]	6,691.47 [r]	98,824	[7]	[7]
2004	2,018,502,103,000	9,756,344,000	0.48	294,721 [p]	6,848.87 [p]	98,735	[7]	[7]

[r] - Revised.

[p] - Preliminary data.

- [1] Starting with Fiscal Year 1988, gross collections exclude alcohol and tobacco excise taxes and, starting with the second quarter of Fiscal Year 1991, exclude excise taxes on firearms, when responsibility for all these excise taxes was transferred to the Alcohol and Tobacco Tax and Trade Bureau and the Customs Service (on alcohol and tobacco imports). Previously, these taxes were collected by the IRS.
- [2] Starting with Fiscal Year 1975, represents actual IRS operating costs, exclusive of those costs for which reimbursements were received from other Federal agencies and private companies for services performed for these external parties. While operating costs for earlier years may, in some cases, include these costs for reimbursable services, amounts involved were small and, therefore, do not affect the comparability of the data on the historical costs of collecting \$100 (column 3).
- [3] Starting with Fiscal Year 1980, population and tax per capita were based on adjusted data on resident population plus armed forces overseas as of October 1 of each year, published by the U.S. Department of Commerce, Bureau of the Census.
- [4] For Fiscal Years 1972 through 1974, includes average positions for the Economic Stabilization Program. For Fiscal Year 1974, includes average positions for the Federal Energy Program. For Fiscal Year 1972, excludes 3,990 average positions transferred to the Office of the Secretary of the Treasury. In addition, starting with Fiscal Year 1983, data are revised to reflect methodology for computing average positions realized in conformance with U.S. Office of Personnel Management requirements. For these reasons, data for all years are not completely comparable.
- [5] Starting with Fiscal Year 1975, represents average positions actually used to conduct IRS operations. Therefore, excludes positions funded by reimbursements received from other Federal agencies and private companies for services performed for these external parties. In contrast, IRS labor force counts in Table 33, "Internal Revenue Service Labor Force, Compared to National Totals for Civilian and Federal Labor Forces, by Race, National Origin, and Gender," represent the number of employees, including part-time and seasonal workers.

Table 31 -- Internal Revenue Collections, Costs, Personnel, and U.S. Population, Fiscal Years 1971-2004
--Continued

Footnotes--Continued

[6] Data for Fiscal Year 1976 exclude the transitional period, July-September 1976, covering the changeover to revised fiscal year definition (October-September). See Table 7 for collection data covering this time period.

[7] The IRS discontinued the distinction between National Office and field offices as a result of reorganization.

NOTES: Data on gross collections and operating costs have been rounded to thousands of dollars for recent years. All amounts are in current dollars.

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

Table 32 -- Internal Revenue Service Personnel Summary, by Budget Activity and Type of Personnel, Fiscal Years 2003 and 2004

Employment status, budget activity, and personnel type	Average positions realized [1]		Number of employees at close of fiscal year	
	2003	2004	2003	2004
	(1)	(2)	(3)	(4)
Internal Revenue Service, total	98,824	98,735	94,638	94,575
Employment status:				
Full-time permanent	81,518	82,545	82,495	82,599
Other	17,306	16,190	12,143	11,976
Budget activity [2]:				
Compliance Services	46,805	47,950	47,568	48,867
Filing and Account Services	31,555	31,076	26,493	26,260
Information Services	7,472	7,294	7,293	7,184
Shared Services Support	4,862	3,989	5,005	3,411
General Management and Administration	3,188	3,935	3,257	4,190
Prefiling Taxpayer Assistance and Education	4,077	3,708	4,170	3,853
Research and Statistics of Income	865	783	852	810
Selected personnel type:				
Seasonals	15,272	13,931	8,917	8,515
Customer Service Representatives	16,220	17,466	17,122	18,281
Revenue Agents	11,513	11,861	11,513	12,255
Revenue Officers	4,966	5,180	5,004	5,244
Special Agents	2,779	2,801	2,805	2,795
Tax Technicians	3,979	3,855	3,850	3,976
Attorneys	1,410	1,433	1,470	1,473
Appeals Officers	829	893	887	882

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

[2] The budget activities shown in this table include activities related to the Earned Income Tax Credit Program. Unlike Table 30, this program is not shown separately here. Some budget activity titles changed slightly from 2003 to reflect titles used in the Internal Revenue Service Fiscal Year 2004 Congressional Justification and the *Appendix -- Budget of the United States Government, Fiscal Year 2004*.

