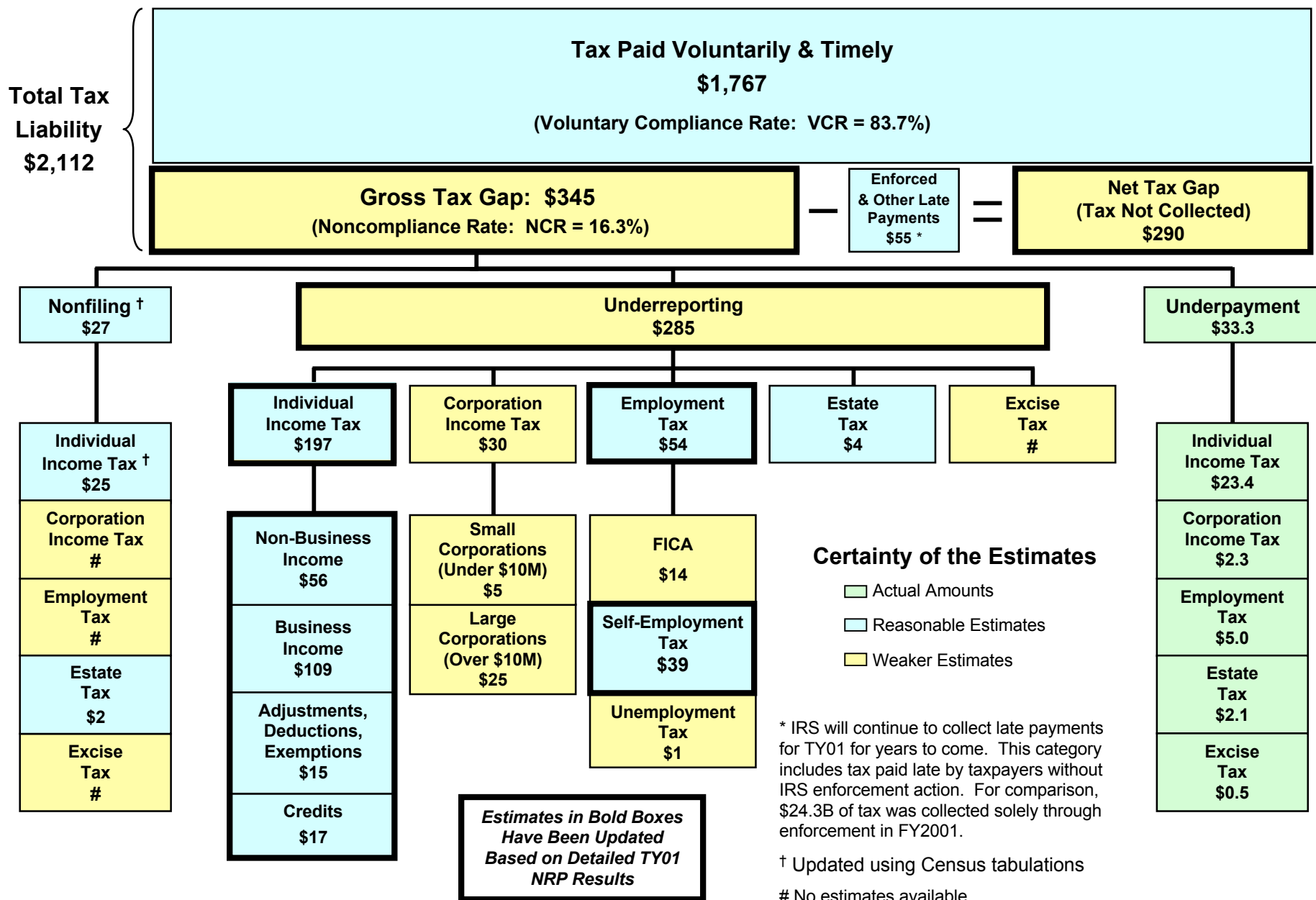
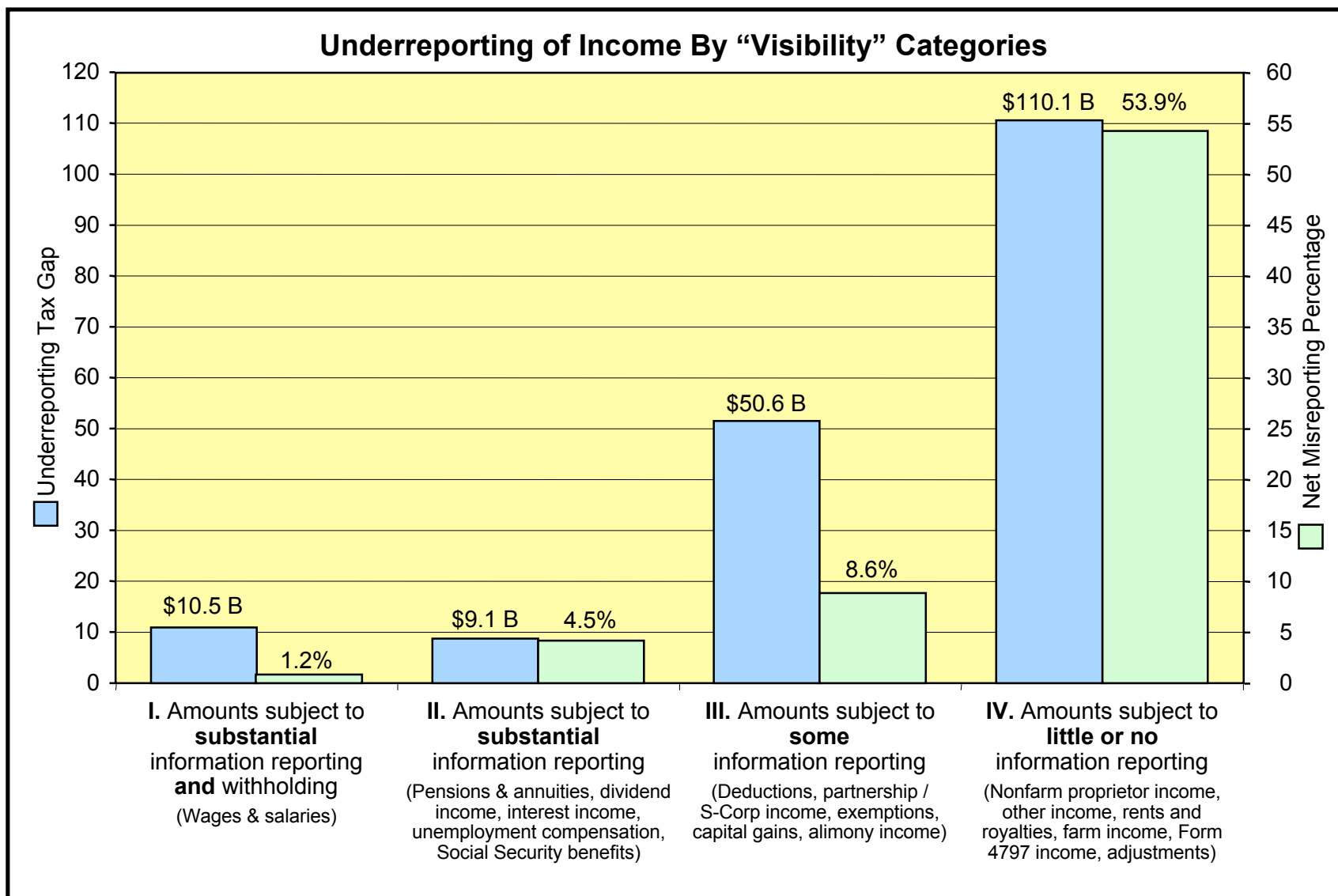


