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On the cover of this year's report is the revised IRS mission statement, which was adopted in 1984 as part of the Service's strategic management system.

The Commissioner's and Chief Counsel's Annual Report is produced by the Office of Public Affairs, Room 1112, Internal Revenue Service, 1111 Constitution Ave., N.W., Washington, D.C. 20224.

The report is available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Note:
Statistical data used in the text and tables of this volume are on a fiscal year basis, unless otherwise noted. For example, data headed "1984" pertain to the fiscal year ended Sept. 30, 1984.

Graphs, charts and text figures have been rounded and may not compute precisely compared to the statistical tables, which are based on unrounded figures.

1984 Annual Report
Commissioner and Chief Counsel
Internal Revenue Service

Statistics
of Income
Library

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Introduction

This year the Internal Revenue Service reformulated and reissued a formal statement of its mission. That mission is as follows: "The purpose of the IRS is to collect the proper amount of tax revenues at the least cost to the public, and in a manner that warrants the highest degree of public confidence in our integrity, efficiency and fairness. To achieve that purpose, we will: encourage and achieve the highest possible degree of voluntary compliance in accordance with the tax law and regulations; advise the public of their rights and responsibilities; determine the extent of compliance and the causes of noncompliance; do all things needed for the proper administration and enforcement of the tax laws; continually search for and implement new, more efficient and effective ways of accomplishing our Mission."

In 1984 I gave formal approval to a comprehensive strategic management plan for the Internal Revenue Service. This plan, coupled with the mission statement, gives us a framework for doing two things better—managing change within our own organization and adjusting to a changing outside environment.

The mission statement focuses our attention on the larger issues—our purpose as an agency, new compliance directions and the effect of what we do on taxpayer confidence in the tax system. Our mission also emphasizes taxpayer rights and our agency's responsibilities under the law and reminds us to balance productivity with fairness.

In 1984 we completed a major national taxpayer opinion survey, a natural tie-in with our mission to better understand compliance and noncompliance so that we can target our resources in more cost effective ways. Earlier research efforts confirmed that billions in tax dollars are owed each year and not paid. The results of this latest survey will give us a better understanding of who is not paying—and why they are not paying. Then we can take reasonable steps to shrink these very troublesome pockets of noncompliance.

Another logical extension of our strategic management efforts is our problem resolution program. This year problem resolution continued to be a major source of help for taxpayers. Close to 400,000 problems found answers in the hands of problem resolution officers.

Perhaps more important, we devised a new problem resolution case reporting system that will give managers hard data about programs that generate too many taxpayer problems. PRP will continue to be the agency's troubleshooter, but this more comprehensive system of coding and tracking cases will help us spot problem areas and identify the root cause of these problems. If particular computer programs or our procedures are the troublemakers, we can take steps to bring about corrections.

Automation continues to redirect the tax administration world and redefine the way we collect the nation's revenues. Beyond individual automation efforts, the overall dimensions of a totally redesigned tax system are beginning to take shape. Within the next five to 10 years, we will have a totally redesigned tax administration system. Paper tax returns can largely be a thing of the past. And tax processing procedures that now take weeks and months will be reduced dramatically.

We do not have to wait for the future to see tremendous change. Consider some of the things that happened just this year:

Automated Collection. We saw the last of the 21 automated tax collection sites come on-line. We need 1,700 fewer people to work an automated collection inventory and this translates into $30 million in savings each year. Beyond the staff savings, early indications are that the automated system enables us not only to collect taxes more efficiently but to collect more dollars in less time.

Automated Exam. This year we set in motion a three-step plan to automate the examination process. First there will be an analysis of our current system and a new system design. The second phase will put computer terminals and software in the hands of all revenue agents by the fall of 1985 to help compute tax on the spot, write reports and do technical research. The third phase will include data communications and actual programming of the system design. The entire auto exam system should be up and running by late 1987.

Equipment Replacement. We began the last phase of a long-term equipment replacement effort in our service centers.

Optical Scanning. Optical character recognition equipment now reads federal tax deposit cards and our simplest tax form, the 1040 EZ. Our next hurdle will be a system-wide scanning of paper information returns. And we are adding other new tax processing applications all the time.

The accomplishments in 1984 have been many. But I will not remember this year only for its strategic planning, automation and problem solving. I will remember it also as the year we improved our communications with taxpayers.

We reached out more frequently and I believe more effectively to tax professionals, academicians and business persons. We solicited advice on regulations projects before drafting the language and during all stages of the drafting process. In an effort to give early guidance to taxpayers, we issued temporary regulations in a question-and-answer format.

In opening up the system, we have learned to listen better to taxpayers. In the process, we created opportunities to explain the tax administration story to the American public. Now that the communications groundwork has been laid, we fully expect to continue these efforts. For only in working together—now and in the future—will the nation's tax system be protected and strengthened.

The Internal Revenue Service will continue to carry out its mission. With the loyalty, hard work and dedication of the men and women of the IRS, I am confident we will build on these achievements in the future.

Roscoe L. Egger, Jr.
Commissioner of Internal Revenue

Introduction

This year has been marked by substantial progress in identifying and coming to terms with the many challenges that face the office of Chief Counsel in the dynamic and changing world of tax administration.

From our standpoint, the most significant event of 1984 was the Service-wide committment to process substantially all existing shelter inventory on an expedited basis. Well in excess of 100,000 shelter cases should move into appeals and district counsel during the next 24 months. The need to deal efficiently and effectively with these cases is one of the greatest challenges ever faced by our office. It arises against the backdrop of numerous favorable court decisions, a commitment to state-of-the-art automation of our shelter case management system, formation of the National Office tax shelter branch, implementation of the "project" concept for moving promotions, the selective withdrawal of out-of-pocket settlement offers for pre-1981 shelters and a determination to make—and stand behind—realistic assessments of litigating hazards on a promotion-by-promotion basis. Coupled with the commitment and ability of the numerous individuals working shelter matters throughout the office of Chief Counsel, we can be confident of our ultimate success in this most important endeavor.

The Tax Court's ballooning inventory has been cause for alarm in certain quarters—15,340 docketed cases as of Sept. 30, 1974; 64,000 docketed cases as of Sep. 30, 1984. Within limits, however, inventory size is simply not the issue. The object is to assure prompt resolution of disputes between taxpayers and the IRS. Measured against this standard, the Tax Court process is healthier now than at any time in the past 10 years. This success is a tribute to ongoing management initiatives by the court and the office of Chief Counsel. As we refine our management techniques and build on our experience of the past several years, I am confident we will sustain the momentum we have generated in the timely closing of cases.

The appeals function again carried out its mission with great distinction. Anticipated benefits from the 1982 reorganization continue to be realized, as appeals maintained its 85 percent agreement rate on nondocketed cases and participated actively in resolving most of the 34,000 docketed Tax Court cases that were settled during 1984.

This year saw enactment of yet another major piece of tax legislation, the fifth in four years. At the same time, the pace of sophisticated and aggressive tax planning has continued unabated. The resulting challenge to all of the technical functions cannot be overstated. The need to provide guidance and confront potential abuses in timely fashion has never been more pressing. Of equal importance is our obligation to fashion rules and procedures that make our complex tax system administrable and workable for taxpayers, tax practitioners and the IRS. With all of these concerns in mind:

- We have placed great emphasis on the regulations process. Thanks to cooperative efforts by Chief Counsel and Treasury attorneys, we already have provided guidance under major provisions of the 1984 tax bill, and our overall publication rate has increased significantly.
- We are changing the style of regulations to meet today's challenges. We are limiting their scope to matters we are prepared to address, rather than waiting in hopes of resolving all conceivable issues. In appropriate cases, we are using question-and-answer format to provide faster and more practical guidance, and we are using more general statements of principle to provide appropriate frames of reference.
- We are actively encouraging closer communication with tax practitioners and IRS personnel. We cannot work in a vacuum and hope to come up with a product that is practicable and responsive to real-world concerns.
- We are in the midst of a top-to-bottom review of the published rulings program and anticipate a major overhaul that will expedite publication and make certain that we cover subjects most worth covering.
- We have implemented procedures to identify significant issues raised by letter ruling and technical advice requests to assure appropriate and timely consideration of major policy questions.

Again this year, we have reaffirmed our dedication to sound management. Building on the strategic planning process that the IRS has been pursuing for several years, we began developing a series of strategic initiatives that will profoundly affect the office of Chief Counsel for years to come. We have implemented pilot programs to test the feasibility of decentralized recruiting and to assess the potential role for paralegals in our field offices. Introductory management training courses are now available for all supervisory personnel, and an advanced management training program is on the drawing board. After years of promise, automation of our office is finally becoming a reality. Counsel's automated case management system is up and running in one region and the National Office. Several of our offices have been selected for pilot testing state-of-the-art automation, and initial hardware acquisitions have taken place. We have formed an automation policy review board to guide us through the next several years.

The most important attribute of our office is our committment to quality. Particularly with so much attention focused on management issues, it is vitally important that we reaffirm this perspective. To this end:

- We have put in place a structure that parallels the longstanding industry specialist program in the examination function. For the first time, specifically identified field and National Office Chief Counsel personnel are affiliated with each industry group. These individuals provide guidance and support across the board—rulings, regulations, technical advice and all phases of case development.
- We have completely revamped training for our field attorneys and are committed to a program that will be second to none and the equal of our ongoing National Office CPE program.
- We are pursuing a number of major initiatives in the general litigation and criminal tax areas that, if implemented, should enhance significantly the quality of service we provide in these critical areas.
- We have implemented a system to identify major pending cases in all functional areas on a more timely basis, so that we can make certain we are devoting whatever resources may be required to do a quality job where it really counts.

We can take great pride in all that we have accomplished, and the talent and dedication of the men and women who are the office of Chief Counsel assure our ability to meet the many challenges that lie ahead.

Fred T. Goldberg, Jr.
Chief Counsel

Returns Received

Individual income tax returns accounted for 56 percent of the 172.5 million federal tax returns IRS service centers processed in 1984. Individual taxpayers filed 19.6 million Forms 1040A and 60.9 million Forms 1040. Nearly 16 million single taxpayers whose income was less than $50,000 and who met certain other criteria filed Form 1040EZ. (For details, see statistical table 6.)

Over 30 percent of all 1040EZ returns received nationwide this year were processed using optical character recognition equipment, which reads the information on returns electronically.

Tax Receipts

The IRS collected $680.5 billion in 1984, an increase of $53.2 billion, or eight percent, over 1983. The increase was due in part to revenue increases under the Tax Equity and Fiscal Responsibility Act of 1982 and the Surface Transportation Act of 1982.

Income taxes accounted for about two-thirds of all tax receipts. Individual income taxes of $362.9 billion reflected an increase of $13.3 billion over the prior year. Corporation income tax receipts were $74.2 billion, up $12.4 billion, or 20 percent.

Social security, self-employment, federal unemployment and railroad retirement taxes totaled $199.2 billion, up $25.4 billion from 1983. This rise was due to an increase in the social security taxable earnings base, increases in the unemployment tax rate and wage base and the extension of social security hospital insurance taxes to federal employees.

Excise taxes rose to over $38 billion, up by $2.3 billion, or six percent, from last year. Receipts included amounts from increased excise taxes on airport and airway users, highway users, cigarettes and telephone service. Windfall profit tax receipts decreased, however, from $15.7 billion to $8.1 billion due to reduced tax rates and lower crude oil prices. (See statistical tables 1 and 2 for detailed information on tax receipts.)

Refunds

The IRS paid a total of $85.9 billion in refunds to 79.1 million taxpayers in 1984. In 1983, 76.8 million refunds totaling $89.8 billion were issued. This year refunds to over 76 million filers of Forms 1040, 1040A and 1040EZ were $64.6 billion, including interest. Individual refunds averaged $850, compared to an average of $830 paid in 1983. (For details, see statistical tables 4 and 5.)

Master File

The number of taxpayer accounts on the individual master file grew to 126.7 million by July 1984, a 1.8 percent increase over July 1983. The business master file as of July had 25.1 million active and inactive accounts, a 0.04 percent decrease over the previous year. During the year ended June 30, 1984, the National Computer Center processed 574.3 million individual and business master file transactions, up by 16 million, or nearly three percent.

Earned Income Credit

Earned income credits may be claimed by low-income taxpayers who maintain a home for themselves and at least one dependent. In 1984, 6.1 million taxpayers claimed $1.7 billion in earned income credits. Taxpayers may receive earned income credits in their paychecks rather than waiting for a refund after filing an individual income tax return at the end of the tax year. Employers reported on 11,404 employment tax returns that $1.7 million had been paid out in advance earned income credits in 1984.

Penalties and Interest

Under the law, the IRS levies penalties for failure to file on time, failure to make tax payments and federal tax deposits when due, payments with bad checks, negligence, fraud and several miscellaneous infractions. In 1984 there were 26.1 million penalty assessments, totaling over $5 billion. (For details, see statistical table 14.)

The law further stipulates that taxpayers who fail to pay their taxes on time will be charged interest on any balance due. Interest assessed on individual returns totaled $2.6 billion this year. Abatements totaled $204.7 million. Business returns were assessed $3.9 billion, with abatements of nearly $909 million.

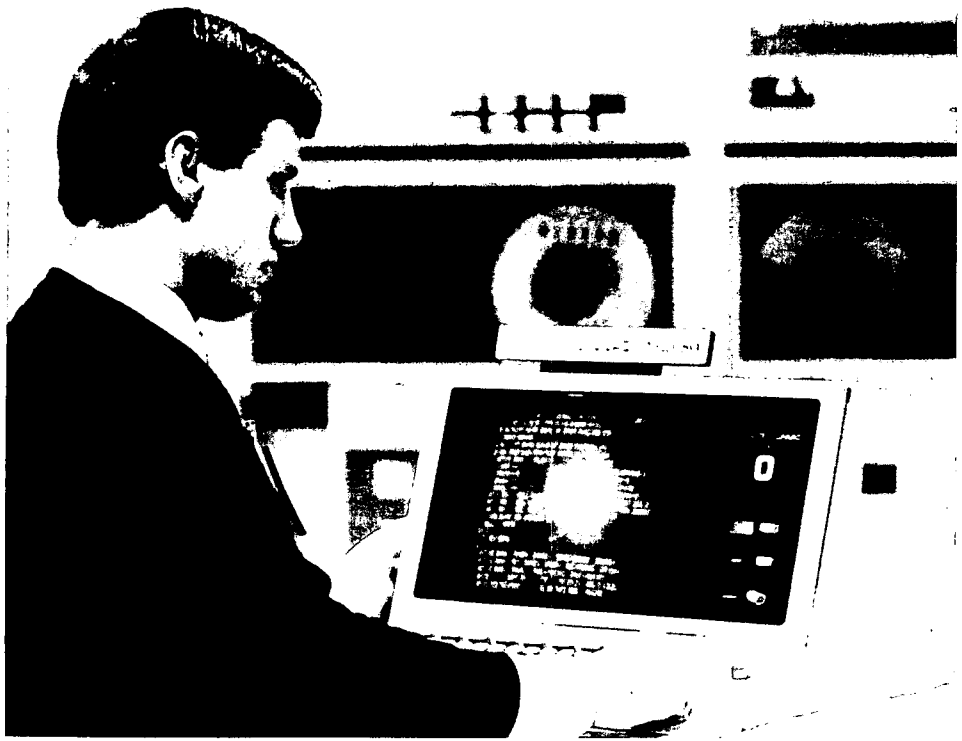
	Type of return	*1983*	*1984*
Number of returns	Grand total	171,174	172,512
filed by principal	Income tax, total	135,021	135,690
type of return	Individual	95,284	96,288
(Figures in thousands.	Declaration of estimated tax	33,080	32,597
For details see statistical	Fiduciary	1,994	2,013
table 6.)	Partnership	1,586	1,663
	Corporation	3,078	3,129
	Estate tax	111	90
	Gift tax	91	87
	Employment tax	25,537	26,133
	Exempt organizations	437	393
	Employee plans	752	955
	Alcohol, tobacco and firearms	582	552
	Excise tax	1,010	694
	Supplemental documents[1]	7,602	7,887
	Non-master file returns[2]	30	32

[1]Includes Forms 1040X, 1120X, 2688, 4868, 7004, 7005 and 1041A.
[2]Includes Forms 941M, 941NMI, CT-2, 990BL, 6069, 1042 and 1120DISC.

	Source	Gross collections	Refunds[1]	Net Collections: Amount	Net Collections: Percent of total
Net internal	**Grand total**	680,475,229	84,561,249	595,913,980	100.0
revenue collections	Corporation income taxes	74,179,370	17,286,386	56,892,983	9.5
(In thousands of dollars)	Individual income taxes	362,891,679	65,960,314[2]	296,931,366	49.9
	Employment taxes, total	199,210,028	584,502	198,625,525	33.3
	Old-age, survivors', disability and hospital insurance	189,515,975	415,400	189,100,575	31.7
	Railroad retirement	3,642,030	15,974	3,626,056	0.6
	Unemployment insurance	6,052,023	153,128	5,898,895	1.0
	Estate and gift taxes	6,176,667	168,332	6,008,335	1.0
	Excise taxes	38,017,486	561,715	37,455,771	6.3

[1]Does not include interest paid on refunds. In the narrative, the total refund figure of $85.9 billion includes $1.3 billion of interest.

[2]Refunds of Forms 1040, 1040A and 1040EZ including withheld taxes, minus FICA.



Presidential Election Campaign Fund

This year 22.9 million individual income tax returns, or 24 percent, had total designations of $34.8 million for the presidential election campaign fund. The cumulative amount credited to the fund since it was started in 1972 is $396.5 million.

Contributions to Reduce the Public Debt

This was the second year that IRS tax forms contained a message inviting taxpayers to make voluntary contributions to reduce the public debt. Taxpayers were asked to include separate checks made payable to the Bureau of the Public Debt with their tax returns. Monies received were credited to a special account for contributions to reduce the public debt. These contributions are deductible on next year's tax returns subject to the limitations on charitable contributions.

In 1984 the IRS received 2,513 voluntary payments, totaling some $405,007.

Child and Spousal Support Collection Program

As required by the Omnibus Reconciliation Act of 1981, the IRS in 1984 offset $211 million from 422,240 individual income tax refunds to pay delinquent child and spousal support obligations. Under an inter-agency agreement with the Department of Health and Human Services, the IRS acts as collection agent for state welfare agencies. The offsets of federal tax refunds reimburse state welfare agencies for support they furnish through the aid to families with dependent children program.

	Source	Percent of 1984 collections	1983	1984	Increase or decrease: Amount	Increase or decrease: Percent
Gross internal	**Grand total**	100.0	627,246,793	680,475,229	53,228,437	8.5
revenue collections	**Income taxes, total**	64.2	411,407,523	437,071,049	25,663,526	6.2
(In thousands of dollars.	Corporation	10.9	61,779,556	74,179,370	12,399,814	20.1
For details see statistical	Individual, total	53.3	349,627,967[1]	362,891,679[2]	13,263,712	3.8
table 1.)	Withheld by employers[3]	41.0	266,043,347[1]	278,983,806[2]	12,940,459	4.9
	Other[3]	12.3	83,584,620	83,907,873	323,254	0.4
	Employment taxes, total	29.3	173,847,854	199,210,028	25,362,173	14.6
	Old-age, survivors', disability and hospital insurance, total	27.9	166,420,846	189,515,975	23,095,129	13.9
	Federal insurance contributions	26.6	159,664,392	180,908,693	21,244,301	13.3
	Self-employment insurance contributions	1.3	6,756,454	8,607,282	1,850,828	27.4
	Unemployent insurance	0.9	4,311,582	6,052,023	1,740,441	40.4
	Railroad retirement	0.5	3,115,427	3,642,030	526,603	16.9
	Estate and gift taxes	0.9	6,225,877	6,176,667	−49,211	−0.8
	Excise taxes, total	5.6	35,765,538	38,017,486	2,251,948	6.3
	Alcohol	0.8	5,634,853	5,402,467	−232,386	−4.1
	Tobacco	0.7	4,139,810	4,663,610	523,801	12.7
	Other	4.1	25,990,876	27,951,409	1,960,533	7.5

[1]Includes presidential election campaign fund amounting to $35,526,896.

[2]Includes presidential election campaign fund amounting to $347,770,399.

[3]Estimated collections of individual income tax withheld are not reported separately from old-age, survivors', disability and hospital insurance (OASDHI) taxes on wages and salaries. Similarly, collections of individual income tax not withheld are combined with OASDHI taxes on self-employment income. The amount of OASDHI tax collections shown is based on estimates made by the Secretary of the Treasury pursuant to the provisions of section 201(a) of the Social Security Act as amended and includes all OASDHI taxes. The estimates shown for the two categories of individual income taxes were derived by subtracting the OASDHI tax estimates from the combined totals reported.

Enforcing the Law

Examination and Correction Results

In 1984 the IRS recommended additional tax and penalties on 1,058,055 returns, totaling $14.3 billion, an increase of 4.4 percent over 1983. Examinations of individual and fiduciary income tax returns accounted for $4.5 billion, corporate income tax returns for $8.4 billion, estate and gift tax returns for $0.9 billion, excise and employment tax returns for $0.1 billion and windfall profit tax returns for $0.4 billion.

Examinations also revealed overassessments on 85,545 returns, with refunds of $0.5 billion.

The IRS examined 1,418,787 returns in 1984. At taxpayers' places of business, revenue agents examined 468,644 returns, a decrease of 50,531 returns from 1983. In IRS offices, tax auditors examined 862,394 returns, a decrease of 143,936 returns from last year. The remaining 87,749 returns were examined through correspondence from the service centers.

Examination coverage of income, estate and gift tax returns was 1.31 percent of returns filed, compared to 1.56 percent in 1983.

In addition, 680,732 returns were verified or corrected through correspondence from the service centers for total examination contacts with taxpayers to examine, verify or correct income, estate and gift tax returns of 2.44 percent of returns filed, compared to 2.88 percent in 1983. This program also resulted in $415 million in recommended additional tax and penalties. (See statistical tables 7, 11 and 12 for additional information.)

Service Center Correction Program

The IRS continues to implement service center correction programs to identify deductions and credits erroneously claimed on tax returns. These programs cover the energy credit, once-in-a-lifetime exclusion of the taxable gain on sale of a residence, credit for the elderly, overreported and underreported state income tax refunds, individual retirement accounts, farm land clearing expenses and payments in kind.

Tax returns are monitored, tracked and identified using low-cost computerized methodology. Where there is improper or inconsistent reporting by taxpayers, proposed adjustment letters are mailed to the taxpayers giving the amount of tax change, an explanation of the error, tax guidance and information on appeal rights.

Information Returns Program

As a result of the IRS information returns program, more than 3.9 million taxpayers were notified in 1984 of potential discrepancies between income they reported on their tax returns and income reported to the IRS on information returns. In addition, 3.1 million taxpayers received notices of apparent failure to file tax returns.

The IRS received 668 million information documents in its tax year 1983 information returns program, including over 168 million Forms W-2 received and processed by the Social Security Administration. More than 16 million of the total documents received were information returns filed by trustees for contributions to individual retirement arrangements and simplified employee plans.

The IRS continues to match almost all information returns submitted on magnetic media to verify that correct amounts are reported on taxpayers' returns. Over 568 million of the information returns submitted this year were on magnetic media. In 1984 approximately 48 percent of the 100 million information returns submitted on paper were matched, compared to 27 percent in 1983. This increase resulted from the use of optical character recognition equipment. With the installation of additional optical character recognition equipment, the IRS expects to be able to match almost all of the information returns submitted on paper in 1985. Overall, 86 percent of the combined magnetic media and paper receipts were matched in 1984.

Payer Compliance

As part of the long-range plan to ensure compliance, the IRS issued requirements and guidelines for the preparation of transmittal documents for annual information returns, including the proper use of names and taxpayer identification numbers.

During 1984 the IRS established the payer master file containing the name, address, taxpayer identification number and types of documents filed for each payer. This file is part of a long-range plan to advise and educate payers about filing requirements as well as to identify payers who do not file returns.

Unreported Income Programs

Recent studies continue to show a substantial amount of taxable income is not being reported by individuals. Underreporting seriously threatens the integrity of the self-assessment tax system. To increase compliance, the IRS has established unreported income programs directed at taxpayers who do not report all of their income. District and regional information gathering projects focus on significant areas of noncompliance that are not identifiable through conventional returns selection methods. These projects are based on information uncovered in examinations and other sources.

As a result of information gathering projects on unreported income in 63 districts and seven regions, the IRS examined approximately 25,000 returns and assessed $86.1 million in additional tax.

Tax Shelter Program

As of Sept. 30, 1984, 331,395 returns with tax shelter issues were in the examination process, a decrease of 3,154 returns from the prior year. During 1984, 114,323 returns were closed after examination, with recommended tax and penalties totaling $2.2 billion.

The Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) provided tools to combat abusive tax shelters. The IRS is aggressively using these tools on the "front-end" through injunctions against promoters and application of promoter penalties. Tax shelter coordinators and committees have been established throughout the IRS to gather information on promotions being marketed. In 1984 injunctive relief was obtained against 19 abusive tax shelter promotions.

As part of its front-end approach, the IRS has issued 16,653 pre-filing notification letters to investors in 60 different abusive shelter projects and advised them that the purported tax benefits are not allowable and that their returns will be examined if they claim such benefits. In addition, the IRS with-

holds that portion of an investor's refund attributable to a shelter subject to a pre-filing notification.

Penalties for negligence, civil or criminal fraud, overvaluation and substantial understatement also can be asserted against promoters of and investors in abusive shelters.

The Deficit Reduction Act of 1984 gave the IRS new tools to use in its front-end attack against tax shelters. The act increased the penalty for promoting abusive shelters, from the greater of $1,000 or 10 percent of the gross income to be derived, to 20 percent of the gross income to be derived. It also required that shelters be registered with the IRS and established penalties for aiding and abetting an enjoinable action. Organizers and sellers of potentially abusive tax shelters are required by the act to maintain a list of investors and make the list available to the IRS. Additionally, the interest rate on substantial underpayments attributable to certain tax motivated transactions now accrues at an annual rate equal to 120 percent of the adjusted rate.

Tax Protesters Program

The IRS had 28,324 protest returns under examination and had closed 23,571 returns as of Sept. 30, 1984, a 30-percent increase in cases closed over the prior year.

The service centers are identifying more protest returns during processing, and examiners are asserting civil penalties, provided under the Tax Equity and Fiscal Responsibility Act of 1982, against tax protesters who file frivolous documents or returns. The service centers asserted 8,210 frivolous return penalties this year. The $500 frivolous return penalty is asserted against those persons who take on their returns clearly unallowable positions, having no basis in law or fact, with the intent of impeding the administration of the tax laws.

W-4 Program

Aggressive identification continues of employees who file incorrect withholding allowance certificates, Forms W-4, with their employers to avoid having the correct amount of income tax withheld from their wages.

When employees submit Forms W-4 to their employers claiming exemption from withholding or a specific number of withholding allowances, employers then submit to the IRS those Forms W-4 that meet predetermined submission requirements. These Forms W-4 are then computer screened and those identified as being questionable are selected for examination.

During 1984 the IRS adjusted 350,000 Forms W-4 of employees who underestimated their withholding based upon anticipated wages, expected itemized deductions or additional allowances for personal and dependency exemptions to which they were not entitled. The $500 civil penalty for filing false wage withholding information was asserted in 100,000 cases.

Fraud Program

Continued emphasis on fraud detection during the examination process produced 9,911 fraud referrals submitted to criminal investigation.

The number of taxpayers against whom the civil fraud penalty was recommended increased by 1.8 percent. This penalty is equal to 50 percent of the entire additional tax due if any part of the underpayment is due to fraud.

Computer Assisted Examinations

The IRS has 275 computer audit specialists and managers trained in computer systems, hardware and program languages.

Record retention agreements, which identify those taxpayers who have retained machine-sensible records for examination purposes, have increased to 5,077.

Statistical Sampling Examination Program

The IRS continued to emphasize statistical sampling techniques in its examination program. In 1984 over $115 million in tax deficiencies was determined by the use of statistical projection methods.

The IRS trains computer audit specialists in advanced statistical sampling concepts so they can apply them in examinations as well as offer expert assistance to revenue agents and other examination specialists. In addition, revenue agents are trained to apply simple statistical samples in cases they are examining.

Coordinated Examination and Industry Specialization Programs

The coordinated examination program includes the 1,364 largest and most complex domestic and foreign corporations. Examinations of these corporations are centrally controlled and done by teams of the most experienced examiners. In 1984 this program resulted in recommended tax deficiencies and penalties totaling $5.9 billion. The industry specialization program included 16 designated industries and 641 coordinated examination cases, with 72 issues being coordinated. This program provides uniform and consistent treatment of industry issues nationwide.

Windfall Profit Tax

During 1984 the IRS completed 9,791 windfall profit tax examinations, resulting in $397 million in recommended additional tax and penalities. As of Sept. 30, 1984, there were 9,166 windfall profit tax cases in the process of examination.

Research to Improve Compliance

The taxpayer compliance measurement program (TCMP) is the IRS's primary long-range research effort to measure overall compliance and the major characteristics of its total workload. TCMP is based on the examination of a stratified random sample of returns. In 1984 the IRS began the examination of the eighth TCMP cycle of individual returns and continued the TCMP examination of partnership returns.

Since 1968 the IRS has employed a statistical technique known as discriminant function (DIF) as the primary method of selecting returns to examine. In 1985 a new DIF technique will be implemented that will improve the effectiveness of the corporation selection formulas. DIF formulas are developed in two stages. An initial formula is produced to identify returns in need of examination. A second formula is then developed to identify the most productive of these returns. This second-stage technique was successfully introduced for individual returns in calendar year 1984.

Classification is the process of determining which issues on a return require audit. This process has always been performed manually, thus requiring hundreds of examiners to review returns. A computerized classification system has been developed and will be tested in 1985. Also, a consultant has been hired to determine if expert systems technology, the computer modeling of an expert's thought process, can be applied to classification.

Automated Examination System

The IRS solicited vendor proposals this year to conduct an analysis of the current examination system and develop a new automated examination system (AES). One of the products of the first contract award will include plans and specifications for procurement of hardware and software that will improve the technical productivity of revenue agents prior to implementation of the total integrated AES. This initial support will provide automated assistance in areas such as tax computation, report writing, technical research, workpapers and inventory control.

Development of software and hardware based on the total AES design will result from a later contract award planned for mid-1986. AES, which is scheduled for nationwide implementation in late 1987, will increase examination efficiency and timeliness of assessment billings, reduce overhead costs and improve management information and control and the overall quality of examinations.

International Enforcement

In 1984 examiners trained in the international provisions of the Internal Revenue Code, tax treaties and foreign tax statutes examined 5,241 returns, recommending income adjustments of $4.6 billion, foreign tax credit changes of $0.6 billion and withholding taxes and penalties of $68 million.

Approximately 340 international examiners in 19 key districts handle examinations of business operations outside the U.S. The majority of these examinations involve multinational corporations and foreign-controlled U.S. business operations where the books and records are maintained or can be made available in this country. The IRS emphasizes international compliance activities with special attention to operations in tax havens by individuals, partnerships and trusts.

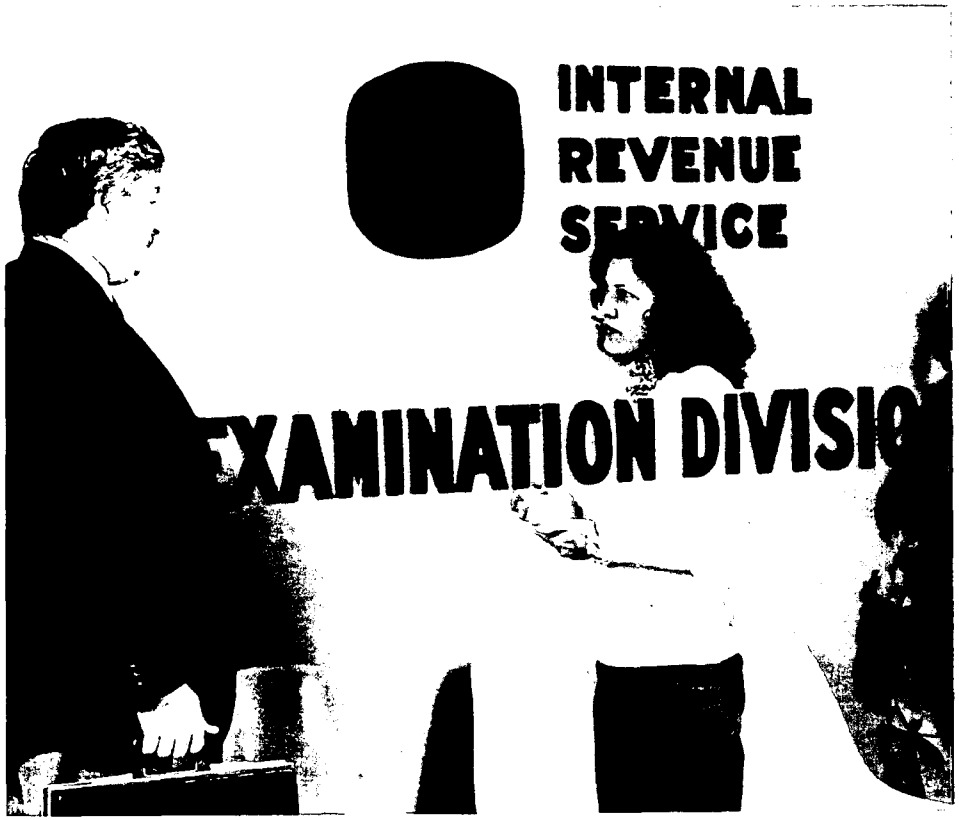
Simultaneous Examination Program, Industrywide and Spontaneous Exchanges of Information

The U.S. has simultaneous examination programs with the tax administrations of Canada, the Federal Republic of Germany, France, Italy, Norway and the United Kingdom. These programs allow the exchange of information between the IRS and treaty-partner tax administrations and coordinate the tax treatment of related taxpayers with business activities in more than one country. Examinations are conducted separately, and in the selection process, particular consideration is given to taxpayers having operations in tax-haven jurisdictions.

Industrywide exchanges of information provide participating tax administrations with information on the worldwide operations and pricing practices of selected multinational industries. The IRS conducts industrywide exchanges with the tax administrations of Australia, Canada, Denmark, the Federal Republic of Germany, France, Italy, Japan, Norway, Sweden and the United Kingdom. Covered under these exchanges are the aluminum, banking, forest products, grain, petroleum and pharmaceutical industries. The U.S. also conducts spontaneous exchanges of information with any treaty partner if permitted under the income tax treaty in force.

International Meetings

IRS executives met with officials of U.S. treaty partner tax administrations in three international meetings. One meeting was with the Pacific Association of Tax Administrators—the U.S., Australia, Canada and Japan—and the other two with the Group of Four—the U.S., the Federal Republic of Germany, France and the United Kingdom. Key topics at these meetings were tax havens and the alleviation of double taxation. International cooperative efforts also were initiated with the Italian tax administration, and technical exchanges were conducted with the tax administrations of Mexico and the People's Republic of China.



Foreign Operations District

The IRS Foreign Operations District (FOD) administers federal tax laws for U.S. citizens living abroad, residents of U.S. territories, possessions and the Commonwealth of Puerto Rico, other foreign-based taxpayers subject to U.S. taxes and corporate entities whose books and records are in another country.

FOD completed more than 14,000 examinations and recommended $160 million in additional tax and penalties. It also collected $63.3 million in delinquent taxes, while securing 7,200 delinquent returns from U.S. taxpayers abroad.

The IRS maintains 15 foreign posts worldwide managed by revenue service representatives (RSRs) who oversee examination, collection and taxpayer service programs. RSRs also serve as liaisons with foreign tax authorities.

Tax treaties in force between the U.S. and more than 30 other countries are administered by the IRS, which also negotiates mutual agreements with treaty partners to resolve cases of otherwise unrelieved double taxation contrary to tax treaty rules. The IRS also participates in cooperative exchanges of information with foreign tax administrations and provides other forms of reciprocal assistance.

Collection

The IRS collected a total of $16.4 billion in delinquent taxes in 1984. Of that sum, $7.5 billion was collected as a result of initial billings. Action was completed on 3.2 million delinquent accounts that yielded $8.9 billion in overdue taxes—$3.7 billion in response to computer notices sent to taxpayers and $5.2 billion on delinquent accounts. Overdue taxes of $1.2 billion were collected when four million delinquent returns, involving $6.1 billion in assessments, were secured.

Additional revenue officer staffing significantly helped reduce inventories for the first time since 1976. Delinquent account inventories declined from two million in 1983 to 1.9 million in 1984.

Automated Collection System

The automated collection system (ACS) was successfully launched this past year. At 21 sites throughout the country, computerized systems receive and place telephone calls to taxpayers. ACS combines virtually paperless computer processing, automatic telephone dialing, direct entry of case history data and immediate access to case information. Prior to implementation of this system, collection office functions were located in each of the 63 district offices and relied on labor-intensive paper processing. Even though all collection office functions were phased out of existence at various times during the past year, inventories of open cases were reduced, and 1,700 fewer collection and support personnel staff years were required to acomplish the same tasks, while revenue collections increased.

Special Procedures Automation

Automation began this year of the special procedures function, a paper intensive activity that is the legal arm of the collection operation. Special procedures maintains files of all bankruptcies, federal tax liens and numerous other legal materials used by collection in each district office. The first phase of the special procedures automated information retrieval system began this past year as each district started loading lien files into the automated system. The implementation of other phases over the next few years will place bankruptcies, pending civil suits and other files in a combined system easily accessible for input and recall. The system will use all the features of modern automation and permit monitoring and control of workload at substantial savings.

