

Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return

Fiscal Year 2019

Type and size of return	All returns filed in Calendar Year 2018 [1]	Returns examined in Fiscal Year 2019 [1]				Percentage of returns examined with no change		Recommended additional tax (thousands of dollars)			Average recommended additional tax per return (dollars)			
		Total	Percentage covered	Field [2]	Correspondence	Field [2]	Correspondence	Total	Field [2]	Correspondence	Field [2]	Correspondence		
													(1)	(2)
United States, total	199,365,492	771,095	0.4	202,223	568,872		[3]	[3]	17,282,170	13,775,915	3,506,255		[3]	[3]
Taxable returns:														
▶ Individual income tax returns, total	152,624,939	680,543	0.4	133,432	547,111	9	11	6,897,890	3,573,260	3,324,630	26,780	6,077		
▶ Returns with total positive income under \$200,000 [6]:														
▶ Nonbusiness returns without Earned Income Tax Credit:														
Without Schedules C, E, F, or Form 2106 [7]	83,656,224	98,786	0.1	14,064	84,722	12	11	606,675	211,513	395,163	15,039	4,664		
With Schedule E or Form 2106 [8]	15,648,973	90,129	0.6	23,010	67,119	5	7	701,766	427,845	273,921	18,594	4,081		
▶ Business returns without Earned Income Tax Credit:														
Nonfarm business returns by size of total gross receipts [9]:														
Under \$25,000	11,576,311	71,376	0.6	15,619	55,757	4	10	385,000	150,916	234,084	9,662	4,198		
\$25,000 under \$100,000	3,561,959	30,069	0.8	8,566	21,503	6	5	388,893	105,061	283,831	12,265	13,200		
\$100,000 under \$200,000	956,060	15,061	1.6	9,014	6,047	5	6	411,798	234,388	177,410	26,003	29,339		
\$200,000 or more	753,763	10,205	1.4	8,350	1,855	8	19	299,389	290,047	9,342	34,736	5,036		
Farm returns	1,221,583	2,605	0.2	998	1,607	10	18	14,726	9,307	5,419	9,326	3,372		
▶ Business and nonbusiness returns with Earned Income Tax Credit by size of total gross receipts [9, 10]:														
Under \$25,000	24,636,250	285,198	1.2	8,855	276,343	8	12	1,267,251	65,476	1,201,775	7,394	4,349		
\$25,000 or more	2,035,135	15,982	0.8	8,863	7,119	10	22	245,742	215,694	30,048	24,336	4,221		
▶ Returns with total positive income of at least \$200,000 and under \$1,000,000 [6]:														
Nonbusiness returns	5,565,824	20,629	0.4	9,237	11,392	10	24	542,236	320,693	221,542	34,718	19,447		
Business returns	2,267,197	23,508	1.0	14,127	9,381	13	22	713,111	551,068	162,042	39,008	17,273		
▶ Returns with total positive income of \$1,000,000 or more [6]														
▶ International returns [11]	582,008	13,946	2.4	10,033	3,913	20	20	1,315,130	985,509	329,621	98,227	84,237		
▶ Corporation income tax returns, except Form 1120-S, total [12]	186,745	13,472	0.7	13,173	299	30	22	8,225,478	8,203,285	22,193	622,735	74,225		
▶ Returns other than Forms 1120-C and 1120-F [13]:														
▶ Small corporations	1,729,622	8,500	0.5	8,355	145	25	17	549,702	543,449	6,253	65,045	43,122		
No balance sheet returns	424,163	1,763	0.4	1,738	25	16	d	163,489	163,489	0	94,067	0		
Balance sheet returns by size of total assets:														
Under \$250,000	805,278	2,745	0.3	2,702	43	23	30	155,820	151,106	4,713	55,924	109,610		
\$250,000 under \$1,000,000	295,636	2,346	0.8	2,324	22	30	23	125,303	125,280	24	53,907	1,075		
\$1,000,000 under \$5,000,000	170,569	1,286	0.8	1,248	38	30	d	71,402	70,150	1,252	56,210	32,936		
\$5,000,000 under \$10,000,000	33,976	360	1.1	343	17	41	d	33,688	33,424	264	97,447	15,542		
▶ Large corporations	76,782	4,775	6.2	4,660	115	38	32	7,591,833	7,575,994	15,839	1,625,750	137,733		
Balance sheet returns by size of total assets:														
\$10,000,000 under \$50,000,000	41,074	1,303	3.2	1,254	49	42	31	100,334	99,737	597	79,535	12,180		
\$50,000,000 under \$100,000,000	9,449	709	7.5	701	8	51	d	51,340	41,362	9,978	59,004	1,247,292		
\$100,000,000 under \$250,000,000	9,122	721	7.9	704	17	48	35	78,586	76,162	2,424	108,184	142,614		
\$250,000,000 under \$500,000,000	5,429	379	7.0	372	7	42	d	156,621	156,621	0	421,025	0		
\$500,000,000 under \$1,000,000,000	4,164	365	8.8	353	12	37	d	134,736	132,111	2,625	374,253	218,767		
\$1,000,000,000 under \$5,000,000,000	5,332	638	12.0	d	d	27	d	1,157,236	d	d	d	d		
\$5,000,000,000 under \$20,000,000,000	1,593	351	22.0	339	12	19	50	1,847,173	1,847,173	0	5,448,888	0		
\$20,000,000,000 or more	619	309	49.9	d	d	16	0	4,065,806	d	d	d	d		
▶ Form 1120-C returns [13]	9,263	24	0.3	d	d	d	0	739	d	d	d	d		
▶ Form 1120-F returns [13]	51,078	173	0.3	d	d	35	16	83,204	d	d	d	d		
▶ Estate and trust income tax returns [14]	3,133,753	826	[15]	394	432	12	24	51,700	30,424	21,277	77,217	49,252		
▶ Estate tax returns, total [16]	32,847	2,282	6.9	2,282	0	18	N/A	482,547	482,547	N/A	211,458	N/A		
▶ Size of gross estate:														
Under \$5,000,000	19,035	385	2.0	385	0	17	N/A	48,329	48,329	N/A	125,529	N/A		
\$5,000,000 under \$10,000,000	8,837	815	9.2	815	0	19	N/A	71,436	71,436	N/A	87,652	N/A		
\$10,000,000 or more	4,975	1,082	21.7	1,082	0	18	N/A	362,783	362,783	N/A	335,289	N/A		
▶ Gift tax returns	244,570	1,839	0.8	1,839	0	43	N/A	301,406	301,406	N/A	163,897	N/A		
▶ Employment tax returns	31,089,490	44,182	0.1	26,331	17,851	14	6	1,077,302	945,915	131,387	35,924	7,360		
▶ Excise tax returns	1,042,888	9,771	0.9	8,797	974	21	18	225,439	224,579	860	25,529	883		
▶ Other taxable returns [17]	[88]	213	[3]	67	146	d	8	20,407	14,500	5,907	216,419	40,641		
Nontaxable returns [18]:														
▶ Partnership returns	4,223,801	7,478	0.2	6,296	1,182	41	24	N/A	N/A	N/A	N/A	N/A		
▶ S corporation returns [19]	5,106,459	10,065	0.2	9,556	509	31	28	N/A	N/A	N/A	N/A	N/A		
▶ Other nontaxable returns [20]	[3]	424	[3]	56	368	25	24	N/A	N/A	N/A	N/A	N/A		
Income, estate, gift tax, and nontaxable returns, total	167,233,114	716,929	0.4	167,028	549,901	14	14	15,959,022	12,590,922	3,368,100	75,382	6,125		

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

N/A — Not applicable.

[1] Excludes excise tax returns filed with U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau. Also excludes returns of tax-exempt organizations, Government entities, employee retirement benefit plans, and tax-exempt bonds; and excludes information returns (e.g., Forms 1098, 1099, 5498, W-2 and W-3G, and Schedule K-1).

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

[3] Not tabulated.

[4] Includes a total of 256,708 returns selected for examination on the basis of an Earned Income Tax Credit (EITC) claim.

[5] Includes a total of \$1,107,735,110 in recommended additional tax (accounting for the effect of EITC) on returns selected for examination on the basis of an EITC claim.

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

[7] Includes Forms 1040 without a Schedule C (nonfarm sole proprietorship), Schedule E (supplemental income and loss), Schedule F (profit or loss from farming), or Form 2106 (employee business expenses).

[8] Includes Forms 1040 with a Schedule E (supplemental income and loss) or Form 2106 (employee business expenses) but without a Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming).

[9] Total gross receipts is the sum of gross receipts from farm and nonfarm businesses. It is calculated by adding the positive values of gross receipts and other income from Schedule C and gross income (which can be positive or negative) from Schedule F. Schedule C is used to report profit or loss from nonfarm sole proprietorships. Schedule F is used to report profit or loss from farming. If a taxpayer reports both farm and nonfarm income, the return is classified by the larger source of income.

[10] Includes all Forms 1040, those with and without business income, reporting an EITC claim. These returns are classified by size of total gross receipts. Business returns have total gross receipts reported on Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming). Nonbusiness returns, those with no Schedules C or F, are reported in the "Under \$25,000" classification.

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

[12] Includes the Form 1120 series as follows: 1120 (corporation income tax return); 1120-C (income tax return for cooperative associations); 1120-F (foreign corporation income tax return, except foreign life insurance company, foreign property and casualty insurance company, or foreign sales corporation); 1120-H (homeowner association income tax return); 1120-L (life insurance company income tax return); 1120-ND (return for nuclear decommissioning funds); 1120-PC (property and casualty insurance company income tax return); 1120-REIT (real estate investment trust income tax return); 1120-RIC (regulated investment company income tax return); and 1120-SF (income tax return for settlement funds). Excludes certain other types of corporation returns, which are included in "Other taxable returns" described in footnote 17.

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

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

[15] Less than 0.05 percent.

[16] Includes Form 706 (estate and generation-skipping transfer tax return).

[17] Includes Forms 1120-FSC (foreign sales corporation income tax return); 1120-S for S corporations reporting a tax (see footnote 19); 1065-B for partnerships reporting a tax; 8288 (withholding tax return for disposition by foreign persons of U.S. property interests); and 8804 (return of withholding tax on foreign partner's share of effectively connected income).

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

[19] Includes most Forms 1120-S, which are filed by qualifying S corporations electing to be taxed through shareholders. Under certain conditions, S corporations are subject to tax and are included in "Other taxable returns" in this table. See footnote 17.

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

NOTES: Detail may not add to totals because of rounding. This table includes information on examinations of all individual income tax, corporation income tax, estate and trust income tax, estate tax, gift tax, employment tax, excise tax, and other taxable returns, as well as partnership, S corporation, and other nontaxable returns.

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

Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return
Fiscal Year 2018

Type and size of return	All returns filed in Calendar Year 2017 [1,2]		Returns examined in Fiscal Year 2018 [1]				Percentage of returns examined with no change		Recommended additional tax (thousands of dollars)			Average recommended additional tax per return (dollars)	
	(1)	(2)	Percentage covered (3)	Field [3] (4)	Correspondence (5)	Field [3] (6)	Correspondence (7)	Total (8)	Field [3] (9)	Correspondence (10)	Field [3] (11)	Correspondence (12)	
													(1)
United States, total	195,750,099	991,168	0.5	249,768	741,400	[4]	[4]	26,514,334	21,330,155	5,184,179	[4]	[4]	
Taxable returns:													
► Individual income tax returns, total	150,043,227	892,187	0.6	169,415	722,772	8	10	9,050,651	4,456,803	4,593,849	28,307	6,356	
► Returns with total positive income under \$200,000 [7]:													
► Nonbusiness returns without Earned Income Tax Credit: Without Schedules C, E, F, or Form 2106 [8]	81,930,598	135,775	0.2	16,193	119,582	8	9	812,289	249,142	563,147	15,386	4,709	
With Schedule E or Form 2106 [9]	15,617,750	124,674	0.8	26,744	97,930	5	6	794,201	435,411	358,791	16,281	3,664	
► Business returns without Earned Income Tax Credit: Nonfarm business returns by size of total gross receipts [10]:													
Under \$25,000	11,334,584	96,227	0.9	21,602	74,625	5	10	475,161	177,618	297,543	8,222	3,987	
\$25,000 under \$100,000	3,383,021	31,935	0.9	14,117	17,818	6	8	426,372	240,128	186,244	17,010	10,453	
\$100,000 under \$200,000	915,411	21,649	2.4	11,552	10,097	6	6	586,676	281,712	304,964	24,386	30,203	
\$200,000 or more	715,018	13,550	1.9	10,207	3,343	7	23	337,994	323,257	14,737	31,670	4,408	
Farm returns	1,229,113	4,166	0.3	1,933	2,233	8	27	17,406	11,511	5,895	5,955	2,640	
► Business and nonbusiness returns with Earned Income Tax Credit by size of total gross receipts [10, 11]:													
Under \$25,000	25,227,279	363,098	1.4	12,260	350,838	8	10	1,679,971	80,640	1,599,331	6,577	4,559	
\$25,000 or more	1,941,093	19,105	1.0	11,374	7,731	9	16	268,416	233,291	35,125	20,511	4,543	
► Returns with total positive income of at least \$200,000 and under \$1,000,000 [7]:													
Nonbusiness returns	5,001,344	30,123	0.6	11,781	18,342	11	21	825,177	375,547	449,630	31,877	24,514	
Business returns	2,066,803	29,657	1.4	15,200	14,457	13	22	932,686	505,342	427,344	33,246	29,560	
► Returns with total positive income of \$1,000,000 or more [7]	504,278	16,290	3.2	10,671	5,619	17	29	1,877,561	1,526,619	350,942	143,062	62,456	
► International returns [12]	176,935	5,938	3.4	5,781	157	2	4	16,742	16,585	157	2,869	1,002	
► Corporation income tax returns, except Form 1120-S, total [13]	1,826,883	16,116	0.9	15,747	369	32	31	14,380,571	13,876,309	504,263	881,203	1,366,565	
► Returns other than Forms 1120-C and 1120-F [14]:													
► Small corporations	1,694,658	9,674	0.6	9,488	186	27	25	562,168	522,008	40,160	55,018	215,914	
No balance sheet returns	405,716	1,969	0.5	1,925	44	15	16	110,140	110,053	87	57,170	1,966	
Balance sheet returns by size of total assets:													
Under \$250,000	802,205	3,263	0.4	3,218	45	28	22	210,311	181,711	28,600	56,467	635,561	
\$250,000 under \$1,000,000	289,356	2,671	0.9	2,637	34	32	21	97,414	92,191	5,223	34,960	153,626	
\$1,000,000 under \$5,000,000	163,717	1,388	0.8	1,347	41	29	41	99,695	93,586	6,109	69,477	149,012	
\$5,000,000 under \$10,000,000	33,664	383	1.1	361	22	37	27	44,608	44,668	140	123,180	6,384	
► Large corporations	74,836	6,050	8.1	5,898	152	40	36	13,732,609	13,269,817	462,792	2,249,884	3,044,684	
Balance sheet returns by size of total assets:													
\$10,000,000 under \$50,000,000	39,792	1,825	4.6	1,792	33	44	27	336,681	140,972	195,710	78,667	5,930,592	
\$50,000,000 under \$100,000,000	9,150	973	10.6	957	16	53	25	98,712	98,523	190	102,950	11,849	
\$100,000,000 under \$250,000,000	8,890	861	9.7	851	10	45	30	549,774	519,945	29,829	610,981	2,982,925	
\$250,000,000 under \$500,000,000	5,402	587	10.9	563	24	41	63	179,762	167,403	12,359	297,342	514,939	
\$500,000,000 under \$1,000,000,000	4,147	417	10.1	406	11	36	45	77,518	76,094	1,425	187,423	129,513	
\$1,000,000,000 under \$5,000,000,000	5,246	662	12.6	633	29	27	41	1,064,998	1,060,929	4,070	1,676,033	140,328	
\$5,000,000,000 under \$20,000,000,000	1,576	413	26.2	396	17	18	35	1,593,713	1,593,369	345	4,023,659	20,266	
\$20,000,000,000 or more	633	312	49.3	300	12	14	8	9,831,449	9,612,583	218,866	32,041,942	18,238,864	
► Form 1120-C returns [14]	9,294	20	0.2	20	0	10	N/A	2,324	N/A	N/A	116,184	N/A	
► Form 1120-F returns [14]	48,095	372	0.8	341	31	48	35	83,471	82,160	1,311	240,940	42,278	
► Estate and trust income tax returns [15]	3,115,763	1,524	0.1	764	760	6	20	30,174	7,632	22,541	9,990	29,660	
► Estate tax returns, total [16]	33,690	2,898	8.6	2,898	0	19	N/A	1,543,307	1,543,307	N/A	532,542	N/A	
► Size of gross estate:													
Under \$5,000,000	21,223	566	2.7	566	0	22	N/A	202,498	202,498	N/A	357,770	N/A	
\$5,000,000 under \$10,000,000	8,324	1,049	12.6	1,049	0	19	N/A	136,270	136,270	N/A	129,905	N/A	
\$10,000,000 or more	4,143	1,283	31.0	1,283	0	17	N/A	1,204,539	1,204,539	N/A	938,845	N/A	
► Gift tax returns	242,426	2,090	0.9	2,090	0	30	N/A	464,686	464,686	N/A	222,338	N/A	
► Employment tax returns	30,584,476	43,035	0.1	29,701	13,334	14	3	795,419	733,901	61,518	24,710	4,614	
► Excise tax returns	1,011,364	12,908	1.3	11,730	1,178	25	19	233,396	232,479	917	19,819	778	
► Other taxable returns [17]	[4]	202	[4]	62	140	6	8	16,131	15,039	1,092	242,566	7,802	
Nontaxable returns [18]:													
► Partnership returns	4,043,349	8,945	0.2	7,307	1,638	40	36	N/A	N/A	N/A	N/A	N/A	
► S corporation returns [19]	4,848,921	10,575	0.2	9,966	609	29	38	N/A	N/A	N/A	N/A	N/A	
► Other nontaxable returns [20]	[4]	688	[4]	88	600	33	28	N/A	N/A	N/A	N/A	N/A	
Income, estate, gift tax, and nontaxable returns, total	164,154,259	935,023	0.6	208,275	726,748	12	10	25,469,389	20,348,736	5,120,652	97,701	7,046	

N/A — Not applicable.

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

[2] Calendar Year 2017 data are presented because, in general, examination activity is associated with returns filed in the previous calendar year.

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

[4] Not tabulated.

[5] Includes a total of 330,359 returns selected for examination on the basis of an Earned Income Tax Credit (EITC) claim.

[6] Includes a total of \$1,509,154,523 in recommended additional tax (accounting for the effect of EITC) on returns selected for examination on the basis of an EITC claim.

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

[8] Includes Forms 1040 without a Schedule C (nonfarm sole proprietorship), Schedule E (supplemental income and loss), Schedule F (profit or loss from farming), or Form 2106 (employee business expenses).

[9] Includes Forms 1040 with a Schedule E (supplemental income and loss) or Form 2106 (employee business expenses) but without a Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming).

[10] Total gross receipts is the sum of gross receipts from farm and nonfarm businesses. It is calculated by adding the positive values of gross receipts and other income from Schedule C and gross income (which can be positive or negative) from Schedule F. Schedule C is used to report profit or loss from nonfarm sole proprietorships. Schedule F is used to report profit or loss from farming. If a taxpayer reports both farm and nonfarm income, the return is classified by the larger source of income.

[11] Includes all Forms 1040, those with and without business income, reporting an EITC claim. These returns are classified by size of total gross receipts. Business returns have total gross receipts reported on Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming). Nonbusiness returns, those with no Schedules C or F, are reported in the "Under \$25,000" classification.

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

[13] Includes the Form 1120 series as follows: 1120 (corporation income tax return); 1120-C (income tax return for cooperative associations); 1120-F (foreign corporation income tax return, except foreign life insurance company, foreign property and casualty insurance company, or foreign sales corporation); 1120-H (homeowner association income tax return); 1120-L (life insurance company income tax return); 1120-ND (return for nuclear decommissioning funds); 1120-PC (property and casualty insurance company income tax return); 1120-REIT (real estate investment trust income tax return); 1120-RIC (regulated investment company income tax return); and 1120-SF (income tax return for settlement funds). Excludes certain other types of corporation returns, which are included in "Other taxable returns" described in footnote 17.

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

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

[16] Includes Form 706 (estate and generation-skipping transfer tax return).

[17] Includes Forms 1120-FSC (foreign sales corporation income tax return); 1120-S for S corporations reporting a tax (see footnote 19); 1065-B for partnerships reporting a tax; 8288 (withholding tax return for disposition by foreign persons of U.S. property interests); and 8804 (return of withholding tax on foreign partner's share of effectively connected income).

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

[19] Includes most Forms 1120-S, which are filed by qualifying S corporations electing to be taxed through shareholders. Under certain conditions, S corporations are subject to tax and are included in "Other taxable returns" in this table. See footnote 17.

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

NOTES: Detail may not add to totals because of rounding. This table includes information on examinations of all individual income tax, corporation income tax, estate and trust income tax, estate tax, gift tax, employment tax, excise tax, and other taxable returns, as well as partnership, S corporation, and other nontaxable returns.

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

Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return
 Fiscal Year 2017

Type and size of return	All returns filed in Calendar Year 2016 [1, 2]	Returns examined in Fiscal Year 2017 [1]				Percentage of returns examined with no change		Recommended additional tax (thousands of dollars)			Average recommended additional tax per return (dollars)					
		Total	Percentage covered	Field [3]	Correspondence	Field [3]	Correspondence	Total	Field [3]	Correspondence	Field [3]	Correspondence				
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)			
United States, total	195,614,161	1,059,924	0.5	309,062	750,862			[4]	[4]	28,991,634	23,893,558	5,098,076			[4]	[4]
Taxable returns:																
► Individual income tax returns, total	149,919,416	[5] 933,785	0.6	214,582	719,203			8	10	[6] 9,028,417	4,703,305	4,325,112			21,918	6,014
► Returns with total positive income under \$200,000 [7]:																
► Nonbusiness returns without Earned Income Tax Credit:																
Without Schedules C, E, F, or Form 2106 [8]	81,474,839	154,310	0.2	24,510	129,800			9	10	892,600	377,358	515,242			15,396	3,970
With Schedule E or Form 2106 [9]	15,818,718	112,792	0.7	32,054	80,738			5	9	765,756	484,834	280,922			15,126	3,479
► Business returns without Earned Income Tax Credit:																
Nonfarm business returns by size of total gross receipts [10]:																
Under \$25,000	11,005,284	98,952	0.9	26,382	72,570			4	9	493,741	218,686	275,055			8,289	3,790
\$25,000 under \$100,000	3,305,637	44,434	1.3	20,910	23,524			6	4	605,703	378,763	226,940			18,114	9,647
\$100,000 under \$200,000	914,814	18,994	2.1	13,612	5,382			5	7	388,711	258,096	130,615			18,961	24,269
\$200,000 or more	719,214	13,307	1.9	10,757	2,550			8	19	301,119	290,855	10,264			27,039	4,025
Farm returns	1,244,590	5,454	0.4	2,379	3,075			8	20	24,451	14,799	9,652			6,221	3,139
► Business and nonbusiness returns with Earned Income Tax Credit by size of total gross receipts [10, 11]:																
Under \$25,000	25,948,509	[12] 361,360	1.4	18,513	342,847			9	9	1,742,741	118,026	1,624,715			6,375	4,739
\$25,000 or more	1,909,631	[12] 19,909	1.0	11,949	7,960			9	14	272,541	235,156	37,385			19,680	4,697
► Returns with total positive income of at least \$200,000 and under \$1,000,000 [7]:																
Nonbusiness returns	4,873,138	40,521	0.8	17,114	23,407			12	24	878,551	441,310	437,241			25,786	18,680
Business returns	2,001,954	31,471	1.6	16,265	15,206			10	21	859,436	529,702	329,734			32,567	21,684
► Returns with total positive income of \$1,000,000 or more [7]	519,406	22,704	4.4	11,087	11,617			14	34	1,783,111	1,336,524	446,587			120,549	38,443
► International returns [13]	183,682	9,577	5.2	9,050	527			2	4	19,956	19,196	760			2,121	1,443
► Corporation income tax returns, except Form 1120-S, total [14]	1,906,645	18,962	1.0	17,962	1,000			31	43	17,718,475	17,020,575	697,900			947,588	697,901
► Returns other than Forms 1120-C and 1120-F [15]:																
► Small corporations	1,771,641	12,157	0.7	11,803	354			27	31	624,977	555,503	69,474			47,065	196,255
No balance sheet returns	414,636	2,527	0.6	2,459	68			16	37	131,860	130,483	1,377			53,064	20,243
Balance sheet returns by size of total assets:																
Under \$250,000	849,698	4,370	0.5	4,278	92			27	43	211,543	145,530	66,013			34,018	717,538
\$250,000 under \$1,000,000	302,052	3,221	1.1	3,157	64			34	16	126,306	124,360	1,946			39,392	30,406
\$1,000,000 under \$5,000,000	169,366	1,587	0.9	1,495	92			31	25	68,034	67,934	100			45,441	1,087
\$5,000,000 under \$10,000,000	35,889	452	1.3	414	38			35	29	87,234	87,196	38			210,617	1,006
► Large corporations	77,709	6,109	7.9	5,659	450			36	48	16,989,101	16,360,786	628,315			2,891,109	1,396,255
Balance sheet returns by size of total assets:																
\$10,000,000 under \$50,000,000	42,392	1,676	4.0	1,585	91			40	37	158,539	157,494	1,045			99,365	11,479
\$50,000,000 under \$100,000,000	9,141	930	10.2	887	43			50	42	75,333	75,327	6			84,923	134
\$100,000,000 under \$250,000,000	9,031	897	9.9	842	55			47	69	80,355	80,256	99			95,316	1,807
\$250,000,000 under \$500,000,000	5,529	550	9.9	483	67			40	57	102,312	101,675	637			210,507	9,508
\$500,000,000 under \$1,000,000,000	4,127	462	11.2	413	49			27	57	320,069	319,695	374			774,080	7,635
\$1,000,000,000 under \$5,000,000,000	5,293	810	15.3	737	73			22	52	1,734,213	1,727,235	6,978			2,343,602	95,589
\$5,000,000,000 under \$20,000,000,000	1,580	424	26.8	381	43			18	33	3,456,110	3,454,706	1,404			9,067,470	32,652
\$20,000,000,000 or more	616	360	58.4	331	29			14	21	11,062,170	10,444,398	617,772			31,554,072	212,403
► Form 1120-C returns [15]	9,303	40	0.4	d	d			d	d	24,169	d	d			d	d
► Form 1120-F returns [15]	47,992	656	1.4	d	d			d	d	80,228	d	d			d	d
► Estate and trust income tax returns [16]	3,187,535	3,284	0.1	953	2,331			3	24	50,895	37,460	13,435			39,308	5,764
► Estate tax returns, total [17]	35,042	2,876	8.2	2,876	0			19	N/A	798,898	798,898	N/A			277,781	N/A
► Size of gross estate:																
Under \$5,000,000	23,013	570	2.5	570	0			16	N/A	25,236	25,236	N/A			44,274	N/A
\$5,000,000 under \$10,000,000	8,095	1,086	13.4	1,086	0			23	N/A	91,292	91,292	N/A			84,063	N/A
\$10,000,000 or more	3,934	1,220	31.0	1,220	0			17	N/A	682,370	682,370	N/A			559,320	N/A
► Gift tax returns	244,974	1,886	0.8	1,886	0			35	N/A	439,458	439,458	N/A			233,011	N/A
► Employment tax returns	30,532,806	53,716	0.2	37,137	16,579			13	5	721,367	661,873	59,494			17,822	3,589
► Excise tax returns	1,000,648	13,961	1.4	12,256	1,705			26	20	197,980	196,728	1,252			16,052	734
► Other taxable returns [18]	[4]	335	[4]	143	192			10	3	36,144	35,261	883			246,578	4,597
Non-taxable returns [19]:																
► Partnership returns	3,978,262	15,275	0.4	9,005	6,270			43	56	N/A	N/A	N/A			N/A	N/A
► S corporation returns [20]	4,808,833	13,448	0.3	12,169	1,279			29	33	N/A	N/A	N/A			N/A	N/A
► Other non-taxable returns [21]	[4]	2,396	[4]	93	2,303			14	36	N/A	N/A	N/A			N/A	N/A
Income, estate, gift tax, and nontaxable returns, total	164,080,707	991,912	0.6	259,526	732,386			12	11	28,036,143	22,999,696	5,036,447			[4]	[4]

N/A — Not applicable.

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

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

[2] Calendar Year 2016 data are presented because, in general, examination activity is associated with returns filed in the previous calendar year.

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

[4] Not tabulated.

[5] Includes a total of 327,805 returns selected for examination on the basis of an Earned Income Tax Credit (EITC) claim.

[6] Includes a total of \$1,551,646,733 in recommended additional tax (accounting for the effect of Earned Income Tax Credits) on returns selected for examination on the basis of an EITC claim.

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

[8] Includes Forms 1040 without a Schedule C (nonfarm sole proprietorship), Schedule E (supplemental income and losses), Schedule F (profit or loss from farming), or Form 2106 (employee business expenses).

[9] Includes Forms 1040 with a Schedule E (supplemental income and loss) or Form 2106 (employee business expenses) but without a Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming).

