IRS Data Book Table 22

Information Reporting Program, Fiscal Year 2021

Item	Number or amount
Number of information returns received [1]:	
Total	**4,740,647,278**
Paper	2,747,787
Electronic	4,415,237,487
Other [2]	322,662,004
Automated Underreporter Program [3]:	
Number of closed cases [4]	2,362,596
Amount of additional assessments [5]	10,261,153
Number of full-time equivalent positions [6]	1,521
Automated Substitute for Return Program [7]:	
Number of closed cases [8]	402,809
Actual closures	128,671
Terminated closures	274,138
Amount of additional assessments [9]	3,907,369
Number of full-time equivalent positions [6]	53

[1] Includes Forms 1042–S (foreign person's U.S.-source income subject to withholding); the Form 1098 series (including mortgage interest, student loan interest, and tuition payments); the Form 1099 series (including interest and dividend distributions); the Form 5498 series (including individual retirement arrangement and medical savings account information); Forms W–2 (wage and tax statements); Forms 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.

[2] Includes forms processed by the Social Security Administration, such as Forms SSA–1099 (Social Security benefit statement), RRB–1099 (payments by the Railroad Retirement Board), and W–2 (wage and tax statement).

[3] The objective of the Automated Underreporter Program (AUR) is to match taxpayer income and deductions submitted by third parties such as banks, brokerage firms, and other payers on information returns (such as Forms W–2 and 1099) against amounts reported on individual income tax returns. If a discrepancy is found, an AUR case is created, the taxpayer is contacted, and tax is assessed on any unresolved discrepancy.

[4] Reflects the number of closed cases for which a notice was issued to a taxpayer.

[5] Includes tax and interest.

[6] Reflects the total staff hours expended, converted to the number of full-time positions.

[7] Under the Automated Substitute for Return Program (ASFR), the IRS uses information returns from third parties (such as Forms W–2 and 1099) to identify tax return delinquencies, construct tax returns for certain nonfilers based on that third-party information, and assess tax, interest, and penalties based on the substitute returns.

[8] Reflects the number of closed cases within the ASFR system. The number of closed cases are reported separately as actual closures (where taxpayer contact was made) and terminated closures (where no ASFR taxpayer contact was made). Actual closures are cases for which notices were issued to taxpayers and were associated with staff hours used to calculate the number of full-time positions. Terminated closures are cases that required no notices to be sent; therefore, no full-time equivalent hours were expended.

[9] Includes tax, interest, and penalties assessed. Terminated closures receive no ASFR assessments.

NOTE: Due to the Covid-19 pandemic, Submission Processing centers were shut down to protect the health and safety of IRS employees. This resulted in significant reductions in the automated programs, as well as backlogs for processing paper-filed information returns.

SOURCES: Research, Applied Analytics, and Statistics, Statistics of Income; Small Business/Self-Employed Examination, Performance Planning and Analysis, Automated Underreporter Program; Small Business/Self-Employed Collections, Headquarters Collection, Inventory Delivery Selection, Automated Substitute for Return Program.