Automating the Delinquent Returns Workload

When a business taxpayer fails to comply with filing provisions, the Internal Revenue Code authorizes the IRS to prepare and file delinquent business tax returns for the taxpayer based on information in IRS files and contacts with the taxpayer. While collection has used this procedure to some degree over the years, the automated collection system (ACS) made it possible to make greater use of this compliance tool. As a result, an automated delinquent returns process was tested and implemented this year.

The problem of individual income tax return delinquencies was approached the same way. Employing procedures already used by the examination function, the "substitute-for-return" concept was tested. This procedure is used when a taxpayer neglects or refuses to file a delinquent income tax return after written requests from a service center and ACS telephone contacts. The IRS then establishes and assesses the liability of the taxpayer, using information secured from contacts with the taxpayer, third parties and data available from within the system, including information returns such as Forms W-2 and 1099. After successful testing, an automated substitute-for-return process was implemented on Oct. 1, 1984.

Revenue Officer Examination of Employment Tax Returns

Taking advantage of revenue officers' experience with business taxpayers, the IRS is studying the use of revenue officers in employment tax examinations. This study began in early 1984 with 47 revenue officers in seven districts. Revenue officer examiners identified cases with high potential for error.

Early results of the test show that these examinations may be effective in gaining compliance in what has been a significant area of noncompliance.

Criminal Investigation

The criminal investigation division investigates violations of the federal tax laws and related offenses and identifies areas of willful noncompliance and the methods used to circumvent the tax laws. To address noncompliance and enforcement problems, regions and districts developed and initiated local programs that focused on specific noncompliance situations. In addition, to deal with complex tax schemes and crimes spanning national boundaries, the IRS began negotiations with several foreign countries on simultaneous investigation agreements.

Through the increased use of micro- and minicomputers and office automation, special agents can more quickly and effectively analyze voluminous documents and transactions that previously required substantial amounts of their time. In addition, computer technology is increasingly employed by managers to monitor caseloads and performance.

As evidenced by the increase in the number of prosecutions and sentencings, 1984 showed a continuing improvement in criminal investigation resource utilization.

General Enforcement Program

About 52 percent of criminal investigation resources was used in the general enforcement program. Two areas that received particular attention were illegal tax protesters and fraudulent tax shelters. These programs accounted for 26 percent of criminal investigation's general enforcement program resources.

The criminal investigation effort against fraudulent tax shelters concentrated on nationwide promotions. There was an increase in the number of investigations of these schemes during the year, and some significantly higher sentences were handed down by the courts. In one case, four individuals were involved in promoting a fraudulent shelter that dealt with Treasury securities. This scheme generated $130 million in false deductions. The promoters drew sentences of up to 15 years in prison. In addition, the IRS National Office is coordinating civil injunction actions that are being pursued simultaneously with ongoing criminal investigations. Promotions investigated usually involve diversified sales activities that result in millions of dollars in fraudulent deductions and credits being taken on individual tax returns.

The illegal tax protester program concentrated on the investigation of leaders and promoters of major protest groups and schemes with significant numbers of participants. One such investigation resulted in the indictment of nine leaders of a major mail-order ministry scheme. The 19-count indictment charged the individuals with evading the payment of taxes on approximately $10 million of income received from the sale of mail-order ministry charters. Approximately 1,000 individuals who purchased these charters and took improper tax deductions for purported contribution deductions to their own churches will be required to pay millions of dollars in back taxes and penalties.

		General enforcement program				*Special enforcement program*			*Grand total*
		Illegal tax protesters	*Fraudulent tax shelters*	*Other*	*Total*	*Narcotics related*	*Other*	*Total*	
Results of criminal investigation activity	Investigations initiated	648	224	3218	4090	1085	1019	2104	6194
	Investigations completed	745	175	2773	3693	1080	1152	2232	5925
	Prosecution recommendations	444	105	1080	1629	712	649	1361	2990
	Indictments and informations	265	49	830	1144	516	498	1014	2158
	Pleas of guilty and nolo contendere	110	16	645	771	300	373	673	1444
	Convictions after trial	124	15	82	221	53	90	143	364
	Number sentenced	232	36	751	1019	310	525	835	1854
	Percent receiving prison sentences	78	89	63.2	57	77	58.2	69	62

		1983	*1984*
Results of direct enforcement on delinquent accounts and returns	Delinquent taxes[1]		
	From delinquent accounts	5,760.3	5,159.0
	From notices	3,793.3	3,768.7
	From delinquent returns secured	1,006.9	1,225.2
	Delinquent returns secured[2]	3,609.7	3,951.3
	Additional tax, penalty and interest assessed on delinquent returns (Net of prepaid credits)[1]	5,211.1	6,052.9

[1]millions of dollars
[2]thousands

Special Enforcement Program

The special enforcement program identifies and investigates violations of the tax laws by persons who derive substantial income from illegal activities. This year the program emphasized investigations of major narcotics traffickers and organized crime figures and participation in investigations with other federal, state and local enforcement agencies. As part of these efforts, the IRS has assigned criminal investigators to the El Paso Intelligence Center, the Treasury Financial Law Enforcement Center and Interpol. The IRS has made substantial contributions to the federal effort against narcotics trafficking, especially in the Southeast.

In addition, the IRS has played a significant role in the Organized Crime Drug Enforcement Task Forces created by the President, devoting 52 percent of its special enforcement program resources to this program.

The IRS also has taken an active role with federal, state and local law enforcement authorities in multi-agency task forces around the country. The multi-agency approach to narcotics investigations has increased the number of criminal tax cases identified and prosecuted, jeopardy and termination assessments made and asset forfeitures carried out on property procured with illegally generated and unreported income.

Employee Plans

In 1984 the IRS issued 106,353 advance determination letters on the qualification of corporate and self-employed plans. In addition, 27,734 returns were examined to determine whether plans were operating in accordance with the previously approved plan document, verify employers' allowable deductions for contributions to plans and assure that the rights and benefits of plan participants are protected.

The IRS continued to emphasize the returns selection process to ensure examination of plans with the highest audit potential. During the year, the computer classification program was revised to integrate the results of the taxpayer compliance measurement program. Audit presence was maintained in all return classes to achieve across-the-board coverage.

Exempt Organizations

During 1984, the IRS issued or revised nine revenue rulings and procedures and issued 415 technical advice memoranda. The IRS also acted on 69,613 applications, reapplications and requests for rulings from organizations and examined 20,632 exempt organization returns.

On July 3, 1984, the Supreme Court ruled in *Allen v. Wright* that parents of black children attending public schools in school districts undergoing desegregation could not sue the federal government to force the IRS to adopt stricter standards for identifying racially discriminatory private schools. The Court found that the plaintiffs had not shown an actual injury traceable to the government's actions and redressable by the requested relief.

The Deficit Reduction Act of 1984 made major revisions to the rules applicable to private foundations and enacted new provisions on the deductibility of employer contributions to welfare benefit funds for employees and to the requirements for nondiscriminatory benefits to retain exempt status. The act also placed restrictions on IRS tax inquiries and examinations of churches. The IRS is implementing the provisions of the act.

A Form 990 advisory committee was established in 1984. Its membership includes assistant state attorneys general, private sector representatives and IRS officials. The IRS is reviewing the changes and new instructions recommended by the committee to reduce the incidence of incomplete and improperly prepared returns and make the returns more useful to the IRS, the public and the states with reporting requirements for charities and other public benefit organizations.

As a result of changes made by the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA), the IRS continued to provide direction to the public for complying with the employee plans provisions of the act. Because TEFRA repealed most of the special limitations and restrictions that had applied to Keogh plans, the IRS issued an announcement requiring all self-employed individuals with Keogh plans to file annual returns even if the only participants are owner-employees. Schedule T also was developed as an attachment to the Form 5300 series applications for determination letters to facilitate the submission of plan amendments by applicants seeking to have their plans comply with TEFRA. In addition, the IRS issued a notice providing guidelines to clarify the rules for employee plans covering leased employees.

A revenue procedure was issued to inform sponsors of master and prototype plans how to secure new opinion letters and to assure TEFRA compliance for present and future plan adopters. The IRS also sponsored a two-day TEFRA seminar in Washington for over 800 practitioners from around the country who draft master and prototype plan documents.

The IRS developed comprehensive actuarial guidelines for examining minimum funding requirements and actuarial funding methods and their underlying assumptions for defined benefit plans. Selected senior field specialists have been trained in the use and applicability of these guidelines.

Two significant pieces of legislation dealing with employee plans were enacted by Congress and signed into law during the year. The Deficit Reduction Act of 1984 and the Retirement Equity Act of 1984 both made important changes in the rules governing plan qualification. These changes involve required plan distributions, joint and survivor provisions and limitations on contributions and benefits. The IRS is implementing these two acts to make sure that plans comply with the new requirements.

The service centers began assessing penalties on incomplete Form 5500 series returns of employee benefit plans and Form 990 series returns of exempt organizations. When a service center receives a return with information critical to the processing of the return missing, correspondence is initiated with the taxpayer to secure the missing data prior to penalty assessment. This program will give the IRS more reliable and accurate information on plans and organizations, provide Congress with improved statistical data and provide more complete information to the states that accept Form 990 for their reporting requirements.

The microfilming of all field office employee plans/exempt organizations administrative files was completed. The conversion from paper files to microfilm reduced space requirements and improved file control, security and accessibility. The taxpayer compliance measurement program survey of exempt organization returns continued as part of the IRS's ongoing effort to improve and update the criteria for selecting returns for examination.

Problem Resolution Program

This year 377,385 taxpayer problems were resolved by problem resolution offices located in each IRS district, service center and regional office. This personalized service assured that taxpayers had somewhere to turn when the system failed, someone to step in and make sure that problems were not overlooked or lost in the cracks in the system.

Uniform criteria were developed in 1984 for identifying taxpayer problems to be covered in the problem resolution program (PRP). The uniform criteria result in more accurate identification of taxpayer problems to be handled by PRP.

PRP emphasized advocacy activity throughout the IRS during 1984, which resulted in systemic problems' being anticipated and prevented. An example of this is the revision to the underreporter notice that will increase the likelihood of taxpayers' furnishing their telephone numbers when they do not agree with the proposed assessment. The advocacy emphasis also prevented abridgement of taxpayers' rights caused by actual operations not following written procedures. As part of this advocacy activity, the taxpayer ombudsman served as the taxpayers' representative on the IRS committee assigned with developing tax forms and related instructions.

Problem resolution officers continued to analyze the taxpayer problems handled by PRP so that the underlying causes — organizational, procedural and systemic failings — could be identified and corrected, thus improving the IRS's efficiency and responsiveness to the public. This activity will be aided in 1985 by a management information system that will contain data useful in identifying problems.

Write, Call or Walk In

During 1984 the IRS responded to about 45.6 million telephone calls from taxpayers, including 3.4 million Tele-Tax inquiries. There also were 7.7 million walk-in contacts, over 300,000 outreach program contacts and 162,000 written inquiries from taxpayers requesting information about their tax rights and obligations. Overall, the IRS responded to 53.6 million requests for assistance, an increase of more than 4.5 million inquiries from 1983.

More than 49 percent, 26.7 million inquiries, occurred between Jan.1 and mid-April — 22.2 million telephone calls, including Tele-Tax, 4.2 million walk-in inquiries, 262,000 taxpayers assisted through outreach and 52,000 items of correspondence. During this same period, a quality check of telephone responses found an overall accuracy rate of 97 percent.

Telephone Assistance

During the 1984 tax return filing period, the toll-free telephone system handled almost all the information request calls the IRS received. Taxpayer service representatives answered more than 87 percent of those telephone calls.

Those calls requiring computer research or more advanced technical assistance were referred to IRS employees who have received specialized training in those areas. This year the IRS answered 4.8 million taxpayer account inquiries and problem resolution referrals and handled 2.4 million technical referrals.

Special equipment allows hearing-impaired taxpayers throughout the U.S., Puerto Rico and the Virgin Islands to receive toll-free assistance, and over 1,900 taxpayers received such assistance in 1984.

The IRS expanded its nationwide automated telephone assistance service in 1984 to include callers with rotary-dial phones. Tele-Tax, which is available 24 hours a day, seven days a week for users of push-button telephones, is now also available during normal working hours for rotary-dial telephone users. Tele-Tax offers more than 140 tapes on tax topics including filing requirements, itemized deductions, tax credits and IRS procedures and services. In 1984 more than 3.4 million taxpayers used this service.

Walk-In Service

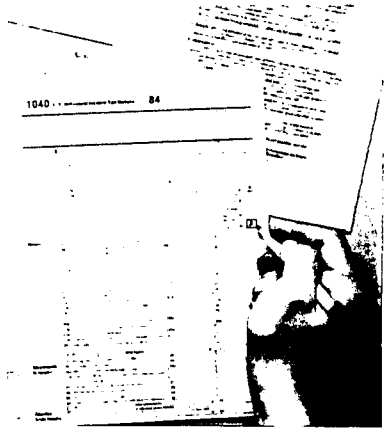
Walk-in taxpayer assistance was offered at inner-city, business-district, suburban and rural locations in 377 permanent offices and 81 offices opened especially for the filing period. The IRS provided foreign language tax assistance at 119 of its 458 taxpayer service offices. Over 52,500 libraries, banks and Postal Service locations also helped distribute more than 314 million tax forms and instructions.

Disaster Assistance

The IRS provided help in preparing amended returns and casualty loss claims and in getting refunds to taxpayers faster in 283 counties within 31 states affected by floods, hurricanes, tornadoes and other emergencies and major disasters in 1984.

Taxpayer Education

The IRS in 1984 provided instructional materials for over 4.5 million students as part of its "Understanding Taxes" program, which helps young people understand their tax rights and obligations. In cooperation with all 50 state departments of education and the District of Columbia, the IRS expanded the "Understanding Taxes" program for high school from the history and preparation of tax forms to include the economics of taxation. Teacher training and a video/film series of six 15-minute programs for students will be available during the 1984-85 school year.



The IRS's volunteer income tax assistance and tax counseling for the elderly programs provided training for some 52,000 volunteers, who in turn assisted over one million taxpayers with their federal, state and local returns. Through IRS outreach efforts, employees went into over 7,800 community sites and helped over 300,000 taxpayers.

Other IRS education efforts included conducting workshops for 45,000 small-business owners, sponsoring more than 270 tax practitioner institutes for nearly 40,000 participants and expanding student tax clinics into 24 law and graduate accounting schools. The tax clinics provide valuable educational experience to students and free counseling and representation for taxpayers involved in IRS examination and appeals proceedings.

Informing Taxpayers

The IRS distributed taxpayer information materials to over 30,000 print and electronic news media. During 1984 the IRS received an estimated $34 million of free advertising space from print, radio and television media.

The IRS participated in six television and two radio tax clinics during the 1984 filing season. An

estimated eight to 10 million persons viewed or listened to these programs, all of which afforded viewers or listeners the opportunity to phone in their tax questions.

The IRS placed special tax supplements with 737 newspapers with total circulations of 15.5 million readers. The IRS also used 1,444 billboards in 34 states, provided by outdoor advertisers, to promote the volunteer income tax assistance program.

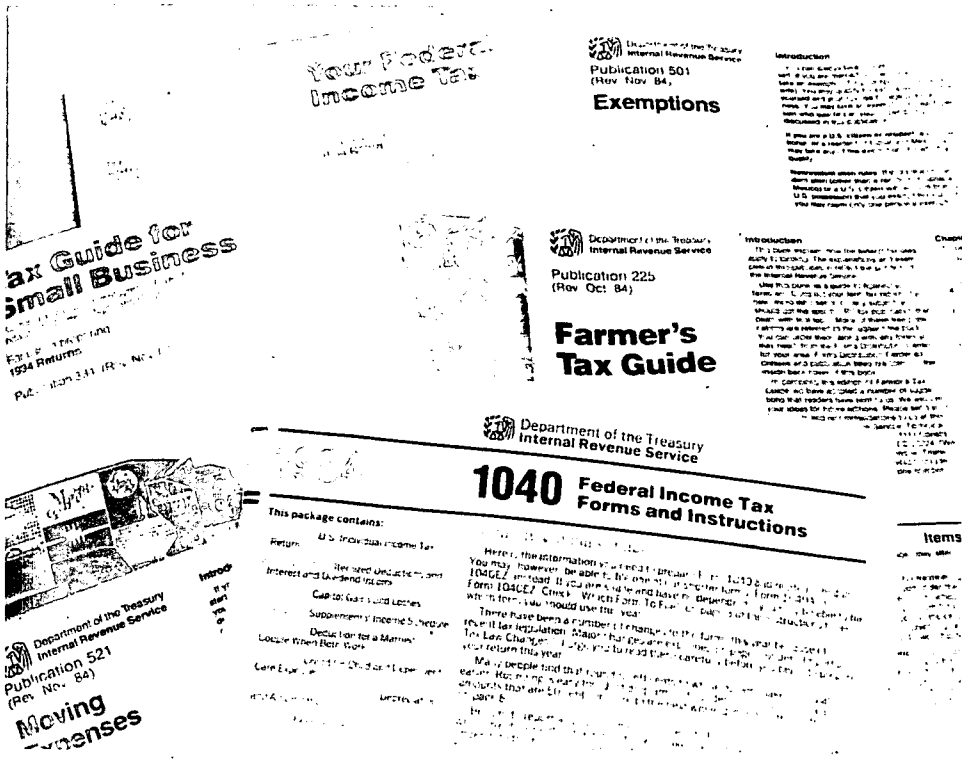
Forms and Publications

Form 1040A was revised for the 1984 filing period to include lines for deducting payments made to individual retirement accounts and for taking the credit for childand dependent-care expenses. These changes increased the number of taxpayers eligible to use Form 1040A. A shortened partnership return, Form 1065, also was introduced for the 1984 filing period. Previously four pages long, the new form is now only two pages, and a significant number of partnerships have to complete only one page.

For the 1985 filing period, a short-form corporation income tax return, Form 1120-A, will be introduced. This form will be half the length of the regular corporate return and about 40 percent of the current corporate return filers will be able to use the new form, with a reduction in their reporting burden.

IRS public hearings held in Jackson, Miss., San Jose, Calif., and Milwaukee provided numerous suggestions on how to simplify tax forms and instructions. The IRS received other suggestions in response to the Commissioner's message in this year's tax form packages and to a notice published in the "Federal Register." Many of these suggestions were adopted, and others are being considered for possible inclusion in future years' forms.

The IRS distributed many taxpayer information publications free of charge, including 3.5 million copies of "Your Federal Income Tax," 1.5 million copies of the "Tax Guide for Small Business," 635,000 copies of the "Farmer's Tax Guide" and 78,000 copies of the "Tax Guide for Commercial Fishermen." Additional tax materials were furnished to 9.1 million taxpayers, 285,000 tax practitioners and 470,000 employers. The IRS publishes more than 90 booklets — four in Spanish — on specific tax topics.



Managing the System

Strategic Management System

The IRS in 1984 put into place a strategic management system to chart its future for the balance of this decade and to lay the groundwork for entry into the 21st century. This is perhaps the most important management change for tax administration in the last 10 years, and the product of the broadest and most extensive executive effort the IRS has seen.

The first products of this system are a more clearly stated mission statement and a strategic plan for IRS. The changing environment facing tax administration and what to do about it have been the focus of strategic planning efforts to chart the future course of tax administration. The major environmental trends that must be dealt with are the decline in voluntary compliance, the explosion of information technology, maintaining program effectiveness in the face of rapid change and recruiting and retaining a high-quality work force.

The strategic plan addresses all of these areas by providing strategic directions to follow and specific strategic initiatives to translate these directions into actions. The strategic plan will prepare the IRS to deal with the problems and opportunities of the future.

A major feature of the IRS strategic management system is that it is dynamic. The strategic plan will be kept current in response to changes in both the internal and external environments through input from employees from every level of the IRS and guidance from the strategic planning council, which comprises the Commissioner, Chief Counsel and other high-ranking IRS executives.

Research

The IRS pursued two major efforts to understand better the factors affecting voluntary compliance. First, an opinion survey was completed that provided information on taxpayers' attitudes toward and experiences with the IRS and the tax system. It also provided insights into factors affecting taxpayer behavior. Second, the IRS encouraged academic and other research communities to study factors affecting voluntary compliance. A conference on tax administration research strategies was convened by the IRS in November. A follow-up conference has been scheduled for January 1985.

The taxpayer compliance measurement program (TCMP) is the primary long-range research effort to measure overall taxpayer compliance and changes in patterns of noncompliance. This year stage three of a TCMP survey of exempt organizations was completed and stage four was begun. A first-time comprehensive survey of subchapter S corporations was started. Also, the first TCMP survey of partnerships continues, as well as an updated survey of 1982 individual income tax returns.

A series of studies is underway to break down into finer detail the "tax gap" estimates that the IRS published in 1983. The first of these will examine underreported capital gains income to identify what kinds of assets were sold to generate the income and what kinds of errors accounted for the underreporting. Similar projects for underreported business income and other income will follow. The IRS also is analyzing the size distribution of all types of taxpayer reporting errors. This analysis will supplement the tax gap estimates to indicate areas in need of increased enforcement action or legislative remedies.

The IRS began a study to identify domestic entities involved in offshore tax evasion activities. The objectives of the study are to identify those domestic activities necessary to carry out successful offshore tax evasion schemes and to develop a system to identify potential tax evasion schemes, with particular emphasis on the sources of unreported income and abusive use of offshore tax havens.

Efforts continue to identify new ways of supplementing or improving the discriminant function (DIF) system used to select returns for examination. Formulas have been developed in several examination classes that will increase productivity. New formulas for identifying individual return delinquencies also are being implemented. The IRS is researching techniques to identify the audit issues associated with selected returns and studying alternatives to the DIF system.

The IRS this year completed a number of computer-based compliance research studies. Reports were prepared for studies dealing with real-estate partnership tax shelters, recapture of accelerated accrued deductions on Department of Housing and Urban Development financed housing, energy credit carryover and limitations and unsubstantiated withholding credits. Research also was completed on the use of information documents submitted with missing or invalid taxpayer identification numbers and on the effect on taxpayer compliance of refund offsets for delinquent child support payments.

The rapidly advancing computer technology of knowlege-based systems has significant potential for increasing the quality and productivity of work conducted by the IRS. To take advantage of this advanced technology, a select group of highly qualified employees is being trained to oversee the development of appropriate knowledge-based systems applications.

The IRS continued to investigate alternatives to the traditional transcription of returns. A survey of tax preparers was conducted to gauge readiness for automation and computer-prepared returns were analyzed. Tests also were conducted to determine public acceptance of an "answer sheet" Form 1040A compatible with optical character recognition equipment. If successful, this research may ultimately pave the way for large-scale electronic filing of tax returns.

The IRS is developing a methodology to measure paperwork burden on taxpayers. With improved measures, the IRS will better be able to estimate past and future burden reductions achieved through forms simplification, as well as predict the paperwork implications of prospective changes in tax law or regulations.

A congressionally mandated study of the information returns program resulted in a number of recommendations for administrative changes to improve the reporting and matching of income. The study also identified several areas appropriate for legislative action.

Computer Services

During 1984 the IRS continued to apply state-of-the-art technology to its automated processing equipment. The direct data entry system at the service centers was replaced with the distributed input system. The distributed input system is a network of mini-computers linked with data-entry terminals. Each mini-computer is capable of independently supporting the data-entry workload of up to 32 ter-

minals. This system also can accommodate predicted workload increases, variations in filing patterns and other changes. Full implementation of the new system will be completed by early 1985.

The IRS now converts data from various tax forms using optical character recognition (OCR) technology in place of the traditional key-entry method. All federal tax deposits are processed through the use of OCR. In addition, over five million 1983 Forms 1040EZ were processed using OCR technology. Sophisticated multi-font scanners were installed at three service centers to process information return documents, and with the inclusion of the remaining seven service centers in 1985, the IRS will be able to achieve its goal of 100-percent matching of information documents against tax returns. The pilot site was set up for the automated processing of taxpayer bills and checks to speed up processing of payments.

The IRS also upgraded its printing capabilities with the installation of laser printing systems at the service centers, the National Computer Center and the Detroit Data Center. This system produces the quality of print required for the IRS's automatic remittance processing and OCR systems.

The IRS established an automated data dictionary that contains over 12,000 data elements to ensure efficient use and processing of data. The data dictionary standardizes data processing terminology by using the same description for similar data elements used throughout the IRS, thus reducing redundancy and enhancing the accuracy and value of data.

Progress was made in converting remaining computer applications from the current equipment to the new service center replacement system equipment. Conversion of all applications will be completed in early 1985.

The tax processing system redesign staff was established in 1983 to start work on the acquisition of a new tax processing system to satisfy the needs of IRS into the next century. The scope of the project was expanded this year to encompass a review of all IRS activities and systems, including tax administration, management information and administrative systems. As a result of this change in scope, the title of the project was changed to tax system redesign. The redesigned system will take advantage of the latest systems design, software, data bases, hardware and telecommunications and will use high-level languages, including data base management systems and "smart systems."

Office Automation

The IRS is taking advantage of office automation technology in its continuing efforts to improve productivity. Planning proceeded for the district office management automated information network, which is scheduled for implementation in 1985. Through the combination of previously developed programs and programs currently available from private vendors, the IRS will craft a set of office automation tools, including word processing, electronic mail and electronic filing. Word processing allows for unlimited revisions, corrections or additions to be made to documents without wasting typing time and supplies. Electronic mail allows executives and key personnel to send messages instantaneously from one computer terminal to another. Electronic filing allows computer storage of data, saving storage space and information retrieval time. District office managers from various functions also will be able to share information through commonly shared data bases.

Human Resources Technology

Improving the effectiveness of human resources in an automated environment is the goal of the IRS's newly formed human resources technology (HRT) staff.

In 1984 the HRT staff administered three surveys at automated collection sites and did field interviews to provide guidance to collection management regarding human factors concerns and attitude changes resulting from automation.

As part of this effort, the HRT staff developed and distributed a poster and guidebook of exercises for desk-bound employees aimed at reducing fatigue and stress. Seminars also were developed and delivered to new automated collection employees on the topics of stress management and managing change, and a two-day seminar on managing in an automated environment was given to new automated collection managers.

A guidebook for considering human factors in IRS automation efforts was developed, and assistance is being provided to IRS district offices in their automation efforts.

Management Information Systems

The IRS is developing two major management information systems. The first is to help manage the information returns program, which matches income reported on tax returns with that reported on information returns. This system will capture statistics and case information to help determine the most effective way to allocate resources. The system will be implemented in 1987.

The second system will provide information on all of the IRS's operations. It will provide information on costs, timeliness, quality and effectiveness. A prototype for this system is currently being implemented. This system will be installed in phases over several years.

District Automated Correspondence Control System

An automated correspondence control system for monitoring taxpayer inquiries was developed and successfully tested this year. The system, which is being installed nationwide, provides IRS management with information on the volume of taxpayer inquiries and the status of outgoing responses. This system will improve IRS responsiveness to the taxpaying public.

Telecommunications

The IRS is participating with the Department of the Treasury in developing an integrated network to improve and reduce the costs of communications. Replacement of outdated communications equipment in six service centers is in progress, and approval has been obtained for updating equipment at 15 additional locations.

Internal Audit

As a result of management actions on 1984 internal audits, the IRS derived $708 million in additional revenue and cost savings. Long-term actions to implement internal audit recommendations will realize an additional $953 million.

The IRS spent approximately 70 percent of its direct internal audit time in 1984 reviewing the processing of returns, collection of tax revenues and enforcement of tax laws. More than 60 percent of internal audit time was devoted to 31 coordinated audits, which evaluated IRS programs on a national or regional basis. For instance, in two separate reviews internal audit identified opportunities to improve cash management significantly. A nationally coordinated audit determined that the IRS was not taking full advantage of interest savings on the processing of tentative carryback refunds. The report estimated that $118 million in interest can be saved annually through timely processing and effective monitoring.

In another review, internal audit identified the need to improve the timeliness of processing agreed examination deficiencies. Internal audit recommendations, including the use of on-line computer facilities, could result in an additional $33 million in interest charges that could not be billed or collected because of processing delays. Another activity was the development of a computer program as part of a coordinated review of the tax shelter program. This computer program provides for more precise identification of abusive tax shelters and should result in additional revenues of $130 million.

Internal Security

In the ongoing effort to protect IRS integrity, investigations by the internal security division resulted in the arrest or indictment of 162 taxpayers and tax practitioners and 144 current or former IRS employees. There were convictions or guilty pleas in the cases of 225 individuals arrested or indicted in 1984 or earlier. Of these convictions, 38 were for bribery, 26 for assault and 74 for fraudulent receipt of unemployment compensation by IRS employees. The rest involved embezzlement, impersonation of a federal officer, narcotics and other offenses.

Among the more significant bribery attempts was an effort by two Florida businessmen to bribe a revenue officer to protect an abusive tax shelter scheme from IRS investigation. The businessmen were arrested after paying bribes totaling over $500,000 to the revenue officer. After an investigation in Philadelphia that lasted three and a half years, six former or current IRS employees and five taxpayers and their representatives were arrested or indicted for paying or receiving bribes totaling over $675,000. To date, $7 million in possible additional tax assessments has been identified as a result of this investigation.

Assaults and threats directed against IRS employees increased from 531 in 1983 to 789 in 1984. Along with the increased volume, there was a marked upsurge in the severity of these incidents. A revenue officer in Buffalo, N.Y., was shot and killed while making a field call; another in Cleveland suffered multiple gunshot wounds at the hands of a taxpayer during a meeting at an IRS office; and in Washington, D.C., a taxpayer was convicted of attempting to murder a revenue agent. Inspection has expanded its employee protection program to educate and prepare employees and executives on how to identify and deal with potentially dangerous situations.

The internal security division completed 8,651 background investigations on employees during the year and conducted police record checks on persons considered for temporary appointments. These investigations and record searches resulted in the rejection of 20 job applicants and administrative actions against 242 employees. Internal security also conducted 530 investigations of alleged employee misconduct. In those investigations where management action was completed, 116 employees were exonerated or there were insufficient grounds to take administrative action and 184 were subject to some type of disciplinary action.

Integrity Program

To deter waste, fraud and abuse, inspection completed 29 audits of highly vulnerable areas, such as activities where cash is handled or where control weaknesses increase the potential for integrity breaches. As a result of these audits, IRS management strengthened controls over such activities as handling cash, processing the payroll and paying invoices.

Inspection conducted 141 integrity probes and tests of high-risk activities. An integrity probe is an investigation initiated by inspection when there is potential for corruption that could affect IRS integrity. One probe involved reported bribe overtures made to revenue officers who were conducting checks to determine if businesses had filed the appropriate returns. The investigation uncovered six attempts by businessmen or their representatives to bribe IRS employees to avoid proper assessment and collection of taxes. To date, over $500,000 in additional taxes has been proposed against these businesses and individuals.

Internal control seminars were held nationwide to increase employee recognition of integrity matters, develop a better understanding of the role and responsibilities of inspection and increase management's awareness of its internal control responsibilities.

In addition, 21,491 employees were advised of potential corruption hazards through awareness presentations, internal control seminars and conferences with management.

Disclosure

Freedom of Information and Privacy Act requests showed a 29-percent increase over the previous year as the IRS responded to 15,282 requests in calendar year 1983. The freedom of information reading room in the IRS National Office processed an additional 18,833 requests for documents, an increase of 14 percent over the previous year. Disclosures of tax information were made to various authorized parties, including federal, state and local agencies. Among these disclosures were 58,589 made to the Department of Justice and other federal agencies for enforcement of nontax criminal laws, 165 million to federal agencies for statistical purposes and 77 million to state tax agencies for tax administration purposes. Disclosures to federal, state and local agencies for child-support enforcement increased approximately 45 percent to 1.6 million.

Director of Practice

The director of practice administers and enforces the regulations governing representation of taxpayers before the IRS.

The director of practice this year took 77 disciplinary actions against attorneys, certified public accountants, enrolled agents, enrolled actuaries and others for violations of the regulations. These actions included five disbarments, 27 suspensions and 45 reprimands, and six were the result of formal hearings before an administrative law judge. The allegations of misconduct that gave rise to disciplinary actions were received from the IRS, taxpayers, professional organizations and tax practitioners.

Almost 6,500 individuals participated in the special enrollment examination in 1984, and 1,871 were enrolled to practice before the IRS, bringing the total number of enrollees to more than 31,000.

The Department of the Treasury issued final regulations in 1984 governing tax shelter opinions issued by tax practitioners. The regulations, enforced by the director of practice, are part of the effort against abusive tax shelters and the role of practitioners in their marketing. The IRS this year also began to require continuing professional education as a condition for active enrollment to practice. This requirement will help assure that enrolled agents maintain familiarity with current tax laws and procedures.

Productivity Improvement

The IRS continued its efforts to improve productivity further. This year productivity improvements saved 3,502 average positions, 1,912 of which resulted from computer and related technology innovations. A productivity enhancement fund provided seed money for 19 demonstration projects of productivity improvement ideas. A management-generated savings system offered an incentive to identify savings by providing managers some freedom to use for other purposes a portion of any savings that they achieve.

Cash Management

The IRS continues to focus attention on interest savings. Accelerating the deposit of receipts directly reduces the government's borrowing needs, while reducing interest paid on refunds reduces expenses.

IRS deposit cycle requirements have been reduced over the past four years. Streamlining work shifts and efficient utilization of equipment have resulted in 72 million remittances, or 83.7 percent of 1984 receipts, being deposited within one workday of receipt at the service centers.

The Tax Equity and Fiscal Responsibility Act of 1982 provided the IRS with a 45-day interest-free processing period on tentative carryback claims. During 1984, 350,007 individual carryback claims were processed and $14.7 million in interest was

paid. There were 267,292 business carryback claims processed and $79 million in interest paid. Interest paid on such claims decreased $704.9 million from the prior fiscal year.

Records Management

The IRS continues to seek more efficient and technologically innovative ways of storing and accessing its growing files of tax records. A test of electronic data transmission of tax return requests between the Fresno Service Center and the San Bruno Federal Archives and Records Center proved successful and an expanded system is being developed.

IRS also is exploring the feasibility of converting paper documents to a digital electronic format and storing the digital images on optical laser disks. A research contract was awarded this year for an optical disk imaging system. The equipment will be tested at the Fresno Service Center in 1985. The system will scan and image the 940 and 1040 series of 1984 tax returns.

Statistics of Income

The IRS issued statistics of income (SOI) publications in 1984 on individual income tax returns for 1982 and corporate income tax returns for 1981. Corporate source books for 1981 and four issues of the quarterly "SOI Bulletin" also were issued. The "Bulletin" presents key data in advance of SOI reports or in place of SOI reports formerly published.

SOI publications can be obtained from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. The corporate source book is available from IRS.

During 1984 the IRS continued to provide statistical data to the Department of the Treasury's Office of Tax Analysis and the congressional Joint Committee on Taxation for use in estimating revenue and analyzing existing and proposed legislation. Statistical data also were provided to the Commerce Department's Bureau of Economic Analysis for use in updating the national income and product accounts.

Labor Relations

A revised statement of labor relations policy was issued to promote a positive labor-management environment. The IRS placed heavy emphasis on the role of individual managers in ensuring an effective and efficient labor relations program. All managers received training on their responsibilities under this revised policy, which is part of a broader initiative to enhance relations between the IRS and the National Treasury Employees Union.

Training and Development

The IRS conducted automated collection training for 1,500 technicians, 200 managers and 150 service center employees.

The IRS began a three-phase project to restructure revenue agent training to reflect changes in tax law, technology and the work environment. The first phase was completed to restructure the basic program and add more time for on-the-job training to ensure that new agents acquire the knowledge and attain the skill levels required by their jobs.

As a result of a successful pilot of computer-based training, the IRS is rapidly moving towards establishing a computer system to develop and deliver training to employees at approximately 169 IRS offices. Over the seven-year life of the system, net savings will be about $67 million.

Managerial, technical and user training was provided to approximately 9,000 employees to support office automation efforts and the increasing use of mini- and micro-computers. The IRS's continuing professional education program provided training to 30,000 technical employees on significant tax legislation enacted by Congress.

The IRS also for the first time developed and provided technical labor negotiations training to a group of executives.

Legislative Affairs

The legislative affairs division develops legislative proposals, coordinates the implementation of newly-enacted tax legislation and coordinates testimony for delivery by IRS officials before congressional committees.

This year the division developed eight implementation plans, including one for the Deficit Reduction Act of 1984, that identify the responsibilities of various IRS functions in administering the law. The division also coordinated preparations for seven congressional hearings, developed replies to 25 draft and final General Accounting Office reports and handled about 11,000 congressional and related telephone inquiries and almost 10,000 written congressional and other inquiries.

Aid to Foreign Countries and Others

The IRS provided long-term tax administration advisory assistance to Costa Rica, Egypt, Honduras, Jordan, Liberia, Saudi Arabia and Sierra Leone. The Sierra Leone project was completed this year. Short-term projects were conducted in Indonesia and Peru. The Agency for International Development funded the projects, except for that in Saudi Arabia which is funded by its own government. Assistance was provided to Mexico in developing an audit training program and in collection and taxpayer service. Instructors were provided to the government of Guam to teach collection and examination courses.

Under the provisions of the Intergovernmental Personnel Act, a survey of the New York State Tax Department was conducted for the Legislative Tax Study Commission and a large portion of the recommendations is being implemented. A survey of the Tax Department of the State of West Virginia also was completed. The historically black college and university faculty support initiative began this year when seven IRS personnel were assigned to seven schools to teach college courses for the academic year.