[10] Total gross receipts is the sum of gross receipts from farm and nonfarm businesses. It is calculated by adding the positive values of gross receipts and other income from Schedule C and gross income (which can be positive or negative) from Schedule F. Schedule C is used to report profit or loss from nonfarm sole proprietorships. Schedule F is used to report profit or loss from farming. If a taxpayer reports both farm and nonfarm income, the return is classified by the larger source of income.

[11] Includes all Forms 1040, those with and without business income, reporting an Earned Income Tax Credit claim. These returns are classified by size of total gross receipts. Business returns have total gross receipts reported on Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming). Nonbusiness returns, those with no Schedules C or F, are reported in the "Under \$25,000" classification.

[12] These returns were selected on the basis of an Earned Income Tax Credit (EITC) claim.

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

[14] Includes the Form 1120 series as follows: 1120 (corporation income tax return); 1120-C (income tax return for cooperative associations); 1120-F (foreign corporation income tax return, except foreign life insurance company, foreign property and casualty insurance company, or foreign sales corporation); 1120-H (homeowner association income tax return); 1120-L (life insurance company income tax return); 1120-ND (return for nuclear decommissioning funds); 1120-PC (property and casualty insurance company income tax return); 1120-REIT (real estate investment trust income tax return); 1120-RIC (regulated investment company income tax return); and 1120-SF (income tax return for settlement funds). Excludes certain other types of corporation returns, which are included in "Other taxable returns" described in footnote 18.

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

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

[17] Includes Form 706 (estate and generation-skipping transfer tax return).

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

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

[20] Includes most Forms 1120-S, which are filed by qualifying S corporations electing to be taxed through shareholders. Under certain conditions, S corporations are subject to tax and are included in "Other taxable returns" in this table. See footnote 18.

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

NOTES: Detail may not add to totals because of rounding. This table includes information on examinations of all individual income tax, corporation income tax, estate and trust income tax, estate tax, gift tax, employment tax, excise tax, and other taxable returns, as well as partnership, S corporation, and other nontaxable returns.

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

Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return
Fiscal Year 2016

Type and size of return	All returns filed in Calendar Year 2015 [1,2]	Returns examined in Fiscal Year 2016 [1]				Percentage of returns examined with no change		Recommended additional tax (thousands of dollars)			Average recommended additional tax per return (dollars)					
		Total	Percentage covered	Field [3]	Correspondence	Field [3]	Correspondence	Total	Field [3]	Correspondence	Field [3]	Correspondence				
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)			
United States, total	192,936,878	1,166,379	0.6	342,297	824,082			[4]	[4]	26,937,840	21,969,130	5,368,710			[4]	[4]
Taxable returns:																
▶ Individual income tax returns, total	147,967,324	[5] 1,034,955	0.7	243,722	791,233			8	11	[6] 8,864,674	4,625,141	5,239,533		18,977		6,622
▶ Returns with total positive income under \$200,000 [7]:																
▶ Nonbusiness returns without Earned Income Tax Credit: Without Schedules C, E, F, or Form 2106 [8]	80,185,360	187,775	0.2	27,950	159,825			8	11	955,723	274,755	680,968		9,830		4,261
With Schedule E or Form 2106 [9]	15,880,453	109,094	0.7	44,034	65,060			5	16	736,738	501,811	234,927		11,396		3,611
▶ Business returns without Earned Income Tax Credit: Nonfarm business returns by size of total gross receipts [10]:																
Under \$25,000	10,741,091	91,852	0.9	31,251	60,601			4	15	593,790	261,725	332,065		8,375		5,480
\$25,000 under \$100,000	3,192,073	55,597	1.7	22,438	33,159			6	5	551,466	238,227	313,239		10,617		9,447
\$100,000 under \$200,000	887,500	19,691	2.2	13,982	5,709			6	10	464,615	331,229	133,386		23,690		23,364
\$200,000 or more	703,582	13,374	1.9	11,086	2,288			10	26	294,892	280,372	14,520		25,291		6,346
Farm returns	1,254,137	5,391	0.4	2,801	2,590			10	28	30,151	20,080	10,071		7,169		3,888
▶ Business and nonbusiness returns with Earned Income Tax Credit by size of total gross receipts [10, 11]:																
Under \$25,000	26,218,562	[12] 407,724	1.6	25,802	381,922			10	7	1,983,442	137,105	1,846,337		5,314		4,834
\$25,000 or more	1,842,287	[12] 20,483	1.1	10,915	9,568			8	15	237,565	187,097	50,468		17,141		5,275
▶ Returns with total positive income of at least \$200,000 and under \$1,000,000 [7]:																
Nonbusiness returns	4,510,697	45,480	1.0	18,204	27,276			12	25	793,638	421,508	372,130		23,155		13,643
Business returns	1,877,119	42,893	2.3	16,993	25,900			11	33	879,871	549,060	330,811		32,311		12,773
▶ Returns with total positive income of \$1,000,000 or more [7]	484,566	28,260	5.8	11,662	16,598			15	28	2,325,234	1,405,650	919,584		120,532		55,403
▶ International returns [13]	189,897	7,341	3.9	6,604	737			1	4	17,549	16,522	1,027		2,502		1,393
▶ Corporation income tax returns, except Form 1120-S, total [14]	1,887,078	21,136	1.1	10,377	1,759			30	28	14,796,865	14,746,540	50,325		761,033		28,610
▶ Returns other than Forms 1120-C and 1120-F [15]:																
▶ Small corporations [16]	1,765,733	14,136	0.8	12,920	1,216			28	29	574,547	540,496	34,051		41,834		28,002
No balance sheet returns	405,213	2,785	0.7	2,516	269			16	25	171,121	165,587	5,534		65,814		20,572
Balance sheet returns by size of total assets:																
Under \$250,000	863,344	6,037	0.7	5,450	587			28	31	152,058	133,648	18,410		24,523		31,363
\$250,000 under \$1,000,000	301,016	3,146	1.0	2,967	179			32	35	133,118	127,159	5,959		42,858		33,291
\$1,000,000 under \$5,000,000	165,337	1,678	1.0	1,557	121			34	24	86,085	83,275	2,810		53,484		23,223
\$5,000,000 under \$10,000,000	30,823	490	1.6	430	60			40	18	32,165	30,827	1,338		17,691		22,300
▶ Large corporations [17]	67,701	6,453	9.5	6,033	420			33	26	13,192,852	13,176,694	16,158		2,184,103		38,471
Balance sheet returns by size of total assets:																
\$10,000,000 under \$50,000,000	35,611	1,873	4.7	1,584	89			40	22	184,158	183,765	393		116,013		4,416
\$50,000,000 under \$100,000,000	8,300	859	10.3	819	40			47	15	103,581	102,679	902		125,371		22,550
\$100,000,000 under \$250,000,000	8,225	914	11.1	858	56			42	18	240,359	239,484	875		279,119		15,625
\$250,000,000 under \$500,000,000	5,043	613	12.2	572	41			38	20	131,608	130,875	733		228,802		17,878
\$500,000,000 under \$1,000,000,000	3,727	518	13.9	471	47			27	38	146,968	145,033	1,935		307,926		41,170
\$1,000,000,000 under \$5,000,000,000	4,821	941	19.5	851	90			22	33	1,873,046	1,868,594	4,452		2,195,763		49,467
\$5,000,000,000 under \$20,000,000,000	1,429	510	35.7	463	47			17	34	2,309,814	2,309,388	426		4,987,879		9,064
\$20,000,000,000 or more	545	425	78.0	415	10			11	20	8,203,318	8,196,876	6,442		19,751,508		644,200
▶ Form 1120-C returns [15]	9,043	44	0.5	35	9			0	11	5,423	5,406	17		154,457		1,889
▶ Form 1120-F returns [15]	44,601	503	1.1	389	114			58	32	1,024,043	1,023,944	99		2,632,247		868
▶ Estate and trust income tax returns [18]	3,174,929	3,284	0.1	451	2,833			4	15	198,598	161,409	37,189		357,891		13,127
▶ Estate tax returns, total [19]	36,130	3,187	8.8	3,187	0			21		N/A	789,805	789,805		N/A		247,821
▶ Size of gross estate:																
Under \$5,000,000	25,334	582	2.3	582	0			23		N/A	52,658	52,658		N/A		90,478
\$5,000,000 under \$10,000,000	7,165	1,240	17.3	1,240	0			25		N/A	168,451	168,451		N/A		135,848
\$10,000,000 or more	3,631	1,365	37.6	1,365	0			17		N/A	568,696	568,696		N/A		416,627
▶ Gift tax returns	238,324	1,843	0.8	1,843	0			33		N/A	302,836	302,836		N/A		164,317
▶ Employment tax returns	30,088,108	54,652	0.2	38,189	16,463			14	9	812,529	782,784	29,745		20,498		1,807
▶ Excise tax returns	993,611	13,440	1.4	11,404	2,036			17	31	156,014	154,526	1,488		13,550		731
▶ Other taxable returns [20]	[4]	366	[4]	93	273			9	11	16,519	6,089	10,430		65,473		38,205
Nontaxable returns [21]:																
▶ Partnership returns	3,862,691	14,645	0.4	9,437	5,208			46	20	N/A	N/A	N/A		N/A		N/A
▶ S corporation returns [22]	4,688,683	15,869	0.3	14,525	1,344			31	28	N/A	N/A	N/A		N/A		N/A
▶ Other nontaxable returns [23]	[4]	3,002	[4]	69	2,933			19	17	N/A	N/A	N/A		N/A		N/A
Income, estate, gift tax, and nontaxable returns, total	161,855,159	1,097,921	0.7	292,611	805,310			12	12	25,952,778	20,625,731	5,327,047		[4]		[4]

N/A — Not applicable.

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

[2] Calendar Year 2015 data are presented because, in general, examination activity is associated with returns filed in the previous calendar year.

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

[4] Not tabulated.

[5] Includes a total of 380,260 returns selected for examination on the basis of an Earned Income Tax Credit (EITC) claim.

[6] Includes a total of \$1,826,304,783 in recommended additional tax (including an Earned Income Tax Credit) on returns selected for examination on the basis of an EITC claim.

[7] In general, total positive income is the sum of all positive amounts shown for the various sources of income reported on the individual income tax return, and thus excludes losses. Examinations of individual income tax returns are shown in this table by total positive income of: under \$200,000; at least \$200,000 and under \$1,000,000; and \$1,000,000 or more.

[8] Includes Forms 1040 without a Schedule C (nonfarm sole proprietorship), Schedule E (supplemental income and loss), Schedule F (profit or loss from farming), or Form 2106 (employee business expenses).

[9] Includes Forms 1040 with a Schedule E (supplemental income and loss) or Form 2106 (employee business expenses) but without a Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming).

[10] Total gross receipts is the sum of gross receipts from farm and nonfarm businesses. It is calculated by adding the positive values of gross receipts and other income from Schedule C and gross income (which can be positive or negative) from Schedule F. Schedule C is used to report profit or loss from nonfarm sole proprietorships. Schedule F is used to report profit or loss from farming. If a taxpayer reports both farm and nonfarm income, the return is classified by the larger source of income.

[11] Includes all Forms 1040, those with and without business income, reporting an Earned Income Tax Credit claim. These returns are classified by size of total gross receipts. Business returns have total gross receipts reported on Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming). Nonbusiness returns, those with no Schedules C or F, are reported in the "Under \$25,000" classification.

[12] These returns were selected on the basis of an Earned Income Tax Credit (EITC) claim or on other selected criteria.

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

[14] Includes the Form 1120 series as follows: 1120 (corporation income tax return); 1120-C (income tax return for cooperative associations); 1120-F (foreign corporation income tax return, except foreign life insurance company, foreign property and casualty insurance company, or foreign sales corporation); 1120-H (homeowner association income tax return); 1120-L (life insurance company income tax return); 1120-ND (return for nuclear decommissioning funds); 1120-PC (property and casualty insurance company income tax return); 1120-REIT (real estate investment trust income tax return); 1120-RIC (regulated investment company income tax return); and 1120-SF (income tax return for settlement funds). Excludes certain other types of corporation returns, which are included in "Other taxable returns" described in footnote 20.

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

[16] Includes returns with assets of less than \$10 million.

[17] Includes returns with assets of \$10 million or more.

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

[19] Includes Form 706 (estate and generation-skipping transfer tax return).

[20] Includes Forms 1120-FSC (foreign sales corporation income tax return); 1120-S for S corporations reporting a tax (see footnote 22); 1065-B for partnerships reporting a tax; 8288 (withholding tax return for disposition by foreign persons of U.S. property interests); and 8804 (return of withholding tax on foreign partner's share of effectively connected income).

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

[22] Includes most Forms 1120-S, which are filed by qualifying S corporations electing to be taxed through shareholders. Under certain conditions, S corporations are subject to tax and are included in "Other taxable returns" in this table. See footnote 20.

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

NOTES: Detail may not add to totals because of rounding. This table includes information on examinations of all individual income tax, corporation income tax, estate and trust income tax, estate tax, gift tax, employment tax, excise tax, and other taxable returns, as well as partnership, S corporation, and other nontaxable returns.

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

Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return
Fiscal Year 2015

Type and size of return	All returns filed in Calendar Year 2014 [1,2]		Returns examined in Fiscal Year 2015 [1]				Percentage of returns examined with no change		Recommended additional tax (thousands of dollars)			Average recommended additional tax per return (dollars)		
	(1)	(2)	(3)	Field [3]	Correspondence	Field [3]	Correspondence	(6)	(7)	(8)	Field [3]	Correspondence	Field [3]	Correspondence
United States, total	191,857,005	1,373,788	0.7	376,223	997,565			[4]	[4]	25,114,727	17,772,002	7,342,725	[4]	[4]
Taxable returns:														
▶ Individual income tax returns, total	146,861,217	[5] 1,228,117	0.8	287,076	961,041			9	12	12,308,319	5,112,190	7,196,129	19,141	7,488
▶ Returns with total positive income under \$200,000 [7]:														
▶ Nonbusiness returns without Earned Income Tax Credit: Without Schedules C, E, F, or Form 2106 [8]	79,643,929	262,610	0.3	32,922	229,688			8	8	1,404,481	350,489	1,053,992	10,646	4,589
With Schedule E or Form 2106 [9]	15,997,590	107,300	0.7	49,408	57,892			6	13	750,470	525,949	224,521	10,645	3,878
▶ Business returns without Earned Income Tax Credit: Nonfarm business returns by size of total gross receipts [10]:														
Under \$25,000	10,534,942	94,952	0.9	35,192	59,760			4	10	516,351	273,560	242,791	7,773	4,063
\$25,000 under \$100,000	3,124,877	74,825	2.4	24,012	50,813			7	4	783,404	238,854	544,550	9,947	10,717
\$100,000 under \$200,000	877,851	21,724	2.5	13,681	8,043			6	8	460,898	259,420	201,478	18,962	25,050
\$200,000 or more	685,163	13,684	2.0	11,549	2,135			10	52	362,119	364,817	15,302	30,030	7,167
Farm returns	1,288,251	4,255	0.3	2,475	1,780			11	29	26,148	21,405	4,743	8,648	2,664
▶ Business and nonbusiness returns with Earned Income Tax Credit by size of total gross receipts [10, 11]:														
Under \$25,000	26,502,703	[12] 459,920	1.7	27,009	432,911			11	9	2,122,602	142,755	1,979,847	5,285	4,573
\$25,000 or more	1,806,228	[12] 18,112	1.0	11,161	6,951			8	21	227,686	194,003	33,683	17,382	4,846
▶ Returns with total positive income of at least \$200,000 and under \$1,000,000 [7]:														
Nonbusiness returns	4,068,298	71,280	1.8	20,795	50,485			15	33	1,302,685	446,984	855,701	21,495	16,950
Business returns	1,734,110	51,151	2.9	17,822	33,329			13	33	1,155,895	490,988	664,907	27,550	19,950
▶ Returns with total positive income of \$1,000,000 or more [7]	416,178	39,753	9.6	13,781	25,972			19	28	3,143,773	1,800,364	1,343,409	130,641	51,725
▶ International returns [13]	201,097	8,551	4.3	7,289	1,282			2	3	51,807	20,602	31,205	2,834	24,341
▶ Corporation income tax returns, except Form 1120-S, total [14]	1,915,337	24,761	1.3	21,760	3,001			30	51	10,361,977	10,260,829	101,148	471,545	33,705
▶ Returns other than Forms 1120-C and 1120-F [15]:														
▶ Small corporations [16]	1,797,366	16,460	0.9	14,232	2,228			29	57	740,129	676,825	63,304	47,557	28,413
No balance sheet returns	407,531	3,076	0.8	2,674	402			17	35	329,201	322,453	6,748	120,588	16,787
Balance sheet returns by size of total assets:														
Under \$250,000	892,482	7,310	0.8	6,145	1,165			29	66	145,772	129,539	16,233	21,080	13,934
\$250,000 under \$1,000,000	304,486	3,785	1.2	3,391	394			32	67	152,928	118,296	34,632	34,885	87,899
\$1,000,000 under \$5,000,000	162,847	1,836	1.1	1,644	192			37	42	74,079	68,522	5,557	41,680	28,945
\$5,000,000 under \$10,000,000	30,020	453	1.5	378	75			35	33	38,149	38,015	134	100,568	1,782
▶ Large corporations [17]	66,484	7,410	11.1	6,908	502			32	31	9,014,876	8,978,301	36,575	1,299,696	72,860
Balance sheet returns by size of total assets:														
\$10,000,000 under \$50,000,000	34,654	2,000	5.8	1,848	152			37	36	242,634	238,707	3,927	129,171	25,838
\$50,000,000 under \$100,000,000	8,073	913	11.3	867	46			42	26	143,640	143,623	17	165,656	366
\$100,000,000 under \$250,000,000	8,317	1,165	14.2	1,115	70			40	44	145,313	145,188	125	130,213	1,788
\$250,000,000 under \$500,000,000	5,051	707	14.0	654	53			33	25	220,310	218,912	1,398	334,728	26,379
\$500,000,000 under \$1,000,000,000	3,680	626	17.0	587	39			29	23	315,018	306,724	8,294	522,527	212,676
\$1,000,000,000 under \$5,000,000,000	4,763	1,125	23.6	1,047	78			20	29	1,898,966	1,881,984	16,982	1,797,501	217,722
\$5,000,000,000 under \$20,000,000,000	1,404	507	36.1	460	47			14	26	2,110,158	2,107,907	2,251	4,582,406	47,891
\$20,000,000,000 or more	542	347	64.0	330	17			11	18	3,938,837	3,935,256	3,581	11,925,019	210,632
▶ Form 1120-C returns [15]	8,973	34	0.4	27	7			0	14	16,046	15,921	125	589,670	17,790
▶ Form 1120-F returns [15]	42,514	857	2.0	593	264			52	31	590,926	589,782	1,144	994,574	4,333
▶ Estate and trust income tax returns [18]	3,215,902	5,288	0.2	523	4,765			8	31	61,425	33,311	28,114	63,693	5,900
▶ Estate tax returns, total [19]	35,619	2,770	7.8	2,770	0			22	N/A	428,109	428,109	N/A	154,552	N/A
▶ Size of gross estate:														
Under \$5,000,000	25,188	539	2.1	539	0			29	N/A	30,246	30,246	N/A	56,116	N/A
\$5,000,000 under \$10,000,000	6,916	1,119	16.2	1,119	0			21	N/A	72,549	72,549	N/A	64,834	N/A
\$10,000,000 or more	3,515	1,112	31.6	1,112	0			19	N/A	325,314	325,314	N/A	292,548	N/A
▶ Gift tax returns	267,600	2,539	0.9	2,539	0			34	N/A	286,026	286,026	N/A	112,653	N/A
▶ Employment tax returns	30,206,367	54,214	0.2	44,414	10,800			14	15	1,282,695	1,267,781	14,914	29,202	1,381
▶ Excise tax returns	982,630	13,153	1.3	10,837	2,316			26	17	235,028	233,724	1,304	21,567	563
▶ Other taxable returns [20]	[4]	477	[4]	175	302			6	13	151,148	150,032	1,116	857,326	3,696
Nontaxable returns [21]:														
▶ Partnership returns	3,766,567	19,212	0.5	10,377	8,835			49	26	N/A	N/A	N/A	N/A	N/A
▶ S corporation returns [22]	4,605,766	18,595	0.4	16,631	1,964			37	40	N/A	N/A	N/A	N/A	N/A
▶ Other nontaxable returns [23]	[4]	4,662	[4]	121	4,541			21	23	N/A	N/A	N/A	N/A	N/A
Income, estate, gift tax, and nontaxable returns, total	160,668,008	1,305,944	0.8	321,797	984,147			13	12	23,445,856	16,120,465	7,325,391	[4]	[4]

N/A - Not applicable.

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

[2] Calendar Year 2014 data are presented because, in general, examination activity is associated with returns filed in the previous calendar year.

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

[4] Not tabulated.

[5] Includes a total of 445,594 returns selected for examination on the basis of an Earned Income Tax Credit (EITC) claim.

[6] Includes a total of \$1,991,060,420 in recommended additional tax (including an Earned Income Tax Credit) on returns selected for examination on the basis of an EITC claim.

[7] In general, total positive income is the sum of all positive amounts shown for the various sources of income reported on the individual income tax return and thus, excludes losses. Examinations of individual income tax returns are shown in this table by total positive income of: under \$200,000; at least \$200,000 and under \$1,000,000; and \$1,000,000 or more.

[8] Includes Forms 1040 without a Schedule C (nonfarm sole proprietorship), Schedule E (supplemental income and loss), Schedule F (profit or loss from farming), or Form 2106 (employee business expenses).

[9] Includes Forms 1040 with a Schedule E (supplemental income and loss) or Form 2106 (employee business expenses) but without a Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming).

[10] Total gross receipts is the sum of gross receipts from farm and nonfarm businesses. It is calculated by adding the positive values of gross receipts and other income from Schedule C and gross income (which can be positive or negative) from Schedule F. Schedule C is used to report profit or loss from nonfarm sole proprietorships. Schedule F is used to report profit or loss from farming. If a taxpayer reports both farm and nonfarm income, the return is classified by the larger source of income.

[11] Includes all Forms 1040, those with and without business income, reporting an Earned Income Tax Credit claim. These returns are classified by size of total gross receipts. Business returns have total gross receipts reported on Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming). Nonbusiness returns, those with no Schedules C or F, are reported in the "Under \$25,000" classification.

[12] These returns were selected on the basis of an Earned Income Tax Credit (EITC) claim or on other selected criteria.

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

[14] Includes the Form 1120 series as follows: 1120 (corporation income tax return); 1120-C (income tax return for cooperative associations); 1120-F (foreign corporation income tax return, except foreign life insurance company, foreign property and casualty insurance company, or foreign sales corporation); 1120-H (homeowner association income tax return); 1120-L (life insurance company income tax return); 1120-ND (return for nuclear decommissioning funds); 1120-PC (property and casualty insurance company income tax return); 1120-REIT (real estate investment trust income tax return); 1120-RIC (regulated investment company income tax return); and 1120-SF (income tax return for settlement funds). Excludes certain other types of corporation returns, which are included in "other taxable returns" described in footnote 20.

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

[16] Includes returns with assets of less than \$10 million.

[17] Includes returns with assets of \$10 million or more.

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

[19] Includes Form 706 (estate and generation-skipping transfer tax return).

[20] Includes Forms 1120-FSC (foreign sales corporation income tax return); 1120-S for S corporations reporting a tax (see footnote 22); 1065-B for partnerships reporting a tax; 8288 (withholding tax return for disposition by foreign persons of U.S. property interests); and 8804 (return of withholding tax on foreign partner's share of effectively connected income).

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

[22] Includes most Forms 1120-S, which are filed by qualifying S corporations electing to be taxed through shareholders. Under certain conditions, S corporations are subject to tax and are included in "Other taxable returns" in this table. See footnote 20.

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

NOTES: Detail may not add to totals because of rounding. This table includes information on examinations of all individual income tax, corporation income tax, estate and trust income tax, estate tax, gift tax, employment tax, excise tax, and other taxable returns, as well as partnership, S corporation, and other nontaxable returns.

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

Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return
Fiscal Year 2014

Type and size of return	All returns filed in Calendar Year 2013 [1, 2]		Returns examined in Fiscal Year 2014 [1]				Percentage of returns examined with no change		Recommended additional tax (thousands of dollars)			Average recommended additional tax per return (dollars)	
	Total	Percentage covered	Field [3]	Correspondence	Field [3]	Correspondence	Total	Field [3]	Correspondence	Field [3]	Correspondence		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
United States, total	189,656,600	1,384,365	0.7	401,340	983,025	[4]	[4]	33,149,351	26,181,089	6,968,262	[4]	[4]	
Taxable returns:													
► Individual income tax returns, total	145,236,429	1,242,479	0.9	291,643	950,836	9	14	11,885,411	5,026,236	6,859,175	17,234	7,214	
► Returns with total positive income under \$200,000 [7]:													
► Nonbusiness returns without Earned Income Tax Credit: Without Schedules C, E, F, or Form 2106 [8]	79,144,126	271,574	0.3	37,501	234,073	8	11	1,304,492	358,949	945,543	9,572	4,040	
With Schedule E or Form 2106 [9]	16,040,455	116,084	0.7	42,200	73,884	8	14	711,930	451,895	260,035	10,708	3,520	
► Business returns without Earned Income Tax Credit: Nonfarm business returns by size of total gross receipts [10]:													
Under \$25,000	10,473,171	105,312	1.0	44,534	60,778	5	10	530,282	326,875	203,407	7,340	3,347	
\$25,000 under \$100,000	3,091,195	57,832	1.9	28,111	29,721	8	3	568,130	246,128	322,002	8,756	10,834	
\$100,000 under \$200,000	865,666	20,999	2.4	15,796	5,203	6	9	430,354	315,080	115,274	19,947	22,155	
\$200,000 or more	666,991	13,961	2.1	12,789	1,172	9	50	359,895	356,007	3,888	27,837	3,317	
Farm returns	1,287,565	6,072	0.5	3,332	2,740	14	12	133,791	113,604	20,187	34,095	7,368	
► Business and nonbusiness returns with Earned Income Tax Credit by size of total gross receipts [10, 11]:													
Under \$25,000	25,852,009	460,939	1.8	31,221	429,718	6	10	1,914,971	154,508	1,760,463	4,949	4,097	
\$25,000 or more	1,732,899	20,050	1.2	12,338	7,712	8	20	232,056	202,022	30,034	16,374	3,894	
► Returns with total positive income of at least \$200,000 and under \$1,000,000 [7]:													
Nonbusiness returns	3,782,273	81,730	2.2	22,381	59,349	16	45	1,189,093	475,816	713,277	21,260	12,018	
Business returns	1,626,380	43,179	2.7	19,475	23,704	12	32	1,016,628	517,575	499,053	26,576	21,054	
► Returns with total positive income of \$1,000,000 or more [7]	458,337	34,361	7.5	15,029	19,332	21	37	3,389,240	1,411,048	1,978,192	93,888	102,327	
► International returns [13]	215,362	10,386	4.8	6,936	3,450	1	7	104,549	96,729	7,820	13,946	2,267	
► Corporation income tax returns, except Form 1120-S, total [14]	1,924,887	25,905	1.3	23,835	2,070	29	45	17,179,065	17,113,564	65,501	718,001	31,643	
► Returns other than Forms 1120-C and 1120-F [15]:													
► Small corporations [16]	1,812,140	17,257	1.0	15,757	1,500	29	49	587,848	569,037	18,811	36,113	12,541	
No balance sheet returns	399,666	2,908	0.7	2,547	361	16	18	156,374	149,604	6,770	58,737	18,753	
Balance sheet returns by size of total assets:													
Under \$250,000	914,087	8,058	0.9	7,327	731	29	66	142,090	135,842	6,248	18,540	8,547	
\$250,000 under \$1,000,000	307,292	3,768	1.2	3,564	204	33	58	178,954	175,769	3,185	49,318	15,613	
\$1,000,000 under \$5,000,000	161,490	1,957	1.2	1,820	137	35	34	79,607	77,412	2,195	42,534	16,022	
\$5,000,000 under \$10,000,000	29,605	566	1.9	499	67	37	45	30,823	30,410	413	60,942	6,164	
► Large corporations [17]	64,261	7,858	12.2	7,468	390	29	34	16,297,035	16,256,274	40,761	2,176,791	104,515	
Balance sheet returns by size of total assets:													
\$10,000,000 under \$50,000,000	33,434	2,065	6.2	1,975	90	38	31	907,989	906,299	1,690	458,886	18,778	
\$50,000,000 under \$100,000,000	7,888	882	11.2	848	34	40	32	184,168	183,452	716	216,335	21,059	
\$100,000,000 under \$250,000,000	8,274	1,084	13.1	1,026	58	37	34	138,215	137,741	474	134,250	8,172	
\$250,000,000 under \$500,000,000	4,844	799	16.5	753	46	30	39	509,845	508,967	878	675,919	19,087	
\$500,000,000 under \$1,000,000,000	3,634	713	19.6	672	41	23	27	643,108	642,492	616	956,089	15,024	
\$1,000,000,000 under \$5,000,000,000	4,390	1,322	30.1	1,242	80	17	38	1,312,292	1,310,924	1,368	1,055,494	17,100	
\$5,000,000,000 under \$20,000,000,000	1,303	577	44.3	549	28	13	43	3,905,981	3,890,632	15,349	7,086,761	548,179	
\$20,000,000,000 or more	494	416	84.2	403	13	10	15	8,695,437	8,675,767	19,670	21,527,958	1,513,077	
► Form 1120-C returns [15]	8,973	135	1.5	d	d	2	100	7,092	d	d	d	d	
► Form 1120-F returns [15]	39,513	655	1.7	d	d	59	30	287,090	d	d	d	d	
► Estate and trust income tax returns [18]	3,178,797	3,694	0.1	481	3,213	16	42	68,671	46,716	21,955	97,123	6,833	
► Estate tax returns, total [19]	33,719	2,853	8.5	2,853	0	23	N/A	774,489	774,489	N/A	271,465	N/A	
► Size of gross estate:													
Under \$5,000,000	23,772	558	2.3	558	0	26	N/A	97,650	97,650	N/A	175,000	N/A	
\$5,000,000 under \$10,000,000	6,588	1,389	21.1	1,389	0	22	N/A	188,701	188,701	N/A	135,854	N/A	
\$10,000,000 or more	3,359	906	27.0	906	0	23	N/A	488,138	488,138	N/A	538,784	N/A	
► Gift tax returns	371,747	3,098	0.8	3,098	0	39	N/A	1,332,885	1,332,885	N/A	430,240	N/A	
► Employment tax returns	29,826,675	57,123	0.2	42,108	15,015	16	20	1,282,705	1,263,814	18,891	30,014	1,258	
► Excise tax returns	916,196	13,779	1.5	11,562	2,217	23	44	611,934	610,083	1,851	52,766	835	
► Other taxable returns [20]	[4]	777	[4]	160	617	7	19	14,191	13,302	889	83,138	1,441	
Nontaxable returns [21]:													
► Partnership returns	3,649,365	15,779	0.4	10,564	5,215	49	35	N/A	N/A	N/A	N/A	N/A	
► S corporation returns [22]	4,518,765	16,317	0.4	14,831	1,486	35	49	N/A	N/A	N/A	N/A	N/A	
► Other nontaxable returns [23]	[4]	2,561	[4]	205	2,356	62	28	N/A	N/A	N/A	N/A	N/A	
Income, estate, gift tax, and nontaxable returns, total	158,913,729	1,312,686	0.8	347,510	965,176	13	14	31,240,521	24,293,890	6,946,631	[4]	[4]	

