

IRS Data Book Table 18

Examination Coverage: Recommended Additional Tax, and Returns with Unagreed Additional Tax, After Examination, by Type and Size of Return, Fiscal Year 2022

[Money amounts are in thousands of dollars]

Type and size of return	Examinations closed in Fiscal Year 2022 [1]			Recommended additional tax			Taxable return examination closures with unagreed recommended additional tax [1]			Amount unagreed		
	Total	Field [2]	Correspondence	Total	Field [2]	Correspondence	Total	Field [2]	Correspondence	Total	Field [2]	Correspondence
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
United States, total	708,309	151,437	556,872	30,166,132	21,885,364	8,280,768	14,770	9,768	5,002	12,507,468	12,428,370	79,098
Taxable returns:												
Individual income tax returns, total	625,973	93,537	532,436	12,557,350	4,529,936	8,027,415	12,269	7,273	4,996	2,076,165	1,997,069	79,096
Size of total positive income [3]:												
No total positive income	79,728	13,383	66,345	4,325,525	1,060,440	3,265,085	1,576	964	612	234,810	178,786	56,024
\$1 under \$25,000	248,030	10,432	237,598	1,423,959	155,792	1,268,167	1,820	590	1,230	39,395	29,348	10,047
\$25,000 under \$50,000	95,950	11,853	84,097	529,181	168,576	360,605	1,349	702	647	41,623	39,968	1,655
\$50,000 under \$75,000	51,705	11,763	39,942	282,232	122,839	159,394	1,016	593	423	24,963	23,888	1,075
\$75,000 under \$100,000	34,014	8,421	25,593	223,236	109,829	113,407	890	494	396	24,950	23,280	1,670
\$100,000 under \$200,000	62,300	17,563	44,737	518,628	308,282	210,346	2,260	1,474	786	97,469	95,672	1,798
\$200,000 under \$500,000	26,673	7,612	19,061	627,132	514,087	113,046	1,526	980	546	118,752	116,273	2,478
\$500,000 under \$1,000,000	11,525	3,502	8,023	257,571	193,497	64,074	723	513	210	72,615	70,137	2,478
\$1,000,000 under \$5,000,000	10,468	5,096	5,372	934,229	826,502	107,727	848	714	134	575,848	574,326	1,522
\$5,000,000 under \$10,000,000	1,377	882	495	238,238	154,935	83,302	100	d	d	91,968	d	d
\$10,000,000 or more	3,397	2,306	1,091	3,191,228	909,034	2,282,193	157	d	d	753,534	d	d
International returns [4]	806	724	82	6,191	6,123	68	4	4	-	238	238	-
Returns with earned income tax credit [5]	254,980	1,626	253,354	1,282,917	9,843	1,273,074	1,405	21	1,384	4,670	193	4,477
Corporation income tax returns, except Form 1120-S, total [6]	8,751	8,547	204	13,638,585	13,603,899	34,686	1,034	1,034	-	8,731,234	8,731,234	-
Returns other than Forms 1120-C and 1120-F [7]:												
No balance sheet returns	1,156	1,147	9	119,605	119,537	68	130	130	-	18,102	18,102	-
Balance sheet returns by size of total assets:												
Under \$250,000	1,771	1,753	18	85,622	85,560	61	159	159	-	19,446	19,446	-
\$250,000 under \$1,000,000	1,645	1,619	26	70,931	70,511	420	158	158	-	25,462	25,462	-
\$1,000,000 under \$5,000,000	983	972	11	83,805	83,791	14	195	195	-	49,450	49,450	-
\$5,000,000 under \$10,000,000	237	225	12	119,057	118,377	680	99	99	-	116,509	116,509	-
\$10,000,000 under \$50,000,000	789	779	10	77,418	75,466	1,952	65	65	-	42,123	42,123	-
\$50,000,000 under \$100,000,000	352	d	d	90,544	d	d	16	16	-	2,754	2,754	-
\$100,000,000 under \$250,000,000	360	d	d	36,363	d	d	21	21	-	8,868	8,868	-
\$250,000,000 under \$500,000,000	148	128	20	1,376,762	1,376,717	46	12	12	-	1,345,446	1,345,446	-
\$500,000,000 under \$1,000,000,000	185	176	9	83,194	83,188	6	19	19	-	44,564	44,564	-
\$1,000,000,000 under \$5,000,000,000	389	368	21	530,355	525,967	4,388	34	34	-	230,095	230,095	-
\$5,000,000,000 under \$20,000,000,000	302	287	15	2,838,651	2,838,632	19	44	44	-	2,286,052	2,286,052	-
\$20,000,000,000 or more	299	293	6	8,090,264	8,090,248	15	78	78	-	4,539,716	4,539,716	-
Form 1120-C returns [7]	19	19	-	19,789	19,789	-	d	d	-	d	d	-
Form 1120-F returns [7]	116	82	34	16,227	13,397	2,830	d	d	-	d	d	-
Estate and trust income tax returns [8]	652	196	456	82,948	30,920	52,028	d	38	d	d	19,918	d
Estate tax returns [9]	1,398	1,398	-	1,764,755	1,764,755	-	59	59	-	1,138,478	1,138,478	-
Gift tax returns	904	904	-	761,867	761,867	-	94	94	-	418,744	418,744	-
Employment tax returns	53,942	33,311	20,631	1,257,483	1,093,604	163,879	1,104	1,104	-	118,894	118,894	-
Excise tax returns	5,750	4,882	868	96,608	95,145	1,463	166	166	-	4,033	4,033	-
Other taxable returns [10]	376	19	357	6,536	5,238	1,297	d	-	d	d	-	d
Nontaxable returns [11]:												
Partnership returns	3,645	2,604	1,041	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
S corporation returns [12]	6,226	6,008	218	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Other nontaxable returns [13]	692	31	661	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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