This year 244 officials from 59 countries visited the IRS for orientation and observation programs. Since 1963 over 7,130 visitors from 147 countries have participated in these programs. The IRS also presented two seven-week seminars in tax administration management for tax officials from eight countries.

IRS executives participated in the Inter-American Center for Tax Administrators' (CIAT) XVIII General Assembly in Cartegena, Colombia. IRS Commissioner Egger is a member of the CIAT Executive Council.

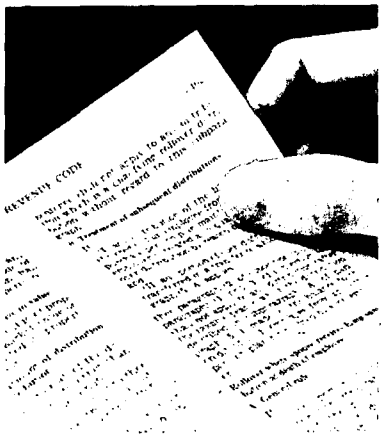
Chief Counsel and Appeals

Primarily a field function, approximately 70 percent of Chief Counsel's attorneys are located in 49 district counsel offices under the overall direction of seven regional counsel. Seven regional directors of appeals, who report to the regional counsel, oversee the activities of appeals officers in almost 100 locations across the country.

Field attorneys in regional and district offices represent the IRS in litigation before the Tax Court and provide advice to regional commissioners and service center and district directors on criminal tax cases, tax collections, refund litigation, summons enforcement, labor relations and other legal matters.

Counsel and appeals opened local offices in California in Sacramento, San Diego and San Jose as counterparts to the three newly formed IRS districts there. Counsel and appeals share office equipment and library and conference facilities wherever possible to use their limited resources efficiently.

Revenue Procedure 82-42 continues to be a practical and productive mechanism for the disposition of docketed Tax Court cases. The appeals docketed agreement rate increased by almost a third from 1983 to 1984. During that same period, Tax Court case disposals increased by about 20 percent, while the total number of cases pending increased by 10 percent. Procedures employed in the small case area also continue to produce tangible results.



During 1984 over 75,250 taxpayers requested appeals to resolve disputed tax cases administratively. Appeals officers conducted conferences with taxpayers at 41 appeals offices, 58 suboffices and hundreds of other locations to resolve tax controversies, without litigation, in a way that was fair and impartial to both the government and the taxpayer.

Appeals' agreement rate on cases docketed before the Tax Court remained high for the second year in a row, 84.1 percent in 1983 and 83 percent in 1984. Of nondocketed cases, appeals settled 84 percent. The increased number of agreements continued to avoid unnecessary litigation for both taxpayers and the government and resulted in earlier tax collections. Extra time spent on resolving cases and increased receipts, however, did increase nondocketed and docketed inventory from 59,963 cases in 1983 to 66,705 in 1984.

Appeals closed 19,658 tax shelter cases in 1984, 64 percent more than in 1983. The agreement rate was 77.6 percent, up from 72 percent last year. Appeals closed 7,870 docketed tax shelter cases agreed, an increase of 88.4 percent over last year. These cases reduced the rate of increase in the Tax Court's tax shelter inventory.

Appeals settled 81.5 percent of cases with proposed deficiencies exceeding $1 million. Although these large cases accounted for 83.7 percent of total dollars in inventory, they comprised only 2.7 percent of total cases in inventory.

Small cases involving deficiencies of less than $2,500 comprised 28.4 percent of total cases in inventory, but they accounted for less than three percent of total dollars in inventory. Of these small cases, 87.8 percent were settled by appeals.

Corporation and Individual Tax

The corporation and individual tax divisions issue letter rulings and technical advice memoranda that interpret and apply the tax laws to specific sets of facts. The two rulings divisions also respond to requests for general information and are responsible for the development of revenue rulings and revenue procedures that are published in the "Internal Revenue Bulletin."

In 1984 the divisions issued 234 revenue rulings and revenue procedures and acted on 35,028 requests for letter rulings and technical advice memoranda, including 25,542 requests for changes in accounting periods and methods.

During the year, four revenue procedures were published streamlining procedures taxpayers use in changing their method of accounting when they have been reporting interest income or claiming deductions for interest expense in accordance with the rule of 78's computation.

One of the significant tax shelter revenue rulings published this year put taxpayers on notice that interest purportedly accrued in connection with the purchase of certain vacation time-share units is not deductible. The ruling disallowed a deduction for such interest in a nonrecourse obligation that was used as part of the purchase price and called for a large balloon payment at the end of a 30-year period.

The corporation tax division oversees the activities of the art advisory panel. The panel is composed of prominent art authorities associated with major museums, universities and dealerships. Early in 1984, the panel was increased from 12 to 22 members to provide expertise in Pre-Columbian, Primitive, Far Eastern and Asian Art.

In 1984 the art advisory panel recommended adjustments of approximately $21 million, amounting to a 32-percent net reduction from charitable contribution claims and an 11-percent increase on estate and gift appraisals.

As a result of data in part provided by the art advisory panel, Congress included stricter guidelines and overvaluation penalties for non-cash contributions in the Deficit Reduction Act of 1984.

Both ruling divisions continued applying state-of-the-art technology to their operations by installing a mini-computer system to improve case management and increase efficiency in responding to taxpayer requests.

	Subject	Total	Taxpayers' requests	Field requests
Requests for tax	Total	34,709	34,246	463
rulings and	Administrative provisions	202	173	29
technical advice	Changes in accounting methods	5,945	5,945	—
(Closings)	Changes in accounting periods	19,278	19,278	—
	Earnings and profits determinations	1,445	1,445	—
	Employment and self-employment taxes	949	919	30
	Engineering questions	346	311	35
	Estate and gift taxes	374	313	61
	Excise taxes	226	190	36
	Individual income tax matters	2,826	2,738	88
	Corporation tax matters	3,118	2,934	184

	Type	Number
Revenue rulings	Administrative	55
and revenue	Employment taxes	14
procedures published	Estate and gift taxes	15
	Excise taxes	16
	Exempt organizations	10
	Income taxes	144
	Employee plans	10
	Tax conventions	5
	Total	269

	Prosecution cases received from criminal investigation	
Receipt and	Total opened	2,990
disposal of	Total closed	2,561
criminal tax	Counsel declined	93
matters	Department of Justice declined	174
	U.S. attorney declined	215
	Prosecutions completed	2,079
	Opinions	
	Pending Oct. 1, 1983	22
	Total requested	91
	Total rendered	92
	Pending Sept. 30, 1984	21

Criminal Tax

In 1984 attorneys in field offices and the criminal tax division reviewed 2,561 recommendations for prosecution and 1,269 requests for initiation of grand jury investigations and spent 20,826 hours providing prereferral legal assistance to the criminal investigation division. In keeping with the IRS's overall compliance goals, the criminal tax division was successful in obtaining significant convictions of promoters of abusive tax shelters and persons at the forefront of illegal tax protest. Substantial prison sentences were handed down this year, including 15 years for masterminding a scheme to create $130 million in phony tax deductions and five years for the founder of a purported religious organization.

Stepped-up enforcement against tax crime required review of traditional IRS investigative approaches. In 1984 several IRS administrative controls on undercover operations and search warrants were modified.

The Deficit Reduction Act of 1984 clarified the multiple venue provision and the false Form W-4 misdemeanor sanction to allow prosecution at the principal scene of a tax crime even for defendants who live in other judicial districts and felony prosecutions for fraudulent withholding.

Disclosure Litigation

The disclosure litigation division advises the IRS on the availability and uses that can be made of tax and other information under the disclosure sections of the Internal Revenue Code, the Freedom of Information Act and the Privacy Act of 1974.

Among significant cases this year were two

	Types of cases	Pending Oct. 1, 1983	Received	Disposed	Pending Sept. 30, 1984
Receipt and disposal	Disclosure opinions	130	277	255	152
of disclosure	FOIA opinions	4	23	23	4
litigation cases	Privacy Act opinions	10	31	34	7
	FOIA litigation	90	60	59	91
	Privacy Act litigation	12	111	6	117
	Section 7217 litigation	0	2	0	2
	Section 7431 litigation	0	19	0	19
	Litigation/coordinations	22	29	23	28
	Appellate litigation	0	3	0	3
	FOIA requests	57	240	240	57
	FOIA appeals	261	1,093	920	434
	Privacy Act requests	1	4	4	1
	Privacy Act appeals	0	40	34	6
	Total	587	1,932	1,598	921

unauthorized disclosure suits arising out of the IRS's aggressive tax shelter program. In *First Western Government Securities v. United States*, the district court held that the IRS's disclosures to investors of information pertaining to their transactions with a tax shelter promoter were authorized by section 6103 of the Internal Revenue Code. In *Mid-South Music Corp. v. Department of the Treasury*, Mid-South alleged that the IRS's mailing of pre-filing notification letters to investors in its tax shelter promotion constituted disclosure of their tax information in violation of the same code section. The district court found that the letters did not disclose Mid-South's tax information. Appeals in both cases are pending.

Other major decisions included *Long v. IRS*, in which the Ninth Circuit permanently enjoined the IRS from withholding from disclosure the instructions to computer programmers for the individual returns file phase of the taxpayer compliance measurement program. In *Roberts v. IRS*, the district court held that the IRS's "Law Enforcement Manual," in its entirety, was exempt under the Freedom of Information Act because its release would help individuals evade the tax laws.

Employee Plans and Exempt Organizations

The employee plans and exempt organizations division prepares regulations and provides legal advice to the IRS on employee plans and exempt organizations issues.

The division assisted the Department of the Treasury and congressional staffs in developing the pension and exempt organizations provisions of the Deficit Reduction Act of 1984. It also published regulations interpreting the second tier excise tax provisions for private foundations and clarifying the regulations on computing gross income of electric cooperatives. Proposed regulations also were issued on the tax-exempt status of certain hospital service organizations.

The division issued guidelines on how leased employees are to be treated for certain employee benefit plan purposes and on distributions that may be made by a qualified trust.

General Legal Services

The general legal services division handles nontax legal matters. In response to continued harassment by tax protesters, the division assisted the Department of Justice in defending numerous baseless lawsuits brought by tax protesters against IRS employees and in obtaining the removal of false common-law liens filed against employees' property.

The division continued to provide legal assistance to the IRS in the child and spousal support refund offset program. This program has been challenged repeatedly in the courts, and IRS attorneys continued to assist the Department of Justice in the successful defense of the program.

In 1984 general legal services assumed responsibility for obtaining expert witnesses for tax litigation and prepared a notice for the "Internal Revenue Bulletin" on the IRS director of practice's position on dual representation of abusive tax shelter promoters and investors in violation of Treasury Circular No. 230.

General legal services assisted the IRS during all stages of its many contracting and acquisition processes, especially in the area of sophisticated automatic data processing equipment and software. The

	Types of cases	Pending Oct. 1, 1983	Received	Disposed	Pending Sept. 30, 1984
Receipt and disposal	Revenue rulings	10	26	17	19
of employee plans	Letter rulings	33	28	42	19
and exempt	Technical advice	15	26	31	10
organizations	Other advice	9	42	36	15
division cases	Legislation	3	1	0	4
	Regulations	69	24	7	86
	Miscellaneous	14	12	11	15
	Total	153	159	144	168

	1979	1980	1981	1982	1983	1984
						4,335
General legal						
cases received					3,672	
		3,558	3,620	3,620		
	3,192					

division also is currently providing legal support to the IRS in negotiating its national labor agreements.

General Litigation

The general litigation division advises the IRS in collection, assessment and summons enforcement matters. Among the more important cases handled this year was *United States v. Arthur Young & Company*, in which the Supreme Court, rejecting a claim of accountant-client privilege, upheld an IRS summons of tax accrual workpapers.

In *Allen v. Wright*, the Supreme Court reaffirmed its earlier decision in *Simon v. Eastern Kentucky Welfare Rights Organization*, holding that not being able to show how IRS procedures personally injured them, the plaintiffs lacked standing to challenge IRS procedures for granting or denying tax exemptions to allegedly discriminatory private schools.

The Supreme Court in *South Carolina v. Regan* held that because the state did not have an alternate legal remedy to maintain its challenge, the Anti-Injunction Act did not bar an injunctive action by South Carolina challenging the constitutionality of the requirement that state bonds be issued in registered form to qualify for tax exemption.

The Court of Appeals in *United States v. Ernst & Whinney* upheld the broad authority conferred on district courts by the Internal Revenue Code to issue injunctions where necessary or appropriate for the enforcement of the internal revenue laws.

The general litigation division has been active in advising the IRS on the assertion of the frivolous income tax return penalty and in defending suits for refund of this penalty. The IRS has been successful in the overwhelming majority of the cases decided thus far.

	Types of cases — regions	1983	1984
General litigation	Bankruptcy Act proceedings	7,352	8,244
cases received	Miscellaneous insolvencies	128	103
	Decedents' estates	256	277
	Suits to collect taxes	1,060	1,251
	28 U.S.C. sec. 2410:		
	Interpleaders	283	374
	Others	503	396
	Injunctions	412	472
	Disclosure and testimony	592	555
	Summons cases	12,647	8,699
	Erroneous refund suits	30	68
	Miscellaneous court cases	3,040	4,528
	Advisory opinions	4,907	5,290
	Tax return preparers:		
	Advisory opinions	43	89
	Court cases	40	30
	Total, all regions	31,293	30,376
	National Office:	**1983**	**1984**
	Appeals	374	493
	Advisory	428	418
	Other centralized cases*	20	30
	Total, National Office	822	941
	Total, all regions & National Office	32,115	31,317

*Includes actions for injunctions and/or declaratory relief.

	Types of cases	Court	Non-court	Total
Receipt and disposal	Pending Oct. 1, 1983	18,258	1,282	19,540
of general	Received during year	24,965	6,352	31,317
litigation cases	Disposed of	24,819	6,372	31,191
	Pending Sept. 30, 1984	18,404	1,262	19,666

	Types of cases	Pending Oct. 1, 1983	Received	Disposed	Pending Sept. 30, 1984
Receipt and disposal	Revenue rulings	80	137	142	75
of interpretative	Letter rulings	31	86	79	38
division cases	Technical advice	51	94	103	42
	Other advice	34	108	111	31
	Total	196	425	435	186

Interpretative

The interpretative division provides legal advice to the IRS and other divisions of Chief Counsel on substantive and procedural tax law issues and plays a key role in the coordination of IRS litigating and ruling positions.

This year the division continued its program to computerize case inventory and other statistical reporting requirements, further implemented new procedures for simultaneous development of significant issues with the ruling divisions and substantially increased the time and effort spent on informal legal review of all revenue rulings and revenue procedures to be published.

Attorneys were particularly active in developing IRS positions involving a number of corporate reorganizations and in resolving questions about the consolidated return regulations. Other major projects dealt with classifying fixed investment trusts and issues pertaining to municipal bonds.

Among the significant revenue rulings published this year in which the division had an active role were two tax shelter determinations. One dealt with the availability of the investment credit in connection with the nonexclusive use of master tape sound recordings, and the other determined the extent of allowable interest deductions in the promotional sale of time-share units in a vacation home.

Legislation and Regulations

The legislation and regulations division primarily focuses on developing tax regulations. The division also helps the Department of the Treasury and Congress draft tax law provisions, reviews proposed revenue rulings and drafts of forms and publications to ensure they are consistent with recent legislation and draft regulations and gives technical advice to the Treasury in the negotiation of tax treaties.

In 1984 the division published final regulations on the limitation on the foreign tax credit for oil and gas taxes. Other final regulations published this year included consolidated return regulations, rules for real estate investment trusts and regulated investment companies and rules for information reporting by brokers.

Temporary regulations were issued to provide rules for the recently enacted back-up withholding provisions. Some of the subjects on which regulations were proposed during the year included the general rules on the taxation of foreign investment in U.S. real property, the change in the limitations on the estate and gift tax marital deduction, farming syndicate expenditures, incentive stock options and the accelerated cost recovery system. The division also provided assistance in treaty negotiations with seven foreign governments.

The division continued its efforts to improve the development of regulations and accelerate their publication. The division prepares draft regulations for consideration by the Chief Counsel and Commissioner and transmittal to the Department of the Treasury according to a schedule that includes projections for several months in advance. Drafts of regulations are reviewed by a Chief Counsel review staff before submission to the associate chief counsel (technical), Chief Counsel, Commissioner and the Treasury.

Division attorneys were involved in extensive legislative drafting sessions preceding enactment of the Deficit Reduction Act of 1984. To implement the most pressing issues of that act quickly, division attorneys drafted rules for a number of priority projects in close coordination with the Treasury Department's Offices of Tax Legislative Counsel and International Tax Counsel, the ruling divisions and other IRS offices. Because of the close working relationship with these offices, the division was able to provide early guidance to the public and IRS personnel.

Following IRS policy of seeking public input to the regulations process, the division this year invited interested individuals and organizations to assist in developing regulations by submitting issue papers or regulatory examples for specified projects.

	Types of cases	Pending Oct. 1, 1983	Received	Disposed	Pending Sept. 30, 1984
Receipt and disposal	Legislation	47	6	6	47
of legislation and	Regulations	416	113	105	424
regulations	Miscellaneous	93	137	134	96
division cases	**Total**	556	256	245	567

	1979	1980	1981	1982	1983	1984
Tax Court cases received						39,933
(Total above bars is total						27,670
number of cases.)						
					32,610	
			29,512	30,739	22,574	
				20,925		
			19,026			
		20,660				
	16,995	12,711				
Tax cases other than small cases	11,800					
						12,263
			10,486		10,036	
				9,814		
		7,949				
Small tax cases	5,195					

	1979	1980	1981	1982	1983	1984
Refund litigation cases received	1,080		1,071			984
					961	
		898		921		

Tax Litigation

The tax litigation division assures that the legal position of the IRS is consistently presented in cases litigated in the Tax Court and in all refund cases. In a year in which the Tax Court's inventory reached a record 63,133 cases, Chief Counsel disposed of 34,172 cases, the largest number ever closed in one year. More than a third of the Court's inventory is tax shelter cases. The government has prevailed in every decided Tax Court case involving abusive tax shelters.

Because of the unique litigation problems created by syndicated tax shelters, the division in 1984 established a tax shelter branch. Members of the branch focus on related cases through shelter projects, coordinate penalty cases, injunctions and prefiling notifications and work to reduce the Tax Court docket.

The Tax Court this year upheld the IRS's denial of claimed losses on domestic Treasury bill straddles based on a lack of profit motivation. The Deficit Reduction Act of 1984 upholds the taxpayer's need for profit motivation, but shifts the burden of proof under limited circumstances. Summary judgment motions are being employed to disallow deductions generated by various abusive shelters, including coal, research and development, movies and books.

The special trial attorney program finished the year with 182 groups of cases in its inventory, including many of the largest tax shelter groups in the country. Of the cases that have been decided since the inception of the program, 18 have been decided for the government, five for the taxpayer and three partially for each.

		All Tax Court Cases[2]					Small Tax Cases				
			Taxes and penalties		Overpayments			Taxes and penalties		Overpayments	
	Status	Number of cases[1]	In dispute	Determined	Claimed	Determined	Number of cases	In dispute	Determined	Claimed	Determined
Tax litigation—	Pending Oct. 1, 1983	57,263	9,778,769		310,314		9,696	19,260		91	
Tax Court cases	Received	39,933	4,011,584		41,099		12,263	24,476		265	
(In thousands	Disposed[3]	34,134	1,706,302	606,626	128,978	34,866	11,905	21,910	10,514	320	240
of dollars)	Recovery rate (percent)[4]			36		27			48		75
	Pending Sept. 30, 1984	63,062	12,084,051		222,435		10,054	21,826		36	

[1]Does not include an inventory of nondeficiency cases consisting of 79 cases pending Oct. 1, 1983, and 30 receipts, 38 disposals and 71 cases pending Sept. 30, 1984.

[2]Includes both small tax cases and other.

[3]Disposals include cases tried, settled and dismissed. Some of the determined amounts are for cases that were subsequently appealed.

[4]Amount determined expressed as a percentage of amount asserted or claimed. These amounts do not include proposed assessments that are agreed to by the taxpayer at district or appeals conferences. In the case of a claimed overpayment, the recovery rates shown above represent the portion of the amount in dispute that was refunded to the taxpayer.

		District courts		Claims Court			Total			
	Status	Number of cases	Amount in dispute[3]	Amount in suit[4]	Number of cases	Amount in dispute[3]	Amount in suit[4]	Number of cases	Amount in dispute[3]	Amount in suit[4]
Tax litigation—	Pending Oct. 1, 1983	2,766	585,707		840	801,559		3,606	1,387,266	
refund suits[1]	Received	842	159,385		142	318,353		984	477,737	
(In thousands	Disposed[2]	834	94,380		183	197,759		1,017	292,139	
of dollars)	Amount in suit[4]			78,988			189,499			268,487
	Amount not refunded[5]			39,301			93,721			133,022
	Percent not refunded			50			49			50
	Pending Sept. 30, 1984	2,774	650,712		799	922,153		3,573	1,572,864	

[1]Cases in courts of appeals and the Supreme Court are included under the columns representing the court of origin.

[2]Disposals include cases tried, settled, and dismissed.

[3]Amount in dispute includes claims for refund of taxes, penalties and interest and counterclaim amounts.

[4]Amount of taxes, penalties and assessed interest sought as a refund.

[5]That portion of the amount sought as a refund, which was not refunded to the taxpayer.

Operations

Chief Counsel strategic planning groups have been established to develop specific strategic objectives for balancing efficiency and efffectiveness, enhancing recruitment and retention of employees, developing an information management strategy and, through a joint project with the research division, improve projections of workload and staffing.

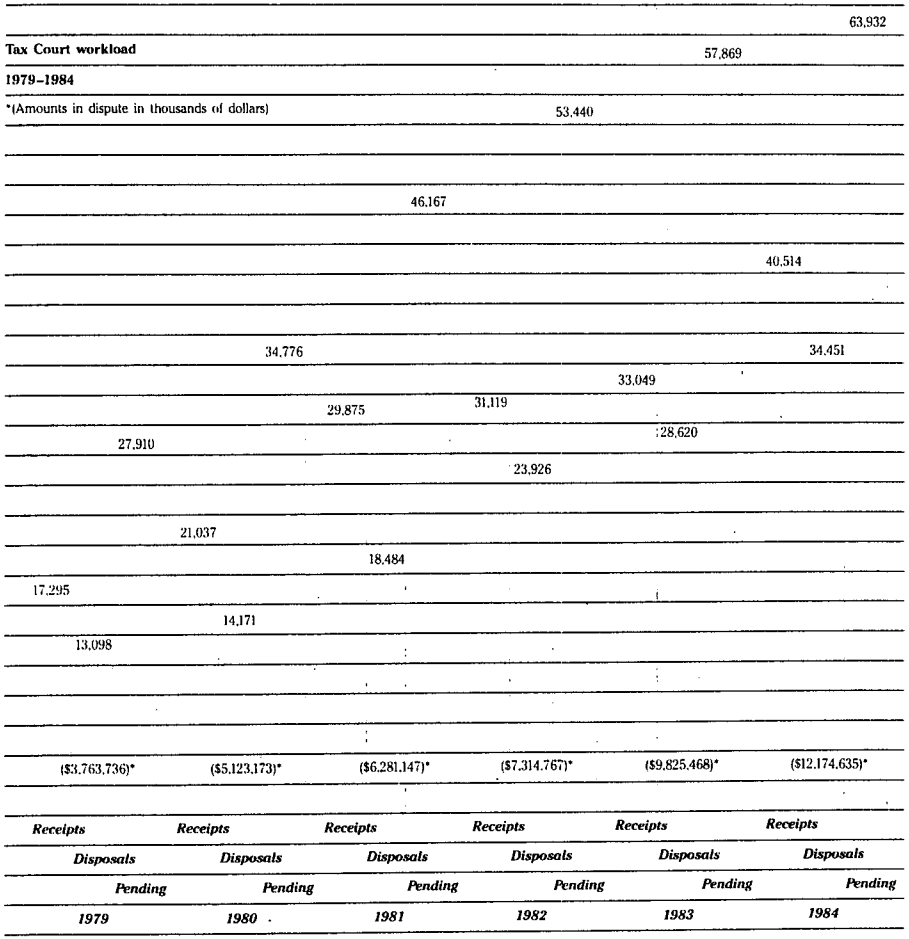
The operations division implemented a new automated regulations tracking system and began a pilot test for a nationwide on-line, interactive legal case tracking system. These systems will provide up-to-date case status data that will allow more efficient management of the rapidly increasing caseload. An automated litigation support system for major Tax Court cases also is being jointly developed with the litigation support staff of the Department of Justice. In addition, Chief Counsel's library expanded its use of on-line data bases to facilitate case development and legal research.

New training programs developed this year included a basic attorney management course, an attorney orientation program, an advanced criminal tax course and a series of seminars on abusive tax shelters.

Tax Court workload

1979–1984

*(Amounts in dispute in thousands of dollars)



	Action		Claims Court 1983	Claims Court 1984[2]	District courts 1983	District courts 1984[3]	Tax Court[6] Small tax cases 1983	Tax Court[6] Small tax cases 1984[4]	Tax Court[6] Other 1983	Tax Court[6] Other 1984[5]	Total 1983	Total 1984
Trial court	Decided in favor	Number	16	19	106	112	601	397	673	601	1,274	998
case record	of the government	Percent	38.1	46.3	53	55.7	56.3	50.4	63.6	62	59.9	56.8
(Opinions rendered -	Decided in favor	Number	21	19	74	68	83	56	50	61	133	117
refund litigation	of the taxpayer	Percent	50	46.3	37	33.8	7.8	7.1	4.7	6.3	6.3	6.7
and Tax Court	Decided partially for the											
cases)[1]	taxpayer and partially	Number	5	3	20	21	383	335	335	307	718	642
	for the government	Percent	11.9	7.4	10	10.4	35.9	42.5	31.7	31.7	33.8	36.5
	Total opinons		42	41	200	201	1,067	788	1,058	969	2,125	1,757

[1]Related cases are reflected as one opinion.
[2]41 opinions in Claims Court, involving 46 cases.
[3]201 opinions in district courts, involving 212 cases.
[4]788 Tax Court opinions, involving 810 small tax cases.
[5]969 Tax Court opinions, involving 1,305 cases other than small Tax Court cases.
[6]On cases for which decisions were entered during the fiscal year.

	Region	Pending Oct. 1, 1983	Received	Disposed	Pending Sept. 30, 1984
Regional offices	North-Atlantic	13,625	9,978	9,619	13,984
caseload report—	Mid-Atlantic	11,354	8,946	8,491	11,809
all cases	Southeast	8,869	9,197	9,508	8,558
	Central	5,445	6,993	6,493	5,945
	Midwest	9,045	8,277	8,310	9,012
	Southwest	8,774	8,893	7,933	9,734
	Western	26,515	22,743	18,822	30,436
	Total	83,627	75,027	69,176	89,478

	Court	Total	For the government Number	For the government Percent	Against the government Number	Against the government Percent	Partially for and partially against the government Number	Partially for and partially against the government Percent
Appellate court	Courts of appeals	379	314	82.8	40	10.6	25	6.6
case record	Originally tried in Tax Court	258[1]	225	87.2	22	8.5	11	4.3
(Decisions—refund litiga-	District courts	121[2]	89	73.6	18	14.9	14	11.5
tion and Tax Court cases)	Supreme Court	7	4	57.1	3	42.9	0	0

[1]Of the cases originally tried in Tax Court, the courts of appeals rendered 258 opinions in 323 dockets, including 274 dockets for the government, 26 dockets against the government and 23 dockets partially for the government.

[2]Of the cases originally tried in district courts, the courts of appeals rendered 131 opinions in 137 cases, including 104 cases for the government, 18 against the government and 15 partially for the government.

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Table 1.—Internal revenue collections by sources and by internal revenue regions and districts, states and other areas

(In thousands of dollars)

Internal revenue regions and districts, states and other areas.[1] (States represented by single districts indicated in parentheses; totals for other states shown at bottom of table.)	Total internal revenue collections	Corporation income tax[2]	Individual income and employment taxes: Total	Income tax not withheld and SECA [3,4,5]	Income tax withheld and FICA [3,4]	Railroad retirement	Unemployment insurance
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
United States, total	**680,475,229**	**74,179,370**	**562,101,707**	**92,515,155**	**459,892,499**	**3,642,030**	**6,052,023**
North-Atlantic Region	**120,188,731**	**17,100,520**	**98,757,607**	**14,131,395**	**83,438,231**	**184,685**	**1,003,295**
Albany (See (c) below)	6,816,680	602,818	6,123,283	520,594	5,544,073	12,960	45,657
Augusta (Maine)	1,731,807	148,050	1,521,765	315,118	1,176,921	13,334	16,394
Boston (Massachusetts)	19,007,847	2,101,212	16,415,794	2,558,978	13,667,775	25,131	163,911
Brooklyn (See (c) below)	11,492,790	885,830	10,424,237	2,691,098	7,574,816	57,708	100,615
Buffalo (See (c) below)	9,113,059	1,048,595	7,698,105	1,055,245	6,567,137	1,658	73,865
Burlington (Vermont)	824,227	72,070	729,956	151,846	562,219	4,189	11,700
Hartford (Connecticut)	15,352,210	1,876,762	13,079,567	1,801,845	11,134,320	1,223	142,179
Manhattan (See (c) below)	51,251,230	9,885,101	38,744,716	4,363,425	33,919,735	65,805	395,752
Portsmouth (New Hampshire)	2,185,155	195,300	1,921,695	373,507	1,527,266	81	20,841
Providence (Rhode Island)	2,411,727	286,782	2,098,490	299,741	1,763,971	2,396	32,382
Mid-Atlantic Region	**99,989,859**	**9,394,939**	**84,104,937**	**11,703,401**	**70,235,893**	**1,142,769**	**1,022,874**
Baltimore (Maryland & D.C.)	19,750,810	1,202,316	17,805,077	2,084,615	15,126,235	453,386	140,840
Foreign Operations	2,978,068	135,963	2,426,146	417,258	1,960,685	3,061	45,143
Puerto Rico	1,172,923	28,785	764,434	43,937	678,531	—	41,967
Other	1,805,144	107,198	1,661,712	373,321	1,282,154	3,061	3,176
Newark (New Jersey)	27,097,266	2,845,023	22,876,714	3,492,492	19,042,284	34,457	309,502
Philadelphia (See (e) below)	20,855,339	2,279,733	17,452,319	2,530,401	14,314,355	357,483	250,080
Pittsburgh (See (e) below)	13,316,462	1,012,638	11,035,288	1,206,001	9,655,673	33,673	139,940
Richmond (Virginia)	12,684,002	1,165,853	10,018,469	1,746,767	7,904,959	260,605	106,139
Wilmington (Delaware)	3,307,912	753,390	2,488,923	225,867	2,231,723	103	31,230
Southeast Region	**73,261,495**	**7,316,224**	**59,357,511**	**12,842,432**	**45,782,485**	**302,694**	**629,900**
Atlanta (Georgia)	13,304,056	1,700,492	10,305,717	1,626,522	8,559,103	7,068	113,026
Birmingham (Alabama)	6,011,119	619,205	5,102,818	882,323	4,183,056	1,989	55,451
Columbia (South Carolina)	4,589,605	446,583	4,002,633	693,274	3,258,539	1,676	49,144
Greensboro (North Carolina)	14,531,562	1,869,618	9,495,059	1,515,281	7,854,705	1,670	123,403
Jackson (Mississippi)	2,813,593	196,345	2,284,784	593,502	1,662,252	1,926	27,003
Jacksonville (Florida)	23,475,704	1,584,250	20,735,269	6,068,759	14,182,583	286,137	197,789
Nashville (Tennessee)	8,735,857	897,731	7,431,231	1,262,671	6,102,247	2,230	64,083
Central Region	**89,444,526**	**10,999,617**	**73,244,428**	**8,173,771**	**64,106,136**	**99,706**	**864,815**
Cincinnati (See (d) below)	12,549,169	1,791,943	10,342,600	1,312,672	8,885,474	88	144,366
Cleveland (See (d) below)	21,172,657	2,608,787	17,185,771	1,725,203	15,220,006	37,816	202,746
Detroit (Michigan)	32,960,281	4,770,303	27,191,542	2,243,726	24,557,971	51,389	338,455
Indianapolis (Indiana)	13,607,885	1,004,194	12,018,420	1,537,161	10,385,562	9,139	86,558
Louisville (Kentucky)	6,986,170	685,261	4,571,726	968,751	3,539,494	815	62,666
Parkersburg (West Virginia)	2,168,463	139,130	1,934,369	386,257	1,517,630	458	30,024
Midwest Region	**95,494,789**	**11,296,823**	**79,497,023**	**11,483,488**	**65,940,009**	**1,183,360**	**590,187**
Aberdeen (South Dakota)	958,022	52,354	863,109	258,212	596,854	128	7,914
Chicago (See (b) below)	35,898,975	4,406,698	29,530,317	3,799,664	25,062,125	305,492	363,035
Des Moines (Iowa)	5,102,561	728,965	4,141,151	1,136,638	2,955,965	2,952	45,596
Fargo (North Dakota)	1,052,296	44,892	968,989	287,363	673,443	95	8,088
Milwaukee (Wisconsin)	10,897,227	1,431,427	9,023,210	1,233,042	7,692,371	2,846	94,952
Omaha (Nebraska)	4,292,122	544,239	3,570,904	639,659	2,672,542	229,891	28,812
St. Louis (Missouri)	16,746,004	1,941,682	13,789,789	1,763,565	11,677,694	213,569	134,961
St. Paul (Minnesota)	14,765,959	1,530,074	12,689,004	1,307,684	10,822,180	416,983	142,156
Springfield (See (b) below)	5,781,622	616,492	4,920,551	1,057,641	3,786,834	11,404	64,672
Southwest Region	**69,860,124**	**7,991,555**	**71,307,462**	**15,151,653**	**55,138,006**	**339,708**	**678,085**
Albuquerque (New Mexico)	2,005,761	132,347	1,775,195	402,190	1,345,181	138	26,686
Austin (See (f) below)	9,778,221	660,431	8,601,494	2,295,679	6,253,572	3,534	48,710
Cheyenne (Wyoming)	874,591	36,372	732,139	220,772	503,924	55	7,388
Dallas (See (f) below)	22,228,109	2,331,430	17,324,321	4,074,950	13,037,563	27,202	184,606
Denver (Colorado)	11,614,472	582,897	9,907,965	1,320,941	8,490,310	29,480	67,234
Houston (See (f) below)	16,227,717	1,758,218	11,490,388	2,057,627	9,300,805	15,344	116,611
Little Rock (Arkansas)	3,349,277	449,266	2,674,570	609,079	2,014,334	3,133	48,024
New Orleans (Louisiana)	8,183,686	605,969	7,190,376	1,622,478	5,494,145	2,921	70,833
Oklahoma City (Oklahoma)	9,762,177	624,984	6,724,684	1,455,824	5,203,678	651	64,530
Wichita (Kansas)	5,836,113	609,641	4,886,331	1,091,113	3,494,494	257,250	43,474
Western Region	**108,342,083**	**9,972,066**	**92,187,400**	**17,237,474**	**73,735,419**	**311,441**	**903,066**
Anchorage (Alaska)	1,570,642	84,174	1,457,990	268,639	1,177,094	103	12,154
Boise (Idaho)	1,813,606	182,982	1,584,260	262,845	1,302,787	620	18,006
Helena (Montana)	1,138,328	57,981	1,010,378	294,143	705,951	358	9,926
Honolulu (Hawaii)	1,980,467	180,576	1,744,863	304,221	1,424,787	33	15,822
Laguna Niguel[6] (See (a) below)	14,088,541	1,343,244	12,289,301	2,686,852	9,268,532	1,694	132,022
Los Angeles (See (a) below)	27,475,149	3,511,915	21,543,305	3,417,408	17,907,811	2,654	215,432
Phoenix (Arizona)	5,105,741	339,144	4,637,615	1,045,251	3,541,332	794	50,238
Portland (Oregon)	5,184,335	355,041	4,613,289	849,903	3,730,767	719	31,899
Reno (Nevada)	2,149,647	168,299	1,926,099	477,315	1,428,237	72	20,474
Sacramento[6] (See (a) below)	7,725,533	471,672	6,720,074	1,696,771	4,944,353	1,950	77,001
Salt Lake City (Utah)	2,697,613	306,366	2,234,039	380,263	1,848,146	1,925	23,705
San Francisco (See (a) below)	16,252,008	1,332,236	13,517,850	1,694,640	11,431,423	297,154	94,634
San Jose[6] (See (a) below)	11,082,313	861,651	9,904,381	2,067,612	7,733,079	1,675	102,015
Seattle (Washington)	10,076,060	776,767	9,003,958	1,611,612	7,291,118	1,491	99,737
Undistributed:							
Federal tax deposits[7]	1,292,954	44,672	1,582,560	—	1,445,102	77,667	59,791
Gasoline, lubricating oil and excess FICA credits[8]	544,929	62,954	481,975	481,975	—	—	—
Withheld taxes of federal employees	—	—	—	—	—	—	—
Clearing account for excise taxes—aviation fuel and oil—Air Force and Navy	23	—	—	—	—	—	—
Presidential election campaign fund[9]	34,770	—	34,770	—	34,770	—	—
Earned income credits[10]	36,544	—	36,544	—	36,544	—	—
Other[11]	1,986,301	—	1,509,490	1,509,587	(97)	—	—
Totals for states not shown above							
(a) California	76,623,643	7,520,717	63,974,910	11,763,283	51,285,198	305,326	621,104
(b) Illinois	41,680,597	5,023,191	34,450,867	4,657,305	28,848,959	316,896	427,707
(c) New York	78,673,759	12,420,344	62,990,342	8,630,362	53,605,760	138,331	615,889
(d) Ohio	33,721,827	4,400,730	27,528,371	3,037,875	24,105,480	37,904	347,112
(e) Pennsylvania	34,171,801	3,292,371	26,487,607	3,736,403	23,970,028	391,157	390,020
(f) Texas	48,234,047	4,750,079	37,416,203	8,428,256	28,591,940	46,079	349,927