N/A – Not applicable.
 [1] Excludes excise tax returns filed with the U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau. Also excludes returns of tax-exempt organizations, Government entities, employee retirement benefit plans, and tax-exempt bonds; and excludes information returns (e.g., Forms 1099, 1099, 5498, W-2, and W-2G, and Schedule K-1).
 [2] Calendar Year 2013 data are presented because, in general, examination activity is associated with returns filed in the previous calendar year.
 [3] Field examinations are generally performed in person by revenue agents, tax compliance officers, tax examiners, and revenue officer examiners. However, some field examinations may ultimately be conducted through correspondence in order to better serve the taxpayer.
 [4] Not tabulated.
 [5] Includes a total of 445,594 returns selected for examination on the basis of an Earned Income Tax Credit (EITC) claim.
 [6] Includes a total of \$1,751,318,420 in recommended additional tax (including an Earned Income Tax Credit) on returns selected for examination on the basis of an EITC claim.
 [7] In general, total positive income is the sum of all positive amounts shown for the various sources of income reported on the individual income tax return and thus, excludes losses. Examinations of individual income tax returns are shown in this table by total positive income of: under \$200,000; at least \$200,000 and under \$1,000,000; and \$1,000,000 or more.
 [8] Includes Forms 1040 without a Schedule C (nonfarm sole proprietorship), Schedule E (supplemental income and loss), Schedule F (profit or loss from farming), or Form 2106 (employee business expenses).
 [9] Includes Forms 1040 with a Schedule E (supplemental income and loss) or Form 2106 (employee business expenses) but without a Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming).
 [10] Total gross receipts is the sum of gross receipts from farm and nonfarm businesses. It is calculated by adding the positive values of gross receipts and other income from Schedule C and gross income (which can be positive or negative) from Schedule F. Schedule C is used to report profit or loss from nonfarm sole proprietorships. Schedule F is used to report profit or loss from farming. If a taxpayer reports both farm and nonfarm income, the return is classified by the larger source of income.
 [11] Includes all Forms 1040, those with and without business income, reporting an Earned Income Tax Credit claim. These returns are classified by size of total gross receipts. Business returns have total gross receipts reported on Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming). Nonbusiness returns, those with no Schedules C or F, are reported in the "Under \$25,000" classification.
 [12] These returns were selected on the basis of an Earned Income Tax Credit (EITC) claim or on other selected criteria.
 [13] Includes Forms 1040-PR (self-employment income tax return for Puerto Rico residents) and 1040-SS (self-employment income tax return for U.S. Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands residents).
 [14] Includes the Form 1120 series as follows: 1120 (corporation income tax return); 1120-C (income tax return for cooperative associations); 1120-F (foreign corporation income tax return, except foreign life insurance company, foreign property and casualty insurance company, or foreign sales corp.); 1120-H (homeowner association income tax return); 1120-L (life insurance company income tax return); 1120-ND (return for nuclear decommissioning funds); 1120-PC (property and casualty insurance company income tax return); 1120-REIT (real estate investment trust income tax return); 1120-RIC (regulated investment company income tax return); and 1120-SF (income tax return for settlement funds). Excludes certain other types of corporation returns, which are included in "other taxable returns" described in footnote 20.
 [15] Forms 1120-C are filed by cooperative associations. Forms 1120-F are filed by foreign corporations with U.S. income, other than foreign life insurance companies (Form 1120-L); foreign property and casualty insurance companies (Form 1120-PC); or foreign sales corporations (Form 1120-FSC).
 [16] Includes returns with assets of less than \$10 million.
 [17] Includes returns with assets of \$10 million or more.
 [18] Includes taxable Form 1041 (income tax return for estates and trusts) and Form 1041-N (income tax return for electing Alaska Native Settlement Trusts).
 [19] Includes Form 706 (estate and generation-skipping transfer tax return).
 [20] Includes Forms 1120-FSC (foreign sales corporation income tax return); 1120-S for S corporations reporting a tax (see footnote 22); 8288 (withholding tax return for disposition by foreign persons of U.S. property interests); and 8804 (return of withholding tax on foreign partner's share of effectively-connected income).
 [21] Nontaxable returns are filed for entities that generally do not have a tax liability, but pass through any profits and losses to the underlying owners who include these profits or losses on their income tax returns. The examination of partnership, S corporation, and other nontaxable returns affects the amount of recommended additional tax for these associated income tax returns.
 [22] Includes most Forms 1120-S, which are filed by qualifying S corporations electing to be taxed through shareholders. Under certain conditions, S corporations are subject to tax and are included in "Other taxable returns" in this table. See footnote 20.
 [23] Includes the following nontaxable returns: Form 1120-IC-DISC (domestic international sales corporation return); Form 1041 (income tax return for estates and trusts); and Form 1066 (real estate mortgage investment conduit income tax return). Under certain circumstances, estates and trusts (Form 1041) are not subject to tax and are reported as nontaxable. See Estate and Trust income tax returns for taxable Forms 1041.
 NOTES: Detail may not add to totals because of rounding. This table includes information on examinations of all individual income tax, corporation income tax, estate and trust income tax, estate tax, gift tax, employment tax, excise tax, and other taxable returns, as well as partnership, S corporation, and other nontaxable returns.
 SOURCE: Small Business/Self-Employed, Examination, Performance Planning and Analysis Examination, Field Exam Workload Planning and Analysis.

Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return

Fiscal Year 2013

Type and size of return	All returns filed in Calendar Year 2012 [1,2]		Returns examined in Fiscal Year 2013 [1]				Percentage of returns examined with no change		Recommended additional tax (thousands of dollars)			Average recommended additional tax per return (dollars)	
	(1)	(2)	(3)	Field [3]	Correspondence	Field [3]	Correspondence	(8)	Field [3]	Correspondence	Field [3]	Correspondence	
													Total
United States, total	189,858,832	1,558,057	0.8	466,093	1,091,964	[4]	[4]	37,089,344	28,536,273	8,553,072	[4]	[4]	
Taxable returns:													
► Individual income tax returns, total	145,819,388	1,404,931	1.0	344,152	1,060,779	9	12	14,049,657	5,594,361	8,455,298	16,255	7,971	
► Returns with total positive income under \$200,000 [7]:													
► Nonbusiness returns without Earned Income Tax Credit:													
Without Schedules C, E, F, or Form 2106 [8]	80,379,002	313,337	0.4	47,436	265,901	7	9	1,671,582	401,547	1,270,035	8,465	4,776	
With Schedule E or Form 2106 [9]	15,894,823	151,108	1.0	51,282	99,826	8	15	868,127	489,699	378,428	9,549	3,791	
► Business returns without Earned Income Tax Credit:													
Nonfarm business returns by size of total gross receipts [10]:													
Under \$25,000	10,418,860	106,776	1.0	44,878	61,898	5	14	587,105	318,418	268,687	7,095	4,341	
\$25,000 under \$100,000	3,037,025	71,090	2.3	38,227	32,863	8	4	696,660	309,363	387,297	8,093	11,785	
\$100,000 under \$200,000	845,266	25,346	3.0	19,501	5,845	7	8	511,233	344,435	166,798	17,662	28,537	
\$200,000 or more	645,431	17,405	2.7	16,312	1,093	10	41	414,206	410,672	3,534	25,176	3,233	
Farm returns	1,332,287	5,044	0.4	3,271	1,773	11	47	24,019	21,020	2,999	6,426	1,691	
► Business and nonbusiness returns with Earned Income Tax Credit by size of total gross receipts [10, 11]:													
Under \$25,000	26,036,947	516,902	2.0	31,352	485,550	7	9	2,286,313	154,085	2,132,229	4,915	4,391	
\$25,000 or more	1,729,747	21,660	1.3	14,959	6,701	9	18	265,420	240,527	24,893	16,079	3,715	
► Returns with total positive income of at least \$200,000 and under \$1,000,000 [7]:													
Nonbusiness returns	3,432,756	84,702	2.5	29,707	54,995	16	45	1,447,899	593,338	854,561	19,973	15,539	
Business returns	1,485,662	47,836	3.2	24,642	23,194	12	28	1,117,754	655,367	462,387	26,596	19,936	
► Returns with total positive income of \$1,000,000 or more [7]	363,386	39,421	10.8	19,167	20,254	23	36	4,126,034	1,624,276	2,501,758	84,743	123,519	
► International returns [13]	218,196	4,304	2.0	3,418	886	6	8	33,306	31,614	1,692	9,249	1,910	
► Corporation income tax returns, except Form 1120-S, total [14]	1,957,278	28,235	1.4	25,997	2,238	27	30	16,690,863	16,637,158	53,705	639,965	23,997	
► Returns other than Forms 1120-C and 1120-F [15]:													
► Small corporations [16]	1,849,758	17,604	1.0	15,907	1,697	28	24	694,103	644,631	49,472	40,525	29,153	
No balance sheet returns	420,497	3,249	0.8	2,540	709	14	8	172,523	162,455	10,068	63,959	14,200	
Balance sheet returns by size of total assets:													
Under \$250,000	925,001	7,442	0.8	6,869	573	29	32	162,040	149,238	12,802	21,726	22,342	
\$250,000 under \$1,000,000	313,104	4,060	1.3	3,879	181	31	53	115,270	107,934	7,336	27,825	40,530	
\$1,000,000 under \$5,000,000	162,083	2,271	1.4	2,107	164	33	34	202,348	184,738	17,610	87,678	107,378	
\$5,000,000 under \$10,000,000	29,073	582	2.0	512	70	39	36	41,922	40,266	1,656	78,645	23,657	
► Large corporations [17]	62,347	9,876	15.8	9,446	430	26	49	15,517,249	15,514,441	2,808	1,642,435	6,530	
Balance sheet returns by size of total assets:													
\$10,000,000 under \$50,000,000	32,103	2,240	7.0	2,131	109	33	32	282,414	262,070	344	122,980	3,156	
\$50,000,000 under \$100,000,000	7,778	1,206	15.5	1,165	41	35	56	134,996	134,684	312	115,609	7,610	
\$100,000,000 under \$250,000,000	8,178	1,589	19.4	1,540	49	32	37	307,109	306,970	139	199,331	2,837	
\$250,000,000 under \$500,000,000	4,788	1,079	22.5	1,025	54	24	70	190,781	190,773	8	186,120	148	
\$500,000,000 under \$1,000,000,000	3,544	976	27.5	937	39	21	49	232,007	231,440	567	247,001	14,538	
\$1,000,000,000 under \$5,000,000,000	4,269	1,624	38.0	1,554	70	16	57	2,278,448	2,277,893	555	1,465,826	7,929	
\$5,000,000,000 under \$20,000,000,000	1,243	757	60.9	711	46	15	52	3,493,868	3,493,862	606	4,912,886	17,522	
\$20,000,000,000 or more	444	405	91.2	383	22	7	64	8,617,626	8,617,549	77	22,500,128	3,500	
► Form 1120-C returns [15]	8,849	115	1.3	115	0	4	4	N/A	4,177	N/A	N/A	N/A	
► Form 1120-F returns [15]	36,324	640	1.8	529	111	51	42	475,334	473,909	1,425	895,858	12,838	
► Estate and trust income tax returns [18]	3,047,673	4,501	0.1	708	3,793	11	54	145,502	127,885	17,617	180,629	4,645	
► Estate tax returns, total [19]	28,061	3,250	11.6	3,250	0	25	N/A	3,295,992	3,295,992	N/A	1,014,151	N/A	
► Size of gross estate:													
Under \$5,000,000	19,366	989	5.1	989	0	25	N/A	82,943	82,943	N/A	83,866	N/A	
\$5,000,000 under \$10,000,000	6,002	1,422	23.7	1,422	0	31	N/A	131,492	131,492	N/A	92,470	N/A	
\$10,000,000 or more	2,693	839	31.2	839	0	17	N/A	3,081,557	3,081,557	N/A	3,672,893	N/A	
► Gift tax returns	260,426	2,775	1.1	2,775	0	38	N/A	1,228,034	1,228,034	N/A	442,535	N/A	
► Employment tax returns	29,692,167	60,801	0.2	46,380	14,421	17	15	1,014,263	992,826	21,437	21,406	1,487	
► Excise tax returns	1,027,461	16,509	1.6	14,488	2,021	24	58	644,933	642,914	2,019	44,376	999	
► Other taxable returns [20]	[4]	1,151	[4]	233	918	9	42	20,100	17,103	2,997	73,404	3,265	
Nontaxable returns [21]:													
► Partnership returns	3,550,071	14,870	0.4	10,743	4,127	47	36	N/A	N/A	N/A	N/A	N/A	
► S corporation returns [22]	4,476,307	18,670	0.4	17,199	1,471	31	50	N/A	N/A	N/A	N/A	N/A	
► Other nontaxable returns [23]	[4]	2,364	[4]	168	2,196	34	39	N/A	N/A	N/A	N/A	N/A	
Income, estate, gift tax, and nontaxable returns, total	159,139,204	1,479,596	0.9	404,992	1,074,604	13	13	35,410,048	26,883,430	8,526,619	[4]	[4]	

N/A - Not applicable.
 [1] Excludes excise tax returns filed with the U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau. Also excludes returns of tax-exempt organizations, Government entities, employee retirement benefit plans, and tax-exempt bonds; and excludes information returns (e.g., Forms 1099, 1098, 5498, W-2, and W-2G, and Schedule K-1).
 [2] Calendar Year 2012 data are presented because, in general, examination activity is associated with returns filed in the previous calendar year.
 [3] Field examinations are generally performed in person by revenue agents, tax compliance officers, tax examiners, and revenue officer examiners. However, some field examinations may ultimately be conducted through correspondence in order to better serve the taxpayer.
 [4] Not tabulated.
 [5] Includes a total of 483,070 returns selected for examination on the basis of an Earned Income Tax Credit (EITC) claim.
 [6] Includes a total of \$2,113,731,000 in recommended additional tax (including an Earned Income Tax Credit) on returns selected for examination on the basis of an EITC claim.
 [7] In general, total positive income is the sum of all positive amounts shown for the various sources of income reported on the individual income tax return and thus, excludes losses. Examinations of individual income tax returns are shown in this table by total positive income of: under \$200,000; at least \$200,000 and under \$1,000,000; and \$1,000,000 or more.
 [8] Includes Forms 1040 without a Schedule C (nonfarm sole proprietorship), Schedule E (supplemental income and loss), Schedule F (profit or loss from farming), or Form 2106 (employee business expenses).
 [9] Includes Forms 1040 with a Schedule E (supplemental income and loss) or Form 2106 (employee business expenses) but without a Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming).
 [10] Total gross receipts is the sum of gross receipts from farm and nonfarm businesses. It is calculated by adding the positive values of gross receipts and other income from Schedule C and gross income (which can be positive or negative) from Schedule F. Schedule C is used to report profit or loss from nonfarm sole proprietorships. Schedule F is used to report profit or loss from farming. If a taxpayer reports both farm and nonfarm income, the return is classified by the larger source of income.
 [11] Includes all Forms 1040, those with and without business income, reporting an Earned Income Tax Credit claim. These returns are classified by size of total gross receipts. Business returns have total gross receipts reported on Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming). Nonbusiness returns, those with no Schedules C or F, are reported in the "Under \$25,000" classification.
 [12] These returns were selected on the basis of an Earned Income Tax Credit (EITC) claim or on other selected criteria.
 [13] Includes Forms 1040-PR (self-employment income tax return for Puerto Rico residents) and 1040-SS (self-employment income tax return for U.S. Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands residents).
 [14] Includes the Form 1120 series as follows: 1120 (corporation income tax return); 1120-A (corporation income tax return, short form); 1120-F (foreign corporation income tax return, except foreign life insurance company, foreign property and casualty insurance company, or foreign sales corporation); 1120-H (homeowner association income tax return); 1120-L (life insurance company income tax return); 1120-ND (return for nuclear decommissioning funds); 1120-PC (property and casualty insurance company income tax return); 1120-REIT (real estate investment trust income tax return); 1120-RIC (regulated investment company income tax return); and 1120-SF (income tax return for settlement funds). Excludes certain other types of corporation returns, which are included in "other taxable returns" described in footnote 20.
 [15] Forms 1120-C are filed by cooperative associations. Forms 1120-F are filed by foreign corporations with U.S. income, other than foreign life insurance companies (Form 1120-L); foreign property and casualty insurance companies (Form 1120-PC); or foreign sales corporations (Form 1120-FSC).
 [16] Includes returns with assets of less than \$10 million.
 [17] Includes returns with assets of \$10 million or more.
 [18] Includes taxable Form 1041 (income tax return for estates and trusts) and Form 1041-N (income tax return for electing Alaska Native Settlement Trusts).
 [19] Includes Form 706 (estate and generation-skipping transfer tax return).
 [20] Includes Forms 1120-FSC (foreign sales corporation income tax return); 1120-S for S corporations reporting a tax (see footnote 22); 8288 (withholding tax return for disposition by foreign persons of U.S. property interests); and 8804 (return of withholding tax on foreign partner's share of effectively-connected income).
 [21] Nontaxable returns are filed for entities that generally do not have a tax liability, but pass through any profits and losses to the underlying owners who include these profits or losses on their income tax returns. The examination of partnership, S corporation, and other nontaxable returns affects the amount of recommended additional tax for these associated income tax returns.
 [22] Includes most Forms 1120-S, which are filed by qualifying S corporations electing to be taxed through shareholders. Under certain conditions, S corporations are subject to tax and are included in "other taxable returns" in this table. See footnote 20.
 [23] Includes the following nontaxable returns: Form 1120-IC-DISC (domestic international sales corporation return); Form 1041 (income tax return for estates and trusts); and Form 1066 (real estate mortgage investment conduit income tax return). Under certain circumstances, estates and trusts (Form 1041) are not subject to tax and are reported as nontaxable. See Estate and Trust income tax returns for taxable Forms 1041.
 NOTES: Detail may not add to totals because of rounding. This table includes information on examinations of all individual income tax, corporation income tax, estate and trust income tax, estate tax, gift tax, employment tax, excise tax, and other taxable returns, as well as partnership, S corporation, and other nontaxable returns.

Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return

Fiscal Year 2012

Type and size of return	All returns filed in Calendar Year 2011 [1, 2]		Returns examined in Fiscal Year 2012 [1]				Percentage of returns examined with no change		Recommended additional tax (thousands of dollars)			Average recommended additional tax per return (dollars)		
	(1)	(2)	(3)	Field [3]	Correspondence	Field [3]	Correspondence	(8)	Field [3]	Correspondence	Field [3]	Correspondence		
													Total	Percentage covered
United States, total	186,712,948	1,657,698	0.9	502,180	1,155,518			[4]	[4]	38,699,308	29,379,250	9,320,058	[4]	[4]
Taxable returns:														
► Individual income tax returns, total	143,399,737	1,481,966	1.0	359,750	1,122,216	10	15	15,310,908	6,062,279	9,248,629	16,851	8,241		
► Returns with total positive income under \$200,000 [7]:														
► Nonbusiness returns without Earned Income Tax Credit: Without Schedules C, E, F, or Form 2106 [8]	79,179,109	308,055	0.4	36,415	271,640	12	17	1,828,600	394,374	1,434,226	10,830	5,280		
With Schedule E or Form 2106 [9]	15,582,452	178,535	1.1	61,762	118,773	7	18	1,007,409	612,818	394,591	9,922	3,379		
► Business returns without Earned Income Tax Credit: Nonfarm business returns by size of total gross receipts [10]:														
Under \$25,000	10,486,359	121,970	1.2	47,860	74,110	6	19	621,618	368,450	253,168	7,698	3,416		
\$25,000 under \$100,000	3,009,675	72,676	2.4	46,183	26,493	9	13	588,333	360,176	228,157	7,799	8,612		
\$100,000 under \$200,000	830,589	30,083	3.6	24,320	5,763	7	19	511,946	387,905	124,041	15,950	21,524		
\$200,000 or more	619,064	20,999	3.4	19,135	1,864	9	50	535,507	530,257	5,250	27,711	2,817		
Farm returns	1,343,580	6,419	0.5	3,741	2,678	10	42	25,763	20,572	5,191	5,499	1,938		
► Business and nonbusiness returns with Earned Income Tax Credit by size of total gross receipts [10, 11]:														
Under \$25,000	25,554,339	[12] 531,802	2.1	28,183	503,619	9	8	2,265,265	153,236	2,112,029	5,437	4,194		
\$25,000 or more	1,722,772	[12] 26,729	1.6	17,192	9,537	8	22	325,234	289,720	35,514	16,852	3,724		
► Returns with total positive income of at least \$200,000 and under \$1,000,000 [7]:														
Nonbusiness returns	3,129,696	86,716	2.8	27,442	59,274	15	40	1,501,534	544,468	957,066	19,841	16,146		
Business returns	1,378,094	51,372	3.7	24,467	26,905	13	22	1,272,054	625,305	646,749	25,557	24,038		
► Returns with total positive income of \$1,000,000 or more [7]	337,477	40,965	12.1	17,826	23,139	23	30	4,797,652	1,745,543	3,052,109	97,921	131,903		
► International returns [13]	226,531	5,645	2.5	5,224	421	9	3	29,993	29,455	538	5,638	1,278		
► Corporation income tax returns, except Form 1120-S, total [14]	1,999,266	32,701	1.6	31,705	996	28	45	20,124,300	20,110,306	13,994	634,294	14,050		
► Returns other than Forms 1120-C and 1120-F [15]:														
► Small corporations [16]	1,896,158	21,164	1.1	20,612	552	28	46	613,505	607,678	5,827	29,482	10,566		
No balance sheet returns	428,449	3,168	0.7	3,127	61	16	46	133,099	131,034	2,065	41,904	33,852		
Balance sheet returns by size of total assets:														
Under \$250,000	953,821	8,493	0.9	8,263	230	28	41	153,682	152,419	1,263	18,446	5,491		
\$250,000 under \$1,000,000	321,115	5,337	1.7	5,232	105	32	66	131,749	131,667	82	25,166	781		
\$1,000,000 under \$5,000,000	163,888	3,408	2.1	3,288	120	35	43	138,775	136,392	2,383	41,482	19,858		
\$5,000,000 under \$10,000,000	28,885	738	2.6	702	36	34	39	56,200	56,166	34	80,009	944		
► Large corporations [17]	60,489	10,752	17.8	10,427	325	27	44	17,024,825	17,016,751	8,074	1,631,989	24,843		
Balance sheet returns by size of total assets:														
\$10,000,000 under \$50,000,000	31,151	3,266	10.5	3,149	117	31	43	457,802	457,296	506	145,219	4,325		
\$50,000,000 under \$100,000,000	7,440	1,543	20.7	1,516	27	37	41	126,810	124,845	1,965	82,352	72,778		
\$100,000,000 under \$250,000,000	7,994	1,854	23.2	1,800	54	33	33	234,263	230,706	3,557	128,170	65,870		
\$250,000,000 under \$500,000,000	4,719	1,069	22.7	1,043	26	27	58	369,109	367,212	1,897	352,073	72,962		
\$500,000,000 under \$1,000,000,000	3,508	798	22.7	774	24	24	63	230,215	230,215	[18]	297,435	[19]		
\$1,000,000,000 under \$5,000,000,000	4,053	1,272	31.4	1,217	55	16	45	2,586,513	2,586,365	148	2,125,197	2,691		
\$5,000,000,000 under \$20,000,000,000	1,178	535	45.4	d	d	8	40	3,052,244	d	d	d	d		
\$20,000,000,000 or more	446	415	93.0	d	d	4	0	9,967,869	d	d	d	d		
► Form 1120-C returns [15]	8,929	39	0.4	32	7	16	43	16,543	16,531	12	516,594	1,714		
► Form 1120-F returns [15]	33,690	746	2.2	634	112	49	42	2,469,427	2,469,346	81	3,894,868	723		
► Estate and trust income tax returns [20]	3,036,900	5,070	0.2	632	4,438	7	38	41,081	16,325	24,756	25,831	5,578		
► Estate tax returns, total [21]	12,582	3,762	29.9	3,762	0	22	N/A	1,145,640	1,145,640	N/A	304,530	N/A		
► Size of gross estate:														
Under \$5,000,000	9,404	1,362	14.5	1,362	0	22	N/A	116,748	116,748	N/A	85,718	N/A		
\$5,000,000 under \$10,000,000	2,241	1,313	58.6	1,313	0	26	N/A	138,375	138,375	N/A	105,388	N/A		
\$10,000,000 or more	937	1,087	[22] 116	1,087	0	18	N/A	890,517	890,517	N/A	819,243	N/A		
► Gift tax returns	223,090	3,164	1.4	3,164	0	40	N/A	351,167	351,167	N/A	110,988	N/A		
► Employment tax returns	29,371,428	66,997	0.2	50,792	16,205	17	10	1,360,803	1,331,015	29,788	26,205	1,838		
► Excise tax returns	675,808	22,014	3.3	19,979	2,035	36	56	272,512	271,563	949	13,592	466		
► Other taxable returns [23]	[4]	1,054	[4]	187	867	7	38	92,897	90,955	1,942	486,390	2,240		
Non-taxable returns [24]:														
► Partnership returns	3,524,808	16,691	0.5	11,852	4,839	44	38	N/A	N/A	N/A	N/A	N/A		
► S corporation returns [25]	4,469,329	21,658	0.5	20,234	1,424	33	44	N/A	N/A	N/A	N/A	N/A		
► Other non-taxable returns [26]	[4]	2,621	[4]	123	2,498	26	30	N/A	N/A	N/A	N/A	N/A		
Income, estate, gift tax, and nontaxable returns, total	156,665,712	1,567,633	1.0	431,222	1,136,411	14	15	36,973,096	27,685,717	9,287,379	[4]	[4]		

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

N/A — Not applicable.

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

[2] Calendar Year 2011 data are presented because, in general, examination activity is associated with returns filed in the previous calendar year.

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

[4] Not tabulated.

[5] Includes a total of 487,408 returns selected for examination on the basis of an Earned Income Tax Credit (EITC) claim.

[6] Includes a total of \$2,049,226 thousand in recommended additional tax (including an Earned Income Tax Credit) on returns selected for examination on the basis of an EITC claim.

[7] In general, total positive income is the sum of all positive amounts shown for the various sources of income reported on the individual income tax return and thus, excludes losses. Examinations of individual income tax returns are shown in this table by total positive income of: under \$200,000; at least \$200,000 and under \$1,000,000; and \$1,000,000 or more.

[8] Includes Forms 1040 without a Schedule C (nonfarm sole proprietorship), Schedule E (supplemental income and loss), Schedule F (profit or loss from farming), or Form 2106 (employee business expenses).

[9] Includes Forms 1040 with a Schedule E (supplemental income and loss) or Form 2106 (employee business expenses) but without a Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming).

[10] Total gross receipts is the sum of gross receipts from farm and nonfarm businesses. It is calculated by adding the positive values of gross receipts and other income from Schedule C and gross income (which can be positive or negative) from Schedule F. Schedule C is used to report profit or loss from nonfarm sole proprietorships. Schedule F is used to report profit or loss from farming. If a taxpayer reports both farm and nonfarm income, the return is classified by the larger source of income.

