

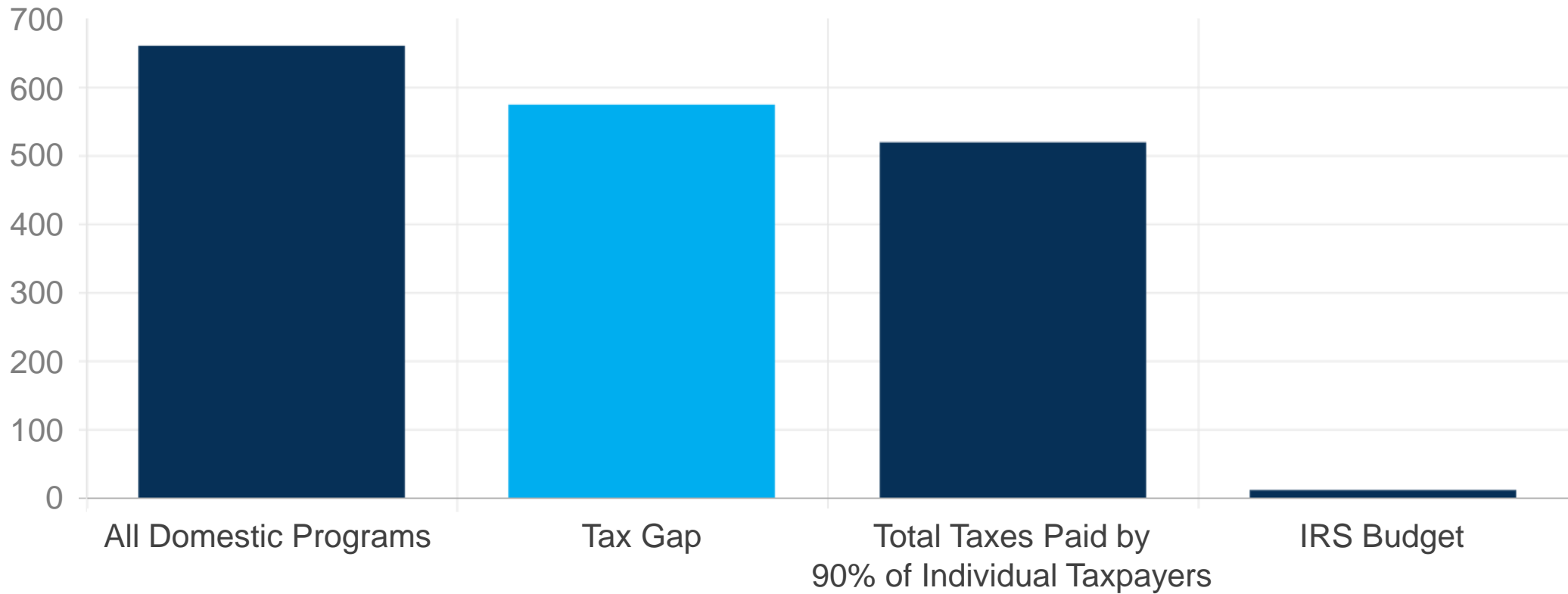
Tax Compliance and Assistance Modernization (TCAM)