Table 1.—Continued

(In thousands of dollars)

Internal revenue regions and districts, states and other areas.[1] (States represented by single districts indicated in parentheses; totals for other states shown at bottom of table.)	Estate tax	Gift tax	Excise taxes, total (sum of columns 11, 15, 16, 22, 28 and 39)	Alcohol taxes				Tobacco taxes[12, 13]
				Total	Distilled spirits taxes[12, 13]	Wine taxes[12, 13]	Beer taxes[12, 13]	
	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
United States, total	**6,024,985**	**151,682**	**38,017,486**	**5,402,467**	**3,566,482**	**319,920**	**1,516,064**	**4,663,610**
North-Atlantic Region	**983,158**	**20,290**	**3,325,147**	**517,715**	**278,413**	**71,280**	**168,021**	**4,489**
Albany (See (c) below)	57,242	408	32,929	316	193	82	41	75
Augusta (Maine)	11,855	96	50,041	3,321	3,308	*	13	—
Boston (Massachusetts)	150,963	4,476	335,401	120,692	98,796	4,914	16,982	1,656
Brooklyn (See (c) below)	95,183	1,336	86,204	12,399	11,166	1,162	72	9
Buffalo (See (c) below)	65,222	1,944	302,093	146,580	375	32,678	113,507	3
Burlington (Vermont)	7,496	235	14,468	71	71	*	*	—
Hartford (Connecticut)	125,732	1,769	268,380	62,868	59,471	3,372	25	166
Manhattan (See (c) below)	442,457	10,147	2,168,608	139,217	98,316	27,935	12,967	2,580
Portsmouth (New Hampshire)	13,662	646	53,853	32,163	6,628	1,135	24,400	—
Providence (Rhode Island)	13,354	133	12,966	107	89	3	14	—
Mid-Atlantic Region	**853,320**	**20,844**	**5,815,819**	**1,136,481**	**938,161**	**13,641**	**184,659**	**1,013,902**
Baltimore (Maryland & D.C.)	108,353	6,585	828,478	283,258	251,898	8,908	22,652	2,632
Foreign Operations	17,286	528	398,122	363,738	363,674	—	64	6,401
Puerto Rico	351	4	379,349	363,737	363,672	—	64	6,401
Other	16,938	524	18,773	1	1	—	*	—
Newark (New Jersey)	160,228	3,065	1,210,235	311,867	255,417	770	55,881	675
Philadelphia (See (e) below)	169,153	5,220	948,914	82,636	47,495	2,279	32,834	7,860
Pittsburgh (See (e) below)	76,961	688	1,190,888	25,604	14,337	14	11,254	3,094
Richmond (Virginia)	101,048	4,536	1,394,096	69,339	5,496	1,671	62,172	993,241
Wilmington (Delaware)	20,289	223	45,086	47	45	*	2	—
Southeast Region	**685,628**	**20,981**	**5,881,151**	**467,131**	**173,904**	**13,231**	**279,996**	**2,948,721**
Atlanta (Georgia)	79,789	2,541	1,215,517	88,845	19,369	2,016	67,460	406,865
Birmingham (Alabama)	42,457	2,307	244,332	2,047	1,599	292	156	2,407
Columbia (South Carolina)	44,176	1,622	92,591	768	214	534	20	*
Greensboro (North Carolina)	89,570	1,101	3,076,213	108,178	426	2,930	104,822	2,507,452
Jackson (Mississippi)	28,652	801	103,012	183	102	3	58	—
Jacksonville (Florida)	344,504	9,726	801,954	134,974	59,347	7,455	68,171	31,301
Nashville (Tennessee)	56,480	2,883	347,533	132,157	92,847	1	39,309	695
Central Region	**477,283**	**16,264**	**4,707,034**	**1,413,489**	**1,251,832**	**36,904**	**124,753**	**693,892**
Cincinnati (See (d) below)	90,437	2,150	322,040	162,430	110,167	424	51,839	14
Cleveland (See (d) below)	119,295	4,610	1,254,195	48,859	40,268	2,592	5,999	392
Detroit (Michigan)	119,388	5,703	873,345	337,594	282,965	5,965	48,664	66
Indianapolis (Indiana)	74,047	2,707	508,517	235,624	216,640	817	18,167	320
Louisville (Kentucky)	53,001	894	1,675,268	624,674	597,519	27,107	48	692,921
Parkersburg (West Virginia)	21,115	200	73,649	4,308	4,272	*	36	179
Midwest Region	**824,234**	**23,199**	**3,853,510**	**596,797**	**296,882**	**10,743**	**289,172**	**163**
Aberdeen (South Dakota)	9,115	229	33,216	90	68	—	22	—
Chicago (See (b) below)	301,466	6,729	1,853,763	145,438	138,695	6,535	2,208	154
Des Moines (Iowa)	89,522	895	142,028	5,609	5,520	17	71	—
Fargo (North Dakota)	10,748	225	27,443	81	71	2	7	1
Milwaukee (Wisconsin)	72,979	2,614	366,996	149,454	7,687	1,488	140,279	8
Omaha (Nebraska)	51,983	669	124,327	1,744	160	95	1,489	—
St. Louis (Missouri)	121,349	5,627	887,356	187,595	79,414	1,775	106,407	*
St. Paul (Minnesota)	92,189	4,534	450,158	65,090	35,138	829	29,123	*
Springfield (See (b) below)	74,881	1,477	168,221	41,695	32,129	1	9,566	—
Southwest Region	**854,410**	**25,115**	**9,881,582**	**347,767**	**90,789**	**5,961**	**251,036**	**266**
Albuquerque (New Mexico)	20,175	638	77,408	1,443	1,439	2	3	—
Austin (See (f) below)	108,461	8,606	399,230	45,905	22,952	4,092	18,861	245
Cheyenne (Wyoming)	11,653	64	94,363	53	46	*	7	*
Dallas (See (f) below)	250,802	7,528	2,314,028	83,029	814	18	82,197	4
Denver (Colorado)	58,093	1,105	1,064,414	114,993	256	2	114,726	—
Houston (See (f) below)	135,188	3,710	2,840,233	35,334	2,288	9	33,037	10
Little Rock (Arkansas)	37,379	253	187,808	19,661	19,383	252	27	—
New Orleans (Louisiana)	87,870	1,601	297,870	45,666	42,444	1,581	1,640	7
Oklahoma City (Oklahoma)	82,863	1,047	2,128,599	600	122	*	478	—
Wichita (Kansas)	61,946	565	277,630	1,102	1,036	6	61	*
Western Region	**1,070,132**	* **24,989**	**5,087,496**	**923,087**	**536,501**	**168,159**	**218,427**	**2,178**
Anchorage (Alaska)	2,867	168	25,443	744	725	18	1	6
Boise (Idaho)	10,485	435	35,444	205	170	29	6	—
Helena (Montana)	16,595	390	52,985	3,903	3,311	206	386	32
Honolulu (Hawaii)	20,373	1,046	33,610	6,708	5,689	858	161	2
Laguna Niguel[8] (See (a) below)	155,879	1,980	298,139	737	716	9	12	8
Los Angeles (See (a) below)	278,225	3,727	2,137,876	269,572	136,467	11,251	121,853	1,056
Phoenix (Arizona)	58,869	1,488	68,626	7,019	3,235	189	3,596	1
Portland (Oregon)	57,336	6,126	152,543	49,676	39,827	1,014	8,835	30
Reno (Nevada)	26,861	885	27,703	69	67	—	1	—
Sacramento[9] (See (a) below)	74,310	1,891	457,885	32,660	1,499	1,460	29,720	4
Salt Lake City (Utah)	24,470	597	132,121	61	43	—	18	—
San Francisco (See (a) below)	164,247	3,392	1,234,283	477,455	323,463	143,642	10,350	1,015
San Jose[5] (See (a) below)	119,315	2,413	194,553	12,901	5,599	5,969	1,313	4
Seattle (Washington)	60,301	649	236,384	61,336	15,666	3,496	42,174	19
Undistributed:								
Federal tax deposits[7]	—	—	(334,278)					
Gasoline, lubricating oil and excess FICA credits[8]	—	—	—					
Withheld taxes of federal employees	—	—	—					
Clearing account for excise taxes—aviation fuel and oil—Air Force and Navy	—	—	23					
Presidential election campaign fund[9]	—	—	—					
Earned income credits[10]	—	—	—					
Other[11]	476,811	—	—					
Totals for states not shown above								
(a) California	791,976	13,403	4,322,637	793,344	467,746	162,351	163,247	2,067
(b) Illinois	376,348	8,206	1,821,984	187,133	168,824	6,538	11,773	154
(c) New York	660,103	12,935	2,590,035	298,493	110,050	61,858	126,587	2,667
(d) Ohio	209,731	6,760	1,576,235	211,289	150,436	3,016	57,838	406
(e) Pennsylvania	246,114	5,907	2,139,802	108,212	61,832	2,292	44,088	10,954
(f) Texas	494,431	19,844	5,553,491	164,268	26,054	4,119	134,096	259

Table 1.—Continued

(In thousands of dollars)

Internal revenue regions and districts, states and other areas.[1] (States represented by single districts indicated in parentheses; totals for other states shown at bottom of table.)	Manufacturers' excise taxes				
	Total	Gasoline	Tires (wholly or in part of rubber) inner tubes and tread rubber	Black lung	Recreational excise taxes[12, 14]
	(16)	(17)	(18)	(19)	(20)
United States, total	**10,097,242**	**9,026,745**	**423,315**	**525,422**	**132,448**
North-Atlantic Region	**970,877**	**801,310**	**93,394**	**18,980**	**59,391**
Albany (See (c) below)	17,905	17,775	57	—	88
Augusta (Maine)	33,112	32,813	282	—	14
Boston (Massachusetts)	106,810	95,136	428	312	11,175
Brooklyn (See (c) below)	53,690	26,434	27,038	14	223
Buffalo (See (c) below)	83,393	65,177	17,146	*	1,443
Burlington (Vermont)	6,685	6,373	31	—	281
Hartford (Connecticut)	121,429	35,513	31,983	17,885	36,792
Manhattan (See (c) below)	531,482	506,988	16,115	769	7,796
Portsmouth (New Hampshire)	6,949	5,441	147	—	1,360
Providence (Rhode Island)	7,422	7,661	167	—	219
Mid-Atlantic Region	**1,128,998**	**871,477**	**50,618**	**182,594**	**17,352**
Baltimore (Maryland & D.C.)	104,970	76,027	26,524	1,407	485
Foreign Operations	326	79	227	—	20
Puerto Rico	—	—	—	—	—
Other	326	79	227	—	20
Newark (New Jersey)	118,664	92,950	12,008	19	8,561
Philadelphia (See (e) below)	291,377	254,205	10,059	25,498	2,351
Pittsburgh (See (e) below)	483,909	378,914	995	103,892	170
Richmond (Virginia)	116,497	61,609	775	51,723	2,268
Wilmington (Delaware)	13,254	7,693	31	54	5,497
Southeast Region	**743,673**	**687,929**	**18,018**	**30,546**	**8,021**
Atlanta (Georgia)	159,749	158,337	1,772	45	(38)
Birmingham (Alabama)	95,753	77,457	1,496	15,651	1,395
Columbia (South Carolina)	57,987	56,058	272	—	1,647
Greensboro (North Carolina)	142,412	140,933	1,317	42	35
Jackson (Mississippi)	44,905	43,915	854	*	148
Jacksonville (Florida)	155,061	149,219	1,605	4	4,508
Nashville (Tennessee)	87,805	62,010	10,702	14,805	325
Central Region	**1,343,085**	**1,006,095**	**211,414**	**133,418**	**4,829**
Cincinnati (See (d) below)	57,548	40,289	1,199	16,308	62
Cleveland (See (d) below)	666,413	449,689	205,649	19,489	247
Detroit (Michigan)	231,944	222,086	3,299	1,478	3,418
Indianapolis (Indiana)	84,082	80,783	625	7,045	863
Louisville (Kentucky)	262,087	198,455	348	63,150	103
Parkersburg (West Virginia)	41,011	14,793	294	25,947	35
Midwest Region	**1,270,109**	**1,160,816**	**6,134**	**82,258**	**21,226**
Aberdeen (South Dakota)	19,001	17,866	82	940	96
Chicago (See (b) below)	570,553	536,542	778	26,099	5,612
Des Moines (Iowa)	76,985	72,459	2,312	422	1,728
Fargo (North Dakota)	12,447	12,265	147	—	(83)
Milwaukee (Wisconsin)	84,608	82,752	418	58	1,407
Omaha (Nebraska)	36,675	27,612	235	8,824	238
St. Louis (Missouri)	260,277	216,615	1,521	42,784	610
St. Paul (Minnesota)	124,792	113,666	521	(297)	11,470
Springfield (See (b) below)	84,773	81,039	121	3,429	148
Southwest Region	**3,111,008**	**3,053,680**	**3,868**	**49,907**	**4,527**
Albuquerque (New Mexico)	50,191	49,708	66	375	3
Austin (See (f) below)	188,601	187,844	515	47	192
Cheyenne (Wyoming)	37,263	31,112	29	6,026	96
Dallas (See (f) below)	793,122	789,171	1,428	1,576	717
Denver (Colorado)	84,075	69,755	491	13,078	574
Houston (See (f) below)	1,212,917	1,200,650	276	12,670	37
Little Rock (Arkansas)	79,778	77,781	295	73	1,744
New Orleans (Louisiana)	47,338	46,241	312	440	354
Oklahoma City (Oklahoma)	513,446	498,722	276	14,620	399
Wichita (Kansas)	104,276	102,696	179	1,003	412
Western Region	**1,529,492**	**1,445,439**	**39,669**	**27,719**	**17,103**
Anchorage (Alaska)	2,432	1,998	16	416	1
Boise (Idaho)	19,478	19,249	111	—	118
Helena (Montana)	24,598	17,620	72	6,706	191
Honolulu (Hawaii)	3,895	3,601	229	—	63
Laguna Niguel[8] (See (a) below)	58,265	32,926	21,554	1,000	2,573
Los Angeles (See (a) below)	727,909	705,081	14,348	4,859	3,391
Phoenix (Arizona)	25,738	24,805	393	—	595
Portland (Oregon)	33,855	29,252	664	1,139	3,174
Reno (Nevada)	8,535	8,469	129	—	10
Sacramento[9] (See (a) below)	296,944	298,028	315	2	638
Salt Lake City (Utah)	83,696	73,276	289	5,348	4,719
San Francisco (See (a) below)	103,239	96,975	882	6,211	(188)
San Jose[5] (See (a) below)	61,611	60,919	620	—	61
Seattle (Washington)	77,277	73,240	246	2,035	1,758
Undistributed:					
Federal tax deposits[7]					
Gasoline, lubricating oil and excess FICA credits[8]					
Withheld taxes of federal employees					
Clearing account for excise taxes—aviation fuel and oil—Air Force and Navy					
Presidential election campaign fund[9]					
Earned income credits[10]					
Other[11]					
Totals for states not shown above					
(a) California	1,249,988	1,193,929	37,721	12,073	6,475
(b) Illinois	655,326	617,581	899	29,528	5,761
(c) New York	686,470	616,373	60,356	784	9,550
(d) Ohio	723,961	489,978	206,848	35,797	309
(e) Pennsylvania	775,286	633,118	11,053	129,389	2,521
(f) Texas	2,194,640	2,177,664	2,219	14,293	946

Table 1.—Continued

(In thousands of dollars)

Internal revenue regions and districts, states and other areas.[1] (States represented by single districts indicated in parentheses; totals for other states shown at bottom of table.)	Retailers' and special fuel taxes: Other[13]	Total	Diesel fuel	Non-commercial aviation fuel-gasoline	Non-commercial aviation fuel other than gasoline	Motor vehicle chassis, bodies, parts and accessories	Other[13]	Total	Telephone and teletypewriter services
	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)
United States, total	**(10,587)**	**2,619,570**	**1,571,437**	**7,738**	**67,926**	**932,645**	**39,823**	**13,290,186**	**2,034,965**
North-Atlantic Region	**(2,197)**	**133,577**	**97,192**	**505**	**5,847**	**28,520**	**612**	**1,172,777**	**266,650**
Albany (See (c) below)	(14)	9,820	7,050	41	151	2,565	13	4,856	2,922
Augusta (Maine)	3	11,315	7,967	34	183	3,113	18	2,061	484
Boston (Massachusetts)	(241)	25,087	18,904	113	383	5,653	34	89,691	79,025
Brooklyn (See (c) below)	(19)	15,003	12,048	68	658	2,222	7	20,775	54
Buffalo (See (c) below)	(373)	24,351	15,551	101	1,771	6,981	(53)	19,567	6,685
Burlington (Vermont)	*	3,066	2,176	31	21	855	4	2,433	307
Hartford (Connecticut)	(744)	12,987	9,404	72	938	2,535	38	64,266	31,020
Manhattan (See (c) below)	(186)	19,575	16,062	32	2,285	681	515	967,074	145,895
Portsmouth (New Hampshire)	2	7,355	4,406	22	121	2,773	33	1,165	257
Providence (Rhode Island)	(625)	4,898	3,625	(8)	136	1,243	2	870	—
Mid-Atlantic Region	**5,957**	**290,575**	**165,581**	**519**	**10,141**	**110,888**	**3,347**	**1,748,768**	**504,501**
Baltimore (Maryland & D.C.)	526	30,639	19,643	50	178	10,674	84	189,688	52,585
Foreign Operations	1	74	61	2	—	11	*	28,740	33
Puerto Rico	—	*	*	—	—	—	—	9,098	—
Other	1	74	61	2	—	11	*	19,641	33
Newark (New Jersey)	7,127	57,656	30,419	237	5,567	21,053	379	484,625	356,602
Philadelphia (See (e) below)	(735)	95,233	33,665	159	414	60,621	175	271,391	52,057
Pittsburgh (See (e) below)	(61)	54,740	43,967	83	1,673	6,396	2,622	656,005	1,030
Richmond (Virginia)	122	41,965	30,205	(68)	724	11,035	70	103,452	42,192
Wilmington (Delaware)	(22)	10,268	7,721	57	1,586	897	7	14,868	2
Southeast Region	**(841)**	**466,155**	**288,867**	**1,067**	**7,639**	**162,224**	**6,357**	**1,026,289**	**269,898**
Atlanta (Georgia)	(387)	84,947	47,885	250	1,951	34,641	219	438,367	131,236
Birmingham (Alabama)	(245)	52,669	29,101	84	567	21,819	1,079	73,333	62,681
Columbia (South Carolina)	10	22,334	16,604	124	898	4,897	23	5,878	2,895
Greensboro (North Carolina)	85	71,530	38,386	234	1,002	31,876	32	112,508	26,171
Jackson (Mississippi)	(13)	38,360	28,168	90	298	7,336	2,468	15,415	784
Jacksonville (Florida)	(276)	117,793	79,728	149	2,014	34,935	968	333,148	39,336
Nashville (Tennessee)	(36)	78,522	48,997	136	1,099	26,721	1,569	49,641	6,815
Central Region	**(12,671)**	**435,768**	**208,272**	**821**	**9,172**	**207,860**	**9,840**	**609,519**	**177,877**
Cincinnati (See (d) below)	(310)	31,573	15,668	117	3,520	8,831	3,437	33,845	23,301
Cleveland (See (d) below)	(8,660)	96,190	81,440	158	2,448	12,109	36	477,549	44,639
Detroit (Michigan)	1,664	139,690	27,787	294	1,293	110,265	71	134,221	55,762
Indianapolis (Indiana)	(5,334)	114,731	43,434	128	1,232	67,053	2,885	61,650	43,319
Louisville (Kentucky)	29	41,493	31,259	51	360	6,969	2,855	89,667	1,475
Parkersburg (West Virginia)	(59)	12,089	8,705	74	319	2,633	357	12,588	9,381
Midwest Region	**(325)**	**481,103**	**224,128**	**1,063**	**7,406**	**235,584**	**12,924**	**1,268,815**	**343,985**
Aberdeen (South Dakota)	17	11,051	7,825	91	103	3,022	11	1,932	878
Chicago (See (b) below)	1,522	146,092	47,548	128	1,559	96,164	693	577,404	85,373
Des Moines (Iowa)	64	48,564	27,025	147	625	18,009	757	11,402	6,124
Fargo (North Dakota)	118	11,559	6,635	61	108	4,753	1	2,467	884
Milwaukee (Wisconsin)	(29)	85,207	34,953	123	633	48,620	677	38,608	26,268
Omaha (Nebraska)	(234)	22,502	15,470	105	835	5,536	557	46,542	37,197
St. Louis (Missouri)	(1,253)	81,480	41,896	204	2,037	29,991	7,331	374,047	176,406
St. Paul (Minnesota)	(567)	51,340	24,988	130	1,084	24,523	579	200,777	5,120
Springfield (See (b) below)	36	25,365	17,788	95	221	4,945	2,317	15,636	5,753
Southwest Region	**(973)**	**461,107**	**339,614**	**1,745**	**18,042**	**95,458**	**6,249**	**5,220,081**	**150,899**
Albuquerque (New Mexico)	39	12,561	9,906	94	366	2,166	28	14,378	445
Austin (See (f) below)	3	52,519	38,815	222	2,871	10,300	310	58,011	2,646
Cheyenne (Wyoming)	1	10,290	9,460	65	247	517	*	61,259	363
Dallas (See (f) below)	230	133,025	99,496	454	3,417	29,451	208	1,263,489	29,839
Denver (Colorado)	176	31,983	18,891	205	1,710	11,147	31	651,582	72,393
Houston (See (f) below)	(716)	58,575	46,226	122	2,715	7,383	2,129	1,206,621	1,037
Little Rock (Arkansas)	(113)	34,528	22,240	150	425	11,325	388	31,015	3,254
New Orleans (Louisiana)	(8)	38,685	24,142	204	2,453	8,844	3,042	171,587	31,640
Oklahoma City (Oklahoma)	(572)	51,302	42,665	82	2,795	5,709	31	1,660,243	1,998
Wichita (Kansas)	(13)	37,638	27,751	147	1,042	8,616	82	101,886	7,285
Western Region	**(639)**	**351,288**	**247,685**	**1,997**	**8,879**	**92,032**	**894**	**2,043,937**	**321,155**
Anchorage (Alaska)	*	3,162	2,403	175	126	425	32	18,728	4,135
Boise (Idaho)	1	12,401	8,349	73	337	3,634	8	1,653	303
Helena (Montana)	7	14,983	9,211	90	206	5,448	26	11,210	663
Honolulu (Hawaii)	2	1,067	749	19	144	148	7	22,703	6,736
Laguna Niguel[6] (See (a) below)	232	33,412	24,873	250	932	7,295	63	127,541	125
Los Angeles (See (a) below)	229	40,451	27,122	237	2,034	10,953	104	985,794	48,027
Phoenix (Arizona)	(55)	22,175	17,460	182	602	3,942	7	9,733	181
Portland (Oregon)	(374)	46,324	22,227	239	561	23,179	118	8,310	2,573
Reno (Nevada)	(73)	10,363	9,158	57	249	898	2	6,456	1,261
Sacramento[5] (See (a) below)	(40)	45,488	39,667	196	423	5,145	54	155,391	2,474
Salt Lake City (Utah)	64	29,055	24,192	60	289	4,511	3	14,210	574
San Francisco (See (a) below)	(642)	20,734	10,610	60	216	9,845	3	476,855	100,934
San Jose[8] (See (a) below)	11	37,257	29,637	245	1,114	6,230	31	127,363	103,002
Seattle (Washington)	(2)	34,417	22,026	133	1,645	10,378	234	77,989	50,147
Undistributed:									
Federal tax deposits[7]									
Gasoline, lubricating oil and excess FICA credits[9]									
Withheld taxes of federal employees									
Clearing account for excise taxes—aviation fuel and oil—Air Force and Navy									
Presidential election campaign fund[4]									
Earned income credits[10]									
Other[11]									
Totals for states not shown above									
(a) California	(210)	177,341	131,909	988	4,720	39,468	255	1,872,944	254,562
(b) Illinois	1,558	171,457	65,334	223	1,780	101,110	3,010	593,039	91,127
(c) New York	(592)	68,748	50,712	242	4,865	12,448	461	1,012,271	155,556
(d) Ohio	(8,971)	127,763	97,107	275	5,969	20,940	3,472	511,394	67,940
(e) Pennsylvania	(796)	149,972	77,831	241	2,087	67,217	2,797	927,396	53,087
(f) Texas	(483)	244,119	184,536	798	9,003	47,135	2,647	2,528,131	33,522

Table 1.—Continued

(In thousands of dollars)

Internal revenue regions and districts, states and other areas.[1] (States represented by single districts indicated in parentheses; totals for other states shown at bottom of table.)	Miscellaneous excise taxes: Transportation of persons by air	Use of international air travel facilities	Transportation of property by air	Wagering taxes	Use tax on highway motor vehicles	Private foundations' net investment income	Windfall profit tax	Environmental taxes	Other[13]	Unclassified excise tax
	(30)	(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)	(39)
United States, total	**2,241,203**	**82,730**	**132,780**	**6,884**	**175,054**	**146,806**	**8,120,274**	**275,389**	**74,123**	**1,944,411**
North-Atlantic Region	**26,490**	**13,482**	**12,170**	**55**	**13,289**	**45,638**	**725,410**	**46,743**	**22,852**	**525,712**
Albany (See (c) below)	493	*	154	29	887	246	(3)	30	98	(43)
Augusta (Maine)	510	—	33	—	740	188	3	24	78	233
Boston (Massachusetts)	3,237	72	88	5	2,518	3,025	73	328	1,321	(8,535)
Brooklyn (See (c) below)	12,382	5,096	35	*	1,632	572	28	253	722	(15,671)
Buffalo (See (c) below)	3,710	1	95	15	2,353	1,312	20	5,112	264	28,218
Burlington (Vermont)	1,325	—	129	—	413	142	1	1	115	192
Hartford (Connecticut)	697	759	11,529	4	1,860	1,954	1,211	9,800	5,451	6,545
Manhattan (See (c) below)	3,920	7,554	14	(4)	1,865	37,793	724,067	31,175	14,794	508,881
Portsmouth (New Hampshire)	106	*	91	6	480	212	2	16	(6)	6,222
Providence (Rhode Island)	108	—	1	1	542	191	8	4	16	(430)
Mid-Atlantic Region	**198,569**	**14,843**	**2,602**	**23**	**22,362**	**19,296**	**921,745**	**51,706**	**13,122**	**497,116**
Baltimore (Maryland & D.C.)	120,018	350	1,179	9	3,222	1,852	9,653	(623)	1,443	17,291
Foreign Operations	9,124	7,858	11	*	246	86	930	9,642	809	(1,156)
Puerto Rico	2	3	—	—	2	1		9,076	14	113
Other	9,122	7,856	11	*	243	85	930	566	795	(1,269)
Newark (New Jersey)	65,977	6,584	167	(42)	5,809	5,465	36,284	4,724	3,056	236,748
Philadelphia (See (e) below)	1,256	15	1,208	22	5,312	5,258	193,249	6,814	6,201	200,445
Pittsburgh (See (e) below)	1,095	29	21	9	3,263	4,322	627,512	17,966	737	(32,463)
Richmond (Virginia)	918	5	13	22	3,344	1,012	54,273	934	739	69,602
Wilmington (Delaware)	181	2	2	3	1,166	1,301	(156)	12,230	138	6,649
Southeast Region	**624,761**	**18,002**	**46,787**	**650**	**31,622**	**7,805**	**16,296**	**5,389**	**5,080**	**229,182**
Atlanta (Georgia)	285,560	1,440	7,572	156	5,154	1,673	61	2,825	691	38,743
Birmingham (Alabama)	303	—	103	68	4,117	219	3,936	1,526	380	18,122
Columbia (South Carolina)	486	—	23	45	1,967	382	1	—	99	5,624
Greensboro (North Carolina)	75,125	81	1,691	64	5,129	2,855	24	90	1,277	134,133
Jackson (Mississippi)	20	—	61	65	1,969	83	11,876	229	346	4,170
Jacksonville (Florida)	258,594	15,407	5,544	63	9,672	1,622	329	441	1,941	29,678
Nashville (Tennessee)	4,673	1,074	31,793	189	3,413	992	70	276	345	(1,286)
Central Region	**12,067**	**903**	**10,528**	**738**	**19,365**	**11,387**	**537,696**	**33,863**	**5,094**	**11,284**
Cincinnati (See (d) below)	3,206	5	146	8	2,743	1,299	1,169	808	1,160	36,630
Cleveland (See (d) below)	2,352	(1)	443	110	4,780	2,091	413,401	8,216	1,537	(35,208)
Detroit (Michigan)	2,316	95	9,858	238	5,543	5,089	32,862	21,584	1,072	29,830
Indianapolis (Indiana)	2,853	804	70	229	3,897	2,066	7,090	745	778	12,110
Louisville (Kentucky)	611	—	5	88	1,714	633	82,857	1,855	429	(35,553)
Parkersburg (West Virginia)	929	1	6	65	708	208	518	654	117	3,475
Midwest Region	**712,428**	**18,165**	**28,086**	**436**	**26,122**	**27,871**	**67,475**	**29,853**	**14,362**	**238,524**
Aberdeen (South Dakota)	22	—	(29)	18	898	61	19	*	64	1,142
Chicago (See (b) below)	376,661	10,743	9,389	77	5,540	18,865	39,050	23,430	8,277	214,122
Des Moines (Iowa)	684	—	48	15	2,572	456	904	278	322	1,468
Fargo (North Dakota)	49	*	1	16	911	38	847	—	40	889
Milwaukee (Wisconsin)	5,543	5	186	(4)	3,181	1,773	251	3	1,402	9,114
Omaha (Nebraska)	149	—	48	191	1,866	317	3,507	2,494	773	16,864
St. Louis (Missouri)	161,562	4,037	14,164	37	3,873	2,400	7,306	3,324	938	(16,023)
St. Paul (Minnesota)	163,549	3,380	4,181	85	5,470	3,667	12,837	330	2,358	8,195
Springfield (See (b) below)	4,210	—	97	1	1,912	294	3,155	25	189	753
Southwest Region	**447,303**	**1,597**	**13,902**	**1,476**	**34,583**	**19,425**	**4,465,969**	**79,490**	**5,435**	**541,333**
Albuquerque (New Mexico)	576	—	261	29	889	89	8,926	3,113	50	(1,165)
Austin (See (f) below)	1,335	2	827	157	4,473	890	45,589	1,466	526	53,947
Cheyenne (Wyoming)	227	4	9	*	680	85	59,706	124	62	(14,502)
Dallas (See (f) below)	364,705	126	8,514	400	8,585	9,304	828,249	11,981	1,796	41,349
Denver (Colorado)	14,490	129	695	15	2,790	1,411	558,940	191	528	181,781
Houston (See (f) below)	56,250	910	988	97	3,601	4,387	1,096,313	42,772	266	326,776
Little Rock (Arkansas)	735	1	1,002	189	3,166	271	21,778	210	409	22,825
New Orleans (Louisiana)	7,032	416	98	255	2,614	505	126,684	1,598	746	(5,414)
Oklahoma City (Oklahoma)	258	3	33	333	4,000	1,902	1,536,616	14,421	679	(96,992)
Wichita (Kansas)	1,697	6	1,474	*	3,787	481	83,168	3,614	374	22,728
Western Region	**219,584**	**15,737**	**18,705**	**3,485**	**27,711**	**15,386**	**1,385,682**	**29,315**	**8,178**	**237,515**
Anchorage (Alaska)	11,204	244	2,632	8	348	8	2	71	75	371
Boise (Idaho)	30	—	48	1	1,314	49	10	39	(140)	1,707
Helena (Montana)	167	4	11	7	1,106	60	9,124	14	53	(1,741)
Honolulu (Hawaii)	14,219	76	701	3	320	392	4	182	69	(765)
Laguna Niguel[6] (See (a) below)	61,753	68	859	1	2,822	856	59,421	740	1,096	78,155
Los Angeles (See (a) below)	55,673	7,467	7,966	1	2,557	7,326	834,483	17,819	4,475	113,195
Phoenix (Arizona)	5,953	5	98	40	1,762	186	1,090	99	338	3,960
Portland (Oregon)	(49)	2	835	91	4,061	422	45	21	289	14,347
Reno (Nevada)	1,613	—	4	2,857	395	163	33	8	102	2,260
Sacramento[5] (See (a) below)	1,526	—	27	25	2,431	76	147,942	1,538	(649)	(74,819)
Salt Lake City (Utah)	1,412	*	229	11	1,228	265	10,196	250	46	5,098
San Francisco (See (a) below)	46,163	5,621	4,202	70	3,395	3,742	305,687	5,874	1,167	154,985
San Jose[8] (See (a) below)	1,497	16	327	(17)	2,793	721	17,589	1,032	402	(44,583)
Seattle (Washington)	18,422	2,234	766	388	3,158	1,338	56	628	853	(14,654)
Undistributed:										
Federal tax deposits[7]										(334,278)
Gasoline, lubricating oil and excess FICA credits[9]										
Withheld taxes of federal employees										
Clearing account for excise taxes—aviation fuel and oil—Air Force and Navy										23
Presidential election campaign fund[4]										
Earned income credits[10]										
Other[11]										
Totals for states not shown above										
(a) California	166,612	13,172	13,381	80	13,999	12,523	1,365,123	27,002	6,491	226,933
(b) Illinois	380,871	10,743	9,486	78	7,451	19,158	42,205	23,455	8,466	214,875
(c) New York	20,506	12,651	299	40	6,737	39,923	724,113	36,570	15,877	521,385
(d) Ohio	5,558	4	589	118	7,503	3,390	414,570	9,025	2,697	1,422
(e) Pennsylvania	2,351	44	1,229	31	8,575	9,580	820,761	24,800	6,938	167,982
(f) Texas	422,290	1,038	10,329	654	16,658	14,681	1,970,151	56,219	2,588	422,073

Table 2.—Internal revenue collections by sources

(In thousands of dollars)

Sources of revenue	1983	1984
Grand total, all sources	**627,246,793**	**680,475,229**
Corporation income taxes, total[16]	**61,779,566**	**74,179,370**
Regular	61,734,430	74,129,397
Exempt organizations business income tax	45,125	49,973
Individual income and employment taxes, total	**523,475,821**	**562,101,707**
Income tax not withheld and SECA[2 4 5 7]	90,341,073	92,515,155
Income tax withheld and FICA[2 4 19]	425,707,739	459,892,499
Railroad retirement, total[18]	3,115,427	3,642,030
Unemployment insurance[20]	4,311,582	6,052,023
Estate tax[21]	**6,077,202**	**6,024,985**
Gift tax[21]	**146,675**	**151,682**
Excise taxes, total	**35,765,538**	**38,017,486**
Alcohol taxes, total	**5,634,853**	**5,402,467**
Distilled spirits taxes, total	**3,798,148**	**3,566,482**
Imported (collected by Customs, rates same as domestic)	547,013	548,529
Domestic, $10.50 per proof gallon or wine gallon when below proof[12]	3,231,512	2,998,963
Rectification, 30 cents per proof gallon[23]	60	173
Occupational taxes, total	19,563	18,811
Nonbeverage manufacturers of spirits, $25, $50, $100 per year	83	83
Rectifiers[22]	*	*
Retail dealer (distilled spirits, wines and beer), $54 per year	18,010	17,227
Wholesale dealer (distilled spirits, wines and beer), $255 per year	1,464	1,495
Manufacturers of stills, $55 per year	4	4
Stills or condensers manufactured, $22 each	2	1
Seizures, penalties, etc.	1	7
Wine taxes, total	**239,329**	**319,920**
Imported (collected by Customs, rates same as domestic)	58,709	79,282
Domestic (still wines, 17 cents, 67 cents, $2.25 per wine gallon; sparkling wines, $3.40, artificially carbonated wines, $2.40)[12]	180,611	240,638
Occupational taxes	9	*
Beer taxes, total	**1,597,375**	**1,516,064**
Imported (collected by Customs, rates same as domestic)	50,501	57,994
Domestic, $9 per barrel of 31 gallons ($7 for certain small U.S. brewers)[12]	1,544,641	1,456,109
Occupational taxes, total	2,233	1,962
Brewers, total	22	25
Less than 500 barrels, $55 per year	2	15
500 barrels or more, $110 per year	20	10
Retail dealers in beer, $24 per year (includes limited retail dealer in distilled spirits, wine and beer, $2.20 and $4.50 per month)	1,724[R]	1,508
Wholesale dealers in beer, $123 per year	487	429
Tobacco taxes, total	**4,139,810**	**4,663,610**
Cigarettes, total[12 24]	**4,099,226**	**4,623,298**
Small (Class A), $6 per thousand	4,099,182	4,623,275
Large (Class B), $18.80 per thousand, except if over 6 1/2 inches long, $8 per thousand for each 2 3/4 inches or fraction thereof	10	13
Prepayments	34	*
Cigars, total[11]	**33,716**	**30,372**
Large cigars, total	**32,780**	**29,488**
Wholesale price not more than $235.294 per thousand, 8 1/2 percent	28,395[R]	25,802
Wholesale price more than $235.294 per thousand, $20 per thousand	4,384	3,686
Small cigars, 75 cents per thousand	929	875
Prepayments	8	9
Imported cigars, cigarettes, cigarette papers and cigarette tubes (collected by Customs, rates same as domestic)	5,321	7,912
Miscellaneous tobacco	16	1
Cigarette papers and tubes, paper one-half cent per 50, tubes 1 cent per 50	1,529	2,037