[11] Includes all Forms 1040, those with and without business income, reporting an Earned Income Tax Credit claim. These returns are classified by size of total gross receipts. Business returns have total gross receipts reported on Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming). Nonbusiness returns, those with no Schedules C or F, are reported in the "Under \$25,000" classification.

[12] These returns were selected on the basis of an Earned Income Tax Credit (EITC) claim or on other selected criteria.

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

[14] Includes the Form 1120 series as follows: 1120 (corporation income tax return); 1120-A (corporation income tax return, short form); 1120-F (foreign corporation income tax return, except foreign life insurance company, foreign property and casualty insurance company, or foreign sales corporation); 1120-H (homeowner association income tax return); 1120-L (life insurance company income tax return); 1120-ND (return for nuclear decommissioning funds); 1120-PC (property and casualty insurance company income tax return); 1120-REIT (real estate investment trust income tax return); 1120-RIC (regulated investment company income tax return); and 1120-SF (income tax return for settlement funds). Excludes certain other types of corporation returns, which are included in "other taxable returns" described in footnote 25.

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

[16] Includes returns with assets of less than \$10 million.

[17] Includes returns with assets of \$10 million or more.

[18] Less than \$500.

[19] Less than \$50.

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

[21] Includes Form 706 (estate and generation-skipping transfer tax return).

[22] The percentage of returns examined may be greater than 100 percent of the returns filed in Calendar Year 2011 since examinations may be conducted on returns filed in prior calendar years.

[23] Includes Forms 1120-FSC (foreign sales corporation income tax return); 1120-S for S corporations reporting a tax (see footnote 25); 8288 (withholding tax return for disposition by foreign persons of U.S. property interests); and 8804 (partnership withholding tax return).

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

[25] Includes most Forms 1120-S, which are filed by qualifying S corporations electing to be taxed through shareholders. Under certain conditions, S corporations are subject to tax and are included in "other taxable returns" in this table. See footnote 23.

[26] Includes the following nontaxable returns: Form 1041 (income tax return for estates and trusts); Form 1120-DISC (domestic international sales corporation return); and Form 1066 (real estate mortgage investment conduit income tax return).

NOTES: Detail may not add to totals because of rounding. This table includes information on examinations of all individual income tax, corporation income tax, estate and trust income tax, estate tax, gift tax, employment tax, excise tax, and other taxable returns, as well as partnership, S corporation, and other nontaxable returns.

SOURCE: Small Business/Self-Employed, Examination, Examination Planning and Delivery, Workload Planning and Analysis.

Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return

Fiscal Year 2011

Type and size of return	Returns examined in Fiscal Year 2011 [1]					Percentage of returns examined with no change		Recommended additional tax (thousands of dollars)			Average recommended additional tax per return (dollars)	
	All returns filed in Calendar Year 2010 [1,2]	Percentage covered		Field [3]	Correspondence	Field [3]	Correspondence	Total	Field [3]	Correspondence	Field [3]	Correspondence
		(1)	(2)									
United States, total	184,596,616	1,724,728	0.9	525,389	1,199,339	[4]	[4]	43,643,780	34,858,231	8,785,549	[4]	[4]
Taxable returns:												
▶ Individual income tax returns, total	140,837,499	[5] 1,564,690	1.1	391,621	1,173,069	9	21	14,652,239	5,947,426	8,704,813	15,187	7,421
▶ Returns with total positive income under \$200,000 [7]:												
▶ Nonbusiness returns without Earned Income Tax Credit:												
Without Schedules C, E, F, or Form 2106 [8]	77,165,357	364,337	0.5	43,940	320,397	9	28	1,202,475	354,898	847,577	8,077	2,645
With Schedule E or Form 2106 [9]	15,908,592	151,323	1.0	64,342	86,981	9	31	717,988	482,583	235,405	7,500	2,706
▶ Business returns without Earned Income Tax Credit:												
Nonfarm business returns by size of total gross receipts [10]:												
Under \$25,000	10,450,843	134,873	1.3	51,015	83,858	6	24	549,962	325,228	224,734	6,375	2,680
\$25,000 under \$100,000	2,989,259	85,390	2.9	50,775	34,615	9	16	661,544	360,622	300,922	7,102	8,693
\$100,000 under \$200,000	812,024	34,541	4.3	27,993	6,548	8	23	552,457	408,504	143,953	14,593	21,984
\$200,000 or more	615,438	23,288	3.8	21,250	2,038	11	46	497,666	492,326	5,340	23,168	2,620
Farm returns	1,346,243	8,724	0.6	3,114	5,610	11	48	28,607	21,246	7,361	6,823	1,312
▶ Business and nonbusiness returns with Earned Income Tax Credit by size of total gross receipts [10, 11]:												
Under \$25,000	25,158,455	[12] 545,157	2.2	21,043	524,114	10	10	2,451,260	100,763	2,350,497	4,788	4,485
\$25,000 or more	1,703,104	[12] 29,215	1.7	17,155	12,060	9	34	294,793	261,528	33,265	15,245	2,758
▶ Returns with total positive income of at least \$200,000 and under \$1,000,000 [7]:												
Nonbusiness returns	2,863,446	92,109	3.2	32,218	59,891	13	39	1,573,864	690,214	883,650	21,423	14,754
Business returns	1,294,675	46,323	3.6	25,699	20,624	11	28	938,681	612,257	326,424	23,824	15,827
▶ Returns with total positive income of \$1,000,000 or more [7]	291,831	36,422	12.5	20,475	15,947	18	36	5,147,263	1,802,038	3,345,225	88,012	209,771
▶ International returns [13]	238,232	12,988	5.5	12,602	386	2	4	35,679	35,219	460	2,795	1,192
▶ Corporation income tax returns, except Form 1120-S, total [14]	2,031,436	30,661	1.5	29,958	703	29	36	25,602,521	25,578,555	23,966	853,814	34,091
▶ Returns other than Forms 1120-C and 1120-F [15]:												
▶ Small corporations [16]	1,931,008	19,697	1.0	19,243	454	30	35	530,738	527,644	3,094	27,420	6,815
No balance sheet returns	417,571	1,930	0.5	1,836	94	15	21	160,841	160,246	595	87,280	6,330
Balance sheet returns by size of total assets:												
Under \$250,000	986,343	8,460	0.9	8,239	221	30	36	130,394	129,544	850	15,723	3,846
\$250,000 under \$1,000,000	331,503	5,371	1.6	5,315	56	32	39	98,215	98,095	120	18,456	2,143
\$1,000,000 under \$5,000,000	166,653	3,174	1.9	3,123	51	37	43	103,630	103,518	112	33,147	2,196
\$5,000,000 under \$10,000,000	28,938	762	2.6	730	32	34	47	37,658	36,241	1,417	49,645	44,281
▶ Large corporations [17]	59,291	10,459	17.6	10,286	173	27	35	24,843,737	24,823,376	20,361	2,413,317	117,694
Balance sheet returns by size of total assets:												
\$10,000,000 under \$50,000,000	30,601	4,059	13.3	4,009	50	33	42	420,993	420,041	952	104,775	19,040
\$50,000,000 under \$100,000,000	7,641	1,442	18.9	1,422	20	36	50	308,511	308,468	43	216,925	2,150
\$100,000,000 under \$250,000,000	7,760	1,289	16.6	1,271	18	29	28	259,809	250,029	9,780	196,718	543,333
\$250,000,000 under \$500,000,000	4,578	796	17.4	778	18	28	39	163,225	162,875	350	209,351	19,444
\$500,000,000 under \$1,000,000,000	3,298	681	20.6	663	18	24	22	270,614	270,405	209	407,851	11,611
\$1,000,000,000 under \$5,000,000,000	3,835	1,192	31.1	1,160	32	15	31	2,746,358	2,737,602	8,756	2,360,002	273,625
\$5,000,000,000 under \$20,000,000,000	1,128	570	50.5	562	8	9	13	6,477,002	6,476,822	180	11,524,594	22,500
\$20,000,000,000 or more	450	430	95.6	421	9	5	33	14,197,225	14,197,134	91	33,722,409	10,111
▶ Form 1120-C returns [15]	8,625	73	0.8	d	d	13	0	2,239	d	d	d	d
▶ Form 1120-F returns [15]	32,512	432	1.3	d	d	45	41	225,807	d	d	d	d
▶ Estate and trust income tax returns	3,051,389	2,909	0.1	645	2,284	8	50	49,530	37,282	12,248	57,802	5,410
▶ Estate tax returns, total	23,014	4,195	18.2	4,195	0	18	N/A	1,539,617	1,539,617	N/A	367,012	N/A
▶ Size of gross estate:												
Under \$5,000,000	15,685	1,968	12.5	1,968	0	20	N/A	217,541	217,541	N/A	110,539	N/A
\$5,000,000 under \$10,000,000	4,738	1,182	24.9	1,182	0	17	N/A	722,298	722,298	N/A	611,081	N/A
\$10,000,000 or more	2,591	1,045	40.3	1,045	0	17	N/A	599,778	599,778	N/A	573,950	N/A
▶ Gift tax returns	226,241	2,623	1.2	2,623	0	38	N/A	301,423	301,423	N/A	114,915	N/A
▶ Employment tax returns	29,730,957	66,234	0.2	49,067	17,167	17	12	789,480	747,831	41,649	15,241	2,426
▶ Excise tax returns	817,021	19,571	2.4	17,500	2,071	38	50	644,186	643,281	905	36,759	437
▶ Other taxable returns [18]	[4]	560	[4]	239	321	12	15	64,784	62,816	1,968	262,828	6,131
Nontaxable returns [19]:												
▶ Partnership returns	3,434,905	13,770	0.4	11,721	2,049	48	35	N/A	N/A	N/A	N/A	N/A
▶ S corporation returns [20]	4,444,154	18,519	0.4	17,635	884	39	47	N/A	N/A	N/A	N/A	N/A
▶ Other nontaxable returns	[4]	996	[4]	185	811	18	32	N/A	N/A	N/A	N/A	N/A
Income, estate, gift tax, and nontaxable returns, total	154,048,638	1,638,363	1.1	458,583	1,179,780	13	21	42,145,330	33,404,303	8,741,027	[4]	[4]

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

N/A — Not applicable.

[1] Excludes excise tax returns filed with the U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau, and returns of tax-exempt organizations, Government entities, and employee retirement plans.

[2] Calendar Year 2010 data are presented because, in general, examination activity is associated with returns filed in the previous calendar year.

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

[4] Not tabulated.

[5] Includes a total of 483,574 returns with an Earned Income Tax Credit (EITC) claim.

[6] Includes a total of \$2,039,902 thousand in recommended additional tax (including an Earned Income Tax Credit) on returns selected for examination on the basis of an EITC claim or other selection criteria.

[7] In general, total positive income is the sum of all positive amounts shown for the various sources of income reported on the individual income tax return and, thus, excludes losses. Examinations of individual income tax returns are shown in this table by total positive income of: under \$200,000; at least \$200,000 and under \$1,000,000; and \$1,000,000 or more.

[8] Includes Forms 1040 without a Schedule C (nonfarm sole proprietorship), Schedule E (supplemental income and loss), Schedule F (profit or loss from farming), or Form 2106 (employee business expenses).

[9] Includes Forms 1040 with a Schedule E (supplemental income and loss) or Form 2106 (employee business expenses) but without a Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming).

[10] Total gross receipts is the sum of gross receipts from farm and nonfarm businesses. It is calculated by adding the positive values of gross receipts and other income from Schedule C and gross income (which can be positive or negative) from Schedule F. Schedule C is used to report profit or loss from nonfarm sole proprietorships. Schedule F is used to report profit or loss from farming. If a taxpayer reports both farm and nonfarm income, the return is classified by the larger source of income.

[11] Includes all Forms 1040, those with and without business income, reporting an Earned Income Tax Credit claim. These returns are classified by size of total gross receipts. Business returns have total gross receipts reported on Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming). Nonbusiness returns, those with no Schedules C or F, are reported in the "Under \$25,000" classification.

[12] Includes returns selected for examination on the basis of an Earned Income Tax Credit (EITC) claim.

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

[14] Includes the Form 1120 series as follows: 1120 (corporation income tax return), 1120-A (corporation income tax return, short form), 1120-F (foreign corporation income tax return, except foreign life insurance company, foreign property and casualty insurance company, or foreign sales corporation); 1120-H (homeowner association income tax return); 1120-L (life insurance company income tax return); 1120-ND (return for nuclear decommissioning funds); 1120-PC (property and casualty insurance company income tax return); 1120-REIT (real estate investment trust income tax return); 1120-RIC (regulated investment company income tax return); and 1120-SF (income tax return for settlement funds). Excludes certain other types of corporation returns, which are included in "other taxable returns" described in footnote 25.

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

[16] Includes returns with assets of less than \$10 million.

[17] Includes returns with assets of \$10 million or more.

[18] Includes Forms 1120-FSC (foreign sales corporation income tax return); 1120-S for S corporations reporting a tax (see footnote 20); 8288 (withholding tax return for disposition by foreign persons of U.S. property interests); and 8804 (partnership withholding tax return).

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

[20] Includes most Forms 1120-S, which are filed by qualifying S corporations electing to be taxed through shareholders. Under certain conditions, S corporations are subject to tax and are included in "other taxable returns" in this table. See footnote 18.

NOTES: Detail may not add to totals because of rounding. This table includes information on examinations of all individual income tax, corporation income tax, estate and trust income tax, estate tax, gift tax, employment tax, excise tax, and other taxable returns, as well as partnership, S corporation, and other nontaxable returns.

SOURCE: Small Business/Self-Employed, Examination, Examination Planning and Delivery, Workload Analysis and Individual Income.

Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return
Fiscal Year 2010

Type and size of return	All returns filed in Calendar Year 2009 [1,2]		Returns examined in Fiscal Year 2010 [1]				Percentage of returns examined with no change		Recommended additional tax (thousands of dollars)			Average recommended additional tax per return (dollars)	
	(1)	(2)	Percentage covered (3)	Field [3] (4)	Correspondence (5)	Field [3] (6)	Correspondence (7)	Total (8)	Field [3] (9)	Correspondence (10)	Field [3] (11)	Correspondence (12)	
													(1)
United States, total	[4] 187,124,450	1,735,083	0.9	462,131	1,272,952	[5]	[5]	44,810,483	36,415,664	8,394,819	[5]	[5]	
Taxable returns:													
► Individual income tax returns, total	142,823,105	1,581,394	1.1	342,762	1,238,632	12	14	[7] 15,066,486	6,898,893	8,167,593	20,127	6,594	
► Returns with total positive income under \$200,000 [7]:													
► Nonbusiness returns without Earned Income Tax Credit: Without Schedules C, E, F, or Form 2106 [9]	80,254,935	363,424	0.5	34,662	328,742	20	15	1,321,469	274,913	1,046,556	7,927	3,184	
With Schedule E or Form 2106 [10]	16,052,553	190,746	1.2	61,268	129,478	9	15	762,653	418,093	344,560	6,824	2,661	
► Business returns without Earned Income Tax Credit: Nonfarm business returns by size of total gross receipts [11]:													
Under \$25,000	10,736,434	132,584	1.2	47,260	85,324	7	17	579,400	346,152	233,248	7,324	2,734	
\$25,000 under \$100,000	3,136,694	79,389	2.5	47,784	31,605	10	11	575,901	298,543	277,358	6,248	8,776	
\$100,000 under \$200,000	893,707	42,403	4.7	30,333	12,070	8	9	923,734	537,748	385,986	17,728	31,979	
\$200,000 or more	705,877	23,569	3.3	21,627	1,942	12	43	528,770	523,683	5,087	24,214	2,619	
Farm returns	1,367,656	4,921	0.4	2,122	2,799	11	38	15,104	12,397	2,707	5,842	967	
► Business and nonbusiness returns with Earned Income Tax Credit by size of total gross receipts [11,12]:													
Under \$25,000	22,910,578	[13] 556,809	2.4	17,472	539,337	11	8	2,073,713	76,019	1,997,694	4,351	3,704	
\$25,000 or more	1,591,972	[13] 28,393	1.8	15,894	12,499	9	23	248,382	212,431	35,951	13,365	2,876	
► Returns with total positive income of at least \$200,000 and under \$1,000,000 [8]:													
Nonbusiness returns	3,109,116	78,559	2.5	21,043	57,816	20	38	2,005,761	1,150,932	854,829	54,694	14,785	
Business returns	1,432,541	41,622	2.9	20,969	20,653	14	34	881,617	512,039	369,578	24,419	17,895	
► Returns with total positive income of \$1,000,000 or more [8]	388,763	32,494	8.4	16,509	15,985	24	34	5,121,162	2,507,290	2,613,872	151,874	163,520	
► International returns [14]	242,279	6,181	2.6	5,799	382	7	1	28,820	28,653	167	4,941	437	
► Corporation income tax returns, except Form 1120-S, total [15]	2,143,808	29,803	1.4	28,801	1,202	29	52	26,237,074	26,126,609	110,465	913,486	91,901	
► Returns other than Forms 1120-C and 1120-F [16]:													
► Small corporations [17]	2,041,474	19,127	0.9	18,258	869	30	54	635,005	545,127	89,878	29,857	103,427	
No balance sheet returns	453,583	2,016	0.4	1,800	216	15	42	125,033	99,730	25,303	55,406	117,144	
Balance sheet returns by size of total assets:													
Under \$250,000	1,031,229	8,423	0.8	7,935	488	29	59	178,216	176,950	1,266	22,300	2,594	
\$250,000 under \$1,000,000	351,196	4,783	1.4	4,741	42	32	71	106,288	106,256	12	22,412	286	
\$1,000,000 under \$5,000,000	175,221	3,011	1.7	2,932	79	35	56	138,855	117,746	21,109	40,159	267,203	
\$5,000,000 under \$10,000,000	30,245	894	3.0	850	44	31	52	86,633	44,445	42,188	52,288	958,818	
► Large corporations [18]	61,570	10,207	16.6	9,934	273	27	47	25,280,520	25,259,991	20,529	2,542,781	75,198	
Balance sheet returns by size of total assets:													
\$10,000,000 under \$50,000,000	32,107	4,307	13.4	4,231	76	33	42	513,222	512,775	447	121,195	5,882	
\$50,000,000 under \$100,000,000	7,756	1,259	16.2	1,232	27	36	52	353,846	352,720	1,126	286,299	41,704	
\$100,000,000 under \$250,000,000	8,094	1,191	14.7	1,166	25	32	44	650,456	650,456	[19]	557,852	[20]	
\$250,000,000 under \$500,000,000	4,688	754	16.1	735	19	24	32	320,965	320,776	189	436,340	9,947	
\$500,000,000 under \$1,000,000,000	3,396	615	18.1	581	34	20	47	652,401	638,159	14,242	1,096,380	418,882	
\$1,000,000,000 under \$5,000,000,000	3,943	1,127	28.6	1,060	67	12	46	2,789,705	2,785,224	4,481	2,627,570	66,881	
\$5,000,000,000 under \$20,000,000,000	1,139	516	45.3	498	18	6	89	6,572,351	6,572,343	8	13,197,476	444	
\$20,000,000,000 or more	447	438	98.0	431	7	3	29	13,427,574	13,427,538	36	31,154,381	5,143	
► Form 1120-C returns [16]	8,657	32	0.4	29	3	24	100	196,859	196,859	0	6,788,241	0	
► Form 1120-F returns [16]	32,107	437	1.4	380	57	39	46	124,690	124,632	58	327,979	1,018	
► Estate and trust income tax returns	3,095,891	5,298	0.2	801	4,497	15	55	40,256	17,863	22,393	22,051	5,024	
► Estate tax returns, total	42,366	4,288	10.1	4,288	0	17	N/A	1,405,415	1,405,415	N/A	327,755	N/A	
► Size of gross estate:													
Under \$5,000,000	33,803	2,206	6.5	2,206	0	18	N/A	200,826	200,826	N/A	91,036	N/A	
\$5,000,000 under \$10,000,000	5,550	1,154	20.8	1,154	0	17	N/A	458,415	458,415	N/A	397,240	N/A	
\$10,000,000 or more	3,013	928	30.8	928	0	14	N/A	746,174	746,174	N/A	804,067	N/A	
► Gift tax returns	238,851	1,777	0.7	1,777	0	37	N/A	203,403	203,403	N/A	114,464	N/A	
► Employment tax returns	30,158,258	63,937	0.2	43,822	20,115	14	10	1,245,789	1,155,358	90,431	26,365	4,496	
► Excise tax returns	783,926	18,249	2.3	16,200	2,049	35	52	580,356	579,455	901	35,769	440	
► Other taxable returns [21]	[5]	541	[5]	269	272	8	13	31,704	28,868	2,836	107,316	10,426	
Non-taxable returns [22]:													
► Partnership returns	3,423,583	12,406	0.4	8,300	4,106	44	41	N/A	N/A	N/A	N/A	N/A	
► S corporation returns [23]	4,414,662	16,327	0.4	15,146	1,181	33	50	N/A	N/A	N/A	N/A	N/A	
► Other non-taxable returns	[5]	1,063	[5]	165	898	36	46	N/A	N/A	N/A	N/A	N/A	
Income, estate, gift tax, and non-taxable returns, total	156,182,266	1,652,356	1.1	401,840	1,250,516	15	14	42,952,634	34,651,983	8,300,651	[5]	[5]	

N/A - Not applicable.

[1] Excludes excise tax returns filed with the U.S. Customs and Border Protection and the Alcohol and Tobacco Tax and Trade Bureau, and returns of tax-exempt organizations, Government entities, and employee plans.

[2] Calendar Year 2009 data are presented because, in general, examination activity is associated with returns filed in the previous calendar year.

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

[4] Provided by Research, Analysis, and Statistics, Office of Research from Document 6186 (revision October 2010). Some data may differ from those published elsewhere, which were based on an earlier version of Document 6186.

[5] Not tabulated.

[6] Includes a total of 473,999 returns with an Earned Income Tax Credit (EITC) claim. These returns were selected for examination on the basis of an EITC claim or other selection criteria. Excludes one return associated with the earned income tax credit qualifying child certification test, which is tracked in IRS's examination database.

[7] Includes a total of \$1,972,602 thousand in recommended additional tax (including an Earned Income Tax Credit) on returns selected for examination on the basis of an EITC claim or other selection criteria. Excludes \$2 thousand in denied EITC related to the qualifying child certification test. These EITC cases are tracked in IRS's examination database.

[8] In general, total positive income is the sum of all positive amounts shown for the various sources of income reported on the individual income tax return and, thus, excludes losses. Examinations of individual income tax returns are shown in this table by total positive income of: under \$200,000; at least \$200,000 and under \$1,000,000; and \$1,000,000 or more.

[9] Includes Forms 1040 without a Schedule C (nonfarm sole proprietorship), Schedule E (supplemental income and loss), Schedule F (profit or loss from farming), or Form 2106 (employee business expenses).

[10] Includes Forms 1040 with a Schedule E (supplemental income and loss) or Form 2106 (employee business expenses) but without a Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming).

[11] Total gross receipts is the sum of gross receipts from farm and nonfarm businesses. It is calculated by adding the positive values of gross receipts and other income from Schedule C and gross income (which can be positive or negative) from Schedule F. Schedule C is used to report profit or loss from nonfarm sole proprietorships. Schedule F is used to report profit or loss from farming. If a taxpayer reports both farm and nonfarm income, the return is classified by the larger source of income.

[12] Includes all Forms 1040, those with and without business income, reporting an Earned Income Tax Credit claim. These returns are classified by size of total gross receipts. Business returns have total gross receipts reported on Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming). Nonbusiness returns, those with no Schedules C or F, are reported in the "Under \$25,000" classification.

[13] Includes returns selected for examination on the basis of an Earned Income Tax Credit (EITC) claim.

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

[15] Includes the Form 1120 series as follows: 1120 (corporation income tax return), 1120-A (corporation income tax return, short form), 1120-F (foreign corporation income tax return, except foreign life insurance company, foreign property and casualty insurance company, or foreign sales corporation); 1120-H (homeowner association income tax return); 1120-L (life insurance company income tax return); 1120-M (mutual income company income tax return); 1120-ND (return for nuclear decommissioning funds); 1120-PC (foreign and casualty insurance company income tax return); 1120-POL (income tax return for certain political associations); 1120-REIT (real estate investment trust income tax return); 1120-RIC (regulated investment company income tax return); and 1120-SF (income tax return for settlement funds). Excludes certain other types of corporation returns, which are included in "other taxable returns" described in footnote 21.

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

[17] Includes returns with assets of less than \$10 million examined by either the Small Business/Self-Employed Operating Division or the Large and Mid-Size Business Operating Division.

[18] Includes returns with assets of \$10 million or more examined by either the Small Business/Self-Employed Operating Division or the Large and Mid-Size Business Operating Division.

[19] Less than \$500.

[20] Less than \$0.50.

[21] Includes 1120-FSC (foreign sales corporation income tax return); 1120-S for S corporations reporting a tax (see footnote 23); 8288 (withholding tax return for disposition by foreign persons of U.S. property interests); and 8804 (partnership withholding tax return).

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

[23] Includes most Forms 1120-S, which are filed by qualifying S corporations electing to be taxed through shareholders. Under certain conditions, S corporations are subject to tax and are included in "other taxable returns" in this table. See footnote 21.

NOTES: Detail may not add to totals because of rounding. In the 2009 Data Book, both "All returns" and "All returns with a filing requirement" were reported in Table 5a. "All returns" included both returns filed by individuals with no reason to file other than to claim an Economic Stimulus Payment, as well as returns filed by individuals with income at or above the filing threshold. The column in the 2009 publication labeled "All returns with a filing requirement" excluded the stimulus-only returns. Economic Stimulus Payments, were special payments to taxpayers associated with the Economic Stimulus Act of 2008 and were claimed primarily in 2008 and 2009. In this 2010 table, "All returns" represents primarily those returns filed because their income is subject to a filing requirement as most taxpayers were not eligible to claim an Economic Stimulus Payment on returns processed during Fiscal Year 2010. This table includes information on examinations of all individual income tax, corporation income tax, estate and trust income tax, estate tax, gift tax, employment tax, excise tax, partnership, S corporation other taxable returns.

SOURCE: Small Business/Self-Employed, Examination, Examination Planning and Delivery, Workload Planning and Analysis.

Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 2009

Type and size of return	Returns filed in Calendar Year 2008 [1, 2]		Returns examined in Fiscal Year 2009 [1]		Returns examined in Fiscal Year 2009 [1]—Correspondence		Percentage of returns examined with no change		Recommended additional tax (thousands of dollars)		Average recommended additional tax per return (dollars)		
	All returns	All returns with filing requirement [3]	Total	Percentage covered [4]	Field [5]	Correspondence	Field [5]	Correspondence	Total	Field [5]	Correspondence	Field [5]	Correspondence
United States, total	198,905,847	183,788,744	1,578,444	0.9	450,075	1,128,369	[6]	[6]	49,274,300	41,297,368	7,976,932	[6]	[6]
Taxable returns:													
▶ Individual income tax returns, total	154,066,773	138,949,670	[7] 1,425,888	1.0	326,249	1,099,639	11	12	[8] 14,940,892	7,144,566	7,796,326	21,899	7,090
▷ Returns with total positive income under \$200,000 [9]:													
▶ Nonbusiness returns without earned income tax credit:													
Without Schedules C, E, F, or Form 2106 [10]	90,771,229	79,950,759	343,952	0.4	34,640	309,312	16	13	1,334,622	330,343	1,004,279	9,536	3,247
With Schedule E or Form 2106 [11]	16,412,065	15,094,220	201,943	1.3	62,952	138,991	7	7	2,221,586	1,795,348	426,238	28,519	3,067
▶ Business returns without earned income tax credit:													
Nonfarm business returns by size of total gross receipts [12]:													
Under \$25,000	10,991,291	10,284,637	114,849	1.1	46,369	68,480	7	10	533,096	323,933	209,163	6,986	3,054
\$25,000 under \$100,000	3,308,171	3,308,171	62,946	1.9	33,050	29,896	10	5	577,044	249,164	327,880	7,539	10,967
\$100,000 under \$200,000	949,650	949,650	39,496	4.2	28,955	10,541	8	5	1,033,371	685,708	347,663	23,682	32,982
\$200,000 or more	736,479	736,479	23,632	3.2	22,553	1,079	12	35	589,349	586,508	2,841	26,006	2,633
Farm returns	1,395,747	1,395,747	4,617	0.3	3,222	1,395	12	18	21,004	16,585	4,419	5,147	3,168
▶ Business and nonbusiness returns with earned income tax credit by size of total gross receipts [12, 13]:													
Under \$25,000	22,636,434	20,518,519	[14] 457,082	2.2	16,298	440,784	12	7	1,890,470	69,678	1,820,792	4,275	4,131
\$25,000 or more	1,606,260	1,452,041	[14] 26,743	1.8	17,003	9,740	9	15	241,808	213,124	28,684	12,534	2,945
▷ Returns with total positive income of at least \$200,000 and under \$1,000,000 [9]:													
Nonbusiness returns	3,138,198	3,138,198	71,544	2.3	20,043	51,501	15	47	1,203,140	472,515	730,625	23,575	14,187
Business returns	1,444,801	1,444,801	45,260	3.1	20,611	24,649	13	29	1,473,069	551,773	921,296	26,771	37,377
▷ Returns with total positive income of \$1,000,000 or more [9]	441,715	441,715	28,349	6.4	15,730	12,619	21	59	3,801,834	1,830,019	1,971,815	116,339	156,258
▷ International returns [15]	234,733	234,733	5,475	2.3	4,823	652	9	3	20,499	19,868	631	4,119	968
▶ Corporation income tax returns, except Form 1120S, total [16]	2,245,168	2,245,168	28,188	1.3	27,349	839	29	60	30,891,603	30,787,905	103,698	1,125,742	123,597
▷ Returns other than Form 1120-F [17]:													
▶ Small corporations [18]	2,146,400	2,146,400	18,298	0.9	17,766	532	31	56	745,324	728,608	16,716	41,011	31,421
No balance sheet returns	462,455	462,455	1,852	0.4	1,780	72	19	75	256,952	256,647	305	144,184	4,236
Balance sheet returns by size of total assets:													
Under \$250,000	1,102,217	1,102,217	7,275	0.7	7,014	261	30	51	148,061	147,249	812	20,994	3,111
\$250,000 under \$1,000,000	365,352	365,352	4,931	1.3	4,841	90	33	51	121,991	107,717	14,274	22,251	158,600
\$1,000,000 under \$5,000,000	184,443	184,443	3,375	1.8	3,297	78	35	56	124,832	123,743	1,089	37,532	13,962
\$5,000,000 under \$10,000,000	31,933	31,933	865	2.7	834	31	38	68	93,488	93,252	236	111,813	7,613
▶ Large corporations [19]	65,546	65,546	9,536	14.5	9,307	229	24	62	29,751,290	29,664,363	86,927	3,187,317	379,594
Balance sheet returns by size of total assets:													
\$10,000,000 under \$50,000,000	34,409	34,409	3,473	10.1	3,392	81	30	65	479,346	478,407	939	141,040	11,593
\$50,000,000 under \$100,000,000	8,121	8,121	1,158	14.3	1,134	24	30	88	223,620	223,620	[20]	197,196	[21]
\$100,000,000 under \$250,000,000	8,333	8,333	1,134	13.6	1,106	28	31	64	408,123	407,457	666	368,406	23,786
\$250,000,000 under \$500,000,000	4,828	4,828	763	15.8	749	14	27	50	629,476	629,451	25	840,389	1,786
\$500,000,000 under \$1,000,000,000	3,720	3,720	672	18.1	658	14	16	64	997,880	966,788	1,092	1,469,283	78,000
\$1,000,000,000 under \$5,000,000,000	4,427	4,427	1,208	27.3	1,167	41	15	46	3,950,233	3,901,915	48,318	3,343,543	1,178,488
\$5,000,000,000 under \$20,000,000,000	1,257	1,257	612	48.7	593	19	8	58	8,422,007	8,386,134	35,873	14,141,879	1,888,053
\$20,000,000,000 or more	451	451	516	114.4	508	8	3	63	14,670,605	14,670,591	14	28,879,116	1,750
▷ Form 1120-F returns [17]	33,222	33,222	354	1.1	276	78	24	79	394,989	394,934	55	1,430,920	705
▶ Estate and trust income tax returns	3,110,569	3,110,569	5,259	0.2	1,035	4,224	12	75	113,336	100,551	12,785	97,151	3,027
▶ Estate tax returns:													
▷ Total	48,274	48,274	4,468	9.3	4,468	0	21	N/A	1,622,548	1,622,548	N/A	363,149	N/A
▶ Size of gross estate:													
Under \$5,000,000	38,779	38,779	2,420	6.2	2,420	0	23	N/A	282,371	282,371	N/A	116,682	N/A
\$5,000,000 or more	9,495	9,495	2,048	21.6	2,048	0	18	N/A	1,340,177	1,340,177	N/A	654,383	N/A
▶ Gift tax returns	257,010	257,010	1,569	0.6	1,569	0	32	N/A	294,977	294,977	N/A	188,003	N/A
▶ Employment tax returns	30,502,853	30,502,853	64,021	0.2	47,743	16,278	15	5	958,176	897,784	60,392	18,805	3,710
▶ Excise tax returns	935,498	935,498	17,267	1.8	15,161	2,106	30	49	207,264	205,800	1,464	13,574	695
▶ Other taxable returns [23]	[6]	[6]	681	[6]	345	336	8	10	245,504	243,237	2,267	705,035	6,747
Nontaxable returns [24]:													
▶ Partnership returns	3,348,845	3,348,845	12,855	0.4	9,554	3,301	37	73	N/A	N/A	N/A	N/A	N/A
▶ S corporation returns [25]	4,390,857	4,390,857	17,455	0.4	16,423	1,032	34	69	N/A	N/A	N/A	N/A	N/A
▶ Estate and trust returns	[6]	[6]	793	[6]	179	614	34	80	N/A	N/A	N/A	N/A	N/A
Income, estate, and gift tax, and nontaxable returns, total	167,467,496	152,350,393	1,496,475	1.0	386,826	1,109,649	14	13	47,863,356	39,950,547	7,912,809	[6]	[6]

Footnotes at end of table.

N/A—Not applicable.

[1] Excludes excise tax returns filed with Alcohol and Tobacco Tax and Trade Bureau, and returns of tax-exempt organizations, Government entities, and employee plans.

[2] In general, examination activity is associated with returns filed in the previous calendar year.

[3] Excludes 15,117,103 returns filed by individuals only to receive an Economic Stimulus Payment and who had no other reason to file. These Economic Stimulus Payments were associated with the Economic Stimulus Act of 2008.

[4] Represents the number of returns examined in Fiscal Year 2009 as a percentage of all returns with a filing requirement in Calendar Year 2008. See footnote 3.

[5] Field examinations are generally performed by revenue agents, tax compliance officers, tax examiners, and revenue officer examiners, in person or through correspondence (in selected cases).

[6] Not tabulated.

[7] Includes a total of 508,180 returns with an earned income tax credit (EITC) claim. These returns were selected for examination on the basis of an EITC claim or other selection criteria. Excludes 4 returns associated with the earned income tax credit qualifying child certification test, which are tracked in IRS's examination database.

[8] Includes a total of \$2,150,808 thousand in recommended additional tax (including an earned income tax credit) on returns selected for examination on the basis of an EITC claim or other selection criteria. Excludes \$7 thousand in denied EITC related to the qualifying child certification test. These EITC cases are tracked in IRS's examination database.

[9] In general, total positive income is the sum of all positive amounts shown for the various sources of income reported on the individual income tax return and, thus, excludes losses. Examinations of individual income tax returns are shown in this table by total positive income of under \$200,000; at least \$200,000 and under \$1,000,000; and \$1,000,000 or more.

[10] Includes Forms 1040 without a Schedule C (nonfarm sole proprietorship), Schedule E (supplemental income and loss), Schedule F (profit or loss from farming), or Form 2106 (employee business expenses).

[11] Includes Forms 1040 with a Schedule E (supplemental income and loss) or Form 2106 (employee business expenses), but without a Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming).

[12] "Total gross receipts" is the sum of gross receipts from farm and nonfarm businesses. It is calculated by adding the positive values of gross receipts and other income from Schedule C and gross income (which can be positive or negative) from Schedule F. Schedule C is used to report profit or loss from nonfarm sole proprietorships. Schedule F is used to report profit or loss from farming. If a taxpayer reports both farm and nonfarm income, the return is classified by the larger source of income.

[13] Includes all Forms 1040, those with and without business income, reporting an earned income tax credit claim. These returns are classified by size of total gross receipts. Business returns have total gross receipts reported on Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming). Nonbusiness returns, those with no Schedules C or F, are reported in the "Under \$25,000" classification.

[14] Includes returns selected for examination on the basis of an earned income tax credit (EITC) claim.

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

[16] Includes the Form 1120 series as follows: 1120 (corporation income tax return); 1120-A (corporation income tax return short form); 1120-F (foreign corporation income tax return, except foreign life insurance company, foreign property and casualty insurance company, or foreign sales corporation); 1120-H (homeowner/insurance company income tax return); 1120-M (mutual insurance company income tax return); 1120-ND (return for nuclear decommissioning funds); 1120-PC (property and casualty insurance company income tax return); 1120-POL (income tax return for certain political associations); 1120-REIT (real estate investment trust income tax return); 1120-RIC (regulated investment company income tax return); and 1120-SF (income tax return for settlement funds). Excludes certain other types of corporation returns, which are included in "other taxable returns" described in footnote 23.

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

[18] Includes returns with assets of less than \$10 million examined by either the Small Business/Self-Employed Operating Division or the Large and Mid-Size Business Operating Division.

[19] Includes returns with assets of \$10 million or more examined by either the Small Business/Self-Employed Operating Division or the Large and Mid-Size Business Operating Division.

[20] Less than \$500.

[21] Less than \$0.50.

[22] The percentage of returns examined may be greater than 100 percent of the returns filed in Calendar Year 2008 since examinations may be conducted on returns filed in prior calendar years.

[23] Includes Forms 1120-S for S corporations reporting a tax (see footnote 25); 1120-FSC (foreign sales corporation income tax return); 8288 (withholding tax return for disposition by foreign persons of U.S. property interests); 1120-C (income tax return for cooperative associations); and 8804 (partnership withholding tax return).

[24] Nontaxable returns are filed for entities that generally do not have a tax liability, but pass through any profits and losses to the underlying owners who include these profits or losses on their income tax returns.

[25] Includes most Forms 1120-S, which are filed by qualifying S corporations electing to be taxed through shareholders. Under certain conditions, S corporations are subject to tax and are included in "other taxable returns" in this table. See footnote 23.

NOTE: Detail may not add to totals because of rounding.

SOURCES: Small Business/Self-Employed, Examination, Examination Planning and Delivery, Examination Management Information Systems and Automation; Research, Analysis, and Statistics, Office of Research.

Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 2008

Type and size of return	Returns filed in Calendar Year 2007 [1, 2]	Returns examined in Fiscal Year 2008 [1]				Percentage of returns examined with no change		Recommended additional tax (thousands of dollars)			Average recommended additional tax per return (dollars)	
		Total	Percentage covered	Field [3]	Correspondence	Field [3]	Correspondence	Total	Field [3]	Correspondence	Field [3]	Correspondence
United States, total	183,052,945	1,540,771	0.8	430,560	1,110,211	[18]	[18]	43,437,364	36,729,140	6,708,224	85,306	6,042
Taxable returns:												
▶ Individual income tax returns, total	137,849,635	[4] 1,391,581	1.0	310,429	1,081,152	11	15	[20] 12,462,770	5,944,735	6,518,035	19,150	6,029
▷ Returns with total positive income under \$200,000 [5]:												
▶ Nonbusiness returns without earned income tax credit:												
Without Schedules C, E, F, or Form 2106 [6]	78,608,856	342,958	0.4	36,433	306,525	14	22	1,189,047	338,777	850,270	9,299	2,774
With Schedule E or Form 2106 [7]	15,409,542	205,432	1.3	55,327	150,105	7	11	893,908	438,591	455,317	7,927	3,033
▶ Business returns without earned income tax credit receipts [8]:												
Under \$25,000	10,496,414	122,321	1.2	47,146	75,175	7	18	502,902	293,863	209,039	6,233	2,781
\$25,000 under \$100,000	3,228,160	59,739	1.9	29,133	30,606	9	13	531,263	253,957	277,306	8,717	9,061
\$100,000 under \$200,000	943,174	36,131	3.8	23,582	12,549	7	14	846,166	511,077	335,089	21,672	26,702
\$200,000 or more	730,815	22,869	3.1	20,088	2,781	13	48	379,659	374,194	5,465	18,628	1,965
Farm returns	1,366,833	7,542	0.6	3,608	3,934	15	38	89,282	77,049	12,233	21,355	3,110
tax credit by size of total gross receipts [8,9]:												
Under \$25,000	21,028,686	[10] 410,889	2.0	14,130	396,759	14	7	1,642,114	63,483	1,578,631	4,493	3,979
\$25,000 or more	1,470,688	[10] 51,368	3.5	27,248	24,120	8	14	304,239	240,826	63,413	8,838	2,629
and under \$1,000,000 [5]:												
Nonbusiness returns	2,741,555	72,006	2.6	19,046	52,960	14	33	1,502,421	440,885	1,061,536	23,148	20,044
Business returns	1,307,825	36,871	2.8	22,296	14,575	16	36	839,478	488,022	351,454	21,888	24,113
▷ Returns with total positive income of \$1,000,000 or more [5]	392,776	21,874	5.6	12,233	9,641	19	55	3,736,403	2,419,572	1,316,831	197,791	136,587
▶ International returns [11]	124,311	1,581	1.3	159	1,422	30	2	5,890	4,439	1,451	27,918	1,020
▶ Corporation income tax returns, except Form 1120-S, total [12]	2,255,443	30,417	1.3	28,373	2,044	27	78	26,817,682	26,749,498	68,184	942,780	33,358
▷ Returns other than Form 1120-F [13]:												
▶ Small corporations [14]	2,166,197	20,580	1.0	18,783	1,797	28	79	601,517	599,509	2,008	31,918	1,117
No balance sheet returns	448,117	1,924	0.4	1,843	81	20	67	86,149	85,816	333	46,563	4,111
Balance sheet returns by size of total assets:												
Under \$250,000	1,137,067	9,073	0.8	7,580	1,493	29	81	149,272	147,987	1,285	19,523	861
\$250,000 under \$1,000,000	366,845	5,030	1.4	4,924	106	29	47	132,983	132,656	327	26,941	3,085
\$1,000,000 under \$5,000,000	182,734	3,585	2.0	3,496	89	33	81	151,527	151,465	62	43,325	697
\$5,000,000 under \$10,000,000	31,434	968	3.1	940	28	33	89	81,586	81,585	1	86,793	36
▶ Large corporations [15]	61,641	9,406	15.3	9,205	201	24	69	25,421,905	25,355,729	66,176	2,754,560	329,234
Balance sheet returns by size of total assets:												
\$10,000,000 under \$50,000,000	32,697	3,833	11.7	3,778	55	32	65	612,758	582,181	30,577	154,098	555,945
\$50,000,000 under \$100,000,000	7,629	893	11.7	871	22	32	64	152,612	127,701	24,911	146,614	1,132,318
\$100,000,000 under \$250,000,000	7,999	1,026	12.8	1,006	20	26	65	347,963	347,797	166	345,723	8,300
\$250,000,000 under \$500,000,000	4,591	652	14.2	635	17	22	76	227,306	226,518	788	356,721	46,353
\$500,000,000 under \$1,000,000,000	3,350	624	18.6	606	18	20	72	563,489	563,419	70	929,734	3,889
\$1,000,000,000 under \$5,000,000,000	3,950	1,231	31.2	1,197	34	14	68	3,125,746	3,117,756	7,990	2,604,642	235,000
\$5,000,000,000 under \$20,000,000,000	1,056	678	64.2	652	26	6	77	6,233,940	6,232,266	1,674	9,558,690	64,385
\$20,000,000,000 or more	369	469	[16] 127.1	460	9	4	67	14,158,091	14,158,091	[21]	30,778,459	[22]
▶ Form 1120-F returns [13]	27,605	431	1.6	385	46	23	98	794,260	794,260	[21]	2,063,013	[22]
▶ Estate and trust income tax returns	3,729,793	4,582	0.1	993	3,589	14	78	124,244	113,920	10,324	114,723	2,877
▶ Estate tax returns:												
▶ Total	47,298	3,852	8.1	d	d	13	0	834,285	d	d	216,697	N/A
▶ Size of gross estate:												
Under \$5,000,000	38,696	2,182	5.6	d	d	0	0	202,009	d	d	92,665	N/A
\$5,000,000 or more	8,602	1,670	19.4	1,670	0	14	N/A	632,276	632,276	0	378,608	N/A
▶ Gift tax returns	255,123	1,071	0.4	d	d	26	0	223,537	d	d	208,718	N/A
▶ Employment tax returns	30,717,441	60,346	0.2	43,726	16,620	15	3	2,765,036	2,655,818	109,218	60,738	6,571
▶ Excise tax returns	895,388	16,134	1.8	13,477	2,657	28	55	120,004	118,172	1,832	8,768	689
▶ Other taxable returns [17]	[18]	1,943	[18]	1,751	192	19	41	89,806	89,175	631	50,928	3,286
Nontaxable returns:												
▶ Partnership returns	3,146,994	13,203	0.4	10,757	2,446	42	71	N/A	N/A	N/A	N/A	N/A
▶ S corporation returns [19]	4,155,830	16,634	0.4	15,845	789	34	57	N/A	N/A	N/A	N/A	N/A
▶ Estate and trust returns	[18]	1,008	[18]	288	720	52	78	N/A	N/A	N/A	N/A	N/A
Income, estate, and gift tax, and nontaxable returns, total	151,440,116	1,462,348	1.0	371,606	1,090,742	14	16	40,462,518	33,865,975	6,596,543	91,134	6,048

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

[1] Excludes excise tax returns filed with the Customs Service and the Alcohol and Tobacco Tax and Trade Bureau, and returns of tax-exempt organizations, Government entities, and employee plans.

[2] In general, examination activity is associated with returns filed in the previous calendar year.

[3] Field examinations are generally performed by revenue agents, tax compliance officers, tax examiners, and revenue officer examiners, in person or through correspondence (in selected cases).

[4] Includes a total of 503,755 returns with an earned income tax credit (EITC) claim. These returns were selected for examination on the basis of an EITC claim or other selection criteria. Excludes 4 returns associated with the earned income tax credit qualifying child certification test, which are tracked in IRS's examination database.

[5] In general, total positive income is the sum of all positive amounts shown for the various sources of income reported on the individual income tax return and, thus, excludes losses. Examinations of individual income tax returns are shown in this table by total positive income of: under \$200,000; at least \$200,000 and under \$1,000,000; and \$1,000,000 or more.

[6] Includes Forms 1040 without a Schedule C (nonfarm sole proprietorship), Schedule E (supplemental income and loss), Schedule F (profit or loss from farming), or Form 2106 (employee business expenses).

[7] Includes Forms 1040 with a Schedule E (supplemental income and loss) or Form 2106 (employee business expenses). Excludes returns with a Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming).

[8] "Total gross receipts" is the sum of gross receipts from farm and nonfarm businesses. It is calculated by adding the positive values of gross receipts and other income from Schedule C to the cost of purchased items and gross income (which can be positive or negative) from Schedule F. Schedule C is used to report profit or loss from nonfarm sole proprietorships. Schedule F is used to report profit or loss from farming. If a taxpayer reports both farm and nonfarm income, the return is classified by the larger source of income.

[9] Includes all Forms 1040, those with and without business income, reporting an earned income tax credit claim. These returns are classified by size of total gross receipts. Business returns have total gross receipts reported on Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming). Nonbusiness returns, those with no Schedules C or F, are reported in the "Under \$25,000" classification.

[10] Includes returns selected for examination on the basis of an earned income tax credit (EITC) claim.

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

[12] Includes Forms 1120 ("long form"), 1120-A ("short form"), 1120-F (foreign corporation, except foreign life insurance company), 1120-H (homeowner association), 1120-L (life insurance company), 1120M (mutual insurance company), 1120-PC (property and casualty insurance company), 1120-POL (certain political association), 1120-REIT (real estate investment trust), 1120-RIC (regulated investment company), and 1120-SF (settlement fund). Excludes certain other types of corporations, which are included in "other taxable returns" described in footnote 17.

[13] Form 1120-F is filed by a foreign corporation with U.S. income, other than a foreign life insurance company (Form 1120-L) or a foreign sales corporation (Form 1120-FSC).

[14] Includes returns with assets of less than \$10 million examined by either the Small Business/Self-Employed Operating Division or the Large and Mid-Size Business Operating Division.

[15] Includes returns with assets of \$10 million or more examined by either the Small Business/Self-Employed Operating Division or the Large and Mid-Size Business Operating Division.

[16] The percentage of returns examined may be greater than 100 percent of the returns filed in Calendar Year 2007 since examinations may be conducted on returns filed in prior calendar years.

[17] Includes Forms 1120S for an S corporation reporting a tax (see footnote 19); 1120-FSC (foreign sales corporation); 8288 (withholding tax return for disposition by foreign persons of U.S. property interests); 990-C (farmers' cooperative association); and 8804 (partnership withholding).

[18] Not tabulated.

[19] Includes most Forms 1120S, which are filed by qualifying S corporations electing to be taxed through shareholders. Under certain conditions, S corporations are subject to tax and are included in "other taxable returns" in this table. See footnote 17.

[20] Includes a total of \$1,993,891 (thousands) in recommended additional tax (including an earned income tax credit) on returns selected for examination on the basis of an EITC claim or other selection criteria. Excludes \$7 (thousands) in denied EITC related to the qualifying child certification test. These EITC cases are tracked in IRS's examination database.

[21] Less than \$500.

[22] Less than \$50.

NOTE: Detail may not add to totals because of rounding.

SOURCE: Small Business/Self-Employed, Examination, Examination Planning and Delivery, Examination Management Information Systems and Automation SE:S:EPD:MISA

Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 2007 REVISED APRIL 2009

Type and size of return	Returns examined						Percentage of returns examined with no change		Recommended additional tax (thousands of dollars)			Average recommended additional tax per return (dollars)	
	Returns filed in Calendar Year 2006 [1]		Total	Percentage covered	Field [2]	Correspondence	Field [2]	Correspondence	Total	Field [2]	Correspondence	Field [2]	Correspondence
	(1)	(2)											
United States, total	179,419,771	1,550,922	0.9	449,215	1,101,707	[17]	[17]	44,370,539	34,810,837	9,559,702	77,493	8,677	
Taxable returns:													
Individual income tax returns, total	134,542,879	[3] 1,384,563	1.0	311,339	1,073,224	12	16	[19] 15,705,155	6,357,090	9,348,065	20,419	8,710	
Returns with TPI under \$200,000 [4]:													
Nonbusiness returns without earned income tax credit:													
Selected nonbusiness returns [5]	76,729,589	305,101	0.4	55,131	249,970	17	20	1,268,316	524,884	743,432	9,521	2,974	
With Schedule E or Form 2106 [6]	14,158,305	165,137	1.2	40,498	124,639	7	10	759,884	283,176	476,708	6,992	3,825	
Business and nonbusiness returns with earned income tax credit by size of TGR [7, 8]:													
Under \$25,000	21,613,857	[9] 400,206	1.9	10,908	389,298	12	15	1,264,786	52,524	1,212,262	4,815	3,114	
\$25,000 or more	1,404,507	[9] 135,850	9.7	33,928	101,922	9	8	501,977	215,749	286,228	6,359	2,808	
Business returns without earned income tax credit:													
Nonfarm business returns by size of TGR [7]:													
Under \$25,000	10,356,000	134,529	1.3	53,092	81,237	8	14	1,154,236	256,753	897,483	4,838	11,048	
\$25,000 under \$100,000	3,076,877	62,878	2.0	31,263	31,513	10	13	589,858	195,210	394,648	20,860	11,793	
\$100,000 under \$200,000	912,280	56,327	6.2	28,286	28,041	9	5	1,610,565	695,318	915,247	24,582	32,640	
\$200,000 or more	698,893	13,049	1.9	11,319	1,730	18	42	192,777	180,638	12,139	15,959	7,017	
Farm returns	1,528,390	5,705	0.4	3,033	2,672	18	42	41,207	27,923	13,284	9,206	4,972	
Returns with TPI at least \$200,000 and under \$1,000,000:													
Nonbusiness returns	2,482,382	49,570	2.0	13,882	35,688	18	37	1,331,249	382,911	948,338	27,553	26,573	
Business returns	1,121,182	32,779	2.9	17,499	15,280	20	33	875,821	365,373	510,448	20,860	33,496	
Returns with TPI of \$1,000,000 or more	338,138	23,200	6.8	12,259	10,941	24	50	6,132,648	3,173,070	2,960,578	258,836	270,595	
International returns [10]	121,479	434	0.4	141	293	28	15	831	561	270	3,979	922	
Corporation income tax returns, except Form 1120S, total [11]	2,256,485	30,004	1.3	27,972	2,032	34	41	25,741,487	25,688,088	53,399	918,350	26,280	
Returns other than Form 1120-F [12]:													
Small corporations [13]	2,171,144	20,020	0.9	18,302	1,718	38	37	693,890	690,773	3,117	37,743	1,814	
No balance sheet returns	402,915	2,186	0.5	1,719	467	25	29	194,092	193,730	362	112,699	775	
Balance sheet returns by size of total assets:													
Under \$250,000	1,183,402	9,038	0.8	8,131	907	40	32	204,223	202,753	1,470	24,936	1,621	
\$250,000 under \$1,000,000	372,953	4,836	1.3	4,671	165	38	48	111,598	111,243	355	23,816	2,152	
\$1,000,000 under \$5,000,000	181,442	3,032	1.7	2,896	136	41	70	135,273	134,437	836	46,422	6,147	
\$5,000,000 under \$10,000,000	30,432	828	3.0	695	43	41	74	48,704	48,610	94	54,927	2,186	
Large corporations [14]	57,357	9,644	16.8	9,376	268	29	58	24,942,449	24,892,167	50,282	2,654,881	187,619	
Balance sheet returns by size of total assets:													
\$10,000,000 under \$50,000,000	29,869	4,473	15.0	4,398	75	36	59	396,970	351,311	45,659	79,880	608,787	
\$50,000,000 under \$100,000,000	7,057	801	11.4	766	35	28	49	85,295	84,987	308	110,949	8,800	
\$100,000,000 under \$250,000,000	7,847	946	12.1	904	42	24	60	319,619	315,963	3,656	349,517	87,048	
\$250,000,000 under \$500,000,000	4,438	634	14.3	580	54	20	50	665,368	664,802	566	1,146,210	10,481	
\$500,000,000 under \$1,000,000,000	3,163	584	18.5	573	11	20	82	418,922	418,917	5	731,094	455	
\$1,000,000,000 under \$5,000,000,000	3,644	1,152	31.6	1,116	36	13	64	3,912,331	3,912,331	0	3,505,673	0	
\$5,000,000,000 under \$20,000,000,000	965	607	62.9	596	11	10	82	5,070,726	5,070,638	88	8,507,782	8,000	
\$20,000,000,000 and above	374	447	[15] 119.5	443	4	7	25	14,073,218	14,073,218	0	31,767,986	0	
Form 1120-F returns [12]	27,984	340	1.2	294	46	47	98	105,148	105,148	0	387,846	0	
Estate and trust income tax returns	3,751,386	4,544	0.1	1,235	3,309	21	74	149,075	145,620	3,455	117,911	1,044	
Estate tax returns:													
Total	59,978	4,616	7.7	4,616	0	14	N/A	1,147,801	1,147,801	0	248,657	N/A	
Size of gross estate:													
Under \$5,000,000	51,940	3,017	5.8	3,017	0	14	N/A	297,267	297,267	0	98,531	N/A	
\$5,000,000 or more	8,038	1,599	19.9	1,599	0	14	N/A	850,534	850,534	0	531,916	N/A	
Gift tax returns	264,315	1,490	0.6	1,490	0	21	N/A	230,833	230,833	0	154,921	N/A	
Employment tax returns	30,803,939	56,738	0.2	40,748	15,990	13	5	907,852	753,995	153,857	18,504	9,622	
Excise tax returns	896,462	36,018	4.0	34,520	1,498	9	68	235,841	234,915	926	6,805	618	
Other taxable returns [16]	[17]	[17]	[17]	1,442	18	28	83	252,495	252,495	0	175,101	0	
Non-taxable returns:													
Partnership returns, Form 1065	2,934,597	12,195	0.4	8,871	3,324	44	73	N/A	N/A	N/A	N/A	N/A	
S corporation returns, Form 1120S [18]	3,909,730	17,657	0.5	16,792	865	36	66	N/A	N/A	N/A	N/A	N/A	
Estate and trust returns, Form 1041	[17]	1,637	[17]	190	1,447	67	83	N/A	N/A	N/A	N/A	N/A	
Income, estate, and gift tax, and nontaxable returns, total	147,719,370	1,456,706	1.0	372,505	1,084,201	16	17	42,974,351	33,569,432	9,404,919	90,118	8,675	

Footnotes at end of table.

N/A—Not applicable.