N/A—Not applicable.

[1] Excludes excise tax returns filed with U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau. Also excludes returns of tax-exempt organizations, government entities, employee retirement benefit plans, and tax-exempt bonds; and excludes information returns (e.g., Forms 1098, 1099, 5498, W-2 and W-2G, and Schedule K-1).

[2] Field examinations are generally performed in person by revenue agents, tax compliance officers, tax examiners, and revenue officer examiners. However, some field examinations may ultimately be conducted through correspondence in order to better serve the taxpayer.

[3] In general, total positive income (TPI) is the sum of all positive amounts shown for the various sources of income reported on the individual income tax return, and thus excludes losses.

[4] Includes Forms 1040-PR (self-employment income tax return for Puerto Rico residents) and 1040-SS (self-employment income tax return for U.S. Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands residents).

[5] Includes all returns selected for examination on the basis of an earned income tax credit (EITC) claim. Shown separately for information purposes. Counts are included in the appropriate TPI classes.

[6] Includes the Form 1120 series as follows: 1120 (corporation income tax return); 1120-C (income tax return for cooperative associations); 1120-F (foreign corporation income tax return, except foreign life insurance company, foreign property and casualty insurance company, or foreign sales corporation); 1120-H (homeowner association income tax return); 1120-L (life insurance company income tax return); 1120-ND (return for nuclear decommissioning funds); 1120-PC (property and casualty insurance company income tax return); 1120-REIT (real estate investment trust income tax return); 1120-RIC (regulated investment company income tax return); and 1120-SF (income tax return for settlement funds). Excludes certain other types of corporation returns, which are included in "Other taxable returns" described in footnote 10.

[7] Forms 1120-C are filed by cooperative associations. Forms 1120-F are filed by foreign corporations with U.S. income, other than foreign life insurance companies (Form 1120-L); foreign property and casualty insurance companies (Form 1120-PC); or foreign sales corporations (Form 1120-FSC).

[8] Includes taxable Form 1041 (income tax return for estates and trusts) and Form 1041-N (income tax return for electing Alaska Native Settlement Trusts).

[9] Includes Form 706 (estate and generation-skipping transfer tax return). As a result of changes in the Tax Cuts and Jobs Act of 2017, the IRS changed how it categorizes returns based on the size of gross estate amount, effective January 2021. In order to avoid disclosure of information about specific taxpayers, only the total is provided.

[10] Includes Forms 1120-FSC (foreign sales corporation income tax return); 1120-S for S corporations reporting a tax (see footnote 12); 1065-B for partnerships reporting a tax; 8288 (withholding tax return for disposition by foreign persons of U.S. property interests); and 8804 (return of withholding tax on foreign partner's share of effectively connected income).

[11] Nontaxable returns are filed for entities that generally do not have a tax liability but pass through any profits and losses to the underlying owners, who include these profits or losses on their income tax returns. The examination of partnership, S corporation, and other nontaxable returns affects the amount of recommended additional tax for these associated income tax returns.

[12] Includes most Forms 1120-S, which are filed by qualifying S corporations electing to be taxed through shareholders. Under certain conditions, S corporations are subject to tax and are included in "Other taxable returns" in this table. See footnote 10.

[13] Includes the following nontaxable returns: Form 1120-IC-DISC (domestic international sales corporation return); Form 1041 (income tax return for estates and trusts); and Form 1066 (real estate mortgage investment conduit income tax return). Under certain circumstances, estates and trusts (Form 1041) are not subject to tax and are reported as nontaxable. See estate and trust income tax returns for taxable Forms 1041.

NOTES:

Detail may not add to totals because of rounding.

SOURCE: Small Business/Self-Employed, Examination, Performance Planning and Analysis Examination, Small Business Exam Data Management.