Table 2.—Continued

(In thousands of dollars)

Sources of revenue	1983	1984
Excise taxes—continued		
Manufacturers' excise taxes, total	**6,351,840[R]**	**10,097,242**
Gasoline, 9 cents per gallon[34]	4,904,580	9,026,745
Tires (wholly or in part of rubber), inner tubes and tread rubber, total	677,966	420,315
Tires, highway type[35]	635,825	401,517
Inner tubes, 10 cents per pound[36]	22,466	12,709
Tread rubber, 5 cents per pound[36]	19,674	9,089
Pistols and revolvers, 10 percent	24,080	22,011
Fishing rods, creels, etc., 10 percent	35,162	37,269
Bows and arrows, 11 percent	6,872	7,515
Firearms (other than pistols and revolvers), 11 percent	34,711	37,276
Shells and cartridges, 11 percent	31,846	28,378
Black lung, total	490,731	525,422
Underground mined coal - $1.00 per ton	263,375	293,556
Underground mined coal - 4 percent of price per ton	28,843	29,367
Surface mined coal - 50 cents per ton	152,574	160,064
Surface mined coal - 4 percent of price per ton	45,940	42,434
Fuel economy, $450 to $2,150[37]	4,018	8,818
Alcohol sold as but not used as fuel, credit of 37½ cents or 50 cents per gallon[38]	529	1,788
Other[39]	141,346[R]	-21,274
Retailers and special fuels, total	**1,255,378[R]**	**2,619,570**
Noncommercial aviation gasoline, 3 cents per gallon[30]	13,481	7,738
Noncommercial aviation fuel other than gasoline, 14 cents per gallon[31]	44,636	67,926
Diesel and special motor fuels, 4 cents per gallon (in some instances 2 cents per gallon)	742,380	1,571,437
Inland waterway fuel, 8 cents per gallon	30,720	39,677
Motor vehicles, chassis, bodies, etc., 12 percent[32]	424,182	932,645
Other[33]	—	148
Miscellaneous excise taxes, total	**19,227,948**	**13,290,186**
Telephone and teletypewriter exchange services, 3 percent[33]	1,046,317	2,034,965
Transportation of persons by air, 8 percent[34]	1,757,412	2,241,203
Use of international air-travel facilities, $3 per person[35]	48,494	82,730
Transportation of property by air, 5 percent[36]	92,881	132,760
Coin-operated gaming devices, $250 per device per year[37]	70	46
Wagering taxes, total	11,844	6,864
Occupational tax, $50 per year[38]	1,377	897
Wagers, 0.25 percent of amount wagered[39]	10,467	5,966
Use tax on highway vehicles weighing over 26,000 pounds, $3 per 1,000 pounds per year (installment privileges permitted)	287,457	175,054
Use tax on civil aircraft, $25 per year with an additional 2 cents per pound on nonturbine engines powered over 2,500 pounds or 3 1/2 cents per pound on turbine engine powered[40]	241	37
Firearms transfer and occupational taxes[41]	740	738
Foreign insurance, 1 cent or 4 cents per dollar of premium[42]	-44,440	56,037
Exempt organizations, total	117,796	152,069
Net investment income, 2 percent	112,380	146,806
Self dealing, 5 percent on self-dealer, lesser of $10,000 or 2 1/2 percent on foundation manager	438	192
Excess business holdings, 5 percent on foundation	61	118
Taxable expenditures, 10 percent on foundation, lesser of $5,000 or 2 1/2 percent on foundation manager	119	292
Failure to timely file certain information returns, $10 per day up to a maximum of $5,000	3,749	3,475
Failure to distribute income, 15 percent of undistributed income	1,041	1,184
Investments that jeopardize charitable purpose, 5 percent on foundation, lesser of $5,000 or 5 percent on foundation manager	8	1
Employee pension plans, total	8,675	11,262
Excess contributions to an IRA, 6 percent of excess amount	1,158	1,717
Tax on underdistributions from an IRA, 50 percent of underdistribution	212	299
Prohibited transactions, 5 percent of prohibited transaction	2,415	2,682
Tax on excess contributions to an HR-10 Plan, 6 percent of excess amount	72	94
Failure to meet funding standards, 5 percent of funding deficiency	2,413	3,046
Tax on excess contributions to custodial accounts, 6 percent of excess amount	62	92
Failure to file registration statement, $1 per day up to $5,000	65	136
Failure to file notification of change, $1 per day up to $5,000	12	27
Failure to file statement required by section 6047 or 6058, $10 per day up to $5,000	2,242	3,160
Failure to furnish individual statement, $50 for each failure	—	*
Failure to furnish actuarial report, $1,000 for each failure	5	1
Failure to provide IRA reports, $10 for each failure	1	9
Black lung benefit trusts, excess contributions, 5 percent of excess amount	169	*
Taxes on lobbying expenditures, 25 percent of taxable lobbying expenditures	*	—
Windfall profits, total, 25 percent to 70 percent of windfall profit[23 24]	15,660,081	8,120,274
Quarterly return amounts	15,651,279	8,104,186
Annual return amounts	8,801	16,087
Environmental taxes, total	235,954	275,389
Petroleum, 0.79 cent a barrel	38,357	39,610
Chemicals, 22 cents to $4.87 per ton	197,597	229,926
Hazardous waste, $2.13 per ton[43]	—	5,853
Other[39]	2,256	740
Unclassified excise taxes[14]	**-844,291[R]**	**1,944,411**

Table 3.—Internal revenue collections by principal sources

(In thousands of dollars)

Fiscal year	Total internal revenue collections	Income and profits taxes: Total	Income and profits taxes: Corporation income and profits taxes[2 16]	Income and profits taxes: Individual income taxes[3 5 17 18]	Employment taxes[3]	Estate and gift taxes[21]	Alcohol taxes[12]	Tobacco taxes[12]	Manufacturers' excise taxes	All other taxes[43]
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1946	40,672,097	31,258,138	12,553,602	18,704,536	1,700,828	676,832	2,526,165	1,165,519	922,671	2,421,944
1947	39,108,386	29,019,756	9,676,459	19,343,297	2,024,365	779,291	2,474,762	1,237,768	1,425,260	2,147,184
1948	41,864,542	31,172,191	10,174,410	20,997,781	2,381,342	899,345	2,255,327	1,300,280	1,649,234	2,206,823
1949	40,463,125	29,605,491	11,553,669	18,051,822	2,476,113	796,538	2,210,607	1,321,875	1,771,533	2,280,969
1950	38,957,132	28,007,659	10,854,351	17,153,308	2,644,575	706,227	2,219,202	1,328,464	1,836,053	2,214,951
1951	50,445,686	37,384,879	14,387,569	22,997,309	3,627,479	729,730	2,546,808	1,380,396	2,383,677	2,392,719
1952	65,009,586	50,741,017	21,466,910	29,274,107	4,464,264	833,147	2,549,120	1,565,162	2,348,943	2,507,933
1953	69,686,535	54,130,732	21,594,515	32,536,217	4,718,403	891,284	2,780,925	1,654,911	2,862,788	2,647,492
1954	69,919,991	54,360,014	21,546,322	32,813,691	5,107,623	935,121	2,783,012	1,580,229	2,689,133	2,464,859
1955	66,288,692	49,914,826	18,264,720	31,650,106	6,219,665	936,267	2,742,840	1,571,213	2,885,016	2,018,866
1956	75,112,649	56,636,164	21,298,522	35,337,642	7,295,784	1,171,237	2,920,574	1,613,497	3,456,013	2,019,380
1957	80,171,971	60,560,425	21,530,653	39,029,772	7,580,522	1,377,999	2,973,195	1,674,050	3,761,925	2,243,856
1958	79,978,476	59,101,874	20,533,316	38,568,559	8,644,386	1,410,925	2,946,461	1,734,021	3,974,135	2,166,675
1959	79,797,973	58,826,254	18,091,509	40,734,744	8,853,744	1,352,982	3,002,096	1,806,816	3,958,789	1,997,292
1960	91,774,803	67,125,126	22,179,414	44,945,711	11,158,589	1,626,348	3,193,714	1,931,504	4,735,129	2,004,394
1961	94,401,086	67,917,941	21,764,940	46,153,001	12,502,451	1,916,392	3,212,801	1,991,117	4,896,802	1,963,582
1962	99,440,839	71,945,305	21,295,711	50,649,594	12,708,171	2,035,187	3,341,282	2,025,736	5,120,340	2,264,817
1963	105,925,395	75,323,714	22,336,134	52,987,581	15,004,486	2,187,457	3,441,656	2,079,237	5,610,309	2,278,536
1964	112,260,257	78,891,218	24,300,863	54,590,354	17,002,504	2,416,303	3,577,499	2,052,545	6,020,543	2,299,645
1965	114,434,634	79,792,016	26,131,334	53,660,683	17,104,306	2,745,532	3,772,634	2,148,594	6,418,145	2,453,406
1966	128,879,961	92,131,794	30,834,243	61,297,552	20,256,133	3,093,922	3,814,378	2,073,956	5,613,869	1,895,909
1967	148,374,815	104,288,420	34,917,825	69,370,595	26,958,241	3,014,406	4,075,723	2,079,869	5,478,347	2,479,809
1968	153,636,838	108,148,565	29,896,520	78,252,045	28,085,898	3,081,979	4,287,237	2,122,277	5,713,973	2,196,909
1969	187,919,560	135,778,052	38,337,646	97,440,406	33,068,657	3,530,065	4,555,560	2,137,585	6,501,146	2,348,495
1970	195,772,096	138,688,568	35,036,983	103,651,585	37,449,188	3,680,076	4,746,382	2,094,212	6,683,061	2,380,609
1971	191,647,198	131,072,374	30,319,953	100,752,421	39,918,690	3,784,283	4,800,482	2,206,585	6,684,799	3,179,985
1972	209,855,737	143,804,732	34,925,546	108,879,186	43,714,001	5,489,969	5,110,001	2,207,273	5,728,657	3,801,104
1973	237,787,204	164,157,315	39,045,309	125,112,006	52,081,709	4,975,862	5,149,513	2,276,951	5,395,750	3,750,104
1974	268,952,254	184,648,094	41,744,444	142,903,650	62,093,632	5,100,675	5,358,477	2,437,005	5,742,154	3,572,217
1975	293,822,726	202,146,097	45,746,660	156,399,437	70,140,809	4,688,079	5,350,858	2,315,090	5,516,611	3,665,182
1976	302,519,792	205,751,753	46,782,956	158,968,797	74,202,853	5,307,466	5,427,722	2,487,894	5,486,106	3,855,998
1976 (TQ)*	75,462,760	49,567,484	9,808,905	39,758,579	19,892,041	1,485,247	1,305,841	622,821	1,543,339	1,046,007
1977	358,139,417	246,805,067	60,049,804	186,755,263	86,076,316	7,425,325	5,406,633	2,398,501	6,068,682	3,958,893
1978	399,776,389	278,438,289	65,380,145	213,058,144	97,291,653	5,381,499	5,612,715	2,450,913	6,555,681	4,045,639
1979	460,412,185	322,993,733	71,447,876	251,545,857	112,849,874	5,519,074	5,647,924	2,495,517	7,057,612	3,848,450
1980	519,375,273	359,927,392	72,379,610	287,547,782	128,330,480	6,498,381	5,704,768	2,446,416	6,487,421	9,980,416
1981	606,799,103	406,583,302	73,733,156	332,850,146	152,885,816	6,910,386	5,688,413	2,583,857	R6,088,156	R26,059,173
1982	632,240,506	418,599,768	65,990,832	352,608,936	168,717,936	8,143,373	5,459,810	2,539,495	6,382,900	22,397,223
1983	627,246,793	411,407,523	61,779,556	349,627,967	173,847,854	6,225,877	5,634,853	4,139,810	6,776,023	19,214,853
1984	680,475,229	437,071,049	74,179,370	362,891,679	199,210,028	6,176,667	5,402,467	4,663,610	10,097,242	17,854,167

*Transition quarter.

Footnotes for Tables 1-3

* Less than $500.
R Revised.

Note: Detail may not add to totals due to rounding. State and district data for 1984 are not directly comparable with years prior to 1981. For the most part, beginning with 1981, amounts are classified by state and district based on where taxpayers reside rather than, as for 1980 and prior, where taxpayers made payments. Negative amounts reflect adjustments made to prior reported data.

1. The receipts in the various states do not indicate the federal tax burden of each since, in many instances, taxes are collected in one state from residents of another state. For example, withholding taxes reported by employers located near state lines may include substantial amounts withheld from salaries of employees who reside in neighboring states. Also, the taxes of some corporations are paid from a principal office, although their operations may be located in another state or throughout several states.

2. Includes taxes on unrelated business income of exempt organizations.

3. Collections of individual income tax not withheld include old-age, survivors', disability and hospital insurance taxes on self-employment income (SECA). Similarly, the collections of individual income tax withheld are reported in combined amounts with old-age, survivors', disability and hospital insurance taxes (FICA) on salaries and wages. Estimated separate national totals for individual income tax and for employment taxes are shown in the text table, Gross internal revenue collections, on page 11 and are used in obtaining national totals for individual income taxes and for employment taxes in table 3.

4. Self-employment tax and taxes imposed by the Federal Insurance Contributions Act are applicable with respect to Guam and American Samoa. Amounts of such taxes collected in Guam and American Samoa are combined with similar taxes reported for "Foreign Operations District – Other."

5. Includes fiduciary income tax collections of $2.9 billion.

6. Three new districts were established in the state of California. The Laguna Niguel, Sacramento and San Jose districts became operational Oct. 1, 1983.

7. Tax payments made to banks, under the federal tax deposit (FTD) system, are included in the internal revenue collections for the period in which the FTD is purchased. However, such payments are not classified by internal revenue districts (nor by tax subclasses to which excise tax payments relate) until the IRS applies them to taxpayers' liabilities.

8. Represents credits allowable on income tax returns for certain gasoline and lubricating oil tax payments and for excess payments under the Federal Insurance Contribution Act.

9. Designations by taxpayers of a portion of their taxes to the presidential election campaign fund are not collections, as such, because they do not affect taxpayer liability. Transfers of amounts to this fund are made on a national basis only and therefore have no effect on district and regional collection data.

10. Represents amounts offset against outstanding tax liabilities other than those for Forms 1040 and 1040A on which the credits were claimed.

11. Includes amounts contained in the national totals but not classified by state or district as of Sept. 30, 1984. Also includes amount transferred to a special account for the Northern Mariana Islands.

12. Amounts of internal revenue taxes collected on Puerto Rican products transported to the United States or consumed on the island (less refunds, drawbacks and expenses) are returned to the Treasury of Puerto Rico under provisions of sections 7652(a)(3) and 5314(a)(4) of the Internal Revenue Code of 1954. The gross amounts are included in overall collection results (tables 1 through 3).

13. Refer to table 2 for components.

14. Includes manufacturers' excise taxes on pistols and revolvers, fishing rods, bows and arrows, firearms and shells and cartridges.

15. Contains, among other items, amounts paid into depositaries but not yet classified into excise detail from Forms 720, Quarterly Federal Excise Tax Returns, filed. Generally, Forms 720 are filed and type of excise tax identified and reported in the quarter following the quarter of payment into a depositary. The data shown primarily reflect windfall profit tax amounts. Negative figures result from the classification of amounts previously reported as unclassified.

16. For tax years beginning after 1978, the Revenue Act of 1978 (Public Law 95-600) replaced the old corporate system of normal tax, surtax and surtax exemption with a new rate structure graduated from 17 to 46 percent of taxable income. The lowest rate was reduced to 15 percent for tax years beginning in 1983 by the Economic Recovery Tax Act of 1981 (Public Law 97-34).

17. Individual income tax rates, effective Jan. 1, 1965, were graduated from 14 to 70 percent of taxable income. A 10-percent per-annum surcharge was added by Public Law 90-364, effective April 1, 1968; extended to Dec. 31, 1969, at the same annual rate (Public Law 91-53); extended to June 30, 1970 (Public Law 91-171) at a 5-percent annual rate and then discontinued. The Economic Recovery Tax Act of 1981 reduced the range of rates from 11 to 50 percent, effective for taxable years beginning in 1983. Includes SECA taxes of 9.35 percent on net earnings up to $32,400 for 1982 and up to $35,700 for 1983. Effective Jan. 1, 1984, rate increased to 14 percent, subject to a credit of 2.7 percent (Public Law 98-21).

18. Income tax graduated withholding rates ranged from 15 to 39 percent on wages in excess of exemptions, effective Jan. 1, 1979, under Public Law 95-600. The Economic Recovery Tax Act of 1981 reduced the rates to 16 percent up to 37 percent, effective Oct. 1, 1981, and the lowest rate to 12 percent, effective July 1, 1982. A combined FICA tax rate of 13.4 percent was in effect on salaries and wages up to $32,400 for calendar year 1982 and up to $35,700 for 1983. Wage base was increased to $37,800 and combined tax rate increased to 14 percent, subject to a one-time credit of 0.3 percent for employees, under Public Law 98-21, effective Jan. 1, 1984.

19. Railroad retirement taxes are divided into two tiers for both employers and employees. The tier I tax rate was increased from 6.7 percent each on the first $2,975 of monthly compensation in 1983 to 7 percent on the first $3,150, subject to a one-time credit of 0.3 percent for employees in 1984. Tier II taxes for employers were increased from 11.75 percent in 1983 to 12.75 percent and established for employees at 2.75 percent, effective Jan. 1, 1984.

20. Employers of one or more persons in each of 20 calendar weeks or who paid wages of $1,500 or more in any calendar quarter were taxed 3.5 percent on taxable wages up to $7,000 for 1983 and 1984. This tax was reduced by credits for unemployment contributions paid to states up to 2.7 percent of FUTA tax, resulting in a net federal tax of 0.8 percent for 1983 and 1984.

21. Beginning Jan. 1, 1977, the separate tax rates for estates and gifts were replaced by unified rates of tax graduated from 18 to 70 percent. Separate exemption amounts were replaced by a unified credit of $47,000 phased in over a five-year period ending in 1981. The Economic Recovery Tax Act of 1981 raised the credit to $192,800 to be phased in over a five-year period ($96,300 credit for 1984). Also, the act raised the annual gift tax exclusion from $3,000 to $10,000, effective Jan. 1, 1982, and provided for annual rather than quarterly returns and payments. The first annual return was due April 15, 1983.

22. Repealed effective Jan. 1, 1980 (Public Law 96-39).

23. Rates doubled from $4 to $8 per thousand for small cigarettes and from $8.40 to $16.80 for large cigarettes, effective Jan. 1, 1983 (Public Law 97-248).

24. Tax increased from 4 to 9 cents per gallon (gasohol taxed at 4 cents per gallon) effective April 1, 1983 (Public Law 97-424).

25. Highway-type tires taxed as follows: not more than 40 pounds, no tax; more than 40 pounds, but not more than 70 pounds, 15 cents per pound over 40 pounds; over 70 pounds, but not more than 90 pounds, $4.50 plus 30 cents per pound over 70 pounds; and tires over 90 pounds, $10.50 plus 50 cents per pound over 90 pounds. Effective Jan. 1, 1984 (Public law 97-424).

26. Repealed effective Jan. 1, 1984 (Public 97-424).

27. Tax increased from $350 to $1,550 for 1983-model-year automobiles and from $450 to $2,150 for 1984-model-year automobiles based on various fuel economy levels (Public Law 95-502).

28. Tax increased from 30 cents to 37½ cents per gallon for alcohol of 150 to 190 proof and from 40 to 50 cents per gallon for 190 proof and over, effective April 1, 1983 (Public Law 97-424).

29. Includes amounts collected or adjusted for taxes that have been repealed or have expired.

30. Expired Sept. 30, 1980. Reinstated and increased from 3 to 8 cents per gallon, effective Sept. 1, 1982 (Public Law 97-248). Decreased to 3 cents per gallon, effective April 1, 1983, in conjunction with the gasoline tax increase under Public Law 97-424.

31. Expired Sept. 30, 1980. Reinstated and increased from 7 to 14 cents per gallon, effective Sept. 1, 1982 (Public Law 97-248).

32. Tax increased from 10 to 12 percent and imposed at the retail rather than the manufacturer's level, effective April 1, 1983 (Public Law 97-424).

33. Tax increased from 1 to 3 percent, effective Jan. 1, 1983 (Public Law 97-248).

34. Tax increased from 5 to 8 percent, effective Sept. 1, 1982 (Public Law 97-248).

35. Expired Sept. 30, 1980. Reinstated at $3 per passenger, effective Sept. 1, 1982 (Public Law 97-248).

36. Expired Sept. 30, 1980. Reinstated at 5 percent, effective Sept. 1, 1982 (Public Law 97-248).

37. Repealed effective June 30, 1980, by the Revenue Act of 1978 (Public Law 95-600).

38. Tax reduced from $500 to $50 on wagers authorized by state law, effective July 1, 1983 (Public Law 97-362).

39. Tax rate reduced from 2 to 0.25 percent for wagers authorized by state law, effective Jan. 1, 1983 (Public Law 97-362).

40. Expired Sept. 30, 1980. Officially repealed by Public Law 97-248.

41. Transfers of machine guns, short-barreled firearms, silencers, etc., $200 each; certain guns with combination shotgun and rifle barrels and other special types of firearms, $5 each. Occupational taxes are levied on manufacturers, importers or dealers in firearms and are included in the amounts shown.

42. Negative figure for 1983 is due to refunds of this tax under the United States/United Kingdom Income Tax Treaty, which provides for exemption from this tax retroactive to Jan. 1, 1975. Also, a similar treaty with France provides for exemption retroactive to Jan. 1, 1979.

43. Lowest rate reduced from 27.5 percent to 25 percent, effective Jan. 1, 1983, and to 22.5 percent effective Jan. 1, 1984 (Public Law 97-34). Windfall profit tax amounts shown in these tables are incomplete because they reflect only amounts from returns processed by the end of the reporting period. For comprehensive detail on windfall profit taxes, refer to the "SOI Bulletin" published quarterly by the IRS (Publication 1136).

44. Contains windfall profit tax amounts of $15.7 billion for 1983 and $8.1 billion for 1984 (see footnote 42 for cautionary information about these figures).

45. Effective Oct. 1, 1983 (Public Law 98-510).

Table 4.—Amount of internal revenue refunds including interest

(In thousands of dollars)

Internal revenue regions and districts, states and other areas. (States represented by single districts indicated in parentheses; totals for other states shown at bottom of table.)	Total	Corporation income	Individual income	Employment taxes[1]	Estate	Gift	Excise
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
United States, total	**85,672,479**	**17,889,228**	**64,629,358[2]**	**2,485,850**	**205,852**	**5,416**	**656,774[3]**
North-Atlantic Region	**12,187,146**	**3,522,154**	**8,318,509**	**285,426**	**33,607**	**599**	**46,852**
Albany (See (c) below)	752,461	245,539	499,829	6,423	395	4	292
Augusta (Maine)	296,858	39,212	251,615	4,978	240	3	810
Boston (Massachusetts)	2,028,955	410,220	1,568,855	44,240	3,978	142	1,521
Brooklyn (See (c) below)	2,080,236	134,220	1,887,730	42,577	7,186	14	8,508
Buffalo (See (c) below)	1,280,232	150,060	1,109,468	16,513	1,853	28	2,310
Burlington (Vermont)	140,546	30,561	107,518	2,250	129	*	88
Hartford (Connecticut)	1,574,650	456,048	1,086,280	36,207	3,709	9	12,397
Manhattan (See (c) below)	3,434,059	1,982,221	1,316,963	101,913	13,053	227	19,682
Portsmouth (New Hampshire)	291,445	23,935	251,945	4,771	437	142	215
Providence (Rhode Island)	307,884	50,138	248,306	5,554	2,627	30	1,229
Mid-Atlantic Region	**11,481,581**	**2,023,663**	**9,132,577**	**228,631**	**19,043**	**-31**	**57,599**
Baltimore (Maryland & D.C.)	2,028,366	290,035	1,688,252	37,151	3,750	39	9,139
Foreign Operations	507,047	119,666	377,300	8,482	1,049	44	506
Puerto Rico[4]	56,710	772	51,589	3,805	326	—	218
Other	450,337	118,894	325,711	4,677	723	44	288
Newark (New Jersey)	3,218,474	625,291	2,477,793	84,519	7,498	49	23,323
Philadelphia (See (e) below)	2,268,211	325,570	1,687,102	34,330	3,575	-29	17,663
Pittsburgh (See (e) below)	1,419,493	305,689	1,071,469	37,420	1,411	4	3,501
Richmond (Virginia)	1,730,434	232,549	1,469,125	24,278	1,440	-152	3,195
Wilmington (Delaware)	289,656	124,803	161,536	2,651	320	14	272
Southeast Region	**9,888,242**	**1,300,936**	**8,328,186**	**207,907**	**22,920**	**1,014**	**27,276**
Atlanta (Georgia)	1,640,424	193,281	1,402,133	33,986	2,057	34	8,933
Birmingham (Alabama)	933,621	94,564	819,418	16,559	1,599	16	1,465
Columbia (South Carolina)	771,162	97,912	660,073	11,279	845	*	1,053
Greensboro (North Carolina)	1,484,827	223,090	1,226,965	26,184	1,713	11	4,843
Jackson (Mississippi)	522,804	61,375	451,701	8,189	637	26	873
Jacksonville (Florida)	3,251,135	446,980	2,696,088	90,132	11,959	215	3,761
Nashville (Tennessee)	1,284,269	183,734	1,067,788	21,578	4,110	710	6,348
Central Region	**11,081,623**	**2,472,338**	**8,327,664**	**176,072**	**14,482**	**310**	**88,757**
Cincinnati (See (d) below)	1,612,100	281,281	1,294,177	27,543	2,077	51	6,970
Cleveland (See (d) below)	2,370,249	536,353	1,740,029	54,920	3,903	190	34,855
Detroit (Michigan)	4,081,326	1,274,115	2,720,294	54,351	4,853	15	27,698
Indianapolis (Indiana)	1,604,722	157,800	1,410,939	21,211	1,581	6	13,183
Louisville (Kentucky)	960,826	172,427	768,284	13,243	1,380	52	5,540
Parkersburg (West Virginia)	452,300	50,362	393,941	6,804	688	-6	511
Midwest Region	**11,124,037**	**2,694,138**	**8,144,497**	**223,292**	**18,577**	**715**	**42,819**
Aberdeen (South Dakota)	151,713	19,082	129,581	2,631	241	8	170
Chicago (See (b) below)	4,525,747	1,736,359	2,666,835	94,106	6,499	327	21,622
Des Moines (Iowa)	744,155	109,202	618,563	13,611	1,576	116	1,067
Fargo (North Dakota)	178,410	24,988	149,363	2,877	348	3	811
Milwaukee (Wisconsin)	1,329,475	130,672	1,164,847	29,140	1,604	96	3,116
Omaha (Nebraska)	451,546	75,157	364,416	9,088	1,619	6	1,260
St. Louis (Missouri)	1,372,648	156,745	1,161,875	38,065	3,221	103	10,639
St. Paul (Minnesota)	1,543,333	346,232	1,169,342	23,003	2,446	28	2,282
Springfield (See (b) below)	827,010	93,701	719,635	10,771	1,023	28	1,852
Southwest Region	**13,749,425**	**3,818,613**	**9,411,574**	**286,918**	**36,467**	**1,945**	**197,907**
Albuquerque (New Mexico)	371,561	38,923	323,575	7,769	568	4	722
Austin (See (f) below)	1,954,752	610,060	1,291,173	37,330	10,530	221	5,437
Cheyenne (Wyoming)	204,623	34,461	168,429	3,397	242	1	292
Dallas (See (f) below)	3,102,649	998,598	1,987,422	71,569	9,310	1,349	34,402
Denver (Colorado)	1,204,676	167,510	1,011,667	22,774	2,079	38	408
Houston (See (f) below)	2,585,614	1,019,158	1,493,742	56,398	3,128	109	13,081
Little Rock (Arkansas)	518,415	62,568	439,749	13,003	1,194	20	881
New Orleans (Louisiana)	1,592,454	397,031	1,148,634	33,038	4,546	157	9,046
Oklahoma City (Oklahoma)	1,418,041	326,137	931,543	23,586	3,066	39	133,670
Wichita (Kansas)	798,440	162,169	618,440	16,054	1,802	7	-32
Western Region	**15,969,740**	**2,884,874**	**12,932,147**	**273,886**	**57,847**	**597**	**50,596**
Anchorage (Alaska)	276,091	17,507	253,033	5,347	144	—	61
Boise (Idaho)	259,183	47,791	205,914	3,803	675	20	980
Helena (Montana)	219,585	24,629	189,243	4,234	1,113	9	358
Honolulu (Hawaii)	340,288	46,631	288,066	4,517	784	169	121
Laguna Niguel (See (a) below)	2,859,376	448,157	2,356,075	49,665	3,731	82	1,667
Los Angeles (See (a) below)	3,195,571	750,338	2,337,322	64,413	12,661	91	30,746
Phoenix (Arizona)	910,506	81,759	808,333	18,761	1,365	40	247
Portland (Oregon)	862,454	135,804	710,116	10,979	2,738	4	2,813
Reno (Nevada)	352,046	55,658	286,448	7,035	2,429	3	473
Sacramento (See (a) below)	1,348,058	76,010	1,244,587	21,788	3,557	102	2,014
Salt Lake City (Utah)	443,899	54,976	379,739	7,273	584	5	1,324
San Francisco (See (a) below)	1,433,186	312,760	1,069,552	22,314	22,464	29	6,067
San Jose (See (a) below)	1,926,069	362,206	1,525,495	33,538	3,614	1	1,217
Seattle (Washington)	1,573,428	270,848	1,276,224	20,219	1,788	42	2,508
Other miscellaneous refunds	**380,585**	**-625,486**	**34,207**	**523,518**	**3,110**	**268**	**144,967**
Gasoline, lubricating oil and excess FICA credits[5]	544,929	0	0	415,400	0	0	129,529
U.S. Customs Service[6]	1,810	0	0	0	0	0	1,810
Earned income credit offsets	32,045	0	32,045	0	0	0	0
Refund reversals unclassified[7]	-198,199	-625,486	2,162	408,118	3,110	268	13,628
Totals for states not shown above							
(a) California	10,762,264	1,949,471	8,533,031	191,718	46,027	305	41,711
(b) Illinois	5,352,757	1,830,060	3,386,470	104,877	7,522	355	23,474
(c) New York	7,547,006	2,512,040	4,813,990	167,426	22,487	273	30,792
(d) Ohio	3,982,349	917,634	3,034,206	82,463	5,980	241	41,825
(e) Pennsylvania	3,687,704	631,259	2,958,571	71,750	4,986	-25	21,164
(f) Texas	7,643,015	2,627,814	4,772,337	165,297	22,968	1,679	52,920

Note: Detail may not add to totals due to rounding.

[1]Includes withheld income tax, FICA, railroad retirement and FUTA refunds and credits.

[2]Includes earned income credits refunded, amounting to $1.2 billion.

[3]Includes credits for gasoline and lubricating oil tax payments.

[4]Includes refunds of special fund receipts (Puerto Rico account 20x5737), amounting to $108,600.

[5]Includes credits for excess payments under the federal old age and survivors', federal disability and federal hospital funds, amounting to $415 million.

[6]The source of this information is the U.S. Customs Service. Customs does not provide the count of the number of refunds issued for this item.

[7]Includes refunds issued in September 1984 minus refund reversals received in September 1984 that were not classified by district before Sept. 30, 1984 (the end of the fiscal year). For accounting and comparative purposes, the data included in this table must agree with the actual transaction affecting the refund and interest appropriation accounts for the fiscal year.

*Less than $500.

Table 5.—Number of internal revenue refunds issued

Internal revenue regions and districts, states and other areas. (States represented by single districts indicated in parentheses; totals for other states shown at bottom of table.)	Total	Corporation income	Individual income	Employment taxes	Estate	Gift	Excise
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
United States, total	**79,071,364**	**711,408**	**76,042,137**	**2,198,983**	**14,233**	**799**	**103,804**
North-Atlantic Region	**10,526,595**	**97,130**	**10,106,809**	**308,953**	**2,193**	**136**	**11,374**
Albany (See (c) below)	698,508	5,008	676,604	16,111	90	4	691
Augusta (Maine)	405,391	3,533	389,506	11,540	43	4	765
Boston (Massachusetts)	2,110,489	21,561	2,031,543	55,216	358	19	1,772
Brooklyn (See (c) below)	2,226,151	13,326	2,151,522	59,211	404	10	1,678
Buffalo (See (c) below)	1,493,731	12,275	1,449,955	29,542	231	17	1,711
Burlington (Vermont)	174,564	2,016	166,480	5,733	25	1	309
Hartford (Connecticut)	1,256,909	11,451	1,206,178	37,560	349	19	1,352
Manhattan (See (c) below)	1,451,752	20,858	1,352,954	75,039	581	39	2,281
Portsmouth (New Hampshire)	360,449	3,250	346,297	10,373	67	6	456
Providence (Rhode Island)	348,671	3,852	335,770	8,628	45	17	359
Mid-Atlantic Region	**11,168,220**	**85,619**	**10,795,232**	**272,571**	**1,755**	**75**	**12,968**
Baltimore (Maryland & D.C.)	1,922,093	15,186	1,859,544	43,558	386	9	3,430
Foreign Operations	227,303	2,007	210,254	14,748	100	5	189
Puerto Rico	53,070	65	40,314	12,674	5	—	12
Other	174,233	1,942	169,940	2,074	95	5	177
Newark (New Jersey)	2,992,300	25,623	2,874,130	88,318	610	29	3,390
Philadelphia (See (e) below)	2,472,136	16,672	2,398,833	53,897	305	4	2,425
Pittsburgh (See (e) below)	1,440,153	9,136	1,401,213	27,898	167	7	1,732
Richmond (Virginia)	1,697,266	14,413	1,641,927	39,135	175	18	1,618
Wilmington (Delaware)	216,949	2,382	209,331	5,017	32	3	184
Southeast Region	**12,061,930**	**103,974**	**11,628,564**	**313,822**	**1,694**	**108**	**13,768**
Atlanta (Georgia)	1,690,508	15,315	1,625,833	47,035	154	20	2,151
Birmingham (Alabama)	1,193,788	6,271	1,156,155	25,887	103	6	1,366
Columbia (South Carolina)	1,032,146	7,067	1,001,440	22,511	111	1	1,016
Greensboro (North Carolina)	2,004,065	16,648	1,943,268	41,881	167	15	2,106
Jackson (Mississippi)	710,714	5,343	686,546	17,495	72	5	1,253
Jacksonville (Florida)	3,672,695	38,945	3,504,396	124,387	910	47	4,010
Nashville (Tennessee)	1,558,014	12,385	1,508,926	34,646	177	14	1,866
Central Region	**10,059,879**	**89,028**	**9,741,897**	**215,212**	**1,489**	**74**	**12,179**
Cincinnati (See (d) below)	1,595,895	14,504	1,546,113	33,329	238	18	1,693
Cleveland (See (d) below)	2,060,890	21,039	1,991,588	45,492	359	18	2,394
Detroit (Michigan)	3,023,501	28,639	2,924,227	66,713	423	17	3,482
Indianapolis (Indiana)	1,778,423	11,404	1,728,409	35,834	240	14	2,522
Louisville (Kentucky)	1,060,997	8,513	1,028,739	22,207	159	6	1,373
Parkersburg (West Virginia)	540,173	4,929	522,821	11,637	70	1	715
Midwest Region	**10,284,076**	**121,168**	**9,872,273**	**253,134**	**1,984**	**139**	**15,378**
Aberdeen (South Dakota)	207,088	2,661	197,872	5,866	53	11	625
Chicago (See (b) below)	2,959,188	29,680	2,849,343	76,728	568	52	2,817
Des Moines (Iowa)	870,719	14,564	833,654	20,544	189	12	1,756
Fargo (North Dakota)	208,451	2,941	198,299	6,524	52	4	641
Milwaukee (Wisconsin)	1,580,626	18,428	1,522,840	36,741	184	16	2,417
Omaha (Nebraska)	508,058*	8,656	483,464	14,255	156	9	1,318
St. Louis (Missouri)	1,579,245	18,145	1,518,183	39,245	302	15	2,354
St. Paul (Minnesota)	1,408,214	16,059	1,356,524	33,093	284	9	2,245
Springfield (See (b) below)	942,477	9,834	911,094	20,137	196	11	1,205
Southwest Region	**10,836,152**	**137,456**	**10,325,543**	**352,725**	**1,735**	**139**	**18,554**
Albuquerque (New Mexico)	453,918	4,479	436,280	12,526	63	4	566
Austin (See (f) below)	1,707,860	16,749	1,634,779	51,186	228	26	2,892
Cheyenne (Wyoming)	174,022	3,619	163,510	6,374	48	4	467
Dallas (See (f) below)	2,191,674	28,621	2,078,865	79,792	365	34	3,997
Denver (Colorado)	1,111,506	15,031	1,058,424	36,340	194	7	1,510
Houston (See (f) below)	1,383,623	17,702	1,314,611	48,634	172	13	2,291
Little Rock (Arkansas)	654,989	6,295	628,469	18,914	65	11	1,235
New Orleans (Louisiana)	1,365,647	16,386	1,303,168	43,765	227	15	2,086
Oklahoma City (Oklahoma)	1,027,024	14,777	977,274	32,888	224	12	1,849
Wichita (Kansas)	765,869	11,797	729,963	22,306	149	13	1,661
Western Region	**14,042,033**	**161,141**	**13,431,698**	**427,626**	**3,280**	**119**	**18,169**
Anchorage (Alaska)	181,283	2,285	171,430	7,243	25	—	300
Boise (Idaho)	285,157	3,607	271,988	8,677	55	4	826
Helena (Montana)	294,422	5,176	249,358	8,942	77	4	865
Honolulu (Hawaii)	372,186	4,884	358,405	6,563	71	7	256
Laguna Niguel (See (a) below)	2,385,819	22,260	2,292,727	68,404	416	17	1,995
Los Angeles (See (a) below)	2,309,202	29,902	2,197,096	79,326	759	16	2,103
Phoenix (Arizona)	974,265	9,863	934,389	29,011	150	10	842
Portland (Oregon)	936,547	12,534	896,899	24,684	206	9	2,215
Reno (Nevada)	329,772	3,473	315,926	9,886	74	5	406
Sacramento (See (a) below)	1,324,865	13,768	1,269,220	39,837	289	10	1,741
Salt Lake City (Utah)	469,747	4,392	451,411	13,316	41	4	581
San Francisco (See (a) below)	1,146,772	13,194	1,098,820	34,593	552	16	1,597
San Jose (See (a) below)	1,601,345	17,241	1,531,105	50,862	326	6	1,805
Seattle (Washington)	1,458,651	18,562	1,392,924	44,280	239	11	2,635
Other miscellaneous refunds	**112,479**	**-84,108**	**140,121**	**54,940**	**104**	**9**	**1,414**
Gasoline, lubricating oil and excess FICA credits[1]	0	0	0	—	0	0	—
U.S.-Customs Service	0	0	0	0	0	0	—
Earned income credit offsets[1]	0	0	0	0	0	0	0
Refund reversals unclassified[2]	112,479	-84,108	140,121	54,940	104	9	1,414
Totals for states not shown above							
(a) California	8,770,003	96,365	8,388,968	273,022	2,342	65	9,241
(b) Illinois	3,901,665	39,514	3,760,437	96,865	764	63	4,022
(c) New York	5,870,142	51,467	5,631,035	179,903	1,306	70	6,361
(d) Ohio	3,656,785	35,543	3,537,701	78,821	597	36	4,087
(e) Pennsylvania	3,912,289	25,808	3,800,046	81,795	472	11	4,157
(f) Texas	5,283,157	65,072	5,026,455	179,612	765	73	9,180

[1]In table 4, Amount of internal revenue refunds including interest, refund amounts are given for these credits. Where a dash (-) is shown on this table, the number of these types of refunds that were issued is counted above by district along with all of the other refunds issued. Where a zero (0) is shown, there are no refunds for these types of taxes.