June 18, 2020

Charles O. Rossotti

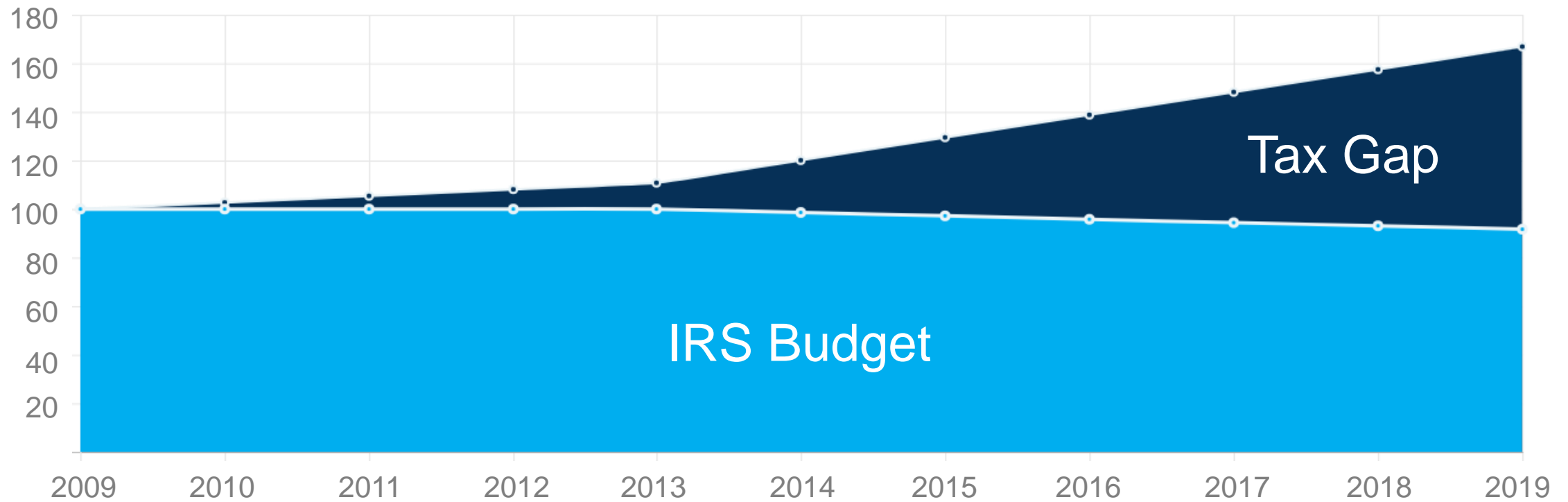
E-mail: Info@TaxComplianceandAssistance.com

