

Internal Revenue Service

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

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

DATA BOOK

2007

OCTOBER 1, 2006
to
SEPTEMBER 30, 2007



Department of the Treasury

Department of the Treasury

Internal Revenue Service

Linda E. Stiff

Acting Commissioner

Mark J. Mazur

Director, Research, Analysis, and Statistics

Thomas B. Petska

Director, Statistics of Income Division

Thomas F. Nagle

Acting Chief, Special Studies Branch

Martha Eller Gangi

Chief, Statistical Data Section

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.

Taxpayer Assistance

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

N/A—Not applicable.

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

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

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

[4] Less than 0.5 percent.

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

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

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

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

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

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

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

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

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

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

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