[2]Includes refunds issued in September 1984 minus refund reversals received in September 1984 that were not classified by district before Sept. 30, 1984 (the end of the fiscal year). For accounting and comparative purposes, the data included in this table must agree with the actual transactions affecting the refund and interest appropriation accounts for the fiscal year.

Table 6.—Number of returns filed by internal revenue regions and districts, states and other areas

Internal revenue regions and districts, states and other areas. (States represented by single districts indicated in parentheses; totals for other states shown at bottom of table.)	Total tax returns	Individual income tax	Estimated tax	Fiduciary	Partnership	Corporation income tax	Estate tax
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
United States, total	**172,512,069**	**96,288,117**	**32,596,937**	**2,012,805**	**1,663,237**	**3,129,076**	**89,798**
North-Atlantic Region	**23,711,357**	**12,941,657**	**4,672,374**	**372,704**	**176,908**	**522,386**	**12,720**
Albany (See (c) below)	1,513,764	885,410	285,886	12,810	10,527	25,680	697
Augusta (Maine)	838,746	474,054	152,548	11,056	4,633	13,810	293
Boston (Massachusetts)	4,671,276	2,635,761	928,841	97,848	24,955	90,494	2,617
Brooklyn (See (c) below)	4,996,363	2,819,868	1,040,104	25,718	33,198	118,408	2,223
Buffalo (See (c) below)	3,091,970	1,831,205	580,755	40,142	22,061	44,838	1,439
Burlington (Vermont)	425,484	217,586	82,521	5,587	3,384	9,052	166
Hartford (Connecticut)	2,739,644	1,488,512	574,346	47,855	23,444	51,364	1,691
Manhattan (See (c) below)	3,915,661	1,734,686	741,951	111,698	45,426	137,807	2,929
Portsmouth (New Hampshire)	780,838	438,330	149,225	8,318	4,928	13,335	329
Providence (Rhode Island)	737,809	418,463	136,397	11,670	4,352	17,498	336
Mid-Atlantic Region	**23,772,723**	**13,849,675**	**4,608,039**	**282,265**	**180,828**	**408,336**	**10,085**
Baltimore (Maryland & D.C.)	3,790,061	2,227,632	670,949	42,537	32,123	63,969	1,772
Foreign Operations	672,763	396,606	173,691	893	1,567	10,842	368
Puerto Rico	302,427	83,477	51,524	145	158	704	20
Other	570,336	313,129	122,167	748	1,409	10,138	348
Newark (New Jersey)	6,328,846	3,562,840	1,247,836	57,253	50,330	149,022	2,795
Philadelphia (See (e) below)	5,380,108	3,082,534	1,152,620	96,126	39,632	76,583	2,285
Pittsburgh (See (e) below)	3,040,753	1,791,883	630,161	39,934	22,929	33,358	973
Richmond (Virginia)	3,892,063	2,324,937	646,378	36,362	31,019	62,707	1,636
Wilmington (Delaware)	468,129	263,243	88,404	9,160	3,028	11,855	256
Southeast Region	**25,892,577**	**14,616,588**	**4,823,187**	**220,463**	**192,267**	**485,688**	**11,922**
Atlanta (Georgia)	3,752,185	2,247,309	533,139	26,934	27,367	65,712	1,258
Birmingham (Alabama)	2,323,729	1,415,228	343,158	19,560	16,533	33,333	712
Columbia (South Carolina)	2,010,726	1,218,832	304,497	12,798	15,028	32,878	873
Greensboro (North Carolina)	4,032,734	2,439,658	608,301	29,905	30,180	56,892	1,569
Jackson (Mississippi)	1,471,180	866,031	223,465	8,218	11,534	21,797	582
Jacksonville (Florida)	9,370,864	4,835,091	2,383,087	99,702	63,454	225,303	5,764
Nashville (Tennessee)	2,931,159	1,796,439	427,540	23,346	28,171	39,773	1,164
Central Region	**20,441,198**	**12,049,045**	**3,638,998**	**239,938**	**167,650**	**330,436**	**8,392**
Cincinnati (See (d) below)	3,118,970	1,833,828	575,944	40,316	26,593	44,506	1,450
Cleveland (See (d) below)	4,338,392	2,508,882	831,551	53,675	33,542	68,898	1,960
Detroit (Michigan)	6,012,532	3,568,506	1,004,935	64,378	53,869	104,527	2,094
Indianapolis (Indiana)	3,660,807	2,175,952	669,199	48,352	23,985	61,044	1,653
Louisville (Kentucky)	2,207,232	1,306,226	368,426	22,540	20,279	34,436	834
Parkersburg (West Virginia)	1,103,265	655,551	188,943	10,677	9,382	16,925	391
Midwest Region	**23,400,963**	**12,786,104**	**4,919,308**	**350,499**	**217,955**	**404,432**	**16,373**
Aberdeen (South Dakota)	536,982	278,962	111,244	5,404	5,935	8,057	456
Chicago (See (b) below)	6,237,635	3,523,919	1,264,247	114,278	60,177	117,414	3,543
Des Moines (Iowa)	2,275,195	1,159,039	549,772	39,396	21,887	40,438	2,705
Fargo (North Dakota)	546,559	279,156	111,946	5,907	6,073	8,534	605
Milwaukee (Wisconsin)	3,556,540	1,949,953	735,545	55,946	30,260	59,675	1,744
Omaha (Nebraska)	1,276,721	664,821	260,053	16,262	14,126	25,359	1,373
St. Louis (Missouri)	3,673,188	1,995,252	800,180	46,532	28,629	63,840	1,934
St. Paul (Minnesota)	3,084,599	1,723,152	572,999	35,071	33,240	55,390	2,032
Springfield (See (b) below)	2,213,544	1,211,840	513,322	29,703	17,628	25,725	1,981
Southwest Region	**23,484,039**	**13,056,988**	**3,766,883**	**221,488**	**290,117**	**439,752**	**12,447**
Albuquerque (New Mexico)	940,704	549,569	141,999	6,852	10,206	14,604	366
Austin (See (f) below)	3,422,480	1,967,197	516,964	31,508	38,785	50,166	1,657
Cheyenne (Wyoming)	397,146	206,902	63,895	3,314	6,162	8,616	235
Dallas (See (f) below)	4,910,605	2,676,467	778,862	55,022	74,242	88,057	2,628
Denver (Colorado)	2,520,301	1,385,714	413,752	27,221	41,800	54,718	1,306
Houston (See (f) below)	2,838,130	1,625,171	384,864	27,017	38,773	60,548	1,206
Little Rock (Arkansas)	1,461,346	818,335	260,421	11,032	12,476	23,961	592
New Orleans (Louisiana)	2,775,152	1,606,806	414,092	14,481	20,110	62,298	1,074
Oklahoma City (Oklahoma)	2,311,462	1,247,364	403,561	21,682	29,496	44,525	1,678
Wichita (Kansas)	1,906,713	991,703	408,573	23,349	18,067	32,259	1,703
Western Region	**31,809,212**	**17,186,060**	**6,168,048**	**325,448**	**437,712**	**538,045**	**17,859**
Anchorage (Alaska)	401,268	233,681	34,589	1,084	6,901	7,316	123
Boise (Idaho)	667,892	361,732	113,936	5,354	9,726	12,787	373
Helena (Montana)	670,462	335,248	122,870	5,698	8,778	13,201	461
Honolulu (Hawaii)	789,737	448,974	125,008	7,949	8,740	18,711	437
Laguna Niguel (See (a) below)	5,337,884	2,984,016	1,099,127	41,728	74,106	84,781	2,674
Los Angeles (See (a) below)	5,190,827	2,771,866	921,271	78,960	78,363	105,963	3,404
Phoenix (Arizona)	2,209,266	1,203,483	449,917	25,318	24,418	40,741	1,128
Portland (Oregon)	2,103,854	1,085,829	425,936	20,133	25,347	36,482	1,129
Reno (Nevada)	707,998	414,127	105,191	6,050	8,743	15,004	288
Sacramento (See (a) below)	3,230,864	1,688,936	736,194	21,722	43,088	41,042	1,690
Salt Lake City (Utah)	957,715	557,826	121,650	13,879	19,240	20,470	306
San Francisco (See (a) below)	2,489,256	1,277,912	528,027	35,421	31,034	34,624	2,370
San Jose (See (a) below)	3,692,741	2,021,620	738,245	31,307	55,706	51,771	2,050
Seattle (Washington)	3,359,428	1,800,810	646,087	30,845	43,522	55,153	1,428
Totals for states not shown above							
(a) California	19,941,572	10,744,350	4,022,864	209,138	282,297	318,181	12,188
(b) Illinois	8,451,178	4,735,759	1,777,569	143,961	77,805	143,139	5,524
(c) New York	13,517,758	7,270,949	2,646,696	190,368	111,212	326,733	7,288
(d) Ohio	7,457,362	4,342,810	1,407,495	93,991	60,135	113,504	3,420
(e) Pennsylvania	8,420,861	4,874,417	1,782,781	136,060	62,561	109,941	3,258
(f) Texas	11,171,215	6,268,835	1,660,690	113,547	151,800	198,771	5,491

Column contents:
(2) Includes Forms 1040, 1040A, 1040EZ, 1040NR, 1040SS-PR and 1040C.
(3) Shows the number of 1040ES documents filed. Commissioner's Annual Reports prior to 1981 showed the number of filers.
(4) Form 1041.
(5) Form 1065.
(6) Includes Forms 1120, 1120L, 1120M, 1120S, 1120POL, 1120F and 1120H.
(7) Includes Forms 706 and 706NA.

Table 6.—Continued

Internal revenue regions and districts, states and other areas. (States represented by single districts indicated in parentheses; totals for other states shown at bottom of table.)	Gift tax	Employment taxes	Exempt organizations	Employee plans	ATF returns	Excise taxes	Supplemental documents	Non-master file returns
	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
United States, total	**87,216**	**26,132,805**	**393,244**	**954,824**	**551,714**	**693,790**	**7,886,979**	**31,527**
North-Atlantic Region	**13,822**	**3,614,341**	**63,562**	**157,672**	**62,480**	**70,887**	**1,026,931**	**3,313**
Albany (See (c) below)	890	209,218	3,817	7,917	6,565	6,601	57,822	124
Augusta (Maine)	439	133,830	2,339	3,799	4,480	6,313	30,943	109
Boston (Massachusetts)	3,020	647,282	12,848	29,048	9,650	13,046	175,533	533
Brooklyn (See (c) below)	1,520	695,666	5,953	23,731	7,851	6,970	212,830	523
Buffalo (See (c) below)	2,187	409,059	7,993	19,857	12,082	12,743	107,280	329
Burlington (Vermont)	178	80,708	1,380	2,177	2,376	2,312	18,010	45
Hartford (Connecticut)	1,984	386,871	7,409	19,258	8,133	8,042	120,237	498
Manhattan (See (c) below)	2,695	819,104	18,142	42,695	6,802	6,452	244,413	881
Portsmouth (New Hampshire)	375	118,727	2,039	4,115	2,504	4,065	34,440	106
Providence (Rhode Island)	334	113,876	1,642	5,075	2,037	2,143	25,623	163
Mid-Atlantic Region	**5,268**	**3,357,435**	**49,353**	**117,894**	**56,136**	**70,012**	**954,289**	**20,488**
Baltimore (Maryland & D.C.)	1,447	540,466	9,755	17,837	6,470	9,910	162,987	207
Foreign Operations	94	175,843	444	792	300	659	92,424	16,500
Puerto Rico	15	163,005	94	501	285	63	2,430	6
Other	79	12,638	350	231	15	596	89,994	18,494
Newark (New Jersey)	2,238	904,462	11,388	37,037	12,319	15,111	275,309	906
Philadelphia (See (e) below)	1,518	691,217	12,279	26,739	13,045	17,711	167,572	247
Pittsburgh (See (e) below)	833	385,437	6,805	16,181	10,362	13,790	87,919	208
Richmond (Virginia)	1,905	591,951	7,096	16,976	10,178	11,246	149,489	183
Wilmington (Delaware)	253	68,259	1,586	2,212	1,462	1,585	18,589	237
Southeast Region	**13,576**	**4,149,887**	**40,625**	**102,873**	**59,063**	**83,490**	**1,079,882**	**1,885**
Atlanta (Georgia)	1,709	635,765	6,360	16,438	8,924	13,898	166,147	225
Birmingham (Alabama)	1,077	386,712	3,985	8,223	6,374	9,502	79,239	93
Columbia (South Carolina)	1,127	332,442	3,247	7,061	5,656	8,382	69,848	77
Greensboro (North Carolina)	2,470	666,568	7,439	17,562	11,292	12,578	138,122	198
Jackson (Mississippi)	626	251,823	2,423	4,851	6,694	6,993	54,126	17
Jacksonville (Florida)	5,331	1,391,184	12,055	36,172	20,007	20,006	472,572	1,136
Nashville (Tennessee)	1,236	475,373	5,317	12,566	8,116	12,151	99,828	139
Central Region	**8,814**	**2,932,618**	**53,862**	**116,188**	**74,846**	**81,359**	**738,010**	**1,042**
Cincinnati (See (d) below)	1,444	432,184	8,878	19,102	9,369	8,622	116,300	224
Cleveland (See (d) below)	2,018	603,454	11,454	27,045	15,471	14,262	165,930	250
Detroit (Michigan)	2,226	670,633	13,801	39,904	24,404	22,573	240,358	326
Indianapolis (Indiana)	1,685	507,210	12,175	17,818	12,041	17,205	112,344	144
Louisville (Kentucky)	1,038	350,200	4,631	9,449	8,153	11,391	69,560	69
Parkersburg (West Virginia)	403	168,937	2,923	4,870	5,408	7,306	31,520	29
Midwest Region	**15,749**	**3,472,532**	**69,145**	**153,626**	**97,121**	**117,519**	**778,983**	**1,617**
Aberdeen (South Dakota)	571	93,651	1,892	2,458	3,338	5,589	19,380	45
Chicago (See (b) below)	2,842	833,143	14,815	48,939	15,073	11,942	226,665	618
Des Moines (Iowa)	1,527	358,992	8,103	13,271	9,012	13,811	57,157	85
Fargo (North Dakota)	775	97,191	2,187	3,016	2,758	8,328	22,059	24
Milwaukee (Wisconsin)	3,219	533,849	10,635	26,567	23,895	18,235	107,003	214
Omaha (Nebraska)	1,535	216,621	3,975	6,484	5,938	13,900	46,203	81
St. Louis (Missouri)	1,641	552,893	10,437	20,173	17,584	16,737	115,189	157
St. Paul (Minnesota)	2,434	464,335	10,531	20,197	10,444	21,550	132,902	322
Springfield (See (b) below)	1,205	322,057	6,570	12,521	9,079	9,527	52,315	71
Southwest Region	**13,277**	**3,855,722**	**47,991**	**92,864**	**87,853**	**138,052**	**1,481,915**	**890**
Albuquerque (New Mexico)	445	154,392	2,099	3,048	2,941	4,730	49,233	20
Austin (See (f) below)	2,184	547,601	6,794	10,119	14,552	17,668	217,146	139
Cheyenne (Wyoming)	460	73,765	1,245	1,793	2,512	4,070	24,166	11
Dallas (See (f) below)	2,504	824,343	9,220	19,893	13,639	30,544	335,018	166
Denver (Colorado)	1,608	411,454	7,183	14,181	7,692	11,785	162,096	139
Houston (See (f) below)	1,176	441,389	4,243	13,208	11,518	12,940	235,944	133
Little Rock (Arkansas)	768	243,755	2,942	4,633	6,129	12,179	84,018	105
New Orleans (Louisiana)	1,179	476,033	4,436	9,961	11,905	14,354	136,383	40
Oklahoma City (Oklahoma)	1,489	371,597	4,578	7,945	8,883	13,947	154,752	64
Wichita (Kansas)	1,462	311,393	5,150	8,103	7,784	13,935	83,159	73
Western Region	**13,890**	**4,750,290**	**68,605**	**211,907**	**105,415**	**134,671**	**1,848,969**	**2,292**
Anchorage (Alaska)	115	83,417	1,161	1,870	2,921	2,724	45,374	12
Boise (Idaho)	318	115,687	1,886	3,377	3,331	6,624	32,742	19
Helena (Montana)	930	122,449	2,267	3,572	5,125	7,563	42,284	16
Honolulu (Hawaii)	858	115,563	1,589	6,314	2,286	1,691	51,608	9
Laguna Niguel (See (a) below)	1,433	731,536	8,753	33,469	10,447	12,685	253,129	—
Los Angeles (See (a) below)	1,552	812,713	10,426	46,705	9,311	9,835	339,617	641
Phoenix (Arizona)	1,005	310,557	4,228	10,496	6,504	7,200	124,169	102
Portland (Oregon)	1,733	328,131	5,428	12,966	13,468	14,353	132,722	197
Reno (Nevada)	327	101,723	1,260	3,808	2,360	5,102	43,954	65
Sacramento (See (a) below)	1,196	481,813	6,931	20,555	12,098	13,742	161,857	—
Salt Lake City (Utah)	525	149,920	1,969	5,647	2,335	5,680	58,239	29
San Francisco (See (a) below)	1,034	342,938	6,103	19,432	13,162	4,412	192,144	643
San Jose (See (a) below)	1,521	556,481	7,655	25,523	10,821	14,740	173,301	—
Seattle (Washington)	1,343	515,362	8,949	18,175	11,246	26,320	197,829	359
Totals for states not shown above								
(a) California	6,736	2,927,481	39,868	145,684	55,839	55,414	1,120,048	1,484
(b) Illinois	4,047	1,155,200	21,385	61,460	24,152	21,469	279,000	689
(c) New York	7,292	2,133,047	35,905	94,200	33,300	34,766	622,145	1,857
(d) Ohio	3,482	1,035,638	20,332	46,147	24,840	22,884	282,230	474
(e) Pennsylvania	2,351	1,076,654	19,084	42,900	23,407	31,501	255,491	455
(f) Texas	5,866	1,813,333	20,257	43,220	39,707	61,152	788,108	438

Column contents:
(8) Form 709.
(9) Includes Forms 940, 940PR, 941, 941PR & SS, 941E, 942, 942PR, 943, 943PR & SS and CT-1.
(10) Includes Forms 990, 990PF, 990T, 990C, 5227 and 4720.
(11) Includes Forms 5500, 5500C, 5500G, 5500K and 5500R.
(12) Includes Forms 7, 8, 11, 4705, 4706, 4707, 4708, alcohol excise tax returns and tobacco excise tax returns.
(13) Includes Forms 720, 730, 2290, 11C and 4638.
(14) Includes Forms 1040X, 1120X, 2688, 4868, 7004, 7005 and 1041A.
(15) Includes Forms 720M, 941M, 941NMI, CT-2, 990BL, 1042 and 1120DISC.

Table 7.—Returns filed, examination coverage and results (1984)

	Returns filed CY 1983	Returns examined: Revenue agents	Tax auditors	Service centers	Total	Percent coverage
Individual, total	**95,541,300**	**276,182**	**859,351**	**80,394**	**1,215,927**	**1.27**
1040A, TPI[1] under $10,000	21,899,000	6,929	51,061	5,229	63,219	0.29
Non 1040A, TPI under $10,000	9,457,600	6,289	31,333	4,240	43,862	0.46
TPI $10,000 under $25,000, simple	20,315,700	9,875	107,024	10,373	127,272	0.63
TPI $10,000 under $25,000, complex	10,429,000	23,499	115,433	16,868	155,800	1.49
TPI $25,000 under $50,000	22,243,100	50,549	380,049	26,330	456,928	2.05
TPI $50,000 and over	5,531,300	105,816	105,703	9,900	221,419	4.00
Schedule C-TGR[2] under $25,000	1,839,400	8,527	16,436	1,265	26,228	1.43
Schedule C-TGR $25,000 under $100,000	1,843,500	18,905	25,802	2,600	47,107	2.56
Schedule C-TGR $100,000 and over	946,100	31,677	16,355	1,880	50,112	5.30
Schedule F-TGR under $25,000	311,100	2,049	2,658	356	5,263	1.69
Schedule F-TGR $25,000 under $100,000	489,700	3,937	4,422	709	9,068	1.85
Schedule F-TGR $100,000 and over	235,800	5,930	3,075	644	9,649	4.09
Fiduciary	**2,019,500**	**9,462**	**236**		**9,698**	**0.48**
Partnerships	**1,593,500**	**24,940**	**146**		**25,086**	**1.57**
Corporation, total[3]	**2,475,330**	**65,803**			**65,803**	**2.66**
Assets not reported	169,200	2,872			2,872	1.70
Under $100,000[4]	1,272,400	14,309			14,309	1.12
$100,000 under $1 mil	821,400	21,252			21,252	2.59
$1 mil under $10 mil	161,100	14,979			14,979	9.30
$10 mil under $100 mil	30,700	7,758			7,758	25.27
$100 mil and over	6,530	4,633			4,633	70.95
Small business corporations	**616,700**	**6,295**			**6,295**	**1.02**
Form 1120 DISC	**12,400**	**1,058**			**1,058**	**8.53**
Estate, total	**106,400**	**18,238**			**18,238**	**17.14**
Gross estate under $1 mil	96,200	12,974			12,974	13.49
Gross estate $1 mil under $5 mil	9,500	4,738			4,738	49.87
Gross estate $5 mil and over	713	526			526	73.77
Gift	**93,300**	**2,080**			**2,080**	**2.23**
Income, estate and gift, total	102,458,443	404,058	859,733	80,394	1,344,185	1.31
Excise	**1,063,300**	**44,154**	**140**		**44,294**	**4.17**
Employment	**25,749,000**	**17,764**	**2,499**		**20,263**	**0.08**
Windfall profit	**13,700**	**2,414**	**22**	**7,355**	**9,791**	**71.47**
Miscellaneous		**254**			**254**	
Service center corrections				**680,732**	**680,732**	

Note: Totals may not add due to rounding.
[1]Total positive income.
[2]Total gross receipts.
[3]Includes 14,200 Forms 1120F not allocated to corporation classes.
[4]Balance sheet assets.

Table 7.—Continued

Recommended additional tax and penalties (in millions of dollars): Revenue agents	Tax auditors	Service centers	Total	Average tax and penalty per return: Revenue agents	Tax auditors	Service centers	No-change percent[5]: Revenue agents	Tax auditors	
3,199	**1,129**	**56**	**4,384**	**11,584**	**1,314**	**692**	**10**	**18**	**Individual, total**
83	44	4	131	12,041	860	674	9	15	1040A, TPI[1] under $10,000
37	20	1	58	4,463	626	343	13	28	Non 1040A, TPI under $10,000
41	78	10	129	4,119	730	984	14	20	TPI $10,000 under $25,000, simple
90	93	11	193	3,820	804	645	14	15	TPI $10,000 under $25,000, complex
228	332	14	575	4,512	874	547	12	17	TPI $25,000 under $50,000
1,765	392	8	2,165	16,679	3,713	818	8	21	TPI $50,000 and over
54	19	1	74	6,347	1,156	836	13	16	Schedule C-TGR[2] under $25,000
140	55	4	199	7,401	2,159	1,472	10	17	Schedule C-TGR $25,000 under $100,000
667	83	2	752	20,917	5,094	907	10	20	Schedule C-TGR $100,000 and over
18	1		19	8,608	393	172	26	27	Schedule F-TGR under $25,000
12	4		16	2,991	939	261	15	22	Schedule F-TGR $25,000 under $100,000
65	8		73	10,930	2,448	390	12	23	Schedule F-TGR $100,000 and over
90	**3**		**93**	**9,479**	**13,118**		**13**	**14**	**Fiduciary**
							30	**16**	**Partnerships**
8,370			**8,370**	**127,195**			**17**		**Corporation, total[3]**
98			98	34,200			16		Assets not reported
48			48	3,381			23		Under $100,000[4]
124			124	5,838			20		$100,000 under $1 mil
345			345	23,040			15		$1 mil under $10 mil
613			613	79,049			10		$10 mil under $100 mil
7,141			7,141	1,541,280			3		$100 mil and over
75			**75**	**11,846**			**31**		**Small business corporations**
				0			**33**		**Form 1120 DISC**
804			**804**	**44,060**			**9**		**Estate, total**
283			283	21,798			10		Gross estate under $1 mil
268			268	56,604			8		Gross estate $1 mil under $5 mil
253			253	480,168			7		Gross estate $5 mil and over
52			**52**	**24,884**			**16**		**Gift**
12,589	1,133	56	13,777	27,874	1,317	692	13	16	Income, estate and gift, total
65			**65**	**1,465**	**255**		**13**	**1**	**Excise**
69	**2**		**70**	**3,867**	**627**		**12**	**12**	**Employment**
391		**6**	**397**	**161,973**	**75**	**853**	**31**	**9**	**Windfall profit**
2			**2**	**8,370**			**3**		**Miscellaneous**
		415	**415**			**610**			**Service center corrections**

[5]Service center no-change rate by class is not available. Service center examinations resulted in a 16-percent no-change.

Table 8.—Returns filed, examination coverage and results (1983)

	Returns filed CY 1982	Returns examined: Revenue agents	Tax auditors	Service centers	Total	Percent coverage
Individual, total	**95,419,000**	**277,945**	**1,001,865**	**147,850**	**1,427,660**	**1.50**
1040A, TPI[1] under $10,000	25,168,000	7,929	66,799	6,910	81,638	.32
Non 1040A, TPI under $10,000	7,862,000	6,517	37,735	14,790	61,042	.78
TPI $10,000 under $25,000, simple	21,412,000	8,365	115,367	13,085	136,817	.64
TPI $10,000 under $25,000, complex	10,663,000	22,149	167,305	39,482	228,936	2.15
TPI $25,000 under $50,000	20,332,000	48,032	436,905	45,983	530,920	2.61
TPI $50,000 and over	4,425,000	105,733	96,882	15,723	218,338	4.93
Schedule C-TGR[2] under $25,000	1,756,000	8,930	17,496	2,137	28,563	1.63
Schedule C-TGR $25,000 under $100,000	1,797,000	21,867	32,498	4,528	58,893	3.28
Schedule C-TGR $100,000 and over	945,000	36,938	18,287	2,624	57,849	6.12
Schedule F-TGR under $25,000	326,000	1,100	3,150	713	4,963	1.52
Schedule F-TGR $25,000 under $100,000	501,000	2,952	8,001	1,184	10,137	2.02
Schedule F-TGR $100,000 and over	231,000	5,433	3,440	691	9,564	4.14
Fiduciary	**1,962,000**	**7,982**	**321**	**—**	**8,303**	**.42**
Partnerships	**1,499,000**	**35,737**	**378**	**—**	**36,115**	**2.41**
Corporation, total[3]	**2,364,000**	**85,980**	**—**	**—**	**85,980**	**3.64**
Assets not reported	140,000	3,893	—	—	3,893	2.77
Under $100,000[4]	1,092,000	21,418	—	—	21,418	1.96
$100,000 under $1 mil	887,000	30,617	—	—	30,617	3.45
$1 mil under $10 mil	193,000	19,139	—	—	19,139	9.90
$10 mil under $100 mil	32,000	7,096	—	—	7,096	22.47
$100 mil and over	6,600	3,815	—	—	3,815	57.83
Small business corporations	**567,000**	**7,428**	**—**	**—**	**7,428**	**1.31**
Form 1120 DISC	**13,000**	**1,416**	**—**	**—**	**1,416**	**10.61**
Estate, total	**127,000**	**21,517**	**—**	**—**	**21,517**	**16.94**
Gross estate under $1 mil	119,000	15,873	—	—	15,873	13.36
Gross estate $1 mil under $5 mil	6,000	5,120	—	—	5,120	66.87
Gross estate $5 mil and over	1,000	524	—	—	524	90.81
Gift	**84,000**	**3,028**	**—**	**—**	**3,028**	**3.59**
Income, estate and gift, total	102,037,000	441,033	1,002,564	147,850	1,591,447	1.56
Excise	**798,000**	**51,348**	**587**	**—**	**51,935**	**6.51**
Employment	**25,736,000**	**22,766**	**3,136**	**—**	**25,902**	**.10**
Windfall profit	**13,000**	**3,901**	**43**	**2,667**	**6,611**	**50.85**
Miscellaneous	**—**	**127**	**—**	**—**	**127**	**—**
Service center corrections	**—**	**—**	**—**	**930,215**	**930,215**	**—**

Note: Totals may not add due to rounding.
[1]Total positive income.
[2]Total gross receipts.
[3]Includes 13,000 Forms 1120F not allocated to corporation classes.
[4]Balance sheet assets.

Table 8.—Continued

Recommended additional tax and penalties (In millions of dollars): Revenue agents	Tax auditors	Service centers	Total	Average tax and penalty per return: Revenue agents	Tax auditors	Service centers	No-change percent[5]: Revenue agents	Tax auditors	
2,848	**992**	**47**	**3,887**	**10,248**	**990**	**316**	**10**	**19**	**Individual, total**
77	38	2	117	9,676	571	341	13	17	1040A, TPI[1] under $10,000
42	18	3	63	4,947	479	217	11	25	Non 1040A, TPI under $10,000
32	76	3	111	3,835	655	230	11	20	TPI $10,000 under $25,000, simple
85	109	11	205	3,821	652	286	11	15	TPI $10,000 under $25,000, complex
172	331	15	518	3,582	758	330	10	19	TPI $25,000 under $50,000
1,572	273	7	1,853	14,871	2,822	439	8	25	TPI $50,000 and over
55	18	1	74	6,144	1,057	320	12	18	Schedule C-TGR[2] under $25,000
163	57	2	222	7,462	1,758	390	10	19	Schedule C-TGR $25,000 under $100,000
551	58	2	611	14,930	3,177	618	13	23	Schedule C-TGR $100,000 and over
13	2	—	15	11,641	579	215	14	27	Schedule F-TGR under $25,000
12	5	—	17	4,047	837	212	13	23	Schedule F-TGR $25,000 under $100,000
74	6	—	81	13,652	1,862	380	12	25	Schedule F-TGR $100,000 and over
61	**1**	**—**	**62**	**7,689**	**2,097**	**—**	**20**	**27**	**Fiduciary**
—	**—**	**—**	**—**	**—**	**—**	**—**	**49**	**—**	**Partnerships**
7,601	**—**	**—**	**7,601**	**88,398**	**—**	**—**	**19**	**—**	**Corporation, total[3]**
204	—	—	204	52,375	—	—	19	—	Assets not reported
53	—	—	52	2,481	—	—	24	—	Under $100,000[4]
178	—	—	178	5,808	—	—	22	—	$100,000 under $1 mil
464	—	—	464	24,249	—	—	15	—	$1 mil under $10 mil
561	—	—	561	79,096	—	—	9	—	$10 mil under $100 mil
6,140	—	—	6,140	1,609,472	—	—	3	—	$100 mil and over
75	**—**	**—**	**75**	**10,097**	**—**	**—**	**32**	**—**	**Small business corporations**
—	**—**	**—**	**—**	**—**	**—**	**—**	**35**	**—**	**Form 1120 DISC**
1,322	**—**	**—**	**1,322**	**61,446**	**—**	**—**	**8**	**—**	**Estate, total**
220	—	—	220	13,835	—	—	9	—	Gross estate under $1 mil
296	—	—	296	57,806	—	—	7	—	Gross estate $1 mil under $5 mil
807	—	—	807	1,539,320	—	—	7	—	Gross estate $5 mil and over
67	**—**	**—**	**67**	**22,070**	**—**	**—**	**21**	**—**	**Gift**
11,924	993	47	13,014	27,150	—	316	15	19	Income, estate and gift, total
78	**—**	**—**	**78**	**1,515**	**453**	**—**	**15**	**2**	**Excise**
129	**2**	**—**	**131**	**5,671**	**629**	**—**	**13**	**8**	**Employment**
451	**—**	**1**	**452**	**115,581**	**29**	**412**	**44**	**5**	**Windfall profit**
9	**—**	**—**	**9**	**70,914**	**—**	**—**	**21**	**—**	**Miscellaneous**
—	**—**	**420**	**420**	**—**	**—**	**451**	**—**	**—**	**Service center corrections**

[5]Service center no-change rate by class is not available. Service center examinations resulted in a 19-percent no-change.