How Big is the Tax Gap



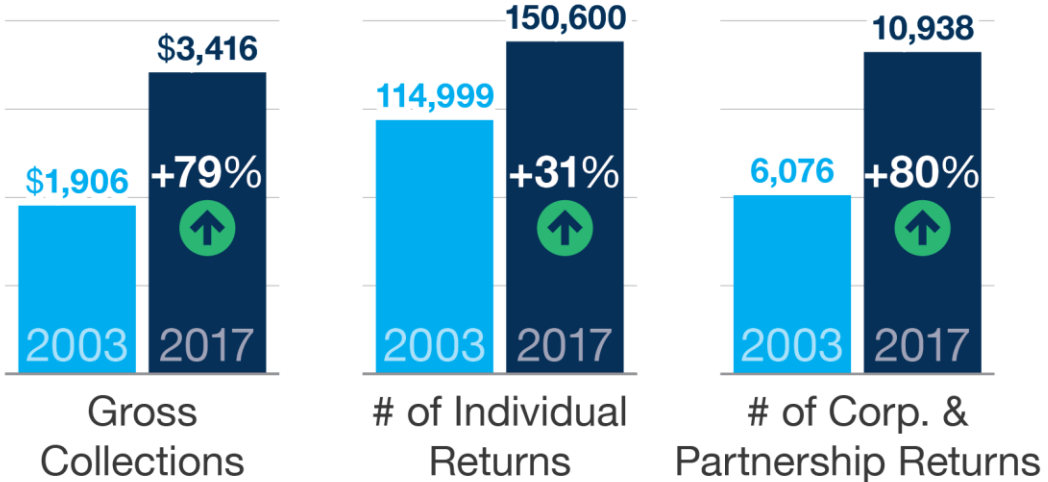
\$ in Billions for 2019

Tax Gap Gets Bigger—IRS Smaller



Quarter-Century Drip Drop in IRS Enforcement Accumulates to Massive Drop

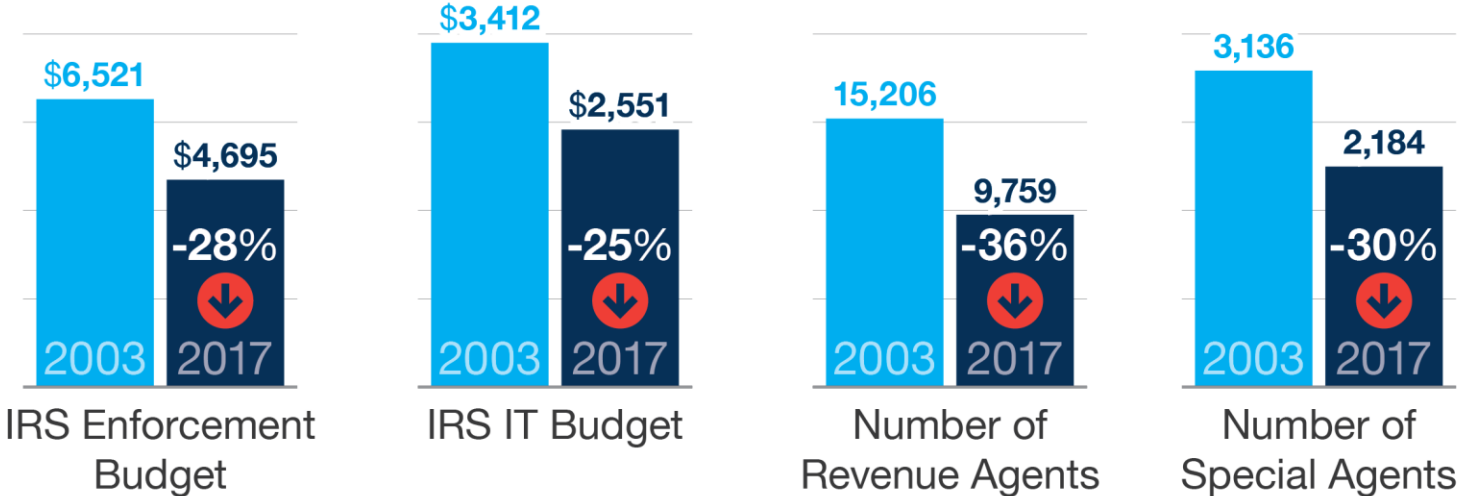
Workload



Examinations



Resources

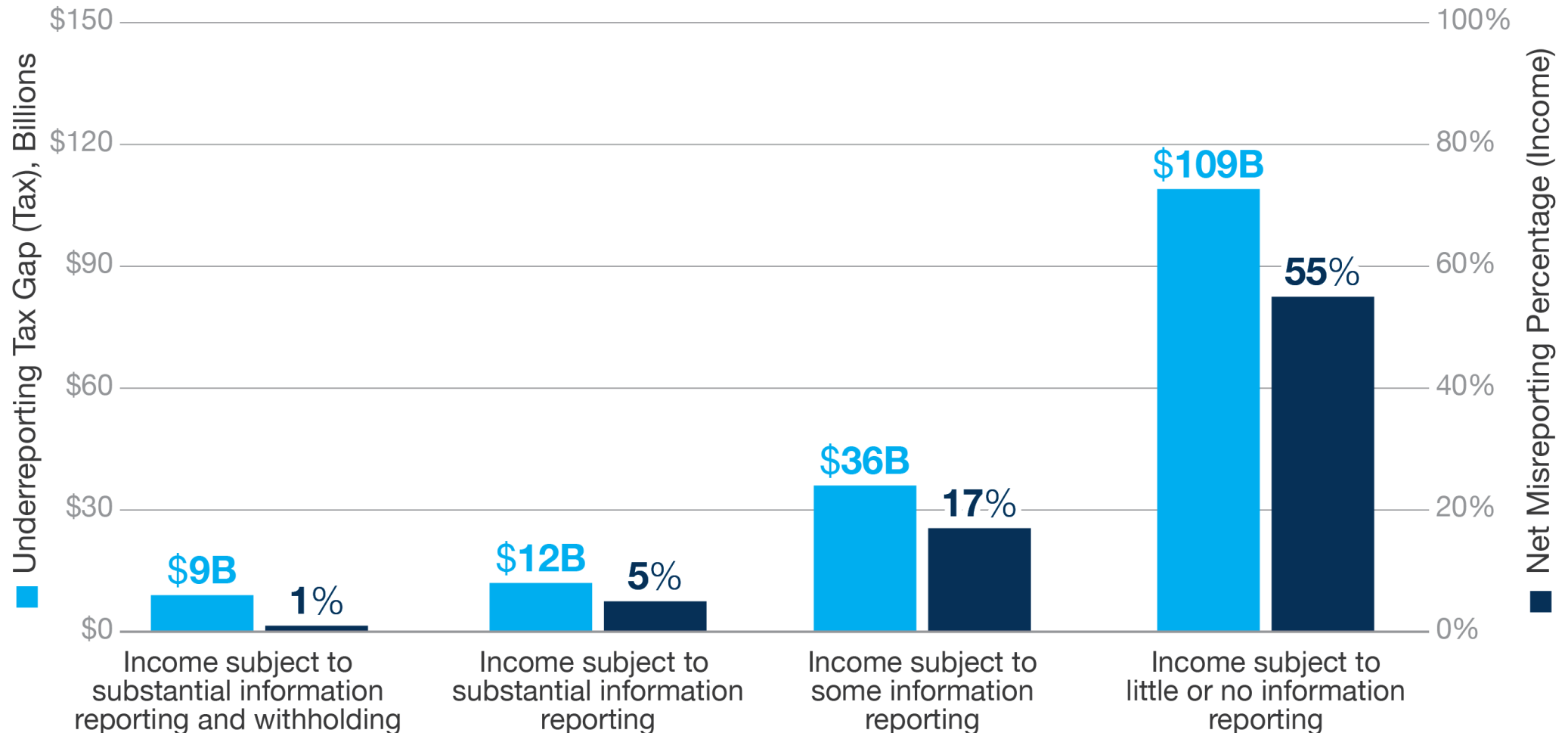


TCAM Estimated Results *(\$ in billions)*

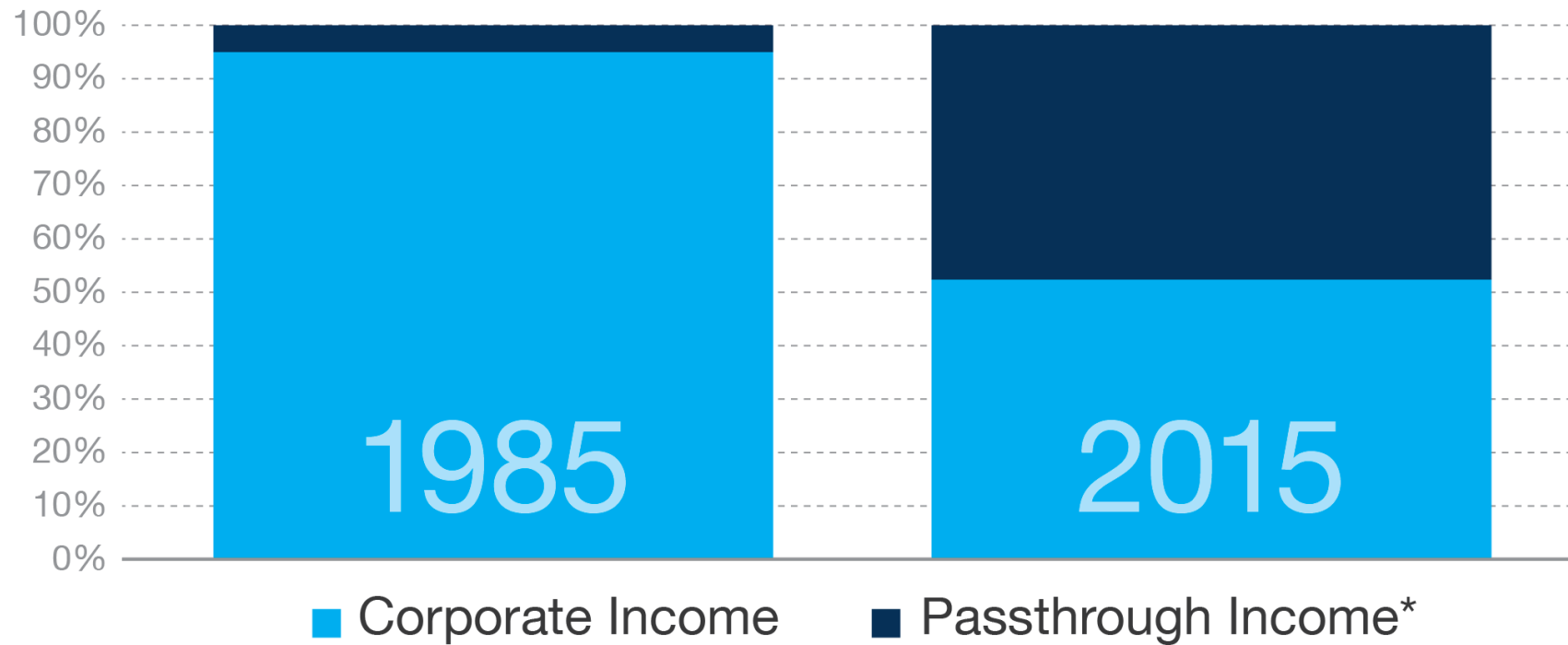
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	10-year total
Unmitigated Tax Gap if Ratio Unchanged	602	631	661	693	731	763	815	866	897	935	7,593
Revenue Gain	80	91	105	125	147	169	198	228	249	273	1,665
Gain as % of Gap	13%	14%	16%	18%	20%	22%	24%	26%	28%	29%	22%

Tax Gap by Visibility Category

Tax Year 2011–2013 Individual Income Tax Underreporting Tax Gap and Net Misreporting Percentage Estimates By “Visibility” Category of Income Items



Ratio of C Corporation and Passthrough Income



*Passthroughs include S-corps and partnerships