

IRS Data Book Table 24

Criminal Investigation Program, by Status or Disposition, Fiscal Year 2021

Status or disposition [1]	Total	Legal source tax crimes [2]	Illegal source financial crimes [3]	Narcotics-related financial crimes [4]
	(1)	(2)	(3)	(4)
Investigations initiated	2,581	953	967	661
Investigations completed [5]	2,766	1,052	979	735
Referrals for prosecution	1,982	575	761	646
Investigations completed without prosecution	784	477	218	89
Indictments and informations [6]	1,856	536	742	578
Convictions [7]	1,263	426	536	301
Sentenced	1,268	454	492	322
Incarcerated [8]	993	344	385	264
Percentage of those sentenced who were incarcerated [8]	78.3	75.8	78.3	82.0

[1] Investigations may cross fiscal years. An investigation initiated one fiscal year may not be indicted, convicted, or sentenced until a subsequent fiscal year. Therefore, the disposition (completions, indictments/informations, convictions, sentences) of investigations shown in this table may be related to investigations initiated, completed, indicted, or convicted in prior fiscal years.

[2] Under the Legal Source Tax Crimes Program, IRS Criminal Investigation identifies, investigates, and assists in the prosecution of crimes involving legal industries, legal occupations, and, more specifically, legally earned income associated with the violation of Title 26 (tax violations) and Title 18 (tax-related violations) of the U.S. Code. The Legal Source Tax Crimes Program also includes employment tax cases and those cases that threaten the tax system, such as Questionable Refund Program cases, unscrupulous return preparers, and frivolous filers/nonfilers who challenge the legality of the filing requirements.

[3] Under the Illegal Source Financial Crimes Program, IRS Criminal Investigation identifies, investigates, and assists in the prosecution of crimes involving proceeds derived from illegal sources other than narcotics. These encompass all tax and tax-related violations, as well as money laundering and currency violations under the following statutes: Title 26 (tax violations); Title 18 (tax-related and money laundering violations); and Title 31 (currency violations) of the U.S. Code. The utilization of forfeiture statutes to deprive individuals and organizations of illegally obtained assets is also linked to the investigation of criminal charges within this program.

[4] 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. The IRS derives authority for this program 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. IRS Criminal Investigation also devotes resources to high-level multiagency narcotics investigations warranting Organized Crime Drug Enforcement Task Force (OCDETF) designation in accordance with OCDETF Program reimbursable funding.

[5] During Fiscal Year 2020, the COVID-19 pandemic impacted the ability to conduct many day-to-day investigative activities, which contributed to investigations taking longer to be completed.

[6] Both "indictments" and "informations" are accusations of criminal charges. An "indictment" is an accusation made by a Federal prosecutor and issued by a Federal grand jury. An "information" is an accusation brought by a Federal prosecutor without the requirement of a grand jury.

[7] The COVID-19 pandemic led to temporary court closures throughout the country and impacted Criminal Investigation's (CI) ability to conduct day-to-day activities in support of the judicial system, which contributed to fewer cases being processed during Fiscal Year 2020. Additionally, decreases in the number of special agents in previous years has led to a decline in the total number of cases initiated and consequently recommended for prosecution. Despite this, quality investigations initiated and completed in previous years continue to be recommended for prosecution and processed by the Department of Justice (DOJ). CI management continues to ensure appropriate and consistent contact with the DOJ Tax Division and U.S. Attorney Offices regarding prosecutorial priorities and appropriate movement of investigations.

[8] The term "incarcerated" may include prison time, home confinement, electronic monitoring, or a combination thereof.

SOURCE: Criminal Investigation, Communications and Education Division.