Table 9.—Additional tax and penalties recommended after examination by class of tax and by internal revenue regions and districts and other areas

(In thousands of dollars)

Internal revenue regions, districts and service centers	Total	Individual	Fiduciary	Corporation	Subchapter S corporation	Estate	Gift	Excise	Employment	Exempt organizations	Windfall profit	Miscellaneous
Total	14,345,666	4,384,395	92,785	8,369,799	74,571	804,259	51,758	64,721	70,248	33,266	397,715	2,146
North-Atlantic	3,268,480	564,981	38,473	2,506,129	7,399	146,938	3,592	4,698	13,627	1,948	495	—
Mid-Atlantic	1,740,774	470,802	2,035	1,138,962	11,894	71,161	11,084	12,998	14,721	326	6,791	—
Southeast	1,418,825	795,994	26,331	501,478	10,521	80,488	1,825	10,851	7,462	3,478	399	—
Central	1,265,980	306,694	1,787	928,707	5,678	91,186	3,977	13,383	4,399	5,464	1,703	2
Midwest	1,616,793	509,876	11,486	968,662	6,550	69,820	17,908	4,244	10,053	15,143	1,011	—
Southwest	2,436,927	652,090	3,368	1,199,796	9,522	149,152	8,335	11,783	13,379	3,116	386,383	3
Western	2,577,887	1,083,958	9,328	1,226,065	16,007	215,514	4,977	6,764	6,407	3,793	933	2,141
North-Atlantic Region												
Albany	30,363	15,941	3,382	7,931	11	2,180	37	87	372	—	422	—
Augusta	37,333	9,609	155	25,425	*	1,508	356	194	86	—	—	—
Boston	283,551	54,367	2,230	205,511	789	15,690	878	888	3,198	—	—	—
Brooklyn	175,568	121,219	99	50,813	523	556	—	508	100	1,948	—	—
Buffalo	179,377	47,434	771	102,193	211	25,021	278	315	3,148	—	6	—
Burlington	6,282	3,786	1	4,281	*	104	12	18	62	—	—	—
Hartford	535,788	60,951	1,309	455,862	636	14,593	531	1,555	305	—	26	—
Manhattan	1,938,478	217,523	30,096	1,594,946	5,008	82,998	1,008	993	5,890	—	16	—
Portsmouth	32,793	8,430	358	22,118	—	1,359	452	33	43	—	—	—
Providence	58,486	15,263	72	37,229	223	2,927	40	109	623	—	—	—
Andover Service Center	1,403	1,379	—	—	—	—	—	—	—	—	24	—
Brookhaven Service Center	9,080	9,079	—	—	—	—	—	—	—	—	1	—
Mid-Atlantic Region												
Baltimore	303,762	73,190	215	195,226	469	12,103	1,702	4,625	9,372	125	6,735	—
Foreign Operations	147,426	45,728	—	74,327	—	24,062	26	12	3,271	—	—	—
Newark	609,880	174,610	444	417,265	2,345	12,709	360	1,429	517	201	—	—
Philadelphia	203,130	75,434	927	106,823	7,211	9,450	196	2,269	818	—	—	—
Pittsburgh	156,544	33,176	226	113,512	1,438	5,294	27	2,410	456	—	5	—
Richmond	159,750	60,323	165	81,751	426	6,838	7,748	2,231	220	—	48	—
Wilmington	157,907	5,969	58	150,058	5	705	1,023	22	67	—	—	—
Philadelphia Service Center	2,375	2,372	—	—	—	—	—	—	—	—	3	—
Southeast Region												
Atlanta	261,964	113,433	13,479	110,112	3,694	13,801	826	2,187	754	3,476	—	—
Birmingham	147,685	30,139	166	106,338	46	7,986	495	1,321	1,093	—	99	—
Columbia	35,883	21,287	73	12,969	59	—	—	204	1,391	—	—	—
Greensboro	177,621	46,401	8,840	112,583	80	5,493	122	1,967	2,135	—	—	—
Jackson	33,985	23,009	350	9,560	47	—	—	935	40	—	44	—
Jacksonville	623,454	480,017	3,405	104,235	6,045	25,496	342	2,232	1,863	—	19	—
Nashville	127,909	71,612	18	45,781	350	7,710	38	2,005	386	—	9	—
Atlanta Service Center	6,260	6,186	—	—	—	—	—	—	—	—	74	—
Memphis Service Center	4,064	3,910	—	—	—	—	—	—	—	—	154	—
Central Region												
Cincinnati	286,806	50,642	796	215,161	4,799	6,508	1,634	2,787	260	5,464	755	—
Cleveland	209,511	54,251	301	138,559	1,767	9,341	685	2,540	1,949	—	118	—
Detroit	531,671	100,221	218	397,579	916	23,945	300	6,855	1,003	—	634	—
Indianapolis	101,553	62,301	159	22,832	8	14,046	1,265	530	391	—	17	2
Louisville	102,846	21,619	278	44,584	120	35,213	54	278	539	—	161	—
Parkersburg	27,338	13,421	37	9,992	1,068	2,131	39	393	257	—	—	—
Cincinnati Service Center	4,255	4,239	—	—	—	—	—	—	—	—	16	—
Midwest Region												
Aberdeen	14,482	7,787	18	3,411	1,004	2,058	97	18	89	—	—	—
Chicago	538,500	224,666	9,359	271,902	1,143	13,249	302	355	2,378	15,143	3	—
Des Moines	113,959	29,126	368	71,484	1,703	9,256	873	438	670	—	41	—
Fargo	17,211	8,854	—	5,621	*	2,149	324	208	36	—	19	—
Milwaukee	182,883	42,645	487	133,892	367	3,163	84	1,336	872	—	37	—
Omaha	97,915	24,892	71	61,523	33	5,743	3,934	292	422	—	5	—
St. Louis	343,394	91,685	886	226,831	1,000	13,934	968	1,098	4,352	—	640	—
St. Paul	151,997	43,831	167	92,517	1,699	7,256	5,337	281	689	—	*	—
Springfield	151,109	31,235	90	99,481	1,401	12,012	6,049	218	545	—	78	—
Kansas City Service Center	5,343	5,155	—	—	—	—	—	—	—	—	188	—
Southwest Region												
Albuquerque	23,605	14,144	2	8,333	101	856	17	86	32	—	34	—
Austin	135,457	89,360	730	22,411	387	20,265	640	894	619	—	151	—
Cheyenne	85,851	15,566	—	53,569	92	1,437	40	179	7,736	—	7,032	—
Dallas	425,397	133,040	1,238	223,270	2,953	31,823	438	3,099	705	3,116	25,715	*
Denver	179,183	101,487	121	59,680	89	11,677	4,980	544	559	—	46	—
Houston	908,072	113,107	829	423,484	2,888	33,196	725	1,667	2,449	—	327,727	—
Little Rock	52,412	35,599	217	11,848	*	4,488	85	239	106	—	27	3
New Orleans	227,845	61,544	169	140,364	2,727	21,266	242	746	624	—	163	—
Oklahoma City	244,635	46,985	42	171,200	240	13,819	683	2,265	83	—	7,318	—
Wichita	143,181	30,985	20	85,837	45	10,325	485	2,084	466	—	12,954	—
Austin Service Center	13,489	8,273	—	—	—	—	—	—	—	—	5,216	—
Western Region												
Anchorage	40,064	37,430	385	1,248	198	290	—	97	75	—	—	341
Boise	60,146	15,779	23	40,522	1,417	1,973	23	128	281	—	—	—
Helena	17,141	12,555	4	1,958	465	1,606	214	272	67	—	—	—
Honolulu	39,654	17,742	98	14,084	734	6,716	81	41	170	—	—	—
Laguna Niguel	215,967	141,228	847	51,006	3,565	17,095	329	227	1,383	—	43	264
Los Angeles	909,834	296,154	2,702	580,664	765	23,504	318	3,314	840	1,076	296	1
Phoenix	118,881	78,714	926	12,457	2,129	20,361	674	444	1,809	—	—	1,367
Portland	81,345	45,216	1,116	24,729	409	9,139	29	608	99	—	—	—
Reno	95,732	45,674	32	42,973	2,290	4,277	—	93	114	—	—	79
Sacramento	65,626	48,762	56	8,294	1,297	26,465	543	8	203	—	—	*
Salt Lake City	42,252	31,796	12	6,592	1,417	1,973	7	258	197	—	—	—
San Francisco	149,818	93,105	1,268	43,241	1,797	8,428	—	5	304	1,670	—	—
San Jose	522,698	142,520	1,834	358,276	1,410	15,213	2,457	691	408	—	—	89
Seattle	183,266	62,034	237	40,021	114	78,474	302	580	457	1,047	—	—
Fresno Service Center	6,851	6,257	—	—	—	—	—	—	—	—	594	—
Ogden Service Center	8,792	8,792	—	—	—	—	—	—	—	—	*	—

*Less than $500.

Table 10.—Number of returns examined by class of tax and by internal revenue regions and districts and other areas

Internal revenue regions, districts and service centers	Total	Individual	Partnership	Fiduciary	Corporation	Subchapter S corporation	Estate	Gift	Excise	Employment	Exempt organizations	Employee plans	Windfall profit	Miscellaneous
Total	1,467,193	1,215,927	25,086	9,698	65,803	7,353	18,278	2,080	44,294	20,263	20,632	27,734	9,791	254
North-Atlantic	195,263	156,725	4,030	1,607	12,498	1,154	3,019	295	5,918	1,943	3,313	4,675	80	5
Mid-Atlantic	178,066	147,503	2,354	522	8,319	846	2,860	198	3,924	3,522	2,282	3,676	69	—
Southeast	223,909	192,195	3,343	1,496	8,734	1,211	1,900	268	6,737	2,936	1,986	2,578	625	—
Central	143,214	111,815	2,576	786	7,700	842	2,405	309	6,112	2,519	3,506	4,193	450	1
Midwest	174,389	138,452	2,511	3,368	9,849	1,344	2,863	323	5,362	2,971	3,207	3,639	491	9
Southwest	213,576	171,326	3,979	840	9,483	1,055	1,887	455	8,961	2,656	3,266	2,263	7,392	13
Western	340,776	297,911	6,293	1,079	9,229	901	3,444	232	7,280	3,716	3,072	6,710	684	225
North-Atlantic Region														
Albany	9,496	7,865	170	58	521	54	205	18	392	211	—	—	2	—
Augusta	5,220	4,009	24	16	420	27	43	11	559	109	—	—	2	—
Boston	23,601	18,234	562	315	2,423	145	483	71	926	437	—	—	—	5
Brooklyn	46,316	35,151	778	22	1,028	156	5	—	1,086	102	3,313	4,675	—	—
Buffalo	20,275	16,649	298	162	1,167	95	335	55	1,185	299	—	—	10	—
Burlington	2,942	2,482	38	4	203	13	17	4	88	95	—	—	—	—
Hartford	22,260	18,160	493	215	2,016	184	463	36	420	268	—	—	5	—
Manhattan	43,624	34,401	1,553	738	3,897	451	1,304	83	861	301	—	—	34	1
Portsmouth	4,235	3,485	37	44	237	16	95	12	216	93	—	—	—	—
Providence	5,799	4,821	77	33	566	13	69	5	187	28	—	—	—	—
Andover Service Center	3,306	3,281	—	—	—	—	—	—	—	—	—	—	25	—
Brookhaven Service Center	8,189	8,187	—	—	—	—	—	—	—	—	—	—	2	—
Mid-Atlantic Region														
Baltimore	28,859	22,259	498	72	1,372	98	543	49	940	308	1,139	1,581	—	—
Foreign Operations	13,212	10,456	7	15	319	5	222	5	33	2,150	—	—	—	—
Newark	56,766	47,755	590	132	2,767	265	826	48	906	237	1,143	2,095	2	—
Philadelphia	29,169	25,517	640	167	1,304	179	532	46	554	250	—	—	—	—
Pittsburgh	16,760	13,787	260	68	1,055	97	396	6	861	199	—	—	31	—
Richmond	24,377	21,340	306	44	1,271	179	286	39	567	328	—	—	17	—
Wilmington	3,990	3,495	53	24	222	23	55	5	63	50	—	—	—	—
Philadelphia Service Center	2,913	2,894	—	—	—	—	—	—	—	—	—	—	19	—
Southeast Region														
Atlanta	36,837	27,293	621	347	1,558	229	264	53	974	934	1,986	2,578	—	—
Birmingham	17,754	15,648	286	51	588	81	327	84	485	187	—	—	17	—
Columbia	13,365	11,875	159	27	600	78	—	—	317	309	—	—	—	—
Greensboro	28,454	24,897	346	316	1,066	127	188	40	861	612	—	—	1	—
Jackson	12,937	11,112	119	38	619	39	—	—	840	112	—	—	58	—
Jacksonville	72,372	63,334	1,284	614	3,173	561	833	68	2,013	480	—	—	12	—
Nashville	24,218	20,589	528	103	1,130	96	188	23	1,247	302	—	—	12	—
Atlanta Service Center	8,111	7,997	—	—	—	—	—	—	—	—	—	—	114	—
Memphis Service Center	9,861	9,450	—	—	—	—	—	—	—	—	—	—	411	—
Central Region														
Cincinnati	25,414	13,846	451	214	1,034	85	356	69	1,292	207	3,506	4,193	161	—
Cleveland	31,077	26,098	514	171	1,572	180	692	45	1,115	580	—	—	110	—
Detroit	39,649	32,188	806	216	2,938	219	610	119	1,834	618	—	—	101	—
Indianapolis	18,572	14,988	341	89	698	192	411	45	1,389	403	—	—	15	1
Louisville	12,965	10,879	337	73	751	98	240	25	122	394	—	—	46	—
Parkersburg	7,921	6,217	127	23	707	68	98	6	360	317	—	—	—	—
Cincinnati Service Center	7,616	7,599	—	—	—	—	—	—	—	—	—	—	17	—
Midwest Region														
Aberdeen	4,510	3,961	42	21	173	37	96	5	66	109	—	—	—	—
Chicago	50,827	34,731	771	2,866	3,112	358	660	38	885	539	3,207	3,639	1	—
Des Moines	12,705	10,287	213	70	828	124	374	38	359	359	—	—	53	—
Fargo	5,362	4,723	50	9	170	9	85	7	250	58	—	—	1	—
Milwaukee	19,876	16,098	386	108	1,398	110	193	21	1,111	440	—	—	11	—
Omaha	9,958	7,844	156	59	479	253	246	60	444	406	—	—	9	2
St. Louis	22,993	19,184	378	113	1,383	214	499	59	684	408	—	—	64	7
St. Paul	23,966	20,170	322	64	1,498	183	373	35	984	335	—	—	2	—
Springfield	14,700	12,225	193	58	808	56	317	60	579	317	—	—	87	—
Kansas City Service Center	9,492	9,229	—	—	—	—	—	—	—	—	—	—	263	—
Southwest Region														
Albuquerque	8,892	7,892	152	18	268	27	35	8	336	120	—	—	36	—
Austin	26,546	23,284	438	110	1,281	102	178	51	618	406	—	—	78	—
Cheyenne	4,622	4,060	83	3	224	33	74	13	58	62	—	—	12	—
Dallas	44,809	32,273	1,144	316	2,455	242	475	97	1,394	399	3,266	2,263	475	10
Denver	21,870	18,722	672	70	876	119	152	56	816	322	—	—	65	—
Houston	22,039	17,863	465	131	959	123	138	22	1,704	332	—	—	302	—
Little Rock	12,267	10,579	206	47	483	75	112	36	514	190	—	—	23	2
New Orleans	24,234	21,066	275	18	1,253	151	229	39	763	370	—	—	84	—
Oklahoma City	18,635	15,048	342	85	872	103	279	72	1,391	111	—	—	332	—
Wichita	14,718	11,533	202	42	812	80	215	61	1,367	338	—	—	67	1
Austin Service Center	14,944	9,006	—	—	—	—	—	—	—	—	—	—	5,938	—
Western Region														
Anchorage	6,288	5,801	52	48	87	9	27	2	196	64	—	—	—	2
Boise	6,829	5,737	154	20	189	40	91	7	406	183	—	—	—	—
Helena	5,414	4,625	84	30	105	38	96	16	338	82	—	—	—	—
Honolulu	7,019	6,217	129	18	266	36	94	10	101	164	—	—	—	—
Laguna Niguel	50,098	45,992	816	175	1,337	120	383	12	670	606	—	—	4	3
Los Angeles	63,990	52,322	2,017	207	1,499	158	733	49	1,029	546	1,183	4,138	102	7
Phoenix	19,368	17,403	373	51	428	49	167	23	512	351	—	—	3	8
Portland	17,116	14,792	342	97	553	60	253	21	820	178	—	—	—	—
Reno	11,285	10,395	140	36	291	58	77	4	168	113	—	—	—	3
Sacramento	26,568	24,846	351	54	862	52	348	11	43	199	—	—	—	3
Salt Lake City	12,376	10,996	385	16	353	55	70	11	247	238	—	—	—	5
San Francisco	31,981	27,608	530	81	719	47	233	21	34	222	846	1,437	—	3
San Jose	27,686	22,901	521	150	1,284	90	594	24	1,544	387	—	—	—	191
Seattle	31,440	25,525	405	96	1,256	89	308	21	1,170	383	1,043	1,135	9	—
Fresno Service Center	14,796	14,233	—	—	—	—	—	—	—	—	—	—	563	—
Ogden Service Center	8,521	8,518	—	—	—	—	—	—	—	—	—	—	3	—

Table 11.—Returns examined by examination divisions

	1983	1984
Additional tax proposed	1,235,533	1,058,055
Refunds proposed	139,411	122,531
No adjustments proposed	301,079	238,201
Total	1,676,023	1,418,787
Disposition of examined returns		
Not appealed	1,556,929	1,290,307
Appealed administratively	82,159	87,093
Petitioned to the U.S. Tax Court	36,935	41,387
Total	1,676,023	1,418,787

Table 12.—Examinations resulting in refunds (Excluding claims for refunds)

	Number of returns		Amount recommended (in thousands of dollars)	
	1983	1984	1983	1984
Individual	89,938	73,209	128,007	131,617
Fiduciary	1,462	944	10,615	12,714
Corporation	6,514	5,005	225,604	222,651
Estate	3,430	2,719	87,866	51,562
Gift	76	37	459	634
Excise	3,827	689	70,721	2,288
Employment	1,134	2,937	10,081	58,218
Miscellaneous	8	5	51	19
Total	106,389	85,545	533,404	479,703

Table 13.—Results of collection activity
(In thousands)

	1983	1984
Taxpayer delinquent accounts		
Opening inventory	1,967	1,997
Issuances*	3,130	3,181
Dispositions	3,101	3,244
Closing inventory		
(a) Number of accounts	1,997	1,934
(b) Balance of assessed penalty and interest	7,707,708	8,511,535
Delinquent return investigations		
Opening inventory	754	762
Issuances*	1,376	1,502
Dispositions	1,369	1,646
Closing inventory	762	618
Returns compliance investigations closed	**29**	**26**
Miscellaneous investigations closed	**180**	**146**
Offers in compromise received	**4**	**5**
Enforcement activity		
Notices of federal tax lien filed	812	848
Notices of levy served upon third parties	1,391	1,484
Seizures of property made	16	20

Note: Totals may not add due to rounding.
*Adjusted to balance in accounting method.

Table 14.—Civil penalties assessed and abated
(Dollars in thousands)

	Assessments		Abatements		Net penalties	
	Number	Amount	Number	Amount	Number	Amount
Individual						
Delinquency	1,458,022	447,100	163,688	92,018	1,294,334	355,082
Estimated tax	4,652,161	788,848	368,432	202,502	4,283,729	586,346
Failure to pay	5,854,601	256,909	760,149	34,014	5,094,452	222,895
Bad check	183,139	1,980	6,130	346	177,009	1,634
Fraud	11,568	95,358	416	5,801	11,152	89,557
Negligence	128,956	62,843	5,180	3,552	123,776	59,291
False withholding	105,530	52,827	14,324	7,162	91,206	45,665
Other[1]	14,371	5,339	11,003	5,634	3,368	(295)
Total	**12,408,348**	**1,711,204**	**1,329,322**	**351,029**	**11,079,026**	**1,360,175**
Corporation[2]						
Delinquency	130,839	140,020	27,689	108,918	103,150	31,102
Estimated tax	315,877	303,262	48,644	166,253	267,233	137,009
Failure to pay	281,989	82,100	99,876	56,223	182,113	25,877
Bad check	2,759	59	119	3,686	2,640	(3,627)
Fraud	500	36,178	33	974	467	35,204
Negligence	3,034	8,152	98	562	2,936	7,590
Miscellaneous	339	367	12	14	327	353
Total	**735,337**	**570,138**	**176,471**	**336,630**	**558,866**	**233,508**
Employment[3]						
Delinquency	2,486,469	584,840	292,948	151,485	2,193,521	433,355
Miscellaneous	2,748	1,729	966	750	1,782	979
Failure to pay	4,256,565	215,601	1,157,124	74,047	3,099,461	141,754
Federal tax deposits	5,169,096	1,622,536	981,943	800,604	4,187,153	821,932
Bad check	131,010	3,889	1,973	140	129,037	3,749
Fraud	705	1,499	57	196	648	1,303
Other	165	24	6	21	157	3
Total	**12,046,778**	**2,430,318**	**2,435,019**	**1,027,243**	**9,611,759**	**1,403,075**
Excise[4]						
Delinquency	285,067	30,625	36,021	12,951	249,046	17,674
Daily delinquency	21,471	47,129	11,010	26,244	10,461	20,885
Failure to pay	267,057	15,233	95,772	9,026	171,285	6,207
Federal tax deposits	51,868	36,838	10,246	19,869	41,622	17,069
Bad check	2,817	30	100	2	2,717	28
Fraud	889	2,718	136	128	753	2,590
Other[5]	136	38	13	12	123	26
Total	**629,305**	**132,711**	**153,298**	**68,232**	**476,007**	**64,479**
Estate and Gift						
Delinquency	9,794	44,475	3,110	30,714	6,684	13,761
Miscellaneous	11	19	2	6	9	13
Failure to pay	18,228	25,046	12,043	18,779	6,185	6,267
Bad check	315	77	50	52	265	25
Fraud	18	204	1	23	17	181
Negligence	18	50	11	7	7	43
Total	**28,384**	**69,871**	**15,217**	**49,581**	**13,167**	**20,290**
All Other[6]						
Delinquency	187,970	114,731	89,441	76,906	98,529	37,825
Failure to pay	99,691	6,652	44,268	4,340	55,423	2,512
Bad check	1,760	26	93	10	1,667	16
Fraud	2	1	—	—	2	1
Negligence	50	161	4	7	46	154
Miscellaneous	8,399	13,632	6,456	14,846	1,933	(1,214)
Total	**297,872**	**135,403**	**140,272**	**96,109**	**157,600**	**39,294**
Total, all civil penalties	**26,146,024**	**5,049,645**	**4,249,599**	**1,928,824**	**21,896,425**	**3,120,821**

Note: Totals may not add due to rounding. With the exception of estimated tax, penalties can apply to any tax year. Abatements can apply to any tax year.
[1]Includes taxpayer identification number, failure to report tips and miscellaneous.
[2]Includes Forms 1120, 990C and 990T.
[3]Includes Forms 940, 941, 942, 943 and CT-1.
[4]Includes Forms 1041A, 5227, 990PF, 4720, 990, 4638, 2290, 11, 11C, 720 and 730.
[5]Includes negligence and miscellaneous.
[6]Includes Forms 1041, 1065 and individual retirement account file.

Table 15.—Appeals division receipt and disposition of cases not before the Tax Court (Nondocketed)

A. Progress of work

Status	Amount stated in revenue agents' reports (In thousands of dollars)		
	Number of cases*	Deficiency and penalty	Over-assessment
Received	41,543	7,010,508	150,857
Petitioned – changed to docketed status	4,476	526,872	10,660
Disposed of, total	32,387	4,209,196	124,010
By agreement	28,987	4,092,010	123,139
Unagreed (overassessments, claims, excise, employment and offer-in-compromise rejections)	1,664	58,004	741
By taxpayer default on statutory notice	1,736	59,182	130

B. Results

Method	Appeals determination (In thousands of dollars)		
	Number of cases*	Deficiency and penalty	Over-assessment
Disposed of, total	32,387	1,814,651	200,063
By agreement	28,987	1,705,219	198,346
Unagreed (overassessments, claims, excise, employment and offer-in-compromise rejections)	1,664	58,570	1,611
By taxpayer default on statutory notice	1,736	50,862	106

* A case represents taxpayers grouped together by tax periods with common or related issues that may be heard and disposed of together. Not included are penalty appeals and EP/EO determinations.

Table 16.—Appeals division receipt and disposition of income, estate and gift tax cases petitioned to the Tax Court (Docketed)

A. Progress of work

Status	Amount stated in statutory notices (In thousands of dollars)		
	Number of cases*	Deficiency and penalty	Over-assessment
Petitioned – changed to docketed status from nondocketed status	4,476	526,872	10,660
Received	27,290	1,987,265	3,774
Disposed of, total	23,680	879,011	1,768
Agreed in appeals	18,903	679,106	1,166
Settled in counsel	4,058	161,650	336
Tried	719	38,255	266
Transfers to district counsel jurisdiction	3,489	1,066,288	5,960

B. Results obtained in dispositions

Method	Appeals determination (In thousands of dollars)		
	Number of cases*	Deficiency and penalty	Over-assessment
Disposed of, total	23,680	314,157	15,323
Agreed in appeals	18,903	251,043	12,040
Settled in counsel	4,058	61,594	2,998
Tried	719	1,519	285

* A case represents taxpayers grouped together by tax periods with common or related issues that may be heard and disposed of together.

Table 17.—Requests for EP/EO tax rulings and technical advice (Closings)

Subject	Total	Taxpayer requests	Field requests
Total	10,562	9,839	723
Actuarial matters	2,430	2,379	51
Exempt organizations	6,218	5,803	415
Employee plans	1,914	1,657	257

Table 18.—Determination letters issued on ERISA employee benefit plans

Letters issued	Stock bonus	Money purchase	Target benefit	Profit sharing	ESOP	Total defined contribution	Defined benefit	Total
Initial qualifications								
Qualified	274	10,796	241	20,784	267	32,362	14,790	47,152
Participating employees	1,293,600	212,174	16,319	2,156,626	475,045	4,153,784	1,629,105	5,782,869
Not qualified	0	10	0	14	0	24	8	32
Amendments								
Qualified	373	8,177	207	13,239	160	22,156	15,773	37,929
Not qualified	0	4	0	0	0	4	2	6
Terminations								
Qualified	49	4,956	184	6,680	*	11,869	9,315	21,184
Not qualified	0	8	1	19	0	28	15	43

*The termination reporting system does not distinguish between stock bonus and ESOP plans.

Table 19.—Number of exempt organizations returns examined by type

Section 501(c)(3)	Private foundations	3,453
	Nonexempt charitable trusts	388
501(c)(3)	All others	5,883
501(c)(4)	Civic leagues, social welfare	1,552
501(c)(5)	Labor, agriculture, horticulture	1,810
501(c)(6)	Business leagues	1,797
501(c)(7)	Social and recreational clubs	2,533
501(c)	All others	2,707
521	Farmers' cooperatives	509
Total		20,632

Table 20.—Number of active entities on exempt organizations master file

	1983	1984
Section 501(c)		
(1) Corporations organized under act of Congress	24	24
(2) Titleholding corps	5,567	5,679
(3) Religious, charitable, etc.	*335,757	*352,884
(4) Social welfare	129,209	130,344
(5) Labor, agriculture organizations	79,775	76,753
(6) Business leagues	51,714	53,303
(7) Social and recreation clubs	53,467	55,666
(8) Fraternal beneficiary societies	88,272	92,431
(9) Voluntary employees' beneficiary societies	9,303	10,145
(10) Domestic fraternal beneficiary societies	16,871	16,116
(11) Teachers' retirement funds	12	11
(12) Benevolent life insurance assns.	5,125	5,200
(13) Cemetery companies	6,412	6,845
(14) Credit unions	5,754	6,053
(15) Mutual insurance companies	1,017	998
(16) Corps. to finance crop operation	22	19
(17) Supplemental unemployment benefit trusts	771	747
(18) Employee funded pension trusts	3	3
(19) War veterans' organizations	22,130	22,100
(20) Legal service organizations	116	140
(21) Black lung trusts	12	14
501(d) Religious and apostolic organizations	72	81
501(e) Cooperative hospitals	98	90
501(f) Coop. service orgs. of operating educational orgs.	0	0
521 Farmers' cooperatives	2,713	2,673
Nonexempt charitable trusts	31,248	32,905
Total	645,484	671,224

*All section 501(c)(3) organizations are not included because certain organizations, such as churches, integrated auxiliaries, subordinate units and conventions or associations of churches, need not apply for recognition of exemption unless they desire a ruling.

Table 21.—Disposal of exempt organizations applications

	Applications for determination			
	Approved	Denied	Other*	Total
Section 501(c)				
(1) Corporations organized under act of Congress	0	0	0	0
(2) Titleholding corps	210	16	130	356
(3) Religious, charitable, etc.	32,173	594	12,525	45,292
(4) Social welfare	3,260	91	1,017	4,368
(5) Labor, agriculture organizations	541	14	151	706
(6) Business leagues	2,114	85	430	2,629
(7) Social and recreation clubs	1,995	108	1,035	3,138
(8) Fraternal beneficiary societies	29	10	46	85
(9) Voluntary employees' beneficiary societies	771	15	2,532	3,318
(10) Domestic fraternal beneficiary societies	50	6	113	169
(11) Teachers' retirement funds	0	0	0	0
(12) Benevolent life insurance assns.	179	9	157	345
(13) Cemetery companies	570	3	104	677
(14) Credit unions	7	0	3	10
(15) Mutual insurance companies	4	0	3	7
(16) Corps. to finance crop operation	0	0	0	0
(17) Supplemental unemployment benefit trusts	25	0	8	33
(18) Employee funded pension trusts	0	0	0	0
(19) War veterans' organizations	147	0	107	254
(20) Legal service organizations	24	2	17	43
(21) Black lung trusts	2	0	0	2
(22) Employer liability trusts	0	0	0	0
501(d) Religious and apostolic organizations	11	0	5	16
501(e) Cooperative hospitals	1	0	0	1
501(f) Coop. service orgs. of operating educational orgs.	0	0	0	0
521 Farmers' cooperatives	42	5	31	78
Nonexempt charitable trusts	13	0	3	16
National Office rulings and determination letters	2,005	431	589	3,025
Total	44,173	1,389	19,006	64,568

*Application withdrawn by taxpayer and failure to furnish required information.

Table 22.—Internal revenue collections, costs, employees and U.S. population

Fiscal year	Operating cost	Collections	Cost of collecting $100	Population (Thousands)	Tax per capita	Average positions realized		
						Total	National Office	Field
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1954	268,969,107	69,919,990,791	0.38	163,026	429.89	51,411	2,707	48,704
1955	278,834,276	66,286,692,000	0.42	165,931	399.50	50,890	2,675	48,215
1956	299,894,710	75,112,549,000	0.40	169,903	444.71	50,682	2,583	48,099
1957	305,537,814	80,171,917,000	0.38	171,984	466.16	51,364	2,832	48,532
1958	337,428,789	79,978,476,484	0.42	174,882	457.33	50,816	2,909	47,907
1959	355,469,228	79,797,972,806	0.44	177,830	448.73	51,226	2,969	48,257
1960	363,735,359	91,774,602,823	0.40	180,671	507.96	51,047	2,910	48,137
1961	413,295,238	94,401,086,398	0.44	183,691	513.91	53,208	3,042	50,164
1962	450,060,420	99,440,839,245	0.45	186,538	533.09	56,481	3,401	53,080
1963	500,804,314	105,925,395,281	0.47	189,242	559.74	59,711	3,657	56,054
1964	549,692,131	112,260,257,115	0.49	191,889	585.03	61,059	3,839	57,220
1965	597,387,471	114,434,633,721	0.52	194,303	588.95	62,096	3,881	58,217
1966	624,861,929	128,879,961,342	0.48	196,560	655.68	63,508	3,982	59,526
1967	667,060,295	148,374,814,552	0.45	198,712	746.68	65,946	3,894	62,052
1968	699,190,304	153,363,837,665	0.46	200,706	765.48	67,574	3,967	63,607
1969	758,785,475	187,919,559,868	0.40	202,677	927.19	66,064	3,862	62,202
1970	886,159,162	195,722,096,497	0.45	204,878	955.31	68,683	4,103	64,580
1971	981,065,297	191,647,198,138	0.51	207,053	925.63	68,972	4,358	64,614
1972	1,127,390,411	209,855,736,878	0.54	208,846	1,004.63	68,549	4,134	64,415
1973	1,162,009,945	237,787,204,058	0.49	210,410	1,130.11	74,170	4,505	69,665
1974	1,312,894,661	268,952,253,663	0.49	211,901	126,924	78,921	4,310	74,611
1975	1,584,711,486[1]	293,822,725,772	0.54	213,559	1,375.64	82,339	4,531	77,808
1976	1,667,311,689[1]	302,519,791,922	0.56	215,142	1,406.14	84,264	4,732	79,532
1977	1,790,588,738[1]	358,139,416,730	0.50	217,329	1,647.91	83,743	4,994	78,749
1978	1,962,129,287[1]	399,776,389,362	0.49	219,033	1,826.61	85,329	4,919	80,410
1979	2,116,166,276[1]	460,412,185,013	0.46	220,999	2,083.32	86,168	4,978	81,190
1980	2,280,838,622[1]	519,375,273,361	0.44	223,383	2,325.04	87,464	5,114	82,350
1981	2,465,468,704[1]	606,799,120,630	0.41	225,865	2,686.55	86,156	5,110	81,046
1982	2,626,338,036[1]	632,240,505,595	0.42	232,634	2,717.75	82,857	5,098	77,759
1983	2,968,525,840[1]	627,246,792,581	0.47	234,875	2,670.56	83,605[2]	4,357[2]	79,248[2]
1984	3,279,067,495[1]	680,475,229,453	0.48	237,051	2,870.59	87,635[2]	4,916[2]	82,719[2]

[1]This figure represents actual IRS operating costs from fiscal year 1975, exclusive of reimbursements received from other agencies for services performed. While the operating cost figures for fiscal years prior to 1975 may in some cases include reimbursements, those amounts are small and do not alter the cost figures in column 3.

— Economic stabilization program average positions included in 1972, 1973 and 1974.

— Federal energy program average positions included in 1974.

— 1972 adjusted by 3,990 average positions to reflect the AT&F transfer—July 1972. AT&F included in years 1955-71.

— Eleven average positions transferred to office of the Secretary in 1965. Twenty average positions transferred to office of the Secretary in 1963.

[2]Methodology to count average positions realized was adjusted in 1984 to conform to Office of Personnel Management instructions. 1983 average positions realized also are adjusted for comparability.

Table 23.—Costs incurred by the Internal Revenue Service by activity

(In thousands of dollars)

Appropriation by activity	Total		Personnel compensation and benefits		Other	
	1983	1984*	1983	1984*	1983	1984*
Total obligations, appropriations and reimbursements	2,988,105	3,295,538	2,221,514	2,416,825	766,591	878,713
Obligations against appropriated funds	2,968,526	3,279,067	2,206,519	2,404,183	762,007	874,884
Salaries and expenses						
Total	128,080	98,160	97,068	74,785	31,012	23,375
Executive direction	8,824	6,352	6,416	4,957	2,408	1,395
Internal audit and internal security	40,045	—	30,791	—	9,254	—
Management services	79,211	91,808	59,861	69,828	19,350	21,980
Processing tax returns						
Total	914,462	890,343	513,071	495,874	401,391	394,469
Returns processing and revenue accounting	526,485	689,421	382,406	446,301	144,079	243,120
Computer services	155,317	200,922	41,337	49,573	113,980	151,349
Taxpayer service	232,660	—	89,328	—	143,332	—
Examination and appeals						
Total	1,080,257	1,266,433	905,416	1,045,727	174,841	220,706
Examination	958,925	1,025,611	802,750	844,812	156,175	180,799
Appeals and tax litigation	121,332	150,391	102,666	127,197	18,666	23,194
Employee plans and exempt organizations	—	90,431	—	73,718	—	16,713
Investigation, collection and taxpayer service						
Total	845,727	1,024,131	690,964	787,797	154,763	236,334
Tax fraud investigations	172,619	204,135	136,794	158,744	33,825	45,391
Collection	529,418	604,149	430,872	477,477	98,544	126,672
Taxpayer service	—	149,293	—	94,386	—	53,907
Employee plans and exempt organizations	80,039	—	65,245	—	14,794	—
Enforcement litigation and technical rulings	63,653	67,554	56,053	57,190	7,600	10,364
Reimbursable obligations, total	19,579	16,471	14,995	12,642	4,584	3,829

* Fiscal year 1984 appropriation structure was modified to reflect the reorganization of 1982.

Table 24.—Costs incurred by the Internal Revenue Service by office

(In thousands of dollars)

Internal revenue office, district or region	Total	Personnel compensation	Travel	Equipment	Other
	(1)	(2)	(3)	(4)	(5)
A. Total, Internal Revenue Service	**3,295,539**	**2,416,826**	**100,375**	**88,623**	**691,715**
National Office	750,897	238,634	9,113	48,023	455,127
North-Atlantic	374,561	321,356	8,733	4,956	39,516
Mid-Atlantic	278,197	241,812	9,050	4,603	22,732
Southeast	325,544	270,625	13,450	6,045	35,424
Central	237,238	200,301	9,842	3,757	23,338
Midwest	266,769	232,317	10,150	2,347	21,955
Southwest	337,343	288,174	14,292	6,453	28,424
Western	502,568	427,680	19,516	8,047	47,325
Regional appeals	78,586	76,382	2,086	3	115
Regional counsel	52,883	48,716	1,166	1,064	1,937
Regional inspection	32,112	27,964	2,658	232	1,258
National Computer Center	20,323	10,473	72	402	9,376
IRS Data Center	38,502	32,382	247	687	5,186
B. Regional commissioners' offices (excluding district directors' offices and service centers)					
North-Atlantic	15,425	10,084	781	2,154	2,406
Mid-Atlantic	14,804	9,961	455	2,068	2,320
Southeast	13,398	8,756	1,257	545	2,840
Central	13,887	9,503	724	1,592	1,868
Midwest	12,887	9,048	1,114	1,261	1,464
Southwest	15,952	9,933	1,250	3,215	1,554
Western	24,134	13,259	2,579	2,822	5,474
C. District directors' offices and service centers					
North-Atlantic					
Albany	10,806	9,516	579	78	633
Augusta	5,835	5,151	316	28	338
Boston	42,336	36,685	1,205	338	4,108
Brooklyn	45,595	41,665	889	735	2,306
Buffalo	26,366	22,409	1,078	176	2,723
Burlington	3,318	2,815	176	28	299
Hartford	24,149	21,987	895	164	1,103
Manhattan	81,933	74,545	1,221	329	5,838
Portsmouth	5,618	4,860	285	22	451
Providence	6,484	5,931	220	25	308
North-Atlantic Region centralized training	464	—	422	—	42
Andover Service Center	46,779	38,009	310	397	8,063
Brookhaven Service Center	59,433	47,699	354	482	10,898
Mid-Atlantic					
Baltimore	39,458	36,063	1,024	425	1,946
Foreign Operations	21,562	17,301	2,197	226	1,838
Newark	56,971	51,975	1,555	567	2,754
Philadelphia	43,370	39,352	1,038	581	2,399
Pittsburgh	22,638	20,304	795	129	1,410
Richmond	25,638	22,181	1,054	224	2,179
Wilmington	5,290	4,719	160	92	299
Mid-Atlantic Forms Distribution Center	863	667	10	—	186
Mid-Atlantic Region centralized training	450	—	440	—	10
Philadelphia Service Center	47,253	39,289	302	271	7,391
Southeast					
Atlanta	45,269	37,655	2,208	966	4,460
Birmingham	16,765	14,741	936	298	790
Columbia	11,337	10,078	576	226	459
Greensboro	26,431	23,010	1,553	435	1,433
Jackson	11,193	9,592	758	305	538
Jacksonville	70,641	59,438	3,464	1,477	6,244
Nashville	26,960	22,593	1,467	558	2,362
Southeast Region centralized training	569	—	561	—	8
Atlanta Service Center	52,457	42,799	308	760	8,590
Memphis Service Center	50,483	41,967	342	474	7,700
Central					
Cincinnati	32,971	29,144	1,248	270	2,309
Cleveland	36,540	32,125	1,424	286	2,705
Detroit	52,239	45,575	2,487	332	3,845
Indianapolis	29,060	24,453	1,395	331	2,881
Louisville	16,234	13,908	933	330	1,063
Parkersburg	9,436	8,117	622	140	557
Central Region centralized training	491	—	488	—	3
Cincinnati Service Center	46,580	37,476	521	476	8,107

Table 24.—Continued

(In thousands of dollars)

Internal revenue office, district or region	Total	Personnel compensation	Travel	Equipment	Other
	(1)	(2)	(3)	(4)	(5)
Midwest					
Aberdeen	4,085	3,602	331	6	146
Chicago	76,472	69,857	2,330	349	3,936
Des Moines	13,016	11,777	814	67	958
Fargo	4,202	3,677	327	7	191
Milwaukee	21,046	18,630	855	75	1,486
Omaha	9,610	8,567	430	39	574
St. Louis	33,177	28,631	1,462	153	2,931
St. Paul	24,521	21,991	1,030	82	1,418
Springfield	13,080	11,888	646	24	522
Midwest Region centralized training	485	—	477	—	8
Kansas City Service Center	53,588	44,649	334	284	8,321
Southwest					
Albuquerque	7,131	6,401	373	67	290
Austin	26,965	23,925	1,353	241	1,446
Cheyenne	4,849	4,017	514	34	284
Dallas	66,734	58,118	2,818	864	4,934
Denver	28,181	24,250	1,337	326	2,268
Houston	44,048	38,962	1,562	434	3,090
Little Rock	12,048	10,348	797	88	815
New Orleans	24,225	21,028	1,355	145	1,697
Oklahoma City	22,967	20,449	1,125	137	1,276
Wichita	14,583	13,174	755	60	694
Southwest Region centralized training	639	—	611	—	28
Austin Service Center	68,901	57,569	442	842	10,048
Western					
Anchorage	8,736	7,349	676	44	667
Boise	6,560	5,745	386	83	346
Helena	5,417	4,708	394	75	240
Honolulu	8,902	7,970	364	72	496
Laguna Niguel	47,877	42,186	2,218	1,127	2,346
Los Angeles	80,448	71,377	2,558	763	5,752
Phoenix	17,857	15,556	753	165	1,383
Portland	17,735	15,132	881	114	1,608
Reno	12,367	10,626	569	132	1,040
Sacramento	21,162	18,236	1,243	454	1,229
Salt Lake City	10,259	9,167	520	60	512
San Francisco	50,131	44,055	1,440	368	4,268
San Jose	26,544	22,916	1,599	623	1,406
Seattle	31,502	27,303	1,479	295	2,425
Western Region centralized training	763	—	739	—	24
Fresno Service Center	71,006	60,195	519	428	8,864
Ogden Service Center	61,168	51,900	601	422	8,245

Note: Reimbursements are included in the above figures. Individual items may not add to total because of rounding.