- [1] In general, examination activity is associated with returns filed in the previous calendar year. However, this relationship is only approximate.
- [2] Field examinations are generally performed by revenue agents, tax compliance officers, tax examiners, and revenue officer examiners, in person or by correspondence.
- [3] Includes 503,267 returns selected for examination on the basis of an earned income tax credit (EITC) claim. Excludes 5,607 returns associated with the earned income tax credit qualifying child certification test, which are tracked in IRS's examination database.
- [4] In general, TPI (total positive income) is the sum of all positive amounts shown for the various sources of income reported on the individual income tax return and, thus, excludes net losses. Examinations of individual income tax returns are shown in this table by: TPI of under \$200,000; TPI of at least \$200,000 and under \$1,000,000; and TPI of \$1,000,000 or more.
- [5] Includes returns without a Schedule C (nonfarm sole proprietorship), Schedule E (supplemental income and loss), Schedule F (profit or loss from farming), or Form 2106 (employee business expenses).
- [6] Includes returns with a Schedule E (supplemental income and loss) or Form 2106 (employee business expenses). Excludes returns with a Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming).
- [7] TGR (total gross receipts) is the sum of gross receipts from farm and nonfarm businesses. It is calculated by adding the positive values of gross receipts and other income from Schedule C to the cost of purchased items and gross income (which can be positive or negative) from Schedule F. Schedule C is used to report profit or loss from nonfarm sole proprietorships. Schedule F is used to report profit or loss from farming. If a taxpayer reports both farm and nonfarm income, the return is classified by the larger source of income.
- [8] Includes both business and nonbusiness returns with an earned income tax credit claim. These returns are classified by size of total gross receipts (TGR). Returns are classified as business if they have a Schedule C (nonfarm sole proprietorship) or Schedule F (profit or loss from farming) and TGR is greater than total positive income (TPI). Returns are classified as nonbusiness returns if TGR is less than TPI. See footnotes 4 and 7.
- [9] Includes returns with an earned income tax credit (EITC) claim. These returns were selected for examination on the basis of an EITC claim or on other selection criteria.
- [10] Includes Forms 1040PR (self-employment tax form for Puerto Rico) and 1040-SS (self-employment tax form for U.S. Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands).
- [11] Includes Forms 1120 ("long form"), 1120-A ("short form"), 1120-F (foreign corporation, except foreign life insurance company), 1120-H (homeowner association), 1120-L (life insurance company), 1120M (mutual insurance company), 1120-PC (property and casualty insurance company), 1120-POL (certain political association), 1120-REIT (real estate investment trust), 1120-RIC (regulated investment company), and 1120-SF (settlement fund). Excludes certain other types of corporations, which are included in "other taxable returns" described in footnote 16.
- [12] Form 1120-F is filed by a foreign corporation with U.S. income, other than a foreign life insurance company and foreign sales corporation.
- [13] Includes returns with assets of less than \$10 million examined by either the Small Business/Self-Employed Operating Division or the Large and Mid-Size Business Operating Division.
- [14] Includes returns with assets of \$10 million or more examined by either the Small Business/Self-Employed Operating Division or the Large and Mid-Size Business Operating Division.
- [15] The percentage of returns examined may be greater than 100 percent of the returns filed in Calendar Year 2006 since examinations may be conducted on returns filed in prior calendar years.
- [16] Includes Forms 1120S for an S corporation reporting a tax (see footnote 18); 1120-FSC (foreign sales corporation); 8288 (withholding tax return for disposition by foreign persons of U.S. property interests); 990-C (farmers' cooperative association); and 8804 (partnership withholding).
- [17] Not tabulated.
- [18] Includes most Forms 1120S, which are filed by qualifying S corporations electing to be taxed through shareholders. Under certain conditions, S corporations are subject to tax and are included in "other taxable returns" in this table.
- [19] Includes \$1,494,377 (thousands) in recommended additional tax (including earned income tax credit) on returns selected for examination on the basis of an earned income tax credit (EITC) claim. Excludes \$12,223 (thousands) in denied EITC related to the qualifying child certification test. These EITC cases are tracked in IRS's examination database.

NOTES: Detail may not add to totals because of rounding. Excludes excise tax returns filed with the Customs Service and the Alcohol and Tobacco Tax and Trade Bureau, and returns of tax-exempt organizations, Government entities, and employee plans.

SOURCE: Internal Revenue Service Data Book, 2007

Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 2006 REVISED APRIL 2009

Type and size of return	Returns examined					Percentage of returns examined with no change		Recommended additional tax (thousands of dollars)			Average recommended additional tax per return (dollars)	
	Returns filed in Calendar Year 2005 [1]	Total	Percentage covered	Field [2]	Correspondence	Field [2]	Correspondence	Total	Field [2]	Correspondence	Field [2]	Correspondence
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
United States, total	176,941,072	1,406,282	0.8	416,142	990,140	[13]	[13]	43,951,550	36,249,535	7,702,015	87,109	7,779
Taxable returns:												
Individual income tax returns, total [3]	132,275,830	[4] 1,283,950	1.0	302,785	981,165	14	17	[15] 13,045,221	5,433,084	7,612,137	17,944	7,758
Nonbusiness returns:												
Form 1040A with TPI under \$25,000 [5, 6]	32,016,955	159,984	0.5	9,219	150,765	16	12	410,644	52,241	358,403	5,667	2,377
All other returns by size of TPI [6]:												
Under \$25,000	20,514,194	302,168	1.5	16,434	285,734	15	15	1,232,163	90,164	1,141,999	5,486	3,997
\$25,000 under \$50,000	31,160,832	191,274	0.6	44,095	147,179	11	16	957,556	164,084	793,472	3,721	5,301
\$50,000 under \$100,000	26,748,881	164,203	0.6	61,562	102,541	13	29	477,749	239,048	238,701	3,877	2,328
\$100,000 or more	13,344,962	165,800	1.2	56,717	109,083	17	24	6,625,887	3,115,679	3,510,208	54,934	32,179
Business returns by size of TGR [7]:												
Nonfarm returns:												
Under \$25,000	3,413,299	127,603	3.7	19,801	107,802	10	11	359,321	77,575	281,746	3,918	2,614
\$25,000 under \$100,000	3,001,362	80,792	2.7	38,722	42,070	10	18	531,304	211,585	319,719	5,464	7,600
\$100,000 or more	1,559,180	89,231	5.7	54,716	34,515	15	12	2,372,635	1,410,954	961,681	25,787	27,863
Farm returns:												
Under \$100,000	322,076	1,348	0.4	454	894	20	29	6,066	2,851	3,215	6,280	3,596
\$100,000 or more	194,089	1,547	0.8	965	582	21	43	71,896	68,903	2,993	71,402	5,143
Corporation income tax returns, except Form 1120S, total [8]	2,313,812	28,799	1.2	24,746	4,053	32	36	27,799,244	27,718,884	80,360	1,120,136	19,827
Returns other than Form 1120-F [9]:												
Small corporations [10]	2,230,024	17,849	0.8	14,083	3,766	36	35	674,965	665,731	9,234	47,272	2,452
No balance sheet returns	385,075	2,128	0.6	1,714	414	25	26	226,571	225,638	933	131,644	2,254
Balance sheet returns by size of total assets:												
Under \$250,000	1,265,194	8,757	0.7	6,246	2,511	37	29	105,803	99,669	6,134	15,957	2,443
\$250,000 under \$1,000,000	373,865	3,782	1.0	3,184	598	38	51	93,063	91,382	1,681	28,700	2,811
\$1,000,000 under \$5,000,000	176,824	2,183	1.2	1,988	195	38	72	81,917	81,486	431	40,989	2,210
\$5,000,000 under \$10,000,000	29,066	999	3.4	951	48	43	77	167,611	167,556	55	176,189	1,146
Large corporations [11]	56,877	10,578	18.6	10,326	252	25	50	26,844,006	26,773,052	70,954	2,592,781	281,563
Balance sheet returns by size of total assets:												
\$10,000,000 under \$50,000,000	29,774	4,218	14.2	4,156	62	38	48	571,250	570,772	478	137,337	7,710
\$50,000,000 under \$100,000,000	7,232	999	13.8	967	32	29	41	338,218	334,761	3,457	346,195	108,031
\$100,000,000 under \$250,000,000	7,735	1,085	14.0	1,057	28	24	54	405,102	352,104	42,998	342,577	#####
\$250,000,000 or more	12,133	4,276	35.2	4,146	130	11	52	25,529,436	25,505,415	24,021	6,151,813	184,777
Form 1120-F returns [8]	26,911	372	1.4	337	35	38	60	280,273	280,101	172	831,160	4,914
Estate and trust income tax returns	3,698,635	3,669	0.1	1,904	1,765	25	73	76,925	68,200	8,725	35,819	4,943
Estate tax returns:												
Total	54,851	5,299	9.7	5,296	3	15	100	1,436,268	1,436,268	0	271,199	0
Size of gross estate:												
Under \$5,000,000	48,407	3,788	7.8	3,785	3	16	100	336,467	336,467	0	88,995	N/A
\$5,000,000 or more	6,444	1,511	23.4	1,511	0	13	N/A	1,099,801	1,099,801	0	727,863	N/A
Gift tax returns	265,455	2,051	0.8	2,051	0	20	N/A	504,731	504,731	0	246,090	N/A
Employment tax returns	31,058,035	41,646	0.1	41,165	481	9	1	924,838	924,045	793	22,447	1,649
Excise tax returns	838,915	16,678	2.0	16,678	0	26	N/A	102,687	102,687	0	6,157	N/A
Other taxable returns [12]	[13]	468	[13]	463	5	14	100	61,636	61,636	0	133,123	0
Nontaxable returns:												
Partnership returns, Form 1065	2,720,290	9,752	0.4	7,638	2,114	50	57	N/A	N/A	N/A	N/A	N/A
S corporation returns, Form 1120S [14]	3,715,249	13,970	0.4	13,416	554	41	58	N/A	N/A	N/A	N/A	N/A
			#VALUE!									
			#DIV/0!									
Income, estate, and gift tax, and nontaxable returns, total	145,044,122	1,347,490	0.9	357,836	989,654	17	17	42,862,389	35,161,167	7,701,222	98,261	7,782

Footnotes at end of table.

Footnotes

N/A—Not applicable.

[1] In general, examination activity is associated with returns filed in the previous calendar year. However, this relationship is only approximate.

[2] Field examinations are generally performed by revenue agents, tax compliance officers, tax examiners, and revenue officer examiners, in person or by correspondence.

[3] Examinations of individual income tax returns include more than 17,000 returns of taxpayers with total positive income (TPI) of \$1 million or more.

For a definition of TPI, see footnote 6 below.

[4] Includes 517,617 returns selected for examination on the basis of an earned income tax credit (EITC) claim. Excludes 9,315 returns associated with the EITC qualifying child certification test, which are tracked in IRS's examination data base.

[5] Form 1040A is one of the two IRS individual income tax return "short forms."

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

[7] TGR (total gross receipts) is the sum of gross receipts from farm and nonfarm businesses. It is calculated by adding the positive values of gross receipts and other income from Schedule C to the cost of purchased items and gross income (which can be positive or negative) from Schedule F. Schedule C is used to report profit or loss from nonfarm sole proprietorships. Schedule F is used to report profit or loss from farming. If a taxpayer reports both farm and nonfarm income, the return is classified by the larger source of income.

[8] Includes Forms 1120 ("long form"), 1120-A ("short form"), Form 1120-F (foreign corporations, except foreign life insurance companies), 1120-H (homeowner associations), Form 1120-L (life insurance companies), Form 1120M (mutual insurance companies), Form 1120-PC (property and casualty insurance companies), 1120-POL (certain political associations), 1120-REIT (real estate investment trusts), 1120-RIC (regulated investment companies), and 1120-SF (settlement funds). Excludes certain other types of corporations, which are included in "other taxable returns" described in footnote 12.

[9] Forms 1120-F are returns filed by foreign corporations with U.S. income, other than foreign life insurance companies and foreign sales corporations.

[10] Includes returns with assets of less than \$10 million examined by either the Small Business/Self-Employed Operating Division or the Large and Mid-Size Business Operating Division.

[11] Includes returns with assets of \$10 million or more examined by either the Small Business/Self-Employed Operating Division or the Large and Mid-Size Business Operating Division.

[12] Includes Forms 1120S for S corporations reporting a tax (see footnote 14); 1120-FSC (foreign sales corporations); 8288 (withholding tax returns for disposition by foreign persons of U.S. property interests); 990-C (farmers' cooperative association income tax); and 8804 (annual return for partnership withholding).

[13] Not tabulated.

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

[15] Includes \$1,486,728 (in thousands) in recommended additional tax (including earned income tax credit) on returns selected for examination on the basis of an earned income tax credit (EITC) claim. Excludes \$8,850 (thousands) in denied EITC related to the qualifying child certification test. These EITC cases are tracked in IRS's examination data base.

NOTES: Detail may not add to totals because of rounding. Excludes excise tax returns filed with the Customs Service and the Alcohol and Tobacco Tax and Trade Bureau, and returns of tax-exempt organizations, Government entities, and employee plans.

SOURCE: Internal Revenue Service Data Book, 2006

Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return
 [Money amounts are in thousands of dollars, except as indicated.]

Returns examined

Type and size of return	Returns examined							
	Returns filed in Calendar Year 2004 [1,2]	Total	Percentage covered	Revenue agent		Tax compliance officer [3]	Tax examiner [3]	Compliance center [3]
				CIC [3]	Non-CIC [3,4]			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
United States, total [2]	174,364,531	1,312,439	0.75	7,477	192,955	133,573	9,261	969,173
Taxable returns:								
Individual income tax returns, total	130,576,852	1,199,035 [7]	0.92	141	106,311	131,918	8,865	951,800
Nonbusiness returns:								
Form 1040A with TPI under \$25,000 [9,10]	32,913,489	165,907	0.50	4	2,921	3,209	307	159,466
All other returns by size of TPI [10]:								
Under \$25,000	19,794,766	294,676	1.44	4	4,542	7,231	269	272,630
\$25,000 under \$50,000	30,869,826	182,730	0.59	**	10,505	26,323	**	145,587
\$50,000 under \$100,000	25,745,700	145,637	0.57	7	11,666	37,555	276	96,133
\$100,000 or more	11,562,316	138,084	1.19	86	22,833	16,704	151	98,310
Business returns:								
Schedule C returns by size of TGR [11]:								
Under \$25,000	3,203,676	117,129	3.66	**	5,706	11,333	**	99,555
\$25,000 under \$100,000	3,741,677	82,202	2.20	3	14,948	19,427	5,248	42,576
\$100,000 or more	2,149,284	78,455	3.65	33	31,285	9,836	1,765	35,536
Schedule F returns by size of TGR [11]:								
Under \$100,000	337,121	1,592	0.47	**	386	188	**	1,017
\$100,000 or more	258,997	2,623	1.01	**	1,519	112	**	990
Corporation income tax returns, except Form 1120S, total [12]	2,329,473	28,978	1.24	3,069	21,472	**	**	4,429
Returns other than Form 1120-F [13]:								
Small corporations [14]	2,249,416	17,859	0.79	101	13,304	**	**	3,945
No balance sheet returns	357,753	1,883	0.53	57	1,407	**	**	417
Balance sheet returns by size of total assets:								
Under \$250,000	1,294,492	9,633	0.74	7	6,863	**	**	2,760
\$250,000 under \$1,000,000	388,411	3,735	0.96	8	3,353	**	**	373
\$1,000,000 under \$5,000,000	180,097	1,842	1.02	14	1,622	**	**	205
\$5,000,000 under \$10,000,000	28,663	765	2.67	15	659	**	**	90
Large corporations [15]	54,090	10,829	20.02	2,923	7,365	N/A	--	541
Balance sheet returns by size of total assets:								
\$10,000,000 under \$50,000,000	28,715	3,535	12.31	97	3,185	N/A	--	253
\$50,000,000 under \$100,000,000	6,991	1,148	16.42	62	1,019	N/A	--	67
\$100,000,000 under \$250,000,000	7,357	1,287	17.49	157	1,075	N/A	--	55
\$250,000,000 or more	11,027	4,859	44.06	2,607	2,086	N/A	--	166
Form 1120-F returns [13]	25,967	291	1.12	45	203	N/A	--	43
Estate and trust income tax returns	3,722,408	6,591	0.18	8	4,447	**	**	2,128
Estate tax returns, total	74,172	6,081	8.20	--	6,038	N/A	**	**
Size of gross estate:								
Under \$5,000,000	68,165	4,392	6.44	--	4,353	N/A	**	**
\$5,000,000 or more	6,007	1,689	28.12	--	1,685	N/A	**	**
Gift tax returns	262,164	2,125	0.81	--	2,097	N/A	28	--
Employment tax returns	30,494,333	33,748	0.11	1,966	26,394	1,625	254	3,509
Excise tax returns [2]	834,756	16,563	1.98	1,441	10,816	**	**	4,239
Other taxable returns [16]	[1]	412	[1]	263	138	**	**	10
Nontaxable returns [2,17]:								
Partnership returns, Form 1065	2,546,439	8,489	0.33	567	5,778	6	4	2,134
S corporation returns, Form 1120S [18]	3,523,934	10,417	0.30	22	9,464	**	**	**
Other nontaxable returns [2,17]	[1]	--	[1]	--	--	--	--	--
Income, estate, and gift tax, and nontaxable returns, total	143,035,442	1,261,716	0.88	3,807	155,607	131,946	8,941	961,415

Footnotes at end of table.

Footnotes

- N/A - Not applicable.
 ** Not shown to avoid disclosure of information about specific taxpayers. However, the data are included in the appropriate totals.
- In general, examination activity is associated with returns filed in the previous calendar year. However, this relationship is only approximate. Data for other taxable and nontaxable returns in columns 1 and 3 were not tabulated.
 - Excludes excise tax returns filed with the Customs Service and the Alcohol and Tobacco Tax and Trade Bureau, and returns of tax-exempt organizations, Government entities, and employee plans.
 - CIC (Coordinated Industry Case) examinations cover a taxpayer and its effectively controlled entities that warrant application of team examination procedures. Tax compliance officers perform examinations on selected individual and business taxpayers involving complex tax issues in face-to-face meetings and through correspondence. Tax examiners for field operations and compliance centers perform examinations by way of correspondence.
 - Non-CIC examinations include 9,013 employment tax returns examined by revenue officer examiners.
 - Non-CIC recommended additional tax includes \$88,635,000 for employment tax returns examined by revenue officer examiners.
 - Not computed.
 - Includes 527,969 returns selected for examination on the basis of an earned income tax credit (EITC) claim. Excludes 16,273 returns associated with the EITC qualifying child certification test, which are tracked in IRS's examination data base.
 - Includes \$1,350,717 thousand in recommended additional tax (including earned income tax credit) on returns selected for examination on the basis of an earned income tax credit (EITC) claim. Excludes \$10,500 thousand in denied EITC related to the qualifying child certification test. These EITC cases are tracked in IRS's examination data base.
 - Form 1040A is one of the two IRS individual income tax return "short forms."
 - TPI (total positive income) is, in general, the sum of all positive amounts shown for the various sources of income reported on the individual income tax return and, thus, excludes net losses.
 - Schedule C returns are filed by nonfarm sole proprietors. Schedule F returns are filed by farm sole proprietors. TGR (total gross receipts) is the sum of gross receipts from farm and nonfarm businesses. It is calculated by adding the positive values of gross receipts and other income from Schedule C to the cost of purchased items and gross income (which can be positive or negative) from Schedule F.
 - Includes Forms 1120 ("long form"), 1120-A ("short form"), Form 1120-F (foreign corporations, except foreign life insurance companies); 1120-H (homeowner associations); Form 1120-L (life insurance companies); Form 1120M (mutual insurance companies); Form 1120-PC (property and casualty insurance companies); 1120-POL (certain political associations); 1120-REIT (real estate investment trusts); 1120-RIC (regulated investment companies); and 1120-SF (settlement funds). Excludes certain other types of corporations, which are included in "other taxable returns" described in footnote 16.
 - Forms 1120-F are returns filed by foreign corporations with U.S. income, other than foreign life insurance companies and foreign sales corporations.
 - Includes returns with assets of less than \$10 million examined by either the Small Business/Self-Employed Operating Division or the Large and Mid-Size Business Operating Division.
 - Includes returns with assets of \$10 million or more examined by either the Small Business/Self-Employed Operating Division or the Large and Mid-Size Business Operating Division.
 - Includes Forms 1120S for S corporations reporting a tax (see footnote 18); 1120-FSC (foreign sales corporations); 8288 (withholding tax returns for disposition by foreign persons of U.S. property interests); 990-C (farmers' cooperative association income tax); and 8804 (annual return for partnership withholding).
 - Includes Form 1120-DISC (domestic international sales corporations); Form 1120-IC-DISC (interest-charge domestic international sales corporations); Form 1066 (real estate mortgage investment conduits); and certain other returns filed by "flowthrough" entities, such as partnerships (Form 1065), S corporations (Form 1120S), except as noted in footnote 18, and certain others, that have tax consequences applicable to the partners, shareholders, or other owners as well as certain other nontaxable returns.
 - Includes most Forms 1120S, which are returns filed by qualifying S corporations electing to be taxed through shareholders. Under certain conditions S corporations are subject to tax and are included in "other taxable returns" in this table.

NOTE: Detail may not add to totals because of rounding.
 SOURCE: Small Business/Self-Employed, Examination, Examination Planning and Delivery, Examination Management Information Systems and Automation
 SE-S-E:EPD:MISA
 Revised September 2007

Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 2004

(Money amounts are in thousands of dollars, except as indicated.)

Type and size of return	Returns examined														Percentage of non-CIC returns examined with no change [3]				Recommended additional tax				Recommended additional tax--continued				Average recommended additional tax per return (dollars)				
	Returns filed in Calendar Year 2003 [1, 2]	Total	Percentage covered	Revenue agent		Tax auditor/compliance officer [3]	Tax examiner [3]	Revenue officer examiner [4]	Compliance center [3]	Revenue agent	Tax auditor/compliance officer [3]	Tax examiner [3]	Revenue officer examiner [4]	Compliance center [3]	Total	Revenue agent		Tax auditor/compliance officer [3]	Tax examiner [3]	Revenue officer examiner [4]	Compliance center [3]	Revenue agent		Tax auditor/compliance officer [3]	Tax examiner [3]	Revenue officer examiner [4]	Compliance center [3]				
				CIC [3]	Non-CIC [3]											CIC [3]	Non-CIC [3]					CIC [3]	Non-CIC [3]								
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)					
United States, total [2]	173,345,622	1,070,288	0.62	6,721	149,030	98,032	2,688	4,329	809,488	[5]	[5]	[5]	[5]	[5]	25,599,158	14,521,332	6,907,308	461,706	17,764	47,421	3,643,628	[5]	[5]	[5]	[5]	[5]					
Income, estate, and gift tax, and nontaxable returns, total [6]	142,380,002	1,039,629	0.73	3,582	130,870	97,468	2,347	[X]	805,362	17	13	6	--	20	24,706,867	13,995,497	6,593,601	459,157	17,508	--	3,641,106	3,907,174	50,383	4,711	7,460	--	4,521				
Taxable returns:																															
Individual income tax returns, total	130,134,277	997,0287	0.77	105	97,486	97,463	2,334	[X]	799,640	15	13	7	--	19	6,201,693[8]	34,881	2,091,396	458,898	15,613	--	3,600,905	332,197	21,453	4,708	6,689	--	4,503				
Nonbusiness returns:																															
Form 1040A with TPI under \$25,000 [9,10]	33,694,530	165,790	0.49	[X]	2,895	4,882	513	[X]	157,500	16	17	6	--	15	474,825	--	66,440	17,256	1,776	--	389,353	--	22,950	3,535	3,462	--	2,472				
All other returns by size of TPI [10]:																															
Under \$25,000	19,512,708	240,324	1.23	5	4,224	5,619	324	[X]	230,152	19	14	8	--	21	705,833	91	45,216	12,683	826	--	647,017	18,225	10,704	2,257	2,550	--	2,811				
\$25,000 under \$50,000	31,100,008	133,262	0.43	[X]	8,014	19,243	599	[X]	105,406	13	11	7	--	17	425,468	--	76,433	42,385	1,918	--	304,731	--	9,537	2,203	3,202	--	2,891				
\$50,000 under \$100,000	25,616,486	113,942	0.44	3	11,339	25,163	316	[X]	77,121	13	11	6	--	25	350,021	65	90,430	80,378	1,840	--	177,309	21,554	7,975	3,194	5,823	--	2,299				
\$100,000 or more	10,927,511	151,969	1.39	69	23,362	14,697	215	[X]	113,626	16	21	11	--	18	3,161,850	22,316	1,170,609	113,015	4,682	--	1,851,228	323,417	50,107	7,690	21,779	--	16,292				
Business returns:																															
Schedule C returns by size of TGR [11]:																															
Under \$25,000	2,946,685	92,249	3.13	[X]	6,871	8,050	192	[X]	77,135	21	11	4	--	15	210,080	--	39,686	23,351	1,053	--	145,991	--	5,776	2,901	5,484	--	1,893				
\$25,000 under \$100,000	3,645,094	53,295	1.46	[X]	13,151	13,288	137	[X]	26,719	14	9	4	--	31	218,628	--	87,178	76,141	1,688	--	53,621	--	6,629	5,730	12,323	--	2,007				
\$100,000 or more	2,101,144	39,100	1.86	23	22,808	6,199	31	[X]	10,039	12	13	--	--	38	614,233	12,406	477,964	93,048	1,715	--	29,100	539,397	20,966	15,010	55,330	--	2,899				
Schedule F returns by size of TGR [11]:																															
Under \$100,000	341,699	3,097	0.91	[X]	1,883	224	[X]	[X]	990	19	33	--	--	38	4,661	--	3,411	351	--	--	899	--	1,811	1,569	--	--	908				
\$100,000 or more	248,422	4,000	1.61	4	2,939	98	7	[X]	952	16	26	29	--	43	36,091	3	34,029	290	113	--	1,656	748	11,578	2,956	16,195	--	1,739				
Corporation income tax returns, except Form 1120S, total [12]	2,394,271	17,097	0.71	2,762	12,750	[X]	[X]	[X]	1,584	22	--	--	--	40	16,840,983	13,957,457	2,849,297	259	--	--	33,970	5,053,388	223,474	253,392	--	--	21,446				
Returns other than Form 1120-F [13]:																															
Small corporations [14]	2,310,279	7,294	0.32	103	6,137	[X]	[X]	[X]	1,053	--	--	--	--	--	681,188	116,828	560,822	259	--	--	3,279	1,959,304	697,904	259,392	--	--	13,205				
No balance sheet returns	317,109	1,193	0.38	--	662	[X]	[X]	[X]	465	--	--	--	--	23	344,612	114,518	227,741	19	--	--	2,353	1,735,115	344,019	--	--	--	5,061				
Balance sheet returns by size of total assets:																															
Under \$250,000	1,369,250	2,784	0.20	13	2,452	[X]	[X]	[X]	319	27	--	--	--	49	81,637	1,462	79,801	--	--	--	374	112,463	32,545	--	--	--	1,172				
\$250,000 under \$1,000,000	408,392	1,462	0.36	5	1,365	[X]	[X]	[X]	91	32	--	--	--	54	52,785	233	52,433	--	--	--	122	46,622	36,394	--	--	--	1,344				
\$1,000,000 under \$5,000,000	185,676	1,223	0.66	8	1,104	[X]	[X]	[X]	110	27	--	--	--	40	89,557	268	88,906	259	--	--	124	33,553	80,531	259,392	--	--	1,130				
\$5,000,000 under \$10,000,000	29,652	632	2.13	11	553	[X]	[X]	[X]	68	28	--	--	--	38	112,594	347	111,941	--	--	--	306	31,551	202,425	--	--	4,498					
Large corporations [15]	56,883	9,523	16.74	2,586	6,459	N/A	[X]	[X]	478	--	--	--	--	15,986,729	13,707,300	2,248,941	N/A	--	--	--	30,488	6,575,075	1,381,350	N/A	--	--	204,561				
Balance sheet returns by size of total assets:																															
\$10,000,000 under \$50,000,000	30,616	2,864	9.35	72	2,637	N/A	[X]	[X]	155	29	N/A	--	--	35	205,906	3,455	199,064	N/A	--	--	3,387	47,992	75,489	N/A	--	--	21,850				
\$50,000,000 under \$100,000,000	7,488	965	12.89	93	813	N/A	[X]	[X]	59	26	N/A	--	--	51	180,306	13,887	165,677	N/A	--	--	742	149,318	203,784	N/A	--	--	12,580				
\$100,000,000 under \$250,000,000	7,761	1,308	16.85	197	1,040	N/A	[X]	[X]	71	18	N/A	--	--	51	371,733	48,029	319,935	N/A	--	--	3,769	243,804	307,630	N/A	--	--	53,083				
\$250,000,000 or more	11,018	4,386	39.81	2,224	1,969	N/A	[X]	[X]	193	10	N/A	--	--	59	15,228,784	13,641,929	1,564,265	N/A	--	--	22,590	6,133,961	794,447	N/A	--	--	117,048				
Form 1120-F returns [13]	27,109	280	1.03	73	154	N/A	[X]	[X]	53	23	N/A	--	--	36	173,066	133,329	39,534	N/A	--	--	203	1,826,431	256,711	N/A	--	--	3,839				
Estate and trust income tax returns	3,705,005	4,438	0.12	34	2,416	[X]	[X]	[X]	1,986	20	--	--	--	77	145,175	3,159	135,766	--	--	--	6,230	92,902	56,203	--	--	--	3,137				
Estate tax returns:																															
Total	87,114	6,455	7.41	[X]	6,444	N/A	11	[X]	[X]	14	N/A	--	--	--	972,575	--	970,685	N/A	1,890	--	--	--	150,634	N/A	171,858	--	--				
Size of gross estate:																															
Under \$1,000,000	16,087	793	4.93	[X]	792	N/A	[X]	[X]	[X]	17	N/A	--	--	--	44,253	--	44,246	N/A	7	--	--	--	55,866	N/A	7,212	--	--				
\$1,000,000 under \$5,000,000	64,843	4,019	6.20	[X]	4,011	N/A	8	[X]	[X]	15	N/A	--	--	--	284,952	--	283,436	N/A	1,516	--	--	--	70,665	N/A	189,481	--	--				
\$5,000,000 or more	6,184	1,643	26.57	[X]	1,641	N/A	[X]	[X]	[X]	13	N/A	--	--	--	643,370	--	643,003	N/A	367	--	--	--	391,836	N/A	183,689	--	--				
Gift tax returns	284,852	1,979	0.69	[X]	1,978	N/A	[X]	[X]	[X]	21	N/A	--	--	--	546,442	--	546,437	N/A	5	--	--	--	276,257	N/A	5,096	--	--				
Employment tax returns	30,121,088	17,698	0.06	1,462	10,192	564	284	4,329	867	17	14	--	16	3	422,264	239,242	132,266	2,549	247	47,421	539	163,640	12,977	4,520	869	10,954	622				
Excise tax returns [2]	844,532	12,560	1.49	1,427	7,826	[X]	57	[X]	3,250	14	--	26	--	11	220,713	57,146	161,777	--	9	--	1,781</										

Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 2003

[Money amounts are in thousands of dollars, except as indicated.]