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

Table 33 -- Internal Revenue Service Labor Force, Compared to National Totals for Civilian and Federal Labor Forces, by Race, National Origin, and Gender, Fiscal Year 2004

Race, national origin, and gender	Internal Revenue Service, total [1]	Internal Revenue Service labor force [1]	Federal civilian labor force [2]	Civilian labor force [3]
			Percentage of total	
	(1)	(2)	(3)	(4)
Total	109,364	100.0	100.0	100.0
Gender:				
Male	36,626	33.5	55.6	53.2
Female	72,738	66.5	44.4	46.8
Race, national origin, and gender:				
White, not of Hispanic origin	68,073	62.2	68.6	72.7
Male	26,825	24.5	41.1	39.0
Female	41,248	37.7	27.5	33.7
Black, not of Hispanic origin	26,850	24.6	16.9	10.5
Male	5,162	4.7	6.5	4.8
Female	21,688	19.8	10.4	5.7
Hispanic	9,480	8.7	7.3	10.7
Male	2,735	2.5	4.2	6.2
Female	6,745	6.2	3.1	4.5
Asian [4]	4,036	3.7	5.1	3.6
Male	1,647	1.5	2.8	1.9
Female	2,389	2.2	2.3	1.7
Native Hawaiian or other Pacific Islander [4]	n.a.	n.a.	n.a.	0.2
Male	n.a.	n.a.	n.a.	0.1
Female	n.a.	n.a.	n.a.	0.1
American Indian or Alaskan Native	925	0.8	2.1	0.6
Male	257	0.2	1.0	0.3
Female	668	0.6	1.1	0.3
Two or more races [4]	n.a.	n.a.	n.a.	1.6
Male	n.a.	n.a.	n.a.	0.8
Female	n.a.	n.a.	n.a.	0.8

n.a. - Not available.

[1] Includes permanent full-time, part-time, and seasonal personnel employed throughout Fiscal Year 2004, i.e., October 1, 2003, through September 30, 2004.

[2] Executive Branch employees as of September 2004, as reported by U.S. Office of Personnel Management. These data include the Internal Revenue Service labor force.

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

[4] Census 2000 data shown in Column 4 separate the Asian American/Pacific Islander category into two categories (Asians and Native Hawaiians or other Pacific Islanders). The numbers reflected for IRS's labor force (and Federal civilian labor force) show the combined category. Census 2000 also added the category of two or more races. At the current time, IRS's database (and the Federal civilian labor force database) have not been reconfigured to capture the changes.

SOURCE: Equal Employment Opportunity and Diversity EEO

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Principal Officers of the Internal Revenue Service
as of September 30, 2004