TAX GAP MAP for Tax Year 2001 (in \$ Billions)



Tax Year 2001 Individual Income Tax Underreporting Gap



Based on updated estimates derived from the National Research Program underreporting compliance study.

Individual Income Tax Underreporting Gap Estimates, Tax Year 2001

<i>Category</i>	<i>Tax Gap (\$B)</i>	<i>NMP †</i>
Items Subject to Substantial Information Reporting and Withholding	10.5	1.2%
Wages, salaries, tips	10.5	1.2%
Items Subject to Substantial Information Reporting	9.1	4.5%
Interest income	1.6	3.6%
Dividend income	1.1	3.7%
State income tax refunds	0.6	11.6%
Pensions & annuities	4.2	4.1%
Unemployment Compensation	*	11.1%
Social Security benefits	1.1	5.8%
Items Subject to Some Information Reporting	50.6	8.6%
Partnership, S-Corp, Estate & Trust, etc.	22.0	17.8%
Alimony income	*	7.2%
Capital gains	11.0	11.8%
Deductions	13.5	5.4%
Exemptions	4.2	5.4%
Items Subject to Little or No Information Reporting	110.1	53.9%
Form 4797 income	3.3	64.4%
Other income	22.6	63.5%
Nonfarm proprietor income	68.0	57.1%
Farm income	5.8	72.0%
Rents & royalties	13.4	51.3%
Total Statutory Adjustments	-3.0	-21.1%
Not Shown on Visibility Chart	17.1	26.3%
Credits	17.1	26.3%
Total	197.4	18.0%

† NMP = Net Misreporting Percentage, the net amount of income or offset misreported divided by the amount that should have been reported.

* Less than \$0.5 billion.

Individual Income Tax Underreporting Gap Little or No Information Reporting

(Dollars in Billions)