Table 25.—Personnel summary

Location and type	Average positions realized[1]		Number employees at close of year	
	1983	1984	1983	1984
Service total	**84,196**	**88,208**	**90,108**	**95,749**
Permanent	79,890	83,515	81,539	86,508
Temporary	4,306	4,693	8,569	9,241
National Office[2]	**4,404**	**5,385**	**4,472**	**5,170**
Regional offices	**79,792**	**82,843**	**85,636**	**90,039**
Data processing operations	**20,438**	**21,505**	**21,694**	**25,112**
Collection	**15,798**	**16,222**	**17,282**	**18,248**
Revenue officers	7,296	7,527	7,684	7,492
Other	8,502	8,695	9,598	8,756
Taxpayer service	**3,720**	**4,164**	**5,131**	**4,856**
Taxpayer service specialists	505	534	541	583
Taxpayer service representatives	837	1,036	980	1,231
Other	2,378	2,594	3,610	3,042
Examination	**23,861**	**23,934**	**23,704**	**25,493**
Revenue agents	13,563	13,405	13,318	14,187
Tax auditors	3,791	3,459	3,688	3,371
Other	6,307	7,070	6,698	7,955
Employee plans/exempt organizations	**1,737**	**1,942**	**1,769**	**1,959**
EP/EO technicals	1,101	1,307	1,184	1,403
Other	636	635	585	556
Appeals	**1,848**	**2,134**	**2,022**	**2,302**
Appeals officers	891	1,031	955	1,061
Auditors	148	173	149	184
Other	809	930	918	1,057
Tax Fraud	**3,865**	**4,162**	**4,027**	**4,392**
Special agents	2,668	2,790	2,717	2,867
Other	1,197	1,372	1,310	1,525
Executive direction	**119**	**116**	**124**	**126**
Management services	**2,041**	**2,193**	**2,494**	**2,592**
Resources management	**3,977**	**4,483**	**4,250**	**4,827**
Centralized services	**3,844**	**4,002**	**4,196**	**4,381**
Counsel	**2,314**	**2,418**	**2,474**	**2,477**
Inspection	**824**	**934**	**941**	**984**

Note: Reimbursements are included in the above figures.

[1]Methodology to count average positions realized was adjusted in 1984 to conform to Office of Personnel Management instructions. 1983 average positions realized also are adjusted for comparability.

[2]Includes National Computer Center and Data Center.

Commissioners of Internal Revenue

Office of Commissioner of Internal Revenue created by Act of Congress, July 1, 1862.

George S. Boutwell
Massachusetts
July 17, 1862 / March 4, 1863

Joseph J. Lewis
Pennsylvania
March 18, 1863 / June 30, 1865

William Orton
New York
July 1, 1865 / Oct. 31, 1865

Edward A. Rollins
New Hampshire
Nov. 1, 1865 / March 10, 1869

Columbus Delano
Ohio
March 11, 1869 / Oct. 31, 1870

Alfred Pleasonton
New York
Jan. 3, 1871 / Aug. 8, 1871

John W. Douglass
Pennsylvania
Aug. 9, 1871 / May 14, 1875

Daniel D. Pratt
Indiana
May 15, 1875 / July 31, 1876

Green B. Raum
Illinois
Aug. 2, 1876 / April 30, 1883

Walter Evans
Kentucky
May 21, 1883 / March 19, 1885

Joseph S. Miller
West Virginia
March 20, 1885 / March 20, 1889

John W. Mason
West Virginia
March 21, 1889 / April 18, 1893

Joseph S. Miller
West Virginia
April 19, 1893 / Nov. 26, 1896

W. St. John Forman
Illinois
Nov. 27, 1896 / Dec. 31, 1897

Nathan B. Scott
West Virginia
Jan. 1, 1898 / Feb. 28, 1899

George W. Wilson
Ohio
March 1, 1899 / Nov. 27, 1900

John W. Yerkes
Kentucky
Dec. 20, 1900 / April 30, 1907

John G. Capers
South Carolina
June 5, 1907 / Aug. 31, 1909

Royal E. Cabell
Virginia
Sept. 1, 1909 / April 27, 1913

William H. Osborn
North Carolina
April 28, 1913 / Sept. 25, 1917

Daniel C. Roper
South Carolina
Sept. 26, 1917 / March 31, 1920

William M. Williams
Alabama
April 1, 1920 / April 11, 1921

David H. Blair
North Carolina
May 27, 1921 / May 31, 1929

Robert H. Lucas
Kentucky
June 1, 1929 / Aug. 15, 1930

David Burnet
Ohio
Aug. 20, 1930 / May 15, 1933

Guy T. Helevering
Kansas
June 6, 1933 / Oct. 8, 1943

Robert E. Hannegan
Missouri
Oct. 9, 1943 / Jan. 22, 1944

Joseph D. Nunan, Jr.
New York
March 1, 1944 / June 30, 1947

George J. Schoeneman
Rhode Island
July 1, 1947 / July 31, 1951

John B. Dunlap
Texas
Aug. 1, 1951 / Nov. 18, 1952

T. Coleman Andrews
Virginia
Feb. 4, 1953 / Oct. 31, 1955

Russell C. Harrington
Rhode Island
Dec. 5, 1955 / Sept. 30, 1958

Dana Latham
California
Nov. 5, 1958 / Jan. 20, 1961

Mortimer M. Caplin
Virginia
Feb. 7, 1961 / July 10, 1964

Sheldon S. Cohen
Maryland
Jan. 25, 1965 / Jan. 20, 1969

Randolph W. Thrower
Georgia
April 1, 1969 / June 22, 1971

Johnnie M. Walters
South Carolina
Aug. 6, 1971 / April 30, 1973

Donald C. Alexander
Ohio
May 25, 1973 / Feb. 26, 1977

Jerome Kurtz
Pennsylvania
May 5, 1977 / Oct. 31, 1980

Roscoe L. Egger, Jr.
Indiana
March 14, 1981

The following were Acting Commissioners during periods when there was no Commissioner holding the office:

Joseph J. Lewis of Pennsylvania
from March 5 to March 17, 1863

John W. Douglas of Pennsylvania
from Nov. 1, 1870, to Jan. 2, 1871

Henry C. Rogers of Pennsylvania
from May 1 to May 10, 1883, and from May 1 to June 4, 1907

John J. Knox of Minnesota
from May 11 to May 20, 1883

Robert Williams, Jr. of Ohio
from Nov. 28 to Dec. 19, 1900

Millard F. West of Kentucky
from April 12 to May 26, 1921

H. F. Mires of Washington
from Aug. 16 to Aug. 19, 1930

Pressly R. Baldridge of Iowa
from May 16 to June 5, 1933

Harold N. Graves of Illinois
from Jan. 23 to Feb. 29, 1944

John S. Graham of North Carolina
from Nov. 19, 1952, to Jan. 19, 1953

Justin F. Winkle of New York
from Jan. 20 to Feb. 3, 1953

O. Gordon Delk of Virginia
from Nov. 1 to Dec. 4, 1955, and from Oct. 1 to Nov. 4, 1958

Charles I. Fox of Utah
from Jan. 21 to Feb. 6, 1961

Bertrand M. Harding of Texas
from July 11, 1964, to Jan. 24, 1965

William H. Smith of Virginia
from Jan. 21, to March 31, 1969

Harold T. Swartz of Indiana
from June 23 to Aug. 5, 1971

Raymond F. Harless of California
from May 1 to May 25, 1973

William E. Williams of Illinois
from Feb. 27 to May 4, 1977, and from Nov. 1, 1980, to March 13, 1981

Principal Officers of the Internal Revenue Service as of Sept. 30, 1984

National Office

Commissioner
Roscoe L. Egger, Jr.

Deputy Commissioner
James I. Owens

Assistant to the Commissioner
Stephen R. Kroll
Donald L. Korb

Assistant to the Commissioner (Equal Opportunity)
Hardi L. Jones

Assistant to the Commissioner (Legislative Liaison)
Tom E. Persky

Division Director:
Legislative Analysis
Damon O. Holmes

Assistant to the Commissioner (Public Affairs)
Stephen D. Hayes

Taxpayer Ombudsman
George A. O'Hanlon

Assistant to the Deputy Commissioner
John E. Burke

Inspection

Assistant Commissioner
Robert L. Rebein

Deputy Assistant Commissioner
E. Derle Rudd

Division Directors:

Internal Audit
Erwin Sobin

Internal Security
William E. Mulroy

Data Processing

Associate Commissioner
M. Eddie Heironimus

Computer Services

Assistant Commissioner
Thomas J. Laycock

Deputy Assistant Commissioner
Daniel N. Capozzoli

Division Directors:

Hardware
Richard W. Marsh

Management Systems
Richard T. Miller

Planning and Control Staff
Donald E. Curtis

Software
Walter A. Hutton, Jr.

Returns and Information Processing

Assistant Commissioner
Stanley Goldberg

Deputy Assistant Commissioner
Carolyn K. Leonard

Division Directors:

National Computer Center,
Martinsburg, W.Va.
Robert E. Wenzel

Program Planning and Review Staff
Ophelia W. Burton

Returns Processing and Accounting
Fredric F. Perdue

Statistics of Income
Frederick J. Scheuren

Taxpayer Service
Walter M. Alt

Operations

Associate Commissioner
Philip E. Coates

Collection

Assistant Commissioner
Larry G. Westfall

Deputy Assistant Commissioner
William M. Wauben

Criminal Investigation

Assistant Commissioner
Richard C. Wassenaar

Deputy Assistant Commissioner
John M. Rankin, Jr.

Examination

Assistant Commissioner
Percy P. Woodard, Jr.

Deputy Assistant Commissioner
Frederic P. Williams

Employee Plans and Exempt Organizations

Assistant Commissioner
S. Allen Winborne

Deputy Assistant Commissioner
Robert I. Brauer

Division Directors:

Employee Plans Technical and Actuarial
Ira Cohen

Employee Plans and Exempt Organizations Operations
Billy M. Hargett

Exempt Organizations Technical
Joseph A. Tedesco

Policy and Management

Associate Commissioner
Norman A. Bolz

Human Resources

Assistant Commissioner
Dominick J. Lantonio

Deputy Assistant Commissioner
Orion L. Birdsall, Jr.

Division Directors:

Director of Practice
Leslie S. Shapiro

Personnel
Philip G. Brand

Tax Administration Advisory Services
Douglas S. Ormerod

Training and Development
Stephen J. Meltzer

Human Resources Technology Staff
Ralph C. Reeder

Planning, Finance and Research

Assistant Commissioner
John L. Wedick, Jr.

Deputy Assistant Commissioner
Walter E. Bergman

Division Directors:

Finance
Joseph F. Kump

Planning
John T. Blank

Research
Frank M. Malanga

Support and Services

Assistant Commissioner
Kenneth G. Rivett

Deputy Assistant Commissioner
Alan A. Beck

Division Directors:

Data Center,
Detroit, Mich.
James E. Daly, Jr.

Centralized Services
David V. Swann

Disclosure and Security
Guerry G. Notte

Facilities Management
Richard E. Simko

National Office Resources Management
Suellen Plover Hamby

Tax Forms and Publications
Edmund I. Goldwag

Regional and District Officers

Central Region

Regional Commissioner
James D. Hallman

Assistant Regional Commissioners:

Collection
John O. Hummel

Criminal Investigation
Larry R. Hyatt

Examination
Donald L. Stewart

Resources Management
Billy J. Brown

Data Processing
Charles F. Jones

District Directors:

Cincinnati, Ohio
James J. Ryan

Cleveland, Ohio
Everett Loury

Detroit, Mich.
Charles A. Parks

Indianapolis, Ind.
Paul D. Williams

Louisville, Ky.
Raymond L. Rizzo

Parkersburg, W.Va.
Richard C. Herman

Director, Cincinnati Service Center
Patrick J. Ruttle

Regional Inspector
John E. McManus

Mid-Atlantic Region

Regional Commissioner
William D. Waters

Assistant Regional Commissioners:

Collection
Leroy C. Gay

Criminal Investigation
Willard M. Cummings

Examination
Regina M. Deanehan

Resources Management
Vacant

Data Processing
Fred R. Endrikat

District Directors:

Baltimore, Md.
Teddy R. Kern

Foreign Operations
Thomas J. Clancy

Newark, N.J.
Cornelius J. Coleman

Philadelphia, Pa.
Charles E. Roddy

Pittsburgh, Pa.
Thomas L. Davis

Richmond, Va.
Gerard R. Esposito

Wilmington, Del.
Clare Shy Winter

Director, Philadelphia Service Center
Norman E. Morrill

Regional Inspector
Benjamin J. Redmond

Midwest Region

Regional Commissioner
Roger L. Plate

Assistant Regional Commissioners:

Collection
Allen G. Woodhouse

Criminal Investigation
Warren E. Harrison

Examination
David G. Blattner

Resources Management
Jack E. Shank

Data Processing
John T. Ader

District Directors:

Aberdeen, S.D.
Thomas J. Yates

Chicago, Ill.
J. Robert Starkey

Des Moines, Iowa
John Edwards

Fargo, N.D.
Woodrow D. Malone

Milwaukee, Wis.
Lawrence M. Phillips

Omaha, Neb.
Mitchell E. Premis

Springfield, Ill.
Ira S. Loeb

St. Louis, Mo.
Robert A. LeBaube

St. Paul, Minn.
C. Dudley Switzer

Director, Kansas City Service Center
Roy D. Clark

Regional Inspector
Joseph F. Jech

North-Atlantic Region

Regional Commissioner
Charles H. Brennan

Assistant Regional Commissioners:

Collection
Brian P. McMahon

Criminal Investigation
Bruce V. Milburn

Examination
Robert E. Mirsberger

Resources Management
William H. Ethe

Data Processing
Francine Crowley

District Directors:

Albany, N.Y.
Edwin A. Kelleher

Augusta, Maine
William E. Dosedlo

Boston, Mass.
John D. Johnson

Brooklyn, N.Y.
John J. Jennings

Buffalo, N.Y.
Marshall P. Cappelli

Burlington, Vt.
Joyce Weitz

Hartford, Conn.
James E. Quinn

Manhattan, N.Y.
Pete J. Medina

Portsmouth, N.H.
Francis S. Miceli

Providence, R.I.
Malcolm A. Liebermann

Director, Andover Service Center
Joseph H. Cloonan

Director, Brookhaven Service Center
Bobby G. Hughes

Regional Inspector
Daniel F. Schiller

Southeast Region

Regional Commissioner
Thomas A. Cardoza

Assistant Regional Commissioners:

Collection
Conrad L. Clapper

Criminal Investigation
Joseph T. Pagani

Examination
Ronald W. Kirby

Resources Management
Herma J. Hightower

Data Processing
Henry E. Leech, Jr.

District Directors:

Atlanta, Ga.
Michael J. Murphy

Birmingham, Ala.
Philip J. Sullivan

Columbia, S.C.
Donald L. Breihan

Greensboro, N.C.
Frederick C. Nielsen

Jackson, Miss.
Sylvia H. Wren

Jacksonville, Fla.
Merlin W. Heye

Nashville, Tenn.
Alvin H. Kolak

Director, Atlanta Service Center
William B. Hartlage

Director, Memphis Service Center
Raymond P. Keenan

Regional Inspector
Dale W. Gardner

Southwest Region

Regional Commissioner
Richard C. Voskuil

Assistant Regional Commissioners:

Collection
Gerald F. Swanson

Criminal Investigation
Glenn E. Shepard

Examination
Robert E. Dais

Resources Management
James A. Lindsey

Data Processing
Henry H. Philcox

District Directors:

Albuquerque, N.M.
Francis L. Browitt

Austin, Texas
Gary O. Booth

Cheyenne, Wyo.
Michael J. Kelly

Dallas, Texas
Glenn Cagle

Denver, Colo.
Gerald L. Mihlbachler

Houston, Texas
Arturo A. Jacobs

Little Rock, Ark.
William F. Barlow

New Orleans, La.
Jack P. Chivatero

Oklahoma City, Okla.
Howard C. Longley

Wichita, Kan.
Clarence M. King, Jr.

Director, Austin Service Center
G. William Grabo

Regional Inspector
Paul F. Kearns

Western Region

Regional Commissioner
Thomas P. Coleman

Assistant Regional Commissioners:

Collection
William T. Bridges

Criminal Investigation
Peter J. Rumore

Examination
Richard S. Wintrode

Resources Management
Michael P. Dolan

Data Processing
Robert J. Kensinger, Jr.

District Directors:

Anchorage, Alaska
John L. Carson

Boise, Idaho
William M. Jacobs

Helena, Mont.
John C. Wendorff

Honolulu, Hawaii
Harold M. Browning

Laguna Niguel, Calif.
Robert M. McKeever

Los Angeles, Calif.
William H. Connett

Phoenix, Ariz.
Prescott A. Berry

Portland, Ore.
T. Blair Evans

Reno, Nev.
Robert G. Potter

Sacramento, Calif.
Raymond A. Spillman

Salt Lake City, Utah
Carol M. Fay

San Francisco, Calif.
Michael D. Sassi

San Jose, Calif.
Elmer W. Kletke

Seattle, Wash.
Michael J. Quinn

Director, Fresno Service Center
Theron C. Polivka

Director, Ogden Service Center
Dominic E. Pecorella

Regional Inspector
Kenneth A. Thompson

Chief Counsel for the Internal Revenue Service

Walter H. Smith/1866
William McMichael/1871
Charles Chesley/1871
Thomas J. Smith/1888
Alphonso Hart/1890
Robert T. Hough/1893
George M. Thomas/1897
Albert W. Wishard/1901
A.B. Hayes/1903
Fletcher Maddox/1908
Ellis C. Johnson/1913
A.A. Ballantine/1918
D.M. Kelleher/1919
Robert N. Miller/1919
Wayne Johnson/1920
Carl A. Mapes/1920
Nelson T. Hartson/1923
Alexander W. Gregg/1925
Clarence M. Charest/1927
E. Barrett Prettyman/1933
Robert H. Jackson/1934
Morrison Shafroth/1936
John P. Wenchel/1937
Charles Oliphant/1947
Charles W. Davis/1952
Daniel A. Taylor/1953
John Potts Barnes/1955
Nelson P. Rose/1957
Arch M. Cantrall/1958
Hart H. Spiegel/1959
Crane C. Hauser/1961
Sheldon S. Cohen/1964
Mitchell Rogovin/1965
Lester R. Uretz/1966
K. Martin Worthy/1969
Lee H. Henkel, Jr./1972
Meade Whitaker/1973
Stuart E. Seigel/1977
N. Jerold Cohen/1979
Kenneth W. Gideon/1981
Fred T. Goldberg, Jr./1984

The following were Acting Chief Counsel during periods when there was no Chief Counsel holding the office:

John W. Burrus
from March 2, 1936, to Nov. 30, 1936
Mason B. Leming
from Dec. 6, 1951, to May 15, 1952
Kenneth W. Gemmill
from June 11, 1953, to Nov. 8, 1953
Rudy P. Hertzog
from Dec. 1, 1954, to May 8, 1955, from Jan. 20, 1961, to Aug. 16, 1961, and from Sept. 1, 1963, to Jan. 5, 1964
Herman T. Reiling
from Jan. 19, 1957, to March 13, 1957, and from Aug. 31, 1959, to Sept. 20, 1959
Lester R. Uretz
from April 1, 1966, to April 11, 1966
Richard M. Hahn
from Jan. 20, 1969, to June 25, 1969
Lee H. Henkel, Jr.
from Jan. 16, 1972, to June 11, 1972
Lawrence B. Gibbs
from April 17, 1973, to Oct. 19, 1973
Charles L. Saunders, Jr.
from Jan. 20, 1977, to April 15, 1977
Leon G. Wigrizer
from April 16, 1977, to June 23, 1977
Lester Stein
from June 1, 1979, to Nov. 16, 1979
Jerome D. Sebastian
from Jan. 21, 1981, to Feb. 2, 1981, and from March 30, 1981, to Aug. 14, 1981
Emory L. Langdon
from Feb. 3, 1981, to March 29, 1981
Joel Gerber
from May 28, 1983, to March 17, 1984

Note: From 1866 to 1926, the chief legal officer for the Internal Revenue Service was known as the Solicitor. For the next eight years, 1926 to 1934, he had the title of General Counsel for the Bureau of the Internal Revenue. Since 1934 he has operated under the title of Chief Counsel.

Principal Officers of the IRS Office of Chief Counsel as of Sept. 30, 1984

National Office

Chief Counsel
Fred T. Goldberg, Jr.

Deputy Chief Counsel
V. Jean Owens

Assistant to the Chief Counsel
Jerome D. Sebastian
John H. Menzel

Special Assistant to the Chief Counsel
Mark A. Kuller

Assistant to the Deputy Chief Counsel
Ronald A. Glaser

Division Directors:

Appeals
Howard T. Martin

Operations
Joseph H. Hairston

Associate Chief Counsel (Litigation)
James J. Keightley

Deputy Associate Chief Counsel
(Vacant)

Special Litigation Counsel
Stephen M. Miller

Special Appellate Counsel
Daniel F. Folzenlogen

Litigating Division Directors:

Criminal Tax
William A. Goss

Disclosure Litigation
Peter V. Filpi

General Legal Services
William F. Long, Jr. (Acting)

General Litigation
Arnold E. Kaufman

Tax Litigation
Robert P. Ruwe

Associate Chief Counsel (Technical)
Charles M. Morgan, III

Deputy Associate Chief Counsel
Peter K. Scott

Assistant to the Associate Chief Counsel
Martin I. Slate

Principal Technical Advisor
John L. Crawford (Acting)

Senior Technical Advisor
David E. Dickinson

Technical Division Directors:

Corporation Tax
John W. Holt

Employee Plans and Exempt Organizations
Jonathan P. Marget (Acting)

Individual Tax
Mario E. Lombardo

Interpretative
James F. Malloy

Legislation and Regulations
George H. Jelly

Regional and District Officers

Central Region

Regional Counsel
Clarence E. Barnes, Jr.

Deputy Regional Counsel (Criminal Tax)
Gerald W. Fuller

Deputy Regional Counsel (General Litigation)
Charles M. Layton

Deputy Regional Counsel (Tax Litigation)
Robert A. Roberts

Assistant Regional Counsel (General Legal Services)
John A. Freeman

Regional Director of Appeals
Claude C. Rogers, Jr.

District Counsel:

Cincinnati, Ohio
Conley G. Wilkerson (Acting)

Cleveland, Ohio
Buckley D. Sowards

Detroit, Mich.
Charles S. Stroad

Indianapolis, Ind.
Ross E. Springer

Louisville, Ky.
Ferdinand J. Lotz, III

Mid-Atlantic Region

Regional Counsel
David E. Gaston

Deputy Regional Counsel (Criminal Tax)
Richard A. Francis, Jr.

Deputy Regional Counsel (General Litigation)
John G. Kissane

Deputy Regional Counsel (Tax Litigation)
Robert W. Lynch

Assistant Regional Counsel (General Legal Services)
David J. Markman

Regional Director of Appeals
Nelson A. Brooke

District Counsel:

Baltimore, Md.
Herbert A. Seidman

Foreign Operations
Marlene Gross

Newark, N.J.
Edward H. Hance

Philadelphia, Pa.
Charles F.T. Carroll

Pittsburgh, Pa.
Donald W. Howser

Richmond, Va.
Marion B. Morton

Washington, D.C.
Thomas C. Morrison

Midwest Region

Regional Counsel
Dennis J. Fox

Deputy Regional Counsel (Criminal Tax)
Harold L. Cook

Deputy Regional Counsel (General Litigation)
James H. Martin

Deputy Regional Counsel (Tax Litigation)
Peter D. Bakutes

Assistant Regional Counsel (General Legal Services)
(Vacant)

Regional Director of Appeals
Donato Cantalupo

District Counsel:

Chicago, Ill.
Denis J. Conlon

Des Moines, Iowa
Steedly Young

Kansas City, Mo.
James T. Finlen, Jr.

Milwaukee, Wis.
Nelson E. Shafer

Omaha, Neb.
Ronald M. Frykberg

Springfield, Ill.
Jeff P. Ehrlich

St. Louis, Mo.
William J. McNamara

St. Paul, Minn.
Robert F. Cunningham

North-Atlantic Region

Regional Counsel
Agatha L. Vorsanger

Deputy Regional Counsel (Criminal Tax)
(Vacant)

Deputy Regional Counsel (General Litigation)
Myron Levine

Deputy Regional Counsel (Tax Litigation)
Jay S. Hamelburg

Assistant Regional Counsel (General Legal Services)
Robert F. Hermann

Regional Director of Appeals
Eugene D. Alexander

District Counsel:

Albany, N.Y.
H. Stephen Kesselman

Boston, Mass.
Robert B. Dugan

Brooklyn, N.Y.
Sumner L. Lipsky

Buffalo, N.Y.
John E. White

Hartford, Conn.
Powell W. Holly, Jr.

Manhattan, N.Y.
Gerald Backer

Southeast Region

Regional Counsel
Jack D. Yarbrough

Deputy Regional Counsel (Criminal Tax)
Jack Morton

Deputy Regional Counsel (General Litigation)
Ronald P. Campbell

Deputy Regional Counsel (Tax Litigation)
Roy L. Allison

Assistant Regional Counsel (General Legal Services)
Harry G. Mason

Regional Director of Appeals
Robert B. Douthitt

District Counsel:

Atlanta, Ga.
Dean R. Morley, III

Birmingham, Ala.
John B. Harper

Greensboro, N.C.
Alan I. Weinburg

Jacksonville, Fla.
Roy S. Fischbeck

Miami, Fla.
W. Preston White, Jr.

Nashville, Tenn.
Richard J. Neubauer

Southwest Region

Regional Counsel
William B. Riley

Deputy Regional Counsel (Criminal Tax)
Michael W. Bentley

Deputy Regional Counsel (General Litigation)
Charles L. McReynolds, Jr.

Deputy Regional Counsel (Tax Litigation)
David L. Jordan

Assistant Regional Counsel (General Legal Services)
Gary A. Anderson

Regional Director of Appeals
Ralph R. Shilling

District Counsel:

Dallas, Texas
Kenneth A. Little

Denver, Colo.
George G. Young

Houston, Texas
Harold Friedman

New Orleans, La.
George H. Becker

Oklahoma City, Okla.
Walter O. Johnson

Western Region

Regional Counsel
Benjamin C. Sanchez

Deputy Regional Counsel (Criminal Tax)
J. Richard Murphy, Jr.

Deputy Regional Counsel (General Litigation)
Fayette G. Taylor

Deputy Regional Counsel (Tax Litigation)
Richard A. Jones

Assistant Regional Counsel (General Legal Services)
Robert J. Wilson

Regional Director of Appeals
Ralph F. Albrecht

District Counsel:

Honolulu, Hawaii
John T. Lyons

Los Angeles, Calif.
Joseph O. Greaves

Phoenix, Ariz.
Roger Rhodes

Portland, Ore.
Henry R. Snyder

Reno, Nev.
S. Clay Freed

Sacramento, Calif.
Steven J. Mopsick

Salt Lake City, Utah
Thomas F. Kelly

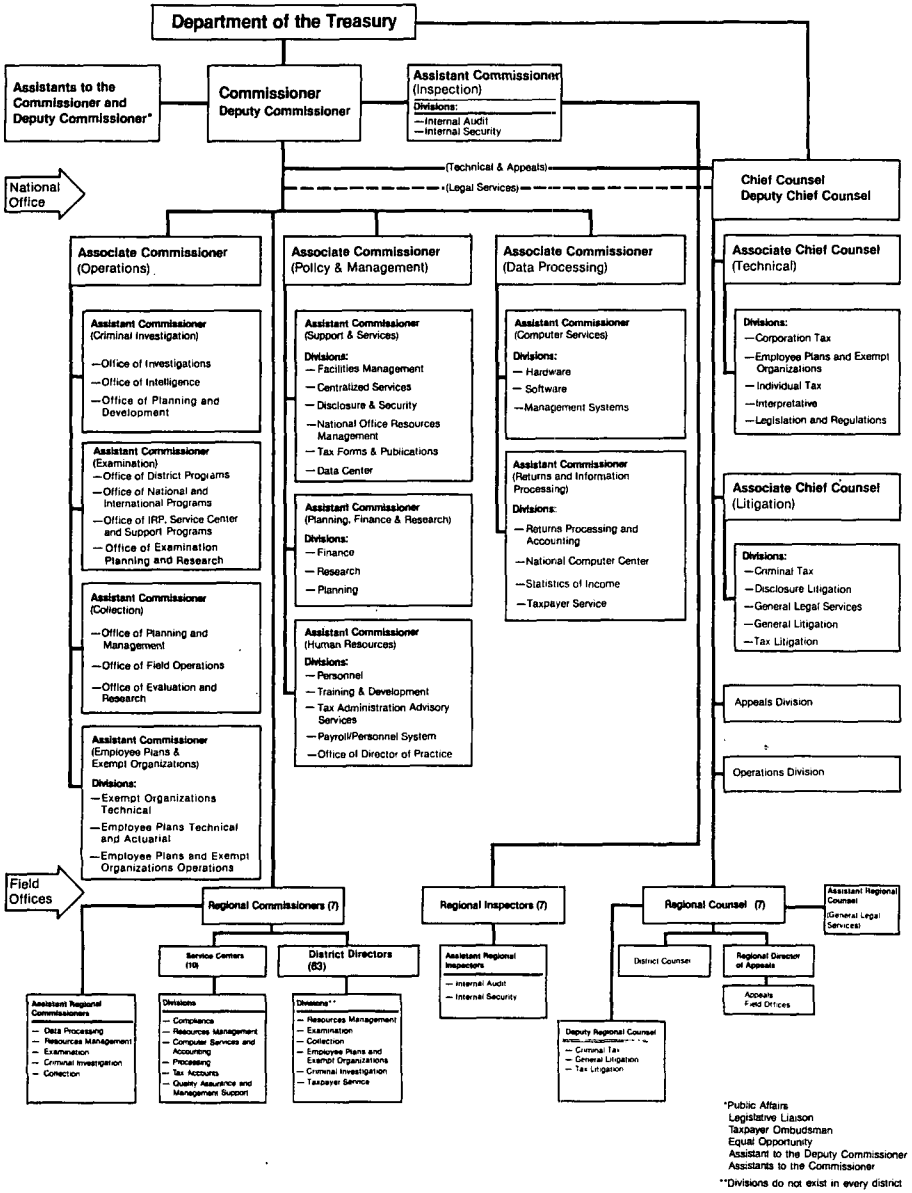
San Diego, Calif.
Donald W. Wolf

San Francisco, Calif.
James Booher

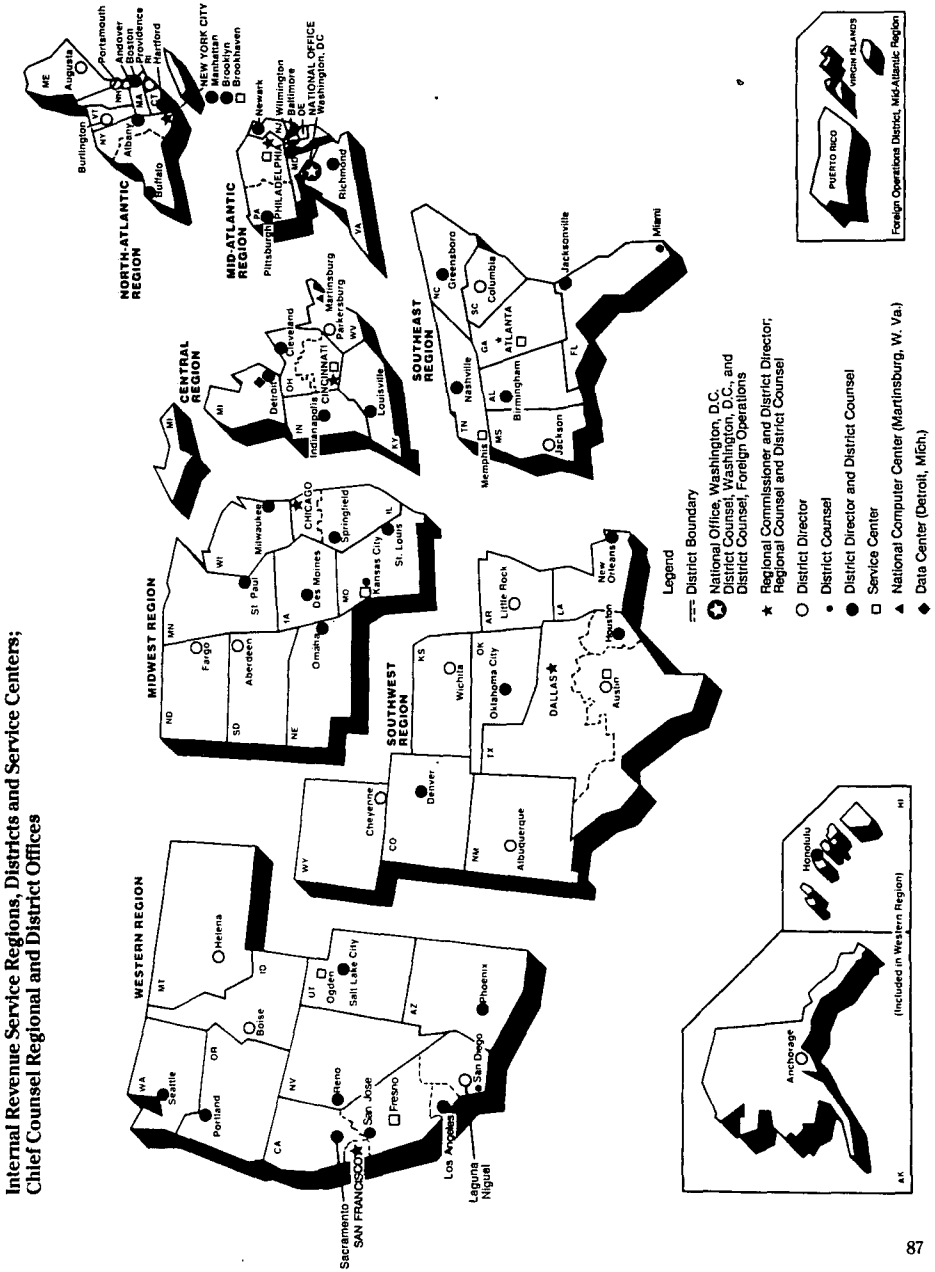
San Jose, Calif.
Lawrence G. Lilly

Seattle, Wash.
Richard J. Shipley

IRS Organization Chart



Internal Revenue Service Regions, Districts and Service Centers; Chief Counsel Regional and District Offices



Statistics
of Income
Library