COMMISSIONER	APPEALS	COMMUNICATIONS AND LIAISON	OFFICE OF PROFESSIONAL RESPONSIBILITY
MARK W. EVERSON			
Deputy Commissioner for Services and Enforcement <i>Mark E. Matthews</i>	Chief, Appeals <i>David B. Robison</i>	Chief, Communications and Liaison <i>Frank Keith</i>	Director, Office of Professional Responsibility <i>Cono R. Namorato</i>
Deputy Commissioner for Operations Support <i>John M. Dalrymple</i>	Deputy Chief, Appeals <i>Karen S. Ammons</i>	Director, Office of Legislative Affairs <i>Floyd Williams</i>	Deputy Director, Office of Pro- fessional Responsibility <i>Stephen Whitlock</i>
Chief of Staff <i>Evelyn Petschek</i>	TAXPAYER ADVOCATE SERVICE	Director, Office of Communications <i>Jodi Patterson</i>	Deputy Director, Office of Pro- fessional Responsibility <i>Brien Downing</i>
Chief, Appeals <i>David B. Robison</i>		Director, Office of National Public Liaison <i>Paul J. Mamo, (Acting)</i>	
National Taxpayer Advocate <i>Nina E. Olson</i>	National Taxpayer Advocate <i>Nina E. Olson</i>		SMALL BUSINESS/SELF- EMPLOYED DIVISION
Chief, Equal Employment Opportunity and Diversity <i>John M. Robinson</i>	Deputy National Taxpayer Advocate <i>Christopher Wagner</i>		
Director, Research, Analysis, and Statistics <i>Mark J. Mazur</i>	Executive Director, Systemic Advocacy <i>Arlene Kay</i>		Commissioner, Small Business/ Self-Employed <i>Kevin M. Brown</i>
Chief, Communications and Liaison <i>Frank Keith</i>			Deputy Commissioner, Small Business/Self-Employed <i>Linda Stiff</i>
			Director, Taxpayer Education and Communication <i>Sherrill Fields</i>
			Director, Compliance <i>Thomas R. Hull</i>

WAGE AND INVESTMENT DIVISION	LARGE AND MID-SIZE BUSINESS DIVISION	TAX EXEMPT AND GOVERNMENT ENTITIES DIVISION	OFFICE OF CHIEF FINANCIAL OFFICER
Commissioner, Wage and Investment <i>Henry O. Lamar, Jr.</i>	Commissioner, Large and Mid-Size Business <i>Deborah Nolan</i>	Commissioner, Tax Exempt and Government Entities <i>Stephen T. Miller</i>	Chief Financial Officer <i>Eileen Powell</i>
Deputy Commissioner, Wage and Investment <i>Richard J. Morgante</i>	Deputy Commissioner, Large and Mid-Size Business <i>Bruce Ungar</i>	Deputy Commissioner, Tax Exempt and Government Entities <i>Sarah Hall Ingram</i>	Deputy Chief Financial Officer, Finance <i>Janice J. Lambert</i>
Director, Customer Account Services <i>Dave Medeck</i>	Director, Financial Services Industry <i>Paul DeNard</i>	Director, Employee Plans <i>Carol D. Gold</i>	AGENCY-WIDE SHARED SERVICES
Director, CARE (Customer Assistance, Relationships and Education) <i>Tyrone B. Ayers</i>	Director, Retailers, Food, Pharmaceuticals, and Healthcare <i>Henry Singleton</i>	Director, Exempt Organizations <i>Martha Sullivan</i>	
Director, Compliance <i>Pam Watson</i>	Director, Communications Technology and Media <i>Frank Ng</i>	Director, Government Entities <i>Preston Butcher</i>	
Director, Strategy and Finance <i>Mary E. Davis</i>	Director, Heavy Manufacturing, and Transportation <i>John Petralla</i>	CRIMINAL INVESTIGATION	HUMAN CAPITAL OFFICE
Director, EITC (Earned Income Tax Credit) <i>David R. Williams</i>	Director, Natural Resources and Construction <i>Bobby Scott</i>	Chief, Criminal Investigation <i>Nancy J. Jardini</i>	
	Director, Field Specialists <i>Keith Jones</i>	Deputy Chief, Criminal Investigation <i>Richard Speier, Jr. (Acting)</i>	
		MODERNIZATION AND INFORMATION TECHNOLOGY SERVICES	Chief, Human Capital Officer <i>Beverly Ortega Babers</i>
		Chief Information Officer <i>W. Todd Grams</i>	Deputy Chief Human Capital Officer <i>Robert Buggs</i>
		Associate Chief Information Officer, Business Systems Modernization <i>Richard Spires</i>	MISSION ASSURANCE AND SECURITY SERVICES
		Associated Chief Information Officer, Information Technology Services <i>Terence H. Lutes</i>	
		Associate Chief Information Officer, Management <i>John E. Binnion</i>	