Type and size of return	Returns filed in Calendar Year 2002 [1,2]		Returns examined						Percentage of non-CIC returns examined with no change [3]						Recommended additional tax						Average recommended additional tax per return (dollars)							
	Total	Percentage covered	Revenue agent		Tax auditor/compliance officer [3]	Tax examiner [3]	Revenue office examiner [4]	Compliance center [3]	Revenue agent	Tax auditor/compliance officer [3]	Tax examiner [3]	Revenue office examiner [4]	Compliance center [3]	Total	Revenue agent		Tax auditor/compliance officer [4]	Revenue office examiner [4]	Compliance center [3]	Revenue agent		Tax auditor/compliance officer [3]	Tax examiner [3]	Revenue office examiner [4]	Compliance center [3]			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	
United States, total [2]	172,618,970	928,775	0.54	5,825	154,645	111,010	2,698	3,704	650,893	[5]	[5]	[5]	[5]	[5]	20,782,808	12,628,159	5,400,004	513,312	31,461	2,184,599	[5]	[5]	[5]	[5]	[5]	[5]	[5]	
Income, estate, and gift tax, and nontaxable returns, total [6]	142,268,391	903,059	0.63	3,094	136,656	110,497	2,338	--	650,474	20	16	8	--	18	20,912,345	12,102,001	5,193,299	508,003	--	2,194,230	3,911,442	38,003	4,597	6,335	--	3,373		
Taxable returns:																												
Individual income tax returns, total	130,341,159	849,296	0.65	68	93,624	110,464	2,301	--	642,839	18	16	8	--	17	4,559,902	23,049	1,869,373	507,144	--	2,145,524	338,950	19,967	4,591	6,437	--	3,338		
Nonbusiness returns: Form 1040A with TPI under \$25,000 [7,8]	35,631,532	182,222	0.51	4	4,351	7,252	660	--	169,955	14	12	7	--	10	594,023	4	66,648	31,341	--	493,904	989	15,316	4,322	3,221	--	2,906		
All other returns by size of TPI: [8]																												
Under \$25,000	18,123,219	197,005	1.09	--	4,232	6,377	271	--	186,125	17	13	7	--	18	588,368	--	39,908	16,715	--	530,911	--	9,430	2,621	3,078	--	2,852		
\$25,000 under \$50,000	31,301,928	94,825	0.30	1	12,866	20,299	619	--	61,040	19	14	7	--	18	214,409	--	63,565	38,624	--	110,309	262	4,941	1,903	3,087	--	1,807		
\$50,000 under \$100,000	25,484,599	105,400	0.41	4	18,109	27,089	378	--	59,820	22	15	7	--	27	336,976	--	129,028	75,623	--	130,373	79	7,125	2,792	5,165	--	2,179		
\$100,000 or more	10,641,260	106,955	0.98	40	24,059	16,967	171	--	63,328	16	27	18	--	23	1,819,553	10,929	1,029,106	108,092	--	666,706	273,222	42,774	5,699	27,603	--	10,528		
Business returns:																												
Schedule C returns by size of TGR: [9]																												
Under \$25,000	2,721,912	81,541	3.00	--	3,596	9,688	92	--	68,165	21	11	2	--	14	186,801	--	27,630	29,046	--	129,536	--	7,683	2,988	6,397	--	1,900		
\$25,000 under \$100,000	3,533,841	46,927	1.33	1	8,100	13,899	69	--	24,869	15	10	1	--	27	204,556	4	63,455	89,075	--	51,041	3,559	7,834	6,413	14,427	--	2,052		
\$100,000 or more	2,084,855	30,738	1.47	9	16,419	6,444	38	--	7,827	16	16	10	--	33	581,087	10,719	422,053	116,205	--	30,463	1,190,997	25,705	18,033	42,232	--	3,892		
Schedule F returns by size of TGR: [9]																												
Under \$100,000	351,006	1,997	0.57	--	788	283	1	--	925	27	30	100	--	33	4,314	--	2,488	942	--	884	--	3,157	3,330	--	--	966		
\$100,000 or more	267,007	2,076	0.78	9	1,104	176	2	--	785	21	31	--	--	31	29,815	1,393	25,492	1,481	--	1,397	154,738	23,091	8,417	28,218	--	1,779		
Corporation income tax returns, except Form 1120S, total [10]	2,408,825	21,005	0.87	2,373	15,128	21	1	--	3,484	25	29	--	--	73	13,843,922	12,078,686	1,532,914	859	--	31,463	5,090,048	101,343	40,900	--	--	9,031		
Returns other than Form 1120F: [11]	301,869	3,682	1.22	47	938	2	--	--	2,695	32	--	--	--	79	198,552	68,870	137,049	--	--	2,633	1,252,548	146,107	--	--	--	977		
Balance sheet returns by size of total assets:																												
Under \$250,000	1,392,628	3,294	0.24	3	3,080	5	--	--	206	34	20	--	--	66	47,007	630	45,761	4	--	612	210,147	14,858	871	--	--	2,970		
\$250,000 under \$1,000,000	414,680	2,673	0.64	4	2,596	3	--	--	70	31	--	--	--	54	51,058	8	50,076	608	--	366	1,888	19,290	202,553	--	--	5,223		
\$1,000,000 under \$5,000,000	188,350	2,924	1.55	10	2,804	6	--	--	104	29	67	--	--	49	80,427	11,661	67,941	247	--	578	1,166,081	24,230	41,148	--	--	5,558		
\$5,000,000 under \$10,000,000	29,745	1,035	3.48	22	989	5	--	--	89	29	20	--	--	48	36,014	237	35,609	--	--	168	10,765	37,923	--	--	2,437			
\$10,000,000 under \$50,000,000	31,877	1,987	6.23	102	1,763	N/A	--	--	122	27	N/A	--	--	30	177,280	21,207	153,190	N/A	--	2,883	207,917	86,892	N/A	--	--	23,630		
\$50,000,000 under \$100,000,000	7,969	782	9.81	66	687	N/A	--	--	29	22	N/A	--	--	45	139,116	18,420	119,596	N/A	--	1,100	279,084	174,085	N/A	--	--	37,923		
\$100,000,000 under \$250,000,000	7,940	1,026	12.92	135	833	N/A	--	--	58	16	N/A	--	--	53	487,314	334,185	151,215	N/A	--	1,914	2,475,442	181,530	N/A	--	--	33,006		
\$250,000,000 or more	11,188	3,330	29.76	1,522	1,300	N/A	--	--	88	7	N/A	--	--	51	12,292,545	11,581,006	690,512	N/A	--	21,027	6,025,497	523,115	N/A	--	--	238,939		
Form 1120F returns [11]	23,575	272	1.15	62	165	N/A	--	--	43	26	N/A	--	--	42	134,609	52,452	81,965	N/A	--	182	846,164	493,766	N/A	--	--	4,229		
Estate and trust income tax returns	3,657,960	6,068	0.17	8	3,946	1	36	--	2,077	29	--	--	--	66	137,643	--	120,400	--	--	17,243	--	30,512	--	--	--	8,302		
Estate tax returns: Total	113,959	7,265	6.38	1	7,264	N/A	--	--	--	17	N/A	--	--	--	1,181,955	266	1,181,689	N/A	--	--	266,471	162,677	N/A	--	--	--		
Size of gross estate: Under \$1,000,000	48,359	1,263	2.61	--	1,263	N/A	--	--	--	22	N/A	--	--	--	47,057	--	47,057	N/A	--	--	--	37,258	N/A	--	--	--		
\$1,000,000 under \$5,000,000	59,886	4,432	7.40	1	4,431	N/A	--	--	--	16	N/A	--	--	--	311,551	266	311,285	N/A	--	--	266,471	70,252	N/A	--	--	--		
\$5,000,000 or more	5,714	1,570	27.48	--	1,570	N/A	--	--	--	14	N/A	--	--	--	823,347	--	823,347	N/A	--	--	--	624,425	N/A	--	--	--		
Gift tax returns	282,625	1,855	0.66	2	1,853	N/A	--	--	--	20	N/A	--	--	--	488,923	--	488,923	N/A	--	--	1	263,855	N/A	--	--	--		
Employment tax returns	29,514,177	16,408	0.06	1,150	10,359	513	276	3,704	406	15	9	10	28	583,753	413,721	132,730	5,309	31,461	262	359,757	12,813	10,350	978	8,494	644			
Excise tax returns [2]	836,462	8,756	1.05	1,238	7,442	--	84	--	--	20	--	--	--	71,348	26,196	44,859	--	--	--	--	21,299	6,809	--	2,277	--	--		
Other taxable returns [10,12]	[1]	552	[1]	351	188	--	--	--	13	23	--	--	23	115,462	66,238	29,116	--	--	107	245,695	154,873	--	--	--	--	8,222		
Nontaxable returns: [13]																												
Partnership returns, Form 1065	2,271,755	7,871	0.35	611	5,775	3	--	--	1,482	49	33	--	--	40	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
S corporation returns, Form 1120S [10,14]	3,191,136	9,695	0.30	30	9,065	--	--	--	592	37	25	--	--	44	--	--	--	--	--	--	--	--	--	--	--	--		
Other nontaxable returns [13]	[1]	4	[1]	1	3	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--		

Footnotes at end of table.

[Money amounts are in thousands of dollars, except as indicated.]

N/A - Not applicable.

[1] Details may not add to totals because of rounding.

[2] In general, examination activity may be associated with returns filed in the previous calendar year. However, this relationship is only approximate. Therefore, for some categories, there are either no returns or a smaller number of returns filed in Calendar Year 2002, compared to the number with examination activity in Fiscal Year 2003 (as indicated by data in other columns). Related to this factor, data for other taxable and nontaxable returns are not shown in column 1 and 3) because these filings cannot be quantified.

[3] Excludes excise tax returns filed with the Customs Service and the Alcohol and Tobacco Tax and Trade Bureau, and returns of tax-exempt/Government entity organizations and employee plans.

[4] CIC (Controlled Industry Class), formerly known as CEP (Controlled Examination Program), covers a taxpayer, and its effectively controlled entities, that warrants application of "team examination" procedures.

Tax auditors are compliance personnel who are required to have 9 semester hours of accounting and who perform examinations on selected individual, employment, and excise returns. Tax Compliance Officers (TCO) are compliance personnel who are required to have 6 to 12 semester hours of accounting and who perform examinations on selected individual and business taxpayers involving complex tax issues. Tax examiners for field operations and Compliance Centers perform examinations on correspondence.

[5] Compiles work performed by revenue officer examiners. These examiners are employees who have been trained to do certain employment tax returns. Data are collected for these individuals and shown separately from other employment returns.

[6] Not compiled.

[7] Comprises returns shown as individual income tax, corporation income tax, estate and trust income tax, estate tax, gift tax, partnership, S corporation, and other nontaxable returns. Excludes returns shown as employment, excise, and other taxable returns.

Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 2002

(Money amounts are in thousands of dollars, except as indicated.)

Type and size of return	Returns examined														Percentage of non-CIC returns examined with no change														Recommended additional tax						Recommended additional tax—cont						Average recommended additional tax per return (dollars)					
	Returns filed in Calendar Year 2001 [1,2]	Total	Percentage covered	Revenue agent		Tax auditor/compliance officer [3]	Tax examiner [3]	Revenue office examiner [4]	Compliance center [3]	Revenue agent	Tax auditor/compliance officer [3]	Tax examiner [3]	Revenue office examiner [4]	Compliance center [3]	Total	Revenue agent		Tax auditor/compliance officer [3]	Tax examiner [3]	Revenue office examiner [4]	Compliance center [3]	Revenue agent		Tax auditor/compliance officer [3]	Tax examiner [3]	Revenue office examiner [4]	Compliance center [3]	Revenue agent		Tax auditor/compliance officer [3]	Tax examiner [3]	Revenue office examiner [4]	Compliance center [3]													
				CIC [5]	Non-CIC [3]											CIC [5]	Non-CIC [3]					CIC [5]	Non-CIC [3]					CIC [5]	Non-CIC [3]					CIC [5]	Non-CIC [3]	CIC [5]	Non-CIC [3]									
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)														
United States, total [2]	171,140,558	826,979	0.48	6,743	155,100	112,182	4,880	2,903	545,171	[5]	[5]	[5]	[5]	20,998,475	13,407,956	5,666,851	440,143	25,512	34,413	1,423,601	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]	[5]												
Income, estate, and gift tax, total [6]	141,389,658	800,753	0.57	3,494	136,150	111,695	4,567	--	544,848	20	16	12	--	20	20,310,343	12,989,958	5,435,647	436,770	25,169	--	1,422,799	3,718,855	39,924	3,910	5,511	--	2,611																			
Taxable returns:																																														
Individual income tax returns, total	129,444,947	743,881	0.57	139	88,757	111,695	4,543	--	538,747	15	16	12	--	20	3,636,486	219,569	1,560,406	436,770	24,845	--	1,394,896	1,579,634	17,581	3,910	5,469	--	2,589																			
Nonbusiness returns:																																														
Form 1040A with TPI under \$25,000 [7,8]	40,560,604	289,136	0.71	--	8,060	14,954	1,328	--	264,794	16	14	9	--	11	819,403	--	60,482	42,984	5,815	--	710,122	--	7,504	2,874	4,378	--	2,682																			
All other returns by size of TPI: [8]																																														
Under \$25,000	14,106,067	90,781	0.64	--	4,938	7,451	329	--	78,063	13	12	5	--	24	323,167	--	53,439	23,916	1,145	--	244,667	--	10,822	3,210	3,481	--	3,134																			
\$25,000 under \$50,000	30,720,483	171,966	0.23	1	11,848	20,205	880	--	38,932	16	12	10	--	26	174,515	--	64,147	46,276	2,085	--	62,007	--	5,369	2,290	2,369	--	1,593																			
\$50,000 under \$100,000	24,702,589	69,620	0.28	6	33,442	21,576	776	--	33,820	17	14	20	--	33	220,642	325	107,951	56,947	3,067	--	52,352	54,197	8,031	2,639	3,953	--	1,548																			
\$100,000 or more	10,692,928	80,483	0.75	103	23,110	16,747	574	--	39,999	13	20	--	38	1,070,820	102,699	707,819	96,159	5,139	--	159,004	997,080	30,628	5,742	9,806	--	3,975																				
Business returns:																																														
Schedule C returns by size of TGR: [9]																																														
Under \$25,000	2,541,692	67,876	2.67	--	2,482	8,787	296	--	56,311	13	13	5	--	21	167,426	--	26,990	24,666	919	--	114,851	--	10,874	2,807	3,105	--	2,040																			
\$25,000 under \$100,000	3,425,939	40,530	1.18	4	7,381	14,265	294	--	18,596	17	14	8	--	35	193,398	138	84,931	76,141	3,070	--	29,118	34,390	11,507	5,338	10,442	--	1,567																			
\$100,000 or more	2,059,115	29,848	1.45	23	16,213	7,082	112	--	6,418	17	21	13	--	41	637,952	114,497	433,244	66,508	3,604	--	18,099	4,978,124	26,722	9,673	32,180	--	2,820																			
Schedule F returns by size of TGR: [9]																																														
Under \$100,000	367,420	1,709	0.47	--	311	463	2	--	933	17	35	100	--	42	4,279	--	2,869	587	--	--	823	--	9,224	1,268	--	--	882																			
\$100,000 or more	268,140	1,932	0.72	2	872	165	2	--	891	18	26	--	45	24,884	1,910	18,534	588	1	--	--	3,853	955,149	21,255	3,551	684	--	434																			
Corporation income tax returns, except Form 1120S, total [10]	2,411,961	23,410	0.97	2,660	18,548	N/A	13	--	2,189	25	N/A	15	--	76	14,736,381	12,769,771	1,949,953	N/A	324	--	18,333	4,800,666	105,130	N/A	24,954	--	8,375																			
Returns other than Form 1120F: [11]																																														
No balance sheet returns	293,983	2,729	0.93	62	1,035	N/A	5	--	1,627	31	N/A	20	--	86	67,681	16,394	49,539	N/A	[15]	--	1,948	264,426	47,863	N/A	64	--	1,197																			
Balance sheet returns by size of total assets:																																														
Under \$250,000	1,395,497	3,343	0.24	5	3,233	N/A	1	--	104	29	N/A	--	--	74	40,147	--	40,060	N/A	[15]	--	87	--	12,391	N/A	84	--	839																			
\$250,000 under \$1,000,000	417,973	3,177	0.76	3	3,118	N/A	--	--	56	32	N/A	--	--	66	57,175	5	56,817	N/A	--	--	353	1,692	18,222	N/A	--	--	6,301																			
\$1,000,000 under \$5,000,000	191,456	3,990	2.08	4	3,876	N/A	1	--	109	30	N/A	--	--	30	96,725	--	94,960	N/A	4	--	1,761	--	24,499	N/A	4,037	--	16,154																			
\$5,000,000 under \$10,000,000	30,570	1,416	4.63	19	1,350	N/A	1	--	46	31	N/A	--	--	48	53,897	825	52,271	N/A	320	--	481	43,419	38,719	N/A	19,963	--	10,450																			
\$10,000,000 under \$50,000,000	32,570	2,540	7.80	74	2,372	N/A	--	--	94	28	N/A	--	--	26	256,958	18,843	235,226	N/A	--	--	2,889	254,638	99,168	N/A	--	--	30,731																			
\$50,000,000 under \$100,000,000	8,057	865	10.74	55	778	N/A	4	--	28	22	N/A	--	--	14	106,093	9,065	95,894	N/A	--	--	1,134	164,621	123,257	N/A	--	--	40,511																			
\$100,000,000 under \$250,000,000	8,067	1,289	15.96	169	1,094	N/A	1	--	35	16	N/A	100	--	54	295,793	60,518	233,000	N/A	--	--	2,275	358,995	214,945	N/A	--	--	65,004																			
\$250,000,000 or more	10,908	3,749	34.37	2,166	1,508	N/A	--	--	75	8	N/A	--	--	56	13,668,201	12,590,754	1,070,047	N/A	--	--	7,400	5,812,906	709,580	N/A	--	--	98,672																			
Form 1120F returns [11]	22,900	312	1.36	103	194	N/A	--	--	15	20	N/A	--	--	87	95,511	73,367	22,139	N/A	--	--	5	712,300	114,119	N/A	--	--	326																			
Estate and trust income tax returns	3,918,918	7,206	0.18	73	4,957	--	4	--	2,172	30	N/A	25	--	84	98,339	618	88,673	N/A	--	--	9,048	8,461	17,888	N/A	--	--	4,166																			
Estate tax returns:																																														
Total	122,412	7,151	5.84	--	7,150	N/A	--	--	1	15	N/A	--	--	--	1,432,090	--	1,431,640	N/A	--	--	450	--	200,229	N/A	--	--	449,766																			
Size of gross estate:																																														
Under \$1,000,000	56,704	1,241	2.19	--	1,241	N/A	--	--	--	18	N/A	--	--	--	33,863	--	33,863	N/A	--	--	--	--	27,287	N/A	--	--	--																			
\$1,000,000 under \$5,000,000	59,970	4,365	7.28	--	4,365	N/A	--	--	--	15	N/A	--	--	--	422,097	--	422,097	N/A	--	--	--	--	96,700	N/A	--	--	--																			
\$5,000,000 or more	5,738	1,545	26.93	--	1,544	N/A	--	--	--	1	N/A	--	--	--	976,130	--	975,680	N/A	--	--	450	--	631,917	N/A	--	--	449,766																			
Gift tax returns	303,800	1,899	0.63	--	1,898	N/A	--	--</																																						

Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 2001

(Money amounts are in thousands of dollars, except as indicated)

Type and size of return	Returns filed in Calendar Year 2000 [1,2]		Returns examined								Percentage of non-CEP returns examined with no change			Recommended additional tax					Average recommended additional tax per return (dollars)					
	Total	Percentage covered	Revenue agent		Tax auditor [3,4]	Tax examiner [3]	Compliance center [3]	Revenue agent	Tax auditor [3,4]	Compliance center [3]	Total	Revenue agent		Tax auditor [3,4]	Tax examiner [3]	Compliance center [3]	Revenue agent		Tax auditor [3,4]	Compliance center [3]				
	(1)	(2)	(3)	CEP [3]								Non-CEP [3,4]	(4)				(5)	(6)			(7)	(8)	(9)	(10)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)			
United States, total [2]	168,184,400	815,057	0.48	6,373	144,992	119,962	8,784	534,946	5	9	5	19,761,366	12,704,558	5,201,672	431,267	42,429	1,381,444	9	5	5	9			
Income, estate, and gift tax, total: [6]	138,465,300	789,319	0.57	3,344	126,733	115,939	8,626	534,677	19	17	19	18,869,499	12,212,273	4,840,375	393,661	42,401	1,380,789	3,651,995	38,193	3,395	2,582			
Taxable returns																								
Individual income tax returns, total	127,097,400	731,756	0.58	151	77,835	115,935	8,594	529,241	14	17	19	3,301,860	12,147	1,521,787	393,657	42,396	1,331,673	80,439	19,551	3,396	2,517			
Nonbusiness returns:																								
Forms 1040A with TPI under \$25,000 [7,8]	41,716,800	357,954	0.86	3	8,866	21,818	1,826	325,441	17	15	15	1,019,820	76	123,248	52,522	5,409	838,565	25,344	13,901	2,407	2,577			
All other returns by size of TPI: [8]																								
Under \$25,000	13,948,800	55,624	0.40	1	4,767	9,540	727	40,589	13	12	22	234,520	--	73,213	39,695	2,496	119,116	211	15,358	4,161	2,935			
\$25,000 under \$50,000	30,108,900	67,109	0.22	2	8,449	23,805	1,308	33,545	16	16	27	176,578	1	72,841	42,825	4,212	56,699	322	8,621	1,799	1,690			
\$50,000 under \$100,000	23,377,600	53,433	0.23	--	9,846	18,865	1,584	23,338	16	17	33	193,062	--	88,568	53,745	8,030	42,719	--	8,995	2,879	1,830			
\$100,000 or more	9,326,300	64,259	0.69	118	19,978	13,853	1,224	29,086	12	31	36	897,326	10,855	657,280	86,730	9,618	132,843	91,989	32,900	6,261	4,567			
Business returns:																								
Schedule C returns by size of TGR: [9]																								
Under \$25,000	2,553,300	69,332	2.72	--	3,174	10,631	1,211	54,316	13	11	16	189,315	--	68,112	24,266	3,335	93,602	--	21,459	2,283	1,723			
\$25,000 under \$100,000	3,399,400	34,650	1.02	2	6,945	11,749	519	15,435	15	16	30	149,351	--	69,961	48,495	5,296	25,599	1	10,074	4,128	1,658			
\$100,000 or more	2,012,200	24,080	1.20	14	12,898	5,435	177	5,556	15	21	36	403,782	910	334,337	43,423	3,921	21,191	64,991	25,922	7,989	3,814			
Schedule F returns by size of TGR: [9]																								
Under \$100,000	382,100	2,104	0.55	--	944	278	11	871	5	32	23	3,173	--	2,163	528	61	421	--	2,291	1,900	483			
\$100,000 or more	272,000	3,211	1.18	11	1,968	161	7	1,064	6	17	18	34,933	305	32,064	1,428	18	1,118	27,711	16,293	8,867	1,050			
Corporation income tax returns, except Form 1120S, total [10]	2,453,000	23,268	0.95	2,550	19,271	2	3	1,442	25	50	64	14,235,711	12,183,886	2,029,122	4	5	22,694	4,777,994	105,294	2,156	15,738			
Returns other than Form 1120F: [11]																								
No balance sheet returns	294,600	1,935	0.66	74	1,136	1	--	724	29	100	70	436,834	314,375	106,381	N/A	--	16,078	4,248,311	93,645	N/A	22,207			
Balance sheet returns by size of total assets:																								
Under \$250,000	1,432,500	3,576	0.25	4	3,409	N/A	--	163	29	N/A	65	59,156	101	58,665	N/A	--	390	25,205	17,209	N/A	2,393			
\$250,000 under \$1,000,000	424,200	3,314	0.78	8	3,209	1	1	95	30	N/A	61	71,031	80	70,617	4	--	330	9,999	22,006	4,312	3,472			
\$1,000,000 under \$5,000,000	191,700	3,912	2.04	17	3,773	N/A	1	121	31	N/A	53	108,357	17,846	89,794	N/A	5	712	1,049,756	23,799	N/A	5,888			
\$5,000,000 under \$10,000,000	29,900	1,595	5.33	24	1,511	N/A	--	60	32	N/A	52	53,122	233	52,672	N/A	--	217	9,650	34,859	N/A	3,616			
\$10,000,000 under \$50,000,000	31,800	9,071	9.66	127	2,824	N/A	1	119	29	N/A	53	240,213	22,400	215,896	N/A	--	1,927	176,374	76,447	N/A	16,195			
\$50,000,000 under \$100,000,000	7,900	3,713	12.32	82	862	N/A	--	29	20	N/A	55	93,216	16,556	75,986	N/A	--	674	201,897	88,151	N/A	23,238			
\$100,000,000 under \$250,000,000	7,800	1,369	17.55	184	1,152	N/A	--	33	14	N/A	64	203,829	46,626	156,338	N/A	--	865	253,403	135,710	N/A	26,218			
\$250,000,000 or more	10,300	3,305	32.09	1,992	1,241	N/A	--	72	6	N/A	51	11,743,013	11,743,477	1,028,089	N/A	--	1,447	5,895,320	828,436	N/A	20,094			
Form 1120F returns [11]	22,300	218	0.98	38	154	N/A	--	26	19	N/A	81	196,940	22,192	174,694	N/A	--	54	584,007	1,134,378	N/A	2,071			
Estate and trust income tax returns	3,528,900	7,070	0.20	97	5,015	1	--	1,957	27	N/A	73	159,495	15,032	119,810	N/A	--	24,653	154,972	23,890	N/A	12,597			
Estate tax returns:																								
Total	123,500	7,707	6.24	1	7,550	N/A	--	156	13	N/A	3	829,154	1,208	826,377	N/A	--	1,569	1,207,553	109,454	N/A	10,058			
Size of gross estate:																								
Under \$1,000,000	60,200	1,623	2.70	1	1,572	N/A	--	50	17	N/A	--	122,518	1,208	121,098	N/A	--	212	1,207,553	77,034	N/A	4,243			
\$1,000,000 under \$5,000,000	57,800	4,496	7.78	--	4,404	N/A	--	92	12	N/A	--	5,238,855	--	238,076	N/A	--	779	--	54,059	N/A	8,470			
\$5,000,000 or more	5,500	1,588	28.87	--	1,574	N/A	--	14	14	N/A	--	467,781	--	467,203	N/A	--	578	--	296,255	N/A	41,255			
Gift tax returns	308,600	2,005	0.65	--	2,003	N/A	--	2	20	N/A	50	343,279	--	343,279	N/A	--	--	--	171,382	N/A	--			
Employment tax returns	28,866,600	13,978	0.05	1,735	11,226	737	27	253	16	9	14	491,501	276,738	209,684	4,196	28	655	159,503	18,698	5,694	2,587			
Employment revenue officer examiners [12]	N/A	3,185	N/A	N/A	3	3,182	N/A	N/A	10	N/A	10	N/A	33,405	N/A	N/A	N/A	N/A	N/A	N/A	1	10,498	N/A		
Excise tax returns [2]	852,500	8,169	0.96	1,063	6,858	104	131	13	15	--	100	206,854	74,262	132,591	1	--	--	69,861	19,334	8	--			
Other taxable returns [10,13]	[1]	406	[1]	231	172	--	--	3	12	--	100	160,107	141,285	18,822	--	--	--	611,622	109,429	--	--			
Nontaxable returns: [14]																								
Partnership returns, Form 1065	2,056,800	5,070	0.25	511	3,307	N/A	5	1,247	40	N/A	46	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
S corporation returns, Form 1120S [10,15]	2,897,100	12,437	0.43	34	11,746	1	24	632	38	N/A	49	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
Other nontaxable returns [14]	[1]	6	[1]	--	6	N/A	--	--	3	N/A	--	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		

See notes and footnotes at end of table.

N/A - Not applicable.

[1] In general, examination activity may be associated with returns filed in the previous calendar year. However, this relationship is only approximate. Therefore, for some categories, there are either no returns or a smaller number of returns filed in Calendar Year 2000, compared with examination activity in Fiscal Year 2001 (as indicated by data in other columns).