Principal Officers of the IRS Office of Chief Counsel
as of September 30, 2004

OFFICE OF CHIEF COUNSEL

Chief Counsel

Donald L. Korb

Deputy Chief Counsel (Operations)

Donald T. Rocen

Deputy Chief Counsel (Technical)

Nicholas J. DeNovio

Special Counsel (National Taxpayer Advocate Service)

Judith M. Wall

Division Counsel/Associate Chief Counsel (Criminal Tax)

Edward F. Cronin

Division Counsel (Large and Mid-Size Business)

Peter J. LaBelle (Acting)

Division Counsel (Small Business/Self-Employed)

Thomas R. Thomas

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

Nancy J. Marks

Division Counsel (Wage and Investment)

Carol A. Campbell

Associate Chief Counsel (Corporate)

William D. Alexander

Associate Chief Counsel (Finance and Management)

Dennis M. Ferrara

Associate Chief Counsel (Financial Institutions and Products)

Lon B. Smith

Associate Chief Counsel (General Legal Services)

Mark S. Kaizen

Associate Chief Counsel (Income Tax and Accounting)

Robert M. Brown

Associate Chief Counsel (International)

Harry J. Hicks, III

Associate Chief Counsel (Passthroughs and Special Industries)

Heather C. Maloy

Associate Chief Counsel (Procedure and Administration)

Deborah A. Butler

Commissioners of Internal Revenue

**OFFICE OF COMMISSIONER OF
INTERNAL REVENUE
CREATED BY ACT OF CON-
GRESS, JULY 1, 1862.**

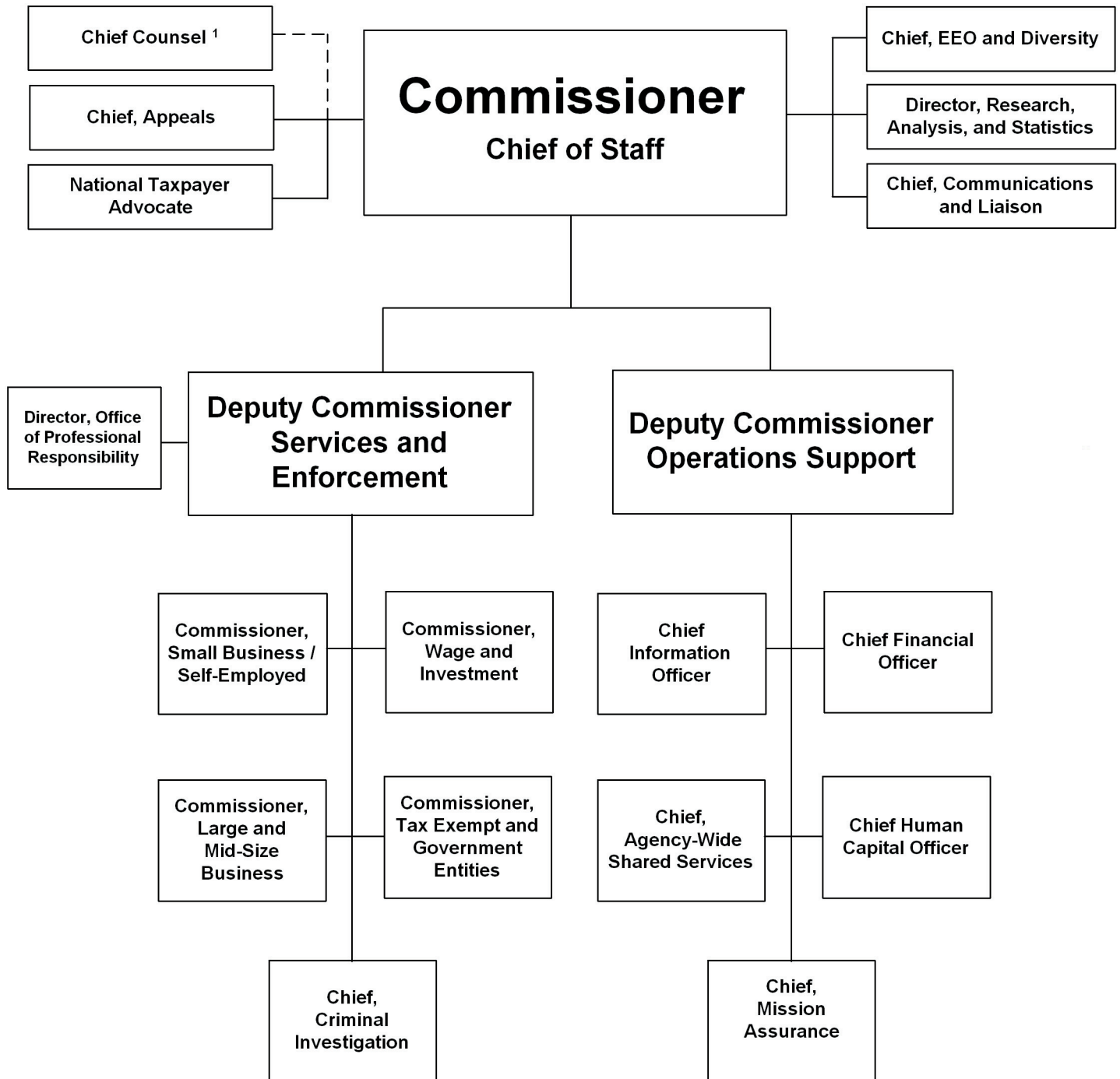
George S. Boutwell*Massachusetts**July 17, 1862 to March 4, 1863***Joseph J. Lewis (Acting)***Pennsylvania**March 5 to March 17, 1863***Joseph J. Lewis***Pennsylvania**March 18, 1863 to June 30, 1865***William Orton***New York**July 1, 1865 to Oct. 31, 1865***Edward A. Rollins***New Hampshire**Nov. 1, 1865 to March 10, 1869***Columbus Delano***Ohio**March 11, 1869 to Oct. 31, 1870***John W. Douglass (Acting)***Pennsylvania**Nov. 1, 1870 to Jan. 2, 1871***Alfred Pleasonton***New York**Jan. 3, 1871 to Aug. 8, 1871***John W. Douglass***Pennsylvania**Aug. 9, 1871 to May 14, 1875***Daniel D. Pratt***Indiana**May 15, 1875 to Aug. 1, 1876***Green B. Raum***Illinois**Aug. 2, 1876 to April 30, 1883***Henry C. Rogers (Acting)***Pennsylvania**May 1 to May 10, 1883***John J. Knox (Acting)***Minnesota**May 11 to May 20, 1883***Walter Evans***Kentucky**May 21, 1883 to March 19, 1885***Joseph S. Miller***West Virginia**March 20, 1885 to March 20, 1889***John W. Mason***West Virginia**March 21, 1889 to April 18, 1893***Joseph S. Miller***West Virginia**April 19, 1893 to Nov. 26, 1896***W. St. John Forman***Illinois**Nov. 27, 1896 to Dec. 31, 1897***Nathan B. Scott***West Virginia**Jan. 1, 1898 to Feb. 28, 1899***George W. Wilson***Ohio**March 1, 1899 to Nov. 27, 1900***Robert Williams, Jr., (Acting)***Ohio**Nov. 28 to Dec. 19, 1900***John W. Yerkes***Kentucky**Dec. 20, 1900 to April 30, 1907***Henry C. Rogers (Acting)***Pennsylvania**May 1 to June 4, 1907***John G. Capers***South Carolina**June 5, 1907 to Aug. 31, 1909***Royal E. Cabell***Virginia**Sept. 1, 1909 to April 27, 1913***William H. Osborn***North Carolina**April 28, 1913 to Sept. 25, 1917***Daniel C. Roper***South Carolina**Sept. 26, 1917 to March 31, 1920***William M. Williams***Alabama**April 1, 1920 to April 11, 1921***Millard F. West (Acting)***Kentucky**April 12 to May 26, 1921***David H. Blair***North Carolina**May 27, 1921 to May 31, 1929***Robert H. Lucas***Kentucky**June 1, 1929 to Aug. 15, 1930***H. F. Mires (Acting)***Washington**Aug. 16 to Aug. 19, 1930***David Burnet***Ohio**Aug. 20, 1930 to May 15, 1933***Pressly R. Baldridge (Acting)***Iowa**May 16 to June 5, 1933***Guy T. Helvering***Kansas**June 6, 1933 to Oct. 8, 1943***Robert E. Hannegan***Missouri**Oct. 9, 1943 to Jan. 22, 1944***Harold N. Graves (Acting)***Illinois**Jan. 23 to Feb. 29, 1944***Joseph D. Nunan, Jr.***New York**March 1, 1944 to June 30, 1947***George J. Schoeneman***Rhode Island**July 1, 1947 to July 31, 1951***John B. Dunlap***Texas**Aug. 1, 1951 to Nov. 18, 1952***John S. Graham (Acting)***North Carolina**Nov. 19, 1952 to Jan. 19, 1953***Justin F. Winkle (Acting)***New York**Jan. 20 to Feb. 3, 1953***T. Coleman Andrews***Virginia**Feb. 4, 1953 to Oct. 31, 1955***O. Gordon Delk (Acting)***Virginia**Nov. 1 to Dec. 4, 1955***Russell C. Harrington***Rhode Island**Dec. 5, 1955 to Sept. 30, 1958***O. Gordon Delk (Acting)***Virginia**Oct. 1 to Nov. 4, 1958***Dana Latham***California**Nov. 5, 1958 to Jan. 20, 1961***Charles I. Fox (Acting)***Utah**Jan. 21 to Feb. 6, 1961***Mortimer M. Caplin***Virginia**Feb. 7, 1961 to July 10, 1964***Bertrand M. Harding (Acting)***Texas**July 11, 1964 to Jan. 24, 1965***Sheldon S. Cohen***Maryland**Jan. 25, 1965 to Jan. 20, 1969***William H. Smith (Acting)***Virginia**Jan. 21 to March 31, 1969***Randolph W. Thrower***Georgia**April 1, 1969 to June 22, 1971***Harold T. Swartz (Acting)***Indiana**June 23 to Aug. 5, 1971***Johnnie M. Walters***South Carolina**Aug. 6, 1971 to April 30, 1973***Raymond F. Harless (Acting)***California**May 1 to May 25, 1973***Donald C. Alexander***Ohio**May 25, 1973 to Feb. 26, 1977*