[2] Excludes excise tax returns filed with the Customs Service and Bureau of Alcohol, Tobacco and Firearms and tax-exempt/government entity organizations and employee plans.

[3] CEP (Coordinated Examination Program) covers "a taxpayer, and its effectively controlled entities, that warrants application of 'team examination' procedures." Tax auditors are Compliance personnel who are required to have 9 semester hours of accounting and who perform examinations on selected individual, employment, and excise returns. Tax examiners are field operations and Compliance Centers perform examinations on correspondence.

[4] Data reported under the heading "Tax auditor" for corporations, trusts, and 1120S returns reflect incorrect coding of these few returns for Fiscal Year 2001. This is also true for the data shown under the heading "Revenue agent Non-CEP" for employment revenue officer examiners. These data are included as coded in order to preserve the integrity of the overall totals.

[5] Not computed.

[6] Comprises all returns except returns shown as employment, employment revenue officer examiners, excise, and other taxable returns.

[7] Form 1040A is one of the two IRS individual income tax return "short forms."

[8] TPI (total positive income) is, in general, the sum of all positive amounts shown for the various sources of income reported on the individual income tax return, and, thus, excludes net losses. For example, it includes "business or profession net income," but not "business or profession net loss."

[9] Schedule C returns are filed by nonfarm sole proprietors. Schedule F returns are filed by farm sole proprietors. TGR stands for "total gross receipts."

[10] Forms 1120S are returns filed by qualifying corporations electing to be taxed through shareholders. Under certain conditions, some of these corporations are subject to tax and are included in "other taxable returns" in this table. Otherwise, they are included in "nontaxable returns." Total for corporations also excludes certain other types of corporations, which are also included in "other taxable returns" described in footnote 13, below.

[11] Forms 1120F are returns filed by foreign corporations with U.S. income, other than foreign life insurance companies and foreign sales corporations.

[12] Comprises work performed by a revenue officer examiner. Revenue officer examiners are employees who have been trained to do certain employment tax returns. Data are collected for these individuals and shown separately from employment returns.

[13] Includes Forms 1120S (for S corporations reporting a tax; see also footnote 10); 1120-FSC (foreign sales corporations); 8288 (withholding

Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 2000

[Money amounts are in thousands of dollars, except as indicated]

Type and size of return	Returns examined							Percentage of non-CEP returns examined with no change					Recommended additional tax					Average recommended additional tax per return (dollars)																				
	Returns filed in Calendar Year 1999 [1, 2]		Percentage covered [3]	Revenue agent			Compliance center [8]	Revenue agent [9]	Tax auditor [3]	Compliance center [3]	Total [12]	Revenue agent		Tax auditor [3]	Tax examiner [3]	Compliance center [3]	Revenue agent		Tax auditor [3]	Compliance center [3]																		
	Total [1]	CEP [3]		CEP [3]	Tax auditor [3]	Tax examiner [3]						CEP [3]	Non-CEP [3]				CEP [3]	Non-CEP [3]																				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)																	
United States, total [2]	165,771,300	715,915	0.43	5,987	171,963	150,956	13,754	373,255	4			4					15,902,042	8,714,988	5,629,230	533,043	54,877	969,904	4	4	4	4												
Income, estate, and gift tax, total:																																						
Taxable returns: [5]	135,949,600	685,129	0.50	3,183	149,196	145,975	13,559	373,216	18			15	26	15,175,887	8,384,643	5,279,782	487,086	54,690	969,686	2,634,195	35,388	3,337	2,598															
Individual income tax returns, total	124,887,100	617,765	0.49	168	91,418	145,975	13,547	366,657	13			15	26	3,388,905	17,274	1,875,853	487,086	54,666	954,026	102,817	20,520	3,337	2,602															
Nonbusiness returns:																																						
Forms 1040A with TPI under \$25,000 [6, 7]	42,484,600	256,650	0.60	2	10,528	31,179	3,864	211,077	14			13	22	888,256	527	122,508	84,370	16,201	464,650	263,305	11,636	2,708	2,201															
All other returns by size of TPI: [7]																																						
Under \$25,000	13,783,200	51,567	0.37	2	6,207	14,286	1,406	29,666	13			11	27	161,643	--	58,132	37,530	4,447	61,534	--	9,365	2,627	2,074															
\$25,000 under \$50,000	29,650,500	63,742	0.21	2	9,817	29,916	2,540	21,467	13			13	29	186,488	30	84,793	58,831	6,984	35,850	14,929	8,637	1,967	1,670															
\$50,000 under \$100,000	22,336,900	51,954	0.23	2	9,924	24,037	2,373	15,618	12			14	33	197,035	--	99,476	63,545	7,593	26,421	--	10,024	2,644	1,692															
\$100,000 or more	8,151,600	68,616	0.84	113	22,626	13,890	1,284	30,703	11			30	38	1,251,369	11,183	895,915	76,067	8,641	259,563	98,964	39,597	5,476	8,454															
Business returns:																																						
Schedule C returns by size of TGR: [8]																																						
Under \$25,000	2,541,000	61,695	2.43	3	4,691	11,552	1,211	44,238	13			13	26	126,495	24	33,889	33,589	3,060	55,933	7,900	7,224	2,908	1,264															
\$25,000 under \$100,000	3,351,100	31,226	0.93	--	8,491	14,402	627	7,706	13			12	45	159,886	--	72,667	72,675	3,911	10,633	--	8,558	5,046	1,380															
\$100,000 or more	1,948,900	28,781	1.48	38	17,580	6,116	219	4,828	15			17	42	572,103	2,374	476,637	58,391	3,684	31,017	62,482	27,112	9,547	6,424															
Schedule F returns by size of TGR: [8]																																						
Under \$100,000	391,200	1,384	0.35	--	430	385	14	555	12			28	26	3,739	--	2,631	631	78	399	--	6,118	1,638	718															
\$100,000 or more	268,100	2,150	0.80	6	1,124	212	9	799	14			22	25	41,891	3,136	29,205	1,457	8,026	522,625	25,983	6,872	10,045																
Corporation income tax returns, except Form 1120S, total [9]	2,509,100	28,183	1.12	2,339	24,452	N/A	6	1,345	23				67	10,042,559	8,357,200	1,675,811	N/A	24	9,524	3,572,980	68,423	N/A	7,076															
Returns other than Form 1120F: [10]																																						
No balance sheet returns	294,200	1,823	0.62	57	1,307	N/A	--	459	24				N/A	79	112,751	49,235	62,832	N/A	--	684	863,764	48,073	N/A	1,489														
Balance sheet returns by size of total assets:																																						
Under \$250,000	1,484,300	4,371	0.29	5	4,131	N/A	1	234	23				N/A	74	61,077	70	59,506	N/A	21	1,480	14,009	14,406	N/A	6,326														
\$250,000 under \$1,000,000	430,400	4,713	1.10	14	4,553	N/A	1	145	27				N/A	61	223,948	37	223,583	N/A	--	328	2,637	49,107	N/A	2,265														
\$1,000,000 under \$5,000,000	191,900	5,675	2.96	35	5,496	N/A	--	144	29				N/A	56	142,120	6,013	135,329	N/A	--	778	171,810	24,623	N/A	5,400														
\$5,000,000 under \$10,000,000	29,200	2,041	6.99	13	1,965	N/A	2	61	26				N/A	59	78,303	9,995	68,098	N/A	--	210	788,866	34,655	N/A	3,451														
\$10,000,000 under \$50,000,000	31,100	3,628	11.67	95	3,455	N/A	--	78	25				N/A	54	252,565	11,619	240,318	N/A	--	628	122,306	69,557	N/A	8,045														
\$50,000,000 under \$100,000,000	7,800	1,145	14.68	93	1,013	N/A	--	39	19				N/A	56	157,146	19,124	136,959	N/A	--	1,063	205,638	136,202	N/A	27,248														
\$100,000,000 under \$250,000,000	7,800	1,359	17.42	161	1,133	N/A	--	45	13				N/A	69	247,545	33,032	211,653	N/A	--	2,860	182,497	186,897	N/A	63,556														
\$250,000,000 or more	9,800	3,080	31.43	1,757	1,249	N/A	2	72	7				N/A	46	8,479,141	8,056,228	421,431	N/A	3	1,479	4,585,218	337,415	N/A	20,543														
Form 1120F returns [10]	22,600	348	1.54	89	190	N/A	--	69	24				N/A	58	287,963	171,847	116,102	N/A	--	14	1,930,667	611,065	N/A	204														
Estate and trust income tax returns	3,403,300	7,318	0.22	4	4,395	N/A	--	2,919	20				N/A	76	239,960	--	235,855	N/A	--	4,105	--	53,664	N/A	1,406														
Estate tax returns:																																						
Total	116,500	8,024	6.89	2	7,749	N/A	--	273	13				N/A	6	1,044,678	10,169	1,032,478	N/A	--	2,031	5,084,537	133,240	N/A	7,442														
Size of gross estate:																																						
Under \$1,000,000	60,700	2,066	3.40	--	1,930	N/A	--	136	16				N/A	5	63,151	--	62,123	N/A	--	1,028	--	32,186	N/A	7,562														
\$1,000,000 under \$5,000,000	50,600	4,512	8.92	1	4,394	N/A	--	117	12				N/A	6	247,944	--	246,960	N/A	--	984	--	56,204	N/A	8,413														
\$5,000,000 or more	5,200	1,446	27.81	1	1,425	N/A	--	20	12				N/A	10	733,583	10,169	723,395	N/A	--	19	#####	507,646	N/A	937														
Gift tax returns	291,900	2,097	0.72	6	2,091	N/A	--	--	21				N/A	--	459,785	--	459,785	N/A	--	--	--	219,888	N/A	--														
Employment tax returns	28,999,500	16,079	0.06	1,521	13,559	833	138	28	16				6	29	344,666	227,566	113,752	3,149	187	1																		

Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 1999

[Money amounts are in thousands of dollars, except as indicated]

Type and size of return	Returns filed in Calendar Year 1998 [1,2]	Returns examined							Percentage of returns examined with no change			Recommended additional tax					Average recommended additional tax per return (dollars)					
		Total	Percentage covered	Revenue agent			Tax examiner	Service center	Revenue agent	Tax auditor	Service center	Total	Revenue agent		Tax auditor	Tax examiner	Service center	Revenue agent				
				CEP [3]	Non-CEP [3]	Tax auditor							CEP [3]	Non-CEP [3]				CEP [3]	Non-CEP [3]	CEP [3]	Non-CEP [3]	Tax auditor
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)		
United States, total [2]	163,253,100	1,228,406	0.75	5,800	233,443	241,875	24,729	722,559	[4]	[4]	[4]	19,467,559	11,145,222	5,914,247	821,030	84,822	1,502,235	[4]	[4]	[4]	[4]	
Taxable returns: [5]																						
Income, estate, and gift tax, total	133,299,700	1,186,607	0.89	2,811	201,284	235,625	24,345	722,542	18	15	15	18,791,428	10,848,996	5,586,520	769,341	84,372	1,502,208	3,859,476	27,754	3,265	2,079	
Individual income tax returns, total	122,546,900	1,100,273	0.90	148	124,370	235,625	24,341	715,789	12	15	15	4,458,474	45,230	2,067,316	769,341	84,372	1,492,215	305,608	16,622	3,265	2,085	
Nonbusiness returns:																						
Forms 1040A with TPI under \$25,000 [6,7]	44,323,300	600,949	1.36	3	12,551	53,287	11,058	524,050	12	12	11	1,444,961	140	123,461	150,348	33,044	1,137,968	46,705	9,837	2,821	2,171	
All other returns by size of TPI: [7]																						
Under \$25,000	13,109,600	76,215	0.58	10	7,759	22,891	2,757	42,798	12	13	18	222,402	49	88,551	54,047	7,375	72,380	4,876	11,413	2,361	1,691	
\$25,000 under \$50,000	28,831,900	103,340	0.36	2	12,171	47,174	3,742	40,251	9	13	16	253,771	33	90,499	94,946	11,044	57,249	16,712	7,436	2,013	1,422	
\$50,000 under \$100,000	20,873,000	77,890	0.37	7	12,473	39,920	2,261	23,037	10	16	22	247,686	251	110,415	103,651	7,194	26,175	35,871	8,852	2,596	1,136	
\$100,000 or more	7,025,000	80,038	1.14	92	32,022	20,806	1,016	26,102	11	31	33	1,183,346	41,532	916,470	111,178	8,547	105,620	451,430	28,620	5,344	4,046	
Business returns:																						
Schedule C returns by size of TGR: [8]																						
Under \$25,000	2,546,800	68,450	2.69	1	5,904	19,130	2,109	41,306	12	14	31	167,151	--	50,507	52,769	4,690	59,186	--	8,555	2,758	1,433	
\$25,000 under \$100,000	3,267,300	42,391	1.30	3	10,324	21,739	989	9,336	10	12	25	228,973	170	94,719	112,385	7,261	14,438	56,588	9,175	5,170	1,547	
\$100,000 or more	1,876,000	44,945	2.40	26	29,035	9,513	353	6,018	16	19	33	648,968	3,055	538,701	86,456	4,510	16,245	117,510	18,554	9,088	2,699	
Schedule F returns by size of TGR: [8]																						
Under \$100,000	417,000	2,832	0.68	1	559	863	37	1,372	17	26	25	8,615	--	4,920	2,401	171	1,123	--	8,802	2,782	819	
\$100,000 or more	277,000	3,415	1.23	3	1,572	302	19	1,519	15	29	24	52,601	--	49,073	1,160	538	1,831	--	31,217	3,841	1,206	
Corporation income tax returns, except Form 1120S, total [9]	2,523,100	38,089	1.55	2,321	35,708	N/A	3	1,067	25	N/A	61	12,841,329	10,784,937	2,050,274	N/A	--	6,117	4,646,677	57,418	N/A	5,732	
Returns other than Form 1120F: [10]																						
No balance sheet returns	293,900	1,969	0.67	55	1,759	N/A	--	155	27	N/A	59	147,210	96,233	50,534	N/A	--	444	1,749,689	28,729	N/A	2,864	
Balance sheet returns by size of total assets:																						
Under \$250,000	1,506,300	6,885	0.46	3	6,644	N/A	2	216	26	N/A	60	104,427	10,915	93,059	N/A	--	454	3,638,306	14,006	N/A	2,102	
\$250,000 under \$1,000,000	429,600	7,226	1.68	8	7,073	N/A	1	144	28	N/A	62	110,247	2,562	107,468	N/A	--	216	320,301	15,194	N/A	1,502	
\$1,000,000 under \$5,000,000	187,700	9,253	4.93	19	9,045	N/A	--	189	27	N/A	59	235,987	1,252	232,852	N/A	--	1,883	65,885	25,744	N/A	9,962	
\$5,000,000 under \$10,000,000	28,700	2,955	10.30	14	2,861	N/A	--	80	29	N/A	61	121,804	4,788	115,921	N/A	--	1,095	342,025	40,518	N/A	13,683	
\$10,000,000 under \$50,000,000	30,900	4,604	14.90	80	4,424	N/A	--	100	26	N/A	68	392,656	22,190	369,941	N/A	--	525	277,378	83,621	N/A	5,248	
\$50,000,000 under \$100,000,000	7,700	1,270	16.49	66	1,171	N/A	--	33	19	N/A	52	199,558	24,397	175,054	N/A	--	107	369,651	149,491	N/A	3,246	
\$100,000,000 under \$250,000,000	7,700	1,450	18.83	130	1,289	N/A	--	31	16	N/A	55	338,681	58,427	280,031	N/A	--	23	419,436	217,247	N/A	735	
\$250,000,000 or more	9,000	3,213	35.70	1,908	1,219	N/A	--	86	5	N/A	59	11,091,431	10,535,130	554,968	N/A	--	1,332	6,521,557	455,265	N/A	15,491	
Form 1120F returns [10]	21,600	294	1.36	38	223	N/A	--	33	15	N/A	70	99,528	29,043	70,447	N/A	--	38	764,292	315,905	N/A	1,149	
Estate and trust income tax returns	3,397,600	6,382	0.19	10	3,448	N/A	--	2,924	19	N/A	76	87,910	18,685	67,372	N/A	--	1,853	1,868,458	19,539	N/A	834	
Estate tax returns:																						
Total	110,100	9,319	8.46	--	9,023	N/A	--	296	11	N/A	7	1,057,654	--	1,055,631	N/A	--	2,023	--	116,993	N/A	6,837	
Size of gross estate:																						
Under \$1,000,000	59,900	2,863	4.78	--	2,719	N/A	--	144	13	N/A	9	101,564	--	100,731	N/A	--	833	--	37,047	N/A	5,788	
\$1,000,000 under \$5,000,000	46,000	5,035	10.95	--	4,896	N/A	--	139	10	N/A	5	290,514	--	289,501	N/A	--	1,013	--	59,130	N/A	7,287	
\$5,000,000 or more	4,200	1,421	33.83	--	1,408	N/A	--	13	11	N/A	--	665,576	--	665,399	N/A	--	177	--	472,584	N/A	13,646	
Gift tax returns	281,200	2,369	0.81	3	2,366	N/A	--	--	22	N/A	--	346,061	134	345,927	N/A	--	--	44,583	146,208	N/A	--	
Employment tax returns	29,131,500	24,105	0.08	1,833	20,757	1,282	222	11	13	8	9	422,583	203,177	211,345	7,665	384	11	110,844	10,162	5,979	1,031	
Employment revenue officer examiners [11]		4,793	[1]	N/A	N/A	4,793	N/A	N/A	N/A	11	N/A	44,016	N/A	N/A	44,016	N/A	N/A	N/A	N/A	N/A	9,183	N/A
Excise tax returns [12]	821,900	12,562	1.53	1,002	11,223	175	162	--	15	4	--	151,569	38,932	112,562	8	66	--	38,854	10,030	48	--	
Other taxable returns [9,12]	[1]	339	[1]	154	179	--	--	--	6	18	--	57,963	54,127	3,820	--	--	--	16	351,476	21,340	--	2,609
Nontaxable returns: [13]																						
Partnership returns, Form 1065	1,861,000	7,991	0.43	265	5,975	N/A	--	1,751	43	N/A	56	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
S corporation returns, Form 1120S [9,14]	2,589,800	21,168	0.81	62	20,391	N/A	1	715	37	N/A	51	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Other nontaxable returns [5]	[1]	5	[1]	2	3	N/A	--	--	3	N/A	--	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	

N/A - Not Applicable.

NOTES: Detail may not add to totals because of rounding.

[1] In general, examination activity may be associated with returns filed in the previous calendar year. However, this relationship is only approximate. Therefore, for some categories, there are either no returns or a smaller number of returns shown in column 1, compared to the number with examination activity (as indicated by data in other columns).

[2] Excludes excise tax returns filed with the Customs Service and Bureau of Alcohol, Tobacco and Firearms.

[3] CEP (Coordinated Examination Program) covers "a taxpayer, and its effectively controlled entities, that warrants application of team examination procedures."

[4] Not computed.

[5] The following returns are nontaxable: Form 1120-DISC (domestic international sales corporations); Form 1120-IC-DISC (interest charge domestic international sales corporations); Form 1066 (real estate mortgage investment conduits); and certain others.

[6] Form 1040A is one of the two IRS individual income tax return "short forms."

[7] TPI (total positive income) is, in general, the sum of all positive amounts shown for the various sources of income reported on the individual income tax return, and, thus, excludes net losses. For example, it includes "business or profession net income," but not "business or profession net loss."

[8] Schedule C returns are filed by nonfarm sole proprietors. Schedule F returns are filed by farm sole proprietors. TGR stands for "total gross receipts."

[9] Forms 1120S are returns filed by qualifying corporations electing to be taxed through shareholders. Under certain conditions, some of these corporations were subject to tax and are included in "other taxable returns" in this table. Otherwise, they are included in "nontaxable returns." Total for corporations also excludes certain other types of corporations, which are also included in "other taxable returns" described in footnote 12, below.

[10] Forms 1120F are returns filed by foreign corporations with U.S. income, other than foreign life insurance companies and foreign sales corporations.

[11] Compares work performed by a revenue officer examiner. (Revenue officer examiners were transferred to the examination function from the collection function in 1996; therefore, examination data for them are only available starting with that year.)

[12] Includes Forms 1120S (for S corporations reporting a tax; see also footnote 9); 1120-FSC (foreign sales corporations); 8288 (withholding tax returns for disposition by foreign persons of U.S. property interests); and certain other returns.

[13] Includes returns filed by "flow through" entities, such as partnerships, S corporations, and certain others, that have tax consequences applicable to the partners, shareholders, or other owners. For other nontaxable returns, see also footnote 5.

[14] Includes most Form 1120S returns (S corporations that are nontaxable; see also footnotes 9 and 12).

SOURCE: 1999 IRS Data Book, Publication 556.

Examination Coverage: Recommended and Average Recommended Additional Tax After Examination, by Type and Size of Return, Fiscal Year 1998

[Money amounts are in thousands of dollars, except as indicated]

Type and size of return	Returns examined											Percentage with no change					Recommended additional tax					Average recommended additional tax per return (dollars)		
	Returns filed in Calendar Year 1997 ^{1,4}	Total	Percentage covered	Revenue agent		Tax auditor	Tax examiner	Service center	Revenue agent	Tax auditor	Service center	Total	Revenue agent		Tax auditor	Tax examiner	Service center	Revenue agent		Tax auditor	Service center			
				CEP ³	Non-CEP ³								CEP ³	Non-CEP ³										
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)				
United States, total	160,660,000	1,362,643	0.85	7,219	311,702	393,031	16,593	634,098	()	()	()	23,360,289	11,770,839	8,409,651	1,368,340	50,127	1,761,335	()	()	() ⁴	() ⁴			
Taxable returns:¹																								
Income, estate, and gift tax, total	130,788,300	1,301,790	1.00	3,197	265,089	383,366	16,341	633,797	17	15	22	21,886,240	11,116,520	7,665,791	1,292,854	49,957	1,761,120	3,477,172	28,918	3,372	2,779			
Individual income tax returns, total	120,342,400	1,192,780	0.99	200	167,854	383,366	16,339	625,021	12	15	21	6,095,698	31,997	2,996,004	1,292,854	49,698	1,725,148	159,981	17,849	3,372	2,760			
Nonbusiness returns:																								
Forms 1040A with TPI under \$25,000 ^{6,7}	45,343,300	515,015	1.14	1	16,162	104,129	7,190	387,533	9	11	21	1,688,895	18	181,522	317,996	16,833	1,172,527	17,865	11,231	3,054	3,026			
All other returns by size of TPI: ⁷																								
Under \$25,000	12,923,300	104,050	0.81	4	11,069	37,992	2,101	52,884	9	12	20	329,672	90	111,229	82,982	5,451	129,920	22,390	10,049	2,184	2,457			
\$25,000 under \$50,000	28,292,600	165,168	0.58	7	16,310	78,209	2,606	68,036	9	14	13	462,193	136	155,656	164,654	6,301	135,446	19,383	9,544	2,105	1,991			
\$50,000 under \$100,000	19,443,700	121,384	0.62	16	16,689	59,945	1,323	43,411	10	18	16	384,763	104	167,688	149,828	4,199	62,943	6,517	10,048	2,499	1,450			
\$100,000 or more	6,044,700	100,079	1.66	124	40,700	27,312	825	31,118	11	31	36	1,599,878	23,334	1,263,851	171,304	5,212	136,277	188,180	31,053	6,272	4,379			
Business returns:																								
Schedule C returns by size of TGR: ⁸																								
Under \$25,000	2,530,100	60,023	2.37	1	8,654	29,797	1,193	20,378	8	16	30	224,265	1	93,060	93,563	2,598	35,044	610	10,753	3,140	1,720			
\$25,000 under \$100,000	3,228,300	58,877	1.82	1	15,882	30,676	704	11,614	11	13	25	351,132	28	154,745	169,797	3,939	22,624	27,678	9,743	5,535	1,948			
\$100,000 or more	1,835,500	59,728	3.25	38	39,005	13,285	279	7,121	16	20	35	968,298	7,193	792,747	138,047	4,440	25,872	189,282	20,324	10,391	3,633			
Schedule F returns by size of TGR: ⁹																								
Under \$100,000	424,500	3,949	0.93	--	986	1,511	62	1,390	18	30	23	11,354	--	7,041	3,044	68	1,202	--	7,141	2,015	865			
\$100,000 or more	276,400	4,507	1.63	8	2,397	510	56	1,536	18	31	19	75,148	1,093	68,465	1,639	657	3,293	136,674	28,563	3,214	2,144			
Corporation income tax returns, except Form 1120S, total ⁹	2,585,600	54,051	2.09	2,571	49,965	N/A	2	1,513	24	N/A	51	13,906,795	11,084,392	2,790,619	N/A	259	31,523	4,311,316	55,851	N/A	20,834			
Returns other than Form 1120F: ¹⁰																								
No balance sheet returns	293,300	2,818	0.96	82	2,446	N/A	--	290	25	N/A	34	205,887	129,276	71,924	N/A	--	4,686	1,576,542	29,405	N/A	16,158			
Balance sheet returns by size of total assets:																								
Under \$250,000	1,561,600	12,063	0.77	10	11,654	N/A	--	399	25	N/A	51	158,044	1	151,258	N/A	--	6,786	92	12,979	N/A	17,006			
\$250,000 under \$1,000,000	436,600	11,007	2.52	10	10,813	N/A	--	184	27	N/A	54	189,230	260	188,341	N/A	--	629	26,003	17,418	N/A	3,416			
\$1,000,000 under \$5,000,000	188,600	12,064	6.40	34	11,876	N/A	--	152	28	N/A	54	278,756	211	277,451	N/A	259	835	6,220	23,362	N/A	5,491			
\$5,000,000 under \$10,000,000	28,600	3,866	13.52	32	3,776	N/A	--	58	26	N/A	52	162,927	3,246	159,588	N/A	--	93	101,447	42,264	N/A	1,601			
\$10,000,000 under \$50,000,000	31,100	5,604	18.02	97	5,369	N/A	--	138	23	N/A	55	516,955	7,871	504,586	N/A	--	4,497	81,147	93,981	N/A	32,590			
\$50,000,000 under \$100,000,000	8,000	1,455	18.19	81	1,319	N/A	--	55	17	N/A	65	329,651	72,287	256,699	N/A	--	665	892,427	194,617	N/A	12,089			
\$100,000,000 under \$250,000,000	7,600	1,490	19.61	184	1,247	N/A	--	59	13	N/A	61	580,512	243,540	336,517	N/A	--	454	1,323,586	269,862	N/A	7,702			
\$250,000,000 or more	8,500	3,281	38.60	1,979	1,188	N/A	--	114	6	N/A	57	11,325,343	10,515,460	797,126	N/A	--	12,757	5,313,522	670,981	N/A	#####			
Form 1120F returns ¹⁰	21,700	403	1.86	62	277	N/A	--	64	29	N/A	59	159,490	112,240	47,129	N/A	--	121	1,810,328	170,140	N/A	1,894			
Estate and trust income tax returns	3,314,700	6,890	0.21	39	2,402	N/A	--	4,449	23	N/A	77	84,088	131	82,675	N/A	--	1,282	3,360	34,419	N/A	288			
Estate tax returns:																								
Total	102,300	10,451	10.22	--	10,083	N/A	--	368	10	N/A	1	1,432,624	--	1,429,458	N/A	--	3,167	--	141,769	N/A	8,606			
Size of gross estate:																								
Under \$1,000,000	58,000	3,074	5.30	--	2,878	N/A	--	196	12	N/A	2	83,481	--	82,363	N/A	--	1,118	--	28,618	N/A	5,705			
\$1,000,000 under \$5,000,000	40,700	5,945	14.61	--	5,796	N/A	--	149	9	N/A	1	279,348	--	277,867	N/A	--	1,481	--	47,941	N/A	9,941			
\$5,000,000 or more	3,600	1,432	39.78	--	1,409	N/A	--	23	10	N/A	--	1,069,795	--	1,069,228	N/A	--	568	--	758,856	N/A	24,675			
Gift tax returns	255,600	2,010	0.79	--	2,009	N/A	--	1	16	N/A	100	367,035	--	367,035	N/A	--	--	--	182,695	N/A	--			
Employment tax returns	29,070,400	33,876	0.12	2,572	29,257	1,680	65	292	11	6	45	693,119	334,310	353,345	5,205	87	173	129,981	12,077	3,080	594			
Employment revenue officer examiners ¹¹	()	6,719	()	N/A	N/A	6,719	N/A	N/A	N/A	9	N/A	69,824	N/A	N/A	69,824	N/A	N/A	N/A	N/A	10,392	N/A			
Excise tax returns ²	801,300	19,858	2.48	1,293	17,122	1,256	187	--	10	9	--	505,100	161,169	343,390	457	83	--	124,647	20,056	364	--			
Other taxable returns ¹²	()	400	()	157	234	--	--	--	9	17	--	206,006	158,840	47,125	--	--	--	42	1,011,718	201,389	--	4,631		
Nontaxable returns:¹³																								
Partnership returns, Form 1065	1,737,800	10,082	0.58	356	8,172	N/A	--	1,554	40	N/A	57	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
S corporation returns, Form 1120S ¹⁴	2,449,900	25,522	1.04	29	24,602	N/A	--	891	36	N/A	49	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
Other nontaxable returns ²	()	4	()	2	2	N/A	--	--	2	N/A	--	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			

See note and footnotes following the last table.