William E. Williams (Acting)*Illinois**Feb. 27 to May 4, 1977***Jerome Kurtz***Pennsylvania**May 5, 1977 to Oct. 31, 1980***William E. Williams (Acting)***Illinois**Nov. 1, 1980 to March 13, 1981***Roscoe L. Egger, Jr.***Indiana**March 14, 1981 to April 30, 1986***James I. Owens (Acting)***Alabama**May 1 to Aug. 3, 1986***Lawrence B. Gibbs***Texas**Aug. 4, 1986 to March 4, 1989***Michael J. Murphy (Acting)***Wisconsin**March 5 to July 4, 1989***Fred Goldberg, Jr.***Missouri**July 5, 1989 to Feb. 2, 1992***Shirley D. Peterson***Colorado**Feb. 3, 1992 to Jan. 20, 1993***Michael P. Dolan (Acting)***Iowa**Jan. 21 to May 26, 1993***Margaret Milner Richardson***Texas**May 27, 1993 to May 31, 1997***Michael P. Dolan (Acting)***Iowa**June 1 to Nov. 12, 1997***Charles O. Rossotti***New York**Nov. 13, 1997 to Nov. 6, 2002***Bob Wenzel (Acting)***Illinois**Nov. 7, 2002 to April 30, 2003***Mark W. Everson***New York**May 1, 2003 to present***Walter H. Smith, 1866****William McMichael, 1871****Charles Chesley, 1871****Thomas J. Smith, 1888****Alphonso Hart, 1890****Robert T. Hough, 1893****George M. Thomas, 1897****Albert W. Wishard, 1901****A.B. Hayes, 1903****Fletcher Maddox, 1908****Ellis C. Johnson, 1913****A.A. Ballantine, 1918****D.M. Kelleher, 1919****Robert N. Miller, 1919****Wayne Johnson, 1920****Carl A. Mapes, 1920****Nelson T. Hartson, 1923****Alexander W. Gregg, 1925****Clarence M. Charest, 1927****E. Barrett Prettyman, 1933****Robert H. Jackson, 1934****Morrison Shaforth, 1936****John P. Wenchel, 1937****Charles Oliphant, 1947****Charles W. Davis, 1952****Daniel A. Taylor, 1953****John Potts Barnes, 1955****Nelson P. Rose, 1957****Arch M. Cantrall, 1958****Hart H. Spiegel, 1959****Crane C. Hauser, 1961****Sheldon S. Cohen, 1964****Mitchell Rogovin, 1965****Lester R. Uretz, 1966****K. Martin Worthly, 1969****Lee H. Henkel, Jr., 1972****Meade Whitaker, 1973****Stuart E. Seigel, 1977****N. Jerold Cohen, 1979****Kenneth W. Gideon, 1981****Fred Goldberg, Jr., 1984****William F. Nelson, 1986****Abraham N. M. Shashy, Jr., 1990****Stuart L. Brown, 1994****B. John Williams, Jr., 2002****Donald L. Korb, 2004**

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

John W. Burrus, March 2 to Nov. 30, 1936**Mason B. Leming, Dec. 6, 1951 to May 15, 1952****Kenneth W. Gemmill, June 11 to Nov. 8, 1953****Rudy P. Hertzog, Dec. 1, 1954 to May 8, 1955, and Jan. 20 to Aug. 16, 1961, and Sept. 1, 1963 to Jan. 5, 1964****Herman T. Reiling, Jan. 19 to March 13, 1957, and Aug. 31 to Sept. 20, 1959****Richard M. Hahn, Jan. 20 to June 25, 1969****Lee H. Henkel, Jr., Jan. 16 to June 11, 1972****Lawrence B. Gibbs, April 17 to Oct. 19, 1973****Charles L. Saunders, Jr., Jan. 20 to April 15, 1977****Leon G. Wigrizer, April 16 to June 23, 1977****Lester Stein, June 1 to Nov. 16, 1979****Jerome D. Sebastian, Jan. 21 to Feb. 2, 1981, and March 30 to Aug. 14, 1981****Emory L. Langdon, Feb. 3 to March 29, 1981****Joel Gerber, May 28, 1983 to March 17, 1984****V. Jean Owens, March 14 to July 27, 1986****Peter K. Scott, Nov. 1, 1988 to Feb. 6, 1990****David L. Jordan, Jan. 20, 1993 to Oct. 4, 1994****Richard Skillman, Jan. 20, 2001 to Feb. 6, 2002****Emily A. Parker, Aug. 1, 2003 to April 14, 2004**

NOTE: From 1866 to 1926, the chief legal officer for the Bureau of Internal Revenue was known as the Solicitor. For the next 8 years, 1926 to 1934, the chief legal officer had the title of General Counsel. Since 1934, the chief legal officer has operated under the title of Chief Counsel, now for the Internal Revenue Service.



¹ Chief Counsel reports to both the Commissioner and the General Counsel in circumstances specified by the Internal Revenue Service Restructuring and Reform Act of 1998.



Department of the Treasury
Internal Revenue Service

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